

Report of the Directors 董事會報告書

The directors (the "Directors") submit their report together with the audited financial statements of Phoenix Satellite Television Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") for the year ended 31 December 2007.

Principal Activity and Geographical Analysis of Operations

The principal activity of the Company is investment holding. The principal activities of its subsidiaries are set out in Note 23 to the consolidated financial statements.

An analysis of the Group's performance for the year by business and geographical segments is set out in Note 5 to the consolidated financial statements.

Results and Appropriations

The results of the Group for the year are set out in the consolidated income statement on page 78.

The Directors recommend the payment of a final dividend of HK\$0.018 per ordinary share, totaling HK\$89,108,000, to be payable to shareholders whose names appear on the register of members of the Company on 20 June 2008.

The register of members of the Company will be closed from Monday, 16 June 2008 to Friday, 20 June 2008, both dates inclusive, during which period no transfer of share of the Company will be effected. In order to qualify for the above final dividend, all 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 Friday, 13 June 2008.

Reserves

Movements in the reserves of the Group during the year are set out in the consolidated statement of changes in equity. Movements in the reserves of the Company during the year are set out in Note 29 to the consolidated financial statements.

Donations

No charitable donation was made by the Group during the year (2006: HK\$8,000).

董事(「董事」)提呈鳳凰衛視控股有限公司(「本公司」)及其附屬公司(統稱為「本集團」)截至二零零七年十二月三十一日止年度的報告及經審核財務報表。

主要業務及營運地區分析

本公司的主要業務為投資控股，其附屬公司的主要業務載於綜合財務報表附註23。

本集團按業務及地區分類的年內表現分析載於綜合財務報表附註5。

業績及分配

本集團的年內業績載於第78頁的綜合收益表內。

董事建議向於二零零八年六月二十日名列本公司股東登記冊的股東派發末期股息每股普通股0.018港元，總計89,108,000港元。

本公司將由二零零八年六月十六日(星期一)起至二零零八年六月二十日(星期五)止(包括首尾兩日)暫停辦理股份過戶登記手續，期內將不會辦理任何股份過戶。為符合獲享上述末期股息之資格，所有過戶文件必須最遲於二零零八年六月十三日(星期五)下午四時三十分前交回本公司之香港股份過戶登記處分處香港證券登記有限公司，地址為香港灣仔皇后大道東183號合和中心17樓1712-1716號舖。

儲備

本集團年內儲備的變動載於綜合權益變動表。本公司年內儲備的變動載於綜合財務報表附註29。

捐款

本集團年內並無作出慈善捐款(二零零六年：8,000港元)。

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Property, Plant and Equipment

Details of the movements in property, plant and equipment of the Group are set out in Note 18 to the consolidated financial statements.

Share Capital and Share Options

Details of the movements in share capital and share options of the Company are set out in Note 27 and Note 28, respectively, to the consolidated financial statements.

Pre-emptive Rights

There is no provision for pre-emptive rights under the Company's article of association and there was no restriction against such rights under the laws of the Cayman Islands, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

Distributable Reserves

Distributable reserves of the Company as at 31 December 2007, calculated under the Companies Law (Revised) of the Cayman Islands, amounted to approximately HK\$620,916,000 (2006: HK\$683,307,000).

Five-Period/Year Financial Summary

A summary of the results and of the assets and liabilities of the Group for the last five financial periods/years is set out on pages 179 to 180.

Purchase, Sale or Redemption of Securities

The Company has not redeemed any of its shares during the year. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's shares during the year.

物業、廠房及設備

本集團物業、廠房及設備變動的詳情載於綜合財務報表附註18。

股本及購股權

本公司股本及購股權變動的詳情分別載於綜合財務報表附註27及附註28。

優先購買權

本公司的章程細則並無有關優先購買權的條文及開曼群島法例亦無有關該等權利的限制而致使本公司須按比例基準向現有股東提呈發售新股份。

可供分派儲備

本公司於二零零七年十二月三十一日的可供分派儲備(根據開曼群島公司法(經修訂)計算)約620,916,000港元(二零零六年:683,307,000港元)。

五個期間／年度財務概要

本集團最近五個財政期間／年度的業績及資產與負債概要載於第179至第180頁。

購買、出售或贖回證券

本公司於年內概無贖回其任何股份。本公司或其任何附屬公司在年內概無購買或出售本公司任何股份。

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Share Option Schemes

(A) Share Option Schemes of the Company

On 7 June 2000, two share option schemes of the Company were approved by the shareholders of the Company (“Shareholders”), namely Pre-IPO Share Option Scheme and Post-IPO Share Option Scheme. In order to enhance the flexibility in the implementation of the Pre-IPO Share Option Scheme and the Post-IPO Share Option Scheme, the committee of two and four Directors established for the administration of each of the share option schemes (the “Committee”) approved certain amendments to the terms of the Pre-IPO Share Option Scheme on 14 February 2001 and 10 December 2004 and the Post-IPO Share Option Scheme on 14 February 2001, 6 August 2002 and 10 December 2004, respectively.

(1) Pre-IPO Share Option Scheme

The following is a summary of the principal terms of the Pre-IPO Share Option Scheme as at 31 December 2007:

Purpose of the scheme

The purpose of the scheme, though not explicitly stated in the scheme document, is to recognise the contribution of certain employees to the growth of the Group and/or to the listing of shares of the Company (“Shares”) on the Growth Enterprise Market of the Stock Exchange of Hong Kong Limited (“GEM”).

The participants of the scheme

Employees of any member of the Company, including any executive directors of any member of the Group who have commenced working for the Group for not less than one month prior to the date of grant of an option and spent not less than twenty hours per week in providing services to the Group may take up options to subscribe for Shares.

The total number of securities available for issue

The total number of Shares available for issue under options which may be granted under the Pre-IPO Share Option Scheme and any other schemes must not in aggregate exceed 10% of the issued share capital of the Company as at the date of listing of the Shares on GEM on 30 June 2000 (the “Listing Date”).

購股權計劃

(A) 本公司的購股權計劃

於二零零零年六月七日，本公司股東（「股東」）批准兩項本公司的購股權計劃，計有首次公開招股前購股權計劃及首次公開招股後購股權計劃。為了提高執行首次公開招股前購股權計劃及首次公開招股後購股權計劃時的靈活性，就管理每項購股權計劃而由兩名及四名董事組成的委員會（「委員會」）已於二零零一年二月十四日及二零零四年十二月十日批准對首次公開招股前購股權計劃的條款作出若干修訂、另於二零零一年二月十四日、二零零二年八月六日及二零零四年十二月十日分別批准對首次公開招股後購股權計劃的條款作出若干修訂。

(1) 首次公開招股前購股權計劃

以下為於二零零七年十二月三十一日的首次公開招股前購股權計劃的主要條款概要：

計劃的目的

計劃的目的（即使並無於計劃文件內明確指出）為表揚若干僱員對本集團發展及／或對本公司股份（「股份」）於香港聯合交易所有限公司創業板（「創業板」）上市的貢獻。

計劃的參與者

本公司任何成員公司的僱員（包括於授出購股權日期前不少於一個月開始任職於本集團及每星期服務本集團不少於二十小時的本集團任何成員公司的任何執行董事）可接納可認購股份的購股權。

可供發行的證券總數

根據首次公開招股前購股權計劃及任何其他計劃授出的購股權而可供發行的股份總數合計不得超過股份於二零零零年六月三十日在創業板上市當日（「上市日期」）本公司已發行股本的10%。

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Share Option Schemes (continued)

(A) Share Option Schemes of the Company (continued)

(1) Pre-IPO Share Option Scheme (continued)

The total number of securities available for issue (continued)

The total number of Shares in respect of which options are issuable under the scheme is 484,706,000 shares, representing 10% and 9.8%, respectively, of the issued share capital of the Company as at the Listing Date and as at the date of this report.

The maximum entitlement of each participant under the scheme

No option may be granted to any eligible person which, if at the relevant time exercised in full, would result in the total number of Shares the subject of such option, when added to the number of Shares which may be subscribed by that eligible person under any outstanding options granted to that eligible person and to the number of Shares previously subscribed by the eligible person under any options granted to the eligible person under the scheme exceeding 25% of the aggregate number of Shares available for subscription under the scheme at that time.

Time of exercise of option

An option may be exercised in accordance with the terms of the scheme at any time during the period commencing one year from the date of grant of the option and expiring ten years after the date of grant of the option in accordance with the following schedule:

Date of exercise of an option

行使購股權日期

		Percentage of Shares comprised in options which is exercisable 可予行使的購股權 所佔股份比例
Between the date of grant of an option and less than 12 months following the date of grant of an option	授出購股權當日至授出購股權當日後少於12個月內	zero 零
Between the period falling 12 months or more but less than 24 months from the date of grant of an option	授出購股權當日後12個月或之後，但少於24個月的期間內	up to 25% 最多25%
Between the period falling 24 months or more but less than 36 months from the date of grant of an option	授出購股權當日後24個月或之後，但少於36個月的期間內	up to 50% 最多50%
Between the period falling 36 months or more but less than 48 months from the date of grant of an option	授出購股權當日後36個月或之後，但少於48個月的期間內	up to 75% 最多75%
Any time falling 48 months from the date of grant of an option and thereafter	授出購股權當日後48個月及其後任何時間	100% 100%

購股權計劃(續)

(A) 本公司的購股權計劃(續)

(1) 首次公開招股前購股權計劃(續)

可供發行的證券總數(續)

根據計劃可予發行的購股權涉及的股份總數為484,706,000股股份，分別佔於上市日期及於本報告日期本公司已發行股本的10%及9.8%。

根據計劃各參與者的最大配額

倘任何一名合資格人士於有關時間全面行使獲授予的購股權，可導致該合資格人士可認購該購股權涉及的股份總數，加上該合資格人士根據獲授予的任何未行使購股權可認購的股份數目及該合資格人士根據計劃先前獲授予的任何購股權認購的股份數目，超過根據計劃當時可供認購股份總數的25%，則不得向該合資格人士授予購股權。

行使購股權期限

購股權可於授出購股權當日起計一年開始至授出購股權日期後十年屆滿的期間內任何時間根據計劃的條款，按照以下時間表予以行使：

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Share Option Schemes (continued)

(A) Share Option Schemes of the Company (continued)

(1) Pre-IPO Share Option Scheme (continued)

Minimum holding period

As stated above, no option can be exercised within the first twelve months following the date of grant of an option.

The amount payable on acceptance of the option

The date by which the option must be applied for being a date not more than three days from (and including) the date on which the letter of offer of the grant of option is issued by the Company ("Offer Date"). Upon acceptance of the option, the option holder shall pay HK\$1 to the Company as consideration of the grant.

