

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



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 2022**

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 2022.

**FINANCIAL SUMMARY**

- Revenue for the year ended 31 December 2022 was approximately HK\$3,003,733,000, which represented a decrease of 4.9% over the previous year.
- The operating loss of the Group decreased to approximately HK\$378,620,000 for the year ended 31 December 2022 (year ended 31 December 2021: HK\$647,290,000), which represented a decrease of 41.5% over previous year, benefiting from the cost control of our internet media business and the decrease in the impairment of accounts receivable.
- The net exchange loss of the Group for the year ended 31 December 2022 was approximately HK\$113,011,000 (year ended 31 December 2021: net gain of HK\$45,045,000), mainly resulting from the depreciation of the Renminbi (the “**RMB**”) against Hong Kong dollars.
- The loss attributable to owners of the Company decreased to approximately HK\$382,500,000 (year ended 31 December 2021: HK\$456,201,000), which represented a decrease of 16.2%.

## **BUSINESS OVERVIEW AND PROSPECTS**

In 2022, Phoenix took multiple measures to deepen the pace of its business transformation and innovation, and has shown a stable and positive trend in its operating performance. Mr. Xu Wei, the Chairman of the Board and Chief Executive Officer, emphasises the need to “focus on core business, internationalisation, innovation and talents” for promoting integrated marketing, cross-border cooperation and capacity building, as well as the commitment to achieve a comprehensive innovation in content, channels and activities in full force. The Group shall firmly establish a strong base in Hong Kong, facing the development orientation of Hong Kong, Macau, Taiwan and the global Chinese community, with an aim of building an international first-class Chinese media group.

Phoenix adheres to media credibility and professionalism, bringing first-hand news to Chinese audiences all over the world. The global team of Phoenix has focused and broadcasted live reports on various major domestic and foreign news events such as the 20th National Congress of the CPC, Presidents’ Talks between China and Russia, the U.S. and Japan, the passing of Jiang Zemin, China’s manned space mission, Pelosi’s visit to Taiwan, and Russia’s military parade. During the year, Phoenix comprehensively and multi-dimensionally reported on the head-of-state diplomacy of Xi Jinping, President of the PRC, in which he attended SCO Summit, G20 and a series of APEC summits. Bilateral meetings were also carried out with leaders from various countries such as the U.S. and Japan. Meanwhile, upholding the philosophy of live reporting of all major events from the scenes, Phoenix sent several reporters to the frontline to perform profound and regular news coverage after the outbreak of Russia-Ukraine War, adhering to the spirit of media professionalism. Moreover, as an international Chinese-language media based in Hong Kong, Phoenix had in-depth comprehensive reportings on local major events such as Hong Kong Chief Executive Election, the Celebration of the 25th Anniversary of Hong Kong’s Return to the Motherland, and the Central Government’s aid to Hong Kong in fighting against the fifth wave of the pandemic.

In 2022, Phoenix has successfully revamped with over 80 programmes launched, emphasising on its news professionalism and content, and making their presentation and visual effects to better align with its international media positioning. Phoenix Hong Kong Channel rendered Hong Kong’s local news and entertainment news as the main focuses, which has been widely recognised by local and other Cantonese audience with its exclusive news reports and opinions. According to the data of CSM, the overall average viewership of Phoenix Hong Kong Channel once rose by 42 times, unfolding a new page of Cantonese broadcasts. Phoenix InfoNews Channel focused on around-the-clock news-updates and breaking news reporting in prime time, striving to be the first-ever on the spot to live stream major news and innovating the arrangement of informational programmes, of which the viewership duration per capita increased by 2.7 times. Phoenix Chinese Channel launched a series of premium programmes in an in-depth, thoughtful and visionary approach at international level with a year-on-year increase of 25.5% in the viewership (in thousand people), which greatly enriched its international broadcast content in audiovisual narrative style as well as enhanced the expressiveness and influence of the international broadcasts, whereby winning praises from the Chinese audiences worldwide.

During the year, Phoenix continued to enhance its brand value, and has been consecutively listed as Asia's 500 Most Influential Brands and continued to be rated as Top 4 TV brands in Asia, which reflected its popularity and reputation in media and cultural fields. Phoenix's programmes garnered numerous international awards. At the 2022 New York Festivals International TV & Film 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: Heroes Category. At the 2022 Bangkok International Short Documentary Awards, *Fight with ALS* produced by *C'est La Vie* programme won the Best Short Documentary. Furthermore, a number of programmes produced by *Zoom In* and *Premium Spectacular* also garnered numerous awards at the International Outstanding Media Awards, Asian Television Awards, and Chinese Documentary Festival, which demonstrated Phoenix's outstanding production skills and strengths at an international level.

Phoenix continues to enhance its broadcast efforts and influence of international network. 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 and social media, which is in line with the development trend of digitalization, networking and intelligent audiovisual technology. It also expands its international broadcasting capabilities with Internet-based mindset and mobile-first broadcasting philosophy. During the year, the official account of "Phoenix" has been upgraded to the fullest, with an information social brand "Phoenix TV News (鳳凰資訊)" and a new Cantonese integrated media brand "Hong Kong V" newly launched, of which the number of subscribers of its overseas social media accounts increased by 10 times throughout the year. In the future, Phoenix will continue to launch innovative, precise and customised integrated media products to establish a three-dimensional, diverse and integrated Chinese-language media broadcasting matrix, and improve its overall strength in content delivery and monetisation with the expansion of application scenarios and intelligent distribution technology.

Phoenix undertakes media responsibilities in practising international broadcasts by building a platform for international cultural exchange, facilitating cultural integration and mutual learning of civilisation, establishing extensive strategic cooperation with 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), as well as co-organising high-end forums including the Zero-Carbon Mission International Climate Summit 2022 and the 2022 Earth Hour, in order to enhance its affinity and influence in international broadcasts via global, regional and demassified ways, injecting new momentum into international broadcasts. During the year, Phoenix also organised brand events including "You Bring Charm to the World Award", "Phoenix Financial Forum for the Greater Bay Area" and "Compassion Award", and joined hands with its partners to gather strength and achieve win-win situation, gradually forming a sustainable business model.

In 2022, the Group has fully utilized its advantages in international brands and integrated marketing and strived to develop customised integrated media products and services through various corporate strategies such as content innovation, business and resource integration and synergy in business, so as to further improve the monetisation of our media brands, contents, platforms, traffic and resources. Meanwhile, the Company continued to promote the synergistic operation of its omni-media platforms including television broadcasting, internet media, outdoor media, magazines, App as well as to integrate the industrial chain and value chain of all business forms with a view to providing customers with integrated and customised broadcasting services. During the year, the integrated marketing projects achieved fruitful results, in which television advertising business stably rebounded due to its prominent influence after full revampification, facilitating the on-going development of operational transformation and business.

The number and activeness of the users on the flagship product IFENG News App under Phoenix New Media, an internet media platform of the Group, 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, and offline galas, and new innovations have been continued on such basis by combining algorithms and editing skills for precise content recommendation, live streaming, hotspots and community operation, for optimising product experience. Meanwhile, the Company has been promoting the matrix plan of third-party platform accounts, and thus the number of fans across the network has continued to rise with promising prospects for commercialisation. It has also endeavoured to develop 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 created an international forum brand “Dialogue with the World” to strengthen its global influence. It has been actively exploring synergic cooperation with other members of the Group, and achieved mutual communication and integration in contents, broadcast and resources, thereby enhancing 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, which has maintained continuous profitability. In 2022, the Company has overcome the adverse impacts arising from the pandemic and the decline in overall businesses in the industry, and performed the progressive upgrade on media resources, achieved a continued growth in the revenue from premier international brands by making use of KOLs and their traffic, and the cooperation with both PRC and overseas well-known brands were being optimised. Currently, Phoenix Metropolis Media’s outdoor LED display panel media resources cover over 300 cities in China with over 1,000 panels. Its global network encompasses over 28 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 advertising needs in all aspects.

