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## ASIA TELEVISION HOLDINGS LIMITED

### 亞洲電視控股有限公司

*(incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 707)**

## INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2023

The board (the “Board”) of directors (the “Director(s)”) of Asia Television Holdings Limited (the “Company”) is pleased to announce the unaudited interim condensed consolidated financial statements of the Company and its subsidiaries (collectively, the “Group”) for the six months ended 30 June 2023 (the “Period”) together with the comparative figures for the corresponding period in 2022 are as follow:

### CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

*For the six months ended 30 June 2023*

	<i>Notes</i>	<b>Six months ended 30 June</b>	
		<b>2023</b>	<b>2022</b>
		<b>RMB'000</b>	<b>RMB'000</b>
		<b>(unaudited)</b>	<b>(unaudited)</b>
Turnover	4	<b>24,511</b>	28,676
Cost of sales		<b>(22,842)</b>	(45,396)
Gross Gain/(loss)		<b>1,669</b>	(16,720)
Loss on disposal of 20% equity interest of a subsidiary	16	–	(11,514)
Gain on disposal of a subsidiary	15	<b>21,751</b>	–
Other gains, net		<b>277</b>	5,712
Share of gain of an associate		<b>1,886</b>	–
Net impairment loss on account receivables		–	(2,486)
Net gain on financial assets at fair value through profit or loss		<b>11,299</b>	2,056
Distribution and selling expenses		<b>(731)</b>	(2,457)
Administrative and operating expenses		<b>(21,782)</b>	(26,547)
Finance costs	5	<b>(30,537)</b>	(37,211)

		<b>Six months ended 30 June</b>	
		<b>2023</b>	2022
	<i>Notes</i>	<b>RMB'000</b>	<i>RMB'000</i>
		<b>(unaudited)</b>	(unaudited)
Loss before taxation	6	<b>(16,168)</b>	(89,167)
Taxation	7	<b>(25)</b>	173
		<hr/>	<hr/>
Loss for the period		<b>(16,193)</b>	(88,994)
Other comprehensive expense			
– Items that will be subsequently to profit or loss:			
– exchange differences arising on translation		<b>(23,479)</b>	(11,987)
– exchange differences released upon disposal of 20% equity interest of a subsidiary		<hr/> –	<hr/> 1,543
Total comprehensive expense for the period		<hr/> <b>(39,672)</b>	<hr/> (99,438)
Loss for the period attributable to:			
Owners of the Company		<b>(12,893)</b>	(86,756)
Non-controlling interests		<b>(3,300)</b>	(2,238)
		<hr/>	<hr/>
		<b>(16,193)</b>	(88,994)
Total comprehensive expense for the period attributable to:			
Owners of the Company		<b>(23,229)</b>	(97,256)
Non-controlling interests		<b>(16,443)</b>	(2,182)
		<hr/>	<hr/>
		<b>(39,672)</b>	(99,438)
		<hr/>	<hr/>
		<b>RMB cents</b>	<i>RMB cents</i>
Loss per share			
– Basic and diluted	8	<b>(0.12)</b>	(0.87)
		<hr/>	<hr/>

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

*As at 30 June 2023*

		At 30 June 2023	At 31 December 2022
	<i>Notes</i>	<i>RMB'000</i> (unaudited)	<i>RMB'000</i> (audited)
<b>Non-Current Assets</b>			
Property, plant and equipment		12,663	12,082
Investment properties		1,194	1,141
Right-of-use assets		22,718	22,516
Intangible assets		21,018	21,636
Interest in an associate		15,936	14,052
		73,529	71,427
<b>Current Assets</b>			
Inventories		50,251	48,749
Trade and other receivables, deposits and prepayments	<i>10</i>	28,615	40,007
Loan receivables	<i>11</i>	–	–
Financial assets at fair value through profit or loss		21,010	10,126
Bank balances and cash		9,138	3,554
		109,014	102,436
<b>Current Liabilities</b>			
Trade and other payables	<i>12</i>	354,906	337,065
Contract liabilities		8,263	6,398
Bond payables		75,397	69,621
Taxation payables		4,126	4,137
Lease liabilities		62	120
Loans from other financial institutions		183,791	175,684
Other borrowings		60,640	52,342
Convertible bonds		47,037	41,206
		734,222	686,573

		At <b>30 June</b> <b>2023</b> <i>RMB'000</i> <b>(unaudited)</b>	At 31 December 2022 <i>RMB'000</i> (audited)
<b>Net current liabilities</b>		<u>(625,208)</u>	<u>(584,137)</u>
Total assets less current liabilities		<u>(551,679)</u>	<u>(512,710)</u>
<b>Non-current Liabilities</b>			
Lease liabilities		287	274
Other borrowing		3,605	5,047
Deferred tax liabilities		<u>4,327</u>	<u>2,195</u>
		<u>8,219</u>	<u>7,516</u>
<b>Net liabilities</b>		<u>(559,898)</u>	<u>(520,226)</u>
<b>Capital and reserves</b>			
Share capital	13	956,689	956,689
Reserves		<u>(1,230,539)</u>	<u>(1,207,310)</u>
<b>Equity attributable to owners of the Company</b>		<u>(273,850)</u>	<u>(250,621)</u>
Non-controlling interests		<u>(286,048)</u>	<u>(269,605)</u>
<b>Capital deficiency</b>		<u>(559,898)</u>	<u>(520,226)</u>

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

*For the six months ended 30 June 2023*

	Attributable to equity shareholders of the Company											
	Share capital	Share premium	Special reserve	Other reserve	Convertible bond equity reserve	Share-base payments reserve	Translation reserve	Statutory surplus reserve fund	Accumulated losses	Total	Non- controlling interests	Capital deficiency
	<i>Note (i)</i>							<i>Note (ii)</i>				
RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
At 1 January 2023 (audited)	956,689	1,163,325	82,374	73,876	5,348	2,460	4,677	25,557	(2,564,927)	(250,621)	(269,605)	(520,226)
Loss for the period	-	-	-	-	-	-	-	-	(12,893)	(12,893)	(3,300)	(16,193)
Other comprehensive expense for the period												
– Exchange differences arising on translation	-	-	-	-	-	-	(10,336)	-	-	(10,336)	(13,143)	(23,479)
Total comprehensive expense for the period	-	-	-	-	-	-	(10,336)	-	(12,893)	(23,229)	(16,443)	(39,672)
Lapse of share options	-	-	-	-	-	(461)	-	-	461	-	-	-
At 30 June 2023 (unaudited)	<u>956,689</u>	<u>1,163,325</u>	<u>82,374</u>	<u>73,876</u>	<u>5,348</u>	<u>1,999</u>	<u>(5,659)</u>	<u>25,557</u>	<u>(2,577,359)</u>	<u>(273,850)</u>	<u>(286,048)</u>	<u>(559,898)</u>