The basis of determining the exercise price

Same as the offer price for the Shares as set out in the prospectus of the Company dated 21 June 2000.

The remaining life of the scheme

The scheme period expires upon the listing of the Company on the GEM, for which the option expires when the vesting period ends.

購股權計劃(續)

(A) 本公司的購股權計劃(續)

(1) 首次公開招股前購股權計劃(續)

最短持有期間

如上文所列，並無購股權可於授出購股權當日後首十二個月內行使。

接納購股權應付的款項

申請購股權的日期必須為本公司發出提呈授予購股權函件日期(「提呈日期」)(包括該日)起計不超過三天內。於接納購股權時，購股權持有人須支付1港元予本公司，作為授予的代價。

釐定行使價的基準

與本公司於二零零零年六月二十一日刊發的招股章程載列的股份發售價相同。

計劃餘下年期

計劃期間於本公司在創業板上市時屆滿，有關購股權於歸屬期間結束時屆滿。

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Share Option Schemes (continued)

(A) Share Option Schemes of the Company (continued)

(1) Pre-IPO Share Option Scheme (continued)

The remaining life of the scheme (continued)

The details of share options granted by the Company under the Pre-IPO Share Option Scheme to the Directors of the Company and the employees of the Group to acquire Shares were as follows:

購股權計劃(續)

(A) 本公司的購股權計劃(續)

(1) 首次公開招股前購股權計劃(續)

計劃餘下年期(續)

本公司根據首次公開招股前購股權計劃向本公司董事及本集團僱員授出可認購股份的購股權詳情如下：

Type and number of remaining grantees	Date of grant	Vesting period	Exercise period	Exercise price per share	Number of share options 購股權數目			
					Balance as at 1 January 2007 於二零零七年一月一日結餘	Lapsed during the year 於年內失效	Exercised during the year 於年內行使	Balance as at 31 December 2007 於二零零七年十二月三十一日結餘
3 Executive Directors: 3名執行董事：								
LIU Changle 劉長樂	14 June 2000 二零零零年六月十四日	14 June 2000 to 13 June 2004 二零零零年六月十四日至二零零四年六月十三日	14 June 2001 to 13 June 2010 二零零一年六月十四日至二零零一年六月十三日	1.08	5,320,000	-	-	5,320,000
CHUI Keung 崔強	14 June 2000 二零零零年六月十四日	14 June 2000 to 13 June 2004 二零零零年六月十四日至二零零四年六月十三日	14 June 2001 to 13 June 2010 二零零一年六月十四日至二零零一年六月十三日	1.08	3,990,000	-	-	3,990,000
WANG Ji Yan 王紀言	14 June 2000 二零零零年六月十四日	14 June 2000 to 13 June 2004 二零零零年六月十四日至二零零四年六月十三日	14 June 2001 to 13 June 2010 二零零一年六月十四日至二零零一年六月十三日	1.08	3,990,000	-	-	3,990,000
53 other employees 53名其他僱員	14 June 2000 二零零零年六月十四日	14 June 2000 to 13 June 2004 二零零零年六月十四日至二零零四年六月十三日	14 June 2001 to 13 June 2010 二零零一年六月十四日至二零零一年六月十三日	1.08	23,840,000	(20,000)	(4,910,000)	18,910,000
Total: 合計： 56 employees 56名僱員					37,140,000	(20,000)	(4,910,000)	32,210,000

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Share Option Schemes (continued)

(A) Share Option Schemes of the Company (continued)

(1) Pre-IPO Share Option Scheme (continued)

The remaining life of the scheme (continued)

During the year ended 31 December 2007, 4,910,000 options granted to employees were exercised. At the date before the options were exercised, the weighted average closing price per share was HK\$1.77.

During the year ended 31 December 2007, 20,000 options granted to an employee lapsed when he ceased his employment with the Group.

Save as disclosed above, no other option has been cancelled during the year.

During the year ended 31 December 2007, no option has been granted to the Directors, chief executive, management shareholders, substantial shareholders, or their respective associates, or to the suppliers of goods or services under the Pre-IPO Share Option Scheme. No participant was granted any option in excess of the individual limit as set out in the GEM Listing Rules or under the Pre-IPO Share Option Scheme.

(2) Post-IPO Share Option Scheme

The following is a summary of the principal terms of the Post-IPO Share Option Scheme as at 31 December 2007:

Purpose of the scheme

The purpose of the Post-IPO Share Option Scheme is to retain and provide incentives to the employees of the Group to achieve its business objectives.

The participants of the scheme

Employees of any member of the Company, including any executive directors of any member of the Group, in full-time employment with the Company (or its subsidiaries) may take up options to subscribe for Shares.

The total number of securities available for issue

(a) The total number of Shares available for issue under options which may be granted under the Post-IPO Share Option Scheme and any other schemes must not in aggregate exceed 10% (or such higher percentage as may be allowed under the GEM Listing Rules) of the issued share capital of the Company in issue as at the date of approval of the scheme unless Shareholders' approval has been obtained pursuant to paragraphs (b) and (c) below.

購股權計劃(續)

(A) 本公司的購股權計劃(續)

(1) 首次公開招股前購股權計劃(續)

計劃餘下年期(續)

於截至二零零七年十二月三十一日止年度內，授予僱員的4,910,000份購股權已獲行使。於購股權獲行使前日期，每股加權平均收市價為1.77港元。

於截至二零零七年十二月三十一日止年度內，授予一名僱員的20,000份股權因其不再受僱於本集團而失效。

除上文披露者外，並無其他購股權於年內獲註銷。

於截至二零零七年十二月三十一日止年度內，概無購股權曾根據首次公開招股前購股權計劃而授予董事、行政總裁、管理層股東、主要股東、或彼等各自的聯繫人士、或貨品或服務的供應商。概無參與者獲授出的購股權超過創業板上市規則所載列或根據首次公開招股前購股權計劃的個人限額。

(2) 首次公開招股後購股權計劃

以下為於二零零七年十二月三十一日的首次公開招股後購股權計劃的主要條款概要：

計劃的目的

首次公開招股後購股權計劃的目的為挽留及提供獎勵予本集團僱員以達成其業務目標。

計劃的參與者

在本公司(或其附屬公司)全職工作的本公司任何成員公司的僱員(包括本集團任何成員公司的任何執行董事)可接納可認購股份的購股權。

可供發行的證券總數

(a) 根據首次公開招股後購股權計劃及任何其他計劃授出的購股權而可供發行的股份總數合計不得超過本公司於批准計劃當日已發行股本的10%(或創業板上市規則允許的更高百分比)，惟根據下文(b)及(c)段取得股東批准除外。

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Share Option Schemes (continued)

(A) Share Option Schemes of the Company (continued)

(2) Post-IPO Share Option Scheme (continued)

The total number of securities available for issue (continued)

- (b) The Company may seek approval by Shareholders in general meeting to refresh the limit as referred to in the above paragraph (a).
- (c) The Company may seek separate Shareholders' approval in a general meeting to grant options beyond the limit as referred to in the above paragraph (a) provided that the total number of Shares subject to the scheme and any other schemes does not in aggregate exceed 30% of the relevant class of securities of the Company in issue from time to time.
- (d) Shareholders' approval has been obtained on 6 August 2002 to refresh the 10% limit. The Directors may grant options for subscription of up to 493,173,000 Shares (which do not include those options that are outstanding, cancelled or lapsed), representing 9.96% of the issued share capital as at the date of this report.

The maximum entitlement of each participant under the scheme

Unless approved by Shareholders, the total number of securities issued and to be issued upon exercise of the options granted to each participant (including both exercised and outstanding options) in any 12-month period must not exceed 1% of the relevant class of securities of the Company in issue.

購股權計劃(續)

(A) 本公司的購股權計劃(續)

(2) 首次公開招股後購股權計劃(續)

可供發行的證券總數(續)

- (b) 本公司可於股東大會上尋求股東批准更新上文(a)段所述的限制。
- (c) 本公司可於股東大會上另行尋求股東批准授予超出上文(a)段所述限制的購股權，惟計劃及任何其他計劃涉及的股份總數不得超過本公司不時已發行有關類別證券的30%。
- (d) 股東於二零零二年八月六日批准更新10%限制。董事可授出認購最多493,173,000股股份(不包括尚未行使、已註銷或已失效的該等購股權)的購股權，佔於本報告日期已發行股本的9.96%。

根據計劃各參與者的最大配額

除經股東批准外，於任何十二個月期間內向各參與者授予的購股權(包括已行使及未行使的購股權)獲行使時已發行及將予發行的證券總數不得超過本公司已發行有關類別證券的1%。

Report of the Directors 董事會報告書

Share Option Schemes (continued)

(A) Share Option Schemes of the Company (continued)

(2) Post-IPO Share Option Scheme (continued)

Time of exercise of option

An option may be exercised in accordance with the terms of the scheme at any time during the period commencing one year from the date of grant of the option and expiring ten years after the date of grant of the option in accordance with the following schedule:

Date of exercise of an option

行使購股權日期

Date of exercise of an option		Percentage of Shares comprised in options which is exercisable 可予行使的購股權所佔股份比例
Between the date of grant of an option and less than 12 months following the date of grant of an option	授出購股權當日至授出購股權當日後少於12個月內	zero 零
Between the period falling 12 months or more but less than 24 months from the date of grant of an option	授出購股權當日後12個月或之後，但少於24個月的期間內	up to 25% 最多25%
Between the period falling 24 months or more but less than 36 months from the date of grant of an option	授出購股權當日後24個月或之後，但少於36個月的期間內	up to 50% 最多50%
Between the period falling 36 months or more but less than 48 months from the date of grant of an option	授出購股權當日後36個月或之後，但少於48個月的期間內	up to 75% 最多75%
Any time falling 48 months from the date of grant of an option and thereafter	授出購股權當日後48個月及其後任何時間	100% 100%

Minimum holding period

As stated above, no option can be exercised within the first twelve months following the date of grant of an option.

The amount payable on acceptance of the option

The date by which the option must be applied for being a date not more than twenty one days from (and including) the Offer Date. Upon acceptance of the option, the option holder shall pay HK\$1 to the Company as consideration of the grant.

The basis of determining the exercise price

The subscription price for the Shares under the scheme shall be determined by the Committee and will be no less than the highest of (a) the closing price of Shares as stated in the Stock Exchange's daily quotation sheets on the Offer Date which must be a business day, (b) the average closing price per Share as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the Offer Date and (c) the nominal value of the Share.

