
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a stockbroker, licensed securities dealer, registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser immediately.

If you have sold or transferred all your Shares in Television Broadcasts Limited, you should at once pass this circular, the notice of the annual general meeting and the accompanying proxy form, declaration form and explanatory notes thereto to the purchaser or to the stockbroker or to the bank or to the agent through whom you effected the sale or transfer for onward transmission to the purchaser or transferee.

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Television Broadcasts Limited

電視廣播有限公司

(Incorporated in Hong Kong with limited liability)

Stock Code: 00511

**NOTICE OF ANNUAL GENERAL MEETING
AND
PROPOSALS FOR
RE-ELECTION OF DIRECTORS, AND
GENERAL MANDATES TO ISSUE
AND REPURCHASE SHARES**

A letter from the Board is set out on pages 4 to 5 of this circular.

A notice convening the AGM to be held at 4:00 p.m. on Wednesday, 22 May 2019 at TVB City, 77 Chun Choi Street, Tseung Kwan O Industrial Estate, Kowloon, Hong Kong is set out on pages 6 to 10 of this circular. A proxy form for the AGM is enclosed with this circular. Whether or not you intend to attend the AGM, you are requested to complete the accompanying proxy form and return it in accordance with the instructions printed thereon to the Company's Share Registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong as soon as possible, and in any event, not later than forty-eight (48) hours (excluding public holidays) before the time appointed for the holding of the AGM (or at any adjournment thereof). Completion and return of the proxy form will not preclude you from attending and voting in person at the AGM (or at any adjournment thereof) should you so wish and in such event, the proxy form shall be deemed to be revoked.

16 April 2019

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DEFINITIONS

In this circular, unless the context requires otherwise, the following expressions have the following meanings:

“AGM”	the annual general meeting of the Company to be convened at 4:00 p.m. on Wednesday, 22 May 2019 at TVB City, 77 Chun Choi Street, Tseung Kwan O Industrial Estate, Kowloon, Hong Kong for the purposes of, among other things, considering and, if thought fit, approving the resolutions contained in the notice of the AGM which is set out on pages 6 to 10 of this circular, or any adjournment thereof
“Articles of Association”	the articles of association of the Company, as amended, modified or supplemented from time to time
“Audit Committee”	the Audit Committee of the Board
“Board”	the board of Directors of TVB
“Broadcasting Ordinance”	the Broadcasting Ordinance (Chapter 562 of the Laws of Hong Kong), as amended, modified or supplemented from time to time
“Companies Ordinance” or “Hong Kong Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended, modified or supplemented from time to time
“Company” or “TVB”	Television Broadcasts Limited, a company incorporated in Hong Kong with limited liability and the Shares of which are listed on the main board of the Stock Exchange (stock code: 00511)
“Director(s)”	the director(s) of the Company
“Executive Committee”	the Executive Committee of the Board
“Existing Issue Mandate”	the existing general mandate granted to the Directors by the Shareholders on 23 May 2018 to allot, issue and deal with additional Shares not exceeding 10% of the number of Shares in issue at the date of passing the relevant ordinary resolution

DEFINITIONS

“Existing Repurchase Mandate”	the existing general mandate granted to the Directors by the Shareholders on 23 May 2018 to exercise the powers of the Company to repurchase Shares not exceeding 10% of the number of Shares in issue at the date of passing the relevant ordinary resolution
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Investment Committee”	the Investment Committee of the Board
“Latest Practicable Date”	11 April 2019, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Nomination Committee”	the Nomination Committee of the Board
“PRC”	the People’s Republic of China and for the purpose of this circular, excluding Hong Kong, Macau Special Administrative Region of the People of Republic of China and Taiwan
“Remuneration Committee”	the Remuneration Committee of the Board
“Risk Committee”	the Risk Committee of the Board
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, modified or supplemented from time to time
“Share Issue Mandate”	the general mandate proposed to be granted to the Directors to allot, issue and deal with additional Shares not exceeding 5% of the number of Shares in issue at the date of passing the proposed ordinary resolution as set out in the notice of the AGM

DEFINITIONS

“Share Repurchase Mandate”	the general mandate proposed to be granted to the Directors to exercise the powers of the Company to repurchase Shares not exceeding 5% of the number of Shares in issue at the date of passing the relevant ordinary resolution as set out in the notice of the AGM
“Share(s)”	ordinary share(s) of the issued share capital of the Company
“Shareholder(s)”	the holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent

LETTER FROM THE BOARD



Television Broadcasts Limited

電視廣播有限公司

(Incorporated in Hong Kong with limited liability)

Stock Code: 00511

Board of Directors:

Chairman and Non-executive Director

Dr. Charles CHAN Kwok Keung

Vice Chairman and Non-executive Director

LI Ruigang

Executive Directors

Mark LEE Po On Group Chief Executive Officer

CHEONG Shin Keong General Manager

Thomas HUI To

Non-executive Directors

Anthony LEE Hsien Pin

CHEN Wen Chi

Independent Non-executive Directors

Dr. Raymond OR Ching Fai SBS, JP

Dr. William LO Wing Yan JP

Professor Caroline WANG Chia-Ling

Dr. Allan ZEMAN GBM, GBS, JP

Registered office:

TVB City

77 Chun Choi Street

Tseung Kwan O Industrial Estate

Kowloon

Hong Kong

16 April 2019

Dear Shareholders,

**NOTICE OF ANNUAL GENERAL MEETING
AND
PROPOSALS FOR
RE-ELECTION OF DIRECTORS, AND
GENERAL MANDATES TO ISSUE
AND REPURCHASE SHARES**

On behalf of the Board, I would like to invite you to TVB's AGM to be held at TVB City, 77 Chun Choi Street, Tseung Kwan O Industrial Estate, Kowloon, Hong Kong on Wednesday, 22 May 2019 at 4:00 p.m.

LETTER FROM THE BOARD

The purpose of this circular is to provide you with information in relation to, among other things (i) the notice of the AGM, (ii) the proposal for re-election of the Directors, (iii) the proposal for the Share Issue Mandate, and (iv) the proposal for the Share Repurchase Mandate.

The notice of the AGM is set out on pages 6 to 10 of this circular. Information regarding the business to be considered by Shareholders at the AGM is detailed in the section headed “Business of Annual General Meeting” on pages 11 to 18 of this circular. Shareholders who wish to vote in person or by proxy at the AGM are advised to complete and return the Declaration Form as declared voting controller accompanying with this circular in such manner as described therein no later than 6 May 2019 to the Company in order to comply with the Broadcasting Ordinance.

Your attention is also drawn to the Appendices to this circular, among which Appendix I sets out the details of the Directors proposed for re-election at the AGM, Appendix II is the explanatory statement on the Share Repurchase Mandate as required under the Listing Rules, and Appendix III sets out the general information on the AGM.

The Board considers that the proposed resolutions as set out in the notice of the AGM are in the best interests of the Company and its Shareholders as a whole, and recommends you to vote in favour of all the resolutions at the AGM.

