i-CABLE COMMUNICATIONS LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 1097)

FINAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2023

FINANCIAL HIGHLIGHTS

	Year ended 31 December	
	2023	2022
	HK$'000	*HK$'000*
		(restated)
Continuing operations		
Revenue	**597,898**	562,794
Loss from operations	**(427,766)**	(325,847)
Loss from continuing operations	**(547,564)**	(623,380)
Discontinued operation		
Loss from discontinued operation	**(41,710)**	(262,338)
Loss for the year	**(589,274)**	(885,718)
	HK cents	*HK cents*
Basic loss per share	**(8.3)**	(12.4)
Diluted loss per share	**(8.3)**	(12.4)
	31 December 2023	31 December 2022
	HK$'000	*HK$'000*
Total assets	**945,159**	879,494
Total liabilities	**(2,273,976)**	(1,619,023)
Total deficit	**(1,328,817)**	(739,529)
Net gearing ratio *(Note 1)*	**-118%**	-146%

- The year of 2023 holds great significance as the world strives to emerge from the impacts of the pandemic. In Hong Kong, society has fully recovered, and normal traveller clearance with the Mainland and the rest of the world has resumed. In this favorable environment, i-CABLE Communications Limited (the "Company" or "i-CABLE"), its subsidiaries and consolidated structured entities (collectively the "Group") has also undergone a significant transformation. Following the surrender of the domestic pay television programme service licence (the "Pay TV Licence"), the Group gradually consolidated its resources and shifted its focus on operating free-to-air television and multimedia programmes, moving towards to the direction of omnimedia, while continued to enhance the performance of its telecommunications business.

- The revenue from continuing operations of the Group for the year ended 31 December 2023 increased to approximately HK$598 million from approximately HK$563 million for the year ended 31 December 2022. Due to the increase in operating expenses, loss from operations from continuing operations increased approximately HK$102 million to approximately HK$428 million for the year ended 31 December 2023. After recognising the non-cash unrealised fair value loss on the redemption option of long-term convertible bonds recognised as financial assets at fair value through profit or loss ("FVTPL") which amounted to approximately HK$3 million (for the year ended 31 December 2022: unrealised fair value loss of approximately HK$50 million), other non-operating items and income tax, the Group recorded a decrease in net loss from continuing operations to approximately HK$548 million for the year ended 31 December 2023, representing a decrease of approximately 12%, as compared with net loss from continuing operations of approximately HK$623 million for the year ended 31 December 2022.

- Regarding the media segment, although the Group has terminated its pay television ("Pay TV") operation with effect from 1 June 2023 upon the approval of application for the termination (the "Licence Termination") of its Pay TV Licence, the revenue generated from advertising during the year ended 31 December 2023 increased as compared to that of last year.

- The number of broadband and telephony customers in December 2023 decreased to approximately 156,000 and 55,000, respectively, as compared to approximately 198,000 and 68,000, respectively in December 2022. Revenue generated from the telecommunications segment decreased by approximately HK$13 million from approximately HK$399 million for the year ended 31 December 2022 to approximately HK$386 million for the year ended 31 December 2023. Due to keen market competition, the performance of the telecommunications segment was inevitably affected.

- Loss of the Group for the year ended 31 December 2023 decreased by approximately HK$297 million, representing a decrease of approximately 34%, as compared to that of 2022. The decrease in the loss of the Group for the year ended 31 December 2023 was mainly attributable to, among other things, (i) the decrease in non-cash write-down of deferred tax assets and impairment losses on certain non-current assets recognised for the year ended 31 December 2023; and (ii) the decrease in fair value losses on financial assets at FVTPL for the year ended 31 December 2023.

Note:

1. *Net gearing ratio represents total interest-bearing borrowings and convertible bonds less cash and bank balances and restricted bank balances divided by total deficit.*

BUSINESS REVIEW

OPERATING ENVIRONMENT

The year of 2023 marked a transformative period for both Hong Kong and the Group. After a prudent evaluation of the market, the Group made the decision to terminate its Pay TV operation, signifying the end of one chapter and the start of another. With effect from 1 June 2023, the Group ceased its Pay TV operation and redirected its resources towards the development of an omnimedia platform, allowing the Group to adapt and cater to the shifting consumption habits of the audiences following the pandemic. In the telecommunications industry, the operating environment has become challenging due to factors such as evolving consumer behavior and rapid technological changes. In response, the Group has undertaken active strategic transformations and restructuring in recent years. By consolidating resources and improving efficiency in business operations, the Group aims to expand its business and enhance competitiveness in the telecommunications sector, aligning with market changes.

MEDIA

The outbreak of the pandemic has expedited the growth of online media platforms, causing a change in audience preferences towards watching programmes and films through online media platforms. Besides surrendering the Pay TV Licence, the Group's free-to-air TV broadcaster has swiftly adapted to the changing of audience habits. It has moved away from a singular broadcasting mode and instead integrated all of its media platforms, embracing an omnimedia model to expand its reach. In the long term, the Group aims to augment advertising revenue across various platforms.

Following the end of the pandemic, the community gradually returned to a state of normalcy, leading to improved business conditions in various industries, particularly the hotel, retail, and catering sectors exhibited the signs of recovery from the pandemic. However, the overall recovery fell short of initial optimism. This can be attributed to the pressure of rising interest rates and stock market volatility, which dampened the consumer sentiment. Moreover, after the pandemic, Hong Kong residents flock overseas during extended holidays for "Revenge Travel", and the lifting of border restrictions between Hong Kong and the Mainland China resulted in the craze of Hong Kong residents travelling northward in droves to spend money. These factors significantly diminished local purchasing power. Despite advertisers have increased their advertising and promotional budgets, they still tend to be cautious.

Despite the potential challenges in the business environment, the Group remained proactive in addressing them by leveraging its boundless creativity and strong production capabilities to capture audience attention. For instance, in response to the craze of "Revenge Travel" among Hong Kong residents and the surge in consumption in the Mainland China, the Group produced a series of travel programmes. Additionally, the Group was actively recruiting and nurturing production talents to develop more innovative programmes that cater to diverse age groups of its audience, which aimed to boost viewership ratings and enhance advertising revenue.

In recent years, the structure and ecology of the media market have undergone rapid changes, from being dominated by traditional television and text media to being divided among television, streaming media, YouTube, and other social media platforms. Both the Group and the industry are striving to adapt to this rapid transformation. Previously, the entertainment industry had high entry barriers and traditional television stations held the advantage of scale. However, with the evolution of the internet and social media, the barriers to entry in the entertainment industry have significantly reduced. For instance, the cost of running a YouTube channel is much lower compared to that of a television station, and it may offer stronger profitability at different cost levels. Additionally, with fewer geographical restrictions, local media now have to directly compete with multinational streaming media, putting greater pressure on the industry. Recognising the need to diversify revenue sources, the Group acknowledges that relying solely on advertising or subscription fees is no longer sustainable. As a result, the Group has actively pursued collaborations with various types of advertisers, including government organisation, sports groups, commercial clients and school sponsoring bodies, to increase advertising revenue during the year ended 31 December 2023.

In the third quarter of 2023, Hong Kong's economy exhibited continued improvement, driven by factors such as inbound tourism and private consumption; the recovery of major international events and exhibitions, along with government initiatives, contributed to the gradual boost in the economy. In the preceding three quarters of 2023, consumer expenditure experienced a continuous upsurge in response to the improved employment rate. This resulted in increased advertising expenditure on HOY TV, particularly in categories such as food and beverage, health and medicine, tourism, and insurance. HOY TV self-produced television programmes, including the popular show "Where Do Do you go" (去邊啊Do姐), generated significant market buzz and garnered strong interest for co-sponsorships in fields such as beauty and skincare, tourism and insurance. Other programmes such as "Macau Miko Tour" (大馬女神Miko遊澳門), "Charlene Herbal Cuisine" (健康寧飲食), and "Dog Alchemist III" (煉狗術師III) resonated well with the audience, leading to an increase in advertising expenditure on retail and consumer goods.

The Group secured the exclusive broadcasting rights for the "19th Asian Games Hangzhou" (the "Asian Games") in Hong Kong and effectively capitalised on this opportunity to generate new revenue and established a powerful brand presence through its professional production. A notable achievement was the establishment of a novel collaboration model with sports associations, including e-sports, to live-stream the event on social media platforms, attracting sponsorships from banks and technology companies. Simultaneously, a series of tailored segments also stimulated an increase in viewership, resulting in additional sponsorship fees and airtime sales.

However, the challenging external environment and the volatility in the local stock market during the year ended 31 December 2023 led to an adverse effect on the local economy, significantly impacting investor confidence. Consequently, there was a slowdown observed in advertising from real estate, financial and related trading platforms.

COMMITTING TO SOCIETY

Leveraging the media power and influence, the Group shouldered its own social responsibility to bring positive energy to the society and Hong Kong citizens. The Group's i-CABLE News team partnered with various government departments in Hong Kong to develop a series of promotional programmes. These programmes aimed to enhance public awareness of the operations of different government departments, foster a deeper understanding of the government among the public, and strengthen the relationship between the government and the public.

- "Everlasting Mission 2"(學無止「警」的故事2) provides an exploration of the diverse work of the Police Force allowing the audience to gain insights into the professional knowledge and skills of the Police Force.

- "Hearts on Fire 2" (心比火熱2) delves into the various roles within the Fire Services Department and promotes fire prevention activities across seasons to enhance the fire safety awareness of the public.

- "Spreading Warmth with SWD Services" (社署服務暖社區) presents a series of short stories highlighting the diverse services offered by the Social Welfare Department.

- In December 2023, "National Security Knowledge Challenge"(國家安全常識挑戰賽) took place in schools in Hong Kong, aiming to raise students' awareness of the National Security Law.

Working Together to Create a New Vision in the Bay Area

In September 2023, the Group made a press release regarding its strategic partnership with Guangdong Radio and Television Station, and launched a collaborative project "Working Together to Create a New Vision in the Bay Area" (攜手共創灣區新視界). The objective of this project is to jointly produce a series of dynamic and innovative TV programmes, tap into the potential TV audience market in the Greater Bay Area, and establish a significant milestone in the history of TV broadcasting in the Greater Bay Area.

Nurturing New Force for the Industry

The Group, in collaboration with the Home and Youth Affairs Bureau and The Y.Elites Association, has initiated the "Event Elite" Trainee Programme for the Asian Games. This programme involves a team of passionate young individuals interested in the sports and communication industry. They had joined the Group's production team in Hangzhou and participated in the creation and filming of a series of documentaries showcasing the Hong Kong team's participation in the Asian Games. These documentaries had been broadcasted online. The "Event Elite" Trainee Programme offered internship opportunities for young individuals who have a keen interest in pursuing a career in the sports editing or digital media industry to explore their interests and strengths while nurturing future leaders for the industry.

EXPANDING REACH

Over the past few years, there has been a significant shift in the entertainment preferences of the general public. In the past, people primarily relied on traditional media such as television, newspapers, and magazines. However, the media landscape has now evolved to include various platforms like television, streaming services, YouTube, and other social media. In response to these changes, the Group has taken a new direction and redirected its focus towards the multimedia field. It has allocated its resources to the development of free TV, digital media and wall screen advertising. This proactive reform has resulted in the Group's three free-to-air TV channels, namely, HOY International Business Channel (Channel 76) ("HOY 76"), HOY TV (Channel 77) ("HOY 77") and HOY Infotainment (Channel 78) ("HOY 78"), as well as mobile applications, achieving extensive coverage, reaching approximately 99% of the population in Hong Kong. As a result, the Group is able to provide free and high-quality TV services to a large number of viewers in Hong Kong. Additionally, the Group has introduced a new video streaming service that offers a more flexible viewing experience for both local and international audiences. Furthermore, the Group is actively expanding into the Mainland China market and collaborating with TV stations in the Greater Bay Area, which allow the Group to enrich the content of its various multimedia platforms and strengthen its competitiveness.

The Group had dedicated resources in developing digital media channels to expand the reach and increase audience engagement. The Facebook pages operated by the Group in total, have accumulated more than 2.5 million followers as at 31 December 2023, representing an increase of 25% as compared to that of 2022. These Facebook pages have reached more than 34 million users. Among them, the most popular Facebook pages, namely HOY, HOYIBC, i-CABLE News, i-CABLE Life, and i-CABLE China, received a total of over 9 million interactions in 2023.

