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鳳凰衛視

PHOENIX MEDIA INVESTMENT (HOLDINGS) LIMITED
鳳凰衛視投資（控股）有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 02008)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2023

The board (the "**Board**") of directors (the "**Directors**" and each of them a "**Director**") of Phoenix Media Investment (Holdings) Limited (the "**Company**", together with its subsidiaries (collectively referred to as the "**Group**" or "**Phoenix**")) is pleased to announce the consolidated results of the Group for the year ended 31 December 2023.

FINANCIAL SUMMARY

- Revenue for the year ended 31 December 2023 was approximately HK$2,467,957,000 (year ended 31 December 2022: HK$3,003,733,000), which represented a decrease of 17.8% over the previous year.

- The operating loss of the Group decreased to approximately HK$305,741,000 for the year ended 31 December 2023 (year ended 31 December 2022: HK$378,620,000), which represented a decrease of 19.2% over the previous year.

- The net exchange loss of the Group for the year ended 31 December 2023 was approximately HK$4,868,000 (year ended 31 December 2022: HK$113,011,000).

- The loss attributable to owners of the Company decreased to approximately HK$258,989,000 (year ended 31 December 2022: HK$383,340,000), which represented a decrease of 32.4% over the previous year.

BUSINESS OVERVIEW AND PROSPECTS

In 2023, Phoenix intensified the pace of its business transformation and innovation development. The Company has shown a stable and positive trend in its operating performance, continuously demonstrating the vitality and resilience of its development. Mr. Xu Wei, the Chairman of the Board and Chief Executive Officer, emphasises that Phoenix shall firmly establish a strong base in Hong Kong, aiming at the global brand positioning, focusing on core business, advocating international communication, transmitting Chinese culture, and devoting fully to promote internationalisation and to build a leading Chinese language media group.

Phoenix delivers first-hand local and overseas news to the audience around the world with professionalism, accuracy and promptness. In 2023, Phoenix emphatically reported on various major news events, such as the war between Russia and Ukraine, the earthquake in Turkey, the conflict between Palestine and Israel, the visit of President Xi Jinping to Russia and Vietnam, his participation in APEC Summit and the China-U.S. presidential meeting with U.S. President Biden, and the Two Sessions of the National People's Congress and the Chinese People's Political Consultative Conference in the year of transition, the first China — Central Asia Summit and the Taiwan Election. Meanwhile, by upholding the professional spirit of "live reporting of all major events from the scenes", Phoenix sent multiple battlefield reporters to push deeper into the battlefront of Russia and Ukraine and reported on major emergency incidents such as Wagner Group Mutiny in eye-witnessing form. As a Chinese language media based in Hong Kong, Phoenix reported meticulously on major news such as the Hong Kong District Council Election, the visit of the China Manned Space delegation to Hong Kong and Macau. In addition, by maintaining China's viewpoint with a global perspective, Phoenix launched a series of in-depth and thoughtful original and premium programmes with international relevance such as *Hong Kong Nature Stories, Operation Arctic*, winning praises from the Chinese-language audiences around the world.

The Company continued to be listed as "Asia's 500 Most Influential Brands" and "China's 500 Most Valuable Brands" published by World Brand Lab, and remained as one of the 4 prominent Asian TV brands. In addition, it obtained the top 3 position of the "China's Top 10 Influential Guochao Brands" in the selection of The Chinese Brand of the Year, which reflected its popularity and reputation in the media and culture field. At the same time, the Company won the award of Honourable Mention Excellence in ESG in the selection of the Hong Kong Corporate Governance and ESG Excellence Awards 2023 by the Chamber of Hong Kong Listed Companies, which demonstrated the Company's active pursuit of sustainable development concept and courage to take on corporate social responsibility. In addition, the programmes produced by Phoenix garnered numerous international and national awards. At the 2023 New York Festivals International TV & Film Awards, *25th Anniversary of the Hong Kong Special Administrative Region – Bicycle* won the silver award in Camerawork, while *Zoom In: Life of Women in Afghanistan* and *Zoom In: The Last 'Comfort Women 'Survivors* won the silver awards in News Program and Documentary, respectively. At the nomination of the 29th Chinese Documentary Top 10 Programmes, *My Hong Kong Story, the Journey* (《旅途》) and *C'est La Vie* won the Chinese Documentary Top Ten Best and Top Ten Outstanding Programme respectively. The programmes produced by Phoenix TV also received numerous finalist awards at the AIB's Award and Sport Movies & TV – Milano International FICTS Fest, which demonstrated its outstanding production skills and strengths at a world-class level.

Phoenix extends its coverage worldwide through various channels such as satellites, cable TV networks, mobile internet, Internet Protocol Television (IPTV) and over-the-top (OTT) platforms, social media as well as intelligent distribution platforms, with more than 500 million TV audiences and more than 100 million overseas new media audiences. Adapting the broadcasting trend of digitalisation, networking and intellectualisation and application scenarios, Phoenix continues to innovate the form of content and products, continuously strengthens the collaboration between television broadcasting and internet media as well as multi-screen linkage, and utilises a broadcasting matrix with an extensive coverage and diversified channels to conduct mobile, social and customised integrated broadcasts. During the year, the number of users of domestic and overseas social media accounts including "Phoenix", "Fengshows", "Phoenix TV News (鳳凰資訊)" and "Hong Kong V" continued to grow, and the international broadcasting influence of integrated media content is continuously increasing. Meanwhile, the Company also built a content data intelligence platform that uses artificial intelligence generating technology to empower content production, and explored a light-production, collaborative content production model for streaming media platforms. In the future, Phoenix will continue to develop a three-dimensional, multi-thinking and integrated Chinese-language media broadcasting platform, and fully improve its capabilities in content delivery and monetisation.

Phoenix actively establishes a platform for international cultural exchange to promote cultural exchanges and mutual learning of civilisation. During the year, Phoenix and its partners co-organised certain international events such as the Annual Conference of Taihu World Cultural Forum, the Zero-Carbon Mission International Climate Summit, the Earth Hour, the Davos Forum – Zero Carbon Mission Series and Dialogue with The Next 50: Global Celebration of the 50th Anniversary of The UNESCO Convention Concerning the Protection of the World Cultural and Natural Heritage. At the same time, Phoenix TV also organised high-end forums and brand events including the Phoenix Financial Forum For the Greater Bay Area, You Bring Charm to the World Award, A Full Moon Rising Above the Greater Bay Area – The Greater Bay Area Film Concert and Compassion Award, which injected fresh vitality to international communications and continued to enhance the affinity and influence of Chinese culture. In addition, Phoenix signed strategic cooperation agreements with a number of institutions and enterprises to assist Chinese cities and enterprises to better reach out to the world, expanding the international influence of Chinese brands and transmitting Chinese culture together.

During the year, the Group promoted business innovation and marketing upgrades and further improved the monetisation of its media brands, contents, platforms, traffic and resources through various operational strategies, such as content innovation, integrated marketing, business and resource integration and synergy development. Meanwhile, the Group continued to promote the synergistic operation of its omni-media platforms, including television broadcasting, internet media, outdoor media, magazines, mobile app and social media account, with a view to providing customers with integrated and customised products and broadcasting services, facilitating Phoenix's operational transformation and improving the quality and efficiency of business development.

