



TV Program Production and Distribution

Wellfit Group is also engaged in the development, production, marketing, subcontracting of production, and sale and distribution of television drama programs for broadcasting on cable, satellite and terrestrial television, with the PRC and Hong Kong as its target markets.

Wellfit Group has a solid reputation within the industry and is one of the few production companies with distribution capabilities in China. It has an extensive distribution network and its relationship with the national, provincial and city TV stations in the PRC is particularly strong.

In 2001, Wellfit Group will produce over 200 hours of drama programs and over 100 hours of non-drama TV programs, while over 150 hours of TV dramas will be sold to the TV stations in the Greater China Region.

Wellfit Group has recently co-produced a non-drama TV program with TVB called 'Primary Success', starring local well-known creative veteran, James Wong. This is the first time TVB has cooperated with an independent production house to produce a non-drama TV program. This successful venture signals a new trend in program production for the TV giant and paves the way for our further business development in the future.

The management expects TV program production and distribution in China to be the next important profit generator for the Group.



TV series produced by Wellfit Group



Some of TVB's TV series are distributed to TV stations in China by Wellfit Group



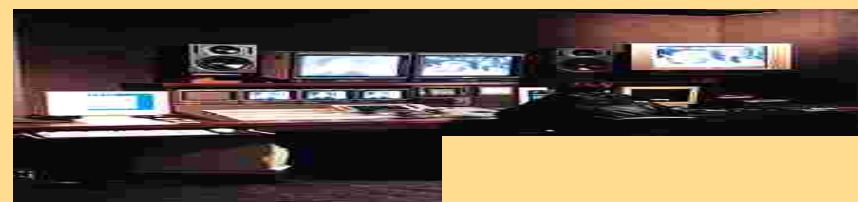
Future Prospects

The Directors and the senior management team believe that there remain significant growth opportunities in the multimedia content development and production industry. The convergence of technologies generally, along with the deregulation of the communication and media markets in Hong Kong, and the prospering consumer market in China has increased the demand for quality multimedia and TV content.

As China's entry to the WTO is imminent, and the flourishing consumer market helps fuel the ever-expanding advertising field. This creates tremendous opportunities for content development, and print media will be another industry to benefit. In particular, the Group is evaluating the feasibility and potential of developing a publishing business in the PRC market.

We have made our move to focus our development in the multimedia field with specific attention to the growing Greater China market.

It is our intention to continue to develop with the pace of the market through organic growth and acquisition. On this basis, we will continue to selectively seek out suitable business opportunities which will create real value for the Group and maximise returns for our shareholders.



tv programming