The Group has also maintained a systematic development in other business segments. The Group's Phoenix Weekly has been expanded from solely magazine publication to multimedia integration and multi-brand management model. Its new media brand "Phoenix WEEKLY" has over 38 million users among the network matrix and has become a top media main account on various major third-party platforms. In the field of digital technology, the Company has strived to promote the development of digital content industry with the combination of digital technology and culture industry.

At present, the changes of the world, times and history are unfolding in an unprecedented way. Against the background of economic globalisation, cultural diversification and informatised societies, international broadcasts are becoming increasingly important. Phoenix will persist in the philosophy of openness and inclusiveness, adhere to and deepen its core competitiveness in contents, and leverage on Phoenix's credibility, communication strength and influence, so as to promote Chinese culture more effectively from China and international perspectives, and to serve all Chinese around the world, fulfilling the expectations of our stakeholders.

## **RESULTS**

The revenue of the Group for the year ended 31 December 2022 was approximately HK\$3,003,733,000 (year ended 31 December 2021: HK\$3,159,240,000), which represented a decrease of 4.9% over the previous year. The operating costs for the year ended 31 December 2022 have decreased by 11.1% to approximately HK\$3,382,353,000 (year ended 31 December 2021: HK\$3,806,530,000).

The operating loss of the Group decreased to approximately HK\$378,620,000 for the year ended 31 December 2022 (year ended 31 December 2021: HK\$647,290,000), which represented a decrease of 41.5% over previous year, benefiting from the cost control of our internet media business and the decrease in the impairment of accounts receivable.

The net exchange loss of the Group for the year ended 31 December 2022 was approximately HK\$113,011,000 (year ended 31 December 2021: net gain of HK\$45,045,000), mainly resulting from the depreciation of RMB against Hong Kong dollars.

The loss attributable to owners of the Company decreased to approximately HK\$382,500,000 (year ended 31 December 2021: HK\$456,201,000), which represented a decrease of 16.2%.

The chart below summarises the performance of the Group for the years ended 31 December 2022 and 31 December 2021 respectively.

|  | <b>Year ended 31 December</b> |                        |
|--|-------------------------------|------------------------|
|  | <b>2022</b>                   | <b>2021</b>            |
|  | <b><i>HK\$'000</i></b>        | <b><i>HK\$'000</i></b> |
| Television broadcasting  | <b>1,077,964</b>              | 703,705                |
| Internet media   | <b>933,245</b>                | 1,247,785              |
| Outdoor media  | <b>785,341</b>                | 942,977                |
| Real estate  | <b>38,879</b>                 | 41,359                 |
| Other businesses   | <b>168,304</b>                | 223,414                |
| Group's total revenue  | <b>3,003,733</b>              | 3,159,240              |
| Operating costs  | <b>(3,382,353)</b>            | (3,806,530)            |
| Operating loss   | <b>(378,620)</b>              | (647,290)              |
| Fair value (loss)/gain on investment properties  | <b>(6,276)</b>                | 37                     |
| Net gain/(loss) on internet media investment   | <b>41,910</b>                 | (5,074)                |
| Exchange (loss)/gain, net  | <b>(113,011)</b>              | 45,045                 |
| Other income, net  | <b>45,810</b>                 | 63,131                 |
| Loss before share of results of joint ventures<br>and associates, income tax and non-controlling interests | <b>(410,187)</b>              | (544,151)              |
| Share of results of joint ventures and associates  | <b>(7,626)</b>                | 3,185                  |
| Income tax expense   | <b>(29,820)</b>               | (84,272)               |
| Loss for the year  | <b>(447,633)</b>              | (625,238)              |
| Non-controlling interests  | <b>65,133</b>                 | 169,037                |
| Loss attributable to owners of the Company   | <b>(382,500)</b>              | (456,201)              |
| Basic loss per share, Hong Kong cents  | <b>(7.66)</b>                 | (9.14)                 |

## MANAGEMENT DISCUSSION AND ANALYSIS

### Comments on Segmental Information

|  | Year ended 31 December     |                                       |                            |                                       |
|--|----------------------------|---------------------------------------|----------------------------|---------------------------------------|
|  | 2022                       |                                       | 2021                       |                                       |
|  | Revenue<br><i>HK\$'000</i> | Segment<br>results<br><i>HK\$'000</i> | Revenue<br><i>HK\$'000</i> | Segment<br>results<br><i>HK\$'000</i> |
| Television broadcasting  | 1,077,964                  | (49,241)                              | 703,705                    | (135,715)                             |
| Internet media   | 933,245                    | (183,407)                             | 1,247,785                  | (300,346)                             |
| Outdoor media  | 785,341                    | 115,955                               | 942,977                    | 207,038                               |
| Real estate  | 38,879                     | 8,228                                 | 41,359                     | (7,716)                               |
| Other businesses   | 168,304                    | (83,841)                              | 223,414                    | (130,195)                             |
| Group's total revenue and<br>segment results   | <u>3,003,733</u>           | <u>(192,306)</u>                      | <u>3,159,240</u>           | <u>(366,934)</u>                      |
| Unallocated income   |                            | 45,205                                |                            | 55,342                                |
| Unallocated expenses   |                            | <u>(263,086)</u>                      |                            | <u>(232,559)</u>                      |
| Loss before share of<br>results of joint ventures and<br>associates, income tax and<br>non-controlling interests |                            | <u>(410,187)</u>                      |                            | <u>(544,151)</u>                      |

Revenue from television broadcasting, comprising advertising, subscription and other revenue sources, which accounted for 35.9% of the total revenue of the Group for the year ended 31 December 2022, increased by 53.2% to approximately HK\$1,077,964,000 (year ended 31 December 2021: HK\$703,705,000), the segmental loss for the television broadcasting business was approximately HK\$49,241,000 for the year ended 31 December 2022 (year ended 31 December 2021: HK\$135,715,000).

Revenue from Phoenix Chinese Channel and Phoenix InfoNews Channel, which accounted for 23.3% of the total revenue of the Group for the year ended 31 December 2022, increased by 10.8% to approximately HK\$698,853,000 (year ended 31 December 2021: HK\$630,863,000).

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 420.5% to approximately HK\$379,111,000 (year ended 31 December 2021: HK\$72,842,000).

The revenue of the internet media business for the year ended 31 December 2022 decreased by 25.2% to approximately HK\$933,245,000 (year ended 31 December 2021: HK\$1,247,785,000). The segmental loss of internet media business for the year ended 31 December 2022 was approximately HK\$183,407,000 (year ended 31 December 2021: HK\$300,346,000). The main reasons for the reduction in advertising revenue include the intensified industry-wide competition and the negative impact of the COVID-19 outbreak in certain regions in China for the year.

