

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares of i-CABLE Communications Limited, you should at once hand this circular together with the accompanying form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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i-CABLE COMMUNICATIONS LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 1097)

MAJOR TRANSACTION IN RELATION TO OFFERS TO LEASE AND NOTICE OF GENERAL MEETING

Capitalised terms used in this cover page have the same meaning as defined in this circular unless otherwise specified.

A letter from the Board is set out on pages 7 to 26 of this circular.

A notice convening the EGM of the Company to be held on Thursday, 28 September 2023 at 3:00 p.m. at The GalaMuse, Unit 1001 & 07, 08, Level 10, K11 ATELIER, Victoria Dockside, 18 Salisbury Road, Tsim Sha Tsui, Kowloon, Hong Kong is set out on pages EGM-1 to EGM-3 of this circular and a form of proxy for the EGM is despatched together with this circular.

Whether or not you intend to attend and vote at the EGM in person, you are requested to complete, sign and return the enclosed form of proxy in accordance with the instructions printed thereon and return the same to the Registrar, Tricor Tengis Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the EGM or any adjournment meeting (as the case may be). The completion of a form of proxy will not preclude you from attending and voting at the EGM in person should you so wish, and in such case, the authority of your proxy will be revoked.

1 September 2023

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DEFINITIONS

In this circular, the following expressions have the following meanings unless the context requires otherwise:

“Advance Payment”	has the meaning as ascribed thereto under the section headed “ <i>Advance Payment</i> ” in the letter from the Board in this circular
“Allowance Agreement”	has the meaning as ascribed thereto under the section headed “ <i>KEY TERMS OF THE ALLOWANCE OFFER LETTER</i> ” in the letter from the Board in this circular
“Allowance Cost”	has the meaning as ascribed thereto under the section headed “ <i>KEY TERMS OF THE ALLOWANCE OFFER LETTER</i> ” in the letter from the Board in this circular
“Allowance Offer Letter”	the offer to pay Allowance Cost for Fitting Out Works and purchase of Business Associated Items by the Landlords and accepted by the Tenant on 21 July 2023 in respect of the Premises, the details of which are as set out under the section headed “ <i>KEY TERMS OF THE ALLOWANCE OFFER LETTER</i> ” in the letter from the Board in this circular
“Board”	the board of Directors
“Building”	the building in which the Premises are situated, namely Cable TV Tower, at No. 9 Hoi Shing Road, Tsuen Wan, New Territories, Hong Kong
“Business Associated Items”	has the meaning as ascribed thereto under the section headed “ <i>KEY TERMS OF THE ALLOWANCE OFFER LETTER</i> ” in the letter from the Board in this circular
“Celestial Pioneer”	Celestial Pioneer Limited, a limited liability company incorporated in the British Virgin Islands which is wholly-owned by Dr. Cheng, and a substantial shareholder of the Company
“Closing Date”	has the meaning as ascribed thereto in the section headed “ <i>Conditions to the lease</i> ” in the letter from the Board in this circular
“Closing Documents”	the Deed of Lease, Allowance Agreement, letter of appointment appointing the Tenant as the exclusive agent, licence agreements in respect of the specified licenced areas, supplemental agreements of the Existing Tenancy Agreements, and the Guarantee

DEFINITIONS

“CNCL” or “Tenant”	CABLE NETWORK COMMUNICATIONS LIMITED, a company incorporated in Hong Kong with limited liability and is a wholly-owned subsidiary of the Company
“Company”	i-CABLE Communications Limited, a company incorporated in Hong Kong with limited liability and the issued shares of which are listed on the Stock Exchange (stock code: 1097)
“Completion Day”	has the meaning as ascribed thereto under the section headed “ <i>Conditions to the lease</i> ” in the letter from the Board in this circular
“Condition(s) to the Lease”	has the meaning as ascribed thereto under the section headed “ <i>Conditions to the lease</i> ” in the letter from the Board in this circular
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Deed of Lease”	has the meaning as ascribed thereto under the section headed “ <i>Conditions to the lease</i> ” in the letter from the Board in this circular
“Director(s)”	the directors of the Company
“Dr. Cheng”	Dr. Cheng Kar-Shun, Henry <i>GBM, GBS</i> , the chairman of the Board, a non-executive Director and a substantial shareholder of the Company
“EGM”	a general meeting other than the annual general meeting of the Company to be held at The GalaMuse, Unit 1001 & 07, 08, Level 10, K11 ATELIER, Victoria Dockside, 18 Salisbury Road, Tsim Sha Tsui, Kowloon, Hong Kong on Thursday, 28 September 2023 at 3:00 p.m. and convened for the purpose of considering and, if thought fit, approving the resolution contained in the notice of EGM which is set out on pages EGM-1 to EGM-3 of this circular, or any adjournment thereof
“Existing Tenancy Agreement A”	the tenancy agreement dated 31 December 2020 between CNCL and New Tech Centre Limited in respect of the Factories 1, 2, 3 and 4 of Ground Floor, 4th Floor, 5th Floor, portion of 12th Floor and storeroom 3 on the top roof of Cable TV Tower, No. 9 Hoi Shing Road, Tsuen Wan, New Territories, Hong Kong

DEFINITIONS

“Existing Tenancy Agreement B”	the tenancy agreement dated 31 December 2020 between CNCL and New Tech Centre Limited for the whole of 6th Floor and 7th Floor of Cable TV Tower, No. 9 Hoi Shing Road, Tsuen Wan, New Territories, Hong Kong
“Existing Tenancy Agreements”	Existing Tenancy Agreement A and Existing Tenancy Agreement B
“Fitting Out Works”	has the meaning as ascribed thereto under the section headed “ <i>KEY TERMS OF THE ALLOWANCE OFFER LETTER</i> ” in the letter from the Board in this circular
“Forever Top”	Forever Top (Asia) Limited, a limited liability company incorporated in Hong Kong which is owned as to 72% by Celestial Pioneer, and a substantial shareholder of the Company
“Government”	the Government of Hong Kong
“Government Rates”	the rates chargeable by the Government in respect of the Premises
“Group”	the Company, its subsidiaries and consolidated structured entities
“Guarantee”	the deed of guarantee to be given by the Company in favour of each Landlord, the details of which are set out under the section headed “ <i>Company Guarantee</i> ” in the letter from the Board in this circular
“Harriman”	Harriman Property Management Limited, a company incorporated under the laws of Hong Kong, which is the building manager of the Building and an Independent Third Party
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“HKFRSs”	Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Property Valuer”	the independent property valuer appointed by the Company, Jones Lang LaSalle Corporate Appraisal and Advisory Limited

DEFINITIONS

“Independent Third Party(ies)”	the independent third party(ies) who is/are, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, independent of the Company and its connected person(s)
“Landlord(s)”	<p>the landlords under the Offers to Lease and/or the Existing Tenancy Agreements, namely:</p> <ul style="list-style-type: none">(i) in respect of Offer to Lease 1, Offer to Lease 6, Offer to Lease 7 and the Existing Tenancy Agreements, Landlord 1;(ii) in respect of Offer to Lease 2, Landlord 2;(iii) in respect of Offer to Lease 3, Landlord 3;(iv) in respect of Offer to Lease 4, Landlord 4; and(v) in respect of Offer to Lease 5, Landlord 5.
“Landlord 1”	New Tech Centre Limited, a company incorporated under the laws of Hong Kong
“Landlord 2”	5G CTVT 04 Limited, a company incorporated under the laws of the British Virgin Islands
“Landlord 3”	5G CTVT 05 Limited, a company incorporated under the laws of the British Virgin Islands
“Landlord 4”	5G CTVT 06 Limited, a company incorporated under the laws of the British Virgin Islands
“Landlord 5”	5G CTVT 07 Limited, a company incorporated under the laws of the British Virgin Islands
“Latest Practicable Date”	28 August 2023, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information for inclusion in this circular
“Lease Term”	the term of the lease for the Premises granted under each Offer to Lease (or each Deed of Lease, where applicable)
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited

DEFINITIONS

- “Offer(s) to Lease” the seven offers to lease accepted by the Tenant on 21 July 2023 in respect of the Premises, the principal terms of which are as set out under the section headed “*OFFERS TO LEASE*” in the letter from the Board in this circular, and each of “Offer to Lease 1”, “Offer to Lease 2”, “Offer to Lease 3”, “Offer to Lease 4”, “Offer to Lease 5”, “Offer to Lease 6”, and “Offer to Lease 7”, shall have the meanings ascribed to them under the section headed “*OFFERS TO LEASE*” in the letter from the Board in this circular
- “Premise(s)” the premises leased under the Offers to Lease, namely:
- (i) in respect of Offer to Lease 1, Factories 1, 2, 3 and 4, Ground Floor of Cable TV Tower, No. 9 Hoi Shing Road, Tsuen Wan, New Territories, Hong Kong;
 - (ii) in respect of Offer to Lease 2, 4th Floor of Cable TV Tower, No. 9 Hoi Shing Road, Tsuen Wan, New Territories, Hong Kong;
 - (iii) in respect of Offer to Lease 3, 5th Floor of Cable TV Tower, No. 9 Hoi Shing Road, Tsuen Wan, New Territories, Hong Kong;
 - (iv) in respect of Offer to Lease 4, 6th Floor of Cable TV Tower, No. 9 Hoi Shing Road, Tsuen Wan, New Territories, Hong Kong;
 - (v) in respect of Offer to Lease 5, 7th Floor of Cable TV Tower, No. 9 Hoi Shing Road, Tsuen Wan, New Territories, Hong Kong;
 - (vi) in respect of Offer to Lease 6, Portion of 12th Floor of Cable TV Tower, No. 9 Hoi Shing Road, Tsuen Wan, New Territories, Hong Kong; and
 - (vii) in respect of Offer to Lease 7, Storeroom 3 on the Top Roof of Cable TV Tower, No. 9 Hoi Shing Road, Tsuen Wan, New Territories, Hong Kong
- “Purchase Right” has the meaning as ascribed thereto under the section headed “*KEY TERMS OF THE ALLOWANCE OFFER LETTER*” in the letter from the Board in this circular

DEFINITIONS

“Rent”	the rent payable by the Tenant to the respective Landlords under each Offer to Lease, the respective amounts of which are as set out under the section headed “ <i>OFFERS TO LEASE</i> ” in the letter from the Board in this circular
“Rent Free Period”	has the meaning as ascribed thereto under the section headed “ <i>Rent Free Period and waiver under the Existing Tenancy Agreements</i> ” in the letter from the Board in this circular
“Security Deposit”	has the meaning as ascribed thereto under the section headed “ <i>Security Deposits</i> ” in the letter from the Board in this circular
“Service Fee”	the service fee payable by the Tenant to the respective Landlords under each Offer to Lease, the respective amounts of which are as set out under the section headed “ <i>OFFERS TO LEASE</i> ” in the letter from the Board in this circular
“SFO”	Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong)
“Share(s)”	ordinary share(s) of the Company
“substantial shareholder”	has the meaning ascribed to it under the Listing Rules
“Shareholder(s)”	shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Ultimate Beneficial Owners”	Famous Shore Limited, Pamfleet Real Estate III, L.P., Pamfleet Real Estate Fund III, L.P., Pamfleet International Limited, Schrodgers Plc, BGO 5G Investment HoldCo LLC, GreenOak Asia GP III, LP, GreenOak Asia III limited partnerships and BentallGreenOak group
“Undertaking”	has the meaning as ascribed thereto under the section headed “ <i>KEY TERMS OF THE ALLOWANCE OFFER LETTER</i> ” in the letter from the Board in this circular
“Withheld Rent”	has the meaning as ascribed thereto under the section headed “ <i>Rent Free Period and waiver under the Existing Tenancy Agreements</i> ” in the letter from the Board in this circular
“%”	per cent.