For the six months ended 30 June 2022

	Attributable to equity shareholders of the Company											
	Share capital RMB'000	Share premium RMB'000	Special reserve RMB'000	Other reserve RMB'000	Convertible bond equity reserve RMB'000	Share-base payments reserve RMB'000	Translation reserve RMB'000	Statutory surplus reserve fund RMB'000	Accumulated losses RMB'000	Total RMB'000	Non-controlling interests RMB'000	(Capital deficiency)/ Total equity RMB'000
	Note (i)						Note (ii)					
At 1 January 2022 (audited)	870,809	1,162,519	82,374	73,876	15,185	3,768	19,242	25,557	(2,382,128)	(128,798)	(206,484)	(335,282)
Loss for the period	-	-	-	-	-	-	-	-	(86,756)	(86,756)	(2,238)	(88,994)
Other comprehensive expense for the period												
- Exchange differences arising on translation	-	-	-	-	-	-	(12,043)	-	-	(12,043)	56	(11,987)
- Translation revenue released upon disposal of 20% equity interest of a subsidiary							1,543	-	-	1,543	-	1,543
Total comprehensive expense for the period	-	-	-	-	-	-	(10,500)	-	(86,756)	(97,256)	(2,182)	(99,438)
Derecognition of non-controlling interest upon disposal of 20% equity interest of a subsidiary	-	-	-	-	-	-	-	-	-	-	(15,537)	(15,537)
Recognition of equity-settled share-based payment	-	-	-	-	-	422	-	-	-	422	-	422
At 30 June 2022(unaudited)	870,809	1,162,519	82,374	73,876	15,185	4,190	8,742	25,557	(2,468,884)	(225,632)	(224,203)	(449,835)

Notes:

- (i) The special reserve represents the differences between the nominal amount of the shares issued by the Company and the Group's former holding company and the aggregate amount of paid-up capital of the subsidiaries acquired pursuant to the group reorganisation in 2005 in preparation for the listing of the Company's shares, net of subsequent distribution to shareholders.
- (ii) As stipulated by the relevant laws and regulations for foreign investment enterprises in the People's Republic of China (the "PRC"), the Company's PRC subsidiaries are required to maintain a statutory surplus reserve fund which is non-distributable. Appropriation to such reserve is made out of net profit after taxation of the statutory financial statements of the PRC subsidiaries while the amounts and allocation basis are decided by their board of directors annually. The statutory surplus reserve fund can be used to make up prior year losses, if any, and can be applied in conversion into capital by means of a capitalisation issue.

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2023

## 1. GENERAL

The Company was incorporated and registered as an exempted company with limited liability under the Companies Law of the Cayman Islands and acts as an investment holding company. Its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The unaudited interim condensed consolidated financial statements (the “Interim Financial Statements”) are presented in Renminbi (“RMB”).

## 2. BASIS OF PREPARATION

These Interim Financial Statements have been prepared in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”) and the applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange.

## 3. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

The accounting policies adopted in the preparation of the condensed consolidated financial statements are consistent with those followed in the preparation of the Group’s annual consolidated financial statements for the year ended 31 December 2022, except for the adoption of new standards effective as of 1 January 2023.

HKFRS 17 (including the October 2020 and Insurance Contracts  
February 2022 Amendments to HKFRS 17)

Amendments to HKFRS 10 and HKAS 28 Sale or Contribution of Assets between an Investor and  
its Associate or Joint Venture

Amendments to HKAS 1 Classification of Liabilities as Current or Non-current and  
related amendments to Hong Kong Interpretation 5 (2020)

Amendments to HKAS 1 and Disclosure of Accounting Policies  
HKFRS Practice Statement 2

Amendments to HKAS 8 Definition of Accounting Estimates

Amendments to HKAS 12 Deferred Tax related to Assets and  
Liabilities arising from a Single Transaction

The application of the new and revised standards during the reporting period has no material impact on the amounts reported in these condensed consolidated financial statements and/or disclosures set in these condensed consolidated financial statements.

#### 4. REVENUE AND SEGMENT INFORMATION

The Group manages its businesses by divisions, which are organised by a mixture of both business lines (products and services) and geography. In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has presented the following six reportable segments. No operating segments have been aggregated to form the following reportable segments.

- Processing, printing and sales of finished fabrics and subcontracting services in the PRC;
- Trading of fabrics and clothing;
- Money lending;
- Securities investment;
- Media, cultural and entertainment; and
- Securities brokerage services and margin finance.

##### (i) Segment results, assets and liabilities

For the purposes of assessing segment performance and allocating resources between segments, the Group's senior executive management monitors the results, assets and liabilities attributable to each reportable segment on the following basis:

Segment assets include all non-current assets and current assets attributable to the activities of the individual segments. Segment liabilities include trade and other payables attributable to the activities of the individual segments, other borrowing and short-term loans managed directly by the segments.

Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation or amortisation of assets attributable to those segments.

Information regarding the Group's reportable segments as provided to the Group's senior executive management for the purposes of resource allocation and assessment of segment performance for the six months ended 30 June 2023 and 2022 are set out below.

Six months ended 30 June 2023 (unaudited)

	Processing, printing and sales of finished fabrics - PRC RMB'000	Trading of fabrics and clothing - Hong Kong RMB'000	Money lending - Hong Kong RMB'000	Securities investment - Hong Kong RMB'000	Entertainment and media - Hong Kong RMB'000	Securities brokerage services and margin finance - Hong Kong RMB'000	Unallocated corporate office RMB'000	Total RMB'000
<b>Reportable segment revenue and timing of revenue recognition</b>								
Products and services transferred at a point in time	2,955	-	-	-	-	-	-	2,955
Services transferred over time	8,372	-	-	-	12,943	-	241	21,556
Revenue from external customers	11,327	-	-	-	12,943	-	241	24,511
Revenue from inter-segment	-	-	-	-	-	-	-	-
<b>Reportable segment revenue</b>	<b>11,327</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12,943</b>	<b>-</b>	<b>241</b>	<b>24,511</b>
<b>Reportable segment loss (adjusted EBITDA)</b>	<b>(2,933)</b>	<b>-</b>	<b>(11)</b>	<b>(3)</b>	<b>(10,664)</b>	<b>-</b>	<b>(5,922)</b>	<b>(19,533)</b>
Depreciation and amortisation	(527)	-	-	-	(505)	-	(2)	(1,034)
Net unrealised gain on financial assets at fair value through profit or loss	-	-	-	-	-	-	11,299	11,299
Finance costs	(331)	-	-	-	(9)	-	(30,197)	(30,537)
Share of gain of an associate	-	-	-	-	-	1,886	-	1,886
Gain on disposal of a subsidiary	-	-	-	-	-	-	21,751	21,751
<b>Loss before taxation</b>								<b>(16,168)</b>