The revenue of the outdoor media business for the year ended 31 December 2022 decreased by 16.7% to approximately HK\$785,341,000 (year ended 31 December 2021: HK\$942,977,000). The segmental profit of the outdoor media business for the year ended 31 December 2022 decreased by 44.0% to approximately HK\$115,955,000 (year ended 31 December 2021: HK\$207,038,000).

The segmental profit for real estate business for the year ended 31 December 2022 was approximately HK\$8,228,000 (year ended 31 December 2021: loss of HK\$7,716,000).

Please refer to Note 5 to this annual results announcement 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.

## **IMPACT OF THE PANDEMIC ON THE GROUP’S OPERATIONS**

During the year, the normal operations of the Group’s television broadcasting was unaffected by the waves of COVID-19. Nevertheless, due to the social distancing measures, city lockdowns in certain major cities in China, and strict epidemic prevention and control measures, the offline activities of the Group’s internet media business decreased and the outdoor media business was impacted, thereby affecting the revenue of relevant businesses of the Group. As the epidemic gradually recedes from its peak and most of the control measures have been lifted, we remain optimistic about the future of our business and confident that it will gradually recover and continue to improve.

## **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 final dividend to the shareholders of the Company (the “**Shareholders**”) for the year ended 31 December 2022 (final dividend for 2021: 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 2023, Monday at 3:00 p.m.

## **CLOSURE OF REGISTER OF MEMBERS**

The register of members of the Company will be closed from 31 May 2023, Wednesday to 5 June 2023, Monday (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 2023, Tuesday.



## **MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND AFFILIATED COMPANIES**

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

Save as disclosed in the section entitled "other important events during the year and subsequent events", the Group had no material acquisition and disposal of subsidiaries, associates and joint ventures for the year ended 31 December 2022.

## **LIQUIDITY AND FINANCIAL RESOURCES**

The liquidity and financial resources of the Group as at 31 December 2022 remained solid. As at 31 December 2022, the Group's total cash and current bank deposits were about HK\$1,597,690,000 (as at 31 December 2021: HK\$1,304,835,000), and structured deposits of approximately HK\$927,603,000 (as at 31 December 2021: 1,595,442,000) have been recorded as financial assets at fair value through profit or loss. The aggregate outstanding borrowings of the Group were approximately HK\$189,610,000 (as at 31 December 2021: HK\$533,932,000), 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 81.7% as at 31 December 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. 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. 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**

No bank deposit (as at 31 December 2021: HK\$155,792,000) was pledged with a bank to secure a bank borrowing as at 31 December 2022. The property in the United States with carrying value of approximately HK\$2,562,000 (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 31 December 2022 and 31 December 2021.

## **CAPITAL STRUCTURE AND SHARE OPTIONS**

As at 31 December 2022, 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 2021: 4,993,659,500 Shares) had been issued and fully paid.

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

As at 31 December 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 31 December 2022, the Group employed 2,803 staff and staff costs for the year ended 31 December 2022 decreased to approximately HK\$1,316,844,000 (year ended 31 December 2021: HK\$1,332,337,000).

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.

To maintain the uninterrupted business operation and to safeguard the health and safety of employees, the Company had introduced a number of precautionary measures in response to the COVID-19 pandemic during the year, including strict compliance with the relevant government guidelines, implementation of work-from-home arrangement for employees, health declaration and home confinement arrangement and stepped up hygiene measures. The Company also provided vaccination leaves, reimbursement of COVID-19 testing expenses when applicable and additional health insurance coverage to its employees such as benefits and additional cash subsidies in case of COVID-19 hospitalisation as well as the simplified claim procedure.

## **SIGNIFICANT INVESTMENTS HELD**

As at 31 December 2022, the Group invested in listed securities investments with estimated fair market value of approximately HK\$14,821,000 (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 year ended 31 December 2022.

## **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 consolidated financial information for the year.

## **PURCHASE, SALE OR REDEMPTION OF SECURITIES**

During the year, the Company had not redeemed any Shares. Neither the Company nor any of its subsidiaries had purchased or sold 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 “**Code**”) contained in Appendix 14 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 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. Save for the deviations below, the Company has, throughout the year ended 31 December 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*

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 of the Company (the “**CEO**”). 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 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 10 to the Listing Rules as the 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 standards of dealings regarding Directors' securities transactions throughout the year ended 31 December 2022.

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 Code. The primary duties of the Audit Committee are to review 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 2022 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 2022 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

### Change in Shareholding Structure of Phoenix Oriental

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, whereby Zhongshi transferred 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 principally engaged in the development, construction, leasing and management of the Phoenix International Media Centre, to Bauhinia Group and assigned 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 “**Transfer**”).

Phoenix Oriental remains as a non wholly-owned subsidiary of the Company upon the completion of the Transfer on 28 July 2022, owned as to 70% by Phoenix Pictures Limited (a wholly-owned subsidiary of the Company), 21% by Bauhinia Group, a company wholly owns Bauhinia Culture (Hong Kong) Holdings Limited (紫荊文化(香港)集團有限公司), being a substantial Shareholder, and 9% by Shenzhou Television Company Limited\* (神州電視有限公司) (“**Shenzhou**”) 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. Phoenix Oriental (as lessor) has entered into certain lease agreements with other subsidiaries of the Company (as lessees) in respect of various business units within the Phoenix International Media Centre for office use for terms ended 31 December 2022 and for terms ending 31 December 2023. Such lease agreements constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules, details of which are set out in the announcements of the Company dated 8 July 2022, 29 July 2022, 1 November 2022 and 23 December 2022.

### Acquisition of Additional Interest in PMM

On 23 December 2022, Phoenix Metropolis Communication (Beijing) Co., Ltd.\* (鳳凰都市文化傳播(北京)有限公司) (a wholly-owned subsidiary of the Company) (“**Phoenix Metropolis Communication**”) as purchaser entered into a sale and purchase agreement (as supplemented and amended by a supplemental agreement of the same date) with Tianjin Weidao Asset Management Partnership (Limited Partnership)\* (天津維道資產管理合夥企業(有限合夥)) (“**Tianjin Weidao**”) as vendor, in relation to the acquisition of 22,000,000 shares of Phoenix Metropolis Media Technology Company Limited\* (鳳凰都市傳媒科技股份有限公司) (“**PMM**”), representing 14.2857% equity interests in PMM at a consideration of RMB62,846,562.71 (equivalent to HK\$70,388,150.24) (the “**PMM Acquisition**”). PMM remained as a subsidiary of the Company immediately after the completion of the PMM Acquisition on 26 December 2022, with the Group’s shareholding interest in PMM increasing from 45.5357% to approximately 59.8214%.

For details, please refer to the announcement of the Company dated 23 December 2022.