LETTER FROM THE BOARD



i-CABLE COMMUNICATIONS LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 1097)

Dr. Cheng Kar-Shun, Henry *GBM, GBS*
(Chairman, Non-executive Director)
Mr. Tsang On Yip, Patrick *BBS*
(Vice-chairman, Executive Director)
Mr. Lie Ken Jie Remy Anthony Ket Heng
(Executive Director)
Mr. To Chi Hak *(Chief Executive Officer, Executive Director)*
Dr. Luk Wai Ki Elvis *(Executive Director)*
Ms. Ng Yuk Mui Jessica *(Non-executive Director)*
Mr. Lam Kin Fung Jeffrey *GBM, GBS, JP*
(Independent non-executive Director)
Prof. Hu Shao Ming Herman *GBS, JP*
(Independent non-executive Director)
Mr. Luk Koon Hoo, Roger *BBS, JP*
(Independent non-executive Director)
Mr. Tang Sing Ming Sherman
(Independent non-executive Director)

Registered office:
7th Floor, Cable TV Tower
9 Hoi Shing Road
Tsuen Wan
Hong Kong

1 September 2023

To the Shareholders

Dear Sir/Madam,

**MAJOR TRANSACTION IN RELATION TO OFFERS TO LEASE
AND
NOTICE OF GENERAL MEETING**

1. INTRODUCTION

Reference is made to the announcement dated 21 July 2023 in relation to the Offers to Lease in connection with leasing of the Premises.

The purpose of this circular is to, among others, provide you with (i) further information on the details of the Offers to Lease and the transaction contemplated thereunder; (ii) other information as required under the Listing Rules; and (iii) the notice of the EGM to the Shareholders on convening the EGM.

LETTER FROM THE BOARD

2. OFFERS TO LEASE

As disclosed in the announcement of the Company dated 21 July 2023, CNCL, a wholly-owned subsidiary of the Company, has duly accepted (as tenant) on 21 July 2023 seven Offers to Lease from the Landlords (as landlords) and the Allowance Offer Letter in connection with leasing of the Premises. Prior to entering into the Offers to Lease, the Group has been occupying the Premises as tenant under the Existing Tenancy Agreements each dated 31 December 2020.

The principal terms of the seven Offers to Lease are set out below:

(i) First Offer to Lease (“Offer to Lease 1”)

Date of acceptance:	21 July 2023
Landlord:	Landlord 1
Tenant:	CNCL
Premise:	Factories 1, 2, 3 and 4, Ground Floor of Cable TV Tower, No. 9 Hoi Shing Road, Tsuen Wan, New Territories, Hong Kong
Lease Term:	Six years from 1 January 2024 to 31 December 2029 (both dates inclusive)
Permitted use:	Shall be used for no other purpose than entrance lobby, caretaker room, store, factory units and ancillary accommodation for non-domestic use only and trade under the style and name of “CABLE NETWORK COMMUNICATIONS LIMITED” or such other name to be approved by Landlord 1
Right to sub-let or sub-licence:	The Tenant may sub-let or sub-licence the Premise or any portion thereof subject to the terms and conditions prescribed under the Offer to Lease 1

LETTER FROM THE BOARD

Rent:	Subject to the Rent Free Period, the Rent payable per month (exclusive of Service Fee, Government Rates and other outgoings) is: <ul style="list-style-type: none">● from 1 January to 31 December 2024, HK\$1,070,897.00;● from 1 January to 31 December 2025, HK\$1,194,895.60;● from 1 January to 31 December 2026, HK\$1,318,894.20;● from 1 January to 31 December 2027, HK\$1,442,892.80;● from 1 January to 31 December 2028, HK\$1,566,891.40; and● from 1 January to 31 December 2029, HK\$1,690,890.00.
Advance Payment:	HK\$1,153,989.10 (for further information, please refer to the section headed “ <i>Advance Payment</i> ” below)
Security Deposit:	For the first year, HK\$3,622,601.85 (for further information, please refer to the section headed “ <i>Security Deposits</i> ” below)
Service Fee:	HK\$83,092.10 per month (subject to periodic review)
Government rent:	Government rent is to borne by Landlord 1
Government Rates:	The Tenant is liable to pay Government Rates on a quarterly basis subject to the Government’s assessment or re-assessment

(ii) Second Offer to Lease (“Offer to Lease 2”)

Date of acceptance:	21 July 2023
Landlord:	Landlord 2
Tenant:	CNCL
Premise:	4th Floor of Cable TV Tower, No. 9 Hoi Shing Road, Tsuen Wan, New Territories, Hong Kong
Lease Term:	Six years from 1 January 2024 to 31 December 2029 (both dates inclusive)

LETTER FROM THE BOARD

Permitted use:	Shall be used for no other purpose than godowns, store, container loading area and ancillary accommodation for non-domestic use only and trade under the style and name of “CABLE NETWORK COMMUNICATIONS LIMITED” or such other name to be approved by Landlord 2
Right to sub-let or sub-licence:	The Tenant may sub-let or sub-licence the Premise or any portion thereof subject to the terms and conditions prescribed under the Offer to Lease 2
Rent:	<p>Subject to the Rent Free Period, the Rent payable per month (exclusive of Service Fee, Government Rates and other outgoings) is:</p> <ul style="list-style-type: none">● from 1 January to 31 December 2024, HK\$726,807.00;● from 1 January to 31 December 2025, HK\$810,963.60;● from 1 January to 31 December 2026, HK\$895,120.20;● from 1 January to 31 December 2027, HK\$979,276.80;● from 1 January to 31 December 2028, HK\$1,063,433.40; and● from 1 January to 31 December 2029, HK\$1,147,590.00.
Advance Payment:	HK\$772,375.30 (for further information, please refer to the section headed “ <i>Advance Payment</i> ” below)
Security Deposit:	For the first year, HK\$2,426,146.95 (for further information, please refer to the section headed “ <i>Security Deposits</i> ” below)
Service Fee:	HK\$45,568.30 per month (subject to periodic review)
Government rent:	Government rent is to borne by Landlord 2
Government Rates:	The Tenant is liable to pay Government Rates on a quarterly basis subject to the Government’s assessment or re-assessment

LETTER FROM THE BOARD

(iii) Third Offer to Lease (“Offer to Lease 3”)

Date of acceptance:	21 July 2023
Landlord:	Landlord 3
Tenant:	CNCL
Premise:	5th Floor of Cable TV Tower, No. 9 Hoi Shing Road, Tsuen Wan, New Territories, Hong Kong
Lease Term:	Six years from 1 January 2024 to 31 December 2029 (both dates inclusive)
Permitted use:	Shall be used for no other purpose than godowns, store, container loading area and ancillary accommodation for non-domestic use only and trade under the style and name of “CABLE NETWORK COMMUNICATIONS LIMITED” or such other name to be approved by Landlord 3
Right to sub-let or sub-licence:	The Tenant may sub-let or sub-licence the Premise or any portion thereof subject to the terms and conditions prescribed under the Offer to Lease 3
Rent:	Subject to the Rent Free Period, the Rent payable per month (exclusive of Service Fee, Government Rates and other outgoings) is: <ul style="list-style-type: none">● from 1 January to 31 December 2024, HK\$726,807.00;● from 1 January to 31 December 2025, HK\$810,963.60;● from 1 January to 31 December 2026, HK\$895,120.20;● from 1 January to 31 December 2027, HK\$979,276.80;● from 1 January to 31 December 2028, HK\$1,063,433.40; and● from 1 January to 31 December 2029, HK\$1,147,590.00.
Advance Payment:	HK\$772,375.30 (for further information, please refer to the section headed “ <i>Advance Payment</i> ” below)
Security Deposit:	For the first year, HK\$2,426,146.95 (for further information, please refer to the section headed “ <i>Security Deposits</i> ” below)
Service Fee:	HK\$45,568.30 per month (subject to periodic review)

LETTER FROM THE BOARD

Government rent: Government rent is to borne by Landlord 3

Government Rates: The Tenant is liable to pay Government Rates on a quarterly basis subject to the Government's assessment or re-assessment

(iv) Fourth Offer to Lease ("Offer to Lease 4")

Date of acceptance: 21 July 2023

Landlord: Landlord 4

Tenant: CNCL

Premise: 6th Floor of Cable TV Tower, No. 9 Hoi Shing Road, Tsuen Wan, New Territories, Hong Kong

Lease Term: Six years from 1 January 2024 to 31 December 2029 (both dates inclusive)

Permitted use: Shall be used for no other purpose than godowns, store, container loading area and ancillary accommodation for non-domestic use only and trade under the style and name of "CABLE NETWORK COMMUNICATIONS LIMITED" or such other name to be approved by Landlord 4

Right to sub-let or sub-licence: The Tenant may sub-let or sub-licence the Premise or any portion thereof subject to the terms and conditions prescribed under the Offer to Lease 4

Rent: Subject to the Rent Free Period, the Rent payable per month (exclusive of Service Fee, Government Rates and other outgoings) is:

- from 1 January to 31 December 2024, HK\$726,807.00;
- from 1 January to 31 December 2025, HK\$810,963.60;
- from 1 January to 31 December 2026, HK\$895,120.20;
- from 1 January to 31 December 2027, HK\$979,276.80;
- from 1 January to 31 December 2028, HK\$1,063,433.40; and
- from 1 January to 31 December 2029, HK\$1,147,590.00.

