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i-CABLE COMMUNICATIONS LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 1097)

FINAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2024

FINANCIAL HIGHLIGHTS

	Year ended 31 December	
	2024	2023
	HK\$'000	HK\$'000
Continuing operations		
Revenue	584,489	597,898
Loss from operations	(409,713)	(427,766)
Loss from continuing operations	(553,338)	(547,564)
Discontinued operation		
Loss from discontinued operation	—	(41,710)
Loss for the year	(553,338)	(589,274)
	HK cents	HK cents
Basic loss per share	(7.8)	(8.3)
Diluted loss per share	(7.8)	(8.3)
	31 December	31 December
	2024	2023
	HK\$'000	HK\$'000
Total assets	882,525	945,159
Total liabilities	(2,764,706)	(2,273,976)
Total deficit	(1,882,181)	(1,328,817)
Net gearing ratio <i>(Note 1)</i>	-102%	-118%

- In 2024, i-CABLE Communications Limited (the “Company” or “i-CABLE”), its subsidiaries and consolidated structured entities (collectively the “Group”) faced a challenging operating environment in Hong Kong with a slowed down retail market, geopolitical uncertainties, and changing local consumption habits. In the face of stringent market requirements, the Group has been actively undergoing strategic transformations and striving for innovation in content, distribution and marketing solutions to keep pace with the rapid growth of online media platforms and adapt to the changes in audience viewing habits, with a view to further expand it’s reach and increasing advertising revenue across various platforms.
- Revenue from continuing operations of the Group for the year ended 31 December 2024 slightly decreased to approximately HK\$584 million from approximately HK\$598 million for the year ended 31 December 2023, mainly attributable from decrease in subscription revenues. Correspondingly, due to the decrease in operating expenses, loss from operations decreased by approximately HK\$18 million to approximately HK\$410 million for the year ended 31 December 2024. After recognising finance costs of approximately HK\$126 million (2023: approximately HK\$84 million), interest income, other non-operating items and income tax, the Group recorded a slight increase of approximately 1% in net loss from continuing operations to approximately HK\$553 million for the year ended 31 December 2024 as compared with net loss from continuing operations of approximately HK\$548 million for the year ended 31 December 2023.
- Revenue from continuing operations generated from media segment increased to approximately HK\$220 million or approximately 4% for the year ended 31 December 2024 from approximately HK\$212 million for the year ended 31 December 2023, mainly attributable from increase in advertising revenue.
- Revenue generated from the telecommunications segment decreased by approximately HK\$22 million or 6% to approximately HK\$364 million for the year ended 31 December 2024 from approximately HK\$386 million for the year ended 31 December 2023, mainly due to decrease in subscription revenues.

- Segment loss before depreciation, amortisation of other intangible assets and impairment losses from continuing operations of the media segment increased by approximately 13%, while segment profit before depreciation, amortisation of other intangible assets and impairment losses of the telecommunications segment increased by approximately 27% during the year ended 31 December 2024 as compared to the year ended 31 December 2023.
- The Group has implemented several cost-saving measures to improve the operational efficiency and performance and recorded a decrease in total operating expenses by approximately 3% compared to last year, loss for the year ended 31 December 2024 decreased by approximately HK\$36 million or 6% to approximately HK\$553 million, as compared to that of 2023. The decrease in the loss of the Group for the year ended 31 December 2024 was mainly attributable to, among other things, the loss from discontinued operation in 2023 and decrease in operating expenses, partially offset by the increase in finance costs.

Note:

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

BUSINESS REVIEW

OPERATING ENVIRONMENT

Hong Kong's economic recovery in 2024 is not as satisfactory as expected, with a slowed down retail market. Amid high operating costs and geopolitical tensions, the rising trend of northbound consumption among Hong Kong residents maintained, while the local consumption has become more conservative. Advertisers place great emphasis on the effectiveness of their advertising campaigns, as the market environment becomes increasingly challenging and complex.

Facing the stringent market requirements, the Group has been actively undergoing strategic transformations and striving for innovation in content, distribution and marketing solutions to keep pace with the rapid growth of online media platforms and adapt to the changes in audience viewing habits, with a view to further expanding its reach and increasing advertising revenue across various platforms.

MEDIA

In 2024, the Group added multiple elements which were integrated with operating models to the development and planning of the media content.

For the Paris Olympics in July 2024, the Government funded the purchase of broadcasting rights on all free-to-air TV platforms. The Group took the lead in forming a production alliance with two of the other three platforms to bring a convergence of information on the events centered on Hong Kong athletes to the Hong Kong audience and undertook the technical work for the broadcast. The Group offered a number of channels on TV, Apps and social media to broadcast the Olympics, including HOY TV YouTube channel, which streamed various major competitions of Hong Kong athletes, making us the Hong Kong TV station with the most of simultaneous viewers on YouTube for live stream of the Opening Ceremony and many of Hong Kong's gold medal-winning competitions. The omni-media broadcast of the Hong Kong Olympic Team's highlights won the support of 53 sponsors, marking a milestone in HOY TV's broadcast of sports events.

Given advertisers' increasing emphasis on branded content and audience demographics, the Group focuses on developing distinctive brand programmes that can gain significant attention on social media, including “Undercover” (臥底旅行團) hosted by Jiro Lee and Aiyana Lo. The “UK OK” (英國邊忽好) and “Korea OK” (韓國邊忽好) series hosted by Natalie Tong; “Railway Traveler” (一個人鐵道行) hosted by Kris Yuen; “Theme Cook” (煮題COOK) hosted by Ricky Cheung and Jacky Yu; and “Health Concern Group” (健康關注組) featuring a rotating lineup of hosts. Together with our weekday programmes “City Focus” (一線搜查), we continue to create branded content that resonates with different audience demographics from both online and offline channels, offering the market a variety of innovative promotional solutions. For instance, based on the brand appeal of “Undercover” (臥底旅行團), we received strong support from the Hong Kong Tourism Board to launch “Undercover Service Squad” (臥底服務團). In this new installment, host Jiro Lee teamed up with Aiyana Lo, who took on the roles of tour guide to guide viewers around Hong Kong, showcasing the service quality of Hong Kong's tourism industry truthfully. This programme was also a co-production project with Guangdong Radio and Television, attracting more than 1.85 million views in Guangdong province. It ranked first in the lifestyle and service programme category for five consecutive days.

With the completion of large-scale event venues in Hong Kong, international events and exhibitions have been frequently held in Hong Kong with the support of the government. Various event-related promotions and consumption demands have driven new marketing and promotion services.

Furthermore, the Group has been actively expanding into the Mainland China market and collaborating with TV stations in the Greater Bay Area of Guangdong, Hong Kong and Macao (the “Greater Bay Area”), which allow the Group to enrich the content of its various multimedia platforms and strengthen its competitiveness.

Expanding Digital Media Channels

As digital technology connects various indoor and outdoor screens with mobile phones, we have also completed the integration of HOY TV experience across televisions, streaming media and other social media platforms. The Group's three free-to-air TV channels, namely, HOY International Business Channel (Channel 76) (“HOY 76”), HOY TV (Channel 77) (“HOY 77”) and HOY Infotainment (Channel 78) (“HOY 78”), along with its mobile applications, have achieved extensive coverage, reaching approximately 99% of the population in Hong Kong.

During the Paris Olympics, the Group's social media achieved remarkable performance, with more than 32 million views on HOY YouTube and a year-on-year increase of more than 40% in terms of subscribers, while the number of visitors and new subscribers on Facebook also increased by approximately four times as compared to the same period. One of HOY YouTube's videos of the Olympics was ranked No. 5 on YouTube's Top 10 Most Popular Videos of the Year.

To further enhance the effectiveness of the Group's streaming services and advertising, HOY's official mobile app has a built-in AI learning model to provide audience with personalised streaming recommendations and present customised advertisements. The simple interface design allows users to quickly find out the content they intend to watch, while the new live streaming channel allows the Group to broadcast live events more flexibly.

Through continuous optimisation and content enrichment, the number of users of hoy.tv website and HOY's official app showed a steady increase. More than 780,000 users were recorded during the most active month in 2024 with over 100 million views. The number of downloads of the HOY Mobile App has increased by 45%. As at 31 December 2024, the number of followers of HOY's Instagram and YouTube pages grew by more than 130%, demonstrating the Group's active exploration and development of its digital media channels.

Diversified content

Unlike the long-standing rigidity of traditional television production models in Hong Kong, the Group is committed to providing audiences, advertisers, and both the performers and behind-the-scenes professionals with diversified programme elements, in order to stimulate the development of the media industry and achieve the unique film and television trend of HOY TV.

Travel Variety Shows:

“Undercover” (臥底旅行團), HOY TV's flagship travel series, continued to receive positive feedback, showcasing the unique behaviors and mindsets of Hong Kong people when traveling abroad and their amusing anecdotes.

Similarly, carrying the “Hong Kong spirit” to explore different cities in Mainland China via high-speed rail, HOY TV's backpack travel programme “Railway Traveler”(一個人鐵道行) is hosted by young artiste Kris Yuen. Kris explored different Chinese cities along the rail lines and experienced the diverse cultures of this vast country. The programme was well received, garnering significant support from young audiences online. It also attracted sponsorship from the High Speed Rail and launched “Railway Traveler 2” (一個人鐵道行2) within the same year.

HOY TV invited Natalie Tong to host its experiential travel programme “UK OK” (英國邊忽好), where she explored living culture of British and took the audience on a journey to discover the authentic side of the UK and Natalie Tong. Following the positive reception of the programme, HOY TV launched “Korea OK” (韓國邊忽好) in the same year to continue the style of the previous season, in the new programme, Natalie Tong not only introduced Korean travel spots but also tried to understand what Koreans are.

