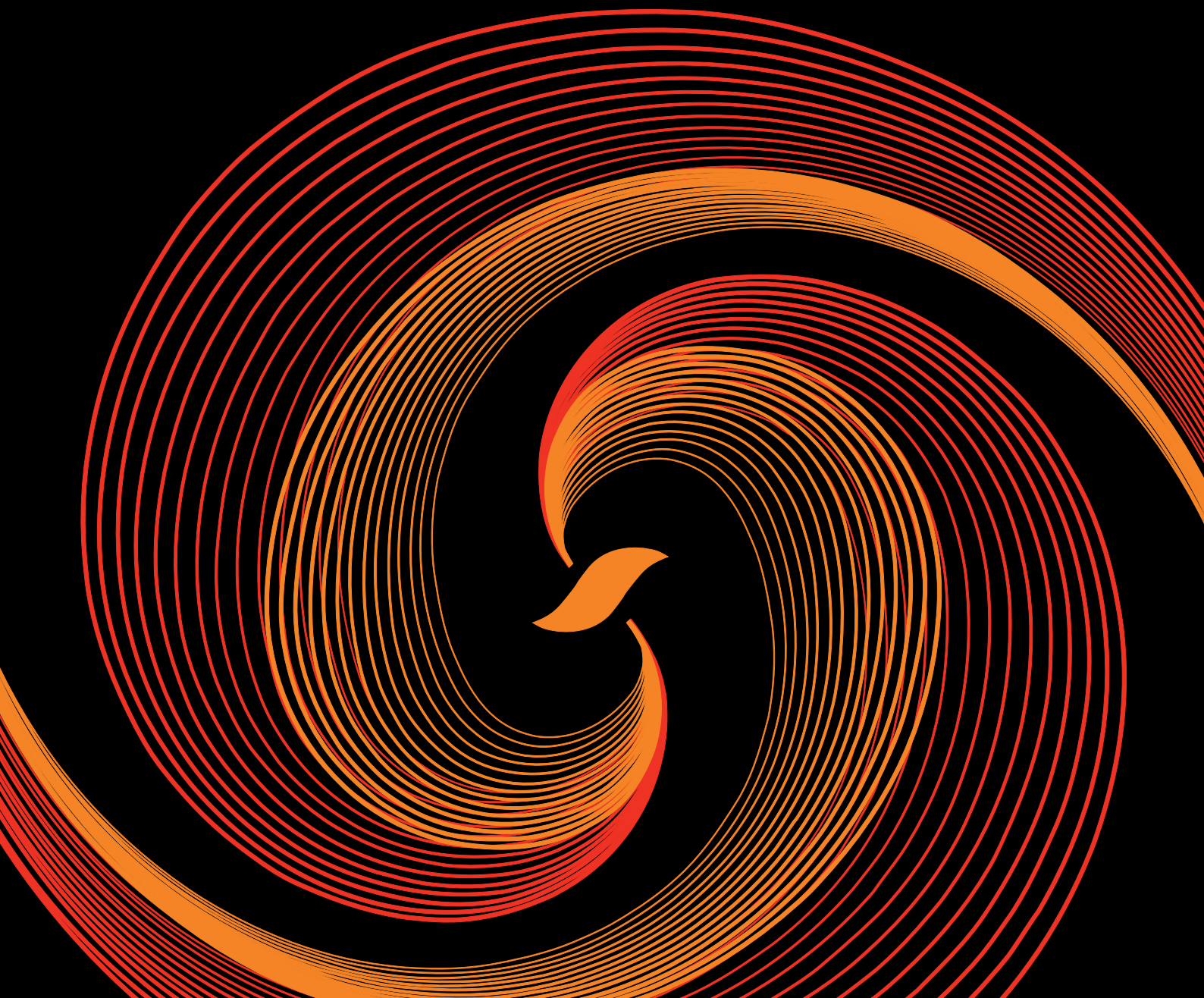


PHOENIX SATELLITE TELEVISION HOLDINGS LIMITED  
鳳凰衛視控股有限公司

PHOENIX 鳳凰   
ANNUAL REPORT 年報 2005

STOCK CODE 股份代號 8002

A SHARED SKY 共同的天空



01	MISSION STATEMENT 公司使命
02	TENTH ANNIVERSARY 十周年
04	MILESTONES 里程碑
08	CHAIRMAN'S STATEMENT 主席報告書
12	A GLOBAL MEDIA ORGANISATION 建基全球
14	GLOBAL OUTLOOK 全球視野
16	A GLOBAL TEAM 我們的全球團隊
22	THE CHINESE GATEWAY 中國門戶
24	FINANCIAL INFORMATION 財務資料

#### CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET ("GEM") OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE "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.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

The principal means of information dissemination on GEM is publication on the internet website operated by the Exchange. Listed companies are not generally required to issue paid announcements in gazetted newspapers. Accordingly, prospective investors should note that they need to have access to the GEM website in order to obtain up-to-date information on GEM-listed issuers.

The Exchange takes no responsibility for the contents of the report, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this report.

The Directors collectively and individually accept full responsibility for this report which is given in compliance with the requirements (Rules Governing the Listing of Securities on the GEM) of the Exchange. The Directors confirm, having made all reasonable enquires, that to the best of their knowledge and belief, (i) the information contained in the report are accurate and complete in all material aspects and not misleading; (ii) there are no other facts the omission of which would make any statement herein misleading; and (iii) opinions expressed in this report have been arrived at after due and careful consideration on the basis and assumptions of reasonableness and fairness.

#### 香港聯合交易所有限公司（「聯交所」） 創業板（「創業板」）的特色

創業板乃為帶有高投資風險的公司提供一個上市的市場。尤其在創業板上市的公司毋須有過往溢利記錄，亦毋須預測未來溢利。此外，在創業板上市的公司可因其新興性質及該等公司經營業務的行業或國家而帶有風險。有意投資的人士應了解投資於該等公司的潛在風險，並應經過審慎周詳的考慮後方作出投資決定。創業板的較高風險及其他特色表示創業板較適合專業及其他老練投資者。

由於創業板上市公司新興的性質所然，在創業板買賣的證券可能會較於主板買賣之證券承受較大的市場波動風險，同時無法保證在創業板買賣的證券會有高流通量的市場。

創業板所發佈的資料的主要方法為在交易所為創業板而設的互聯網網頁刊登。上市公司毋須在憲報指定報章刊登付款公佈披露資料。因此，有意投資的人士應注意彼能閱覽創業板網頁，以便取得創業板上市發行人的最新資料。

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

本報告乃遵照創業板上市規則之規定提供有關本公司之資料。本公司各董事對上述資料共同及個別承擔全部責任。本公司各董事在作出一切合理查詢後確認，就彼等所深知及確信，(i)本報告所載資料在各主要方面均為準確及完整，且無誤導成份；(ii)本報告並無遺漏其他事項致使本報告內容有所誤導；及(iii)本報告所載一切意見已經審慎周詳考慮，並以公平及合理之準則與假設為基礎。

# 我們看世界

WE WATCH THE WORLD

THE WORLD WATCHES US

世界看我們



## MISSION STATEMENT 公司使命

Phoenix provides Chinese communities around the world with a continuous stream of Chinese-language programming, ranging from entertainment and talk shows through to balanced, accurate and up-to-the-minute news and information about developments around the globe. By performing this mission, Phoenix brings China closer to the world and the world closer to China.

鳳凰與世界各地的華語社群分享無間的華語節目，包括娛樂、客觀的評論節目、準確即時新聞及世界資訊等。透過擔任該角色，鳳凰不單令世界逐漸走向中國，同時亦令中國逐漸走向世界。



## TENTH ANNIVERSARY 十周年

2006 represents the tenth anniversary of Phoenix as a Hong Kong-based television broadcaster. During this ten-year period Phoenix has grown from being a single channel to a global system, with three channels broadcasting to China and across the Asia-Pacific region, a North-American channel and a European channel. Phoenix has also established itself as the main conveyer of Mandarin Chinese news and information programming to mainland China and the broader global Chinese community.

作為一家以香港為基地的電視廣播公司，二零零六年為鳳凰衛視的第十個週年。在此十年期間，鳳凰衛視已從一家單一頻道廣播公司發展為當今具全球視野的媒體機構，包括面向中國及亞太區廣播的三個電視頻道、一個美洲台及一個歐洲台。鳳凰衛視已將其塑造為中國大陸及全球廣大華語社群獲取華語新聞及資訊節目的主要傳播者。



# 前 瞻

展望未來，鳳凰會繼續擴大觀

Phoenix looks forward to a future in which it can continue

眾層面及服務範圍，致力為華

to expand its audience and outreach, providing world-

語世界提供世界級水準的新

standard news, information and entertainment to the

聞、資訊及娛樂；並為中國及

Chinese-speaking world, thereby serving as a modern

全球各地之間，提供一個先進

and efficient means of communication between China

及高效率的溝通渠道。

and the world at large.



## 1996

**31 MARCH** Phoenix Chinese Channel began broadcasting.

**3月31日** 鳳凰衛視中文台正式啟播。

## 1997

**1 JUNE** Phoenix sponsored and staged "Leaping the Yellow River", in which the dare-devil driver from Taiwan, Ke Shouliang, drove his motor car in a spectacular leap across the Yellow River.

**6月1日** 由鳳凰衛視主辦並出資的「飛越黃河」，由亞洲飛人柯受良駕駛汽車成功完成歷史一越。

**30 JUNE – 2 JULY** For sixty hours Phoenix provided detailed and multi-faceted news coverage of the ceremonies surrounding the handover of Hong Kong's sovereignty to the People's Republic of China.

**6月30日 – 7月2日** 全台總動員，連續六十小時以獨特的風格、全方位、多角度連續報導香港回歸前後實況，直播中英政府交接全過程。

## 1998

**19 MARCH** While answering a question from Phoenix presenter Sally Wu, Chinese Premier Zhu Rongji told a National People's Congress press conference that "I really like to watch her programme."

**3月19日** 前任總理朱鎔基在全國人大記者會上回答鳳凰衛視主持人吳小莉的提問，並表示「我非常喜歡看她的廣播」。

**23 JUNE – 3 JULY** Phoenix provided live coverage of the visit to China by former U.S. President Clinton and the press conference of former President Jiang Zemin and Clinton.

**6月23日 – 7月3日** 直擊報導前美國總統克林頓訪華，直播前國家主席江澤民和克林頓記者會。



MARCH 1996



JUNE 1997



JUNE 1997



MARCH 1998



## 2000

**FEBRUARY – MAY** Phoenix reported extensively on the Taiwan election, including broadcasting live the inaugural address by Chen Shui-bian.

**2月 – 5月** 鳳凰衛視現場直播台灣選舉情況及陳水扁就職實況。

**30 JUNE** Phoenix Satellite Television held an IPO on the GEM Board of the Hong Kong Stock Exchange.

**6月30日** 鳳凰衛視在香港聯交所創業板上市。

## 1999

**1 NOVEMBER** Phoenix signed an agreement with the main Malaysian DTH broadcaster, ASTRO, making Phoenix available to more than six million Malaysian Chinese.

**11月1日** 鳳凰衛視有限公司與馬來西亞收費電視公司ASTRO達成協議，向逾六百萬的馬來西亞華人觀眾播出節目。

## 2001

**1 JANUARY** Phoenix InfoNews Channel and Phoenix North America Chinese Channel began operating, giving Phoenix the capacity to bring a constant flow of news to the global Chinese community and also extending its reach to North America.

**1月1日** 鳳凰衛視資訊台及鳳凰衛視美洲台正式啟播。鳳凰衛視進一步提供即時新聞資訊給全球華人，並且把精彩的節目帶到北美。

**11 SEPTEMBER** Phoenix cut all scheduled programming to broadcast 36 hours of live reporting on the terrorist attacks on New York and Washington.

**9月11日** 鳳凰衛視連續36小時直播美國911事件。



# 2004

**MARCH** Mr. Rupert Murdoch and Mr. Liu Changle, JP, the chief executives of the two companies that established Phoenix Satellite Television, met in Los Angeles and to mark Phoenix's eighth anniversary held a televised seminar in which they expounded their personal views on the role of the media.

**3月** 成立鳳凰衛視的原合營公司創辦人劉長樂太平紳士及Rupert Murdoch先生在洛杉磯會面，並在一個紀念鳳凰成立八週年的電視座談會上討論彼此在經營全球媒體業務時採取策略。

**25 OCTOBER** While on a visit to Beijing, United States Secretary of State Colin Powell met with the Chairman and CEO of Phoenix, Mr. Liu Changle, JP, and was interviewed by Phoenix's chief commentator Anthony Yuen. Phoenix Satellite Television was the only Chinese-language television broadcaster invited to interview Mr. Powell.

**10月25日** 美國國務卿鮑威爾在北京訪問期間，會見了鳳凰衛視董事局主席兼行政總裁劉長樂太平紳士，並接受了鳳凰衛視評論員阮次山專訪。鳳凰衛視是唯一被選中的中文媒體。

# 2003

**20 MARCH** With the outbreak of the Iraq war Phoenix began reporting from the front line for 25 consecutive days, producing a total of 506 hours of reporting.

**3月20日** 美伊開戰，鳳凰衛視第一時間進入直播，從3月20日起持續25天，506小時不停直播。

**24 MARCH** Phoenix reporter Rose Luqiu and cameraman Ken Choi faced serious dangers in Baghdad after the outbreak of hostilities and were the first Chinese reporting team to do so.

**3月24日** 鳳凰衛視女記者閻丘露薇和攝影師蔡曉江冒生命危險成功進入巴格達，成為戰爭打響後第一批進入戰區的華人記者。

**8 NOVEMBER** The first Miss Chinese Cosmos pageant final was held in Hong Kong.

**11月8日** 首屆「中華小姐環球大賽」總決賽在香港會議展覽中心舉行。

# 2002

**23 OCTOBER** Phoenix reported live on the hostage crisis in Moscow

**10月23日** 鳳凰衛視直播莫斯科劇院挾持人質事件。





## 2005

**18 - 25 AUGUST** Phoenix reported at length on “A Peaceful Mission – 2005”, a joint military exercise involving both Russian and Chinese military forces.

**8月18 - 25日** 中國與俄羅斯舉行名為「和平使命-2005」的聯合軍事演習，此次是中國20多年來與外國軍隊間的最大規模聯合軍演。

**19 - 30 SEPTEMBER** At the invitation of Phoenix's Chairman and CEO, Mr. Liu Changle, JP, and the famous Taiwan scholar, writer and political figure Li Ao undertook a twelve-day cultural visit to China, during which he addressed universities in Beijing and Shanghai. This was Li Ao's first visit to the mainland since his departure 56 years earlier.

**9月19 - 30日** 經鳳凰衛視董事局主席兼行政總裁劉長樂太平紳士邀請，台灣歷史學家、作家、當代著名學者李敖在北京、上海和香港進行為期12天的文化交流，是李敖闊別大陸56年後首次重遊大陸。

**8 NOVEMBER** Phoenix was the only Chinese Broadcaster to have the personal interview with the United States President George Bush before he visited China, Japan, Korea and Mongolia.

**11月8日** 美國總統布茨在出訪中國、日本、韓國及蒙古前，在白宮接受了鳳凰獨家專訪。這是布茨出訪亞洲前接受的唯一一間中文電視媒體專訪。

**21 - 23 NOVEMBER** The Chairman and CEO of Phoenix, Mr. Liu Changle, JP, served as the Chairman of the International Emmy Awards ceremony in New York.

**11月21-23日** 被譽為國際電視界奧斯卡獎的國際艾美獎在紐約舉行，鳳凰衛視董事局主席兼行政總裁劉長樂太平紳士應邀擔任艾美獎電視節主席。

**25 NOVEMBER** Phoenix became the first international Chinese-language television broadcaster to gain the approval of the Canadian Radio-television and Telecommunications Commission to broadcast in Canada.

**11月25日** 鳳凰衛視作為第一家國際華語頻道正式獲得加拿大政府廣播事務委員會的批准進入加拿大。





## CHAIRMAN'S STATEMENT 主席報告書

### FINANCIAL SUMMARY

The Group's revenue exceeded one billion, maintaining the positive performance Phoenix achieved in 2004. Revenue for the year ended 31 December 2005 was 7.8% higher than the previous year, and was approximately HK\$1,034,768,000\*.

The increase in revenue generated an annual profit attributable to equity holders of approximately HK\$181,482,000, which was a 20.6% improvement over the profit achieved in 2004.

The performance of InfoNews remained relatively stable, with a marginal increase in revenue being offset by a rise in operating costs.

The Board recommended a final dividend of HK\$0.012 per share.

### 財務概要

本集團的收入超過十億元，延續了鳳凰衛視於二零零四年取得的非凡業績表現。截至二零零五年十二月三十一日止年度的收入錄得約1,034,768,000港元\*，較去年高出7.8%。

收入增長帶來權益持有人應佔年度溢利約181,482,000港元，較二零零四年溢利上升20.6%。

鳳凰衛視資訊台的業績表現乃相對穩定，收入略有增長惟其效益因經營成本上升而抵銷。

董事會建議派發末期股息每股0.012港元。



## RESULTS

The Group's revenue for 2005 increased 7.8% over that of 2004, which was itself a major turn-around after several loss-making years. The main driver behind this result was the further growth in advertising revenue, which represented over 90% of the Group's total revenue. Profit attributable to equity holders reached a record high of approximately HK\$181,482,000.

The Group's revenue for the year ended 31 December 2005 was approximately HK\$1,034,768,000\*, which represented a moderate growth of 7.8% as compared with 2004. Operating costs increased by 6.7% to approximately HK\$876,083,000\*, mainly as a consequence of the increase in doubtful debt provisions.

The Group's profit from operations and profit attributable to equity holders for the year ended 31 December 2005 were approximately HK\$158,685,000 and HK\$181,482,000 respectively. These figures represented improvements of approximately HK\$20,149,000 and HK\$30,988,000 respectively as compared to the same period of 2004. Profit attributable to equity holders was mainly generated by the increase in advertising revenue. The aggregate amount of the gain on disposal in May 2005 of 50% of the Group's interest in the property to be built in Shenzhen of approximately HK\$12,000,000 and the revaluation of the Renminbi in July 2005 of approximately HK\$10,000,000 had boosted the profit attributable to equity holders. However, the Group's tax expense in 2005 increased by approximately HK\$16,000,000 as compared with that of 2004.

The chart of results presented below compares the performance of the year ended 31 December 2005 with that of the same period of 2004 in order to give a clearer picture of the overall trend of the Group's operations.

## 業績

本集團二零零五年所錄得收入較二零零四年上升7.8%，而二零零四年是本集團在經歷數年虧損後顯著改善並轉虧為盈的一年。是次業績增長的主要動力是廣告收入取得進一步增長，佔本集團總收入逾90%。權益持有人應佔溢利創出新高為約181,482,000港元。

本集團截至二零零五年十二月三十一日止年度的收入約為1,034,768,000港元\*，較去年溫和增長7.8%。經營成本上升6.7%至約876,083,000港元\*，主要是由於呆賬撥備增加所致。

本集團截至二零零五年十二月三十一日止年度的經營溢利及權益持有人應佔溢利分別約為158,685,000港元及181,482,000港元，此兩項溢利分別較二零零四年同期增加約20,149,000港元及30,988,000港元。溢利增加主要是由於廣告收入上升所致。於二零零五年五月出讓本集團在深圳興建中的物業50%權益所取得的收益約12,000,000港元及於二零零五年七月的人民幣匯價上升所帶來約10,000,000港元溢利令權益持有人應佔溢利有所裨益，然而，本集團於二零零五年的稅務費用較二零零四年增加約16,000,000港元。

以下呈列的業績圖表乃比較本集團截至二零零五年十二月三十一日止年度與二零零四年同期的業績表現，以便更清楚顯示本集團業務的整體發展趨勢。

		Year ended 31 December	
		截至十二月三十一日止年度	
		2005	2004
		二零零五年	二零零四年
		HK\$'000千港元	HK\$'000千港元
Phoenix Chinese Channel	鳳凰衛視中文台	749,650	707,005
Phoenix InfoNews Channel	鳳凰衛視資訊台	165,186	161,700
Phoenix Movies Channel, Phoenix North America Chinese Channel & Phoenix Chinese News and Entertainment Channel	鳳凰衛視電影台、 鳳凰衛視美洲台及 鳳凰衛視歐洲台	61,962	51,298
Other businesses	其他業務	57,970	39,657
Group's total revenue	本集團總收入	1,034,768 *	959,660 *
Operating costs	經營成本	(876,083)*	(821,124)*
Profit from operations	經營溢利	158,685	138,536
Profit attributable to equity holders of the Company	本公司權益持有人應佔溢利	181,482	150,494
Earnings per share, Hong Kong cents	每股盈利，港仙	3.67	3.05

\* Due to the change of accounting policy in 2005 on the presentation of "Advertising Revenues", relevant figures were restated and the change had no effect on the profit/loss of the Group. Please refer to the "Management Discussion and Analysis" for a detail explanation and the effect of the change in accounting policy.

\* 由於在二零零五年有關呈列「廣告收入」的會計政策有所變更，相關數字已作出重列，惟該變更並不會對本集團的溢利／虧損造成任何影響。有關會計政策變更的詳盡闡釋及其影響請參閱「管理層討論及分析」。

## BUSINESS OVERVIEW AND PROSPECTS

2005 was a remarkably successful year for the Phoenix Group. The Group's income exceeded one billion Hong Kong dollars, continuing the strong performance recorded in 2004. The profit attributable to equity holders rose by 20.6% over the figure set in 2004, and the Directors recommend a final dividend of HK\$0.012 per share.

The Group has expanded its audience, both internationally and even more dramatically within mainland China. At the same time Phoenix has been recognized by the international press and major foreign governments as a unique Mandarin Chinese broadcaster.

The current advertising sales system, which has the flexibility to allow advertising agencies across China to market advertising on behalf of Phoenix, has produced a much more dynamic and comprehensive network of advertising agencies with an interest in marketing Phoenix.

Phoenix Chinese Channel remained the Group's flagship, and continued to generate the bulk of the Group's income, accounting for 72.4% of the Group's revenue, with its own income increasing by 6% over the last financial year. The Chinese Channel maintained the Phoenix tradition of innovative programming, and provided the Chinese audience with cutting edge entertainment and up-to-the-minute information on economic and political developments.

Another major driver behind the Group's continuing success has been the steady performance of InfoNews. Higher operating costs prevented InfoNews reaching the break-even point, but surveys show that the InfoNews audience has been expanding.

When it was first established in 2001 InfoNews was a serious financial strain on the Group, but in the past two years it has made major progress in expanding its revenue and its audience. Its first-hand coverage of major international events, such as the violence in Iraq, the ongoing tension in Israel-Palestinian relations, and the terrorist attacks on London, matches the coverage provided by other major international television news services. But InfoNews also covers regional issues, such as the visit to mainland China of key Taiwan political figures, Taiwan elections, the humiliation of some female Chinese visitors to Malaysia, and the evolution of Japanese policy towards China, Taiwan and East Asia in general, that are of direct interest to the global Chinese audience but which are rarely covered by any other international television news services. No other Chinese broadcaster combines international and regional, Chinese-related news as InfoNews does.

InfoNews has also made a major contribution to the image of the Phoenix Group at large, underscoring the Group's reputation for an extremely comprehensive and timely coverage of major international events and developments. This was highlighted in 2005 by interviews with the British Prime Minister Tony BLAIR during his visit to China and with United States President George BUSH shortly before he visited Beijing late last year.

The Group's role in mainland China as the most widely watched external Mandarin Chinese-language broadcaster has also attracted an unprecedented level of international press coverage of Phoenix. During 2005 the *Washington Post*, which described Phoenix as "the channel of choice for much of China's new elite", *Newsweek*, and the *Sydney Morning Herald* all ran major stories that highlighted Phoenix's unique position in the Chinese media

## 業務回顧及前景

二零零五年對鳳凰集團而言乃取得非凡成就的一年。本集團的收入超過十億港元，延續了二零零四年的強勁表現。權益持有人應佔溢利較二零零四年上升20.6%，及董事建議派發末期股息每0.012港元。

本集團於國際間尤其是中國大陸大幅擴闊了其電視觀眾群。同時，鳳凰衛視被國際新聞界及眾多外國政府認定為一家獨一無二的華語廣播機構。

現時的廣告銷售系統能讓中國各地的廣告代理靈活參與推廣鳳凰廣告時段，並為有意推廣鳳凰廣告時段的廣告代理建立一個更具活力及覆蓋範圍更全面的網絡。

鳳凰衛視中文台作為本集團的旗艦頻道，繼續為本集團帶來大部份收入，佔本集團收入72.4%，而其收入則較上個財政年度上升6%。鳳凰衛視中文台秉承鳳凰衛視節目創新的一貫傳統，為華語觀眾提供時尚娛樂節目及有關經濟及政治發展的最新资讯。

本集團得以持續取得佳績的另一個主要因素是資訊台的穩定表現。雖然較高經營成本使得資訊台仍未達致收支平衡，但收視調查顯示資訊台的收視人群正日益擴大。

回顧資訊台於二零零一年成立時，誠然對本集團構成沉重的財務壓力，但於過去兩年，資訊台在擴闊其收入及其觀眾方面均已取得長足進步。資訊台直接深入現場報道國際重大事件，如伊拉克暴力、以巴關係持續緊張及倫敦恐怖襲擊等，絲毫不遜於其他國際主要電視新聞服務機構所覆蓋的新聞報導範圍，且資訊台亦報道眾多通常與全球華人觀眾息息相關而任何其他國際電視新聞服務機構卻鮮有報道的地區問題，如台灣重要政治人物訪問中國大陸、台灣選舉、部份華人女遊客在馬來西亞受辱事件及日本對中國、台灣及東亞地區的政策演變等。並無任何其他華語廣播機構可以做到如資訊台一樣全面綜合報道與華人相關的國際和地區新聞。

資訊台亦為鳳凰集團的整體形象作出重大貢獻，提升了本集團在全面及時報道國際重大事件及發展方面的知名度。於二零零五年內的顯注例子有，英國首相托尼·布萊爾(Tony BLAIR)曾在其訪華期間接受了鳳凰衛視的獨家專訪，以及美國總統喬治·布希(George BUSH)於去年十一月訪問北京前接受了鳳凰衛視記者的短暫專訪。

本集團作為在中國大陸最受關注的境外華語普通話廣播公司，亦同時吸引了國際新聞界廣泛報道鳳凰衛視。於二零零五年內，《華盛頓郵報》(*Washington Post*) (其認為鳳凰衛視已成為「中國眾多新時代精英的必看頻道」、《新聞週刊》(*Newsweek*)及《悉尼先驅早報》(*Sydney Morning Herald*)均在顯著位置大篇幅報道鳳凰衛視在華語媒體世界中的獨特地位，作為電視媒體向華人電視觀眾帶來大量來自世界各地的資訊及娛樂節目。





world as a vehicle that delivers large quantities of information and entertainment from the outside world to the Chinese audience.

The success of both Phoenix Chinese and InfoNews channels reflects a substantial growth in awareness of the Phoenix brand name. The most dramatic example was Phoenix's sponsorship of the visit to Beijing and Shanghai by the Taiwan-based writer, scholar and parliamentarian, LI Ao, whose speeches at universities in both cities aroused a high level of interest and controversy and tested the limits of freedom of expression in contemporary China.

The Canadian Radio-television and Telecommunications Commission gave permission to distribute Phoenix North America Chinese Channel and the channel was launched in Canada by Rogers Cable Communications Inc. in late 2005. In addition, Phoenix has set up a joint venture in Malaysia, which has the largest number of Phoenix viewers outside mainland China, to tap into its advertising market with a view to translating Phoenix's brand name into money.

2006 is the 10th Anniversary of Phoenix. As Chairman I would like to acknowledge the enormous contribution that the staff of Phoenix has made to the Group's success, not just during 2005, but throughout the past ten years. The hard work, team spirit and creativity that the staff has collectively displayed had been an essential factor in Phoenix's evolution from a one-channel broadcaster in Hong Kong in 1996 into a multi-channel system that has global reach and which is the preferred Chinese-language media platform for foreign leaders who want to communicate with key audiences in China. This same sense of commitment and professionalism has enabled the Group to be at the forefront of global media organisations reporting on international crises and conflicts. I look forward to the coming years, confident that the spirit that the Group's staff has displayed over the past ten years will continue to carry Phoenix forward to even greater successes in the future.

LIU Changle  
Chairman

Hong Kong, 14 March 2006

鳳凰衛視中文台及資訊台的成功反映了鳳凰衛視品牌知名度的顯著提升，其中最具轟動效應的是鳳凰衛視贊助台灣作家、學者及立委李敖到北京及上海展開「神州文化之旅」參訪活動，而其在北京及上海數所大學發表的演講引起了極大的回響和激辯，並驗證了當代中國的言論自由度。

加拿大廣播事務委員會（Canadian Radio-television and Telecommunications Commission）已准許鳳凰衛視美洲台在加拿大落地，而該頻道於二零零五年後期由羅杰斯有線電視網（Rogers Cable Communications Inc.）在加拿大推出。此外，鳳凰衛視已在馬來西亞（鳳凰衛視在其擁有除中國大陸以外的最大電視觀眾群）成立一家合資企業，以進入其廣告市場，繼而將鳳凰衛視品牌轉化成經濟效益。

二零零六年為鳳凰衛視的第十個週年。作為主席，本人謹此讚揚鳳凰衛視員工作出的重要貢獻，令本集團於二零零五年及過去整個十年取得佳績。員工共同展示的努力不懈、團隊精神及創新動力為鳳凰衛視得以成功發展的關鍵因素，使鳳凰衛視於一九九六年從一家香港單一頻道廣播公司發展為當今具全球視野的多頻道媒體機構，並成為國外政要與中國主流觀眾進行交流溝通的首選華語媒體平台。有關員工所標誌著鳳凰衛視的果敢精神及專業水準令本集團在報道國際災難及衝突事件時，能夠躋身成為全球傳媒機構的先鋒。本人堅信於未來數年，本集團員工於過去十年所彰顯的團隊精神將令鳳凰衛視繼續不斷向前發展，並在未來取得更加輝煌的業績。

主席  
劉長樂

香港，二零零六年三月十四日





鳳凰衛視  
Phoenix Chinese  
Channel



Phoenix InfoNews  
Channel



**NORTH AMERICA 北美洲**

LOS ANGELES 洛杉磯

NEW YORK 紐約  
WASHINGTON 華盛頓

LONDON 倫敦

PARIS 巴黎



**ASIA PACIFIC 亞太區**

As a satellite broadcaster Phoenix is primarily distributed by AsiaSat, which has a footprint covering the Asia-Pacific region. On the Chinese mainland Phoenix is downloaded to many regional cable networks by SinoSat, and in Hong Kong it is on all major distribution systems. In many other countries and regions Phoenix is also carried by local operators.

作為一個全球華人的衛星頻道，鳳凰衛視透過亞衛三號S覆蓋整個亞太地區。在中國大陸，鳳凰衛視通過鑫諾衛星進入全國有線網絡系統。香港及其他城市，鳳凰衛視也透過當地有線系統全頻落地。



**MALAYSIA 馬來西亞**

Phoenix is distributed by ASTRO, the major DTH operator, in Malaysia.

鳳凰衛視通過馬來西亞ASTRO，以直接到戶(DTH)技術全頻廣播。



**SINGAPORE 新加坡**

Phoenix is carried by Starhub in Singapore.

鳳凰衛視進入新加坡星和視界(StarHub)。



**INDONESIA 印尼**

Phoenix is carried by Kabelvision and DirectVision in Indonesia.

鳳凰衛視進入印尼Kabelvision及DirectVision系統。



**JAPAN 日本**

Phoenix is carried by Rakuraku Communications in Japan.

鳳凰衛視進入日本樂樂中(Rakuraku Communications)。



**NEW ZEALAND 紐西蘭**

Phoenix is carried by WorldTV in New Zealand.

鳳凰衛視進入及新西蘭中華電視網(WorldTV)系統。



美洲台  
Phoenix NA Chinese  
Channel



歐洲台  
Phoenix CNE  
Channel



電影台  
Phoenix Movies  
Channel



Phoenix Website



Phoenix Magazine

- Phoenix news bureaux and reporters worldwide  
鳳凰全球新聞辦事處及記者站
- Phoenix global reach  
鳳凰全球網絡

● MOSCOW 莫斯科



EUROPE 歐洲

● BEIJING 北京



JAPAN 日本

● TOKYO 東京

● SHANGHAI 上海

● TAIPEI 台北



ASIA PACIFIC 亞太區



**NORTH AMERICA 北美洲**

Phoenix North America Chinese Channel is carried by DirecTV and EchoStar in the United States and by Rogers in Canada.

鳳凰衛視美洲台在美國透過 DirecTV及EchoStar及在加拿大透過 Rogers 擴播。

● SHENZHEN 深圳  
● HONG KONG 香港



MALAYSIA 馬來西亞



SINGAPORE 新加坡



INDONESIA 印尼



**EUROPE 歐洲**

Phoenix Chinese News and Entertainment, the Phoenix European channel, is carried by Sky Digital, Eurobird 6, and a number of other national cable systems in Europe.

鳳凰衛視歐洲台成功進入歐洲的主流衛星電視網Sky Digital、Eurobird 6 以及多個國家有線電視網絡。

● SYDNEY 雪梨

NEW ZEALAND 紐西蘭





## GLOBAL OUTLOOK 全球視野

Phoenix has a global outlook, and in its approach to covering news it seeks to provide the Chinese audience with up-to-the-minute information about the major events and developments happening around the globe. Underlying this approach is the belief that no one is isolated from global developments and that the Phoenix audience needs to have access to information about the key international events at any particular time.

鳳凰衛視極具全球視野，而在其新聞報道中一直致力於向華語觀眾提供全球各地發生的重大事件及發展事態的最新資訊，如此是堅信並無任何人可孤立於全球事態發展，而鳳凰衛視觀眾亦需隨時隨地知悉國際重大事件。









A GLOBAL TEAM 全球團隊



THE MAINLAND 中國大陸

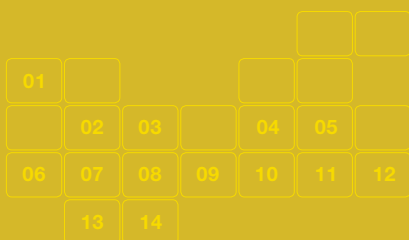
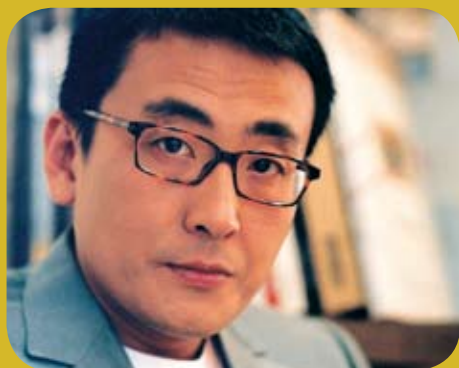


To fulfill its role as a global broadcaster, Phoenix has a team of presenters and reporters drawn from mainland China, Taiwan, and Hong Kong, as well as from the global Chinese community.

The core of the Phoenix team is drawn from the four corners of the Chinese mainland, from regional centers such as Lanzhou, Fuzhou and Xiamen as well as from cities like Beijing, Shanghai and Guangzhou.

為了實現鳳凰衛視擔任全球廣播服務機構的角色，鳳凰衛視在中國大陸、台灣、香港及全球華語社群中組成其主播及記者隊伍。

鳳凰衛視團隊的核心隊員來自中國大陸各省市，例如蘭州、福州及廈門等區域中心以及北京、上海及廣州等城市。



01 Dong Jiayao 02 Li Hui 03 Chen Xiaonan 04 Chen Luyu 05 Zeng Zimo 06 Yuchi Linjia 07 Olivia Xu 08 Shen Xing 09 Jiang Xinrong 10 Dou Wentao 11 Cheng Helin 12 Cao Jingxing 13 Li Wai 14 Zheng Hao

01 董嘉耀 02 李輝 03 陳曉楠 04 陳魯豫 05 曾子墨 06 尉遲琳嘉 07 許戈輝 08 沈星 09 江欣榮 10 竇文濤 11 程鶴麟 12 曹景行 13 李慧 14 鄭浩

TAIWAN 台灣



Some of the most popular Phoenix presenters come from Taiwan, bringing a distinctive style that appeals to the mainland Chinese audience.

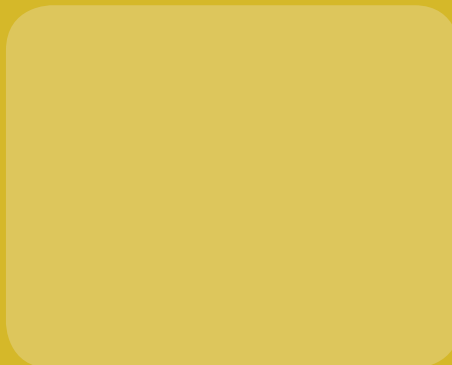
鳳凰衛視有多名深受歡迎的主播來自台灣，他們與眾不同的風格亦深深吸引中國大陸觀眾。



	01		02	03	04
	05	06	07	08	09
					10

01 Shi Chiping 02 Vie Tseng 03 Jason Chien 04 Sally Wu 05 Alice Wang 06 Avon Hsieh  
07 Tiger Hu 08 Chiang Shengyang 09 Chen Yuchia 10 Shannon Liu

01 石齊平 02 曾瀨漪 03 簡福疆 04 吳小莉 05 王菁鏌 06 謝亞芳 07 胡一虎 08 薑聲揚  
09 陳玉佳 10 劉珊玲



HONG KONG & THE REST OF THE WORLD 香港與國際

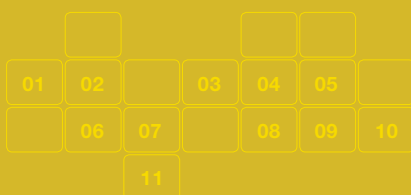


With its headquarters in Hong Kong, Phoenix has a strong contingent of reporters, presenters and cameramen who originate from Hong Kong, and who bring a high level of professional and technical competence to Phoenix.

The Phoenix team also includes key players who have close ties with the rest of the world, having worked, studied or acquired citizenship in many countries, including Australia, Canada, and the United States.

以香港為基地的鳳凰衛視擁有陣容強大的來自香港的記者、主播及攝影師，他們為鳳凰衛視帶來高水平的專業及技術優勢。

鳳凰衛視團隊的主要成員亦包括與世界各地有密切聯繫的人士，他們曾在多個國家如澳洲、加拿大及美國工作、進修或取得公民資格。



01 Ada Lau 02 Yang Jinlin 03 Anthony Yuen 04 Jonathan Sa 05 Lawrence Ho  
06 Oliver Lu 07 Aaron Yim 08 Leung Mantao 09 Angela Chow 10 Ma Dingsheng  
11 Peter Qiu

01 劉芳 02 楊錦麟 03 阮次山 04 薩文 05 何亮亮 06 呂寧思 07 嚴力耕 08 梁文道  
09 周瑛琦 10 馬鼎盛 11 邱震海

# THE CHINESE GATEWAY 中國門戶

CSM Media Research conducted a thorough survey from August to October 2005 of the penetration of the Chinese market by Phoenix Chinese Channel and Phoenix InfoNews Channel. This research revealed that Phoenix Chinese Channel's coverage of the Chinese television audience has already reached 14.23%, reaching over 52,270,000 households, and an audience approaching 180 million people. Phoenix InfoNews Channel has a coverage of approximately 8.44%, reaching 31 million households, which represents an audience of 100 million viewers.

The Audience Appreciation Survey of Phoenix TV conducted by CTR Market Research also shows that Phoenix Chinese Channel is outstanding among foreign broadcasters operating in China, with an audience comprising 80% of those watching foreign channels, far surpassing the viewership of any other channels, and is also the television media most watched in offices.

The China Business Executive Survey conducted in 2005 by CTR Market Research about the viewing habits of business executives in eight major cities showed that the daily reach of Phoenix Satellite was 10.4%, which is as high as the top ten national broadcasters, with CCTV2, CCTV3 and CCTV4 and other long-established broadcasters achieving the same level of daily reach. This demonstrates that Phoenix Chinese Channel has a comparatively strong influence among China's business executives.

央視 - 索福瑞媒介研究有限公司在2005年8月到10月期間針對鳳凰衛視中文台及資訊台的頻道覆蓋做了一個全國性調查。報告顯示，鳳凰衛視中文台在中國內地的覆蓋率已經達到14.23%，頻道覆蓋的戶數超過5227萬戶，覆蓋的人口接近1億8千萬；鳳凰衛視資訊台在中國內地的覆蓋率為8.44%，覆蓋戶數近3100萬戶，覆蓋人口超過1億。

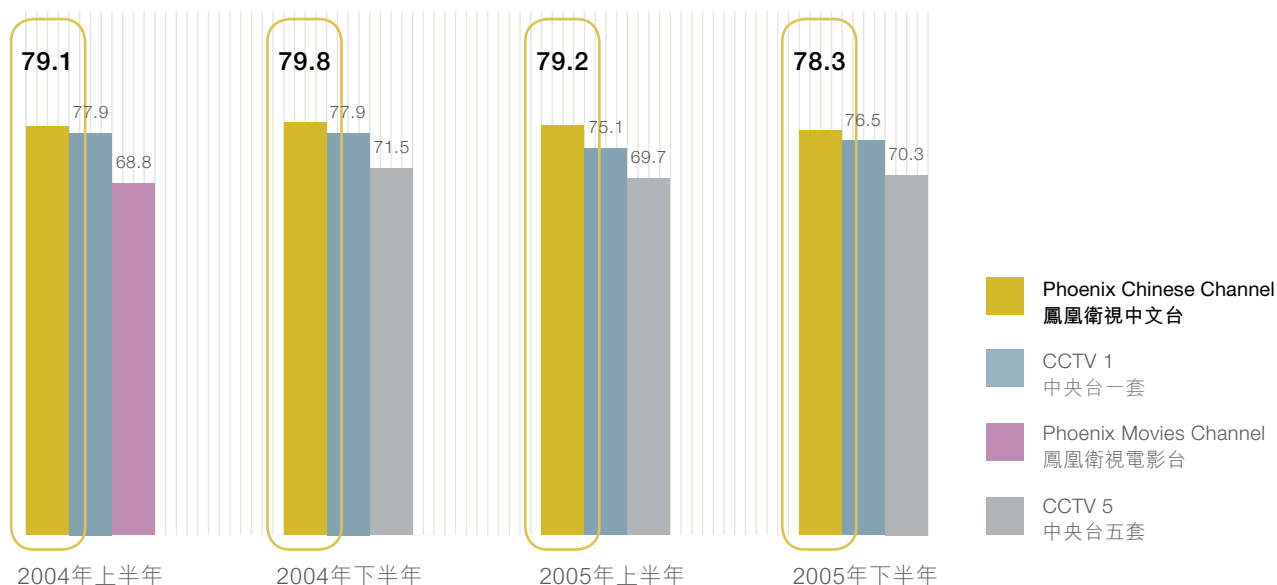
根據央視市場研究股份有限公司的調查顯示，鳳凰衛視中文台在眾多境外頻道中鶴立雞群，關注度高達到80%，遠遠超過其他頻道，是贏得最多關注的辦公室電視媒體。鳳凰衛視在辦公室裡掌握了輿論引導的主動權，拿到發揮媒體影響力的先手。

央視市場研究股份有限公司在中國內地八大城市針對商務人士所進行的一項研究顯示：鳳凰衛視中文台的日到達率已達10.4%，高居全國性電視頻道的前十名，與CCTV2、CCTV3和CCTV4等中央台老牌頻道在商務人士的日到達率上同處於一個水平，顯示出鳳凰衛視中文台在商務人士群體中較強的影響力。

For two successive years Phoenix Chinese Channel has given greater satisfaction to viewers than any other channel.