MEDIA

Diversified content

The Group is committed to providing audiences with diversified and people-oriented programme content in order to achieve the unique film and television trend of HOY TV.

Set out below are various programmes produced and outsourced by HOY TV in 2023, including variety shows, cooking and dining, lifestyle, infotainment, health, drama series, etc., which help to boost viewership ratings and attract TV advertising revenue and sponsorship.

Variety shows:

Cheng Yu Ling (Do Do), a prominent figure in the show business, has debuted as a host for a travel programme "Where Do Do you go" (去邊啊Do姐) on HOY TV. In this show, Do Do embarked on a journey to explore hidden scenic spots in Europe and Asia accompanied by five popular male celebrities, namely Terence Lam Ka Him, Jeffrey Ngai Tsun Sang, Tyson Yoshi, Joey Hung Ka Ho, and Ying Chi Yuet (MrLittleCat).

The popular variety show "Undercover Travel Group 3.0" (臥底旅行團 3.0) is co-hosted by Jiro Lee Sheung Ching, and Aiyana Lo, who disguise as ordinary tourists and join various affordable tour groups, embarking on a journey to uncover interesting and unique experiences. This programme has garnered significant acclaim from the audience, achieving a highest audience rating of 4.5 points, and the show has gained substantial viewership on YouTube, with the highest number of episodes viewed over 540,000.

This was the first time that Kenny Wong Tak Bun and Louise Wong Tan Ni teamed up to shoot a unique travel programme "Live Offline" (四遊記) for HOY TV. In this programme, they embarked on a journey to Shikoku in Japan, focusing on introducing the audience to methods of relaxation and spiritual cleansing.

To complement the Group's exclusive broadcast of the Asian Games across Hong Kong, the Group specially produced "杭州限定旅團", "亞運來了" and "亞運直杭" to introduce the latest updates and preparation process of the Asian Games, as well as the attractions and latest update of Hangzhou.

Hosted by Miko Wong, a well-known internet Malaysian celebrity, "Macau Miko Tour"(大馬女神Miko遊澳門) brings the audience to the vibrant streets and winding alleys of Macao, where they can delve into the multifaceted characteristics of the city.

Other travel related variety shows: "Seoul Searching"(四處首羅), "Sister Travelling in Japan" (女遊日本) and "Hot Spring Holidays" (獨家旅行團).

Dining and cooking:

Hosted by Jiro Lee Sheung Ching, "Taste of the Two Dishes" (舌尖上的雙餸飯) ventures into two dishes rice restaurants situated across Hong Kong, Kowloon, and the New Territories, breaking through the conventional idea of two or three dishes rice, and offers a tantalising visual feast of two dishes rice.

Hosted by Charlene Tse, Gloria Mak Sze Man and Wong Ching Nam, "Charlene Herbal Cuisine" (健康寧飲食) revolves around the theme of health, and promotes the concept of "homology of medicine and food" by creating delectable and nutritious medicinal diet.

Other dining and cooking related shows: "Theme Cook 2" (煮題COOK 2)、, "A Hongkonger's Guide to Old-Fashion Food" (老派美食之必要), "Cooking Martin" (馬田煮場),"What to Cook Today Christmas" (開飯啦聖誕), "Master Chef's Delight 2023" (大廚精心推介2023), "Top 100 Hong Kong Cuisine" (全港開餐100強), "What to Cook Today" (開飯啦), "Lunch Time 2" (夠鐘食晏2).

Lifestyle:

Hosted by Omi Kwong and star dog trainer Eric Ko, "Dog Alchemist III" (煉狗術師 III) addresses behavior issues of pet dogs and providing solutions for their owners. Since its premiere, the programme has garnered high praise and has been well-received by numerous pet owners.

Other lifestyle related shows: "Master verse of Denim" (牛仔的多重宇宙),"Good Deal in Japan (Kansai)" (日圓5算攻略(關西)), "Okinawa Coffee Trail" (沖繩咖啡地圖), "I'm a racer" (我要做車手).

Infotainment:

In recent years, Hong Kong has experienced a rise in fraudulent activities, the community-centered programme "Scam Alert"(東呃西騙) revealed various social fraud cases from a unique perspective. Hosted by Benjamin Au Yeung Wai Hoo (Ben Sir) and Master Seven (七仙羽師傅), "Scam Alert" (東呃西騙) involved the participation of 16 artists to re-enact the "real fraud process" so as to alert the audience against swindlers.

"Far Away From Home (Taiwan)" (離鄉別井的故事台灣篇) returned for its second season. Jessica Kan Shuk Yi guided the audience to witness and participate in the new lives of 15 groups of Hong Kong people who have relocated to Taiwan.

Health:

Health related shows: "Health Concern Group" (健康關注組), "Health Concern Group — Asian Game"(健康關注組亞運篇).

Drama Series:

The Group provided drama series, such as "The Legends of Monkey King" (凌雲志), "The Ingenious One" (雲襄傳), "Lost You Forever Season I" (長相思第一季), "Jun Jiu Ling" (君九齡), "Police Tactical Unit"(PTU機動部隊), "Agency" (廣告強人).

On the sport programmes, the Group has always supported the development of local and international sports events and has exhibited exclusive coverage of several high-quality sports events throughout the year. Following the surrender of the Pay TV Licence, the Group strategically consolidated its resources and shifted its focus to the development of free-to-air sports events, aiming to expand the Group's content exposure in the direction of omnimedia.

The Group has served as the official broadcaster of the Asian Games for the seventh consecutive time. This was the first time that the Asian Games were broadcasted on a free-to-air TV channel. This achievement generated nationwide enthusiasm and reaffirmed Cable Sports' leading position in the industry. In addition to the Group's three free-to-air TV channels, namely, HOY 76, HOY 77 and HOY 78, as well as its social media platforms, the Group made extensive use of its newly renovated website and mobile applications to provide comprehensive coverage of Hong Kong athletes' events throughout the Asian Games featuring a packed schedule. The success of the coverage led to a surge in viewership. With the exceptional performances of the Hong Kong athletes and the comprehensive coverage by HOY TV, both on and off the field, the ratings of HOY 77 experienced a significant increase. HOY 77 also achieved its highest ratings since its launch, with the Chinese Women's Volleyball Final reaching a peak rating of over 7.6. Online viewership was equally impressive, with over 2.45 million visitors accessing the mobile application and website, resulting in a total of 36 million page views during the event period.

During the Asian Games, the Group collaborated with various shopping malls and organisations, resulting in 250 outdoor screens where the Asian Games programmes could be watched. Additionally, the Group actively expanded its partnerships with sports organisations, including collaborations with eSports organisations to broadcast the Asian Games, which contributed to the increased advertising revenue from banking and technology products. Overall, the popularity of the Asian Games, coupled with the production of customised content by HOY TV, has proven successful in boosting programme sponsorship and advertising revenue.

Furthermore, the Group secured the broadcasting rights for several international competitions during the year ended 31 December 2023. This allowed viewers to enjoy a wide range of exclusive world-class competitions through the Group's free-to-air TV channels and various digital media channels. The Group also provided professional analysis and commentary to enhance the viewing experience. Notable international competitions include the Hong Kong Sevens (香港國際七人欖球賽), FIVB World Women's Volleyball League Hong Kong 2023 (FIVB世界女排聯賽香港2023), Carabao Cup (英格蘭聯賽盃), the German Cup ("DFB-Pokal") (德國盃足球賽), EFL Championship (英格蘭冠軍聯賽) , Coppa Italia (意大利盃) , Copa del Rey (西班牙盃) , FIBA Basketball World Cup (FIBA世界盃男子籃球賽) and FIA World Rallycross Championship Hong Kong China — Season Finale (FIA世界場地越野車錦標賽中國香港站年終賽). Apart from world-class sports events, the Group has been committed to producing and delivering local sports competitions and news to viewers, including "Loving Sports" (愛•體育) which focuses on Hong Kong sports and local athletes.

Cable TV 18 Channel (有線18台)

On 1 June 2023, Cable TV 18 Channel, one of the most popular horse racing channels in Hong Kong, made a transition from Pay TV to a multimedia platform following the termination of Pay TV operation. Through the collaborative efforts of various departments of the Group, Cable TV 18 Channel was successfully migrated to the new OTT platform "i-CABLE CH 18" (有線18寶). Throughout this transition, the platform's stability and the quality of its original programmes were maintained. Users simply need to install the "i-CABLE CH 18" (有線18寶) to continue enjoying up to 14 different forms of professional horse racing analysis programmes on a daily basis. These programmes include "Race Card Talk" (排位拆局), "Be a Big Punter" (我要做大戶), "Race Forecast" (賽馬預測) and "18 Betting Tower" (18烽火台). Additionally, the mobile application "Racing GPS" (賽馬GPS) experienced a surge in downloads, reaching a new record high. The innovation and transformation of Cable TV 18 Channel have led to the diversification of programmes and services, aligning with the Group's commitment to "originality, innovation, and dedication" in its horse racing programmes.

i-CABLE News

During the year ended 31 December 2023, i-CABLE News remained a leading source of 24-hour news, delivering uninterrupted news coverage to viewers free of charge on HOY 78. HOY 78 continued to uphold its philosophy of providing consistent and reliable i-CABLE News. For 30 years since its establishment, i-CABLE News has established itself as a reputable and influential news outlet, gaining recognition within the industry.

In addition to providing 24-hour news coverage, HOY 78 offers a range of infotainment programmes. These programmes include "Inno Action" (智•創未來) which highlights Hong Kong's innovation industry, "Let's Talk" (有理有得傾) which explores important social and political issues in Hong Kong, "Our Home Our Country" (家國天下) which focuses on national conditions and Hong Kong's national security law and is presented by government officials, and "World Living 2: Australia" (全世界睇住2澳洲篇) which provides comprehensive information on overseas property and residence. Furthermore, i-CABLE News has produced the flagship programme "City Focus" (一線搜查) which closely follows the most relevant community current affairs topics, has been broadcasted on HOY 77 for over 400 episodes.

Digital media

On 21 November 2022, the Group introduced hoy.tv, a comprehensive website that offers a centralised platform for accessing the programmes content of three free-to-air TV channels: HOY 76, HOY 77 and HOY 78. This initiative accommodates the evolving needs of the audience.

To enhance the viewing experience for the audience and meet the high demand generated by the broadcasting of the Asian Games events, the Group undertook a website revamp during the year and offered a vast array of online on-demand videos, including over 1,800 episodes of TV series, entertainment shows, and informative programmes, thereby expanding the diversity of programme content. Furthermore, in addition to news, finance, and sports, the Group expanded its digital content presence on i-cable.com and various social media platforms to encompass lifestyle and entertainment programmes.

To enhance the Group's competitiveness in the multimedia platform, hoy.tv and i-cable.com websites have implemented cloud infrastructure, resulting in improved stability and scalability for live streaming. This upgrade ensures that audiences can enjoy a high-quality audio-visual experience anytime and anywhere. The optimisation of the websites and the enrichment of content have led to a consistent growth in the number of users on the hoy.tv website. By December 2023, the monthly active users on hoy.tv website reached 0.2 million, representing a year-on-year increase of 6.5%, and more than 0.6 million active users were recorded in the peak month of the year. However, the number of monthly active users on the i-cable.com website declined to 0.7 million in December 2023, representing a year-on-year decrease of 58% due to the termination of the Pay TV service.

On the other hand, the Group undertook a complete overhaul of the HOY Mobile App in August 2023, to cater to viewers' preferences for watching programmes on their mobile devices and enable users to access exciting programmes from HOY 76, HOY 77 and HOY 78 at anytime, as well as enjoy 24-hour live broadcasts. In addition, the HOY Mobile App has been updated with new interface and added features such as programmes search, my favorite collection and storage of viewing records to further enhance the viewing experience.

By 31 December 2023, the HOY Mobile App has achieved significant growth in its user base, with over 520,000 cumulative downloads, representing a notable increase of 2.5 times compared to the previous year; the mobile app "i-CABLE News — News, Finance, and Lifestyle Information Platform" (有線新聞 — 新聞、財經及生活資訊平台) experienced substantial growth in downloads throughout 2023. With over 1.3 million downloads, there was a notable increase of 13% compared to the previous year, and the overall number of users showed a steady upward trend.

MTR In-train TV Advertising

The Group's "Cable News Express" (有線新聞速遞) is the sole distributor of the advertisement and content provider for the MTR In-train TV. The coverage extends to trains on the MTR East Rail Line, Tuen Ma Line, Kwun Tong Line, and South Island Line. The Group delivers a range of content to passengers on MTR trains, including real-time local and international news, financial updates, sports coverage, entertainment news, and informative programmes. It also provides advertisers with a premium outdoor advertising platform, enabling them to effectively convey their advertising messages to the passengers.