The number and activeness of the users on the flagship product IFENG News App under Phoenix New Media (ifeng.com), an internet media platform of the Group, maintained a leading position as one of the most popular mobile terminal information products among Chinese users. By combining algorithms and editing skills for precise content recommendation, hotspots and community operation, product experience has been continuously optimised. Phoenix New Media adheres to the content quality of mainstream media. During the year, a number of major local and foreign news reports have effectively boosted the in-app traffic. The average usage time and click-through rate of the customers have increased. The number of fans across the network for many original programmes continued to grow, bringing stronger bargaining power to brand advertising. The overseas influence of *Global Insights* has continued to increase and the commercialisation revenue has been steadily growing, while major events such as ifeng.com Financial Summit, World Cities Branding Conference, Forever Happiness, Influence of Women Award and Activist League Charity Grand Ceremony have continued to consolidate the influence in the industry. Meanwhile, the Company also strengthened the cooperation between television broadcasting and the internet by integrating the news reports of major events and marketing to amplify synergies, as well as to continuously enhancing the overall influence of the Phoenix brand and its competitiveness in the industry.

Phoenix Metropolis Media has been focusing on outdoor LED media for years, providing the PRC and overseas famous brand customers with professional services featuring comprehensiveness, creativity, safety and stability with sufficient technical support. During the year, the Company strived to address market changes. Driven by the continuous upgrade and optimisation of media resources and the enrichment of creative marketing strategies on the basis of stabilising the advantages of the PRC's digital network, Phoenix Metropolis Media maintained its fundamental operation and reached a record high in the number of new customers, and the cooperation with both PRC and overseas well-known brands remained stable. Currently, Phoenix Metropolis Media's outdoor LED display panel media resources cover over 300 cities in China with over 1,000 panels, and over 31 overseas countries and regions, and as such it has achieved global procurement and distribution for satisfying the customers'outdoor advertising needs in all aspects.

The Group's "Phoenix Weekly" continued to maintain a steady development in its publication and new media business. The number of users across the network continued to rise to 50 million and created a number of new operating revenue growth points, of which the video business has seen a rapid growth in its revenue and its market share is continuously expanding. "Phoenix Weekly" also focuses on leveraging the advantages of originality and creativity, and achieved breakthrough in video transformation, with over 15 million users across two major platforms, namely Douyin and WeChat Channels, and a number of documentaries have made into trending searches, receiving positive feedback from all sectors. The overall operating revenue structure of "Phoenix Weekly" is more diversified and reasonable, effectively addressing the changes in the industry and the market.

The Group has also maintained a systematic development in other business segments. In the fields of digital technology and cultural arts, the Group has always been consolidating its internal and external resources to continuously facilitate the high-quality development of culture industry integration.

As an international media group based in Hong Kong and oriented globally, Phoenix always maintains high-quality corporate governance, persists in the philosophy of openness and inclusiveness, adheres to and reinforces its core competitiveness in contents, and leverages on its credibility, communication strength and influence to promote Chinese culture and serve all Chinese around the world, as well as to promote multi-cultural exchanges from an international perspective, so as to fulfill the expectations of our stakeholders and maximise the interests of shareholders.

RESULTS

The revenue of the Group for the year ended 31 December 2023 was approximately HK$2,467,957,000 (year ended 31 December 2022: HK$3,003,733,000), which represented a decrease of 17.8% over the previous year. The operating costs for the year ended 31 December 2023 decreased by 18.0% to approximately HK$2,773,698,000 (year ended 31 December 2022: HK$3,382,353,000).

The operating loss of the Group decreased to approximately HK$305,741,000 for the year ended 31 December 2023 (year ended 31 December 2022: HK$378,620,000), which represented a decrease of 19.2% over the previous year.

The net exchange loss of the Group for the year ended 31 December 2023 was approximately HK$4,868,000 (year ended 31 December 2022: HK$113,011,000).

The loss attributable to owners of the Company decreased to approximately HK$258,989,000 (year ended 31 December 2022: HK$383,340,000), which represented a decrease of 32.4% over the previous year.

The chart below summarises the performance of the Group for the years ended 31 December 2023 and 31 December 2022 respectively.

	Year ended 31 December	
	2023	2022
	HK$'000	*HK$'000*
		(Restated)
Television broadcasting	**917,570**	1,077,964
Internet media	**778,797**	933,245
Outdoor media	**598,055**	785,341
Real estate	**26,382**	38,879
Other businesses	**147,153**	168,304
Group's total revenue	**2,467,957**	3,003,733
Operating costs	**(2,773,698)**	(3,382,353)
Operating loss	**(305,741)**	(378,620)
Fair value loss on investment properties	**(34,285)**	(6,276)
Net gain on internet media investment	**—**	41,910
Exchange loss, net	**(4,868)**	(113,011)
Other income, net	**39,624**	45,810
Loss before share of results of joint ventures and associates, income tax and non-controlling interests	**(305,270)**	(410,187)
Share of results of joint ventures and associates	**(13,067)**	(7,626)
Income tax expense	**(16,357)**	(29,062)
Loss for the year	**(334,694)**	(446,875)
Non-controlling interests	**75,705**	63,535
Loss attributable to owners of the Company	**(258,989)**	(383,340)
		(Restated)
Basic loss per share, Hong Kong cents	**(51.86)**	(76.76)

MANAGEMENT DISCUSSION AND ANALYSIS

Comments on Segmental Information

	Year ended 31 December			
	2023		2022	
	Revenue	**Segment results**	Revenue	Segment results
	HK$'000	***HK$'000***	*HK$'000*	*HK$'000*
Television broadcasting	**917,570**	**45,882**	1,077,964	(49,241)
Internet media	**778,797**	**(97,361)**	933,245	(183,407)
Outdoor media	**598,055**	**29,281**	785,341	115,955
Real estate	**26,382**	**(34,060)**	38,879	8,228
Other businesses	**147,153**	**(65,397)**	168,304	(83,841)
Group's total revenue and segment results	**2,467,957**	**(121,655)**	3,003,733	(192,306)
Unallocated income		**25,949**		45,205
Unallocated expenses		**(209,564)**		(263,086)
Loss before share of results of joint ventures and associates, income tax and non-controlling interests		**(305,270)**		(410,187)

Revenue from television broadcasting, comprising advertising, subscription and other revenue sources, which accounted for 37.2% of the total revenue of the Group for the year ended 31 December 2023, decreased by 14.9% to approximately HK$917,570,000 (year ended 31 December 2022: HK$1,077,964,000), the segmental profit for the television broadcasting business was approximately HK$45,882,000 for the year ended 31 December 2023 (year ended 31 December 2022: loss of HK$49,241,000).

Revenue from Phoenix Chinese Channel and Phoenix InfoNews Channel, which accounted for 23.5% of the total revenue of the Group for the year ended 31 December 2023, decreased by 16.9% to approximately HK$580,858,000 (year ended 31 December 2022: HK$698,853,000).

The total revenue of Phoenix Hong Kong Channel, Phoenix Movies Channel, Phoenix North America Chinese Channel, Phoenix Chinese News and Entertainment Channel, integrated media operating platform and others decreased by 11.2% to approximately HK$336,712,000 (year ended 31 December 2022: HK$379,111,000).

The revenue of the internet media business for the year ended 31 December 2023 decreased by 16.5% to approximately HK$778,797,000 (year ended 31 December 2022: HK$933,245,000). The segmental loss of internet media business for the year ended 31 December 2023 was approximately HK$97,361,000 (year ended 31 December 2022: HK$183,407,000). The reduction in advertising revenue was mainly due to the intensified industry-wide competition.

