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)

ANNOUNCEMENT OF UNAUDITED INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2022

The board (the "**Board**") of directors (the "**Directors**") of Phoenix Media Investment (Holdings) Limited (the "**Company**") hereby announces the unaudited interim results of the Company and its subsidiaries (collectively, the "**Group**" or "**Phoenix**") for the six months ended 30 June 2022 (the "**Period**").

FINANCIAL SUMMARY

- Revenue of the Group for the Period was approximately HK$1,490,072,000, which represented an increase of 7.4% in comparison with the same period last year.

- The operating loss of the Group for the Period was increased to approximately HK$365,246,000, which represented an increase of 21.9% in comparison with the same period last year. The major reason for this increase in operating loss was due to our internet media business.

- The net exchange loss of the Group for the Period was approximately HK$68,796,000 (six months ended 30 June 2021: gain of HK$29,659,000) mainly resulting from the depreciation of the Renminbi ("**RMB**") against Hong Kong dollars.

- The loss attributable to owners of the Company was approximately HK$330,508,000, in comparison with HK$245,175,000 for the same period last year.

BUSINESS OVERVIEW AND PROSPECTS

In the first half of 2022, Phoenix intensified the pace of its business transformation and innovation by adopting multiple strategic measures, and has shown a continuing positive trend in its operating performance. Mr. Xu Wei, the Chairman of the Board and Chief Executive Officer, emphasises that the brand recognition, credibility and international influence of Phoenix must be demonstrated continuously, and Phoenix shall "focus on its core media business, focus on the international market, focus on innovation and focus on talents". It shall firmly establish a strong base in Hong Kong positioning to target the Chinese communities in Hong Kong, Macau, Taiwan and around the globe, with an aim of building an international first-class Chinese media group.

Phoenix delivered first-hand news to Chinese audiences all over the world, demonstrating its media professionalism. The global team of Phoenix focused and broadcasted live reports on various important domestic and foreign news events such as China-Russia Presidents' Talks, China-U.S. Presidents' video conference, BRICS Summit, Davos Forum, French Presidential Election, PRC government aiding Hong Kong in fighting the fifth wave of COVID-19, North Korea Parade, and Russia Parade. At the same time, upholding the spirit of "being on the spot at major events", several reporters were sent deep into the battlefront of Ukraine to perform news coverage after the outbreak of Russia-Ukraine War. Moreover, as an international Chinese media based in Hong Kong, Phoenix fully utilised the advantage of its geographical location, and had in-depth comprehensive reporting on major events in Hong Kong such as Hong Kong Chief Executive Election, and the Celebration of 25th Anniversary of Hong Kong's Return to the Motherland.

Phoenix implemented new revampification of its programmes by emphasising on its news professionalism and strengthening its news live broadcast. Programmes like *Phoenix Morning Express, Phoenix Midday Express, Phoenix Evening Express,* and *Phoenix Midnight Express* focused on around-the-clock news-updates and breaking news, with their presentation, packaging and visual effects more in line with the positioning as an international media. Phoenix Hong Kong Channel enhanced Cantonese broadcasts to serve Hong Kong and Cantonese-speaking audiences in other regions and rendered Hong Kong's local affairs and entertainment news as two main focuses, which opened up a new broadcasting landscape. Phoenix also newly launched programmes such as *Zoom In, Asian Financial Insight, China Insight, The Great Era, Fact Check on News, Top View* and *Bench Talk About Taiwan,* showcasing a series of in-depth and thoughtful programmes, which greatly enriched its international broadcast content using the audiovisual narrative style, whereby winning praises from the Chinese audiences and increasing viewership significantly.

Phoenix continues to enhance its broadcast efforts and international influence. It 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 and content distribution platforms, and expands its international broadcasting network with "Internet Thinking" and "Mobile-First" broadcasting ideas. In the first half of 2022, the official account of "Phoenix" on various social media platforms has been upgraded, with development of a new information social brand "Phoenix TV News (鳳凰資訊)" and introduction of a new Cantonese integrated media brand "HKV", thus establishing a three-dimensional, diverse and integrated Chinese-language media matrix.

Moreover, Phoenix undertakes media responsibilities in the international communication practice by establishing extensive strategic cooperation with various international organisations and institutions, such as The United Nations Educational, Scientific and Cultural Organisation (UNESCO), The United Nations Development Programme (UNDP) and The World Wide Fund for Nature (WWF), in order to build a platform for cultural exchange between China and the world, and co-organised the "2022 Earth Hour" to enhance its affinity and influence in international communication via the respective global, regional and demassified ways.

During the reporting period, Phoenix continued to enhance its brand value, and has been consecutively listed as Asia's 500 Most Influential Brands for several years and continued to be rated as Top 4 TV brands in Asia, which reflected its publicity and reputation in fields like media and culture. With its international and high-quality production standards, Phoenix's programmes garnered numerous international awards. At the 2022 New York Festivals International TV & Films Awards, *Aerial HK (Night Version)* won the gold prize in Film/Production: Technical Production Team Category; and *When the World was Young — Chinese in the International Column* won the silver prize in Documentary, which demonstrated Phoenix's outstanding strengths and professionalism.

The Group actively brings forward the business transformation and high-quality development through various corporate strategies such as content innovation, business and resources integration and synergy. The Company has been nurturing new business forms including customised media services and content consumption to further improve the monetisation of our media brands, contents, platforms, traffic and resources. Meanwhile, the Group continues to promote the synergistic operation of its omni-media platforms including television broadcasting, internet media, outdoor media and magazines with a view to providing customers with integrated media services while facilitating the on-going improvements in its service quality and business scale.

The flagship product IFENG News App under Phoenix New Media, an internet media platform of the Group, has actively optimised the content operation and algorithmic strategy, the number and activeness of its users maintained a leading position as one of the most popular mobile terminal information products among Chinese users. Phoenix New Media has unequivocal advantages in aspects such as the in-depth coverage of major events, unique and original content, quality programmes in vertical domains, and offline galas, and on such basis, new innovations have been continued with launch of online cloud financial summit format, creation of globalised content products, continuous exploration of the operations and monetisation of accounts on third party platforms, as well as active development in various business areas including quality e-commerce, supply chain and consumption guidance, thus bringing new monetisation potentials and strategic opportunities for the Company. Moreover, Phoenix New Media has been actively exploring synergic cooperation with other members of the Group, and achieved mutual communication and integration in contents, broadcast and resources, thereby strengthening the overall influence and competitiveness of the Phoenix brand.

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, reliability and creativity with sufficient technical support. In the first half of 2022, the revenue and number of customers from premier international brands continued to maintain year-over-year growth, and the cooperation with both PRC and overseas well-known brands were being optimised. Driven by this phenomenon, Phoenix Metropolis Media has continued to progress in innovative marketing to boost brand sales, and further consolidate the advantages of the national digital network. Phoenix's outdoor LED display panel media resources currently cover over 300 cities in China with over 1,000 panels. Its global network encompasses over 20 countries and regions including Asia, America, Europe and Oceania, and as such it has literally achieved global procurement and distribution for satisfying the customers' outdoor media advertising needs in all aspects.

The Group has also maintained a systematic development in other business segments. In the field of digital technology, the Company has strived to promote the integrated development of the technology and media industry. In the fields of culture and arts, the Group has incubated and set up different business sectors, such as creative planning, performance arts activities, art curation and cultural IP development and operations to form a sustainable business mode gradually.

At present, coupled with the once-in-a-century change in the world and global pandemic against the backdrop of an era of world multi-polarisation and cultural diversification, international communication is becoming increasingly important. Phoenix will persist in the philosophy of openness and inclusiveness, adhere to and deepen its core competitiveness in contents, and fully leverage on the Group's credibility, communication strength and influence, so as to promote Chinese culture more effectively from a global perspective, and to present to the world a true, stereoscopic and comprehensive China and fulfill the expectations of our stakeholders.

RESULTS

The revenue of the Group for the Period was approximately HK$1,490,072,000 (six months ended 30 June 2021: HK$1,386,962,000), which represented an increase of 7.4% in comparison with the same period last year. The operating costs for the Period have increased by 10.0% to approximately HK$1,855,318,000 (six months ended 30 June 2021: HK$1,686,613,000).

The operating loss of the Group for the Period was increased to approximately HK$365,246,000 (six months ended 30 June 2021: HK$299,651,000), which represented an increase of 21.9% over the same period last year. The major reason of this increase in operating loss was due to our internet media business.

The net exchange loss of the Group for the Period was approximately HK$68,796,000 (six months ended 30 June 2021: gain of HK$29,659,000) mainly resulting from the depreciation of RMB against Hong Kong dollars.