連續2年，鳳凰衛視中文台較其他頻道更令觀眾滿意。

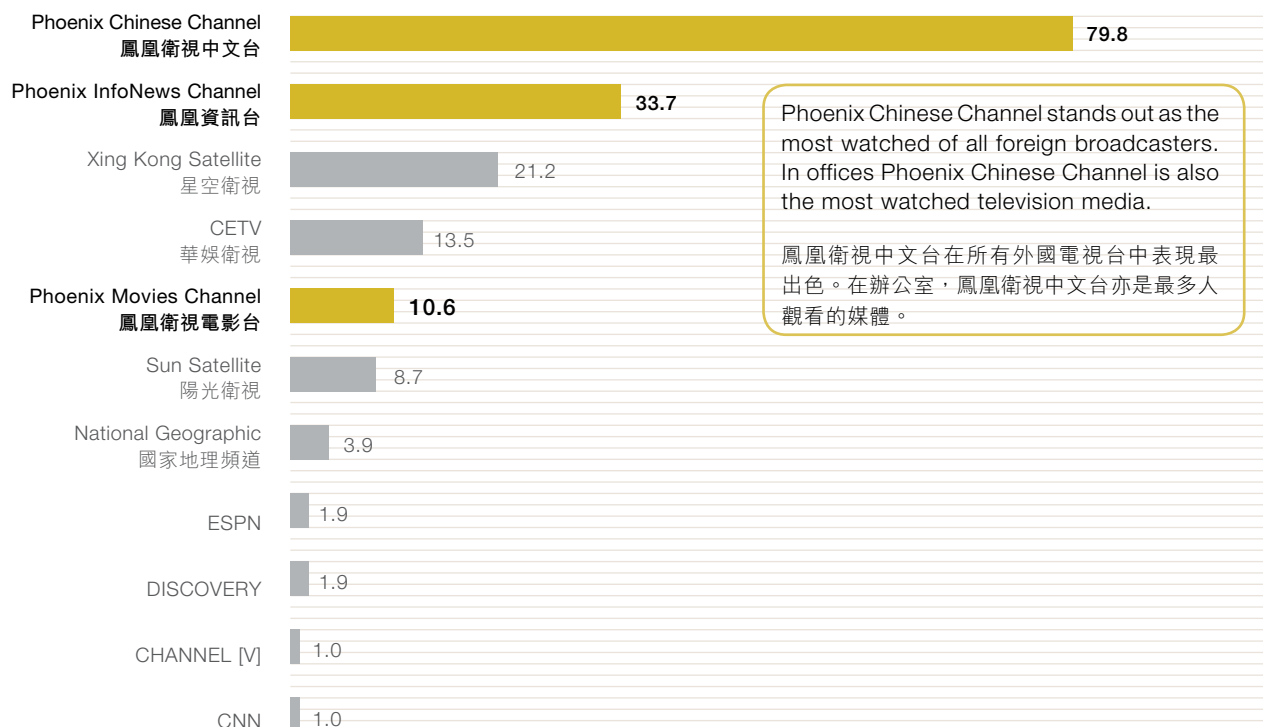
## GENERAL SATISFACTION INDEX 滿意度綜合指數



Source: CTR Market Research – Audience Appreciation Survey of Phoenix TV  
資料來源：央視市場研究股份有限公司 — 鳳凰衛視觀眾滿意度調查

UNIT:% 單位：百分比

## AUDIENCE APPRECIATION SURVEY – VIEWING IN THE OFFICE 辦公室電視媒體滿意度調查

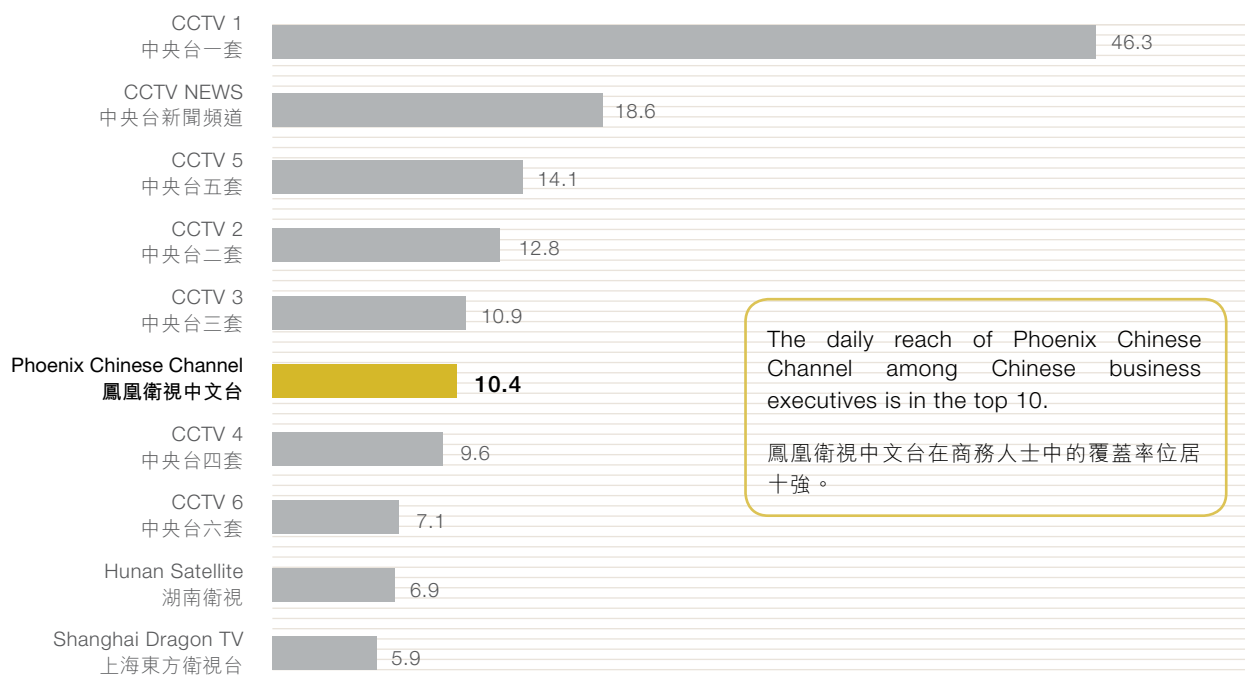


Source: CTR Market Research – Audience Appreciation Survey of Phoenix TV

UNIT:% 單位: 百份比

資料來源: 央視市場研究股份有限公司 — 鳳凰衛視觀眾滿意度調查

## 2005 CHINA BUSINESS EXECUTIVE SURVEY 中國商務人士調查



Source: CTR Market Research – China Business Executive Survey 2005

UNIT:% 單位: 百份比

資料來源: 央視市場研究股份有限公司 — 中國商務人士調查

# 財 務

25	CORPORATE INFORMATION 公司資料
27	MANAGEMENT DISCUSSION AND ANALYSIS 管理層討論及分析
33	DIRECTORS AND SENIOR MANAGEMENT PROFILE 董事及高級管理人員簡介
41	CORPORATE GOVERNANCE REPORT 企業管治報告
48	REPORT OF THE DIRECTORS 董事會報告書
77	AUDITORS' REPORT 核數師報告書
79	FINANCIAL STATEMENTS 財務報表
85	NOTES TO THE FINANCIAL STATEMENTS 財務報表附註
151	FINANCIAL SUMMARY 財務概要



**Board of Directors**

*Executive Directors*

LIU Changle (*Chairman*)  
CHUI Keung

*Non-Executive Directors*

Michelle Lee GUTHRIE  
LAU Yu Leung, John  
CHEUNG Chun On, Daniel  
XU Gang  
CHEUNG San Ping

*Independent Non-Executive Directors*

LO Ka Shui  
LEUNG Hok Lim  
Thaddeus Thomas BECZAK

*Alternate Director (who is not already a Director)*

GONG Jianzhong

**Compliance Officer**

CHUI Keung

**Company Secretary**

YEUNG Ka Keung, A.C.A.

**Cayman Islands Assistant Secretary**

Codan Trust Company (Cayman) Limited

**Qualified Accountant**

YEUNG Ka Keung, A.C.A.

**Audit Committee**

Thaddeus Thomas BECZAK  
LO Ka Shui  
LEUNG Hok Lim  
LAU Yu Leung, John

**Website Address**

[www.phoenixtv.com](http://www.phoenixtv.com)

**Auditors**

PricewaterhouseCoopers

**董事局**

*執行董事*

劉長樂 (主席)  
崔強

*非執行董事*

Michelle Lee GUTHRIE  
劉禹亮  
張鎮安  
許剛  
張新兵

*獨立非執行董事*

羅嘉瑞  
梁學濂  
Thaddeus Thomas BECZAK

*替任董事 (其本身並非原董事)*

龔建中

**監察主任**

崔強

**公司秘書**

楊家強 · A.C.A.

**開曼群島助理秘書**

Codan Trust Company (Cayman) Limited

**合資格會計師**

楊家強 · A.C.A.

**審核委員會**

Thaddeus Thomas BECZAK  
羅嘉瑞  
梁學濂  
劉禹亮

**網址**

[www.phoenixtv.com](http://www.phoenixtv.com)

**核數師**

羅兵咸永道會計師事務所



**Head Office and Principal Place of Business**

9th Floor,  
One Harbourfront  
18 Tak Fung Street  
Hungghom  
Kowloon  
Hong Kong

**Registered Office**

Century Yard, Cricket Square  
Hutchins Drive  
P.O. Box 2681GT, George Town  
Grand Cayman  
British West Indies

**Principal Share Registrar**

Butterfield Fund Services (Cayman) Ltd.  
P.O. Box 705  
Butterfield House  
68 Fort Street  
George Town  
Grand Cayman, Cayman Islands

**Hong Kong Branch Share Registrar**

Hong Kong Registrars Limited  
Shops 1712-1716  
17/F., Hopewell Centre  
183 Queen's Road East  
Wanchai, Hong Kong

**Principal Bankers**

Hongkong and Shanghai Banking Corporation Limited  
Bank of Communications  
Industrial and Commercial Bank of China (Asia) Limited  
Citic Ka Wah Bank Limited

**GEM Stock Code**

8002

**總部及主要營業地點**

香港  
九龍  
紅磡  
德豐街18號  
海濱廣場一座  
9樓

**註冊辦事處**

Century Yard, Cricket Square  
Hutchins Drive  
P.O. Box 2681GT, George Town  
Grand Cayman  
British West Indies

**主要股份過戶登記處**

Butterfield Fund Services (Cayman) Ltd.  
P.O. Box 705  
Butterfield House  
68 Fort Street  
George Town  
Grand Cayman, Cayman Islands

**香港股份過戶登記處分處**

香港證券登記有限公司  
香港  
皇后大道東183號  
合和中心17樓1712-1716號舖

**主要往來銀行**

香港上海滙豐銀行有限公司  
交通銀行  
中國工商銀行(亞洲)有限公司  
中信嘉華銀行

**創業板股份代號**

8002

**COMMENTS ON SEGMENTAL INFORMATION**

The table below shows the comparison of operating results of the Group's businesses for the year ended 31 December 2005 and 2004 respectively.

		<b>Year ended 31 December</b>	
		<b>截至十二月三十一日止年度</b>	
		<b>2005</b>	<b>2004</b>
		<b>二零零五年</b>	<b>二零零四年</b>
		<b>HK\$'000</b>	<b>HK\$'000</b>
		<b>千港元</b>	<b>千港元</b>
Phoenix Chinese Channel	鳳凰衛視中文台	<b>353,569</b>	324,302
Phoenix InfoNews Channel	鳳凰衛視資訊台	<b>(12,573)</b>	(3,493)
Phoenix Movies Channel, Phoenix North America Chinese Channel & Phoenix Chinese News and Entertainment Channel	鳳凰衛視電影台、 鳳凰衛視美洲台及 鳳凰衛視歐洲台	<b>(60,495)</b>	(53,082)
Other businesses	其他業務	<b>(3,760)</b>	(543)
Corporate overheads	集團行政支出	<b>(118,056)</b>	(128,648)
Profit from operations	經營溢利	<b>158,685</b>	138,536

Revenues from television broadcasting, comprising both advertising and subscription revenues, which accounted for 94.4% of the Group's total revenue for the year ended 31 December 2005, increased by 6.2% to approximately HK\$976,797,000 (year ended 31 December 2004: HK\$920,002,000). The segmental result for television broadcasting recorded a profit of approximately HK\$281,610,000 for the year (year ended 31 December 2004: HK\$274,477,000).

Revenue from the Group's flagship channel, Phoenix Chinese Channel, which accounted for 72.4% of the Group's total revenue for the year ended 31 December 2005, increased by 6.0% to approximately HK\$749,650,000 (year ended 31 December 2004: HK\$707,005,000).

Phoenix InfoNews Channel's revenue maintained a steady level, and amounted to approximately HK\$165,186,000 (year ended 31 December 2004: HK\$161,700,000). However, due to the increase of operating costs, the operating loss widened to approximately HK\$12,573,000 for the year ended 31 December 2005 (year ended 31 December 2004: HK\$3,493,000).

**分類資料評論**

下表顯示按本集團業務分類比較截至二零零五年及二零零四年十二月三十一日止年度的本集團業務經營業績。

		<b>Year ended 31 December</b>	
		<b>截至十二月三十一日止年度</b>	
		<b>2005</b>	<b>2004</b>
		<b>二零零五年</b>	<b>二零零四年</b>
		<b>HK\$'000</b>	<b>HK\$'000</b>
		<b>千港元</b>	<b>千港元</b>
Phoenix Chinese Channel	鳳凰衛視中文台	<b>353,569</b>	324,302
Phoenix InfoNews Channel	鳳凰衛視資訊台	<b>(12,573)</b>	(3,493)
Phoenix Movies Channel, Phoenix North America Chinese Channel & Phoenix Chinese News and Entertainment Channel	鳳凰衛視電影台、 鳳凰衛視美洲台及 鳳凰衛視歐洲台	<b>(60,495)</b>	(53,082)
Other businesses	其他業務	<b>(3,760)</b>	(543)
Corporate overheads	集團行政支出	<b>(118,056)</b>	(128,648)
Profit from operations	經營溢利	<b>158,685</b>	138,536

來自電視廣播的收入(包括廣告及收視費收入)上升6.2%至約976,797,000港元(截至二零零四年十二月三十一日止年度: 920,002,000港元), 佔截至二零零五年十二月三十一日止年度的本集團總收入94.4%。本年度的電視廣播分類業績錄得溢利約281,610,000港元(截至二零零四年十二月三十一日止年度: 274,477,000港元)。

來自本集團的旗艦頻道—鳳凰衛視中文台的收入上升6.0%至約749,650,000港元(截至二零零四年十二月三十一日止年度: 707,005,000港元), 佔截至二零零五年十二月三十一日止年度的本集團總收入72.4%。

鳳凰衛視資訊台的收入維持穩定水平, 錄得約165,186,000港元(截至二零零四年十二月三十一日止年度: 161,700,000港元)。然而, 由於經營成本上升, 截至二零零五年十二月三十一日止年度的經營虧損增至約12,573,000港元(截至二零零四年十二月三十一日止年度: 3,493,000港元)。

**COMMENTS ON SEGMENTAL INFORMATION****(CONTINUED)**

Advertising sales of Phoenix Movies Channel showed improvement in 2005. However, the effect of such increase was offset by the increase in doubtful debt provision, and the operating result only marginally improved compared with 2004. Revenue of Phoenix North America Chinese Channel and Phoenix Chinese News and Entertainment Channel remained at a steady level for 2005. On the other hand, the launch of G3C platform in North America unavoidably increased operating costs, which explained the increase in the operating loss for 2005.

Revenue from programme production and ancillary services improved steadily to approximately HK\$32,799,000, which included intra-group sales of approximately HK\$28,808,000, for the year ended 31 December 2005 (year ended 31 December 2004: total revenue – HK\$27,219,000; intra-group sales – HK\$23,812,000). Segmental results for programme production and ancillary services hence recorded a profit of approximately HK\$3,489,000 for the year, which represented a satisfactory increase of 101.3% as compared with 2004.

The revenues of the internet services were relatively stable. The increase in loss was mainly attributable to the increase in operating costs.

Other activities, which included advertising and subscription revenue from the Phoenix Weekly magazine and handling income from television subscriptions, contributed marginally to the Group for the year ended 31 December 2005.

Please refer to note 5 of the notes to the financial statements for a detailed analysis on segmental information and the “Business Overview” in this report for commentary on our core business.

**DIVIDEND**

The Board has resolved to recommend a final dividend of HK\$0.012 per ordinary share for the year ended 31 December 2005 (2004: HK\$0.01 per ordinary share). Upon approval by the shareholders, the final dividend will be paid on or about 30 June 2006 to shareholders whose names appear on the register of members of the Company on 22 June 2006.

**分類資料評論 (續)**

鳳凰衛視電影台的廣告銷售於二零零五年度有所改善。然而，該等增加的收入因呆賬撥備增加而抵銷，經營業績較二零零四年只有輕微改善。鳳凰衛視美洲台及鳳凰衛視歐洲台的收入於二零零五年度維持穩定水平。另一方面，於北美地區推出G3C平台不可避免增加經營成本，致使二零零五年的經營虧損有所上升。

截至二零零五年十二月三十一日止年度，節目製作及支援服務的收入穩定上升至約32,799,000港元(包括集團內公司間銷售約28,808,000港元)(截至二零零四年十二月三十一日止年度：總收入 – 27,219,000港元；集團內公司間銷售 – 23,812,000港元)。因此，節目製作及支援服務的分類業績錄得溢利約3,489,000港元，較二零零四年上升101.3%，增幅令人滿意。

互聯網服務的收入乃相對平穩，虧損增加主要是由於經營成本上升所致。

其他業務(包括來自鳳凰週刊的廣告及訂購收入，及收費電視的行政收入)於截至二零零五年十二月三十一日止年度維持對本集團作出少量盈利貢獻。

請參閱財務報表附註5有關分類資料的詳細分析，以及本報告「業務回顧」有關本集團核心業務的評論。

**股息**

董事會通過建議派發截至二零零五年十二月三十一日止年度的末期股息每股普通股0.012港元(二零零四年：每股普通股0.01港元)。經股東批准後，末期股息將於二零零六年六月三十日或該日前後派發予於二零零六年六月二十二日名列本公司股東登記冊的股東。

## ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND AFFILIATED COMPANIES

Pursuant to an agreement dated 29 October 2003 (the “Agreement”) entered into by the Phoenix Group and Oasiscity Limited (“Oasiscity”), a wholly-owned subsidiary of Neo-China Group (Holdings) Limited (formerly known as “Neo-Tech Global Limited”), the shares of which are listed on the Main Board of the Stock Exchange, Oasiscity acquired a 60% interest in Phoenix Real Properties Limited (“Real Properties”), which owns a 90% interest in 深圳鳳凰置業有限公司. The acquisition was completed on 13 January 2004.

On the same date, Oasiscity executed a share charge in favour of the Phoenix Group, under which it charged 30% equity interest in Real Properties, as security for the due performance of its obligations under the Agreement. Pursuant to the Agreement, Oasiscity shall be responsible for providing all required financing for the development of the building and the Phoenix Group is not required to provide any further financing for the development of the building but will be entitled to a portion of the non-saleable area.

On 12 May 2005, the Group and Oasiscity entered into a supplementary agreement, pursuant to which, inter alia, (i) Phoenix shall transfer 10,000 square meters of the building to which Phoenix would be entitled after the completion thereof to Oasiscity at RMB60,000,000 (equivalent to approximately HK\$55,800,000) payable by 3 installments and (ii) Oasiscity shall be allotted an additional 33 shares in Real Properties at par value so that after the allotment Oasiscity should hold approximately 70% interest therein. The Group’s entitlement to the relevant portion of the non-saleable area will then be reduced by half. As a result, a gain on disposal of approximately HK\$11,599,000 was recorded in the year ended 31 December 2005.

In addition, upon the fulfillment of Oasiscity’s relevant obligations under the Agreement, the 30% equity interest in Real Properties charged as security was released accordingly in May 2005.

Save as disclosed above, the Group had no material acquisitions or disposals of subsidiaries and affiliated companies during the year ended 31 December 2005.

## 附屬公司及聯屬公司的收購及出售

根據鳳凰集團與中新集團(控股)有限公司(前稱「科建集團有限公司」，其股份於聯交所主板上市)的全資附屬公司Oasiscity Limited(「Oasiscity」)於二零零三年十月二十九日訂立的協議(「協議」)，Oasiscity已收購鳳凰置業有限公司(「鳳凰置業」)(其擁有深圳鳳凰置業有限公司的90%權益)的60%權益。收購事項已於二零零四年一月十三日完成。

於同日，Oasiscity訂立一項以鳳凰集團為受益人的股份抵押書，據此，Oasiscity抵押其擁有的鳳凰置業的30%股份權益，作為其全面履行協議所承擔責任的擔保。根據協議，Oasiscity將負責支付發展該建築物的一切所需資金，而鳳凰集團毋須為發展該建築物進一步支付任何資金，惟於發展項目完成時擁有該建築物的部份非出售面積的權益。

於二零零五年五月十二日，本集團與Oasiscity訂立一份補充協議，據此，(其中包括)(i)鳳凰衛視應在該建築物落成後將其中鳳凰衛視所享有的10,000平方米轉讓予Oasiscity，作價為人民幣60,000,000元(相等於約55,800,000港元)，分三期支付，及(ii)Oasiscity應按面值額外獲配發33股鳳凰置業股份，至令配發後Oasiscity持有鳳凰置業約70%的權益。本集團乃享有屆時將減半的相關部份非出售面積。因此，出讓所得收益約11,599,000港元已記入截至二零零五年十二月三十一日止年度的財務報表內。

此外，Oasiscity履行協議下的相關責任後，作為抵押的30%鳳凰置業股本權益已於二零零五年五月獲解除。

除上文所披露外，截至二零零五年十二月三十一日止年度內，本集團概無進行附屬公司及聯屬公司的重大收購或出售。

## LIQUIDITY AND FINANCIAL RESOURCES

The liquidity and financial resources of the Group as at 31 December 2005 gradually improved compared to those of the Group as at 31 December 2004. The aggregate outstanding borrowings of the Group as at 31 December 2005 were approximately HK\$4,900,000, representing current accounts with related companies which were unsecured and non-interest bearing (as at 31 December 2004: HK\$8,085,000). Such fluctuation was within the normal pattern of operations of the Group.

The gearing ratio of the Group, based on total liabilities to equity attributable to equity holders of the Company, was 15.5% as at 31 December 2005 (as at 31 December 2004: 24.6%). Accordingly, the financial position of the Group has remained very liquid.

As most of the Group's monetary assets are denominated in Hong Kong dollars, US dollars and Renminbi, with minimal balances in UK pounds and Taiwan dollars, the exchange rate risks of the Group is considered to be minimal. The management considered that the new exchange rate control mechanism for Renminbi adopted in July 2005 does not have any material impact on the Group.

## CHARGE ON ASSETS

As at 31 December 2005, deposits of approximately HK\$3,407,000 (as at 31 December 2004: HK\$3,700,000) were pledged with a bank to secure a guarantee given to the landlord of a subsidiary.

Other than the above, the Group did not have any charge on its assets as at 31 December 2005 and 31 December 2004.

## CAPITAL STRUCTURE

During the year ended 31 December 2005, other than the exercise of share options granted (detail as per note 25 to the financial statements), there is no change in the Company's share capital. As at 31 December 2005, the Group's operations were financed mainly by equity holders' equity.

## 流動資金及財務資源

本集團於二零零五年十二月三十一日的流動資金及財務資源較本集團於二零零四年十二月三十一日者持續改善。本集團於二零零五年十二月三十一日的尚未償還借貸總額約4,900,000港元(於二零零四年十二月三十一日: 8,085,000港元), 為關連公司的無抵押免息往來賬款。該項波動屬於本集團的正常運作模式。

按總負債相對本公司權益持有人應佔權益計算, 本集團於二零零五年十二月三十一日的資本負債比率為15.5%(於二零零四年十二月三十一日: 24.6%)。依此, 本集團的財務狀況仍非常具流動性。

由於本集團大部份貨幣資產均以港元、美元及人民幣計價, 少數以英鎊及台幣計價, 故本集團認為其所承受的匯率風險極低。管理層認為, 於二零零五年七月採納新的人民幣匯率監管機制並不會對本集團造成任何重大影響。

## 資產抵押

於二零零五年十二月三十一日, 約3,407,000港元(於二零零四年十二月三十一日: 3,700,000港元)的存款已抵押予一間銀行, 作為向一間附屬公司的業主提供擔保。

除上文所述外, 本集團於二零零五年十二月三十一日及二零零四年十二月三十一日並無抵押其任何資產。

## 資本架構

截至二零零五年十二月三十一日止年度內, 除行使已授出的購股權外(詳情載於財務報表附註25), 本公司股本並無變動。於二零零五年十二月三十一日, 本集團的業務運作主要透過權益持有人的權益提供資金。

## STAFF

As at 31 December 2005, the Group employed 710 full-time staff (31 December 2004: 624), at market remuneration with employee benefits such as comprehensive medical coverage, insurance plan, defined contribution pension schemes and an employee share option scheme. Staff costs for the year ended 31 December 2005 increased to approximately HK\$242,207,000 (year ended 31 December 2004: HK\$220,798,000).

The Group did not experience any significant labour disputes or substantial change in the number of its employees that led to any disruption of its normal business operations. The Directors consider the Group's relationship with its employees to be good.

## SIGNIFICANT INVESTMENTS HELD

As at 31 December 2005, the Company invested in certain unlisted security investments with an estimated fair market value of approximately HK\$89,729,000 (as at 31 December 2004: HK\$53,461,000).

Save as disclosed above, the Group has not held any significant investment for the year ended 31 December 2005.

## FUTURE PLANS FOR MATERIAL INVESTMENTS AND EXPECTED SOURCE OF FUNDING

The Group will continue to consolidate its existing businesses while exploring new business areas that will complement and enhance its existing businesses.

Other than disclosed herein, the Group did not have any plan for material investments and acquisition of material capital assets.

## CONTINGENT LIABILITIES

Other than disclosed in note 30 to the financial statements, the Group had no material contingent liabilities as at 31 December 2005 and 31 December 2004.

## 僱員

於二零零五年十二月三十一日，本集團僱用710位全職僱員（於二零零四年十二月三十一日：624位），僱員所獲的薪酬符合市場水平，員工福利包括全面醫療保障、保險計劃、定額供款退休金計劃及僱員購股權計劃。截至二零零五年十二月三十一日止年度的員工成本升至約242,207,000港元（截至二零零四年十二月三十一日止年度：220,798,000港元）。

本集團並沒有經歷過任何導致影響其正常業務運作的重大勞資糾紛或僱員數目重大改變。董事認為本集團與其僱員的關係良好。

## 所持有的重大投資

於二零零五年十二月三十一日，本集團投資於若干非上市證券，其估計公平市值約89,729,000港元（於二零零四年十二月三十一日：53,461,000港元）。

除文所披露外，於截至二零零五年十二月三十一日止年度，本集團並無持有任何重大投資。

## 未來重大投資計劃及預期資金來源

本集團將繼續整合其現有業務，並同時開拓可補足及加強其現有業務的新業務範疇。

除本文所披露外，本集團並無任何有關重大投資及收購重大資本資產的計劃。

## 或有負債

除財務報表附註30所披露外，於二零零五年十二月三十一日及二零零四年十二月三十一日，本集團均無重大或有負債。

**CHANGE OF ACCOUNTING POLICY**

In previous years, the Group reported advertising revenue at gross value, and advertising agency commission was presented as operating expenses. To improve the Group's comparability with similar companies in the same industry and provide more relevant information on the revenue transactions, in 2005 the management decided to change the accounting policy, and to report advertising revenue at net value and not at gross value. Net value represents the advertising revenue net of agency commissions. This change has no effect on the profit/loss of the Group.

The chart presented below compares the relevant figures for the four quarters of 2005 in order to give a clearer picture of the effect on the change of accounting policy:

**會計政策變更**

於往年，本集團按總值呈報廣告收入，而廣告代理佣金則列作經營費用。為促進本集團與在相同行業中類似公司的可比性，且於收入交易中提供更多相關資料，於二零零五年，管理層決定改變會計政策，按淨值而非總值呈列廣告收入。淨值指廣告收入減去代理佣金。是次變更並不會對本集團的溢利／虧損造成任何影響。

以下圖表乃比較二零零五年四個季度的相關數字，以便更清楚顯示會計政策變動的影響：

		For the year 2005 二零零五年度				
		1st Quarter 第一季度 HK\$'000 千港元	2nd Quarter 第二季度 HK\$'000 千港元	3rd Quarter 第三季度 HK\$'000 千港元	4th Quarter 第四季度 HK\$'000 千港元	Total 總計 HK\$'000 千港元
<b>After the change of accounting policy</b>	<b>會計政策變更後</b>					
Revenue	收入	258,449	251,140	252,411	272,768	1,034,768
Operating expenses	經營費用	(155,152)	(160,747)	(165,889)	(151,401)	(633,189)
Selling, general & administrative expenses	銷售、一般及行政費用	(62,659)	(57,493)	(55,948)	(66,794)	(242,894)
Operating profit	經營溢利	40,638	32,900	30,574	54,573	158,685
<b>Result reported before the change of accounting policy</b>	<b>會計政策變更前所呈報業績</b>					
Revenue	收入	299,029	291,230	293,070		
Operating expenses	經營費用	(195,732)	(200,837)	(206,548)		
Selling, general & administrative expenses	銷售、一般及行政費用	(62,659)	(57,493)	(55,948)		
Operating profit	經營溢利	40,638	32,900	30,574		



## DIRECTORS

### Executive Directors

**Mr. LIU Changle**, aged 54, appointed on 2 February 2000, is the chairman and chief executive officer of the Company. Mr. LIU graduated from the Beijing Broadcasting Institute in the early 1980s and joined China Central People's Radio Station, with which he has held over the years the positions of reporter, editor, news commentator and senior management, and participated in the reporting and commentary of a number of important national occasions and events.

Mr. LIU's PRC domestic and overseas investments include broadcasting, petroleum, infrastructure construction, real estate development, trading and cultural businesses.

On 31 March 1996, Mr. LIU, through Today's Asia Limited, which is 93.3% owned by him, together with Satellite Television Asian Region Limited and China Wise International Limited, jointly founded Phoenix Satellite Television Company Limited ("Phoenix Satellite TV"). He became and remains the chairman of the Board and the chief executive officer of Phoenix.

Mr. LIU Changle gained widespread accreditations from local and overseas for his enthusiasm and achievement in the media industry. In the January 2000 issue of the "Voices of China" monthly magazine, Mr. LIU was selected as one of the top ten personalities of the "Voices of China 1999".

In August 2000, The Journalist of Taiwan, Ming Pao of Hong Kong and Hong Kong Metro Broadcast Corporation Limited jointly held a survey of "Power 50 Year 2000". Mr. LIU ranked 78 among the 150 nominated candidates from the Greater China region.

In December 2000, Mr. LIU was selected as "Intellect of the Media" in the "Top Ten Pairs in Focus 2000" election organized by 中國新銳時事周刊Chinanews (中國新聞周刊), operated by China News Services (中國新聞社).

In June 2001, Mr. LIU was ranked 17th of Asia's most influential communicators in "The Power 50 2001" survey organized by Asia Week. Mr. LIU was also listed in the "Man of the Cover in the 21st Century Award" (21世紀封面人物) jointly organised by United Nations Development Programme, Poverty Reduction Office of the State Council (國務院扶貧辦) and Hong Kong Commercial Daily.

## 董事

### 執行董事

**劉長樂先生**，54歲，於二零零零年二月二日獲聘，現任本公司主席兼行政總裁，一九八零年代初畢業於北京廣播學院，並加入中國中央人民廣播電台，先後任記者、編輯、新聞評論員及高級管理人員多年，多次參與重要國事及重大事件的報導和評論。

劉先生在國內及海外的投資項目包括廣播、石油、基建、物業發展、貿易及文化事業。

一九九六年三月三十一日，劉先生透過其擁有93.3%股權的今日亞洲有限公司聯同衛星電視有限公司及華穎國際有限公司創立鳳凰衛視有限公司（「鳳凰香港公司」）。彼自此成為鳳凰集團的董事會主席兼行政總裁。

劉長樂先生對傳媒事業的熱誠和實踐獲得海內外各界廣泛之稱許。在二零零零年一月出版的《華聲月刊》中，劉先生被評為「一九九九年十大華聲人物」之一。

二零零零年八月，台灣新新聞週報、香港明報與香港新城廣播有限公司聯合舉辦了二零零零年「Power 50」調查活動，在被提名的150位中港台候選人中，劉先生居78位。

二零零零年十二月，中國新銳時事周刊《中國新聞周刊》（由中國新聞社營辦）推出「2000年新聞人物十大派對」，劉先生被評為「傳媒智者」。

二零零一年六月，《亞洲新聞周刊》評出「Power 50」，劉先生位居第十七；在二零零一年由聯合國開發計劃署、國務院扶貧辦及香港簡報聯合主辦的「21世紀封面人物」頒獎活動中，劉長樂又榜上有名。

## DIRECTORS (CONTINUED)

### **Executive Directors (Continued)**

Mr. LIU Changle received the Robert Mundell Successful World CEO Award, an award named after the Nobel Prize winning economist, Professor Robert Mundell, “Father of Euro”, by “leaders of the global Chinese television program providers” (全球華語電視節目提供商的領導者) in May 2004. At the Singapore Asia-Pacific Overseas Chinese Commercial Leaders Forum in June 2004, Mr. LIU Changle together with Mr. LI Ka-Shing, Mr. KUOK Hock Mien and Mr. Zhang Ruimin were amongst the 30 shortlisted Chinese leaders and they were also honoured with the “2004 Most Creative Asia-Pacific Overseas Chinese Business Leader Award”. In the most outstanding CEO in the China region 2004 campaign, organized by an association of the world CEO “Association of International CEOs” in March 2005, Mr. LIU Changle was selected as top ten outstanding CEO.

Mr. LIU Changle was appointed to the board of directors of Nanjing University in December 2003, and is an honorary visiting professor at the Communication University of China and at Tianjin’s Nankai University. He is also cultural adviser to the Tianjin Municipal Government, adviser on Foreign Economic Cooperation to the Hebei Provincial Government, and vice chairman of the Outstanding Chinese Fund.

Mr. LIU Changle was appointed a Justice of the Peace by the government of the Hong Kong Special Administrative Region in July 2004.

Mr. LIU Changle is one of the substantial shareholders of the Asia Television Limited and he is also a member of the International Board of the US National Academy of Television Arts and Sciences. He was appointed the Chairman of both the 2005 and 2006 iEMMYs Festival by the International Academy of Television Arts & Sciences on 22 Nov 2004.

On 1 March, 2005, Mr. LIU Changle was appointed as Member of the Tenth National Committee of Chinese People’s Political Consultative Conference (中國人民政治協商會議第十屆全國委員會).

**Mr. CHUI Keung**, aged 54, appointed on 5 June 2000, is the executive director and deputy chief executive officer of the Company. Mr. CHUI graduated from the department of journalism of Fudan University in Shanghai and served in the China Central People’s Radio Station for over 10 years. Since the establishment of Phoenix on 31 March 1996, he has been in charge of the overall daily operations, the public relations and promotion strategies of Phoenix, and the coordination of the relationships with PRC government entities. He also assists in establishing and implementing the corporate development strategies of the Company.

## 董事 (續)

### **執行董事 (續)**

二零零四年五月，以諾貝爾經濟學獎得主，「歐羅之父」羅伯特蒙代爾教授命名的世界經理人成就獎評選中，劉長樂以「全球華語電視節目提供商的領導者」獲「羅伯特蒙代爾世界經理人CEO成就獎」；二零零四年六月，在新加坡亞太華商領袖評選中，劉長樂先生、李嘉誠先生、郭鶴年先生、張瑞敏先生等30位華商領袖共同入選，獲「2004亞太最具創造力之華商領袖」之榮譽；二零零五年三月，在全球性的經理人組織「國際經理人協會」組織評選的2004「中國地區傑出經理人」活動中，劉長樂先生獲選為十大傑出經理人。

於二零零三年十二月劉長樂先生被南京大學聘為校董，他還擔任中國傳媒大學及天津之南開大學的榮譽客座教授，而彼亦為天津市文化顧問、河北省政府對外經濟合作顧問及世界傑出華人基金會副主席等。

二零零四年七月，劉長樂先生獲香港特別行政區政府委任為太平紳士。

劉長樂先生是香港亞洲電視有限公司的主要股東之一，他還擔任美國國家電視藝術與科學學院國際理事會理事。二零零四年十一月二十二日，國際艾美獎主辦機構國際電視藝術與科學學院委任劉長樂先生擔任二零零五年及二零零六年之國際艾美獎電視節主席。

二零零五年三月一日，劉長樂先生榮任中國人民政治協商會議第十屆全國委員會委員。

**崔強先生**，54歲，於二零零零年六月五日獲聘，為本公司執行董事及常務副行政總裁。崔先生畢業於上海復旦大學新聞系，在中國中央人民廣播電台任職逾十年。自鳳凰集團於一九九六年三月三十一日成立後，彼一直負責鳳凰集團整體的日常運作、對外公關及宣傳策略，並協調與國內政府機構的關係。彼亦協助建立及執行本公司的發展策略。

**DIRECTORS (CONTINUED)****Non-Executive Directors**

Throughout the term of office with the Phoenix Group, Mr. CHUI has been instrumental in Phoenix's PRC domestic business development, programme production, advertising operation, marketing network and public relations. In 1996, he was in charge of the production of "Flying over the Yellow River", a major television programme of Phoenix, which achieved popular success and heightened the popularity of Phoenix in the PRC and overseas Chinese communities.

Prior to joining Phoenix, Mr. CHUI was a director and the general manager of Tianhua International Culture and Art Company Limited in Beijing focusing on developing various cultural, arts and publication businesses.

**Ms. Michelle Lee GUTHRIE**, aged 40, appointed as director of the Company on 31 July 2003, is the chief executive officer of STAR. She joined STAR in June 2000. Before that, she was director of Legal and Business Affairs at FOXTEL from 1998 to 2000, responsible for all legal and business development functions. Before FOXTEL, Ms GUTHRIE was corporate counsel in London for News International plc and British Sky Broadcasting Limited. Ms GUTHRIE has extensive pay-television experience in Asia, Australia and Europe. She graduated from the University of Sydney with Bachelor of Arts and Bachelor of Laws (Hons) degrees.

**Mr. LAU Yu Leung, John**, aged 43, appointed on 5 June 2000, holds the position of chief financial officer and executive vice president, Business Development of STAR. Mr LAU has overall responsibility for all financial matters of STAR, including corporate strategy, management and financial reporting, internal audit, treasury and tax. In addition, he heads the business development division, identifying and developing growth opportunities for the company.

Prior to joining STAR, Mr LAU was the chief financial officer of San Miguel Brewing International Ltd, responsible for the company's financial operations throughout Asia Pacific.

Before this role, Mr LAU also held senior financial positions at GE Information Services, Philip Morris Asia Inc and Deloitte & Touche in Los Angeles, USA.

Mr LAU graduated from Brigham Young University in Utah in August 1988, with a Master's degree in Accountancy and Information Systems and a Bachelor of Science degree in Accounting. He is a member of the California Institute of Certified Public Accountants.

**董事 (續)****非執行董事**

崔先生任職鳳凰集團期間曾負責鳳凰集團的國內業務發展、節目製作、廣告經營、市場網絡、公關傳媒等工作。一九九六年，彼擔任鳳凰集團的一個大型電視節目「飛越黃河」總指揮，取得空前成功，使鳳凰集團在國內外華人社會聲譽日隆。

在加盟鳳凰集團前，崔先生曾任北京天華國際文化藝術有限公司董事兼總經理，主力開拓各項文化藝術及出版等事業。

**Michelle Lee GUTHRIE (高美嫻) 女士**，40歲，於二零零三年七月三十一日獲委任為本公司董事，現任星空傳媒集團之行政總裁。彼於二零零零年六月加入星空傳媒集團。在加入星空傳媒集團前，彼於一九九八年至二零零零年擔任FOXTEL的法律及業務發展總監，專責所有法律及業務發展事務。在加入FOXTEL前，GUTHRIE女士曾任職News International plc及British Sky Broadcasting Limited的企業法律顧問。GUTHRIE女士對亞洲、澳洲及歐洲的收費電視業務具有豐富經驗。彼畢業於悉尼大學，獲頒授文學士學位及法學榮譽學士學位。

**劉禹亮先生**，43歲，於二零零零年六月五日獲聘，現任星空傳媒集團財務總監兼業務發展部首席副總裁，負責星空傳媒集團的一切財務事項，包括公司策略、管理及財務申報、內部審核、庫務及稅務，並統領公司之業務發展。

加入星空傳媒集團前，劉先生於香港生力啤酒國際有限公司任職財務總監，負責該公司亞太區的財務運作。

在此之前，劉先生曾於多家公司擔任財務要職，當中包括美國通用電氣資訊服務公司、菲利普莫里斯亞洲集團和位於洛杉磯的德勤會計師行。

劉先生於一九八八年八月畢業於美國猶他州Brigham Young大學，獲資訊系統會計學碩士學位及會計學學士學位。彼現為California Institute of Certified Public Accountants會員。

## DIRECTORS (CONTINUED)

### **Non-Executive Directors (Continued)**

**Mr. CHEUNG Chun On, Daniel**, aged 46, is executive vice president of STAR, News Corporation's Asian satellite television and multi-media services. He is also chief operating officer of China Network Systems, a joint venture between STAR and the Koos Group in Taiwan, responsible for managing Koos' cable systems, their upgrade and digitization processes.

Before assuming his present positions, Mr. CHEUNG was general manager of STAR in Taiwan overseeing advertising sales, subscription television service and television program production. He was previously deputy regional director for Greater China, responsible for distribution and marketing in the market.

Mr. CHEUNG graduated from Hong Kong Polytechnic in Electronic Engineering. Before joining STAR in 1991, he was the technical consultant of The Hong Kong Telecom for the Global Virtual Private Network.

**Mr. XU Gang**, aged 48, is a non-executive director of the Company since 13 November 2000. Mr. XU has extensive experience in banking and investment. He was the deputy chief executive officer of BOC International Holdings Limited ("BOCI") and the Chairman of a number of subsidiary companies of BOCI. Currently, he is the director and chief executive officer of Bank of China Group Investment Limited ("BOCGI") and director of a number of companies controlled by BOCGI or in which BOCGI has an interest.

**Mr. CHEUNG San Ping**, aged 50, appointed on 2 January 2001 as a non-executive director of the Company. Mr. CHEUNG has extensive experience in trading.

Mr. CHEUNG graduated from Xian Political Academy of China (中國西安政治學院) and Senior Research Studies for Chief Executives of Business Centre of Peking University (北京大學企業中心總裁高級研修班). He was awarded Master Degree in Business Administration from Macao University of Science and Technology. Before joining Phoenix, he was the project managing director of Sinochem Corporation and Today's Asia Limited. He has extensive experience in project investment, trading and management.

## 董事 (續)

### **非執行董事 (續)**

**張鎮安先生**，46歲，是星空傳媒集團首席副總裁。星空傳媒集團是新聞集團在亞洲的衛星電視及多媒體公司。張先生亦出任星空傳媒集團及和信企業聯合營的中嘉網路股份有限公司的營運總監，負責管理屬下的有線電視系統，以及系統的升級及數碼化工程。

在出任現職前，張先生是星空傳媒集團台灣分公司的總經理，負責集團在台灣的廣告營銷、收費電視服務和電視節目製作。此前，張先生是集團大中華地區的副地區總裁，專注分銷及市場推廣業務。

張先生畢業於香港理工學院電子工程系。於一九九一年加盟星空傳媒集團，之前，張先生是香港電訊國際專用電路部門的技術顧問。

**許剛先生**，48歲，於二零零零年十一月十三日出任本公司非執行董事。許先生擁有豐富的銀行和投資經驗。他曾為中銀國際控股有限公司（「中銀控股」）副執行總裁及中銀控股其下多間公司之董事長職位，現為中銀集團投資有限公司（「中銀投資」）董事兼執行總裁及中銀投資控制或擁有權益之多間公司之董事。

**張新兵先生**，50歲，於二零零一年一月二日獲聘為本公司非執行董事。張先生於貿易方面擁有豐富經驗。

張先生畢業於中國西安政治學院、北京大學企業中心總裁高級研修班，獲澳門科技大學工商管理碩士學位，加入鳳凰之前，在中國化工進出口總公司，今日亞洲有限公司任項目部總經理及董事之職，在項目投資、貿易及管理方面擁有豐富經驗。

**DIRECTORS (CONTINUED)****Independent Non-Executive Directors**

**Dr. LO Ka Shui**, aged 59, appointed on 5 June 2000, is the deputy chairman and managing director of Great Eagle Holdings Limited. He is a non-executive director of The Hongkong and Shanghai Banking Corporation Limited, Shanghai Industrial Holdings Limited and China Mobile (Hong Kong) Limited. He is also a director of Hong Kong Exchanges and Clearing Limited (also a past chairman of the listing committees of the Main Board and Growth Enterprise Market), a vice president of The Real Estate Developers Association of Hong Kong, a Trustee of the Hong Kong Centre for Economic Research and a member of the Airport Authority, and a past chairman of the Hospital Authority. He graduated with a Bachelor of Science degree from McGill University and M.D. from Cornell University. He is certified in Cardiology. He has more than 25 years' experience in property and hotel development and investment both in Hong Kong and overseas.

**Mr. LEUNG Hok Lim**, aged 70, is a fellow member of CPA Australia, a member of the Macau Society of Certified Practising Accountants, a fellow member of the Hong Kong Institute of Certified Public Accountants and a fellow member of the taxation institute of Hong Kong. Mr. LEUNG is the founding and senior partner of PKF, Certified Public Accountants. Mr. LEUNG obtained his fellowship with Institute of Certified Public Accountants in 1973. He is a non-executive director of Beijing Hong Kong Exchange of Personnel Centre Limited. Mr. LEUNG is the independent non-executive director of a number of listed companies namely Yangtzekeiang Garment Manufacturing Company Limited, YGM Trading Limited, S E A Holdings Limited, Bright International Group Limited, Fujian Holdings Limited and High Fashion International Limited.

**Mr. Thaddeus Thomas BECZAK**, aged 55, is the independent non-executive director and a member of the audit committee of the Company since 11 March 2005. Mr. Beczak is currently a senior advisor to Nomura International (Hong Kong) Ltd. and an independent non-executive director of a number of listed companies namely Arnhold Holdings Limited and Namtai Electronic and Electrical Products Limited. He is also the non-executive chairman of Lahtide Capital.

From September 1997 until December 2003, Mr. Beczak was a director of Kerry Holdings Limited. During this time he also held various board and operating positions within the group. Most recently, he was deputy chairman of SCMP Holdings Limited and publisher of South China Morning Post Publishers Limited. Previously, he had been deputy chairman of Shangri-La Asia Limited, deputy chairman of Kuok Philippines Properties, a director of China World Trade Center Limited and a director of Kerry Properties Limited.

**董事 (續)****獨立非執行董事**

**羅嘉瑞醫生**，59歲，於二零零零年六月五日獲聘，現任鷹君集團有限公司副主席兼董事總經理。彼為香港上海滙豐銀行有限公司、上海實業控股有限公司及中國移動(香港)有限公司非執行董事。彼亦為香港交易及結算所有限公司董事(亦曾任主板及創業板上市委員會主席)、香港地產建設商會副主席、香港經濟研究中心董事及機場管理局成員及曾任醫院管理局主席。羅醫生畢業於加拿大麥紀爾大學為理學士，及為美國康奈爾大學醫學博士，彼並持有心臟專科證書。彼在香港及海外從事物業與酒店發展及投資業務逾二十五年。

**梁學濂先生**，70歲，為澳洲會計師公會資深會員、澳門核數師公會會員、香港會計師公會資深會員及香港稅務學會資深會員。梁先生為梁學濂會計師事務所(執業會計師)之創辦人及高級合夥人。梁先生於一九七三年取得香港會計師公會資深會員資格。彼為京港人才交流中心有限公司之非執行董事。梁先生為多間上市公司，即長江製衣廠有限公司、YGM貿易有限公司、爪哇控股有限公司、瑩輝集團有限公司、閩港控股有限公司及達利國際有限公司之獨立非執行董事。

**Thaddeus Thomas BECZAK (白泰德) 先生**，55歲，於二零零五年三月十一日起出任本公司之獨立非執行董事及審核委員會成員。BECZAK先生現為野村國際(香港)有限公司之高級顧問及多間上市公司，即安利控股有限公司及Namtai Electronics and Electrical Products Limited的獨立非執行董事。彼亦為Lahtide Capital之非執行主席。

BECZAK先生於一九九七年九月至二零零三年十二月期間出任嘉里控股有限公司之董事，同期擔任該集團內的多個董事局及運作之職位。近期，BECZAK先生曾擔任SCMP集團有限公司之副主席及南華早報出版有限公司之出版人。之前，他曾擔任為香格里拉(亞洲)有限公司之副主席、郭氏菲律賓地產之副主席、中國世界交易中心有限公司之董事及嘉里集團有限公司之董事。



## DIRECTORS (CONTINUED)

### **Independent Non-Executive Directors (Continued)**

From November 1997 until December 2002, Mr. Beczak was chairman of the Listing Committee of The Stock Exchange of Hong Kong Limited ("Hong Kong Stock Exchange") and a member of the Hong Kong Stock Exchange Board of Directors from 1998 until 2001. Currently, he is a member of the Advisory Committee of the Securities and Futures Commission in Hong Kong.

Prior to joining the Kerry group, Mr. Beczak was a managing director of J. P. Morgan Inc., and president of J. P. Morgan Securities Asia from 1990 until 1997. While at J. P. Morgan, Hong Kong, he was a director of the Bank of the Philippine Islands and a committee member of the Hong Kong Association of Banks. He joined J. P. Morgan in 1974. Mr. Beczak has over 20 years of experience in Asia.

Mr. Beczak is a graduate of Georgetown University (B.S.F.S.) and Columbia University (M.B.A.). He is a member of the Board of Advisors of the School of Foreign Service at Georgetown.

