Television Broadcasts Limited

電視廣播有限公司

(Incorporated in Hong Kong with limited liability)

Stock Code: 00511

ANNOUNCEMENT OF 2025 INTERIM RESULTS

RESULTS HIGHLIGHTS

For the six months ended 30 June 2025 (the "Period")

- Total revenue of core TV-related businesses (excluding e-Commerce business) increased by HK$9 million or 1% from HK$1,445 million to HK$1,454 million for the Period, driven mainly by a 4% growth in the income from advertisers in our TV Broadcasting segment and a 9% revenue growth in our Digital Media segment.

- Total Group revenue for the Period was broadly stable at HK$1,498 million, which was HK$15 million or 1% less than the HK$1,513 million achieved in the same period of 2024.

- Group EBITDA was HK$55 million for the Period, representing an improvement of HK$8 million or 17% compared with the same period in 2024.

- Loss attributable to equity holders of the Company for the Period was HK$108 million, representing a reduction of HK$35 million, compared to a loss of HK$143 million in the same period last year.

- Loss per share was HK$0.23 (2024: HK$0.33).

- The Board did not recommend the payment of an interim dividend for the Period (2024: nil).

BUSINESS HIGHLIGHTS

- Our self-operated terrestrial TV channels remained Hong Kong's most watched channels by a substantial margin, reaching an average of 4.9 million in-home viewers weekly, which represents a 78% market share of the viewership across all TV channels in Hong Kong. Revenue from advertisers on our terrestrial TV channels rose 4% year-on-year, aided by strong advertising activity from blue-chip corporate clients, and a growing contribution from our newly-launched Greater Bay Area "B-roll" advertising product, which saw revenue increase by 171% during the Period. Our market share of TV advertising spending in Hong Kong was 85% during the Period, compared to 84% in the same period last year.

- Our Digital Media segment also performed strongly during the Period. Our myTV SUPER streaming service in Hong Kong served approximately 2 million monthly active users during the Period, while our other digital media assets such as TVB.com, TVB news mobile app and TVB-related social media accounts served over 32 million monthly visitors in aggregate. Advertising revenue from our digital assets as a whole grew 37% year-on-year, aided by new initiatives such as our launch in May 2025 of "TV 3.0", a free service tier of myTV SUPER supported by advertising.

- As part of our continuing drive to extend our home market into the Greater Bay Area of Guangdong province, on 12 June 2025 we held a promotional event "TVB's New Chapter of Local and International Connectivity – GBA Film & Television Showcase" in Guangzhou. This event highlighted our content, artistes and audience reach to an important audience of advertising clients, business partners and policy makers from the region. We also entered into cooperation agreements with key partners such as Tencent, Huawei and Shenzhen Media Group to further grow our business and presence in this key market.

- Revenue from our Mainland China Operations saw an 8% year-on-year decline during the Period, primarily due to the deferral of project deliveries under co-production with our mainland China platform partners. Deliveries are anticipated to increase in the second half of 2025.

- During the Period, our co-production drama *D.I.D. 12* (刑偵 12) was aired on Tencent Video to a highly positive audience response. The much-anticipated *The Queen of News 2* (新聞女王2), our co-production project with Youku, has also recently completed filming. Together with *Mrs. Revenge* (夫妻的博弈), *Themis* (正義女神 Themis), *I Only Live Twice* (模仿人生), *The Queen of Castle* (巨塔之后), and *The Fading Gold* (金式森林), we currently have six co-production drama titles in various stages of production. Filming for *Wars of Roses* (玫瑰戰爭) is set to begin in the third quarter of 2025.

OUTLOOK

- Economic conditions in Hong Kong have been difficult for some years, and 2025 is proving no different. The global geopolitical and trade outlook remain clouded by major uncertainties, and this has weighed on our local economy as well as that of mainland China. Locally, a recovery in the stock market notwithstanding, key segments of the city's economy such as property, retail and dining remain under pressure from weak demand and high interest rates. Nevertheless, we maintain a cautiously optimistic outlook for our advertising business, both from terrestrial TV channels and digital media assets, for the remainder of 2025. In tough times, as clients look for more impact from each dollar of advertising spend, our broad reach into consuming households not only in Hong Kong but also the Greater Bay Area gives us a competitive advantage.

- We expect revenue from our Digital Media segment to maintain its upward momentum in the second half of 2025, with digital advertising income from myTV SUPER and our other digital media assets being a key growth driver.

- We anticipate stronger revenue from our Mainland China Operations in the second half of 2025, as we complete and deliver our current slate of co-production dramas to our platform partners.

- Based on the current market conditions and business momentum, we expect continued year-on-year growth in EBITDA and a positive net profit (profit attributable to equity holders of the Company) for the year ending 31 December 2025.

KEY FINANCIALS

	Unaudited Six months ended 30 June 2025 HK$'000	2024 HK$'000
Revenue	**1,497,766**	1,512,689
– TV Broadcasting	**818,350**	810,217
– Digital Media	**190,979**	176,073
– Mainland China Operations	**352,431**	382,691
– International Operations	**136,006**	143,708
Total operating costs	**(1,567,626)**	(1,622,374)
– Cost of sales	**(938,265)**	(948,235)
– Selling, distribution and transmission costs	**(251,538)**	(271,624)
– General and administrative expenses	**(377,823)**	(402,515)
EBITDA	**55,206**	47,350
– TV Broadcasting	**(14,850)**	(15,695)
– Digital Media	**19,292**	32,270
– Mainland China Operations	**60,414**	44,679
– International Operations	**(9,650)**	(13,904)
Reconciliation from EBITDA to loss before income tax:		
EBITDA	**55,206**	47,350
Depreciation and amortisation	**(119,110)**	(154,949)
Finance costs	**(61,175)**	(74,304)
Interest income	**3,698**	49,031
Impairment loss	**–**	(44,000)
Others	**(6,977)**	(3,735)
Loss before income tax	**(128,358)**	(180,607)
Income tax expense	**(4,819)**	(4,431)
Loss for the Period	**(133,177)**	(185,038)
Loss attributable to equity holders of the Company	**(108,123)**	(143,457)
Loss per share (basic and diluted) for loss attributable to equity holders of the Company during the Period	**HK$(0.23)**	HK$(0.33)

FINANCIAL REVIEW

Overall, total revenue of the Group was broadly stable at HK$1,498 million during the Period, which is HK$15 million or 1% less than the HK$1,513 million achieved in the same period of 2024. In this respect, strength in areas such as advertising income from TV broadcasting and digital media assets was offset by weakness in other areas such as Mainland China Operations, International Operations and e-Commerce (which has now been combined into a new segment, TV Broadcasting, that includes our terrestrial TV broadcasting and other related businesses previously grouped under the segment Hong Kong TV Broadcasting).