During the period, there are other creative travel programmes on HOY TV, such as “Along with the Goddess” (女神同行) which features ten beautiful artists from Taiwan, and the unexpectedly luxurious programme “ExTRAVELgant with Benedict: East Africa” (學人去非洲).

Cooking and Dining:

In response to the trend of Hong Kong people heading north to spend, the Group produced the Greater Bay Area travel and dining programmes with a unique and author-driven perspective . “Theme Cook” (煮題COOK), the HOY TV branded cooking series has launched three new episodes, titled “Let’s Feast GBA”, (煮題COOK 3 灣區搵食), “Theme Cook 4 Endless Feast” (煮題COOK 4大食四方) and “Theme Cook 5” (煮題COOK 5), in which renowned master chefs Ricky Cheung and Jacky Yu had their first filming trip in the Greater Bay Area, exploring the dazzling cuisines in Guangdong with the audience while showcasing their culinary skills.

HOY TV’s dining programme “Martin’s Taiwan Food Travel” (馬田點食記 台灣篇) was hosted by Elkie Chong and local popular YouTuber Martin. The two young hosts explored Taiwanese cuisine ranging from street food and traditional Taiwanese dishes to creative culinary offerings, delving into different stories behind each dish.

During the period, the Group also contributed to boosting consumption in Hong Kong by producing “Dining Guide” (香港必食40道菜), “TasteWalk: Cooking” (邊走邊煮滋味行), “Let’s Eat 100 in Hong Kong” (留港開餐100強) etc., supporting the city’s catering industry.

Spring Festival Gala:

In order to promote the Cantonese language, the distinctive feature of the Greater Bay Area, the Group partnered with Guangdong Radio and Television to produce an unique Cantonese Spring Festival Gala programme in Mainland China with the sponsor from the Cultural and Creative Industries Development Agency of the Government of the Hong Kong Special Administrative Region. The “Inaugural Spring Festival Gala programme” (龍騰灣區歡樂年), which featured a number of well-known artistes from Mainland China and Hong Kong, was broadcasted live simultaneously across the Greater Bay Area and Southeast Asia in February 2024. The strong brand impact of the programme led to tremendous responses from television audiences in the Greater Bay Area.

Lifestyle:

HOY TV’s new pet variety show “Stories from MEOW MEOW” (尋找喵喵的故事) is themed on “cats’ slaves”, featuring a variety of artists who shared their experience of living with cats and lead the audience to discover interesting cat stories across different districts in Hong Kong. Another pet programme, “Lolly Talk Pet” (Lolly Lolly寵物拯救隊), is hosted by the 8 members of the girl group Lolly Talk. In this show, the audience will learn how to get along with pets and gain helpful advice to address various challenges faced by pet owners.

The Group has also produced a series of slice-of-life programme closely related to the daily lives of Hong Kong people: “Good Old Days” (老派小店之必要) is a programme that visits and interviews long-established stores, showcasing Hong Kong nostalgic brands. “Hints of Postnatal Care” (坐月子攻略) is hosted by a celebrity mom who shares important tips for new mothers during postpartum confinement. “Trendy Hong Kong” (港式流行) takes the audience on a journey to explore the hidden corners of Hong Kong, offering a chance to rediscover the city’s unique lifestyle and cultural essence.

Infotainment:

HOY TV’s other infotainment programmes, such as “Hong Kong Phenomenon 3” (香港奇則叁) and “Make it a better place 2” (香港空間改造王 2), have been building up an emotional attachment with the audience over all these years and have become part of Hong Kong’s distinctive television culture.

Moreover, HOY 76 welcomed the return of the popular English talk show “Friday Beyond Spotlights Season 3”. The show features in-depth discussions of Hong Kong’s social, political and economic issues from multiple angles, incorporating insights, experiences and stories from renowned personalities. It has earned strong word-of-mouth praise from the audience.

Health:

“Health Concern Group” (健康關注組) is a widely-watched health information programme, which invites experts and doctors from various fields, including Western medicine practitioners, Chinese medicine practitioners, and dieticians, to provide in-depth explanations of the concerns ranging from lifestyle habits to health problems and “chit chat” about trending health topics in Hong Kong. The programme tackles health myths from various angles and uses a down-to-earth approach to help the audience understand their own health issues.

Sports:

The Group has always supported the development of both local and international sports events, offering exclusive coverage of several high-quality sports events throughout the year. In 2024, HOY TV provided over 450 hours of live broadcasts for major international sport events, including the “FIVB Volleyball Nations League” (世界排球聯賽), “Copa América USA 2024” (美洲國家盃), “Paris Olympic Games” (巴黎奧運) and the “World Aquatics Championship 2024” (世界游泳錦標賽). The Group has integrated its resources on broadcasting free-to-air sports events.

In addition to the Paris Olympic Games, HOY has invested more resources into developing sports content in 2024, offering over 1,100 hours of live broadcasts of various world sports events on HOY 76, its mobile applications and official websites. These include popular football matches such as “Serie A 2024/25” (意大利甲組足球聯賽), “Coppa Italia 2024/25” (意大利盃), “German Cup” (德國盃), “Copa América USA 2024” (美洲國家盃), “Carabao Cup” (英格蘭聯賽盃), “A-League Women 2024/25” (澳洲女子聯賽), “AFC Asian Cup Qatar” (亞洲盃足球賽), “AFC Champions League” (亞洲聯賽冠軍盃), “AFC U23 Asian Cup Qatar” (U23亞洲盃), “Liga de la Professional 2024” (阿根廷甲組足球聯賽), “FIFA U20 Women’s World Cup Colombia 2024” (U20世界盃女子足球賽) and “Arabian Gulf Cup 2024” (海灣盃足球賽).

Moreover, the Group also broadcasted a number of world sports events, including “FIVB Volleyball Nations League” (世界排球聯賽), “FIBA Asia Cup 2025 Qualifiers and Continental Cup” (FIBA籃球賽), “East Asia Super League 2024/25” (東亞超級籃球聯賽), “World Aquatics Championship 2024” (世界游泳錦標賽), “East Asia Super League 2024/25” (世界男女子壁球團體錦標賽), and “World Skate Games Italia 2024” (2024年世界滑板運動會 — 義大利).

Cable TV 18 Channel

Cable TV 18 Channel is a paid horse racing content platform under the Group. Over the past year, Cable TV 18 Channel has broadcast 125 days of racing, including 37 overseas events.

To enhance the viewing experience for horse racing enthusiasts, the team at Cable TV 18 Channel has partnered with several renowned horse commentators in Hong Kong. The team also traveled to Dubai and Australia to interview horse owners and trainers about the process of selecting horses in foreign countries.

Cable TV 18 Channel's mobile application, "Racing GPS", provides another platform for subscribers to watch horse racing programmes. It also features a YouTube channel that has launched various programmes, including "Race Card Talk" (排位拆局), "Punters Headline" (大戶熱點) and "Racing Popularity" (人氣馬場), making it easy for the audience to dive into the world of horse racing.

Cable TV 18 Channel launched a documentary programme "Keep Pace with You — Hong Kong Trainer Danny Shum" (同步前行 • 鐵漢練成) in September, which interviewed and filmed the inspirational story of the trainer, Danny Shum, to show the audience his hard work and perseverance in the horse racing industry.

During the period, Cable TV 18 Channel worked closely with the Hong Kong Jockey Club to organise various promotional activities. Host of Cable TV 18 Channel also reached out to the community to share their experience with horse racing enthusiasts at different betting branch, strengthening the relationship between Cable TV 18 Channel and horse enthusiasts and promoting the correct concept of gambling as well as expanding the age group of horse racing enthusiasts.

i-CABLE News

In 2024, the i-CABLE News team continued to uphold the philosophy of "Spotlight on Hong Kong, Eye on the World" to provide audiences with all-around news and information on Hong Kong's politics, economy and livelihoods through HOY 78, as well as producing a wide range of informative programmes on current affairs, including the flagship programme "City Focus" (一線搜查), "Let's Talk" (有理有得傾) and "City Talk" (議員同你傾) which explore important social and political issues, "InnoAction" (智創未來) which highlights innovation and technology, "Property Outlook" (樓盤傳真) which provides in-depth analysis of weekly hot topics on the property market.

“City Focus”

As a light information programme close to the pulse of the community, the flagship programme “City Focus” (一線搜查), which was coordinated and produced by the i-CABLE News team, continues to be one of the top-rated programmes on HOY TV, with a peak rating of 4.4 for the year. The programme has successfully uncovered livelihood issues in various districts, arousing relevant departments to recognise and address the problems. In particular, the series of reports on the large scale repairs of Neptune Terrace aroused wide public concern, drawing the attention of various government departments, which eventually succeeded in overthrowing the former Owners’ Corporation. In addition, by an in-depth follow up method, “City Focus” (一線搜查) exposed the smuggling of cats and dogs via bicycles in Sha Tau Kok. After the broadcast, the Customs and Excise Department succeeded in cracking the case. Other social issues that have aroused heated debate include the residence of foreign workers in Sea Ranch and the uncovering of the A-plates for electricians. In February 2024, the i-CABLE News team upgraded the virtual studio with a new design for the purpose of altering the studio to match changing themes.

MTR In-train TV Advertisement

The Group’s “Hong Kong Cable News Express” (有線新聞速遞) is the sole distributor of advertisements and content provider for the MTR In-train TV on the MTR East Rail Line, Tuen Ma Line, Kwun Tong Line, Island Line and South Island Line, contributing to another source of advertising revenue for the Group. With the trend of traveling northward among Hong Kong residents, MTR has increased its train frequency during weekends and long holidays, resulting in a significant increase in passengers. This has attracted advertisers to increase their spending on this platform. The Group integrates the online and offline content of HOY TV with the unique environment inside the train compartments to create unique opportunities for brands.