### **Alternate Director**

**Mr. GONG Jianzhong**, aged 43, is an alternate director to Mr. XU Gang, non-executive director of the Company, since 18 April 2001. Mr. GONG has extensive experience in banking and investment. He was the Head of Bank of China, Shao Yang Branch. Currently, he is the deputy chief executive officer of BOCGI and director of a number of companies controlled by BOCGI or in which BOCGI has an interest.

## 董事 (續)

### **獨立非執行董事 (續)**

於一九九七年十一月至二零零二年十二月BECZAK先生曾任香港聯合交易所有限公司(「香港聯交所」)上市委員會主席，並於一九九八年至二零零一年為香港聯交所董事會成員。彼現為香港證券及期貨事務監察委員會諮詢委員會委員。

加盟嘉里集團前，於一九九零年至一九九七年BECZAK先生為J.P. Morgan Inc.董事總經理兼J.P. Morgan Securities Asia總裁。在J.P. Morgan期間，彼為菲律賓群島銀行之董事及香港銀行協會之委員會成員。他於一九七四年加入J.P. Morgan。BECZAK先生擁有超過二十年在亞洲之經驗。

BECZAK先生畢業於Georgetown University (B.S.F.S.)及Columbia University (M.B.A.)。彼為Georgetown之School of Foreign Service之顧問會成員。

### **替任董事**

**龔建中先生**，43歲，於二零零一年四月十八日出任本公司非執行董事許剛先生之替代董事。龔先生擁有豐富的銀行和投資經驗。他曾擔任中國銀行邵陽分行行長，現為中銀投資副執行總裁及中銀投資控制或擁有權益之多間公司之董事。



**DIRECTORS (CONTINUED)****Senior Management**

**Mr. LEUNG Noong Kong**, aged 57, currently holds the position of deputy chief executive officer of the Company. Mr. LEUNG had been instrumental in the setting up of the Phoenix Group and has been part of its senior management team ever since its inception. His primary responsibilities include the supervision of the day-to-day operations of the Phoenix Group, the establishing of management structures pertaining to the evolving operations of the Phoenix Group, as well as the mapping out of strategies, in conjunction with the chief executive officer of the Company, for the business development of the Phoenix group. Mr. LEUNG joined Satellite Television Asian Region Limited in 1991. From 1991 to 1995, he was involved in various tasks relating to the development of STAR's business in the Greater China region. He also played a pivotal role in the launching of STAR Chinese Channel and STAR Movies Channel in 1991 and 1993 respectively. Following the formation of Phoenix Satellite TV, Mr. LEUNG was again instrumental in the launching of the Phoenix Chinese Channel and the Phoenix Movies Channel and the taking control in the management of the Phoenix CNE Channel.

Mr. LEUNG is a well-known figure in the Hong Kong media and broadcasting field. He hosted a film magazine programme for the Jade Channel of Television Broadcasting Limited ("TVB") in the late 1960s. From 1969 to 1972, he then worked as a translator and editor for one of Hong Kong's first finance newspapers, Ming Pao Evening News. From 1971 to 1978, he worked respectively for the United States Information Service in Hong Kong and the BBC External Services in London as editor, programme producer and news announcer. Thereafter, he spent 10 years with TVB, programming for its Jade Channel and Pearl Channel at different times. He had also been with ATV for a short period. While at TVB and ATV, and subsequently at STAR, he set up the internal standards and practices departments for all three and he was well versed in all the regulatory issues involved in television broadcasting in Greater China region.

Apart from being an experienced personality in the media field, Mr. LEUNG is also a renowned writer on the cinema and on cultural studies in Hong Kong and Taiwan, as well as a published author of several books in these fields. He had also been a programme consultant to many international film festivals, including the Hong Kong International Film Festival, and had sat on the editorial boards for many prestigious publications at various times.

**董事 (續)****高級管理人員**

**梁濃剛先生**，57歲，現任本公司的常務副行政總裁。在商談成立鳳凰衛視這個項目的過程中，梁先生扮演了重要的角色，而從鳳凰集團成立到現在，梁先生一直都是最高管理層的成員之一。其主要的職責包括對鳳凰集團的日常營運的管理，就鳳凰集團業務的發展而協助制定相對應的管理結構，並且輔助本公司的行政總裁制定鳳凰集團業務發展的策略。梁先生於一九九一年加盟衛星電視有限公司。從一九九一至一九九五年，他參與了衛視在大中華地區眾多的業務發展工作。衛視中文台和衛視電影台分別於一九九一年和一九九三年啟播的這兩項工作，梁先生都是主要的參與人員。在鳳凰香港公司成立之後，梁先生同樣在開辦鳳凰衛視中文台、鳳凰衛視電影台及接管鳳凰衛視歐洲台方面起了主要的作用。

梁先生在香港的傳媒行業是一位知名人士。在一九六零年代末期，梁先生曾在電視廣播有限公司（「無線」）翡翠台主持一個電影雜誌節目。一九六九年至一九七二年，他在香港第一份財經報紙明報晚報擔任翻譯及編輯工作。從一九七一至一九七八年，梁先生先後在香港的美國新聞處及在倫敦的英國廣播公司擔任編輯、廣播編導及新聞廣播員。其後，他重返無線，在其翡翠台及明珠台節目管理方面累積了十年經驗。此外，梁先生也在亞視工作了一段短時間。梁先生在其先後工作過的無線、亞視及衛視，均負責創立公司內部的電視廣播守則監管部門，對香港及大中華地區內的電視廣播監管條例非常熟悉。

除了是傳播媒介方面的資深人士外，梁先生同時是香港、台灣知名的電影評論家及文化理論家，曾發表、出版過不少這方面的著述。梁先生曾出任不少的國際電影節，包括香港本身的國際電影節的節目顧問，並且替不少刊物擔任過編輯顧問。

## DIRECTORS (CONTINUED)

### **Senior Management (Continued)**

**Mr. WANG Jiyun**, aged 57, joined Phoenix in March 1996. Mr. WANG is the executive vice president of Phoenix Satellite TV and the Company and Head of the Phoenix Chinese Channel. Mr. WANG has taught in Beijing Broadcasting Institute for more than twenty years.

Mr. WANG is one of the leading television programme producers in China and participated in the direction and production of a number of television programmes in early years. His television programme productions have won numerous domestic and overseas awards.

Mr. WANG is also a scholar in the television industry and has been the panelist of various international television festivals and the presenter of international Chinese language television festivals. He is also a renowned media educator and enjoys a professor title. During the two decades of teaching in the Beijing Broadcasting Institute, he was the head of the television department for over ten years and was the deputy dean of the Beijing Broadcasting Institute for six years.

**Mr. YEUNG Ka Keung**, aged 46, is the executive vice president and chief financial officer of Phoenix Satellite TV and the Company in charge of corporate finance and administration. Mr. YEUNG joined Phoenix in March 1996 and has been in charge of all of Phoenix's internal and external financial management and arrangements as well as the supervision of administration and personnel matters.

Mr. YEUNG graduated from the University of Birmingham and remained in the United Kingdom until 1992 after obtaining his qualification as a chartered accountant. Upon returning to Hong Kong, he worked at Hutchison Telecommunications and STAR in the field of finance and business development.

**Mr. CHAU Kwan**, aged 50, is the executive vice president of Phoenix Satellite TV. He graduated from the Beijing Broadcasting Institute in July 1990 with a major in Editing Studies in School of Television.

Mr. CHAU Kwan joined Phoenix in 1998. He has been the head of Phoenix Movies Channel, general manager of Phoenix Film and Television (Shenzhen) Co. Limited (鳳凰影視(深圳)有限公司), vice president and deputy director of programming of Phoenix Satellite TV. He is currently responsible for advertising and marketing networks.

## 董事 (續)

### **高級管理人員 (續)**

**王紀言先生**，57歲，於一九九六年三月加盟鳳凰衛視，現任鳳凰香港公司及本公司的執行副總裁兼鳳凰衛視中文台台長。彼曾在北京廣播學院任教超過廿年。

王先生為中國的主要電視製作人之一，早年曾參與許多電視節目的指導及製作工作，其作品多次贏取國內及國外大獎。

王先生亦為電視業學者，曾多次擔當國際電視節的評委及國際華語電視節的報告人。彼又是享負盛名的傳媒教育工作者，教授職稱。在任教於北京廣播學院的二十年期間，彼任電視系主任逾十年，後來被委任為副院長六年。

**楊家強先生**，46歲，現任鳳凰香港公司及本公司的執行副總裁兼集團財務總監，負責公司財務及行政事務。楊先生於一九九六年三月加盟鳳凰集團，掌管鳳凰集團一切對內及對外的財務管理及安排，並監察行政及人事事宜。

楊先生畢業於英國伯明翰大學，考獲英國特許會計師資格後留居英國，至一九九二年回歸香港，回港後在和記電訊及衛視擔任財務及業務發展工作。

**周軍先生**，50歲，現任鳳凰香港公司執行副總裁，畢業於北京廣播學院電視系編導專業。

周軍先生一九九八年加盟鳳凰，先後任鳳凰衛視電影台台長、鳳凰影視(深圳)有限公司總經理、鳳凰香港公司副總裁、節目副總裁，目前分管廣告及市場網絡工作。

We are committed to ensuring high standards of corporate governance in the interests of the shareholders of Phoenix Satellite Television Holdings Limited (the “Company”) and devote considerable effort to identifying and formalising best practices.

## CORPORATE GOVERNANCE PRACTICES

In line with the increasing regulatory and investor focus on corporate governance standards, the Stock Exchange has issued the Code on Corporate Governance Practices (the “Code”) with effect from 1 January 2005.

On 26 December 2005, the Company adopted its own Code on Corporate Governance (“Phoenix’s Code”) which combined its existing principles and practices with most of the mandatory provisions of the Code – all with the objective of taking forward a corporate governance structure which builds on Phoenix’s own standards and experience, whilst respecting the benchmarks set in the Code.

We will explain in this Corporate Governance Report where our approach deviates from the Code. Unless otherwise disclosed herein, the Company has, throughout the year ended 31 December 2005, complied with the Code.

## DISTINCTIVE ROLES OF CHAIRMAN AND CHIEF EXECUTIVE OFFICER

### **Code Provisions**

Under the Code, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive officer should be clearly established and set out in writing.

### **Deviation and its Reasons**

Mr. LIU Changle is both the chairman and chief executive officer of the Company who is responsible for managing the board of directors (the “Board”) and the businesses of the Company and its subsidiaries (collectively, the “Group”). He has been both chairman and chief executive officer of the Company since its incorporation and the management is of the view that the assumption of those positions by Mr. LIU, who is very experienced in the media industry, is in the best interest of the Company.

吾等承諾確保達致高水準的企業管治，以符合鳳凰衛視控股有限公司（「本公司」）股東的利益，並竭力確定及制定最佳常規。

## 企業管治常規

為符合日益嚴格的規管及投資者專注於企業管治標準，聯交所已頒佈並自二零零五年一月一日起生效的企業管治常規守則（「該守則」）。

於二零零五年十二月二十六日，本公司採納其本身的企業管治守則（「鳳凰衛視守則」），並將其現有原則及常規與該守則的大部份強制性條文合併 – 一切旨在構建鳳凰衛視本身的標準及經驗的企業管治架構，同時以該守則所載基準為準。

吾等將在本企業管治報告中闡釋當吾等的處理方法有偏離該守則的地方。除本文另有披露外，本公司於截至二零零五年十二月三十一日止整個年度內均一直遵守該守則。

## 主席及行政總裁的獨有角色

### **守則條文**

根據守則，主席及行政總裁的角色應有區分，並不應由一人同時兼任。主席與行政總裁之間職責的分工應清楚界定並以書面列載。

### **偏離及其原因**

劉長樂先生為本公司主席兼行政總裁，負責管理董事會（「董事會」）與本公司及其附屬公司（合稱為「本集團」）的業務。劉先生自本公司註冊成立以來即一直擔任本公司的主席兼行政總裁，管理層認為劉先生於傳媒行業經驗豐富，而由其擔任上述兩個職銜實為符合本公司的最佳利益。

## APPOINTMENTS, RE-ELECTION AND REMOVAL

### Code Provisions

Under the Code, (i) non-executive directors should be appointed for a specific term, subject to re-election; and (ii) all directors appointed to fill a casual vacancy should be subject to election by shareholders at the first general meeting after their appointment. Every director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years.

### Deviation and its Reasons

Apart from the executive directors, no other directors of the Company (the "Directors") are currently appointed with specific terms. According to the articles of association of the Company, at each annual general meeting one-third of the Directors for the time being (or, if their number is not a multiple of three (3), the number nearest to but not greater than one-third) shall retire from office by rotation, but the chairman of the Board and/or the managing Director shall not, whilst holding such office, be subject to retirement by rotation or be taken into account in determining the number of Directors to retire in each year. As such, with the exception of the chairman, all Directors are subject to retirement by rotation. The management considers that there is no imminent need to amend the articles of association of the Company.

## COMMUNICATION WITH SHAREHOLDERS

### Code Provisions

Under the Code, the chairman of the board should attend the annual general meeting and arrange for the chairmen of the audit, remuneration and nomination committees (as appropriate) or in the absence of the chairman of such committees, another member of the committee or failing this his duly appointed delegate, to be available to answer questions at the annual general meeting. The chairman of the independent board committee (if any) should also be available to answer questions at any general meeting to approve a connected transaction or any other transaction that is subject to independent shareholders' approval.

### Deviation and its Reasons

Whilst the Company endeavours to maintain an on-going dialogue with shareholders, the chairman may not always be able to attend the annual general meeting due to other important business engagement. Mr. CHUI Keung, an executive Director, and Mr. Thaddeus Thomas BECZAK, an independent non-executive Director and also chairman of the audit committee of the Company, attended the 2005 annual general meeting and were available to answer questions if raised at the meeting.

## 委任、重選及免職

### 守則條文

根據守則，(i)非執行董事應有指定任期，並須接受重新選舉；及(ii)所有為填補臨時空缺而獲委任的董事應在獲委任後的首次股東大會上接受股東選舉。每位董事(包括按指定任期獲委任者)須至少每三年輪值告退一次。

### 偏離及其原因

現時除執行董事以外，其他本公司董事(「董事」)均沒有指定任期。根據本公司組織章程，於各股東週年大會上，當時的三分之一董事(或若其數目並非三(3)的倍數，則為最接近但不超過三分之一者)須輪值告退，惟董事會主席及/或本公司董事總經理在任職期間毋須輪值告退，亦毋須計入每年須告退的董事人數內。因此，除主席外，所有董事均須輪值告退。管理層認為並無即時需要修訂本公司組織章程。

## 與股東溝通

### 守則條文

根據守則，董事會主席應出席股東週年大會，並安排審核委員會、薪酬委員會及提名委員會(如適用)的主席，或當有關委員會的主席缺席時，則委員會的其他成員或(若並無成員出席)其正式委任代表可於股東週年大會上解答有關提問。獨立董事委員會(如有)主席亦應在任何以批准關連交易或任何其他須經獨立股東批准的交易的股東大會上解答有關提問。

### 偏離及其原因

雖然本公司竭力維持與股東的持續交流，但主席可能因其他重要商業活動而無法出席股東週年大會。崔強先生(執行董事)及Thaddeus Thomas BECZAK先生(獨立非執行董事兼本公司審核委員會主席)有出席二零零五年股東週年大會，並可於大會上解答有關提問(如有提出)。

## DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the required standard of dealings as set out in rules 5.48 to 5.67 of the GEM Listing Rules as the code of conduct regarding securities transactions by the Directors.

Having made specific enquiry of all Directors, the Directors have complied with the required standard of dealings regarding directors' securities transactions throughout the year ended 31 December 2005.

## BOARD OF DIRECTORS

The Board is responsible for leadership and control of the Company and is collectively responsible for promoting the success of the Company by directing and supervising the Company affairs.

The Board currently comprises two executive Directors, five non-executive Directors and three independent non-executive Directors. Their brief biographical details are described in the annual report.

The Company has received, from each of the independent non-executive Directors, an annual confirmation of his independence pursuant to rules 5.09 of the GEM Listing Rules. The Company considers all of the independent non-executive directors to be independent.

The Board meets at least four times a year to review the financial and operating performance of the Group.

## 董事的證券交易

本公司已採納創業板上市規則第5.48條至第5.67條所載的規定買賣標準，作為董事進行證券交易的操守指引。

經向所有董事作出特定查詢後，董事於截至二零零五年十二月三十一日止整個年度內一直遵守有關董事進行證券交易的規定買賣標準。

## 董事會

董事會負責領導及監控本公司，並共同負責指導及監督本公司事務以促使本公司繼續成功發展。

董事會現由兩位執行董事、五位非執行董事及三位獨立非執行董事組成。董事會各位成員的履歷簡介載於年報。

根據創業板上市規則第5.09條，本公司已收到各位獨立非執行董事發出的年度獨立確認書。本公司認為所有獨立非執行董事均為獨立。

董事會每年至少會舉行四次會議，以檢討本集團的財政及經營表現。

**BOARD OF DIRECTORS (CONTINUED)**

There were four Board meetings held in the financial year ended 31 December 2005. Individual attendance of each Board member at these meetings is as follows:

**董事會 (續)**

本公司已於截至二零零五年十二月三十一日止財政年度內舉行了四次董事會會議。各位董事會成員於該等會議上的個人列席情況如下：

Name of Director	董事姓名	Note 附註	Attended/ Eligible to attend 已列席／合資格列席
<b>Executive Directors</b>			
Mr. LIU Changle ( <i>Chairman &amp; CEO</i> )	劉長樂先生 ( <i>主席兼行政總裁</i> )		4/4
Mr. CHUI Keung	崔強先生		4/4
<b>Non-executive Directors</b>			
Ms. Michelle Lee GUTHRIE	Michelle Lee GUTHRIE女士		3/4
Mr. LAU Yu Leung, John	劉禹亮先生		3/4
Mr. CHEUNG Chun On, Daniel	張鎮安先生		4/4
Mr. XU Gang	許剛先生		0/4
Mr. CHEUNG San Ping	張新兵先生		0/4
<b>Independent Non-executive Directors</b>			
Dr. LO Ka Shui	羅嘉瑞醫生		4/4
Mr. KUOK Khoo Ean	郭孔演先生	(i)	1/1
Mr. LEUNG Hok Lim	梁學濂先生	(ii)	4/4
Mr. Thaddeus Thomas BECZAK	Thaddeus Thomas BECZAK先生	(iii)	3/3
<b>Alternate Director</b>			
Mr. GONG Jianzhong	龔建中先生	(iv)	1/4

Notes:

- (i) Resigned as an independent non-executive Director on 10 March 2005.
- (ii) Appointed as an independent non-executive Director on 21 January 2005.
- (iii) Appointed as an independent non-executive Director on 11 March 2005.
- (iv) An alternative Director to Mr. XU Gang.

附註：

- (i) 於二零零五年三月十日退任獨立非執行董事。
- (ii) 於二零零五年一月二十一日獲委任為獨立非執行董事。
- (iii) 於二零零五年三月十一日獲委任為獨立非執行董事。
- (iv) 許剛先生的替任董事。

During the regular meetings of the Board, the Directors discuss and formulate the overall strategies of the Group, review and monitor the business and financial performances and discuss the quarterly, half-yearly and annual results, as well as discuss and decide on other significant matters.

在董事會的定期會議期間，董事會商討並制定本集團的整體策略，檢討及監察有關業務及財政表現，並討論季度、半年度及年度業績，以及商討決定其他重大事宜。

The management is responsible for the day-to-day operations of the Group. For significant matters that are specifically delegated by the Board, the management must report back to and obtain prior approval from the Board before making decisions or entering into any commitments on behalf of the Group.

管理層負責本集團的日常經營業務。至於董事會所特指的重大事宜，管理層須在代表本集團作出決定或訂立任何契約前先行向董事會報告並取得董事會的事先批准。



## BOARD COMMITTEES

### Audit Committee

The Company has established an audit committee with written terms of reference based upon the guidelines recommended by the Hong Kong Institute of Certified Public Accountants and the mandatory provisions set out in the Code.

The primary duties of the audit committee are to review the Company's annual report and accounts, half-yearly report and quarterly reports and to provide advices and comments thereon to the Board. The audit committee meets at least four times a year with management to review the accounting principles and practices adopted by the Group and to discuss auditing, internal control and financial reporting matters.

The audit committee currently comprises one non-executive Director, namely Mr. LAU Yu Leung, John and three independent non-executive Directors, namely Dr. LO Ka Shui, Mr. LEUNG Hok Lim and Mr. Thaddeus Thomas BECZAK.

The audit committee met four times in 2005. Individual attendance of each committee member at these meetings is as follows:

Name of Director	董事姓名	Note 附註	Attended/ Eligible to attend 已列席/合資格列席
<b>Independent Non-executive Directors</b>			
<b>獨立非執行董事</b>			
Mr. Thaddeus Thomas BECZAK ( <i>Chairman</i> )	Thaddeus Thomas BECZAK先生 (主席)	(i)	3/3
Dr. LO Ka Shui	羅嘉瑞醫生		4/4
Mr. KUOK Khoon Ean	郭孔演先生	(ii)	1/1
Mr. LEUNG Hok Lim	梁學濂先生	(iii)	4/4
<b>Non-executive Director</b>			
<b>非執行董事</b>			
Mr. LAU Yu Leung, John	劉禹亮		2/4

#### Notes:

- (i) Appointed as an independent non-executive Director on 11 March 2005.
- (ii) Resigned as an independent non-executive Director on 10 March 2005.
- (iii) Appointed as an independent non-executive Director on 21 January 2005.

The audit committee reviewed the Group's audited results for the year ended 31 December 2005 with management and the Company's external auditors and recommended its adoption by the Board.

## 董事委員會

### 審核委員會

本公司已成立審核委員會，其職權範圍是根據香港會計師公會建議的指引及該守則所載的強制性條文以書面方式釐定。

審核委員會主要負責審議本公司的年報及賬目、半年度業績報告及季度業績報告，以及就此向董事會提供意見及建議。審核委員會每年至少舉行四次會議，與管理層一起審議本集團所採納的會計原則及慣例，並商討審核、內部監控和財務申報事宜。

審核委員會現由一名非執行董事劉禹亮先生及三名獨立非執行董事羅嘉瑞醫生、梁學濂先生及 Thaddeus Thomas BECZAK先生組成。

審核委員會於二零零五年舉行了四次會議。各位委員會成員於該等會議上的個人列席情況如下：

#### 附註：

- (i) 於二零零五年三月十一日獲委任為獨立非執行董事。
- (ii) 於二零零五年三月十日退任獨立非執行董事。
- (iii) 於二零零五年一月二十一日獲委任為獨立非執行董事。

審核委員會已與管理層及本集團的外聘核數師一起審議了本集團截至二零零五年十二月三十一日止年度的經審核業績，並建議董事會採納。

## BOARD COMMITTEES (CONTINUED)

### **Remuneration Committee**

The Company established the remuneration committee in 2003. On 26 December 2005, the Board adopted the new terms of reference of the remuneration committee in alignment with the mandatory provisions set out in the Code.

The principal responsibilities of the remuneration committee include making recommendations to the Board on the Company's policy and structure for all remuneration of Directors and senior management and reviewing the remuneration packages of all executive Directors and senior management staff of the Company.

The remuneration committee now comprises one non-executive Director, namely Mr. LAU Yu Leung, John and three independent non-executive Directors, namely Dr. LO Ka Shui, Mr. LEUNG Hok Lim and Mr. Thaddeus Thomas BECZAK.

In 2005, the remuneration committee made recommendation to the Board on the bonus payments and increment in salary and housing allowance (if any) for the Executive Directors and senior management staff by way of written resolutions passed by all the committee members.

### **Ad Hoc Committee**

The Company adopted the terms of reference of the ad hoc committee in 2003 to deal with ad hoc matters, which set out detailed directions as to the powers delegated to the ad hoc committee. Any two Directors shall form a quorum for the transaction of business.

## DIRECTORS' AND AUDITORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Directors acknowledge their responsibilities for preparing the financial statements of the Group.

The Directors' responsibilities in the preparation of the financial statements and the auditors' responsibilities are set out in the Auditors' Report.

## INTERNAL CONTROL

The Board has overall responsibility for the establishment, maintenance and review of the Group's system of internal control. The Board has conducted a review of, and is satisfied with the effectiveness of the system of internal control of the Group.

## 董事委員會 (續)

### **薪酬委員會**

本公司於二零零三年成立薪酬委員會。於二零零五年十二月二十六日，董事會採納新的薪酬委員會職權範圍，以符合該守則所載的強制性條文。

薪酬委員會的主要職責包括向董事會提供有關本公司所有董事及高級管理人員薪酬的政策及架構的建議，並檢討本公司全體執行董事及高級管理人員的酬金組合。

薪酬委員會現包括一名非執行董事劉禹亮先生及三名獨立非執行董事羅嘉瑞醫生、梁學濂先生及 Thaddeus Thomas BECZAK 先生。

於二零零五年，薪酬委員會以全體委員會成員通過書面決議案方式向董事會建議有關執行董事及高級管理人員的花紅及增加薪金及房屋津貼(如有)。

### **特別委員會**

本公司於二零零三年採納特別委員會的職權範圍(其載列有關授予特別委員會權力的詳盡指示)，以處理特別事宜。任何兩名董事構成有關業務交易的法定人數。

## 董事及核數師的財務報表責任

董事確認彼等負責編製本集團的財務報表。

董事編製財務報表的責任及核數師責任均載於核數師報告。

## 內部監控

董事會全面負責建立、維護及檢討本集團的內部監控制度。董事會已對本集團的內部監控制度的效力進行了檢討，並對此感到滿意。

## EXTERNAL AUDITORS

PricewaterhouseCoopers (“PwC”) has been appointed as the external auditors of the Company by shareholders at the annual general meeting.

The remuneration in respect of services provided by PwC for the Group is analysed as follows:

Audit Service	審核服務
Tax Service	稅務服務
Total	總計

## CONCLUSION

The Company strongly believes that good corporate governance can safeguard the effective allocation of resources and protect shareholders’ interest. The management will try to maintain, strengthen and improve the standard and quality of the Group’s corporate governance.

## 外聘核數師

羅兵咸永道會計師事務所(「羅兵咸永道」)已於股東週年大會上獲股東委任為本公司的外聘核數師。

羅兵咸永道為本集團所提供服務的酬金分析如下：

31 December 2005 二零零五年 十二月三十一日 HK\$ 港元	31 December 2004 二零零四年 十二月三十一日 HK\$ 港元
2,230,000	1,809,000
458,000	476,000
<b>2,688,000</b>	<b>2,285,000</b>

## 結論

本公司堅信，良好的企業管治可維護資源的有效分配及保障股東利益。管理層將會盡力維持、加強及改善本集團企業管治的標準及質素。

The Directors submit their report together with the audited financial statements of Phoenix Satellite Television Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") for the year ended 31 December 2005.

## PRINCIPAL ACTIVITY AND GEOGRAPHICAL ANALYSIS OF OPERATIONS

The principal activity of the Company is investment holding. The principal activities of its subsidiaries are set out in note 21 to the financial statements.

An analysis of the Group's performance for the year by business and geographical segments is set out in note 5 to the financial statements.

## RESULTS AND APPROPRIATIONS

The results of the Group for the year are set out in the consolidated income statement on page 79.

The Directors recommend the payment of a final dividend of HK\$0.012 per ordinary share, totaling HK\$59,264,000, to be payable to shareholders whose names appear on the register of members of the Company on 22 June 2006.

## RESERVES

Movements in the reserves of the Group and of the Company during the year are set out in note 27 to the financial statements.

## DONATIONS

Charitable donations made by the Group during the year amounted to HK\$1,249,000 (2004: HK\$10,000).

## PROPERTY, PLANT AND EQUIPMENT

Details of the movements in property, plant and equipment of the Group are set out in note 17 to the financial statements.

## SHARE CAPITAL AND SHARE OPTIONS

Details of the movements in share capital and share options of the Company are set out in note 25 and note 26, respectively, to the financial statements.

董事提呈鳳凰衛視控股有限公司(「本公司」)及其附屬公司(合稱為「本集團」)截至二零零五年十二月三十一日止年度的報告及經審核財務報表。

## 主要業務及營運的地區分析

本公司的主要業務為投資控股，其附屬公司的主要業務載於財務報表附註21。

本集團按業務及地區分類的表現分析載於財務報表附註5。

## 業績及分配

本集團的年內業績載於第79頁的綜合收益表內。

董事建議向於二零零六年六月二十二日名列本公司股東登記冊的股東派發末期股息每股普通股0.012港元，總計59,264,000港元。

## 儲備

本集團及本公司年內儲備的變動載於財務報表附註27。

## 捐款

本集團年內作出的慈善捐款共約1,249,000港元(二零零四年：10,000港元)。

## 物業、廠房及設備

本集團物業、廠房及設備變動的詳情載於財務報表附註17。

## 股本及購股權

本公司股本及購股權變動的詳情分別載於財務報表附註25及附註26。

## PRE-EMPTIVE RIGHTS

No pre-emptive rights exist under the Company's articles of association and the law in the Cayman Islands in relation to the issue of new shares by the Company.

## DISTRIBUTABLE RESERVES

Distributable reserves of the Company as at 31 December 2005, calculated under the Companies Law (Revised) of the Cayman Islands, amounted to approximately HK\$740,494,000 (as at 31 December 2004: HK\$788,780,000).

## FIVE PERIOD/YEAR FINANCIAL SUMMARY

A summary of the results and of the assets and liabilities of the Group for the last five financial period/years is set out on page 151 to 152.

## PURCHASE, SALE OR REDEMPTION OF SECURITIES

The Company has not redeemed any of its shares during the year. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's shares during the year.

## SHARE OPTION SCHEMES

### **(A) Share option schemes of the Company**

On 7 June 2000, two share option schemes of the Company were approved by the shareholders of the Company ("Shareholders"), namely Pre-IPO Share Option Scheme and Post-IPO Share Option Scheme. In order to enhance the flexibility in the implementation of the Pre-IPO Share Option Scheme and the Post-IPO Share Option Scheme, the committee of two and four Directors established for the administration of each of the share option schemes (the "Committee") approved certain amendments to the terms of the Pre-IPO Share Option Scheme on 14 February 2001 and 10 December 2004 and the Post-IPO Share Option Scheme on 14 February 2001, 6 August 2002 and 10 December 2004, respectively.

## 優先購買權

本公司的公司章程及開曼群島法例並無訂明有關發行本公司新股份優先購買權的條文。

## 可供分派儲備

本公司於二零零五年十二月三十一日的可供分派儲備（根據開曼群島公司法（經修訂）計算）約740,494,000港元（於二零零四年十二月三十一日：788,780,000港元）。

## 五個期間／年度財務概要

本集團最近五個財政期間／年度的業績及資產負債概要載於第151頁至第152頁。

## 購買、出售或贖回證券

本公司於年內概無贖回任何股份。本公司或其任何附屬公司在年內概無購買或出售本公司任何股份。

## 購股權計劃

### **(A) 本公司的購股權計劃**

於二零零零年六月七日，本公司股東（「股東」）批准兩項本公司的購股權計劃，計有首次公開招股前購股權計劃及首次公開招股後購股權計劃。為了提高執行首次公開招股前購股權計劃及首次公開招股後購股權計劃時的靈活性，就管理每項購股權計劃而由兩名及四名董事組成的委員會（「委員會」）已分別於二零零一年二月十四日及二零零四年十二月十日批准對首次公開招股前購股權計劃的條款而作出的若干修訂及於二零零一年二月十四日及二零零二年八月六日及二零零四年十二月十日分別批准對首次公開招股後購股權計劃的條款而作出的若干修訂。



## SHARE OPTION SCHEMES (CONTINUED)

### (A) Share option schemes of the Company (Continued)

#### (1) Pre-IPO Share Option Scheme

The following is a summary of the principal terms of the Pre-IPO Share Option Scheme as at 31 December 2005:

##### *Purpose of the scheme*

The purpose of the scheme, though not explicitly stated in the scheme document, is to recognise the contribution of certain employees to the growth of the Group and/or to the listing of shares of the Company ("Shares") on the Growth Enterprise Market of the Stock Exchange ("GEM").

##### *The participants of the scheme*

Employees of any member of the Company, including any executive directors of any member of the Group who have commenced working for the Group for not less than one month prior to the date of grant of an option and spent not less than twenty hours per week in providing services to the Group may take up options to subscribe for Shares.

##### *The total number of securities available for issue*

The total number of Shares available for issue under options which may be granted under the Pre-IPO Share Option Scheme and any other schemes must not in aggregate exceed 10% of the issued share capital of the Company as at the date of listing of the Shares on GEM on 30 June 2000 (the "Listing Date").

The total number of Shares in respect of which options are issuable under the scheme is 484,706,000 Shares, representing 10% and 9.8%, respectively, of the issued share capital of the Company as at the Listing Date and as at the date of this report.

##### *The maximum entitlement of each participant under the scheme*

No option may be granted to any eligible person which, if at the relevant time exercised in full, would result in the total number of Shares the subject of such option, when added to the number of Shares which may be subscribed by that eligible person under any outstanding options granted to that eligible person and to the number of Shares previously subscribed by the eligible person under any options granted to the eligible person under the scheme exceeding 25% of the aggregate number of Shares available for subscription under the scheme at that time.

## 購股權計劃 (續)

### (A) 本公司的購股權計劃 (續)

#### (1) 首次公開招股前購股權計劃

以下為於二零零五年十二月三十一日的首次公開招股前購股權計劃的主要條款概要：

##### *計劃的目的*

計劃的目的 (即使並無於計劃文件內明確指出) 為表揚若干僱員對本集團發展及／或對本公司股份 (「股份」) 於聯交所創業板 (「創業板」) 上市的貢獻。

##### *計劃的參與者*

本公司任何成員公司的僱員 (包括於授出購股權日期前不少於一個月開始任職於本集團及每星期服務本集團不少於20小時的本集團任何成員公司的任何執行董事) 可接納可認購股份的購股權。

##### *可供發行的證券總數*

根據首次公開招股前購股權計劃及任何其他計劃授出的購股權而可供發行的股份總數合計不得超過股份於二零零零年六月三十日在創業板上市當日 (「上市日期」) 的本公司已發行股本的10%。

根據計劃可予發行的購股權涉及的股份總數為484,706,000股股份，分別佔於上市日期及於本報告日期的本公司已發行股本的10%及9.8%。

##### *根據計劃各參與者的最大配額*

倘任何一名合資格人士全面行使獲授予的購股權，可導致該合資格人士可認購的股份總數，加上該合資格人士根據獲授予的任何未行使購股權可認購的股份數目及該合資格人士根據計劃先前獲授予的購股權認購的股份數目，超過根據計劃當時可供認購股份總數的25%，則不得向該合資格人士授予購股權。

## SHARE OPTION SCHEMES (CONTINUED)

## 購股權計劃 (續)

## (A) Share option schemes of the Company (Continued)

## (1) Pre-IPO Share Option Scheme (Continued)

*Time of exercise of option*

An option may be exercised in accordance with the terms of the scheme at any time during the period commencing one year from the date of grant of the option and expiring ten years after the date of grant of the option in accordance with the following schedule:

**Date of exercise of an option****行使購股權日期**

Between the date of grant of an option and less than 12 months following the date of grant of an option

授出購股權當日至授出購股權當日後少於12個月內

zero

零

Between the period falling 12 months or more but less than 24 months from the date of grant of an option

授出購股權當日後12個月或之後，但少於24個月的期間內

up to 25%

最多25%

Between the period falling 24 months or more but less than 36 months from the date of grant of an option

授出購股權當日後24個月或之後，但少於36個月的期間內

up to 50%

最多50%

Between the period falling 36 months or more but less than 48 months from the date of grant of an option

授出購股權當日後36個月或之後，但少於48個月的期間內

up to 75%

最多75%

Any time falling 48 months from the date of grant of an option and thereafter

授出購股權當日後48個月及其後任何時間

100%

100%

*Minimum holding period*

As stated above, no option can be exercised within the first twelve months following the date of grant of an option.

*最短持有期間*

如上文所列，並無購股權可於授出購股權當日後首十二個月內行使。

*The amount payable on acceptance of the option*

The date by which the option must be applied for being a date not more than three days from (and including) the date on which the letter of offer of the grant of option is issued by the Company ("Offer Date"). Upon acceptance of the option, the option holder shall pay HK\$1 to the Company as consideration of the grant.

*接納購股權應付的款項*

申請購股權的日期必須為本公司發出提呈授予購股權函件日期（「提呈日期」）（包括該日）起計不超過三天的日期。待接納購股權時，購股權持有人須支付1港元予本公司，作為授予的代價。

*The basis of determining the exercise price*

Same as the offer price for the Shares as set out in the prospectus of the Company dated 21 June 2000.

*釐定行使價的基準*

與本公司於二零零零年六月二十一日刊發的招股章程載列的股份發售價相同。

## SHARE OPTION SCHEMES (CONTINUED)

## (A) Share option schemes of the Company (Continued)

## (1) Pre-IPO Share Option Scheme (Continued)

The remaining life of the scheme

The scheme period expires upon the listing of the Company on the GEM, for which the option expires when the vesting period ends.

The details of share options granted by the Company under the Pre-IPO Share Option Scheme to the Directors of the Company and the employees of the Group to acquire shares were as follows:

Type and number of remaining grantees	Date of grant	Vesting period	Exercise period	Exercise price per share	Number of share options			
					Balance as at 1 January 2005	Lapsed during the year	Exercised during the year	Balance as at 31 December 2005
餘下的承授人類別及數目	授出日期	歸屬期	行使期間	每股行使價 HK\$ 港元	於二零零五年一月一日結餘	於年內失效	於年內行使	於二零零五年十二月三十一日結餘
2 Executive Directors: 2名執行董事:								
LIU Changle	14 June 2000	14 June 2000 to 13 June 2004	14 June 2001 to 13 June 2010	1.08	5,320,000	-	-	5,320,000
劉長樂	二零零零年六月十四日	二零零零年六月十四日至二零零四年六月十三日	二零零一年六月十四日至二零零一年六月十三日					
CHUI Keung	14 June 2000	14 June 2000 to 13 June 2004	14 June 2001 to 13 June 2010	1.08	3,990,000	-	-	3,990,000
崔強	二零零零年六月十四日	二零零零年六月十四日至二零零四年六月十三日	二零零一年六月十四日至二零零一年六月十三日					
81 other employees	14 June 2000	14 June 2000 to 13 June 2004	14 June 2001 to 13 June 2010	1.08	31,662,000	(60,000)	(554,000)	31,048,000
81名其他僱員	二零零零年六月十四日	二零零零年六月十四日至二零零四年六月十三日	二零零一年六月十四日至二零零一年六月十三日					
Total: 合計:					40,972,000	(60,000)	(554,000)	40,358,000
83 employees 83名僱員								

## 購股權計劃 (續)

## (A) 本公司的購股權計劃 (續)

## (1) 首次公開招股前購股權計劃 (續)

計劃餘下年期

計劃期間於本公司在創業板上市時屆滿，有關的購股權於行使期間結束時屆滿。

本公司根據首次公開招股前購股權計劃向本公司董事及本集團僱員授出可認購股份的購股權詳情如下：

**SHARE OPTION SCHEMES (CONTINUED)****(A) Share option schemes of the Company (Continued)****(1) Pre-IPO Share Option Scheme (Continued)***The remaining life of the scheme (Continued)*

During the year ended 31 December 2005, 554,000 options granted to employees were exercised. At the date before the options were exercised, the weighted average closing price per share was HK\$1.54.

During the year ended 31 December 2005, 60,000 options granted to an employee lapsed when she ceased her employment with the Group.

Save as disclosed above, no other option has been cancelled during the year.

Save as stated above, no option has been granted to the Directors, chief executive, management shareholders, substantial shareholders, or their respective associates, or to the suppliers of goods or services under the Pre-IPO Share Option Scheme. No participant was granted any option in excess of the individual limit as set out in the GEM Listing Rules or under the Pre-IPO Share Option Scheme.

**(2) Post-IPO Share Option Scheme**

The following is a summary of the principal terms of the Post-IPO Share Option Scheme as at 31 December 2005:

*Purpose of the scheme*

The purpose of the Post-IPO Share Option Scheme is to retain and provide incentives to the employees of the Group to achieve its business objectives.

*The participants of the scheme*

Employees of any member of the Company, including any executive directors of any member of the Group, in full-time employment with the Company (or its subsidiaries) may take up options to subscribe for Shares.

*The total number of securities available for issue*

- (a) The total number of Shares available for issue under options which may be granted under the Post-IPO Share Option Scheme and any other schemes must not in aggregate exceed 10% (or such higher percentage as may be allowed under the GEM Listing Rules) of the issued share capital of the Company in issue as at the date of approval of the scheme unless Shareholders' approval has been obtained pursuant to paragraphs (b) and (c) below.

**購股權計劃 (續)****(A) 本公司的購股權計劃 (續)****(1) 首次公開招股前購股權計劃 (續)***計劃餘下年期 (續)*

於截至二零零五年十二月三十一日止年度內，授予僱員的554,000份購股權獲行使。於購股權獲行使前日期，每股加權平均收市價為1.54港元。

於截至二零零五年十二月三十一日止年度內，授予一名僱員的60,000份股權因其不再受僱於本集團而失效。

除上文披露者外，並無購股權於年內獲註銷。

除上文所述者外，並無購股權曾根據首次公開招股前購股權計劃而授予董事、行政總裁、管理層股東、主要股東、或彼等各自的聯繫人士、或貨品或服務的供應商。並無參與者獲授出的購股權超過創業板上市規則所載列或根據首次公開招股前購股權計劃的個人限制。

**(2) 首次公開招股後購股權計劃**

以下為於二零零五年十二月三十一日的首次公開招股後購股權計劃的主要條款概要：

*計劃的目的*

首次公開招股後購股權計劃的目的為挽留及提供獎勵予本集團僱員以達成其業務目標。

*計劃的參與者*

在本公司(或其附屬公司)全職工作的本公司任何成員公司的僱員(包括本集團任何成員公司的任何執行董事)可接納可認購股份的購股權。

*可供發行的證券總數*

- (a) 根據首次公開招股後購股權計劃及任何其他計劃授出的購股權而可供發行的股份總數合計不得超過本公司於批准計劃當日的已發行股本的10%(或創業板上市規則批准的更高百分比)，惟根據下文(b)及(c)段取得股東批准除外。



## SHARE OPTION SCHEMES (CONTINUED)

### (A) Share option schemes of the Company (Continued)

#### (2) Post-IPO Share Option Scheme (Continued)

*The total number of securities available for issue (Continued)*

- (b) The Company may seek approval by Shareholders in general meeting to refresh the limit as referred to in the above paragraph (a).
- (c) The Company may seek separate Shareholders' approval in a general meeting to grant options beyond the limit as referred to in the above paragraph (a) provided that the total number of Shares subject to the scheme and any other schemes does not in aggregate exceed 30% of the relevant class of securities of the Company in issue from time to time.
- (d) Shareholders' approval has been obtained on 6 August 2002 to refresh the 10% limit. The Directors may grant options for subscription of up to 493,173,000 Shares (which do not include those options that are outstanding, cancelled or lapsed), representing approximately 10% of the issued share capital as at the date of this report.

*The maximum entitlement of each participant under the scheme*

Unless approved by Shareholders, the total number of securities issued and to be issued upon exercise of the options granted to each participant (including both exercised and outstanding options) in any 12-month period must not exceed 1% of the relevant class of securities of the Company in issue.

## 購股權計劃 (續)

### (A) 本公司的購股權計劃 (續)

#### (2) 首次公開招股後購股權計劃 (續)

*可供發行的證券總數 (續)*

- (b) 本公司可於股東大會上尋求股東批准更新上文(a)段所述的該限制。
- (c) 本公司可於股東大會上另行尋求股東批准授予超出上文(a)段所述限制的購股權，惟計劃及任何其他計劃涉及的股份總數不得超過本公司不時已發行有關類別證券的30%。
- (d) 股東於二零零二年八月六日批准更新10%限制。董事可授出認購最多493,173,000股股份(不包括尚未行使、註銷或失效的該等購股權)的購股權，有關股份數目佔本報告日期的已發行股本約10%。

*根據計劃各參與者的最大配額*

除經股東批准外，於任何十二個月期間內向各參與者授予的購股權(包括已行使及未行使的購股權)行使時已發行及將發行的證券總數不得超過本公司已發行有關類別證券的1%。

**SHARE OPTION SCHEMES (CONTINUED)****(A) Share option schemes of the Company (Continued)****(2) Post-IPO Share Option Scheme (Continued)***Time of exercise of option*

An option may be exercised in accordance with the terms of the scheme at any time during the period commencing one year from the date of grant of the option and expiring ten years after the date of grant of the option in accordance with the following schedule:

**Date of exercise of an option****行使購股權日期**

Between the date of grant of an option and less than 12 months following the date of grant of an option

授出購股權當日至授出購股權當日後少於12個月內

zero

零

Between the period falling 12 months or more but less than 24 months from the date of grant of an option

授出購股權當日後的12個月或之後，但少於24個月的期間內

up to 25%

最多25%

Between the period falling 24 months or more but less than 36 months from the date of grant of an option

授出購股權當日後的24個月或之後，但少於36個月的期間內

up to 50%

最多50%

Between the period falling 36 months or more but less than 48 months from the date of grant of an option

授出購股權當日後的36個月或之後，但少於48個月的期間內

up to 75%

最多75%

Any time falling 48 months from the date of grant of an option and thereafter

授出購股權當日後的48個月及其後任何時間

100%

100%

*Minimum holding period*

As stated above, no option can be exercised within the first twelve months following the date of grant of an option.

*最短持有期間*

如上文所列，並無購股權可於授出購股權當日後首十二個月內行使。

*The amount payable on acceptance of the option*

The date by which the option must be applied for being a date not more than twenty one days from (and including) the Offer Date. Upon acceptance of the option, the option holder shall pay HK\$1 to the Company as consideration of the grant.

*接納購股權應付的款項*

申請購股權的日期必須為提呈日期(包括該日)起計不超過二十一天內。待接納購股權時，購股權持有人須支付1港元予本公司，作為授予的代價。

*The basis of determining the exercise price*

The subscription price for the Shares under the scheme shall be determined by the Committee and will be no less than the highest of (a) the closing price of Shares as stated in the Stock Exchange's daily quotation sheets on the Offer Date which must be a business day, (b) the average closing price per Share as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the Offer Date and (c) the nominal value of the Share.