Advance Payment: HK\$772,375.30 (for further information, please refer to the section headed "Advance Payment" below)

LETTER FROM THE BOARD

Security Deposit:	For the first year, HK\$2,426,146.95 (for further information, please refer to the section headed “ <i>Security Deposits</i> ” below)
Service Fee:	HK\$45,568.30 per month (subject to periodic review)
Government rent:	Government rent is to borne by Landlord 4
Government Rates:	The Tenant is liable to pay Government Rates on a quarterly basis subject to the Government’s assessment or re-assessment

(v) Fifth Offer to Lease (“Offer to Lease 5”)

Date of acceptance:	21 July 2023
Landlord:	Landlord 5
Tenant:	CNCL
Premise:	7th Floor of Cable TV Tower, No. 9 Hoi Shing Road, Tsuen Wan, New Territories, Hong Kong
Lease Term:	Six years from 1 January 2024 to 31 December 2029 (both dates inclusive)
Permitted use:	Shall be used for no other purpose than godowns, store, container loading area and ancillary accommodation for non-domestic use only and trade under the style and name of “CABLE NETWORK COMMUNICATIONS LIMITED” or such other name to be approved by Landlord 5
Right to sub-let or sub-licence:	The Tenant may sub-let or sub-licence the Premise or any portion thereof subject to the terms and conditions prescribed under the Offer to Lease 5

LETTER FROM THE BOARD

- Rent: Subject to the Rent Free Period, the Rent payable per month (exclusive of Service Fee, Government Rates and other outgoings) is:
- from 1 January to 31 December 2024, HK\$726,807.00;
 - from 1 January to 31 December 2025, HK\$810,963.60;
 - from 1 January to 31 December 2026, HK\$895,120.20;
 - from 1 January to 31 December 2027, HK\$979,276.80;
 - from 1 January to 31 December 2028, HK\$1,063,433.40;
and
 - from 1 January to 31 December 2029, HK\$1,147,590.00.
- Advance Payment: HK\$772,375.30 (for further information, please refer to the section headed “*Advance Payment*” below)
- Security Deposit: For the first year, HK\$2,426,146.95 (for further information, please refer to the section headed “*Security Deposits*” below)
- Service Fee: HK\$45,568.30 per month (subject to periodic review)
- Government rent: Government rent is to borne by Landlord 5
- Government Rates: The Tenant is liable to pay Government Rates on a quarterly basis subject to the Government’s assessment or re-assessment

(vi) Sixth Offer to Lease (“Offer to Lease 6”)

- Date of acceptance: 21 July 2023
- Landlord: Landlord 1
- Tenant: CNCL
- Premise: Portion of 12th Floor of Cable TV Tower, No. 9 Hoi Shing Road, Tsuen Wan, New Territories, Hong Kong
- Lease Term: Six years from 1 January 2024 to 31 December 2029 (both dates inclusive)

LETTER FROM THE BOARD

Permitted use:	Shall be used for no other purpose than godowns, store, container loading area and ancillary accommodation for non-domestic use only and trade under the style and name of “CABLE NETWORK COMMUNICATIONS LIMITED” or such other name to be approved by Landlord 1
Right to sub-let or sub-licence:	The Tenant may sub-let or sub-licence the Premise or any portion thereof subject to the terms and conditions prescribed under the Offer to Lease 6
Rent:	<p>Subject to the Rent Free Period, the Rent payable per month (exclusive of Service Fee, Government Rates and other outgoings) is:</p> <ul style="list-style-type: none">● from 1 January to 31 December 2024, HK\$195,548.00;● from 1 January to 31 December 2025, HK\$218,190.40;● from 1 January to 31 December 2026, HK\$240,832.80;● from 1 January to 31 December 2027, HK\$263,475.20;● from 1 January to 31 December 2028, HK\$286,117.60; and● from 1 January to 31 December 2029, HK\$308,760.00.
Advance Payment:	HK\$207,807.80 (for further information, please refer to the section headed “ <i>Advance Payment</i> ” below)
Security Deposit:	For the first year, HK\$652,755.60 (for further information, please refer to the section headed “ <i>Security Deposits</i> ” below)
Service Fee:	HK\$12,259.80 per month (subject to periodic review)
Government rent:	Government rent is to borne by Landlord 1
Government Rates:	The Tenant is liable to pay Government Rates on a quarterly basis subject to the Government’s assessment or re-assessment

LETTER FROM THE BOARD

(vii) Seventh Offer to Lease (“Offer to Lease 7”)

Date of acceptance:	21 July 2023
Landlord:	Landlord 1
Tenant:	CNCL
Premise:	Storeroom 3 on the Top Roof of Cable TV Tower, No. 9 Hoi Shing Road, Tsuen Wan, New Territories, Hong Kong
Lease Term:	Six years from 1 January 2024 to 31 December 2029 (both dates inclusive)
Permitted use:	Shall be used for no other purpose than storeroom and ancillary accommodation for non-domestic use only and trade under the style and name of “CABLE NETWORK COMMUNICATIONS LIMITED” or such other name to be approved by Landlord 1
Right to sub-let or sub-licence:	The Tenant may sub-let or sub-licence the Premise or any portion thereof subject to the terms and conditions prescribed under the Offer to Lease 7
Rent:	<p>Subject to the Rent Free Period, the Rent payable per month (exclusive of Service Fee, Government Rates and other outgoings) is:</p> <ul style="list-style-type: none">● from 1 January to 31 December 2024, HK\$9,880.00;● from 1 January to 31 December 2025, HK\$11,024.00;● from 1 January to 31 December 2026, HK\$12,168.00;● from 1 January to 31 December 2027, HK\$13,312.00;● from 1 January to 31 December 2028, HK\$14,456.00; and● from 1 January to 31 December 2029, HK\$15,600.00.
Advance Payment:	HK\$10,425.60 (for further information, please refer to the section headed “ <i>Advance Payment</i> ” below)
Security Deposit:	For the first year, HK\$32,758.80 (for further information, please refer to the section headed “ <i>Security Deposits</i> ” below)
Service Fee:	HK\$545.60 per month (subject to periodic review)

LETTER FROM THE BOARD

Government rent: Government rent is to borne by Landlord 1

Government Rates: The Tenant is liable to pay Government Rates on a quarterly basis subject to the Government's assessment or re-assessment

OTHER KEY TERMS OF THE OFFERS TO LEASE

Further to the above, each Offer to Lease is also subject to the following key terms.

Conditions to the lease

Under each Offer to Lease, the following conditions (the "**Condition(s) to the Lease**") shall be satisfied or waived before the expiry of 90 days from the date of the Offers to Lease or such other date as mutually agreed by the relevant Landlord and the Tenant, whichever is earlier and in any event no later than 1 November 2023 (the "**Closing Date**"):

1. the relevant Landlord having obtained its mortgagee's consent;
2. the Tenant having obtained all necessary approvals under relevant laws, rules, and regulations in Hong Kong including but not limited to obtaining the Shareholders' approval of the Offers to Lease and the transactions contemplated thereunder; and
3. the relevant Landlord having the final execution copies of the Closing Documents, each prepared in the mutually agreed form and terms and ready for execution.

Upon fulfilment of any Conditions to the Lease, the relevant Landlord or the Tenant (as the case may be) shall immediately give a written completion of condition notice to notify the other party. Within 7 days after the last completion of condition notice is given, the Landlords and the Tenant will execute the Closing Documents (except the Guarantee), and the Tenant will procure the Company to execute the Guarantee (the "**Completion Day**"). For the avoidance of doubt, the last Completion Day contemplated under the Offers to Lease is on or before 8 November 2023. The details of the Guarantee are set out in the section headed "*Company Guarantee*" below.

The Deed of Lease, Allowance Agreement, letter of appointment appointing the Tenant as the exclusive agent, licence agreements in respect of the specified licenced areas, and supplemental agreement of Existing Tenancy Agreement A are interdependent and the execution of one document is contingent upon the execution of all other documents on the Completion Day.

As at the Latest Practicable Date, none of the Conditions to the Lease have been satisfied or waived.

In the event that any of the Conditions to the Lease is not fulfilled or waived by mutual agreement of the relevant Landlord and the Tenant by the Closing Date, then neither the Tenant nor the relevant Landlord will have any claims against the other party, and (a) each Offer to Lease and the Allowance Offer Letter will be terminated, (b) the Tenant shall exercise the option to renew, provided that a written notice is given by the Tenant to the relevant

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Landlord, pursuant to the Existing Tenancy Agreement A, (c) the relevant Landlord shall use the Advance Payment to pay the Withheld Rent after the Tenant has exercised the option to renew the Existing Tenancy Agreement A, and (d) the relevant Landlord will grant a lease extension of the Existing Tenancy Agreement B at the existing rent in the last month of the Existing Tenancy Agreement B, of no more than 6 months to the Tenant which at the relevant Landlord's absolute discretion may further be extended upon expiry thereof.

Deed of Lease

The Tenant and the Landlords have agreed that a formal lease agreement ("**Deed of Lease**") should be entered into in such form and on such terms as mutually agreed by the parties, subject to the terms and conditions as expressly set out in the respective Offers to Lease.

Upon the fulfilment of all Conditions to the Lease (i.e. after the last completion of condition notice is given), irrespective of whether any of the Closing Documents (including the Deed of Lease) are executed or not by the Completion Day, the terms set out in each Offer to Lease, the Allowance Offer Letter and the licence for specified licenced area(s) as detailed in the section headed "*Licence for specified licenced area(s) and common area(s)*" below shall remain binding and in full force and effect.

Rent Free Period and waiver under the Existing Tenancy Agreements

Under the Offers to Lease, the Tenant enjoys a rent free period of eight and a half months from 1 January 2024 to 15 September 2024 (both dates inclusive) (the "**Rent Free Period**"). The Tenant is not required to pay Rent during the Rent Free Period but has to pay the Service Fee, any Government Rates and other outgoings.

Upon signing of the Offers to Lease, the relevant Landlord agrees to allow the Tenant to withhold payment of rent under the Existing Tenancy Agreements for the period from 1 August 2023 to 31 December 2023 until the fulfilment of all Conditions to the Lease (the "**Withheld Rent**"). Upon the fulfilment of all Conditions to the Lease, the relevant Landlord will irrevocably waive payment of the Withheld Rent (exclusive of management charges, air-conditioning charges, Government Rates and other outgoings as agreed under the Existing Tenancy Agreements), subject to the due compliance and observance of the terms and conditions thereof on the Tenant's part to be documented in the supplemental agreements of the Existing Tenancy Agreements.

Advance Payment

The Tenant is required to make an advance payment to each Landlord upon the signing of the respective Offer to Lease (the "**Advance Payment**"). The Advance Payment payable for each Offer to Lease is set out in the section headed "*OFFERS TO LEASE*" above, the amount of which is the sum of (a) one month of Rent in the first year of the Lease Term, and (b) one month of Service Fee payable under the relevant Offer to Lease.

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The Advance Payment will automatically be applied to pay the Rent for the month immediately after the Rent Free Period stated in the section headed “*Rent Free Period and waiver under the Existing Tenancy Agreements*” above.

However, in the event that any of the Conditions to the Lease is not fulfilled or waived by mutual agreement of the parties by the Closing Date, the relevant Landlords shall first apply the Advance Payment to pay the Withheld Rent after the Tenant has exercised the option to renew the Existing Tenancy Agreement A and the Tenant shall pay to the relevant Landlords the remaining balance of the Withheld Rent within 45 days from the Closing Date.

Security Deposits

Under each Offer to Lease, a security deposit in the amount equivalent to the sum of three months of (a) Rent payable in the first year of the Lease Term, (b) Service Fee, and (c) Government Rates (estimated at no more than 5% of the Rent), is payable by the Tenant upon the commencement of the Lease Term (the “**Security Deposit(s)**”). The amount of Security Deposits initially payable by the Tenant under each Offer to Lease is set out in the section headed “*OFFERS TO LEASE*” above.

On the first day of each year of the Lease Term, the Security Deposits shall be topped up by the Tenant to an amount which is equivalent to three months’ worth of (a) the monthly Rent of that year, (b) Service Fee and (c) Government Rates.

Transfer of Security Deposit from Existing Tenancy Agreements

Under the Offers to Lease, upon the expiration of the Existing Tenancy Agreements, the relevant portion of security deposit kept by the relevant Landlords thereunder shall be transferred to pay the Security Deposits on the commencement of the Lease Term. Each relevant Landlord shall return or transfer the remaining balance of the security deposit under the Existing Tenancy Agreements according to the payment direction given by the Tenant.

Licence for specified licenced area(s) and common area(s)

Under the Offers to Lease, the Landlords agreed and undertook to sign and use their respective best endeavours to procure the relevant landlords to sign licence agreement(s) with the Tenant in respect of the relevant licenced area(s) in the Building as specified under the Offers to Lease.

The licence period shall be co-terminus with the Lease Term. The aggregate licence fee payable by the Tenant is fixed at HK\$22,740.00 per month (exclusive of management fees, if any, and other outgoings).