Yours faithfully,

For and on behalf of the Board
Charles CHAN Kwok Keung
Chairman

NOTICE OF ANNUAL GENERAL MEETING

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Television Broadcasts Limited

電視廣播有限公司

(Incorporated in Hong Kong with limited liability)

Stock Code: 00511

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting (“AGM”) of Television Broadcasts Limited (“Company”) will be held at TVB City, 77 Chun Choi Street, Tseung Kwan O Industrial Estate, Kowloon, Hong Kong on Wednesday, 22 May 2019 at 4:00 p.m. for the following purposes:

ORDINARY BUSINESS

- (1) To receive and adopt the Audited Financial Statements, the Report of the Directors and the Independent Auditor’s Report of the Company for the year ended 31 December 2018;
- (2) To declare a final dividend for the year ended 31 December 2018;
- (3) To re-elect retiring Directors; and
- (4) To re-appoint Auditor and authorise Directors to fix its remuneration.

NOTICE OF ANNUAL GENERAL MEETING

SPECIAL BUSINESS

To consider and, if thought fit, to pass with or without modification the following resolutions as Ordinary Resolutions:

(5) “THAT:

- (a) subject to paragraph (c) below and in substitution of all previous authorities, the exercise by Directors of the Company during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with additional shares of the Company, to grant rights to subscribe for, or convert into, shares of the Company (including the issue of any securities convertible into shares, or options, warrants or similar rights to subscribe for any shares) and to make or grant offers, agreements and options which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorise Directors of the Company during the Relevant Period to grant rights to subscribe for, or convert into, shares of the Company (including the issue of any securities convertible into shares, or options, warrants or similar rights to subscribe for any shares) and to make or grant offers, agreements and options which might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate number of shares of the Company allotted or agreed conditionally or unconditionally to be allotted or issued (whether pursuant to an option or otherwise) by Directors of the Company pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as defined below); (ii) any scrip dividend or similar arrangement providing for allotment of shares in lieu of the whole or part of a dividend on the shares in the Company in accordance with the Articles of Association of the Company (“Articles of Association”); (iii) any grant of options or rights to acquire shares in the Company or an issue of shares in the Company upon the exercise of options or rights granted under any option scheme or similar arrangement for the time being adopted and approved by the shareholders of the Company; or (iv) the exercise of rights of subscription or conversion under the terms of any options, warrants or similar rights granted by the Company or any securities which are convertible into shares of the Company, shall not exceed the aggregate of:
 - (A) 5 per cent of the number of shares of the Company in issue at the date of passing of this Resolution; and

NOTICE OF ANNUAL GENERAL MEETING

(B) (if Directors of the Company are so authorised by a separate ordinary resolution of the shareholders of the Company) the number of shares of the Company repurchased by the Company subsequent to the passing of this Resolution (up to a maximum equivalent to 5 per cent of the number of shares of the Company in issue at the date of passing of this Resolution),

and the said approval shall be limited accordingly; and

(d) for the purposes of this Resolution, “Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or any other applicable law to be held; and
- (iii) the passing of an ordinary resolution by shareholders of the Company in general meeting revoking, varying or renewing the authority given to Directors of the Company by this Resolution; and

“**Rights Issue**” means an offer of shares in the Company, or an offer of warrants, options or other securities giving rights to subscribe for shares of the Company, open for a period fixed by Directors of the Company, to holders of shares of the Company on the register (and, where appropriate, to holders of other securities of the Company entitled to be offered them) on a fixed record date in proportion to their then holdings of such shares of the Company (or, where appropriate, such other securities of the Company), subject in all cases to such exclusions or other arrangements as Directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory outside Hong Kong.”

(6) “**THAT:**

- (a) subject to paragraph (b) below, the exercise by Directors of the Company during the Relevant Period (as defined below) of all powers of the Company to purchase shares of the Company on The Stock Exchange of Hong Kong Limited (“Stock Exchange”) or any other stock exchange on which the shares of the Company may be listed and recognised by the Securities and Futures Commission and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange (“Listing Rules”) or of any other stock exchange (as applicable) as amended from time to time, be and is hereby generally and unconditionally approved;

NOTICE OF ANNUAL GENERAL MEETING

- (b) the aggregate number of shares of the Company which may be purchased by the Company pursuant to the approval in paragraph (a) during the Relevant Period shall not exceed 5 per cent of the number of shares of the Company in issue at the date of passing of this Resolution and the approval pursuant to paragraph (a) shall be limited accordingly; and
- (c) for the purposes of this Resolution, “Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or any other applicable law to be held; and
 - (iii) the passing of an ordinary resolution by shareholders of the Company in general meeting revoking, varying or renewing the authority given to Directors of the Company by this Resolution.”
- (7) “**THAT** Directors of the Company be and are hereby authorised to exercise the powers of the Company referred to in paragraph (a) of Resolution (5) above in respect the number of the shares of the Company referred to in paragraph (c)(B) of Resolution (5).”
- (8) “**THAT** the period of 30 days during which the Company’s Register of Members may be closed under Section 632(1) of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) (“Companies Ordinance”) during the calendar year 2019, be and is hereby extended, pursuant to Section 632(3) and Section 632(4) of the Companies Ordinance, to 60 days.”

By Order of the Board
Adrian MAK Yau Kee
Company Secretary

Hong Kong, 16 April 2019

NOTICE OF ANNUAL GENERAL MEETING

As at the date of this notice, the Board of the Company comprises:

Chairman and Non-executive Director

Dr. Charles CHAN Kwok Keung

Vice Chairman and Non-executive Director

LI Ruigang

Executive Directors

Mark LEE Po On Group Chief Executive Officer

CHEONG Shin Keong General Manager

Thomas HUI To

Non-executive Directors

Anthony LEE Hsien Pin

CHEN Wen Chi

Independent Non-executive Directors

Dr. Raymond OR Ching Fai SBS, JP

Dr. William LO Wing Yan JP

Professor Caroline WANG Chia-Ling

Dr. Allan ZEMAN GBM, GBS, JP

BUSINESS OF ANNUAL GENERAL MEETING

RESOLUTION 1 – TO RECEIVE AND ADOPT THE AUDITED FINANCIAL STATEMENTS, THE REPORT OF THE DIRECTORS AND THE INDEPENDENT AUDITOR’S REPORT OF THE COMPANY FOR THE YEAR ENDED 31 DECEMBER 2018

The audited financial statements for TVB for the year ended 31 December 2018, together with the Report of the Directors, are set out in the 2018 Annual Report which is available in English and Chinese versions under the Investor Relations section of the Company’s corporate website (<http://www.corporate.tvb.com>). The financial statements were audited by the Company’s Auditor, PricewaterhouseCoopers (“PwC”); reviewed by the Audit Committee and approved by the Board.

Due to the lack of certain supporting evidence and information required by PwC (more details below) in connection with its audit of certain bond investments with nominal amounts totaling US\$106 million (approximately HK\$830 million) made by the Company in SMI Holdings Group Limited (a company listed on the Stock Exchange, stock code: 00198), PwC issued a qualified opinion for the consolidated financial statements of the Group for the year ended 31 December 2018. The full text of the Independent Auditor’s Report is set out on pages 117 to 123 of the 2018 Annual Report.