*釐定行使價的基準*

根據計劃的股份認購價須由委員會釐定，並不少於以下三者中的最高者(a)股份於提呈日期(須為營業日)在聯交所每日報價表所列的收市價、(b)股份於緊接提呈日期前五個營業日在聯交所每日報價表所列的平均收市價及(c)股份面值。

**購股權計劃 (續)****(A) 本公司的購股權計劃 (續)****(2) 首次公開招股後購股權計劃 (續)***行使購股權期限*

購股權可於授出購股權當日起計一年開始至授出購股權日期後十年屆滿的期間內任何時間根據計劃的條款，按照以下時間表予以行使：

**Percentage of Shares  
comprised in options  
which is exercisable  
可予行使的購股權  
所佔股份比例**

Between the date of grant of an option and less than 12 months following the date of grant of an option	zero
授出購股權當日至授出購股權當日後少於12個月內	零
Between the period falling 12 months or more but less than 24 months from the date of grant of an option	up to 25%
授出購股權當日後的12個月或之後，但少於24個月的期間內	最多25%
Between the period falling 24 months or more but less than 36 months from the date of grant of an option	up to 50%
授出購股權當日後的24個月或之後，但少於36個月的期間內	最多50%
Between the period falling 36 months or more but less than 48 months from the date of grant of an option	up to 75%
授出購股權當日後的36個月或之後，但少於48個月的期間內	最多75%
Any time falling 48 months from the date of grant of an option and thereafter	100%
授出購股權當日後的48個月及其後任何時間	100%

*Minimum holding period*

As stated above, no option can be exercised within the first twelve months following the date of grant of an option.

*最短持有期間*

如上文所列，並無購股權可於授出購股權當日後首十二個月內行使。

*The amount payable on acceptance of the option*

The date by which the option must be applied for being a date not more than twenty one days from (and including) the Offer Date. Upon acceptance of the option, the option holder shall pay HK\$1 to the Company as consideration of the grant.

*接納購股權應付的款項*

申請購股權的日期必須為提呈日期(包括該日)起計不超過二十一天內。待接納購股權時，購股權持有人須支付1港元予本公司，作為授予的代價。

*The basis of determining the exercise price*

The subscription price for the Shares under the scheme shall be determined by the Committee and will be no less than the highest of (a) the closing price of Shares as stated in the Stock Exchange's daily quotation sheets on the Offer Date which must be a business day, (b) the average closing price per Share as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the Offer Date and (c) the nominal value of the Share.

*釐定行使價的基準*

根據計劃的股份認購價須由委員會釐定，並不少於以下三者中的最高者(a)股份於提呈日期(須為營業日)在聯交所每日報價表所列的收市價、(b)股份於緊接提呈日期前五個營業日在聯交所每日報價表所列的平均收市價及(c)股份面值。

## SHARE OPTION SCHEMES (CONTINUED)

## (A) Share option schemes of the Company (Continued)

## (2) Post-IPO Share Option Scheme (Continued)

*The remaining life of the scheme*

The scheme will remain in force for a period of ten years commencing on the date of the adoption of the scheme. Upon termination, no further options may be granted under the scheme.

The details of share options granted by the Company under the Post-IPO Share Option Scheme to the employees of the Group to acquire Shares were as follows:

## 購股權計劃 (續)

## (A) 本公司的購股權計劃 (續)

## (2) 首次公開招股後購股權計劃 (續)

*計劃餘下年期*

計劃由採納計劃日期起計十年內保持有效。於終止時，不可再根據計劃授予購股權。

本公司根據首次公開招股後購股權計劃向本集團僱員授出可認購股份的購股權的詳情如下：

Type and number of remaining grantees	Date of grant	Vesting period	Exercise period	Exercise price per share	Number of share options 購股權數目			
					Balance as at 1 January 2005 於二零零五年一月一日結餘	Lapsed during the year 年內失效	Exercised during the year 年內行使	Balance as at 31 December 2005 於二零零五年十二月三十一日結餘
2 employees 2名僱員	15 February 2001 二零零一年二月十五日	15 February 2001 to 14 February 2005 二零零一年二月十五日至二零零五年二月十四日	15 February 2002 to 14 February 2011 二零零二年二月十五日至二零零一年二月十四日	1.99 每股行使價 HK\$ 港元	1,700,000	-	-	1,700,000
17 employees 17名僱員	10 August 2001 二零零一年八月十日	10 August 2001 to 9 August 2005 二零零一年八月十日至二零零五年八月九日	10 August 2002 to 9 August 2011 二零零二年八月十日至二零零一年八月九日	1.13	12,040,000	(500,000)	(952,000)	10,588,000
4 employees 4名僱員	20 December 2002 二零零二年十二月二十日	20 December 2002 to 19 December 2006 二零零二年十二月二十日至二零零六年十二月十九日	20 December 2003 to 19 December 2012 二零零三年十二月二十日至二零零二年十二月十九日	0.79	2,230,000	(134,000)	(364,000)	1,732,000
Total: 合計: 23 employees 23名僱員					15,970,000	(634,000)	(1,316,000)	14,020,000

**SHARE OPTION SCHEMES (CONTINUED)****(A) Share option schemes of the Company (Continued)****(2) Post-IPO Share Option Scheme (Continued)***The remaining life of the scheme (Continued)*

During the year ended 31 December 2005, 1,316,000 options granted to employees were exercised. At the date before the options were exercised, the weighted average closing price per share was HK\$1.50.

During the year ended 31 December 2005, 634,000 options granted to two employees lapsed when they ceased their employment with the Group.

Save as disclosed above, no option has been cancelled during the period.

No option had been granted to the Directors, chief executive, management shareholders, substantial shareholders, or their respective associates, or to the suppliers of goods or services under the Post-IPO Share Option Scheme. No participant was granted any option in excess of the individual limit as set out in the GEM Listing Rules or under the Post-IPO Share Option Scheme.

**(B) Share option scheme of a subsidiary of the Company  
PHOENIXi PLAN**

On 7 June 2000, PHOENIXi Investment Limited ("PHOENIXi"), a member of the Group, adopted the PHOENIXi 2000 Stock Incentive Plan (the "PHOENIXi Plan"). The following is a summary of the principal terms of the PHOENIXi Plan as at 31 December 2005:

*Purpose of the scheme*

The purposes of the PHOENIXi Plan are to attract and retain the best available personnel, to provide additional incentive to its employees and executive directors and to promote the success of its business.

*The participants of the scheme*

The employees of PHOENIXi, including any executive directors, in the full-time employment of PHOENIXi (or the subsidiaries of PHOENIXi) or the Company are eligible to take up options to subscribe for shares in PHOENIXi. In addition, to be classified as an eligible person, where the employee is employed by a holding company of PHOENIXi or a subsidiary of PHOENIXi, the employee must perform an executive role for PHOENIXi.

**購股權計劃 (續)****(A) 本公司的購股權計劃 (續)****(2) 首次公開招股後購股權計劃 (續)***計劃餘下年期 (續)*

於截至二零零五年十二月三十一日止年度內，授予僱員的1,316,000份購股權獲行使。於購股權獲行使前日期，每股加權平均收市價為1.50港元。

於截至二零零五年十二月三十一日止年度內，授予兩名僱員的634,000份購股權因彼等不再受僱於本集團而失效。

除上文披露者外，年內並無任何購股權被註銷。

概無董事、行政總裁、管理層股東、主要股東或彼等各自的聯繫人士、或貨品或服務供應商根據首次公開招股後購股權計劃獲授予任何購股權。概無參與者根據獲授出的任何購股權超過創業板上市規則所載列或根據首次公開招股後購股權計劃的個人限額。

**(B) 本公司一家附屬公司的購股權計劃  
PHOENIXi計劃**

於二零零零年六月七日，本集團的成員公司 PHOENIXi Investment Limited (「PHOENIXi」) 採納 PHOENIXi 二零零零年股份獎勵計劃 (「PHOENIXi計劃」)。以下為於二零零五年十二月三十一日的 PHOENIXi 計劃的主要條款概要：

*計劃的目的*

PHOENIXi 計劃的目的為招攬及挽留優秀員工，並為其僱員及執行董事提供額外獎勵，及促進其業務成就。

*計劃的參與者*

PHOENIXi 的僱員，包括在 PHOENIXi 或本公司 (或 PHOENIXi 的附屬公司) 全職工作的任何執行董事，合資格接納可認購 PHOENIXi 股份的購股權。此外，倘受僱於 PHOENIXi 的控股公司或 PHOENIXi 的附屬公司的僱員要界定為合資格人士，該僱員須為 PHOENIXi 履行行政職責。



## SHARE OPTION SCHEMES (CONTINUED)

### (B) Share option scheme of a subsidiary of the Company (Continued)

#### *The total number of securities available for issue*

- (a) The total number of shares available for issue under options which may be granted under the PHOENIXi Plan and any other schemes of PHOENIXi, must not in aggregate exceed 10% of the issued share capital of PHOENIXi as at the Listing Date unless approvals of the Shareholders of the Company and PHOENIXi have been obtained pursuant to paragraphs (b) and (c) below.
- (b) PHOENIXi may seek approval by the Shareholders of the Company and PHOENIXi in a general meeting to refresh the 10% limit. However, the total number of shares available for issue under options which may be granted under the PHOENIXi Plan and any other schemes of PHOENIXi in these circumstances must not exceed 10% of the issued share capital of PHOENIXi at the date of approval of the refreshing of the limit.
- (c) PHOENIXi may seek separate approval of the Shareholders of the Company and PHOENIXi in a general meeting to grant options beyond the 10% limit provided that (i) the total number of shares subject to the PHOENIXi Plan and any other schemes of PHOENIXi does not in aggregate exceed 30% of the total issued share capital of PHOENIXi and (ii) the options in excess of the 10% limit are granted only to participants specified by PHOENIXi before such approval is sought.

#### *The maximum entitlement of each participant under the scheme*

No options may be granted to any eligible person which, if at the relevant time exercised in full, would result in the total number of shares of PHOENIXi the subject of such option, when added to the number of shares already issued and/or issuable to him/her under the PHOENIXi Plan exceeding 25% of the aggregate number of shares of PHOENIXi in respect of which options are issuable under the PHOENIXi Plan.

#### *Time of exercise of option*

Generally, an option may be exercised at any time during a period of no more than ten years commencing from the date of grant. However, in the case of an Incentive Stock Option ("ISO") granted to a person, who at the time of the grant, owns shares in PHOENIXi representing more than 10% of the voting power of PHOENIXi, the Company or any subsidiary of the Company, the option period will be five years from the date of grant thereof.

## 購股權計劃 (續)

### (B) 本公司一家附屬公司的購股權計劃 (續)

#### *可供發行的證券總數*

- (a) 根據PHOENIXi計劃及PHOENIXi任何其他計劃授出的購股權而可供發行的股份總數合計不得超過於上市日期的PHOENIXi已發行股本的10%，惟根據下文(b)及(c)段取得本公司及PHOENIXi的股東批准除外。
- (b) PHOENIXi可於股東大會上尋求本公司及PHOENIXi股東批准更新10%限制。然而，於此等情況下根據PHOENIXi計劃及PHOENIXi任何其他計劃授出的購股權而可供發行的股份總數不得超過於批准更新限制日期的PHOENIXi已發行股本的10%。
- (c) PHOENIXi可於股東大會上另行尋求本公司及PHOENIXi股東批准授予超出10%限制的購股權，惟(i)PHOENIXi計劃及PHOENIXi任何其他計劃涉及的股份總數不得超過PHOENIXi已發行股本總數的30%及(ii)超過10%限制的購股權僅授予於尋求該批准前由PHOENIXi指定的參與者。

#### *根據計劃各參與者的最大配額*

倘任何一名合資格人士全面行使獲授予的購股權，可導致該合資格人士可認購的PHOENIXi股份總數，加上該合資格人士根據PHOENIXi計劃獲發行及／或其獲可予發行的股份數目，超過根據PHOENIXi計劃可予發行的購股權涉及的股份總數的25%，則不得向該合資格人士授予購股權。

#### *行使購股權期限*

普遍而言，購股權可於授予當日起計十年期間內任何時間行使。然而，倘獲授予獎勵性購股權（「ISO」）之人士，於授予時擁有的PHOENIXi股份相等於PHOENIXi、本公司或本公司任何附屬公司的投票權10%以上，則購股權期間將為授予日期起計五年。

**SHARE OPTION SCHEMES (CONTINUED)****(B) Share option scheme of a subsidiary of the Company (Continued)***Minimum holding period*

As stated above, there is no minimum holding period for which an option can be exercised.

*The amount payable on acceptance of the option*

The date by which the option must be applied for being a date not more than twenty one days from (and including) the Offer Date. Upon acceptance of the option, the option holder shall pay US\$1 to the Company as consideration of the grant.

*The basis of determining the exercise price*

The price for the shares of PHOENIXi upon the exercise of an option under the PHOENIXi Plan will, in the case of:

- (a) an ISO or a Non-Qualified Stock Option ("NQS"), where the grantee owns more than 10% of the shares of the Company, PHOENIXi or its subsidiaries (each a "Related Entity"), be equal to not less than 110% of the Fair Market Value (as referred to below) per share of PHOENIXi on the date of the grant.
- (b) an ISO or NQS, where the grantee does not own more than 10% of the shares of PHOENIXi or a Related Entity, be equal to not less than the Fair Market Value per share of PHOENIXi on the date of the grant.
- (c) an option which is neither an ISO nor an NQS but where the grantee owns more than 10% of the shares of PHOENIXi or a Related Entity, be equal to not less than the Fair Market Value per share of PHOENIXi on the date of the grant.
- (d) an option which is neither an ISO nor an NQS but where the grantee does not own more than 10% of the shares of PHOENIXi or a Related Entity, be equal to not less than 85% of the Fair Market Value per share of PHOENIXi on the date of the grant, but if the shares of PHOENIXi are listed or if a Director of the Company or PHOENIXi or their associates participates in the PHOENIXi Plan, the per share price must not be less than the Fair Market Value per share of PHOENIXi on the date of the grant.

**購股權計劃 (續)****(B) 本公司一家附屬公司的購股權計劃 (續)***最短持有期間*

如上文所列，並無規定購股權於行使前須符合最短持有期間。

*接納購股權應付的款項*

申請購股權的日期必須為提呈日期(包括該日)起計不超過二十一天內。待接納購股權時，購股權持有人須支付1美元予本公司，作為授予的代價。

*釐定行使價的基準*

根據PHOENIXi計劃行使購股權認購PHOENIXi股份的價格：

- (a) 就ISO或非限定購股權(「NQS」)而言，若承授人擁有本公司、PHOENIXi或其附屬公司(各稱「相關實體」)超過10%的股份，則價格將不低於每股PHOENIXi股份在授出當日的公平市場價值(如下文所述)的110%。
- (b) 就ISO或NQS而言，若承授人擁有PHOENIXi或相關實體不超過10%的股份，則價格將不低於每股PHOENIXi股份在授出當日的公平市場價值。
- (c) 就ISO或NQS以外的購股權而言，若承授人擁有PHOENIXi或相關實體超過10%的股份，則價格將不低於每股PHOENIXi股份在授出當日的公平市場價值。
- (d) 就ISO或NQS以外的購股權而言，若承授人擁有PHOENIXi或相關實體不超過10%的股份，則價格將不低於每股PHOENIXi股份在授出當日的公平市場價值的85%；惟若PHOENIXi股份為已上市或若本公司或PHOENIXi的董事或彼等的聯繫人士有份參與PHOENIXi計劃，則每股價格將不低於每股PHOENIXi股份在授出當日的公平市場價值。

## SHARE OPTION SCHEMES (CONTINUED)

### (B) Share option scheme of a subsidiary of the Company (Continued)

#### *The basis of determining the exercise price (Continued)*

For the purpose of the above "Fair Market Value" means as of any date, the value of shares of the Company, PHOENIXi or any subsidiary of PHOENIXi (as the case may be) determined as follows:

- (i) where the shares of PHOENIXi are listed on any stock exchange, the fair market value shall be (a) no less than the higher of the closing price for a share on the date of the grant of an option which must be a business day, or (b) the average closing price of the share for the five business days immediately preceding the date of grant (the closing price shall be the price on the stock exchange on which the shares of PHOENIXi are listed) or (c) the nominal value of a share; or
- (ii) in the absence of an established market for the shares of the type described in (i) above, the fair market value thereof shall be determined by the Committee in good faith on a fair and reasonable basis but in a manner consistent with Section 260.140.50 of Title 10 of the California Code of Regulations but in any event must in no circumstances be less than the latest audited net tangible assets per share of PHOENIXi unless none of the Directors or their associates of PHOENIXi or the Company participate in the Plan, in which event, reference does not need to be made to the latest audited net tangible asset per share of PHOENIXi for the purpose of determining the fair market value of the shares.

#### *The remaining life of the scheme*

The scheme will remain in force for a period of ten years commencing on the date of the adoption of the scheme. Upon termination, no further options may be granted under the scheme.

As at 31 December 2005, no options had been granted under the PHOENIXi Plan.

## 購股權計劃 (續)

### (B) 本公司一家附屬公司的購股權計劃 (續)

#### *釐定行使價的基準 (續)*

就以上目的而言，「公平市場價值」指在任何日期，本公司、PHOENIXi或PHOENIXi任何附屬公司(視情況而定)的股份按以下釐定的價值：

- (i) 若PHOENIXi股份在任何證券交易所上市，則公平市場價值為(a)不少於股份在授出購股權日期(必須為營業日)的收市價、或(b)股份於緊接授出日期前五個營業日的平均收市價(收市價須為在PHOENIXi股份上市所在的證券交易所的價格)或(c)股份面值三者中的最高者；或
- (ii) 若上文(i)所述類別股份並無已建立的市場，公平市場價值須由委員會以忠誠及按公平合理基準，並以貫徹Section 260.140.50 of Title 10 of California Code of Regulations的方式釐定，惟無論如何不得低於每股PHOENIXi股份的最新經審核有形資產淨值。除非PHOENIXi或本公司的董事或彼等的聯繫人士全無參與計劃，在此情況下，股份的公平市場價值毋須參考每股PHOENIXi股份的最新經審核有形資產淨值而釐定。

#### *計劃的餘下年期*

計劃由採納計劃日期起計十年內保持有效。於終止時，不可再根據計劃授予購股權。

於二零零五年十二月三十一日，並無根據PHOENIXi計劃授出購股權。

## DIRECTORS

The Directors during the year were:

### Executive Directors:

LIU Changle (Alternate Director to CHUI Keung)  
CHUI Keung (Alternate Director to LIU Changle)

### Non-Executive Directors:

Michelle Lee GUTHRIE (Alternate Director to  
LAU Yu Leung, John  
and CHEUNG Chun On, Daniel)  
LAU Yu Leung, John (Alternate Director to  
CHEUNG Chun On, Daniel)  
CHEUNG Chun On, Daniel (Alternate Director to  
LAU Yu Leung, John)  
XU Gang  
CHEUNG San Ping (Alternate Director to LIU Changle  
and CHUI Keung)

### Independent Non-Executive Directors:

LO Ka Shui  
KUOK Khoun Ean (Resigned on 10 March 2005)  
LEUNG Hok Lim (Appointed on 21 January 2005)  
Thaddeus Thomas BECZAK (Appointed on 11 March 2005)

### Alternate Director:

GONG Jianzhong (Alternate Director to XU Gang)

In accordance with Article 87(1) of the Company's articles of association, Dr. LO Ka Shui, Mr. CHEUNG Chun On, Daniel and Mr. LAU Yu Leung, John will retire and, being eligible, offer themselves for re-election at the forthcoming annual general meeting of the Company.

The Company has received annual confirmations of independence from Dr. LO Ka Shui, Mr. LEUNG Hok Lim and Mr. Thaddeus Thomas BECZAK, and as the date of this report still considers them to be independent.

## 董事

年內董事如下：

### 執行董事：

劉長樂 (為崔強的替任董事)  
崔強 (為劉長樂的替任董事)

### 非執行董事：

Michelle Lee GUTHRIE (為劉禹亮及張鎮安的替任董事)  
劉禹亮 (為張鎮安的替任董事)  
張鎮安 (為劉禹亮的替任董事)  
許剛  
張新兵 (為劉長樂及崔強的替任董事)

### 獨立非執行董事：

羅嘉瑞  
郭孔演 (於二零零五年三月十日退任)  
梁學濂 (於二零零五年一月二十一日獲委任)  
Thaddeus Thomas BECZAK (於二零零五年三月十一日獲委任)

### 替任董事：

龔建中 (為許剛的替任董事)

根據本公司的公司章程87(1)條，羅嘉瑞醫生、張鎮安先生及劉禹亮先生將於本公司應屆股東週年大會上退任並符合資格及願膺選連任。

本公司已自羅嘉瑞醫生、梁學濂先生及Thaddeus Thomas BECZAK先生收到年度獨立確認書，於本報告日期，本公司仍認為彼等獨立。



## DIRECTORS' SERVICE CONTRACTS

On 10 September 2003, each of the executive directors of the Company has entered into a new service contract with the Company commencing from 1 July 2003. The term of each contract will be for a term of three years commencing from 1 July 2003 and thereafter may be terminated by either party giving to the other not less than three months' written notice.

Save as disclosed above, none of the Directors who are proposed for re-election at the forthcoming annual general meeting has a service contract with the Company which is not terminable within one year without payment of compensation, other than statutory compensation.

The terms of office of each of the executive directors, non-executive directors and independent non-executive directors are subject to retirement by rotation in accordance with the Company's articles of association.

## DIRECTORS' INTERESTS IN CONTRACTS

No contracts of significance in relation to the Group's business to which the Company, or any of its fellow subsidiaries or its parent company 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.

## 董事的服務合約

於二零零三年九月十日，本公司各執行董事均已與本公司訂立新服務合約，每項服務合約由二零零三年七月一日起生效。有效期由二零零三年七月一日起計三年，其後各方可對另一方發出不少於三個月的書面通知以終止合約。

除上文所披露者外，擬在應屆股東週年大會上膺選連任的董事概無與本公司訂立任何須作補償(法定賠償除外)方可於一年內終止的服務合約。

各執行董事、非執行董事及獨立非執行董事的任期至其根據本公司的公司章程須輪值退任時為止。

## 董事的合約權益

本公司董事在本公司或其任何同源附屬公司或其母公司參與訂立及與本集團業務有重大關係，且於本年度結束時或年內任何時間仍然有效的合約中，概無直接或間接擁有任何重大權益。

**DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY ASSOCIATED CORPORATION**

As at 31 December 2005, the interests of the Directors and chief executives in the shares of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) (the "SFO")) which were notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provisions of the SFO) and required to be entered in the register maintained by the Company pursuant to Section 352 of the SFO or which were notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange (the "GEM Listing Rules") relating to securities transactions by Directors, were as follows:

**董事及行政總裁於本公司或其任何相關法團的股份、相關股份及債券的權益及淡倉**

於二零零五年十二月三十一日，董事及行政總裁擁有根據香港法例第571章證券及期貨條例（「證券及期貨條例」）第XV部的第7及第8分部須知會本公司及香港聯合交易所有限公司（「聯交所」）及須記入本公司根據證券及期貨條例第352條存置的登記冊，或根據聯交所創業板上市規則（「創業板上市規則」）第5.46至第5.67條有關董事進行證券交易而須知會本公司及聯交所的本公司及其相聯法團（具有證券及期貨條例第XV部賦予的涵義）的股份權益（包括根據證券及期貨條例有關條文彼等所擁有或被視作擁有的權益或淡倉）如下：

Name 姓名	Number of ordinary shares held 所持普通股數目				Total number of shares 股份總數	Percentage of shareholding 股權百分比
	Personal interest 個人權益	Family interest 家族權益	Corporate interest 公司權益	Other interest 其他權益		
LIU Changle <sup>1</sup> 劉長樂 <sup>1</sup>	–	–	1,854,000,000	–	1,854,000,000	37.54%
LO Ka Shui <sup>2</sup> 羅嘉瑞 <sup>2</sup>	3,200,000	–	–	–	3,200,000	0.06%

Note: Mr. LIU Changle is the beneficial owner of approximately 93.3% of the issued share capital of Today's Asia Limited, which in turn has an interest in approximately 37.54% of the issued share capital of the Company as at 31 December 2005.

附註：劉長樂先生為今日亞洲有限公司約93.3%已發行股本的實益擁有人，而該公司於二零零五年十二月三十一日則擁有約37.54%的本公司已發行股本的權益。

<sup>1</sup> Being an executive Director of the Company

<sup>1</sup> 為本公司的執行董事。

<sup>2</sup> Being an independent non-executive Director of the Company

<sup>2</sup> 為本公司的獨立非執行董事。

**DIRECTORS' AND CHIEF EXECUTIVES'  
INTERESTS AND SHORT POSITIONS IN  
THE SHARES, UNDERLYING SHARES  
AND DEBENTURES OF THE COMPANY  
OR ANY ASSOCIATED CORPORATION  
(CONTINUED)**

Save as disclosed herein, as at 31 December 2005, none of the Directors or chief executives of the Company, had any interest or short positions in any shares, underlying shares or debentures of the Company or any associated corporations (within the meaning of Part XV of the SFO) which would have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provisions of the SFO), or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange.

**DIRECTORS' RIGHTS TO ACQUIRE  
SHARES OR DEBENTURES**

Under the terms of the Company's share option schemes approved by the Shareholders on 7 June 2000, the Committee may, at their discretion, invite any employee of the Company or any of the Group companies, including any executive directors, to take up options to subscribe for Shares. The maximum number of Shares in respect of which options may be granted under the share option schemes must not exceed 10% of the issued share capital of the Company. The terms of the Pre-IPO Share Option Scheme were amended on 14 February 2001 and 10 December 2004 and the terms of the Post-IPO Share Option Scheme were amended on 14 February 2001, 6 August 2002 and 10 December 2004, respectively. A summary of the amended share option schemes is set out in the section headed "Share Option Schemes" of this report.

Save as disclosed herein, and other than those in connection with the Group reorganisation scheme prior to the Company's listing of Shares, at no time during the year was the Company or any of the companies comprising the Group a party to any arrangement to enable the Company's Directors or their associates to acquire benefits by means of the acquisition of Shares in or debentures of the Company or any other body corporate.

**董事及行政總裁於本公司或其任何  
相關法團的股份、相關股份及債券  
的權益及淡倉 (續)**

除本文披露者外，於二零零五年十二月三十一日，本公司董事及行政總裁並無擁有根據證券及期貨條例第XV部的第7及第8分部須知會本公司及聯交所的本公司或其任何相聯法團(定義見證券及期貨條例第XV部)，或須記入根據證券及期貨條例第352條所述的登記冊，或根據創業板上市規則第5.46至第5.67條須知會本公司及聯交所的任何股份、相關股份或債權證的任何權益或淡倉(包括根據證券及期貨條例有關條文彼等所擁有或被視作擁有的權益或淡倉)。

**董事購入股份或債券的權利**

根據股東於二零零零年六月七日批准的本公司購股權計劃條款，委員會可酌情邀請本公司或本集團任何成員公司旗下任何僱員(包括任何執行董事)接納可認購股份的購股權。根據購股權計劃授出的購股權涉及的最高股份數目，不可超過本公司已發行股本的10%。首次公開招股前購股權計劃的條款已分別於二零零一年二月十四日及二零零四年十二月十日修訂，而首次公開招股後購股權計劃的條款已分別於二零零一年二月十四日、二零零二年八月六日及二零零四年十二月十日修訂。經修訂購股權計劃的概要載列於本報告「購股權計劃」一節。

除上文披露及牽涉本公司股份上市前所進行之本集團重組計劃者外，本公司或本集團旗下任何成員公司於期內任何時間概無參與訂立任何安排，致使本公司董事或彼等之聯繫人士可透過購入股份或本公司或任何其他公司機構之債券而獲益。

## SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 31 December 2005, the interest of the shareholders (not being Directors and the chief executive of the Company) in the shares and underlying shares of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were notified to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO and required to be entered in the register maintained by the Company pursuant to Section 336 of the SFO or entered in the register kept by the Company pursuant to Section 352 of the SFO, were as follows:

### (i) Long positions of substantial shareholders in the ordinary shares of the Company

Name of substantial shareholders 主要股東名稱	Number of shares 普通股數目	Percentage of shareholding 股權百分比
Xing Kong Chuan Mei Group Co., Ltd. (Note 1) (附註1)	1,854,000,000	37.54%
Today's Asia Limited (Note 2) 今日亞洲有限公司 (附註2)	1,854,000,000	37.54%

#### Notes:

- Xing Kong Chuan Mei Group Co., Ltd. is a subsidiary of STAR Group Limited. News Cayman Holdings Limited holds 100% of the ordinary voting shares of STAR Group Limited. News Publishers Investments Pty, Limited holds 100% of the ordinary voting shares of News Cayman Holdings Limited. News Publishers Investments Pty, Limited is a wholly-owned subsidiary of STAR LLC Australia Pty Limited, which in turn is a wholly-owned subsidiary of New STAR US Holdings Subsidiary, LLC. New STAR US Holdings Subsidiary, LLC is a wholly-owned subsidiary of STAR US Holdings Subsidiary, LLC, which in turn is a wholly-owned subsidiary of STAR US Holdings, Inc.. STAR US Holdings, Inc. is a wholly-owned subsidiary of News Publishing Australia Limited, which is an indirect wholly-owned subsidiary of News Corporation.

## 主要股東於本公司股份及相關股份 的權益及淡倉

於二零零五年十二月三十一日，股東（並非董事及本公司行政總裁）擁有根據證券及期貨條例第XV部的第2及第3分部須知會本公司及聯交所，以及須記入本公司根據證券及期貨條例第336條存置的登記冊以及須記入本公司根據證券及期貨條例第352條存置的登記冊於本公司或其任何相聯法團（具有證券及期貨條例第XV部賦予的涵義）的股份及相關股份權益如下：

### (i) 主要股東於本公司普通股的好倉

Name of substantial shareholders 主要股東名稱	Number of shares 普通股數目	Percentage of shareholding 股權百分比
Xing Kong Chuan Mei Group Co., Ltd. (Note 1) (附註1)	1,854,000,000	37.54%
Today's Asia Limited (Note 2) 今日亞洲有限公司 (附註2)	1,854,000,000	37.54%

#### 附註：

- Xing Kong Chuan Mei Group Co., Ltd. 為星空傳媒集團有限公司的附屬公司，而星空傳媒集團有限公司則由 News Cayman Holdings Limited 擁有其 100% 普通可投票股份權益；News Publishers Investments Pty, Limited 持有 News Cayman Holdings Limited 的 100% 普通可投票股份權益；News Publishers Investments Pty, Limited 為 STAR LLC Australia Pty, Limited 的全資附屬公司，而 STAR LLC Australia Pty, Limited 為 New STAR US Holdings Subsidiary, LLC 的全資附屬公司；New STAR US Holdings Subsidiary, LLC 為 STAR US Holdings Subsidiary, LLC 的全資附屬公司，而 STAR US Holdings Subsidiary, LLC 則為 STAR US Holdings, Inc. 的全資附屬公司；STAR US Holdings, Inc. 為 News Publishing Australia Limited 的全資附屬公司，而 News Publishing Australia Limited 為 News Corporation 的間接全資附屬公司。



**SUBSTANTIAL SHAREHOLDERS’  
INTERESTS AND SHORT POSITIONS IN  
THE SHARES AND UNDERLYING SHARES  
OF THE COMPANY (CONTINUED)**

**(i) Long positions of substantial shareholders in the ordinary shares of the Company (Continued)**

By virtue of the SFO, News Corporation, News Publishing Australia Limited, STAR US Holdings, Inc., STAR US Holdings Subsidiary, LLC, New STAR US Holdings Subsidiary, LLC, STAR LLC Australia Pty Limited, News Publishers Investments Pty, Limited, News Cayman Holdings Limited, STAR Group Limited are all deemed to be interested in the 1,854,000,000 shares held by Xing Kong Chuan Mei Group Co., Ltd.

2. Today's Asia Limited is beneficially owned by Mr. LIU Changle and Mr. CHAN Wing Kee as to 93.3% and 6.7% interests respectively.

**(ii) Long position of other person in the ordinary shares of the Company**

**Name of other person who has more than 5% interest**  
持有超過5%權益的其他人士的名稱

China Wise International Limited (Note)  
華穎國際有限公司 (附註)

Note: China Wise International Limited is a wholly-owned subsidiary of Cultural Developments Limited, which in turn is a wholly-owned subsidiary of Bank of China Group Investment Limited. Bank of China Group Investment Limited is a wholly-owned subsidiary of Bank of China Limited, which in turn is a subsidiary of Central SAFE Investments Limited. By virtue of the SFO, Central SAFE Investments Limited, Bank of China Limited, Bank of China Group Investment Limited and Cultural Developments Limited are all deemed to be interested in the 412,000,000 shares held by China Wise International Limited.

Save as disclosed above, no other shareholders or other persons had interest or short position in the shares and underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or, was directly or indirectly, interested in 5% or more of the nominal value of the issued share capital carrying rights to vote in all circumstances at general meeting of any other member of the Group, or any options in respect of such capital.

**主要股東於本公司股份及相關股份的  
權益及淡倉 (續)**

**(i) 主要股東於本公司普通股的好倉 (續)**

根據證券及期貨條例，News Corporation、New Publishing Australia Limited、STAR US Holdings, Inc、STAR US Holdings Subsidiary, LLC、New STAR US Holdings Subsidiary, LLC、STAR LLC Australia Pty, Limited、News Publishers Investments Pty, Limited、News Publishers Investments Pty, Limited、News Cayman Holdings Limited及星空傳媒集團有限公司，均被視為擁有由Xing Kong Chuan Mei Group Co., Ltd.所持有的1,854,000,000股股份的權益。

2. 今日亞洲有限公司由劉長樂先生及陳永祺先生實益擁有，兩人分別佔93.3%及6.7%的權益。

**(ii) 其他人士於本公司普通股的好倉**

Number of shares 普通股數目	Percentage of shareholding 股權百分比
---------------------------	--

412,000,000	8.34%
-------------	-------

附註：華穎國際有限公司乃Cultural Developments Limited的全資附屬公司，而Cultural Developments Limited乃由中銀集團投資有限公司全資擁有的附屬公司。中銀集團投資有限公司乃中國銀行股份有限公司的全資附屬公司。中國銀行股份有限公司乃中央滙金投資有限責任公司的附屬公司。根據證券及期貨條例，中央滙金投資有限責任公司、中國銀行股份有限公司、中銀集團投資有限公司及Cultural Developments Limited均被視作持有由華穎國際有限公司所持412,000,000股股份的權益。

除上文所披露外，並無其他股東或其他人士擁有根據證券及期貨條例第XV部的第2及第3分部的條文須向本公司及聯交所披露於本公司股份及相關股份的權益或淡倉，或直接或間接持有附帶可於本集團任何其他成員公司的股東大會上的所有情況下投票權的已發行股本面值或就有關股本的任何購股權的5%或以上權益或淡倉。

## DIRECTORS' INTERESTS IN CONTRACTS

No Director had a material interest, either directly or indirectly, in any contract of significance to the business of the Group to which the Company or any of its subsidiaries or fellow subsidiaries was a party during the year.

## MANAGEMENT CONTRACTS

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year.

## MAJOR SUPPLIERS AND CUSTOMERS

The percentages of programme purchases and sales for the year attributable to the Group's major suppliers and advertising end-customers are as follows:

Programme purchases	節目採購		
– the largest supplier	– 最大供應商		
– five largest suppliers	– 五大供應商		
Sales	銷售		
– the largest advertising end-customer	– 最大廣告最終客戶		
– five largest advertising end-customers	– 五大廣告最終客戶		

The film license fees paid/payable to STAR TV Filmed Entertainment Limited (“STAR Filmed”) is not included in the above list of programme purchases suppliers. Details of the transactions between the Group and STAR Filmed are set out in note 32 to the financial statements. STAR Filmed is an indirect wholly-owned subsidiary of STAR Group Limited, which holds 100% of Xing Kong Chuan Mei Group Co., Ltd., a substantial shareholder of the Company.

In the opinion of the Directors, such transactions were carried out on terms no more favourable than terms available to independent third parties.

Save as disclosed above, none of the directors, their associates, or any shareholder (which to the best knowledge of the Directors owns more than 5% of the Company's issued share capital) had any beneficial interest in the major suppliers or customers mentioned above.

## 董事的合約權益

本公司董事在本公司或其任何同源附屬公司或其母公司參與訂立及與本集團業務有重大關係，且於本年度結束時或年內任何時間仍然有效的合約中，概無直接或間接擁有任何重大權益。

## 管理層合約

本公司於年內並無訂立或存在涉及本公司業務的全部或任何重大部份的管理及監管的合約。

## 主要供應商及客戶

本集團主要供應商及廣告最終客戶應佔年內銷售及節目採購百分比如下：

	Year 2005 二零零五年	Year 2004 二零零四年
– the largest supplier	18%	12%
– five largest suppliers	55%	40%
– the largest advertising end-customer	2%	2%
– five largest advertising end-customers	8%	10%

已付／應付予STAR TV Filmed Entertainment Limited (「STAR Filmed」)之電影許可費並未包含於上表節目採購供應商內。本集團與STAR Filmed的交易詳情載於財務報表附註32。STAR Filmed為星空傳媒集團有限公司的間接全資附屬公司，後者持有本公司的主要股東Xing Kong Chuan Mei Group Co., Ltd.的100%權益。

董事認為，進行該等交易的條款不較獨立第三者優惠。

除上文所述外，各董事、其聯繫人士或就董事所知擁有5%以上本公司股本的任何股東概無擁有本集團主要供應商或客戶其中任何一家之實益權益。

## CONNECTED TRANSACTIONS

Certain related party transactions as disclosed in note 32 to the financial statements also constituted connected transactions under the Listing Rules, are required to be disclosed in accordance with Chapter 20 of the GEM Listing Rules. The following transactions between certain connected parties (as defined in the GEM Listing Rules) and the Company have been entered into and/or are ongoing for which relevant announcements, if necessary, had been made by the Company in accordance with the requirements of the Listing Rules.

1. The following connected transactions with Satellite Television Asian Region Limited ("STARL"), STAR Filmed, ATV Enterprises Limited ("ATVE") and Asia Television Limited ("ATV") have been approved by resolutions of independent shareholders passed on 26 June 2003:
  - (a) STARL is a subsidiary of Xing Kong Chuan Mei Group Co., Ltd., a substantial shareholder of the Company. The connected transactions are:
    - (i) STARL provides technical and administrative services for the operations of the Phoenix Chinese Channel, Phoenix Movies Channel, Phoenix InfoNews Channel, Phoenix North America Chinese Channel and Phoenix Chinese News and Entertainment Channel. For the year ended 31 December 2005, the service charges paid/payable to STARL amounted to approximately HK\$54,174,000 (2004: HK\$52,917,000), which were calculated under the terms of the executed service agreement between a subsidiary of the Company and STARL. Such amount did not exceed the annual cap of HK\$80,000,000 for each of the two years ending 30 June 2006 approved under the relevant resolutions.
    - (ii) STARL acts as an agent to promote international subscription sales and marketing services for the Group. For the year ended 31 December 2005, commission for international subscription sales and marketing services paid/payable to STARL amounted to approximately HK\$2,864,000 (2004: HK\$2,645,000), which was calculated based on 15% of the subscription fees generated and received by STARL on behalf of the Group. Such amount did not exceed the annual caps of HK\$7,500,000 for the year ended 30 June 2005 and HK\$10,000,000 for the year ended 30 June 2006 respectively approved under the relevant resolutions.

## 關連交易

根據上市規則，如財務報表附註32所載的若干關連人士交易亦構成創業板上市規則的關連交易，須按照創業板上市規則第20章進行披露。下列交易乃若干關連方(如創業板上市規則的定義)與本公司已經訂立及/或正在進行的交易，本公司已根據上市規則的規定發表有關公佈(如必要)。

1. 以下與衛星電視有限公司(「STARL」)、STAR Filmed、亞洲電視企業有限公司(「亞視企業」)及亞洲電視有限公司(「亞洲電視」)間的關連交易已透過獨立股東於二零零三年六月二十六日通過的決議案而獲得批准：
  - (a) STARL為本公司主要股東Xing Kong Chuan Mei Group Co., Ltd.的附屬公司。關連交易如下：
    - (i) STARL為鳳凰衛視中文台、鳳凰衛視電影台、鳳凰衛視資訊台、鳳凰衛視美洲台及鳳凰衛視歐洲台的營運提供技術及行政服務。於截至二零零五年十二月三十一日止年度，向STARL支付/應付的服務費約54,174,000港元(二零零四年：52,917,000港元)，乃根據本公司的附屬公司與STARL已訂立的服務協議條款計算。該款額並無超過根據有關決議案批准於截至二零零六年六月三十日止兩個年度的每年上限80,000,000港元。
    - (ii) STARL出任本集團的國際訂戶銷售及市場推廣服務代理。於截至二零零五年十二月三十一日止年度，向STARL支付/應付的銷售及推廣服務佣金約2,864,000港元(二零零四年：2,645,000港元)，乃根據STARL代表本集團賺得及收取的收視費收入的15%計算。該款額並無超過根據有關決議案批准分別截至二零零五年六月三十日止年度的每年上限7,500,000港元及截至二零零六年六月三十日止年度的每年上限10,000,000港元。

**CONNECTED TRANSACTIONS*****(CONTINUED)***

- (iii) STARL acts as an exclusive advertising agent for the Group at all territories outside the People's Republic of China ("PRC"). For the year ended 31 December 2005, commission for advertising sales and marketing services paid/payable to STARL amounted to approximately HK\$51,000 (2004: HK\$944,000), which was calculated based on 4%-15% of the net advertising income generated and received by STARL on behalf of the Group after deducting the relevant amount of the third party agency fees incurred by it. Such amount did not exceed the annual cap of HK\$20,000,000 for each of the two years ending 30 June 2006 approved under the relevant resolutions. Pursuant to a letter of termination dated 18 October 2004, STARL ceased to act as the advertising sales agent for the Group with effect from 30 September 2004 but will continue to provide services and receive commission in respect of advertising sales contracts concluded by STARL on behalf of the Group prior to its cessation or as specifically agreed by the parties.
- (b) STAR Filmed is an indirect wholly-owned subsidiary of STAR Group Limited, which holds 100% of Xing Kong Chuan Mei Group Co., Ltd., a substantial shareholder of the Company. The connected transaction relates to the granting of a non-exclusive license to exhibit a selection of movies on Phoenix Movies Channel in the PRC for a term of 10 years commencing from 28 August 1998. For the year ended 31 December 2005, the film license fees paid/payable to STAR Filmed amounted to approximately HK\$20,355,000 (2004: HK\$20,337,000), which were charged according to the executed film rights license agreement between a subsidiary of the Company and STAR Filmed. Such amount did not exceed the annual cap of HK\$23,000,000 for each of the two years ending 30 June 2006 approved under the relevant resolutions.

**關連交易 (續)**

- (iii) STARL在中華人民共和國(「中國」)以外所有地區出任本集團的獨家廣告代理。於截至二零零五年十二月三十一日止年度，向STARL支付的廣告銷售及市場推廣服務佣金約51,000港元(二零零四年：944,000港元)，乃根據STARL代表本集團賺得及收取之廣告收入淨額的4%-15%計算，並已扣除其應付的第三方代理費的有關款項。該款額並無超過根據有關決議案批准截至二零零六年六月三十日止兩個年度各年的每年上限20,000,000港元。根據於二零零四年十月十八日之終止函件，STARL不再出任本集團的廣告銷售代理，並自二零零四年九月三十日起生效，惟STARL將可就其於終止前代表本集團簽訂之廣告銷售合約或按訂約各方的特別協定，繼續提供服務並收取佣金。
- (b) STAR Filmed為星空傳媒集團有限公司的間接全資附屬公司，而星空傳媒集團有限公司則持有本公司主要股東Xing Kong Chuan Mei Group Co., Ltd.的100%權益。關連交易涉及授出非獨家電影播放許可，鳳凰衛視電影台可於一九九八年八月二十八日起計十年內在中國境內播放一系列電影。於截至二零零五年十二月三十一日止年度，向STAR Filmed支付／應付的電影許可費約20,355,000港元(二零零四年：20,337,000港元)，乃根據本公司的附屬公司與STAR Filmed訂立的電影許可協議收取。該款額並無超過根據有關決議案批准截至二零零六年六月三十日止兩個年度各年的每年上限23,000,000港元。

## CONNECTED TRANSACTIONS

### (CONTINUED)

(c) ATVE, a wholly-owned subsidiary of ATV, is a connected party by virtue of the fact that Mr. LIU Changle and Mr. CHAN Wing Kee beneficially own 93.3% and 6.7% respectively, of Today's Asia Limited, which holds 100% of Vital Media Holdings Limited, which in turn holds 46% indirect interest in ATV. Mr. CHAN Wing Kee also owns 95% of Dragon Sheen Holdings Limited which holds 16.25% indirect interest in ATV as at 31 December 2005. He also owns 80% of Dragon Goodwill International Limited, which has completed its acquisition of 32.75% interests in ATV on 25 July 2003. The connected transaction relates to the acquisition of certain television programme licenses from ATVE. For the year ended 31 December 2005, no programme license fees was paid/payable to ATVE (2004: HK\$709,000), under the executed license agreement between a subsidiary of the Company and ATVE. Therefore, the annual cap of HK\$15,000,000 for each of the two years ending 30 June 2006 approved under the relevant resolutions was not exceeded.

(d) A subsidiary of the Company entered into an agreement to provide technical support services and equipment to ATV for the operation of the ATV Home Channel (U.S. version) via EchoStar Satellite Corporation, a direct-to-home satellite television operator in the United States. For the year ended 31 December 2005, the service fees received/receivable from the provision of technical support services and equipment to ATV were approximately HK\$1,278,000 (2004: HK\$1,402,000), which were charged according to the executed service agreement between this subsidiary and ATV. Such amount did not exceed the annual cap of HK\$2,000,000 for each of the two years ending 30 June 2006 approved under the relevant resolutions.

## 關連交易 (續)

(c) 由於劉長樂先生及陳永祺先生分別實益擁有今日亞洲有限公司的93.3%及6.7%權益，而今日亞洲有限公司則持有Vital Media Holdings Limited的100%權益，而Vital Media Holdings Limited則持有亞洲電視的46%間接權益，故亞洲電視的全資附屬公司亞視企業為關連人士。於二零零五年十二月三十一日，陳永祺先生亦擁有龍盛集團有限公司的95%權益，龍盛集團有限公司則持有亞洲電視的16.25%間接權益。彼亦擁有Dragon Goodwill International Limited的80%權益，而Dragon Goodwill International Limited於二零零三年七月二十五日完成收購亞洲電視的32.75%權益。關連交易涉及向亞視企業購入若干電視節目的播放許可。於截至二零零五年十二月三十一日止年度，根據本公司附屬公司與亞視企業訂立的許可協議，毋須向亞視企業支付／應付節目許可費(二零零四年：709,000港元)。該款額並無超過根據有關決議案批准截至二零零六年六月三十日止兩個年度各年的每年上限15,000,000港元。

(d) 本公司的附屬公司已訂立協議，向亞洲電視提供技術支援服務及設備，用作透過美國的直達家居衛星電視營辦商—EchoStar Satellite Corporation經營亞洲電視本港台頻道(美國版)。於截至二零零五年十二月三十一日止年度，向亞洲電視提供技術支援服務及設備而已收／應收的服務費約1,278,000港元(二零零四年：1,402,000港元)，乃根據此附屬公司與亞洲電視訂立的服務協議收取。該款額並無超過根據有關決議案批准截至二零零六年六月三十日止兩個年度各年的每年上限2,000,000港元。



**CONNECTED TRANSACTIONS*****(CONTINUED)***

2. A subsidiary of the Company entered into an agreement with Fox News Network L.L.C. ("Fox"), an associate of Xing Kong Chuan Mei Group Co., Ltd., a substantial shareholder of the Company. The connected transactions relate to:

- (a) granting of non-exclusive and non-transferable license to subscribe for Fox's news service;
- (b) leasing of office space and access to workspace, subject to availability; and
- (c) accessing Fox's camera hook up at the United Nations, interview positions in various places in the United States and live shots from Fox's satellite truck positions for events that Fox is already covering, subject to availability.