Social Engagement

Leveraging our media influence, the Group actively shouldered its social responsibilities, bringing positive energy to the society and Hong Kong people. The i-CABLE News team collaborated with various government departments and institutions in Hong Kong to produce a series of programmes that help citizens understand the operations of various government departments, improve their understanding of the Constitution of China, the Basic Law, and the Hong Kong National Security Law, and recognise the opportunities in the Greater Bay Area.

“Hello GBA Hello Qianhai!” (建灣區 前海見) provides an in-depth introduction to the opportunities in Qianhai, exploring the development and construction of the Qianhai Shenzhen-Hong Kong Modern Service Industry Cooperation Zone. “Territory-wide Inter-school National Security Knowledge Challenge (2024/25)” (全港學界國家安全常識挑戰賽2024/25) allows students to gain a deeper understanding of the Constitution of China, the Basic Law, the Hong Kong National Security Law, and the overall concept of national security through quizzes. “East River Sentiment” (東江水 東江情) collaborates with Guangdong Water, and introduces the process of supplying Dongjiang water to Hong Kong, explaining how the three main water supply pipeline systems (Western, Eastern, and Central routes) ensure the provision of high-quality water to Hong Kong.

Additionally, HOY TV’s “City Focus” (一線搜查) and “Health Concern Group” (健康關注組) are the Group’s current affairs information programme and health programme, respectively. The former is dedicated to capturing and analysing social issues for the public, while the latter shares various health information with the audience. The hosting team of “Health Concern Group” (健康關注組) has participated in multiple events related to health and visiting the elderly during the period.

Telecommunications

The Group’s telecommunications business has demonstrated consistent performance. As one of the major fixed telecommunications network services providers in Hong Kong, the Group currently possesses a telecommunications network that serves over 2 million households in Hong Kong, and constantly provides positive contribution to the Group.

With the changes in the operating environment of the telecommunications sector, the shifting consumption patterns as well as technological advancement, the Group has changed its sales approach in the first half of 2024 to enhance its flexibilities to cope with the changes in market demands. By adhering to expanding its online sales channels for the telecommunications business, the Group has continuously optimised and updated its service packages to cater to the needs of different customer groups. The Group’s strategy of switching its sales model has achieved initial results, successfully augmented customer retention, and stimulated growth of its overall business revenue.

To enhance market competitiveness in the telecommunications sector, the Group is committed to providing diversified telecommunications products and services to both individual and corporate customers. At the same time, the Group has actively promoted i-Mobile services by launching several new packages for broadband and mobile services to attract new customers, with a view to strengthening its market position.

In addition, the Group has also focused on the expansion of the Gigabit Passive Optical Network (“GPON”) to expand its network coverage to new buildings and enhance its network capacities in the existing buildings, in order to meet the increasing demands for high-speed broadband services. We aim to enhance customers’ user experience by providing them with a stable and extremely fast internet experience.

The signing of the strategic cooperation agreement with China Mobile Hong Kong Co., Ltd (“CMHK”) in 2018 marked the beginning of the Group’s cross-platform collaboration in areas such as telecommunications and media information value-added services. In the seventh year of the cooperation agreement, the Group will continue to strengthen its strategic partnership with CMHK in various areas to expand network coverage and further support new business development in the residential and commercial sectors.

PRINCIPAL RISKS AND UNCERTAINTIES FACING THE GROUP

The following principal risks and uncertainties are considered to be of significance and have the potential to affect the Group’s businesses, results of operations and financial conditions. However, these are by no means exhaustive as there may be other risks and uncertainties resulting from changes in the economy and other conditions over time.

The media segment is experiencing intense competition in a crowded marketplace with changing viewer behavior. New platforms and increasingly diversified mobile devices, rapid growth of streaming platforms and social media, as well as new and innovative programme formats are weakening the desire for audience to view contents on fixed platforms. In response to the changes in the media ecology, the Group adopts a strategy of integrated development, recruits new media talents, continues to be proactive and creative in producing, and integrates local feature with Asian perspectives to expand the market and application of programmes and content. Cross-media technologies are integrated to keep pace with the media market. The Group will increase the investment in new market opportunities while seriously revamping the uncompetitive segments to ensure constant competitiveness.

The telecommunications segment is faced with the challenges brought by fast-changing technology and saturation of inherent markets. The Group’s operations depend on its innovative service approach and the Group’s competitive advantage on having new and old technologies at our disposal. The Group will continue to enhance its network and bolster its marketing efforts to adapt to market changes. By revamping our competitive service packages, we cater to our customers needs with appropriate services. We also provide “smarter” services in general and control our operation costs, thereby strengthening the Group’s competitiveness and revenue growth potential.

MANAGEMENT DISCUSSION AND ANALYSIS

(A) Review of 2024 Results

Revenue from continuing operations of the Group for the year ended 31 December 2024 decreased by approximately HK\$14 million or 2% to approximately HK\$584 million (2023: approximately HK\$598 million). This was mainly due to the decrease in subscription revenues from the telecommunications segment.

The total operating expenses from continuing operations of the Group decreased by HK\$32 million or 3% to approximately HK\$994 million for the year ended 31 December 2024 (2023: approximately HK\$1,026 million). In which, cost of services from continuing operations of the Group for the year ended 31 December 2024, including programming costs, network expenses and cost of sales, decreased by approximately HK\$57 million to approximately HK\$759 million (2023: approximately HK\$816 million). Programming costs and network expenses from continuing operations both decreased by approximately 10% respectively as compared to the year ended 31 December 2023. Cost of sales from continuing operations increased by approximately 6% as compared to the year ended 31 December 2023. Selling, general and administrative and other operating expenses from continuing operations of the Group increased by approximately 12% as compared to the year ended 31 December 2023.

The non-cash impairment losses in aggregate amount of approximately HK\$36 million (2023: HK\$47 million), HK\$5 million (2023: HK\$20 million) and HK\$11 million (2023: HK\$15 million) were included within programming costs, network expenses and selling, general and administrative and other operating expenses, respectively, for the year ended 31 December 2024 as a result of management's assessment of the business prospect of the Group in light of the latest market environment.

Loss from operations from continuing operations of the Group for the year ended 31 December 2024 was approximately HK\$410 million, representing a decrease of approximately 4%, as compared with the loss from operations from continuing operations of the Group of approximately HK\$428 million for the year ended 31 December 2023.

On top of the recognition of non-cash impairment losses on certain non-current assets mentioned above, the loss from continuing operations of the Group for the year ended 31 December 2024 included the recognition of fair value losses on financial assets at fair value through profit or loss ("FVTPL") of approximately HK\$8 million for the year ended 31 December 2024, as compared to the fair value losses on financial assets at FVTPL of approximately HK\$6 million recognised for the year ended 31 December 2023.

Finance costs from continuing operations of the Group for the year ended 31 December 2024 increased by approximately HK\$42 million or 50% to approximately HK\$126 million (2023: approximately HK\$84 million), of which approximately HK\$43 million (2023: approximately HK\$41 million) was the total interest expense on unlisted long-term convertible bonds issued in June 2019 (the “2019 LCS”) and March 2021 (the “2021 LCS”), and approximately HK\$63 million (2023: approximately HK\$37 million) was interest expenses on interest-bearing borrowings.

After the recognition of interest income, finance costs, non-operating expenses, net and income tax, the Group recorded a net loss from continuing operations of approximately HK\$553 million for the year ended 31 December 2024 (2023: approximately HK\$548 million), representing an increase of net loss from continuing operations of approximately 1%, as compared to the last year.

Loss for the year ended 31 December 2024 decreased by approximately HK\$36 million or 6% to approximately HK\$553 million, as compared to that of 2023. The decrease in the loss of the Group for the year ended 31 December 2024 was mainly attributable to, among other things, the loss from discontinued operation in 2023 and decrease in operating expenses, partially offset by the increase in finance costs.

Basic and diluted loss per share from continuing and discontinued operations for the year ended 31 December 2024 was approximately HK7.8 cents (2023: approximately HK8.3 cents). Basic and diluted loss per share from continuing operations for the year ended 31 December 2024 was approximately HK7.8 cents (2023: approximately HK7.7 cents).

During the year ended 31 December 2024, included in operating expenses from continuing operations, impairment losses of property, plant and equipment of approximately HK\$27 million, right-of-use assets of approximately HK\$4 million and programming library of approximately HK\$21 million, were recognised in relation to the cash-generating unit to which the remaining assets of the Group are allocated. Management determined the value in use of the cash-generating unit with the assistance of an independent qualified professional valuer, which is measured using the discounted cash flow projections. The cash flow projections are based on financial budgets covering a five-year period approved by the board (the “Board”) of directors (the “Directors”) of the Company. Cash flows beyond the five-year period are extrapolated using a long term growth rate. The valuation method used was consistent with the requirements prescribed by Hong Kong Accounting Standard (“HKAS”) 36 “Impairment of Assets” and remained the same as that of last year.

The key assumptions used in the cash flow projections included forecast revenue at growth rates ranging from 6% to 19% (2023: -9% to 19%) and forecast operating expenses at rates ranging from -6% to -1% (2023: -20% to -1%) over the five-year period, which are determined by considering both internal and external factors relating to the businesses; long term growth rate of 2.5% (2023: 2.5%) which is consistent with the forecast of the businesses and the expected market development; and the pre-tax discount rate of 16.60% (2023: 16.34%) which reflects specific risks relating to the businesses. Changes in assumptions from previous year's reflected management's latest business plans and business prospect in light of the latest market environment.