Following the complete reopening of the border in March 2023, economic activities in Hong Kong have been gradually returning to normal. Between January and December 2023, Hong Kong witnessed over 23 million inbound passengers, MTR recorded a 32% increase in average daily patronage (Monday to Friday only) on an annualised basis for the year. Advertisers, particularly those targeting cross-border customers, such as healthcare, pharmaceuticals, and dental services, have resumed their advertising spending in the MTR In-train TV. The border opening has created opportunities for various economic activities, including but not limit to hosting international events, conferences, and economic forums. Consequently, advertising revenue from sectors like insurance, lending, electronic payment, and real estate has recorded an increase.

As the exclusive broadcaster of the Asian Games, "Cable News Express" took the initiative to create tailored content and develop a range of marketing solutions to attract advertising spending from the government and various product categories, including electronic payment, food and beverage, health and supplements, and fast-moving consumer goods.

TELECOMMUNICATIONS BUSINESS

The Group's telecommunications business has demonstrated consistent performance and currently possesses a telecommunications network that serves over 2 million households in Hong Kong. In addition to expanding the coverage of its primary fiber network and enhancing the capacity of its core network to meet the demands of residential and business markets, the Group has also undertaken the transformation of its hybrid fiber/coaxial network into a full fiber network using advanced technologies in recent years. Furthermore, the Group has made continuous investments in the expansion of the Gigabit Passive Fiber Network ("GPON") to offer high-speed Fiber-to-the-Home internet services to an increasing number of subscribers. These efforts are aimed at ensuring that its customers enjoy a stable and high-speed internet experience.

With the end of the pandemic and the complete revival of the tourism industry, the Group has introduced roaming data service plans tailored for the Greater Bay Area, Asia, and global destinations to cater to the increasing demand for such services. Additionally, as northward consumption has gradually become a trend among Hong Kong residents, the Group has launched a high data usage service plan to fulfill the needs of its customers.

For the corporate services, the Group is actively exploring B2B (business-to-business) opportunities and expanding its product portfolio. Leveraging its existing expertise and skills, the Group is seeking new avenues to expand its business scope. This includes venturing into the commercial broadband business, generating additional revenue through the management of optical cabling systems and leasing spare network capacity. Furthermore, the Group has maintained a strong strategic partnership with China Mobile Hong Kong Limited ("CMHK") in various areas, encompassing the network construction, network consultation and promotion, as well as mobile communication business. Such initiatives have not only provided a stable source of income but have also facilitated the synergistic utilisation of network resources. In order to further increase market share, the Group will continue to explore better and more diversified telecommunications services while strengthening its sales channels.

PRINCIPAL RISKS AND UNCERTAINTIES FACING BY THE GROUP

The following principal risks and uncertainties are considered to be of significance and have the potential to affect the Group's businesses, results of operations and financial conditions. However, they are non-exhaustive as there may be other risks and uncertainties arising, resulting from changes in the economy and other conditions over time.

The media segment is experiencing an intense competition in a crowded marketplace with a super-dominant operator and changing user behaviour. The fragmentation of the audience's media consumption habits is increasing, with viewers choosing to watch various types of content anytime and anywhere through new platforms and mobile devices. The availability of a vast array of programme content on streaming platforms and social media platform has intensified competition and reduced the necessity of relying solely on traditional fixed platforms. As a result of these factors, the Group has experienced weakened operating results. However, the Group remains committed to creativity, continuing to produce programmes that reflect local characteristics, integrating media platforms, and keeping pace with the dynamic media market. The Group will make prudent and necessary investments in programming and infrastructure to enhance its competitiveness.

The telecommunications segment is faced with fast-changing technology and customers are constantly demanding for better quality and high-speed internet service. The Group's operations depend on its ability to innovate and upgrade its services and the successful deployment of new technologies. The Group will continue to enhance its network and bolstering its marketing efforts through online and telephone channels to provide superior services to its customers. These enhancements can improve the cost efficiency of the telecommunications business, thereby strengthening the Group's competitiveness and revenue growth potential.

MANAGEMENT DISCUSSION AND ANALYSIS

(A) Review of 2023 Results

Revenue from continuing operations of the Group for the year ended 31 December 2023 increased by approximately HK$35 million or 6% to approximately HK$598 million (2022: approximately HK$563 million). Revenue from discontinued operation of the Group for the year ended 31 December 2023 was approximately HK$118 million as compared to the year ended 31 December 2022 of approximately HK$332 million, which represented a decrease of approximately HK$214 million or 64%.

The total operating expenses from continuing operations of the Group increased to approximately HK$1,026 million for the year ended 31 December 2023 from approximately HK$889 million for the year ended 31 December 2022. In which, cost of services from continuing operations of the Group for the year ended 31 December 2023, including programming costs, network expenses and cost of sales, increased by approximately HK$129 million to approximately HK$816 million (2022: approximately HK$687 million). Programming costs, network expenses and cost of sales from continuing operations increased by approximately 23%, 21% and 7% respectively as compared to the year ended 31 December 2022. Selling, general and administrative and other operating expenses from continuing operations of the Group increased by approximately 4% as compared to the year ended 31 December 2022.

The non-cash impairment losses in aggregate amount of approximately HK$47 million (2022:HK$62 million), HK$20 million (2022: HK$37 million) and HK$15 million (2022: HK$24 million) were included within programming costs, network expenses and selling, general and administrative and other operating expenses, respectively, for the year ended 31 December 2023 as a result of management's assessment of the business prospect of the Group in light of the latest market environment.

Loss from operations from continuing operations of the Group for the year ended 31 December 2023 was approximately HK$428 million, representing an increase of approximately 31%, as compared with the loss from operations from continuing operations of approximately HK$326 million for the year ended 31 December 2022.

On top of the recognition of non-cash impairment losses on certain non-current assets mentioned above, the loss from continuing operations of the Group for the year ended 31 December 2023 included the recognition of fair value losses on financial assets at FVTPL of approximately HK$6 million for the year ended 31 December 2023, as compared to the fair value losses on financial assets at FVTPL of approximately HK$56 million recognised for the year ended 31 December 2022.

Finance costs from continuing operations of the Group for the year ended 31 December 2023 increased by approximately HK$28 million or 50% to approximately HK$84 million (2022: approximately HK$56 million), of which approximately HK$41 million (2022: approximately HK$39 million) was the total interest expense on unlisted long-term convertible bonds issued in June 2019 (the "2019 LCS") and March 2021 (the "2021 LCS"), and approximately HK$37 million (2022: approximately HK$13 million) was interest expenses on interest-bearing borrowings.

After the recognition of interest income, finance costs, non-operating expenses, net and income tax, which included the write down of deferred tax assets of approximately HK$23 million, the Group recorded a net loss from continuing operations of approximately HK$548 million for the year ended 31 December 2023 (2022: approximately HK$623 million), representing a decrease of net loss from continuing operations of approximately 12%, as compared to the last year.

Loss from discontinued operation for the year ended 31 December 2023 amounted to approximately HK$42 million (2022: approximately HK$262 million), due to the termination of Pay TV operation with effect from 1 June 2023.

Loss for the year ended 31 December 2023 decreased by approximately HK$297 million, representing a decrease of approximately 34%, as compared to that of 2022. The decrease in the loss of the Group for the year ended 31 December 2023 was mainly attributable to, among other things, (i) the decrease in non-cash write-down of deferred tax assets and impairment losses on certain non-current assets recognised for the year ended 31 December 2023; and (ii) the decrease in fair value losses on financial assets at FVTPL for the year ended 31 December 2023.

Basic and diluted loss per share from continuing and discontinued operations for the year ended 31 December 2023 was approximately HK8.3 cents (2022: approximately HK12.4 cents). Basic and diluted loss per share from continuing operations for the year ended 31 December 2023 was approximately HK7.7 cents (2022: approximately HK8.7 cents). Basic and diluted loss per share from discontinued operation for the year ended 31 December 2023 was approximately HK0.6 cents (2022: approximately HK3.7 cents).

During the year ended 31 December 2023, included in operating expenses from continuing operations, impairment losses of property, plant and equipment of approximately HK$46 million, right-of-use assets of approximately HK$4 million, programming library of approximately HK$29 million and other related intangible assets of approximately HK$3 million, were recognised in relation to the cash-generating unit to which the remaining assets of the Group are allocated. Management determined the value in use of the cash-generating unit with the assistance of an independent qualified professional valuer, which is measured using the discounted cash flow projections. The cash flow projections are based on financial budgets covering a five-year period approved by the board (the "Board") of directors (the "Directors") of the Company. Cash flows beyond the five-year period are extrapolated using a long term growth rate. The valuation method used was consistent with the requirements prescribed by Hong Kong Accounting Standard ("HKAS") 36 "Impairment of Assets" and remained the same as that of last year.

The key assumptions used in the cash flow projections included forecast revenue at growth rates ranging from -9% to 19% (2022: -25% to 18%) and forecast operating expenses at rates ranging from -20% to -1% (2022: -13% to -2%) over the five-year period, which are determined by considering both internal and external factors relating to the businesses; long term growth rate of 2.5% (2022: 2.5%) which is consistent with the forecast of the businesses and the expected market development; and the pre-tax discount rate of 16.34% (2022: 17.44%) which reflects specific risks relating to the businesses. Changes in assumptions from previous year's reflected management's latest business plans and business prospect in light of the latest market environment.

(B) Segmental Information

The principal activities of the Group comprise media and telecommunications operations.

Media

The media segment includes operations related to the television subscription business (terminated with effect from 1 June 2023), domestic free television programme service, advertising, television relay service, programme licensing, theatrical release and other media related businesses.

Revenue from continuing operations derived from the media segment for the year ended 31 December 2023 increased by approximately HK$48 million to approximately HK$212 million (2022: approximately HK$164 million), which was mainly due to increased advertising revenue.

Operating expenses from continuing operations before depreciation, amortisation of other intangible assets and impairment losses incurred by the media segment for the year ended 31 December 2023 increased to approximately HK$503 million (2022: approximately HK$315 million). As disclosed in "Segment Information" in Note 7 to the consolidated financial statements in this final results announcement, the loss before depreciation, amortisation of other intangible assets and impairment losses from continuing operations of the media segment for the year ended 31 December 2023 increased to approximately HK$291 million (2022: approximately HK$151 million), which was mainly due to increase in operating expenses.

The Group terminated the Pay TV operation with effect from 1 June 2023 upon the approval of application for the Licence Termination, result to decrease in revenue and operating expenses form discontinued operation for the year ended 31 December 2023. Revenue from discontinued operation of the Group for the year ended 31 December 2023 was approximately HK$118 million as compared with year ended 31 December 2022 of approximately HK$332 million, which represented a decrease of approximately HK$214 million or 64% as revenue from discontinued operation for the year ended 31 December 2022 represented full year effect. The operating expenses from discontinued operation decreased from approximately HK$595 million for year ended 31 December 2022 to approximately HK$160 million for the year ended 31 December 2023 which was mainly due to the recognition of non-cash impairment losses on property, plant and equipment, programming library, other related intangible assets and contract acquisition cost in prior year and operating expenses from discontinued operation for the year ended 31 December 2022 represented full year effect. Loss from discontinued operation decreased by approximately HK$220 million to approximately HK$42 million for the year ended 31 December 2023 (2022: approximately HK$262 million).

Telecommunications

The telecommunications segment includes operations related to broadband internet access services, portal operation, telephony services, network leasing, network construction, mobile service and mobile agency service as well as other telecommunications related businesses.

Revenue derived from the telecommunications segment for the year ended 31 December 2023 decreased by approximately HK$13 million to approximately HK$386 million (2022: approximately HK$399 million).

Operating expenses before depreciation, amortisation of other intangible assets and impairment losses incurred by the telecommunications segment for the year ended 31 December 2023 increased by approximately 10% to approximately HK$291 million (2022: approximately HK$264 million). As disclosed in “Segment Information” in Note 7 to the consolidated financial statements in this final results announcement, the profit before depreciation, amortisation of other intangible assets and impairment losses from the telecommunications segment for the year ended 31 December 2023 decreased by approximately 30% to approximately HK$95 million (2022: approximately HK$135 million), which was mainly due to the increase in operating expenses and decrease in revenue.

