

For Immediate Release

Groundbreaking of City Telecom's TV & Multimedia Production Centre Leads Hong Kong into New TV Era

(Hong Kong, 24 February 2012) City Telecom (H.K.) Limited ("City Telecom") today held a Groundbreaking Ceremony for its TV & Multimedia Production Centre ("The Centre") located in Tseung Kwan O Industrial Estate. Artistes including Ms. Maggie Cheung (張可頤), Mr. Felix Wong (黃日華), Mr. Frankie Lam (林文龍), Ms. Bernice Liu (廖碧兒), Ms. Prudence Liew (劉美君), Mr. John Chiang(姜大衛), Mr. Yuen Wah(元華), Ms. Leila Tong (唐寧), Ms. Lisa Lui (呂有慧), Mr. Kelvin Kwan (關楚耀), Mr. Felix Lok (駱應鈞), Ms. Maria Chen (陳霽平), Ms. Rain Lau (劉玉翠), and emcees Ms. Catherine Chow (周家怡) and Mr. Benji Chiang (姜文杰) attended to show their support.

Since submitting our application for the Domestic Free TV Service License in December 2009, City Telecom has been aggressively preparing to become a new TV station in Hong Kong. In August 2011, we were granted by the HKSAR Government a piece of land in Tseung Kwan O to build our TV & Multimedia Production Centre. To restore healthy development of the TV industry in Hong Kong, we have invited hundreds of elites from TV industry to join our cause, creating the strongest team in town. We aim to elevate the quality Hong Kong produced dramas to unseen standards, delivering a higher quality alternative for Hong Kong's TV audience.

Highlights of Our TV & Multimedia Production Centre

City Telecom will invest HK\$600 million to build a TV & Multimedia Production Centre with a total estimated gross floor area of approximately 300,000 square ft. on 219,670 square ft. land (equivalent to 33 football fields) at Tseung Kwan O Industrial Estate. The Centre is expected to go into full operation during 2014.

1. The Centre will consist of an 18,000 square ft. studio, which is the largest in Asia, 3 drama studios, 3 multipurpose studios and 1 news studio, equipped with Super High-definition shooting facilities. Our post-production suite will also possess 3D production facilities.

2. Uniquely, our Centre will be an open platform to welcome the public into our production process, with an aim of inspiring next generation's interest in the TV industry. The public, academic sector and different organizations will be welcomed to observe our shooting

process via the glass bottom overpass above the studio, as well as viewing our make-up studio and props workshop, to gain immersion in the full experience of TV Drama production.

Dream Team of Artistes, Production and Script Writers - Ready to Deliver Dramas that will Captivate the Audience

Since 2011, we have been aggressive in forming the dream team of artistes, production and script writers. We currently have 180 production and script writers, whom have been responsible for many of the most renowned drama series in recent years. In addition, our rapidly growing artiste pool is now over 140 artistes, including top-tier and veteran actors.

The team is committed to serve the public, refreshing the audience with high quality dramas of diversified grass roots themes. Our first release will be a refreshing youth musical, casting artistes with outstanding singing, performing & dancing techniques. In parallel, we are working on over 10 scripts that will be ready for airing by the end of this year. We will invest heavily in the production quality and return to real location shooting, rather than the stale in-studio norm that has developed over time.

Further, we aim to excite the Hong Kong TV industry with the introduction of 3D and other high-tech elements. Legacy TV stations are constrained by traditional over-the-air TV transmission medium. We will breakthrough these limitations by transmitting over our self-built fibre network that supports sufficient bandwidth and connects to the existing broadcasting systems in buildings that will take the home TV experience to new levels.

Nurturing Hong Kong's Next Generation of Talents

One of our primary missions in setting up a new TV station is to enhance the quality of locally produced TV programs and nurture Hong Kong back into the leading position in the Asian TV industry. Faced with a talent gap, we have already launched courses to train up new artistes and backstage talents. University recruitment talks are now ongoing in the 8 universities in Hong Kong, the Hong Kong Institute of Vocational Education and the Hong Kong Academic of Performing Arts, with onsite selection process to attract young talents with potential. (For details, please refer to www.ctihk.tv/recruit)

Future Objectives

At commencement, we will broadcast 12 channels, of which 2 will be self-produced channels, 4 will be turn-around channels and the remaining 6 will be partnership channels. We will increase the number of channels to 20 in 3 years, including additional 2 self-produced channels, 8 turn-around channels and 10 partnership channels.

We target to produce drama totaling 260 hours in 2012 and 650 hours in 2013 for

broadcasting at prime time at night. We will also produce informative and entertainment variety shows, totaling 104 hours in 2012 and 520 hours in 2013.

“TV entertainment is an essential daily entertainment for the public, which is also an important channel for cultural heritage. Other than producing entertaining dramas and TV programs, we see corporate social responsibility as an important task: to enhance positive mentality in the community, to cultivate creativity consistently, to nurture Talents, to produce quality TV programs and to enhance TV Talents’ remuneration level. We hope that with our existence, TV programs will be more worth-watching and the society will be growing more healthily,” Chairman of City Telecom, Mr. Ricky Wong said.

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About City Telecom/ Hong Kong Broadband Network Limited

Established in 1992, City Telecom (H.K.) Limited (HKEX: 1137, NASDAQ: CTEL) provides integrated telecommunications services in Hong Kong via its own self-built fiber network. City Telecom’s wholly-owned subsidiary, Hong Kong Broadband Network Limited (HKBN), is the fastest growing broadband service provider in Hong Kong. HKBN offers a diversified portfolio of innovative products that service over 1,240,000 subscriptions for broadband, local telephony and IP-TV. The Company has built a solid market position with top-of-the-line applications and practices enabling its substantial growth. The company takes great pride in developing its over 3,000 Talent force into a competitive advantage. Additional information on City Telecom can be found at www.ctigroup.com.hk.

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Appendix: Photos



Mr. Samson Tam, Legislative Council Member (4th from left), Ms. Shirley Yuen, CEO of HKGCC (5th from left), Mr. Ricky Wong, Chairman of City Telecom (3rd from right) and other guests of honour officiating the Groundbreaking Ceremony.



Mr. Ricky Wong, Chairman of City Telecom and Mr. Felix Wong performed traditional Chinese lion dance.



Officiating guests and artistes toasting for success of City Telecom's TV & Multimedia Production Centre.