(B) Segmental Information

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

Media

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

Revenue from continuing operations derived from the media segment for the year ended 31 December 2024 increased by approximately HK\$8 million or 4% to approximately HK\$220 million (2023: approximately HK\$212 million), which was mainly due to increased advertising revenue.

Operating expenses from continuing operations before depreciation, amortisation of other intangible assets and impairment losses incurred by the media segment for the year ended 31 December 2024 increased to approximately HK\$549 million (2023: approximately HK\$503 million). As disclosed in "Segment Information" in Note 7 to the consolidated financial statements in this final results announcement, the loss before depreciation, amortisation of other intangible assets and impairment losses from continuing operations of the media segment for the year ended 31 December 2024 increased to approximately HK\$329 million (2023: approximately HK\$291 million), which was mainly due to increase in operating expenses.

Telecommunications

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

Revenue derived from the telecommunications segment for the year ended 31 December 2024 decreased by approximately HK\$22 million or 6% to approximately HK\$364 million (2023: approximately HK\$386 million).

Operating expenses before depreciation, amortisation of other intangible assets and impairment losses incurred by the telecommunications segment for the year ended 31 December 2024 decreased to approximately HK\$243 million (2023: approximately HK\$291 million). As disclosed in “Segment Information” in Note 7 to the consolidated financial statements in this final results announcement, the profit before depreciation, amortisation of other intangible assets and impairment losses from the telecommunications segment for the year ended 31 December 2024 increased by approximately HK\$26 million or 27% to approximately HK\$121 million (2023: approximately HK\$95 million), which was mainly due to the decrease in operating expenses.

(C) Liquidity, Financial Resources and Capital Structure

As at 31 December 2024, the Group had cash and bank balances and restricted bank balances of approximately HK\$54 million and HK\$12 million, respectively as compared to approximately HK\$29 million and HK\$12 million, respectively as at 31 December 2023. The increase in cash and bank balances was mainly due to the net cash used in operations and investing activities and offsetting with the net cash from financing activities. The cash and bank balances and restricted bank balances of the Group as at 31 December 2024 and 2023 are mainly denominated in Hong Kong Dollar (“HK\$”). The net gearing ratio, measured in terms of the total interest-bearing borrowings and convertible bonds less cash and bank balances and restricted bank balances divided by total deficit, was a negative of approximately 102% (31 December 2023: a negative of approximately 118%). As at 31 December 2024, the Group recorded total assets of approximately HK\$883 million which were financed by total liabilities of approximately HK\$2,765 million offsetting with the total deficit of approximately HK\$1,882 million. As at 31 December 2023, the Group recorded total assets of approximately HK\$945 million which were financed by total liabilities of approximately HK\$2,274 million offsetting with the total deficit of approximately HK\$1,329 million. The increase in total deficit was attributable to the loss for the year.

Consolidated net liability value of the Group as at 31 December 2024 was approximately HK\$1,882 million, while the Group recorded a consolidated net liability value of approximately HK\$1,329 million as at 31 December 2023.

The carrying amount of interest-bearing borrowings denominated in HK\$ as at 31 December 2024 was approximately HK\$1,391 million (31 December 2023: approximately HK\$1,041 million), in which the bank loan carries interest at variable rates and was repayable on demand; and the loans from Celestial Pioneer Limited (a company holding 72.0% of the total number of issued shares of Forever Top (Asia) Limited (“Forever Top”), a substantial shareholder holding 43.2% shareholding of the Company, and is wholly-owned by Dr. Cheng Kar-Shun, Henry (“Dr. Cheng”), the Director) carry interest at fixed rates ranging from 2.5% to 8.0% per annum and with a term of three years from the date of respective loan agreements. As at 31 December 2024 and 31 December 2023, the Group has utilised all committed borrowing facilities. Subsequent to the year end, loans with an aggregate amount of HK\$230 million was extended in March 2025 with maturity dates beyond 31 December 2025.

The 2019 LCS

On 4 June 2019, the issuance of the 2019 LCS with the principal amount of HK\$568 million by the Company to Forever Top, the controlling shareholder of the Company was completed. The 2019 LCS would be convertible into 4,544,000,000 new ordinary shares of the Company (the “Share(s)”) upon full conversion of the 2019 LCS based on the initial conversion price (the “Conversion Price”) of HK\$0.125 per conversion share and the coupon rate of the 2019 LCS is 2.0% per annum and payable quarterly. Details of the 2019 LCS are set out in the announcements of the Company dated 25 January 2019 and 4 June 2019 and the circular of the Company dated 8 April 2019 (the “2019 Circular”). During the year ended 31 December 2024, there had not been any conversion of the 2019 LCS.

The carrying amount of liability component of the 2019 LCS denominated in HK\$ as at 31 December 2024 was approximately HK\$448 million (31 December 2023: approximately HK\$426 million). Details of the 2019 LCS were set out in “Convertible Bonds” in Note 16 to the consolidated financial statements in this final results announcement.

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

The 2021 LCS

On 31 March 2021, the issuance of the 2021 LCS with the principal amount of HK\$200 million by the Company to Forever Top was completed. The 2021 LCS would be convertible into 2,941,176,470 new Shares upon full conversion of the 2021 LCS based on the initial conversion price of HK\$0.068 per conversion share and the coupon rate of the 2021 LCS is 2.0% per annum and payable quarterly. The Company may at any time on or after the date of issue of the 2021 LCS by giving not less than 10 business days' written notice to the holder(s) of the 2021 LCS to redeem all or part of the 2021 LCS at the outstanding principal amount of the 2021 LCS together with all accrued but unpaid interest. Details of the 2021 LCS are set out in the announcements of the Company dated 27 January 2021 and 31 March 2021 and the circular of the Company dated 2 March 2021 (the "2021 Circular"). During the year ended 31 December 2024, there had not been any conversion or redemption of the 2021 LCS.

The carrying amount liability component and redemption option of the 2021 LCS denominated in HK\$ as at 31 December 2024 was approximately HK\$152 million (31 December 2023: approximately HK\$146 million) and approximately HK\$26 million (2023: approximately HK\$34 million) respectively. Details of the 2021 LCS were set out in "Convertible Bonds" in Note 16 to the consolidated financial statements in this final results announcement.

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

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

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

During the year ended 31 December 2024, capital expenditure on property, plant and equipment amounted to approximately HK\$54 million (2023: approximately HK\$67 million), the additions to right-of-use assets were approximately HK\$5 million (2023: approximately HK\$201 million), the additions to programming library were approximately HK\$44 million (2023: approximately HK\$43 million) and no additions to other intangible assets (2023: approximately HK\$3 million).

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

(D) Contingent Liabilities

As at 31 December 2024, the Group did not have any contingent liabilities.

(E) Guarantees

As at 31 December 2024, a corporate guarantee of HK\$295 million (2023: HK\$295 million) had been provided by the Company to a bank in respect of the facility of borrowing up to HK\$295 million (2023: HK\$295 million) to a wholly-owned subsidiary of the Company, of which HK\$295 million (2023: HK\$295 million) was utilised by the wholly-owned subsidiary of the Company.

As at 31 December 2024, the Group had made an arrangement with a bank to provide a performance bond to the counterparty amounting to approximately HK\$34 million (2023: approximately HK\$35 million), of which approximately HK\$4 million (2023: approximately HK\$5 million) was secured by bank deposits. The performance bond is to guarantee in favour of the counterparties the Group's performance in fulfilling the obligations under a contract.

(F) Human Resources

The Group had 895 full-time employees as at 31 December 2024 (31 December 2023: 1,070). Total salaries and related costs before capitalisation and incurred for the year ended 31 December 2024 amounted to approximately HK\$349 million (for the year ended 31 December 2023: approximately HK\$409 million). The remuneration of the Directors and the employees of the Group is determined with reference to their qualifications, experience, duties and responsibilities with the Group, as well as the Group's performance and the prevailing market conditions. Besides, the Group regularly provides training courses for the employees of the Group to meet their needs.

(G) Operating Environment

Although the Group has terminated the pay television (“Pay TV”) operation with effect from 1 June 2023, the Group recorded an improvement on advertising revenue.

For broadband services, the number of customers as at 31 December 2024 decreased as compared to that as at 31 December 2023, due to keen market competition. In view of above, the Group will continue to expand the network coverage and upgrade of the Group’s network to provide high speed GPON services to enhance the Group’s competitiveness.

(H) Charge on Group Assets

As at 31 December 2024, restricted bank balances of approximately HK\$12 million (31 December 2023: approximately HK\$12 million) were made by the Group to secure certain banking facilities granted to the Group.

(I) Material Acquisitions and Disposals and Significant Investments

There was no material acquisition or disposal of subsidiaries, associated companies and joint ventures or significant investments of the Group, which would have been required to be disclosed under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”), for the year ended 31 December 2024.

(J) Future Plans for Material Investments or Capital Assets

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

The Group’s ongoing capital expenditure will be funded by internal cash flows generated from operations and the loans from the controlling shareholder of Forever Top.

(K) Outlook

Media

Hong Kong's retail and catering industries has been affected by economic uncertainties and northbound consumption among Hong Kong people, resulting in the volatility of the overall economy. The Group will enhance advertisers' confidence by enriching content and improving the quality of push advertisement, increase interaction and engagement with customers, exert precise influence over targeted audience and provide customers with the most effective marketing model, to attract potential advertisers to place advertisements on the Group's platforms, thus achieving revenue growth.

In terms of programme content, the Group will continue to produce programmes while adhering to the principles of innovation, responsiveness to social changes and overall sentiment of audience. The Group has commenced production of HOY TV's first original drama, "Hong Kong Story" (我愛九龍城), in November 2024, while preparing to produce the mini-series "Love Suddenly" (我家有囍事), which aim to opening up new creative paths and creating new entertainment models for Hong Kong dramas.