Extract from Independent Auditor’s Report dated 20 March 2019

“Our Qualified Opinion

In our opinion, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2018, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and have been properly prepared in compliance with the Hong Kong Companies Ordinance.

Basis for Qualified Opinion

As further disclosed in notes 13(b) and 14 to the consolidated financial statements, as at 31 December 2018, the Group held a US\$23 million (approximately HK\$180 million) principal amount 9.5% unsecured redeemable fixed coupon bonds due in April 2020 (the “Fixed Coupon Bonds”) and a US\$83 million (approximately HK\$650 million) principal amount 7.5% secured redeemable convertible bonds due in May 2020 (the “Convertible Bonds”) (or collectively “Bonds”), both were issued by SMI Holdings Group Limited (“SMI”, and together with SMI’s subsidiaries hereinafter referred to as “SMI Group”), a company listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The Fixed Coupon Bonds are recognised as financial assets at amortised cost while the Convertible Bonds are recognised as financial assets at fair value through profit or loss, both of which are classified as non-current assets in the consolidated statement of financial position. Under the subscription agreement of the Convertible Bonds and a related share charge agreement with SMI dated 7 May 2018, the Convertible Bonds are secured by way of a priority charge against 100% of the issued share capital of SMI International Cinemas

BUSINESS OF ANNUAL GENERAL MEETING

Limited (“SMI International”, an indirect wholly owned subsidiary of SMI) (the “Collateral”). Based on the 2017 annual report of SMI, SMI International is an investment holding company that owns 41.34% of the registered capital of Chengdu Runyun Culture Broadcasting Limited (“Chengdu Runyun”). Chengdu Runyun and its subsidiaries (together, the “Chengdu Runyun group”) operate SMI’s principal business as cinema operators in a number of cities in the People’s Republic of China (“PRC”).

Trading of SMI’s shares has been suspended on the Stock Exchange since 3 September 2018 and has not been resumed as at the date of this report. The suspension of trading of SMI’s shares for a period of more than ten consecutive trading days has triggered an event of default for both Bonds in accordance with the respective subscription agreements. SMI has made announcements that since its trading suspension, that SMI and certain of its subsidiaries have defaulted in certain borrowings. SMI has also announced that it is in negotiations with its lenders and creditors in relation to debt restructuring including conversion of debt to equity.

As further described in note 13(b), management performed an impairment assessment of the Fixed Coupon Bonds using lifetime expected credit loss model, which estimated the eventual shortfall of cash recoverable from the Fixed Coupon Bonds. Based on management’s impairment assessment, a full impairment charge of the Fixed Coupon Bonds of HK\$180 million was recognised for the year ended 31 December 2018. The impairment assessment used key inputs based on financial information extracted from the 2017 audited financial statements and 2018 interim financial information of SMI Group and other forward looking factors in view of SMI’s recent announcements.

In addition, management performed a fair value assessment of the Convertible Bonds in respect of the debt and equity conversion features, together with the Collateral pledged against the Convertible Bonds. As a result of the assessment performed on the Fixed Coupon Bonds as described in note 13(b) and the suspension of trading of SMI’s shares, management considered the debt and equity conversion features of the Convertible Bonds would have a minimal value. Therefore, management has determined to perform a fair value assessment on the Collateral. Management has engaged an independent external valuer to perform a valuation of the Chengdu Runyun group using the discounted cash flow model under the income approach, which is further described in note 14. The fair value assessment has adopted certain key operating assumptions provided by SMI, including number of cinemas, cinema attendance rates, ticket price, market discount rate and terminal growth rates. Based on the fair value assessment, the Group recognised a fair value loss of HK\$320 million on the Convertible Bonds for the year ended 31 December 2018.

Management considered that the information used in the above assessments represented the best available estimates despite the lack of latest financial and other information of SMI Group and Chengdu Runyun group. Management expects the Bonds are to be realised more than 12 months after 31 December 2018.

BUSINESS OF ANNUAL GENERAL MEETING

As of the date of this report, SMI has not announced its audited results for the year ended 31 December 2018 nor provided more details in its announcements about the extent of its liabilities and pledge of its assets against borrowings or its current status of operations. Management was not able to provide other sources of information nor were we able to have access to SMI, SMI International and Chengdu Runyun group to obtain collaborative evidence. We were therefore unable to obtain sufficient appropriate audit evidence we considered necessary to assess or corroborate the appropriateness of the key inputs and key assumptions adopted by management in their assessments, which included but not limited to (i) the latest audited financial information of SMI, SMI International and Chengdu Runyun group as at and for the year ended 31 December 2018; (ii) the latest equity interest of SMI International in Chengdu Runyun; (iii) other evidence to assess the current status and extent of SMI Group's pledge of assets, extent of its borrowings and the status of its debt restructuring; and (iv) other key operating assumptions about SMI Group and Chengdu Runyun group, which would impact the results of the impairment assessment of the Fixed Coupon Bonds and the fair value assessment of the Convertible Bonds.

Given the above scope limitation, there were no other satisfactory procedures that we could perform to determine whether the classification of financial assets at amortised cost of the Fixed Coupon Bonds and the financial assets at fair value through profit or loss of the Convertible Bonds as non-current assets were appropriate; and whether any adjustments to the carrying values of the Fixed Coupon Bonds carried at nil balance and the Convertible Bonds of HK\$330 million and the corresponding impairment charge of HK\$180 million and fair value loss of HK\$320 million recognised respectively for the year then ended were necessary.

We conducted our audit in accordance with Hong Kong Standards on Auditing (“HKSA”) issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.”

The Company subscribed for the Fixed Coupon Bonds and the Convertible Bonds on 23 April 2018 and 2 May 2018 respectively. The purpose of the investment on the Bonds was to broaden the Group's source of income at a higher interest rate than the general fixed deposits interest rates available in the market and provide the Group with a stable investment return over the tenure of the Bonds. Since 3 September 2018, the shares of SMI have been suspended from trading on the Stock Exchange, and this, being an event of default under the respective instruments of the Bonds, triggered the immediate repayment obligation of the amounts invested in the Bonds.

The Board noted from SMI's announcements that SMI has initiated a debt restructuring process including entering into of letters of intent and letter of memorandum in relation to conversion of debt into equity and raising of funds through issue of new shares of SMI. To maximise the recoverability of the amounts invested in the Bonds, the Board set up a special taskforce on 20 March 2019 comprising two independent non-executive Directors, a non-executive Director and an executive Director, to consider all available options to the Company. The taskforce has already commenced work immediately after formation.

BUSINESS OF ANNUAL GENERAL MEETING

The Company is monitoring developments and will keep all options open without binding the Company to proceed or not to proceed with any option. In considering any option, the Company will act in the best interests of the Company and its Shareholders as a whole at all times. The Board will keep the market informed of major developments as and when necessary in accordance with the Listing Rules.

Further details of the above matter and the full text of the Independent Auditor's Report are disclosed and set out in the Company's 2018 Annual Report.