(C) Liquidity, Financial Resources and Capital Structure

As at 31 December 2023, the Group had cash and bank balances and restricted bank balances of approximately HK$29 million and HK$12 million, respectively as compared to approximately HK$42 million and HK$17 million, respectively as at 31 December 2022. The decrease in cash and bank balances was mainly due to the net cash used in operations and investing activities and offsetting with the net cash from financing activities. The cash and bank balances and restricted bank balances of the Group as at 31 December 2023 and 2022 are mainly denominated in Hong Kong Dollar ("HK$"). The net gearing ratio, measured in terms of the total interest-bearing borrowings and convertible bonds less cash and bank balances and restricted bank balances divided by total deficit, was a negative of approximately 118% (31 December 2022: a negative of approximately 146%). As at 31 December 2023, the Group recorded total assets of approximately HK$945 million which were financed by total liabilities of approximately HK$2,274 million offsetting with the total deficit of approximately HK$1,329 million. As at 31 December 2022, the Group recorded total assets of approximately HK$879 million which were financed by total liabilities of approximately HK$1,619 million and total deficit of approximately HK$740 million. The increase in total deficit was attributable to the loss for the year.

Consolidated net liability value of the Group as at 31 December 2023 was approximately HK$1,329 million, while the Group recorded a consolidated net liability value of approximately HK$740 million as at 31 December 2022.

The carrying amount of interest-bearing borrowings denominated in HK$ as at 31 December 2023 was approximately HK$1,041 million (31 December 2022: approximately HK$591 million), in which the bank loan carries interest at variable rates and was repayable on demand; and the loans from Celestial Pioneer Limited (a company holding 72.0% of the total number of issued shares of Forever Top (Asia) Limited ("Forever Top"), a substantial shareholder holding 43.2% shareholding of the Company, and is wholly-owned by Dr. Cheng Kar Shun, Henry ("Dr. Cheng"), the Director) carry interest at fixed rates ranging from 2.5% to 6% per annum and with a term of three years from the date of respective loan agreements. As at 31 December 2023 and 31 December 2022, the Group has utilised all committed borrowing facilities.

The 2019 LCS

On 4 June 2019, the issuance of the 2019 LCS with the principal amount of HK$568 million by the Company to Forever Top, the controlling shareholder of the Company was completed. The 2019 LCS would be convertible into 4,544,000,000 new ordinary shares of the Company (the "Share(s)") upon full conversion of the 2019 LCS based on the initial conversion price (the "Conversion Price") of HK$0.125 per conversion share and the coupon rate of the 2019 LCS is 2.0% per annum and payable quarterly. Details of the 2019 LCS are set out in the announcements of the Company dated 25 January 2019 and 4 June 2019 and the circular of the Company dated 8 April 2019 (the "2019 Circular"). During the year ended 31 December 2023, there had not been any conversion of the 2019 LCS.

The carrying amount of liability component of the 2019 LCS denominated in HK$ as at 31 December 2023 was approximately HK$426 million (31 December 2022: approximately HK$405 million). Details of the 2019 LCS were set out in "Convertible Bonds" in Note 16 to the consolidated financial statements in this final results announcement.

The net proceeds raised from the issuance of the 2019 LCS have all been utilised as at 31 December 2020 according to the intended use of proceeds as disclosed in the 2019 Circular.

The 2021 LCS

On 31 March 2021, the issuance of the 2021 LCS with the principal amount of HK$200 million by the Company to Forever Top was completed. The 2021 LCS would be convertible into 2,941,176,470 new Shares upon full conversion of the 2021 LCS based on the initial conversion price of HK$0.068 per conversion share and the coupon rate of the 2021 LCS is 2.0% per annum and payable quarterly. The Company may at any time on or after the date of issue of the 2021 LCS by giving not less than 10 business days' written notice to the holder(s) of the 2021 LCS to redeem all or part of the 2021 LCS at the outstanding principal amount of the 2021 LCS together with all accrued but unpaid interest. Details of the 2021 LCS are set out in the announcements of the Company dated 27 January 2021 and 31 March 2021 and the circular of the Company dated 2 March 2021 (the "2021 Circular"). During the year ended 31 December 2023, there had not been any conversion or redemption of the 2021 LCS.

The carrying amount liability component and redemption option of the 2021 LCS denominated in HK$ as at 31 December 2023 was approximately HK$146 million (31 December 2022: approximately HK$141 million) and approximately HK$34 million (2022: approximately HK$37 million) respectively. Details of the 2021 LCS were set out in "Convertible Bonds" in Note 16 to the consolidated financial statements in this final results announcement.

The net proceeds raised from the issuance of the 2021 LCS have all been utilised as at 31 December 2022 according to the intended use of proceeds as disclosed in the 2021 Circular.

The Group takes a centralised approach to the Group's funding and treasury management as well as optimisation of the funding cost-efficiency. The management (i) strives to maintain a balanced debt and capital financing structure; (ii) ensures secure and optimum return on the investment of surplus funds within an agreed risk profile; (iii) oversees the treasury related financial risks, including but not limited to interest rate risk, currency risk, liquidity risk and credit risk; (iv) strives to diversify source of funding and maintain a balanced maturity profile; and (v) maintains an appropriate control environment to protect the financial return under the fluidity financial market conditions.

The Group's assets and liabilities are mainly denominated in HK$ and United States Dollars ("US$") and it earns its revenue and incurs costs and expenses mainly in HK$ and US$. As HK$ is pegged to US$, the Group does not expect any significant foreign currency exposure arising from the fluctuation of the US$/HK$ or HK$/US$ exchange rates.

During the year ended 31 December 2023, capital expenditure on property, plant and equipment amounted to approximately HK$67 million (2022: approximately HK$114 million), the additions to right-of-use assets were approximately HK$201 million (2022: approximately HK$12 million), the additions to programming library were approximately HK$43 million (2022: approximately HK$47 million) and the additions to other intangible assets were approximately HK$3 million (2022: HK$Nil).

The Group financed its operations generally with internally generated cash flows and loans from the controlling shareholder of Forever Top.

(D) Contingent Liabilities

As at 31 December 2023, the Group did not have any contingent liabilities.

(E) Guarantees

As at 31 December 2023, a corporate guarantee of HK$295 million (2022: HK$400 million) had been provided by the Company to a bank in respect of the facility of borrowing up to HK$295 million (2022: HK$400 million) to a wholly-owned subsidiary of the Company, of which HK$295 million (2022: HK$295 million) was utilised by the wholly-owned subsidiary of the Company.

As at 31 December 2023, the Group had made arrangements with a bank to provide two separate performance bonds to the counterparties amounting to HK$35 million (2022: HK$40 million), of which HK$5 million (2022: HK$10 million) was secured by bank deposits. The performance bonds are to guarantee in favour of the counterparties the Group's performance in fulfilling the obligations under a contract and the requirements as set out in the licence issued by a regulatory body.

(F) Human Resources

The Group had 1,070 full-time employees as at 31 December 2023 (31 December 2022: 1,151). Total salaries and related costs before capitalisation and incurred for the year ended 31 December 2023 amounted to approximately HK$409 million (for the year ended 31 December 2022: approximately HK$372 million). The remuneration of the Directors and the employees of the Group is determined with reference to their qualifications, experience, duties and responsibilities with the Group, as well as the Group's performance and the prevailing market conditions. Besides, the Group regularly provides training courses for the employees of the Group to meet their needs.

(G) Operating Environment

In view of the rapidly changing media landscape in Hong Kong, and fierce competition among global operations related to the Pay TV content providers and Pay TV operators, Hong Kong Cable Television Limited ("HKC") has submitted an application for the Licence Termination to the Government and has been granted approval on 14 February 2023. The Group has terminated the Pay TV operation with effect from 1 June 2023.

Although the Group has terminated the Pay TV operation with effect from 1 June 2023, the Group recorded a slight improvement on advertising revenue.

For broadband services, the number of customers as at 31 December 2023 decreased as compared to that as at 31 December 2022, due to keen market competition. In view of above, the Group will continue to expand the network coverage and upgrade of the Group's network to provide high speed Gigabit-capable Passive Optical Network ("GPON") services to enhance the Group's competitiveness.

(H) Charge on Group Assets

As at 31 December 2023, restricted bank balances of approximately HK$12 million (31 December 2022: approximately HK$17 million) were made by the Group to secure certain banking facilities granted to the Group.

(I) Material Acquisitions and Disposals and Significant Investments

There was no material acquisition or disposal of subsidiaries, associated companies and joint ventures or significant investments of the Group, which would have been required to be disclosed under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"), for the year ended 31 December 2023.

(J) Future Plans for Material Investments or Capital Assets

The Group will continue to invest in property, plant and equipment and programming library as required by its business operations, and explore the market and identify any business opportunities which will be beneficial to its growth and development, enhance its profitability, and strive for better return to the shareholders of the Company (the "Shareholders").

The Group's ongoing capital expenditure will be funded by internal cash flows generated from operations and the available credit facilities.

(K) Outlook

The Group terminated its Pay TV operation in 2023 and transitioned to free TV and omnimedia operations. The year of 2024 will be an important year after the transformation of the media business. In view of the rapidly changing landscape of the media market in Hong Kong, it is imperative to develop branded content and design multi-screen interactive forms to reach audiences and users. Therefore, the Group will integrate social media platforms, mobile applications, the MTR In-train TV, and physical promotional events to create marketing solutions that enhance customer engagement and consumption. In order to promote the development of programme content and reinforce its production capabilities, the Group will continue to devise innovative content marketing strategies and recruit producers with diverse styles and skill sets. The Group anticipates that the transformation of local economic activities and inbound tourism will have a positive impact on the quality of content and the flexibility of operators in the advertising market in 2024.

Media

Regarding programme content, the Group remains dedicated to producing innovative shows that reflects current social changes and the collective feelings of audiences. This includes shows like “Hints of Postnatal Care” (坐月攻略), which delves deeply into the postnatal recovery of new mothers after the pandemic, and “Make it a better place 2” (香港空間改造王2), which caters to the excitement of Hong Kong people about purchasing homes and their aspiration to transform these spaces into cozy and inviting homes. The Group is also preparing to launch self-produced drama series in 2024, aiming to provide viewers with more diversified programmes choices.

To cater to the Hong Kong people who are busy with consumption, HOY TV is seeking innovative approaches to produce travel and food programmes, such as “UK, OK” (英國邊忽好) which explores hidden gems in Britain, “Along with the Goddesses” (女神同行) where Taiwan’s top ten popular goddesses serve as guides, and “Undercover Service Squad” (臥底服務團) which challenges the services standard offered by Hong Kong restaurants and attractions with the participation of artists and guests. Moreover, to enhance the popularity and topicality of these programmes, the Group has invited several renowned and thematic artists to host the shows, including Natalie Tong Sze Wing, Snow Suen Wai Suet, Ashley Chu Chi Yin, Maisy Ma, Mizuki Lin (林襄) and Lisa Lin (林莎).

Building upon the success of last year’s broadcast of the Asian Games, the Group will continue its collaboration with local audiences to select a range of thrilling international events featuring Hong Kong athletes to support the Hong Kong team in 2024. These include the exclusive coverage of events such as the “AFC Asian Cup“ (亞洲盃足球賽), the “2024 World Aquatics Championships“ (2024世界游泳錦標賽), the “AFC Champions League“ (亞冠盃足球賽), and the “2025 FIBA Asia Cup Qualification Match” (2025亞洲盃籃球賽資格賽). Together with other international sports events, HOY TV maximises the advantages of various media platforms to deliver high-quality sports broadcasting to local audiences, and to elevate local athletes and the sports community into the spotlight, and facilitate engagement with audiences, witnessing the development of sports in Hong Kong.

To seize the opportunities arising from the development of the Guangdong-Hong Kong Greater Bay Area, the Group has launched its self-produced programmes. These include “Map of Shenzhen” (深圳地圖) which caters to the consumption preferences of Hong Kong residents venturing Shenzhen, “Let’s Feast GBA” (煮題COOK 3灣區搵食) which focuses on the cuisines in the Greater Bay Area, and “Railway Traveler” (一個人鐵道行) which introduces tourist destinations along Mainland China’s high-speed railway. Furthermore, the Group has established a strategic partnership with China Guangdong Radio and Television to jointly produce the Cantonese Spring Festival Gala programme (龍騰灣區歡樂年) in 2024. This collaboration enhances the Group’s presence in the Greater Bay Area. The Group will continue to develop programmes with distinct Hong Kong characteristics to better integrate into the Greater Bay Area market. Additionally, the Group will pursue deeper and more comprehensive cooperation with Mainland media and platforms to attract more business partners and advertisers, thereby fostering business growth. In addition to the Greater Bay Area market, the Group will explore partnerships with platforms in Malaysia, Singapore, the United States, Canada, and other regions to tap into a broader film and television market.