For the year ended 31 December 2005, the service charges paid/payable to Fox amounted to approximately HK\$3,782,000 (2004: HK\$3,792,000), which were charged under the license agreement between this subsidiary and Fox. Such amount did not exceed the annual cap of HK\$4,314,000 for the year ended 31 December 2005 approved under the relevant resolutions.

3. A 70% owned subsidiary of the Company entered into a transponder rental agreement and an electronic programme guide ("EPG") services agreement with British Sky Broadcasting Limited ("BSkyB"), an associate of Xing Kong Chuan Mei Group Co., Ltd., a substantial shareholder of the Company. These connected transactions relate to the provision of transponder capacity, uplinking and MPEG encoding services and EPG services for Phoenix Chinese News and Entertainment Channel. For the year ended 31 December 2005, the transponder rental and uplink costs paid/payable to BSkyB amounted to approximately HK\$2,771,000 (2004: HK\$5,012,000), which were charged in accordance with the service agreements with BSkyB. Such amount did not exceed the annual cap of HK\$6,600,000 for each of the two years ending 30 June 2005 approved by the independent shareholders on 6 August 2002.
4. A 70% owned subsidiary of the Company entered into an EPG services agreement with BSkyB, an associate of Xing Kong Chuan Mei Group Co., Ltd., a substantial shareholder of the Company. This connected transaction relates to the provision of EPG services for Phoenix Chinese News and Entertainment Channel. For the four months ended 31 December 2005, the costs paid/payable to BSkyB amounted to approximately HK\$393,000, which was charged in accordance with the service agreement with BSkyB. Such amount did not exceed the annual cap of HK\$433,000 for the year ended 31 December 2005.

**關連交易 (續)**

2. 本公司旗下的一間附屬公司與Fox News Network L.L.C. (「Fox」) 簽訂協議。Fox為Xing Kong Chuan Mei Group Co., Ltd. (本公司的主要股東) 的聯營公司。關連交易涉及：

- (a) 授出訂購Fox新聞服務的非獨家及不可轉讓許可權；
- (b) 辦公室租賃及使用工作室，視乎其供應而定；及
- (c) 使用Fox位於聯合國的攝影棚、全美各地的採訪場地以及由Fox衛星直播車位置取得Fox已進行報導的事件的現場畫面，視乎其供應而定。

於截至二零零五年十二月三十一日止年度，向Fox支付／應付的服務費約3,782,000港元(二零零四年：3,792,000港元)，乃根據此附屬公司與Fox訂立的授權協議收取。該款額並無超過根據有關決議案批准截至二零零五年十二月三十一日止年度的每年上限4,314,000港元。

3. 本公司擁有70%權益的附屬公司與Xing Kong Chuan Mei Group Co., Ltd. (本公司的主要股東) 的聯營公司British Sky Broadcasting Limited (「BSkyB」) 簽訂轉發器租賃協議及電子節目指引(「電子節目指引」) 服務協議。此等關連交易涉及向鳳凰衛視歐洲台提供轉發器容量、向上傳輸及視像壓縮(MPEG)加密服務及電子節目指引服務。截至二零零五年十二月三十一日止年度，向BSkyB支付／應付的轉發器租金及向上傳輸費用約2,771,000港元(二零零四年：5,012,000港元)，乃根據與BSkyB簽訂的服務協議收取。該款額並無超過獨立股東於二零零二年八月六日批准截至二零零五年六月三十日止兩個年度的每年上限6,600,000港元。
4. 本公司擁有70%權益的附屬公司與Xing Kong Chuan Mei Group Co., Ltd. (本公司的主要股東) 的聯營公司BSkyB簽訂電子節目指引服務協議。關連交易涉及向鳳凰衛視歐洲台提供電子節目指引服務。截至二零零五年十二月三十一日止四個月，向BSkyB支付／應付的費用約393,000港元，乃根據與BSkyB簽訂的服務協議收取。該款額並無超過截至二零零五年十二月三十一日止年度的每年上限433,000港元。

**CONNECTED TRANSACTIONS****(CONTINUED)**

5. For the year ended 31 December 2005, news footage and data transmission services were provided by ATV to a subsidiary of the Company. The service charges paid/payable to ATV amounted to approximately HK\$28,000 (2004: HK\$790,000), which were charged based on terms mutually agreed upon between both parties. This is a connected transaction but falls within Rule 20.31 of GEM Listing Rules. Such transaction is exempted from the reporting, announcement and Shareholders' approval requirements of Chapter 20 of the GEM Listing Rules.
6. On 30 October 2000, a subsidiary of the Company had entered into a license agreement with DIRECTV Inc. ("DIRECTV") for the non-exclusive distribution of Phoenix North America Chinese Channel via its direct broadcast service satellite – delivered television system in North America ("License Agreement"), which term had been extended by various letters until the end of 2004. DIRECTV is 34% indirectly owned by Fox. Fox is 100% owned by News Corporation, the ultimate holding company of Xing Kong Chuan Mei Group Co. Ltd., a substantial shareholder of the Company. On 1 March 2005, a subsidiary of the Company and DIRECTV signed a letter which extended the term of the License Agreement for four months from 1 January 2005 or until the First Amendment (as defined below) became effective, whichever is the earlier. Also on 1 March 2005, a subsidiary of the Company entered into an amendment agreement with DIRECTV ("First Amendment Agreement") pursuant to which the Group further granted DIRECTV the non-exclusive right to distribute Phoenix InfoNews Channel in addition to the Phoenix North America Chinese Channel and that the term of the License Agreement was further extended for another six months commencing from 5 March 2005. DIRECTV, which has the right to extend for a year after the expiry of the First Amendment, had chosen to extend the License Agreement on a monthly basis with the view to conclude new terms with the Group. On 25 January 2006, a subsidiary of the Company entered into another amendment agreement with DIRECTV ("Second Amendment Agreement") pursuant to which certain material terms of the License Agreement have been supplemented and/or amended and the term of the License Agreement has been extended for 3 years commencing from 25 January 2006. The Company has made an announcement in respect of these connected transactions with DIRECTV on 7 February 2006.

**關連交易 (續)**

5. 於截至二零零五年十二月三十一日止年度，亞洲電視向本公司的一間附屬公司提供新聞片段及數據傳送服務。向亞洲電視支付／應付的服務費用約28,000港元(二零零四年：790,000港元)，乃根據雙方同意之條款收取。此項交易為關連交易，故屬創業板上市規則第20.31條所述類別。該交易獲豁免遵照創業板上市規則第20章之申報、公佈及股東批准規定。
6. 於二零零五年十月三十日，本公司一間附屬公司與DIRECTV, Inc. (「DIRECTV」)訂立許可協議(「許可協議」)，許可協議乃有關透過其於北美洲的直接廣播衛星 – 播送電視系統，播放鳳凰衛視美洲台的非獨家分銷權，其期限已透過多份函件而延期直至二零零四年底為止，Fox間接持有DIRECTV的34%權益。Fox的100%權益由News Corporation(本公司主要股東Xing Kong Chuan Mei Group Co., Ltd.的最終控股公司)擁有。於二零零五年三月一日，本公司一間附屬公司與DIRECTV簽署一份函件，以將許可協議的期限自二零零五年一月一日起再延長四個月或直至第一次修訂協議(定義見下文)為止(以較早者為準)。同時，於二零零五年三月一日，本公司一間附屬公司與DIRECTV訂立一份修訂協議(「第一次修訂協議」)，據此，本集團進一步授予DIRECTV非獨家權，以便除分銷鳳凰衛視美洲台以外亦分銷鳳凰衛視資訊台，而許可協議期限則自二零零五年三月日起再次延長六個月。DIRECTV(其有權在第一次修訂協議到期後將協議延長一年)已選擇按月為基準延長許可協議，並考慮與本集團締結新條款。於二零零六年一月二十五日，本公司一間附屬公司與DIRECTV訂立另一份修訂協議(「第二次修訂協議」)，據此，許可協議的若干重要條款已獲補充及／或修訂，而許可協議自二零零六年一月二十五日起延期三年。本公司已於二零零六年二月七日就與DIRECTV進行的該等關連交易刊發公佈。

**CONNECTED TRANSACTIONS*****(CONTINUED)***

For the year ended 31 December 2005, the license fee received/receivable from DIRECTV amounted to approximately HK\$1,751,000 (2004: HK\$2,309,000), which were charged in accordance with the License Agreement as amended by its subsequent amendment agreements. There was no annual cap for 2005 as no announcement was made at the material time after the execution of the First Amendment, details of such omission have been explained in the announcement of 7 February 2006.

7. A subsidiary of the Company entered into a sub-license agreement for the sub-licensing of certain programmes and a license agreement for the licensing of a television series with SGL Entertainment Limited ("SGL"), a wholly-owned subsidiary of Xing Kong Chuan Mei Group Co. Ltd., a substantial shareholder of the Company. For the year ended 31 December 2005, the license fees paid/payable to SGL amounted to approximately HK\$546,000 (2004: HK\$1,182,000), which were charged in accordance with the license agreement with SGL. These are connected transactions but fall within Rule 20.34 of GEM Listing Rules. Such transaction is exempted from the reporting, announcement and Shareholders' approval requirements of Chapter 20 of the GEM Listing Rules. The Company had made an announcement on 27 September 2004 in respect of the connected transactions with SGL.

The independent non-executive Directors of the Company have reviewed the above transactions and have considered the procedures performed by the auditors of the Company in reviewing them and confirmed that at the time of the transactions:

- (a) the transactions have been entered into by the relevant member of the Group in the ordinary and usual course of its business;
- (b) the transactions have been entered into on an arm's length basis and on normal commercial terms (to the extent that there are comparable transactions) or, if there are not sufficient comparable transactions to judge whether they are on normal commercial terms, or terms not less favourable to the Group than terms available to or from (as the case may be) independent third parties; and
- (c) the transactions have been entered into 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.

**關連交易 (續)**

於截至二零零五年十二月三十一日止年度，已收／應收DIRECTV的許可費用約為1,751,000港元(二零零四年：2,309,000港元)，乃根據許可協議(經其隨後的修訂協議所修訂)收取。由於並無在訂立第一次修訂協議後適時刊發公佈，故並無訂明二零零五年度上限，有關該遺漏的詳情已於二零零二年七月七日的公佈內作出解釋。

7. 本公司一間附屬公司與SGL Entertainment Limited ([SGL]) (本公司主要股東Xing Kong Chuan Mei Group Co., Ltd.的全資附屬公司)訂立轉授許可協議以轉授若干節目的許可，以及訂立許可協議以轉授一套電視連續劇的版權。於截至二零零五年十二月三十一日止年度，向SGL支付／應付之許可費用約達546,000港元(二零零四年：1,182,000港元)，乃根據與SGL訂立的許可協議收取。訂立有關協議為關連交易，故屬創業板上市規則第20.34條所述類別。有關交易獲豁免遵守創業板上市規則第20章有關股東批准的規定。本公司已於二零零四年九月二十七日就此等與SGL的關連關易作出一份公佈。

本公司的獨立非執行董事在審核過上述交易及考慮過本公司核數師對審核該等交易時的程序後，確認在有關交易進行時：

- (a) 該等交易為本集團有關成員在日常及一般業務過程中所訂立；
- (b) 該等交易乃按照公平基準及一般商務條款進行(倘有可供比較的交易)，或若可供比較的交易不足以判斷該等交易的條款是否一般商務條款，則對本集團而言，該等交易的條款不遜於獨立第三者可取得或提供(視屬何情況而定)的條款所訂立；及
- (c) 該等交易是根據有關協議的規定，在交易條款公平合理並且符合本公司股東的整體利益的情況下訂立。

## COMPETING BUSINESS

Today's Asia Limited, Xing Kong Chuan Mei Group Co., Ltd. and China Wise International Limited have interests in approximately 37.54%, 37.54% and 8.34% of the share capital of the Company, respectively. Today's Asia Limited, together with its shareholders, Mr. LIU Changle and Mr. CHAN Wing Kee, Xing Kong Chuan Mei Group Co., Ltd. and China Wise International Limited are deemed to be the initial management shareholders of the Company as defined under the GEM Listing Rules.

Xing Kong Chuan Mei Group Co., Ltd., together with its ultimate parent company, News Corporation, are active in the television broadcasting industry worldwide. News Corporation's diversified global operations in the United States, Canada, the United Kingdom, Australia, Latin America and the Pacific Basin include the production of motion pictures and television programming; television, satellite and cable broadcasting; the publication of newspapers, magazines and books; the production and distribution of promotional and advertising products and services; the development of digital broadcasting; the development of conditional access and subscriber management systems; and the creation and distribution of popular on-line programming. Currently, STAR Group Limited, the holding company of Xing Kong Chuan Mei Group Co., Ltd., owns and operates multimedia digital platforms, including satellite television, in the Asia Pacific region and engages in programme licensing and advertising agency business throughout the world, including China. STAR Group Limited and its subsidiaries (including Xing Kong Chuan Mei Group Co., Ltd.) operate and broadcast a range of channels, such as STAR Movies and STAR Chinese Channel (which presently only broadcasts in Taiwan) and Channel [V]. The broadcasting coverage of Channel [V] includes China, Taiwan, Hong Kong, countries in South East Asia, the Indian sub-continent and the Middle East. STAR Group Limited announced on 19 December 2001 that it was granted landing rights for a new 24-hour Mandarin – language general entertainment channel, Xing Kong Wei Shi, in southern China by virtue of an agreement signed among STAR (China) Limited (STAR Group Limited's wholly-owned subsidiary), China International Television Corporation ("CITVC"), Guangdong Cable TV Networks Co. Ltd. and Fox Cable Networks Services, L.L.C., an affiliate of STAR Group Limited. STAR Group Limited further announced on 15 January 2003 that it has signed an agreement with CITVC, enabling Xing Kong Wei Shi to be viewed nationally in hotels with three-stars and above, and in foreign and overseas Chinese compounds.

## 競爭業務

今日亞洲有限公司、Xing Kong Chuan Mei Group Co., Ltd.及華穎國際有限公司，分別擁有本公司股本權益的約37.54%、37.54%及8.34%。今日亞洲有限公司，連同其股東劉長樂先生及陳永棋先生，Xing Kong Chuan Mei Group Co., Ltd.及華穎國際有限公司，根據創業板上市規則的界定，被視為本公司的初期管理層股東。

Xing Kong Chuan Mei Group Co., Ltd.連同其最終母公司News Corporation均活躍於全球電視廣播業。News Corporation旗下的環球業務遍佈美國、加拿大、英國、澳洲、拉丁美洲及亞洲等地，業務範疇包括製作電影及電視節目、電視廣播、衛星廣播及有線廣播、出版報章雜誌及書刊、製作及經銷宣傳推廣產品及服務、開發數碼廣播、開發條件存取及訂戶管理系統以及創作及播送受歡迎的網上節目。Xing Kong Chuan Mei Group Co., Ltd.的控股公司星空傳媒集團有限公司目前在亞太區擁有及經營包括衛星電視的多媒體數碼平台，並在全球(包括中國)從事節目許可及廣告代理業務。星空傳媒集團有限公司及其附屬公司(包括Xing Kong Chuan Mei Group Co., Ltd.)經營及廣播多個頻道，如STAR Movies、STAR Chinese Channel(目前只在台灣廣播)及Channel [V]。Channel [V]的廣播範圍包括中國內地、台灣、香港、東南亞國家、印度次大陸及中東等地。星空傳媒集團有限公司於二零零一年十二月十九日宣佈，根據由STAR (China) Limited(星空傳媒集團有限公司的全資附屬公司)、中國國際電視總公司、廣東有線廣播電視網絡股份有限公司及Fox Cable Networks Services, L.L.C.(STAR Group Limited的聯營公司)簽訂之協議書，其以二十四小時普通話播放綜藝娛樂的全新頻道「星空衛視」已獲准在華南地區落地。星空傳媒集團有限公司於二零零三年一月十五日進一步宣佈，其與中國國際電視總公司已簽訂協議書，可使「星空衛視」在全國的三星級及以上酒店以及外國人及海外僑胞的寓所收看得到。



## COMPETING BUSINESS (CONTINUED)

Mr. LIU Changle and Mr. CHAN Wing Kee beneficially own 93.3% and 6.7%, respectively, of Today's Asia Limited, which holds 100% of Vital Media Holdings Limited, which in turn holds 46% indirect interest in ATV, a Hong Kong based television broadcasting company. Mr. CHAN Wing Kee also owns 95% of Dragon Sheen Holdings Limited which holds 16.25% indirect interest in ATV as at 31 December 2005. He also owns 80% of Dragon Goodwill International Limited, which has completed its acquisition of 32.75% interests in ATV on 25 July 2003. ATV is deemed to be a connected person of the Company pursuant to the GEM Listing Rules. Primarily aiming at audiences in Hong Kong, ATV broadcasts its programmes via terrestrial transmission through two channels, one in Cantonese and the other in English. Signals of such two channels can also be received in certain parts of Guangdong Province of the PRC. ATV announced in August 2002 that it had received the approval from the authorities in China to broadcast its Cantonese and English channels through the cable system in Guangdong. ATV is also granted a non-domestic television programme service license in May 2004, in addition to its existing domestic free television programme service license.

Save as disclosed above, none of the Directors or the substantial shareholders of the Company (as defined under the GEM Listing Rules) has any interests in a business which competes or may compete with the business of the Group.

## SPONSORS' INTERESTS

As at 30 June 2002, BOCI Asia Limited and Merrill Lynch Far East Limited ceased to be the sponsors of the Company upon expiration of the terms of contract after two years of service. The Company had no sponsor since 1 July 2002. Accordingly, no additional disclosure is made.

## ADVANCES TO AN ENTITY

Details of the relevant advance to an entity from the Group which exceeds 8% of the Group's total assets, as defined in rules 17.14 of the GEM Listing Rules, are set out in note 13 to the financial statements.

## AUDIT COMMITTEE

The audit committee had reviewed the annual results and provided advice and comments thereon.

## 競爭業務 (續)

劉長樂先生及陳永棋先生分別實益擁有今日亞洲有限公司的93.3%及6.7%權益，今日亞洲有限公司持有Vital Media Holdings Limited的100%權益，而Vital Media Holdings Limited則持有香港一家電視廣播公司－亞洲電視的46%間接權益。於二零零五年十二月三十一日，陳永棋先生亦擁有龍盛集團有限公司的95%權益，龍盛集團有限公司則持有亞洲電視的16.25%間接權益。彼亦擁有Dragon Goodwill International Limited之80%權益，而Dragon Goodwill International Limited於二零零三年七月二十五日完成收購亞洲電視之32.75%權益。根據創業板上市規則的規定，亞洲電視被視作本公司的關連人士。亞洲電視以香港觀眾為主要對象，透過粵語及英語兩個頻道經地面傳送廣播節目。該兩個頻道的訊號亦可在中國廣東省多處地方接收到。亞洲電視於二零零二年八月宣佈，已收到中國有關當局的批准，可透過於廣東的有線電視系統，播放其粵語及英語頻道。亞洲電視除了現有的本地免費電視節目服務許可外，亦於二零零四年五月獲得非本地電視節目服務許可。

除上文所披露者外，並無董事或本公司主要股東(定義見創業板上市規則)於與本集團業務存在競爭或可能存在競爭的業務持有任何權益。

## 保薦人權益

於二零零二年六月三十日，當兩年服務合約屆滿時，中銀國際亞洲有限公司及美林遠東有限公司停止作為本公司的保薦人。自二零零二年七月一日起，本公司並無保薦人，因此毋須作出額外披露。

## 向一家實體提供墊款

有關本集團向一家實體提供超過本集團資產淨值8%的有關墊款(定義見創業板上市規則第17.14條)的詳情，載於財務報表附註13。

## 審核委員會

本公司已審閱年度業績並據此提供意見及建議。



## AUDITORS

The financial statements have been audited by PricewaterhouseCoopers who retire and, being eligible, offer themselves for re-appointment.

On behalf of the Board

**LIU Changle**

*Chairman*

Hong Kong, 14 March 2006

## 核數師

財務報表已由羅兵咸永道會計師事務所審核。羅兵咸永道會計師事務所將退任並符合資格膺選連任。

代表董事會

主席

**劉長樂**

香港，二零零六年三月十四日



羅兵咸永道會計師事務所

**AUDITORS' REPORT TO THE SHAREHOLDERS OF  
PHOENIX SATELLITE TELEVISION HOLDINGS LIMITED**  
*(Incorporated in the Cayman Islands with limited liability)*

We have audited the financial statements on pages 79 to 150 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, 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 Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the circumstances of the Company and of the Group, consistently applied and adequately disclosed.

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

**核數師報告**

**致鳳凰衛視控股有限公司**  
*(於開曼群島註冊成立之有限公司)*  
**全體股東**

本核數師已完成審核刊載於第79頁至第150頁之財務報表，該等財務報表乃按照香港普遍採納之會計原則編製。

**董事及核數師各自之責任**

貴公司之董事須負責編製真實與公平的財務報表。在編製該等財務報表時，董事必須貫徹採用適當的會計政策，並且貫徹應用該等會計政策。

本核數師之責任是根據審核之結果，對該等財務報表出具獨立意見，並僅向整體股東報告，除此之外本報告別無其他目的。本核數師不會就本報告的內容向任何其他人士負上或承擔任何責任。

**意見之基礎**

本核數師已按照香港會計師公會頒佈之香港核數準則進行審核工作。審核範圍包括以抽查方式查核與財務報表所載數額及披露事項有關的憑證，亦包括評估董事於編製該等財務報表時所作之重大估計和判斷、所採用之會計政策是否適合 貴公司及 貴集團之具體情況，及是否貫徹運用並足夠地披露該等會計政策。

本核數師在策劃及進行審核工作時，均以取得一切我們認為必需之資料及解釋為目標，以便獲得充份之憑證，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，本核數師亦已評估該等財務報表所載之資料在整體上是否足夠。本核數師相信我們之審核工作已為下列意見提供合理之基礎。

## 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 2005 and of the profit 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.

**PricewaterhouseCoopers**  
*Certified Public Accountants*

Hong Kong, 14 March 2006

## 意見

本核數師認為，上述財務報表均真實與公平地顯示 貴公司及 貴集團於二零零五年十二月三十一日之財務狀況，及 貴集團截至該日止年度之溢利和現金流量，並已符合香港公司條例之披露要求而編製。

**羅兵咸永道會計師事務所**  
執業會計師

香港，二零零六年三月十四日

**CONSOLIDATED INCOME STATEMENT 綜合收益表**

For the year ended 31 December 2005 截至二零零五年十二月三十一日止年度

(Amounts expressed in Hong Kong dollars)

(金額以港元列值)

		Note(s) 附註	2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元 (Restated) (經重列) (Note 2(v)) (附註2(v))
<b>Revenue</b>	<b>收入</b>	5	<b>1,034,768</b>	959,660
<b>Operating expenses</b>	<b>經營費用</b>	6, 32(i)	<b>(633,189)</b>	(675,061)
<b>Selling, general and administrative expenses</b>	<b>銷售、一般及行政費用</b>	6, 32(i)	<b>(242,894)</b>	(146,063)
<b>Other revenue</b>	<b>其他收入</b>			
Exchange gain, net	匯兌收益淨額	5	<b>13,997</b>	1,927
Interest income, net	利息收入淨額	5	<b>14,723</b>	6,486
Other income, net	其他收入淨額	5	<b>18,392</b>	9,105
<b>Provision for impairment loss in a jointly controlled entity</b>	<b>共同控制實體減值虧損撥備</b>	19	<b>(472)</b>	–
<b>Share of losses of jointly controlled entities</b>	<b>攤佔共同控制實體虧損</b>	19	<b>(1,906)</b>	–
<b>Profit before income tax</b>	<b>除所得稅前溢利</b>		<b>203,419</b>	156,054
<b>Income tax expense</b>	<b>所得稅費用</b>	7	<b>(20,755)</b>	(4,826)
<b>Profit for the year</b>	<b>年度溢利</b>		<b>182,664</b>	151,228
<b>Attributable to:</b>	<b>下列各項應佔溢利：</b>			
Equity holders of the Company	本公司權益持有人		<b>181,482</b>	150,494
Minority interests	少數股東權益		<b>1,182</b>	734
			<b>182,664</b>	151,228
<b>Earnings per share for profit attributable to the equity holders of the company during the year</b>	<b>就年內本公司權益持有人應佔溢利的每股盈利</b>			
Basic earnings per share, Hong Kong cents	基本每股盈利，港仙	10	<b>3.67</b>	3.05
Diluted earnings per share, Hong Kong cents	攤薄後每股盈利，港仙	10	<b>3.67</b>	3.04
Dividends	股息	9	<b>59,264</b>	49,387

**CONSOLIDATED BALANCE SHEET 綜合資產負債表**

As at 31 December 2005 於二零零五年十二月三十一日

(Amounts expressed in Hong Kong dollars)

(金額以港元列值)

			2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元 (Restated) (經重列)
	Note(s) 附註			
<b>ASSETS</b>		<b>資產</b>		
<b>Non-current assets</b>		<b>非流動資產</b>		
Purchased programme and film rights, net	16	購入節目及電影版權淨額	14,968	18,402
Property, plant and equipment	17	物業、廠房及設備	44,518	54,869
Property deposit and development costs	18	物業按金及發展成本	30,560	62,515
Investments in jointly controlled entities	19	於共同控制實體的投資	9,594	472
Financial assets at fair value through profit or loss	20	按公平值列賬並在損益賬處理的財務資產	65,971	53,461
Long-term deposit	24	長期存款	31,018	31,091
Deferred income tax assets	28	遞延所得稅資產	963	30
			<b>197,592</b>	<b>220,840</b>
<b>Current assets</b>		<b>流動資產</b>		
Accounts receivable, net	12	應收賬款淨額	43,254	98,397
Prepayments, deposits and other receivables	13	預付款項、按金及其他應收款項	367,945	351,005
Inventories	14	存貨	5,557	8,751
Amounts due from related companies	15, 32(ii)	應收關連公司款項	1,232	507
Self-produced programmes		自製節目	3,760	10,652
Purchased programme and film rights, net, current portion	16	購入節目及電影版權淨額—短期部份	5,141	11,665
Profits tax recoverable		可收回利得稅	-	384
Financial assets at fair value through profit or loss	20	按公平值列賬並在損益賬處理的財務資產	23,758	-
Cash and cash equivalents	23	現金及現金等值	513,364	380,391
			<b>964,011</b>	<b>861,752</b>
<b>Total assets</b>		<b>總資產</b>	<b>1,161,603</b>	<b>1,082,592</b>



**CONSOLIDATED BALANCE SHEET 綜合資產負債表**

As at 31 December 2005 於二零零五年十二月三十一日

(Amounts expressed in Hong Kong dollars)

(金額以港元列值)

			2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元 (Restated) (經重列)
<b>EQUITY AND LIABILITIES</b>	<b>權益及負債</b>			
<b>Capital and reserves attributable to the Company's equity holders</b>	<b>本公司權益持有人應佔股本及儲備</b>			
Share capital	股本	25	493,867	493,680
Reserves	儲備	27	505,220	369,968
			<u>999,087</u>	863,648
<b>Minority interests</b>	<b>少數股東權益</b>		<u>8,019</u>	6,837
<b>Total equity</b>	<b>總權益</b>		<u>1,007,106</u>	870,485
<b>Non-current liability</b>	<b>非流動負債</b>			
Deferred income tax liabilities	遞延所得稅負債	28	<u>963</u>	30
<b>Current liabilities</b>	<b>流動負債</b>			
Accounts payable, other payables and accruals	應付賬款、其他應付款項及應計款項	22	<u>95,948</u>	165,078
Deferred income	遞延收入		<u>47,572</u>	38,914
Amounts due to related companies	應付關連公司款項	15, 32(ii)	<u>4,900</u>	8,085
Profits tax payable	應付利得稅		<u>5,114</u>	-
			<u>153,534</u>	212,077
<b>Total liabilities</b>	<b>總負債</b>		<u>154,497</u>	212,107
<b>Total equity and liabilities</b>	<b>總權益及負債</b>		<u>1,161,603</u>	1,082,592
<b>Net current assets</b>	<b>流動資產淨值</b>		<u>810,477</u>	649,675
<b>Total assets less current liabilities</b>	<b>總資產減流動負債</b>		<u>1,008,069</u>	870,515

Approved by the Board of Directors on 14 March 2006 and signed on behalf of the Board by

於二零零六年三月十四日獲董事會通過，並由以下董事代表董事會簽署：

**LIU Changle 劉長樂**  
Director 董事

**Michelle Lee GUTHRIE**  
Director 董事

**BALANCE SHEET 資產負債表**

As at 31 December 2005 於二零零五年十二月三十一日

(Amounts expressed in Hong Kong dollars)

(金額以港元列值)

			2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
	Note(s) 附註			
<b>ASSETS</b>		<b>資產</b>		
<b>Non-current asset</b>		<b>非流動資產</b>		
Interests in subsidiaries	21	於附屬公司的權益	1,232,543	1,276,312
<b>Current asset</b>		<b>流動資產</b>		
Cash and cash equivalents	23	現金及現金等值	1,972	6,302
<b>Total assets</b>		<b>總資產</b>	<u>1,234,515</u>	<u>1,282,614</u>
<b>EQUITY</b>		<b>權益</b>		
<b>Capital and reserves attributable to the Company's equity holders</b>		<b>本公司權益持有人應佔股本及儲備</b>		
Share capital	25	股本	493,867	493,680
Reserves	27	儲備	740,494	788,780
<b>Total equity</b>		<b>總權益</b>	<u>1,234,361</u>	<u>1,282,460</u>
<b>LIABILITY</b>		<b>負債</b>		
<b>Current liability</b>		<b>流動負債</b>		
Other payables and accruals		其他應付款項及應計款項	154	154
<b>Total liability</b>		<b>總負債</b>	<u>154</u>	<u>154</u>
<b>Total equity and liability</b>		<b>總權益及負債</b>	<u>1,234,515</u>	<u>1,282,614</u>

Approved by the Board of Directors on 14 March 2006 and signed on behalf of the Board by

於二零零六年三月十四日獲董事會通過，並由以下董事代表董事會簽署：

LIU Changle 劉長樂  
Director 董事

Michelle Lee GUTHRIE  
Director 董事

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY 綜合權益變動表**

For the year ended 31 December 2005 截至二零零五年十二月三十一日止年度

(Amounts expressed in Hong Kong dollars)

(金額以港元列值)

			Capital and reserves attributable to Company's equity holders 本公司權益 持有人應佔 股本及儲備	Minority interests 少數股東 權益	Total 總計
	Note(s) 附註		\$'000 千元	\$'000 千元	\$'000 千元
Balance at 1 January 2004		於二零零四年一月一日結餘	706,420	6,103	712,523
Exchange differences arising on translation of the financial statements of foreign subsidiaries	27	換算海外附屬公司財務報表產生的匯兌差額	1,325	–	1,325
Exercise of share options	2, 25, 26, 27	行使購股權	5,409	–	5,409
Profit for the year		年度溢利	150,494	734	151,228
Balance at 31 December 2004		於二零零四年十二月三十一日結餘	863,648	6,837	870,485
<b>Balance at 1 January 2005</b>		於二零零五年一月一日結餘	<b>863,648</b>	<b>6,837</b>	<b>870,485</b>
Exchange differences arising on translation of the financial statements of foreign subsidiaries	27	換算海外附屬公司財務報表產生的匯兌差額	1,383	–	1,383
Exercise of share options	2, 25, 26, 27	行使購股權	1,961	–	1,961
Dividends relating to 2004	9	已付二零零四年度股息	(49,387)	–	(49,387)
Profit for the year		年度溢利	181,482	1,182	182,664
Balance at 31 December 2005		於二零零五年十二月三十一日結餘	999,087	8,019	1,007,106

**CONSOLIDATED CASH FLOW STATEMENT 綜合現金流量表**

For the year ended 31 December 2005 截至二零零五年十二月三十一日止年度

(Amounts expressed in Hong Kong dollars)

(金額以港元列值)

		Note(s) 附註	2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元 (Restated) (經重列)
<b>Cash flows from operating activities</b>	<b>經營業務活動的現金流量</b>			
Cash generated from operations	經營業務產生的現金	29	216,476	80,882
Interest received	已收利息		13,937	6,489
Income from long-term deposit	長期存款收入		786	-
Hong Kong taxation paid	已付香港稅項		(14,986)	(10,794)
Overseas taxation paid	已付海外稅項		(271)	(355)
<b>Net cash generated from operating activities</b>	<b>經營業務活動產生的現金淨額</b>		<b>215,942</b>	<b>76,222</b>
<b>Cash flows from investing activities</b>	<b>投資活動的現金流量</b>			
Increase in property deposit and development costs	物業按金及發展成本增加		(1,246)	(1,395)
Purchase of property, plant and equipment	購入物業、廠房及設備	17	(15,878)	(16,761)
Purchase of programme and film rights	購入節目及電影版權	16	(16,083)	(20,414)
Investment in a jointly controlled entity	於共同控制實體的投資	19	(11,500)	-
Proceeds from disposal of property, plant and equipment	出售物業、廠房及設備所得款項	17	85	179
Proceeds from partial disposal of property deposit interest	出售部分物業按金權益所得款項	18	37,792	-
Purchase of financial assets at fair value through profit or loss	購入按公平值列賬並在損益賬處理的財務資產		(206,768)	(84,411)
Proceeds from disposal of financial assets at fair value through profit or loss	出售按公平值列賬並在損益賬處理的財務資產所得款項		171,898	29,986
Income from financial assets at fair value through profit or loss	按公平值列賬並在損益賬處理的財務資產的收益		4,747	1,822
Interest paid	已付利息		-	(3)
<b>Net cash used in investing activities</b>	<b>投資活動所用現金淨額</b>		<b>(36,953)</b>	<b>(90,997)</b>
<b>Cash flows from financing activities</b>	<b>融資活動的現金流量</b>			
Proceeds from exercise of share options	行使購股權所得款項	25, 26	1,961	5,409
Dividends paid to Company's equity holders	已付予本公司權益持有人的股息	9	(49,387)	-
<b>Net cash (used in)/generated from financing activities</b>	<b>融資活動(所用)/產生的現金淨額</b>		<b>(47,426)</b>	<b>5,409</b>
<b>Increase/(decrease) in cash and cash equivalents</b>	<b>現金及現金等值增加/(減少)</b>		<b>131,563</b>	<b>(9,366)</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>年初現金及現金等值</b>		<b>380,391</b>	<b>388,869</b>
<b>Effect of foreign exchange rate changes</b>	<b>匯率變動影響</b>		<b>1,410</b>	<b>888</b>
<b>Cash and cash equivalents at end of year</b>	<b>年終現金及現金等值</b>		<b>513,364</b>	<b>380,391</b>

## 1. GENERAL INFORMATION

Phoenix Satellite Television Holdings Limited (the “Company”) and its subsidiaries (collectively, the “Group”) engage principally in satellite television broadcasting activities.

The Company is a limited liability company incorporated in the Cayman Islands and domiciled in Hong Kong. The address of its registered office is Century Yard, Cricket Square, Hutchins Drive, PO Box 2681GT, George Town, Grand Cayman, British West Indies, Cayman Islands.

The Company is listed on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

The consolidated financial statements have been approved for issue by the Board of Directors on 14 March 2006.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

### (a) Basis of preparation

The consolidated financial statements of Phoenix Satellite Television Holdings Limited have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRS”) issued by the Hong Kong Institute of Certified Public Accountants and applicable disclosure requirements of the Hong Kong Companies Ordinance and the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange.

The consolidated financial statements have been prepared under the historical cost convention, as modified by revaluation of financial assets at fair value through profit or loss, which is carried at fair value.

The preparation of financial statements in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements, are disclosed in Note 4.

## 1. 一般資料

鳳凰衛視控股有限公司(「本公司」)及其附屬公司(統稱「本集團」)主要經營衛星電視廣播業務。

本公司為於開曼群島註冊成立及以香港為總部的有限公司。本公司的註冊辦事處為Century Yard, Cricket Square, Hutchins Drive, PO Box 2681GT, George Town, Grand Cayman, British West Indies, Cayman Islands。

本公司於香港聯合交易所有限公司(「聯交所」)創業板上市。

本綜合財務報表已由董事會於二零零六年三月十四日批准刊發。

## 2. 重要會計政策概要

以下為編製此等綜合財務報表所應用的主要會計政策。除另有說明外，此等政策已於所呈列的所有年度內得到貫徹應用。

### (a) 編製基準

鳳凰衛視控股有限公司的綜合財務報表乃根據香港會計師公會頒佈的香港財務報告準則(「香港財務報告準則」)及香港公司條例的適用披露規定及聯交所創業板證券上市規則而編製。

本綜合財務報表乃按照歷史成本法編製，惟就重估按公平值列賬並在損益賬處理的財務資產作出調整，並按公平值列賬。

編製符合香港財務報告準則的財務報表需要運用若干重要的會計估計，亦同時需要管理層在採用本公司的會計政策過程中作出判斷。在綜合財務報表中涉及高度判斷或複雜程度的範疇，或有重要假設及估計的範疇乃於附註4披露。



2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) **Basis of preparation (Continued)**

*The adoption of new/revised HKFRS*

In 2005, the Group adopted the new/revised Hong Kong Accounting Standards (“HKAS”), Hong Kong Financial Reporting Standards, and interpretations of HKAS (together “HKFRSs”) below, which are relevant to its operations. The 2004 comparatives have been amended as required, in accordance with the relevant requirements.

HKAS 1	Presentation of Financial Statements
HKAS 2	Inventories
HKAS 7	Cash Flow Statements
HKAS 8	Accounting Policies, Changes in Accounting Estimates and Errors
HKAS 10	Events after the Balance Sheet Date
HKAS 16	Property, Plant and Equipment
HKAS 17	Leases
HKAS 21	The Effects of Changes in Foreign Exchange Rates
HKAS 24	Related Party Disclosures
HKAS 27	Consolidated and Separate Financial Statements
HKAS 31	Interests in Joint Ventures
HKAS 32	Financial Instruments: Disclosures and Presentation
HKAS 33	Earnings per Share
HKAS 36	Impairment of Assets
HKAS 38	Intangible Assets
HKAS 39	Financial Instruments: Recognition and Measurement
HKFRS 2	Share-based Payments
HKAS-Int 12	Scope of HKAS-Int 12 Consolidation – Special Purpose Entities
HKAS-Int 15	Operating Leases – Incentives

2. 重要會計政策概要 (續)

(a) **編製基準 (續)**

*採納新增／經修訂香港財務報告準則*

於二零零五年，本集團採納以下與其經營業務有關的新增／經修訂香港會計準則（「香港會計準則」）、香港財務報告準則及香港會計準則詮釋（合稱為「香港會計及財務報告準則」）。二零零四年的比較數字已根據有關規定作出所需修訂。

香港會計準則第1號	財務報表的呈列方式
香港會計準則第2號	存貨
香港會計準則第7號	現金流量表
香港會計準則第8號	會計政策、會計估計變動及誤差
香港會計準則第10號	結算日後事項
香港會計準則第16號	物業、廠房及設備
香港會計準則第17號	租賃
香港會計準則第21號	匯率變動的影響
香港會計準則第24號	關連方披露
香港會計準則第27號	綜合及獨立財務報表
香港會計準則第31號	於合營企業的權益
香港會計準則第32號	財務工具：披露及呈列
香港會計準則第33號	每股盈利
香港會計準則第36號	資產減值
香港會計準則第38號	無形資產
香港會計準則第39號	財務工具：確認及計量
香港財務報告準則第2號	以股份支付的支出
香港會計準則—詮釋第12號	香港會計準則詮釋第12號綜合—特別目的實體的範圍
香港會計準則—詮釋第15號	經營租賃—獎勵

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### (a) Basis of preparation (Continued)

Except for the following, the adoption of the HKFRSs did not result in substantial changes to the Group's accounting policies, financial statement disclosures or presentation as compared to that used in the preparation of the annual financial statements as of and for the year ended 31 December 2004:

- HKAS 1 – Presentation of Financial Statements has impacted the presentation of the following notable elements in the Group's consolidated financial statements:
  - Minority interests are presented within equity on the face of the consolidated balance sheet while it was presented outside of equity previously.
  - Movement of minority interests is included in the consolidated statement of changes in equity while this was not required previously.
  - Allocation of profit/(loss) attributable to minority interests and equity holders of the Company is disclosed on the face of the consolidated income statement after profit for the year while the allocation to minority interests was previously disclosed as a separate line item before arriving at profit attributable to the equity holders of the Company.
- HKAS 24 – Related Party Disclosures has expanded the definition of related parties to include key management of the Group (see Note 32(iii)).

## 2. 重要會計政策概要 (續)

### (a) 編製基準 (續)

除下文所列以外，與編製截至二零零四年十二月三十一日止年度的年度財務報表所使用者相比，採納香港會計及財務報告準則並無導致本集團的會計政策、財務報表披露或呈列出現重大變動：

- 香港會計準則第1號－財務報表的呈列已影響本集團綜合財務報表中以下主要項目的呈列：
  - 少數股東權益現時於綜合資產負債表內權益項目內呈列，而先前於權益項目以外呈列。
  - 少數股東權益變動現時計入綜合權益變動表內，而先前並無如此規定。
  - 本公司少數股東及權益持有人應佔溢利／(虧損)的分配乃於年度溢利後在綜合收益表內披露，而先前少數股東權益分配乃於本公司權益持有人應佔溢利前作為獨立一項披露。
- 香港會計準則第24號－關連方披露已擴闊關連方的定義，包括本集團的主要管理人員(見附註32(iii))。

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### (a) Basis of preparation (Continued)

- The adoption of HKFRS 2 – Share-based Payments has resulted in a change in accounting policy for employee share options. Under HKFRS 2, the Group is required to determine the fair value of all share-based payments to employees as remuneration and recognise an expense in the income statement. This treatment results in a reduction in profit as such items have not been recognised as expenses under the previous accounting policy. Under the specific transitional provisions of HKFRS 2, this treatment applies to equity-settled share-based payment transactions where shares, share options or other equity instruments were granted after 7 November 2002 and had not yet vested by 1 January 2005 and to liabilities arising from share-based payment transactions existing on 1 January 2005. The Directors consider the adoption of HKFRS 2 does not have material impact on the consolidated financial statements and accordingly, no adjustments have been recorded to reflect the impact of applying HKFRS 2 in the accompanying financial statements.

Had the adjustments on application of HKFRS 2 been applied, the Group's opening accumulated deficits at 1 January 2004 and 2005 would increase by approximately HK\$560,000 and HK\$840,000, respectively, in accounting for the previously unrecognised employee share-based compensation expenses. Net profit for the year ended 31 December 2004 and 2005 of the Group would decrease and accumulated deficit as at 31 December 2004 and 2005 of the Group would increase by approximately HK\$280,000 and HK\$160,000, respectively.

- The adoption of HKAS 32 – Financial Instruments: Disclosure and Presentation and HKAS 39 – Financial Instruments: Recognition and Measurement has resulted in a change in accounting policies for recognition, measurement, de-recognition and disclosure of financial instruments. In accordance with the provisions of HKAS 39, the Group has classified its investment in unlisted securities as at 31 December 2005 as financial assets at fair value through profit or loss. Interest income and net realised and unrealised gain/(losses) for financial assets at fair value through profit or loss are included as other income in the consolidated income statement.

## 2. 重要會計政策概要 (續)

### (a) 編製基準 (續)

- 採納香港財務報告準則第2號—以股份支付的支出導致有關僱員購股權的會計政策發生變更。根據香港財務報告準則第2號，本集團須釐定所有作為薪酬支付予僱員的以股份支付的支出之公平值並於收益表內確認為費用。由於根據先前會計政策，上述項目並無確認為費用，故此項處理導致溢利減少。根據香港財務報告準則第2號之特別過渡性條文，此項處理應用於以權益結算而以股份支付之支出交易，其中包括於二零零二年十一月七日後獲授出而於二零零五年一月一日尚未屆滿之股份、購股權或其他權益工具及於二零零五年一月一日存在之以股份支付之支出交易產生之負債。董事認為，採納香港財務報告準則第2號並未對綜合財務報表產生重大影響，因此，並無記錄任何調整，以反映應用香港財務報告準則第2號對隨附財務報表之影響。

對於應用香港財務報告準則第2號之調整，就計算以前未確認之以股份支付予僱員之薪酬費用而言，本集團於二零零四年及二零零五年一月一日之期初累計虧絀將分別增加約560,000港元及840,000港元。截至二零零四年及二零零五年十二月三十一日止年度之溢利淨額及累計虧絀將分別減少及增加約280,000港元及160,000港元。

- 採納香港會計準則第32號—財務工具：披露及呈列及香港會計準則第39號—財務工具：確認及計量導致財務報表之確認、計量、取銷確認及披露發生變更。根據香港會計準則第39號之條文，於二零零五年十二月三十一日，本集團將其於非上市證券之投資作為按公平值列賬並在損益賬處理的財務資產重新分類。按公平值列賬並在損益賬處理的財務資產之利息收入及已變現及未變現收入／(虧損)淨額包含於綜合收益表內其他收入項目下。

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### (a) Basis of preparation (Continued)

“Other investments”, which were carried at fair value at 31 December 2004 and whose interest income and net realised and unrealised gain/(losses) were included as other income in the consolidated income statement for the year ended 31 December 2004 under Statements of Standard Accounting Policy 24 – Accounting for Investments in Securities, were designated as “financial assets at fair value through profit or loss” in the consolidated balance sheet on adoption of HKAS 39.

A “Certificate of deposit” which was carried at historical cost at 31 December 2004 was recorded in “long-term deposit” in the consolidated balance sheet on the Group’s adoption of HKAS 39 on 1 January 2005. Under HKAS 39, the Group is required to state this long-term deposit at amortised cost, which is arrived at using the effective interest method, less provision for impairment and to adjust to the retained earnings of the Group at 1 January 2005 the effect of measuring this asset at amortised cost using the effective interest method without restating comparative balances as at 31 December 2004. The Directors consider the adoption of HKAS 39 with respect to this long-term deposit does not have material impact on the consolidated financial statements and accordingly, did not record any adjustment to reflect the impact of applying HKAS 39 on “long-term deposit” in the accompanying financial statements.

### (b) Consolidation

The consolidated financial statements include the financial statements of the Company and all its subsidiaries made up to 31 December.