Cost of sales decreased from HK$948 million to HK$938 million during the Period, representing a decline of HK$10 million or 1%. This was mainly due to a reduction in content cost and the cost of goods sold in relation to our e-Commerce business. The decrease was partially offset by an increase in other production costs during the Period.

Selling, distribution and transmission costs for the Period declined by HK$20 million or 7% from HK$272 million to HK$252 million. This was primarily driven by lower distribution costs in the e-Commerce business in line with a smaller transaction volume, and also a reduction in our depreciation and amortisation expenses.

General and administrative expenses for the Period declined by HK$25 million or 6% from HK$403 million to HK$378 million due to various cost-saving initiatives within our administrative and back office functions.

As a result of all the above, total operating costs (comprising cost of sales, selling, distribution and transmission costs and general and administrative expenses) decreased by HK$54 million or 3% from HK$1,622 million to HK$1,568 million.

Other revenues for the Period were HK$4 million (2024: HK$8 million), mainly comprising various sundry income.

Other net losses for the Period were HK$6 million (2024: HK$10 million), mainly comprising changes in the fair values of a financial liability at fair value through profit or loss and net exchange gains recognised during the Period.

Due to the above factors, we achieved a positive EBITDA for the Period of HK$55 million, representing a year-on-year improvement of HK$8 million compared to the EBITDA of HK$47 million in the first half of 2024.

OUTLOOK

- Economic conditions in Hong Kong have been difficult for some years, and 2025 is proving no different. The global geopolitical and trade outlook remain clouded by major uncertainties, and this has weighed on our local economy as well as that of mainland China. Locally, a recovery in the stock market notwithstanding, key segments of the city's economy such as property, retail and dining remain under pressure from weak demand and high interest rates. Nevertheless, we maintain a cautiously optimistic outlook for our advertising business, both from terrestrial TV channels and digital media assets, for the remainder of 2025. In tough times, as clients look for more impact from each dollar of advertising spend, our broad reach into consuming households not only in Hong Kong but also the Greater Bay Area gives us a competitive advantage.

- We expect revenue from our Digital Media segment to maintain its upward momentum in the second half of 2025, with digital advertising income from myTV SUPER and our other digital media assets being a key growth driver.

- We anticipate stronger revenue from our Mainland China Operations in the second half of 2025, as we complete and deliver our current slate of co-production dramas to our platform partners.

- Based on the current market conditions and business momentum, we expect continued year-on-year growth in EBITDA and a positive net profit (profit attributable to equity holders of the Company) for the year ending 31 December 2025.

SEGMENT RESULTS

During the period, the Group has changed its segment structure to better reflect its operations. Under the previous reporting format, the Hong Kong TV Broadcasting segment included (i) revenue and income from traditional TV advertising from Hong Kong and the Greater Bay Area of Guangdong province, (ii) digital advertising from TVB's social media accounts and mobile apps in Hong Kong, (iii) music and (iv) broadcasting-related services. This segment has been renamed "TV Broadcasting", and now includes the e-Commerce business which, having been downsized in recent years and now closely integrated into our TV content, is no longer reported as a separate segment. Excluded from the TV Broadcasting segment is digital advertising income from TVB's social media accounts and mobile apps in Hong Kong, which is now combined and reported together with our OTT Streaming business under our new "Digital Media" segment. Together with our existing Mainland China Operations and International Operations segments, we thus report revenue and EBITDA in four segments, rather than five. Comparative figures for 2024 have been reclassified to conform with the current period's presentation.

TV Broadcasting

For the six months ended 30 June (unaudited)	**2025 HK$ million**	2024 HK$ million	**Year-on-year change**
Segment revenue	**818**	810	1%
Segment EBITDA	**(15)**	(16)	6%

TV Broadcasting segment mainly comprises our broadcast television, e-Commerce and music businesses.

Segment revenue from TV Broadcasting increased by HK$8 million, to HK$818 million during the Period. The growth was mainly driven by the income from advertisers, which grew by HK$24 million or 4% from HK$671 million to HK$695 million. This was partially offset by the consolidation of the e-Commerce business, which contracted significantly compared to the same period last year.

Segment EBITDA was a loss of HK$15 million, representing an improvement of HK$1 million or 6% compared to a loss of HK$16 million in the previous period.

Digital Media

For the six months ended 30 June (unaudited)	**2025 HK$ million**	2024 HK$ million	**Year-on-year change**
Segment revenue	**191**	176	9%
Segment EBITDA	**19**	32	-41%

Digital Media segment mainly comprises myTV SUPER streaming service (earns both advertising and subscription revenue), online social media platforms and digital marketing services in Hong Kong. The number of subscribers of our premium service pack, myTV Gold remained steady at 193,000 as at 30 June 2025 and 30 June 2024.

Segment revenue from Digital Media increased by HK$15 million or 9% compared to the same period last year. This was primarily due to a 37% growth in advertising across all our digital media assets including the myTV SUPER platform.

EBITDA declined from HK$32 million to HK$19 million during the Period, mainly due to higher content costs as a result of certain one-off adjustments we have made in 2025 on how content costs are allocated or shared within the different platforms within the Group.