HOY 78 will persist in improving the production of local news and global finance content to capture the business potential in the banking and finance sector. In January 2024, the Group has introduced an exclusive interview section "Inno Navigator" (科創領航) in programme "Inno Action" (智•創未來), which engaged in discussions with ten influential guests from the science and technology sector regarding the progress of science and technology innovation in Hong Kong and the associated industry policies. "City Focus" (一線搜查), produced by the i-CABLE News team, is one of the highest-rated programmes at HOY TV. In the future, it will be broadcasted from a new studio equipped with AR (Augmented Reality) technology, allowing closer engagement with the public on current social issues and providing comprehensive analysis on diverse facets of people's livelihoods.

The Group will continue to strengthen its free-to-air TV channels, digital media platforms and advertising businesses following its successful expansion into the multimedia sector in 2023 in response to the changing operating environment. With the rapid advancements in 5G wireless networks and the increasing popularity of streaming content on smartphones, the Group will focus on improving the functionality of its mobile applications, including "HOY" and "i-CABLE News" as well as mobile webpages, to provide viewers with a more convenient and high-quality digital experience. Additionally, the Group will work on enhancing the flow and quality of film streaming on digital platform, while continuously innovating to provide a wider range of appealing content and advertising options to its audience, which will contribute to the expansion of the company's business operations.

Furthermore, following the optimisation of the HOY Mobile App, a new targeted sales function is added, which is expected to bring revenue growth to the Group. By offering value-added integrated marketing solutions and bundling multi-platform media services, more business opportunities will be seized in 2024 and beyond.

Cable TV 18 Channel (有線18台) remains committed to delivering a comprehensive lineup of horse racing programmes to cater to the vast number of horse racing enthusiasts. The channel will continue to enhance the mobile application "Racing GPS" (賽馬GPS) while adhering to the principles of originality, innovation, and dedication. Cable TV 18 Channel (有線18台) aims to provide a greater variety of thrilling and top-notch horse racing information, especially for young horse racing fans, offering them professional horse racing analysis from different perspectives and maintain a leading position in the horse racing channel, so as to attract more new users.

The recovery of economic activities and the increase in inbound tourism in the Greater Bay Area will directly benefit the advertising market in 2024. The convenience of travel on the MTR East Rail Line will attract more cross-boundary travelers, creating new business opportunities for both existing and new advertisers. To diversify content and attract advertisers, the Group plans to introduce additional lifestyle and entertainment content on the MTR In-train TV, with aims to associate more product categories with the content, thereby increasing the placement of advertisements and generating higher revenue. Moreover, the Group will launch new initiatives to offer advertisers comprehensive and customised advertising campaigns through bundled sales of MTR carriage advertisements and in-app advertising positions, resulting in additional revenue streams. Additionally, the introduction of targeted sales as a new advertising feature on the MTR mobile application is expected to generate interest from potential advertisers and drive new business revenue.

The Group will continue to implement innovative sales strategies, offer content sponsorship and integrate marketing solutions to diversify the product portfolio. The advertising sales team of the Group will continue to deliver personalised advertising content, customised mini programmes, and cross-platform bundled sales to seize more business opportunities.

Telecommunications

The Group will continue to invest in the expansion of network backbone coverage and core network capacity. The objective is to meet the growing demands of both residential and commercial markets and position the Group for future growth. To address the rising demand for data traffic and services, the Group will strive to expand its network infrastructure to provide stronger network support and higher capacity.

Through investments in extending network backbone coverage, the Group aims to achieve wider service coverage and enhance connectivity, resulting in higher speeds and a more reliable network experience. Simultaneously, expanding the capacity of the core network will improve network throughput and processing capabilities, catering to the increasing demand for data transmission while ensuring network stability and reliability.

The objectives of these investments and endeavors are to facilitate the business expansion of the Group and address evolving market requirements. By expanding network capabilities and establishing a stronger infrastructure, the Group can offer customers a wider range of service options, cater to the diverse needs of various industries and users, and maintain a competitive edge.

The Group will persist in pursuing potential collaborations with other business partners for network cooperation. Additionally, it will enhance its existing partnership with CMHK, a long-term strategic partner, encompassing areas such as content provision, network consultation, and infrastructure layout. Furthermore, the Group will leverage its network expertise and capabilities to support CMHK in the design, planning, and installation of infrastructure projects in Hong Kong.

The Group has a strong belief that its telecommunications business will continue to operate efficiently and yield satisfactory outcomes. Moreover, the Group is eager to explore additional business prospects within the telecommunications sector, aiming to bring new impetus to the Group's business portfolio and enhance overall performance growth.

The Group has been focusing on formulating and implementing an organisational restructuring which included, among other things, (i) identifying cost-saving initiatives through automation and process re-engineering; (ii) promoting more locally produced high quality content and introducing new overseas contents; (iii) exploring new television content co-operation models and diversifor free television and other digital media platforms in view of the increasing competition from alternative media platforms; and (iv) performing strategic reviews on possible restructuring of the Group to enhance business performance and management efficiency, to promote synergies, and to improve cost efficiency and profitability, and on the financial performance of the Group. As part of a strategic review, the Group has been and will continue to prudently evaluate any potential partnerships.

(L) Events After the Reporting Period

1. On 4 January 2024, HKC as the borrower, entered into a loan agreement with Celestial Pioneer Limited as the lender, pursuant to which, HKC obtained an unsecured loan with a principal amount of HK$80,000,000 for a term of 3 years from the date of the said loan agreement, with an interest rate of 6.0% per annum.

2. On 6 March 2024, HKC as the borrower, entered into a loan agreement with Celestial Pioneer Limited as the lender, pursuant to which, HKC obtained an unsecured loan with a principal amount of HK$90,000,000 for a term of 3 years from the date of the said loan agreement, with an interest rate of 6.0% per annum.

Save as disclosed above, the Group does not have any material events affecting the Group's financial performance and/or financial position significantly that have occurred since the end of the financial year ended 31 December 2023.

(M) Compliance With Relevant Laws and Regulations

During the year ended 31 December 2023, there was no incidence of non-compliance with the relevant laws and regulations of the place in which the Group operates that has a significant impact on the business operations of the Group.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS
For the year ended 31 December 2023

	Note	2023 HK$'000	2022 HK$'000 (restated)
Continuing operations			
Revenue	6,7	**597,898**	562,794
Cost of services			
— Programming costs		**(396,988)**	(323,310)
— Network expenses		**(255,649)**	(210,706)
— Cost of sales		**(163,410)**	(152,898)
Selling, general and administrative and other operating expenses		**(209,617)**	(201,727)
Loss from operations		**(427,766)**	(325,847)
Interest income		**749**	1,111
Finance costs		**(83,547)**	(55,561)
Non-operating expenses, net		**(4,060)**	(55,456)
Loss before taxation	8	**(514,624)**	(435,753)
Income tax	9	**(32,940)**	(187,627)
Loss from continuing operations		**(547,564)**	(623,380)
Discontinued operation			
Loss from discontinued operation	10	**(41,710)**	(262,338)
Loss for the year		**(589,274)**	(885,718)
Attributable to:			
Equity shareholders of the Company		**(589,274)**	(885,718)

	Note	2023	2022 (restated)
Loss per share	*11*		
From continuing and discontinued operations			
Basic		**(8.3) HK cents**	(12.4) HK cents
Diluted		**(8.3) HK cents**	(12.4) HK cents
From continuing operations			
Basic		**(7.7) HK cents**	(8.7) HK cents
Diluted		**(7.7) HK cents**	(8.7) HK cents
From discontinued operation			
Basic		**(0.6) HK cents**	(3.7) HK cents
Diluted		**(0.6) HK cents**	(3.7) HK cents

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2023

	2023 *HK$'000*	2022 *HK$'000* (restated)
Loss for the year	**(589,274)**	(885,718)
Other comprehensive income for the year		
Item that may be reclassified subsequently to profit or loss:		
Currency translation difference	**(14)**	100
Total comprehensive income for the year	**(589,288)**	(885,618)
Attributable to:		
Equity shareholders of the Company		
— Continuing operations	**(547,578)**	(623,280)
— Discontinued operation	**(41,710)**	(262,338)
	(589,288)	(885,618)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2023

	Note	2023 HK$'000	2022 HK$'000
ASSETS			
Non-current assets			
Property, plant and equipment		**393,219**	457,567
Right-of-use assets		**194,248**	9,655
Programming library		**–**	11,075
Other intangible assets		**1,218**	2,661
Contract acquisition costs		**4,248**	3,683
Deferred tax assets	*12*	**69,551**	102,144
Deposits, prepayments and other receivables		**31,154**	34,132
		693,638	620,917
Current assets			
Inventories		**3,416**	6,473
Trade receivables and contract assets	*13*	**120,203**	106,219
Deposits, prepayments and other receivables		**46,007**	41,565
Contract acquisition costs		**6,534**	6,102
Financial assets at fair value through profit or loss		**34,392**	40,081
Restricted bank balances		**12,050**	16,550
Cash and bank balances		**28,919**	41,587
		251,521	258,577
Total assets		**945,159**	879,494

	Note	2023 HK$'000	2022 HK$'000
EQUITY			
Capital and reserves			
Share capital	*15*	**7,928,975**	7,928,975
Reserves		**(9,257,792)**	(8,668,504)
Total deficit		**(1,328,817)**	(739,529)
LIABILITIES			
Non-current liabilities			
Convertible bonds	*16*	**572,005**	546,040
Interest-bearing borrowings	*17*	**746,035**	296,035
Lease liabilities		**225,169**	7,820
Other non-current liabilities		**26,969**	21,373
		1,570,178	871,268
Current liabilities			
Trade payables	*14*	**85,486**	50,278
Accrued expenses and other payables		**234,879**	247,316
Receipts in advance and customers' deposits		**83,538**	117,811
Interest-bearing borrowings	*17*	**295,000**	295,000
Lease liabilities		**4,815**	37,258
Current tax liabilities		**80**	92
		703,798	747,755
Total liabilities		**2,273,976**	1,619,023
Total equity and liabilities		**945,159**	879,494

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

i-CABLE Communications Limited is a limited liability company incorporated in Hong Kong. The address of its registered office in Hong Kong is 7th Floor, Cable TV Tower, 9 Hoi Shing Road, Tsuen Wan, Hong Kong.

The Company has its primary listing on The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

The Group is engaged in domestic free television programme service, advertising, television relay service, programme licensing, theatrical release, other media related businesses, broadband internet access services, portal operation, telephony services, network leasing, network construction, mobile service and mobile agency service as well as other telecommunications related businesses. During the year ended 31 December 2023, the Group discontinued its domestic pay television programme service business as detailed in Note 10. Accordingly, the consolidated statement of profit or loss and the consolidated statement of comprehensive income for the year ended 31 December 2022 has been re-presented.

The consolidated financial statements for the year ended 31 December 2023 (the "Financial Statements") are presented in thousands of Hong Kong dollars (*HK$'000*), unless otherwise stated. The Financial Statements have been approved for issue by the Board on 22 March 2024.

The financial information relating to the years ended 31 December 2023 and 2022 that is included in this final results announcement does not constitute the Company's statutory annual consolidated financial statements for that year but is derived from those financial statements. Further information relating to these statutory financial statements required to be disclosed in accordance with section 436 of the Hong Kong Companies Ordinance (Cap. 622) is as follows:

The Company has delivered the consolidated financial statements of the Group for the year ended 31 December 2022 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance (Cap. 622) and will deliver the consolidated financial statements of the Group for the year ended 31 December 2023 in due course.

The Company's auditor has reported on the consolidated financial statements of the Group for both years. The auditor's reports were unqualified; did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report; and did not contain a statement under sections 406(2), 407(2) or (3) of the Hong Kong Companies Ordinance (Cap. 622).

2. BASIS OF PREPARATION

The Financial Statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRS") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and requirements of the Hong Kong Companies Ordinance Cap. 622. The Financial Statements have been prepared under the historical cost convention, except for financial assets at FVTPL, which are measured at fair value.