The loss attributable to owners of the Company was approximately HK$330,508,000, in comparison with approximately HK$245,175,000 for the same period last year.

The chart below summarises the performance of the Group for the six months ended 30 June 2022 and the same period in 2021 respectively.

	Six months ended 30 June	
	2022	2021
	HK$'000	*HK$'000*
Television broadcasting	**557,995**	321,985
Internet media	**453,830**	587,771
Outdoor media	**381,642**	378,490
Real estate	**25,014**	16,566
Other businesses	**71,591**	82,150
Group's total revenue	**1,490,072**	1,386,962
Operating costs	**(1,855,318)**	(1,686,613)
Operating loss	**(365,246)**	(299,651)
Fair value gain on investment properties, net	**98**	7,349
Net loss on internet media investments	**(35,358)**	(2,043)
Exchange (loss)/gain, net	**(68,796)**	29,659
Other income, net	**22,221**	32,752
Loss before share of results of joint ventures and associates, income tax and non-controlling interests	**(447,081)**	(231,934)
Share of results of joint ventures and associates	**146**	(2,225)
Income tax expense	**(815)**	(22,637)
Loss for the period	**(447,750)**	(256,796)
Non-controlling interests	**117,242**	11,621
Loss attributable to owners of the Company	**(330,508)**	(245,175)
Basic loss per share, Hong Kong cents	**(6.62)**	(4.91)

MANAGEMENT DISCUSSION AND ANALYSIS

COMMENTS ON SEGMENTAL INFORMATION

	Six months ended 30 June			
	2022		2021	
	Revenue	**Segment results**	Revenue	Segment results
	HK$'000	***HK$'000***	*HK$'000*	*HK$'000*
Television broadcasting	**557,995**	**(64,164)**	321,985	(107,616)
Internet media	**453,830**	**(275,402)**	587,771	(42,663)
Outdoor media	**381,642**	**50,205**	378,490	73,059
Real estate	**25,014**	**14,013**	16,566	(1,379)
Other businesses	**71,591**	**(48,477)**	82,150	(73,557)
Group's total revenue and segment results	**1,490,072**	**(323,825)**	1,386,962	(152,156)
Unallocated income		**25,999**		42,214
Unallocated expenses		**(149,255)**		(121,992)
Loss before share of results of joint ventures and associates, income tax and non-controlling interests		**(447,081)**		(231,934)

Revenue from television broadcasting, comprising advertising, subscription and other revenue sources, which accounted for 37.4% of the total revenue of the Group for the Period, increased by 73.3% to approximately HK$557,995,000 (six months ended 30 June 2021: HK$321,985,000), the segmental loss for television broadcasting business was approximately HK$64,164,000 for the Period (six months ended 30 June 2021: HK$107,616,000).

Revenue from Phoenix Chinese Channel and Phoenix InfoNews Channel, which accounted for 23.3% of the total revenue of the Group for the Period, increased by 22.5% to approximately HK$347,447,000 (six months ended 30 June 2021: HK$283,527,000).

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 increased by 447.5% to approximately HK$210,548,000 (six months ended 30 June 2021: HK$38,458,000).

The revenue of the internet media business for the Period decreased by 22.8% to approximately HK$453,830,000 (six months ended 30 June 2021: HK$587,771,000). The segmental loss of the internet media business for the Period was approximately HK$275,402,000 (six months ended 30 June 2021: HK$42,663,000). The main reasons for this reduction in advertising revenue include the intensified industry-wide competition and the negative impact of the COVID-19 outbreak in certain regions in China in the Period.

The revenue of the outdoor media business for the Period increased by 0.8% to approximately HK$381,642,000 (six months ended 30 June 2021: HK$378,490,000). The segmental profit of outdoor media business for the Period decreased by 31.3% to approximately HK$50,205,000 (six months ended 30 June 2021: HK$73,059,000).

The segmental profit of the real estate business for the Period was approximately HK$14,013,000 (six months ended 30 June 2021: loss of HK$1,379,000).

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

DIVIDENDS

The Board has considered the Group's financial performance, working capital requirements and the general economic conditions according to the Group's dividend policy, and does not recommend the payment of interim dividend to the shareholders of the Company (the "**Shareholders**") for the Period (six months ended 30 June 2021: Nil).

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND AFFILIATED COMPANIES

As at 30 June 2022, the Group's equity interest in Phoenix New Media Limited remained as 54.49% (as at 31 December 2021: 54.49%).

The Group had no material acquisition and disposal of subsidiaries, associates and joint ventures for the six months ended 30 June 2022.

LIQUIDITY AND FINANCIAL RESOURCES

The liquidity and financial resources of the Group as at 30 June 2022 remained solid. As at 30 June 2022, the Group's total cash and current bank deposits were about HK$1,231,381,000 (as at 31 December 2021: HK$1,304,835,000), as well as structured deposits of approximately HK$1,339,928,000 (as at 31 December 2021: HK$1,595,442,000) which have been recorded as financial assets at fair value through profit or loss. The aggregate outstanding borrowings of the Group were approximately HK$516,160,000 (as at 31 December 2021: HK$533,932,000), representing 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 91.6% as at 30 June 2022 (as at 31 December 2021: 83.3%).

Save as disclosed above, the financial position of the Group remained liquid. Most of the Group's monetary assets, liabilities and transactions are denominated in Hong Kong dollars, US dollars ("**USD**") and RMB, with minimal balances in Pound Sterling and New Taiwan dollars. 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 will consider using forward currency contracts as a tool to manage and reduce such risks. 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 of approximately HK$156,982,000 (as at 31 December 2021: HK$155,792,000) was pledged with a bank to secure bank borrowing to optimise return through interest difference and arrangement of foreign security for domestic loan. The property in the United States with carrying value of approximately HK$2,587,000 (as at 31 December 2021: HK$2,587,000) was pledged with a bank to secure a bank borrowing.

Save as disclosed above, the Group did not have any other charges on its assets as at 30 June 2022 and 31 December 2021.

CAPITAL STRUCTURE AND SHARE OPTIONS

As at 30 June 2022, the authorised share capital of the Company was HK$1,000,000,000 divided into 10,000,000,000 ordinary shares of HK$0.10 each, of which 4,993,659,500 shares (as at 31 December 2021: 4,993,659,500 shares) had been issued and fully paid.

There was no option exercised under the Company's share option schemes during the Period.

As at 30 June 2022, 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 30 June 2022, the Group employed 2,671 staff (as at 31 December 2021: 2,948) at market remuneration supplemented with employee benefits such as comprehensive medical coverage, insurance plan, defined contribution pension schemes and employee share option schemes. Staff costs for the Period increased to approximately HK$685,172,000 (six months ended 30 June 2021: HK$656,860,000).

SIGNIFICANT INVESTMENTS HELD

As at 30 June 2022, the Group invested in listed securities investments with estimated fair market value of approximately HK$15,767,000 (as at 31 December 2021: HK$14,317,000) which was recognised as "financial assets at fair value through profit or loss", and such investments made up of less than 5% of the Group's total assets. Save as disclosed above, the Group had not held any other significant investment for the Period.

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.

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 unaudited condensed consolidated interim financial information for the Period.

OTHER IMPORTANT EVENTS AND SUBSEQUENT EVENTS

Change in Shareholding Structure of a Subsidiary and Continuing Connected Transactions

The Company was informed by Beijing Chinese Television Tiandi Cultural Development Co. Ltd* (北京中視天地文化開發有限責任公司) ("**Zhongshi**") that it had entered into certain agreements with Bauhinia Culture Group Corporation Limited (紫荊文化集團有限公司) ("**Bauhinia Group**") on 8 July 2022, pursuant to which Zhongshi agreed to sell all its 21% equity interests in Phoenix Oriental (Beijing) Properties Company Limited* (鳳凰東方(北京)置業有限公司) ("**Phoenix Oriental**"), a non wholly-owned subsidiary of the Company, to Bauhinia Group and assign to Bauhinia Group part of the shareholders loan (which is interest free, collateral free and repayable on demand) of an outstanding amount of RMB32,186,291.26, that it previously provided to Phoenix Oriental (the "**Transactions**"). Completion of the Transactions (the "**Completion**") took place on 28 July 2022.