Mainland China Operations

For the six months ended 30 June (unaudited)	**2025 HK$ million**	2024 HK$ million	**Year-on-year change**
Segment revenue	**353**	383	-8%
Segment EBITDA	**61**	45	36%

Mainland China Operations mainly comprises drama co-production with Youku and Tencent Video, and licensing of our simulcast drama and library content to, major streaming platforms in mainland China including Youku, Tencent Video and others. In addition, we operate our own direct-to-consumer (DTC) content streaming service and multichannel network (MCN) business, which includes e-commerce livestreaming on online platforms such as Douyin.

Segment revenue from Mainland China Operations decreased by HK$30 million or 8%, from HK$383 million to HK$353 million. This was driven mainly by decline in licensing and co-production businesses. The drop in revenue was compensated by the saving from content cost, as a result, the EBITDA of this segment increased by HK$16 million or 36% from HK$45 million to HK$61 million during the Period.

International Operations

For the six months ended 30 June (unaudited)	**2025 HK$ million**	2024 HK$ million	**Year-on-year change**
Segment revenue	**136**	144	-6%
Segment EBITDA	**(10)**	(14)	29%

International Operations refers to our business activities around the world outside of Hong Kong, mainland China and Macau. This segment comprises programme licensing to pay-TV partners, our TVB Anywhere streaming service, and our social media channels and accounts that serve our international audience.

Segment revenue from International Operations decreased by 6% from HK$144 million to HK$136 million during the Period, it was primarily driven by the decline in traditional licensing income from our pay-TV partners. Segment EBITDA was a loss of HK$10 million, representing an improvement of HK$4 million or 29% compared to a loss of HK$14 million in the previous period.

INTEREST INCOME

Interest income for the Period totaled HK$4 million (2024: HK$49 million), mainly arising from fixed bank deposits. The decrease was primarily due to the recognition of interest income of HK$46 million in the corresponding period last year from the promissory note with Imagine Tiger Television, LLC ("ITT"), before it was classified under a Stage 3 expected credit loss (ECL) model.

FINANCE COSTS

Finance costs mainly comprised interest expense on (i) our HK$1,567 million term loan with Shanghai Commercial Bank Limited ("SCBL"), and (ii) our other bank loans, convertible bonds and other borrowings. Finance costs decreased from HK$74 million to HK$61 million, due to changes in interest rates and our borrowing levels during the Period compared to the same period last year.

INCOME TAX

The Group recorded an income tax expense of HK$5 million (2024: HK$4 million) for the Period.

Hong Kong profits tax has been provided at the rate of 16.5% (2024: 16.5%) on the estimated assessable profit for the Period. Taxation on overseas profits has been calculated on the estimated assessable profit for the Period at the rates of taxation prevailing in the countries in which the Group operated.

LOSS ATTRIBUTABLE TO EQUITY HOLDERS

The Group incurred a loss attributable to equity holders for the Period totalled HK$108 million (2024: HK$143 million), representing a reduction in loss of HK$35 million or 24%.

LOSS PER SHARE

Loss per share is calculated based on the Group's loss attributable to equity holders of the Company of HK$108 million (2024: HK$143 million). The weighted average number of ordinary shares adopted in the calculation of basic and diluted loss per share throughout the six months ended 30 June 2025 was 466,961,836 (2024: 439,851,000), giving a basic and diluted loss per share of HK$0.23 (2024: HK$0.33).

Diluted loss per share is the same as basic loss per share as the effect of potential ordinary shares is anti-dilutive during the six months ended 30 June 2025.

DIVIDENDS PER SHARE

The Board of Directors did not recommend the payment of an interim dividend for the six months ended 30 June 2025 (2024: nil).

LIQUIDITY AND FINANCIAL RESOURCES

As at 30 June 2025, the total equity of the Group was HK$2,083 million (31 December 2024: HK$2,196 million). There has been no change in the share capital of the Company, with 466,961,836 ordinary shares in issue.

As at 30 June 2025, the Group had unrestricted bank and cash balances of HK$869 million (31 December 2024: HK$700 million). About 38% of the unrestricted bank and cash balances (approximately HK$333 million) were maintained in mainland China and overseas subsidiaries for their daily operations. Unrestricted bank deposits and cash balances held by the Group were denominated mainly in Hong Kong dollars, Renminbi and US dollars.

As at 30 June 2025, the Group's net current assets amounted to HK$1,746 million (31 December 2024: HK$1,763 million). As at 30 June 2025, the Group's current ratio, expressed as the ratio of current assets to current liabilities, was 1.8 (31 December 2024: 1.9).

As at 30 June 2025, bank borrowings totalled HK$1,895 million (31 December 2024: HK$1,719 million) which mainly consisted of the HK$1,567 million term loan with SCBL. Additionally, there were other borrowings and convertible bonds of HK$308 million and HK$108 million respectively (31 December 2024: HK$308 million and HK$103 million respectively). As at 30 June 2025 the Group's gearing ratio, expressed as a ratio of net debt to total equity, was 70.4% (31 December 2024: 66.7%).

BOND PORTFOLIO

As at 30 June 2025, the Company's portfolio of fixed income securities, net of expected credit losses amounted to HK$25 million (31 December 2024: HK$24 million), which were classified under "Bond securities at amortised cost". Issuers of these securities include listed and unlisted companies in Hong Kong and overseas.

As at 30 June 2025, the investment portfolio consisted of fixed income securities of four separate issuers (31 December 2024: four), of which the bonds issued by Master Glory Group Limited and SMI Holding Group Limited had been fully impaired in prior years.