Furthermore, in connection with certain common areas of the Building, it is agreed that:

- upon signing of the Offers to Lease and no later than the Completion Day, the Landlords will use their best endeavours to procure Harriman, the building manager of the Building and an Independent Third Party, to negotiate and sign renewal of the licence agreements specified in the Offers to Lease, with the licence period thereof

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being co-terminus with the Lease Term. The terms and conditions of such renewal licence agreements (if applicable) are subject to the decision of the building manager and the approval of the owners' committee of the Building; and

- in respect of certain existing sub-licence agreements between the relevant Landlord and the Tenant, Landlords have undertaken to vary the existing sub-licence agreements no later than the Completion Day, or alternatively to enter into new sub-licence agreements with the Tenant for the purpose of aligning the licence period of such existing sub-licence agreements with the Lease Term.

During the Lease Term, the aggregate licence fee payable by the Tenant for the licences and sub-licences to use the common area abovementioned ranges from HK\$58,670.00 to HK\$63,213.50 per month (exclusive of management fees, if any and other outgoings).

Company Guarantee

It is a condition under each Offer to Lease for the Company to provide a Guarantee in favour of each Landlord.

Under the Guarantee, if the Tenant defaults in payment of the Rent and any outgoings during the Lease Term, upon request by the relevant Landlord, the Company shall pay the amount of Rent and all outgoings in arrears within 30 days of such request. Further, if the Tenant defaults in the performance or observance of any of the provisions on its part under the Offers to Lease, the Company shall pay to the relevant Landlord all losses, damages, expenses and costs which the relevant Landlord is legally entitled to recover by reason of such default within 30 days from the relevant Landlord's demand and production of the supporting documentary proof, if any.

Sale and redevelopment

If during the Lease Term, any of the Landlords (i) enters into a contract for the sale of the Building in which the Premises is situated, or of any part thereof which shall include the Premises, or (ii) resolves to redevelop the Building or any part thereof, then the Landlords shall be entitled to terminate their respective lease(s) with the Tenant by giving the Tenant not less than 30 calendar months' notice in writing.

The leases under the Offers to Lease shall cease and be void immediately upon the expiration of such notice, and the Tenant shall deliver up vacant possession of the Premises to the respective Landlords, provided that the Deed of Lease shall not be terminated earlier than 30 November 2027. Such notice can only be served together at once on all Premises leased to the Tenant in the Building by the respective Landlords.

Reinstatement of the Premises by the Tenant shall be waived if such notice is served on the Tenant. If the Deed of Lease is terminated due to the sale or redevelopment of the Building, the Tenant will not have to refund the Rent during the Rent Free Period and the Allowance Cost to the respective Landlords.

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Option to renew

Under the Offers to Lease, the Tenant may renew the lease for the relevant Premises for two further terms each of two years at open-market rent with a cap of 20% of the monthly rent payable in the last year of the Lease Term or the first renewed term (as the case may be), exclusive of Service Fee, Government Rates and other outgoings. In the event that the Tenant renews the lease for the relevant Premises, the Company will comply with the applicable requirements under the Listing Rules.

KEY TERMS OF THE ALLOWANCE OFFER LETTER

On the same day as the date of the Offers to Lease, the Tenant has also accepted the Allowance Offer Letter which was offered by the Landlords in consideration of the Tenant entering into the Offers to Lease simultaneously.

Under the Allowance Offer Letter, the Tenant is appointed as the exclusive agent to carry out at and to the Premises the fitting out works and tenant improvement works covering the period from 1 July 2021 up to 19 May 2025, which shall include but is not limited to studio revamp and installation, IT infrastructure and workstation enhancement (the “**Fitting Out Works**”), and to choose and purchase movable and immovable items associated with the business operation of the Tenant and/or the Group at the Premises (the “**Business Associated Items**”).

Further, the Landlords are liable to pay to the Tenant the cost for the Fitting Out Works and Business Associated Items (the “**Allowance Cost**”) in accordance with the terms and conditions of the Allowance Offer Letter. The maximum total amount of Allowance Cost payable to the Tenant is HK\$64,000,000.00.

Each Landlord’s liability in making payment of the Allowance Cost to the Tenant shall be in the order and for such portion of the aggregate amount of the Allowance Cost incurred by the Tenant and/or the Group set opposite to the respective Landlords as follows:

Order of liability	Landlords	Aggregate amount of Allowance Cost incurred by the Tenant and/or the Group
1st	Landlord 1	Up to HK\$19,600,000
2nd	Landlord 2	Exceeding HK\$19,600,000 up to HK\$30,700,000
3rd	Landlord 3	Exceeding HK\$30,700,000 up to HK\$41,800,000
4th	Landlord 4	Exceeding HK\$41,800,000 up to HK\$52,900,000
5th	Landlord 5	Exceeding HK\$52,900,000 up to HK\$64,000,000

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The Landlords are severally (but not jointly nor jointly and severally) liable for the Allowance Cost and the maximum liability of each of the Landlords is as follows:

- (i) Landlord 1: HK\$19,600,000;
- (ii) Landlord 2: HK\$11,100,000;
- (iii) Landlord 3: HK\$11,100,000;
- (iv) Landlord 4: HK\$11,100,000; and
- (v) Landlord 5: HK\$11,100,000.

Upon the relevant Landlord's payment of the Allowance Cost, the ownership and title of the property of the Fitting Out Works and Business Associated Items shall vest in and remain with the relevant Landlord(s), and the Tenant shall be granted an exclusive licence at a licence fee of HK\$1.00 for the use of the Fitting Out Works and Business Associated Items during the Lease Term. Further, the Landlords undertake not to sell, charge, mortgage or in any way create any encumbrance on the ownership and title of the Fitting Out Works and Business Associated Items without the Tenant's consent (the "**Undertaking**").

The Tenant shall have the right to purchase from the Landlords all of the Fitting Out Works and Business Associated Items at the consideration of HK\$1.00 (the "**Purchase Right**"), where such Purchase Right is exercisable (i) at any time during the last 12 months of the Lease Term, or (ii) in the event that the Landlords (a) serve a notice on the Tenant referred to in the section headed "*Sale and redevelopment*" above, or (b) breach the Undertaking and/ or the Deeds of Lease, or (c) default their creditor(s) or mortgagee(s).

Subject to the express terms and conditions of the Allowance Offer Letter, the Landlords and Tenant agreed to enter into a formal allowance agreement, in such form and on such terms as may be mutually agreed by the parties (the "**Allowance Agreement**"). Until the Allowance Agreement is signed, the Allowance Offer Letter shall remain binding and in full force and effect and the Landlords and Tenant shall continue to perform their respective obligations under the Allowance Offer Letter upon the Offers to Lease becoming unconditional.

3. INFORMATION OF THE PARTIES

The principal activities of the Group comprise media and telecommunications operations. The media segment includes operations related to the domestic free television programme service, advertising, channel carriage, television relay service, programme licensing, theatrical release and other related businesses, and 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 related businesses.

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The Landlords under the Offer to Lease 2, Offer to Lease 3, Offer to Lease 4 and Offer to Lease 5 (namely, Landlord 2, Landlord 3, Landlord 4 and Landlord 5) are indirect wholly-owned subsidiaries of Landlord 1. Landlord 1 is indirectly owned (i) as to 50.3% by Famous Shore Limited, which in turn is indirectly wholly-owned by Pamfleet Real Estate Fund III, L.P., and (ii) as to 49.7% by BGO 5G Investment HoldCo LLC.

Pamfleet Real Estate Fund III, L.P. is an exempted limited partnership established under the laws of the Cayman Islands, and is a real estate fund with a wide investor base, which is managed by Pamfleet International Limited. Pamfleet International Limited is a company incorporated in the Cayman Islands. Pamfleet International Limited is a subsidiary of Schroders Plc and is principally engaged in the provision of investment management services. Schroders Plc is a global investment manager and listed on the London Stock Exchange.

BGO 5G Investment HoldCo LLC is a company incorporated in the Cayman Islands with limited liability which is principally engaged in the business of investment holding. BGO 5G Investment HoldCo LLC is indirectly held by GreenOak Asia GP III, LP (acting as the general partner of the GreenOak Asia III limited partnerships with a wide investor base). GreenOak Asia GP III, LP is an exempted limited partnership registered under the laws of the Cayman Islands and is a member of the BentallGreenOak group. BentallGreenOak, also known as BGO, is a global real estate investment management advisor, real estate lender, and a provider of real estate services. BentallGreenOak group serves the interests of more than 750 institutional clients with approximately US\$83 billion of assets under management as of 30 June 2023, with expertise in the asset management of real estate assets across the globe¹.

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, the Landlords and their Ultimate Beneficial Owners are Independent Third Parties.

4. REASONS FOR AND BENEFITS OF THE OFFERS TO LEASE

The Premises are considered by the Group to be material operation premises and supporting facilities necessary or critical for the business operation of the Group. By entering into of the Offers to Lease, the Directors are of the view that the Group will have the options to extend the respective leases on favourable terms according to the provisions of the Offers to Lease, which would provide stability as to the Premises' availability to support the continued business operations of the Group.

The terms of the Offers to Lease, including the Rent and Service Fee charged, were determined after arm's length negotiations between the Group and the respective Landlords, with reference to the open-market rent of comparable properties (a copy of the valuation report in respect of the market rent valuation of the Premises performed by the Independent Property Valuer is set out in Appendix II to this circular) and the rental payment made by the Group

¹ *The assets under management shown above includes real estate equity and mortgage investments managed by the BentallGreenOak group of companies and their affiliates, and as of the first quarter of 2021, includes certain uncalled capital commitments for discretionary capital until they are legally expired and excludes certain uncalled capital commitments where the investor has complete discretion over investment.*

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under the Existing Tenancy Agreements. The Rent, Service Fee and other charges payable under the Offers to Lease (including the Advance Payment) is expected to be satisfied by the internal resources of the Group.

The entering into of the Offers to Lease is necessary for the operation of the Group's businesses in the ordinary and usual course. Taking into account the Rent Free Period, the Withheld Rent to be waived under the Existing Tenancy Agreements and the Allowance Cost of up to HK\$64,000,000, the average effective monthly rent payable by the Tenant during the Lease Term is approximately HK\$3,851,052 per month (inclusive of the licence fees for the specified licensed area(s) only), which is lower than the market rent (exclusive of government rent, Government Rates and management fees as of the valuation date) stated in the valuation report by the Independent Property Valuer as set out in Appendix II to this circular. Therefore, the Board considers that the terms of the Offers to Lease are on normal commercial terms and are fair and reasonable and the entering into of the Offers to Lease is in the interests of the Company and the Shareholders as a whole.

5. FINANCIAL EFFECTS OF ENTERING INTO THE OFFERS TO LEASE

The unaudited value of the right-of-use assets to be recognised in accordance with HKFRS 16 by the Group under the Offers to Lease and the Allowance Offer Letter amounted to approximately HK\$201 million, which is calculated with reference to the present value of the aggregate Rent payable and Allowance Cost under the Offers to Lease and Allowance Offer Letter discounted using incremental borrowing rate of approximately 7.5%.

Upon the effective date of the Offers to Lease and the Allowance Offer Letter, the consolidated total assets and total liabilities of the Group would estimated to increase by approximately HK\$201 million and HK\$193 million by recognising the right-of-use assets and lease liabilities respectively.