After the Completion, Phoenix Oriental remains as a non wholly-owned subsidiary of the Company, owned as to 70% by Phoenix Pictures Limited (a wholly-owned subsidiary of the Company), 21% by Bauhinia Group which is a connected person (as defined in the Rules Governing the Listing of Securities (the "**Listing Rules**") on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**")) of the Company, and 9% by Shenzhou Television Company Limited* (神州電視有限公司) which is an independent third party. As a result, Phoenix Oriental has become a connected subsidiary of the Company by virtue of Rule 14A.16 of the Listing Rules. As such, all the subsisting transactions under certain lease agreements with terms expiring on 31 December 2022 between Phoenix Oriental (as lessor) and other subsidiaries of the Company (as lessees) in respect of various business units within the Phoenix International Centre for office use have become continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

Phoenix Oriental is a Sino-foreign joint venture company established in the PRC and is principally engaged in the development, construction, leasing and management of the Phoenix International Media Centre, a building with a total gross floor area of approximately 72,800 square meters containing offices and television programme production studios in the South-Western corner of Chaoyang Park, Chaoyang District, Beijing, the PRC.

For details, please refer to the announcements of the Company respectively dated 8 July 2022 and 29 July 2022.

** For identification purpose only*

PURCHASE, SALE OR REDEMPTION OF SECURITIES

During the Period, the Company had not redeemed any shares of the Company (the "**Share(s)**"). Neither the Company nor any of its subsidiaries had purchased or sold any of the Shares during the Period.

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 "**Code**") contained in Appendix 14 to the Listing Rules 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 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 Period. Save for the deviations below, the Company has, throughout the Period made up to 30 June 2022, complied with the 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

Mr. Xu Wei ("**Mr. Xu**") has been serving as the chief executive officer of the Company (the "**CEO**") since 26 February 2021 and also assumes the role of chairman of the Board (the "**Chairman**") since 22 June 2021. The Board considers that Mr. Xu's extensive experience in media industry is a great benefit to the Group. 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 persons.

(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 10 to the Listing Rules as its code of conduct regarding securities transactions by the Directors.

Having made specific enquiries of all Directors, it was confirmed that the Directors have complied with the above-mentioned required standard of dealings regarding Directors' securities transactions throughout the Period.

The Company has also adopted a code of conduct governing securities transactions by 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 guidelines recommended by the Hong Kong Institute of Certified Public Accountants and the code provisions as set out in the Code. The primary duties of the Audit Committee are to review the Company's interim and annual results and financial reports, the accounting principles and practices adopted by the Group and to discuss auditing, risk management 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.

During the Period, the Audit Committee had reviewed the unaudited condensed consolidated interim financial information for the Period and the related interim results announcement, and provided advices and comments thereto.

PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

This interim results announcement of the Company for the Period 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 interim report of the Company for the Period will be despatched to Shareholders and published on the abovementioned websites on or before 30 September 2022.

UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

The Board has the pleasure of presenting the unaudited condensed consolidated financial information of the Group as at and for the six months ended 30 June 2022, together with the comparative figures for the corresponding period and relevant date in 2021.

CONDENSED CONSOLIDATED INCOME STATEMENT — UNAUDITED

For the six months ended 30 June 2022

		For the six months ended 30 June	
		2022	2021
	Note	***HK$'000***	*HK$'000*
Revenue	*5*	**1,490,072**	1,386,962
Operating expenses	*6*	**(1,535,378)**	(1,344,699)
Selling, general and administrative expenses	*6*	**(319,940)**	(341,914)
Other (losses)/gains, net			
Fair value gain on investment properties	*12*	**98**	7,349
Other operating (loss)/gain, net	*6*	**(89,421)**	52,203
Interest income		**30,042**	30,448
Interest expense		**(22,554)**	(22,283)
Share of profits less losses of associates		**910**	(2,693)
Share of profits less losses of joint ventures		**(764)**	468
Loss before income tax		**(446,935)**	(234,159)
Income tax expense	*7*	**(815)**	(22,637)
Loss for the period		**(447,750)**	(256,796)
Loss attributable to:			
Owners of the Company		**(330,508)**	(245,175)
Non-controlling interests		**(117,242)**	(11,621)
		(447,750)	(256,796)
Loss per share for loss attributable to the owners of the Company for the period			
Basic loss per share, Hong Kong cents	*9*	**(6.62)**	(4.91)
Diluted loss per share, Hong Kong cents	*9*	**(6.62)**	(4.91)

The notes on pages 21 to 45 form an integral part of this condensed consolidated interim financial information.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME — UNAUDITED
For the six months ended 30 June 2022

	For the six months ended 30 June	
	2022	2021
	HK$'000	*HK$'000*
Loss for the period	**(447,750)**	(256,796)
Other comprehensive (expense)/income for the period		
Items that have been/may be reclassified subsequently to profit or loss		
Currency translation differences on translation of foreign operations	**(149,787)**	112,966
Total comprehensive expense for the period	**(597,537)**	(143,830)
Total comprehensive expense for the period attributable to:		
Owners of the Company	**(421,645)**	(175,174)
Non-controlling interests	**(175,892)**	31,344
	(597,537)	(143,830)

The notes on pages 21 to 45 form an integral part of this condensed consolidated interim financial information.

CONDENSED CONSOLIDATED BALANCE SHEET — UNAUDITED

As at 30 June 2022

	Note	As at 30 June 2022 HK$'000	As at 31 December 2021 HK$'000 (Audited)
Assets			
Non-current assets			
Purchased programme and film rights, net	*10*	**14,431**	12,934
Right-of-use assets		**928,492**	962,458
Property, plant and equipment, net	*11*	**672,531**	737,587
Investment properties	*12*	**1,408,253**	1,470,424
Intangible assets	*13*	**49,206**	51,451
Investments in joint ventures		**40,983**	41,662
Investments in associates		**83,240**	95,752
Other long-term assets		**24,090**	27,759
Deferred income tax assets		**135,331**	120,125
		3,356,557	3,520,152
Current assets			
Accounts receivable, net	*14*	**1,019,850**	1,037,330
Prepayments, deposits and other receivables	*15*	**894,582**	1,009,601
Inventories		**4,730**	5,242
Amounts due from related companies	*24*	**17,717**	16,615
Self-produced programmes		**7,565**	7,350
Purchased programme and film rights, net	*10*	**591**	707
Financial assets at fair value through profit or loss	*16*	**1,430,994**	1,706,050
Pledged bank deposits	*21*	**156,982**	155,792
Bank deposits		**124,311**	39,729
Restricted cash		**16,083**	19,278
Cash and cash equivalents		**1,107,070**	1,265,106
		4,780,475	5,262,800
Total assets		**8,137,032**	8,782,952

The notes on pages 21 to 45 form an integral part of this condensed consolidated interim financial information.

CONDENSED CONSOLIDATED BALANCE SHEET — UNAUDITED *(Continued)*
As at 30 June 2022

	Note	**As at 30 June 2022** *HK$'000*	As at 31 December 2021 *HK$'000* (Audited)
Equity			
Equity attributable to owners of the Company			
Share capital	*20*	**499,366**	499,366
Reserves		**3,121,634**	3,543,279
		3,621,000	4,042,645
Non-controlling interests		**1,199,686**	1,371,782
Total equity		**4,820,686**	5,414,427
Liabilities			
Non-current liabilities			
Secured bank borrowings	*18*	**1,726**	1,740
Lease liabilities		**610,915**	596,905
Other long-term liabilities		**4,832**	5,044
Loans from non-controlling shareholders of subsidiaries	*18*	**34,295**	35,491
Deferred income tax liabilities		**149,335**	155,882
		801,103	795,062
Current liabilities			
Accounts payable, other payables and accruals	*19*	**1,547,916**	1,517,120
Secured bank borrowings	*18*	**138,438**	140,078
Lease liabilities		**187,987**	223,842
Deferred income		**134,751**	163,426
Loans from non-controlling shareholders of subsidiaries	*18*	**336,869**	351,579
Current income tax liabilities		**166,210**	174,710
Financial liabilities at fair value through profit or loss	*16*	**3,072**	2,708
		2,515,243	2,573,463
Total liabilities		**3,316,346**	3,368,525
Total equity and liabilities		**8,137,032**	8,782,952

The notes on pages 21 to 45 form an integral part of this condensed consolidated interim financial information.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY — UNAUDITED

For the six months ended 30 June 2022

	Attributable to owners of the Company								
	Share capital *HK$'000*	Share premium *HK$'000*	Statutory reserve *HK$'000*	Capital reserve *HK$'000*	Exchange reserve *HK$'000*	Employee share-based payment reserve *HK$'000*	Retained earnings *HK$'000*	Non-Controlling interests *HK$'000*	Total equity *HK$'000*
Balance at 1 January 2022	499,366	158,026	181,414	1,397,951	1,083	55,119	1,749,686	1,371,782	5,414,427
Loss for the period	—	—	—	—	—	—	(330,508)	(117,242)	(447,750)
Other comprehensive expense									
Currency translation differences	—	—	—	—	(91,137)	—	—	(58,650)	(149,787)
Total comprehensive expense for the period	—	—	—	—	(91,137)	—	(330,508)	(175,892)	(597,537)
Transactions with owners									
Share option scheme									
— value of employee services	—	—	—	—	—	—	—	3,753	3,753
— lapse of share options	—	4,711	—	—	—	(4,711)	—	—	—
Allocation to statutory reserve	—	—	(241)	—	—	—	241	—	—
Injection from non-controlling interests	—	—	—	—	—	—	—	43	43
Total transactions with owners	—	4,711	(241)	—	—	(4,711)	241	3,796	3,796
Balance at 30 June 2022	499,366	162,737	181,173	1,397,951	(90,054)	50,408	1,419,419	1,199,686	4,820,686