購股權計劃(續)

(A) 本公司的購股權計劃(續)

(2) 首次公開招股後購股權計劃(續)

行使購股權期限

購股權可於授出購股權當日起計一年開始至授出購股權日期後十年屆滿的期間內任何時間根據計劃的條款，按照以下時間表予以行使：

Percentage of Shares comprised in options which is exercisable 可予行使的購股權所佔股份比例

最短持有期間

如上文所列，並無購股權可於授出購股權當日後首十二個月內行使。

接納購股權應付的款項

申請購股權的日期必須為提呈日期(包括該日)起計不超過二十一天內。於接納購股權時，購股權持有人須支付1港元予本公司，作為授予的代價。

釐定行使價的基準

根據計劃的股份認購價須由委員會釐定，並不少於以下三者中的最高者(a)股份於提呈日期(須為營業日)在聯交所每日報價表所列的收市價、(b)股份於緊接提呈日期前五個營業日在聯交所每日報價表所列的平均收市價及(c)股份面值。

Report of the Directors 董事會報告書

Share Option Schemes (continued)

(A) Share Option Schemes of the Company (continued) (2) Post-IPO Share Option Scheme (continued)

The remaining life of the scheme

The scheme will remain in force for a period of ten years commencing on the date of the adoption of the scheme. Upon termination, no further options may be granted under the scheme.

The details of share options granted by the Company under the Post-IPO Share Option Scheme to the employees of the Group to acquire Shares were as follows:

Type and number of remaining grantees	Date of grant	Vesting period	Exercise period	Exercise price per share	Number of share options 購股權數目				
					Balance as at 1 January 2007 於二零零七年一月一日結餘	Granted during the year 年內授出	Lapsed during the year 年內失效	Exercised during the year 年內行使	Balance as at 31 December 2007 於二零零七年十二月三十一日結餘
1 employee 1名僱員	15 February 2001 二零零一年二月十五日	15 February 2001 to 14 February 2005 二零零一年二月十五日至二零零五年二月十四日	15 February 2002 to 14 February 2011 二零零二年二月十五日至二零零一年二月十四日	1.99 每股行使價 HKS 港元	500,000	-	-	-	500,000
14 employees 14名僱員	10 August 2001 二零零一年八月十日	10 August 2001 to 9 August 2005 二零零一年八月十日至二零零五年八月九日	10 August 2002 to 9 August 2011 二零零二年八月十日至二零零一年八月九日	1.13	9,124,000	-	-	(2,914,000)	6,210,000
2 employees 2名僱員	20 December 2002 二零零二年十二月二十日	20 December 2002 to 19 December 2006 二零零二年十二月二十日至二零零六年十二月十九日	20 December 2003 to 19 December 2012 二零零三年十二月二十日至二零零一年十二月十九日	0.79	1,472,000	-	-	(472,000)	1,000,000
32 employees 32名僱員	26 March 2007 二零零七年三月二十六日	26 March 2007 to 25 March 2011 二零零七年三月二十六日至二零零一年三月二十五日	26 March 2008 to 25 March 2017 二零零八年三月二十六日至二零零七年三月二十五日	1.45	-	12,922,000	(500,000)	-	12,422,000
Total: 合計: 49 employees 49名僱員					11,096,000	12,922,000	(500,000)	(3,386,000)	20,132,000

購股權計劃(續)

(A) 本公司的購股權計劃(續) (2) 首次公開招股後購股權計劃(續)

計劃餘下年期

計劃由採納計劃日期起計十年內保持有效。於終止時，不可再根據計劃授予購股權。

本公司根據首次公開招股後購股權計劃向本集團僱員授出可認購股份的購股權的詳情如下：

Number of share options 購股權數目

Type and number of remaining grantees	Date of grant	Vesting period	Exercise period	Exercise price per share	Number of share options 購股權數目				
					Balance as at 1 January 2007 於二零零七年一月一日結餘	Granted during the year 年內授出	Lapsed during the year 年內失效	Exercised during the year 年內行使	Balance as at 31 December 2007 於二零零七年十二月三十一日結餘
1 employee 1名僱員	15 February 2001 二零零一年二月十五日	15 February 2001 to 14 February 2005 二零零一年二月十五日至二零零五年二月十四日	15 February 2002 to 14 February 2011 二零零二年二月十五日至二零零一年二月十四日	1.99 每股行使價 HKS 港元	500,000	-	-	-	500,000
14 employees 14名僱員	10 August 2001 二零零一年八月十日	10 August 2001 to 9 August 2005 二零零一年八月十日至二零零五年八月九日	10 August 2002 to 9 August 2011 二零零二年八月十日至二零零一年八月九日	1.13	9,124,000	-	-	(2,914,000)	6,210,000
2 employees 2名僱員	20 December 2002 二零零二年十二月二十日	20 December 2002 to 19 December 2006 二零零二年十二月二十日至二零零六年十二月十九日	20 December 2003 to 19 December 2012 二零零三年十二月二十日至二零零一年十二月十九日	0.79	1,472,000	-	-	(472,000)	1,000,000
32 employees 32名僱員	26 March 2007 二零零七年三月二十六日	26 March 2007 to 25 March 2011 二零零七年三月二十六日至二零零一年三月二十五日	26 March 2008 to 25 March 2017 二零零八年三月二十六日至二零零七年三月二十五日	1.45	-	12,922,000	(500,000)	-	12,422,000
Total: 合計: 49 employees 49名僱員					11,096,000	12,922,000	(500,000)	(3,386,000)	20,132,000

Report of the Directors 董事會報告書

Share Option Schemes (continued)

(A) Share Option Schemes of the Company (continued)

(2) Post-IPO Share Option Scheme (continued)

The remaining life of the scheme (continued)

During the year ended 31 December 2007, 3,386,000 options granted to employees were exercised. At the date before the options were exercised, the weighted average closing price per share was HK\$1.86.

During the year ended 31 December 2007, 12,922,000 options were granted to 33 employees.

During the year ended 31 December 2007, 500,000 options granted to an employee lapsed when she ceased employment with the Group.

Save as disclosed above, no option has been cancelled during the year.

During the year ended 31 December 2007, no option had been granted to the Directors, chief executive, management shareholders, substantial shareholders, or their respective associates, or to the suppliers of goods or services under the Post-IPO Share Option Scheme. No participant was granted any option in excess of the individual limit as set out in the GEM Listing Rules or under the Post-IPO Share Option Scheme.

(B) Share Option Scheme of a Subsidiary of the Company PHOENIXi PLAN

On 7 June 2000, PHOENIXi Investment Limited ("PHOENIXi"), a member of the Group, adopted the PHOENIXi 2000 Stock Incentive Plan (the "PHOENIXi Plan").

The following is a summary of the principal terms of the PHOENIXi Plan as at 31 December 2007:

Purpose of the scheme

The purposes of the PHOENIXi Plan are to attract and retain the best available personnel, to provide additional incentive to its employees and executive directors and to promote the success of its business.

購股權計劃(續)

(A) 本公司的購股權計劃(續)

(2) 首次公開招股後購股權計劃(續)

計劃餘下年期(續)

於截至二零零七年十二月三十一日止年度內，授予僱員的3,386,000份購股權已獲行使。於購股權獲行使前日期，每股加權平均收市價為1.86港元。

於截至二零零七年十二月三十一日止年度內，12,922,000份購股權已授予33名僱員。

於截至二零零七年十二月三十一日止年度內，授予一名僱員的500,000份購股權因其不再受僱於本集團而失效。

除上文所披露者外，並無購股權於年內獲註銷。

於截至二零零七年十二月三十一日止年度內，概無董事、行政總裁、管理層股東、主要股東或彼等各自的聯繫人士、或貨品或服務供應商根據首次公開招股後購股權計劃獲授予任何購股權。概無參與者獲授予的購股權超過創業板上市規則所載列或根據首次公開招股後購股權計劃的個人限額。

(B) 本公司一家附屬公司的購股權計劃 PHOENIXi計劃

於二零零零年六月七日，本集團的成員公司 PHOENIXi Investment Limited (「PHOENIXi」) 採納 PHOENIXi 二零零零年股份獎勵計劃 (「PHOENIXi計劃」)。

以下為於二零零七年十二月三十一日 PHOENIXi 計劃的主要條款概要：

計劃的目的

PHOENIXi計劃的目的為招攬及挽留優秀員工，並為其僱員及執行董事提供額外獎勵，及促進其業務成就。

Report of the Directors 董事會報告書

Share Option Schemes (continued)

(B) Share Option Scheme of a Subsidiary of the Company (continued)

PHOENIXi PLAN (continued)

The participants of the scheme

The employees of PHOENIXi, including any executive directors, in the full-time employment of PHOENIXi (or the subsidiaries of PHOENIXi) or the Company are eligible to take up options to subscribe for shares in PHOENIXi. In addition, to be classified as an eligible person, where the employee is employed by a holding company of PHOENIXi or a subsidiary of PHOENIXi, the employee must perform an executive role for PHOENIXi.

The total number of securities available for issue

- (a) The total number of shares available for issue under options which may be granted under the PHOENIXi Plan and any other schemes of PHOENIXi, must not in aggregate exceed 10% of the issued share capital of PHOENIXi as at the Listing Date unless approvals of the shareholders of the Company and PHOENIXi have been obtained pursuant to paragraphs (b) and (c) below.
- (b) PHOENIXi may seek approval by the shareholders of the Company and PHOENIXi in a general meeting to refresh the 10% limit. However, the total number of shares available for issue under options which may be granted under the PHOENIXi Plan and any other schemes of PHOENIXi in these circumstances must not exceed 10% of the issued share capital of PHOENIXi at the date of approval of the refreshing of the limit.
- (c) PHOENIXi may seek separate approval of the shareholders of the Company and PHOENIXi in a general meeting to grant options beyond the 10% limit provided that (i) the total number of shares subject to the PHOENIXi Plan and any other schemes of PHOENIXi does not in aggregate exceed 30% of the total issued share capital of PHOENIXi and (ii) the options in excess of the 10% limit are granted only to participants specified by PHOENIXi before such approval is sought.

