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Hong Kong Television Network Limited
香港電視網絡有限公司

(Incorporated in Hong Kong with limited liability under the Companies Ordinance)
(Stock Code: 1137)

CLARIFICATION ANNOUNCEMENT

Reference is made to the announcement issued by Hong Kong Television Network Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) dated 24 November 2017 (the “**Announcement**”) relating to the proposed amendment to the Share Option Scheme. Unless otherwise defined in this announcement, capitalised terms used herein shall have the same meanings as those defined in the Announcement.

In the Announcement, the Board proposed to amend the terms of the Share Option Scheme. After further review of the proposed amendment and the relevant provisions of the Listing Rules, the Company decided to withdraw the proposed amendment to the Share Option Scheme. Instead of seeking to amend the Share Option Scheme, the Board proposes to amend the performance target of the Share Options granted to five concerned employees.

PROPOSED AMENDMENT TO TERMS OF SHARE OPTIONS GRANTED

On 21 February 2017, the number of 705,000 outstanding Share Options for a team of five employees granted by the Company under the Share Option Scheme are subject to the following performance target:

- 705,000 Share Options granted shall become exercisable, if the average of the daily visitors in accordance to the data for the number of “Average daily unique user” under Google Analytics is greater than or equal to 186,000 visitors for three consecutive months for October, November and December 2017.

To cope with the evolving business environment, the Company has to review its business strategies and targets from time to time, and as a result of the review after the Share Options were granted, certain resources previously allocated to the team of five Grantees to pursue the aforesaid performance target had been reallocated to fulfill other business needs. The performance target for the above Grantees thus turned out to be not applicable.

The Board considers that the above Grantees are important to the Company, particularly in the execution of the marketing strategies. In the circumstances, in order to recognise their continuous contribution to the Company and maintain the morale of them, the Board proposes to remove the aforesaid performance target for 705,000 Shares Options to the above Grantees and also proposes that the relevant Share Options will vest on 1 March 2018.

As at the date of this announcement, a total of 37,390,000 outstanding Share Options entitle the holders thereof to subscribe for 37,390,000 Shares, representing approximately 4.62% of the number of Shares in issue of the Company.

LISTING RULES IMPLICATIONS

Pursuant to note (2) to Rule 17.03(18) of the Listing Rules, any alterations to the terms and conditions of the Share Options granted under the Share Option Scheme must be approved by the Shareholders. Accordingly, resolution will be proposed at the Extraordinary General Meeting for the Shareholders to consider the proposed amendment to terms of Share Options granted.

GENERAL

A circular of the Company containing, among other things, (i) details of the proposed amendment to terms of Share Options granted; and (ii) the notice of EGM, will be despatched to the Shareholders on or before 6 December 2017.

By Order of the Board
Hong Kong Television Network Limited
Wong Wai Kay, Ricky
Chairman

Hong Kong, 5 December 2017

As at the date of this announcement, the Executive Directors are Mr. Wong Wai Kay, Ricky (Chairman), Mr. Cheung Chi Kin, Paul (Vice Chairman and Chief Executive Officer), Ms. Wong Nga Lai, Alice (Chief Financial Officer), Mr. Lau Chi Kong (Chief Operating Officer) and Ms. Zhou Huijing; and the Independent Non-executive Directors are Mr. Lee Hon Ying, John, Mr. Peh Jefferson Tun Lu and Mr. Mak Wing Sum, Alvin.