Sponsored by the Cultural and Creative Industries Development Agency of the Government of the Hong Kong Special Administrative Region, "Love Suddenly" (我家有囍事) was broadcasted on HOY 77 and various social media platforms in early 2025 and has been arranged to be submitted for review in the Mainland, with a view to broadcasting the series in China as soon as possible.

In 2025, HOY TV is going all-in on cross-platform campaigns for our flagship programmes, blending traditional media with the latest digital trends. Plus, we're driving the marketing and creative vision for a ton of massive variety and drama productions.

By seizing the development opportunities in the GBA, the Group has once again collaborated with Guangdong Radio and Television to produce the large-scale programme "Spring Festival Gala 2025" (粵來粵好過大年), which featured an expanded lineup of performers, with nearly 400 participants. In addition, as the lives of Hong Kong people have become increasingly intertwined with the entire GBA, HOY TV will develop a series of GBA-themed programmes, with a view to integrating into the GBA market.

The 2025 National Games will be held in November and will be jointly hosted by Guangdong, Hong Kong, and Macao for the first time. HOY will uphold its professional standards, deliver expert commentary, and fulfil its duties as local media to bring viewers in Hong Kong and Mainland China not only event coverage but also diverse content beyond the competitions themselves.

The i-CABLE News team will continue to provide a wide variety of infotainment programmes and strengthen the cooperation with District Councils to follow up on major and minor community issues. The team will closely liaise with District Community Care Teams to follow up on livelihood issues. The Group looks forward to exploring the latest social issues in a casual manner, inviting peers in the industry and professionals to provide “tips” and lazy guides for viewers, providing them with diversified content options.

“Technology of Great Nations” (大國科技): Showcase the country’s scientific breakthroughs technological advancements across various fields every week.

“People & Stories” (人物 • 故事): Explore every corner of the city to uncover and the hidden stories and unique characters that make our community so special. Get ready to experience the real heart and soul of the city and see a side you’ve never seen before.

“Finance Encyclopedia” (財金百科): Break down complex financial topics in way that everyone can understand, demystify financial jargon, analyze the latest trends, and introduce you to the hottest players in the world of finance.

“Around the World” (世界轉一圈): Explore the latest technological innovations, unravel the mysteries of the cosmos, and discover quirky and fascinating stories from around the globe. Connect with the world like never before!

The Group has actively responded to the development of digital media and the new economy. In 2025, the Group will launch a variety of screen solutions, including TV applications, to provide audience with more streaming platforms. Application optimisation and content expansion are expected to bring revenue growth to the Group. By providing value-added integrated marketing solutions and multi-platform media bundling, the Group plans to capture more business opportunities in 2025 and beyond. These measures will help broaden the scope of business and enhance market competitiveness.

In recent years, the government's active promotion of the tourism industry and the increasingly dynamic economic integration in the Greater Bay Area are expected to bring new demands to the advertising market in 2025. The MTR in-train TV has now been extended to the Tuen Ma Line and the Island Line, ready to meet the railway connectivity needs of the Greater Bay Area and grasp the corresponding advertising opportunities. The Group will add more content related to lifestyle and entertainment on MTR in-train TV to allow more product categories to find their niche in targeted promotions.

Telecommunications

As for the telecommunication sector, the Group will continue to focus on improving service quality and adjusting appropriate business strategies. At the same time, the Group actively seeks to explore business cooperation and other network collaboration opportunities with other telecommunication operators, aiming to develop its core business by leveraging the Group's network strengths and centralising resources to improve efficiency.

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

(L) Events After the Reporting Period

1. On 4 February 2025, Hong Kong Cable Television Limited (“HKC”) as the borrower, entered into a loan agreement with Celestial Pioneer Limited as the lender, pursuant to which, HKC obtained an unsecured loan with a principal amount of HK\$60,000,000 for a term of 3 years from the date of the said loan agreement, with an interest rate of 6.0% per annum.
2. On 18 March 2025, HKC as the borrower, entered into a loan agreement with Celestial Pioneer Limited as the lender, pursuant to which, HKC obtained an unsecured loan with a principal amount of HK\$60,000,000 for a term of 3 years from the date of the said loan agreement, with an interest rate of 6.0% per annum.
3. On 5 November 2024, 廣州市寬訊技術服務有限公司 (Guangzhou KuanXun Technology Services Co., Ltd.), an indirect wholly-owned subsidiary of the Company (the “Vendor”), entered into an agreement with an independent third party of the Company (the “Purchaser”), pursuant to which the Vendor has agreed to sell a property in Guangzhou for a total consideration of RMB21,300,000 (equivalent to HK\$23,217,000). As at the end of the reporting period, the transaction has yet to be completed. The parties have agreed on 25 March 2025 to extend the completion date for the Purchaser to fulfil the conditions under said agreement. As at the date of this final results announcement, the Vendor has received sums totalling RMB2,020,000 (equivalent to HK\$2,201,800), comprising the deposit payable under the agreement and a part of the balance of the consideration for the property concerned.

Save as disclosed above, the Group does not have any material events affecting the Group’s financial performance and/or financial position significantly that have occurred since the end of the financial year ended 31 December 2024.

(M) Compliance With Relevant Laws and Regulations

During the year ended 31 December 2024, there was no incidence of non-compliance with the relevant laws and regulations of the place in which the Group operates that has a significant impact on the business operations of the Group.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31 December 2024

		2024	2023
	Note	HK\$'000	HK\$'000
Continuing operations			
Revenue	6,7	584,489	597,898
Cost of services			
— Programming costs		(355,504)	(396,988)
— Network expenses		(230,833)	(255,649)
— Cost of sales		(172,913)	(163,410)
Selling, general and administrative and other operating expenses		<u>(234,952)</u>	<u>(209,617)</u>
Loss from operations		(409,713)	(427,766)
Interest income		780	749
Finance costs		(125,830)	(83,547)
Non-operating expenses, net		<u>(3,085)</u>	<u>(4,060)</u>
Loss before taxation	8	(537,848)	(514,624)
Income tax	9	<u>(15,490)</u>	<u>(32,940)</u>
Loss from continuing operations		(553,338)	(547,564)
Discontinued operation			
Loss from discontinued operation	10	<u>—</u>	<u>(41,710)</u>
Loss for the year		<u>(553,338)</u>	<u>(589,274)</u>
Attributable to:			
Equity shareholders of the Company		<u>(553,338)</u>	<u>(589,274)</u>

	<i>Note</i>	2024	2023
Loss per share	<i>11</i>		
From continuing and discontinued operations			
Basic		<u>(7.8) HK cents</u>	<u>(8.3) HK cents</u>
Diluted		<u>(7.8) HK cents</u>	<u>(8.3) HK cents</u>
From continuing operations			
Basic		<u>(7.8) HK cents</u>	<u>(7.7) HK cents</u>
Diluted		<u>(7.8) HK cents</u>	<u>(7.7) HK cents</u>
From discontinued operation			
Basic		<u>–</u>	<u>(0.6) HK cents</u>
Diluted		<u>–</u>	<u>(0.6) HK cents</u>

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2024

	2024 HK\$'000	2023 HK\$'000
Loss for the year	(553,338)	(589,274)
Other comprehensive income for the year		
<i>Item that may be reclassified subsequently to profit or loss:</i>		
Currency translation difference	62	(14)
<i>Item that will not be reclassified to profit or loss:</i>		
Remeasurement of employee benefits obligations	(88)	—
Total comprehensive income for the year	(553,364)	(589,288)
Attributable to:		
Equity shareholders of the Company		
— Continuing operations	(553,364)	(547,578)
— Discontinued operation	—	(41,710)
	(553,364)	(589,288)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

		2024	2023
	<i>Note</i>	HK\$'000	HK\$'000
ASSETS			
Non-current assets			
Property, plant and equipment		344,048	393,219
Right-of-use assets		161,874	194,248
Programming library		—	—
Other intangible assets		1,218	1,218
Contract acquisition costs		2,356	4,248
Deferred tax assets	12	54,266	69,551
Deposits, prepayments and other receivables		37,254	31,154
		601,016	693,638
Current assets			
Inventories		2,831	3,416
Trade receivables and contract assets	13	105,671	120,203
Deposits, prepayments and other receivables		64,841	46,007
Contract acquisition costs		9,051	6,534
Financial assets at fair value through profit or loss		26,242	34,392
Restricted bank balances		12,050	12,050
Cash and bank balances		53,771	28,919
		274,457	251,521
Assets classified as held for sale		7,052	—
Total current assets		281,509	251,521
Total assets		882,525	945,159

		2024	2023
	<i>Note</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
EQUITY			
Capital and reserves			
Share capital	15	7,928,975	7,928,975
Reserves		(9,811,156)	(9,257,792)
Total deficit		(1,882,181)	(1,328,817)
LIABILITIES			
Non-current liabilities			
Convertible bonds	16	600,064	572,005
Interest-bearing borrowings	17	866,035	746,035
Lease liabilities		249,468	225,169
Other non-current liabilities		26,925	26,969
		1,742,492	1,570,178
Current liabilities			
Trade payables	14	88,313	85,486
Accrued expenses and other payables		297,621	234,879
Receipts in advance and customers' deposits		74,960	83,538
Interest-bearing borrowings	17	525,000	295,000
Lease liabilities		36,267	4,815
Current tax liabilities		53	80
		1,022,214	703,798
Total liabilities		2,764,706	2,273,976
Total equity and liabilities		882,525	945,159

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

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

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

The Group is engaged in domestic free television programme service, advertising, television relay service, programme licensing, theatrical release, other media related businesses, broadband internet access services, portal operation, telephony services, network leasing, network construction, mobile service and mobile agency service as well as other telecommunications related businesses.

