

# CHAIRMAN'S STATEMENT

主席報告書















## FINANCIAL SUMMARY

- Revenue slightly decreased by 4.0% to approximately HK\$685,043,000, mainly due to the worldwide economic downturn.
- Operating costs increased by 19.3% to HK\$850,056,000, reflecting the impact of the operating costs of Phoenix InfoNews and Phoenix North America Chinese channels for the full 12-month period and Phoenix Chinese News & Entertainment Channel for eight months.
- Consolidated loss attributable to shareholders was approximately HK\$199,716,000, which included the impairment charge of goodwill arising from the acquisition of Phoenix Chinese News & Entertainment Limited amounting to approximately HK\$44,700,000.
- Loss per share was HK4.05 cents as compared to earnings per share of HK1.10 cents for the previous financial year.
- Revenue for the three months ended 30 June 2002 increased by 16.0% over the previous quarter and by 12.0% over the three months ended 30 June 2001.

## 財務摘要

- 收入微跌4.0%，減少至約685,043,000港元，主要由於全球經濟衰退。
- 經營成本上升19.3%，增至約850,056,000港元，反映本年度包括了鳳凰衛視資訊台及鳳凰衛視美洲台整十二個月及鳳凰衛視歐洲台八個月的經營成本後的影響。
- 股東應佔綜合虧損約為199,716,000港元，其中包括為收購Phoenix Chinese News & Entertainment Limited所產生的商譽減值撥備約44,700,000港元。
- 每股虧損為4.05港仙，上一個財政年度則為每股盈利1.10港仙。
- 截至二零零二年六月三十日止三個月之收入較上一季度增加16.0%，並較截至二零零一年六月三十日止三個月增加12.0%。

## RESULTS

## 業績

|  |             | Year ended June 30, 2001<br>截至六月三十日止年度 |                   |                   |
|--|-------------|--|-------------------|-------------------|
|  |             | 二零零二年<br>\$'000千元                      | 二零零一年<br>\$'000千元 | 二零零零年<br>\$'000千元 |
| Revenue                                    | 收入          | 685,043                                | 713,687           | 511,342           |
| Operating (loss) profit                    | 經營(虧損)溢利    | (165,013)                              | 1,292             | 40,768            |
| (Loss) Profit attributable to shareholders | 股東應佔(虧損)溢利  | (199,716)                              | 53,984            | 50,315            |
| (Loss) Earnings per share, Hong Kong cents | 每股(虧損)溢利，港仙 | (4.05)                                 | 1.10              | 1.22              |

## OPERATING (LOSS) PROFIT BY BUSINESS

## 按業務劃分之經營(虧損)溢利

|   |                         |                  |              |               |
|---|-------------------------|------------------|--------------|---------------|
| Phoenix Chinese & Movies channels   | 鳳凰衛視中文台及鳳凰衛視電影台         | 165,760          | 248,081      | 157,689       |
| Phoenix InfoNews, North America Chinese & Chinese News & Entertainment channels | 鳳凰衛視資訊台及鳳凰衛視美洲台及鳳凰衛視歐洲台 | (211,754)        | (105,474)    | —             |
| Other businesses  | 其他業務                    | (18,092)         | (41,846)     | (893)         |
| Management overheads  | 管理行政支出                  | (100,927)        | (99,469)     | (116,028)     |
| (Loss) Profit from operations   | 經營(虧損)溢利                | <u>(165,013)</u> | <u>1,292</u> | <u>40,768</u> |