The preparation of Financial Statements in conformity with HKFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies.

During the year ended 31 December 2023, the Group incurred a net loss of HK$589 million (2022: HK$886 million). As at 31 December 2023, the Group's current liabilities exceeded its current assets by HK$452 million (31 December 2022: HK$489 million) and total deficit amounted to HK$1,329 million (31 December 2022: HK$740 million). Total operating cash outflows amounted to HK$287 million (2022: HK$89 million) and total cash outflows amounted to HK$13 million during the year (2022: total cash outflows of HK$29 million). Included in the Group's current liabilities was an interest-bearing bank borrowing of HK$295 million which is immediately repayable on demand and subject to review at any time and in any event not less than annually. Besides the banking facility, the Group has received financing from time to time from Forever Top, a substantial shareholder holding 43.2% equity interests of the Company, through rights issue and issue of long-term convertible bonds in June 2019 and March 2021 to improve the Group's liquidity. Up to 31 December 2023, the controlling shareholder of Forever Top has advanced unsecured 3-year interest-bearing loans totalling HK$750 million to the Group, of which HK$450 million was advanced to the Group during the year ended 31 December 2023. Subsequent to the year end, in January and March 2024, the controlling shareholder of Forever Top further advanced unsecured 3-year interest-bearing loans totalling HK$170 million to the Group.

In view of such circumstances, the Directors have given careful consideration of the liquidity requirement for the Group's operations, the performance of the Group and available sources of financing in assessing whether the Group has sufficient financial resources to continue as a going concern. The Directors have reviewed the Group's cash flow forecast prepared by management which covers a period of twelve months from 31 December 2023. The Directors have taken into account the following plans and measures in assessing the sufficiency of working capital requirements in the foreseeable future:

1. The Group's banking facility was renewed in March 2023 and the outstanding loan balance of HK$295 million has been rolled over, which will continue to be subject to the clause of the bank's overriding right to demand repayment;

2. Since the termination of the Pay TV Licence with effect from 1 June 2023, the Group continues to provide domestic free television programme services and other businesses as usual, including broadband telecommunications services, telephony services, network construction and mobile services. The Group will continue with its strategic transformation plan to enhance the Group's business performance; enrichment of contents; cooperation with other partners and cost savings initiatives; and

3. Forever Top has entered into an irrevocable deed of undertaking for a period of twelve months from 31 December 2023 to provide financial support to the Group, up to a cap with reference to the latest funding requirement based on the cash flow forecast as approved by the Board, as and when necessary. In turn, Forever Top has received back to back financial support undertakings from its controlling shareholder.

Notwithstanding the above, whether the Group is able to achieve its plans and measures as described above, which incorporate assumptions about future events and conditions are subject to inherent uncertainties. In particular, whether the Group will be able to continue as a going concern would depend upon the continuous availability of existing banking facility, the successful implementation of cost saving initiatives and enhancement of business performance, and from time to time as and when is necessary, the financial support from Forever Top as backed by the controlling shareholder of Forever Top.

The Directors, after due consideration of the basis of the Group's plans and measures as well as the reasonably possible downside changes to the cash flow assumptions in the cash flow projections, consider that the Group will have sufficient working capital to meet its financial obligations as and when they fall due in the coming twelve months from 31 December 2023. Accordingly, the Directors consider it is appropriate to prepare the Financial Statement on a going concern basis.

3. MATERIAL ACCOUNTING POLICIES

The accounting policies are consistent with those as described in the Group's financial statements for the year ended 31 December 2022, except for the adoption of the amendments to standards effective in the current accounting period.

(a) New standard, amendments to standards and HKFRS Practice Statement effective in current accounting period

During the year ended 31 December 2023, the Group has adopted the following new standard, amendments to standards and HKFRS Practice Statement which are mandatory for accounting period beginning on 1 January 2023:

HKFRS 17 and HKFRS 17 (Amendments)	Insurance Contracts
HKFRS 17 (Amendments)	Initial Application of HKFRS 17 and HKFRS 9 — Comparative Information
HKAS 1 (Amendments) and HKFRS Practice Statement 2	Disclosure of Accounting Policies
HKAS 8 (Amendments)	Definition of Accounting Estimates
HKAS 12 (Amendments)	Deferred Tax related to Assets and Liabilities arising from a Single Transaction
HKAS 12 (Amendments)	International Tax Reform — Pillar Two Model Rules

The adoption of these new standard, amendments to standards and HKFRS Practice Statement does not have any significant change to the accounting policies or any significant effect on the results and financial position of the Group.

(b) Amendments to standards and interpretation that are not yet effective and have not been early adopted by the Group

The following amendments to standards and interpretation have been published which are mandatory for the Group's accounting periods beginning on or after 1 January 2024 but have not been early adopted by the Group:

HKFRS 16 (Amendments)	Lease Liability in a Sale and Leaseback (1)
HKAS 1 (Amendments)	Classification of Liabilities as Current or Non-current (1)
HKAS 1 (Amendments)	Non-current Liabilities with Covenants (1)
Hong Kong Interpretation 5 (2020)	Presentation of Financial Statements — Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause (1)
HKAS 7 and HKFRS 7 (Amendments)	Supplier Finance Arrangements (1)
HKAS 21 (Amendments)	Lack of Exchangeability (2)
HKFRS 10 and HKAS 28 (Amendments)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (3)

(1) Effective for accounting periods beginning on or after 1 January 2024
(2) Effective for accounting periods beginning on or after 1 January 2025
(3) Effective date is to be determined

The Group does not expect that these amendments to standards and interpretation would have any material impact on its results and financial position.

4. ESTIMATES AND JUDGEMENTS

The preparation of the Financial Statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

5. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

(a) Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

There have been no changes in the financial risk management policies since 31 December 2022.

(b) Liquidity risk

Compared to the year ended 31 December 2022, there was no other material change in the contractual undiscounted cash outflows for financial liabilities, except for the contractual undiscounted cash outflows for the drawdown of loans from Celestial Pioneer Limited of HK$450,000,000 with a term of 3 years from the date of the respective loan agreements and interest thereon (Note 17(b)) and the contractual undiscounted cash outflows for the inception of new leases of approximately HK$350,294,000 during the year ended 31 December 2023.

(c) Price risk

The Group is exposed to price risk through its investments and redemption option of long-term convertible bonds recognised as financial assets at FVTPL. The Group manages this exposure by maintaining a portfolio of investments with different risk and return profiles.

Sensitivity analysis

At 31 December 2023, if the price of the Group's investments recognised as financial assets at FVTPL had been 1% higher/lower with all other variables held constant, the loss for the year would have decreased/increased by approximately HK$2,000 (2022: approximately HK$27,000).

Based on the share price of the Company as at 31 December 2023, if the share price of the Company had been HK$0.01 higher/lower with all other variables held constant, the fair value of the redemption option of long-term convertible bonds recognised as financial assets at FVTPL would have increased by approximately HK$10,954,000 and decreased by approximately HK$12,676,000, respectively (2022: increased by approximately HK$4,904,000 and decreased by approximately HK$9,311,000, respectively) and the loss for the year would have decreased by approximately HK$10,954,000 and increased by approximately HK$12,676,000, respectively (2022: decreased by approximately HK$4,904,000 and increased by approximately HK$9,311,000, respectively).

(d) Fair values of financial instruments

Financial instruments carried at fair value are measured by different valuation methods. The inputs to valuation methods are categorised into three levels within a fair value hierarchy, as follows:

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in Level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

The following table presents the Group's assets that are measured at fair value at the end of the reporting period on a recurring basis:

	Level 1	**Level 2**	**Level 3**	**Total**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
At 31 December 2023				
Assets				
Financial assets at FVTPL				
— Listed debt securities	**197**	**–**	**–**	**197**
— Redemption option of long-term convertible bonds	**–**	**–**	**34,195**	**34,195**
	197	**–**	**34,195**	**34,392**
At 31 December 2022				
Assets				
Financial assets at FVTPL				
— Listed debt securities	2,673	–	–	2,673
— Redemption option of long-term convertible bonds	–	–	37,408	37,408
	2,673	–	37,408	40,081

During the years ended 31 December 2023 and 2022, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3. The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

The following table presents the changes in Level 3 financial instrument for the years ended 31 December 2023 and 2022:

	2023	2022
	HK$'000	*HK$'000*
Redemption option:		
At the beginning of the year	**37,408**	87,005
Unrealised fair value change recognised in non-operating expenses, net	**(3,213)**	(49,597)
At the end of the year	**34,195**	37,408

The following table summarises the quantitative information about the significant unobservable inputs used in Level 3 fair value measurements:

	Fair value as at 31 December		**Unobservable inputs**	**Range of unobservable inputs as at**		**Relationship of unobservable inputs to fair value**
	2023	2022		**2023**	2022	
	HK$'000	*HK$'000*				
Redemption option of long-term convertible bonds	**34,195**	37,408	Discount rate	**7.78%**	9.40%	The higher the discount rate, the lower the fair value of the redemption option of long-term convertible bonds

The main Level 3 input used by the Group in measuring the fair value of financial instrument is derived and evaluated as follows:

Discount rate was determined with reference to the risk-free rate, credit spread of comparable bonds and liquidity spread in the market.

The carrying amounts of the Group's financial instruments carried at costs or amortised cost were not materially different from their fair values as at 31 December 2023 and 2022.

6. REVENUE

Revenue comprises principally subscription, service and related fees for broadband internet access and telephony services. It also includes advertising revenue net of agency deductions and distribution fees, programme licensing income, film exhibition and distribution income, network leasing income, network construction income, mobile service income, mobile agency service income and other telecommunications income.

7. SEGMENT INFORMATION

The Group managed its businesses according to the nature of services provided. The Group's chief operating decision maker (the "CODM"), which comprises executive Directors and senior management of the Company, has determined two reportable operating segments for measuring performance and allocating resources. The segments are media and telecommunications.

The media segment includes operations related to the domestic free television programme service, advertising, television relay service, programme licensing, theatrical release and other media related businesses.

The telecommunications segment includes operations related to broadband internet access services, portal operation, telephony services, network leasing, network construction, mobile service and mobile agency service as well as other telecommunications related businesses.

The CODM evaluates performance primarily based on segment results before depreciation of property, plant and equipment and right-of-use assets, amortisation of other intangible assets, impairment losses on property, plant and equipment, right-of-use assets, programming library, other related intangible assets and contract acquisition costs, corporate expenses, corporate depreciation of property, plant and equipment, corporate impairment losses, interest income, finance costs, non-operating expenses, net and income tax, but after amortisation of programming library and amortisation of contract acquisition costs. Besides, the CODM also evaluates performance based on segment results before corporate expenses, corporate depreciation of property, plant and equipment, corporate impairment losses, interest income, finance costs, non-operating expenses, net and income tax, but after amortisation of programming library, amortisation of contract acquisition costs, depreciation of property, plant and equipment and right-of-use assets and amortisation of other intangible assets.

Inter-segment pricing is generally determined at arm's length basis.

Segment assets principally comprise all assets with the exception of deferred tax assets and assets managed at the corporate office. Segment liabilities include all liabilities, convertible bonds and interest-bearing borrowings directly attributable to and managed by each segment with the exception of current tax liabilities and liabilities at corporate office.

Besides, the CODM is also provided with segment information concerning revenue (including inter-segment revenue).

Operating segment regarding the domestic pay television programme service was discontinued upon the Licence Termination during the year ended 31 December 2023. The segment information for the year ended 31 December 2022 has been re-presented and does not include any amounts for the discontinued operation, which are described in more detail in Note 10.