\* For identification purpose only

## Acquisitions of Equity Interests in the Target Companies

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)) (“**Beijing Huibo**”), an indirect wholly-owned subsidiary of the Company, entered into the following agreements (as supplemented and amended by a supplemental agreement dated 23 December 2022) for the acquisition of interests of the target companies:-

1. Beijing Huibo as purchaser entered into the equity transfer agreement dated 23 November 2022 with Shenzhou as vendor and 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) (“**Shanghai Yingshi**”) in relation to the acquisition of the entire equity interests in Shanghai Yingshi at a consideration of RMB5,000,000 (equivalent to approximately HK\$5,600,000). Shanghai Yingshi became a wholly owned subsidiary of the Company upon completion of such acquisition on 8 February 2023. Beijing Huibo shall provide an interest-free loan in the sum of RMB11,820,000 (equivalent to approximately HK\$13,238,400) to Shanghai Yingshi to repay the then shareholder’s loan owed to Shenzhou;
2. Beijing Huibo as purchaser entered into the equity transfer agreement dated 23 November 2022 with Shenzhou and Beijing Erya Far East Advertising Co., Ltd. (北京爾雅遠東廣告有限責任公司) (“**Erya**”) as vendors and Beijing Huizhi Bozhong Public Relations Consultancy Company Limited\* (北京滙智博眾公關顧問有限公司) (“**Huizhi Bozhong**”) in relation to the acquisition of the entire equity interests in Huizhi Bozhong at a total consideration of RMB2,000,000 (equivalent to approximately HK\$2,240,000). Huizhi Bozhong became a wholly owned subsidiary of the Company upon completion of such acquisition on 3 January 2023;
3. Beijing Huibo as purchaser entered into the equity transfer agreement dated 28 November 2022 with Shenzhou as vendor and Guangdong Yidai Media Advertising Company Limited\* (廣東一代傳媒廣告有限公司), (“**Guangdong Yidai**”) in relation to the acquisition of 70% of the entire equity interests in Guangdong Yidai at a consideration of RMB3,500,000 (equivalent to approximately HK\$3,920,000). Guangdong Yidai became a 70% owned subsidiary of the Company upon completion of such acquisition on 8 March 2023. Beijing Huibo shall provide an interest-free loan in the sum of RMB3,250,000 (equivalent to approximately HK\$3,640,000) to Guangdong Yidai to repay the then shareholder’s loan owed to Shenzhou; and
4. Beijing Huibo as purchaser entered into the equity transfer agreement dated 23 December 2022 with Shenzhou and Erya as vendors and Shenzhen Phoenix Star Cultural Industrial Company Limited\* (深圳市鳳凰星文化產業有限公司) (“**Shenzhen Phoenix Star**”) in relation to the acquisition of the entire equity interests in Shenzhen Phoenix Star at a total consideration of RMB5,000,000 (equivalent to approximately HK\$5,600,000). Shenzhen Phoenix Star became a wholly owned subsidiary of the Company upon completion of such acquisition on 1 February 2023.

For details, please refer to the announcement of the Company dated 23 December 2022.

\* For identification purpose only

## **PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT**

This annual results announcement of the Company for the year ended 31 December 2022 is published on the website of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk) and the Company's professional investor relation website at [www.irasia.com/listco/hk/phoenixtv](http://www.irasia.com/listco/hk/phoenixtv). The 2022 annual report of the Company is expected to be despatched to the Shareholders and published on the above-mentioned websites on or around 25 April 2023.



## 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 2022, together with the comparative figures for the year ended 31 December 2021.

### CONSOLIDATED INCOME STATEMENT

*For the year ended 31 December 2022*

|   | <i>Note</i> | <b>2022</b><br><b>HK\$'000</b> | 2021<br>HK\$'000 |
|---|-------------|--------------------------------|------------------|
| Revenue   | 3           | <b>3,003,733</b>               | 3,159,240        |
| Operating expenses  |             | <b>(2,883,546)</b>             | (2,936,930)      |
| Selling, general and administrative expenses  |             | <b>(498,807)</b>               | (869,600)        |
| Other (losses)/gains, net   |             |                                |                  |
| Fair value (loss)/gain on investment properties   |             | <b>(6,276)</b>                 | 37               |
| Other operating (losses)/gains, net   | 4           | <b>(37,156)</b>                | 76,371           |
| Interest income   |             | <b>56,260</b>                  | 70,701           |
| Interest expense  |             | <b>(44,395)</b>                | (43,970)         |
| Share of profits less losses of joint ventures  |             | <b>1,430</b>                   | 5,070            |
| Share of profits less losses of associates  |             | <b>(9,056)</b>                 | (1,885)          |
|   |             | <hr/>                          | <hr/>            |
| <b>Loss before income tax</b>   | 6           | <b>(417,813)</b>               | (540,966)        |
| Income tax expense  | 7           | <b>(29,820)</b>                | (84,272)         |
|   |             | <hr/>                          | <hr/>            |
| <b>Loss for the year</b>  |             | <b>(447,633)</b>               | (625,238)        |
|   |             | <hr/> <hr/>                    | <hr/> <hr/>      |
| <b>Loss attributable to:</b>  |             |                                |                  |
| Owners of the Company   |             | <b>(382,500)</b>               | (456,201)        |
| Non-controlling interests   |             | <b>(65,133)</b>                | (169,037)        |
|   |             | <hr/>                          | <hr/>            |
|   |             | <b>(447,633)</b>               | (625,238)        |
|   |             | <hr/> <hr/>                    | <hr/> <hr/>      |
| <b>Loss per share for loss attributable<br/>to the owners of the Company for the year</b> |             |                                |                  |
| Basic loss per share, Hong Kong cents   | 8           | <b>(7.66)</b>                  | (9.14)           |
|   |             | <hr/> <hr/>                    | <hr/> <hr/>      |
| Diluted loss per share, Hong Kong cents   | 8           | <b>(7.66)</b>                  | (9.14)           |
|   |             | <hr/> <hr/>                    | <hr/> <hr/>      |

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2022

|  | 2022<br><i>HK\$'000</i> | 2021<br><i>HK\$'000</i> |
|--|-------------------------|-------------------------|
| <b>Loss for the year</b>   | <b>(447,633)</b>        | <b>(625,238)</b>        |
| <b>Other comprehensive (expense)/income:</b>                                       |                         |                         |
| <i>Items that have been reclassified/may<br/>be reclassified to profit or loss</i> |                         |                         |
| Currency translation differences   | <u>(402,137)</u>        | <u>149,834</u>          |
| <b>Total comprehensive (expense)/income for the year</b>                           | <b><u>(849,770)</u></b> | <b><u>(475,404)</u></b> |
| <b>Attributable to:</b>  |                         |                         |
| Owners of the Company  | <u>(627,712)</u>        | <u>(364,587)</u>        |
| Non-controlling interests  | <u>(222,058)</u>        | <u>(110,817)</u>        |
|  | <b><u>(849,770)</u></b> | <b><u>(475,404)</u></b> |

## CONSOLIDATED BALANCE SHEET

As at 31 December 2022

|   | <i>Note</i> | <b>2022</b><br><i>HK\$'000</i> | 2021<br><i>HK\$'000</i> |
|---|-------------|--------------------------------|-------------------------|
| <b>Assets</b>   |             |                                |                         |
| <b>Non-current assets</b>                             |             |                                |                         |
| Purchased programme and film rights, net              |             | <b>14,207</b>                  | 12,934                  |
| Right-of-use assets                                   |             | <b>961,363</b>                 | 962,458                 |
| Property, plant and equipment, net                    |             | <b>638,823</b>                 | 737,587                 |
| Investment properties                                 |             | <b>1,307,283</b>               | 1,470,424               |
| Intangible assets                                     |             | <b>46,754</b>                  | 51,451                  |
| Investments in joint ventures                         |             | <b>35,152</b>                  | 41,662                  |
| Investments in associates                             |             | <b>68,844</b>                  | 95,752                  |
| Other long-term assets                                |             | <b>45,536</b>                  | 27,759                  |
| Deferred income tax assets                            |             | <b>104,719</b>                 | 120,125                 |
|   |             | <b>3,222,681</b>               | 3,520,152               |
| <b>Current assets</b>                                 |             |                                |                         |
| Accounts receivable, net                              | <i>10</i>   | <b>899,782</b>                 | 1,037,330               |
| Prepayments, deposits and other receivables           |             | <b>445,525</b>                 | 1,009,601               |
| Inventories   |             | <b>5,171</b>                   | 5,242                   |
| Amounts due from related companies                    |             | <b>12,822</b>                  | 16,615                  |
| Self-produced programmes                              |             | <b>9,136</b>                   | 7,350                   |
| Purchased programme and film rights, net              |             | <b>305</b>                     | 707                     |
| Financial assets at fair value through profit or loss | <i>13</i>   | <b>1,015,174</b>               | 1,706,050               |
| Pledged bank deposits                                 |             | <b>—</b>                       | 155,792                 |
| Bank deposits   |             | <b>222,878</b>                 | 39,729                  |
| Restricted cash                                       |             | <b>11,122</b>                  | 19,278                  |
| Cash and cash equivalents                             |             | <b>1,374,812</b>               | 1,265,106               |
|   |             | <b>3,996,727</b>               | 5,262,800               |
| <b>Total assets</b>                                   |             | <b>7,219,408</b>               | 8,782,952               |