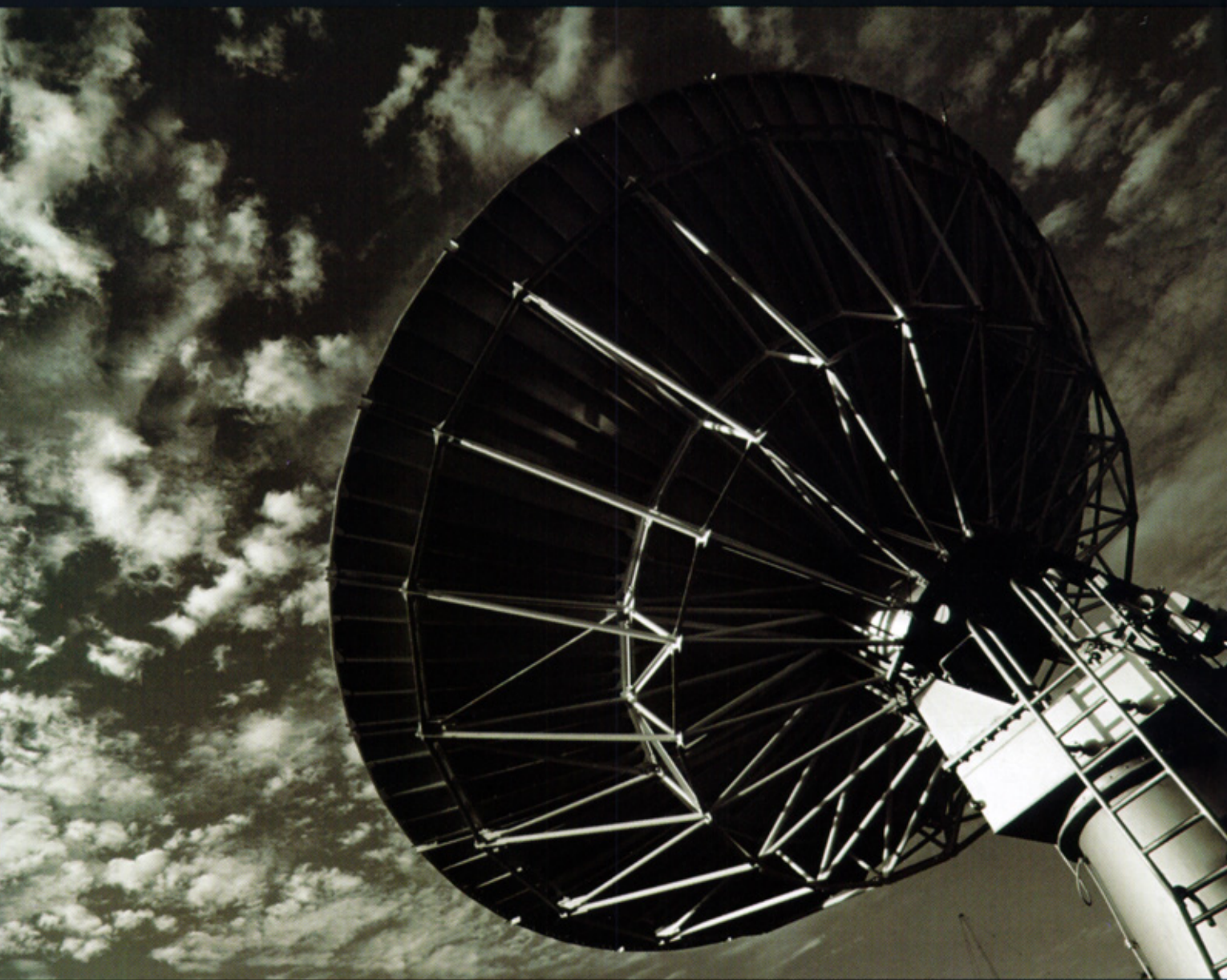
### Note:

Due to changes in the arrangement with Shenzhen Television Company Ltd., our advertising agent in the PRC, certain items in year ended 30 June 2001 have been reclassified for comparison purposes.

### 附註：

由於集團與國內之廣告代理神州電視有限公司在合作安排上的變更，截至二零零一年六月三十日止年度部份項目已為作比較用途而被重新分類。







I am pleased to present to you the 2001/2002 annual results for Phoenix Satellite Television Holdings Limited (the "Company") and its subsidiaries (collectively the "Group" or "Phoenix").

