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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)

eCommerce Business Update and Unaudited Operational Information for April 2021

The board of directors (the “**Board**”) of Hong Kong Television Network Limited (the “**Company**”) and together with its subsidiaries, the “**Group**”) is pleased to announce certain business update and the Group’s unaudited operational information for April 2021.

As mentioned in the announcement dated 3 January 2021 regarding the Group’s eCommerce Business Update, in 2021, HKTVMall will continue to strengthen its dominant position to go beyond “shopping” by continuously developing and launching different eCommerce enrichments, so as to complete the final stage of turning HKTVMall from an Online Shopping Mall to a Digital Ecosystem for long term sustainable business growth.

The Group is actualizing this objective and in April 2021, HKTVMall launched the following new eCommerce enrichments to enhance the engagement with merchant partners and customers:

1. Pre-owned goods marketplace – EcoMart, an exclusive function at HKTVMall for our VIP customers who can upload their idle items on this platform to trade, exchange or give away as a gift to other VIP customers. The purpose of EcoMart is not only to endow idle items with new value so as to reduce wastage, but also to encourage sustainable shopping and to solidify customer loyalty.
2. 1-hour delivery option – HKTVexpress, the first phase was launched in mid-April 2021 at self-run O2O shops by providing as quick as 1-hour delivery service to customers within 2 kilometres of the O2O shop, aiming to serve the customer segment with immediate grocery needs. This option is planned to extend to merchant partners who have signed up for the service beginning from May 2021.

Apart from the new development in completing the digital ecosystem of HKTVmall, the following factors have to a certain extent attributed to the Group's eCommerce business performance in April 2021:

1. The launch of certain marketing programs by offering unconditional promotional coupons for new customer acquisitions and to selected customer groups for the purposes of (a) stimulating a quicker turnaround of repeated purchases; and (b) waking up "sleeping customers" to reactivate them to making purchases at HKTVmall which has contributed to the increase in average daily order numbers from 35,700 in March 2021 to 36,800 in April 2021 but at lower order values as expected.
2. Same as previous years, the seasonal effect from the 2021 Ching Ming Festival and Easter long holiday.

The unaudited operational information of the Group's eCommerce business including online shopping platform and offline business for April 2021 is summarized as below:

	In the month of			Change in Percentage	
	April 2021	March 2021	April 2020	April 2021 vs March 2021	April 2021 vs April 2020
Average daily order number (rounded to the nearest hundred)	36,800	35,700	31,600	3.1%	16.5%
Average order value (rounded to the nearest dollar)	HK\$442	HK\$475	HK\$519	(6.9%)	(14.8%)
Average Daily Gross Merchandise Value ("GMV") on Order Intake ⁱ (rounded to the nearest hundred thousand)	HK\$16.3 million	HK\$16.9 million	HK\$16.4 million	(3.6%)	(0.6%)
Monthly GMV on Order Intake ⁱ (rounded to the nearest million)	HK\$488 million	HK\$525 million	HK\$492 million	(7.0%)	(0.8%)
	In the month of				
	April 2021	March 2021	April 2020		
Number of unique customers who made purchases at HKTVmall (rounded to the nearest thousand)	432,000	415,000	373,000		
	In the month of				
	April 2021	March 2021	April 2020		
Monthly Active Users ⁱⁱ (rounded to the nearest thousand)					
App only:	1,352,000	1,375,000	1,508,000		

The Board wishes to remind shareholders and potential investors of the securities of the Company that the above information is unaudited and is based on preliminary internal information of the Group, which may differ from figures to be disclosed in the audited or unaudited consolidated financial statements to be published by the Company on an annual or half-yearly basis due to various uncertainties during the process of collating such sales information.

Shareholders and potential investors of the Company are cautioned not to unduly rely on such information and are advised to exercise caution in dealing in the Company's securities.

By Order of the Board
Hong Kong Television Network Limited
Cheung Chi Kin, Paul
Chairman

Hong Kong, 7 May 2021

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

Notes:

- i. Gross Merchandise Value ("GMV") on Order Intake represents the total gross sales dollar value for merchandise sold through a particular marketplace over a certain timeframe, before deduction of any discount offered by the marketplace, rebate used, cancellation and returns of merchandise sold.
- ii. Monthly active user data is extracted from Google Analytics and rounded to the nearest thousand, the computation method and basis of which have not been verified. The data for App Only users could be overlapping if the user re-installs the HKTVmall App on the same device or amends the advertising ID of its device in the same month.
The information for the same period can be changed at different points of time when capturing the data as Google Analytics performs the analysis on a sampling basis. According to Google Analytics, "Active User" is defined as the unique user who initiated sessions on the website or App within the selected date range.