At 30 June 2023 (unaudited)

Reportable segment assets	58,341	109	42	20,353	86,716	-	16,982	182,543
Reportable segment liabilities	42,812	4,164	410	-	72,288	-	622,767	742,441

## Six months ended 30 June 2022 (unaudited)

	Processing, printing and sales of finished fabrics – PRC RMB'000	Trading of fabrics and clothing – Hong Kong RMB'000	Money lending – Hong Kong RMB'000	Securities investment – Hong Kong RMB'000	Entertainment and media – Hong Kong RMB'000	Securities brokerage services and margin finance – Hong Kong RMB'000	Unallocated corporate office RMB'000	Total RMB'000
<b>Reportable segment revenue and timing of revenue recognition</b>								
Products and services transferred at a point in time	7,178	–	955	–	–	3,154	–	11,287
Services transferred over time	12,838	–	–	–	4,551	–	–	17,389
Revenue from external customers	20,016	–	955	–	4,551	3,154	–	28,676
Revenue from inter-segment	–	–	–	–	–	–	–	–
<b>Reportable segment revenue</b>	<b>20,016</b>	<b>–</b>	<b>955</b>	<b>–</b>	<b>4,551</b>	<b>3,154</b>	<b>–</b>	<b>28,676</b>
<b>Reportable segment profit/ (loss) (adjusted EBITDA)</b>	<b>(2,735)</b>	<b>–</b>	<b>1,907</b>	<b>1</b>	<b>(22,502)</b>	<b>4,677</b>	<b>(19,123)</b>	<b>(37,775)</b>
Depreciation and amortisation	(82)	–	–	–	(1,405)	(423)	(327)	(2,237)
Impairment loss on trade receivables	–	–	–	–	–	(2,486)	–	(2,486)
Net gain/(loss) on financial assets at fair value through profit or loss	–	–	–	3,251	–	(1,195)	–	2,056
Finance costs	(70)	–	–	–	–	(664)	(36,477)	(37,211)
Loss on disposal of 20% equity interest of a subsidiary								(11,514)
<b>Loss before taxation</b>								<b>(89,167)</b>

## At 30 June 2022 (unaudited)

<b>Reportable segment assets</b>	49,664	101	13,436	31,677	169,242	–	16,678	280,798
<b>Reportable segment liabilities</b>	33,491	–	469	–	112,353	–	584,320	730,633

**(ii) Geographical information**

The following table sets out information about the geographical location of (i) the Group's revenue from external customers and (ii) the Group's non-financial non-current assets ("specified non-current assets"). The geographical location of revenue from customers is based on the location at which the services were provided or the goods delivered. The geographical location of the specified non-current assets is based on the physical location of the asset.

	<b>Turnover</b>		<b>Specified Non-current assets</b>	
	<b>Six months ended</b>		<b>At</b>	<b>At</b>
	<b>30 June</b>		<b>30 June</b>	<b>31 December</b>
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>RMB'000</b>	<b>RMB'000</b>	<b>RMB'000</b>	<b>RMB'000</b>
	<b>(unaudited)</b>	<b>(unaudited)</b>	<b>(unaudited)</b>	<b>(audited)</b>
The PRC	<b>11,327</b>	20,016	–	26
Malaysia	–	739	<b>497</b>	8
Hong Kong	<b>13,184</b>	7,921	<b>73,032</b>	71,393
	<b>24,511</b>	28,676	<b>73,529</b>	71,427

*Information about major customers*

There are no customers who individually contribute over 10% of the total revenue of the Group.

**(iii) Contract balances**

The following table provides information about receivables and contract liabilities from contracts with customers.

	<b>At 30 June 2023 RMB'000 (unaudited)</b>	<b>At 31 December 2022 RMB'000 (audited)</b>
Receivables, which are included in “Trade and other receivables”		
– Sales of goods from finished fabrics and garment products	<b>687</b>	1,844
– Subcontracting services income	<b>621</b>	1,156
– Entertainment and media services income	<b>392</b>	3,812
	<b>1,700</b>	6,812
Contract liabilities – which included in “Trade and other payables”		
– Sales of goods from finished fabrics and garment products	<b>4,967</b>	4,031
– Subcontracting services income	<b>1,524</b>	1,022
– Entertainment and media services income	<b>1,772</b>	1,345
	<b>8,263</b>	6,398

The contract liabilities comprised the customers deposits and receipt in advance.

The Group applies the practical expedient in paragraph 21 of HKFRS 15 and does not disclose information about remaining performance obligations that have original expected durations of one year or less.

## 5. FINANCE COSTS

	Six months ended 30 June	
	2023	2022
	<i>RMB'000</i>	<i>RMB'000</i>
	(unaudited)	(unaudited)
Interest on bank loans	331	70
Interest on other unsecured loans	23,482	24,795
Interest on bond payables	2,446	2,291
Interest on lease liabilities	9	5
Interest on convertible bonds	3,748	9,431
Other finance costs	521	619
	<u>30,537</u>	<u>37,211</u>

## 6. LOSS BEFORE TAXATION

	Six months ended 30 June	
	2023	2022
	<i>RMB'000</i>	<i>RMB'000</i>
	(unaudited)	(unaudited)
Loss before taxation was arrived at after charging/(crediting):		
Cost of inventories recognised as expenses	13,845	22,514
Depreciation of:		
– Property, plant and equipment	527	969
– Right-of-use assets	507	1,268
Net gain on financial assets at fair value through profit or loss		
(a) securities investment		
– Realised gain on disposal	–	(59)
– Fair value gain	(11,299)	(1,997)
Loss on disposal of 20% equity interest of a subsidiary	–	11,514
Gain on disposal of a subsidiary	(21,751)	–
Net impairment loss on account receivables	–	2,486
	<u>–</u>	<u>2,486</u>

## 7. TAXATION

The PRC Enterprise Income Tax is calculated at the rate of 25% prevailing in the PRC jurisdiction for the period ended 30 June 2023 (2022: 25%). Provision for Hong Kong Profits Tax has been provided at the rate of 8.25% or 16.5% (2022: 16.5%) on the estimated assessable profits arising in Hong Kong during the period.

No provision for Hong Kong Profits Tax and the PRC Enterprise Income Tax has been made in the Interim Financial Statements as the Group's operations in Hong Kong and PRC had no assessable profit for the Period.

## 8. LOSS PER SHARE

The calculation of basic loss per share for the current period and prior period are based on the loss for the period attributable to the owners of the Company, and the weighted average number of ordinary shares in issue during the period are set forth below.