#### (i) Subsidiaries

Subsidiaries are all entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

## 2. 重要會計政策概要 (續)

### (a) 編製基準 (續)

根據會計政策準則第24號—於證券之投資的會計處理，於二零零四年十二月三十一日以公平值列賬之「其他投資」及其利息收入及已確認及未確認收入／(虧損)淨額均計入截至二零零四年十二月三十一日止年度之綜合收益表內其他收入項目下，而於採納香港會計準則第39號時，則於綜合資產負債表內被指定為「按公平值列賬並在損益賬處理的財務資產」。

有關二零零四年十二月三十一日按歷史成本列賬的「存款證」，乃於二零零五年一月一日採納香港會計準則第39號時在本集團之綜合資產負債表中記錄作「長期存款」。根據香港會計準則第39號，本集團須按所攤銷成本(其採用實際利率法計算)減減值撥備呈列是項長期存款，並調整至本集團於二零零五年一月一日之留存盈利，以反映按所攤銷成本(採用實際利率法)計量此資產之影響(且並無重列於二零零四年十二月三十一日之比較結餘)。董事認為，就是項長期存款而言，採納香港會計準則第39號並不會對綜合財務報表造成重大影響，因此，並無記錄任何調整，以反映對於隨附之財務報表中之「長期存款」應用香港會計準則第39號之影響。

### (b) 綜合

綜合財務報表包括本公司及其附屬公司截至十二月三十一日的財務報表。

#### (i) 附屬公司

附屬公司乃指本集團有權規管其財務及營運政策並通常指控制一半以上投票權的所有實體(包括特別目的實體)。當估計本集團是否控制另一實體時，須考慮現時可行使或可轉換的潛在投票權的存在及影響。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(b) **Consolidation (Continued)**

(i) **Subsidiaries (Continued)**

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly to the income statement.

Inter-company transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

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

2. 重要會計政策概要 (續)

(b) **綜合 (續)**

(i) **附屬公司 (續)**

附屬公司乃自其控制權轉移至本集團之日期起全數綜合，並自控制權終止日期起解除綜合。

本集團採用收購會計法為本集團所收購的附屬公司列賬。收購成本為交易當日所付資產的公平值、所發行的股本工具及所發生或承擔之負債，加上直接歸屬於收購事項的成本。在商業合併過程中所收購之可辨別資產、所承擔之負債及或然負債，均於收購當日按其公平值作出初步計量，而毋須計及任何少數股東權益。收購成本超出本集團應佔所收購之可辨別淨資產之差額乃列作商譽。倘收購成本低於所收購附屬公司淨資產之公平值，則有關差額將直接在收益表內確認。

集團內部往來的餘額及集團內部交易及其產生的未實現溢利於合併時予以對銷。內部交易產生的未實現虧損，除非交易可提供證據證明資產之減值已轉移，否則亦予以抵銷。對附屬公司的會計政策已作出調整(如必要)，以確保其與本集團所採用的會計政策一致。

於本公司的資產負債表，於附屬公司的投資及應收附屬公司款項乃按成本扣除減值虧損撥備列賬。本公司根據已收及應收股息計算附屬公司的權益。



## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### (b) Consolidation (Continued)

#### (ii) Jointly controlled entities

The Group's interests in jointly controlled entities are accounted for by the equity method of accounting and are initially recognised at cost.

The Group's share of its jointly controlled entities' post-acquisition profits or losses is recognised in the income statement, and its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in a jointly controlled entity equals or exceeds its interest in the jointly controlled entity, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the jointly controlled entity.

Unrealised gains on transactions between the Group and its jointly controlled entities are eliminated to the extent of the Group's interest in the jointly controlled entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of jointly controlled entities have been changed where necessary to ensure consistency with the policies adopted by the Group.

### (c) Segment reporting

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. A geographical segment is engaged in providing products or services within a particular economic environment that are subject to risks and returns that are different from those of segments operating in other economic environments.

## 2. 重要會計政策概要 (續)

### (b) 綜合 (續)

#### (ii) 共同控制實體

本集團於共同控制實體的權益按權益法計算並初步按成本確認。

本集團攤佔共同控制實體的收購後損益於收益表內確認，本集團應佔收購後的儲備變動於儲備內確認。累積收購後變動乃按投資的賬面值作出調整。當本集團應佔共同控制實體的虧損(包括任何其他未擔保應收款項)等於或超過其於共同控制實體的權益時，本集團並不確認進一步虧損，除非發生負債或代表共同控制實體支付款項則作別論。

本集團與其共同控制實體之間交易而產生之未確認收益在本集團於共同控制實體之權益範圍內對銷。未確認虧損亦對銷，除非交易提供證據證明資產之減值已轉移。共同控制實體之會計政策須於必要時變動以確保與本集團之政策一致。

### (c) 分類報告

業務分類指從事提供產品或服務的一組資產及業務，而該組資產及業務的風險及回報有別於其他業務分類。地區分類乃在某一特定經濟環境下從事提供產品或服務，而該分類的風險及回報有別於在其他經濟環境經營的分類。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(d) Foreign currency translation

(i) **Functional and presentation currency**

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in HK dollars, which is the Company's functional and presentation currency.

(ii) **Transactions and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

Translation differences on non-monetary items, such as equity instruments held at fair value through profit or loss, are reported as part of the fair value gain or loss.

(iii) **Group companies**

The results and financial position of all the group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- (a) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- (b) income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the exchange rates on the dates of the transactions); and

2. 重要會計政策概要 (續)

(d) 外幣換算

(i) **功能及呈報貨幣**

本集團各實體之財務報表所包括之項目，乃按該實體經營所在之主要經濟環境之貨幣（「功能貨幣」）計量。本集團之功能及呈報貨幣為港幣。綜合財務報表以港幣呈列。

(ii) **交易及結餘**

外幣交易均按交易當日之現行匯率換算為功能貨幣。因上述交易結算及按結算日之匯率兌換以外幣計值之貨幣資產及負債而產生之匯兌損益，均於收益表確認。

非貨幣性項目中諸如按公平值持有並於收益表處理的股本證券的匯兌差額，則申報列為公平值損益一部份。

(iii) **集團公司**

其功能性貨幣與呈列貨幣不同的所有集團實體（各實體均無極高通脹經濟地區的貨幣）的業績及財務狀況均按以下方法換算為呈列貨幣：

- (a) 每份呈列的資產負債表均以該資產負債表之結算日之收市匯率換算；
- (b) 每份收益表之收入及支出項目按平均匯率換算（除非該平均匯率對交易日現行匯率之累計影響並非是一個合理的接近匯率，在此情況下收入及支出乃用交易日的匯率換算）；及

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### (d) Foreign currency translation (Continued)

#### (iii) Group companies (Continued)

- (c) all resulting exchange differences are recognised as a separate component of equity.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities are taken to equity.

Investments in jointly controlled entities are denominated in Renminbi and the net assets values are translated at the closing rate at the date of that balance sheet. The share of profits/(losses) of the jointly controlled entities are translated at the average exchange rates for equity accounting. All resulting exchange differences are recognised as a separate component of equity.

### (e) Property, plant and equipment

Property, plant and equipment comprise leasehold improvements, furniture and fixtures, broadcast operations and other equipment and motor vehicles. They are stated at historical cost less depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are expensed in the income statement during the financial period in which they are incurred.

Depreciation of property, plant and equipment is calculated using the straight-line method to allocate cost to their residual values over their estimated useful lives, as follows:

Leasehold improvements	15% or over the terms of the leases
Furniture and fixtures	15% – 20%
Broadcast operations and other equipment	20%
Motor vehicles	20%

## 2. 重要會計政策概要 (續)

### (d) 外幣換算 (續)

#### (iii) 集團公司 (續)

- (c) 所有匯兌差額乃確認為權益的獨立一項。

於綜合賬目時，換算境外實體投資淨額時產生的匯兌差額乃列入權益內。

於共同控制實體的投資乃以人民幣計值，而資產淨值乃按資產負債表日的收市匯率進行換算。攤佔共同控制實體的溢利／(虧損)乃按權益入賬的平均匯率進行換算。所導致的一切匯兌差額均確認為權益的獨立一項。

### (e) 物業、廠房及設備

本集團物業、廠房及設備包括租賃物業裝修、傢俬及裝置、廣播營運及其他設備及汽車。彼等按歷史成本扣除折舊及減值虧損後列賬。歷史成本包括收購該等項目直接應佔的開支。

僅當項目有關之未來經濟利益有可能流入本集團及項目成本能可靠計量時，其後成本加入資產賬面值或確認為另外一項資產(如適用)。所有其他維修及維護則於產生的財政期間內在收益表扣除。

物業、廠房及設備之折舊乃使用直線法計算，就彼等之剩餘價值於估計有用年限內分配如下：

租賃物業裝修	15%或按租約年期
傢俬及裝置	15% – 20%
廣播營運及其他設備	20%
汽車	20%

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(e) **Property, plant and equipment (Continued)**

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (Note 2(i)).

(f) **Property deposit and development costs**

Property deposit and development costs are carried at cost. They are not depreciated until such time the property is ready for its intended use.

(g) **Purchased programme and film rights**

Purchased programme and film rights are recorded at cost less accumulated amortisation and any impairment losses. The cost of purchased programme and film rights is expensed in the income statement either on the first and second showing of such purchased programme and film rights or amortised over the license period if the license allows multiple showings within the license period.

Purchased programme and film rights with a remaining license period of twelve months or less are classified as current assets.

(h) **Self-produced programmes**

Self-produced programmes represent programmes under production and are stated at cost less provision for diminution. Cost comprises direct production expenditures and an appropriate portion of production overheads. Programmes in production that are abandoned are written off in the income statement immediately, or when the revenue to be generated by these programmes is determined to be lower than originally budgeted, the cost is written down to a realisable value. Completed programmes will be broadcast over a short period of time and their costs are expensed in the income statement in accordance with a formula computed to write off the cost over the broadcast period.

2. 重要會計政策概要 (續)

(e) **物業、廠房及設備 (續)**

於每個結算日，資產之剩餘價值及可使用年限已審閱，並已於適當情況下作調整。

倘某資產的賬面值大於其估計可收回金額(附註2(i))，該資產之賬面值將即時減值至其可收回金額。

(f) **物業按金及發展成本**

物業按金及發展成本乃按成本列賬。物業按金及發展成本可用作其擬定用途時方會予以折舊。

(g) **購入節目及電影版權**

購入節目及電影版權乃按成本扣除累積攤銷及任何減值虧損列賬。購入節目及電影版權成本於該等購入節目及電影首次及第二次播映時在收益表記賬，或根據版權規定，可在版權限期內播映多次，則在該版權限期內攤銷。

餘下許可期為十二個月或以下的節目及電影版權列作流動資產。

(h) **自製節目**

自製節目(指製作中節目)乃按成本扣除減值準備列賬。成本包括直接製作支出及適當比例的製作費用。製作中並遭放棄的節目將即時於收益表內撇銷，或倘此等節目可賺取之收益低於原先所估計者，則將成本減記至可變現價值。已完成節目將於短期內播映，而所產生之支出將會按公式計算並記入收益表，以撇銷播放期間之成本。

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### (i) Impairment of assets

Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

### (j) Investments

From 1 January 2004 to 31 December 2004:

The Group classified its investments in securities, other than subsidiaries and jointly controlled entities, as other investments.

Other investments were carried at fair value. At each balance sheet date, the net unrealised gains or losses arising from the changes in fair value of these investments were recognised in the income statement. Profits or losses on disposal of other investments, representing the difference between the net sales proceeds and the carrying amounts, were recognised in the income statement as they arose.

From 1 January 2005 onwards:

The Group classifies its investments into "financial assets at fair value through profit or loss", and "loans and receivables". The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and re-evaluates this designation at every reporting date.

#### (i) *Financial assets at fair value through profit or loss*

A financial asset is classified in this category if the financial asset is so designated by management at inception.

## 2. 重要會計政策概要 (續)

### (i) 資產減值

當出現事件或情況改變顯示未必能收回賬面值，則會檢討攤銷資產之減值。減值虧損按資產賬面值超過可收回數額(即資產公平值減出售成本及使用價值兩者之較高者)之差額確認。就評估減值而言，資產按可獨立分辨現金流量之最低水平(現金產生單位)分類。

### (j) 投資

自二零零四年一月一日至二零零四年十二月三十一日期間：

本集團將其證券投資(附屬公司及共同控制實體除外)歸類為其他投資。

其他投資按公平值列帳。在每年結算日，其他投資之公平值變動而引致之未變現盈虧淨額均在收益表中確認。出售其他投資之盈利或虧損是指出售所得款項淨額與賬面值之差額，並於產生時在收益表確認。

由二零零五年一月一日起：

本集團將投資項目劃分為「按公平值列賬並在損益賬處理的財務資產」及「貸款及應收款項」。分類方法乃取決於投資項目之收購目的。管理層將於始初確認時為其投資項目分類，並於每個報告日重新評估此項分類。

#### (i) *按公平值列賬並在損益賬處理的財務資產*

此類別可細分為兩個類別：分別是持作買賣及最初已指定按公平值列賬並在損益賬處理的財務資產。如所收購的資產主要是為了在短期內出售，或須按管理層指定，則劃分為此類別。



## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### (j) Investments (Continued)

#### (ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Group provides money, goods or services directly to a debtor with no intention of trading the receivables. They are included in current assets, except for assets with maturities greater than twelve months after the balance sheet date. These are classified as non-current assets. Loans and receivables are included in long-term deposit, accounts receivable and prepayments, deposits and other receivables in the balance sheet (Note 2(l)).

Purchases and sales of investments are recognised on trade-date – the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets. Investments are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership. Financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables are subsequently carried at amortised cost using the effective interest method.

Realised and unrealised gains and losses arising from changes in the fair value of the “financial assets at fair value through profit or loss” category are included in the income statement in the period in which they arise.

If the market for a financial asset is not active (and for unlisted securities), the Group establishes fair value by using the most applicable valuation techniques feasible to the Group. This could include the use of recent arm’s length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and option pricing models refined to reflect the issuer’s specific circumstances.

The Group assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired.

## 2. 重要會計政策概要 (續)

### (j) 投資 (續)

#### (ii) 貸款及應收款項

貸款及應收款項均設有固定或可確定付款金額，以及不會在活躍市場上市的非衍生財務資產。此等資產在本集團直接向欠債人提供金錢、貨品或服務，而無計劃買賣該等應收款項的情況下產生。此等項目已計入流動資產之內，但由資產負債表結算日起計十二個月後方到期的資產則劃分為非流動資產。貸款及應收款項均計入資產負債表的長期存款、應收及預付賬款、按金及其他應收款項(附註2(l))。

投資項目的收購及出售，均於交易日(即本集團承諾收購或出售該資產當日)確認。投資項目初步按公平值確認，加上所有財務資產之交易成本。當本集團從該等投資項目收取現金流量的權利已到期或已被轉讓，或本集團已大致上將擁有權的所有風險和回報轉移，則會註銷該等投資項目。按公平值列賬並在損益賬處理的財務資產其後按公平值列賬。貸款及應收款項以後均以實際利率法按經攤銷成本列帳。

按公平值列賬並在損益賬處理的財務資產，如其公平值出現變動，所產生的已變現及未變現收益及虧損均於產生期內列入收益表。

倘若某財務資產的市場不活躍(及就非上市證券而言)，本集團會採用最適宜且對本集團可行之估值技術訂出公平值，包括採用近期按公平原則進行之交易，參考其他大致相同之工具，現金流量貼現分析，以及經改進以反映發行人特定情況的期權定價模式。

本集團將於每年結算日評估財務資產或一組財務資產有無出現減值的客觀證據。

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### (k) Inventories

Inventories, comprising decoder devices and satellite receivers, are stated at the lower of cost and net realisable value. Cost is determined using the first-in, first-out method. The cost of inventories comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

### (l) Long-term deposit, accounts receivable and prepayments, deposits and other receivables

Long-term deposit, accounts receivable and prepayments, deposits and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised in the income statement.

### (m) Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less.

### (n) Deferred income

Deferred income represents advertising revenue and subscription revenue received in advance from third party customers.

### (o) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

## 2. 重要會計政策概要 (續)

### (k) 存貨

存貨，包括解碼器器材及衛星接收器，乃按成本值與可變現淨值兩者中較低者列賬。成本值乃按先進先出原則釐定。存貨成本包括所有購買成本，加工成本及為把存貨達致現有場所及狀況而產生的其他成本在內。可變現淨值則指一般業務過程中之估計售價減去適用之銷售費用。

### (l) 長期存款、應收賬款與預付款項、按金及其他應收款項

長期存款、應收賬款與預付款項、按金及其他應收款項最初按公平值確認，其後則以實際利率法按經攤銷成本值計算，並須扣除減值撥備。如有證據顯示本集團無法按照應收款的原來條款收取所有欠款，則須作出減值撥備。撥備值為資產賬面值與估計未來現金流量按實際利率折算之現值兩者的差額，並於收益表確認。

### (m) 現金及現金等值

現金及現金等值包括手頭現金、銀行定期存款，及由投資當日起計到期日為三個月或以下的其他短期高流動投資。

### (n) 遞延收入

遞延收入乃指自第三方客戶預先收取的廣告收入及收視費收入。

### (o) 股本

普通股分類列為權益。與發行新股或購股權直接有關的增量成本，列入權益作為所得款項的減值(扣除稅項)。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(p) **Deferred income tax**

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, if the deferred income tax arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss, it is not accounted for. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

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

Deferred income tax is provided on temporary differences arising on investments in subsidiaries and jointly controlled entities, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

(q) **Employee benefits**

(i) **Employee leave entitlements**

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

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

(ii) **Bonus plans**

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

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

2. 重要會計政策概要 (續)

(p) **遞延所得稅**

遞延所得稅以負債法就資產及負債之稅基與其在綜合財務報表中所列賬面值之間之暫時差額作出全數撥備。然而，如遞延所得稅乃源自業務合併以外的交易中初步確認資產或負債，而在交易時並不影響會計或稅務利潤或虧損，則不會入賬處理。當有關遞延所得稅資產已變現或遞延所得稅負債已結算時，遞延所得稅以於結算日現行已制定或大致上已制定及預期獲應用之稅率(及法例)計算。

倘日後應課稅溢利可能抵銷暫時差額，則會確認遞延所得稅資產。

除撥回暫時差額之時間可受本集團控制，而暫時差額不會於可預見將來撥回外，本集團將就於附屬公司及共同控制實體之投資所產生之暫時差額計提遞延所得稅撥備。

(q) **僱員福利**

(i) **僱員應享假期**

僱員享有的年假在歸僱員應享有時確認。本集團為截至結算日止僱員已提供之服務而產生的年假的估計負債作出撥備。

僱員的病假及產假或陪分娩假不作確認，直至僱員正式休假為止。

(ii) **花紅計劃**

預期支付的花紅乃於本集團須承擔因僱員所提供服務而產生的現有法定或推定性責任，並在可合理估計有關責任的金額時確認為負債。

花紅計劃的負債預期將於十二個月內償還，並根據在償付時預期會支付的金額計算。

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### (q) Employee benefits (Continued)

#### (iii) Pension obligations

The Group operates defined contribution retirement schemes for the Hong Kong employees based on local laws and regulations. Contributions to the schemes by the Group and employees are calculated as a percentage of employees' basic salaries. The retirement benefit schemes' costs expensed in the income statement represent contributions payable by the Group to the funds.

The Group's contributions to the defined contribution retirement schemes are expensed as incurred and are reduced by contributions forfeited by those employees who leave the schemes prior to vesting fully in the contributions. The assets of the schemes are held separately from those of the Group in independently administered funds.

Pursuant to the relevant local regulations of the countries where the overseas subsidiaries of the Group are located, these subsidiaries participate in respective government retirement benefit schemes and/or setting its own retirement benefit schemes (the "Schemes") whereby they are required to contribute to the Schemes to fund the retirement benefits of the eligible employees. Contributions made to the Schemes are calculated either based on certain percentages of the applicable payroll costs or fixed sums for each employee with reference to a salary scale, as stipulated under the requirements in the respective countries. The Group has no further obligation beyond the required contributions. The contributions under the Schemes are expensed in the income statement as incurred.

## 2. 重要會計政策概要 (續)

### (q) 僱員福利 (續)

#### (iii) 退休金責任

本集團根據當地法例及規例，為香港僱員管理定額供款退休計劃。本集團及僱員向計劃作出的供款乃根據僱員的基本薪酬的某一百分比計算。於收益表記賬的退休福利計劃成本乃指本集團應付予基金的供款。

本集團向定額供款退休計劃作出的供款乃於產生時列作開支，並以全數取得供款前離開計劃的該等僱員的被沒收供款扣減。計劃的資產乃與本集團的資產分開及以獨立管理的基金持有。

根據本集團海外附屬公司所在國家的當地有關規例，此等附屬公司參與各自的政府退休福利計劃及／或自行設立退休福利計劃（「有關計劃」），據此有關附屬公司須向有關計劃為合資格僱員的退休福利作出供款。向有關計劃作出的供款乃按各國所規定根據適用的薪金成本的若干百分比或參照薪級表後按每名僱員以等額計算。除所須供款外，本集團並無進一步供款責任。根據有關計劃作出的供款於產生時自收益表確認記賬。

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### (q) Employee benefits (Continued)

#### (iv) Share-based compensation

The fair value of the employee services received in exchange for the grant of share options is recognised as an expense. The total amount to be expensed over the vesting period is determined by reference to the fair value of the share options granted, excluding the impact of any non-market vesting conditions (for example, profitability and sales growth targets). Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. At each balance sheet date, the Company revises its estimates of the number of share options that are expected to become exercisable. It recognises the impact of the revision of original estimates, if any, in the income statement, and a corresponding adjustment to equity over the remaining vesting period. When the share options are exercised, the proceeds received net of any transaction costs are credited to share capital (nominal value) and share premium account.

### (r) Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is more likely than not that an outflow of resources will be required to settle the obligation, and the amount has been reliably estimated.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

## 2. 重要會計政策概要 (續)

### (q) 僱員福利 (續)

#### (iv) 以股份支付的補償

本集團就授出購股權而取得之僱員服務公平值確認並列作費用。購股權歸屬期間支銷之總額乃參考已授出購股權之公平值而釐定，惟不計及任何非市場歸屬情況之影響(例如盈利能力及銷售增長目標)。非市場歸屬條件包括於預期可予行使之購股權數目之假設內。於各結算日，各實體均會修改其估計預期可予行使之購股權之數目。修改原來估計數字如有影響，則於收益表內確認，以及在餘下歸屬期間對股權作相應調整。當購股權獲行使時，所得款項扣除任何交易成本後計入股本(面值)及股份溢價賬。

### (r) 撥備

當由於過往事件導致本集團承擔現時法律或推定責任，而該責任很可能導致資源流出，且流出金額可合理地估計時，撥備獲確認。

倘出現多項類似債務，會否導致經濟利益流出以清償債務乃經考慮債務之整體類別後確定。即使同類別債務中任何一項可能流出經濟利益的機會不大，仍會確認撥備。



## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

### (s) Revenue recognition

Revenue mainly represents income from advertising sales, net of the related agency commission expenses, and subscription sales after eliminating sales within the Group.

Revenue is recognised as follows:

#### (i) Broadcasting advertising revenue

Broadcasting advertising revenue, net of agency commission expenses, is recognised upon the broadcast of advertisements.

#### (ii) Subscription revenue

Subscription revenue received or receivable from the cable distributors or agents is amortised on a time proportion basis to the income statement. The unamortised portion is classified as deferred income.

#### (iii) Magazine advertising revenue

Magazine advertising revenue net of commission expense is recognised when the magazine is published.

#### (iv) Magazine subscription/circulation revenue

Magazine subscription or circulation revenue represents subscription or circulation money received or receivable from customers and is recognised when the respective magazine is dispatched or sold.

#### (v) Sales of decoder devices and satellite receivers

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

#### (vi) Interest income and income from long-term deposit

Interest income from bank deposits and income from long-term deposit are recognised on a time-proportion basis using the effective interest method. When a receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at original effective interest rate of the instrument, and continues unwinding the discount as interest income.

## 2. 重要會計政策概要 (續)

### (s) 收入確認

收入主要為廣告銷售(扣除有關之代理商佣金費用)及收視費收入及經扣除本集團內對銷售後的收益。

收入確認如下：

#### (i) 廣播廣告收入

廣播廣告收入扣除代理商佣金費用後於有關廣告播出時確認。

#### (ii) 收視費收入

已收或應收有線電視分銷商或代理的收視費收入乃依照時間比例於收益表內攤銷。未予攤銷的部份列作遞延收入。

#### (iii) 雜誌廣告收入

雜誌廣告收入扣除佣金費用後於雜誌出版時確認。

#### (iv) 雜誌訂購/發行收入

雜誌訂購或發行收入指已收或應收客戶訂購或發行款項，並於個別雜誌出售時確認。

#### (v) 解碼器器材及衛星接收器銷售

來自解碼器器材及衛星接收器銷售的收入乃於擁有權的風險及回報轉移時確認，時間大致上與貨品交付客戶及所有權轉移時相同。

#### (vi) 利息收入及長期存款收入

銀行存款利息收入及長期存款收入採用實際利息法按時間比例基準進行確認。倘應收款出現減值，本集團會將賬面值減至其按有關財務工具原有實際利率之估計貼現現金流量而設定之可收回款額，並繼續解除貼現作為利息收入。

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(t) **Operating leases**

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are expensed in the income statement on a straight-line basis over the period of the lease.

(u) **Dividend distribution**

Dividend distribution to the Company's equity holders is recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Company's equity holders.

(v) **Change in accounting policy and restatement of comparatives**

Prior to the fourth quarter of 2005, the Group reported its advertising (broadcasting and magazines) revenue and the agency commission expenses on a gross basis. Subsequent to third quarter of 2005, the Group changed the presentation of its advertising revenue by reporting the advertising (broadcasting and magazines) revenue net of related agency commission expenses, as in the opinion of the Directors, this presentation improves the comparability with similar companies in the Group's industry and provide more relevant information on the revenue transactions. This change has no effect on financial position, profit for the year or the cash flows of the Group. As a result of this change which has been retroactively applied, the revenue and operating expenses for the years ended 31 December 2005 and 2004 have been reduced by approximately HK\$166,575,000 and HK\$153,388,000 respectively.

2. 重要會計政策概要 (續)

(t) **經營租賃**

經營租賃是指由出租人保留與所有權有關的重要風險及回報的租賃。因經營租賃而支付的款額，在扣除自出租人收取的任何獎勵金後，於租賃期內以直線法在收益表中支銷。

(u) **股息分派**

向本公司權益持有人作出的股息分派於股息獲本公司權益持有人批准的期間內在本集團財務報表內確認為負債。

(v) **會計政策變更及重列比較數字**

於二零零五年第四季度前，本集團按總值基準呈報其廣告(電視廣播及雜誌)收入及代理商佣金費用。自二零零五年第三季度後，本集團改變其廣告收入呈列方式，藉以扣除相關代理商佣金費用後呈報其廣告(電視廣播及雜誌)收入，董事認為，此呈列方式促進了與本集團所從事行業中類似公司的可比性，且於收入交易中提供更多相關資料。是次變更並不會對本集團的財務狀況、年度溢利及現金流量造成任何影響。因應是次變更已作追溯應用，截至二零零五年十二月三十一日止年度的收入及營運費用分別減少約166,575,000港元及153,388,000港元。

### 3. FINANCIAL RISK MANAGEMENT

#### (a) Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest risk and price risk), credit risk, liquidity risk and cash flow interest-rate risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

Risk management is mainly carried out by the finance department (the "Finance Department") headed by the Chief Financial Officer of the Group. The Finance Department identifies and evaluates financial risks in close co-operation with the Group's operating units to cope with overall risk management, as well as specific areas, such as foreign exchange risk, interest-rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investing excess liquidity.

#### (i) Market risk

##### (a) Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to the HK dollar. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations.

To manage their foreign exchange risk arising from future commercial transactions, recognised assets and liabilities, entities in the Group engage in transactions mainly in HK dollar, US dollar and Renminbi to the extent possible. The Group currently does not hedge transactions undertaken in Renminbi but manages its exposure through constant monitoring to limit as much as possible the amount of its Renminbi exposures. Foreign exchange risk arises when future commercial transactions, recognised assets and liabilities are denominated in a currency that is not the entity's functional currency. The Finance Department is responsible for monitoring and managing the net position in each foreign currency.

### 3. 財務風險管理

#### (a) 財務風險因素

本集團之業務須面對不同財務風險：市場風險(包括貨幣風險、公平值利率風險及價格風險)、信貸風險、流動資金風險及現金流利率風險。本集團總體風險管理程式主要針對金融市場之不可預測性以尋求將其對本集團財務表現之潛在不利影響降至最低。

風險管理主要由本集團財務總監領導的財務部門(「財務部門」)執行。財務部門與本集團運營單位緊密合作，使用衍生財務工具及非衍生財務工具處理總體財務風險以至特定領域風險，如外匯風險、利率風險、信貸風險，過程中確定及評估財務風險，及投資剩餘流動資金。

#### (i) 市場風險

##### (a) 外匯風險

由於本集團乃國際運營，故須面對不同貨幣與港元兌換所產生之外匯風險，包括商業交易、確認資產與負債，及於國外經營之投資淨額均會產生外匯風險。

為管理日後商業交易及確認資產與負債產生之外匯風險，本集團內實體進行之交易主要以港元、美元及人民幣計值(倘可能)。本集團現時並無對人民幣進行對沖交易，惟透過定期監察管理其風險，以盡可能降低其人民幣風險的金額。當商業交易及確認資產與負債以實體功能貨幣以外之貨幣計價時，將產生外匯風險。財務部門負責監督及管理每種外匯之風險狀況。

3. FINANCIAL RISK MANAGEMENT  
(CONTINUED)

(a) **Financial risk factors (Continued)**

(i) **Market risk (Continued)**

(a) *Foreign exchange risk (Continued)*

The Group has certain investments in foreign operations, whose net assets are exposed to foreign currency translation risk. Currency exposure arising from the net assets of the Group's operations, such as those in the People's Republic of China (the "PRC"), the United Kingdom and the United States (the "US") is managed primarily through operating liabilities denominated in the relevant foreign currencies.

(b) *Price risk*

The Group is exposed to unlisted equity securities price risk because investments held by the Group are classified on the consolidated balance sheet as financial assets at fair value through profit or loss, for which management adopts the indicative market value provided by the issuers as their best estimate of the fair values. The Group is not exposed to commodity price risk. For further details, see Note 20.

(ii) **Credit risk**

The Group has no significant concentrations of credit risk of its financial assets and liabilities. The credit risk related to accounts receivable, prepayments, deposits and other receivables, financial assets at fair value through profit or loss and long-term deposit are set out in Note 12, 13, 20 and 24 respectively.

(iii) **Liquidity risk**

Prudent liquidity risk management implies maintaining sufficient cash and cash equivalents, the availability of funding through an adequate amount of committed banking facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, the Finance Department aims to maintain flexibility in funding by keeping committed banking facilities available. Details of cash and cash equivalents and banking facilities are set out in Note 23 and 30 respectively.

3. 財務風險管理 (續)

(a) **財務風險因素 (續)**

(i) **市場風險 (續)**

(a) *外匯風險 (續)*

本集團有若干於國外經營之投資，其淨資產須面對外匯匯兌風險。本集團經營之淨資產之貨幣計量，如於中華人民共和國（「中國」）、英國及美國之淨資產，主要透過以有關外匯計價之經營負債管理。

(b) *價格風險*

由於本集團持有之投資於綜合資產負債表內分類為按公平值列賬並在損益賬處理的財務資產，故本集團須面對非上市權益證券價格風險。為此，管理層採納由發行者提供之指示市場價格作為最佳估計公平值。本集團毋須面對商品價格風險。有關進一步詳情載於附註20。

(ii) **信貸風險**

本集團的財務資產及負債並無重大信貸集中風險。有關應收賬款、預付款項、按金及其他應收款項、按公平值列賬並在損益賬處理的財務資產及長期存款的信貸風險分別載於附註12、13、20及24。

(iii) **流動資金風險**

謹慎流動風險管理指持有充足的現金及現金等值，從銀行獲得足夠的銀行信貸額度和規避市場風險的能力。由於相關業務的流動性質，財務部門旨在透過可動用銀行信貸保持資金的流動。現金及現金等值及銀行信貸詳情分別載於附註23及30。

### 3. FINANCIAL RISK MANAGEMENT (CONTINUED)

#### (a) Financial risk factors (Continued)

##### (iv) Cash flow and fair value interest rate risk

As the Group has interest-bearing assets comprising cash and cash equivalents and financial assets at fair value through profit or loss, the Group's income and operating cash flows can be affected by changes in market interest rates.

The Group's interest-rate risk and cash flow interest-rate risk primarily arise from bank deposits. Bank deposits placed at variable rates expose the Group to cash flow interest-rate risk whereas those placed at fixed rates expose the Group to fair value interest-rate risk. The Finance Department's policy is to maintain an appropriate level between fixed-rate and floating-rate deposits. At the year end, 20% of bank deposits were at fixed rates.

#### (b) Fair value estimation

The fair value of financial assets at fair value through profit or loss that are not openly traded is determined with reference to indicative market values provided by issuers (Note 20).

The nominal value less estimated credit adjustments of accounts receivable and accounts payable are assumed to approximate their fair values.

### 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

#### (a) Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

### 3. 財務風險管理 (續)

#### (a) 財務風險因素 (續)

##### (iv) 現金流及公平值利率風險

由於本集團之附息資產包括現金及現金等值及按公平值列賬並在損益賬處理的財務資產，故本集團之收入及運營現金將受到市場利率變動之影響。

本集團之利率風險及現金流利率風險主要由銀行存款產生。附有不同利率的銀行存款使得本集團須面對現金流利率風險，而附有固定利率的銀行存款使得本集團須面對公平值利率風險。財務部門之政策為維持固定利率及浮動利率存款之適當比例。於本年末，20%之銀行存款為固定利率。

#### (b) 公平值估計

按公平值列賬並在損益賬處理的財務資產的非上市財務資產乃參考發行者提供的指示市場價值釐定其公平值(附註20)。

應收賬款及應付賬款的賬面減值估計，經信貸調整後估計與彼等的公平值相近。

### 4. 重要會計估計及判斷

編製財務報表時作出的估計及判斷會根據過往經驗及其他因素，經常作出評估，包括預期日後在有關情況下出現認為合理的事件。

#### (a) 重要會計估計及假設

對於將來，本集團會作出估計及假設。嚴格而言，所產生的會計估計甚少與有關的實際結果完全相同。有重大風險而導致下一財政年度資產與負債的賬面值須作大幅修訂的估計及假設在下文論述。



#### 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS (CONTINUED)

##### (a) Critical accounting estimates and assumptions (Continued)

###### (i) Provision for impairment of receivables

Significant judgement is exercised in the assessment of the collectibility of accounts receivable from each customer. In making its judgement, management considers a wide range of factors such as results of follow-up procedures performed by sales personnel, customers' payment trend including subsequent payments and customers' financial position.

###### (ii) Income taxes

The Group is subject to income taxes in numerous jurisdictions. Significant judgement is required in determining the worldwide provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax payable based on estimates of the potential tax liability due. Where the final tax outcome is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made. Please also refer to Note 7 for the detail in the Group's PRC tax exposure.

##### (b) Critical judgements in applying the Group's accounting policies

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The Group adopted the indicative market value provided by the issuers as their best estimate of the fair values of these financial instruments (Note 20). The Group considered that it would be more practicable to benchmark the values of those financial assets at fair value through profit or loss to the indicative market value provided by the issuer of these financial instruments rather than selecting another valuation method with similar assumptions. The Group considered that the indicative market value provided by the issuers of these financial instruments was prepared based on a financial valuation model and can be relied on.

#### 4. 重要會計估計及判斷 (續)

##### (a) 重要會計估計及假設 (續)

###### (i) 應收款項減值撥備

總體評估應收每一客戶的款項時須作出重要判斷。於作出判斷時，管理層須考慮諸多因素，如銷售人員的跟進程序結果、客戶的付款意向包括之後的付款及客戶的財務狀況。

###### (ii) 所得稅

本集團須於數個司法權區繳納所得稅。需要作出重要判斷以釐定全球範圍內之所得稅撥備。於日常業務中，眾多交易及計算之最終稅項不易確定。本集團基於估計潛在稅項負債到期而確認應付稅項負債。當最終稅項結果與最初記錄之稅項存在差額時，該差額將影響作出上述釐定期間之所得稅及遞延稅項撥備。本集團的中國稅項詳情請參考附註7。

##### (b) 於應用本集團會計政策時的重要判斷

並非於活躍市場交易的財務資產公平值乃使用估值技術釐定。本集團採納由發行者提供的指示市場價格作為其對財務工具公平值的最佳判斷(附註20)。本集團認為，以此等財務工具發行者提供之上述按公平值列賬並在損益賬處理的財務資產之指示市場價格作為基準價，較運用相似假設選擇其他估值方法更為可行。本集團認為，此等財務工具發行者提供的指示市場價格乃基於財務估值模型編製且可以倚賴。

## 5. REVENUE AND SEGMENT INFORMATION

The Group is principally engaged in satellite television broadcasting activities. An analysis of the Group's revenue by nature is as follows:

## 5. 收入及分類資料

本集團的主要業務為衛星電視廣播業務。按性質分類的本集團收入分析如下：

		2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元 (Restated) (經重列) (Note 2(v)) (附註 2(v))
Revenue	收入		
Advertising sales	廣告銷售	937,825	878,083
Subscription sales	收視費收入	38,973	41,920
Magazine advertising and subscription or circulation sales	雜誌廣告及訂購或 發行收入	19,786	13,412
Others	其他	38,184	26,245
		<u>1,034,768</u>	<u>959,660</u>
Other revenue	其他收入		
Exchange gain, net	匯兌收益淨額	13,997	1,927
Interest income, net	利息收入淨額	13,937	6,486
Income from long-term deposit	長期存款收入	786	-
Sales of programmes	節目銷售	768	1,494
Fair value gain on financial assets at fair value through profit or loss (realised and unrealised)	按公平值列賬並在損益賬 處理的財務資產的公平 值收益(已變現及未變現)	6,424	858
Gain from partial disposal of property deposit and development costs (Note 18)	出售部分物業按金及發展成本 的收益(附註18)	11,599	-
Others, net	其他淨額	(399)	6,753
		<u>47,112</u>	<u>17,518</u>
Total revenues	總收入	<u>1,081,880</u>	<u>977,178</u>

5. REVENUE AND SEGMENT INFORMATION  
(CONTINUED)

**Primary reporting format – business segments**

The Group is organised into four main business segments including:

- (i) Television broadcasting – broadcasting of television programmes and commercials;
- (ii) Programme production and ancillary services;
- (iii) Internet services – provision of website portal; and
- (iv) Other activities – merchandising services, magazine publication and distribution, and other related services.

5. 收入及分類資料 (續)

**主要呈報格式 – 業務分類**

本集團包括四項主要業務分類，包括：

- (i) 電視廣播 – 電視節目及廣告廣播；
- (ii) 節目製作及支援服務；
- (iii) 互聯網服務 – 提供入門網站；及
- (iv) 其他業務 – 商品服務、雜誌出版及發行以及其他有關服務。

## 5. REVENUE AND SEGMENT INFORMATION (CONTINUED)

## 5. 收入及分類資料 (續)

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

### 主要呈報格式 – 業務分類 (續)

		Year ended 31 December 2005 截至二零零五年十二月三十一日止年度					
		Programme production and Television broadcasting	ancillary services 節目製作及 支援服務	Internet services 互聯網服務	Other activities 其他業務	Inter- segment elimination 分類間對銷	Group 本集團
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
Revenue	收入						
External sales	對外銷售	976,797	3,991	6,581	47,399	–	1,034,768
Inter-segment sales	分類間銷售	–	28,808	–	–	(28,808)	–
<b>Total revenue</b>	<b>總收入</b>	<b>976,797</b>	<b>32,799</b>	<b>6,581</b>	<b>47,399</b>	<b>(28,808)</b>	<b>1,034,768</b>
Segment results	分類業績	281,610	3,489	(6,221)	205	–	279,083
Unallocated expenses (Note a)	未分配費用 (附註a)						(73,286)
Profit before provision for impairment, share of results of jointly controlled entities, income tax and minority interests	除減值撥備、應佔共同控制實體業績、所得稅及少數股東權益前溢利						205,797
Provision for impairment loss in a jointly controlled entity	於共同控制實體的減值虧損撥備						(472)
Share of losses of jointly controlled entities	應佔共同控制實體虧損						(1,906)
Income tax expense	所得稅費用						(20,755)
Profit for the year	本年度溢利						182,664
Minority interests	少數股東權益						(1,182)
Profit attributable to equity holders of the Company	本公司權益持有人應佔溢利						181,482
Segment assets (Note b)	分類資產 (附註b)	78,278	86,025	28,008	8,243	–	200,554
Unallocated assets	未分配資產						961,049
<b>Total assets</b>	<b>總資產</b>						<b>1,161,603</b>
Segment liabilities (Note c)	分類負債 (附註c)	(27,118)	(3,778)	(11,959)	(9,822)	–	(52,677)
Unallocated liabilities	未分配負債						(101,820)
<b>Total liabilities</b>	<b>總負債</b>						<b>(154,497)</b>
Capital expenditure (Note d)	資本支出 (附註d)	(7,070)	(1,276)	(2,232)	(299)	–	(10,877)
Unallocated capital expenditure	未分配資本支出						(5,001)
							(15,878)
Depreciation	折舊	(21,431)	(3,801)	(919)	(30)	–	(26,181)
Impairment of purchased programme and film rights	購入節目及電影版權減值	(3,380)	–	–	–	–	(3,380)
Impairment of inventories	存貨減值	–	–	–	(3,257)	–	(3,257)
Provision for impairment of receivables	應收款項減值撥備	(106,177)	–	–	–	–	(106,177)
Amortisation of purchased programme and film rights	購入節目及電影版權攤銷	(22,325)	–	–	–	–	(22,325)

5. REVENUE AND SEGMENT INFORMATION  
(CONTINUED)

5. 收入及分類資料 (續)

Primary reporting format – business segments (Continued)

主要呈報格式 – 業務分類 (續)

		Year ended 31 December 2004 截至二零零四年十二月三十一日止年度					
		Television broadcasting 電視廣播 \$'000 千元	Programme production and ancillary services 節目製作及 支援服務 \$'000 千元	Internet services 互聯網服務 \$'000 千元	Other activities 其他業務 \$'000 千元	Inter- segment elimination 分類間對銷 \$'000 千元	Group 本集團 \$'000 千元
Revenue (Restated) (Note 2(v))	收入 (經重列) (附註2(v))						
External sales	對外銷售	920,002	3,407	6,295	29,956	–	959,660
Inter-segment sales	分類間銷售	–	23,812	–	–	(23,812)	–
<b>Total revenue</b>	<b>總收入</b>	<b>920,002</b>	<b>27,219</b>	<b>6,295</b>	<b>29,956</b>	<b>(23,812)</b>	<b>959,660</b>
Segment results	分類業績	274,477	1,733	(2,450)	430	–	274,190
Unallocated expenses (Note a)	未分配費用 (附註a)						(118,136)
Profit before income tax and minority interests	除所得稅及少數股東權益前溢利						156,054
Income tax expense	所得稅費用						(4,826)
Profit for the year	本年度溢利						151,228
Minority interests	少數股東權益						(734)
Profit attributable to equity holders of the Company	本公司權益持有人應佔溢利						150,494
Segment assets (Note b)	分類資產 (附註b)	105,723	41,528	25,824	7,214	–	180,289
Unallocated assets	未分配資產						902,303
<b>Total assets</b>	<b>總資產</b>						<b>1,082,592</b>
Segment liabilities (Note c)	分類負債 (附註c)	(36,593)	(1,762)	(15,288)	(10,361)	–	(64,004)
Unallocated liabilities	未分配負債						(148,103)
<b>Total liabilities</b>	<b>總負債</b>						<b>(212,107)</b>
Capital expenditure (Note d)	資本支出 (附註d)	10,436	1,455	785	–	–	12,676
Unallocated capital expenditure	未分配資本支出						4,085
							16,761
Depreciation	折舊	(19,557)	(4,396)	(694)	(2)	–	(24,649)
Provision for impairment of receivables	應收款項減值撥備	(22,960)	–	–	–	–	(22,960)
Amortisation of purchased programme and film rights	購入節目及電影版權攤銷	(23,169)	–	–	–	–	(23,169)



## 5. REVENUE AND SEGMENT INFORMATION (CONTINUED)

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

Note:

- (a) Unallocated expenses represent primarily:
- corporate staff costs;
  - office rental;
  - general administrative expenses; and
  - marketing and advertising expenses that relate to the Group as a whole.
- (b) Segment assets consist primarily of property, plant and equipment, inventories, receivables and operating cash.
- (c) Segment liabilities comprise operating liabilities.
- (d) Capital expenditure comprises additions to property, plant and equipment.

### Secondary reporting format – geographical segments

The People's Republic of China (including Hong Kong)	中華人民共和國 (包括香港)
United States	美國
Europe	歐洲
Others	其他

The People's Republic of China (including Hong Kong)	中華人民共和國 (包括香港)
United States	美國
Europe	歐洲
Others	其他

Revenue is based on the country in which the customer is located. Total assets and capital expenditure are based on the country where the assets are located.

## 5. 收入及分類資料 (續)

### 主要呈報格式 – 業務分類 (續)

附註：

- (a) 未分配費用主要為：
- 集團員工成本；
  - 辦公室租金；
  - 一般行政開支；及
  - 與本集團整體有關的市場推廣及廣告開支。
- (b) 分類資產主要包括物業、廠房及設備、存貨、應收款項及經營現金。
- (c) 分類負債包括經營負債。
- (d) 資本支出包括增購物業、廠房及設備。

### 第二呈報格式 – 地區分類

#### Year ended 31 December 2005 截至二零零五年十二月三十一日止年度

Revenue 收入 \$'000 千元	Total assets 總資產 \$'000 千元	Capital expenditure 資本支出 \$'000 千元
956,182	1,119,743	10,782
41,151	24,073	1,240
12,547	13,045	232
24,888	4,742	3,624
<b>1,034,768</b>	<b>1,161,603</b>	<b>15,878</b>

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

(Restated) (經重列) (Notes 2(v)) (附註2(v))		
Revenue 收入 \$'000 千元	Total assets 總資產 \$'000 千元	Capital expenditure 資本支出 \$'000 千元
895,598	1,037,382	10,364
30,477	27,325	6,267
10,878	15,937	99
22,707	1,948	31
<b>959,660</b>	<b>1,082,592</b>	<b>16,761</b>

收入乃基於客戶所在的國家計算。總資產及資本支出乃基於資產所在的國家計算。

6. EXPENSES BY NATURE

Expenses included in operating expenses and selling, general and administrative expenses are analysed as follows:

6. 按性質劃分的費用

對包括在經營費用及銷售、一般及行政費用內的費用分析如下：

		2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
Amortisation of purchased programme and film rights	購入節目及電影版權攤銷	22,325	23,169
Production costs of self-produced programmes	自製節目製作成本	91,710	91,095
Transponder rental (Note 32(i)(b), (o))	轉發器租金 (附註32(i)(b)、(o))	16,368	16,627
Provision for impairment of receivables	應收款項減值撥備	106,177	22,960
Employee benefit expenses (including Directors' emoluments) (Note 11)	僱員福利費用 (包括董事酬金) (附註11)	242,207	220,798
Operating lease rental in respect of	經營租賃開支		
– Directors' quarters	– 董事宿舍	1,185	923
– land and buildings of third parties	– 第三方的土地及樓宇	15,567	13,179
Cost of inventories sold	已售存貨成本	566	1,363
Depreciation expenses	折舊費用	26,181	24,649
Loss on disposal of property, plant and equipment	出售物業、廠房及設備虧損	–	108
Auditors' remuneration	核數師酬金	2,230	1,837
Impairment of purchased programme and film rights	購入節目及電影版權減值	3,380	–
Impairment of inventories	存貨減值	3,257	–

7. INCOME TAX EXPENSE

Hong Kong profits tax has been provided at the rate of 17.5% (2004: 17.5%) on the estimated assessable profit for the year. Taxation on overseas profits has been calculated on the estimated assessable profit for the year at the rates of taxation prevailing in the countries in which the Group operates.