## BUSINESS OVERVIEW

### Television broadcasting

During the 2001/2002 financial year, the Group directed its efforts towards consolidating the five channels which now provide Phoenix with global reach. Phoenix Chinese Channel and Phoenix Movies Channel were respectively the first foreign free-to-air and subscription channels to receive official approval to be distributed through the Pearl River Delta cable system in Guangdong. The potential for Phoenix North America Chinese Channel was further expanded by entering the platform of EchoStar, the second largest direct-to-home broadcaster in the United States, which operates in tandem with our pre-existing distribution by DirecTV. The Group's 70% interest in Phoenix Chinese News and Entertainment Channel ("Phoenix CNE Channel"), which broadcasts to Europe, was formally acquired. The broadcast of Phoenix InfoNews Channel in Hong Kong through i-Cable and the overruling of the suspension of InfoNews' preparatory licence in relation to its application for landing rights in Taiwan have further underscored that channel's potential to serve the interests of Chinese across the Greater China region. Although the new channels' contribution to revenue was marginal, they were performing well in building up their brand names and expanding viewership.

Phoenix also consolidated its international position as a leading Chinese-language broadcaster of television news and entertainment. Its comprehensive coverage of the terrorist attacks in the United States and the subsequent war against terrorism, including sending a team to Afghanistan to report on the allied offensive against the Taliban, identified Phoenix as a unique global media service providing comprehensive Chinese-language reporting on major international developments.

### The Channels

#### Phoenix Chinese Channel

Phoenix Chinese Channel remained the flagship of the Group, contributing 91.2% of its total revenue. On the programming side, the channel continued to create original programmes with Phoenix's distinctive appeal, such as the popular *Pole-to-Pole Expedition*, which involved a film crew traveling the length of the American continent from Antarctica to the Arctic. In the near future the channel will have a major production featuring Chinatowns in different parts of the world.

#### Phoenix Movies Channel

Phoenix Movies Channel is now in its fourth year of operation and continues to operate as an encrypted pay-television service providing mainstream movie entertainment to Chinese audiences. Revenue of the Channel remained relatively stable.

本人欣然向閣下呈報鳳凰衛視控股有限公司（「本公司」）及其附屬公司（合稱「本集團」或「鳳凰」）二零零一／二零零二年度之全年業績。

## 業務回顧

### 電視廣播

於二零零一／二零零二財政年度，本集團致力整固旗下五大頻道，讓鳳凰節目可遍及全球各地。鳳凰衛視中文台及鳳凰衛視電影台分別成為首個獲得正式批准經廣東珠江三角洲有線系統廣播的免費及收費境外電視台。鳳凰衛視美洲台進入EchoStar的平台後，發展潛力再獲提升。EchoStar是美國第二大的衛星直接到戶系統經營商，目前與現有廣播商DirecTV分別播放鳳凰衛視美洲台的節目。本集團已正式取得向歐洲播放節目的鳳凰衛視歐洲台的70%權益。鳳凰衛視資訊台現已在香港透過香港有線電視收費網絡播放節目，加上有關資訊台在台灣申請落地權的籌設許可被撤銷的訴願成功，更突顯資訊台對大中華地區華人服務的潛力。雖然新頻道對收入的貢獻有限，但它們在建立品牌及增加觀眾方面的表現甚佳。

鳳凰亦同時鞏固其作為首屈一指的華語電視新聞及資訊廣播者的國際地位。鳳凰對美國遭受恐怖襲擊及其後對恐怖主義發動的戰爭作出詳盡報導，並派遣記者隊到阿富汗，報導盟軍對塔里班政權展開的攻擊，標誌鳳凰實為出類拔萃的全球媒體服務供應商，提供全面的國際大事之華語報導。

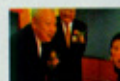
### 頻道

#### 鳳凰衛視中文台

鳳凰衛視中文台繼續是本集團的旗艦頻道，佔總收入91.2%。在節目方面，鳳凰衛視中文台繼續製作富有一貫鳳凰特色的原創節目，如廣受歡迎的《兩極之旅》，攝製隊走訪橫跨南北兩極的地方，旅途相等於美洲大陸的長度。鳳凰衛視中文台將於短期內推出有關世界各地唐人街的大型製作節目。

#### 鳳凰衛視電影台

鳳凰衛視電影台現已踏入第四年營運，並繼續作為加密收費電視服務供應商，向華語觀眾提供中西猛片。鳳凰衛視電影台的收入仍頗為穩定。





**Phoenix InfoNews Channel**

InfoNews remains the premier television channel providing 24-hour news and financial information in Mandarin across Asia.