|   | <i>Note</i>  | <b>2022</b><br><i>HK\$'000</i> | 2021<br><i>HK\$'000</i> |
|---|--------------|--------------------------------|-------------------------|
| <b>Equity</b>   |              |                                |                         |
| <b>Equity attributable to owners of the Company</b>           |              |                                |                         |
| Share capital   |              | 499,366                        | 499,366                 |
| Reserves  |              | <u>2,913,986</u>               | <u>3,543,279</u>        |
|   |              | <b>3,413,352</b>               | 4,042,645               |
| <b>Non-controlling interests</b>                              |              | <u><b>1,016,542</b></u>        | <u>1,371,782</u>        |
| <b>Total equity</b>   |              | <u><b>4,429,894</b></u>        | <u>5,414,427</u>        |
| <b>Liabilities</b>  |              |                                |                         |
| <b>Non-current liabilities</b>                                |              |                                |                         |
| Secured bank borrowings                                       | <i>12(a)</i> | 1,692                          | 1,740                   |
| Lease liabilities   |              | 671,197                        | 596,905                 |
| Other long-term liabilities                                   |              | 4,507                          | 5,044                   |
| Loans from non-controlling shareholders<br>of subsidiaries    | <i>12(b)</i> | 32,271                         | 35,491                  |
| Deferred income tax liabilities                               |              | <u>136,255</u>                 | <u>155,882</u>          |
|   |              | <u><b>845,922</b></u>          | <u>795,062</u>          |
| <b>Current liabilities</b>                                    |              |                                |                         |
| Accounts payable, other payables and accruals                 | <i>11</i>    | 1,201,263                      | 1,517,120               |
| Secured bank borrowings                                       | <i>12(a)</i> | 6,534                          | 140,078                 |
| Lease liabilities   |              | 168,431                        | 223,842                 |
| Deferred income   |              | 259,120                        | 163,426                 |
| Loans from non-controlling shareholders<br>of subsidiaries    | <i>12(b)</i> | 144,606                        | 351,579                 |
| Current income tax liabilities                                |              | 163,638                        | 174,710                 |
| Financial liabilities at fair value through<br>profit or loss | <i>13</i>    | —                              | 2,708                   |
|   |              | <u><b>1,943,592</b></u>        | <u>2,573,463</u>        |
| <b>Total liabilities</b>                                      |              | <u><b>2,789,514</b></u>        | <u>3,368,525</u>        |
| <b>Total equity and liabilities</b>                           |              | <u><b>7,219,408</b></u>        | <u><b>8,782,952</b></u> |

# 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 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**”).

## 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/liabilities at fair value through profit or loss.

### (a) Effect of adopting new standards and amendments to standards effective in 2022

|                                  |  |
|----------------------------------|--|
| 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            |
| HKFRS 3 (Amendments)             | Reference to the Conceptual Framework                        |

The adoption of the revised standards, amendments and interpretations of HKFRS stated above did not have any significant impact to the Group’s consolidated financial statements in the current and prior periods.

### (b) New standards, amendments to standards and interpretations not yet effective for the Group and have not been early adopted by the Group

The following new standards, amendments to standards and interpretations have been issued but are not yet effective for the financial year ended 31 December 2022 and have not been early adopted by the Group:

|   |  |
|---|--|
| HKAS 1 (Amendments)                                 | Classification of Liabilities as Current or Non-current <sup>(2)</sup>   |
| HKAS 1 (Amendments)                                 | Non-current Liabilities with Covenants <sup>(2)</sup>  |
| HKAS 8 (Amendments)                                 | Definition of Accounting Estimates <sup>(1)</sup>  |
| HKAS 12 (Amendments)                                | Deferred Tax related to Assets and Liabilities arising from a Single Transaction <sup>(1)</sup>  |
| HKFRS 17  | Insurance Contracts <sup>(1)</sup>   |
| Hong Kong Interpretation 5 (2020)                   | Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause <sup>(1)</sup> |
| HKAS 1 and HKFRS Practice Statements 2 (Amendments) | Disclosure of Accounting Policies <sup>(1)</sup>   |
| HKFRS 10 and HKAS 28 (Amendments)                   | Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>(3)</sup>   |

(1) Effective for annual periods beginning on 1 January 2023

(2) Effective for annual periods beginning on 1 January 2024

(3) Effective for annual periods beginning on or after a date to be determined

These standards 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:

|  | 2022<br><i>HK\$'000</i> | 2021<br><i>HK\$'000</i> |
|--|-------------------------|-------------------------|
| Advertising sales                                      |                         |                         |
| Television broadcasting                                | 978,833                 | 610,150                 |
| Internet media   | 809,420                 | 1,093,546               |
| Outdoor media  | 785,341                 | 942,977                 |
| Mobile, video and wireless value added services income | 123,825                 | 154,239                 |
| Subscription sales                                     | 59,020                  | 64,404                  |
| Magazine advertising and subscription or circulation   | 32,280                  | 33,204                  |
| Rental income  | 38,879                  | 41,359                  |
| Others   | 176,135                 | 219,361                 |
|  | <u>3,003,733</u>        | <u>3,159,240</u>        |

### 4 OTHER OPERATING (LOSSES)/GAINS, NET

|  | 2022<br><i>HK\$'000</i> | 2021<br><i>HK\$'000</i> |
|--|-------------------------|-------------------------|
| Exchange (loss)/gain, net  | (113,011)               | 45,045                  |
| Investment income  | 2,917                   | 8,719                   |
| Fair value (loss)/gain on financial assets and liabilities<br>at fair value through profit or loss                     |                         |                         |
| Investment in Particle Inc.  | (28,376)                | (7,075)                 |
| Other financial assets and liabilities   | (3,899)                 | 12,342                  |
| Impairment of investment in associates   | (8,031)                 | —                       |
| Gain on disposal of property, plant and equipment, net   | 18,602                  | 2,004                   |
| Reversal of tax provision for the disposal of financial assets<br>and liabilities at fair value through profit or loss | 74,185                  | —                       |
| Government subsidy   | 18,375                  | 9,124                   |
| Others, net  | 2,082                   | 6,212                   |
|  | <u>(37,156)</u>         | <u>76,371</u>           |

