

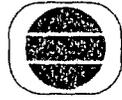
To: The U.S. Securities & Exchange Commission

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### Television Broadcasts Limited

(Incorporated in Hong Kong with limited liability)

SUPPL

#### DELAY IN DESPATCH OF CIRCULAR

Despatch of the circular (the "Circular") to shareholders of the Company containing information relating to the Deal Memorandum will be further delayed from 31 March 2002 to 15 April 2002.

Reference is made to the press announcement issued by the Company dated 1 November 2001 (the "Announcement") regarding the Deal Memorandum. Terms used in this announcement shall have the same meanings as defined in the Announcement.

Reference is also made to the press announcement issued by the Company dated 22 November 2001, 12 December 2001 and 27 February 2002 regarding the delay in dispatch of the Circular.

Pursuant to Listing Rule 14.29(2) of the Listing Rules, the Circular is required to be despatched by the Company to its shareholders within 21 days of the publication of the Announcement.

The Company requires more time to finalise the information required to be contained in the Circular, and has applied for a further waiver from the Stock Exchange from compliance with Rule 14.29(2) of the Listing Rules and an extension of time for the despatch of the Circular on or before 15 April, 2002.

By Order of the Board  
Ho Ting Kwan  
Company Secretary

Hong Kong, 27 March 2002

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## Television Broadcasts Limited

(Incorporated in Hong Kong with limited liability)

### ANNOUNCEMENT OF 2001 ANNUAL RESULTS

The directors of Television Broadcasts Limited ("the Company") are pleased to announce the audited consolidated results of the Company and its subsidiaries (the Group) for the year ended 31 December 2001 as follows:

Note 1a: The above segments include activities of their initial stage of operations (operations) and an analysis of their respective turnover and results is as follows:

	2001	2000	2001	2000	2001	2000
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Turnover</b>	3,264,630	3,489,941				
<b>Cost of sales</b>	(1,669,884)	(1,674,110)				
<b>Gross profit</b>	1,594,746	1,815,831				
<b>Other revenues</b>	83,173	108,679				
<b>Selling and distribution costs</b>	(450,703)	(490,032)				
<b>General and administrative expenses</b>	(519,311)	(539,234)				
<b>Other operating expenses</b>	(3,460)	(14,439)				
<b>Government royalty</b>	(104,217)	(104,217)				
<b>Gain on deemed disposal of subsidiaries</b>	-	129,393				
<b>Operating profit</b>	704,645	915,461				
<b>Finance costs</b>	(23,163)	(20,929)				
<b>Share of profits less losses of jointly controlled entities</b>	(16,150)	(10,806)				
<b>Associated companies</b>	(4,782)	3,032				
<b>Profit before taxation</b>	670,270	889,339				
<b>Taxation</b>	(111,133)	(140,626)				
<b>Profit after taxation</b>	559,137	748,713				
<b>Minority interests</b>	37,418	33,418				
<b>Profit attributable to shareholders</b>	596,555	774,131				
<b>Dividends</b>	416,100	416,100				
<b>Earnings per share</b>	HK\$1.36	HK\$1.77				
<b>Interim dividend paid</b>	HK\$0.20	HK\$0.20				
<b>Interim dividend proposed</b>	HK\$0.75	HK\$0.75				

Note 1b: The above segments include activities at their initial stage of operations (operations) and an analysis of their respective turnover and results is as follows:

	2001	2000	2001	2000	2001	2000
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Turnover</b>	1,133	518	6,027	6,236		
<b>Operating profit</b>	(112)	(91)	(1,181)	(2,121)		
<b>Finance costs</b>	-	-	-	-		
<b>Share of profits less losses of jointly controlled entities</b>	-	-	-	-		
<b>Associated companies</b>	-	-	-	-		
<b>Profit attributable to shareholders</b>	(112)	(91)	(1,181)	(2,121)		

### Television Broadcasts Limited - Part 2

#### 2. Operating profit is stated after charging the following:

	2001	2000
	HK\$'000	HK\$'000
Change in owned fixed assets	173,413	187,011
Depreciation - leased fixed assets	255	-
Cost of programmes, film rights and stocks	1,139,144	1,119,995

#### 3. Taxation

In Hong Kong profits tax has been provided at the rate of 16% (2000: 16%) 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.

	2001	2000
	HK\$'000	HK\$'000
Company and subsidiaries	94,493	129,230
Hong Kong profits tax	8,349	63,916
Overseas taxation	14,282	14,282
Over provisions in prior years	5,892	1,964
Deferred taxation	111,133	140,626

4. Earnings per share is calculated based on the Group's profit attributable to shareholders of HK\$396,250,000 (2000: HK\$374,151,000) and 438,000,000 shares in issue throughout the years ended 31 December 2001 and 2000.