The right-of-use assets will be depreciated on a straight line basis over the lease term with annual depreciation charge amounting to approximately HK\$32 million which will be charged to the consolidated statement of profit or loss and other comprehensive income. Interest expenses on the lease liabilities will be recognised at the rate of approximately 7.5% per annum on the carrying amount of the lease liabilities, adjusted for lease modification of the term (if any) and after deducting the periodic lease payment.

Both the depreciation charge on the right-of-use assets and the interest expenses on the lease liabilities will have the aggregate effect of decrease in the Group's earnings.

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6. IMPLICATIONS UNDER THE LISTING RULES

Acquisition of assets by the Company

Pursuant to HKFRS 16, the entering into of the Offers to Lease as tenant and the Allowance Offer Letter will require the Group to recognise the Rent payable in relation to the Premises and the Allowance Cost as right-of-use assets. Therefore, the entering into of the Offers to Lease and the transactions contemplated thereunder will be regarded as an acquisition of assets by the Group under the Listing Rules. The value of right-of-use assets recognised by the Company under the Offers to Lease and the Allowance Offer Letter amounted to approximately HK\$201 million.

Major transaction

As the highest applicable percentage ratio as defined under the Listing Rules in respect of the acquisition of right-of-use assets recognised by the Group pursuant to HKFRS 16 based on the consideration under the Offers to Lease and the transactions contemplated thereunder (including those under the Allowance Offer Letter) is 25% or more but is less than 100%, the entering into of the Offers to Lease and the transactions contemplated thereunder (including those under the Allowance Offer Letter) constitutes a major transaction of the Company and is subject to the notification, announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

The EGM will be held and convened for the Shareholders to consider and, if thought fit, to approve the entering into of the Offers to Lease and the transactions contemplated thereunder.

To the best of the knowledge, information and belief of the Directors, as no Shareholder or any of their respective associates has any material interest in the Offers to Lease and the transactions contemplated thereunder, no Shareholder will be required to abstain from voting at the EGM for approving the same.

7. EGM

The Company will convene the EGM or any adjourned meeting hereof at The GalaMuse, Unit 1001 & 07, 08, Level 10, K11 ATELIER, Victoria Dockside, 18 Salisbury Road, Tsim Sha Tsui, Kowloon, Hong Kong on Thursday, 28 September 2023 at 3:00 p.m. to approve matters referred to in this circular at which relevant resolution will be proposed to the Shareholders to consider, and if thought fit, approve the Offers to Lease and the Allowance Offer Letter and all transactions contemplated thereunder. The notice convening the EGM is set out on pages EGM-1 to EGM-3 of this circular.

A form of proxy for use in connection with the EGM is enclosed herewith. Whether or not you intend to be present and vote at the EGM, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Registrar, Tricor Tengis Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the EGM or any adjournment thereof (as the case may be). The completion and

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delivery of a form of proxy will not preclude you from attending and voting at the EGM (or any adjourned meeting thereof) in person should you so wish, and in such case, the authority of your proxy will be revoked.

8. CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed, for the purpose of determining the Shareholders' entitlement to attend and vote at the EGM, from Monday, 25 September 2023 to Thursday, 28 September 2023 (both days inclusive), during this period no transfer of shares will be registered. In order to attend and vote at the meeting, unregistered Shareholders should ensure that all transfer documents, accompanied by the relevant share certificates, are lodged with the Registrar, Tricor Tengis Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration not later than 4:30 p.m. on Friday, 22 September 2023.

9. RECOMMENDATION

The Directors consider that the transaction contemplated under the Offers to Lease and the Allowance Offer Letter are in the ordinary and usual course of business of the Company and the terms of the Offers to Lease and the Allowance Offer Letter are fair and reasonable, and on normal commercial terms, and is in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the resolution to be proposed at the EGM in relation to the transaction contemplated under the Offers to Lease and the Allowance Offer Letter.

10. ADDITIONAL INFORMATION

Your attention is drawn to the additional information set out in the appendices to this circular.

Yours faithfully,
For and on behalf of the Board
i-CABLE Communications Limited
Lau Yee Wa
Company Secretary

1. FINANCIAL INFORMATION

The Company is required to set out or refer to in this circular the consolidated statements of financial position, consolidated statements of cash flows and any other primary statements as shown in (i) the audited consolidated financial statements of the Group for FY2020 (“**2020 Financial Statements**”); (ii) the audited consolidated financial statements of the Group for FY2021 (“**2021 Financial Statements**”) and (iii) the audited consolidated financial statements of the Group for FY2022 (“**2022 Financial Statements**”) together with the notes to the relevant published financial statements which are of major relevance to the appreciation of the above financial information.

- The 2020 Financial Statements are set out on pages 86 to 151 of the annual report for the year ended 31 December 2020 (“**Annual Report 2020**”) of the Company, which was dated on 30 March 2021. The Annual Report 2020 is posted on the Company’s website at <http://www.i-cablecomm.com>. Please also see below a direct link to the Annual Report 2020:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2021/0426/2021042601938.pdf>

- The 2021 Financial Statements are set out on pages 141 to 250 of the annual report for the year ended 31 December 2021 (“**Annual Report 2021**”) of the Company, which was dated on 31 March 2022. The Annual Report 2021 is posted on the Company’s website at <http://www.i-cablecomm.com>. Please also see below a direct link to the Annual Report 2021:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2022/0426/2022042602184.pdf>

- The 2022 Financial Statements are set out on pages 154 to 262 of the annual report for the year ended 31 December 2022 (“**Annual Report 2022**”) of the Company, which was dated on 27 March 2023. The Annual Report 2022 is posted on the Company’s website at <http://www.i-cablecomm.com>. Please also see below a direct link to the Annual Report 2022:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2023/0427/2023042704017.pdf>

- Further to the above, the interim results announcement for the six months ended 30 June 2023 (“**Interim Results Announcement**”) is posted on the Company’s website at <http://www.i-cablecomm.com>. Please also see below a direct link to the Interim Results Announcement:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2023/0825/2023082502129.pdf>

The 2020 Financial Statements, the 2021 Financial Statements, the 2022 Financial Statements and the Interim Results Announcement (but not any other part of the Annual Report 2020, the Annual Report 2021 and the Annual Report 2022 in which they respectively appear) are incorporated by reference into this circular and form part of this circular.

2. STATEMENT OF INDEBTEDNESS

At the close of business on 13 July 2023, being the latest practicable date for the purpose of ascertaining certain information contained in this statement of indebtedness prior to the printing of this circular, the indebtedness of the Group was as follows:

Borrowings

The Group had unsecured bank borrowing of HK\$295 million which was repayable on demand. The borrowing was guaranteed by the Company. The Group had unsecured loans from Celestial Pioneer with aggregate amount of approximately HK\$536 million.

Convertible bonds

The Group had outstanding convertible bonds of principal amounts of HK\$768 million and carrying value of approximately HK\$559 million in aggregate and the maturity dates of these convertible bonds are the end of the tenth year from dates of the issue on 4 June 2019 and 31 March 2021 respectively.

Lease liabilities

As at the close of business on 13 July 2023, the Group had total lease liabilities amounting to approximately HK\$26 million in relation to the remaining lease terms of right-of-use assets, which were secured by rental deposits and unguaranteed.

Performance bonds

As at the close of business on 13 July 2023, the Group had made arrangement with a bank to provide two separate performance bonds to the counterparties amounted to approximately HK\$40 million, of which approximately 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 license issued by a regulatory body.

Contingent liabilities

As at the close of business on 13 July 2023, the Group did not have any contingent liabilities.

Save as aforesaid or otherwise disclosed herein, and apart from intra-group liabilities and normal trade payables in the ordinary course of business, as at the close of business on 13 July 2023, the Group did not have any debt securities issued and outstanding, and authorised or otherwise created but unissued, or term loans or other borrowings or indebtedness in the nature of borrowing including bank overdrafts and liabilities under acceptances or acceptances credits or hire purchase commitments, or outstanding mortgages and charges, or contingent liabilities or guarantees.

3. WORKING CAPITAL STATEMENT

Forever Top has entered into an irrevocable deed of undertaking 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 of directors of the Company, as and when necessary up to 30 September 2024. In turn, Forever Top has received back to back financial support undertakings from its beneficial shareholders.

Taking into account the financial resources available to the Group, including but not limited to funds generated from operations, cash and bank balances, arrangement under the key terms of the Allowance Offer Letter and the financial support from Forever Top, the Directors are of the opinion that the Group has sufficient working capital for its present requirements, that is for at least the next 12 months from the date of this circular. The Company has obtained the relevant confirmation from its auditor as required under Rule 14.66(12) of the Listing Rules.

4. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors are not aware of any material adverse change in the financial or trading position of the Group since 31 December 2022, being the date to which the latest published audited financial statements of the Company were made up.

5. FINANCIAL AND TRADING PROSPECTS OF THE GROUP

The principal activities of the Group comprise media and telecommunications operations. The media segment includes operations related to 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 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 related businesses.

During the period ended 30 June 2023, the Group discontinued its pay television operation upon the approval from the Government of the Hong Kong Special Administrative Region for the termination of the domestic pay television programme service license with effect from 1 June 2023, which was reported in the interim financial information for the six months ended 30 June 2023 as discontinued operation.

The revenue from continuing operations of the Group for the six months ended 30 June 2023 increased to approximately HK\$263 million (for the six months ended 30 June 2022: approximately HK\$262 million). The revenue from discontinued operation of the Group for the six months ended 30 June 2023 was approximately HK\$118 million (for the six months ended 30 June 2022: approximately HK\$170 million). The loss from operations from continuing operations of the Group for the six months ended 30 June 2023 was approximately HK\$110 million (for the six months ended 30 June 2022: approximately HK\$96 million), representing an increase of approximately 15%. The Group recorded a net loss from continuing operations of approximately HK\$149 million for the six months ended 30 June 2023 (for the six months ended 30 June 2022: approximately HK\$173 million).

After experiencing a three-year pandemic, the competition in Hong Kong's media industry has been intensifying. Accustomed to watching various online media platforms, younger audiences have become more demanding and selective in allocating their attention. In a bid to respond swiftly to changes in audience's appetite and the fierce market competition, the Group has actively integrated all the media platforms under its flagship and to further expand its reach.

Despite the lurking uncertainties in the business environment, the Group remains proactive in bringing audience's attention to its improved creative and production capabilities. The offering of a series of exciting content will start with the exclusive broadcast of the "19th Asian Games Hangzhou" in September this year. In the meantime, the Group will recruit and groom talented producers and launch more creative programs to attract audiences of different age groups, with a view to driving its viewership and boosting its advertising revenue.

On the one hand, regarding the media segment, the Group formally returned the domestic pay television ("**Pay TV**") programme services licence to the Government on 1 June 2023. With the development of information technology and the network economy, the Group has decided to change course towards a multi-media direction, concentrating resources on free TV, outdoor and digital media.

On the other hand, the telecommunications business continues to provide positive contribution to the Group. As one of the major fixed telecommunications network service operators in Hong Kong, the Group has built a telecommunications network covering over 2 million households in Hong Kong. After the termination of Pay TV services, more spare network resources would be released for the Group to explore other telecommunications opportunities. In the future, the Group will continue to invest in expanding its network coverage and enhancing its system capacity, as well as using new technologies to convert hybrid fibre or coaxial networks into fibre optic networks to achieve gigabit-speed broadband access.