RESOLUTION 2 – DECLARE FINAL DIVIDEND

The Company's policy for dividend is to maintain as far as possible a steady dividend stream to Shareholders. The level of such dividend payments is a reflection of the Board's view of the long term profitability of the Company's business. The Board declared an interim dividend of HK\$0.30 per Share on 22 August 2018. Based on the result excluding the impairment charge/loss which is a non-operating cash item, the Board has recommended a final dividend of HK\$0.70 per Share, making a total dividend of HK\$1.00 per Share for the full year 2018.

Subject to Shareholders' approval at the AGM, the final dividend shall be paid in cash to Shareholders whose names are recorded on the Register of Members of the Company on 30 May 2019. Dividend warrants for the final dividend will be despatched to Shareholders on 11 June 2019.

RESOLUTION 3 – RE-ELECTION OF DIRECTORS

In accordance with Article 117(A) of the Articles of Association, Mr. Mark Lee Po On and Dr. Raymond Or Ching Fai will retire at the conclusion of the AGM after their services on the Board from their last re-election in 2016 and, being eligible, offer themselves for re-election at the AGM. Details of each of the Directors who is subject to retirement for re-election at the AGM as at the Latest Practicable Date are set out in Appendix I to this circular.

Mr. Mark Lee Po On joined the Company in 2007 and is the Group Chief Executive Officer and an Executive Director of the Company. His biographical information is set out in Appendix I to this circular. Mr. Lee was instrumental in steering the digital transformation of TVB which includes the development and the eventual launches of myTV SUPER in 2016 and Big Big Channel in 2017 and its associated e-shop Big Big Shop in 2018. Mr. Lee was active in the strategic development of the Group's businesses in Mainland China, especially in the co-production drama projects with a number of online platforms in recent years. He attended the annual general meeting of the Company on 23 May 2018, and four out of a total of five¹ Board meetings, all Executive Committee meetings, all Risk Committee meetings of which he is a member during 2018.

BUSINESS OF ANNUAL GENERAL MEETING

Dr. Raymond Or Ching Fai was holding senior positions in the banking sector in Hong Kong prior to joining TVB's Board of Directors in 2012. His biographical information is set out in Appendix I to this circular. As an independent non-executive Director, he is the chairman of the Remuneration Committee, the Nomination Committee and the Investment Committee, as well as a member of the Audit Committee and the Risk Committee. Despite his other business commitments, Dr. Or attended the annual general meeting of the Company on 23 May 2018 and all the Board meetings and committee meetings of which he is either the chairman or a member during 2018, demonstrating Dr. Or's strong commitment to the Company as a Board member. As a member of the Audit Committee, Dr. Or took part in all meetings with the Auditor and the senior management in connection with the Accounts of the Group for the year ended 31 December 2018, including the important discussion of the circumstances leading to the expression of a qualified audit opinion by the Auditor. As the chairman of the Remuneration Committee, Dr. Or focused on the retention of senior executives and senior management, ensuring that remuneration packages provided reflect the level of responsibility and the performances of the individual officers. During the period that he was the chairman of the Nomination Committee, Dr. Or led the committee on issues relating to Board composition; the balancing of skillsets and the assessment of the independence of all of the independent non-executive Directors vis-à-vis the requirements of the Group's growth strategies. As the chairman of the Risk Committee, Dr. Or led the discussions of risks facing the Group and the mitigation measures in place. To strengthen the Group's governance over the investment process, the Board nominated Dr. Or to join the Investment Committee as its chairman to monitor the Company's investment portfolio of marketable securities.

The attendance records of the meetings of Board and Board Committees and general meetings of Mr. Lee and Dr. Or for the year ended 31 December 2018 are set out below:

Directors proposed for re-election at AGM	Board Meetings	Executive Committee Meetings	Audit Committee Meetings	Remuneration Committee Meetings	Nomination Committee Meeting	Risk Committee Meetings	Investment Committee Meetings	Annual general meeting of the Company held on 23 May 2018
Mark Lee Po On (see Note 1 on previous page)	4/5	25/25	-	-	-	2/2	-	1/1
Raymond Or Ching Fai	5/5	-	3/3	2/2 (as chairman)	1/1 (as chairman)	2/2 (as chairman until 4 December 2018)	3/3 (as chairman since 5 December 2018)	1/1

¹ Mr. Lee did not attend the Board meeting which was held on 22 March 2018 in connection with the grant of share options of the Company to him in his capacity as an Executive Director and the Group Chief Executive Officer.

Further information about the Board's composition, Directors' attendance records at meetings of the Board, Board Committees and general meetings, and the number of other public companies directorships held by Directors are disclosed in Corporate Governance Section of the 2018 Annual Report.

BUSINESS OF ANNUAL GENERAL MEETING

The Nomination Committee (with Dr. Or abstaining from its resolutions), after reviewing the Board's composition, the qualifications, skill and experience, time commitment and contributions of the retiring Directors with reference to the Company's board diversity policy and the Company's corporate strategy, and the independence of Dr. Or in accordance with the independence guidelines set out in Rule 3.13 of the Listing Rules, has recommended to the Board on the re-election of Mr. Mark Lee Po On and Dr. Raymond Or Ching Fai as Directors at the AGM. The Board accepted the recommendations made by the Nomination Committee and considers that the re-elections of Mr. Lee and Dr. Or as Director are in the best interests of the Company and the Shareholders as a whole.

RESOLUTION 4 – TO RE-APPOINT AUDITOR AND AUTHORISE DIRECTORS TO FIX ITS REMUNERATION

Management performs a review of the remuneration to the Group's auditor on an annual basis. The fees for audit and non-audit services payable to the Auditor for the year ended 31 December 2018 have been reviewed and approved by the Audit Committee and endorsed by the Board. For the year ended 31 December 2018, the external auditor's fees were approximately HK\$8.5 million (2017: HK\$9.4 million), of which approximately \$5.8 million (2017: HK\$6.2 million) was for audit services. Details are set out in Corporate Governance Report of the 2018 Annual Report.

Besides approving auditor's remuneration, the Audit Committee also reviewed the work of PwC, the Company's external auditor, and was satisfied with its independence, objectivity, qualification, expertise, resources and the effectiveness of the audit process. The Audit Committee considered that non-audit services, mainly tax consulting services rendered to the Group by PwC, did not impair its independence and objectivity.

The Audit Committee recommended to the Board, and the Board accepted the recommendation of the Audit Committee, to recommend to the Shareholders the re-appointment of PwC which has expressed its willingness to continue in office for the ensuing year.

RESOLUTION 5 – GENERAL MANDATE TO ISSUE 5% ADDITIONAL SHARES

By the ordinary resolution passed at the annual general meeting of the Company held on 23 May 2018, a general mandate ("Existing Issue Mandate") was given by the Company to the Directors to allot, issue and deal with additional Shares not exceeding 10% of the number of Shares in issue at the date of passing the relevant ordinary resolution. The Existing Issue Mandate to allot, issue and deal with Shares will lapse at the conclusion of the AGM.

