

Shaw Brothers enters into a Joint Venture with Television Broadcasts Limited (TVB)

On 29 April 2009, the Company entered into a joint venture and shareholders' agreement ("JV Agreement") with TVB and Concept Legend Limited ("JV Company") for the purpose of establishing the JV Company and to regulate the affairs between the shareholders of the JV Company. The JV Company is established for the purpose of producing and/or co-producing with third parties motion pictures as the JV Company considers fit from time to time.

The Company and TVB will contribute equally to all future funding required by the JV Company for production of motion pictures as approved by the Company and TVB. It is anticipated that the total capital contribution by the Company to the JV Company is expected not to exceed HK\$20,000,000, being the Company's half share of the production budgets of two motion pictures plus a contingent amount. Contribution by the Company will be made through internal funding.

The purpose of entering into the JV Agreement is to establish a vehicle for production of motion pictures. With the expertise and knowledge of both the Company and TVB in the media and entertainment businesses, it is anticipated that the JV Company will be able to produce good quality motion pictures for distribution worldwide. The JV Company is expected to contribute revenue to the Company from its exploitation of motion pictures in the long run.