		2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
Current income tax	現時所得稅：		
– Hong Kong profits tax	– 香港利得稅	21,379	5,705
– Overseas taxation	– 海外稅項	271	355
– Over-provision of Hong Kong profits tax in the prior year	– 於往年度香港利得稅超額撥備	(895)	(1,234)
Deferred income tax (Note 28)	遞延所得稅 (附註28)	–	–
		<u>20,755</u>	<u>4,826</u>

On 20 January 1998, the PRC State Administration of Taxation granted a Tax Ruling of Business Tax and Foreign Enterprise Income Tax on certain of the Group's advertising fee collected from Shenzhen Television Company Ltd. ("Shenzhen") in the PRC (Note 13) (the "Ruling"). The Group has dealt with the aforementioned taxes according to the Ruling in the consolidated financial statements. However, PRC tax laws and regulations and the interpretations thereof may change in the future such that the Group would be subject to PRC taxation on certain income deemed to be sourced in the PRC other than Hong Kong. The Group will continue to monitor developments in the PRC tax regime in order to assess the ongoing applicability and validity of the Ruling.

7. 所得稅費用

香港利得稅乃按本年度估計應課稅溢利以 17.5% (二零零四年：17.5%) 稅率撥備。海外溢利應付稅項乃根據本年度的估計應課稅溢利，按本集團業務所在國家的適用稅率計算。

於一九九八年一月二十日，中國國家稅務總局就本集團自中國神州電視有限公司（「神州」）收取若干廣告費發出營業稅及外商投資企業所得稅稅務裁定（附註13）（「該裁定」）。本集團已根據該裁定於綜合財務報表內處理上述稅項。然而，中國有關稅收法律及法規及詮釋日後可能變動，則本集團須就若干被視為於中國而非香港取得之收入繳納中國稅項。本集團將繼續觀察中國稅法體制之發展以估計該裁定之適用及有效。

7. INCOME TAX EXPENSE (CONTINUED)

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the taxation rate of country the Company operates as follows:

		2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
Profit before income tax	除所得稅前溢利	<u>203,419</u>	<u>156,054</u>
Calculated at a taxation rate of 17.5% (2004: 17.5%)	根據稅率17.5%計算 (二零零四年：17.5%)	35,598	27,309
Income not subject to taxation	毋須課稅收入	(13,925)	(7,027)
Expenses not deductible for taxation purposes	不可就課稅而扣減開支	8,925	13,431
Tax losses not recognised	未確認稅項虧損	6,389	5,946
Utilisation of previously unrecognised tax losses	動用先前未確認稅項虧損	(15,202)	(33,444)
Provision for overseas operations	海外經營業務撥備	271	355
Over-provision in the prior year	往年度超額撥備	(895)	(1,234)
Others	其他	(406)	(510)
Tax expense	稅項支出	<u>20,755</u>	<u>4,826</u>

8. LOSS ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

The loss attributable to equity holders of the Company is dealt with in the financial statements of the Company to the extent of HK\$673,000 (2004: HK\$437,000).

7. 所得稅費用 (續)

因採用本集團總部所在國家的稅率而導致根據本集團的除稅前溢利計算的稅項與理論款額之差異如下：

	2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
Profit before income tax	<u>203,419</u>	<u>156,054</u>
Calculated at a taxation rate of 17.5% (2004: 17.5%)	35,598	27,309
Income not subject to taxation	(13,925)	(7,027)
Expenses not deductible for taxation purposes	8,925	13,431
Tax losses not recognised	6,389	5,946
Utilisation of previously unrecognised tax losses	(15,202)	(33,444)
Provision for overseas operations	271	355
Over-provision in the prior year	(895)	(1,234)
Others	(406)	(510)
Tax expense	<u>20,755</u>	<u>4,826</u>

8. 本公司權益持有人應佔虧損

本公司權益持有人應佔虧損673,000港元(二零零四年：437,000港元)已計入本公司的財務報表。

**9. DIVIDENDS**

The 2004 final dividends paid during the year ended 31 December 2005 were HK\$49,387,000 (HK\$0.01 per share). A dividend in respect of 2005 of HK\$0.012 per share, amounting to a total dividend of HK\$59,264,000 estimated based upon the number of outstanding shares of approximately 4,938,666,000 as at 31 December 2005, is to be proposed by the Directors at a Board of Directors meeting to be held on 14 March 2006. These financial statements do not reflect this dividend payable.

Proposed final dividend of HK\$0.012 (2004: HK\$0.01) per share	建議末期股息每股0.012港元 (二零零四年：0.01港元)
--	-----------------------------------

**10. EARNINGS PER SHARE****Basic**

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year.

Profit attributable to equity holders of the Company (\$'000)	本公司權益持有人 應佔溢利 (千元)
Weighted average number of ordinary shares in issue ('000)	已發行普通股的加權 平均數 (千股)
Basic earnings per share (Hong Kong cents)	每股基本盈利 (港仙)

**9. 股息**

於截至二零零五年十二月三十一日止年度支付的二零零四年末期股息為49,387,000港元(每股0.01港元)。董事將於二零零六年三月十四日舉行的董事會會議上提呈二零零五年股息每股0.012港元，(根據於二零零五年十二月三十一日之未行使股份數目約4,938,666,000股計算)估計合共為59,264,000港元。此財務報表並未反映是次應付股息。

2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
<u>59,264</u>	<u>49,387</u>

**10. 每股盈利****基本**

每股基本盈利乃根據本公司權益持有人應佔溢利除以年內已發行普通股的加權平均數計算。

2005 二零零五年	2004 二零零四年
<u>181,482</u>	<u>150,494</u>
<u>4,938,340</u>	<u>4,934,946</u>
<u>3.67</u>	<u>3.05</u>



10. EARNINGS PER SHARE (CONTINUED)**Diluted**

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company has one category of dilutive potential ordinary shares which is share options. A calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the Company's shares) based on the monetary value of the subscription rights attached to outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options.

10. 每股盈利 (續)**攤薄**

每股攤薄盈利乃根據未行使普通股的經調整加權平均數計算，並假設已轉換所有攤薄潛在普通股。本公司擁有一類攤薄潛在普通股，即購股權。本公司乃根據未行使購股權所附帶的認購權的貨幣價格計算釐定可能已按公平值(按本公司股份的平均年度市場股價釐定)購入的股份數目。上述所計算的股份數目與已發行的股份數目(假設購股權獲行使)相符。

		2005 二零零五年	2004 二零零四年
Profit attributable to equity holders of the Company used to determine diluted earnings per share (\$'000)	釐定每股攤薄盈利所用的本公司權益持有人應佔溢利(千元)	<u>181,482</u>	<u>150,494</u>
Weighted average number of ordinary shares in issue ('000)	已發行普通股的加權平均數(千股)	<u>4,938,340</u>	4,934,946
Adjustment for share options ('000)	調整購股權(千股)	<u>8,680</u>	<u>12,204</u>
Weighted average number of ordinary shares for diluted earnings per share ('000)	每股攤薄盈利所用的普通股加權平均數(千股)	<u>4,947,020</u>	<u>4,947,150</u>
Diluted earnings per share (Hong Kong cents)	每股攤薄盈利(港仙)	<u><u>3.67</u></u>	<u><u>3.04</u></u>

## 11. EMPLOYEE BENEFIT EXPENSES (INCLUDING DIRECTORS' EMOLUMENTS)

Wages, salaries and other allowances	工資、薪金及其他津貼
Unutilised annual leave	未用年假
Pension costs – defined contribution plans, net of forfeited contributions (Note a)	退休金成本 – 定額供款計劃 (扣除被沒收供款) (附註a)

### (a) Pensions – defined contribution plans

The Group operates a number of defined contribution pension schemes in accordance with the respective subsidiaries' local practices and regulations. The Group is obligated to contribute funding to these plans at various funding rates of the employees' salaries. The assets of these schemes are generally held in separate trustee administered funds.

- (i) Employees in Hong Kong are provided with a defined contribution provident fund scheme and the Group is required to make monthly contribution to the scheme based on 10% of the employees' basic salaries. Forfeited contributions are used to offset the employer's future contributions. For the year ended 31 December 2005, the aggregate amount of the employer's contributions was approximately HK\$10,808,000 (2004: HK\$10,014,000) and the total amount of forfeited contributions was approximately HK\$1,210,000 (2004: HK\$859,000).

The assets of the scheme are held separately from those of the Group and are managed by independent professional fund managers.

Since 1 December 2000, the employees in Hong Kong can elect to join the Mandatory Provident Fund Scheme (the "MPF Scheme"). The MPF Scheme was introduced pursuant to the Mandatory Provident Fund legislation introduced in 2000. Under the MPF Scheme, the Group and each of the employees make monthly contribution to the scheme at 5% of the employees' relevant income as defined under the Mandatory Provident Fund legislation.

## 11. 僱員福利費用 (包括董事酬金)

2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
231,305	210,232
75	347
<u>10,827</u>	<u>10,219</u>
<u>242,207</u>	<u>220,798</u>

### (a) 退休金成本 – 定額供款計劃 (扣除被沒收供款)

本集團按照各附屬公司所在的當地慣例及法規設有多項定額供款退休金計劃。本集團須按僱員薪金的不同資金比率向該等計劃提供資金。該等計劃的資產一般由所管理基金的獨立信託人持有。

- (i) 香港僱員乃獲提供定額供款公積金計劃，而本集團須每月按僱員基本薪金的10%向該計劃作出供款。被沒收供款乃用於抵銷僱主的未來供款。截至二零零五年十二月三十一日止年度，僱主的供款總額為約10,808,000港元(二零零四年：10,014,000港元)，而被沒收供款總額為約1,210,000港元(二零零四年：859,000港元)。

該計劃的資產乃該等本集團僱員單獨持有，並由獨立專業基金經理管理。

自二零零零年十二月一日起，香港僱員可選擇加入強制性公積金計劃(「強積金計劃」)。強積金計劃乃根據於二零零零年頒佈的強制性公積金法例而推出。根據強積金計劃，本集團及各位僱員每月按僱員相關收入的5%(定義見強制性公積金法例)向該計劃作出供款。

**11. EMPLOYEE BENEFIT EXPENSES (INCLUDING DIRECTORS' EMOLUMENTS) (CONTINUED)**

**(a) Pensions – defined contribution plans (Continued)**

(i) (Continued)

Both the employer's and the employees' contributions are subject to a cap of monthly relevant income of HK\$20,000 for each employee. For those employees with monthly relevant income less than HK\$5,000, since 1 February 2003, the employees' contributions are voluntary.

For the year ended 31 December 2005, the aggregate amount of employer's contributions made by the Group to the MPF Scheme was approximately HK\$1,281,000 (2004: HK\$1,148,000) and the total amount of forfeited contributions was approximately HK\$52,000 (2004: HK\$84,000).

- (ii) Pursuant to the relevant local regulations of the countries where the overseas subsidiaries of the Group are located, these subsidiaries participate in respective government retirement benefit schemes and/or set up their own Schemes whereby they are required to contribute to the Schemes to fund the retirement benefits of the eligible employees. Contributions made to the Schemes are calculated either based on certain percentages of the applicable payroll costs or fixed sums for each employee with reference to a salary scale, as stipulated under the requirements in the respective countries. The Group has no further obligation beyond the required contributions. The contributions under the Schemes are charged to the consolidated income statement as incurred.

**11. 僱員福利費用 (包括董事酬金) (續)**

**(a) 退休金成本 – 定額供款計劃 (扣除被沒收供款) (續)**

(i) (續)

僱主及僱員的供款均須受各位僱員每月相關收入20,000港元的上限所規限。至於每月相關收入少於5,000港元的僱員，自二零零三年二月一日起，該等僱員可自願作出供款。

截至二零零五年十二月三十一日止年度，本集團向強積金計劃作出的僱主供款總額為約1,281,000港元 (二零零四年：1,148,000港元)，而被沒收供款總額為約52,000港元 (二零零四年：84,000港元)。

- (ii) 根據本集團海外附屬公司所在國家的相關地方法規，該等附屬公司參與各自的政府退休福利計劃及／或設立其本身的計劃，據此，彼等須向該等計劃作出供款，以為合資格僱員的退休福利提供資金。向該等計劃作出的供款乃根據各位僱員的適用薪資成本的若干百分比或固定金額計算，並參考各國家的法規所規定的薪金範圍。本集團並無任何其他超出所規定供款的責任。該等計劃下的供款乃於作出時於綜合收益表中扣除。

11. EMPLOYEE BENEFIT EXPENSES (INCLUDING DIRECTORS' EMOLUMENTS) (CONTINUED)

(b) **Directors' and senior management's emoluments**

The remuneration of every Director for the year ended 31 December 2005 is set out below:

Name of Director	董事姓名	Fees \$'000 千元	Salary \$'000 千元	Discretionary bonuses 酌情發放 的花紅 \$'000 千元	Quarters and housing allowance 宿舍及 房屋津貼 \$'000 千元	Employer's contribution to pension scheme 僱主向 退休金計劃 作出的供款 \$'000 千元	Total \$'000 千元
1. LIU Changle	1. 劉長樂	-	4,701	1,600	864	434	7,599
2. CHUI Keung	2. 崔強	-	1,925	800	948	178	3,851
3. Michelle Lee GUTHRIE	3. Michelle Lee GUTHRIE	-	-	-	-	-	-
4. LAU Yu Leung, John	4. 劉禹亮	-	-	-	-	-	-
5. CHEUNG Chun On, Daniel	5. 張鎮安	-	-	-	-	-	-
6. LO Ka Shui	6. 羅嘉瑞	200	-	-	-	-	200
7. KUOK Khoon Ean (resigned on 10 March 2005)	7. 郭孔演(於二零零五年 三月十日辭任)	38	-	-	-	-	38
8. CHEUNG San Ping	8. 張新兵	-	-	-	-	-	-
9. XU Gang	9. 許剛	-	-	-	-	-	-
10. GONG Jianzhong	10. 龔建中	-	-	-	-	-	-
11. LEUNG Hok Lim (appointed on 21 January 2005)	11. 梁學濂(於二零零五年 一月二十日獲委任)	189	-	-	-	-	189
12. Thaddeus Thomas BECZAK (appointed on 11 March 2005)	12. Thaddeus Thomas BECZAK(於二零零五年 三月十一日獲委任)	162	-	-	-	-	162

As of 31 December 2005, Mr. LIU Changle had outstanding share options to purchase 5,320,000 (2004: 5,320,000) shares at HK\$1.08 per share and Mr. CHUI Keung had outstanding share options to purchase 3,990,000 (2004: 3,990,000) shares at HK\$1.08 per share. No options were exercised during 2005 and the fair values of these options have not been included in the directors' emoluments disclosed above. The above outstanding share options had vested as at 31 December 2005.

11. 僱員福利費用(包括董事酬金)(續)

(b) **董事及高級管理人員的酬金**

每名董事截至二零零五年十二月三十一日止年度的酬金載列如下：

Name of Director	董事姓名	Fees \$'000 千元	Salary \$'000 千元	Discretionary bonuses 酌情發放 的花紅 \$'000 千元	Quarters and housing allowance 宿舍及 房屋津貼 \$'000 千元	Employer's contribution to pension scheme 僱主向 退休金計劃 作出的供款 \$'000 千元	Total \$'000 千元
1. LIU Changle	1. 劉長樂	-	4,701	1,600	864	434	7,599
2. CHUI Keung	2. 崔強	-	1,925	800	948	178	3,851
3. Michelle Lee GUTHRIE	3. Michelle Lee GUTHRIE	-	-	-	-	-	-
4. LAU Yu Leung, John	4. 劉禹亮	-	-	-	-	-	-
5. CHEUNG Chun On, Daniel	5. 張鎮安	-	-	-	-	-	-
6. LO Ka Shui	6. 羅嘉瑞	200	-	-	-	-	200
7. KUOK Khoon Ean (resigned on 10 March 2005)	7. 郭孔演(於二零零五年 三月十日辭任)	38	-	-	-	-	38
8. CHEUNG San Ping	8. 張新兵	-	-	-	-	-	-
9. XU Gang	9. 許剛	-	-	-	-	-	-
10. GONG Jianzhong	10. 龔建中	-	-	-	-	-	-
11. LEUNG Hok Lim (appointed on 21 January 2005)	11. 梁學濂(於二零零五年 一月二十日獲委任)	189	-	-	-	-	189
12. Thaddeus Thomas BECZAK (appointed on 11 March 2005)	12. Thaddeus Thomas BECZAK(於二零零五年 三月十一日獲委任)	162	-	-	-	-	162

於二零零五年十二月三十一日，劉長樂先生擁有可按每股1.08港元認購5,320,000股(二零零四年：5,320,000股)股份的未行使購股權，而崔強先生擁有可按每股1.08港元認購3,990,000股(二零零四年：3,990,000股)股份的未行使購股權。購股權並無於二零零五內獲行使，而該等購股權的公平值亦未計入上文所披露的董事酬金內。上述未行使購股權已於二零零五年十二月三十一日歸屬。

11. EMPLOYEE BENEFIT EXPENSES (INCLUDING DIRECTORS' EMOLUMENTS) (CONTINUED)

(b) **Directors' and senior management's emoluments (Continued)**

The remuneration of every Director for the year ended 31 December 2004 is set out below:

Name of Director	董事姓名	Fees \$'000 千元	Salary \$'000 千元	Discretionary bonuses 酌情發放的花紅 \$'000 千元	Quarters and housing allowance 宿舍及房屋津貼 \$'000 千元	Employer's contribution to pension scheme 僱主向退休金計劃作出的供款 \$'000 千元	Total 總計 \$'000 千元
1. LIU Changle	1. 劉長樂	-	4,477	1,800	923	413	7,613
2. CHUI Keung	2. 崔強	-	1,834	1,000	902	169	3,905
3. Michelle Lee GUTHRIE	3. Michelle Lee GUTHRIE	-	-	-	-	-	-
4. LAU Yu Leung, John	4. 劉禹亮	-	-	-	-	-	-
5. CHEUNG Chun On, Daniel	5. 張鎮安	-	-	-	-	-	-
6. LO Ka Shui	6. 羅嘉瑞	200	-	-	-	-	200
7. KUOK Khoo Ean	7. 郭孔演	200	-	-	-	-	200
8. CHEUNG San Ping	8. 張新兵	-	-	-	-	-	-
9. XU Gang	9. 許剛	-	-	-	-	-	-
10. GONG Jianzhong	10. 龔建中	-	-	-	-	-	-

(c) **Five highest paid individuals**

The five individuals whose emoluments were the highest in the Group for the year ended 31 December 2005 include two (2004: two) executive directors whose emoluments are reflected in the analysis presented in (b) above. The emoluments paid/payable to the remaining three (2004: three) individuals during the year are as follows:

11. 僱員福利費用 (包括董事酬金) (續)

(b) **董事及高級管理人員的酬金 (續)**

每名董事截至二零零四年十二月三十一日止年度的酬金載列如下：

(c) **五位最高薪人士**

截至二零零五年十二月三十一日止年度，本集團五位最高薪人士中，包括兩名(二零零四年：兩名)執行董事，彼等酬金載於上文(b)呈列的分析。年內餘下三名(二零零四：三名)人士支付／應付的酬金如下：

		2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
Salaries	薪金	5,227	5,077
Discretionary bonus	酌情發放的花紅	2,400	3,000
Housing allowance	房屋津貼	2,781	2,539
Other allowance	其他津貼	435	423
Pension fund	退休金	523	509
		<b>11,366</b>	<b>11,548</b>



### 11. EMPLOYEE BENEFIT EXPENSES (INCLUDING DIRECTORS' EMOLUMENTS) (CONTINUED)

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

The emoluments of the remaining three (2004: three) individuals fell within the following bands:

Emolument bands	酬金範圍	Number of individuals 人數	
		2005 二零零五年	2004 二零零四年
HK\$3,000,001 – HK\$3,500,000	3,000,001港元 – 3,500,000港元	2	–
HK\$3,500,001 – HK\$4,000,000	3,500,001港元 – 4,000,000港元	–	2
HK\$4,000,001 – HK\$4,500,000	4,000,001港元 – 4,500,000港元	1	1

During the year, no emoluments or incentive payments were paid or payable to the five highest paid individuals as an inducement to join the Group or as compensation for loss of office (2004: Nil).

### 12. ACCOUNTS RECEIVABLE, NET

Accounts receivable	應收賬款
Less: Provision for impairment of receivables	減：應收賬款減值撥備

The carrying amounts of accounts receivable, net, approximate their fair value.

The Group has appointed an advertising agent in the PRC to promote the sales of the Group's advertising air-time and programme sponsorship and collect advertising revenues within the PRC on behalf of the Group (see Note 13). The Group generally requires customers to pay in advance, but grants a credit period of 30 days to 90 days to some customers.

### 11. 僱員福利費用 (包括董事酬金) (續)

#### (c) 五位最高薪人士 (續)

餘下三名(二零零四年：三名)人士的酬金介乎以下範圍：

Emolument bands	酬金範圍	Number of individuals 人數	
		2005 二零零五年	2004 二零零四年
HK\$3,000,001 – HK\$3,500,000	3,000,001港元 – 3,500,000港元	2	–
HK\$3,500,001 – HK\$4,000,000	3,500,001港元 – 4,000,000港元	–	2
HK\$4,000,001 – HK\$4,500,000	4,000,001港元 – 4,500,000港元	1	1

年內，並無向五位最高薪人士支付或應付任何酬金或獎勵補償，以作為加入本集團的獎勵或作為退任補償(二零零四年：無)。

### 12. 應收賬款淨額

2005 二零零五年	2004 二零零四年
\$'000 千元	\$'000 千元
170,319	136,505
(127,065)	(38,108)
<b>43,254</b>	<b>98,397</b>

應收賬款的賬面值與彼等的公平值相近。

本集團已於中國委任一廣告代理，藉以於中國境內推廣本集團的廣告時段銷售及節目贊助，並替本集團收取廣告收入(見附註13)。本集團一般要求客戶須預先支付款項，惟給予部份客戶30日至90日的信貸期。

12. ACCOUNTS RECEIVABLE, NET (CONTINUED)

The ageing analysis of the accounts receivable from customers is as follows:

0-30 days	0至30日
31-60 days	31至60日
61-90 days	61至90日
91-120 days	91至120日
Over 120 days	120日以上
Less: Provision for impairment of receivables	減：應收賬款減值撥備

There is no concentration of credit risk with respect to accounts receivable because the Group has a large number of customers.

The Group has recognised a loss of HK\$106,177,000 (2004: HK\$22,960,000) for the impairment of its accounts receivable during the year ended 31 December 2005. The loss has been included in selling, general and administrative expenses in the consolidated income statement.

13. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

Included in prepayments, deposits and other receivables is an amount of approximately HK\$299,805,000 (2004: HK\$314,763,000) owing from an advertising agent, Shenzhou, in the PRC. The amount represents advertising revenue collected, net of expenses incurred by Shenzhou on behalf of the Group. The balance is unsecured and bears interests at prevailing bank interest rates.

The Group has set up a commercial and trust arrangement with Shenzhou, details of which have been disclosed in the announcement made by the Company on 25 September 2002.

12. 應收賬款淨額 (續)

應收客戶賬款的賬齡分析如下：

	2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
	19,031	23,642
	12,623	16,280
	1,701	10,800
	9,046	13,163
	127,918	72,620
	170,319	136,505
	(127,065)	(38,108)
	43,254	98,397

由於本集團擁有大量客戶，故本集團並無有關應收賬款的信貸集中風險。

於截至二零零五年十二月三十一日止年度，本集團就其應收賬款減值而確認虧損106,177,000港元(二零零四年：22,960,000港元)。該虧損已計入綜合收益表中銷售、一般及行政費用項下。

13. 預付款項、按金及其他應收款項

預付款項、按金及其他應收款項包括一筆應收中國廣告代理神州的款項約299,805,000港元(二零零四年：314,763,000港元)。此款項為神州代表本集團收取的廣告收入(已扣除支出)。結餘為無抵押及按現行銀行利率計息。

本集團與神州已訂立一項商業及信託安排，詳情已在本公司於二零零二年九月二十五日刊發的公告內披露。

### 13. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES (CONTINUED)

The Trust Law in the PRC enacted in recent years has not laid out specific detailed implementation rules to our trust arrangement with Shenzhou, therefore the extent of the enforceability of such arrangement is still unclear. Although the management recognises that the present arrangement is the only legally viable arrangement, the management will continue to monitor and explore alternatives to improve the situation.

The Directors are of the opinion that the amount owing from Shenzhou of approximately HK\$299,805,000 as at 31 December 2005 is fully recoverable and no provision is required.

The carrying amounts of prepayments, deposits and other receivables approximate their fair values.

### 14. INVENTORIES

Decoder devices and satellite receivers	解碼器及衛星接收器
---	-----------

The cost of inventories recognised as expense and included in other income, net, amounted to HK\$566,000 (2004: HK\$1,363,000).

### 15. AMOUNTS DUE FROM/TO RELATED COMPANIES

The outstanding balances with related companies are aged less than one year and are unsecured, non-interest bearing and repayable on demand (2004: same).

The carrying amounts of amounts due from/to related companies approximate their fair values.

### 13. 預付款項、按金及其他應收款項 (續)

然而，中國近年推出的信託法對吾等與神州的信託安排而言並無詳細的落實規定，因此，未能肯定該安排中可依法執行的範圍。雖然管理層了解到現行安排乃法律上唯一可行的安排，但管理層將繼續監察及研究其他可行辦法以改善有關情況。

董事認為，於二零零五年十二月三十一日神州結欠之款項約299,805,000港元將可悉數收回，故此毋須作出撥備。

預付款項、按金及其他應收款項的賬面值與彼等的公平值相近。

### 14. 存貨

2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
<b>5,557</b>	8,751

存貨成本為數566,000港元(二零零四年：1,363,000港元)已確認作費用，並計入其他收入淨額項下。

### 15. 應收／應付關連公司款項

關連公司尚有賬齡少於一年之未收回／支付結餘為無抵押、免息及按要求償還(二零零四年：相同)。

應收／應付關連公司款項的賬面值與彼等的公平值相近。

16. PURCHASED PROGRAMME AND FILM RIGHTS, NET

16. 購入節目及電影版權淨額

		2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
Balance, beginning of year	年初結餘	30,067	33,392
Additions	增購	16,083	20,414
Amortisation	攤銷	(22,325)	(23,169)
Impairment loss	減值虧損	(3,380)	-
Others	其他	(336)	(570)
Balance, end of year	年終結餘	<u>20,109</u>	<u>30,067</u>
Less: Purchased programme and film rights - current portion	減：購入節目及電影 版權 - 短期部份	<u>(5,141)</u>	<u>(11,665)</u>
		<u><u>14,968</u></u>	<u><u>18,402</u></u>

17. PROPERTY, PLANT AND EQUIPMENT

## 17. 物業、廠房及設備

		Leasehold improvements 租賃 物業裝修 \$'000 千元	Furniture and fixtures 傢俬及 裝置 \$'000 千元	Broadcast operations and other equipment 廣播營運及 其他設備 \$'000 千元	Motor vehicles 汽車 \$'000 千元	Total 總計 \$'000 千元
At 1 January 2004	於二零零四年一月一日					
Cost	成本	18,472	2,784	96,602	6,219	124,077
Accumulated depreciation	累積折舊	(8,151)	(1,368)	(48,960)	(2,991)	(61,470)
Net book amount	賬面淨值	10,321	1,416	47,642	3,228	62,607
Year ended 31 December 2004	截至二零零四年十二月三十一日止年度					
Opening net book amount	期初賬面淨值	10,321	1,416	47,642	3,228	62,607
Exchange differences	匯兌差額	91	46	289	11	437
Additions	增購	4,429	60	9,377	2,895	16,761
Disposals	出售	(111)	(12)	(57)	(107)	(287)
Depreciation	折舊	(3,131)	(434)	(19,780)	(1,304)	(24,649)
Closing net book amount	期終賬面淨值	11,599	1,076	37,471	4,723	54,869
At 31 December 2004	於二零零四年十二月三十一日					
Cost	成本	22,824	2,913	106,613	8,764	141,114
Accumulated depreciation	累積折舊	(11,225)	(1,837)	(69,142)	(4,041)	(86,245)
Net book amount	賬面淨值	11,599	1,076	37,471	4,723	54,869
Year ended 31 December 2005	截至二零零五年十二月三十一日止年度					
Opening net book amount	期初賬面淨值	11,599	1,076	37,471	4,723	54,869
Exchange differences	匯兌差額	(96)	(20)	46	43	(27)
Additions	增購	1,419	7	13,076	1,376	15,878
Disposals	出售	—	—	(6)	(15)	(21)
Depreciation	折舊	(3,717)	(427)	(20,465)	(1,572)	(26,181)
Closing net book amount	期終賬面淨值	9,205	636	30,122	4,555	44,518
At 31 December 2005	於二零零五年十二月三十一日					
Cost	成本	24,120	2,842	119,612	9,916	156,490
Accumulated depreciation	累積折舊	(14,915)	(2,206)	(89,490)	(5,361)	(111,972)
Net book amount	賬面淨值	9,205	636	30,122	4,555	44,518

Depreciation expense of HK\$26,181,000 (2004: HK\$24,649,000) has been included in selling, general and administrative expenses.

折舊費用26,181,000港元(二零零四年: 24,649,000港元)已計入銷售、一般及行政費用內。



## 18. PROPERTY DEPOSIT AND DEVELOPMENT COSTS

On 11 June 2001, a subsidiary of the Company entered into an agreement with 深圳市規劃國土局 (The Shenzhen National Land Planning Bureau)<sup>1</sup> to acquire a land use right on a parcel of land situated in Shenzhen, the PRC for the development of a building (which includes a production centre) for the Group. The total consideration for the acquisition was approximately HK\$57,354,000.

During the year ended 30 June 2002, the subsidiary transferred the interest of the land use right to another subsidiary, 深圳鳳凰置業有限公司, a sino-foreign co-operation company incorporated in the PRC, in which Phoenix Real Properties Limited (“Real Properties”), then a wholly-owned subsidiary of the Group had a 90% equity interest.

Pursuant to the payment terms of the agreement, the full amount of approximately HK\$57,354,000 had been paid to 深圳市規劃國土局 (The Shenzhen National Land Planning Bureau)<sup>1</sup> as the cost of the land acquisition, and was recorded as a property deposit of the Group as at 30 June 2003.

Pursuant to an agreement dated 29 October 2003 entered into by the Group and Oasiscity Limited (“Oasiscity”), a wholly-owned subsidiary of Neo-China Group (Holdings) Limited (formerly known as “Neo-Tech Global Limited”), the shares of which are listed on the Main Board of the Stock Exchange, Oasiscity acquired 60% interest in Real Properties, which owns 90% interest in 深圳鳳凰置業有限公司 (the “Agreement”). The acquisition was completed on 13 January 2004.

On the same date, Oasiscity executed a share charge in favour of the Group, under which it charged 30% equity interest in Real Properties, as security provided to the Group for the due performance of its obligations under the Agreement. According to the Agreement Oasiscity will be responsible for providing all required financing for the development of the building and the fulfillment of such obligation has been guaranteed by Neo-China Group (Holdings) Limited. The Group is not required to provide any further financing for the development of the building but will be entitled to a relevant portion of the non-saleable area of the building on completion of the development. The carrying value as at 31 December 2004 amounted to approximately HK\$62,515,000, comprising property deposits of approximately HK\$61,120,000 and renovation costs of approximately HK\$1,395,000.

## 18. 物業按金及發展成本

於二零零一年六月十一日，本公司的一間附屬公司與深圳市規劃國土局簽訂購買一塊位於中國深圳之土地的土地使用權協議，以作發展一幢供本集團使用的建築物（其包括一個製作中心）。購買土地使用權的總代價約57,354,000港元。

於截至二零零二年六月三十日止年度內，該附屬公司將土地使用權的權益轉移予本集團另一家附屬公司—深圳鳳凰置業有限公司，該公司乃一家於中國註冊成立的中外合作公司，而鳳凰置業有限公司（「鳳凰置業」）（於當時為本集團的全資附屬公司）持有其90%股本權益。

按照協議的供款規定，已支付予深圳市規劃國土局的全部款項約為57,354,000港元，作為收購土地使用權的費用，並於二零零三年六月三十日入賬列作本集團的物業按金。

根據本集團與中新集團(控股)有限公司(前稱「科建集團有限公司」)(其股份於聯交所主板上市)的全資附屬公司Oasiscity Limited (「Oasiscity」)於二零零三年十月二十九日訂立的協議(「協議」)，Oasiscity收購鳳凰置業(其擁有深圳鳳凰置業有限公司90%權益)的60%權益。收購事項於二零零四年一月十三日完成。

於同日，Oasiscity訂立一項以本集團為受益人的股份抵押書，據此，Oasiscity抵押其擁有之鳳凰置業的30%股本權益，作為其全面履行協議所承擔責任的擔保。根據協議，Oasiscity將負責支付發展該建築物的一切所需資金，而中新集團(控股)有限公司亦已為履行該等責任而作出擔保。本集團毋須為發展該建築物進一步支付任何資金，惟於發展項目完成時享有該建築物非出售面積的相關部份權益。於二零零四年十二月三十一日的賬面值約為62,515,000港元，包括物業按金約61,120,000港元及裝修費用約1,395,000港元。

## 18. PROPERTY DEPOSIT AND DEVELOPMENT COSTS (CONTINUED)

On 12 May 2005, the Group and Oasiscity entered into a supplementary agreement (the “Supplementary Agreement”), pursuant to which the Group transferred its entitlement to 10,000 square meters of the non-saleable area of the building currently under construction to Oasiscity for RMB60,000,000 (equivalent to approximately HK\$55,800,000) payable in 3 installments and Oasiscity would also be allotted an additional 33 shares in Real Properties at par value so that after the allotment Oasiscity should hold approximately 70% interest therein. The Group’s entitlement to the relevant portion of the non-saleable area of the building will then be reduced to 10,000 square meters after this transaction. A gain, after providing for estimated taxes, arising from this transfer of approximately HK\$11,599,000 has been recorded in the income statement. In addition, the charge on the 30% equity interest owned by Oasiscity granted to the Group under the Agreement was released.

As a result of the Supplementary Agreement, Real Properties issued 33 new shares to Oasiscity on 12 May 2005 and the shareholdings in Real Properties of the Group and Oasiscity are 30% and 70%, respectively, as at 31 December 2005.

The Directors are of the opinion that the Group’s entitlement to the non-saleable area on completion of the development is expected to have a value of not less than the current carrying value of approximately HK\$30,560,000 as at 31 December 2005 and that the remaining proceeds receivable from Oasiscity of approximately HK\$19,192,000 as at 31 December 2005 are fully recoverable and therefore no provision is required.

<sup>1</sup> name translated for reference only

## 18. 物業按金及發展成本 (續)

於二零零五年五月十二日，本集團與Oasiscity訂立一份補充協議（「補充協議」），根據補充協議，本集團將其於該建築物（現時正在興建中）應享有的非出售面積的10,000平方米轉讓予Oasiscity，作價為人民幣60,000,000元（相等於約55,800,000港元），分三期支付，而Oasiscity亦會按面值額外獲配發33股鳳凰置業股份，至令配發後Oasiscity持有鳳凰置業約70%的權益。於進行該交易後，本集團享有該建築物非出售面積的相關部份權益屆時將減至10,000平方米。在為估計稅項作出撥備後，該轉讓所得收益約11,599,000港元已記入收益表內。此外，根據協議，授予本集團的由Oasiscity擁有的30%股本權益押記已獲解除。

因應補充協議，鳳凰置業於二零零五年五月十二日發行33股新股份予Oasiscity，而本集團及Oasiscity於二零零五年十二月三十一日則分別擁有鳳凰置業30%及70%的股權。

董事認為，本集團在發展項目完成時享有的非出售面積的價值預期不會少於現時於二零零五年十二月三十一日的賬面值約30,560,000港元，及於二零零五年十二月三十一日應收Oasiscity的款項約19,192,000港元（計入預付款項、按金及其他應收款項內）將可悉數收回，故此毋須作出撥備。

19. INVESTMENTS IN JOINTLY CONTROLLED ENTITIES

19. 於共同控制實體的投資

		2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
Unlisted investments, at cost, beginning of the year	非上市投資按成本列賬，年初	472	472
Addition on formation of a jointly controlled entity	成立一家共同控制實體增加	<u>11,500</u>	<u>-</u>
Unlisted investments, at cost, end of the year	非上市投資按成本列賬，年終	11,972	472
Less: provision for impairment	減：減值撥備	(472)	-
Less: share of jointly controlled entities' results	減：攤佔共同控制實體業績		
- loss before taxation	- 除稅前虧損	(1,906)	-
- taxation	- 稅項	<u>-</u>	<u>-</u>
Unlisted investments, net, end of the year	非上市投資淨額，年終	<u>9,594</u>	<u>472</u>

### 19. INVESTMENTS IN JOINTLY CONTROLLED ENTITIES (CONTINUED)

Details of the jointly controlled entities as at 31 December 2005 were as follows:

Name	Place and date of incorporation	Place of operation	Principal activity	Percentage of equity interest held by the Group	Issued and fully paid share capital/registered capital
名稱	註冊成立地點及日期	營運地點	主要業務	本集團直接持有的股本權益百分比	已發行及繳足股本／註冊資本
China Global Television Limited	British Virgin Islands, 18 October 2001 英屬處女群島， 二零零一年 十月十八日	British Virgin Islands 英屬處女群島	Dormant 暫無營業	50%	US\$2 2美元
北京翡翠鳳凰文化投資諮詢有限公司	The PRC, 27 June 2003 中國， 二零零三年 六月二十七日	The PRC 中國	Dormant 暫無營業	40%	RMB1,250,000 人民幣 1,250,000元
北京同步廣告傳播有限公司	The PRC, 7 January 2005  中國， 二零零五年 一月七日	The PRC 中國	Advertising business in radio broadcasting industry in the PRC 中國無線電廣播業的廣告業務	45%	RMB26,700,000 人民幣 26,700,000元

### 19. 於共同控制實體的投資 (續)

於二零零五年十二月三十一日的共同控制實體詳情如下：

19. INVESTMENTS IN JOINTLY CONTROLLED ENTITIES (CONTINUED)

Unaudited combined financial information of the jointly controlled entities was as follows:

<b>Assets</b>	<b>資產：</b>
Non-current assets	非流動資產
Current assets	流動資產
<b>Liabilities</b>	<b>負債：</b>
Long-term liabilities	長期負債
Current liabilities	流動負債
<b>Net assets</b>	<b>資產淨值</b>
Income	收入
Expenses	費用
Loss after income tax	除所得稅後虧損

On 5 August 2004, the Group signed an agreement with 北京廣播公司 to form a sino-foreign joint venture, 北京同步廣告傳播有限公司, in the PRC. Pursuant to the agreement, upon obtaining all necessary approvals and licenses from the relevant authorities in the PRC, the Group would have to inject approximately HK\$12,900,000 (equivalent to RMB13,500,000) for a 45% shareholding interest in this joint venture. As at 31 December 2005, the outstanding capital injection for this investment amounted to HK\$1,439,000 (equivalent to RMB1,500,000) which is required to be made before 4 August 2007.

There are no contingent liabilities relating to the Group's interest in the jointly controlled entities, and no contingent liabilities of the jointly controlled entities themselves.

19. 於共同控制實體的投資 (續)

上述共同控制實體的未經審核合併財務資料如下：

	2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
	457	-
	22,002	886
	<u>22,459</u>	<u>886</u>
	-	-
	97	-
	<u>97</u>	<u>-</u>
	<u>22,362</u>	<u>886</u>
	-	27
	(4,351)	(70)
	<u>(4,351)</u>	<u>(43)</u>

於二零零四年八月五日，本集團與北京廣播公司訂立協議，以於中國成立中外合營企業－北京同步廣告傳播有限公司。根據協議，待取得中國有關當局頒發的一切必要批文及許可證後，本集團須就該合營企業的45%股權注資約12,900,000港元(相等於人民幣13,500,000元)。於二零零五年十二月三十一日，該項投資的未付資本為1,439,000港元(相等於人民幣1,500,000元)，並須於二零零七年八月四日前支付。

本集團概無任何與本集團於共同控制實體的權益有關的或有負債，且共同控制實體本身亦無任何或有負債。

## 20. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

Unlisted equity-linked notes at fair value 非上市股票掛鈎票據，按公平值列賬  
Less: Non-current portion 減：非短期部份

The above investments were designated as fair value through profit or loss on initial recognition. Investments with a maturity longer than one year at the inception date are classified as non-current. Changes in fair values (realised and unrealised) of financial assets at fair value through profit or loss are recorded in other income in the income statement (Note 5).

As these equity-linked notes are not publicly traded and in the absence of readily available information to determine the fair values of these equity-linked notes, the Company has adopted the indicative market value provided by the issuers as its best estimate of the fair values of these equity-linked notes.