#### DIVIDENDS

At the Annual General Meeting to be held on 29 May 2002, the directors will recommend a final dividend of HK\$0.75 per share to shareholders who are on the Register of Members on that date. Together with the interim dividend of HK\$0.20 per share, the dividend distribution for the year will be HK\$1.05 per share or HK\$416.1 million in total.

#### MANAGEMENT DISCUSSION AND ANALYSIS

##### Review of Operations

(a) **Operating Results for the Year**  
The Group registered turnover of HK\$3,265 million for the year, representing a 5% increase on HK\$3,096 million. Profit attributable to shareholders amounted to HK\$596.6 million, as compared to HK\$774.1 million in year 2000. Year 2000 profits included an extraordinary, non-recurring contribution of HK\$129 million from "profit arising from the issuance of new shares in subsidiaries". Earnings per share were HK\$1.36, compared to HK\$1.77 in 2000.

##### Business Review and Prospect

###### Terrestrial television broadcasting

2001 was a challenging year for the Hong Kong advertising industry. In response to the different economy and declining sales revenues, many of the advertisers reduced their spending on advertising. TVB's advertising income was able to increase its share of overall spending on advertising compared to other media. This was made possible by our sales campaign focusing on property developers in the mainland, and on financial institutions in Hong Kong offering credit card, banking, insurance and other services. Our efforts to create more innovative ideas and formats for programme and segment sponsorship were also successful in gaining us an increased share of Hong Kong advertising budgets.

###### The 911 terrorist attacks in the USA wrought economic havoc across the world, and this was felt in Hong Kong and not escape. Many TVB's advertising clients were affected in the aftermath of this calamity. However, advertising income remained diversified clientele. TVB's advertising income was less affected in the aftermath of this calamity than other advertising media in Hong Kong. Moreover, the Company's advance airtime contracts with advertisers also provided something of a safety net to the Company, enabling us to minimize the effect of the massive advertising budget reductions initiated by advertisers following the 9/11 tragedy.

###### Looking beyond 2001, we will continue to strive for larger market share and improved advertising earnings by providing additional multi-media services to Hong Kong clients as well as increasing significantly our TVB advertising sales in the mainland. The company's economy should become more vibrant in the coming years, experiencing continued growth rates in the high single-digits. The positive growth prospects in the mainland's potentially huge economy will provide TVB a fruitful field to continue to expand its business there. With the concerted efforts of our sales, production and programme divisions, we are confident that we will continue to maintain our dominant market share and see improvement in our revenues over the coming years.

##### Overseas Satellite Pay-TV Operations

###### (a) TVB Satellite Platform (TVSP) USA

After converting the previously one-channel offering there into a multi-channel service, the number of our subscribers has grown by more than two-thirds. New Mandarin language channels, such as CCTV 4, were also introduced during the year to expand our reach into that market segment. Additional new services, such as pay-per-view, were also introduced. Gradually we added in 2001 to further enhance growth in the subscriber base. The addition of new channels in 2002 should solve this problem.

###### (b) TVB Australia (TVBA)

Our multi-directional home satellite service in Australia has increased considerably in popularity through better and more intensive marketing and expanded content. In the coming year, we will introduce to subscribers more package options so as to further broaden the appeal of the service.

###### (c) The Chinese Channel (TCC) Europe

In Europe, our direct-to-home satellite TV operation achieved single-digit percentage growth in the subscriber base over the year. Growth would have been greater but for some smart card piracy affecting the service. The introduction of new smart cards in 2002 should solve this problem.

###### (d) Taiwan

Although TVBS channels continue to lead the market in popularity, mainly due to depressed programming advertising revenues declined in 2001 and the 9/11 terrorist attacks in the USA and two major operations which hit the island in August and September. As a result, our operations in Taiwan made a loss for the year. The shortfall was offset to some extent by the continuing growth in revenues from our TVBS-Mainland and the operator's overseas channel, TVBS-Asia.

In 2002, we expect TVBS to continue its leading market position and to begin to capture the potential advertising revenue from the WTO. The WTO's advertising revenue will also benefit from this. The revenue of the TVBS-Asia channel should also continue to grow as its distribution base continues to expand.

(b) **TVB8 and King Hi**  
 Substitution of the TVB8 channel in mainland homes has increased substantially since the signal was unencrypted in April 2001. The King Hi Channel, still encrypted, has also experienced steady growth. During the year, the TVB8 channel has been used to target Chinese viewers to reach a more affluent Chinese audience. For the coming year, we will focus efforts on exploiting advertising sales in the mainland and expanding distribution of our channels in the country. We anticipate strong growth in advertising revenue for the year.