For the period ended 30 June 2023 and 2022, as the Company's outstanding convertible bonds and share options had an anti-dilutive effect to the basic loss per share calculation, the conversion of the above potential dilutive shares is not assumed in the computation of diluted loss per share. Therefore, the basic and diluted loss per share for the period ended 30 June 2023 and 2022 are equal.

The calculations of basic and diluted loss per share attributable to owners of the Company are based on the following data:

	<b>2023</b>	2022
	<b><i>RMB'000</i></b>	<i>RMB'000</i>
<b>Loss</b>		
Loss for the period attributable to owners of the Company used in the basic and diluted loss per share calculation	<b><u>(12,893)</u></b>	<u>(86,756)</u>
	<b>2023</b>	2022
	<b>'000</b>	<b>'000</b>
<b>Number of shares</b>		
Weighted average number of ordinary shares in issue during the period used in the basic and diluted loss per share calculation	<b><u>10,925,668</u></b>	<u>9,925,668</u>

## 9. DIVIDEND

The Board does not recommend the payment of an interim dividend for the Period (2022: Nil).

## 10. TRADE AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	At 30 June 2023 RMB'000 (unaudited)	At 31 December 2022 RMB'000 (audited)
Trade receivables from other segments ( <i>note i</i> )	5,555	10,655
Less: Allowances for bad and doubtful debts	<u>(3,855)</u>	<u>(3,843)</u>
	<u>1,700</u>	<u>6,812</u>
Deposits paid to suppliers	5,966	6,337
Less: Allowances for impairment	<u>(2,420)</u>	<u>(2,420)</u>
	<u>3,546</u>	<u>3,917</u>
Other deposits, receivables and prepayments		
– Value-added tax recoverable	549	258
– Other receivables and prepayments	19,370	23,562
– Other deposits	310	856
– Amounts due from related companies ( <i>note ii</i> )	<u>3,140</u>	<u>4,602</u>
	<u>23,369</u>	<u>29,278</u>
	<u>28,615</u>	<u>40,007</u>

Notes:

**(i) Trade receivables from other segments**

The Group does not provide credit period to its customers. The ageing analysis of the trade receivables from other segments, net of impairment as at the reporting date, based on invoice date and due date, is as follows:

	At <b>30 June</b> <b>2023</b> <i>RMB'000</i> <b>(unaudited)</b>	At 31 December 2022 <i>RMB'000</i> (audited)
0 to 90 day(s)	<b>1,028</b>	5,994
91 to 180 days	<b>315</b>	449
181 to 270 days	<b>115</b>	349
271 to 365 days	<b>242</b>	20
Over 365 days	—	—
	<b>1,700</b>	<b>6,812</b>

**(ii)** The amounts due are unsecured, interest-free and repayable on demand.

## 11. LOAN RECEIVABLES

The credit quality analysis of the loan receivables is as follows:

	At <b>30 June</b> <b>2023</b> <i>RMB'000</i> <b>(unaudited)</b>	At 31 December 2022 <i>RMB'000</i> (audited)
Unsecured loans		
– principal	21,525	21,273
– interest	1,917	1,135
Less: Impairment loss recognised	<u>(23,442)</u>	<u>(22,408)</u>
	<u>–</u>	<u>–</u>

The Group's loan receivables, which arise from the money lending business in Hong Kong, were denominated in Hong Kong dollars. The net carrying value of the loan principal in original currency as at 30 June 2023 amounted to approximately HK\$nil (31 December 2022: HK\$nil.)

Aging analysis of loan receivables (after impairment allowances) prepared based on loan commencement or renewal date set out in the relevant contracts is as follows:

	At <b>30 June</b> <b>2023</b> <i>RMB'000</i> <b>(unaudited)</b>	At 31 December 2022 <i>RMB'000</i> (audited)
Less than 1 month	–	–
1 to 3 month(s)	–	–
4 to 6 months	–	–
7 to 12 months	–	–
	<u>–</u>	<u>–</u>

## 12. TRADE AND OTHER PAYABLES

	At 30 June 2023 <i>RMB'000</i> (unaudited)	At 31 December 2022 <i>RMB'000</i> (audited)
Trade payables from other segments ( <i>note i</i> )	21,661	25,521
Other payables and accruals ( <i>note ii</i> )	283,605	289,488
Other payables on film rights and licence fees	48	133
Other payables on convertible bonds interest	15,303	14,628
Amount due to directors ( <i>note iii</i> )	15,187	6,905
Amount due to shareholders of the Company ( <i>note iii</i> )	19,102	390
	<u>354,906</u>	<u>337,065</u>

### Notes:

- (i) The following is an aged analysis of trade payables presented based on the invoice date at the end of the reporting period:

	At 30 June 2023 <i>RMB'000</i> (unaudited)	At 31 December 2022 <i>RMB'000</i> (audited)
0 to 90 day(s)	5,224	8,094
91 to 180 days	1,343	2,252
181 to 270 days	154	42
271 to 365 days	11,363	11,549
Over 365 days	3,577	3,584
	<u>21,661</u>	<u>25,521</u>

- (ii) Other payables mainly represents (i) amounts due to certain independent third parties; (ii) interest payables and (iii) accrued staff costs and director's remuneration.
- (iii) The amounts due are unsecured, interest-free and repayable on demand.

### 13. SHARE CAPITAL

	<b>Number of share '000</b>	<b>Authorised Amount HK\$'000</b>
Ordinary shares of HK\$0.10 each		
As at 31 December 2022 (audited) and 30 June 2023 (unaudited)	<u>20,000,000</u>	<u>2,000,000</u>

	Issued and fully paid		
	Number of shares '000	Amount RMB'000	Amount HK\$'000
<b>As at 31 December 2022 (audited) and 30 June 2023 (unaudited)</b>	<u>10,925,668</u>	<u>956,689</u>	<u>1,092,566</u>

### 14. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

The following table presents the carrying value of the Group's financial instruments measured at fair value across the three levels of the fair value hierarchy defined in Hong Kong Financial Reporting Standard 13 "Fair Value Measurement" with fair value of each financial instrument categorised in its entirety based on the lowest level of input that is significant to that fair value measurement. The fair value hierarchy has the following levels:

- Level 1: fair values measured quoted prices (unadjusted) in active markets for identical financial instruments;
- Level 2: fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available; and
- Level 3: fair value measured using significant unobservable inputs.