## 21. INTERESTS IN SUBSIDIARIES AND AMOUNT DUE FROM A SUBSIDIARY, NET

Unlisted shares, at cost (Note i) 非上市股份，按成本值 (附註i)  
Amount due from a subsidiary, net (Note ii) 應收附屬公司款項淨額 (附註ii)

## 20. 按公平值列賬並在損益賬處理的財務資產

2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
-------------------------------	-------------------------------

89,729	53,461
(65,971)	(53,461)

<u>23,758</u>	<u>-</u>
---------------	----------

上述投資乃在損益賬處理並初步確認作公平值。按初始日至到期日超過一年的投資乃分類作非短期部份。按公平值列賬並在損益賬處理的財務資產的已變現及未變現公平值變動乃記入收益表中其他收入項下(附註5)。

由於該等股票掛鈎票據並不公開買賣及缺乏可用的便利資料，以釐定該等股票掛鈎票據的公平值，故本公司採納發行人提供的預期市值作為該等股本票據的最佳估計公平值。

## 21. 於附屬公司的權益及應收一間附屬公司款項淨額

Company 公司	
2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元

-	-
<u>1,232,543</u>	<u>1,276,312</u>

<u>1,232,543</u>	<u>1,276,312</u>
------------------	------------------



21. INTERESTS IN SUBSIDIARIES AND AMOUNT DUE FROM A SUBSIDIARY, NET (CONTINUED)

Notes:

(i) Details of subsidiaries as at 31 December 2005 were as follows:

Name	Place of incorporation and kind of legal entity	Place of operation	Principal activities	Percentage of equity interest held by the Group	Issued and fully paid share capital/ registered capital
名稱	註冊成立地點及法定實體類別	營運地點	主要業務	本集團所持股本權益百分比	已發行及繳足股本／註冊資本
Phoenix Satellite Television Company Limited	Hong Kong, limited liability company	Hong Kong	Provision of management and related services	100%	HK\$20
鳳凰衛視有限公司	香港有限責任公司	香港	提供管理及有關服務	100%	20港元
Phoenix Satellite Television (Chinese Channel) Limited	British Virgin Islands, limited liability company	British Virgin Islands	Satellite television broadcasting	100%	US\$1
鳳凰衛視中文台有限公司	英屬處女群島有限責任公司	英屬處女群島	衛星電視廣播	100%	1美元
Phoenix Satellite Television (Movies) Limited	British Virgin Islands, limited liability company	British Virgin Islands	Satellite television broadcasting	100%	US\$1
鳳凰衛視電影台有限公司	英屬處女群島有限責任公司	英屬處女群島	衛星電視廣播	100%	1美元
Phoenix Satellite Television Trademark Limited	British Virgin Islands, limited liability company	British Virgin Islands	Trademark holding	100%	US\$1
鳳凰衛視商標有限公司	英屬處女群島有限責任公司	英屬處女群島	持有商標	100%	1美元
Phoenix Satellite Television (Europe) Limited	British Virgin Islands, limited liability company	British Virgin Islands	Investment holding	100%	US\$1
鳳凰衛視歐洲台有限公司	英屬處女群島有限責任公司	英屬處女群島	投資控股	100%	1美元
PCNE Holdings Limited	British Virgin Islands, limited liability company	British Virgin Islands	Investment holding	70%	US\$1,000
PCNE Holdings Limited	英屬處女群島有限責任公司	英屬處女群島	投資控股	70%	1,000美元

21. 於附屬公司的權益及應收一間附屬公司款項淨額 (續)

附註：

(i) 於二零零五年十二月三十一日的附屬公司詳情如下：

21. INTERESTS IN SUBSIDIARIES AND AMOUNT  
DUE FROM A SUBSIDIARY, NET (CONTINUED)

Notes: (Continued)

Name	Place of incorporation and kind of legal entity	Place of operation	Principal activities	Percentage of equity interest held by the Group	Issued and fully paid share capital/ registered capital
名稱	註冊成立地點及法定實體類別	營運地點	主要業務	本集團所持股本權益百分比	已發行及繳足股本／註冊資本
Phoenix Chinese News & Entertainment Limited	The United Kingdom, limited liability company	The United Kingdom	Satellite television broadcasting	70%	£9,831,424
Phoenix Chinese News & Entertainment Limited	英國 有限責任公司	英國	衛星電視廣播	70%	9,831,424英鎊
Phoenix Satellite Television Information Limited	British Virgin Islands, limited liability company	British Virgin Islands	Investment holding	100%	US\$1
鳳凰資訊有限公司	英屬處女群島 有限責任公司	英屬處女群島	投資控股	100%	1美元
PHOENIXi Investment Limited	British Virgin Islands, limited liability company	British Virgin Islands	Investment holding	94.3%	US\$123,976 (Ordinary shares)
PHOENIXi Investment Limited	英屬處女群島 有限責任公司	英屬處女群島	投資控股	94.3%	123,976美元 (普通股)
PHOENIXi, Inc.	The United States of America, limited liability company	The United States of America	Dormant	94.3%	US\$7,500 (Series A preferred shares) 7,500美元 (A組優先股)
PHOENIXi, Inc.	美利堅合眾國 有限責任公司	美利堅合眾國	暫無營業	94.3%	0.1美元
Phoenix Satellite Television (B.V.I.) Holding Limited (Note a)	British Virgin Islands, limited liability company	British Virgin Islands	Investment holding	100%	US\$1
鳳凰衛視集團有限公司 (附註a)	英屬處女群島 有限責任公司	英屬處女群島	投資控股	100%	1美元

21. 於附屬公司的權益及應收一間附屬公司  
款項淨額 (續)

附註：(續)

21. INTERESTS IN SUBSIDIARIES AND AMOUNT DUE FROM A SUBSIDIARY, NET (CONTINUED)

21. 於附屬公司的權益及應收一間附屬公司款項淨額 (續)

Notes: (Continued)

附註：(續)

Name	Place of incorporation and kind of legal entity	Place of operation	Principal activities	Percentage of equity interest held by the Group	Issued and fully paid share capital/ registered capital
名稱	註冊成立地點及法定實體類別	營運地點	主要業務	本集團所持股本權益百分比	已發行及繳足股本／註冊資本
Phoenix Weekly Magazine (BVI) Limited	British Virgin Islands, limited liability company	British Virgin Islands	Investment holding	100%	US\$1
Phoenix Weekly Magazine (BVI) Limited	英屬處女群島有限責任公司	英屬處女群島	投資控股	100%	1美元
Hong Kong Phoenix Weekly Magazine Limited	Hong Kong, limited liability company	Hong Kong	Publishing and distribution of periodicals	77%	HK\$100
香港鳳凰週刊有限公司	香港有限責任公司	香港	出版及發行期刊	77%	100港元
Phoenix Satellite Television (InfoNews) Limited	British Virgin Islands, limited liability company	British Virgin Islands	Satellite television broadcasting	100%	US\$1
鳳凰衛視資訊台有限公司	英屬處女群島有限責任公司	英屬處女群島	衛星電視廣播	100%	1美元
Phoenix Satellite Television Development (BVI) Limited	British Virgin Islands, limited liability company	British Virgin Islands	Investment holding	100%	US\$1
Phoenix Satellite Television Development (BVI) Limited	英屬處女群島有限責任公司	英屬處女群島	投資控股	100%	1美元
Phoenix Satellite Television Development Limited	Hong Kong, limited liability company	Hong Kong	Investment holding	100%	HK\$2
鳳凰衛視發展有限公司	香港有限責任公司	香港	投資控股	100%	2港元
Guofeng On-line (Beijing) Information Technology Company Limited	PRC, limited liability company	PRC	Internet services	94.3%	US\$500,000
國鳳在線(北京)信息技術有限公司	中國有限責任公司	中國	互聯網服務	94.3%	500,000美元
Phoenix Film and Television (Shenzhen) Company Limited	PRC, limited liability company	PRC	Ancillary services for programme production	60%	HK\$10,000,000
鳳凰影視(深圳)有限公司	中國有限責任公司	中國	節目製作支援服務	60%	10,000,000港元

## 21. INTERESTS IN SUBSIDIARIES AND AMOUNT DUE FROM A SUBSIDIARY, NET (CONTINUED)

Notes: (Continued)

Name	Place of incorporation and kind of legal entity	Place of operation	Principal activities	Percentage of equity interest held by the Group	Issued and fully paid share capital/ registered capital
名稱	註冊成立地點及法定實體類別	營運地點	主要業務	本集團所持股本權益百分比	已發行及繳足股本／註冊資本
Phoenix Satellite Television (Universal) Limited	British Virgin Islands, limited liability company	British Virgin Islands	Investment holding	100%	US\$1
Phoenix Satellite Television (Universal) Limited	英屬處女群島有限責任公司	英屬處女群島	投資控股	100%	1美元
Phoenix Satellite Television (U.S.) Inc.	The United States of America, limited liability company	The United States of America	Provision of management and promotional related services	100%	US\$1
Phoenix Satellite Television (U.S.) Inc.	美利堅合眾國有限責任公司	美利堅合眾國	提供管理及有關推廣服務	100%	1美元
Phoenix Satellite Television (Taiwan) Limited	British Virgin Islands, limited liability company	British Virgin Islands	Programme production	100%	US\$1
植桐製作股份有限公司	英屬處女群島有限責任公司	英屬處女群島	節目製作	100%	1美元
Phoenix Satellite Television Investments (BVI) Limited	British Virgin Islands, limited liability company	British Virgin Islands	Dormant	100%	US\$1
Phoenix Satellite Television Investments (BVI) Limited	英屬處女群島有限責任公司	英屬處女群島	暫無營業	100%	1美元
Hong Kong Phoenix Satellite Television Limited	Hong Kong, limited liability company	Hong Kong	Investment holding	100%	HK\$2
香港鳳凰衛視有限公司	香港有限責任公司	香港	投資控股	100%	2港元
Phoenix Glow Limited	British Virgin Islands, limited liability company	British Virgin Islands	Provision of agency services	100%	US\$1
鳳凰之光有限公司	英屬處女群島有限責任公司	英屬處女群島	提供代理服務	100%	1美元

## 21. 於附屬公司的權益及應收一間附屬公司款項淨額 (續)

附註：(續)

21. INTERESTS IN SUBSIDIARIES AND AMOUNT DUE FROM A SUBSIDIARY, NET (CONTINUED)

Notes: (Continued)

Name	Place of incorporation and kind of legal entity	Place of operation	Principal activities	Percentage of equity interest held by the Group	Issued and fully paid share capital/ registered capital
名稱	註冊成立地點及法定實體類別	營運地點	主要業務	本集團所持股本權益百分比	已發行及繳足股本／註冊資本
Shenzhen Wutong Shan Television Broadcasting Limited	PRC, limited liability company	PRC	Programme production	54%	RMB5,000,000
深圳市梧桐山電視廣播有限公司	中國有限責任公司	中國	節目製作	54%	5,000,000人民幣
Phoenix Global Television Limited	British Virgin Islands, limited liability company	British Virgin Islands	Investment holding	100%	US\$1
鳳凰環球電視有限公司	英屬處女群島有限責任公司	英屬處女群島	投資控股	100%	1美元
Fenghuang On-line (Beijing) Information Technology Company Limited (Note b)	PRC, limited liability company	PRC	Internet services	100%	US\$1,850,000
鳳凰在綫(北京)信息技術有限公司(附註b)	中國有限責任公司	中國	互聯網服務	100%	1,850,000美元
Phoenix Pictures Limited	Hong Kong, limited liability company	Hong Kong	Dormant	100%	HK\$1
Phoenix Pictures Limited	香港有限責任公司	香港	暫無營業	100%	1港元

(a) Phoenix Satellite Television (B.V.I.) Holding Limited is directly held by the Company, while all other subsidiaries are indirectly held by the Company through Phoenix Satellite Television (B.V.I.) Holding Limited.

(b) On 20 December 2005, the Group set up a wholly-owned subsidiary, 鳳凰在綫(北京)信息技術有限公司, with a registered capital of US\$1,850,000 (equivalent to HK\$14,346,000) in the PRC. The business scope of the subsidiary is the provision of internet services. 15% of the registered capital, amounting to US\$278,000 (equivalent to HK\$2,156,000), shall be injected by the Group within three months from the date of issue of the business license of the subsidiary on 20 December 2005 and the remaining amount of US\$1,572,000 (equivalent to HK\$12,190,000) shall be paid within one year from the said date. Subsequent to year end, a capital contribution of US\$1,850,000 was made by the Group.

21. 於附屬公司的權益及應收一間附屬公司款項淨額(續)

附註：(續)

Principal activities	Percentage of equity interest held by the Group	Issued and fully paid share capital/ registered capital
主要業務	本集團所持股本權益百分比	已發行及繳足股本／註冊資本
Programme production	54%	RMB5,000,000
節目製作	54%	5,000,000人民幣
Investment holding	100%	US\$1
投資控股	100%	1美元
Internet services	100%	US\$1,850,000
互聯網服務	100%	1,850,000美元
Dormant	100%	HK\$1
暫無營業	100%	1港元

(a) 鳳凰衛視集團有限公司由本公司直接持有，而所有其他附屬公司則由本公司透過鳳凰衛視集團有限公司間接持有。

(b) 於二零零五年十二月二十日，本集團於中國成立一家全資附屬公司鳳凰在綫(北京)信息技術有限公司，註冊資本為1,850,000美元(相等於14,346,000港元)。該附屬公司的業務範疇為提供互聯網服務。本集團須於二零零五年十二月二十日該附屬公司獲發營業執照之日起三個月內注入15%的註冊資本為數278,000美元(相等於2,156,000港元)，而餘下數額1,572,000美元(相等於12,190,000港元)須由上述日期起一年內支付。於年結後，本集團乃作出資本投入總額1,850,000美元。

## 21. INTERESTS IN SUBSIDIARIES AND AMOUNT DUE FROM A SUBSIDIARY, NET (CONTINUED)

Notes: (Continued)

- (ii) Amount due from a subsidiary is unsecured, non-interest bearing and repayable on demand.
- (iii) The Company has undertaken to provide necessary financial resources to support the future operations of the subsidiaries. The Directors are of the opinion that the underlying value of the subsidiaries was not less than the carrying amount of the subsidiaries as at 31 December 2005.

## 22. ACCOUNTS PAYABLE, OTHER PAYABLES AND ACCRUALS

Accounts payable	應付賬款
Other payables and accruals	其他應付款項及應計款項

The ageing analysis of the accounts payable is as follows:

0-30 days	0至30日
31-60 days	31至60日
61-90 days	61至90日
91-120 days	91至120日
Over 120 days	120日以上

The carrying amounts of accounts payable, other payables and accruals approximate their fair values.

## 21. 於附屬公司的權益及應收一間附屬公司款項淨額 (續)

附註：(續)

- (ii) 應收附屬公司款項為無抵押、免息及按要求償還。
- (iii) 本公司承諾提供足夠財務資源以支持附屬公司的未來營運。董事認為，附屬公司的基本價值不低於附屬公司於二零零五年十二月三十一日的賬面值。

## 22. 應付賬款、其他應付款項及應計款項

2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
10,780	11,615
85,168	153,463
<b>95,948</b>	<b>165,078</b>

應付賬款的賬齡分析如下：

2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
5,730	6,851
1,828	2,711
907	468
457	343
1,858	1,242
<b>10,780</b>	<b>11,615</b>

應付賬款、其他應付款項及應計款項的賬面值與彼等的公平值相近。



23. CASH AND CASH EQUIVALENTS

Cash at bank and in hand 銀行及手頭現金  
Short-term bank deposits 短期銀行存款

23. 現金及現金等值

		Group 本集團		Company 本公司	
		2005 二零零五年	2004 二零零四年	2005 二零零五年	2004 二零零四年
		\$'000 千元	\$'000 千元	\$'000 千元	\$'000 千元
		105,413	75,556	1,972	6,302
		407,951	304,835	-	-
		<b>513,364</b>	<b>380,391</b>	<b>1,972</b>	<b>6,302</b>

The effective interest rate on short-term bank deposits was 2.63% (2004: 1.23%); these deposits have an average maturity of 53 days.

短期銀行存款的實際利率為2.63% (二零零四年：1.23%)，該等銀行存款的平均至到期日為53日。

24. LONG-TERM DEPOSIT

Long-term deposit represented the certificate of deposit placed with the bank which will be mature in October 2007 and is stated at the amortised cost.

The carrying amount of the long-term deposit approximated to the fair value (2004: N/A).

24. 長期存款

長期存款指將於二零零七年十月到期的存入銀行的存款證，並按攤銷成本列賬。

長期存款的賬面值與其公平值相近 (二零零四年：不適用)。

25. SHARE CAPITAL

**Authorised:** 法定：  
Ordinary share 每股面值0.1港元  
of HK\$0.1 each 普通股

**Issued and fully paid:** 已發行及繳足：  
Beginning of year 年初  
Exercise of share 行使購股權  
options

End of year 年終

25. 股本

		2005 二零零五年		2004 二零零四年	
		Number of shares 股數	Amount 金額 \$'000 千元	Number of shares 股數	Amount 金額 \$'000 千元
		10,000,000,000	1,000,000	10,000,000,000	1,000,000
		4,936,796,000	493,680	4,931,730,000	493,173
		1,870,000	187	5,066,000	507
		<b>4,938,666,000</b>	<b>493,867</b>	<b>4,936,796,000</b>	<b>493,680</b>

**26. SHARE OPTIONS**

The Company has several share option schemes under which it may grant options to employees of the Group (including Executive Directors of the Company) to subscribe for shares of the Company. Options are granted and exercisable in accordance with the terms set out in the relevant schemes. The Group has no legal or constructive obligation to repurchase or settle the options in cash.

Details of the adoption of HKFRS 2 are set out in Note 2(a).

Movements in the number of share options outstanding and their related weighted average exercise prices are as follows:

At 1 January	於一月一日
Exercised	已行使
Lapsed	已失效
At 31 December	於十二月三十一日

As at 31 December 2005, out of the 54,378,000 outstanding options (2004: 56,942,000 options), 53,946,000 options (2004: 53,392,000) were exercisable. Options exercised in 2005 resulted in 1,870,000 shares (2004: 5,066,000 shares) being issued at HK\$1.05 each (2004: HK\$1.07 each). The related weighted average share price at the time of exercise was HK\$1.48 (2004: HK\$1.45) per share.

**26. 購股權**

本公司設有數個購股權計劃，根據計劃可向本集團的僱員（包括本公司的執行董事）授予可認購本公司股份的購股權。所授出的購股權可按有關計劃載列的條款行使。本集團並無任何法定或推定性責任以現金購回或結算購股權。

採納香港財務報告準則第2號的詳情載於附註2(a)。

未行使購股權數目的變動及其相關加權平均行使價載列如下：

2005 二零零五年		2004 二零零四年	
Average exercise price in HK\$ per share 每股平均 行使價 港元	Options '000 購股權 千股	Average exercise price in HK\$ per share 每股平均 行使價 港元	Options '000 購股權 千股
1.11	56,942	1.10	62,256
1.05	(1,870)	1.07	(5,066)
1.06	(694)	1.08	(248)
1.11	<u>54,378</u>	1.11	<u>56,942</u>

於二零零五年十二月三十一日，於54,378,000份（二零零四年：56,942,000份購股權）未行使購股權當中，53,946,000份購股權（二零零四年：53,392,000）均可予行使。於二零零五年行使的購股權已導致按每股面值1.05港元（二零零四年：每股面值1.07港元）發行1,870,000股股份（二零零四年：5,066,000股股份）。於行使時的相關加權平均股價為每股1.48港元（二零零四年：1.45港元）。

26. SHARE OPTIONS (CONTINUED)

Share options outstanding at the end of the year have the following expiry date and exercise prices:

Expiry date	到期日	Exercise price 行使價 HK\$ per share 每股港元	Share options 購股權	
			2005 二零零五年 '000 千股	2004 二零零四年 '000 千股
13 June 2010	二零一零年六月十三日	1.08	40,358	40,972
14 February 2011	二零一一年二月十四日	1.99	1,700	1,700
9 August 2011	二零一一年八月九日	1.13	10,588	12,040
19 December 2012	二零一二年十二月十九日	0.79	1,732	2,230
			<u>54,378</u>	<u>56,942</u>

## 26. 購股權 (續)

於年終未行使購股權的到期日及行使價如下：

 27. RESERVES
**Group**

Movements in reserves of the Group during the year were as follows:

## 27. 儲備

**本集團**

本集團年內的儲備變動如下：

		Share premium 股份溢價 \$'000 千元	Exchange reserve 匯兌儲備 \$'000 千元	Accumulated deficit 累積虧損 \$'000 千元	Total 總計 \$'000 千元
At 31 December 2003	於二零零三年十二月三十一日	824,839	879	(612,471)	213,247
Exchange differences arising on translation of the financial statements of foreign subsidiaries	換算海外附屬公司財務報表產生的匯兌差額	-	1,325	-	1,325
Exercise of share options	行使購股權	4,902	-	-	4,902
Profit for the year	年內溢利	-	-	150,494	150,494
At 31 December 2004	於二零零四年十二月三十一日	829,741	2,204	(461,977)	369,968
Exchange differences arising on translation of the financial statements of foreign subsidiaries	換算海外附屬公司財務報表產生的匯兌差額	-	1,383	-	1,383
Exercise of share options	行使購股權	1,774	-	-	1,774
Profit for the year	年內溢利	-	-	181,482	181,482
Dividends paid relating to 2004	已付二零零四年度股息	(49,387)	-	-	(49,387)
At 31 December 2005	於二零零五年十二月三十一日	<u>782,128</u>	<u>3,587</u>	<u>(280,495)</u>	<u>505,220</u>

**27. RESERVES (CONTINUED)****Company**

Movements in the reserves of the Company during the year were as follows:

		Share premium 股份溢價 \$'000 千元	Accumulated deficit 累積虧損 \$'000 千元	Total 總計 \$'000 千元
At 31 December 2003	於二零零三年 十二月三十一日	824,839	(40,524)	784,315
Exercise of share options	行使購股權	4,902	-	4,902
Loss for the year	年內虧損	-	(437)	(437)
At 31 December 2004	於二零零四年 十二月三十一日	829,741	(40,961)	788,780
Exercise of share options	行使購股權	1,774	-	1,774
Loss for the year	年內虧損	-	(673)	(673)
Dividends paid relating to 2004	已付二零零四年度股息	(49,387)	-	(49,387)
At 31 December 2005	於二零零五年十二月三十一日	<b>782,128</b>	<b>(41,634)</b>	<b>740,494</b>

Pursuant to Section 34 of the Companies Law (Revised) of the Cayman Islands and the Articles of Association of the Company, share premium of the Company is available for distribution to equity holders. As at 31 December 2005, in the opinion of the Directors, the Company's reserves available for distribution to equity holders, comprising the share premium account and accumulated deficit, amounted to approximately HK\$740,494,000 (2004: HK\$788,780,000).

**28. DEFERRED INCOME TAX**

Deferred taxation for the year ended 31 December 2005 is calculated in full on temporary differences under the liability method using a principal taxation rate of 17.5% (2004: 17.5%).

Deferred income tax assets are recognised for tax loss carry-forwards to the extent that the realisation of the related tax benefit through the future taxable profits is probable. The Group has unrecognised tax losses of HK\$433,000,000 as at 31 December 2005 (2004: HK\$496,000,000) to carry forward against future taxable income. Included in the unrecognised tax losses, approximately HK\$423,000,000 (2004: HK\$485,000,000) have no expiry date and the remaining balance will expire at various dates up to and including 2025.

**27. 儲備 (續)****本公司**

本公司年內的儲備變動如下：

		Share premium 股份溢價 \$'000 千元	Accumulated deficit 累積虧損 \$'000 千元	Total 總計 \$'000 千元
At 31 December 2003	於二零零三年 十二月三十一日	824,839	(40,524)	784,315
Exercise of share options	行使購股權	4,902	-	4,902
Loss for the year	年內虧損	-	(437)	(437)
At 31 December 2004	於二零零四年 十二月三十一日	829,741	(40,961)	788,780
Exercise of share options	行使購股權	1,774	-	1,774
Loss for the year	年內虧損	-	(673)	(673)
Dividends paid relating to 2004	已付二零零四年度股息	(49,387)	-	(49,387)
At 31 December 2005	於二零零五年十二月三十一日	<b>782,128</b>	<b>(41,634)</b>	<b>740,494</b>

根據開曼群島公司法(經修訂)第34條及本公司組織章程，本公司的股份溢價可供分派予權益持有人。於二零零五年十二月三十一日，董事認為，可供分派予權益持有人的本公司儲備(包括股份溢價賬及累積虧損)約740,494,000港元(二零零四年：788,780,000港元)。

**28. 遞延所得稅**

截至二零零五年十二月三十一日止年度的遞延稅項乃根據負債法就暫時性差異，按主要稅率17.5%(二零零四年：17.5%)作全數計算。

遞延所得稅資產乃就所結轉之稅項虧損作出確認，惟以可能透過未來應課稅溢利可得到之相關稅務利益為限。本集團於二零零五年十二月三十一日之未確認稅項虧損約為433,000,000港元(二零零四年：496,000,000港元)，可結轉以抵銷未來應課稅收入；於未確認之稅務虧損內，約423,000,000港元(二零零四年：485,000,000港元)的無到期日，而餘額將於截至二零二五年(包括該年)的多個日期到期。

28. DEFERRED INCOME TAX (CONTINUED)

The movement in deferred income tax assets and liabilities (prior to offsetting of balances within the same taxation jurisdiction) during the year is as follows:

Deferred income tax liabilities

	Accelerated tax depreciation		Purchased programme and film rights		Total	
	2005	2004	2005	2004	2005	2004
	二零零五年	二零零四年	二零零五年	二零零四年	二零零五年	二零零四年
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	千元	千元	千元	千元	千元	千元
At the beginning of the year	30	60	-	683	30	743
Charged/(credited) to the consolidated income statement	933	(30)	-	(683)	933	(713)
At the end of the year	963	30	-	-	963	30

Deferred income tax assets

	Tax losses		Accelerated tax depreciation		Total	
	2005	2004	2005	2004	2005	2004
	二零零五年	二零零四年	二零零五年	二零零四年	二零零五年	二零零四年
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	千元	千元	千元	千元	千元	千元
At the beginning of the year	(3,263)	(3,547)	3,233	2,804	(30)	(743)
Charged/(credited) to the consolidated income statement	2,300	284	(3,233)	429	(933)	713
At the end of the year	(963)	(3,263)	-	3,233	(963)	(30)

28. 遞延所得稅 (續)

於年內的遞延稅項資產及負債變動(在抵銷同一徵稅地區的結餘前)如下：

遞延所得稅負債

	Accelerated tax depreciation		Purchased programme and film rights		Total	
	2005	2004	2005	2004	2005	2004
	二零零五年	二零零四年	二零零五年	二零零四年	二零零五年	二零零四年
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	千元	千元	千元	千元	千元	千元
At the beginning of the year	30	60	-	683	30	743
Charged/(credited) to the consolidated income statement	933	(30)	-	(683)	933	(713)
At the end of the year	963	30	-	-	963	30

遞延所得稅資產

	Tax losses		Accelerated tax depreciation		Total	
	2005	2004	2005	2004	2005	2004
	二零零五年	二零零四年	二零零五年	二零零四年	二零零五年	二零零四年
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
	千元	千元	千元	千元	千元	千元
At the beginning of the year	(3,263)	(3,547)	3,233	2,804	(30)	(743)
Charged/(credited) to the consolidated income statement	2,300	284	(3,233)	429	(933)	713
At the end of the year	(963)	(3,263)	-	3,233	(963)	(30)

29. CASH GENERATED FROM OPERATIONS

## 29. 經營業務產生的現金

**Reconciliation of profit from operations to net cash inflow from operating activities****經營溢利與經營業務現金流入淨額對賬表**

		2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
Profit before income tax	除所得稅前溢利	203,419	156,054
Depreciation of property, plant and equipment	物業、廠房及設備折舊	26,181	24,649
Amortisation of purchased programme and film rights and other charges	購入節目、電影版權及其他開支攤銷	26,041	23,739
Provision for impairment of inventories	存貨減值撥備	3,257	-
Provision for impairment of receivables	應收款項減值撥備	106,177	22,960
(Gain)/loss on disposal of property, plant and equipment	出售物業、廠房及設備的(收益)/虧損	(64)	108
Provision for impairment loss in a jointly controlled entity	共同控制實體減值虧損撥備	472	-
Share of losses of jointly controlled entities	攤佔共同控制實體虧損	1,906	-
Interest income, net	利息收入淨額	(14,723)	(6,486)
Other income, net	其他收入淨額	(30,134)	(858)
Increase in accounts receivable	應收賬款增加	(51,034)	(88,919)
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)	2,531	(73,354)
Increase in long-term deposit	長期存款增加	-	(31,091)
(Increase)/decrease in inventories	存貨(增加)/減少	(63)	436
Increase in amounts due from related companies	應收關連公司款項增加	(725)	(284)
Decrease in self-produced programmes	自製節目減少	6,892	685
(Decrease)/increase in accounts payable, other payables and accruals	應付賬款、其他應付款項及應計款項(減少)/增加	(69,130)	68,646
Increase/(decrease) in deferred income	遞延收入增加/(減少)	8,658	(13,506)
Decrease in amounts due to related companies	應付關連公司款項減少	(3,185)	(1,897)
<b>Cash generated from operations</b>	<b>經營業務產生的現金</b>	<b>216,476</b>	<b>80,882</b>



**30. BANKING FACILITIES**

As at 31 December 2005, the Group had banking facilities amounting to approximately HK\$18,407,000 (2004: HK\$18,700,000) of which approximately HK\$12,600,000 (2004: HK\$12,600,000) was unutilised. The facilities are covered by counter indemnities from the Group.

As at 31 December 2005, deposits of approximately HK\$3,407,000 (2004: HK\$3,700,000) were pledged with a bank to secure a banking guarantee given to the landlord of a subsidiary.

**31. COMMITMENTS**

**(a) Programme and film rights acquisition**

As at 31 December 2005, the Group had aggregate outstanding programme and film rights related commitments of approximately HK\$53,902,000 (2004: HK\$74,373,000) of which all (2004: All) was in respect of a film rights acquisition agreement with STAR TV Filmed Entertainment Limited ("STAR Filmed") extending to 27 August 2008. Total programme and film rights related commitments are analysed as follows:

Not later than one year	不遲於一年
Later than one year and not later than five years	遲於一年 但不遲於五年

**30. 銀行信貸**

於二零零五年十二月三十一日，本集團的銀行信貸額約18,407,000港元(二零零四年：18,700,000港元)，當中約12,600,000港元(二零零四年：12,600,000港元)仍未動用。有關信貸由本集團提供的反擔保作抵押。

於二零零五年十二月三十一日，約3,407,000港元(二零零四年：3,700,000港元)已抵押予銀行，作為給予一附屬公司業主的銀行擔保。

**31. 承擔**

**(a) 購入節目及電影版權**

於二零零五年十二月三十一日，本集團有關節目及電影版權的待履行承擔總額約53,902,000港元(二零零四年：74,373,000港元)，當中全部(二零零四年：全部)乃與STAR TV Filmed Entertainment Limited ("STAR Filmed") 簽訂的購買電影版權協議有關，該協議延續至二零零八年八月二十七日。有關節目及電影版權的承擔總額分析如下：

	2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
	20,295	20,343
	<b>33,607</b>	54,030
	<b>53,902</b>	74,373

31. COMMITMENTS (CONTINUED)

(b) **Service charges**

As at 31 December 2005, the Group had total committed service charges payable to Satellite Television Asian Region Limited ("STARL") and Fox News Network L.L.C ("Fox") of approximately HK\$20,912,000 (2004: HK\$62,741,000) and HK\$5,225,000 (2004: HK\$8,580,000) in respect of a service agreement expiring on 30 June 2006 and 25 July 2007, respectively. Total committed service charges payable to STARL and Fox are analysed as follows:

Not later than one year	不遲於一年
Later than one year and not later than five years	遲於一年 但不遲於五年

As at 31 December 2005, the Group had committed service fee receivable from Asia Television Limited ("ATV") of approximately HK\$637,000 (2004: HK\$1,953,000) in respect of the provision of technical support services and equipment to ATV for the operation of the ATV Home Channel (U.S. version) in the US. Total future minimum service fees receivable are analysed as follows:

Not later than one year	不遲於一年
Later than one year and not later than five years	遲於一年 但不遲於五年

31. 承擔 (續)

(b) **服務費**

於二零零五年十二月三十一日，本集團分別就於二零零六年六月三十日及二零零七年七月二十五日到期的服務協議而應付予衛星電視有限公司（「STARL」）及 Fox News Network L.L.C.（「Fox」）的服務費約 20,912,000 港元（二零零四年：62,741,000 港元）及 5,225,000 港元（二零零四年：8,580,000 港元）。應付 STARL 及 Fox 的服務費用承擔總額分析如下：

2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
24,246	45,122
1,891	26,199
<u>26,137</u>	<u>71,321</u>

於二零零五年十二月三十一日，本集團就提供技術支援服務及設備予亞洲電視有限公司（「亞洲電視」）以便在美國廣播亞洲電視本港台頻道（美國版）而應收亞洲電視的服務費約 637,000 港元（二零零四年：1,953,000 港元）。未來最低的應收服務費承擔總額分析如下：

2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
637	1,302
-	651
<u>637</u>	<u>1,953</u>

31. COMMITMENTS (CONTINUED)

(c) **Operating lease**

As at 31 December 2005, the Group had rental commitments of approximately HK\$18,401,000 (2004: HK\$32,062,000) under various operating leases extending to September 2011. Total future minimum lease payments payable under non-cancellable operating leases are as follows:

Not later than one year	不遲於一年
Later than one year and not later than five years	遲於一年 但不遲於五年
Later than five years	遲於五年

(d) **Other commitments**

As at 31 December 2005, the Group had other operating commitments of approximately HK\$20,887,000 (2004: HK\$17,416,000) under various agreements as follows:

Not later than one year	不遲於一年
Later than one year and not later than five years	遲於一年 但不遲於五年

31. 承擔 (續)

(c) **經營租約**

於二零零五年十二月三十一日，本集團根據多項延期至二零一一年九月的經營租約須承擔約18,401,000港元(二零零四年：32,062,000港元)的租金。根據不可撤銷的經營租約，未來最低的租金總額分析如下：

	2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
不遲於一年	7,367	12,647
遲於一年 但不遲於五年	9,771	16,181
遲於五年	1,263	3,234
	<u>18,401</u>	<u>32,062</u>

(d) **其他承擔**

於二零零五年十二月三十一日，本集團根據多項協議有其他經營承擔約20,887,000(二零零四年：17,416,000港元)，分析如下：

	2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
不遲於一年	11,510	14,159
遲於一年 但不遲於五年	9,377	3,257
	<u>20,887</u>	<u>17,416</u>

**32. RELATED PARTY TRANSACTIONS**

- (i) The Group had the following significant transactions with the related parties as defined in HKAS 24 – Related Party Disclosures:

**32. 關連人士交易**

- (i) 本集團曾與關連人士(定義見香港會計準則第24號 – 關連人士披露)進行下列重大交易:

			2005 二零零五年	2004 二零零四年
		Note(s) 附註	\$'000 千元	\$'000 千元
Service charges paid/payable to STARL	向STARL支付/應付的服務費	a, b	54,174	52,917
Commission for advertising sales and marketing services paid/payable to STARL	向STARL支付/應付的廣告銷售及市場推廣服務佣金	a, c	51	944
Commission for international subscription sales and marketing services paid/payable to STARL	向STARL支付/應付的國際訂購銷售及市場推廣服務佣金	a, d	2,864	2,645
Sales of decoder devices to STARL	向STARL銷售解碼器器材	a, e	-	64
Film license fees paid/payable to STAR Filmed	向STAR Filmed支付/應付的電影許可費	a, f	20,355	20,337
Purchase of broadcast operations and engineering equipment from STARL	向STARL購買廣播營運及工程器材	a, g	-	98
Programme license fees paid/payable to Asia Television Enterprise Limited ("ATVE")	向亞洲電視企業有限公司(「亞視企業」)支付/應付的節目許可費	h, i	-	709
Service charges paid/payable to ATV	向亞洲電視支付/應付的服務費	h, j	28	790
Service charges received/receivable from ATV	向亞洲電視收取/應收取的服務費	h, k	1,278	1,402
Service charges paid/payable to Fox	向Fox支付/應付的服務費	l, m	3,782	3,792
Service charges paid/payable to British Sky Broadcasting Limited ("BSkyB")	向British Sky Broadcasting Limited(「BSkyB」)支付/應付的服務費	n, o	3,164	5,012
Service charges received/receivable from DIRECTV, Inc. ("DIRECTV")	向DIRECTV, Inc.(「DIRECTV」)收取/應收的服務費	p, q	1,751	2,309
Programme license fees to SGL Entertainment Limited ("SGL")	向SGL Entertainment Limited(「SGL」)支付節目許可費	a, r	546	1,182
Key management compensation	主要管理人員薪酬	iii	25,605	26,015

**32. RELATED PARTY TRANSACTIONS**  
**(CONTINUED)**

Notes:

- (a) STARL, STAR Filmed, SGL and other STAR TV group companies are wholly-owned subsidiaries of STAR Group Limited, which owns 100% of Xing Kong Chuan Mei Group Co., Ltd., a substantial equity holder of the Company.
- (b) Service charges paid/payable to STARL covering a wide range of technical services provided to the Group are charged based on the terms of the service agreement dated 29 May 2003. The summary of the terms of the service agreement is set out in the section headed "New Star Services Agreement" of the circular of the Company dated 10 June 2003 (the "Circular"). Either fixed fees or variable fees are charged depending on the type of services utilised.
- (c) The commission for advertising sales and marketing services paid/payable to STARL is based on 4%-15% (2004: 15%) of the net advertising income generated and received by it on behalf of the Group after deducting the relevant amount of the third party agency fees.
- (d) The commission for international subscription sales and marketing services paid/payable to STARL is based on 15% (2004: 15%) of the subscription fees generated and received by it on behalf of the Group.
- (e) Sales of decoder devices to STARL are charged based on terms mutually agreed upon between both parties.
- (f) The film license fees are charged in accordance with a film rights acquisition agreement with STAR Filmed.
- (g) Purchases of broadcast operations and engineering equipment from STARL are charged in accordance with the equipment purchase agreement.
- (h) ATVE is a wholly-owned subsidiary of ATV which is considered to be a connected party to the Company pursuant to the GEM Listing Rules. Mr. LIU Changle and Mr. CHAN Wing Kee beneficially own 93.3% and 6.7% respectively of Today's Asia Limited, which indirectly owns approximately 46% of ATV as at 31 December 2005. Mr. CHAN Wing Kee also owns 95% of Dragon Sheen Holdings Limited which holds 16.25% indirect interest in ATV as at 31 December 2005. He also owns 80% of Dragon Goodwill International Limited, which has completed its acquisition of 32.75% interests in ATV on 25 July 2003.

**32. 關連人士交易 (續)**

附註：

- (a) STARL、STAR Filmed、SGL及衛視集團內其他公司，均為星空傳媒集團有限公司的全資附屬公司，其擁有Xing Kong Chuan Mei Group Co., Ltd. (為本公司主要股東)的100%權益。
- (b) 向STARL支付／應付的服務費包括向本集團提供的多元化技術服務，服務費乃根據於二零零三年五月二十九日訂立的服務協議釐定，該服務協議的條款概要載於本公司於二零零三年六月十日所發出的通函(「該通函」)中「新衛視服務協議」一節，分為固定收費或浮動收費兩種，視乎所使用的設施類別而定。
- (c) 向STARL支付／應付的廣告銷售及市場推廣服務的佣金乃根據其代表本集團賺取及收取的廣告收入淨額(已扣除第三方代理費的有關款額)的4%至15%(二零零四年：15%)計算。
- (d) 向STARL支付／應付的國際訂購銷售及市場推廣服務的佣金乃根據其代表本集團賺取及收取的收視費的15%(二零零四年：15%)計算。
- (e) 向STARL銷售的解碼器器材乃根據雙方同意的條款收費。
- (f) 電影許可費乃根據與STAR Filmed訂立的購入電影版權協議收取。
- (g) 向STARL購買的廣播營運及工程器材乃根據器材購買協議收費。
- (h) 亞視企業乃亞洲電視的全資附屬公司，而根據創業板上市規則被視為本公司的關連人士。劉長樂先生及陳永祺先生於二零零五年十二月三十一日分別實益擁有今日亞洲有限公司(其間接擁有亞洲電視46%權益)93.3%及6.7%權益。於二零零五年十二月三十一日，陳永祺先生亦擁有龍盛集團有限公司的95%權益，龍盛集團有限公司則持有亞洲電視的16.25%間接權益。彼亦擁有Dragon Goodwill International Limited的80%權益，而Dragon Goodwill International Limited於二零零三年七月二十五日完成收購亞洲電視的32.75%權益。

### 32. RELATED PARTY TRANSACTIONS (CONTINUED)

Notes: (continued)

- (i) Pursuant to a programme licensing agreement dated 29 May 2003, the programme license fees paid/payable to ATVE with respect to a list of programmes as stipulated in the schedule of the agreement are charged at a fixed fee or fees to be mutually agreed. The summary of the terms of the agreement are set out in the section headed "ATV Programme Licensing Agreement" of the Circular.
- (j) Service charges paid/payable to ATV cover news footage and data transmission services provided to the Group which are charged based on terms mutually agreed upon between both parties.
- (k) Service charges received/receivable from ATV cover the following services provided to ATV which are charged based on terms specified in a service agreement:
- the use of floor area for the location of receivers;
  - the use of master control room equipment and transmission equipment (including maintenance for daily wear and tear);
  - fibre optic transmission; and
  - video tapes administration and playout services.
- (l) Fox is an associate of Xing Kong Chuan Mei Group Co., Ltd., a substantial equity holder of the Company.
- (m) Service charges paid/payable to Fox cover the following services provided to the Group which are charged based on the terms specified in a service agreement:
- granting of non-exclusive and non-transferable license to subscribe for Fox's news service;
  - leasing of office space and access to workspace, subject to availability; and
  - accessing Fox's camera hook up at the United Nations, interview positions in various places in the US and live shots from Fox's satellite truck positions for events that Fox is already covering, subject to availability.
- (n) BSKyB is 36.3% owned by News Holdings Limited (formerly known as The News Corporation Limited) ("NHL") which indirectly owns 100% of Xing Kong Chuan Mei Group Co., Ltd., a substantial equity holder of the Company.

### 32. 關連人士交易 (續)

附註：(續)

- (i) 根據於二零零三年五月二十九日訂立的節目許可協議，按協議附表所規定的一系列節目向亞洲電視企業支付／應付的節目許可費，乃根據雙方同意之固定價格收費，該協議條款的概要載於該通函「亞視電視節目許可協議」一節。
- (j) 向亞洲電視為本集團提供的新聞片段及數據傳送服務支付／應付的服務費，乃按雙方同意的條款而支付。
- (k) 向亞洲電視收取／應收取的服務費包括下列提供予亞洲電視使用的服務，並按服務協議指明的條款收費：
- 使用接收器所在地點的樓面面積；
  - 使用總控制室設備及傳送設備（包括就日常耗蝕進行保養）；
  - 光纖傳送；及
  - 影帶管理及播送服務。
- (l) Fox乃本公司主要股東Xing Kong Chuan Mei Group Co., Ltd.的聯營公司。
- (m) 向Fox支付／應付的服務費包括下列提供予本集團使用的服務，服務費乃按服務協議指明的條款收取：
- 訂購Fox新聞服務的非獨家及不可轉讓許可權；
  - 辦公室租賃及使用工作室，視乎其供應而定；及
  - 使用Fox位於聯合國的攝影棚、全美各地的採訪場地以及由Fox衛星直播車位置取得Fox已進行報道的事件的現場畫面，視乎其供應而定。
- (n) The News Holding Limited (前稱「The News Corporation Limited」) (「NHL」) 擁有BSkyB的36.3%股權，NHL間接全資擁有本公司之主要股東Xing Kong Chuan Mei Group Co., Ltd.的100%權益。



**32. RELATED PARTY TRANSACTIONS**  
**(CONTINUED)**

Notes: (continued)

- (o) Service charges paid/payable to BSkyB cover the following services provided to the Group which are charged based on terms specified in the service agreements:
- transponder rental;
  - uplinking services; and
  - encoding and electronic programme guide services.
- (p) DIRECTV is 34% indirectly owned by Fox. Fox is an associate of Xing Kong Chuan Mei Group Co. Ltd., a substantial equity holder of the Company.
- (q) Service charges received/receivable from DIRECTV are charged based on terms specified in a service agreement.
- (r) Programme license fees to SGL are charged based on terms specified in a license agreement.
- (ii) Year end balances arising from related parties transactions as disclosed in Note 32(i) above were as follows:

Amounts due from related companies 應收關連公司款項  
Amounts due to related companies 應付關連公司款項

The outstanding balances with related companies are aged less than one year and are unsecured, non-interest bearing and repayable on demand.

- (iii) Key management compensation

Salaries 薪金  
Discretionary bonuses 酌情發放的花紅  
Quarters and housing allowance 宿舍及房屋津貼  
Pension fund 退休金

**32. 關連人士交易 (續)**

附註：(續)

- (o) 向BSkyB支付／應付的服務費包括下列提供予本集團使用的服務，服務費乃按服務協議指明的條款收取：
- 轉發器租賃；
  - 向上傳輸服務；及
  - 加密及電子節目指南服務。
- (p) DIRECTV乃由Fox間接擁有34%權益。Fox乃Xing Kong Chuan Mei Group Co., Ltd. (本公司主要股東)的聯營公司。
- (q) 向DIRECTV收取／應收的服務費乃按服務協議指明的條款收取。
- (r) 向SGL支付的節目版權費乃按版權協議指明的條款收取。
- (ii) 如上文附註32(i)披露的關連人士交易產生的年終結餘如下：

2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
1,232	507
(4,900)	(8,085)

關連公司的未支付結餘賬齡少於一年，並為無抵押、免息及按要求償還。

- (iii) 主要管理人員薪酬

2005 二零零五年 \$'000 千元	2004 二零零四年 \$'000 千元
13,499	12,787
5,800	7,300
5,062	4,748
1,244	1,180
25,605	26,015

**CONSOLIDATED RESULTS**

(Amounts expressed in Hong Kong dollars)

**綜合業績**

(金額以港元列值)

		Year ended 31 December 2005 截至 二零零五年 十二月三十一日 止年度 \$'000 千元	Year ended 31 December 2004 截至 二零零四年 十二月三十一日 止年度 \$'000 千元 (Restated) (經重列)	Six months ended 31 December 2003 截至 二零零三年 十二月三十一日 止六個月 \$'000 千元 (Restated) (經重列)	Year ended 30 June 2003 截至 二零零三年 六月三十日 止年度 \$'000 千元 (Restated) (經重列)	Year ended 30 June 2002 截至 二零零二年 六月三十日 止年度 \$'000 千元 (Restated) (經重列)
<b>Results</b>	<b>業績</b>					
Revenue*	收入*	1,034,768	959,660	304,030	615,462	591,670
Operating expenses*	經營費用*	(633,189)	(675,061)	(280,001)	(566,730)	(616,327)
Selling, general and administrative expenses	銷售、般及用 行政費	(242,894)	(146,063)	(68,608)	(142,065)	(140,356)
Other income/(expenses), net	其他收入/(費用)淨額	44,734	17,518	7,958	21,631	(29,216)
Profit/(loss) before taxation and minority interests	除稅及少數股東 權益前溢利/(虧損)	203,419	156,054	(36,621)	(71,702)	(194,229)
Taxation	稅項	(20,755)	(4,826)	(2,559)	(3,811)	(3,141)
Profit/(loss) before minority interests	除少數股東權益前 溢利/(虧損)	182,664	151,228	(39,180)	(75,513)	(197,370)
Minority interests	少數股東權益	(1,182)	(734)	314	3,150	(2,346)
Profit/(loss) attributable to equity holders of the Company	本公司權益持有人 應佔溢利/(虧損)	181,482	150,494	(38,866)	(72,363)	(199,716)

**CONSOLIDATED ASSETS AND LIABILITIES****綜合資產及負債**

(Amounts expressed in Hong Kong dollars)

(金額以港元列值)

		As at 31 December			As at 30 June	
		於十二月三十一日			於六月三十日	
		2005	2004	2003	2003	2002
		二零零五年	二零零四年	二零零三年	二零零三年	二零零二年
		\$'000	\$'000	\$'000	\$'000	\$'000
		千元	千元	千元	千元	千元
Total assets	資產總值	<b>1,161,603</b>	1,082,592	878,039	932,603	997,806
Total liabilities	負債總額	<b>(154,497)</b>	(212,107)	(165,516)	(180,563)	(171,054)
Minority interests	少數股東權益	<b>(8,019)</b>	(6,837)	(6,103)	(6,832)	(9,982)
Capital and reserves attributable to the Company's equity holders	本公司權益持有人應佔資本及儲備	<b>999,087</b>	863,648	706,420	745,208	816,770

On 8 January 2004, the Company changed its financial year end from 30 June to 31 December. The Directors consider the reason for the change of financial year end is to align the Group's business cycle with that of its advertising customers, and the agents who represent them, which normally have year end on 31 December and determine their advertising budgets and operate on a calendar year basis.

於二零零四年一月八日，本公司將其財政年結日由六月三十日更改為十二月三十一日。董事認為，更改財政年結日的原因為與本集團及其廣告客戶（及代表有關客戶的代理）的業務週期保持一致，皆因有關客戶一般以十二月三十一日為年結日及按歷年週期決定其廣告預算及營運。

As a result of the change of financial year end from 30 June to 31 December, the consolidated results and consolidated assets and liabilities have shown two different financial year end.

由於財政年結日已由六月三十日更改為十二月三十一日，故綜合業績與綜合資產及負債已列示兩個不同財政年結日。

\* Due to the change of accounting policy in 2005 on the presentation of "Advertising Revenues", relevant figures were restated and the change had no effect on the profit or loss of the Group. Please refer to Note 2(v) to the financial statements for details.

\* 由於在二零零五年有關呈列「廣告收入」的會計政策有所變更，相關數字已作出重列，惟該變更並不會對本集團的盈虧造成任何影響。有關詳情請參閱財務報表附註2(v)。

As at the date of this report, the executive directors of the Company are Mr. LIU Changle and Mr. CHUI Keung, the non-executive directors of the Company are Ms. Michelle Lee GUTHRIE, Mr. LAU Yu Leung, John, Mr. CHEUNG Chun On, Daniel, Mr. XU Gang (alternate director: Mr. GONG Jianzhong) and Mr. CHEUNG San Ping and the independent non-executive directors are Dr. LO Ka Shui, Mr. LEUNG Hok Lim and Mr. Thaddeus Thomas BECZAK.

於本報告刊發日期，本公司之執行董事為劉長樂先生及崔強先生，本公司之非執行董事為Michelle Lee GUTHRIE女士、劉禹亮先生、張鎮安先生、許剛先生（替任董事：龔建中先生）及張新兵先生，而獨立非執行董事為羅嘉瑞醫生、梁學濂先生及Thaddeus Thomas BECZAK先生。

# 一樣的天空

A SHARED SKY

MANY VISIONS

不一樣的精彩



PHOENIX SATELLITE TELEVISION HOLDINGS LIMITED

9th Floor, One Harboutfront, 18 Tak Fung Street, Hunghom, Kowloon, Hong Kong  
TEL 852 2621 9888 FAX 852 2621 9898 WEBSITE <http://www.phoenixtv.com>

鳳凰衛視控股有限公司

九龍紅磡德豐街18號海濱廣場1座9樓  
電話 852 2621 9888 傳真 852 2621 9898 網址 <http://www.phoenixtv.com>