

NEWS, INFORMATION AND ENTERTAINMENT –

i-CABLE IS THERE WHENEVER AND WHEREVER YOU NEED THEM





“I would have very few friends if I could not play games with them on Broadband. And the best way to share the excitement of watching soccer on CABLE TV with my friends is not to be in the same room but to be in the same community online.”

KEVIN SUEN
Primary School Student

i-CABLE: A Way of Hong Kong Life Today

Outlook

2002 was a challenging year for Hong Kong and therefore for the Group. Nevertheless, our core businesses demonstrated exceptional capability to perform in a hostile operating environment brought by a severe economy and keener competition, thanks to our first or early mover advantage.

The challenge will be even greater this year with no signs of an economic recovery, the uncertainties surrounding the military conflict in the Middle East, the outbreak of the infectious disease SARS, the launch of a new Pay Television service and keen Broadband competition.

However, with the proprietary content that the Group has secured, the state-of-the-art production and transmission facilities the Group has built up in the past year, a solid customer base, and experience and infrastructure amassed in the provision of Pay Television service, it is ready to face up to these new challenges.

On the Broadband front, the business is built on a very competitive cost structure. With expansion of our service capability, we will continue to compete effectively in a keen market. Furthermore, with the digital

content that it has amassed and its ability to deliver live content, the Group is in a good position to become a content provider when 3-G mobile communication service is introduced.

The Group will celebrate its 10th anniversary later this year. In the document that was submitted in September 1992 to support our licence bid, we have committed our service to the community with the motto

*"More Than Just Television –
A Way of Hong Kong Life Today"*

In the past decade, the Group has developed from an eight-channel Pay Television operator into a fully fledged, vertically integrated communications company that provides television and telecommunications services; owns and operates one of the territory's near universal networks; and produces its own content with state-of-the-art digital facilities.

The Group is one of Hong Kong's leading television service providers and programme producers, consistently commanding over 35% of total viewership in subscribers'



homes around the clock; one of Hong Kong's top five media; the second largest Broadband service provider; and a prominent telecommunications network operator and owner. These achievements demonstrate our tenacity to prevail over a decade of economic recession, uncertainties and competition.

Subject to regulatory approval, the Group has plans to distribute a documentaries-based channel in Putonghua (known as the "Horizon Channel") to

designated hotels and other premises in Mainland China. This would represent a small step in the Group's longer term plan to open up markets beyond Hong Kong.

The solid business foundation that we have built over these years, the active steps that we have taken to constantly improve and the investment that we have made to build for the future will steer us through the current economic difficulties and open new horizons.

“ More Than Just Television – A Way of Hong Kong Life Today ”



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“My customers are thrilled by the excitement of watching soccer matches in a crowded and boisterous place. My restaurant used to be so quiet until I installed CABLE TV.”

JENNY LAI
Restaurant Owner





i-CABLE: A Way of Hong Kong Life Today