## 5 SEGMENT INFORMATION

|   | Year ended 31 December 2022      |                     |                        |                                |                               |                             |                                  |   | Group<br>HK\$ '000 |
|---|----------------------------------|---------------------|------------------------|--------------------------------|-------------------------------|-----------------------------|----------------------------------|---|--------------------|
|   | Television broadcasting          |                     |                        | Internet<br>media<br>HK\$ '000 | Outdoor<br>media<br>HK\$ '000 | Real<br>estate<br>HK\$ '000 | Other<br>activities<br>HK\$ '000 | Inter-<br>segment<br>elimination<br>HK\$ '000 |                    |
|   | Primary<br>channels<br>HK\$ '000 | Others<br>HK\$ '000 | Sub-total<br>HK\$ '000 |                                |                               |                             |                                  |   |                    |
| <b>Revenue</b>  |                                  |                     |                        |                                |                               |                             |                                  |   |                    |
| 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)                                     | —                  |
| <b>Total revenue</b>  | <b>698,853</b>                   | <b>466,051</b>      | <b>1,164,904</b>       | <b>947,966</b>                 | <b>785,547</b>                | <b>74,624</b>               | <b>172,909</b>                   | <b>(142,217)</b>                              | <b>3,003,733</b>   |
| <b>Timing of revenue recognition</b>  |                                  |                     |                        |                                |                               |                             |                                  |   |                    |
| 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             |
|   | <b>698,853</b>                   | <b>379,111</b>      | <b>1,077,964</b>       | <b>933,245</b>                 | <b>785,341</b>                | <b>38,879</b>               | <b>168,304</b>                   | <b>—</b>                                      | <b>3,003,733</b>   |
| 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<br>joint ventures/associates,<br>income tax and non-controlling<br>interests |                                  |                     |                        |                                |                               |                             |                                  |   | (410,187)          |
| Share of profit less losses<br>of joint ventures  |                                  |                     |                        |                                |                               |                             |                                  |   | 1,430              |
| Share of profits less losses<br>of associates   |                                  |                     |                        |                                |                               |                             |                                  |   | (9,056)            |
| Income tax expense  |                                  |                     |                        |                                |                               |                             |                                  |   | (29,820)           |
| Loss for the year   |                                  |                     |                        |                                |                               |                             |                                  |   | (447,633)          |
| Non-controlling interests   |                                  |                     |                        |                                |                               |                             |                                  |   | 65,133             |
| Loss attributable to owners<br>of the Company   |                                  |                     |                        |                                |                               |                             |                                  |   | <b>(382,500)</b>   |
| Depreciation  | (9,239)                          | (15,432)            | (24,671)               | (44,332)                       | (190,981)                     | (28,441)                    | (29,825)                         | —   | (318,250)          |
| Unallocated depreciation  |                                  |                     |                        |                                |                               |                             |                                  |   | (25,370)           |
|   |                                  |                     |                        |                                |                               |                             |                                  |   | <b>(343,620)</b>   |
| Interest income   | 1                                | 3,740               | 3,741                  | 37,264                         | 11,650                        | 432                         | 375                              | —   | 53,462             |
| Unallocated interest income   |                                  |                     |                        |                                |                               |                             |                                  |   | 2,798              |
|   |                                  |                     |                        |                                |                               |                             |                                  |   | <b>56,260</b>      |
| Interest expenses   | —                                | (95)                | (95)                   | (3,985)                        | (35,566)                      | —                           | (2,720)                          | —   | (42,366)           |
| Unallocated interest expenses   |                                  |                     |                        |                                |                               |                             |                                  |   | (2,029)            |
|   |                                  |                     |                        |                                |                               |                             |                                  |   | <b>(44,395)</b>    |
| Provision for impairment of<br>accounts receivable  | —                                | (42)                | (42)                   | (36,247)                       | —                             | —                           | (2,178)                          | —   | (38,467)           |
| Reversal of provision for impairment of<br>accounts receivable  | —                                | 212                 | 212                    | 63,997                         | 2,711                         | —                           | —                                | —   | 66,920             |

|  | Television broadcasting      |                    |                       |                            |                           |                         |                              | Inter-segment elimination<br>HK\$'000 | Group<br>HK\$'000 |
|--|------------------------------|--------------------|-----------------------|----------------------------|---------------------------|-------------------------|------------------------------|---------------------------------------|-------------------|
|  | Primary channels<br>HK\$'000 | Others<br>HK\$'000 | Sub-total<br>HK\$'000 | Internet media<br>HK\$'000 | Outdoor media<br>HK\$'000 | Real estate<br>HK\$'000 | Other activities<br>HK\$'000 |                                       |                   |
| <b>Revenue</b>   |                              |                    |                       |                            |                           |                         |                              |                                       |                   |
| External sales   | 630,863                      | 72,842             | 703,705               | 1,247,785                  | 942,977                   | 41,359                  | 223,414                      | —                                     | 3,159,240         |
| Inter-segment sales (Note c)   | —                            | 49,203             | 49,203                | 30,305                     | 3,154                     | 35,128                  | 6,435                        | (124,225)                             | —                 |
| <b>Total revenue</b>   | <b>630,863</b>               | <b>122,045</b>     | <b>752,908</b>        | <b>1,278,090</b>           | <b>946,131</b>            | <b>76,487</b>           | <b>229,849</b>               | <b>(124,225)</b>                      | <b>3,159,240</b>  |
| <b>Timing of revenue recognition</b>   |                              |                    |                       |                            |                           |                         |                              |                                       |                   |
| At point in time   | —                            | —                  | —                     | 113,008                    | —                         | —                       | 11,913                       | —                                     | 124,921           |
| Over time  | 630,863                      | 72,842             | 703,705               | 1,134,777                  | 942,977                   | 2,535                   | 211,501                      | —                                     | 2,995,495         |
| Revenue from other source  | —                            | —                  | —                     | —                          | —                         | 38,824                  | —                            | —                                     | 38,824            |
|  | <b>630,863</b>               | <b>72,842</b>      | <b>703,705</b>        | <b>1,247,785</b>           | <b>942,977</b>            | <b>41,359</b>           | <b>223,414</b>               | <b>—</b>                              | <b>3,159,240</b>  |
| Segment results  | (46,160)                     | (89,555)           | (135,715)             | (300,346)                  | 207,038                   | (7,716)                 | (130,195)                    | —                                     | (366,934)         |
| Unallocated income (Note a)  |                              |                    |                       |                            |                           |                         |                              |                                       | 55,342            |
| Unallocated expenses (Note b)  |                              |                    |                       |                            |                           |                         |                              |                                       | (232,559)         |
| Loss before share of result of joint ventures/associates, income tax and non-controlling interests |                              |                    |                       |                            |                           |                         |                              |                                       | (544,151)         |
| Share of profit less losses of joint ventures  |                              |                    |                       |                            |                           |                         |                              |                                       | 5,070             |
| Share of profits less losses of associates   |                              |                    |                       |                            |                           |                         |                              |                                       | (1,885)           |
| Income tax expense   |                              |                    |                       |                            |                           |                         |                              |                                       | (84,272)          |
| Loss for the year  |                              |                    |                       |                            |                           |                         |                              |                                       | (625,238)         |
| Non-controlling interests  |                              |                    |                       |                            |                           |                         |                              |                                       | 169,037           |
| Loss attributable to owners of the Company   |                              |                    |                       |                            |                           |                         |                              |                                       | <b>(456,201)</b>  |
| Depreciation   | (6,818)                      | (14,144)           | (20,962)              | (67,600)                   | (180,385)                 | (40,238)                | (30,042)                     | —                                     | (339,227)         |
| Unallocated depreciation   |                              |                    |                       |                            |                           |                         |                              |                                       | (29,905)          |
|  |                              |                    |                       |                            |                           |                         |                              |                                       | <b>(369,132)</b>  |
| Interest income  | —                            | 544                | 544                   | 56,861                     | 9,279                     | 350                     | 821                          | —                                     | 67,855            |
| Unallocated interest income  |                              |                    |                       |                            |                           |                         |                              |                                       | 2,846             |
|  |                              |                    |                       |                            |                           |                         |                              |                                       | <b>70,701</b>     |
| Interest expenses  | —                            | (99)               | (99)                  | (2,694)                    | (30,433)                  | (919)                   | (3,091)                      | —                                     | (37,236)          |
| Unallocated interest expenses  |                              |                    |                       |                            |                           |                         |                              |                                       | (6,734)           |
|  |                              |                    |                       |                            |                           |                         |                              |                                       | <b>(43,970)</b>   |
| Provision for impairment of accounts receivable  | —                            | (841)              | (841)                 | (223,999)                  | (10,097)                  | —                       | (4)                          | —                                     | (234,941)         |