The Group has expanded its telecommunications infrastructure to major commercial and industrial sectors, further developing and strengthening network capabilities to meet the rapid growth of the emerging data centre business. Meanwhile, through a strategic collaboration with China Mobile Hong Kong Company Limited, the Group has generated a stable source of revenue and achieved synergy in the use of network resources.

With the recovery of economic activities and tourism industry, it is expected to have a positive effect on the advertising market in the second half of 2023. The Group has comprehensively reviewed all of its broadcasting platforms with a view to providing advertisers with a comprehensive sales mix to further attract advertisers to increase their advertisement placements on its platform and increase the Group's revenue. The Group will also seize the opportunities to explore businesses in the Guangdong-Hong Kong-Macao Greater Bay Area (the "**Greater Bay Area**") and plan to collaborate with major media and operators in Mainland China, so as to enhance the Group's reputation and expand its audience base. The Group will also continue to explore different types and styles of programmes in order to provide better quality contents to the audience and promote business development.

In terms of the telecommunications business, the Group will continue to try to increase revenue of the existing telecommunications business with a main focus on developing business-to-business (B2B) projects and enhance the product mix. On the other hand, the Group will explore new opportunities to further expand the business scope using existing expertise and skills, such as commercial broadband business, additional income from fibre-optic cabling system of buildings and back-up bandwidth capacity leasing, and cooperation with other strategic partners to create a win-win situation. The Group will strengthen the productivity of its telemarketing and direct sales teams, and will also enrich its product lines and launch more new services to cover a wider customer base and increase the market shares of various services. For Hong Kong people who frequently travel to and from the Greater Bay Area and love travel, the Group will soon launch a roaming data service plan in the Greater Bay Area, Asia, and globally.

The Group is confident that it can continue to operate effectively and achieve satisfactory results in the telecommunications business. The Group also looks forward to exploring more business opportunities in the telecommunications sector, which will bring new impetus to business portfolio and enhance overall performance growth of the Group.

The following is the text of a letter, summary of values and valuation certificates, prepared for the purpose of incorporation in this circular received from Jones Lang LaSalle Corporate Appraisal and Advisory Limited, an independent valuer, in connection with its valuation as at 21 July 2023 of the property interests held by the Company.



仲量聯行

Jones Lang LaSalle Corporate Appraisal and Advisory Limited
7/F One Taikoo Place 979 King's Road Hong Kong
tel +852 2846 5000 fax +852 2169 6001
Company Licence No.: C-030171

1 September 2023

The Board of Directors
i-CABLE Communications Limited
7th Floor, Cable TV Tower,
9 Hoi Shing Road,
Tsuen Wan,
Hong Kong

Dear Sirs,

Re: To determine the market rent of Factories 1, 2, 3 and 4 of Ground Floor, 4th Floor, 5th Floor, 6th Floor, 7th Floor, a portion of 12th Floor, storeroom 3 on Top Roof and various license area on 3rd, 8th–12th Floor, Cable TV Tower, No. 9 Hoi Shing Road, Tsuen Wan, New Territories (the “Property”).

In accordance with your instructions of i-CABLE Communications Limited (the “**Company**”) to provide an opinion of market rent of the Property to be leased by the wholly-owned subsidiary of the Company, we confirm that we have carried out inspections, made relevant enquiries and searches and obtained such further information as we consider necessary for the purpose of providing you with our opinion on the market rent of the Property as at 21 July 2023 (the “**Valuation Date**”) for circular disclosure purpose.

Our valuation is carried out on a market rent basis. Market rent is defined as “the estimated amount for which a property, or space within a property, should lease (let) on the Valuation Date between a willing lessor and a willing lessee on appropriate lease terms in an arm’s-length transaction after proper marketing where both parties had each acted knowledgeably, prudently, and without compulsion”.

Our rental opinion is carried out on the assumptions that the monthly rent for the Property is exclusive of government rent, government rates and management fees.

Our valuation has been made on the assumption that the lessor leases or lets the property interests in the market without the benefit of a deferred term contract, leaseback, joint venture, management agreement or any similar arrangement, which could serve to affect the market rent of the property interests.

No allowance has been made in our report for any charge, mortgage or amount owing on any of the property interests valued nor for any expense or taxation which may be incurred in effecting a tenancy. Unless otherwise stated, it is assumed that the Property is free from encumbrances, restrictions and outgoings of an onerous nature, which could affect their rental values.

In valuing the Property, we have complied with all requirements contained in Chapter 5 of the Rules Governing the Listing of Securities issued by The Stock Exchange of Hong Kong Limited; the RICS Valuation — Global Standards published by the Royal Institution of Chartered Surveyors; the HKIS Valuation Standards published by the Hong Kong Institute of Surveyors; and the International Valuation Standards published by the International Valuation Standards Council.

We have relied to a very considerable extent on the information given by the Company and have accepted advice given to us on such matters as tenure, floor area, and other relevant matters. Dimensions and measurements are based on the copies of documents collected from the Company and are therefore only approximations.

We have had no reason to doubt the truth and accuracy of the information provided to us by the Company. We have also sought confirmation from the Company that no material factors have been omitted from the information supplied. We consider that we have been provided with sufficient information to arrive at an informed view, and we have no reason to suspect that any material information has been withheld.

We have been shown copies of floor plans and summary of tenancy details and we have obtained relevant information from the Land Registry, the Buildings Department, and relevant government departments and have made relevant enquiries.

We have not been provided with copies of the title documents relating to the property interests in Hong Kong. We have caused searches to be made at the Land Registry, but have not given any legal advice in respect of title. Further, we have not searched the original documents to verify the correctness of any information or to verify whether any amendments have been made which do not appear on the copies handed to us. All documents have been used as reference only and all dimensions, measurements and areas are approximate.

We have not carried out detailed measurements to verify the correctness of the areas in respect of the property but have assumed that the areas shown on the title documents and official site plans handed to us are correct. All documents and contracts have been used as reference only and all dimensions, measurements and areas are approximations. No on-site measurement has been taken.

We have inspected the exterior and where possible, the interior of the Property. However, we have not carried out investigation to determine the suitability of the ground conditions and services for any development thereon. Our valuation has been prepared on the assumption that these aspects are satisfactory. Moreover, no structural survey has been made, but, in the course of our inspection, we did not note any serious defect. We are not, however, able to report whether the Property is free of rot, infestation or any other structural defect. No tests were carried out on any of the services.

The site inspection was carried out on 6 July 2023 by Mr. Johnny Lee and Ms. Bavis Tam. Mr. Johnny Lee is a probationer of the RICS and have more than 15 years' experience in the valuation of properties in the Asia-Pacific region. Ms. Bavis Tam is a property valuer with 3 years of real estate valuation experience in Hong Kong.

Unless otherwise stated, all monetary figures stated in this report are in Hong Kong Dollars (HKD).

Our valuation is summarized below and the valuation certificate is attached.

Yours faithfully,
for and on behalf of
Jones Lang LaSalle Corporate Appraisal and Advisory Limited
Gilbert C. H. Chan
MRICS MHKIS RPS (GP)
Senior Director

Note: Gilbert C.H. Chan is a Chartered Surveyor who has 29 years' experience in the valuation of properties in Hong Kong and 27 years of property valuation experience in the Asia-Pacific region.

VALUATION CERTIFICATE

Property	Description and tenure	Particulars of occupancy	Market rent in existing state as at 21 July 2023 HKD
Factories 1, 2, 3 and 4 of Ground Floor, 4th Floor, 5th Floor, 6th Floor, 7th Floor, a portion of 12th Floor, storeroom 3 on Top Roof and various license area on 3rd, 8th–12th Floor, Cable TV Tower, No. 9 Hoi Shing Road, Tsuen Wan, New Territories	<p>The Property Factories 1, 2, 3 and 4 on ground floor, 4th Floor, 5th Floor, 6th Floor, 7th Floor, a portion of 12th Floor, storeroom 3 on Top Roof and various license area on 3rd, 8th–12th Floor, Cable TV Tower, No. 9 Hoi Shing Road, Tsuen Wan, New Territories, Hong Kong completed in 1992.</p> <p>The Property has a total lettable area of approximately 222,134.1 sq.ft. (please refer to note 2 for details).</p> <p>The Property is held under New Grant No. TW5008 for a term of 99 years commencing from 1 July 1898. By virtue of New Territories Leases (Extension) Ordinance 1988, the subject land lease has been extended up to 30 June 2047 without premium but an annual rent equivalent to 3% of the rateable value of the property for the time being is charged from the date of extension.</p>	Pursuant to 7 offer to lease agreements, the Property was leased to the Company for non-domestic use. (Please refer to notes 3–8 for details).	3,890,000 (THREE MILLION EIGHT HUNDRED AND NINETY THOUSAND) per month for a term of 6 years, exclusive of government rent, government rates and management fees

Notes:

- As per our land search record, the registered owner of the Property is as follow:

Floor	Registered Owner	Memorial No.	Date of Instrument
G/F	New Tech Centre Limited	UB4631841	20 July 1990
3/F	New Tech Centre Limited	UB4631841	20 July 1990
4/F	5G CTVT 04 Limited	22051201690035	14 April 2022
5/F	5G CTVT 05 Limited	22051201690064	14 April 2022
6/F	5G CTVT 06 Limited	22051201690097	14 April 2022
7/F	5G CTVT 07 Limited	22051201690120	14 April 2022
8/F	5G CTVT 08 Limited	22051201690159	14 April 2022
9/F	New Tech Centre Limited	UB4631841	20 July 1990
10/F	5G CTVT 10 Limited	22051201690185	14 April 2022
11/F	5G CTVT 11 Limited	22051201690216	14 April 2022
12/F	New Tech Centre Limited	UB4631841	20 July 1990
Roof	New Tech Centre Limited	UB4631841	20 July 1990

2. As advised by the Company, the lettable area of the Property is as follow:

Address	Lettable Area (<i>sq.ft.</i>)	Type
Factories 1, 2, 3 and 4 on ground floor, 4th Floor, 5th Floor, 6th Floor, 7th Floor, a portion of 12th Floor, storeroom 3 on Top Roof	220,187.0	Leased Area
License area on 3rd, 8th–12th Floor	<u>1,947.1</u>	License Area
Total	<u><u>222,134.1</u></u>	