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY — UNAUDITED *(Continued)*
For the six months ended 30 June 2022

	Attributable to owners of the Company								
	Share capital *HK$'000*	Share premium *HK$'000*	Statutory reserve *HK$'000*	Capital reserve *HK$'000*	Exchange reserve *HK$'000*	Employee share-based payment reserve *HK$'000*	Retained earnings *HK$'000*	Non-Controlling interests *HK$'000*	Total equity *HK$'000*
Balance at 1 January 2021	499,347	153,503	172,832	1,397,951	(90,531)	59,395	2,214,469	1,471,258	5,878,224
Loss for the period	—	—	—	—	—	—	(245,175)	(11,621)	(256,796)
Other comprehensive income									
Currency translation differences	—	—	—	—	70,001	—	—	42,965	112,966
Total comprehensive expense for the period	—	—	—	—	70,001	—	(245,175)	31,344	(143,830)
Transactions with owners									
Share option scheme									
— value of employee services	—	—	—	—	—	—	—	7,208	7,208
— recognition of shares issued on exercise of options	19	335	—	—	—	(87)	—	—	267
— lapse of share options	—	1,970	—	—	—	(1,970)	—	—	—
Allocation to statutory reserve	—	—	1,498	—	—	—	(1,498)	—	—
Dividends paid to non-controlling interests	—	—	—	—	—	—	—	(291)	(291)
Total transactions with owners	19	2,305	1,498	—	—	(2,057)	(1,498)	6,917	7,184
Balance at 30 June 2021	499,366	155,808	174,330	1,397,951	(20,530)	57,338	1,967,796	1,509,519	5,741,578

Note: The statutory reserve of the Group refers to the People's Republic of China ("PRC") statutory reserve fund. Appropriations to such reserve fund are made out of profit after tax as recorded in the statutory financial statements of the PRC subsidiaries. The amount should not be less than 10% of the profit after tax as recorded in the statutory financial statements unless the aggregate amount exceeds 50% of the registered capital of the PRC subsidiaries. The statutory reserve fund can be used to make up prior years' losses of the PRC subsidiaries.

The notes on pages 21 to 45 form an integral part of this condensed consolidated interim financial information.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS — UNAUDITED
For the six months ended 30 June 2022

	For the six months ended 30 June	
	2022	2021
	HK$'000	*HK$'000*
Cash flows from operating activities		
Cash used in operations	**(92,030)**	(127,864)
Interest received	**30,042**	25,327
Interest paid	**(22,554)**	(21,977)
Hong Kong taxation refund	**—**	5,181
Overseas taxation paid	**(23,594)**	(16,874)
Net cash used in operating activities	**(108,136)**	(136,207)
Cash flows from investing activities		
Decrease in restricted cash	**3,195**	13,485
Increase in bank deposits	**(84,582)**	(61,091)
(Increase)/decrease in pledged bank deposits	**(1,190)**	232,330
Purchase of intangible assets	**(10,446)**	(7,186)
Purchase of property, plant and equipment	**(30,473)**	(22,896)
Purchase of programme and film rights	**(6,786)**	(3,406)
Proceeds from disposal of property, plant and equipment	**26,806**	8,948
Investment income from financial assets at fair value through profit or loss	**431**	356
Investment income from bank deposits and pledged bank deposits	**1,902**	6,241
Acquisition of an associate	**—**	(12,067)
Capital injection to various investments	**(16,345)**	—
Dividend from investment in joint ventures	**—**	2,038
Redemption/(purchase) of financial assets at fair value through profit or loss	**255,514**	(203,749)
Net cash generated from/(used in) investing activities	**138,026**	(46,997)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS — UNAUDITED
(Continued)
For the six months ended 30 June 2022

	For the six months ended 30 June	
	2022	2021
	HK$'000	*HK$'000*
Cash flows from financing activities		
Proceeds from exercise of share options of the Company	—	267
Drawdown of unsecured bank borrowings	—	1,946
Repayment of secured bank borrowings	**(1,911)**	(229,712)
Principal elements of lease payments	**(110,650)**	(112,815)
Loans from non-controlling shareholders of subsidiaries	—	20,852
Dividends paid to non-controlling interests	—	(291)
Injection from non-controlling interests	**43**	—
Net cash used in financing activities	**(112,518)**	(319,753)
Net decrease in cash and cash equivalents	**(82,628)**	(502,957)
Cash and cash equivalents at beginning of period	**1,265,106**	1,796,392
Net exchange (losses)/gains on cash and cash equivalents	**(75,408)**	68,076
Cash and cash equivalents at end of period	**1,107,070**	1,361,511

The notes on pages 21 to 45 form an integral part of this condensed consolidated interim financial information.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION — UNAUDITED

1 GENERAL INFORMATION

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

The Company is a limited liability company incorporated in the Cayman Islands and domiciled in the 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 condensed consolidated interim financial information is presented in Hong Kong dollars ("HK$"), unless otherwise stated. This condensed consolidated interim financial information was approved for issue by the Board of Directors of the Company on 19 August 2022.

This condensed consolidated interim financial information has not been audited.

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES

(a) Basis of preparation

This condensed consolidated interim financial information for the six months ended 30 June 2022 has been prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34 "Interim financial reporting" issued by the Hong Kong Institute of Certified Public Accountants. This condensed consolidated interim financial information should be read in conjunction with the annual financial statements of the Group for the year ended 31 December 2021, which have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRS").

(b) Accounting policies

Except as described below, the accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2021 as described in those annual financial statements.

(a) Effect of adopting amendments to standards

The following amendments to standards, accounting guideline and interpretation are mandatory for accounting periods beginning on or after 1 January 2022.

HKFRS 3 (Amendments)	Reference to the Conceptual Framework
HKAS 16 (Amendments)	Property, Plant and Equipment — Proceeds before Intended Use
HKAS 37 (Amendments)	Onerous Contracts — Cost of fulfilling a Contract
Annual Improvements	Annual Improvements to HKFRSs 2018-2020
Accounting Guideline 5 (Revised)	Merger Accounting for Common Control Combinations

The amendments to standards, accounting guideline and interpretation stated above did not have any significant impact to the Group's condensed consolidated interim financial information in the current and prior periods.

(b) New standards, amendments to standards and interpretation that have been issued but are not effective for the financial year ending 31 December 2022 and have not been early adopted by the Group except otherwise stated

HKAS 1 (Amendments)	Classification of Liabilities as Current or Non-current [(1)]
HKAS 8 (Amendments)	Definition of Accounting Estimates [(1)]
HKAS 12 (Amendments)	Deferred Tax related to Assets and Liabilities arising from a Single Transaction [(1)]
HKFRS 17	Insurance Contracts [(1)]
Hong Kong Interpretation 5 (2020)	Presentation of Financial Statements — Classification by the Borrower of a Term Loan that Contains a Repayment on Demand [(1)]
HKAS 1 and HKFRS Practice Statements 2 (Amendments)	Disclosure of Accounting Policies [(1)]
HKFRS 10 and HKAS 28 (Amendments)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture [(2)]

1 Effective for annual periods beginning on or after 1 January 2023

2 Effective for annual periods beginning on or after a date to be determined

The Group is in the process of making an assessment of the impact of these new standards, amendments to standards and interpretation and is not yet in a position to state whether they would have a significant impact on the Group's results and financial position.

3 ESTIMATES

The preparation of condensed consolidated interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this condensed consolidated interim financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2021.

4 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

4.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, PRC regulatory risk, cash flow and fair value interest rate risk and price risk), credit risk and liquidity risk.

The condensed consolidated interim financial information does not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at 31 December 2021.

There have been no changes in the risk management department or in any risk management policies since year end.

4.2 Liquidity risk

Compared to year end, there was no material change in the contractual undiscounted cash outflow for financial liabilities.