Notes:

- (a) Unallocated income represents exchange gain, interest income, investment income and other income.
- (b) Unallocated expenses represent primarily:
- corporate staff costs;
  - office rental;
  - general administrative expenses;
  - marketing and advertising expenses related to the Group as whole; and
  - exchange loss
- (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:

|           | 2022<br><i>HK\$'000</i> | 2021<br><i>HK\$'000</i> |
|-----------|-------------------------|-------------------------|
| The PRC   | 2,896,777               | 3,056,100               |
| Hong Kong | 61,319                  | 48,607                  |
| Others    | 45,637                  | 54,533                  |
|           | <u>3,003,733</u>        | <u>3,159,240</u>        |

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

|           | 2022<br><i>HK\$'000</i> | 2021<br><i>HK\$'000</i> |
|-----------|-------------------------|-------------------------|
| The PRC   | 2,800,075               | 3,047,554               |
| Hong Kong | 285,095                 | 314,799                 |
| Others    | 32,792                  | 37,674                  |
|           | <u>3,117,962</u>        | <u>3,400,027</u>        |

## 6 LOSS BEFORE INCOME TAX

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

|   | 2022<br><i>HK\$'000</i> | 2021<br><i>HK\$'000</i> |
|---|-------------------------|-------------------------|
| <b>Crediting</b>  |                         |                         |
| Reversal of provision for impairment of accounts receivable | (66,920)                | —                       |
| Gain on disposal of property, plant and equipment           | (18,602)                | (2,004)                 |
| <b>Charging</b>   |                         |                         |
| Production costs of self-produced programmes                | 203,833                 | 161,887                 |
| Commission expenses   | 185,590                 | 280,675                 |
| Bandwidth costs   | 54,776                  | 67,953                  |
| Provision for impairment of accounts receivable             | 38,467                  | 234,941                 |
| Employee benefit expenses (including Directors' emoluments) | 1,316,844               | 1,332,337               |
| Operating lease rental in respect of                        |                         |                         |
| — Directors' quarters                                       | —                       | 2,166                   |
| — Land and buildings of third parties                       | 15,429                  | 31,792                  |
| — LED panels  | 7,265                   | 22,685                  |
| Loss on disposal of property, plant and equipment           | 5,374                   | 3,014                   |
| Depreciation of property, plant and equipment               | 118,471                 | 146,162                 |
| Depreciation of right-of-use assets                         | 225,149                 | 222,970                 |
| Amortisation of purchased programme and film rights         | 10,457                  | 10,302                  |
| Amortisation of intangible assets                           | 20,241                  | 18,719                  |
| Impairment of intangible assets                             | 1,204                   | 450                     |
| Auditor's remuneration                                      |                         |                         |
| — Audit services  | 14,256                  | 14,979                  |
| — Non-audit services  | 925                     | 886                     |
| Outgoings for investment properties                         | 2,749                   | 2,174                   |
|   | <u>2,749</u>            | <u>2,174</u>            |

## 7 INCOME TAX EXPENSE

Hong Kong profits tax has been provided at the rate of 16.5% (2021: 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.

|                             | 2022<br><i>HK\$'000</i> | 2021<br><i>HK\$'000</i> |
|-----------------------------|-------------------------|-------------------------|
| Current income tax          |                         |                         |
| — Hong Kong profits tax     | —                       | 244                     |
| — PRC and overseas taxation | 32,329                  | 89,576                  |
| Deferred income tax         | (2,509)                 | (5,548)                 |
|                             | <u>29,820</u>           | <u>84,272</u>           |

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, Shenzhen 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

### (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.

|   | 2022<br><i>HK\$'000</i> | 2021<br><i>HK\$'000</i> |
|---|-------------------------|-------------------------|
| Loss attributable to owners of the Company ( <i>HK\$'000</i> )      | <u>(382,500)</u>        | <u>(456,201)</u>        |
| Weighted average number of ordinary shares in issue ( <i>'000</i> ) | <u>4,993,650</u>        | <u>4,993,650</u>        |
| Basic loss per share ( <i>Hong Kong cents</i> )                     | <u><u>(7.66)</u></u>    | <u><u>(9.14)</u></u>    |

### (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 (2021: share options of the Company and a subsidiary).

There was no dilutive potential ordinary shares in existence during 2022 as the share options of the Company and a subsidiary were anti-dilutive.

|   | 2022<br><i>HK\$'000</i> | 2021<br><i>HK\$'000</i> |
|---|-------------------------|-------------------------|
| Loss attributable to owners of the Company ( <i>HK\$'000</i> )                        | <u>(382,500)</u>        | <u>(456,201)</u>        |
| Weighted average number of ordinary shares in issue ( <i>'000</i> )                   | <u>4,993,650</u>        | <u>4,993,650</u>        |
| Weighted average number of ordinary shares for diluted loss per share ( <i>'000</i> ) | <u>4,993,650</u>        | <u>4,993,650</u>        |
| Diluted loss per share ( <i>Hong Kong cents</i> )                                     | <u><u>(7.66)</u></u>    | <u><u>(9.14)</u></u>    |

## 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 2022 (2021: Nil).

**10 ACCOUNTS RECEIVABLE, NET**

|                                | 2022<br><i>HK\$'000</i> | 2021<br><i>HK\$'000</i> |
|--------------------------------|-------------------------|-------------------------|
| Accounts receivable            | 1,292,038               | 1,567,493               |
| Less: Provision for impairment | <u>(392,256)</u>        | <u>(530,163)</u>        |
|                                | <u><b>899,782</b></u>   | <u><b>1,037,330</b></u> |

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

|                                | 2022<br><i>HK\$'000</i> | 2021<br><i>HK\$'000</i> |
|--------------------------------|-------------------------|-------------------------|
| 0-30 days                      | 210,067                 | 312,873                 |
| 31-60 days                     | 176,754                 | 175,614                 |
| 61-90 days                     | 104,055                 | 161,972                 |
| 91-120 days                    | 89,477                  | 131,589                 |
| Over 120 days                  | <u>711,685</u>          | <u>785,445</u>          |
|                                | 1,292,038               | 1,567,493               |
| Less: Provision for impairment | <u>(392,256)</u>        | <u>(530,163)</u>        |
|                                | <u><b>899,782</b></u>   | <u><b>1,037,330</b></u> |