The revenue of the outdoor media business for the year ended 31 December 2023 decreased by 23.8% to approximately HK$598,055,000 (year ended 31 December 2022: HK$785,341,000). The segmental profit of the outdoor media business for the year ended 31 December 2023 decreased by 74.7% to approximately HK$29,281,000 (year ended 31 December 2022: HK$115,955,000).

The segmental loss for real estate business for the year ended 31 December 2023 was approximately HK$34,060,000 (year ended 31 December 2022: profit of HK$8,228,000), which included the net fair value loss of approximately HK$34,285,000 (year ended 31 December 2022: HK$6,276,000), recognised for the investment properties.

Please refer to Note 5 to the consolidated financial information for a detailed analysis of segmental information and the section entitled "Business Overview and Prospects" in this announcement for commentary on the core businesses of the Group.

DIVIDENDS

The Board has considered the Group's financial performance, working capital requirements and the overall economic conditions according to the Group's Dividend Policy, and does not recommend the payment of final dividend to the shareholders of the Company (the "**Shareholders**") for the year ended 31 December 2023 (final dividend for 2022: Nil).

ANNUAL GENERAL MEETING

The forthcoming annual general meeting of the Company (the "**AGM**") will be held at No. 2-6 Dai King Street, Tai Po Industrial Estate, Tai Po, New Territories, Hong Kong on 5 June 2024, Wednesday at 3:00 p.m.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from 31 May 2024, Friday to 5 June 2024, Wednesday (both dates inclusive), during which period no share transfer will be effected. In order to qualify for attending and voting at the forthcoming AGM, all share transfers must be lodged with the Company's branch share registrar in Hong Kong, Hong Kong Registrars Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, no later than 4:30 p.m. on 30 May 2024, Thursday.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND AFFILIATED COMPANIES

As at 31 December 2023, the Group's equity interest in Phoenix New Media Limited ("**PNM**") remained as 54.49% (as at 31 December 2022: 54.49%).

During the year, certain acquisitions by Beijing Phoenix Huibo Media Company Limited* (北京鳳凰滙播傳媒有限公司) (formerly known as Beijing Huibo Advertisement and Media Company Limited* (北京滙播廣告傳媒有限公司)), an indirect wholly-owned subsidiary of the Company, were completed on the following dates: (i) the acquisition of 100% equity interests in Phoenix Intelligent Media (Beijing) Technology Cultural Company Limited* (鳳凰智媒(北京)科技文化有限公司) (formerly known as Beijing Huizhi Bozhong Public Relations Consultancy Company Limited* (北京滙智博眾公關顧問有限公司)) on 3 January 2023; (ii) the acquisition of 100% equity interests in Shenzhen Phoenix Star Cultural

** For identification purpose only*

Industrial Company Limited* (深圳市鳳凰星文化產業有限公司) on 1 February 2023; (iii) the acquisition of 100% equity interests in Shanghai Huibo Hengxin Film and Television Cultural Development Company Limited* (上海滙播恒鑫影視文化發展有限公司) (formerly known as Shanghai Phoenix Shenzhou Film and Television Cultural Development Company Limited* (上海鳳凰衛視神州影視文化發展有限公司)) on 8 February 2023; and (iv) the acquisition of 70% equity interests in Guangdong Yidai Media Advertising Company Limited* (廣東一代傳媒廣告有限公司) on 8 March 2023. For details of these acquisitions, please refer to the announcement of the Company dated 23 December 2022 and Note 14 to the consolidated financial information.

Save as disclosed above, the Group had no material acquisition and disposal of subsidiaries, associates and joint ventures for the year ended 31 December 2023.

LIQUIDITY AND FINANCIAL RESOURCES

The liquidity and financial resources of the Group as at 31 December 2023 remained solid. As at 31 December 2023, the Group's total cash and current bank deposits were about HK$1,709,596,000 (as at 31 December 2022: HK$1,597,690,000), and structured deposits of approximately HK$461,498,000 (as at 31 December 2022: HK$927,603,000) have been recorded as financial assets at fair value through profit or loss. The aggregate outstanding borrowings of the Group were approximately HK$210,759,000 (as at 31 December 2022: HK$189,610,000), comprising non-interest bearing loans, non-interest bearing loans from non-controlling shareholders of subsidiaries and other secured and interest bearing bank borrowings.

The gearing ratio of the Group, based on total liabilities to equity attributable to owners of the Company, was 79.0% as at 31 December 2023 (as at 31 December 2022: 81.5%).

Save as disclosed above, the financial position of the Group remained liquid. Since most of the Group's monetary assets, liabilities and transactions are denominated in Hong Kong dollars, US dollars ("**USD**") and Renminbi ("**RMB**"), with minimal balances in Pound Sterling, the Group is therefore exposed to foreign exchange risks arising from currency exposures, primarily with respect to USD and RMB. The Group manages its foreign exchange risks by performing regular reviews and monitoring its foreign exchange exposure. The Group may consider using forward currency contracts as a tool to manage and reduce such risks as appropriate. Taking into account the Group's current operational and capital requirements, the Directors consider that the foreign currency exchange risk of the Group is limited.

CHARGE ON ASSETS

Bank deposit in the PRC of approximately HK$219,620,000 as at 31 December 2023 (year ended 31 December 2022: Nil) was pledged with a bank to secure a bank borrowing.

The property in the United States with carrying value of approximately HK$2,562,000 was pledged with a bank to secure a bank borrowing as at 31 December 2022. The bank borrowing was fully repaid during the year ended 31 December 2023.

Save as disclosed above, the Group did not have any other charges on its assets as at 31 December 2023 and 31 December 2022.

** For identification purpose only*

CAPITAL STRUCTURE AND SHARE OPTIONS

As at 31 December 2023, the authorised share capital of the Company was HK$1,000,000,000 divided into 10,000,000,000 ordinary shares (the "**Shares**") of HK$0.10 each, of which 4,993,659,500 Shares (as at 31 December 2022: 4,993,659,500 Shares) had been issued and fully paid. As a result of share consolidation which became effective on 20 February 2024, the authorised share capital of the Company remained at HK$1,000,000,000 but divided into 1,000,000,000 Shares of HK$1.00 each, of which 499,365,950 Shares was issued and fully paid. For details, please refer to the section entitled "Other Important Events During the Year and Subsequent Events" in this announcement.

There was no option granted or exercised under the Company's share option scheme during the year.

As at 31 December 2023, the operations of the Group were mainly financed by owners' equity, bank borrowings, loans from non-controlling shareholders of subsidiaries and banking facilities.

STAFF

As at 31 December 2023, the Group employed 2,704 staff and staff costs for the year ended 31 December 2023 decreased to approximately HK$1,203,854,000 (year ended 31 December 2022: HK$1,316,844,000).

The Company adopts an employee-oriented policy by offering reasonable employment conditions, including salaries that meet market standards, defined contribution pension schemes, holidays, comprehensive medical coverage and other types of employee insurance, employee stock option plan and other welfare to attract and retain talents. Staff remuneration of the Group is determined by reference to their job responsibilities, work performance, professional qualification and relevant working experience and an appraisal would be conducted annually to review the staff remuneration package.

The Group offers occupational training to its employees and has subsidy plans for staff training to enhance their knowledge and skills for performing job duties. The Group provides continuous professional development and training in the form of seminar or dispatch of reading materials for its employees annually.

SIGNIFICANT INVESTMENTS HELD

As at 31 December 2023, there was no significant investment held by the Group, and none of each individual investment held by the Group contributed 5% or more of the Group's total assets. For detail of financial assets at fair value through profit or loss, please refer to Note 13 to the consolidated financial information.