The consolidated financial statements for the year ended 31 December 2024 (the “Financial Statements”) are presented in thousands of Hong Kong dollars (*HK\$’000*), unless otherwise stated. The Financial Statements have been approved for issue by the Board on 26 March 2025.

The financial information relating to the years ended 31 December 2024 and 2023 that is included in this final results announcement does not constitute the Company’s statutory annual consolidated financial statements for that year but is derived from those financial statements. Further information relating to these statutory financial statements required to be disclosed in accordance with section 436 of the Hong Kong Companies Ordinance (Cap. 622) is as follows:

The Company has delivered the consolidated financial statements of the Group for the year ended 31 December 2023 to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to, the Hong Kong Companies Ordinance (Cap. 622) and will deliver the consolidated financial statements of the Group for the year ended 31 December 2024 in due course.

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

2. BASIS OF PREPARATION

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

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

During the year ended 31 December 2024, the Group incurred a net loss of HK\$553 million (2023: HK\$589 million). As at 31 December 2024, the Group’s current liabilities exceeded its current assets by HK\$741 million (31 December 2023: HK\$452 million) and total deficit amounted to HK\$1,882 million (31 December 2023: HK\$1,329 million). Total operating cash outflows amounted to HK\$221 million (2023: HK\$287 million). Included in the Group’s current liabilities was (i) an interest-bearing bank borrowing of HK\$295 million which is immediately repayable on demand and subject to review at any time and in any event not less than annually; and (ii) loans of an aggregate amount of HK\$230 million advanced by the controlling shareholder of Forever Top (Asia) Limited (“Forever Top”), a substantial shareholder holding 43.2% equity interests of the Company, which would be due for repayment during the year ending 31 December 2025.

As at 31 December 2024, the controlling shareholder of Forever Top has advanced loans totalling HK\$1,096 million to the Group. The Group has also received financing from time to time from Forever Top through rights issue and issue of long-term convertible bonds in June 2019 and March 2021 to improve the Group’s liquidity.

In view of such circumstances, the Directors have given careful consideration of the liquidity requirement for the Group’s operations, the performance of the Group and available sources of financing in assessing whether the Group has sufficient financial resources to continue as a going concern. The Directors have reviewed the Group’s cash flow forecast prepared by management which covers a period of not less than twelve months from 31 December 2024. The Directors have taken into account the following plans and measures in assessing the sufficiency of working capital requirements in the foreseeable future:

1. In regards to the current liabilities mentioned above (i) the Group’s banking facility was subsequently renewed in February 2025 and the outstanding loan balance of HK\$295 million has been rolled over, which will continue to be subject to the clause of the bank’s overriding right to demand repayment; (ii) the loan with an aggregate amount of HK\$230 million from the controlling shareholder of Forever Top was subsequently renewed in March 2025 with maturity dates beyond 31 December 2025; and (iii) the controlling shareholder of Forever Top agreed in writing that the interests in respect of their loans advanced to the Group will be deferred in the event that the Group makes such request to them;
2. The Group will continue its strategic transformation plan to enhance the Group’s business performance; enrichment of contents; cooperation with other partners and cost savings initiatives;

3. Forever Top has entered into an irrevocable deed of undertaking for a period of not less than twelve months from 31 December 2024 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. In turn, Forever Top has received back to back financial support undertakings from its controlling shareholder; and
4. In February and March 2025, the controlling shareholder of Forever Top has also further advanced loans totalling HK\$120 million to the Group, which is accounted for within the cap as mentioned in item 3 above.

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

The Directors, after due consideration of the basis of the Group's plans and measures as well as the reasonably possible downside changes to the cash flow assumptions in the cash flow projections, consider that the Group will have sufficient working capital to meet its financial obligations as and when they fall due in the coming twelve months from 31 December 2024. Accordingly, the Directors consider it is appropriate to prepare the consolidated financial statements on a going concern basis.

3. MATERIAL ACCOUNTING POLICIES

The accounting policies are consistent with those as described in the Group's financial statements for the year ended 31 December 2023, except for the adoption of the amendments to standards and interpretation effective in the current accounting period.

(a) Amendments to standards and interpretation effective in current accounting period

During the year ended 31 December 2024, the Group has adopted the following amendments to standards and interpretation which are mandatory for accounting period beginning on 1 January 2024:

HKAS 1 (Amendments)	Classification of Liabilities as Current or Non-current
HKAS 1 (Amendments)	Non-current Liabilities with Covenants
HKFRS 16 (Amendments)	Lease Liability in a Sale and Leaseback
Hong Kong Interpretation 5 (2020)	Presentation of Financial Statements — Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause
HKAS 7 and HKFRS 7 (Amendments)	Supplier Finance Arrangements

The adoption of these amendments to standards and interpretation does not have any significant change to the accounting policies or any significant effect on the results and financial position of the Group.

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

The following new standards, amendments to standards and interpretation have been published which are mandatory for the Group's accounting periods beginning on or after 1 January 2025 but have not been early adopted by the Group:

HKAS 21 and HKFRS 1 (Amendments)	Lack of Exchangeability ⁽¹⁾
HKFRS 9 and HKFRS 7 (Amendments)	Amendments to the Classification and Measurement of Financial Instruments ⁽²⁾
HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7	Annual Improvements to HKFRS Accounting Standards — Volume 11 ⁽²⁾
HKFRS 18	Presentation and Disclosure in Financial Statements ⁽³⁾
HKFRS 19	Subsidiaries without Public Accountability: Disclosures ⁽³⁾
Hong Kong Interpretation 5 (Amendments)	Presentation of Financial Statements — Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause ⁽³⁾
HKFRS 10 and HKAS 28 (Amendments)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ⁽⁴⁾

⁽¹⁾ Effective for accounting periods beginning on or after 1 January 2025

⁽²⁾ Effective for accounting periods beginning on or after 1 January 2026

⁽³⁾ Effective for accounting periods beginning on or after 1 January 2027

⁽⁴⁾ Effective date is to be determined

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

4. ESTIMATES AND JUDGEMENTS

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

5. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

(a) Financial risk factors

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

There have been no changes in the financial risk management policies since 31 December 2023.

(b) Liquidity risk

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

(c) Price risk

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

Sensitivity analysis

At 31 December 2024, if the price of the Group's investments recognised as financial assets at FVTPL had been 1% higher/lower with all other variables held constant, the loss for the year would have decreased/increased by approximately HK\$4,000 (2023: approximately HK\$2,000).

Based on the share price of the Company as at 31 December 2024, if the share price of the Company had been HK\$0.01 higher/lower with all other variables held constant, the fair value of the redemption option of long-term convertible bonds recognised as financial assets at FVTPL would have increased by approximately HK\$5,696,000 and decreased by approximately HK\$12,316,000, respectively (2023: increased by approximately HK\$10,954,000 and decreased by approximately HK\$12,676,000, respectively) and the loss for the year would have decreased by approximately HK\$5,696,000 and increased by approximately HK\$12,316,000, respectively (2023: decreased by approximately HK\$10,954,000 and increased by approximately HK\$12,676,000, respectively).

(d) Fair values of financial instruments

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

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

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

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

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

	Level 1 <i>HK\$'000</i>	Level 2 <i>HK\$'000</i>	Level 3 <i>HK\$'000</i>	Total <i>HK\$'000</i>
At 31 December 2024				
Assets				
Financial assets at FVTPL				
— Listed debt securities	368	—	—	368
— Redemption option of long-term convertible bonds	<u>—</u>	<u>—</u>	<u>25,874</u>	<u>25,874</u>
	<u>368</u>	<u>—</u>	<u>25,874</u>	<u>26,242</u>
At 31 December 2023				
Assets				
Financial assets at FVTPL				
— Listed debt securities	197	—	—	197
— Redemption option of long-term convertible bonds	<u>—</u>	<u>—</u>	<u>34,195</u>	<u>34,195</u>
	<u>197</u>	<u>—</u>	<u>34,195</u>	<u>34,392</u>

During the years ended 31 December 2024 and 2023, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3. The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

The following table presents the changes in Level 3 financial instrument for the years ended 31 December 2024 and 2023:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Redemption option:		
At the beginning of the year	34,195	37,408
Unrealised fair value change recognised in non-operating expenses, net	<u>(8,321)</u>	<u>(3,213)</u>
At the end of the year	<u>25,874</u>	<u>34,195</u>

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

	Fair value as at		Unobservable inputs	Range of unobservable inputs as at		Relationship of unobservable inputs to fair value
	31 December					
	2024	2023		2024	2023	
	HK\$'000	HK\$'000				
Redemption option of long-term convertible bonds	25,874	34,195	Discount rate	7.79%	7.78%	The higher the discount rate, the lower the fair value of the redemption option of long-term convertible bonds (holding all other inputs as constant)

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

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

The carrying amounts of the Group's financial instruments carried at costs or amortised cost were not materially different from their fair values as at 31 December 2024 and 2023.