The financial assets measured at fair value in the Interim Financial Statements grouped into the fair value hierarchy as follows:

	<b>Level 1</b> <i>RMB'000</i>	<b>Level 2</b> <i>RMB'000</i>	<b>Level 3</b> <i>RMB'000</i>	<b>Total</b> <i>RMB'000</i>
At 30 June 2023				
Financial assets at FVTPL				
– Equity securities listed in overseas, at fair value	20,353	–	–	20,353
– Movie investments, at fair value	–	–	657	657
	<u>20,353</u>	<u>–</u>	<u>657</u>	<u>21,010</u>
	<i>Level 1</i> <i>RMB'000</i>	<i>Level 2</i> <i>RMB'000</i>	<i>Level 3</i> <i>RMB'000</i>	<i>Total</i> <i>RMB'000</i>
At 31 December 2022				
Financial assets at FVTPL				
– Equity securities listed in overseas, at fair value	9,151	–	–	9,151
– Movie investments, at fair value	–	–	975	975
	<u>9,151</u>	<u>–</u>	<u>975</u>	<u>10,126</u>

There were no transfers between the three Levels during the period and prior period.

## 15. DISPOSAL OF A SUBSIDIARY

In April 2023, the Group disposed of the entire equity interest in a PRC company for a consideration of HK\$100,000. The PRC Company was engaged in the general trading, which was not in alignment with our core business activities.

The gain on Disposal was arrived at as follows:

	<i>RMB'000</i>
Net liabilities	(21,658)
Gain on the disposal	<u>21,751</u>
Total consideration	<u>93</u>

## 16. DISPOSAL OF 20% EQUITY INTEREST OF A SUBSIDIARY

On 18 May 2022, the Group entered into sale and purchase agreement with an independent third party (the “Purchaser”), pursuant to which the Purchaser has agreed to acquire and the Group has agreed to dispose 20% of the entire issued share capital of Million Federal, at the consideration of HK\$8 million, which shall be paid to the Group at the completion date by cash.

The principal activity of Million Federal is investment holdings. Sincere Securities, the wholly-owned subsidiary of the Million Federal, is principally engaged in type 1 (dealing in securities), type 4 (advising on securities) and type 9 (asset management) regulated activities under the SFO. Upon completion, the Group owns 40% equity interest in Million Federal and thus Million Federal will cease to be a subsidiary of the Group. Million Federal will become an associate of the Group.

Details of the disposal is set out in the announcements of the Company dated 18 May 2022 and 21 June 2022.

The loss on Disposal was arrived at as follows:

	<i>RMB'000</i>
Net assets	44,986
Release of translation reserve	1,543
Release of non-controlling interest	(15,537)
Transfer to investment in an associate	<u>(12,951)</u>
Sub-total	18,041
Less:	
Cash consideration	<u>(6,527)</u>
Loss on the disposal	<u><u>11,514</u></u>

## 17. MATERIAL RELATED PARTY TRANSACTIONS

The Directors represented key management of the Group. During the Period, the Directors’ remuneration of approximately RMB2,389,661 (2022: RMB2,126,994) was charged to the profit or loss.

## **INTERIM DIVIDEND**

The Board resolved not to declare an interim dividend for the Period (2022: nil).

## **MANAGEMENT DISCUSSION AND ANALYSIS**

For the six months ended 30 June 2023 (the “Period”), Asia Television Holdings Limited (the “Company”) and its subsidiaries (collectively, the “Group”) engaged in four major business streams including (i) processing, printing and sales of finished fabrics and subcontracting services and the trading of fabric and clothing business (“Fabrics and Trading Business”); (ii) money lending business; (iii) securities investment and brokerage services business; and (iv) media, cultural and entertainment business.

## **BUSINESS AND OPERATIONAL REVIEW**

### **Fabrics and Trading Business**

The overall business environment remained challenging in 2023. During the period of 2023, revenue generated from the Fabric and Trading Business decreased from approximately RMB20 million for the period ended 30 June 2022 to approximately RMB11.3 million for the period ended 30 June 2023. This reduction can be ascribed to the persistent contraction in both domestic and international textile markets, influenced by adverse elements such as global trade conflicts and alterations in the supply chain dynamics. These contributing factors led to a comprehensive decline in demand for textile products, subsequently affecting the Group’s fabrics and trading business performance.

The reportable segment loss slightly increased from approximately RMB2.7 million for the period ended 30 June 2022 to approximately RMB2.9 million for the period ended 30 June 2023 due to an increase in direct costs continued to put pressure on gross profit margin.

### **Money Lending Business**

The Group commenced the Money Lending Business in 2015 and the Group has operated this business for around 8 years. The Money Lending Business is engaged in the provision of loan financing and the revenue from the Money Lending Business is comprised of loan interest. The loans have provided in forms of term loans and loan facilities. The Group mainly targets at individual customers and corporate customers locate in Hong Kong, Macau and the People’s Republic of China.

As at 30 June 2023, the net carrying amount of the loan receivables were nil (as at 31 December 2022: nil). During the period, no new loans and loan facilities were granted. During times of economic uncertainty, the Company would implement cautious and prudent measures and tighten the credit policies, and decrease the proportion of money lending business with high value customers.

The Group adopted the money lending policy and procedure manual which provide guidelines on the handling and monitoring of the money lending procedures according to the Money Lenders Ordinances.

### **Securities Investment and Brokerage Services Business**

To enhance the financial performance, the Group held listed securities as investment during the period. During the period, the Group recorded an overall fair value gain of approximately RMB11.3 million (2022: fair value gain of approximately RMB2.1 million).

As at 30 June 2023, the aggregate amount of the Group's listed securities held for trading at fair value is approximately RMB21 million (As at 31 December 2022: RMB10 million). The Group managed a portfolio of securities listed in Hong Kong and overseas.

The Group recorded nil revenue from brokerage services business for the period (2022: RMB3.2 million). It is mainly due to the subsidiaries that were engaging in brokerage services, which became an associate of the Group on 18 May 2022. Million Federal International Limited ("Million Federal") and its subsidiaries (the "Million Federal Group") were principally engaged in brokerage services. The Group decreased its equity interest in the Million Federal Group from 60% to 40% by disposing of 20% of the entire issued share capital on 18 May 2022, and Million Federal subsequently became an associate of the Group. Details of the disposal are set out in note 16 to the Interim Results announcement and the announcements of the Company dated 18 May 2022 and 21 June 2022.

## **Media, Cultural and Entertainment Business**

Revenue of the media, cultural and entertainment business increased from RMB4.55 million for the period ended 30 June 2022 to RMB12.9 million for the period ended 30 June 2023. This revenue growth can be attributed to higher sponsorship income and shooting and broadcasting revenue resulting from robust production activities in the market, along with the commencement of live streaming e-commerce operations in June 2023. The reportable segment loss improved from approximately RMB22.5 million for the period ended 30 June 2022 to approximately RMB10.7 million for the period ended 30 June 2023, due to the adoption of stringent cost control measures.