InfoNews was officially launched on 1 January 2001, and has so far been carried by cable systems in both Japan and Hong Kong and has enjoyed considerable success. Although it was only inducted into the Hong Kong i-Cable network in February 2002, InfoNews has already out-performed CNN and CNBC in Hong Kong, according to surveys conducted by AC Nielsen.

InfoNews' performance in Hong Kong underscores its potential to do well in other markets. InfoNews' application for landing rights in Taiwan has reached the final stage. We have concluded an agreement with a cable distributor to promote the channel in Taiwan and are also actively exploring the prospects of broadcasting it on cable and by direct-to-home distribution in Southeast Asia. Phoenix will continue to work towards obtaining the relevant landing rights to broadcast InfoNews in Mainland China.

**Phoenix Chinese News and Entertainment Channel**

Phoenix CNE Channel, which now broadcasts to Chinese audiences in 44 countries across Europe, made a significant advance on 1 July 2002, when it extended its daily airtime from 8 to 24 hours. This step will not increase the operating costs of the Group because the programming for both Phoenix CNE and Phoenix North America Chinese channels is now carried by a unified signal from Hong Kong.

**Phoenix North America Chinese Channel**

Phoenix North America Chinese Channel is now broadcast on the two largest direct-to-home platforms in the United States, EchoStar and DirecTV. Subscription figures are improving gradually.

**Shenzhen Production Centre**

The construction of the Shenzhen Production Centre has been delayed as a consequence of the Shenzhen Municipal Planning & Land Information Center (深圳市規劃與國土資源局) unilaterally proposing to change the plot ratio and the area of the site. This proposed change if put into effect would require the Group to redesign the project which will lead to further delay. Negotiation has been going on and the management believes that the matter will soon be resolved.

**Internet Development**

The Phoenix website, [www.phoenixtv.com](http://www.phoenixtv.com), continues to be popular with Chinese internet users. In response to the growing interest in Phoenix displayed by foreign investors we have recently created an English section in the website which is providing a basic profile of Phoenix. We envisage that the English website will provide a regular

**鳳凰衛視資訊台**

鳳凰衛視資訊台繼續是向亞洲各地提供24小時華語新聞及金融資訊的優質電視頻道。

鳳凰衛視資訊台於二零零一年一月一日正式首播，目前由日本與香港的有線系統廣播，收視不俗。雖然鳳凰衛視資訊台於二零零二年二月才透過香港有線電視收費網絡廣播，但根據AC Nielsen進行的調查，資訊台在香港的收視已超越CNN及CNBC。

資訊台在香港的表現，顯示它在其他市場亦有潛力表現卓越。資訊台在台灣落地權申請已進入最後階段。我們已與一有線頻道銷售商達成協議，在台灣推廣資訊台，亦會積極發掘在東南亞有線及直接到戶系統廣播資訊台的機會。鳳凰將繼續為申請在中國大陸播放資訊台的有關落地權而努力。

**鳳凰衛視歐洲台**

鳳凰衛視歐洲台現時向歐洲44國的華語觀眾播放節目，業務在二零零二年七月一日取得顯著的進展，播放時間由以往的每日八小時延長至二十四小時晝夜不停。由於鳳凰衛視歐洲台與鳳凰衛視美洲台現時在香港透過統一衛星訊號廣播，因此增加鳳凰衛視歐洲台的播放時間將不會加重本集團的營運成本。

**鳳凰衛視美洲台**

鳳凰衛視美洲台現時在美國最大的兩家衛星直接到戶系統經營商EchoStar與DirecTV播放。訂戶數目不斷上升。

**深圳製作中心**

深圳製作中心的建築工程因為深圳市規劃與國土資源局單方面建議更改地積比率及地盤面積而延期。如上述建議的更改成事，本集團則需為項目作重新設計，建築工程將進一步押後。本集團正與有關當局進行磋商，管理層相信有關事宜快將解決。

**互聯網發展**

鳳凰旗下網站鳳凰網([www.phoenixtv.com](http://www.phoenixtv.com))備受華語互聯網用戶歡迎。有見外國投資者與其他人士有意加深對鳳凰的認識，本集團近日已推出鳳凰網的英文站，其目前已具備鳳凰的資料簡介。本集團預期英文網站將定期提





flow of information on developments at Phoenix, as well as an avenue for interested non-Chinese speakers to make enquiries about Phoenix.