FUTURE PLANS FOR MATERIAL INVESTMENTS AND EXPECTED SOURCE OF FUNDING

In view of the challenging environment ahead, the Group will continue to consolidate its existing businesses while exploring new business opportunities that will complement and enhance its existing businesses. The Company will consider various means of financing as and when such opportunities arise.

CONTINGENT LIABILITIES

Various companies in the Group are involved in litigations arising in the ordinary course of their respective businesses. Having reviewed outstanding claims and taking into account legal advice received, the Directors are of the opinion that adequate provisions have been made in the consolidated financial information for the year.

PURCHASE, SALE OR REDEMPTION OF SECURITIES

Neither the Company nor any of its subsidiaries had purchased or sold or redeemed any of the Shares during the year.

CORPORATE GOVERNANCE PRACTICES

The Company has adopted its own code on corporate governance which combined its existing principles and practices with most of the code provisions of the Corporate Governance Code (the "**Corporate Governance Code**") contained in Appendix C1 to the Rules Governing the Listing of Securities (the "**Listing Rules**") on The Stock Exchange of Hong Kong Limited ("**Stock Exchange**") with the objective of taking forward a corporate governance structure which builds on the Company's own standards and experience, while respecting the benchmarks set in the Corporate Governance Code.

The Company has an in-house audit function to assist the Board in monitoring and advising on the effectiveness of the Group's governance, risk management and internal control processes. The Risk Management Committee of the Company has also monitored the progress on corporate governance practices, risk management and internal control systems of the Company throughout the year. The following summarises the corporate governance practices of the Company and the explanations of deviations from the Corporate Governance Code.

Save for the deviations below, the Company has, throughout the year ended 31 December 2023, complied with the Corporate Governance Code.

(1) Chairman and Chief Executive

Code Provision

Under code provision C.2.1, the roles of chairman and chief executive should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive should be clearly established and set out in writing.

Deviation and its Reasons

During the reporting year, Mr. Xu Wei ("**Mr. Xu**") has been continually serving as both the chairman of the Board (the "**Chairman**") and chief executive officer (the "**CEO**") of the Company. The Board considers that Mr. Xu's extensive experience in media industry is a great benefit to the Group. Mr. Xu as the Chairman is responsible for leading and overseeing the effectiveness of the Board and ensuring good corporate governance practices and procedures are established. At the same time, Mr. Xu is also responsible for the role of CEO including managing business operations and devising and implementing strategic plans of the Group as approved by the Board from time to time. Through the supervision of the Board and the Board committees, balance of power and authority can be ensured. Therefore, the Board believes that it is in the best interests of the Company for Mr. Xu to assume the roles of Chairman and CEO until such time as the Board considers that such roles should be assumed by different individuals.

(2) Appointments, Re-election and Removal

Code Provision

Under code provision B.2.2, every director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years.

Deviation and its Reason

Mr. Xu, the Chairman, is not subject to retirement by rotation, which deviates from code provision B.2.2.

The reason for such deviation was due to the provision of the articles of association of the Company, which provided that the Chairman and/or the managing director shall not, whilst holding such office, be subject to retirement by rotation or be taken into account in determining the number of Directors to retire each year. The Board considers that consecutive appointment of the Chairman is beneficial to the direction and implementation of the Company's long term business planning and strategy, and as such, the Board is of the view that the Chairman should not be subject to retirement by rotation.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the required standard of dealings as set out in the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules as the code of conduct regarding securities transactions by the Directors.

Having made specific enquiry of all Directors, it was confirmed that the Directors have complied with the above-mentioned required standards of dealings regarding Directors' securities transactions throughout the year ended 31 December 2023.

The Company has also adopted a code of conduct governing securities transactions by the employees of the Group who may possess or have access to the inside information in relation to the Group or its securities.

AUDIT COMMITTEE

The Company has established the Audit Committee with written terms of reference based upon the guideline recommended by the Hong Kong Institute of Certified Public Accountants and the code provisions set out in the Corporate Governance Code. The primary duties of the Audit Committee are to review and advise on the Company's interim and annual results, financial reports and the accounting principles and practices adopted by the Group, and to discuss auditing and internal control and financial reporting matters. The Audit Committee meets at least twice a year with the Company's management. The terms of reference of the Audit Committee was published on both the websites of the Company and the Stock Exchange.

As at the date of this announcement, the Audit Committee comprised two independent non-executive Directors, namely Mr. Thaddeus Thomas Beczak (chairman of the Audit Committee) and Mr. Leung Hok Lim and one non-executive Director, namely Ms. Wang Haixia.

The Audit Committee had reviewed the Group's annual results for the year ended 31 December 2023 and provided advice and comments thereon before such statements were presented to the Board for approval. The figures in respect of the Group's consolidated balance sheet, consolidated income statement, consolidated statement of comprehensive income and related notes thereto for the year ended 31 December 2023 as set out in this announcement have been agreed by the Group's auditor, PricewaterhouseCoopers, to the amounts set out in the Group's draft consolidated financial statements for the year. The work performed by PricewaterhouseCoopers in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by PricewaterhouseCoopers on this announcement.

OTHER IMPORTANT EVENTS DURING THE YEAR AND SUBSEQUENT EVENTS

Share Consolidation and Change in Board Lot Size

On 15 December 2023, the Board proposed the consolidation of every ten (10) issued and unissued then existing shares of par value HK$0.10 each in the share capital of the Company into one (1) consolidated share of par value HK$1.00 each (the "**Consolidated Share(s)**") (the "**Share Consolidation**") and the change in board lot size for trading on the Stock Exchange from 2,000 then existing shares to 1,000 Consolidated Shares.

On 6 February 2024, the Shareholders approved the Share Consolidation at an extraordinary general meeting of the Company and the Share Consolidation became effective on 20 February 2024.

Immediately after the Share Consolidation which became effective on 20 February 2024, the authorised share capital of the Company became HK$1,000,000,000 and was divided into 1,000,000,000 Consolidated Shares of par value HK$1.00 each, of which 499,365,950 Consolidated Shares were in issue as fully paid or credited as fully paid and the board lot size for trading on the Stock Exchange became 1,000 Consolidated Shares.

For details, please refer to the announcements of the Company dated 15 December 2023, 5 January 2024, 6 February 2024 and 19 February 2024 and the circular of the Company dated 17 January 2024.

PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This annual results announcement of the Company for the year ended 31 December 2023 is published on the website of the Stock Exchange at www.hkexnews.hk and the Company's professional investor relation website at www.irasia.com/listco/hk/phoenixtv. The 2023 annual report of the Company is expected to be despatched to the Shareholders and/or published on the above-mentioned websites on or around 23 April 2024.

CONSOLIDATED FINANCIAL INFORMATION

The Board has the pleasure of presenting the consolidated financial information of the Group as at and for the year ended 31 December 2023, together with the comparative figures for the year ended 31 December 2022.