The Board of Directors ("Board") of Television Broadcasts Limited ("Company" or "TVB") is pleased to announce the unaudited interim results of the Company and its subsidiaries (collectively, "Group") for the six months ended 30 June 2025 ("Period") as follows:

CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE SIX MONTHS ENDED 30 JUNE 2025

	Notes	**Unaudited Six months ended 30 June 2025 HK$'000**	2024 HK$'000
Revenue	3	**1,497,766**	1,512,689
Cost of sales		**(938,265)**	(948,235)
Gross profit		**559,501**	564,454
Other revenues		**3,974**	7,872
Interest income		**3,698**	49,031
Selling, distribution and transmission costs		**(251,538)**	(271,624)
General and administrative expenses		**(377,823)**	(402,515)
Other losses, net		**(5,933)**	(9,740)
Finance costs	4	**(61,175)**	(74,304)
Impairment loss on receivables from a joint venture		**–**	(44,000)
Share of profits of joint ventures		**15**	27
Share of profits of associates		**923**	192
Loss before income tax	5	**(128,358)**	(180,607)
Income tax expense	6	**(4,819)**	(4,431)
Loss for the period		**(133,177)**	(185,038)
Loss attributable to:			
Equity holders of the Company		**(108,123)**	(143,457)
Non-controlling interests		**(25,054)**	(41,581)
		(133,177)	(185,038)
Loss per share (basic and diluted) for loss attributable to equity holders of the Company during the period	7	**HK$(0.23)**	HK$(0.33)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 30 JUNE 2025

	Unaudited Six months ended 30 June **2025** **HK$'000**	 2024 HK$'000
Loss for the period	**(133,177)**	(185,038)
Other comprehensive income/(loss):		
Items that may be reclassified to profit or loss:		
Exchange differences on translation of foreign operations		
– Subsidiaries	**25,140**	(15,284)
– Joint ventures	**(2,503)**	86
Share of other comprehensive income/(loss) of an associate	**4,800**	(4,006)
Cash flow hedges	**(5,205)**	–
Items that may not be reclassified to profit or loss:		
Change in fair value of financial assets at fair value through other comprehensive income ("FVOCI")	**(8,780)**	(32,579)
Actuarial loss on provision for long service payment	**(2,136)**	–
Exchange differences on translation of foreign operations attributable to non-controlling interests	**4,870**	(4,180)
Other comprehensive income/(loss) for the period, net of tax	**16,186**	(55,963)
Total comprehensive loss for the period	**(116,991)**	(241,001)
Total comprehensive loss attributable to:		
Equity holders of the Company	**(96,807)**	(195,240)
Non-controlling interests	**(20,184)**	(45,761)
Total comprehensive loss for the period	**(116,991)**	(241,001)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2025

	Notes	**30 June 2025 Unaudited HK$'000**	31 December 2024 Audited HK$'000
ASSETS			
Non-current assets			
Property, plant and equipment		**853,017**	926,994
Investment properties		**1,364**	1,415
Intangible assets		**146,578**	162,458
Interests in joint ventures	9	**191,909**	189,792
Interests in associates		**33,796**	28,054
Financial assets at FVOCI		**63,781**	71,822
Bond securities at amortised cost	10	**24,812**	23,515
Deferred income tax assets		**381,734**	381,208
Prepayments		**20,409**	17,166
Total non-current assets		**1,717,400**	1,802,424
Current assets			
Programmes and film rights		**1,514,120**	1,578,819
Stocks		**17,787**	16,287
Trade receivables	11	**837,422**	751,605
Other receivables, prepayments and deposits		**571,907**	582,308
Movie investments		**10,280**	11,038
Tax recoverable		**1,443**	2,685
Bank deposits maturing after three months		**–**	53,058
Cash and cash equivalents		**869,136**	647,324
Total current assets		**3,822,095**	3,643,124
Total assets		**5,539,495**	5,445,548
EQUITY			
Equity attributable to equity holders of the Company			
Share capital		**771,829**	771,829
Other reserves		**(96,732)**	(112,426)
Retained earnings		**1,496,384**	1,604,652
		2,171,481	2,264,055
Non-controlling interests		**(88,525)**	(68,341)
Total equity		**2,082,956**	2,195,714

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)
AS AT 30 JUNE 2025

	Notes	**30 June 2025 Unaudited HK$'000**	31 December 2024 Audited HK$'000
LIABILITIES			
Non-current liabilities			
Borrowings	12	**1,175,400**	1,175,400
Convertible bonds	13	**108,423**	102,846
Financial liability at fair value through profit or loss	13	**37,407**	29,492
Lease liabilities		**10,515**	16,601
Derivative financial instruments		**5,205**	–
Deferred income tax liabilities		**43,907**	45,183
Total non-current liabilities		**1,380,857**	1,369,522
Current liabilities			
Trade and other payables and accruals	14	**892,504**	868,539
Written put option liabilities		**140,000**	140,000
Current income tax liabilities		**2,067**	2,198
Borrowings	12	**1,027,424**	851,285
Lease liabilities		**13,687**	18,290
Total current liabilities		**2,075,682**	1,880,312
Total liabilities		**3,456,539**	3,249,834
Total equity and liabilities		**5,539,495**	5,445,548

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL INFORMATION

1. Independent review

The unaudited condensed consolidated financial information of the Group for the six months ended 30 June 2025 has been reviewed by the Company's auditor, PricewaterhouseCoopers, in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). An unmodified review report is included in the interim report to be sent to shareholders. The unaudited condensed consolidated financial information of the Group for the six months ended 30 June 2025 has also been reviewed by the Audit Committee of the Company.

2. Basis of preparation and accounting policies

This unaudited condensed consolidated financial information for the six months ended 30 June 2025 has been prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34 "Interim Financial Reporting" issued by the HKICPA. The unaudited condensed consolidated financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2024, which were prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs").

The financial information relating to the year ended 31 December 2024 that is included in the condensed consolidated financial information for the six months ended 30 June 2025 as comparative information 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 financial statements for the year ended 31 December 2024 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).

The Company's auditor has reported on those financial statements. For the year ended 31 December 2024, the auditor's report was 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) and (3) of the Hong Kong Companies Ordinance (Cap. 622).

The accounting policies applied and methods of computation used in the preparation of these interim financial information are consistent with those used in the financial statements for the year ended 31 December 2024.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to the expected total annual earnings.

2. Basis of preparation and accounting policies (continued)

(a) Amended standards adopted by the Group

A number of amendments to HKFRSs became applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these standards.