3. Pursuant to an offer to lease agreement, Factories 1, 2, 3 and 4 of Ground Floor of the Property was leased to the Company for a term of 6 years commencing from 1 January 2024 and expiring on 31 December 2029 with monthly rent of HKD1,070,897 per month for year 1, HKD1,194,895.6 per month for year 2, HKD1,318,894.2 per month for year 3, HKD1,442,892.8 per month for year 4, HKD1,566,891.4 per month for year 5, HKD1,690,890 per month for year 6, exclusive of Service Fee, Government Rates and other outgoings, with a rent free period of 8.5 months from 1 January 2024 to 15 September 2024 for entrance lobby, caretaker room, store, factory units and ancillary accommodation for non-domestic use.
4. Pursuant to 4 offer to lease agreements, 4th Floor, 5th Floor, 6th Floor and 7th Floor of the Property were leased to the Company for a term of 6 years commencing from 1 January 2024 and expiring on 31 December 2029 with a total monthly rent of HKD2,907,228 per month for year 1, HKD3,243,854 per month for year 2, HKD3,580,481 per month for year 3, HKD3,917,107 per month for year 4, HKD4,253,734 per month for year 5, HKD4,590,360 per month for year 6, exclusive of Service Fee, Government Rates and other outgoings, with a rent free period of 8.5 months from 1 January 2024 to 15 September 2024 for godowns, store, container loading area and ancillary accommodation for non-domestic use.
5. Pursuant to an offer to lease agreement, a portion of 12th Floor of the Property was leased to the Company for a term of 6 years commencing from 1 January 2024 and expiring on 31 December 2029 with monthly rent of HKD195,548 per month for year 1, HKD218,190.4 per month for year 2, HKD240,832.8 per month for year 3, HKD263,475.2 per month for year 4, HKD286,117.6 per month for year 5, HKD308,760 per month for year 6, exclusive of Service Fee, Government Rates and other outgoings, with a rent free period of 8.5 months from 1 January 2024 to 15 September 2024 for godowns, store, container loading area and ancillary accommodation for non-domestic use.
6. Pursuant to an offer to lease agreement, storeroom 3 on Top Roof of the Property was leased to the Company for a term of 6 years commencing from 1 January 2024 and expiring on 31 December 2029 with monthly rent of HKD9,880 per month for year 1, HKD11,024 per month for year 2, HKD12,168 per month for year 3, HKD13,312 per month for year 4, HKD14,456 per month for year 5, HKD15,600 per month for year 6, exclusive of Service Fee, Government Rates and other outgoings, with a rent free period of 8.5 months from 1 January 2024 to 15 September 2024 for storeroom and ancillary accommodation for non-domestic use.
7. Pursuant to Appendix II — List of Specified Licences co-terminus with the Lease Term in the 7 offer to lease agreements, various license area on 3rd, 8th–12th Floor of the Property were leased to the Company for a term of 6 years commencing from 1 January 2024 and expiring on 31 December 2029 at a total monthly license fee of HKD22,740 exclusive of Service Fee, Government Rates and other outgoings.
8. Pursuant to an allowance offer letter, the landlords of Factories 1, 2, 3 and 4 of Ground Floor, 4th Floor, 5th Floor, 6th Floor, 7th Floor, a portion of 12th Floor, storeroom 3 on Top Roof of the Property have authorize and appoint the Company to carry out at and to the Premises the fitting out works and tenant improvements works covering the period from 1 July 2021 up to 19 May 2025 and choose and purchase movable and immovable items associated with the business operation of the Company. The landlords shall pay up to a maximum of HKD64,000,000 to the Company for the costs of the Fitting Out Works and Business Associated Items.
9. According to the Draft Tsuen Wan Outline Zoning Plan No. S/TW/36 gazetted under section 5 of Town Planning Ordinance on 28 April 2023, the Property was zoned under “Other Specified Uses”.

10. The following encumbrances were registered against the Property as at the Valuation Date:
- a. Memorandum on Change of Building Name vide Memorial Nos. TW912859 and UB5771909 both dated 31 August 1993;
 - b. Memorandum on Change of Building Name vide Memorial Nos. TW1285922 and UB7782408 both dated 10 June 1999;
 - c. Waiver Letter with Plan Re Part of Factory 3 vide Memorial No. TW1214443 dated 10 February 1998;
 - d. Modification Letter vide Memorial Nos. TW1116757 and UB7101672 both dated 1 November 1996;
 - e. Memorandum of Allocation of Undivided Shares vide Memorial Nos. TW1033134 and UB6478757 both dated 28 November 1995;
 - f. Deed of Mutual Covenant and Management Agreement vide Memorial Nos. TW1114057 and UB6936717 both dated 13 July 1992;
 - g. Deed of Assignment in relation to Rights, Interest & Obligations as Manager vide Memorial No. TW1521441 dated 22 April 2003 and Memorial Nos. TW1568301 and UB9188851 both dated 26 February 2004;
 - h. Assignment in relation to Rights, Interest & Obligations as Manager vide Memorial No. UB8926621 dated 22 April 2003;
 - i. Counterpart Tenancy Agreement with Plans in favour of CABLE NETWORK COMMUNICATIONS LIMITED with the rent of HKD1,810,740 (pt.) per month vide Memorial No. 21042002240088 dated 31 December 2020;
 - j. Legal Charge and Debenture in favour of Standard Chartered Bank (Hong Kong) Limited on its own behalf and as Security Agent and Trustee for the Secured Parties with the Term Loan and Revolving Credit Facility of up to HKD1,614,000,000 (pt.) vide Memorial No. 21081102140032 dated 4 August 2021;
 - k. Deed of Partial Release vide Memorial No. 22051201690019 dated 14 April 2022;
 - l. Legal Charge and Debenture in favour of Standard Chartered Bank (Hong Kong) Limited with the Term Loan and Revolving Credit Facility of up to HKD1,614,000,000 vide Memorial Nos. 22051201690042, 22051201690077, 2051201690107 and 22051201690135 dated 14 April 2022; and
 - m. Deed of Sub-Allocation of Undivided Shares and Designation of Additional Common Areas with Plans vide Memorial No. 21022500730017 dated 19 February 2021.

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information as contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

2. DISCLOSURE OF INTERESTS OF DIRECTORS

(a) Directors' interest or short positions in shares and underlying shares of the Company

As at the Latest Practicable Date, save as disclosed below, none of the Directors or the chief executive of the Company or their respective associates had or was deemed to have any interests and short positions in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) (i) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) which were required, pursuant to section 352 of the SFO to be entered in the register referred to therein; or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules:

Long position in shares and underlying shares of the Company

Name of Director	Number of Shares held through controlled corporation	Approximate percentage of the total number of issued Shares
Dr. Cheng ^(Note)	11,052,488,230	154.91%

Note: Celestial Pioneer was wholly-owned by Dr. Cheng and held 72.0% interests in Forever Top. Accordingly, both Celestial Pioneer and Forever Top were controlled corporations of Dr. Cheng. Forever Top was interested in 10,568,899,364 Shares, which represented (i) 3,083,722,894 Shares owned by Forever Top; (ii) 4,544,000,000 new Shares to be issued by the Company upon full exercise of the conversion rights under the unlisted long-term convertible bonds issued in June 2019; and (iii) 2,941,176,470 new Shares to be issued by the Company upon full exercise of the conversion rights under the unlisted long-term convertible bonds issued in March 2021. Celestial Pioneer was interested in 11,052,488,230 Shares, which represented (i) 483,588,866 Shares owned by Celestial Pioneer; and (ii) the deemed interests 10,568,899,364 Shares held by Forever Top under the SFO. Therefore, Dr. Cheng was deemed to be interested in such 11,052,488,230 Shares under the SFO.

As at the Latest Practicable Date, save for Dr. Cheng, none of the Directors or chief executive of the Company is a director or employee of a company which has an interest or short position in the Shares and underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

(b) Persons who have an interest or short position which is discloseable under Divisions 2 and 3 of Part XV of the SFO and substantial Shareholders

So far as was known to the Directors and the chief executive of the Company, as at the Latest Practicable Date, persons other than a Director or chief executive of the Company who had interests or short positions in the Shares and underlying Shares which were required to be disclosed to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO or required to be recorded in the register of substantial shareholders maintained by the Company pursuant to section 336 of the SFO, or were directly or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company, were as follows:

Name	Beneficial owner	Interest of spouse	Interest of a controlled corporation	Total	Approximate percentage of the total number of issued Shares (%)
Celestial Pioneer	483,588,866	—	10,568,899,364 ⁽¹⁾	11,052,488,230	154.91
Forever Top	10,568,899,364 ⁽¹⁾	—	—	10,568,899,364	148.14
Mr. Ng Hung Sang	156,169,500	98,502,500 ⁽²⁾	464,376,000 ⁽³⁾	719,048,000	10.08
Ms. Ng Lai King Pamela	98,502,500	620,545,500 ⁽⁴⁾	—	719,048,000	10.08
South China Securities Limited	463,000,000 ⁽³⁾	—	—	463,000,000	6.49

Notes:

- (1) These 10,568,899,364 Shares represent (i) 3,083,722,894 Shares owned by Forever Top; (ii) 4,544,000,000 new Shares to be issued by the Company upon full exercise of the conversion rights under the unlisted long-term convertible bonds issued in June 2019; and (iii) 2,941,176,470 new Shares to be issued by the Company upon full exercise of the conversion rights under the unlisted long-term convertible bonds issued in March 2021. As at the Latest Practicable Date, Celestial Pioneer holds 72.0% of Forever Top and is deemed to be interested in all the interests held by Forever Top under the SFO. Celestial Pioneer was wholly-owned by Dr. Cheng. Accordingly, both Celestial Pioneer and Forever Top were controlled corporations of Dr. Cheng, and Dr. Cheng was therefore deemed to be interested in these 10,568,899,364 Shares under the SFO. For details of Dr. Cheng's interests in the Shares, please refer to the paragraph headed "Directors' interest or short positions in shares and underlying shares of the Company" above.
- (2) Mr. Ng Hung Sang, the spouse of Ms. Ng Lai King Pamela, was deemed to be interested in 98,502,500 Shares which Ms. Ng Lai King Pamela was interested in under the SFO.

- (3) Mr. Ng Hung Sang was deemed to be interested in 464,376,000 Shares in which his controlled corporations are interested under the SFO. South China Finance and Management Limited directly held 1,376,000 Shares, while South China Securities Limited directly held 463,000,000 Shares. Both of these companies were wholly-owned by South China Financial Holdings Limited. Based on the information available to the Company, South China Financial Holdings Limited was held as to approximately 29.52% by Mr. Ng Hung Sang, among which approximately 25.66% was held through his wholly-owned corporations, while according to publicly available information, approximately 3.86% was held by him as beneficial owner.
- (4) Ms. Ng Lai King Pamela, the spouse of Mr. Ng Hung Sang, was deemed to be interested in 620,545,500 Shares which Mr. Ng Hung Sang is interested in under the SFO.

Save as disclosed above, so far as was known to the Directors or the chief executive of the Company, as at the Latest Practicable Date, no persons other than a Director or chief executive of the Company had any interests or short positions in the Shares or underlying Shares which were required to be disclosed to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO or required to be recorded in the register of substantial shareholders maintained by the Company pursuant to section 336 of the SFO, or were directly or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company.

3. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contract with any member of the Group which would not expire or would not be determinable by such member of the Group within one year without payment of compensation (other than statutory compensation).

4. DIRECTORS' INTERESTS IN ASSETS

As at the Latest Practicable Date, none of the Directors has or had any interest, either directly or indirectly, in any assets which have since 31 December 2022 (being the date to which the latest published audited consolidated financial statements of the Group were made up), been acquired or disposed of by or leased to, any member of the Group or are proposed to be acquired or disposed of by, or leased to, any member of the Group.

