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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)

ANNOUNCEMENT

The board of Directors (the “**Board**”) of Hong Kong Television Network Limited (the “**Company**”) announces that the Company has today sent to the board of directors of Asia Television Limited (“**ATV**”) a written proposal (“**Proposal**”) regarding the possible broadcasting of certain drama programmes, variety and infotainment programmes of the Company and/or any of its subsidiaries (“**TV Programmes**”) via ATV, which is subject to the entering into between the parties a formal written agreement.

As at the date of this announcement, neither the Company nor its representatives has entered into any discussion or negotiation in relation to the Proposal with ATV, its shareholders, or the Joint and Several Managers of ATV appointed by the High Court of Hong Kong Special Administrative Regions and therefore, the Company does not know whether the Proposal is of interest to ATV or its stakeholders. For the avoidance of doubt, no agreement or agreement in principle or understanding has been reached between the parties with regard to the Proposal.

In summary, the Proposal envisages, if the parties enter into a formal written agreement, (i) the Company prepares to provide 1,000 hours of TV Programmes to ATV for broadcasting, (ii) ATV to broadcast the TV Programmes via ATV’s Home Channel (Channel 1 (Analogue Services) and Channel 11 (Digital Services)) simultaneously for a total of four hours per day (“**Broadcasting**”) for the period up to 31 December 2015 (or earlier, if ATV is no longer able to operate its domestic free television programme service licence) and (iii) to engage the Company (or its nominee) as ATV’s sole and exclusive sales agent to solicit, determine and arrange advertising in connection with the Broadcasting and to collect and receive the corresponding advertising revenue on behalf of ATV. Under the Proposal, the Company will be paid a licence fee for the TV Programmes, which will be based on 50% of the monthly advertising revenue in connection with the Broadcasting. In this connection, the Company will underwrite a minimum sum so that ATV can expect to receive a minimum amount of HK\$5,000,000 for each full calendar month in connection with the Broadcasting. The Proposal shall lapse at 17:00 on 20 April 2015, after which the Company will not engage in further discussions in this regard.

The Proposal is subject to a formal written agreement to be agreed and entered into between the parties and may or may not materialize. Further, it is expected that the formal agreement will be subject to certain other conditions (including any necessary approval) which may or may not be met or fulfilled.

It should be noted that the Company does not know whether the Proposal is of interest to ATV or its stakeholders and whether any agreement or agreement in principle or understanding can be reached with regard to the Proposal. Accordingly, shareholders of the Company and/or investors are advised to exercise extreme caution in assessing the Proposal and its possible materialisation when dealing in the Company's securities.

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

Hong Kong, 13 April 2015

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