(b) Impact of standards issued but not yet applied by the Group

The Group has not early adopted new or revised standards, amendments to standards and interpretations that have been issued but are not yet effective for the accounting period beginning on or after 1 January 2025. The Group is in the process of making an assessment of the likely impact of these new or revised standards, amendments to standards and interpretations to the Group's results and financial position in the period of initial application.

3. Revenue and segment information

The Group is principally engaged in terrestrial television broadcasting, Digital Media services, Mainland China Operations, and International Operations.

For management purposes and in a manner consistent with the way in which information is reported internally to the Group's Senior Management and Board of Directors for resource allocation and performance assessment, the Group presents its operating segment information based on these core businesses. During the reporting period, the Group made changes to its segment structure to better reflect its operations. The e-Commerce business has been combined into the TV Broadcasting segment (formerly "Hong Kong TV Broadcasting"), reflecting its close integration with TV channels and programmes. A new segment, Digital Media, has been established to encompass myTV SUPER and all digital-related businesses in Hong Kong, including our social media accounts and mobile apps, which have been separated from the TV Broadcasting segment and combined into this new segment.

Revenue comprises advertising income net of agency deductions, e-Commerce income, licensing income, subscription income, as well as other income such as digital marketing and event income, co-production income, music entertainment income, management fee income, facility rental income and other service fee income.

The Group's inter-segment transactions mainly consist of licensing of programmes and film rights and provision of services. Licensing of programmes and film rights were entered into at similar terms as that contracted with third parties. The services provided are charged on a cost plus basis or at similar terms as that contracted with third parties.

3. Revenue and segment information (continued)

An analysis of the Group's revenue and results for the period by operating segments is as follows:

	Six months ended 30 June									
	TV Broadcasting		Digital Media		Mainland China Operations		International Operations		Total	
	2025	2024	**2025**	2024	**2025**	2024	**2025**	2024	**2025**	2024
	HK$'000	HK$'000	**HK$'000**	HK$'000	**HK$'000**	HK$'000	**HK$'000**	HK$'000	**HK$'000**	HK$'000
Revenue										
Timing of revenue recognition:										
At a point in time	**48,954**	85,066	**1,992**	758	**9,128**	29,938	**506**	2,102	**60,580**	117,864
Over time	**769,396**	725,151	**188,987**	175,315	**343,303**	352,753	**135,500**	141,606	**1,437,186**	1,394,825
External customers	**818,350**	810,217	**190,979**	176,073	**352,431**	382,691	**136,006**	143,708	**1,497,766**	1,512,689
Reportable segment EBITDA	**(14,850)**	(15,695)	**19,292**	32,270	**60,414**	44,679	**(9,650)**	(13,904)	**55,206**	47,350
Additions to non-current assets (note(a))	**17,741**	14,781	**10,687**	16,807	**641**	304	**4,107**	2,059	**33,176**	33,951

Notes:

(a) Non-current assets comprise property, plant and equipment, investment properties, goodwill and intangible assets (including prepayments related to capital expenditure, if any).

(b) Cost of programmes and film right, as disclosed in Note 5, is mainly arising from TV Broadcasting and Mainland China Operations segments.

A reconciliation of reportable segment EBITDA to loss before income tax is provided as follows:

	Six months ended 30 June	
	2025	2024
	HK$'000	HK$'000
Reportable segment EBITDA	**55,206**	47,350
Depreciation and amortisation	**(119,110)**	(154,949)
Finance costs	**(61,175)**	(74,304)
Interest income	**3,698**	49,031
Change in fair value of a financial liability at fair value through profit or loss	**(7,915)**	(3,954)
Impairment loss on receivables from a joint venture	**–**	(44,000)
Share of profits of joint ventures	**15**	27
Share of profits of associates	**923**	192
Loss before income tax	**(128,358)**	(180,607)

3. Revenue and segment information (continued)

An analysis of the Group's revenue from external customers for the period by geographical location is as follows:

	Six months ended 30 June	
	2025	2024
	HK$'000	HK$'000
Hong Kong	**1,011,183**	989,343
Mainland China	**354,422**	384,526
Malaysia and Singapore	**58,003**	59,790
USA and Canada	**45,882**	49,176
Vietnam	**6,105**	8,419
Australia	**6,781**	7,605
Macau	**624**	1,058
Europe	**5,431**	4,652
Other territories	**9,335**	8,120
	1,497,766	1,512,689

4. Finance costs

	Six months ended 30 June	
	2025	2024
	HK$'000	HK$'000
Interest on bank loans, overdrafts and other borrowings	**51,964**	66,234
Interest expense on convertible bonds (Note 13)	**8,352**	7,612
Interest expense on lease liabilities	**859**	458
	61,175	74,304

5. Loss before income tax

The following items have been charged/(credited) to the loss before income tax during the period:

	Six months ended 30 June	
	2025	2024
	HK$'000	HK$'000
Amortisation of intangible assets	**25,724**	36,031
Cost of programmes and film rights	**616,571**	746,207
Cost of other stocks	**31,541**	60,344
Depreciation	**93,386**	118,918
Net exchange (gains)/losses	**(1,982)**	5,786

6. Income tax expense

Hong Kong profits tax has been provided at the rate of 16.5% (2024: 16.5%) on the estimated assessable profit for the period. Taxation on overseas profits has been calculated on the estimated assessable profit for the period at the rates of taxation prevailing in the countries in which the Group operates. Income tax is recognised based on the best estimate of the weighted average annual income tax rate expected for the full financial year.

The amount of income tax charged to the condensed consolidated income statement represents:

	Six months ended 30 June	
	2025	2024
	HK$'000	HK$'000
Current income tax:		
– Hong Kong	**60**	14
– Mainland China and Overseas	**6,565**	9,166
– Over provisions in prior periods	**(524)**	(880)
Total current income tax expense	**6,101**	8,300
Deferred income tax:		
– Origination and reversal of temporary differences	**(1,282)**	(3,869)
	4,819	4,431

7. Loss per share

Loss per share is calculated based on the Group's loss attributable to equity holders of the Company of HK$108,123,000 (2024: HK$143,457,000). The weighted average number of ordinary shares adopted in the calculation of basic and diluted loss per share throughout the six months ended 30 June 2025 was 466,961,836 (2024: 439,851,000).