5. DIRECTORS' INTERESTS IN CONTRACT OR ARRANGEMENT OF SIGNIFICANCE

As at the Latest Practicable Date, save for:

- (a) the unlisted long-term convertible securities subscription agreement dated 25 January 2019 between the Company and Forever Top in relation to the subscription of the unlisted long-term convertible bonds with the principal amount of HK\$568 million by Forever Top, which was completed in June 2019;

- (b) the unlisted long-term convertible securities subscription agreement dated 27 January 2021 between the Company and Forever Top in relation to the subscription of the unlisted long-term convertible bonds with the principal amount of HK\$200 million by Forever Top, which was completed in March 2021;
- (c) the loan agreement dated 21 January 2022 between Hong Kong Cable Television Limited (“**HKC**”) as borrower and Celestial Pioneer as lender for an unsecured loan with the principal amount of HK\$70 million for a term of three years with an interest rate of 2.5% per annum;
- (d) the loan agreement dated 4 April 2022 between HKC as borrower and Celestial Pioneer as lender for an unsecured loan with the principal amount of HK\$50 million for a term of three years with an interest rate of 3.0% per annum;
- (e) the loan agreement dated 28 June 2022 between HKC as borrower and Celestial Pioneer as lender for an unsecured loan with the principal amount of HK\$50 million for a term of three years with an interest rate of 3.0% per annum;
- (f) the loan agreement dated 24 August 2022 between HKC as borrower and Celestial Pioneer as lender for an unsecured loan with the principal amount of HK\$80 million for a term of three years with an interest rate of 3.0% per annum;
- (g) the loan agreement dated 8 November 2022 between HKC as borrower and Celestial Pioneer as lender for an unsecured loan with the principal amount of HK\$50 million for a term of three years with an interest rate of 3.0% per annum;
- (h) the loan agreement dated 9 January 2023 between HKC as borrower and Celestial Pioneer as lender for an unsecured loan with the principal amount of HK\$80 million for a term of three years with an interest rate of 5.0% per annum;
- (i) the loan agreement dated 3 April 2023 between HKC as borrower and Celestial Pioneer as lender for an unsecured loan with the principal amount of HK\$80 million for a term of three years with an interest rate of 5.0% per annum;
- (j) the loan agreement dated 25 May 2023 between HKC as borrower and Celestial Pioneer as lender for an unsecured loan with the principal amount of HK\$80 million for a term of three years with an interest rate of 5.0% per annum; and
- (k) the loan agreement dated 2 August 2023 between HKC as borrower and Celestial Pioneer as lender for an unsecured loan with the principal amount of HK\$80 million for a term of three years with an interest rate of 5.0% per annum,

none of the Directors was materially interested, directly or indirectly, in any contract or arrangement entered into by any member of the Group subsisting at the Latest Practicable Date and which was significant in relation to the business of the Group.

6. COMPETING INTERESTS OF DIRECTORS AND ASSOCIATES

As at the Latest Practicable Date, none of the Directors and their respective close associates had any interest in any business (apart from the Group's business) which competes or is likely to compete, either directly or indirectly, with the business of the Group (as would be required to be disclosed under Rule 8.10 of the Listing Rules if each of them were a controlling shareholder) or have or may have any other conflict of interest with the Group pursuant to the Listing Rules.

7. LITIGATION

As at the Latest Practicable Date, so far as the Directors are aware, no member of the Group was engaged in any litigation or arbitration of material importance and no litigation or arbitration of material importance was pending or threatened against any member of the Group.

8. EXPERT'S QUALIFICATION AND CONSENT

The following is the qualification of the expert who has given opinion or advice, which are contained or referred to in this circular:

Name	Qualification
Jones Lang LaSalle Corporate Appraisal and Advisory Limited	Independent property valuer

As at the Latest Practicable Date, Jones Lang LaSalle Corporate Appraisal and Advisory Limited did not have (i) any shareholding interest, directly or indirectly, in any member of the Group or any right or option (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for any securities in any member of the Group; (ii) any direct or indirect interest in any assets which had, since 31 December 2022 (being the date to which the latest published audited consolidated financial statements of the Group were made up), been acquired or disposed of by, or leased to, or are proposed to be acquired or disposed of by, or leased to, any member of the Group; (iii) beneficially been interested in the share capital of any member of the Group and had no right, whether legally enforceable or not, to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

Jones Lang LaSalle Corporate Appraisal and Advisory Limited has given and has not withdrawn its written consent to the issue of this circular with the inclusion herein of its letter and/or references to its name in the form and context in which it appears.

9. MATERIAL CONTRACTS

The following contracts (not being contracts in the ordinary course of business) have been entered into by the Group within the two years immediately preceding the Latest Practicable Date which are, or may be material:

- (a) the Offers to Lease; and
- (b) the Allowance Offer Letter.

10. DOCUMENTS ON DISPLAY

Electronic copies of the following documents will be published on the websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company (www.i-cablecomm.com) from the date of this circular up to and including the date of the EGM:

- (a) the Offers to Lease;
- (b) the Allowance Offer Letter;
- (c) the annual reports of the Company for each of the three years ended 31 December 2020, 2021, 2022;
- (d) the valuation report prepared by Jones Lang LaSalle Corporate Appraisal and Advisory Limited, the text of which is set out in Appendix II to this circular;
- (e) the written consent of the expert referred to in the paragraph headed “8. Expert’s Qualification and Consent” of this appendix; and
- (f) this circular.

11. MISCELLANEOUS

- (a) The Registrar is Tricor Tengis Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong.
- (b) The company secretary of the Company is Ms. Lau Yee Wa. Ms. Lau is a Chartered Secretary, a Chartered Governance Professional and an associate of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom.
- (c) In the event of inconsistency, the English language text of this circular shall prevail over the Chinese language text.

NOTICE OF GENERAL MEETING



i-CABLE COMMUNICATIONS LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 1097)

NOTICE OF GENERAL MEETING

NOTICE IS HEREBY GIVEN that a general meeting other than the annual general meeting (“**EGM**”) of the shareholders of i-CABLE Communications Limited (the “**Company**”) will be held at 3:00 p.m. on Thursday, 28 September 2023 at The GalaMuse, Unit 1001 & 07, 08, Level 10, K11 ATELIER, Victoria Dockside, 18 Salisbury Road, Tsim Sha Tsui, Kowloon, Hong Kong to consider thought fit, pass with or without amendments, the following resolution as ordinary resolution of the Company:

ORDINARY RESOLUTION

“THAT

- (a) the seven Offers to Lease (as defined in the circular of the Company dated 1 September 2023) accepted on 21 July 2023 between CABLE NETWORK COMMUNICATIONS LIMITED (“**CNCL**”), a wholly-owned subsidiary of the Company, as tenant, and New Tech Centre Limited, 5G CTVT 04 Limited, 5G CTVT 05 Limited, 5G CTVT 06 Limited and 5G CTVT 07 Limited, as landlords (the “**Landlords**”), in respect of following premises:
- (i) Factories 1, 2, 3 and 4, Ground Floor of Cable TV Tower, No.9 Hoi Shing Road, Tsuen Wan, New Territories, Hong Kong;
 - (ii) 4th Floor of Cable TV Tower, No.9 Hoi Shing Road, Tsuen Wan, New Territories, Hong Kong;
 - (iii) 5th Floor of Cable TV Tower, No.9 Hoi Shing Road, Tsuen Wan, New Territories, Hong Kong;
 - (iv) 6th Floor of Cable TV Tower, No.9 Hoi Shing Road, Tsuen Wan, New Territories, Hong Kong;
 - (v) 7th Floor of Cable TV Tower, No.9 Hoi Shing Road, Tsuen Wan, New Territories, Hong Kong;
 - (vi) Portion of 12th Floor of Cable TV Tower, No.9 Hoi Shing Road, Tsuen Wan, New Territories, Hong Kong; and

NOTICE OF GENERAL MEETING

(vii) Storeroom 3 of the Top Roof at Cable TV Tower, No.9 Hoi Shing Road, Tsuen Wan, New Territories, Hong Kong

(collectively, the “**Premises**”),

a copy of each has been produced at the EGM respectively marked “**A1**”, “**A2**”, “**A3**”, “**A4**”, “**A5**”, “**A6**”, and “**A7**” and signed by the chairman of the EGM for the purpose of identification, and the execution thereof and implementation of the transactions contemplated thereunder (including but not limited to the execution and performance of each Closing Documents (as defined in the circular of the Company dated 1 September 2023 (the “**Circular**”)), be and are hereby approved, confirmed and ratified;

- (b) the Allowance Offer Letter (as defined in the Circular) accepted on 21 July 2023 between CNCL, as tenant, and the Landlords, as landlords, in respect of the appointment of CNCL as the exclusive agent to carry out at and to the Premises the fitting out works and tenant improvement works, and to choose and purchase movable and immovable items associated with the business operation of the tenant and/or the Group (as defined in the Circular) at the Premises, a copy of which has been produced at the EGM marked “**B**” and signed by the chairman of the EGM for the purpose of identification, and the execution thereof and implementation of the transactions contemplated thereunder (including but not limited to the execution and performance of the Allowance Agreement (as defined in the Circular), be and are hereby approved, confirmed and ratified; and
- (c) the directors of the Company are hereby authorised to do all such acts and/or things and/or execute for and on behalf of the Company all such documents incidental to, ancillary to or in connection with matters contemplated in or relating to the Offers to Lease and the Allowance Offer Letter and all transactions contemplated thereunder as they may in their absolute discretion consider necessary, desirable or expedient to give effect to the Offers to Lease and the Allowance Offer Letter and the implementation of all transactions contemplated thereunder and to agree to such variation, amendment or waiver as are, in the opinion of the directors of the Company, in the interest of the Company.”

By Order of the Board
i-CABLE Communications Limited
Lau Yee Wa
Company Secretary

Hong Kong, 1 September 2023

Registered office:
7th Floor, Cable TV Tower
9 Hoi Shing Road
Tsuen Wan
Hong Kong

NOTICE OF GENERAL MEETING

Notes:

1. Any shareholder entitled to attend and vote at the EGM shall be entitled to appoint another person as his/her proxy to attend and vote instead of him/her. A proxy need not be a shareholder of the Company. A shareholder who is the holder of two or more shares may appoint more than one proxy to attend and vote on the same occasion.
2. A form of proxy for use at the EGM is enclosed. In order to be valid, a form of proxy in the prescribed form together with the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power of attorney or authority must be deposited at the Registrar, Tricor Tengis Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the EGM or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude members from attending and voting at the EGM or any adjournment thereof (as the case may be) should they so wish and in such event, the form of proxy shall be deemed to be revoked.
3. A form of proxy must be signed by you or your attorney duly authorized in writing or, in the case of a corporation, must be either executed under seal or under the hand of an officer or attorney duly authorised to sign the same.
4. Where there are joint holders of any share(s), any one of such persons may attend and vote at the EGM, either in person or by proxy in respect of such share(s) as if he/she were solely entitled thereto, but if more than one of such joint holders are present at the EGM or any adjournment thereof (as the case may be), the more senior shall alone be entitled to vote, whether in person or by proxy. For this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.
5. On a poll, every shareholder present at the EGM shall be entitled to one vote for every fully paid-up share of which he/she is the holder. The result of such poll shall be deemed to be the resolution of the EGM at which the poll was so required or demanded.
6. The register of members of the Company will be closed from Monday, 25 September 2023 to Thursday, 28 September 2023, both days inclusive, during which period no transfer of shares will be registered. In order to determine the identity of the shareholders who are entitled to attend and vote at the EGM, all duly completed transfer forms accompanied by the relevant share certificates must be lodged with the 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, 22 September 2023.
7. If a Typhoon Signal No. 8 or above is hoisted, or a Black Rainstorm Warning Signal or “extreme conditions caused by a super typhoon” announced by the Government is/are in force at 1:00 p.m. on the date of the meeting, the meeting will be postponed or adjourned. The Company will post an announcement on the website of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) and the Company’s website (www.i-cablecomm.com) to notify the Shareholders of the date, time and venue of the rescheduled meeting.

As at the date of this notice, 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.