Information regarding the Group's reportable segments as provided to the CODM for the purposes of resource allocation and assessment of segment performance from continuing operations for the years ended 31 December 2023 and 2022 is set out below:

	Year ended 31 December					
	Media		**Telecommunications**		**Total**	
	2023	2022	**2023**	2022	**2023**	2022
	HK\$'000	*HK\$'000* (restated)	***HK\$'000***	*HK\$'000*	***HK\$'000***	*HK\$'000* (restated)
Reportable segment revenue	**211,967**	164,067	**386,139**	398,935	**598,106**	563,002
Less: Inter-segment revenue	**–**	–	**(208)**	(208)	**(208)**	(208)
Revenue from external customers	**211,967**	164,067	**385,931**	398,727	**597,898**	562,794
Revenue from contracts with customers:						
Timing of revenue recognition:						
At a point in time	**7,824**	6,710	**42,937**	35,243	**50,761**	41,953
Over time	**204,143**	157,357	**342,632**	363,097	**546,775**	520,454
Revenue from other sources:						
Rental income	**–**	–	**362**	387	**362**	387
	211,967	164,067	**385,931**	398,727	**597,898**	562,794
Reportable segment (loss)/profit before depreciation, amortisation of other intangible assets and impairment losses	**(291,363)**	(150,585)	**94,982**	135,072	**(196,381)**	(15,513)
Depreciation	**(29,897)**	(23,704)	**(53,764)**	(86,997)	**(83,661)**	(110,701)
Amortisation of other intangible assets	**(1,097)**	(3,420)	**(7)**	–	**(1,104)**	(3,420)
Impairment losses	**(53,329)**	(62,217)	**(23,307)**	(47,147)	**(76,636)**	(109,364)
Reportable segment results before corporate expenses, corporate depreciation and corporate impairment losses	**(375,686)**	(239,926)	**17,904**	928	**(357,782)**	(238,998)
Corporate expenses					**(60,727)**	(58,845)
Corporate depreciation					**(3,861)**	(14,554)
Corporate impairment losses					**(5,396)**	(13,450)
Loss from operations					**(427,766)**	(325,847)
Interest income					**749**	1,111
Finance costs					**(83,547)**	(55,561)
Non-operating expenses, net					**(4,060)**	(55,456)
Income tax					**(32,940)**	(187,627)
Loss from continuing operations					**(547,564)**	(623,380)

	2023	2022
	HK$'000	*HK$'000*
Segment assets		
Media	**459,713**	373,735
Telecommunications	**394,932**	379,086
	854,645	752,821
Corporate assets	**20,963**	24,529
Deferred tax assets	**69,551**	102,144
Total assets	**945,159**	879,494
Segment liabilities		
Media	**1,499,773**	913,143
Telecommunications	**742,861**	692,640
	2,242,634	1,605,783
Corporate liabilities	**31,262**	13,148
Current tax liabilities	**80**	92
Total liabilities	**2,273,976**	1,619,023

During the year ended 31 December 2023, capital expenditure on property, plant and equipment amounted to approximately HK$66,916,000 (2022: approximately HK$113,574,000), the additions to right-of-use assets were approximately HK$201,419,000 (2022: approximately HK$11,654,000), the additions to programming library were approximately HK$42,844,000 (2022: approximately HK$47,236,000) and the additions to other intangible assets were approximately HK$2,619,000 (2022: HK$Nil).

Geographical segment:

No geographical segment information is shown as, during the year presented, less than 10% of the Group's segment revenue, segment results, segment assets and segment liabilities are derived from activities conducted outside Hong Kong.

Information about major customer:

Revenue of approximately HK$133,621,000 (2022: approximately HK$134,618,000) were derived from a single external customer during the year ended 31 December 2023, of which approximately HK$131,591,000 (2022: approximately HK$132,318,000) and approximately HK$2,030,000 (2022: approximately HK$2,300,000) were attributed to the telecommunications segment and the media segment, respectively.

8. LOSS BEFORE TAXATION

Loss before taxation is stated after (crediting)/charging:

	2023	2022
	HK$'000	*HK$'000*
		(restated)
Continuing operations		
Interest income		
Interest income from deposits with banks and listed debt securities	**(749)**	(1,111)
Finance costs		
— Interest expenses on interest-bearing borrowings	**37,495**	12,571
— Interest expenses on lease liabilities	**4,727**	3,519
— Interest expenses on convertible bonds	**41,325**	39,471
Staff costs, including Directors' emoluments		
Salaries, wages and other benefits*	**287,816**	141,646
Contributions to defined contribution retirement plans	**10,428**	6,172
Other items		
Depreciation		
— assets held for use under operating leases	**1,074**	8,142
— other assets	**72,109**	93,517
— right-of-use assets	**14,339**	23,596
	87,522	125,255
Impairment losses**		
— Property, plant and equipment	**46,195**	68,876
— Right-of-use assets	**4,217**	10,070
— Programming library	**28,562**	38,730
— Other related intangible assets	**3,058**	5,138
	82,032	122,814

	2023	2022
	HK$'000	*HK$'000*
		(restated)
Amortisation		
— programming library***	**24,207**	23,423
— other intangible assets	**1,104**	3,420
— contract acquisition costs	**12,184**	9,160
Net loss allowance on trade receivables	**3,009**	7,087
Carrying amount of inventories consumed and sold	**6,878**	7,932
(Reversal of write down)/write down of inventories	**(694)**	1,692
Rental expenses in respect of land and buildings under short-term leases and low-value leases not included in lease liabilities	**10,558**	9,529
Auditor's remuneration		
— audit services	**3,099**	2,784
— non-audit services	**1,670**	1,118
Net foreign exchange loss	**601**	700
Rental income under operating leases in respect of		
— owned plant and machinery	**(362)**	(387)
Non-operating expense, net		
— net gain on disposal of property, plant and equipment	**(813)**	(96)
— gain on modification of lease contracts	**(1)**	(13)
— fair value losses on financial assets at FVTPL	**5,689**	55,655

* During the year ended 31 December 2023, no subsidy (2022: subsidies of approximately HK$10,593,000 (restated)) from the Employment Support Scheme under the Anti-epidemic Fund set up by the Government of the Hong Kong Special Administrative Region (the "HKSAR") were included in salaries, wages and other benefits.

** The impairment losses of approximately HK$47,467,000, HK$19,586,000 and HK$14,979,000 were included within programming costs, network expenses and selling, general and administrative and other operating expenses, respectively, in the consolidated statement of profit or loss of the Group for the year ended 31 December 2023. The aggregate amount of the impairment losses recognised for the year ended 31 December 2023 were amounted to approximately HK$82,032,000, primarily as a result of management's assessment of the business prospect of the Group in light of the latest market environment.

The impairment losses of approximately HK$62,088,000 (restated), HK$36,903,000 (restated) and HK$23,823,000 (restated) were included within programming costs, network expenses and selling, general and administrative and other operating expenses, respectively, in the consolidated statement of profit or loss of the Group for the year ended 31 December 2022. The aggregate amount of the impairment losses recognised for the year ended 31 December 2022 were amounted to approximately HK$122,814,000 (restated), primarily as a result of the Licence Termination with effect from 1 June 2023, as well as management's assessment of the business prospect of the Group in light of the latest market environment.

*** Amortisation of programming library was included within programming costs in the consolidated statement of profit or loss of the Group.

9. INCOME TAX

Hong Kong and other jurisdictions profits tax has been provided at the rate of 16.5% (2022: 16.5%) and at the rates of taxation prevailing in the jurisdictions in which the Group operates respectively.

	2023	2022
	HK$'000	*HK$'000*
Continuing operations		
Current income tax		
Provision for the year	**347**	270
Deferred income taxation*	**32,593**	187,357
Income tax	**32,940**	187,627

* During the year ended 31 December 2023, write down of previously recognised deferred tax assets of approximately HK$22,703,000 was recognised, primarily as a result of management's assessment of the business prospect of the Group in light of the latest market environment.

During the year ended 31 December 2022, write down of previously recognised deferred tax assets of approximately HK$176,318,000 was recognised, primarily as a result of the Licence Termination with effect from 1 June 2023, as well as management's assessment of the business prospect of the Group in light of the latest market environment.

10. DISCONTINUED OPERATION

(a) Description

In view of the rapidly changing media landscape in Hong Kong and fierce competition among the global paid TV content providers and pay TV operators, HKC, a subsidiary of the Company, obtained approval from the Government of the HKSAR on 14 February 2023 for the termination of the Pay TV Licence with effect from 1 June 2023, which was reported in the Financial Statements for the year ended 31 December 2023 as a discontinued operation.

(b) Financial performance and cash flow information

Financial information relating to discontinued operation for the years ended 31 December 2023 and 2022 is set out below.

	2023	2022
	HK$'000	*HK$'000*
Statement of profit or loss and other comprehensive from discontinued operation:		
Revenue	**118,228**	332,405
Operating expenses	**(159,938)**	(594,743)
Loss before taxation	**(41,710)**	(262,338)
Income tax	**–**	–
Loss from discontinued operation	**(41,710)**	(262,338)
Total comprehensive income from discontinued operation	**(41,710)**	(262,338)
Cash flows from discontinued operation:		
Net cash outflow from operating activities	**(68,835)**	(142,104)
Net cash outflow from investing activities	**–**	(38,856)
Net decrease in cash generated by the discontinued operation	**(68,835)**	(180,960)
Basic loss per share from discontinued operation	**(0.6) HK cents**	(3.7) HK cents
Diluted loss per share from discontinued operation	**(0.6) HK cents**	(3.7) HK cents

Re-presentation of comparative figures

During the year ended 31 December 2023, the Group discontinued its Pay TV operation upon the Licence Termination with effect from 1 June 2023. Accordingly, the consolidated statement of profit or loss and the consolidated statement of comprehensive income for the year ended 31 December 2022 have been re-presented.

11. LOSS PER SHARE

(a) Basic loss per share

Basic loss per share are calculated by dividing the loss attributable to owners of the Company by the weighted average number of ordinary shares in issue during the year.

	2023	2022 (restated)
Loss from continuing operations attributable to equity shareholders of the Company (HK$'000)	**(547,564)**	(623,380)
Loss from discontinued operation attributable to equity shareholders of the Company (HK$'000)	**(41,710)**	(262,338)
Loss attributable to equity shareholders of the Company (HK$'000)	**(589,274)**	(885,718)
Weighted average number of ordinary shares in issue	**7,134,623,520**	7,134,623,520
Basic loss per share for loss from continuing operations (HK cents)	**(7.7)**	(8.7)
Basic loss per share for loss from discontinued operation (HK cents)	**(0.6)**	(3.7)
Total basic loss per share (HK cents)	**(8.3)**	(12.4)

(b) Diluted loss per share

The diluted loss per share for the years ended 31 December 2023 and 2022 equals to the basic loss per share since the conversion rights attached to the unlisted long-term convertible bonds would not have a dilutive effect on the loss per share.

12. DEFERRED TAX ASSETS

As at 31 December 2023, the Group had recognised net deferred tax assets in respect of the future benefit of unutilised tax losses which can be carried forward indefinitely without expiry date of approximately HK$69,551,000 (2022: approximately HK$102,144,000), being the net balance of deferred tax assets arising from tax losses of approximately HK$116,237,000 (2022: approximately HK$152,410,000) and deferred tax liabilities arising from depreciation allowances in excess of the related depreciation of approximately HK$46,686,000 (2022: approximately HK$50,266,000). The deferred tax assets recognised as at 31 December 2023 was determined after considering the estimated future taxable profits and the timing of utilisation of the tax losses in the relevant subsidiary of the Company. The subsidiary has a history of recent losses in preceding periods. The estimated future taxable profits of the relevant subsidiary of the Company take into account the expected growth of the business due to the operating environment, business strategies, business development, approved business plans, the effect of the tax planning as well as the trend of the performance of the relevant subsidiary of the Company. Deferred tax assets were recognised to the extent that it is probable that future taxable profits will be available against which they can be utilised.

13. TRADE RECEIVABLES AND CONTRACT ASSETS

	2023	2022
	HK$'000	*HK$'000*
Trade receivables	**130,883**	107,711
Less: loss allowance	**(27,315)**	(24,289)
	103,568	83,422
Contract assets	**16,635**	22,797
	120,203	106,219

An ageing analysis of trade receivables (net of loss allowance), based on the invoice date is set out as follows:

	2023	2022
	HK$'000	*HK$'000*
0 to 30 days	**54,425**	47,462
31 to 60 days	**23,235**	11,332
61 to 90 days	**12,201**	6,766
Over 90 days	**13,707**	17,862
	103,568	83,422

The Group has a defined credit policy. The general credit terms allowed range from 0 to 15 days in respect of television, broadband, telephony and mobile service subscription and from 0 to 30 days in respect of advertising, network leasing and network construction services.