4.3 Fair value estimation

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1)
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly (Level 2)
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3)

The Finance Department reviews the valuations of the financial instruments, including the convertible redeemable preferred shares ("Preferred Shares") which are categorised into Level 3 of the fair value hierarchy. The Finance Department holds discussion with the independent valuers on the valuation assumptions and valuation results when the valuation is performed at each interim and annual reporting dates.

The following table presents the Group's financial assets and liabilities that are measured at fair value at 30 June 2022.

	Level 1 *HK$'000*	Level 2 *HK$'000*	Level 3 *HK$'000*	Total *HK$'000*
Financial assets				
Financial assets at fair value through profit or loss				
— Trading equity securities	**15,767**	**—**	**—**	**15,767**
— Convertible redeemable preferred shares	**—**	**—**	**342**	**342**
— Other investments	**—**	**—**	**74,957**	**74,957**
— Structured deposits	**—**	**1,339,928**	**—**	**1,339,928**
	15,767	**1,339,928**	**75,299**	**1,430,994**
Financial liabilities				
Financial liabilities at fair value through profit or loss				
— Interest rate swap contract	**—**	**3,072**	**—**	**3,072**
	—	**3,072**	**—**	**3,072**

The following table presents the Group's financial assets and liabilities that are measured at fair value at 31 December 2021.

	Level 1 *HK$'000*	Level 2 *HK$'000*	Level 3 *HK$'000*	Total *HK$'000*
Financial assets				
Financial assets at fair value through profit or loss				
— Trading equity securities	14,317	—	—	14,317
— Convertible redeemable preferred shares	—	—	28,537	28,537
— Other investments	—	—	67,754	67,754
— Structured deposits	—	1,595,442	—	1,595,442
	14,317	1,595,442	96,291	1,706,050
Financial liabilities				
Financial liabilities at fair value through profit or loss				
— Interest rate swap contract	—	2,708	—	2,708
	—	2,708	—	2,708

During the six months ended 30 June 2022 and 2021, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3.

During the six months ended 30 June 2022, there were no changes in valuation techniques and reclassifications of financial assets and liabilities (six months ended 30 June 2021: Nil).

(a) Financial instruments in Level 1

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in Level 1. As at 30 June 2022, instruments included in Level 1 comprise shares of HSBC Holdings PLC ("HSBC"), an entity listed on the Stock Exchange, of approximately HK$15,767,000 (as at 31 December 2021: HK$14,317,000) (Note 16).

(b) Financial instruments in Level 2

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

(c) Financial instruments in Level 3

(1) Quantitative information about fair value measurements using significant unobservable inputs for major financial instruments in Level 3

Description	**Fair value at 30 June 2022** *HK$'000*	**Valuation technique(s)**	**Unobservable inputs**	**Value of unobservable inputs**	**Relationship of unobservable inputs to fair value**
Convertible redeemable preferred shares	**342**	Market approach	Lack of marketability discount ("DLOM")	20%	The lower the DLOM, the higher the fair value
			Volatility	50%	The lower volatility, the higher the fair value
Other investments	**74,957**	Price derived from observable market transactions	N/A	N/A	N/A

Description	**Fair value at 31 December 2021** *HK$'000*	**Valuation technique(s)**	**Unobservable inputs**	**Value of unobservable inputs**	**Relationship of unobservable inputs to fair value**
Convertible redeemable preferred shares	28,537	Market approach	Lack of marketability discount ("DLOM")	20%	The lower the DLOM, the higher the fair value
			Volatility	49%	The lower volatility, the higher the fair value
Other investments	67,754	Price derived from observable market transactions	N/A	N/A	N/A

The convertible redeemable preferred shares ("Preferred Shares") represent investments in Series D1-2 Preferred Shares of Particle Inc. ("Particle") as at 30 June 2022 and 31 December 2021 (see Note 25 for details).

An independent professional valuer adopted the market approach to first estimate the equity value of Particle, which was then allocated to Particle's common shares and Preferred Shares using the option-pricing and binomial models.

The following table presents the changes in level 3 instruments during the six months ended 30 June 2022 and year ended 31 December 2021.

	Convertible redeemable preferred shares *HK$'000*	**Other investments** *HK$'000*	**Total** *HK$'000*
Opening balance on 1 January 2022	**28,537**	**67,754**	**96,291**
Additions	**—**	**16,345**	**16,345**
Fair value loss recognized in profit or loss	**(28,376)**	**(7,976)**	**(36,352)**
Currency translation differences	**181**	**(1,166)**	**(985)**
Closing balance on 30 June 2022	**342**	**74,957**	**75,299**

	Convertible redeemable preferred shares *HK$'000*	Other investments *HK$'000*	Total *HK$'000*
Opening balance on 1 January 2021	36,431	32,877	69,308
Additions	—	29,251	29,251
Fair value (loss)/gain recognized in profit or loss	(7,075)	4,353	(2,722)
Currency translation differences	(819)	1,273	454
Closing balance on 31 December 2021	28,537	67,754	96,291

(2) Quantitative sensitivity analysis

No sensitivity analysis for convertible redeemable preferred shares amounting to HK$342,000 (as at 31 December 2021: HK$28,537,000) and other investments amounting to HK$74,957,000 (as at 31 December 2021: HK$67,754,000) is presented as a reasonably possible change in key assumptions used in the sensitivity analysis would not result in any significant potential financial impact.

4.4 Fair value of financial assets and liabilities measured at amortised cost

The carrying amounts of the Group's financial assets and liabilities including cash and cash equivalents, restricted cash, bank deposits, pledged bank deposits, accounts receivable, deposits and other receivables, amounts due from related companies, loans from non-controlling shareholders of subsidiaries, accounts payable, other payables and accruals, approximate their fair values due to their short maturities.

For the fair values of borrowings, please refer to Note 18.

5 SEGMENTAL INFORMATION

Operating segments have been determined based on the reports reviewed by executive directors that are used to make strategic decisions. The executive directors consider the business from a product perspective.

The Group has five main operating segments including:

(i) Television broadcasting — broadcasting of television programmes and commercials and provision of promotion activities;

(a) Primary channels, including Phoenix Chinese Channel and Phoenix InfoNews Channel

(b) Others, including Phoenix Movies Channel, Phoenix North America Chinese Channel, Phoenix Chinese News and Entertainment Channel, Phoenix Hong Kong Channel, integrated media operating platform and others

(ii) Internet media — provision of website portal and value added telecommunication services;

(iii) Outdoor media — provision of outdoor advertising services;

(iv) Real estate — property development and investment (mainly Phoenix International Media Centre in Beijing); and

(v) Other activities — programme production and ancillary services, merchandising services, magazine publication and distribution, and other related services.

	Period ended 30 June 2022								
	Television broadcasting								
	Primary channels	Others	Sub-total	Internet media	Outdoor media	Real estate	Other activities	Inter-segment elimination	Group
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Revenue									
External sales	347,447	210,548	557,995	453,830	381,642	25,014	71,591	—	1,490,072
Inter-segment sales *(Note c)*	—	46,642	46,642	6,998	853	15,134	2,298	(71,925)	—
Total revenue	347,447	257,190	604,637	460,828	382,495	40,148	73,889	(71,925)	1,490,072
Timing of revenue recognition									
At a point in time	—	—	—	53,527	—	—	—	—	53,527
Over time	347,447	210,548	557,995	400,303	381,642	2,590	71,591	—	1,414,121
Revenue from other source	—	—	—	—	—	22,424	—	—	22,424
	347,447	210,548	557,995	453,830	381,642	25,014	71,591	—	1,490,072
Segment results	(157,684)	93,520	(64,164)	(275,402)	50,205	14,013	(48,477)	—	(323,825)
Unallocated income *(Note a)*									25,999
Unallocated expenses *(Note b)*									(149,255)
Loss before share of results of joint ventures, associates, income tax and non-controlling interests									(447,081)
Share of profits less losses of joint ventures									910
Share of profits less losses of associates									(764)
Income tax expense									(815)
Loss for the period									(447,750)
Non-controlling interests									117,242
Loss attributable to owners of the Company									(330,508)
Depreciation	(4,410)	(7,390)	(11,800)	(23,372)	(99,562)	(14,902)	(17,954)	—	(167,590)
Unallocated depreciation									(14,087)
									(181,677)
Interest income	—	930	930	22,982	4,486	235	282	—	28,915
Unallocated interest income									1,127
									30,042
Interest expenses	—	(47)	(47)	(1,107)	(18,130)	—	(1,600)	—	(20,884)
Unallocated interest expenses									(1,670)
									(22,554)
Provision for impairment of accounts receivable	—	—	—	(31,867)	—	—	—	—	(31,867)