購股權計劃(續)

(B) 本公司一家附屬公司的購股權計劃(續)

PHOENIXi 計劃(續)

計劃的參與者

PHOENIXi 的僱員，包括在 PHOENIXi (或 PHOENIXi 的附屬公司) 或本公司全職工作的任何執行董事，合資格接納可認購 PHOENIXi 股份的購股權。此外，倘受僱於 PHOENIXi 的控股公司或 PHOENIXi 的附屬公司的僱員要界定為合資格人士，該僱員須為 PHOENIXi 履行行政職責。

可供發行的證券總數

- (a) 根據 PHOENIXi 計劃及 PHOENIXi 任何其他計劃授出的購股權而可供發行的股份總數合計不得超過於上市日期 PHOENIXi 已發行股本的 10%，惟根據下文 (b) 及 (c) 段取得本公司及 PHOENIXi 的股東批准除外。
- (b) PHOENIXi 可於股東大會上尋求本公司及 PHOENIXi 的股東批准更新 10% 限制。然而，於此等情況下根據 PHOENIXi 計劃及 PHOENIXi 任何其他計劃授出的購股權而可供發行的股份總數不得超過於批准更新限制當日 PHOENIXi 已發行股本的 10%。
- (c) PHOENIXi 可於股東大會上另行尋求本公司及 PHOENIXi 的股東批准授予超出 10% 限制的購股權，惟 (i) PHOENIXi 計劃及 PHOENIXi 任何其他計劃涉及的股份總數不得超過 PHOENIXi 已發行股本總額的 30% 及 (ii) 超過 10% 限制的購股權僅授予於尋求該批准前由 PHOENIXi 指定的參與者。

Report of the Directors 董事會報告書

Share Option Schemes (continued)

(B) Share Option Scheme of a Subsidiary of the Company (continued)

PHOENIXi PLAN (continued)

The maximum entitlement of each participant under the scheme

No options may be granted to any eligible person which, if at the relevant time exercised in full, would result in the total number of shares of PHOENIXi the subject of such option, when added to the number of shares already issued and/or issuable to him/her under the PHOENIXi Plan exceeding 25% of the aggregate number of shares of PHOENIXi in respect of which options are issuable under the PHOENIXi Plan.

Time of exercise of option

Generally, an option may be exercised at any time during a period of no more than ten years commencing from the date of grant. However, in the case of an Incentive Stock Option ("ISO") granted to a person, who at the time of the grant, owns shares in PHOENIXi representing more than 10% of the voting power of PHOENIXi, the Company or any subsidiary of the Company, the option period will be five years from the date of grant thereof.

Minimum holding period

As stated above, there is no minimum holding period for which an option can be exercised.

The amount payable on acceptance of the option

The date by which the option must be applied for being a date not more than twenty one days from (and including) the Offer Date. Upon acceptance of the option, the option holder shall pay US\$1 to the Company as consideration of the grant.

The basis of determining the exercise price

The price for the shares of PHOENIXi upon the exercise of an option under the PHOENIXi Plan will, in the case of:

- (a) an ISO or a Non-Qualified Stock Option ("NQS"), where the grantee owns more than 10% of the shares of the Company, PHOENIXi or its subsidiaries (each a "Related Entity"), be equal to not less than 110% of the Fair Market Value (as referred to below) per share of PHOENIXi on the date of the grant.
- (b) an ISO or NQS, where the grantee does not own more than 10% of the shares of PHOENIXi or a Related Entity, be equal to not less than the Fair Market Value per share of PHOENIXi on the date of the grant.

購股權計劃(續)

(B) 本公司一家附屬公司的購股權計劃(續)

PHOENIXi 計劃(續)

根據計劃各參與者的最大配額

倘任何一名合資格人士於有關時間全面行使獲授予的購股權，可導致該合資格人士可認購該購股權涉及的PHOENIXi股份總數，加上該合資格人士根據PHOENIXi計劃獲發行及／或獲可予發行的股份數目，超過根據PHOENIXi計劃可予發行的購股權所涉及股份總數的25%，則不得向該合資格人士授予購股權。

行使購股權期限

一般而言，購股權可於授予當日起計最長十年期間內任何時間行使。然而，倘獲授予獎勵性購股權(「ISO」)之人士，於授予時擁有的PHOENIXi股份相等於PHOENIXi、本公司或本公司任何附屬公司的投票權10%以上，則購股權期限將為其授予日期起計五年。

最短持有期間

如上文所列，並無規定購股權於行使前須符合最短持有期間。

接納購股權應付的款項

申請購股權的日期必須為提呈日期(包括該日)起計不超過二十一天內。於接納購股權時，購股權持有人須支付1美元予本公司，作為授予的代價。

釐定行使價的基準

於根據PHOENIXi計劃行使購股權時PHOENIXi股份的價格：

- (a) 就ISO或非限定購股權(「NQS」)而言，若承授人擁有本公司、PHOENIXi或其附屬公司(各稱「相關實體」)超過10%的股份，則價格將不低於每股PHOENIXi股份在授出當日的公平市場價值(如下文所述)的110%。
- (b) 就ISO或NQS而言，若承授人擁有PHOENIXi或相關實體不超過10%的股份，則價格將不低於每股PHOENIXi股份在授出當日的公平市場價值。

Report of the Directors 董事會報告書

Share Option Schemes (continued)

(B) Share Option Scheme of a Subsidiary of the Company (continued)

PHOENIXi PLAN (continued)

The basis of determining the exercise price (continued)

- (c) an option which is neither an ISO nor an NQS but where the grantee owns more than 10% of the shares of PHOENIXi or a Related Entity, be equal to not less than the Fair Market Value per share of PHOENIXi on the date of the grant.
- (d) an option which is neither an ISO nor an NQS but where the grantee does not own more than 10% of the shares of PHOENIXi or a Related Entity, be equal to not less than 85% of the Fair Market Value per share of PHOENIXi on the date of the grant, but if the shares of PHOENIXi are listed or if a director of the Company or PHOENIXi or their associates participates in the PHOENIXi Plan, the per share price must not be less than the Fair Market Value per share of PHOENIXi on the date of the grant.

For the purpose of the above "Fair Market Value" means as of any date, the value of shares of the Company, PHOENIXi or any subsidiary of PHOENIXi (as the case may be) determined as follows:

- (i) where the shares of PHOENIXi are listed on any stock exchange, the Fair Market Value shall be (a) no less than the higher of the closing price for a share on the date of the grant of an option which must be a business day, or (b) the average closing price of the share for the five business days immediately preceding the date of grant (the closing price shall be the price on the stock exchange on which the shares of PHOENIXi are listed) or (c) the nominal value of a share; or
- (ii) in the absence of an established market for the shares of the type described in (i) above, the Fair Market Value thereof shall be determined by the Committee in good faith on a fair and reasonable basis but in a manner consistent with Section 260.140.50 of Title 10 of the California Code of Regulations but in any event must in no circumstances be less than the latest audited net tangible assets per share of PHOENIXi unless none of the directors or their associates of PHOENIXi or the Company participate in the Plan, in which event, reference does not need to be made to the latest audited net tangible asset per share of PHOENIXi for the purpose of determining the Fair Market Value of the shares.

購股權計劃 (續)

(B) 本公司一家附屬公司的購股權計劃 (續)

PHOENIXi 計劃 (續)

釐定行使價的基準 (續)

- (c) 就ISO或NQS以外的購股權而言，若承授人擁有PHOENIXi或相關實體超過10%的股份，則價格將不低於每股PHOENIXi股份在授出當日的公平市場價值。
- (d) 就ISO或NQS以外的購股權而言，若承授人擁有PHOENIXi或相關實體不超過10%的股份，則價格將不低於每股PHOENIXi股份在授出當日的公平市場價值的85%；惟若PHOENIXi股份已上市或若本公司或PHOENIXi的董事或彼等的聯繫人士有份參與PHOENIXi計劃，則每股價格須不低於每股PHOENIXi股份在授出當日的公平市場價值。

就以上目的而言，「公平市場價值」指在任何日期，本公司、PHOENIXi或PHOENIXi任何附屬公司（視情況而定）的股份按以下釐定的價值：

- (i) 若PHOENIXi股份在任何證券交易所上市，則公平市場價值為(a)不少於股份在授出購股權當日（須為營業日）的收市價、或(b)股份於緊接授出日期前五個營業日的平均收市價（收市價須為在PHOENIXi股份上市所在證券交易所的價格）或(c)股份面值三者中的最高者；或
- (ii) 若上文(i)所述類別股份並無已建立的市場，則公平市場價值須由委員會以忠誠及按公平合理基準，並以貫徹Section 260.140.50 of Title 10 of California Code of Regulations的方式釐定，惟無論如何不得低於每股PHOENIXi股份的最近期經審核有形資產淨值。除非PHOENIXi或本公司的董事或彼等的聯繫人士全無參與計劃，在此情況下，股份的公平市場價值毋須參考每股PHOENIXi股份的最近期經審核有形資產淨值而釐定。

Report of the Directors 董事會報告書

Share Option Schemes (continued)

(B) Share Option Scheme of a Subsidiary of the Company (continued)

PHOENIXi PLAN (continued)

The remaining life of the scheme

The scheme will remain in force for a period of ten years commencing on the date of the adoption of the scheme. Upon termination, no further options may be granted under the scheme.

As at 31 December 2007, no options had been granted under the PHOENIXi Plan. PHOENIXi is currently undergoing a liquidation process.

Directors

The Directors during the year and up to the date of this report are:

Executive Directors:

LIU Changle	(alternate director to CHUI Keung)
CHUI Keung	(alternate director to LIU Changle)
WANG Ji Yan	(alternate director to LIU Changle and CHUI Keung)

Non-Executive Directors:

LU Xiangdong	
GAO Nianshu	
Paul Francis AIELLO	(alternate director to LAU Yu Leung, John)
LAU Yu Leung, John	(alternate director to Paul Francis AIELLO)
XU Gang	(resigned on 12 January 2007)
GONG Jianzhong	(appointed on 12 January 2007)

Independent Non-Executive Directors:

LO Ka Shui
LEUNG Hok Lim
Thaddeus Thomas BECZAK

In accordance with Article 87(1) of the Company's articles of association, Dr. LO Ka Shui, Mr. LAU Yu Leung, John and Mr. Thaddeus Thomas BECZAK retire by rotation and being eligible, offer themselves for re-election at the forthcoming annual general meeting of the Company.

購股權計劃(續)

(B) 本公司一家附屬公司的購股權計劃(續)

PHOENIXi 計劃(續)

計劃餘下年期

計劃由採納計劃日期起計十年內保持有效。於終止時，不可再根據計劃授予購股權。

於二零零七年十二月三十一日，並無根據 PHOENIXi 計劃授出購股權。PHOENIXi 目前正在進行清盤程序。

董事

年內及截至本報告日期止的董事如下：

執行董事：

劉長樂	(為崔強的替任董事)
崔強	(為劉長樂的替任董事)
王紀言	(為劉長樂及崔強的替任董事)

非執行董事：

魯向東	
高念書	
Paul Francis AIELLO	(為劉禹亮的替任董事)
劉禹亮	(為 Paul Francis AIELLO 的替任董事)
許剛	(於二零零七年一月十二日辭任)
龔建中	(於二零零七年一月十二日獲委任)

獨立非執行董事：

羅嘉瑞
梁學濂
Thaddeus Thomas BECZAK

根據本公司的章程細則第87(1)條，羅嘉瑞醫生、劉禹亮先生及 Thaddeus Thomas BECZAK 先生將於本公司應屆股東週年大會上輪值退任並符合資格及願膺選連任。

Report of the Directors 董事會報告書

Directors (continued)

The Company has received annual confirmations of independence from Dr. LO Ka Shui, Mr. LEUNG Hok Lim and Mr. Thaddeus Thomas BECZAK, and as at the date of this report still considers them to be independent.