In light of the expiry of the Existing Issue Mandate at the conclusion of the AGM and in order to give flexibility to the Directors in the event that it becomes desirable to issue any Shares, an ordinary resolution will be proposed at the AGM to grant the Directors a general mandate ("Share Issue Mandate") to allot, issue and deal with additional Shares not exceeding 5% of the number of Shares in issue at the date of passing such ordinary resolution and to approve an extension of the Share Issue Mandate by adding to it the aggregate number of any Shares repurchased by the Company under the authority to repurchase Shares granted at the AGM. The lower threshold of not more than 5% of the number of Shares in issue at the date of passing such ordinary resolution (as opposed to the 10% threshold proposed and approved last year) under the Share Issue Mandate was to bring in line with the guideline of the Institutional Shareholders Services.

BUSINESS OF ANNUAL GENERAL MEETING

The Share Issue Mandate, if granted, will remain in effect until the earliest of (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required to be held by the Articles of Association or any other applicable laws; or (iii) the date upon which such authority is revoked or varied or renewed by an ordinary resolution of the Shareholders in a general meeting of the Company.

As at the Latest Practicable Date, the number of issued Shares was 438,000,000 Shares. Subject to the passing of the resolution approving the Share Issue Mandate and on the basis that there is no change in the issued share capital of the Company after the Latest Practicable Date and up to the date of the AGM, the Company will be allowed to issue a maximum of 21,900,000 Shares under the Share Issue Mandate.

The purpose of the proposed Share Issue Mandate is to give the Directors flexibility to issue and allot Shares in the event that it becomes desirable to issue Shares including, among others, any scrip dividend arrangement and any capital raising need that may arise from time to time where the Directors believe it is in the best interests of the Company and the Shareholders as a whole to do so. TVB has always believed in maintaining a strong balance sheet and maximum strategic flexibility bearing in mind the volatile market place and rapidly changing landscape in which it operates. It is the intention of the Board to keep the proposed Share Issue Mandate on a long-term basis to give TVB the financial flexibility which it needs to grow its business and maximise Shareholder's value.

Details of the proposed resolution on the Share Issue Mandate are set out in Resolution (5) of the notice of the AGM.

RESOLUTION 6 – GENERAL MANDATE TO REPURCHASE 5% SHARES

By the ordinary resolution passed at the annual general meeting of the Company held on 23 May 2018, a general mandate (“Existing Repurchase Mandate”) was given by the Company to the Directors to exercise the powers of the Company to repurchase Shares not exceeding 10% of the number of Shares in issue at the date of passing the relevant ordinary resolution. The Existing Repurchase Mandate to repurchase the Shares will also lapse at the conclusion of the AGM.

In light of the expiry of the Existing Repurchase Mandate at the conclusion of the AGM and in order to give flexibility to the Directors in the event that it becomes desirable to repurchase any Shares, an ordinary resolution will be proposed at the AGM to grant the Directors a general mandate (“Share Repurchase Mandate”) to exercise the powers of the Company to repurchase Shares not exceeding 5% of the number of Shares in issue at the date of passing such ordinary resolution.

The Share Repurchase Mandate, if granted, will remain in effect until the earliest of (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required to be held by the Articles of Association or any other applicable laws; or (iii) the date upon which such authority is revoked or varied or renewed by an ordinary resolution of the Shareholders in a general meeting of the Company.

BUSINESS OF ANNUAL GENERAL MEETING

As at the Latest Practicable Date, the number of issued Shares was 438,000,000 Shares. Subject to the passing of the resolution approving the Share Repurchase Mandate and on the basis that there is no change in the issued share capital of the Company after the Latest Practicable Date and up to the date of the AGM, the Company will be allowed to repurchase a maximum of 21,900,000 Shares under the Share Repurchase Mandate.

Details of the proposed resolution on the Share Repurchase Mandate are set out in Resolution (6) of the notice of the AGM. An explanatory statement containing all the information required pursuant to the Listing Rules relating to the Share Repurchase Mandate is set out in Appendix II to this circular.

RESOLUTION 7 – EXTENSION OF THE GENERAL MANDATE TO ISSUE SHARES

In light of the expiry of the Existing Issue Mandate at the conclusion of the AGM and in order to give flexibility to the Directors in the event that it becomes desirable to issue any Shares, an ordinary resolution will be proposed at the AGM to extend the Share Issue Mandate (Resolution (5)) by adding to it the aggregate number of any Shares repurchased by the Company under the Share Repurchase Mandate (if granted at the AGM).

Details of the proposed resolution on the extension of the Share Issue Mandate are set out in Resolution (7) of the notice of the AGM.

RESOLUTION 8 – EXTENSION OF BOOK CLOSE PERIOD TO 60 DAYS

The purpose of this resolution is to extend the book close period for 2019, from 30 days to 60 days. The reason for this resolution is to provide flexibility to and to meet the practical need of the Company in case the Company wishes to convene more than one general meeting which according to the Broadcasting Ordinance requires a book close period in excess of 28 days for each general meeting. Besides, the Company may need to close its register of members in order to ascertain the Shareholders' entitlements, for example, dividends, etc.

Details of the proposed resolution on the extension of the Company's book close period for 2019 are set out in Resolution (8) of the notice of the AGM.

The following are the particulars (as required by the Listing Rules) of the Directors proposed to be re-elected at the AGM as at the Latest Practicable Date.

Mr. Mark Lee Po On

Mr. Mark Lee Po On, aged 63, joined the Company on 1 February 2007. Mr. Lee was appointed as the Group General Manager in September 2009 and was re-titled as the Group Chief Executive Officer in January 2015. He was appointed as Executive Director in March 2010. Mr. Lee also serves as a member of the Executive Committee and the Risk Committee. In addition, he holds directorships in a number of the subsidiaries of the Company. Mr. Lee is a non-executive director/independent director of Hanwell Holdings Limited and a non-executive director and independent director of Tat Seng Packing Group Limited, both of which are listed on the Singapore Stock Exchange Limited. Before joining TVB and during the period from late 1987 to January 2007, Mr. Lee worked as an executive director of a listed consortium engaged in real estate, hotel, media, entertainment and retail business in Hong Kong and overseas. During 1992 to 1996, Mr. Lee also took up the position of executive director and chief executive officer of Asia Television Limited which was a former affiliate of the consortium. During the early period from 1977 to 1987, Mr. Lee worked with KPMG, an international accounting firm, in various offices including Hong Kong, Los Angeles and Shanghai. Mr. Lee is a fellow member of the Institute of Chartered Accountants in England and Wales and also a member of the Hong Kong Institute of Certified Public Accountants. Save as disclosed in this paragraph, Mr. Lee did not hold any other directorships in the past three years in public companies the securities of which are listed on any securities market in Hong Kong and overseas.

At the Latest Practicable Date and within the meaning of Part XV of the SFO, Mr. Lee was interested in 2,438,000 Shares and underlying Shares, representing approximately 0.56% of the total number of Shares in issue. Save as disclosed in this paragraph, he did not hold any other interest in the Shares.