As at 30 June 2025 and 2024, the ordinary shares were 466,961,836 and 446,961,836 respectively. No fully diluted loss per share was presented as the basic and diluted loss per share are of the same amount. This is because the assumed exercise of the share options and the conversion of the Company's outstanding convertible bonds would result in a decrease in loss per share.

8. Dividends

The Directors did not recommend the payment of an interim dividend for the six months ended 30 June 2025 and 2024.

9. Interests in joint ventures

	30 June 2025 HK$'000	31 December 2024 HK$'000
Non-current		
Investment costs (note)	**207,551**	205,264
Funds advanced to joint ventures	**17,731**	17,731
Less: accumulated share of losses	**(224,126)**	(221,854)
	1,156	1,141
Loan and interest receivable from a joint venture (note)	**861,444**	845,066
Less: impairment loss on receivables from a joint venture (note)	**(670,691)**	(656,415)
	190,753	188,651
	191,909	189,792

Note:

In July 2017, the Group entered into the agreement with Imagine Holding Company LLC ("Imagine") in relation to the formation of a joint venture company, namely Imagine Tiger Television, LLC ("ITT"), on a 50:50 basis between both parties. The purpose of ITT is to finance the development and production of a slate of television projects whether developed and/or produced by Imagine alone or with third-party co-financiers/co-production partners. The Group has contributed to the capital of ITT in an amount of US$33,333,000 as to 50% of the equity interests in ITT and has provided a loan to ITT in an amount of US$66,667,000 in the form of the promissory note. The promissory note is unsecured and bears an interest rate of 12% per annum and will mature in July 2032. Interest and principal of the promissory note will not become payable unless ITT has distributable cash as defined in the agreement. Imagine shall not be making any capital contribution to ITT but shall contribute in-kind in the form of production expertise as it has the duty to manage and control the business and affairs of ITT and all creative and production decisions with respect to the television projects financed by ITT. With reference to this capital contribution arrangement, the Group would share 100% of ITT's result until ITT has accumulated a positive balance of retained earnings. When the Group's equity interests in ITT has reduced to zero, the Group would not recognise further losses. With effect from 1 July 2019, a conversion of the Group's equity contribution of US$7,742,000 into a loan to ITT was executed, which accumulated the loan to ITT with an amount of US$74,409,000.

In December 2022, ITT completed a partial repayment of the promissory note to TVB in the amount of US$35,000,000, which had the effect of reducing the outstanding principal amount and accrued and unpaid interest, thereon, of the ITT debt obligation owing to TVB. Of this US$35,000,000 repayment, the Group reinvested US$20,000,000 by subscribing for 2,621,148 non-voting Class C Units in Imagine, thereby gaining a minority stake of less than 5% in Imagine. The payment was made directly by ITT to Imagine on the Group's behalf therefore there was no cash outlay in respect of the US$20,000,000 investment. The investment in Imagine provides the Group with a shareholding of a successful player in the US film and TV industry. The Imagine investment has been recognised as a financial asset at FVOCI.

9. **Interests in joint ventures** (continued)

Note: (continued)

On 29 December 2022, the Group also entered into an agreement with CMC, Inc. ("CMC"), whereby CMC agreed to purchase 10% of the Group's interest in ITT. The disposal of the 10% promissory note was completed in August 2023.

In 2022 and 2023, the US market for premium TV content has been increasingly dominated by streaming platforms, resulting in a reduced number of opportunities for ITT. As such, the Company measured the Promissory Note from ITT under a stage 2 Expected Credit Loss (ECL) model and certain forward looking assumptions to estimate a probability of default. The ECL model involves assessing key measuring parameters and inputs, such as the probability of default ("PD") and the loss given default ("LGD"). The Group considered various factors in determining the PD and LGD of the Promissory Note, including the scale of the business, business model, financial performance, financial position, market share trend, and financial policy of ITT. The Group also adjusted for forward-looking information, such as the future development plan of ITT. The impairment provision of HK$211,800,000 and HK$86,300,000 were recognised in the consolidated income statement in 2022 and 2023 respectively.

In 2024, due to continued slowness in the US market for traditional TV drama production, ITT did not see any meaningful recovery in production activity. Consequently, it suffered a net loss of approximately HK$116,000,000 for the year ended 31 December 2024, and its cash position declined further to a low level. With no immediate catalysts on the horizon to drive a large improvement in ITT's performance, the Group considered there were significant further risks regarding ITT's ability to repay the Promissory Note, which has already been considered as credit-impaired. Hence, in assessing the value of the Promissory Note, the Group switched from a Stage 2 to Stage 3 ECL model, which led to an increase in the ECL rate on the gross amount of the Promissory Note to 77.6%. This resulted in an additional provision of HK$344,815,000 for the year ended 31 December 2024 and a corresponding increase in the accumulated lifetime ECL provision on the carrying value of the Promissory Note to HK$656,415,000.

For the six months ended 30 June 2025, the Group recognised the effective interest income of approximately HK$11,218,000 from the Promissory Note, following the Group's transition from a Stage 2 to a Stage 3 ECL model at the end of 2024. As at 30 June 2025, there were no material adverse changes in the business operations or the operating environment of the joint venture. The Group continued to apply the stage 3 ECL model, consistent with the approach adopted as at 31 December 2024. The ECL rate applied to the Promissory Note was 77.9% (31 December 2024: 77.6%) as at 30 June 2025, reflecting the Group's ongoing assessment of ITT's financial position, prevailing market conditions, and forward-looking information. The ECL allowance increased by HK$11,218,000 during the period, primarily arising from the recognition of the effective interest income, which increased the carrying amount of the Promissory Note. The additional ECL allowance was fully offset against the effective interest income recognised, resulting in no impact on the profit or loss for the six months ended 30 June 2025. Accordingly, the accumulated lifetime ECL provision on the carrying value of the Promissory Note amounted to HK$670,691,000 as at 30 June 2025 (31 December 2024: HK$656,415,000). The Group will maintain close monitoring of developments and update its impairment assessment as necessary.