Directors' Service Contracts

On 29 June 2006, each of Mr. LIU Changle and Mr. CHUI Keung, executive Directors, entered into a new service contract with the Company commencing from 1 July 2006. The term of each contract is for a term of three years commencing from 1 July 2006 and thereafter may be terminated by either party giving to the other not less than three months' written notice.

Save as disclosed herein, none of the Directors who are proposed for re-election at the forthcoming annual general meeting has a service contract with the Company which is not terminable within one year without payment of compensation, other than statutory compensation.

The terms of office of each of the executive Directors (other than the chairman of the board of Directors), non-executive Directors and independent non-executive Directors are subject to retirement by rotation in accordance with the Company's articles of association.

Directors' Interests in Contracts

No contracts of significance in relation to the Group's business to which the Company, or any of its subsidiaries, fellow subsidiaries or its parent company was a party and in which a Director had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

董事(續)

本公司已自羅嘉瑞醫生、梁學濂先生及Thaddeus Thomas BECZAK先生收到年度獨立確認書，於本報告日期，本公司仍認為彼等為獨立人士。

董事的服務合約

於二零零六年六月二十九日，兩位執行董事劉長樂先生及崔強先生均與本公司訂立新服務合約，每項服務合約由二零零六年七月一日起生效。有效期由二零零六年七月一日起計為期三年，其後各方可對另一方發出不少於三個月的書面通知以終止合約。

除本文所披露者外，擬在應屆股東週年大會上膺選連任的董事概無與本公司訂立任何須作補償(法定賠償除外)方可於一年內終止的服務合約。

本公司各執行董事(董事會主席除外)、非執行董事及獨立非執行董事的任期至其根據本公司的章程細則須輪值退任時為止。

董事的合約權益

本公司董事在本公司或其任何附屬公司、同系附屬公司或其母公司參與訂立及與本集團業務有重大關係，且於本年度結束時或年內任何時間仍然有效的合約中，概無直接或間接擁有任何重大權益。

Report of the Directors 董事會報告書

Directors' and Chief Executives' Interests and/or Short Positions in the Shares, Underlying Shares and Debentures of the Company or any Associated Corporation

As at 31 December 2007, the interests of the Directors and chief executives in the shares of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) (the "SFO")) which were notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which such Directors or chief executives are taken or deemed to have under such provisions of the SFO) or were required pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or were required pursuant to Rules 5.46 to 5.67 of the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange (the "GEM Listing Rules") relating to securities transactions by Directors to be notified to the Company and the Stock Exchange, were as follows:

董事及最高行政人員於本公司或任何相關法團的股份、相關股份及債權證的權益及／或淡倉

於二零零七年十二月三十一日，董事及最高行政人員於本公司及其相關法團（具有香港法例第571章證券及期貨條例（「證券及期貨條例」）第XV部賦予的涵義）的股份中擁有根據證券及期貨條例第XV部的第7及第8分部須知會本公司及香港聯合交易所有限公司（「聯交所」）的權益（包括根據證券及期貨條例有關條文有關董事或最高行政人員被當作或視作擁有的權益或淡倉）；或根據證券及期貨條例第352條須記入該條文所述的登記冊；或根據聯交所創業板證券上市規則（「創業板上市規則」）第5.46至第5.67條有關董事進行證券交易之規定須知會本公司及聯交所的權益如下：

Name 姓名	Number of ordinary shares held 所持普通股數目			Total number of shares 股份 總數	Percentage of shareholding 股權 百分比
	Personal/ other interests 個人/ 其他權益	Family interests 家族 權益	Corporate interests 公司 權益		
LIU Changle (Note 1) 劉長樂 (附註1)	–	–	1,854,000,000	1,854,000,000	37.45%
LO Ka Shui (Note 2) 羅嘉瑞 (附註2)	4,630,000	–	–	4,630,000	0.09%

Notes:

- As at 31 December 2007, Mr. LIU Changle was the beneficial owner of approximately 93.3% of the issued share capital of Today's Asia Limited, which in turn had an interest in approximately 37.45% of the issued share capital of the Company.
- As at 31 December 2007, Dr. LO Ka Shui was the beneficial owner of 500,000 Shares while 4,130,000 Shares were held for a discretionary trust of which Dr. LO Ka Shui was the founder.

附註：

- 於二零零七年十二月三十一日，劉長樂先生為今日亞洲有限公司約93.3%已發行股本的實益擁有人，而該公司則擁有約37.45%的本公司已發行股本權益。
- 於二零零七年十二月三十一日，羅嘉瑞醫生為500,000股股份的實益擁有人，而4,130,000股股份乃為一家全權信託（羅嘉瑞醫生為其創立人）而持有。

Report of the Directors 董事會報告書

Directors' and Chief Executives' Interests and/or Short Positions in the Shares, Underlying Shares and Debentures of the Company or any Associated Corporation (continued)

Save as disclosed herein, so far as the Directors are aware, as at 31 December 2007, none of the Directors and chief executives of the Company had any interest or short positions in any Shares, underlying shares and debentures of the Company or any associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which the Directors or chief executives are taken or deemed to have under such provisions of the SFO), or were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules to be notified to the Company and the Stock Exchange.

Directors' Rights to Acquire Shares or Debentures

Under the terms of the Company's share option schemes approved by the Shareholders on 7 June 2000, the Committee may, at their discretion, invite any employee of the Company or any of the Group companies, including any executive directors, to take up options to subscribe for Shares. The maximum number of Shares in respect of which options may be granted under the share option schemes must not exceed 10% of the issued share capital of the Company. The terms of the Pre-IPO Share Option Scheme were amended on 14 February 2001 and 10 December 2004 and the terms of the Post-IPO Share Option Scheme were amended on 14 February 2001, 6 August 2002 and 10 December 2004, respectively. A summary of the amended share option schemes is set out in the section headed "Share Option Schemes" of this report.

Save as disclosed herein, and other than those in connection with the Group reorganisation scheme prior to the Company's listing of Shares, at no time during the year was the Company or any of the companies comprising the Group a party to any arrangement to enable the Company's Directors or their associates to acquire benefits by means of the acquisition of Shares in or debentures of the Company or any other body corporate.

董事及最高行政人員於本公司或任何相關法團的股份、相關股份及債權證的權益及／或淡倉(續)

除本文所披露者外，就董事所知，於二零零七年十二月三十一日，董事及本公司最高行政人員概無於本公司或任何相聯法團(具有證券及期貨條例第XV部賦予的涵義)的任何股份、相關股份及債權證中擁有根據證券及期貨條例第XV部的第7及第8分部須知會本公司及聯交所的任何權益或淡倉(包括根據證券及期貨條例有關條文董事或最高行政人員被當作或視作擁有的權益或淡倉)；或根據證券及期貨條例第352條須記入該條文所述的登記冊；或根據創業板上市規則第5.46至第5.67條須知會本公司及聯交所的任何權益或淡倉。

董事購入股份或債權證的權利

根據股東於二零零零年六月七日批准的本公司購股權計劃的條款，委員會可酌情邀請本公司或本集團任何成員公司旗下任何僱員(包括任何執行董事)接納可認購股份的購股權。根據購股權計劃授出的購股權涉及的股份數目，最高不可超過本公司已發行股本的10%。首次公開招股前購股權計劃的條款已分別於二零零一年二月十四日及二零零四年十二月十日作出修訂，而首次公開招股後購股權計劃的條款已分別於二零零一年二月十四日、二零零二年八月六日及二零零四年十二月十日作出修訂。經修訂的購股權計劃概要載於本報告「購股權計劃」一節。

除本文所披露及牽涉本公司股份上市前所進行的本集團重組計劃者外，本公司或本集團旗下任何成員公司於年內任何時間概無參與訂立任何安排，致使本公司董事或彼等的聯繫人士可透過購入本公司或任何其他公司機構的股份或債權證而獲益。

Report of the Directors 董事會報告書

Substantial Shareholders' Interests and Short Positions in the Shares and Underlying Shares of the Company

As at 31 December 2007, the interest of the shareholders (not being Directors and the chief executive of the Company) in the shares and underlying shares of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were notified to the Company and the Stock Exchange pursuant to Divisions 2 and 3 of Part XV of the SFO and required to be entered in the register maintained by the Company pursuant to Section 336 of the SFO or entered in the register kept by the Company pursuant to Section 352 of the SFO, were as follows:

(i) Long positions of substantial shareholders in the ordinary shares of the Company

Name of substantial shareholders 主要股東名稱		Number of shares 股份數目	Percentage of shareholding 股權百分比
Today's Asia Limited (Note 1)	今日亞洲有限公司 (附註1)	1,854,000,000	37.45%
Extra Step Investments Limited (Note 2)	Extra Step Investments Limited (附註2)	983,000,000	19.86%
Xing Kong Chuan Mei Group Co., Ltd. (Note 3)	Xing Kong Chuan Mei Group Co., Ltd. (附註3)	871,000,000	17.59%

Notes:

- Today's Asia Limited is beneficially owned by Mr. LIU Changle and Mr. CHAN Wing Kee as to approximately 93.3% and 6.7% interests, respectively.
- Extra Step Investments Limited is a wholly-owned subsidiary of China Mobile (Hong Kong) Group Limited which in turn is a subsidiary of China Mobile Communications Corporation ("CMCC"). By virtue of the SFO, CMCC and China Mobile (Hong Kong) Group Limited are deemed to be interested in the 983,000,000 shares held by Extra Step Investments Limited.
- Xing Kong Chuan Mei Group Co., Ltd. is a subsidiary of STAR Group Limited. News Cayman Holdings Limited holds 100% of the ordinary voting shares of STAR Group Limited. News Publishers Investments Pty. Limited holds 100% of the ordinary voting shares of News Cayman Holdings Limited. News Publishers Investments Pty. Limited is a wholly-owned subsidiary of STAR LLC Australia Pty Limited, which in turn is a wholly-owned subsidiary of New STAR US Holdings Subsidiary, LLC. New STAR US Holdings Subsidiary, LLC is a wholly-owned subsidiary of STAR US Holdings Subsidiary, LLC, which in turn is a direct wholly-owned subsidiary of STAR US Holdings, Inc.. STAR US Holdings, Inc. is a wholly-owned subsidiary of News Publishing Australia Limited, which is an indirect wholly-owned subsidiary of News Corporation.