	Period ended 30 June 2021									
	Television broadcasting									
	Primary channels	Others	Sub-total	Internet media	Outdoor media	Real estate	Other activities	Inter-segment elimination	Group
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Revenue									
External sales	283,527	38,458	321,985	587,771	378,490	16,566	82,150	—	1,386,962
Inter-segment sales *(Note c)*	—	15,664	15,664	6,151	798	4,503	3,276	(30,392)	—
Total revenue	283,527	54,122	337,649	593,922	379,288	21,069	85,426	(30,392)	1,386,962
Timing of revenue recognition									
At a point in time	—	—	—	60,077	—	—	1,068	—	61,145
Over time	283,527	38,458	321,985	527,694	378,490	392	81,082	—	1,309,643
Revenue from other source	—	—	—	—	—	16,174	—	—	16,174
	283,527	38,458	321,985	587,771	378,490	16,566	82,150	—	1,386,962
Segment results	(75,361)	(32,255)	(107,616)	(42,663)	73,059	(1,379)	(73,557)	—	(152,156)
Unallocated income *(Note a)*									42,214
Unallocated expenses *(Note b)*									(121,992)
Loss before share of results of joint ventures, associates, income tax and non-controlling interests									(231,934)
Share of profits less losses of joint ventures									468
Share of profits less losses of associates									(2,693)
Income tax expense									(22,637)
Loss for the period									(256,796)
Non-controlling interests									11,621
Loss attributable to owners of the Company									(245,175)
Depreciation	(3,337)	(6,875)	(10,212)	(36,485)	(79,550)	(13,655)	(13,635)	—	(153,537)
Unallocated depreciation									(15,102)
									(168,639)
Interest income	—	62	62	27,859	544	151	386	—	29,002
Unallocated interest income									1,446
									30,448
Interest expenses	—	(53)	(53)	(1,468)	(13,374)	(919)	(1,453)	—	(17,267)
Unallocated interest expenses									(5,016)
									(22,283)
Provision for impairment of accounts receivable	—	(841)	(841)	(33,697)	(2,255)	—	—	—	(36,793)

Notes:

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

(b) Unallocated expenses represent primarily:

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

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

6 LOSS BEFORE INCOME TAX

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

	For the six months ended 30 June	
	2022	2021
	HK$'000	*HK$'000*
Crediting		
Gain on disposal of property, plant and equipment	**(18,284)**	(1,169)
Charging		
Production costs of self-produced programmes	**100,729**	87,033
Commission expenses	**124,345**	152,564
Bandwidth costs	**32,824**	33,945
Provision for impairment of accounts receivable	**31,867**	36,793
Employee benefit expenses (including Directors' emoluments)	**685,172**	656,860
Operating lease rental in respect of		
— Directors' quarters	**—**	1,034
— LED panels	**11,291**	9,255
Loss on disposal of property, plant and equipment	**4,519**	587
Depreciation of property, plant and equipment	**63,636**	68,929
Depreciation of right-of-use assets	**118,041**	99,710
Amortisation of purchased programme and film rights	**4,774**	5,416
Amortisation of intangible assets	**11,194**	7,546

Other operating (loss)/gain, net comprise the following items:

	For the six months ended 30 June	
	2022	2021
	HK$'000	*HK$'000*
Exchange (loss)/gain, net	**(68,796)**	29,659
Investment income	**2,333**	6,597
Fair value (loss)/gain on financial assets/liabilities at fair value through profit or loss, net	**(36,444)**	2,515
Gain on disposal of property, plant and equipment	**18,284**	1,169
Others, net	**(4,798)**	12,263
	(89,421)	52,203

7 INCOME TAX EXPENSE

Hong Kong profits tax has been provided at the rate of 16.5% (six months ended 30 June 2021: 16.5%) on the estimated assessable profit for the period. Taxation on PRC and overseas profits has been calculated on the estimated assessable profit for the period at the rates of taxation prevailing in the countries/areas in which the Group operates.

The amount of taxation charged/(credited) to the condensed consolidated income statement represents:

	For the six months ended 30 June	
	2022	2021
	HK$'000	*HK$'000*
Current income tax		
— Hong Kong profits tax	**—**	243
— PRC and overseas taxation	**15,042**	29,659
Deferred income tax	**(14,227)**	(7,265)
	815	22,637

8 DIVIDENDS

No final dividend that relates to the period to 31 December 2021 was paid in June 2022 (six months ended 30 June 2021: Nil).

The Directors do not recommend the payment of any interim dividend for the six months ended 30 June 2022 (six months ended 30 June 2021: Nil).

9 LOSS PER SHARE

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 period.

	For the six months ended 30 June	
	2022	2021
Loss attributable to owners of the Company (HK$'000)	**(330,508)**	(245,175)
Weighted average number of ordinary shares in issue ('000)	**4,993,660**	4,993,660
Basic loss per share (Hong Kong cents)	**(6.62)**	(4.91)

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 periods.

There was no impact of the dilutive instruments during the six months ended 30 June 2022 as the share options of the Company and a subsidiary were anti-dilutive (six months ended 30 June 2021: Nil).

	For the six months ended 30 June	
	2022	2021
Loss attributable to owners of the Company used to determine diluted loss per share (HK$'000)	**(330,508)**	(245,175)
Weighted average number of ordinary shares in issue ('000)	**4,993,660**	4,993,660
Weighted average number of ordinary shares for diluted loss per share ('000)	**4,993,660**	4,993,660
Diluted loss per share (Hong Kong cents)	**(6.62)**	(4.91)

10 PURCHASED PROGRAMME AND FILM RIGHTS, NET

	For the six months ended 30 June 2022	For the year ended 31 December 2021
	HK$'000	*HK$'000* (Audited)
Balance, beginning of period/year	**13,641**	16,730
Additions	**6,786**	8,183
Amortisation	**(4,774)**	(10,302)
Others	**(631)**	(970)
Balance, end of period/year	**15,022**	13,641
Less: Purchased programme and film rights — current portion	**(591)**	(707)
	14,431	12,934

11 PROPERTY, PLANT AND EQUIPMENT, NET

	For the six months ended 30 June 2022	For the year ended 31 December 2021
	HK$'000	*HK$'000* (Audited)
Balance, beginning of period/year	**737,587**	813,018
Additions	**30,473**	64,381
Disposals	**(13,041)**	(20,174)
Depreciation	**(63,636)**	(146,162)
Currency translation differences	**(18,852)**	26,524
Balance, end of period/year *(Note a)*	**672,531**	737,587

(a) Included in the net book value as of 30 June 2022 is an amount of HK$20,235,000 (as at 31 December 2021: HK$20,585,000) which relates to the Group's entitlement to use 10,000 square metres in the Shenzhen Building. As at 30 June 2022, the cost was HK$30,848,000 (as at 31 December 2021: HK$30,848,000) with a net book value of HK$20,235,000 (as at 31 December 2021: HK$20,585,000). As at 30 June 2022, the Group was still in the process of obtaining the title certificate to the 8,500 square metres of the entitled areas through the payment of land premium and taxes.

(b) As of 30 June 2022, the Group was still in the process of renewing and obtaining certain licences of LED panels. The Directors are of the opinion that the licences will be obtained in the near future and the risk of non-compliance with laws and regulations is remote.

12 INVESTMENT PROPERTIES

	For the six months ended 30 June 2022 *HK$'000*	For the year ended 31 December 2021 *HK$'000* (Audited)
Balance, beginning of period/year	**1,470,424**	1,417,526
Fair value gain	**98**	37
Currency translation differences	**(62,269)**	52,861
Balance, end of period/year	**1,408,253**	1,470,424

(a) Fair value measurement of investment properties

The Group applied the fair value model for the accounting of its investment properties and has fair valued the portion of the investment property of the Phoenix International Media Centre and the investment property in London. The portion of the investment property of the Phoenix International Media Centre and the investment property in United Kingdom ("UK") were valued by Vigers Appraisal and Consulting Limited and Lambert Smith Hampton respectively, which are independent appraisers. Fair value gain of approximately HK$98,000 (six months ended 30 June 2021: gain of HK$7,349,000) was recognized in the condensed consolidated income statement for the six months ended 30 June 2022.

(i) Fair value hierarchy

Description	**Fair value measurements at 30 June 2022 using significant unobservable inputs (Level 3)** *HK$'000*	Fair value measurements at 31 December 2021 using significant unobservable inputs (Level 3) *HK$'000*
Recurring fair value measurements		
Investment properties		
— Phoenix International Media Centre (The PRC)	**1,393,995**	1,455,247
— Commercial (UK)	**13,687**	14,581
— Others (The PRC)	**571**	596

(ii) Valuation techniques

For the investment property in UK with a carrying amount of HK$13,687,000 (as at 31 December 2021: HK$14,581,000), the valuation of the investment property held directly by the Group is made on the basis of the "Market Value" adopted by The Royal Institution of Chartered Surveyors ("RICS"). It is performed in accordance with the RICS Valuation Standards on Properties published by RICS. The valuation is reviewed at least once every six months by a qualified valuer using income capitalisation approach.