10. Bond securities at amortised cost

	30 June 2025 HK$'000	31 December 2024 HK$'000
Non-current		
Bond securities at amortised cost:		
Unlisted	**427,225**	426,706
Listed in other countries	**70,650**	69,872
Less: provision for impairment loss on bond securities	**(473,063)**	(473,063)
	24,812	23,515

Note:

As at 30 June 2025, the Company's portfolio of fixed income securities, net of expected credit losses amounted to HK$24,812,000 (31 December 2024: HK$23,515,000). They were issued by issuers which are listed and unlisted in Hong Kong or overseas.

As at 30 June 2025, the investment portfolio consisted of fixed income securities of four (31 December 2024: four) separate issuers, of which the bonds issued by Master Glory Group Limited and SMI Holding Group Limited had been fully impaired in prior years.

11. Trade receivables

At 30 June 2025 and 31 December 2024, the ageing of trade receivables, net of provision for impairment based on invoice dates were as follows:

	30 June 2025 HK$'000	31 December 2024 HK$'000
Up to 1 month	**412,248**	337,064
1-2 months	**105,931**	124,492
2-3 months	**98,182**	89,523
3-4 months	**70,606**	48,760
4-5 months	**27,022**	38,010
Over 5 months	**123,433**	113,756
	837,422	751,605

12. Borrowings

	30 June 2025 HK$'000	31 December 2024 HK$'000
Non-current		
Bank borrowings, unsecured (note (a))	**1,175,400**	1,175,400
Current		
Bank borrowings, unsecured (notes (a) and (c))	**719,365**	543,226
Other borrowings, unsecured (notes (b) and (d))	**308,059**	308,059
	1,027,424	851,285
	2,202,824	2,026,685

Notes:

(a) On 30 June 2020, the Group entered into a US$250,000,000 term loan facility with SCBL, and the entire facility amount was drawn down on 6 July 2020. Originally, the loan was due for repayment in full on 6 July 2023. On 22 August 2022, the Group entered into a supplementary agreement with SCBL to extend the maturity of a US$200,000,000 portion of the loan for two years, to 6 July 2025.

In May 2023, the Group converted the denomination of the loan facility from US dollars to Hong Kong dollars. This resulted in the conversion of our US$250,000,000 outstanding loan balance into HK$1,959,000,000. During the year ended 31 December 2023, the Group repaid an amount of HK$391,800,000 (being the equivalent of US$50,000,000) to SCBL.

On 10 March 2025, the Group entered into a supplemental loan agreement to revise the repayment schedule of the remaining outstanding loan facility of HK$1,567,200,000. Pursuant to the revised terms: (i) HK$391,800,000 portion to be repaid on the original maturity date of 6 July 2025; (ii) HK$117,540,000 portion to be repaid on 6 July 2026, which is one year after the original maturity date; and (iii) the remaining HK$1,057,860,000 portion to be repaid on 6 January 2027. On 6 July 2025, the Group made the repayment in accordance with the revised schedule.

Interest on the Group's term loan with SCBL bears a variable rate, which was approximately 2.8% as at 30 June 2025 (31 December 2024: 6.7%).

12. **Borrowings** (continued)

Notes: (continued)

(b) On 13 August 2023, the Group entered into a loan facility agreement with CMC and Young Lion Holdings Limited. Pursuant to this agreement, CMC and Young Lion Holdings Limited have made available, on an unsecured basis, a term loan facility of HK$700,000,000 (the "Facility") to the Group. The Facility, which was originally valid up to 31 December 2024, bears an interest rate of 3-month HIBOR plus 1.25%, which is lower than the Group's current market cost of borrowing in Hong Kong. Under certain circumstances whereby the Company is able to raise new equity related financing, including through issuance of new shares or instruments convertible into new shares, the size of the Facility may be correspondingly reduced. In addition, following the Company's successful issuance of HK$156,000,000 in convertible bonds to Cardy Oval Limited on 6 September 2023 (as disclosed below in note 13), this term loan facility made available by CMC and Young Lion Holdings Limited has been correspondingly reduced to HK$544,000,000 and the Company drew down HK$448,200,000 from the Facility as at 31 December 2023. In 2024, the Company repaid HK$156,075,000 to CMC. Pursuant to a supplemental letter dated 14 March 2025, repayment date of this Facility has been extended to 31 March 2026. The remaining loan balance was HK$292,125,000 as at 30 June 2025. The Group is in the process of extending the Facility's maturity period by six months to 30 September 2026.

CMC is a company controlled by Mr. Li Ruigang, a non-executive director of the Company, whereas Young Lion Holdings Limited is an indirect shareholder of over 10% of the shares of the Company. As such, both CMC and Young Lion Holdings Limited are connected persons of the Company according to Hong Kong listing rules.

(c) As at 30 June 2025, excluding the loan with SCBL, the Group had short-term bank borrowings of HK$327,565,000 (31 December 2024: HK$151,426,000) under its various loan facilities with commercial banks, including East West Bank, Shanghai Pudong Development Bank Co., Ltd., China Merchants Bank Co., Ltd. and Bank of China Limited, with fixed interest rates ranging from 2.9% to 3.9% per annum (31 December 2024: from 3.1% to 3.3% per annum). The Group intends to renew these loan facilities as they mature, as part of its ongoing management of its liquidity position.

(d) As at 30 June 2025, the Group's other borrowings of HK$15,934,000 (31 December 2024: HK$15,934,000) from the third parties bear interest rate of 5% (2024: 5%) per annum with maturity date of 30 September 2025.

(e) The Group has complied with the financial covenants of its bank loans during the current period.