14. TRADE PAYABLES

An ageing analysis of trade payables, based on the invoice date is set out as follows:

	2023	2022
	HK$'000	*HK$'000*
0 to 30 days	**9,976**	5,947
31 to 60 days	**19,115**	17,430
61 to 90 days	**10,916**	12,301
Over 90 days	**45,479**	14,600
	85,486	50,278

15. SHARE CAPITAL

	2023 Number of shares	2023 *HK$'000*	2022 Number of shares	2022 *HK$'000*
Ordinary shares, issued and fully paid:				
At 1 January	**7,134,623,520**	**7,928,975**	7,134,623,520	7,928,975
At 31 December	**7,134,623,520**	**7,928,975**	7,134,623,520	7,928,975

16. CONVERTIBLE BONDS

(a) The 2019 LCS

On 25 January 2019, the Company entered into the unlisted long-term convertible securities subscription agreement with Forever Top, pursuant to which the Company has conditionally agreed to issue, and Forever Top has conditionally agreed to subscribe for, the 2019 LCS. On 4 June 2019, the issuance of the 2019 LCS with the principal amount of HK$568,000,000 to Forever Top was completed. The 2019 LCS would be convertible into 4,544,000,000 new ordinary Shares upon full conversion of the 2019 LCS based on the initial conversion price of HK$0.125 per conversion share. The initial conversion price represents a premium of approximately 8.7% over the closing price of HK$0.115 per Share as quoted on the Stock Exchange on 25 January 2019, being the date on which the terms of the 2019 LCS were fixed. The coupon rate of the 2019 LCS is 2.0% per annum and payable quarterly. The 2019 LCS is convertible into ordinary Shares at any time during the period from the date of the issue of the 2019 LCS up to the close of business on the maturity date, subject to the conversion restrictions. The maturity date of the 2019 LCS is the end of the tenth year from date of the issue of the 2019 LCS and all of the remaining outstanding 2019 LCS will be redeemed by the Company at 100% of the outstanding principal amount of the 2019 LCS together with any interest accrued but unpaid thereon.

On the date of issuance of the 2019 LCS, the fair value of liability component of approximately HK$343,719,000 was recognised and the fair value of approximately HK$224,281,000, representing equity element, was recognised and presented in equity heading "equity component of convertible bonds" at initial recognition. The effective interest rate of the liability component was 7.69% per annum. As at 31 December 2023, the carrying amount of liability component of the 2019 LCS is approximately HK$425,663,000 (2022: approximately HK$405,277,000).

The relevant fair value measurement was carried out by an independent qualified professional valuer not connected to the Group.

(b) The 2021 LCS

On 27 January 2021, the Company entered into the unlisted long-term convertible securities subscription agreement with Forever Top, pursuant to which the Company has conditionally agreed to issue, and Forever Top has conditionally agreed to subscribe for, the 2021 LCS. On 31 March 2021, the issuance of the 2021 LCS with the principal amount of HK$200,000,000 with a maturity of 10 years by the Company to Forever Top was completed. The 2021 LCS would be convertible into 2,941,176,470 new ordinary Shares upon full conversion of the 2021 LCS based on the initial conversion price of HK$0.068 per conversion share and the coupon rate of the 2021 LCS is 2.0% per annum and payable quarterly. The Company may at any time on or after the date of issue of the 2021 LCS by giving not less than 10 business days' written notice to the holder(s) of the 2021 LCS to redeem all or part of the 2021 LCS at the outstanding principal amount of the 2021 LCS together with all accrued but unpaid interest.

On the date of issuance of the 2021 LCS, the fair value of liability component of approximately HK$131,806,000 was recognised, the fair value of approximately HK$144,610,000, representing equity element, was recognised and presented in equity heading "equity component of convertible bonds" and the fair value of the redemption option of approximately HK$78,061,000 was recognised as financial assets at FVTPL at initial recognition. The effective interest rate of the liability component was 6.88% per annum. As at 31 December 2023, the carrying amount of liability component and redemption option of the 2021 LCS is approximately HK$146,342,000 (2022: approximately HK$140,763,000) and approximately HK$34,195,000 (2022: approximately HK$37,408,000) respectively.

The relevant fair value measurement was carried out by an independent qualified professional valuer not connected to the Group.

17. INTEREST-BEARING BORROWINGS

	2023			2022		
	Current	**Non-current**	**Total**	Current	Non-current	Total
	HK$'000	***HK$'000***	***HK$'000***	*HK$'000*	*HK$'000*	*HK$'000*
Bank loan *(Note (a))*	**295,000**	**–**	**295,000**	295,000	–	295,000
Loans from Celestial Pioneer Limited *(Note (b))*	**–**	**746,035**	**746,035**	–	296,035	296,035
Total borrowings	**295,000**	**746,035**	**1,041,035**	295,000	296,035	591,035

Note:

(a) The carrying amount of bank loan denominated in Hong Kong dollar as at 31 December 2023 was HK$295,000,000 (2022: HK$295,000,000), which is unsecured, carries interest at variable rates and repayable on demand.

(b) The carrying amount of the loans from Celestial Pioneer Limited (a company holding 72.0% of the total number of issued shares of Forever Top and wholly owned by Dr. Cheng, the Director) denominated in Hong Kong dollar as at 31 December 2023 was approximately HK$746,035,000 (2022: approximately HK$296,035,000), which are unsecured, carry interest at fixed rates ranging from 2.5% to 6% per annum and with a term of 3 years from the date of the respective loan agreements.

The maturity of interest-bearing borrowings was as follows:

	Bank loan		**Loans from Celestial Pioneer Limited**		**Total**	
	2023	2022	**2023**	2022	**2023**	2022
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Within 1 year or on demand	**295,000**	295,000	**–**	–	**295,000**	295,000
After 1 year but within 5 years	**–**	–	**746,035**	296,035	**746,035**	296,035
	295,000	295,000	**746,035**	296,035	**1,041,035**	591,035

18. DIVIDEND

The Board does not recommend the payment of any dividend for the year ended 31 December 2023 (2022: HK$Nil).

19. CAPITAL COMMITMENTS

Capital commitments outstanding as at 31 December 2023 and 2022 were as follows:

	2023	2022
	HK$'000	*HK$'000*
Property, plant and equipment		
— Contracted but not provided for	**413**	6,709
Programming library		
— Contracted but not provided for	**13,470**	5,301
	13,883	12,010

20. GUARANTEES

As at 31 December 2023, a corporate guarantee had been provided by the Company to a bank of HK$295,000,000 (2022: HK$400,000,000) in respect of the facility of borrowing up to HK$295,000,000 (2022: HK$400,000,000) to a wholly-owned subsidiary of the Company, of which HK$295,000,000 (2022: HK$295,000,000) was utilised by the wholly-owned subsidiary of the Company.

As at 31 December 2023, the Group had made arrangements with a bank to provide two separate performance bonds to the counterparties amounting to HK$35,330,000 (2022: HK$39,830,000), of which HK$5,330,000 (2022: HK$9,830,000) was secured by bank deposits. The performance bonds are to guarantee in favour of the counterparties the Group's performance in fulfilling the obligations under a contract and the requirements as set out in the licence issued by a regulatory body.

21. EVENTS AFTER THE REPORTING PERIOD

1. On 4 January 2024, HKC as the borrower, entered into a loan agreement with Celestial Pioneer Limited, as the lender, pursuant to which, HKC obtained an unsecured loan with a principal amount of HK$80,000,000 for a term of 3 years from the date of the said loan agreement, with an interest rate of 6.0% per annum.

2. On 6 March 2024, HKC as the borrower, entered into a loan agreement with Celestial Pioneer Limited as the lender, pursuant to which, HKC obtained an unsecured loan with a principal amount of HK$90,000,000 for a term of 3 years from the date of the said loan agreement, with an interest rate of 6.0% per annum.

CORPORATE GOVERNANCE CODE

The Company is committed to maintaining a high standard of corporate governance practices, and procedures and to complying with the statutory and regulatory requirements with an aim to maximising the Shareholders' values and interests as well as enhancing the stakeholders' transparency and accountability. During the year ended 31 December 2023, the Company had applied the principles of good corporate governance and complied with all applicable code provisions of the Corporate Governance Code (the "CG Code") as set out in Appendix C1 of the Listing Rules, except for the following deviations:

Code Provision C.1.6 of Part 2 of the CG Code stipulates that independent non-executive directors and other non-executive directors, as equal board members, should give the board and any committees on which they serve the benefit of their skills, expertise and varied backgrounds and qualifications through regular attendance and active participation. Generally, they should also attend general meetings to gain and develop a balanced understanding of the views of shareholders. Also, Code Provision F.2.2 of Part 2 of the CG Code stipulates that the chairman of the board should attend the annual general meeting.

Dr. Cheng Kar-Shun, Henry (the chairman of the Board and a non-executive Director), Ms. Ng Yuk Mui Jessica (a non-executive Director) and Mr. Luk Koon Hoo, Roger (an independent non-executive Director) were unable to attend the annual general meeting of the Company held on 16 June 2023 ("2023 AGM") and the general meeting of the Company held on 16 June 2023 respectively as each of Dr. Cheng Kar-Shun, Henry, Ms. Ng Yuk Mui Jessica and Mr. Luk Koon Hoo, Roger had other engagements at the time of such meetings. Dr. Cheng Kar-Shun, Henry, Mr. Tsang On Yip, Patrick (the vice-chairman of the Board and an executive Director) and Ms. Ng Yuk Mui Jessica were unable to attend the general meeting of the Company held on 28 September 2023 as each of Dr. Cheng Kar-Shun, Henry, Mr. Tsang On Yip, Patrick and Ms. Ng Yuk Mui Jessica had other engagements at the time of such meeting. In the absence of the chairman of the Board at the 2023 AGM, Mr. Tsang On Yip, Patrick, the vice-chairman of the Board and an executive Director, acted as the chairman of the 2023 AGM, and together with other Directors present at the 2023 AGM, were sufficiently knowledgeable and capable to address any questions at the 2023 AGM, ensuring an effective communication with the Shareholders.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix C3 to the Listing Rules. The Company, having made specific enquiries of all the Directors, was not aware of any non-compliance with the required standard set out in the Model Code during the year ended 31 December 2023.

The Company has also applied the principles of the Model Code for securities transactions to the employees of the Group.

AUDIT COMMITTEE AND REVIEW OF FINAL RESULTS

The Company has set up the audit committee of the Company (the "Audit Committee") with majority of the members being independent non-executive Directors with terms of reference adopted in accordance with the requirements of the Listing Rules for the purposes of, among others, reviewing the financial information of the Group, and overseeing the Group's financial reporting system, and risk management and internal control systems, as well as the Group's corporate governance matters. As at the date of this final results announcement, the Audit Committee comprises Mr. Luk Koon Hoo, Roger (an independent non-executive Director and the chairman of the Audit Committee), Prof. Hu Shao Ming Herman (an independent non-executive Director) and Mr. Tang Sing Ming Sherman (an independent non-executive Director).

The Financial Statements have been reviewed by the Audit Committee with no disagreement.

SCOPE OF WORK OF PRICEWATERHOUSECOOPERS

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of comprehensive income, and the related notes thereto for the year ended 31 December 2023 as set out in this final results announcement have been agreed by the Group's auditor, PricewaterhouseCoopers, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by PricewaterhouseCoopers in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by PricewaterhouseCoopers on this final results announcement.

DIVIDEND

The Board did not recommend the payment of any dividend for the year ended 31 December 2023 (2022: HK$Nil).

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any listed securities of the Company during the year ended 31 December 2023.

CLOSURE OF REGISTER OF MEMBERS

For determining the eligibility to attend and vote at the forthcoming annual general meeting of the Company (the "Forthcoming AGM") to be held on Thursday, 6 June 2024, the Register of Members of the Company will be closed from Monday, 3 June 2024 to Thursday, 6 June 2024, both days inclusive, during which period no transfer of Shares can be registered. In order to ascertain Shareholders' rights for the purpose of attending and voting at the Forthcoming AGM, all transfers, accompanied by the relevant share certificates, must be lodged with the Company's registrar, Tricor Tengis Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on Friday, 31 May 2024.

By order of the Board
i-CABLE Communications Limited
Dr. Cheng Kar-Shun, Henry
Chairman

Hong Kong, 22 March 2024

As at the date of this announcement, the Board comprises ten Directors, namely Dr. Cheng Kar-Shun, Henry (Chairman) as non-executive Director; Mr. Tsang On Yip, Patrick (Vice-Chairman), Mr. Lie Ken Jie Remy Anthony Ket Heng, Mr. To Chi Hak (Chief Executive Officer) and Dr. Luk Wai Ki Elvis as executive Directors; Ms. Ng Yuk Mui Jessica as non-executive Director; and Mr. Lam Kin Fung Jeffrey, Prof. Hu Shao Ming Herman, Mr. Luk Koon Hoo, Roger and Mr. Tang Sing Ming Sherman as independent non-executive Directors.