

Communications Authority press release

The following is issued on behalf of the Communications Authority:

This press release summarises the decisions of the Communications Authority (CA) following its 98th meeting held in August 2020:

CA approves changes in the shareholding structure of Television Broadcasts Limited (TVB)

The CA approved an application by TVB for changes in its shareholding structure arising from the transfer of certain shares in Young Lion Holdings Limited (YLH), which indirectly held 26 per cent of the voting shares of TVB via its wholly owned subsidiaries, from its existing shareholders to Ever Port Limited, a company controlled by Mr Kenneth Hsu. The CA also approved an application by Profit Global Investment Limited (PGIL) and related parties to hold up to 3.9 per cent of the voting shares of TVB as unqualified voting controllers as part of the changes in TVB's shareholding structure.

The changes in the shareholding structure of TVB have taken effect following completion of the relevant transactions today. Upon completion of the transactions, the proportion of the voting shares of TVB held by YLH has been reduced from 26 per cent to 22.1 per cent, with PGIL and related parties receiving 3.9 per cent of the voting shares of TVB in exchange for surrendering all of its YLH shares. YLH remains the major shareholder of TVB, with Mr Hsu becoming the ultimate voting controller of 22.1 per cent of TVB's voting shares held by YLH.

In approving the applications, the CA is satisfied that TVB will continue to comply with all applicable regulatory requirements under the Broadcasting Ordinance (Cap. 562) and its domestic free television programme service licence, and that it will be able to honour the investment and programming commitments it has made under its licence upon completion of the shareholding changes.

Service interruption of Metro Broadcast Corporation Limited (Metro) due to staff member testing positive for COVID-19

The CA approved an application by Metro on July 22 for a waiver of its broadcast requirements of half-hourly/hourly news and weather reports as well as comprehensive news bulletins on its Metro Finance/Metro Info/Metro Plus channels for different periods from July 22 to 24, 2020 due to a service interruption following one of its staff members testing positive for COVID-19.

Metro advised that it had to close its entire headquarters for sterilisation as soon as practicable upon receiving such advice from the Department of Health on July 22. As a result, manpower and facilities were

unavailable for maintaining normal services . The affected services resumed progressively from July 23 to 24.

In granting the waiver, the CA noted that Metro had activated its contingency plans to deal with the situation and managed to resume normal services in a short period of time without causing a serious impact on the audience. Nevertheless, the CA reminded Metro to be more vigilant in maintaining its services under the COVID-19 pandemic, particularly in exploring all feasible measures to avoid the complete close-down of its headquarters again due to the epidemic, and to ensure that alternative arrangements would be in place for transmission of its broadcasting signals.