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

|                  | 2022<br><i>HK\$'000</i> | 2021<br><i>HK\$'000</i> |
|------------------|-------------------------|-------------------------|
| RMB              | 1,278,693               | 1,551,552               |
| US\$             | 11,171                  | 13,005                  |
| UK pound         | 1,262                   | 1,859                   |
| Other currencies | <u>912</u>              | <u>1,077</u>            |
|                  | <u><b>1,292,038</b></u> | <u><b>1,567,493</b></u> |

## 11 ACCOUNTS PAYABLE, OTHER PAYABLES AND ACCRUALS

|                                 | 2022<br><i>HK\$'000</i> | 2021<br><i>HK\$'000</i> |
|---------------------------------|-------------------------|-------------------------|
| Accounts payable                | 482,834                 | 390,055                 |
| Other payables and accruals     | 718,429                 | 1,127,065               |
|                                 | <u>1,201,263</u>        | <u>1,517,120</u>        |
| Less: Non-financial liabilities | (13,566)                | (3,826)                 |
|                                 | <u><u>1,187,697</u></u> | <u><u>1,513,294</u></u> |

At 31 December 2022, the ageing analysis of the accounts payable based on invoice date was as follows:

|               | 2022<br><i>HK\$'000</i> | 2021<br><i>HK\$'000</i> |
|---------------|-------------------------|-------------------------|
| 0-30 days     | 210,244                 | 190,833                 |
| 31-60 days    | 30,173                  | 13,170                  |
| 61-90 days    | 10,428                  | 14,515                  |
| 91-120 days   | 27,994                  | 18,772                  |
| Over 120 days | 203,995                 | 152,765                 |
|               | <u><u>482,834</u></u>   | <u><u>390,055</u></u>   |

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:

|                  | 2022<br><i>HK\$'000</i> | 2021<br><i>HK\$'000</i> |
|------------------|-------------------------|-------------------------|
| HK\$             | 241,140                 | 182,783                 |
| RMB              | 928,123                 | 1,322,658               |
| US\$             | 15,534                  | 4,194                   |
| UK pound         | 2,479                   | 2,840                   |
| Other currencies | 421                     | 819                     |
|                  | <u><u>1,187,697</u></u> | <u><u>1,513,294</u></u> |

## 12 BORROWINGS

|   | 2022<br><i>HK\$'000</i> | 2021<br><i>HK\$'000</i> |
|---|-------------------------|-------------------------|
| Secured bank borrowings ( <i>Note a</i> )                                 | 8,226                   | 141,818                 |
| Loans from non-controlling shareholders of subsidiaries ( <i>Note b</i> ) | 176,877                 | 387,070                 |
|   | <u>185,103</u>          | <u>528,888</u>          |

### (a) Secured bank borrowings

|   | 2022<br><i>HK\$'000</i> | 2021<br><i>HK\$'000</i> |
|---|-------------------------|-------------------------|
| <b>Non-current</b>                                    |                         |                         |
| Long-term secured bank borrowings                     | 1,692                   | 1,740                   |
| <b>Current</b>  |                         |                         |
| Current portion of long-term secured bank borrowings  | 6,534                   | 140,078                 |
| Total secured bank borrowings                         | <u>8,226</u>            | <u>141,818</u>          |
| The secured bank borrowings are repayable as follows: |                         |                         |
| — Within one year                                     | 6,534                   | 140,078                 |
| — More than one year but not exceeding two years      | —                       | —                       |
| — More than two years but not exceeding five years    | —                       | —                       |
| — More than five years                                | 1,692                   | 1,740                   |
| Total secured bank borrowings                         | <u>8,226</u>            | <u>141,818</u>          |

### (b) Loans from non-controlling shareholders of subsidiaries

|   | 2022<br><i>HK\$'000</i> | 2021<br><i>HK\$'000</i> |
|---|-------------------------|-------------------------|
| <b>Non-current</b>  |                         |                         |
| Long-term loans from non-controlling shareholders of subsidiaries                     | 32,271                  | 35,491                  |
| <b>Current</b>  |                         |                         |
| Short-term loans from non-controlling shareholders of subsidiaries                    | 144,606                 | 351,579                 |
| Total loans from non-controlling shareholders of subsidiaries                         | <u>176,877</u>          | <u>387,070</u>          |
| The loans from non-controlling shareholders of subsidiaries are repayable as follows: |                         |                         |
| — Within one year   | 144,606                 | 351,579                 |
| — More than one year but not exceeding two years                                      | 10,491                  | 11,114                  |
| — More than two years but not exceeding five years                                    | —                       | —                       |
| — More than five years  | 21,780                  | 24,377                  |
| Total loan from non-controlling shareholders of subsidiaries                          | <u>176,877</u>          | <u>387,070</u>          |

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

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

|  | 2022<br><i>HK\$'000</i> | 2021<br><i>HK\$'000</i> |
|--|-------------------------|-------------------------|
| <b>Current assets</b>                                      |                         |                         |
| Trading equity securities                                  | 14,821                  | 14,317                  |
| Convertible redeemable preferred shares ( <i>Note 14</i> ) | 331                     | 28,537                  |
| Other investments  | 72,419                  | 67,754                  |
| Structured deposits  | 927,603                 | 1,595,442               |
|  | <u>1,015,174</u>        | <u>1,706,050</u>        |
| <b>Current liability</b>                                   |                         |                         |
| Interest rate swap contract                                | —                       | (2,708)                 |
|  | <u>—</u>                | <u>(2,708)</u>          |

### 14 INVESTMENTS IN PARTICLE INC. (“PARTICLE”)

PNM has 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 2022. As at 31 December 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 31 December 2022.

The independent professional valuer adopted the market approach to calculate the enterprise value of Particle at 31 December 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\$331,000 at 31 December 2022 and a fair value loss of approximately HK\$28,376,000 was recognised in the consolidated income statement.

### 15 TRANSACTIONS WITH NON-CONTROLLING INTERESTS

During the year ended 31 December 2022 and 31 December 2021, the Group’s equity interest in PNM remains unchanged as 54.49%.

## 16 SUBSEQUENT EVENT

**Acquisition of equity interests in (i) Shanghai Phoenix Shenzhou Film and Television Cultural Development Company Limited (“Shanghai Yingshi”), (ii) Beijing Huizhi Bozhong Public Relations Consultancy Company Limited (“Huizhi Bozhong”), (iii) Guangdong Yidai Media Advertising Company Limited (“Guangdong Yidai”) and (iv) Shenzhen Phoenix Star Cultural Industrial Company Limited (“Shenzhen Phoenix Star”)**

Beijing Phoenix Huibo Media Company Limited (formerly known as Beijing Huibo Advertisement and Media Company Limited), an indirect wholly owned subsidiary of the Company, has completed the acquisition of 100% equity interests of Huizhi Bozhong, Shenzhen Phoenix Star and Shanghai Yingshi and 70% equity interest of Guangdong Yidai at a consideration of RMB5,000,000, RMB2,000,000, RMB5,000,000 and RMB3,500,000 on 3 January 2023, 1 February 2023, 8 February 2023 and 8 March 2023 respectively. The Group is in the process of assessing the fair value of acquired identified assets and liabilities and not yet in a position to determine the final amounts.

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

Hong Kong, 17 March 2023

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, 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*