Mr. Lee does not have any relationship with any Directors, senior management, or substantial or controlling shareholders of the Company.

Mr. Lee continues to serve the Board since his last re-election at the Company's 2016 annual general meeting. He is subject to retirement and re-election at every third annual general meeting of the Company following his last re-election in accordance with the Articles of Association.

The amount payable as Director's fee and Board Committees' fees are subject to review by the Remuneration Committee and endorsed/determined by the Board, and if required, approved by Shareholders in general meetings of the Company.

Mr. Lee's remuneration as the Group Chief Executive Officer is determined by the Remuneration Committee, by reference to his duties and responsibilities, as well as the remuneration of group chief executive officer of comparable listed companies. His remuneration package (which is inclusive of pension contributions and other emoluments to all services, including other titles, directorships and responsibilities, provided to the Company's subsidiaries and/or associated companies) and his fee as a Director (which is inclusive of all services provided to the Board and the Board Committees) for the year ended 31 December 2018 was HK\$6,615,000 and HK\$260,000 respectively. A discretionary bonus of HK\$2,700,000 was paid to Mr. Lee for the same year.

Mr. Lee has a three-year service contract with the Company commencing 1 February 2019 which can be terminated by either parties by giving three months' notice, Mr. Lee is entitled to receive as the Group Chief Executive Officer a remuneration package (which is inclusive of pension contributions) in the amount of HK\$6,697,687, HK\$6,865,129, and HK\$7,208,385 for the twelve-month period ending 31 January 2020, 2021 and 2022 respectively. Upon his successful re-election as a Director at the AGM, a Director's fee of HK\$260,000 per annum (which is inclusive of all services provided to the Board and the Board Committees) will be paid to him. At the discretion of the Remuneration Committee, he may be paid a bonus.

Save as the information disclosed above, there is no other matter in relation to the re-election of Mr. Lee as a Director which needs to be brought to the attention of the Shareholders, and there is no other information which needs to be disclosed pursuant to any requirements set out in Rule 13.51(2) of the Listing Rules.

Dr. Raymond Or Ching Fai

Dr. Raymond Or Ching Fai, aged 69, was appointed as an Independent Non-executive Director on 6 December 2012. He serves as the chairman of the Remuneration Committee, the Nomination Committee and the Investment Committee, as well as a member of the Audit Committee and the Risk Committee. Dr. Or is the executive chairman and executive director of Esprit Holdings Limited, the non-executive director of China Strategic Holdings Limited, and an independent non-executive director of Chow Tai Fook Jewellery Group Limited and Regina Miracle International (Holdings) Limited, all of which are listed on the main board of the Stock Exchange. He was appointed as an independent non-executive director of Industrial and Commercial Bank of China (Asia) Limited in December 2018. Dr. Or was vice-chairman and independent non-executive director of G-Resources Group Limited and independent non-executive director of Industrial and Commercial Bank of China Limited, both of which are listed on the main board of the Stock Exchange. He was also a non-executive director and deputy chairman of Aquis Entertainment Limited of which is listed on the Australian Securities Exchange. Save as disclosed in this paragraph, Dr. Or did not hold any other directorships in the past three years in public companies the securities of which are listed on any securities market in Hong Kong and overseas.

Dr. Raymond Or has rich experiences in insurance, banking and financial services industries. He was formerly the general manager and a director of The Hongkong and Shanghai Banking Corporation Limited, the chairman of HSBC Insurance Limited, the chief executive and vice chairman of Hang Seng Bank Limited, and the chairman of Hang Seng Insurance Company Limited and Hang Seng Bank (China) Limited. He was also the chairman of the Hong Kong Association of Banks. Dr. Or graduated from the University of Hong Kong with a Bachelor's degree in Economics and Psychology. He was conferred an Honorary Doctor of Social Science by the City University of Hong Kong in 2014 and an Honorary Fellow by Hang Seng Management College (now known as Hang Seng University of Hong Kong) in 2017. He was awarded a Silver Bauhinia Star from the Hong Kong Special Administrative Region and Honorary University Fellow from the University of Hong Kong in 2009, and is a Justice of the Peace.

At the Latest Practicable Date and within the meaning of Part XV of the SFO, Dr. Or did not hold any interest in the Shares.

Dr. Or does not have any relationship with any Directors, senior management, or substantial or controlling shareholders of the Company.

The Company issued a letter of appointment to document the key terms of appointment in writing to Dr. Or. He continues to serve the Board since his last re-election at the Company's 2016 annual general meeting. He is subject to retirement and re-election at every third annual general meeting of the Company following his last election in accordance with the Articles of Association.

Dr. Or was entitled to a Director's fee of HK\$260,000, a fee of HK\$70,000 for serving as the chairman of the Remuneration Committee, a fee of HK\$70,000 for serving as the chairman of the Nomination Committee for the year ended 31 December 2018, a fee of HK\$25,316 for serving as the chairman of the Investment Committee from 22 August 2018 to 31 December 2018 and a fee of HK\$68,891 for serving as the chairman of the Risk Committee from 1 January 2018 to 4 December 2018 and as a member of the Risk Committee from 5 December 2018 to 31 December 2018. The Director's fee has been reviewed by the Remuneration Committee, endorsed by the Board and approved by Shareholders. The Board Committees' fees have been reviewed by the Remuneration Committee and approved by the Board. Upon his successful re-election as a Director at the AGM, he is entitled to receive the same Director's fee and Board Committee fees for 2019.

Save as the information disclosed above, there is no other matter in relation to the re-election of Dr. Or as a Director which needs to be brought to the attention of the Shareholders, and there is no other information which needs to be disclosed pursuant to any requirements set out in Rule 13.51(2) of the Listing Rules.

The explanatory statement set out below contains all the information required under Rule 10.06(1) (b) of the Listing Rules to be given to the Shareholders and also constitutes the memorandum of the terms of the proposed repurchases as required under Section 239 of the Companies Ordinance relating to the Share Repurchase Mandate.

1. Listing Rules requirements for repurchase of Shares

The Listing Rules permit companies with a primary listing on the Stock Exchange to repurchase their shares on the Stock Exchange subject to certain restrictions, the most important of which are summarised below:

(a) Shareholders' approval

All proposed share repurchases on the Stock Exchange by a company with its primary listing on the Stock Exchange must be approved in advance by an ordinary resolution of shareholders, either by way of general mandate or by specific approval in relation to specific transactions.

Such authority may only continue in force during the period ("Relevant Period") from the passing of the resolution until the next annual general meeting of that company or the expiration of the period within which the next annual general meeting of that company is required by the articles of association of that company or any applicable laws to be held or the revocation, variation or renewal of the resolution by an ordinary resolution of the shareholders of that company in general meeting, whichever is the earliest.

(b) Maximum number of shares to be repurchased and subsequent issues

A maximum of 10% of the total number of share of a company in issue at the date of passing of the relevant resolution may be repurchased on the Stock Exchange. A company may not issue or announce a proposed issue of new shares for a period of 30 days immediately following a share repurchase whether on the Stock Exchange or otherwise (other than an issue of shares pursuant to the exercise of warrants, share options or similar instruments requiring the company to issue shares, which were outstanding prior to such repurchase) without the prior approval of the Stock Exchange.