## **THE REMEDIAL ACTIONS TO BE UNDERTAKEN RELATED TO MATERIAL UNCERTAINTY RELATED TO GOING CONCERN**

During the six months ended 30 June 2023, the Group incurred a net loss of approximately RMB16.2 million. As at 30 June 2023, the Group was in net liabilities position of approximately RMB559,898,000 and its current liabilities exceeded the current assets by approximately RMB625,208,000. These events and conditions indicate a material uncertainty exists that may cast significant doubt about the Group's ability to continue as going concern.

The Directors of the Company have taken the following measures to mitigate the liquidity pressure and to improve its financial position:

- (i) Actively negotiating with lenders to renew loans that have fallen due;
- (ii) Implementing comprehensive policies to monitor cash flows through cutting costs and capital expenditure;
- (iii) Exploring the possibility of disposing certain non-core assets;
- (iv) Soliciting for further financing arrangements which include placing of new convertible bonds to new potential investors; and
- (v) The Directors of the Company anticipates that the Group will generate positive cash flows from its operations in the foreseeable future.

The management has commenced to look into related development opportunities such as diversified source of income and is processing the following actions to improve the financial performance of the Group:

- (i) negotiating with third parties to jointly organise music events and produce film rights;
- (ii) negotiating with third parties to invest in film rights;
- (iii) revitalizing and developing the mobile application and OTT platform for different regions; and
- (iv) implementing policies to monitor cash flows through cutting costs and capital expenditure.

Based on the Group's cash flow projections, taking account of effectiveness and feasibility of the above measures covering a period of twelve months from the end of the reporting period prepared by the management, the Directors of the Company consider the Group would be able to finance its operations and to meet its financial obligations as and when they fall due within the forecast period. Accordingly, the consolidated financial statements have been prepared on a going concern basis.

## **Financial Review**

### **Turnover**

The Group's turnover decreased by approximately 14.52% to RMB24.5 million due to the combined effect of:

- (i) a decrease in the turnover of the processing, printing, and sales of finished fabrics by approximately RMB8.6 million, attributable to persistent contraction in both domestic and international textile markets;
- (ii) an absence of RMB3.1 million in turnover from securities brokerage services and margin financing, as recognized in the same period last year, due to the subsidiaries engaging in brokerage services becoming an associate of the Group since 18 May 2022; and
- (iii) an increase in turnover of media, cultural and entertainment business by approximately RMB8.4 million resulting from higher sponsorship income and shooting and broadcasting revenue stemming from robust production activity in the market, along with the commencement of live streaming e-commerce operations in June 2023.

## **Gross Profit and Net Loss**

The Group recorded a gross profit of approximately RMB1.7 million (2022: gross loss of RMB16.7 million). The Group recorded a net loss of approximately RMB16.2 million, as compared to a net loss of approximately RMB89 million for the period ended 30 June 2022. The decrease in the unaudited consolidated loss was mainly attributable to the net effect of:

- (i) an increase of the net gain on financial assets of approximately RMB9.24 million as compared to the same period of the last year;
- (ii) the gain on disposal of a subsidiary of approximately RMB21.8 million as compared to the same period of the last year;
- (iii) an absence of the loss on disposal of 20% equity interest of a subsidiary, namely Million Federal International Limited, of approximately RMB11.5 million as recognized in the same period of the last year; and
- (iv) the decrease in the administrative and operating expenses as compared to the same period of the last year due to the adoption of stringent cost control measures.

## **Distribution and Selling Expenses and Administrative Expenses**

The distribution and selling expenses decreased by approximately 70.2% to approximately RMB0.7 million (2022: RMB2.5 million) while the administrative expenses decreased to approximately RMB21.8 million, representing a decline of 18% as compared to the corresponding period (2022: RMB26.5 million) which was mainly due to stringent cost control measures and reduction of labour costs.

## **Business Development and Future Prospects**

The management believes it is the best interest of the Group to continue to consolidate its existing Fabric and Trading Business, money lending business and brokerage services business and diversify into new business in the media, cultural and entertainment, which should be able to generate relatively stable income stream given the existing market conditions and the available resources within the Company.

Given the dynamic changes in the macroeconomic environment and policy changes in the PRC, together with the unstable political and economic environment in Hong Kong, it is foreseeable that the year of 2023 will be another challenging year. Despite the challenges, the management believes there are still opportunities for our business growth. The Group will pay close attention to the internal and external economic situation and continue to closely monitor and make efforts on adjusting internal structure to optimize the businesses.

As always, our management team will leverage on our internal innovation as well as develop in a pragmatic and aggressive approach and continue its persistent efforts to bring desirable return to the shareholders. In light of the global economic trend and fierce competition in the market, the Group has continuously reviewed its business strategy and development plan, expand its income source and improve its operating performance of the Group.

## **MATERIAL ACQUISITION OR DISPOSALS OF SUBSIDIARIES AND AFFILIATED COMPANIES**

### **Memorandum of Understanding in relation to proposed acquisition of 30% equity interest of Hangzhou Yuanhou Tianxia Technology Company Limited**

On 20 January 2023, the Company and the Vendor entered into the Memorandum of Understanding pursuant to which the Vendor proposed to sell and the Company proposed to acquire 30% of the equity interest in Hangzhou Yuanhou Tianxia Technology Company Limited (the “Target Company”). The Target Company is located in the Zhejiang Province, the PRC, and is engaged in the provision of blockchain-related technical services and Internet product development services. The initial proposed amount of USD5 million as the consideration of the proposed acquisition is subject to further negotiation, thorough due diligence review and the signing of a formal sale and purchase agreement between the parties on or before 18 June 2023.

As no formal sale and purchase agreement has been entered into between the Company and the Vendor in connection with the proposed acquisition of 30% equity interest in the Target Company within the validity period, the memorandum of understanding has been automatically terminated.

For details, please refer to the Company's announcement dated 20 January 2023.

### **Disposal of a subsidiary**

In April 2023, the Group disposed of the entire equity interest in a PRC company for a consideration of HK\$100,000. The PRC Company was engaged in the general trading, which was not in alignment with our core business activities. Details of disposal are set out in note 15 to the interim results announcement.

### **LIQUIDITY AND FINANCIAL RESOURCES**

As at 30 June 2023, the Group had total assets of approximately RMB182.5 million (31 December 2022: RMB173.9 million) which were financed by current liabilities of approximately RMB734.2 million (31 December 2022: RMB686.6 million), non-current liabilities of approximately RMB8.2 million (31 December 2022: RMB7.5 million).