13. Convertible bonds and financial liability at fair value through profit or loss

The Company completed the issuance of convertible bonds with 3.5% coupon rate at a par value of HK$156,000,000 on 6 September 2023. The convertible bonds are denominated in Hong Kong dollars and will mature in 5 years from date of issue. Based on the initial conversion price of HK$4.45 per conversion share, a total of 35,056,164 conversion shares will be allotted and issued upon exercise in full of the conversion right attached to the convertible bonds.

The holder of each bond will have the right at such holder's option, to require the Company to redeem all and not part of the bonds it holds at 110% of the principal amount on the date of redemption together with accrued but unpaid interest from the issue date to such date, at any time within five business days after the third anniversary of the issue date. If the convertible bonds have not been converted or redeemed, they will be redeemed on the fifth anniversary of the completion date at par. Interest of 3.5% per annum will be paid semi-annually up until the settlement date.

The convertible bonds contain three components, a debt component, a derivative component and an equity component. The derivative component is measured at fair value with change in fair value recognised in the condensed consolidated income statement.

The movement of the convertible bonds for the period is set out below:

	Debt component HK$'000	**Derivative component** HK$'000	**Equity component** HK$'000	**Total** HK$'000
As at 1 January 2024	92,893	30,706	35,876	159,475
Interest expense	7,612	–	–	7,612
Interest payable	(2,806)	–	–	(2,806)
Fair value change	–	3,954	–	3,954
As at 30 June 2024	97,699	34,660	35,876	168,235
As at 1 January 2025	**102,846**	**29,492**	**35,876**	**168,214**
Interest expense	**8,352**	**–**	**–**	**8,352**
Interest payable	**(2,775)**	**–**	**–**	**(2,775)**
Fair value change	**–**	**7,915**	**–**	**7,915**
As at 30 June 2025	**108,423**	**37,407**	**35,876**	**181,706**

14. Trade and other payables and accruals

	30 June 2025 HK$'000	31 December 2024 HK$'000
Trade payables to:		
Associates	**–**	433
Third parties	**187,688**	179,270
	187,688	179,703
Contract liabilities	**210,042**	163,415
Provision for employee benefits and other expenses	**53,921**	57,936
Accruals and other payables	**440,853**	467,485
	892,504	868,539

At 30 June 2025 and 31 December 2024, the ageing of trade payables based on invoice dates was as follows:

	30 June 2025 HK$'000	31 December 2024 HK$'000
Up to 1 month	**111,761**	90,919
1-2 months	**33,347**	41,662
2-3 months	**20,413**	20,443
3-4 months	**7,745**	7,100
4-5 months	**4,128**	2,772
Over 5 months	**10,294**	16,807
	187,688	179,703

ADDITIONAL INFORMATION

HUMAN RESOURCES

At the end of Period, the Group had a total of 2,930 employees in Hong Kong and 306 employees in mainland China and the overseas. These figures include contract artistes and staff but exclude directors and freelance workers.

For employees in Hong Kong, different pay schemes apply to contract artistes, sales, and non-sales personnel. Contract artistes are paid either per show or per package of shows. Sales personnel are remunerated on commission-based schemes, while non-sales personnel receive monthly salaries. Discretionary bonuses may be awarded as an incentive for better performance. Employees in mainland China and overseas subsidiaries were paid on scales and systems relevant to the respective localities and legislations.

Under the share option schemes of the Group, options may be granted to directors and employees of the Group to subscribe for shares in the Company and in TVB e-Commerce Group Limited.

From time to time, the Group organises, either in-house or with other vocational institutions, seminars, courses, and workshops on subjects of technical interests, such as industrial safety, management skills and other related studies, apart from sponsorship of training programmes that employees may enrol on their own initiatives. To sustain the long term steady supply of human resources for production, the Group has implemented a number of new initiatives during the Period targeting recruitment, training and development of talents and staff for TV production in the areas of design and construction of settings for production, make-up and costume design, with a view to ensure that the necessary skills sets are appropriately retained and developed within our business.

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

Maintaining high standards of business ethics and corporate governance practices has always been one of the Company's core objectives. The Company believes that conducting business in an open and responsible manner serves its long-term interests and those of the stakeholders.

The Company was in compliance with the code provisions under Part 2 of the Corporate Governance Code as set out in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("Listing Rules") during the Period.

COMPLIANCE WITH MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers ("Model Code") as set out in Appendix C3 to the Listing Rules, as amended from time-to-time, as the code for Directors and members of Senior Management in their dealings in the securities of the Company.

All Directors and members of Senior Management are subject to specific enquiries by the Company as part of their bi-annual confirmations of compliance and have confirmed that they had complied with the Model Code during the Period.

REVIEW OF INTERIM RESULTS

The Audit Committee of the Board has reviewed with Management the accounting principles and practices adopted by the Group and discussed financial reporting matters, including a review of the unaudited condensed consolidated financial information and the interim report for the Period. The condensed consolidated financial information for the Period has not been audited, but has been reviewed by PricewaterhouseCoopers, the independent auditor of the Company.

INTERIM DIVIDEND

No interim dividend was declared by the Board for the six months ended 30 June 2025.

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

The Company had not redeemed, and neither had the Company nor any of its subsidiaries purchased or sold any of the Company's listed securities during the Period.

PUBLICATION OF THE INTERIM RESULTS AND INTERIM REPORT

This interim results announcement is published on the designated issuer website of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) and the website of the Company (https://corporate.tvb.com). The interim report for the Period containing the information required by the Listing Rules will be despatched to the shareholders of the Company and made available on the above websites in September 2025.

By Order of the Board
LEE Lai Yi
Company Secretary

Hong Kong, 27 August 2025

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

Executive Directors
Thomas HUI To JP, Executive Chairman
TSANG Lai Chun

Non-executive Directors
LI Ruigang
Anthony LEE Hsien Pin

Independent Non-executive Directors
Dr. William LO Wing Yan JP
Dr. Allan ZEMAN GBM, GBS, JP
Felix FONG Wo BBS, JP