主要股東於本公司股份及相關股份的權益及淡倉

於二零零七年十二月三十一日，股東（並非董事及本公司最高行政人員）於本公司或任何相聯法團（具有證券及期貨條例第XV部賦予的涵義）的股份及相關股份中擁有根據證券及期貨條例第XV部的第2及第3分部須知會本公司及聯交所，以及須記入本公司根據證券及期貨條例第336條存置的登記冊或記入本公司根據證券及期貨條例第352條留存的登記冊內的權益如下：

(i) 主要股東於本公司普通股中的好倉

附註：

- 今日亞洲有限公司由劉長樂先生及陳永棋先生實益擁有，兩人分別佔約93.3%及6.7%的權益。
- Extra Step Investments Limited為中國移動（香港）集團有限公司的全資附屬公司，而後者為中國移動通信集團公司（「中移動通信」）的附屬公司。根據證券及期貨條例，中移動通信及中國移動（香港）集團有限公司被視為擁有由Extra Step Investments Limited 所持有的983,000,000股股份的權益。
- Xing Kong Chuan Mei Group Co., Ltd.為星空傳媒集團有限公司的附屬公司，而星空傳媒集團有限公司則由News Cayman Holdings Limited持有其100%普通可投票股份權益。News Publishers Investments Pty. Limited持有News Cayman Holdings Limited的100%普通可投票股份權益。News Publishers Investments Pty. Limited為STAR LLC Australia Pty Limited的全資附屬公司，而STAR LLC Australia Pty Limited為New STAR US Holdings Subsidiary, LLC的全資附屬公司。New STAR US Holdings Subsidiary, LLC為STAR US Holdings Subsidiary, LLC的全資附屬公司，而STAR US Holdings Subsidiary, LLC為STAR US Holdings, Inc.的直接全資附屬公司。STAR US Holdings, Inc.為News Publishing Australia Limited的全資附屬公司，而News Publishing Australia Limited為News Corporation的間接全資附屬公司。

Report of the Directors 董事會報告書

Substantial Shareholders' Interests and Short Positions in the Shares and Underlying Shares of the Company (continued)

(i) Long positions of substantial shareholders in the ordinary shares of the Company (continued)

By virtue of the SFO, News Corporation, News Publishing Australia Limited, STAR US Holdings, Inc., STAR US Holdings Subsidiary, LLC, New STAR US Holdings Subsidiary, LLC, STAR LLC Australia Pty Limited, News Publishers Investments Pty. Limited, News Cayman Holdings Limited and STAR Group Limited are all deemed to be interested in the 871,000,000 shares held by Xing Kong Chuan Mei Group Co., Ltd.

(ii) Long position of other person in the ordinary shares of the Company

Name of other person who has more than 5% interest

持有超過5%權益的其他人士名稱

China Wise International Limited (Note)

華穎國際有限公司 (附註)

412,000,000

8.32%

Note: China Wise International Limited is a wholly-owned subsidiary of Cultural Developments Limited, which in turn is a wholly-owned subsidiary of Bank of China Group Investment Limited. Bank of China Group Investment Limited is a wholly-owned subsidiary of Bank of China Limited, which in turn is a subsidiary of Central SAFE Investments Limited. By virtue of the SFO, Central SAFE Investments Limited, Bank of China Limited, Bank of China Group Investment Limited and Cultural Developments Limited are all deemed to be interested in the 412,000,000 shares held by China Wise International Limited.

Save as disclosed above, no other shareholders or other persons had interest or short position in the Shares, underlying shares and debentures of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or, was directly or indirectly, interested in 5% or more of the nominal value of the issued share capital carrying rights to vote in all circumstances at general meeting of any other member of the Group, or any options in respect of such capital.

主要股東於本公司股份及相關股份的權益及淡倉 (續)

(i) 主要股東於本公司普通股中的好倉 (續)

根據證券及期貨條例，News Corporation、News Publishing Australia Limited、STAR US Holdings, Inc.、STAR US Holdings Subsidiary, LLC、New STAR US Holdings Subsidiary, LLC、STAR LLC Australia Pty Limited、News Publishers Investments Pty. Limited、News Cayman Holdings Limited及星空傳媒集團有限公司，均被視為擁有由Xing Kong Chuan Mei Group Co., Ltd.所持有的871,000,000股股份的權益。

(ii) 其他人士於本公司普通股中的好倉

附註：華穎國際有限公司乃Cultural Developments Limited的全資附屬公司，而Cultural Developments Limited為中銀集團投資有限公司的全資附屬公司。中銀集團投資有限公司乃中國銀行股份有限公司的全資附屬公司，而中國銀行股份有限公司為中央匯金投資有限責任公司的附屬公司。根據證券及期貨條例，中央匯金投資有限責任公司、中國銀行股份有限公司、中銀集團投資有限公司及Cultural Developments Limited均被視為擁有由華穎國際有限公司所持有的412,000,000股股份的權益。

除上文所披露者外，並無其他股東或其他人士於本公司股份、相關股份及債權證中擁有根據證券及期貨條例第XV部的第2及第3分部的條文須向本公司及聯交所披露的權益或淡倉，亦無直接或間接持有附帶可於本集團任何其他成員公司的股東大會上的所有情況下投票權的已發行股本面值或就有關股本的任何購股權的5%或以上權益。

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Management Contracts

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year.

Major Suppliers and Customers

The percentages of programme purchases and sales for the year attributable to the Group's major suppliers and advertising end-customers are as follows:

		Year 2007 二零零七年	Year 2006 二零零六年
Programme purchases	節目採購		
– the largest supplier	– 最大供應商	18%	17%
– five largest suppliers	– 五大供應商	54%	48%
Sales	銷售		
– the largest advertising end-customer	– 最大廣告最終客戶	3%	3%
– five largest advertising end-customers	– 五大廣告最終客戶	11%	11%

The largest advertising end-customer during the current year ended 31 December 2007 is represented by CMCC and its subsidiaries (collectively, the “CMCC Group”). Details of the transactions between the Group and the CMCC Group are set out in Note 34 to the consolidated financial statements. The CMCC Group through a wholly-owned subsidiary of China Mobile (Hong Kong) Group Limited, owns 19.86% of the issued share capital of the Company. CMCC has become a substantial shareholder and related party of the Group since 25 August 2006.

The film license fees paid/payable to STAR TV Filmed Entertainment Limited (“STAR Filmed”) are not included in the above list of programme purchases suppliers. Details of the transactions between the Group and STAR Filmed are set out in Note 34 to the consolidated financial statements. STAR Filmed is an indirect wholly-owned subsidiary of STAR Group Limited, which holds 100% of Xing Kong Chuan Mei Group Co., Ltd., a substantial shareholder of the Company.

管理層合約

本公司於年內並無訂立或存在涉及本公司業務的全部或任何重大部份的管理及監管的合約。

主要供應商及客戶

本集團的主要供應商及廣告最終客戶應佔年內節目採購及銷售百分比如下：

於截至二零零七年十二月三十一日止年度內，最大廣告終端客戶為中移動通信及其附屬公司（統稱「中移動通信集團」）。本集團與中移動通信集團進行的交易詳情載於綜合財務報表附註34。中移動通信集團透過中國移動（香港）集團有限公司的全資附屬公司擁有本公司已發行股本的19.86%權益。中移動通信自二零零六年八月二十五日起成為本公司的主要股東及有關連人士。

已付／應付予STAR TV Filmed Entertainment Limited（「STAR Filmed」）之電影許可費並未包含於上表節目採購供應商內。本集團與STAR Filmed進行的交易詳情載於綜合財務報表附註34。STAR Filmed為星空傳媒集團有限公司間接全資附屬公司，後者持有本公司主要股東Xing Kong Chuan Mei Group Co., Ltd.的100%權益。

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Major Suppliers and Customers (continued)

In the opinion of the Directors, such transactions were carried out on terms no more favourable than terms available to independent third parties.

Save as disclosed above, none of the Directors, their associates, or any shareholder (which to the best knowledge of the Directors owns more than 5% of the Company's issued share capital) had any beneficial interest in the major suppliers or customers mentioned above.

Connected Transactions

Certain related party transactions as disclosed in Note 34 to the consolidated financial statements also constituted connected transactions under the GEM Listing Rules, are required to be disclosed in accordance with Chapter 20 of the GEM Listing Rules. The following transactions between certain connected parties (as defined in the GEM Listing Rules) and the Company have been entered into and/or are ongoing for which relevant announcements, if necessary, had been made by the Company in accordance with the requirements of the GEM Listing Rules.

1. The connected transactions with Satellite Television Asian Region Limited ("STARL") and STAR Filmed had been approved by resolutions of independent shareholders of the Company ("Independent Shareholders") passed on 18 August 2006.
 - (a) STARL is a subsidiary of Xing Kong Chuan Mei Group Co., Ltd., a substantial shareholder of the Company. The connected transactions are:
 - (i) STARL provides technical and administrative services for the operations of the Phoenix Chinese Channel, Phoenix Movies Channel, Phoenix InfoNews Channel, Phoenix North America Chinese Channel and Phoenix Chinese News and Entertainment Channel. For the year ended 31 December 2007, the service charges paid/payable to STARL amounted to approximately HK\$54,258,000 (2006: HK\$53,416,000), which were calculated under the terms of the executed service agreement between a subsidiary of the Company and STARL. Such amount did not exceed the annual cap of HK\$59,000,000 for the financial year ended 31 December 2007, approved under the relevant resolutions.