### Phoenix Weekly

Phoenix Weekly provides a steady flow of high quality features, profiling contemporary Chinese cultural, political and commercial figures as well as exploring some of the lesser-known aspects of the modern Chinese experience. Advertising revenue has increased steadily.

### PROSPECTS

The double-digit growth in revenue in the quarter ended 30 June 2002 as compared with the previous quarter, as well as the same period last year, was mainly due to the increase in advertising sales related to the World Cup. This has demonstrated Phoenix's ability to take advantage of the commercial opportunities offered by major international events.

Both Phoenix Chinese Channel and InfoNews Channel have the potential to make greater inroads into other markets, especially in Southeast Asia, which is home to the largest collection of Mandarin-speaking Chinese outside the Greater China region. At the same time, we are conscious that the mainland Chinese television industry is becoming increasingly competitive, and that we need to remain focused on producing original programming that will not only retain but also expand Phoenix's position in the Chinese market. Furthermore, the process of restructuring the Chinese television industry that is now underway should provide further opportunities for Phoenix in China.

### ACKNOWLEDGEMENT

On behalf of the Board, I would like to thank the staff of Phoenix for their dedication and enthusiasm during a difficult year. They have not only maintained the high standards that Phoenix set during its first two years of operation as a listed company, but have also displayed considerable initiatives in responding to new and at times unexpected challenges.

I would also like to take this opportunity to express my personal belief that Phoenix is fulfilling the role of "the Chinese connection", both connecting Chinese around the world and connecting the Greater China region to the world. This is the mission that I envisaged Phoenix performing when I began to work towards its establishment in the mid 1990s. I am therefore excited by the promising prospects that the coming years will offer and look forward to the Group's continued success.

LIU Changle  
Chairman

Hong Kong, 3 September 2002

供鳳凰業務發展的資料，非華語人士亦可藉此向鳳凰查詢資料。

### 鳳凰周刊

鳳凰周刊一直提供優質的專題報導，覆蓋當代中國文化、政治及商業各界的重要人物，並發掘當代中國鮮為人知的一面。鳳凰周刊的廣告收入正穩步上升。

### 展望

截至二零零二年六月三十日止季度的收入較諸上一季度與去年同期均錄得雙位數增長，主要由於與世界盃有關的廣告的增加，由此可見鳳凰有充份利用世界大事而增加收入之能力。

鳳凰衛視中文台與鳳凰衛視資訊台在其他地區的發展潛力不俗，尤以大中華地區以外，最多華語人士聚居的東南亞為然。與此同時，我們亦不忘中國大陸的電視業競爭日漸激烈，深明必須集中製作原創節目，方可保持並提升鳳凰於中國市場的地位。此外，華語電視業正在重組階段，鳳凰當可藉此在中國發掘進一步的商機。

### 致謝

縱然年內整體環境艱鉅，鳳凰員工仍敬業樂業，努力不懈。本人謹代表董事會致以衷心感謝。眾員工不單能達到鳳凰對上市後首兩年所訂立的高要求，在新挑戰及預期以外的問題出現時，更展現嶄新思維，解決難題。

本人亦藉此表達個人對鳳凰的信念。本人深信，鳳凰正扮演「融會華人」的角色，將世界各地的華人與大中華地區華人連成一體。本人自九十年代中成立鳳凰時，經已預期此乃鳳凰的使命。鳳凰日後的前景秀麗，本人振奮萬分，期待集團再創佳績。

主席  
劉長樂

香港，二零零二年九月三日