(c) **Other Activities**  
 Jade Animation delivered double digit growth in revenue and profit in 2001. In its animation services and licensing activities. In a major business development initiative, Jade Animation is presently preparing to launch its animation channel. In order to build its library, Jade Animation will also open up production to outside animation programming from outside sources.

(d) **Internet Operations (Hong Kong & China)**  
 Since April 2000, our Internet operations, which had previously been placed under a non-wholly owned subsidiary, was released into a wholly owned subsidiary initially called Jade Profit Limited, and recently renamed TVB.COM Limited. A new subsidiary, TVB.COM (Mainland), completed in November 2001 with payment due in 2002 and beyond, will be accounted for in those years as "profit arising from the issuance of new shares in subsidiaries". In February, our Hong Kong Internet operations were downsized to a level ensuring their long-term viability. Currently the operation employs 27 staff only.

Our "unique visitors per month" and user sessions have held steady over the year. The TVB.COM website in Hong Kong, a recent online survey, which drew a tremendous response, clearly attests to the high level of usage and viewer loyalty our site commands.

In the mainland, our Internet operations made great strides in expanding its business model through a strategic partnership with Shanghai Telecom. Shanghai Telecom limited (SITL), Shanghai Telecom, will also enter into a commercial agreement with SITL for the launch of VOD services using TVB content on Shanghai Telecom's broadband ADSL network in 2002.

(e) **Magazines Publishing**  
 Over the past months, the world economy has been in a downturn, with Hong Kong sales suffering from the economic gloom in 2001. Owing to increased competitive pressures, as well as the overall economic distress, the principal publication of TVB Publications Limited (TVBL) TVB Weekly experienced sluggish circulation and reduced advertising revenue.

On the positive side, through careful strategic planning and continued focused effort, TVB Weekly has managed to maintain its circulation in the face of a very tight market. In 2002, we will continue to improve our positioning and increase our readers to ensure our successful passage through the current challenging times. Through appropriate restructuring, we intend to maintain our leading edge and ensure that TVB Weekly will continue to be responsive to our readers' interests. We will continue to improve our positioning and increase our readers.

TVBP will continue to be involved in overseas projects, including the publishing of TVB Weekly in selected international markets, enabling viewers of TVB programming around the world to derive even greater enjoyment from these productions through the in-depth coverage provided in the magazines. Based on these efforts, we anticipate improvement in the financial performance of TVBP in 2002.

(f) **New Business - HK Pay TV**  
 Our substantial investment in "TVBP" revenues for the coming year.

**Financial Review**  
 The Annual General Meeting of the Company will be held at 11 a.m. on Wednesday, 29 May 2002, at the Harbour Room, Metropole Hotel, 5/F, 228, Queen's Road East, Hong Kong. The Register of Members of the Company will be closed from 8 May to 29 May 2002, both dates inclusive.

By Order of the Board  
 Company Secretary

(b) **Contingent Liabilities**  
 There were guarantees and a performance bond issued to bankers for banking facilities and a performance bond issued to the Government of HKSAR.

(c) **Expenses of Directors and Officers**  
 Expenses for the year ended 31 December 2001, including directors' and officers' remuneration, are set out in the notes to the financial statements. There was no share option scheme adopted by the Group during the year.

(d) **USE OF PROCEEDS**  
 The Company received net proceeds of HK\$5603 million by a placing of 4.87% shares on 30 April 1999 and a subscription of 20,555,000 new shares on 4 May 1999. During the year, sums totaling HK\$252.2 million were used for the TVC Project. As at 31 December 2001, the fund showed a balance of HK\$120 million represented by bank deposits and gilt-edged bonds maturing in the March 2002.

(e) **PURCHASE, SALE OR REDEMPTION OF SHARES**  
 Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's ordinary shares during the year.

(f) **CORPORATE GOVERNANCE**  
 None of the Directors of the Company is aware of any information which would constitute a breach of any of the provisions of the Code of Best Practice as set out in Appendix 14 of the Listing Rules of the Stock Exchange of Hong Kong Limited at any time during the year, save that independent non-executive directors who have not been appointed for a period of six months or more since their appointment by the Company's Articles of Association.

(g) **AUDIT COMMITTEE**  
 In compliance with the Code of Best Practice as set out in Appendix 14 of the Listing Rules of the Stock Exchange of Hong Kong Limited, an Audit Committee was established on 1 January 1999 with written terms of reference adopted from "A Guide For The Formation of An Audit Committee" published by the Hong Kong Society of Accountants.