Income capitalisation approach is based upon estimates of future results and a set of assumptions specific to the property to reflect its tenancy and cash flow profile. The fair value of the investment property reflects, among other things, rental income from current leases and assumptions about rental income from future leases in light of current market conditions including open market rents, appropriate capitalisation rate and reversionary income potential.

In addition, the investment property in the PRC, which represents gross floor area of Phoenix International Media Centre held for rental income, has a carrying value of HK$1,393,995,000 (as at 31 December 2021: HK$1,455,247,000). The fair value of this investment property is determined using the information from the valuation performed by an external professional valuer using the direct comparison method. However, given the heterogeneous nature of this property, appropriate adjustments are made to allow for any qualitative differences that may affect the price likely to be achieved.

There were no changes in valuation techniques during the six months ended 30 June 2022 (six months ended 30 June 2021: None).

(iii) Information about fair value measurements using significant unobservable inputs (Level 3)

Description	Fair value 30 June 2022 *(HK$'000)*	Valuation techniques	Unobservable inputs	Relationship of unobservable inputs to fair value
Phoenix International Media Centre — The PRC	**1,393,995**	Direct comparison	Adjusted average price of HK$31,914 per square metre	The higher the adjusted average price per square metre, the higher the fair value
Commercial — UK	**13,687**	Income capitalization approach	Estimated rental value of HK$3,982 per annum per square metre	The higher the rental value, the higher the fair value
			Reversionary yield of 8%	The higher the reversionary yield, the lower the fair value

Description	Fair value 31 December 2021 *(HK$'000)*	Valuation techniques	Unobservable inputs	Relationship of unobservable inputs to fair value
Phoenix International Media Centre — The PRC	1,455,247	Direct comparison	Adjusted average price of HK$33,317 per square metre	The higher the adjusted average price per square metre, the higher the fair value
Commercial — UK	14,581	Income capitalization approach	Estimated rental value of HK$4,273 per annum per square metre	The higher the rental value, the higher the fair value
			Reversionary yield of 8%	The higher the reversionary yield, the lower the fair value

(b) Deferred tax

The investment properties in the PRC are held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property through use. The Group has measured the deferred tax relating to the temporary differences of these investment properties using the tax rate and the tax bases that are consistent with the expected manner of recovery of these investment properties.

13 INTANGIBLE ASSETS

	For the six months ended 30 June 2022 *HK$'000*	For the year ended 31 December 2021 *HK$'000* (Audited)
Balance, beginning of period/year	**51,451**	44,788
Additions	**10,446**	24,480
Amortisation	**(11,194)**	(18,719)
Impairment	**(145)**	—
Currency translation differences	**(1,352)**	902
Balance, end of period/year	**49,206**	51,451

(a) Certain of the Group's new media subsidiaries are in the process of applying for certain licenses for the operation of their businesses, including internet audio-visual programme transmission license and internet news license.

14 ACCOUNTS RECEIVABLE, NET

	As at 30 June 2022 *HK$'000*	As at 31 December 2021 *HK$'000* (Audited)
Accounts receivable	**1,559,366**	1,567,493
Less: Provision for impairment	**(539,516)**	(530,163)
	1,019,850	1,037,330

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 (Note 15). The Group generally requires customers to pay in advance. Customers of other business segments are given credit terms of 30 to 180 days.

As at 30 June 2022, the ageing analysis of accounts receivable from customers based on invoice date was as follows:

	As at 30 June 2022	As at 31 December 2021
	HK$'000	*HK$'000*
		(Audited)
0-30 days	**254,811**	312,873
31-60 days	**109,787**	175,614
61-90 days	**97,286**	161,972
91-120 days	**115,544**	131,589
Over 120 days	**981,938**	785,445
	1,559,366	1,567,493
Less: Provision for impairment	**(539,516)**	(530,163)
	1,019,850	1,037,330

There is no concentration of credit risk with respect to accounts receivable because the Group has a large number of customers.

The Group has recognised a loss of HK$31,867,000 (six months ended 30 June 2021: HK$36,793,000) for the impairment of its accounts receivable during the six months ended 30 June 2022. The loss has been included in selling, general and administrative expenses in the condensed consolidated income statement. The Group has not made reversal of provision for impairment of receivables made in prior years during the six months ended 30 June 2022 (six months ended 30 June 2021: Nil).

15 PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

Included in other receivables is an amount of approximately RMB496,974,000 (HK$580,217,000) (as at 31 December 2021: RMB571,104,000 (HK$696,061,000)) owing from an advertising agent, Shenzhou Television Company Limited ("Shenzhou"), in the PRC. The amount represents advertising revenue collected, net of expenses incurred by Shenzhou on behalf of the Group.

Pursuant to a service agreement signed between Shenzhou and the Group dated 31 December 2019 and the latest addendum dated 20 June 2022, Shenzhou agreed to deposit the advertising revenue it had collected prior to the execution of that agreement and to be collected in the future in one or more than one specific trust bank accounts in the PRC, which together with any interest generated from such bank account(s) (based on prevailing commercial interest rates) would be held in trust on behalf of the Group and handled according to the Group's instructions. No additional interest will be charged by the Group on the balance.

The Trust Law in the PRC enacted in recent years has not laid out specific detailed implementation rules applicable to trust arrangements such as that of the Group with Shenzhou. Therefore the extent of the enforceability of the arrangement is still unclear. Although the management recognises that the present arrangement is the only legally viable arrangement, the management will continue to monitor and explore alternatives to improve the situation.

The management of the Group is of the opinion that the amount owing from Shenzhou of approximately RMB496,974,000 (HK$580,217,000) as at 30 June 2022 (as at 31 December 2021: approximately RMB571,104,000 (HK$696,061,000)) is fully recoverable and no provision is required. The decrease in the balance is due to fund remittance by Shenzhou to the Group and increase in expenses paid on behalf by Shenzhou. The balance is unsecured, interest-free and repayable on demand.

16 FINANCIAL ASSETS/(LIABILITIES) AT FAIR VALUE THROUGH PROFIT OR LOSS

	As at 30 June 2022 ***HK$'000***	As at 31 December 2021 *HK$'000* (Audited)
Current assets		
Trading equity securities	**15,767**	14,317
Convertible redeemable preferred shares	**342**	28,537
Other investments	**74,957**	67,754
Structured deposits	**1,339,928**	1,595,442
	1,430,994	1,706,050
Current liabilities		
Interest rate swap contract	**(3,072)**	(2,708)
	(3,072)	(2,708)

As at 30 June 2022, the trading equity securities represent the shares of HSBC of HK$15,767,000 (as at 31 December 2021: HK$14,317,000) that are held for trading.

Changes in fair value of financial assets/liabilities at fair value through profit or loss are recognised in "Other operating (loss)/gain, net" in the condensed consolidated income statement (Note 6).

Details of convertible redeemable preferred shares are disclosed in Note 25.

17 BANKING FACILITIES

As at 30 June 2022, the Group has undrawn banking facilities of HK$18,308,000 (as at 31 December 2021: HK$16,528,000).

18 BORROWINGS

	As at 30 June 2022 ***HK$'000***	As at 31 December 2021 *HK$'000* (Audited)
Bank borrowings *(Note a)*	**140,164**	141,818
Loans from non-controlling shareholders of subsidiaries *(Note b)*	**371,164**	387,070
	511,328	528,888

(a) Bank borrowings

	As at 30 June 2022 *HK$'000*	As at 31 December 2021 *HK$'000* (Audited)
Non-current		
Long-term secured bank borrowings	**1,726**	1,740
Current		
Current portion of long-term secured bank borrowings	**138,438**	140,078
Total bank borrowings	**140,164**	141,818

	As at 30 June 2022 *HK$'000*	As at 31 December 2021 *HK$'000* (Audited)
The bank borrowings are repayable as follows:		
— Within one year	**138,438**	140,078
— More than one year but not exceeding two years	**—**	—
— More than five years	**1,726**	1,740
Total bank borrowings	**140,164**	141,818

Bank borrowing of HK$1,726,000 (as at 31 December 2021: HK$1,740,000) is secured by a property in the United States with carrying value of approximately HK$2,587,000 (as at 31 December 2021: HK$2,587,000) recorded in right-of-use assets and property, plant and equipment as at 30 June 2022. The bank borrowing is denominated in US dollar ("US$") and bears interest at an interest rate of 3.59% (as at 31 December 2021:3.59%) annually.