2. Number of Shares subject to the Share Repurchase Mandate

As at 11 April 2019, being the Latest Practicable Date prior to the printing of this explanatory statement, the Company had 438,000,000 Shares in issue. If the ordinary resolution authorising the Directors to repurchase its own Shares under the Share Repurchase Mandate is passed at the AGM, and assuming that there is no change in the issued share capital of the Company after the Latest Practicable Date and up to the date of passing the said resolution, up to 21,900,000 Shares (representing 5% of the existing number of Shares in issue) may be repurchased by the Company during the Relevant Period.

3. Reasons for repurchases

The Directors believe that it is in the best interests of the Company and the Shareholders as a whole for the Directors to have a general authority from the Shareholders to enable the Company to repurchase its own Shares in the market at any appropriate time. Such repurchases may, depending on market conditions and funding arrangements at that time, lead to an enhancement of the net asset value of the Company and/or its earnings per Share and will only be made when the Directors believe that such repurchases will benefit the Company and the Shareholders as a whole.

4. Funding of repurchases

Repurchases of Shares must be funded out of funds legally available for such purpose in accordance with the Articles of Association and the applicable laws of Hong Kong. It is envisaged that the funds required for any repurchase would be derived from the Company's available cash flow or working capital facilities.

5. Financial effect of repurchases

The Directors do not propose to exercise the Share Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the funding requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company. However, on the basis of the consolidated financial position of the Company as at 31 December 2018 (being the date to which the latest published audited financial statements of the Company have been made up), there might be a material adverse impact on the funding or gearing position of the Company in the event that the Share Repurchase Mandate is exercised in full.

6. Connected Persons and Directors' Undertaking

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the powers of the Company to make repurchases pursuant to the Share Repurchase Mandate set out in the notice of AGM in accordance with the Listing Rules and the applicable laws of Hong Kong.

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their close associates (as defined in the Listing Rules) have any present intention to sell any of the Shares to the Company or its subsidiaries if the Share Repurchase Mandate is approved and exercised.

No core connected persons (as defined in the Listing Rules) of the Company have notified the Company that they have a present intention to sell any of the Shares to the Company, or have undertaken not to do so, if the Share Repurchase Mandate is approved and exercised.

7. Hong Kong Code on Takeovers and Mergers

If, as the result of a repurchase of the Shares, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights for the purposes of the Hong Kong Code on Takeovers and Mergers ("Takeovers Code"). As a result, a Shareholder, or a group of Shareholders acting in concert, could, depending on the level of increase of the Shareholders' interest, obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code. As at the Latest Practicable Date, The Shaw Foundation Hong Kong Limited, the estate of the late Mona Fong, Dr. Charles Chan Kwok Keung, Innovative View Holdings Limited, CMC M&E Acquisition Co. Ltd., Profit Global Investment Limited, Young Lion Holdings Limited, Young Lion Acquisition Co. Limited and Shaw Brothers Limited held, directly and indirectly, a total of 130,984,828 Shares, representing approximately 29.91% of the existing number of Shares in issue. If the Directors were to exercise the Share Repurchase Mandate in full, such Shares would represent approximately 31.49% of the number of Shares in issue assuming that there is no other change in the issued share capital of the Company, and an obligation to make a general offer to Shareholders may arise as a result. It is not the present intention of the Directors to exercise the Share Repurchase Mandate in such a manner as to trigger off any general offer obligations.

The Directors have no intention to exercise the Share Repurchase Mandate to such an extent which shall result in the level of shareholdings in the Company held in the hands of the public falling below the minimum prescribed percentage of 25% laid down in Rule 8.08 of the Listing Rules.

8. Share repurchases made by the Company

The Company has not repurchased its own Shares (whether on the Stock Exchange or otherwise) in the past six months preceding the date of this explanatory statement.

9. Share Prices

The highest and lowest prices at which the Shares were traded on the Stock Exchange during each of the 12 months prior and up to the Latest Practicable Date were as follows:

	Month	Highest HK\$	Lowest HK\$
2018	April	25.31	23.55
	May	26.80	23.85
	June	27.75	24.00
	July	25.15	23.60
	August	24.60	23.00
	September	23.30	22.20
	October	22.50	16.30
	November	17.78	16.74
	December	17.90	14.50
	2019	January	15.38
February		16.16	14.60
March		15.88	14.02
April (up to the Latest Practicable Date)		15.80	15.24

Who is eligible to attend and vote at the AGM

Shareholders whose names appeared on the Company's register of members on 24 April 2019 are eligible to attend, speak and vote at the AGM. The register of members will be closed and no transfer of Shares will be registered from 24 April 2019 to 22 May 2019 (both dates inclusive). Eligible Shareholders who wish to attend and vote at the AGM are advised to complete and return the Declaration of Voting Controllers ("Declaration Form") to the Company no later than 6 May 2019. The Declaration Form with its explanatory notes are despatched to Shareholders together with the circular of the Company accompanying the notice of AGM dated 16 April 2019.

Proxy Information

1. A Shareholder who is entitled to attend and vote at the AGM convened by the notice of AGM can appoint up to two (2) proxies to attend and vote in his stead. A proxy need not be a Shareholder. Where a Shareholder appoints more than one (1) proxy, the Shareholder shall specify the proportion of his Shares to be represented by each such proxy, failing which the nomination shall be deemed to be alternative.
2. A proxy form for the AGM is enclosed. To be valid, the proxy form, together with the power of attorney or other authority (if any) under which it is signed or a duly certified copy of that power of attorney or authority must be deposited at the Company's Share Registrars, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong as soon as possible and in any event not less than forty-eight (48) hours (excluding public holidays) before the time appointed for holding the AGM (or at any adjournment thereof), and in default thereof the proxy form and such power of attorney or authority shall not be treated as valid.
3. Completion and return of the proxy form will not preclude a Shareholder from attending and voting in person at the AGM or any adjournment thereof should he so wish, and in such event, the proxy form shall be deemed to be revoked.

Dividend

4. The Board has recommended a final dividend of HK\$0.70 per Share for the year ended 31 December 2018. Subject to Shareholders' approval at the AGM, the final dividend shall be paid in cash to Shareholders whose names are recorded on the Register of Members of the Company on 30 May 2019. Dividend warrants for the final dividend will be despatched to Shareholders on 11 June 2019.

Declaration Form

5. The declaration of voting controllers (“Declaration Form”) and the explanatory notes thereto, are despatched to Shareholders together with the circular of the Company accompanying the notice of AGM dated 16 April 2019.
6. Any Shareholder who wishes to vote at the AGM shall return the duly completed and signed Declaration Form to the Company in such manner as described therein no later than 6 May 2019.