(h) **ANNUAL REPORT**  
 The 2001 annual report containing all the information required by the Listing Rules of the Stock Exchange of Hong Kong Limited is available on the Company's website (<http://www.tvb.com.hk>) within 21 days from the date of this announcement.

By Order of the Board  
 Company Secretary



Television Broadcasts Limited

(Incorporated in Hong Kong with limited liability)

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of the shareholders of the Company will be held at the Harbour Room, Metropole Hotel, 5/F, 228, Queen's Road East, Hong Kong, on Wednesday, 29 May 2002 at 11:00 a.m. for the following purposes:-

- (1) To receive and consider the Company's Accounts and the Reports of the Directors and Auditors for the year ended 31 December 2001;
- (2) To sanction a final dividend;
- (3) To elect Directors;
- (4) To appoint Auditors and authorize the Directors to fix their remuneration;
- (5) As special business, to consider and, if thought fit, pass the following Resolutions as Ordinary Resolutions:-

- (1) THAT:
- (a) subject to paragraph (c) below and in substitution of all previous resolutions, the exercise by the directors of the Company during the Relevant Period of all the powers of the Company to issue and deal with unissued shares in the capital of the Company or to issue securities, which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorize the directors of the Company during the Relevant Period to issue and deal with securities, which might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted or issued by the Company pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue or (ii) any scrip dividend or similar arrangement providing for allotment of shares in lieu of the whole or part of a dividend on the ordinary shares in the Company (such ordinary shares being, in each case, the ordinary shares of the Company) shall not exceed the aggregate nominal amount of the share capital of the Company, shall not exceed the aggregate amount of the share capital of the Company in issue at the date of passing of this Resolution;
- (d) 10 percent of the aggregate nominal amount of the share capital of the Company in issue at the date of passing of this Resolution; and
- (e) (i) if the directors of the Company are so authorized by a separate ordinary resolution of the shareholders of the Company, the nominal amount of any share capital of the Company represented by the Company's subscription to the passing of the aggregate nominal amount of the share capital of the Company in issue at the date of passing of this Resolution;

- (ii) THAT the directors of the Company be and are hereby authorized to exercise in general meeting (including, varying or renewing the authority given to the directors of the Company by this Resolution)
- (iii) THAT the directors of the Company be and are hereby authorized to exercise in general meeting (including, varying or renewing the authority given to the directors of the Company by this Resolution)
- (iv) THAT the period of 30 days during which the Company's Register of Members is to be closed under Section 99(1) of the Companies Ordinance during the calendar year 2002 be and it is hereby extended, pursuant to Section 99(2) of the Companies Ordinance, to 60 days.

Hong Kong, 27 March 2002  
 By Order of the Board  
 Ho Tung Kwan  
 Company Secretary

- (1) To receive and consider the Company's Accounts and the Reports of the Directors and Auditors for the year ended 31 December 2001;
- (2) To sanction a final dividend;
- (3) To elect Directors;
- (4) To appoint Auditors and authorize the Directors to fix their remuneration;
- (5) As special business, to consider and, if thought fit, pass the following Resolutions as Ordinary Resolutions:-
- (1) THAT:
- (a) subject to paragraph (c) below, the exercise by the directors of the Company pursuant to the approval in paragraph (a) during the Relevant Period shall not exceed 10 percent of the aggregate nominal amount of the share capital of the Company at the date of passing of this Resolution; and
- (b) the approval in paragraph (a) shall be limited to the issue of securities, which might require the exercise of such powers after the end of the Relevant Period;
- (c) the conclusion of the next annual general meeting of the Company;
- (d) the expiry of the period within which the next annual general meeting of the Company or any other applicable law to be held; and
- (e) (i) if the directors of the Company are so authorized by a separate ordinary resolution of the shareholders of the Company, the nominal amount of any share capital of the Company represented by the Company's subscription to the passing of the aggregate nominal amount of the share capital of the Company in issue at the date of passing of this Resolution;
- (ii) THAT the directors of the Company be and are hereby authorized to exercise in general meeting (including, varying or renewing the authority given to the directors of the Company by this Resolution)
- (iii) THAT the directors of the Company be and are hereby authorized to exercise in general meeting (including, varying or renewing the authority given to the directors of the Company by this Resolution)
- (iv) THAT the period of 30 days during which the Company's Register of Members is to be closed under Section 99(1) of the Companies Ordinance during the calendar year 2002 be and it is hereby extended, pursuant to Section 99(2) of the Companies Ordinance, to 60 days.

By Order of the Board  
 Company Secretary