CONSOLIDATED INCOME STATEMENT

For the year ended 31 December 2023

	Note	**2023** **HK$'000**	2022 *HK$'000* (Restated)
Revenue	*3*	**2,467,957**	3,003,733
Operating expenses		**(2,327,760)**	(2,883,546)
Selling, general and administrative expenses		**(428,177)**	(515,520)
Net (provision for)/reversal of provision for impairment losses in financial assets		**(46,455)**	16,713
Other gains/(losses), net	*4*	**11,093**	(43,432)
Interest income		**55,246**	56,260
Interest expense		**(37,174)**	(44,395)
Share of profits less losses of joint ventures		**(457)**	1,430
Share of profits less losses of associates		**(12,610)**	(9,056)
Loss before income tax	*6*	**(318,337)**	(417,813)
Income tax expense	*7*	**(16,357)**	(29,062)
Loss for the year		**(334,694)**	(446,875)
Loss attributable to:			
Owners of the Company		**(258,989)**	(383,340)
Non-controlling interests		**(75,705)**	(63,535)
		(334,694)	(446,875)
Loss per share for loss attributable to the owners of the Company for the year			(Restated)
Basic loss per share, Hong Kong cents	*8*	**(51.86)**	(76.76)
Diluted loss per share, Hong Kong cents	*8*	**(51.86)**	(76.76)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the year ended 31 December 2023

	2023 *HK$'000*	2022 *HK$'000* (Restated)
Loss for the year	**(334,694)**	(446,875)
Other comprehensive income/(expense):		
Items that have been reclassified/may be reclassified to profit or loss		
Currency translation differences	**48,936**	(403,357)
Reclassification adjustments of exchange differences to profit or loss on disposal and liquidation of subsidiaries	**(163)**	—
Total comprehensive expense for the year	**(285,921)**	(850,232)
Attributable to:		
Owners of the Company	**(226,093)**	(629,173)
Non-controlling interests	**(59,828)**	(221,059)
	(285,921)	(850,232)

CONSOLIDATED BALANCE SHEET

As at 31 December 2023

	Note	**2023** **HK$'000**	2022 HK$'000 (Restated)
Assets			
Non-current assets			
Purchased programme and film rights, net		**13,429**	14,207
Right-of-use assets		**837,521**	961,363
Property, plant and equipment, net		**597,219**	638,823
Investment properties		**1,325,872**	1,307,283
Intangible assets		**29,985**	46,754
Investments in joint ventures		**34,989**	35,152
Investments in associates		**62,901**	68,844
Other long-term assets		**45,102**	45,536
Deferred income tax assets		**103,220**	115,927
		3,050,238	3,233,889
Current assets			
Accounts receivable, net	*10*	**650,685**	899,782
Prepayments, deposits and other receivables		**491,050**	445,525
Inventories		**4,305**	5,171
Amounts due from related companies		**4,400**	12,822
Self-produced programmes		**1,297**	9,136
Purchased programme and film rights, net		**139**	305
Financial assets at fair value through profit or loss	*13*	**547,226**	1,015,174
Bank deposits		**160,537**	222,878
Restricted cash		**231,459**	11,122
Cash and cash equivalents		**1,549,059**	1,374,812
		3,640,157	3,996,727
Total assets		**6,690,395**	7,230,616

	Note	2023 HK$'000	2022 HK$'000 (Restated)
Equity			
Equity attributable to owners of the Company			
Share capital		**499,366**	499,366
Reserves		**2,692,024**	2,921,274
		3,191,390	3,420,640
Non-controlling interests		**979,058**	1,020,462
Total equity		**4,170,448**	4,441,102
Liabilities			
Non-current liabilities			
Bank borrowings	*12(a)*	—	1,692
Lease liabilities		**578,616**	671,197
Other long-term liabilities		**4,348**	4,507
Loans from non-controlling shareholders of subsidiaries	*12(b)*	**11,144**	32,271
Deferred income tax liabilities		**143,571**	136,255
		737,679	845,922
Current liabilities			
Accounts payable, other payables and accruals	*11*	**1,045,397**	1,201,263
Bank borrowings	*12(a)*	**54,905**	6,534
Lease liabilities		**148,932**	168,431
Deferred income		**238,033**	259,120
Loans from non-controlling shareholders of subsidiaries	*12(b)*	**140,362**	144,606
Current income tax liabilities		**154,639**	163,638
		1,782,268	1,943,592
Total liabilities		**2,519,947**	2,789,514
Total equity and liabilities		**6,690,395**	7,230,616

NOTES TO THE ANNUAL RESULTS ANNOUNCEMENT

1 GENERAL INFORMATION

Phoenix Media Investment (Holdings) Limited (the "**Company**") and its subsidiaries (together, the "**Group**") engage principally in satellite television broadcasting and provision of internet and outdoor media services.

The Company is a limited liability company incorporated in the Cayman Islands and domiciled in Hong Kong Special Administrative Region of the People's Republic of China ("**PRC**"). The address of its registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands.

The Company is listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**").

The financial statements are presented in Hong Kong dollars ("**HK$**"), unless otherwise stated. These financial statements were approved for issue by the Board of Directors on 15 March 2024.

2 BASIS OF PREPARATION

The consolidated financial statements of the Group have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("**HKFRS**") issued by the Hong Kong Institute of Certified Public Accountants. They have been prepared under the historical cost convention, except for the revaluation of investment properties and financial assets at fair value through profit or loss.

(a) Effect of adopting new standards and amendments to standards effective in 2023

HKAS 1 (Revised)(Amendments)	Disclosure of Accounting Policies
HKAS 8 (Amendments)	Definition of Accounting Estimates
HKAS 12 (Amendments)	Deferred Tax related to Assets and Liabilities arising from a Single Transaction
HKFRS 17	Insurance Contracts

Except for the impact mentioned below, the adoption of the other new or revised standards and amendments of HKFRS stated above did not have any significant impact to the Group's consolidated financial statements in the current and prior periods.

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

The amendments clarify that the initial recognition exemption of deferred tax in HKAS 12 "Income Taxes" does not apply to transactions that give rise to equal taxable and deductible temporary differences, such as lease contracts that give rise to the recognition of a lease liability and the corresponding right-of-use assets and contracts that give rise to the recognition of decommissioning obligations and corresponding amounts recognised as assets. Instead, entities are required to recognise the related deferred income tax assets and liabilities on initial recognition, with the recognition of any deferred income tax assets being subject to the recoverability criteria in HKAS 12 "Income Taxes".

The Group adopted the amendments from 1 January 2023 and are required to recognise the associated deferred income tax assets and liabilities from leases that occurred on or after 1 January 2022 from the beginning of the earliest comparative period presented, with any cumulative effect recognised as an adjustment to retained earnings at that date.

Prior to the application of the amendments, the Group had recognised the deferred income tax assets and liabilities arising from leases on a net basis. Following the requirements of the amendments, the Group has recognised deferred income tax liabilities in relation to its right-of-use assets as at 1 January 2022 and has only recognised deferred income tax assets to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. The impact of the retrospective adjustments of the changes in accounting policies on the items and amounts in the consolidated financial statements for the comparative period, which were prepared by the Company in accordance with HKFRSs, is as follows:

Consolidated balance sheet as at 31 December 2021/1 January 2022

Items	**Carrying amounts as at 31 December 2021 (before the amendments)**	**Impact of amendments to HKAS 12**	**Restated carrying amounts as at 1 January 2022 (after the amendments)**
	HK$'000	*HK$'000*	*HK$'000*
Deferred tax assets	120,125	11,670	131,795
Total equity	(5,414,427)	(11,670)	(5,426,097)

Consolidated balance sheet as at 31 December 2022/1 January 2023

Items	**Carrying amounts as at 31 December 2022 (before the amendments)**	**Impact of amendments to HKAS 12**	**Restated carrying amounts as at 31 December 2022 (after the amendments)**
	HK$'000	*HK$'000*	*HK$'000*
Deferred tax assets	104,719	11,208	115,927
Total equity	(4,429,894)	(11,208)	(4,441,102)