As at 30 June 2023, the Group's cash and bank balances was approximately RMB9.1 million (31 December 2022: RMB3.6 million). As at 30 June 2023, the secured bonds were fixed-rate and were denominated in Hong Kong dollars, the short-term bank loans were fixed-rate loans and denominated in RMB whereas short-term loans from other financial institution and other borrowing were fixed-rate loan and denominated in Hong Kong dollar. The Group's borrowings were secured by property, plant and equipment, financial assets at fair value through profit or loss, rights-of-use assets, inventories, trade and other receivables, deposits and prepayments, pledged bank deposits and bank balances and cash of the Group.

The current ratio, being a ratio of total current assets to total current liabilities, was approximately 0.1 (31 December 2022: 0.1). The gearing ratio, being a ratio of borrowings (comprising obligations under finance leases, bond payables, other borrowing, short-term bank loans, short-term loans from other financial institution and convertible bonds) to total assets, was approximately 203.1% (31 December 2022: 198%).

## **CAPITAL STRUCTURE**

As at 30 June 2023, 10,925,668,000 ordinary shares of the Company (the “Share(s)”) were issued and fully paid.

## **CHARGES ON ASSETS**

As at 30 June 2023, the Group’s borrowings were secured by assets with a total carrying value of approximately RMB182.5 million (31 December 2022: RMB173.9 million).

## **CAPITAL COMMITMENTS**

As at 30 June 2023, the Group did not have any significant capital commitments (31 December 2022: Nil).

## **CONTINGENT LIABILITIES**

As at 30 June 2023, the Group did not have any significant contingent liabilities (31 December 2022: Nil).

## **EVENTS AFTER THE REPORTING PERIOD**

The Group did not have any significant events after the reporting period.

## **EXCHANGE RISK EXPOSURE**

The Group’s business transactions were mainly denominated in RMB and Hong Kong dollar. The Group currently does not have any established hedging policies in place. Management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure by using appropriate financial instruments and adopting appropriate hedging policies to control the risks, when the need arises. The Group was not engaged in any hedging contracts with respect to the foreign exchange risks.

## **EMPLOYEES AND REMUNERATION POLICY**

As at 30 June 2023, the Group had about 190 employees (31 December 2022: 118 employees) in Hong Kong and in the PRC.

Remuneration packages for the employees were maintained at a competitive level of the jurisdiction within which the employees were employed to attract, retain and motivate the employees and were reviewed periodically.

The Group maintained a share option scheme for the purpose of providing incentives and rewards to the eligible participants for their contributions to the Group. The share option scheme was adopted at the annual general meeting of the company on 15 June 2016.

## **LITIGATIONS**

### **I. LITIGATIONS IN RELATION TO STATUTORY DEMANDS**

Reference are made to the announcements of the Company dated 21 October 2019, 24 October 2019 and 28 October 2019 (the “Statutory Demands Related Announcements”) in relation to, inter alia, the commencement of litigations in relation to two alleged outstanding debts.

As disclosed in the Statutory Demands Related Announcements, on 9 October 2019, a statutory demand under section 178(1)(A) of the Ordinance (“Statutory Demand I”) was served on the Company by a creditor (the “Creditor I”) to demand the Company to repay the alleged outstanding debt in the amount of HK\$222,707,496 (the “Debt”) within 3 weeks after service of the Statutory Demand I. After the expiry of the 3-week period after the services of Statutory Demand I, the Creditor I may present a winding-up petition against the Company.

Creditor I has agreed that they would not present the winding up petition immediately if the Company could repay part of the outstanding debt, and expected the Company to repay the remaining outstanding debts after the completion of the connected transaction in relation to subscription of convertible bonds under specific mandate with the estimated gross proceeds of approximately HK\$400 million as stated in the announcement dated 24 September 2019.

As at the date of this announcement, the Company is still proactively engaging in negotiations with Creditor I for better terms on the repayment schedule and for the avoidance of the potential winding-up petition. The Company is also negotiating with various other lenders for new credit lines in order to improve the cashflow position of the Company.

Reference are made to the announcements of Company dated 7 April 2020 and 12 May 2020 (the “2020 Statutory Demand Announcements”) in relation to, inter alia, the commencement of litigation in relation to the alleged outstanding debts.

As disclosed in the 2020 Statutory Demand Announcements, on 23 March 2020, a statutory demand under section 178(1)(A) of the Ordinance (“Statutory Demand II”) was served on the Company by a creditor (the “Creditor II”) to demand the Company to repay the alleged outstanding debt in the amount of HK\$45,978,301.36 (the “Debt II”) within 3 weeks after the service of the Statutory Demand II. After the expiry of the 3-week period after the services of Statutory Demand II, Creditor II may present a winding-up petition against the Company. On 12 May 2020, the Company has reached a settlement agreement (the “Settlement Agreement”) with the Creditor II. Pursuant to the terms and conditions of the Settlement Agreement, the Company shall pay and discharge the outstanding debts to the Creditor II in accordance with the repayment schedule in the Settlement Agreement. However, on 11 August 2020, the Statutory Demand II under the Ordinance was served on the Company by the Creditor II again to demand the Company to repay the outstanding debt and the accrued interests of the Debt II.

## II. LITIGATION IN RELATION TO WRIT OF SUMMONS

On 22 May 2020, Asia Television Limited, an indirect non-wholly owned subsidiary of the Company, received a writ of summons under action number HCA 774/2020 (the “Writ of Summons”) together with statement of claim issued in the Court of First Instance of High Court of Hong Kong by HONG KONG SCIENCE TECHNOLOGY PARKS CORPORATION (the “Plaintiff”) against Asia Television Limited, as defendant (the “Defendant”).

According to the Writ of Summons, the Defendant purchased the property located at 25-37 Dai Shing Street, Tai Po Industrial Estate, Tai Po, New Territories, Hong Kong (the “Property”) in September 2005 and signed the deed of variation (the “Deed of Variation”) with the Plaintiff. According to the Deed of Variation and the lease documents, the Defendant must abide by certain terms when using the Property, including only for television programme and film production, broadcasting programme, distribution, publications, multi-media entertainment and other related business. Otherwise, an additional premium of HK\$3,721.00 needs to be paid daily (the “Additional Premium”), and the Plaintiff also has the right to re-enter the Property. The Plaintiff believed that the Defendant violated the terms of the lease documents and the Deed of Variation, so it requested the Defendant to return the Property and recover the additional premium from 1 August 2017. The Plaintiff claims against the Defendant, among others (i) vacant possession of the Property; (ii) additional premium at HK\$3,721.00 per day from 1 August 2017 to 22 May 2020; (iii) mesne profits from 23 May 2020 to the date of the Defendant delivers vacant possession of the Property to the Plaintiff; (iv) costs on an indemnity basis; and (v) further or other relief as the Court may order.