Closure of Register of Members

First Book Close

7. The Register of Members of the Company will be closed from Wednesday, 24 April 2019 to Wednesday, 22 May 2019, both dates inclusive, (“First Book Close Period”) for the purpose of determining Shareholders’ entitlement to attend and vote at the AGM. During the First Book Close Period, no transfer of Shares will be registered.
8. In order to be entitled to attend and vote at the AGM, all share transfer documents accompanied by the relevant share certificates must be lodged with the Company’s Share Registrars, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong, for registration not later than 4:30 p.m. on Tuesday, 23 April 2019.
9. The book close period from Wednesday, 24 April 2019 to Wednesday, 22 May 2019 is set to allow sufficient time for Shareholders to complete and return the Declaration Form as required under the provisions of the Broadcasting Ordinance (Chapter 562 of the Laws of Hong Kong).

Second Book Close

10. The Register of Members of the Company will be re-opened on Thursday, 23 May 2019 and then will be closed again from Tuesday, 28 May 2019 to Thursday, 30 May 2019, both dates inclusive, (“Second Book Close Period”) for the purpose of determining Shareholders’ entitlement to the final dividend. During the Second Book Close Period, no transfer of Shares will be registered.
11. In order to be entitled to the final dividend, all share transfer documents accompanied by the relevant share certificates must be lodged with the Company’s Share Registrars, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong, for registration not later than 4:30 p.m. on Monday, 27 May 2019.

Re-election of Directors

12. In relation to agenda item number (3) in the notice of AGM. Mr. Mark Lee Po On and Dr. Raymond Or Ching Fai, in accordance with Article 117(A) of the Articles of Association, will retire at the conclusion of the AGM and, being eligible, offer themselves for re-election at the AGM.
13. Details of each of the Directors who are subject to retirement for re-election at the AGM, as at 11 April 2019, being the latest practicable date prior to the printing of the circular and the notice of AGM, are set out in Appendix I to the circular of the Company accompanying the notice of AGM dated 16 April 2019.

Procedures for Shareholders to propose a person for election as a Director at the AGM

14. The following sets out the procedures for Shareholders to propose a person for election as a Director at the AGM:
 - (i) A Shareholder who wishes to propose a person (“Candidate”) to be elected as a Director of the Company at AGM should first lodge a written notice of such intention (“Notice”) with the Company Secretary at the address below. The Notice shall be duly signed by the Shareholder and contain information including the name, the contact details and the biographical details of the Candidate as required to be disclosed under Rule 13.51(2) of the Listing Rules.
 - (ii) The Notice shall be accompanied by a written notice duly signed by the Candidate indicating his/her willingness to be elected as a Director, and the Candidate’s written consent to the collection and publication of his/her personal data.
 - (iii) The Notice may be given to the Company during the period commencing the day after the despatch of the written notice of AGM and ending no later than 7 days prior to the date of such AGM.
15. Proposals from Shareholders for nomination of a Director should be sent to the Company at the following address, or by email to companysecretary@tvb.com.hk:

Television Broadcasts Limited
TVB City
77 Chun Choi Street
Tseung Kwan O Industrial Estate
Kowloon, Hong Kong
Attention: The Company Secretary

Re-appointment of Auditor

16. In relation to agenda item number (4) in the notice of AGM regarding the re-appointment of the Auditor, PricewaterhouseCoopers, the Company's external auditor, will retire at the AGM and, being eligible, offer itself for re-appointment at the AGM.

General Mandates to Issue and Repurchase Shares

17. In relation to agenda item number (5) in the notice of AGM, the purpose of this resolution is to give a general mandate to authorise the Directors to issue additional Shares of the Company.
18. In relation to agenda item number (6) in the notice of AGM, the purpose of this resolution is to give a general mandate to authorise the Directors to repurchase issued Shares of the Company.
19. In relation to agenda item number (7) in the notice of AGM, the purpose of this resolution is to extend the authority given under Resolution (5) to Shares of the Company repurchased under the authority given in Resolution (6).

Extension of Book Close Period

20. In relation to agenda item number 8 in the notice of AGM, the purpose of this resolution is to extend the Company's book close period for 2019, from 30 days to 60 days, according to practical need.

Voting on a Poll

21. Pursuant to the Listing Rules, voting must be taken by poll at all general meetings except where the Chairman of a general meeting, in good faith, decides to allow a resolution which purely relates to a procedural or administrative matter (as defined under the Listing Rules) to be voted on by a show of hand.
22. The Chairman of a general meeting shall ensure that an explanation is provided of the detailed procedures for conducting a poll and answer any questions from Shareholders on voting by poll. Poll results are released on the Stock Exchange's website and the Company's website, in accordance with the requirements under the Listing Rules.
23. Separate resolutions are proposed for each substantially separate issue and are voted by poll at the general meetings of the Company (unless otherwise permitted under the Listing Rules as mentioned above).

Poll Voting Procedures

24. (i) In accordance with the Listing Rules, all resolutions in the notice of AGM will be voted at the AGM by way of poll.
- (ii) As instructed by the Communications Authority, only those Shareholders who have duly completed and returned the Declaration Form(s) to the Company on or before the prescribed date will be entitled to vote on the poll. The poll voting will be conducted immediately after conclusion of the last business of the AGM.
- (iii) The poll slip in different colour will be distributed to qualified and unqualified voting controllers (or their proxies or representatives), respectively at the time of registration at the registration desk of the AGM.
- (iv) You can tick either “For” or “Against” in the box next to each and every resolution. For corporate representatives who represent multiple voting controllers, you may tick both “For” and “Against” for each and every resolution, but please specify the number of Shares for each box that you will tick. For any resolution you have not ticked “For” or “Against”, we shall assume that you “Abstain” from the vote.
- (v) Before you drop the voting slip into the polling box, please make sure that you have:
- written down your name in BLOCK CAPITALS and signed it; and
 - signed in the same way as you did at the registration desk.
- Please note that any alteration made to the voting slip must carry a signature against it.
- (vi) Computershare Hong Kong Investor Services Limited, the Company’s share registrars, has been appointed as scrutineer to count and certify the poll results of the AGM. The Company will then announce the poll results of the AGM in accordance with the manner prescribed under the Listing Rules.

Shareholders’ Communication Policy

25. The Company has established a Shareholders’ Communication Policy (“Policy”) to set out the provisions with the objective of ensuring that the Shareholders and the investment community are provided with ready, equal and timely access to balanced and understandable information about the Company (including its financial performance, strategic goals and plans, material developments and governance profile), in order to allow Shareholders and members of the investment community to engage actively with the Company.

26. The Board reviews the Policy on a regular basis to ensure its effectiveness and that it meets the best market practice. You can view the full text of the updated Policy on the Company's website at www.corporate.tvb.com.

Shareholders' Communication Channels

27. The Policy provides communication channels to Shareholders:

In relation to general shareholders' matters

Enquiries should be addressed to:

Address: Television Broadcasts Limited,
TVB City, 77 Chun Choi Street, Tseung Kwan O Industrial Estate,
Kowloon, Hong Kong.
Attention: Head of Investor Relations
Email: ir@tvb.com.hk

In relation to share certificates and titles to Share Registrars and Transfer Office

Enquiries should be addressed to:

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