6. REVENUE

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

7. SEGMENT INFORMATION

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

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

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

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

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

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

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

Information regarding the Group's reportable segments as provided to the CODM for the purposes of resource allocation and assessment of segment performance from continuing operations for the years ended 31 December 2024 and 2023 is set out below:

	Year ended 31 December					
	Media		Telecommunications		Total	
	2024 HK\$'000	2023 HK\$'000	2024 HK\$'000	2023 HK\$'000	2024 HK\$'000	2023 HK\$'000
Reportable segment revenue	220,096	211,967	364,449	386,139	584,545	598,106
Less: Inter-segment revenue	—	—	(56)	(208)	(56)	(208)
Revenue from external customers	<u>220,096</u>	<u>211,967</u>	<u>364,393</u>	<u>385,931</u>	<u>584,489</u>	<u>597,898</u>
Revenue from contracts with customers:						
Timing of revenue recognition:						
At a point in time	3,057	7,824	22,283	42,937	25,340	50,761
Over time	217,039	204,143	341,819	342,632	558,858	546,775
Revenue from other sources:						
Rental income	—	—	291	362	291	362
	<u>220,096</u>	<u>211,967</u>	<u>364,393</u>	<u>385,931</u>	<u>584,489</u>	<u>597,898</u>
Reportable segment (loss)/profit before depreciation, amortisation of other intangible assets and impairment losses	(329,319)	(291,363)	121,009	94,982	(208,310)	(196,381)
Depreciation	(48,969)	(29,897)	(47,496)	(53,764)	(96,465)	(83,661)
Amortisation of other intangible assets	—	(1,097)	—	(7)	—	(1,104)
Impairment losses	<u>(40,133)</u>	<u>(53,329)</u>	<u>(9,080)</u>	<u>(23,307)</u>	<u>(49,213)</u>	<u>(76,636)</u>
Reportable segment results before corporate expenses, corporate depreciation and corporate impairment losses	<u>(418,421)</u>	<u>(375,686)</u>	<u>64,433</u>	<u>17,904</u>	<u>(353,988)</u>	<u>(357,782)</u>
Corporate expenses					(48,036)	(60,727)
Corporate depreciation					(4,664)	(3,861)
Corporate impairment losses					<u>(3,025)</u>	<u>(5,396)</u>
Loss from operations					(409,713)	(427,766)
Interest income					780	749
Finance costs					(125,830)	(83,547)
Non-operating expenses, net					(3,085)	(4,060)
Income tax					<u>(15,490)</u>	<u>(32,940)</u>
Loss from continuing operations					<u>(553,338)</u>	<u>(547,564)</u>

	2024 HK\$'000	2023 HK\$'000
Segment assets		
Media	421,840	459,713
Telecommunications	384,657	394,932
	806,497	854,645
Corporate assets	21,762	20,963
Deferred tax assets	54,266	69,551
Total assets	882,525	945,159
Segment liabilities		
Media	1,961,583	1,499,773
Telecommunications	757,284	742,861
	2,718,867	2,242,634
Corporate liabilities	45,786	31,262
Current tax liabilities	53	80
Total liabilities	2,764,706	2,273,976

Geographical segment:

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

Information about major customer:

Revenue of approximately HK\$134,646,000 (2023: approximately HK\$133,621,000) were derived from a single external customer during the year ended 31 December 2024, of which approximately HK\$132,646,000 (2023: approximately HK\$131,591,000) and approximately HK\$2,000,000 (2023: approximately HK\$2,030,000) were attributed to the telecommunications segment and the media segment, respectively.

8. LOSS BEFORE TAXATION

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

	2024 HK\$'000	2023 HK\$'000
Continuing operations		
Interest income		
Interest income from deposits with banks and listed debt securities	(780)	(749)
Finance costs		
— Interest expenses on interest-bearing borrowings	63,300	37,495
— Interest expenses on lease liabilities	19,063	4,727
— Interest expenses on convertible bonds	43,418	41,325
— Interest expenses on employee benefits obligations	49	—
Staff costs, including Directors' emoluments		
Salaries, wages and other benefits	321,707	287,816
Contributions to defined contribution retirement plans	12,067	10,428
Other items		
Depreciation		
— assets held for use under operating leases	27	1,074
— other assets	67,776	72,109
— right-of-use assets	33,326	14,339
	<u>101,129</u>	<u>87,522</u>
Impairment losses*		
— Property, plant and equipment	26,677	46,195
— Right-of-use assets	4,431	4,217
— Programming library	21,130	28,562
— Other related intangible assets	—	3,058
	<u>52,238</u>	<u>82,032</u>

	2024 HK\$'000	2023 HK\$'000
Amortisation		
— programming library**	22,814	24,207
— other intangible assets	—	1,104
— contract acquisition costs	9,027	12,184
Net loss allowance on trade receivables	4,410	3,009
Carrying amount of inventories consumed and sold	3,983	6,878
Write down/(reversal of write down) of inventories	399	(694)
Rental expenses in respect of land and buildings under short-term leases and low-value leases not included in lease liabilities	9,898	10,558
Auditor's remuneration		
— audit services	3,380	3,099
— non-audit services	515	1,670
Net foreign exchange loss	252	601
Rental income under operating leases in respect of		
— owned plant and machinery	(291)	(362)
Non-operating expense, net		
— sub-lease rental income	(2,924)	—
— net gain on disposal of property, plant and equipment	(774)	(813)
— gain on modification of lease contracts	(1,076)	(1)
— fair value losses on financial assets at FVTPL	8,150	5,689
	<u>8,150</u>	<u>5,689</u>

* The impairment losses of approximately HK\$36,227,000, HK\$5,465,000 and HK\$10,546,000 (2023: approximately HK\$47,467,000, HK\$19,586,000 and HK\$14,979,000) were included within programming costs, network expenses and selling, general and administrative and other operating expenses, respectively, in the consolidated statement of profit or loss of the Group for the year ended 31 December 2024. The aggregate amount of the impairment losses recognised for the year ended 31 December 2024 amounted to approximately HK\$52,238,000 (2023: approximately HK\$82,032,000), primarily as a result of management's assessment of the business prospect of the Group in light of the latest market environment.

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

9. INCOME TAX

Hong Kong and other jurisdictions profits tax has been provided at the rate of 16.5% (2023: 16.5%) and at the rates of taxation prevailing in the jurisdictions in which the Group operates respectively.

	2024 HK\$'000	2023 HK\$'000
Continuing operations		
Current income tax		
Provision for the year	205	347
Deferred income taxation*	<u>15,285</u>	<u>32,593</u>
Income tax	<u>15,490</u>	<u>32,940</u>

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

10. DISCONTINUED OPERATION

(a) Description

In view of the rapidly changing media landscape in Hong Kong and fierce competition among the global paid TV content providers and pay TV operators, HKC, a subsidiary of the Company, obtained approval from the Government of the Hong Kong Special Administrative Region on 14 February 2023 for the termination of the domestic pay television programme service licence with effect from 1 June 2023, which was reported in the Financial Statements as a discontinued operation.

(b) Financial performance and cash flow information

Financial information relating to discontinued operation for the years ended 31 December 2024 and 2023 is set out below.

	2024 HK\$'000	2023 HK\$'000
Statement of profit or loss and other comprehensive from discontinued operation:		
Revenue	–	118,228
Operating expenses	–	(159,938)
	<hr/>	<hr/>
Loss before taxation	–	(41,710)
Income tax	–	–
	<hr/>	<hr/>
Loss from discontinued operation	<hr/> –	<hr/> (41,710)
Total comprehensive income from discontinued operation	<hr/> –	<hr/> (41,710)
	<hr/>	<hr/>
Cash flows from discontinued operation:		
Net cash outflow from operating activities	(1,800)	(68,835)
	<hr/>	<hr/>
Net decrease in cash generated by the discontinued operation	<hr/> (1,800)	<hr/> (68,835)
	<hr/>	<hr/>
Basic loss per share from discontinued operation	–	(0.6) HK cents
Diluted loss per share from discontinued operation	–	(0.6) HK cents
	<hr/>	<hr/>

11. LOSS PER SHARE

(a) Basic loss per share

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

	2024	2023
Loss from continuing operations attributable to equity shareholders of the Company (HK\$'000)	(553,338)	(547,564)
Loss from discontinued operation attributable to equity shareholders of the Company (HK\$'000)	–	(41,710)
Loss attributable to equity shareholders of the Company (HK\$'000)	(553,338)	(589,274)
Weighted average number of ordinary shares in issue	<u>7,134,623,520</u>	<u>7,134,623,520</u>
Basic loss per share for loss from continuing operations (HK cents)	(7.8)	(7.7)
Basic loss per share for loss from discontinued operation (HK cents)	<u>–</u>	<u>(0.6)</u>
Total basic loss per share (HK cents)	<u>(7.8)</u>	<u>(8.3)</u>

(b) Diluted loss per share

The diluted loss per share for the years ended 31 December 2024 and 2023 equals to the basic loss per share since the conversion rights attached to the unlisted long-term convertible bonds would not have a dilutive effect on the loss per share.

12. DEFERRED TAX ASSETS

As at 31 December 2024, the Group had recognised net deferred tax assets in respect of the future benefit of unutilised tax losses which can be carried forward indefinitely without expiry date of approximately HK\$54,266,000 (2023: approximately HK\$69,551,000), being the net balance of deferred tax assets arising from tax losses of approximately HK\$96,178,000 (2023: approximately HK\$116,237,000) and deferred tax liabilities arising from depreciation allowances in excess of the related depreciation of approximately HK\$41,912,000 (2023: approximately HK\$46,686,000). The deferred tax assets recognised as at 31 December 2024 was determined after considering the estimated future taxable profits and the timing of utilisation of the tax losses in the relevant subsidiary of the Company. The subsidiary has a history of recent losses in preceding periods. The estimated future taxable profits of the relevant subsidiary of the Company take into account the expected growth of the business due to the operating environment, business strategies, business development, approved business plans, the effect of the tax planning as well as the trend of the performance of the relevant subsidiary of the Company. Deferred tax assets were recognised to the extent that it is probable that future taxable profits will be available against which they can be utilised.