主要供應商及客戶(續)

董事認為，進行該等交易的條款並不較獨立第三方優惠。

除上文所披露者外，董事、彼等的聯繫人士或就董事所知擁有5%以上本公司股本的任何股東概無擁有上述主要供應商或客戶其中任何一家之實益權益。

關連交易

根據上市規則，如綜合財務報表附註34所披露的若干有關連人士交易亦構成創業板上市規則的關連交易，須按照創業板上市規則第20章進行披露。下列交易乃若干關連人士(如創業板上市規則的定義)與本公司已經訂立及/或正在進行的交易，本公司已根據創業板上市規則的規定發表有關公佈(如必要)。

1. 與衛星電視有限公司(「STARL」)及STAR Filmed間的關連交易已透過本公司的獨立股東(「獨立股東」)於二零零六年八月十八日通過的決議案而獲得批准。
 - (a) STARL為本公司主要股東Xing Kong Chuan Mei Group Co., Ltd.的附屬公司。關連交易如下：
 - (i) STARL為鳳凰衛視中文台、鳳凰衛視電影台、鳳凰衛視資訊台、鳳凰衛視美洲台及鳳凰衛視歐洲台的營運提供技術及行政服務。截至二零零七年十二月三十一日止年度，向STARL支付/應付的服務費約54,258,000港元(二零零六年：53,416,000港元)，乃根據本公司的附屬公司與STARL已訂立的服務協議條款計算。該款額並無超過根據有關決議案所批准的截至二零零七年十二月三十一日止財政年度的年度上限59,000,000港元。

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Connected Transactions (continued)

- (ii) STARL acts as a non-exclusive agent to promote international subscription sales and marketing services for the Group. For the year ended 31 December 2007, commission for international subscription sales and marketing services paid/payable to STARL amounted to approximately HK\$3,447,000 (2006: HK\$3,201,000), which was calculated based on 15% of the gross subscription fees received by Phoenix Satellite Television Company Limited ("Phoenix HK") attributable to the subscribers referred to Phoenix HK by STARL. Such amount did not exceed the annual cap of HK\$4,000,000 for the financial year ended 31 December 2007, approved under the relevant resolutions.
- (iii) STARL provides purchase of decoders and viewing cards service to Phoenix HK. For the year ended 31 December 2007, payment for purchase of decoders and viewing cards was HK\$33,000. Such amount did not exceed the annual cap of HK\$1,000,000 for the financial year ending 31 December 2007, approved under the relevant resolutions.
- (b) STAR Filmed is an indirect wholly-owned subsidiary of News Corporation, which is the ultimate holding company of Xing Kong Chuan Mei Group Co., Ltd., a substantial shareholder of the Company. The connected transaction relates to the granting of a non-exclusive license to exhibit a selection of movies on Phoenix Movies Channel in the PRC for a term of 10 years commencing from 28 August 1998. For the year ended 31 December 2007, the film license fees paid/payable to STAR Filmed amounted to approximately HK\$20,413,000 (2006: HK\$20,326,000), which were charged according to the executed film rights license agreement between a subsidiary of the Company and STAR Filmed. Such amount did not exceed the annual cap of HK\$22,000,000 for the financial year ending 31 December 2007, approved under the relevant resolutions.

關連交易(續)

- (ii) STARL 出任本集團的國際訂戶銷售及市場推廣服務非獨家代理。截至二零零七年十二月三十一日止年度，向 STARL 支付／應付的國際訂戶銷售及市場推廣服務佣金約 3,447,000 港元(二零零六年：3,201,000 港元)，乃根據鳳凰衛視有限公司(「鳳凰香港」)透過 STARL 向鳳凰香港之訂戶所收取訂購費用總額的 15% 計算。該款額並無超過根據有關決議案所批准的截至二零零七年十二月三十一日止財政年度的年度上限 4,000,000 港元。
- (iii) STARL 向鳳凰香港提供購買解碼器及收視卡服務。截至二零零七年十二月三十一日止年度，就購買解碼器及收視卡支付的款額為 33,000 港元。該款額並無超過根據有關決議案所批准的截至二零零七年十二月三十一日止財政年度的年度上限 1,000,000 港元。
- (b) STAR Filmed 為 News Corporation 的間接全資附屬公司，而 News Corporation 則為本公司主要股東 Xing Kong Chuan Mei Group Co., Ltd. 的最終控股公司。關連交易涉及授出非獨家電影播放許可，鳳凰衛視電影台可於一九九八年八月二十八日起計十年內在中國境內播放一系列電影。截至二零零七年十二月三十一日止年度，向 STAR Filmed 支付／應付的電影許可費約 20,413,000 港元(二零零六年：20,326,000 港元)，乃根據本公司的附屬公司與 STAR Filmed 訂立的電影許可協議收取。該款額並無超過根據有關決議案所批准的截至二零零七年十二月三十一日止財政年度的年度上限 22,000,000 港元。

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Connected Transactions (continued)

2. On 15 June 2004, a subsidiary of the Company entered into an agreement with Fox News Network L.L.C. ("Fox"), an associate of Xing Kong Chuan Mei Group Co., Ltd., a substantial shareholder of the Company. The connected transactions relate to:

- (a) granting of non-exclusive and non-transferable license to subscribe for Fox's news service;
- (b) leasing of office space and access to workspace, subject to availability; and
- (c) accessing Fox's camera hook up at the United Nations, interview positions in various places in the United States and live shots from Fox's satellite truck positions for events that Fox is already covering, subject to availability.

For the period from 1 January 2007 to 25 July 2007, the service charges paid/payable to Fox amounted to approximately HK\$2,151,000, which were charged under the license agreement between this subsidiary and Fox. Such amount did not exceed the cap of HK\$2,157,005 for the period from 1 January 2007 to 25 July 2007 approved under the relevant resolutions.

For the period from 26 July 2007 to 31 December 2007, the service charges paid/payable to Fox amounted to approximately HK\$1,568,000. For the year ended 31 December 2007, the total service charges paid/payable to Fox amounted to approximately HK\$3,719,000 (2006: HK\$3,689,000). These are connected transactions and are exempted from the reporting, announcement and independent shareholders' approval requirements of Chapter 20 of the GEM Listing Rules.

3. On 31 August 2005, Phoenix Chinese News & Entertainment Limited ("Phoenix CNE") a 70% owned subsidiary of the Company entered into an electronic programme guide ("EPG") services agreement ("2005 EPG Services Agreement") with British Sky Broadcasting Limited ("BSkyB"), an associate of Xing Kong Chuan Mei Group Co., Ltd., a substantial shareholder of the Company. The 2005 EPG Services Agreement was terminated by BSkyB in accordance with the provision therein with effect from midnight on 31 December 2006. On 8 January 2007, Phoenix CNE entered into a new EPG service agreement ("2007 EPG Services Agreement") with BSkyB for provision of EPG services for a term commencing from 1 January 2007 until 30 August 2008. Pursuant to the 2007 EPG Services Agreement, Phoenix CNE shall pay BSkyB a service fee on monthly basis. This connected transaction fell within Rule 20.33 of the GEM Listing Rules and was exempted from the reporting, announcement and independent shareholders' approval requirements under the GEM Listing Rules.

For the year ended 31 December 2007, the costs paid/payable to BSkyB amounted to approximately HK\$1,233,000 (2006: HK\$1,120,000), which was charged in accordance with the 2007 EPG Service Agreement with BSkyB.

關連交易 (續)

2. 於二零零四年六月十五日，本公司旗下的一間附屬公司與Fox News Network L.L.C. (「Fox」) 簽訂協議。Fox為Xing Kong Chuan Mei Group Co., Ltd. (本公司主要股東) 的聯營公司。關連交易涉及：

- (a) 授出訂購Fox新聞服務的非獨家及不可轉讓許可權；
- (b) 辦公室租賃及使用工作室，視乎其供應而定；及
- (c) 使用Fox位於聯合國的攝影棚、全美各地的採訪場地以及由Fox衛星直播車位置取得Fox已進行報導的事件的現場畫面，視乎其供應而定。

由二零零七年一月一日起至二零零七年七月二十五日止期間，向Fox支付／應付的服務費約2,151,000港元，乃根據此附屬公司與Fox訂立的授權協議收取。該款額並無超過根據有關決議案所批准的由二零零七年一月一日起至二零零七年七月二十五日止期間的上限2,157,005港元。

由二零零七年七月二十六日起至二零零七年十二月三十一日止期間，向Fox已付／應付的服務費約1,568,000港元。截至二零零七年十二月三十一日止年度，向Fox已付／應付的服務費總額約3,719,000港元(二零零六年：3,689,000港元)。該等交易均屬關連交易及獲豁免遵守創業板上市規則第20章的申報、公佈及獨立股東批准規定。

3. 於二零零五年八月三十一日，一間本公司擁有70%權益的附屬公司Phoenix Chinese News & Entertainment Limited(「Phoenix CNE」)與Xing Kong Chuan Mei Group Co., Ltd. (本公司主要股東) 的聯營公司British Sky Broadcasting Limited (「BSkyB」) 簽訂電子節目指引(「電子節目指引」)服務協議(「二零零五年電子節目指引服務協議」)。二零零五年電子節目指引服務協議已由BSkyB根據其條文予以終止，由二零零六年十二月三十一日午夜起生效。於二零零七年一月八日，Phoenix CNE與BSkyB訂立一份新電子節目指引服務協議(「二零零七年電子節目指引服務協議」)，以自二零零七年一月一日起至二零零八年八月三十日止期間提供電子節目指引服務。根據二零零七年電子節目指引服務協議，Phoenix CNE將每月向BSkyB支付服務費。此項關連交易乃符合創業板上市規則第20.33條規定，因而獲豁免遵守創業板上市規則項下之申報、公佈及獨立股東批准規定。

截至二零零七年十二月三十一日止年度，向BSkyB支付／應付的費用約1,233,000港元(二零零六年：1,120,000港元)，乃根據與BSkyB簽訂的二零零七年電子節目指引服務協議收取。

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Connected Transactions (continued)

4. On 30 October 2000, a subsidiary of the Company had entered into a license agreement with DIRECTV Inc. ("DIRECTV") for the non-exclusive distribution of Phoenix North America Chinese Channel via its direct broadcast service satellite – delivered television system in North America ("License Agreement"), which term had been extended by various letters until the end of 2004. DIRECTV is approximately 40.97% owned by News Corporation, the ultimate holding company of Xing Kong Chuan Mei Group Co. Ltd., a substantial shareholder of the Company. On 1 March 2005, a subsidiary of the Company and DIRECTV signed a letter which extended the term of the License Agreement for four months from 1 January 2005 or until the First Amendment Agreement (as defined below) became effective, whichever is the earlier. Also on 1 March 2005, a subsidiary of the Company entered into an amendment agreement with DIRECTV ("First Amendment Agreement") pursuant to which the Group further granted DIRECTV the non-exclusive right to distribute Phoenix Chinese Channel in addition to the Phoenix North America Chinese Channel and that the term of the License Agreement was further extended for another six months commencing from 5 March 2005. DIRECTV, which has the right to extend for a year after the expiry of the First Amendment Agreement, had chosen to extend the License Agreement on a monthly basis with the view to conclude new terms with the Group. On 25 January 2006, a subsidiary of the Company entered into another amendment agreement with DIRECTV ("Second Amendment Agreement") pursuant to which certain material terms of the License Agreement have been supplemented and/or amended and the term of the License Agreement has been extended for 3 years commencing from 25 January 2006. The Company has made an announcement in respect of these connected transactions with DIRECTV on 7 February 2006.

For the year ended 31 December 2007, the license fee received/receivable from DIRECTV amounted to approximately HK\$1,378,000 (2006: HK\$1,954,000), which were charged in accordance with the License Agreement as amended by its subsequent amendment agreements. Such amount did not exceed the annual cap of HK\$4,000,000 for the year ended 31 December 2007.