Consolidated income statement for the year ended 31 December 2022

Items	**Amounts for the year ended 31 December 2022 (before the amendments)**	**Impact of amendments to HKAS 12**	**Amounts for the year ended 31 December 2022 (after the amendments)**
	HK$'000	*HK$'000*	*HK$'000*
Income tax expenses	29,820	(758)	29,062
Loss for the year	(447,633)	758	(446,875)
Loss attributable to the owners of the Company for the year	(382,500)	(840)	(383,340)
Basic and diluted loss per share, Hong Kong cents	(76.60)	(0.16)	(76.76)

(b) Amendments to standards and interpretation not yet effective for the Group and have not been early adopted by the Group

The following Amendments to standards and interpretation have been issued but are not yet effective for the financial year ended 31 December 2023 and have not been early adopted by the Group:

HKAS 1 (Amendments)	Classification of Liabilities as Current or Non-current (1)
HKAS 1 (Amendments)	Non-current Liabilities with Covenants (1)
HKAS 7 (Amendments)	Cashflow Statement (1)
HKAS 21 (Amendments)	The Effects of Changes in Foreign Exchange Rates (2)
HKFRS 7 (Amendments)	Financial Instruments (1)
HKFRS 16 (Amendments)	Leases (1)
Hong Kong Interpretation 5 (2020)	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause (1)
HKFRS 10 and HKAS 28 (Amendments)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (3)

(1) Effective for annual periods beginning on 1 January 2024
(2) Effective for annual periods beginning on 1 January 2025
(3) Effective for annual periods beginning on or after a date to be determined

These amendments to standards and interpretation are not expected to have a material impact on the Group in the current or future reporting periods.

3 REVENUE

The Group is principally engaged in satellite television broadcasting and the provision of internet and outdoor media services. An analysis of the Group's revenue by nature is as follows:

	2023	2022
	HK$'000	*HK$'000*
Advertising sales		
Television broadcasting	**828,730**	978,833
Internet media	**690,400**	809,420
Outdoor media	**598,055**	785,341
Mobile, video and wireless value added services income	**88,397**	123,825
Subscription sales	**49,839**	59,020
Magazine advertising and subscription or circulation	**41,750**	32,280
Rental income	**26,382**	38,879
Others	**144,404**	176,135
	2,467,957	3,003,733

4 OTHER GAINS/(LOSSES), NET

	2023	2022
	HK$'000	*HK$'000*
Fair value loss on investment properties	**(34,285)**	(6,276)
Exchange loss, net	**(4,868)**	(113,011)
Investment income	**1,387**	2,917
Fair value gains/(losses) on financial assets at fair value through profit or loss, net	**4,291**	(32,275)
Impairment of investment in associates	**—**	(8,031)
Gain on disposal of property, plant and equipment	**4,741**	18,602
Gain on bargain purchase *(note 14)*	**12,947**	—
Gain on disposal of subsidiaries	**3,610**	—
Gain on disposal of joint ventures, net	**441**	—
Gain on disposal of intangible asset	**680**	—
Reversal of tax provision for the disposal of financial assets and liabilities at fair value through profit or loss	**—**	74,185
Government subsidy	**15,226**	18,375
Others, net	**6,923**	2,082
	11,093	(43,432)

5 SEGMENT INFORMATION

	Year ended 31 December 2023								
	Television broadcasting								
	Primary channels HK$'000	Others HK$'000	Sub-total HK$'000	Internet media HK$'000	Outdoor media HK$'000	Real estate HK$'000	Other activities HK$'000	Inter-segment elimination HK$'000	Group HK$'000
Revenue									
External sales	580,858	336,712	917,570	778,797	598,055	26,382	147,153	—	2,467,957
Inter-segment sales *(Note c)*	—	61,474	61,474	3,018	3,432	35,259	6,175	(109,358)	—
Total revenue	580,858	398,186	979,044	781,815	601,487	61,641	153,328	(109,358)	2,467,957
Timing of revenue recognition									
At point in time	—	42,586	42,586	75,786	—	—	—	—	118,372
Over time	580,858	294,126	874,984	703,011	598,055	6,222	147,153	—	2,329,425
Revenue from other source	—	—	—	—	—	20,160	—	—	20,160
	580,858	336,712	917,570	778,797	598,055	26,382	147,153	—	2,467,957
Segment results	(5,153)	51,035	45,882	(97,361)	29,281	(34,060)	(65,397)	—	(121,655)
Unallocated income *(Note a)*									25,949
Unallocated expenses *(Note b)*									(209,564)
Loss before share of result of joint ventures/associates, income tax and non-controlling interests									(305,270)
Share of profit less losses of joint ventures									(457)
Share of profits less losses of associates									(12,610)
Income tax expense									(16,357)
Loss for the year									(334,694)
Non-controlling interests									75,705
Loss attributable to owners of the Company									(258,989)
Depreciation	(10,619)	(16,862)	(27,481)	(35,411)	(163,988)	(26,542)	(13,046)	—	(266,468)
Unallocated depreciation									(22,961)
									(289,429)
Interest income	3	9,403	9,406	38,353	6,074	200	485	—	54,518
Unallocated interest income									728
									55,246
Interest expenses	—	(79)	(79)	(4,545)	(30,152)	—	(1,709)	—	(36,485)
Unallocated interest expenses									(689)
									(37,174)
Fair value loss on investment properties	—	—	—	—	—	(34,285)	—	—	(34,285)
Provision for impairment of accounts receivable	—	—	—	(17,572)	—	—	(500)	—	(18,072)
Reversal of provision for impairment of accounts receivable	311	—	311	—	—	—	—	—	311

	Year ended 31 December 2022								
	Television broadcasting								
	Primary channels *HK$'000*	Others *HK$'000*	Sub-total *HK$'000*	Internet media *HK$'000*	Outdoor media *HK$'000*	Real estate *HK$'000*	Other activities *HK$'000*	Inter-segment elimination *HK$'000*	Group *HK$'000*
Revenue									
External sales	698,853	379,111	1,077,964	933,245	785,341	38,879	168,304	—	3,003,733
Inter-segment sales *(Note c)*	—	86,940	86,940	14,721	206	35,745	4,605	(142,217)	—
Total revenue	698,853	466,051	1,164,904	947,966	785,547	74,624	172,909	(142,217)	3,003,733
Timing of revenue recognition									
At point in time	—	60,078	60,078	96,507	—	—	—	—	156,585
Over time	698,853	319,033	1,017,886	836,738	785,341	3,796	168,304	—	2,812,065
Revenue from other source	—	—	—	—	—	35,083	—	—	35,083
	698,853	379,111	1,077,964	933,245	785,341	38,879	168,304	—	3,003,733
Segment results	(155,493)	106,252	(49,241)	(183,407)	115,955	8,228	(83,841)	—	(192,306)
Unallocated income *(Note a)*									45,205
Unallocated expenses *(Note b)*									(263,086)
Loss before share of result of joint ventures/associates, income tax and non-controlling interests									(410,187)
Share of profit less losses of joint ventures									1,430
Share of profits less losses of associates									(9,056)
Income tax expense (restated)									(29,062)
Loss for the year (restated)									(446,875)
Non-controlling interests (restated)									63,535
Loss attributable to owners of the Company (restated)									(383,340)
Depreciation	(9,239)	(15,432)	(24,671)	(44,332)	(190,981)	(28,441)	(29,825)	—	(318,250)
Unallocated depreciation									(25,369)
									(343,619)
Interest income	1	3,740	3,741	37,264	11,650	432	375	—	53,462
Unallocated interest income									2,798
									56,260
Interest expenses	—	(95)	(95)	(3,985)	(35,566)	—	(2,720)	—	(42,366)
Unallocated interest expenses									(2,029)
									(44,395)
Fair value loss on investment properties	—	—	—	—	—	(6,276)	—	—	(6,276)
Provision for impairment of accounts receivable	—	(42)	(42)	(36,247)	—	—	(2,178)	—	(38,467)
Reversal of provision for impairment of accounts receivable	—	212	212	63,996	2,711	—	—	—	66,919

Notes:

(a) Unallocated income represents exchange gain, interest income, fair value gain on financial assets (realised and unrealised), gain on bargain purchase and investment income.

