Television Broadcasts Limited
電視廣播有限公司

(Incorporated in Hong Kong with limited liability)
Stock Code: 00511

INSIDE INFORMATION
PROFIT WARNING

This announcement is made by the Company pursuant to Rule 13.09(2) of the Listing Rules, and the Inside Information Provisions under Part XIVA of the SFO.

The Board wishes to inform Shareholders and potential investors that the Group expects to record a loss attributable to equity holders of the Company for the six months ended 30 June 2020 of approximately HK$290 million, compared with a profit attributable to equity holders of the Company of HK$213 million for the corresponding period of 2019.

Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

This announcement is made by Television Broadcasts Limited (“Company”, together with its subsidiaries, collectively, “Group”) pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“Listing Rules”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (“SFO”).

The board of directors of the Company (“Board”) wishes to inform the shareholders of the Company (“Shareholders”) and potential investors that, based on a preliminary assessment of the unaudited consolidated management accounts of the Group for the six months ended 30 June 2020 (“Period”), the Group expects to record a loss attributable to equity holders of the Company for the Period of approximately HK$290 million, compared with a profit attributable to equity holders of the Company of HK$213 million for the corresponding period of 2019.

Despite a marked improvement in TV ratings of programmes during Jade’s prime time hours, the demand for advertising services on terrestrial TV channels during the Period was very weak, resulting in a sharp reduction in income from advertisers under Hong Kong TV Broadcasting segment of approximately 70%, compared with the corresponding period of 2019. Such a reduction was contributed by the rapid deterioration of the economic environment in Hong Kong since the beginning of 2020 as a direct consequence of the impact of COVID-19 pandemic.

The Company anticipates that the advertising market in Hong Kong will take time to recover even when COVID-19 pandemic can come under control. The business outlook of terrestrial TV advertising for the remaining months of 2020 is likely to remain challenging. In the meantime, the Group will focus its efforts on development of businesses in mainland China, including co-production of drama serials and content licensing.

The Company is in the process of finalising the interim results of the Group for the Period. The information contained in this announcement is only based on a preliminary assessment of the unaudited consolidated management accounts of the Group for the Period and information currently available to the Board, which have neither been confirmed nor reviewed by the Company's auditor and its audit committee, and may be subject to possible adjustment upon further review. An announcement setting forth details of the interim results of the Group for the Period is expected to be published in late August 2020.

Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

By Order of the Board
Adrian MAK Yau Kee
Company Secretary

Hong Kong, 7 August 2020

As at the date of this announcement, the Board comprises:

Chairman and Non-executive Director
Thomas HUI To

Vice Chairman and Executive Director
Mark LEE Po On Group Chief Executive Officer

Non-executive Directors
LI Ruigang
Anthony LEE Hsien Pin
CHEN Wen Chi

Independent Non-executive Directors
Dr. William LO Wing Yan JP
Professor Caroline WANG Chia-Ling
Dr. Allan ZEMAN GBM, GBS, JP
Felix FONG Wo BBS, JP
Belinda WONG Ching Ying