關連交易(續)

4. 於二零零零年十月三十日，本公司一間附屬公司與DIRECTV Inc. (「DIRECTV」) 訂立許可協議(「許可協議」)，許可協議乃有關透過其於北美洲的直接廣播服務衛星 – 播送電視系統，播放鳳凰衛視美洲台的非獨家分銷權，其期限已透過多份函件而延期直至二零零四年底為止。News Corporation (本公司主要股東Xing Kong Chuan Mei Group Co., Ltd.的最終控股公司) 持有DIRECTV的約40.97%權益。於二零零五年三月一日，本公司一間附屬公司與DIRECTV簽署一份函件，以將許可協議的期限自二零零五年一月一日起再延長四個月或直至第一次修訂協議(定義見下文)生效為止(以較早者為準)。另外，於二零零五年三月一日，本公司一間附屬公司與DIRECTV訂立一份修訂協議(「第一次修訂協議」)，據此，本集團進一步授予DIRECTV非獨家權，以便除分銷鳳凰衛視美洲台以外亦分銷鳳凰衛視資訊台，而許可協議期限則自二零零五年三月五日起再次延長六個月。DIRECTV(其有權在第一次修訂協議到期後將協議延長一年)已選擇按月延長許可協議，並考慮與本集團締結新條款。於二零零六年一月二十五日，本公司一間附屬公司與DIRECTV訂立另一份修訂協議(「第二次修訂協議」)，據此，許可協議的若干重要條款已獲補充及/或修訂，而許可協議自二零零六年一月二十五日起延長三年。本公司已於二零零六年二月七日就與DIRECTV進行的該等關連交易發表公佈。

截至二零零七年十二月三十一日止年度，已收/應收DIRECTV的許可費用約為1,378,000港元(二零零六年：1,954,000港元)，乃根據許可協議(經其隨後的修訂協議所修訂)收取。該款額並無超過截至二零零七年十二月三十一日止年度的年度上限4,000,000港元。

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Connected Transactions (continued)

5. A wholly-owned subsidiary of the Company, through its PRC advertising agent, Shenzhen Television Company Limited, entered into four advertising contracts with CNHK Media Limited (“CNHK Media”), the PRC advertising agent of CMCC (i) on 26 December 2006 and 2 February 2007 respectively, relating to the purchase of advertising airtime at and/or sponsoring the programme “Phoenix News Express” broadcasted on Phoenix Chinese Channel operated by the Group for the period from 1 January 2007 to 31 December 2007 and (ii) on 25 June 2007 and 14 August 2007 respectively, relating to the purchase of advertising airtime at and/or sponsoring the programme “Phoenix Horizons” broadcasted on Phoenix InfoNews Channel operated by the Group for the period from 1 July 2007 to 31 December 2007. The respective contracts sum of the above advertising contracts dated 26 December 2006, 2 February 2007, 25 June 2007 and 14 August 2007 were approximately HK\$9,356,000, HK\$23,350,000, HK\$1,020,000 and HK\$3,788,000. China Mobile (Hong Kong) Group Limited (“CMHKG”) is a substantial shareholder of the Company, holding approximately 19.86% of the issued share capital of the Company through its wholly-owned subsidiary namely Extra Step Investments Limited, CMCC being the ultimate holding company of CMHKG, is a connected person of the Company under the GEM Listing Rules. The Company had made announcements in respect of these connected transactions on 3 January 2007, 6 February 2007 and 14 August 2007. For the year ended 31 December 2007, the advertising sales to CMCC and its subsidiary amounted to approximately HK\$31,778,000 (2006: HK\$8,912,000), which were charged in accordance with the advertising contracts with CNHK Media.

The independent non-executive directors of the Company have reviewed the above transactions and have considered the procedures performed by the auditor of the Company in reviewing them and confirmed that at the time of the transactions:

- (a) the transactions have been entered into by the relevant member of the Group in the ordinary and usual course of its business; and

關連交易 (續)

5. 本公司旗下一間全資附屬公司透過其中國廣告代理神州電視有限公司與中移動通信的中國廣告代理中港傳媒有限公司(「中港傳媒」)訂立四份廣告合同：(i)分別於二零零六年十二月二十六日及二零零七年二月二日訂立，內容有關由二零零七年一月一日起至二零零七年十二月三十一日止期間購買在本集團所經營的鳳凰衛視中文台播放的「鳳凰快報」節目的廣告時段及／或贊助「鳳凰快報」節目；及(ii)分別於二零零七年六月二十五日及二零零七年八月十四日訂立，內容有關由二零零七年七月一日起至二零零七年十二月三十一日止期間購買在本集團所經營的鳳凰衛視資訊台播放的「鳳凰觀天下」節目的廣告時段及／或贊助「鳳凰觀天下」節目。上述日期分別為二零零六年十二月二十六日、二零零七年二月二日、二零零七年六月二十五日及二零零七年八月十四日之各廣告合同之合同金額分別約為9,356,000港元、23,350,000港元、1,020,000港元及3,788,000港元。中國移動(香港)集團有限公司(「中移動香港」)為本公司的主要股東，透過其全資附屬公司Extra Step Investments Limited持有本公司已發行股本約19.86%的權益。根據創業板上市規則，中移動通信(作為中移動香港的最終控股公司)為本公司的關連人士。本公司已分別於二零零七年一月三日、二零零七年二月六日及二零零七年八月十四日就該等關連交易發表公佈。截至二零零七年十二月三十一日止年度，對中移動通信及其附屬公司的廣告銷售額約為31,778,000港元(二零零六年：8,912,000港元)，乃根據與中港傳媒訂立的廣告合同收取。

本公司的獨立非執行董事在審閱上述交易及考慮本公司核數師對審閱該等交易時的程序後，確認在有關交易進行時：

- (a) 該等交易為本集團旗下有關成員公司在日常及一般業務過程中所訂立；及

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Connected Transactions (continued)

- (b) the transactions have been entered into on an arm's length basis and on normal commercial terms (to the extent that there are comparable transactions) or, if there are not sufficient comparable transactions to judge whether they are on normal commercial terms, on terms no less favourable to the Group than terms available to or from (as the case may be) independent third parties; and
- (c) the transactions have been entered into in accordance with the relevant agreement governing them on terms that are fair and reasonable and in the interests of the shareholders of the Company as a whole.

Competing Business

Today's Asia Limited has interests in approximately 37.45% of the share capital of the Company. Today's Asia Limited, together with its shareholder, Mr. LIU Changle, are deemed to be the management shareholders of the Company as defined under the GEM Listing Rules.

Mr. LIU Changle and Mr. CHAN Wing Kee beneficially own 93.3% and 6.7% respectively of Today's Asia Limited, which holds 100% of Vital Media Holdings Limited. Vital Media Holdings Limited holds 100% of Dragon Viceroy Limited which in turn holds approximately 26.85% of Asia Television Limited ("ATV"), a Hong Kong based television broadcasting company. Primarily aiming at audiences in Hong Kong, ATV broadcasts its programmes via terrestrial transmission through two channels, one in Cantonese and the other in English. Signals of such two channels can also be received in certain parts of Guangdong Province of the PRC. ATV announced in August 2002 that it received the approval from the authorities in China to broadcast its Cantonese and English channels through the cable system in Guangdong. ATV is also granted a non-domestic television programme service license in May 2004, in addition to its existing domestic free television programme service license. Commencing from 31 December 2007, in addition to the two channels mentioned in the foregoing, ATV launched six digital channels including one CCTV 4 Channel.

Save as disclosed above, none of the Directors, the management shareholders of the Company or their respective associates (as defined under the GEM Listing Rules) has any interests in a business which competes or may compete with the business of the Group.

關連交易(續)

- (b) 該等交易乃按照公平基準及一般商業條款進行(倘有可供比較的交易),或若可供比較的交易不足以判斷該等交易的條款是否屬一般商業條款,則對本集團而言,該等交易按不遜於獨立第三方可取得或提供(視情況而定)的條款所訂立;及
- (c) 該等交易是根據有關協議的規定,在交易條款屬公平合理並符合本公司股東的整體利益的情況下訂立。

競爭業務

今日亞洲有限公司擁有本公司約37.45%的股本權益。今日亞洲有限公司連同其股東劉長樂先生均被視為本公司的管理層股東(定義見創業板上市規則)。

劉長樂先生及陳永棋先生分別實益擁有今日亞洲有限公司的93.3%及6.7%權益,而今日亞洲有限公司則持有Vital Media Holdings Limited的100%權益。Vital Media Holdings Limited持有龍維有限公司的100%權益,而龍維有限公司則持有香港一家電視廣播公司—亞洲電視有限公司(「亞洲電視」)約26.85%的權益。亞洲電視以香港觀眾為主要對象,透過粵語及英語兩個頻道經地面傳送廣播節目。該兩個頻道的訊號亦可在中國廣東省多處地方接收到。亞洲電視於二零零二年八月宣佈,已收到中國有關當局的批准,可透過廣東的有線電視系統,播放其粵語及英語頻道。除現有的本地免費電視節目服務牌照外,亞洲電視於二零零四年五月亦同時獲授一個非本地免費電視節目服務牌照。由二零零七年十二月三十一日起,除上述兩個頻道外,亞洲電視已推出六個數碼電視頻道,其中包括央視四套中文國際頻道。

除上文所披露者外,概無董事、本公司管理層股東或彼等各自的聯繫人士(定義見創業板上市規則)於與本集團業務存在競爭或可能存在競爭的業務中擁有任何權益。

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Sponsors' Interests

As at 30 June 2002, BOCI Asia Limited and Merrill Lynch Far East Limited ceased to be the sponsors of the Company upon expiration of the terms of contract after two years of service. The Company has no sponsor since 1 July 2002. Accordingly, no additional disclosure is made.

Advances to an Entity

Details of the relevant advance to an entity from the Group which exceeds 8% of the Group's total assets, as defined in rules 17.14 of the GEM Listing Rules, are set out in Note 13 to the consolidated financial statements.

Audit Committee

The audit committee had reviewed the Group's annual results for the year ended 31 December 2007 and provided advice and comments thereon.

Auditor

The consolidated financial statements have been audited by PricewaterhouseCoopers who retire and, being eligible, offer themselves for re-appointment.

On behalf of the Board

LIU Changle

Chairman

Hong Kong, 7 March 2008

保薦人權益

於二零零二年六月三十日，當兩年服務合約屆滿時，中銀國際亞洲有限公司及美林遠東有限公司不再為本公司的保薦人。自二零零二年七月一日起，本公司並無保薦人，因此毋須作出額外披露。

向一家實體提供墊款

有關本集團向一家實體提供超過本集團資產總值8%的有關墊款(定義見創業板上市規則第17.14條)的詳情，載於綜合財務報表附註13。

審核委員會

審核委員會已審閱本集團截至二零零七年十二月三十一日止年度的年度業績，並據此提供意見及建議。

核數師

綜合財務報表已由羅兵咸永道會計師事務所審核。羅兵咸永道會計師事務所將退任並符合資格膺選連任。

代表董事會

主席

劉長樂

香港，二零零八年三月七日