The Defendant is seeking legal advice in respect of the above proceeding in HCA 774/2020 and would defend its position. The Company will make further announcement(s) to update the shareholders of the Company and the potential investors on any significant development regarding the above claim as and when appropriate. There was no other development for this litigation during the reporting period.

## SHARE OPTION SCHEME

The Company operates a share option scheme for the purpose of providing incentives and rewards to eligible participants who work for the interests of the Group.

A share option scheme (the “Share Option Scheme”) was adopted at the annual general meeting of the Company (the “2016 AGM”) on 15 June 2016. The Share Option Scheme became valid and effective for a period of ten years commencing from the date of the 2016 AGM. Eligible participants of the Share Option Scheme include (a) full time or part time employees of our Group (including any Directors or directors of any subsidiary or any invested entity); (b) any suppliers, customers, consultants, agents, advisers, service providers; and (c) any person who, in the sole discretion of the board of directors, has contributed or may contribute to the Group. The Share Option Scheme shall be valid and effective for a period of 10 years commencing on the date it was adopted. The remaining life of the Share Option Scheme is approximately 3 years.

An offer of the grant of any option under the Share Option Scheme may be accepted within 21 business days from the date of grant together with a remittance of HK\$1.00 by way of consideration for the grant thereof. No option shall be granted to any eligible person if any further grant of options would result in the shares issued and to be issued upon exercise of all options granted and to be granted to such person in the 12 months period up to and including such further grant would exceed 1% of the total number of shares in issue, unless such further grant has been duly approved by the Company’s shareholders in general meeting.

The exercise price of the option shall be determined at the discretion of the board of directors which shall be not less than the highest of: (i) the closing price of the Company’s shares as stated in the Stock Exchange’s daily quotations sheet on the date of grant; (ii) the average closing price of the Company’s shares as stated in the Stock Exchange’s daily quotation sheets for the five trading days immediately preceding the date of grant; and (iii) the nominal value of the Company’s shares.

The total number of shares in respect of which options may be granted under the Share Option Scheme shall not exceed 992,566,800 shares, being 10.0% of the total number of shares in issue as at the date of approval of the Refreshment on 21 July 2021.

On 21 May 2021, the Company granted an aggregate of 290,000,000 share options to the existing Directors and employees. Exercise price of the share options granted is HK\$0.12. The share options granted are valid until the last day of 5-year period after the date of grant and shall vest on the second anniversary of the last trading day of the month following the grantee's service relationship start date.

As at 30 June 2023, the total number of securities available for issue under the Share Option Scheme pursuant to its terms was 992,566,800 Shares, representing in aggregate approximately 9.08% of the Company's issued share capital.

Details of the movements of the share options granted under the Share Option Scheme for the six months ended 30 June 2023 were as follows:

Name	Date of grant	Number of share options				Outstanding as at 30 June 2023
		Outstanding as at 1 January 2023	Granted during the period	Exercised during the period	Lapsed during the period	
<b>Executive Directors</b>						
Mr. Leong Wei Ping*	21 May 2021	29,000,000	-	-	-	29,000,000
Mr. Chan Wai Kit	21 May 2021	29,000,000	-	-	29,000,000	-
Ms. Sun Tingting	21 May 2021	29,000,000	-	-	-	29,000,000
Ms. Tang Po Yi	21 May 2021	29,000,000	-	-	-	29,000,000
Sub-total		116,000,000	-	-	29,000,000	87,000,000
Employees in aggregate	21 May 2021	58,000,000	-	-	-	58,000,000
Total		174,000,000	-	-	29,000,000	145,000,000

## **DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES**

At no time during the Period was the Company or any of its subsidiaries a party to any arrangement to enable the Director or the chief executive of the Company to acquire benefits by means of acquisition of shares in or debentures of the Company or any other body corporate, and neither the Director nor the chief executive, nor any of their spouses or children under the age of 18, had any rights to subscribe for the securities of the Company, or any had exercised any such right.

## **PURCHASE, SALE OR REDEMPTION OF LISTING SECURITIES OF THE COMPANY**

Neither the Company nor any of its subsidiaries has purchased, redeemed or sold any of the Company's listed securities during the Period.

## **DIRECTORS' INTEREST IN CONTRACTS OF SIGNIFICANCE**

No contract of significance, to which the Company or any of its subsidiaries was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of or at any time during the Period.

## **CORPORATE GOVERNANCE**

The Company has complied with the applicable code provisions in the Corporate Governance Code as set out in Appendix 14 of the Listing Rules during the Period.

## **DIRECTORS' COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS**

The Company has adopted the Model Code as set out in Appendix 10 to the Listing Rules as its own code of conduct regarding securities transactions by the Directors. The Company has made specific enquiry of all Directors regarding any non-compliance with the Model Code during the Period and all Directors confirmed that they have fully complied with the required standard set out in the Model Code.

## **AUDIT COMMITTEE REVIEW**

The Group's audit committee (the "Audit Committee") comprises three members, namely Mr. Li Yu, Ms. Han Xingxing and Mr. Lau Jing Yeung William, who are independent non-executive Directors. The chairman of the Audit Committee is Mr. Lau Jing Yeung William. The primary duties of the Audit Committee are, among others, to review the financial reporting system and internal control procedures of the Group, to make recommendations to the Board on the appointment, reappointment and removal of the external auditor, to approve the remuneration and terms of engagement of the external auditor, to review and monitor the external auditor's independence and objectivity and the effectiveness of the audit process in accordance with applicable standards, and to review the financial information and accounting policies of the Group. This unaudited interim results including the accounting principles and practices adopted by the Group have been reviewed and approved by the Audit Committee.

## **PUBLICATION OF INTERIM RESULTS AND INTERIM REPORT**

The interim report of the Group for the Period, which contains the detailed results and other information of the Group for the Period required pursuant to Appendix 16 of the Listing Rules, will be despatched to the shareholders of the Company and published on the Stock Exchange's website at [www.hkexnews.hk](http://www.hkexnews.hk) and the Company's designated website at [www.atvgroup.com.hk](http://www.atvgroup.com.hk) in due course. This announcement can also be accessed on the above websites.

By order of the Board  
**Asia Television Holdings Limited**  
**Tang Po Yi**  
*Executive Director*

Hong Kong, 31 August 2023

*As at the date of this announcement, the Board comprises Mr. Liu Minbin, Ms. Tang Po Yi, Mr. Leong Wei Ping 梁瑋珩先生\*, Mr. Sze Siu Bun, Ms. Sun Tingting and Ms. Zha Mengling as executive Directors; and Ms. Han Xingxing, Mr. Li Yu and Mr. Lau Jing Yeung William as independent non-executive Directors.*

\* *For identification purpose only*