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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)**

## **SUPPLEMENTAL INFORMATION IN RELATION TO THE ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2019**

Reference is made to the annual report of Hong Kong Television Network Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) for the year ended 31 December 2019 (“**FY2019**”) (the “**2019 Annual Report**”). Unless otherwise defined herein, capitalised terms herein shall have the same meanings as those defined in the 2019 Annual Report.

In addition to the information disclosed in the 2019 Annual Report, the Company would like to provide further information in relation to (i) the 2012 Share Option Scheme; and (ii) other operating expenses, as follows:

### **Share Option Scheme**

As disclosed in the 2019 Annual Report, during FY2019, the Company granted a total of 22,538,300 share options to certain eligible Talents under the 2012 Share Option Scheme on 27 December 2019. The Company wishes to supplement that the closing price of the Company’s shares immediately before the above grant date was HK\$3.36.

As further disclosed in the 2019 Annual Report, during FY2019, share options were exercised by (i) Ms. Wong Nga Lai, Alice; (ii) Mr. Lau Chi Kong; (iii) Ms. Zhou Huijing; and (iv) the Talents of the Company under continuous employment contracts (excluding the Directors). The Company wishes to supplement that the weighted average closing prices of the Company’s shares immediately before the dates on which the share options were exercised during FY2019 by (i) Ms. Wong Nga Lai, Alice; (ii) Mr. Lau Chi Kong; (iii) Ms. Zhou Huijing; and (iv) the Talents of the Company under continuous employment contracts (excluding the Directors), were (i) HK\$5.18; (ii) HK\$5.38; (iii) HK\$5.38; and (iv) HK\$4.65, respectively.

## Other Operating Expenses

As disclosed in the 2019 Annual Report, other operating expenses of the Group amounted to HK\$893,285,000 for FY2019. The Company wishes to provide further information in relation to the other operating expenses of the Group for FY2019, together with the comparative figures for the year ended 31 December 2018, as follows:

## Other Operating Expenses

	Year ended 31 December 2019 HK\$'000	Year ended 31 December 2018 HK\$'000
Depreciation		
— owned property, plant and equipment	64,416	67,464
— right-of-use assets	91,472	-
Advertising and marketing expenses (excluding HK\$27,822,000 (2018: HK\$32,234,000) being deducted in turnover)	66,045	75,416
Auditor's remuneration	2,415	2,342
Total minimum lease payments for leases previously classified as operating lease under HKAS 17	-	44,511
Loss/(gain) on disposal of property, plant and equipment	11	(997)
Write-down of inventories	6,156	2,601
Talent costs	398,788	293,709
Amortisation of intangible assets	14,827	24,016
Reversal of provision for onerous contract	(144)	(3,156)
Total outgoings of investment properties	1,427	1,492
Outsourced fulfilment expenses	104,122	116,672
Payment processing charges	40,269	28,089
Owned motor vehicles running expenses	18,997	14,049
Software licenses and registration fee	15,137	13,877
Utilities, consumables and office expenses	25,469	21,031
Others	43,878	36,451
	<b>893,285</b>	<b>737,567</b>

The supplemental information provided in this announcement do not affect other information contained in the 2019 Annual Report and, save as disclosed above, the contents of the 2019 Annual Report remain unchanged.

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

Hong Kong, 28 August 2020

*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 Chief Executive Officer), Ms. Wong Nga Lai, Alice (Chief Financial Officer), Mr. Lau Chi Kong (Chief Operating Officer) and Ms. Zhou Huijing (Managing Director of Shopping and eCommerce) 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.*