Bank borrowing of HK$136,819,000 (as at 31 December 2021: HK$136,422,000) is secured by bank deposit of HK$156,982,000 (as at 31 December 2021: HK$155,792,000) as at 30 June 2022 (Note 21).

(b) Loans from non-controlling shareholders of subsidiaries

	As at 30 June 2022 *HK$'000*	As at 31 December 2021 *HK$'000* (Audited)
Non-current		
Long-term loans from non-controlling shareholders of subsidiaries	**34,295**	35,491
Current		
Short-term loans from non-controlling shareholders of subsidiaries	**336,869**	351,579
Total loans from non-controlling shareholders of subsidiaries	**371,164**	387,070

	As at 30 June 2022 *HK$'000*	As at 31 December 2021 *HK$'000* (Audited)
The loans from non-controlling shareholders of subsidiaries are repayable as follows:		
— Within one year	**336,869**	351,579
— More than one year but not exceeding two years	**10,945**	11,114
— More than five years	**23,350**	24,377
Total loans from non-controlling shareholders of subsidiaries	**371,164**	387,070

The loans from non-controlling shareholders of subsidiaries are denominated in RMB, unsecured and interest-free (as at 31 December 2021: same).

(c) The carrying amounts and fair values of the borrowings are as follows:

	Group			
	Carrying amount		**Fair value**	
	As at 30 June 2022 *HK$'000*	As at 31 December 2021 *HK$'000* (Audited)	**As at 30 June 2022** *HK$'000*	As at 31 December 2021 *HK$'000* (Audited)
Bank borrowings	**140,164**	141,818	**140,164**	141,818
Loans from non-controlling shareholders of subsidiaries	**371,164**	387,070	**371,016**	384,566
	511,328	528,888	**511,180**	526,384

The fair values of floating rate borrowings approximate their carrying amounts. The fair values of fixed rate borrowings are based on cash flows discounted using a rate based on the borrowing rate of 6.48% (as at 31 December 2021: 6.48%) and are within level 2 of the fair value hierarchy.

19 ACCOUNTS PAYABLE, OTHER PAYABLES AND ACCRUALS

	As at 30 June 2022 *HK$'000*	As at 31 December 2021 *HK$'000* (Audited)
Accounts payable	**401,840**	390,055
Other payables and accruals	**1,146,076**	1,127,065
	1,547,916	1,517,120
Less: Non-financial liabilities	**(14,947)**	(3,826)
	1,532,969	1,513,294

As at 30 June 2022, the ageing analysis of accounts payable based on invoice date was as follows:

	As at 30 June 2022 *HK$'000*	As at 31 December 2021 *HK$'000* (Audited)
0-30 days	**83,304**	190,833
31-60 days	**10,214**	13,170
61-90 days	**12,388**	14,515
91-120 days	**30,335**	18,772
Over 120 days	**265,599**	152,765
	401,840	390,055

20 SHARE CAPITAL

	Six months ended 30 June 2022		Year ended 31 December 2021	
	Number of Shares	**Amount** *HK$'000*	Number of Shares	Amount *HK$'000*
Authorised:				
Ordinary share of HK$0.1 each	**10,000,000,000**	**1,000,000**	10,000,000,000	1,000,000
Issued and fully paid:				
At 1 January	**4,993,659,500**	**499,366**	4,993,469,500	499,347
Exercise of share options	**—**	**—**	190,000	19
At 30 June/31 December	**4,993,659,500**	**499,366**	4,993,659,500	499,366

21 PLEDGED BANK DEPOSITS

As at 30 June 2022, a bank deposit of approximately HK$156,982,000 (as at 31 December 2021: a bank deposit of approximately HK$155,792,000) bearing fixed interest rate at 2.44% (as at 31 December 2021: 2.44%) per annum, is pledged to a bank to secure one bank borrowing of approximately HK$136,819,000 (as at 31 December 2021: one bank borrowing of approximately HK$136,422,000) (Note 18(a)). The bank borrowing bears interest at LIBOR plus 0.45% per annum (as at 31 December 2021: LIBOR plus 0.45%per annum). The Group has entered into an interest rate swap contract with the same bank, with notional principal of the same amount of the borrowing, to swap its floating rate obligation under the borrowing for fixed rate obligation at 3.38% per annum (as at 31 December 2021: 3.38% per annum). The maturity date of the borrowing is the same as the interest rate swap contract. The Group did not elect to apply hedge accounting for the interest rate swap contract. As at 30 June 2022, the fair value of the outstanding interest rate swap contract of HK$3,072,000 has been recorded as financial liabilities at fair value through profit or loss under current liabilities (as at 31 December 2021: HK$2,708,000 recorded as financial liabilities at fair value through profit or loss under current liabilities) in the condensed consolidated balance sheet (Note 16).

The fair values of pledged bank deposit approximate their carrying amounts.

22 TRANSACTIONS WITH NON-CONTROLLING INTERESTS

During the six months ended 30 June 2022 and 30 June 2021, the Group's equity interest in Phoenix New Media Limited ("PNM") remained unchanged as 54.49%.

23 COMMITMENTS

As at 30 June 2022, the Group had capital commitments as follows:

	As at 30 June 2022	As at 31 December 2021
	HK$'000	*HK$'000*
		(Audited)
Contracted but not provided for	**937**	—

24 RELATED PARTY TRANSACTIONS

(i) The Group had the following significant transactions with the related parties as defined in HKAS 24 — Related Party Disclosures:

		For the six months ended 30 June	
		2022	2021
	Note	***HK$'000***	*HK$'000*
Service charges received/receivable from China Mobile Communications Group Co., Ltd. and its Subsidiaries (the "CMCC Group")	*a, b*	**2,771**	21,720
Service charges paid/payable to the CMCC Group	*a, c*	**2,382**	3,223
Advertising sales to the CMCC Group	*a, d*	**7,979**	16,272
Key management compensation	*iii*	**9,964**	16,949

Notes:

(a) The CMCC Group, through a wholly-owned subsidiary of China Mobile (Hong Kong) Group Limited, owns approximately 19.68% of the issued share capital of the Company.

(b) Service charges received/receivable from CMCC Group related to wireless income which are charged based on terms specified in the agreements.

(c) Service charges paid/payable to CMCC Group related to video cost which are charged based on terms specified in the agreements.

(d) Advertising sales to the CMCC Group are related to airtime advertising and programme sponsoring on channels and airtime advertising on giant sized light-emitting diode panels operated by the Group based on terms specified in the agreements.

(ii) Period/year end balances arising from related parties transactions as disclosed in Note 24(i) above were as follows:

	As at 30 June 2022 *HK$'000*	As at 31 December 2021 *HK$'000* (Audited)
Amounts due from related companies	**17,717**	16,615

The amounts due from related companies are unsecured, non-interest bearing and repayable on demand. Other receivables from related parties are repayable in accordance with credit terms. As at 30 June 2022, the ageing analysis of the amounts due from related companies were as follows:

	As at 30 June 2022 *HK$'000*	As at 31 December 2021 *HK$'000* (Audited)
Amounts due from related companies		
0-90 days	**7,756**	8,333
91-120 days	**130**	974
over 120 days	**9,831**	7,308
	17,717	16,615

(iii) Key management compensation

	For the six months ended 30 June	
	2022 *HK$'000*	2021 *HK$'000*
Salaries	**8,070**	12,454
Discretionary bonuses	**2**	242
Housing allowance	**1,397**	3,337
Pension costs	**495**	916
	9,964	16,949

25 INVESTMENT IN PARTICLE INC.

PNM completed the disposal of its Preferred Shares of Particle to Run Liang Tai Management Limited and its designated entities (the "Purchaser") on 19 October 2020. Upon Particle's completion of part of the Series F financing in February 2021, PNM's shareholding in Particle decreased from 0.67% to 0.60% as at 31 December 2021. As at 30 June 2022, PNM held 4,584,209 Series D1-2 Preferred Shares which PNM was entitled to approximately 0.60% equity interest on an as-if and fully converted basis in Particle, which is classified as financial asset at fair value through profit or loss as at 30 June 2022.

The independent professional valuer adopted the market approach to calculate the enterprise value of Particle at 30 June 2022. Accordingly, the fair value of the investment in Series D1-2 Preferred Shares have decreased from approximately HK$28,537,000 at 31 December 2021 to approximately HK$342,000 at 30 June 2022 and a fair value loss of approximately HK$28,376,000 was recognised in the condensed consolidated income statement.

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

Hong Kong, 19 August 2022

As at the date of this announcement, the board of directors of the Company 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, Mr. Jian Qin and Ms. Wang Haixia

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