(b) Unallocated expenses represent primarily:

- corporate staff costs;
- office rental;
- general administrative expenses;
- marketing and advertising expenses related to the Group as whole;
- exchange loss; and
- fair value losses on financial assets.

(c) Sales between segments are carried out based on terms determined by management with reference to market prices.

Revenue from external customers by country/region, based on the destination of the customer:

	2023	2022
	HK$'000	*HK$'000*
The PRC	**2,371,616**	2,896,777
Hong Kong	**55,943**	61,319
Others	**40,398**	45,637
	2,467,957	3,003,733

Non-current assets, other than deferred income tax assets, by country/region:

	2023	2022
	HK$'000	*HK$'000*
The PRC	**2,655,986**	2,800,075
Hong Kong	**256,819**	285,095
Others	**34,213**	32,792
	2,947,018	3,117,962

6 LOSS BEFORE INCOME TAX

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

	2023	2022
	HK$'000	*HK$'000*
Crediting		
Gain on disposal of property, plant and equipment	**(4,741)**	(18,602)
Charging		
Production costs of self-produced programmes	**172,186**	203,833
Commission expenses	**93,918**	185,590
Bandwidth costs	**33,775**	54,776
Employee benefit expenses (including Directors' emoluments)	**1,203,854**	1,316,844
Operating lease rental in respect of		
— Land and buildings of third parties	**15,604**	15,429
— LED panels	**2,903**	7,265
Loss on disposal of property, plant and equipment	**1,424**	5,374
Depreciation of property, plant and equipment	**109,229**	118,470
Depreciation of right-of-use assets	**180,200**	225,149
Amortisation of purchased programme and film rights	**10,136**	10,457
Amortisation of intangible assets	**15,539**	20,241
Impairment of intangible assets	**—**	1,204
Auditor's remuneration		
— Audit services	**14,681**	13,826
— Non-audit services	**932**	925
Outgoings for investment properties	**2,137**	2,749
Termination fee of a lease contract	**—**	14,880

7 INCOME TAX EXPENSE

Hong Kong profits tax has been provided at the rate of 16.5% (2022: 16.5%) on the estimated assessable profit for the year. Taxation on PRC and overseas profits has been calculated on the estimated assessable profit for the year at the rates of taxation prevailing in the countries in which the Group operates.

	2023	2022
	HK$'000	*HK$'000*
		(Restated)
Current income tax		
— Hong Kong profits tax	**—**	—
— PRC and overseas taxation	**8,865**	32,329
Deferred income tax	**7,492**	(3,267)
	16,357	29,062

On 20 January 1998, the PRC State Administration of Taxation granted a Tax Ruling of Business Tax and Foreign Enterprise Income Tax on certain of the Group's advertising fees collected from an advertising agent, Shenzhou in the PRC (the "**Ruling**"). The Group has dealt with the aforementioned taxes according to the Ruling in the consolidated financial statements. However, PRC tax laws and regulations and the interpretations thereof may change in the future so that the Group would be subject to PRC taxation on certain income deemed to be sourced in the PRC other than Hong Kong. The Group will continue to monitor developments in the PRC tax regime in order to assess the ongoing applicability and validity of the Ruling.

8 LOSS PER SHARE

On 20 February 2024, every ten issued and unissued then existing shares of par value HK$0.10 each in the share capital of the Company were consolidated into one share of par value HK$1.00 each ("**Consolidated Share(s)**")("**Share Consolidation**").

Comparative figures of the weighted average number of shares for calculating basic earnings per share and diluted earnings per share have been adjusted on the assumption that Share Consolidation have been effective in the prior year.

(a) Basic

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

	2023	2022 (Restated)
Loss attributable to owners of the Company *(HK$'000)*	**(258,989)**	(383,340)
Weighted average number of ordinary shares in issue *('000)*	**499,366**	499,366
Basic loss per share *(Hong Kong cents)*	**(51.86)**	(76.76)

(b) Diluted

Diluted loss per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Group has dilutive potential ordinary shares which comprise share options of the Company and a subsidiary in both years.

There was no impact of the dilutive instruments during the year ended 31 December 2023 as the share options of the Company and a subsidiary were anti-dilutive (2022: Nil).

9 DIVIDENDS

No dividend had been paid or declared during the year. The Board of Directors of the Company ("**Board**") did not recommend the payment of final dividend to shareholders for the year ended 31 December 2023 (2022: Nil).

10 ACCOUNTS RECEIVABLE, NET

	2023	2022
	HK$'000	*HK$'000*
Accounts receivable	**819,443**	1,292,038
Less: Provision for impairment	**(168,758)**	(392,256)
	650,685	899,782

The carrying amounts of accounts receivable, net, approximate their fair values.

The Group has appointed an advertising agent in the PRC to promote the sales of the Group's advertising airtime and programme sponsorship and collect advertising revenues within the PRC on behalf of the Group. The Group generally requires its advertising customers to pay in advance. Customers of other business segments are given credit terms of 30 to 180 days.

At 31 December 2023, the ageing analysis of the accounts receivable from customers based on invoice date was as follows:

	2023	2022
	HK$'000	*HK$'000*
0-30 days	**211,925**	210,067
31-60 days	**104,281**	176,754
61-90 days	**91,087**	104,055
91-120 days	**81,310**	89,477
Over 120 days	**330,840**	711,685
	819,443	1,292,038
Less: Provision for impairment	**(168,758)**	(392,256)
	650,685	899,782

The carrying amounts of the Group's accounts receivable are denominated in the following currencies:

	2023	2022
	HK$'000	*HK$'000*
RMB	**810,575**	1,278,693
USD	**7,099**	11,171
UK pound	**905**	1,262
Other currencies	**864**	912
	819,443	1,292,038

11 ACCOUNTS PAYABLE, OTHER PAYABLES AND ACCRUALS

	2023	2022
	HK$'000	*HK$'000*
Accounts payable	**275,761**	482,834
Other payables and accruals	**769,636**	718,429
	1,045,397	1,201,263
Less: Non-financial liabilities	**(6,908)**	(5,527)
	1,038,489	1,195,736

At 31 December 2023, the ageing analysis of the accounts payable based on invoice date was as follows:

	2023	2022
	HK$'000	*HK$'000*
0-30 days	**146,884**	210,244
31-60 days	**12,069**	30,173
61-90 days	**6,000**	10,428
91-120 days	**12,125**	27,994
Over 120 days	**98,683**	203,995
	275,761	482,834

The carrying amounts of accounts payable, other payables and accruals approximate their fair values.