13. TRADE RECEIVABLES AND CONTRACT ASSETS

	2024 HK\$'000	2023 HK\$'000
Trade receivables	111,441	130,883
Less: loss allowance	<u>(31,684)</u>	<u>(27,315)</u>
	79,757	103,568
Contract assets	<u>25,914</u>	<u>16,635</u>
	<u>105,671</u>	<u>120,203</u>

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

	2024 HK\$'000	2023 HK\$'000
0 to 30 days	42,037	54,425
31 to 60 days	13,835	23,235
61 to 90 days	8,528	12,201
Over 90 days	<u>15,357</u>	<u>13,707</u>
	<u>79,757</u>	<u>103,568</u>

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

14. TRADE PAYABLES

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

	2024 HK\$'000	2023 HK\$'000
0 to 30 days	12,749	9,976
31 to 60 days	20,371	19,115
61 to 90 days	12,655	10,916
Over 90 days	<u>42,538</u>	<u>45,479</u>
	<u>88,313</u>	<u>85,486</u>

15. SHARE CAPITAL

	2024		2023	
	Number of shares	HK\$'000	Number of shares	HK\$'000
Ordinary shares, issued and fully paid:				
At 1 January	<u>7,134,623,520</u>	<u>7,928,975</u>	<u>7,134,623,520</u>	<u>7,928,975</u>
At 31 December	<u><u>7,134,623,520</u></u>	<u><u>7,928,975</u></u>	<u><u>7,134,623,520</u></u>	<u><u>7,928,975</u></u>

16. CONVERTIBLE BONDS

(a) The 2019 LCS

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

On the date of issuance of the 2019 LCS, the fair value of liability component of approximately HK\$343,719,000 was recognised and the fair value of approximately HK\$224,281,000, representing equity element, was recognised and presented in equity heading “equity component of convertible bonds” at initial recognition. The effective interest rate of the liability component was 7.69% per annum. As at 31 December 2024, the carrying amount of liability component of the 2019 LCS is approximately HK\$447,758,000 (2023: approximately HK\$425,663,000).

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

(b) The 2021 LCS

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

On the date of issuance of the 2021 LCS, the fair value of liability component of approximately HK\$131,806,000 was recognised, the fair value of approximately HK\$144,610,000, representing equity element, was recognised and presented in equity heading "equity component of convertible bonds" and the fair value of the redemption option of approximately HK\$78,061,000 was recognised as financial assets at FVTPL at initial recognition. The effective interest rate of the liability component was 6.88% per annum. As at 31 December 2024, the carrying amount of liability component and redemption option of the 2021 LCS is approximately HK\$152,306,000 (2023: approximately HK\$146,342,000) and approximately HK\$25,874,000 (2023: approximately HK\$34,195,000) respectively.

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

17. INTEREST-BEARING BORROWINGS

	2024			2023		
	Current	Non-	Total	Current	Non-	Total
	HK\$'000	current	HK\$'000	HK\$'000	current	HK\$'000
Bank loan (<i>Note (a)</i>)	295,000	–	295,000	295,000	–	295,000
Loans from Celestial Pioneer Limited (<i>Note (b)</i>)	230,000	866,035	1,096,035	–	746,035	746,035
Total interest-bearing borrowings	<u>525,000</u>	<u>866,035</u>	<u>1,391,035</u>	<u>295,000</u>	<u>746,035</u>	<u>1,041,035</u>

Notes:

- (a) The carrying amount of bank loan denominated in Hong Kong dollar as at 31 December 2024 was HK\$295,000,000 (2023: HK\$295,000,000), which is unsecured, carries interest at variable rates and repayable on demand. The bank loan has been renewed on 28 February 2025.
- (b) The carrying amount of the loans from Celestial Pioneer Limited (a company holding 72.0% of the total number of issued shares of Forever Top and wholly-owned by Dr. Cheng Kar-Shun, Henry, the Director) denominated in Hong Kong dollar as at 31 December 2024 was approximately HK\$1,096,035,000 (2023: approximately HK\$746,035,000), which are unsecured, carry interest at fixed rates ranging from 2.5% to 8.0% per annum (2023: 2.5% to 6.0% per annum) and with a term of 3 years from the date of the respective loan agreements. Subsequent to the year end, loans with an aggregate amount of HK\$230,000,000 was extended in March 2025 with maturity dates beyond 31 December 2025.

The maturity of interest-bearing borrowings was as follows:

	Bank loan		Loans from Celestial Pioneer Limited		Total	
	2024	2023	2024	2023	2024	2023
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Within 1 year or on demand	295,000	295,000	230,000	—	525,000	295,000
After 1 year but within 2 years	—	—	530,000	296,035	530,000	296,035
After 2 years but within 5 years	—	—	336,035	450,000	336,035	450,000
	295,000	295,000	1,096,035	746,035	1,391,035	1,041,035

18. DIVIDEND

The Board does not recommend the payment of any dividend for the year ended 31 December 2024 (2023: HK\$Nil).

19. CAPITAL COMMITMENTS

Capital commitments outstanding as at 31 December 2024 and 2023 were as follows:

	2024	2023
	HK\$'000	HK\$'000
Property, plant and equipment		
— Contracted but not provided for	686	413
Programming library		
— Contracted but not provided for	9,096	13,470
	9,782	13,883

20. GUARANTEES

As at 31 December 2024, a corporate guarantee had been provided by the Company to a bank of HK\$295,000,000 (2023: HK\$295,000,000) in respect of the facility of borrowing up to HK\$295,000,000 (2023: HK\$295,000,000) to a wholly-owned subsidiary of the Company, of which HK\$295,000,000 (2023: HK\$295,000,000) was utilised by the wholly-owned subsidiary of the Company.

As at 31 December 2024, the Group had made an arrangement with a bank to provide a performance bond to the counterparty amounting to HK\$33,830,000 (2023: HK\$35,330,000), of which HK\$3,830,000 (2023: HK\$5,330,000) was secured by bank deposits. The performance bond is to guarantee in favour of the counterparty the Group's performance in fulfilling the obligations under a contract.

21. EVENTS AFTER THE REPORTING PERIOD

1. On 4 February 2025, HKC as the borrower, entered into a loan agreement with Celestial Pioneer Limited as the lender, pursuant to which, HKC obtained an unsecured loan with a principal amount of HK\$60,000,000 for a term of 3 years from the date of the said loan agreement, with an interest rate of 6.0% per annum.
2. On 18 March 2025, HKC as the borrower, entered into a loan agreement with Celestial Pioneer Limited as the lender, pursuant to which, HKC obtained an unsecured loan with a principal amount of HK\$60,000,000 for a term of 3 years from the date of the said loan agreement, with an interest rate of 6.0% per annum.
3. On 5 November 2024, the Vendor entered into an agreement with the Purchaser, pursuant to which the Vendor has agreed to sell a property in Guangzhou for a total consideration of RMB21,300,000 (equivalent to HK\$23,217,000). As at the end of the reporting period, the transaction has yet to be completed. The parties have agreed on 25 March 2025 to extend the completion date for the Purchaser to fulfil the conditions under said agreement. As at the date of this final results announcement, the Vendor has received sums totalling RMB2,020,000 (equivalent to HK\$2,201,800), comprising the deposit payable under the agreement and a part of the balance of the consideration for the property concerned.

CORPORATE GOVERNANCE CODE

The Company is committed to maintaining a high standard of corporate governance practices, and procedures and to complying with the statutory and regulatory requirements with an aim to maximising the Shareholders' values and interests as well as enhancing the stakeholders' transparency and accountability. During the year ended 31 December 2024, the Company had applied the principles of good corporate governance and complied with all applicable code provisions of the Corporate Governance Code (the "CG Code") as set out in Appendix C1 of the Listing Rules, except for the following deviations:

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

Dr. Cheng Kar-Shun, Henry (the chairman of the Board and a non-executive Director) and Mr. Luk Koon Hoo, Roger (an independent non-executive Director) were unable to attend the annual general meeting of the Company held on 6 June 2024 ("2024 AGM") as each of Dr. Cheng Kar-Shun, Henry and Mr. Luk Koon Hoo, Roger had other engagements at the time of such meeting. In the absence of the chairman of the Board at the 2024 AGM, Mr. Tsang On Yip, Patrick, the vice-chairman of the Board and an executive Director, acted as the chairman of the 2024 AGM, and together with other Directors present at the 2024 AGM, were sufficiently knowledgeable and capable to address any questions at the 2024 AGM, ensuring an effective communication with the Shareholders.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix C3 to the Listing Rules. The Company, having made specific enquiries of all the Directors, was not aware of any non-compliance with the required standard set out in the Model Code during the year ended 31 December 2024.

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

AUDIT COMMITTEE AND REVIEW OF FINAL RESULTS

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

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

SCOPE OF WORK OF PRICEWATERHOUSECOOPERS

The figures in respect of the Group’s consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of comprehensive income, and the related notes thereto for the year ended 31 December 2024 as set out in this final results announcement have been agreed by the Group’s auditor, PricewaterhouseCoopers, to the amounts set out in the Group’s audited consolidated financial statements for the year. The work performed by PricewaterhouseCoopers in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by PricewaterhouseCoopers on this final results announcement.

DIVIDEND

The Board did not recommend the payment of any dividend for the year ended 31 December 2024 (2023: HK\$Nil).

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

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any listed securities of the Company during the year ended 31 December 2024.

CLOSURE OF REGISTER OF MEMBERS

For determining the eligibility to attend and vote at the forthcoming annual general meeting of the Company (the "Forthcoming AGM") to be held on Monday, 16 June 2025, the Register of Members of the Company will be closed from Wednesday, 11 June 2025 to Monday, 16 June 2025, both days inclusive, during which period no transfer of Shares can be registered. In order to ascertain Shareholders' rights for the purpose of attending and voting at the Forthcoming AGM, all transfers, accompanied by the relevant share certificates, must be lodged with the Company's registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on Tuesday, 10 June 2025.

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

Hong Kong, 26 March 2025

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