The carrying amounts of accounts payable, other payables and accruals are denominated in the following currencies:

	2023	2022
	HK$'000	*HK$'000*
HK$	**225,995**	241,140
RMB	**803,125**	936,162
USD	**5,082**	15,534
UK pound	**3,784**	2,479
Other currencies	**503**	421
	1,038,489	1,195,736

12 BORROWINGS

	2023	2022
	HK$'000	*HK$'000*
Bank borrowings *(Note a)*	**54,905**	8,226
Loans from non-controlling shareholders of subsidiaries *(Note b)*	**151,506**	176,877
	206,411	185,103

(a) Bank borrowings

	2023	2022
	HK$'000	*HK$'000*
Non-current		
Long-term secured bank borrowings	**—**	1,692
Current		
Short-term secured bank borrowings	**49,414**	6,534
Short-term unsecured bank borrowings	**5,491**	—
Total bank borrowings	**54,905**	8,226
The bank borrowings are repayable as follows:		
— Within one year	**54,905**	6,534
— More than five years	**—**	1,692
Total bank borrowings	**54,905**	8,226

(b) Loans from non-controlling shareholders of subsidiaries

	2023	2022
	HK$'000	*HK$'000*
Non-current		
Long-term loans from non-controlling shareholders of subsidiaries	**11,144**	32,271
Current		
Short-term loans from non-controlling shareholders of subsidiaries	**140,362**	144,606
Total loans from non-controlling shareholders of subsidiaries	**151,506**	176,877
The loans from non-controlling shareholders of subsidiaries are repayable as follows:		
— Within one year	**140,362**	144,606
— More than one year but not exceeding two years	**11,144**	10,491
— More than five years	**—**	21,780
Total loan from non-controlling shareholders of subsidiaries	**151,506**	176,877

The loans from non-controlling shareholders of subsidiaries are denominated in RMB, unsecured and interest-free (2022: loans from non-controlling shareholders of subsidiaries are denominated in RMB, unsecured and interest-free).

13 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2023	2022
	HK$'000	*HK$'000*
Current assets		
Listed equity securities	**19,232**	14,821
Other investments	**66,496**	72,750
Structured deposits	**461,498**	927,603
	547,226	1,015,174

14 BUSINESS COMBINATION

Beijing Phoenix Huibo Media Company Limited* (formerly known as Beijing Huibo Advertisement and Media Company Limited*), an indirect wholly owned subsidiary of the Company entered into equity transfer agreements and a supplemental agreement with Shenzhou Television Company Limited* (神州電視有限公司) ("**Shenzhou**") and Beijing Erya Far East Advertising Co., Ltd. to acquire 100% equity interests of Phoenix Intelligent Media (Beijing) Technology Cultural Company Limited* (formerly known as Beijing Huizhi Bozhong Public Relations Consultancy Company Limited*) ("**Phoenix Intelligent**"), Shenzhen Phoenix Star Cultural Industrial Company Limited* ("**Phoenix Star**") and Shanghai Huibo Hengxin Film and Television Cultural Development Company Limited* (formerly known as Shanghai Phoenix Shenzhou Film and Television Cultural Development Company Limited*) ("**Huibo Hengxin**"), and 70% equity interests of Guangdong Yidai Media Advertising Company Limited* ("**Guangdong Yidai**") at an aggregate consideration of RMB15,500,000 (HK$17,733,000) and contingent tax consideration of RMB18,944,000 (HK$21,802,000) (the "**Acquisition(s)**"). Each of the Acquisitions has been completed on 3 January 2023, 1 February 2023, 8 February 2023 and 8 March 2023 respectively.

Aggregate consideration of the Acquisitions is as follows:

	HK$'000
Cash consideration	**17,733**
Contingent consideration *(Note)*	**21,802**
Total	**39,535**

Note:

Pursuant to the supplemental agreement dated 23 December 2022, the Group is required to bear taxation and fee arising from the Acquisition which may be imposed by the tax authorities on Shenzhou. The amount of contingent consideration is subject to assessment of the tax authorities.

* *For identification purpose only*

The recognised amounts of identifiable assets acquired and liabilities assumed as at the respective dates of such acquisitions are as follow:

	Fair value
	HK$'000
Investment property	**43,038**
Property, plant and equipment	**13,811**
Accounts receivable, prepayments, deposits and other receivables	**6,923**
Accounts payable, other payables and accruals	**(52,780)**
Cash and cash equivalents	**50,473**
Deferred income tax liabilities	**(12,680)**
Other assets and liabilities	**3,350**
Net identifiable assets acquired	**52,135**
Add: non-controlling interest	**347**
Less: gain on bargain purchase recognised in the consolidated income statement	**(12,947)**
Total	**39,535**

Net cash inflow on the Acquisitions

	HK$'000
Cash consideration	**17,733**
Less: cash and cash equivalent balances acquired	**(50,473)**
Net cash inflow on the Acquisitions	**(32,740)**

Gain on bargain purchase on the Acquisitions amounting to HK$12,947,000 is recognised in the consolidated income statement. Shenzhou has been appointed by the Group as its non-exclusive agent in the PRC to provide services to the Group as well as to conduct certain other non-core businesses for and on behalf of the Group (such services and businesses include, but are not limited to, advertising sale, TV programmes and content production and those services and/or businesses as provided or conducted by Phoenix Intelligent, Phoenix Star, Huibo Hengxin and Guangdong Yidai (collectively, the "**Acquired Companies**")). When the businesses become mature and stable, it will be more economical for the Group to conduct the same on its own and therefore, the Group has decided to terminate the appointment of Shenzhou in those fields. As such, the Acquired Companies (together with the equipment, assets and labour force thereunder) become redundant for Shenzhou.

Shenzhou does not need to close down the Acquired Companies and dispose of their equipment, assets and labour force in a piecemeal fashion which may otherwise incur considerable time and costs, which resulted a gain on bargain purchase under the Acquisitions.

15 SUBSEQUENT EVENT

On 15 December 2023, the Company proposed to implement the Share Consolidation and the change in board lot size for trading on the Stock Exchange from 2,000 then existing shares to 1,000 Consolidated Shares.

On 6 February 2024, the Shareholders approved the Share Consolidation at an extraordinary general meeting of the Company and the Share Consolidation became effective on 20 February 2024.

Immediately after the Share Consolidation which became effective on 20 February 2024, the authorised share capital of the Company became HK$1,000,000,000 and was divided into 1,000,000,000 Consolidated Shares of par value HK$1.00 each, of which 499,365,950 Consolidated Shares were in issue as fully paid or credited as fully paid and the board lot size for trading on the Stock Exchange became 1,000 Consolidated Shares.

For details, please refer to the announcements of the Company dated 15 December 2023, 5 January 2024, 6 February 2024 and 19 February 2024 and the circular of the Company dated 17 January 2024.

By Order of the Board
Phoenix Media Investment (Holdings) Limited
Xu Wei
Chairman and Chief Executive Officer

Hong Kong, 15 March 2024

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

Executive Directors
Mr. Xu Wei (Chairman and Chief Executive Officer) and Mr. Sun Yusheng (Deputy Chief Executive Officer and Editor-in-Chief)

Non-executive Directors
Ms. Ho Chiu King, Pansy Catilina (Vice-chairman), Mr. Sun Guangqi and Ms. Wang Haixia

Independent Non-executive Directors
Mr. Leung Hok Lim, Mr. Thaddeus Thomas Beczak, Mr. Fang Fenglei and Mr. Zhou Longshan