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鳳凰衛視

PHOENIX MEDIA INVESTMENT (HOLDINGS) LIMITED

鳳凰衛視投資(控股)有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 02008)

**ANNOUNCEMENT OF UNAUDITED INTERIM
RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2024**

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**”, “**Phoenix**” or “**Phoenix TV**”)) is pleased to announce the unaudited interim results of the Group for the six months ended 30 June 2024 (the “**Period**”).

FINANCIAL SUMMARY

- The revenue of the Group for the Period was approximately HK\$1,042,746,000 (six months ended 30 June 2023: HK\$1,133,077,000), which represented a decrease of 8.0% in comparison with the same period last year.
- The operating loss of the Group for the Period decreased to approximately HK\$181,804,000 (six months ended 30 June 2023: HK\$273,959,000), which represented a decrease of 33.6% in comparison with the same period last year.
- The net exchange loss of the Group for the Period was approximately HK\$8,115,000 (six months ended 30 June 2023: gain of HK\$1,574,000).
- The loss attributable to owners of the Company increased to approximately HK\$184,457,000 (six months ended 30 June 2023: HK\$129,158,000), which represented an increase of 42.8% in comparison with the same period last year.

BUSINESS OVERVIEW AND PROSPECTS

In the first half of 2024, the Company has shown an overall stable trend featuring various highlights in its results, with its innovative vitality and development resilience continuing to be accentuated. Mr. Xu Wei, the Chairman and Chief Executive Officer, emphasises that Phoenix shall firmly establish a strong foothold in Hong Kong, aiming for global brand positioning, focusing on core business and innovative development, advocating international communication, transmitting Chinese culture, and devoting fully to promote internationalisation and to build a leading Chinese language media group.

On 22 April 2024, Phoenix Hong Kong Channel has been officially launched on channel number 85 of the terrestrial free-to-air television platform in Hong Kong with a full Hong Kong coverage, achieving a major breakthrough in the broadcasting of Phoenix TV in Hong Kong. The brand new Hong Kong Channel emphasises on its news professionalism, focuses on producing prime-time Cantonese news and commentary programs, and launches Phoenix TV's self-produced, high-quality documentaries and special programs on news affairs, offering the Hong Kong viewers and the global Cantonese-speaking audiences a diverse and internationalised news and information services, gaining widespread recognition from different sectors.

On 15 May 2024, Phoenix TV officially launched "Phoenix News" for the Hong Kong community, which delivers customer-oriented, real-time important global news through the community's electronic screens, covering a total of 100 various communities in Hong Kong including residential buildings, commercial buildings, hotels, shopping malls and university campuses, with approximately 1.03 million residents, which effectively enhances the communication power of Phoenix in Hong Kong.

On 28 June 2024, the "You Bring Charm to the World Award" was held in Hong Kong for the first time. The Chief Executive Lee Ka-Chiu attended the ceremony and delivered his speech. Six Chinese elites were presented with this award, including Samuel Chao Chung Ting, Lui Che-woo, Lin Ching-hsia, Li Zexiang, Tang Wei and Lee Lok Sze. Over 100 media organisations around the world jointly participated in the reporting of the ceremony and the international communication power of Phoenix TV was further enhanced. Meanwhile, this helps strengthen Phoenix TV's connection with Hong Kong and exert stronger influence in Hong Kong.

Phoenix TV continuously delivers first-hand local and overseas news to the audience around the world with professionalism, accuracy and promptness. In the first half of 2024, Phoenix TV focused on global hotspot events and made in-depth reports on important international affairs, including the Russia-Ukraine conflict, the Palestine-Israel conflict, the terrorist attack at the Moscow concert hall, the crash of the Iranian president's helicopter and the Summer Davos. Phoenix TV presented a full range of prominent news of the Chinese-speaking world, key interviews and reports were conducted for Chinese President Xi Jinping's state visits to France, Serbia and Hungary, Russian President Putin's state visit to China, the Taiwan Election and the meetings of the Chinese National People's Congress and the Chinese People's Political Consultative Conference. Phoenix TV made all-around analysis on international news and continued to follow up on international news, such as the two-party competition in the U.S. presidential election year and communication between China and the U.S. on various aspects. On 2 May 2024, Phoenix TV, as the sole international Chinese-speaking media, conducted a live report on the University of California, Los Angeles as the U.S. police entered the campus to dismantle the roadblocks and encampments set up by students who took part in the "pro-Palestine and anti-Israel" demonstration. Competing against global media on-site, Phoenix TV delivered high-quality news reports for global Chinese-speaking audiences, and demonstrated the media influence of "watching the happening of major events on Phoenix TV".

The Company has been listed as the “China’s 500 Most Valuable Brands” published by World Brand Lab for 21 consecutive years, ranking the fourth in the media industry, demonstrating its renowned reputation in the media and cultural fields. Programs produced by Phoenix TV have also won multiple domestic and international awards. In the 2024 New York Festivals International TV & Film Awards, *Abandoned Life* won the Gold Award in the Social Justice Promotion Category, and the promotional film *Hong Kong Nature Stories* won the Silver Award in the Documentary Program Promotion Category and was on multiple shortlists. Programs produced by Phoenix TV also received numerous finalist awards at the AIB’s Awards and the Sport Movies & TV – Milano International FICTS Fest, reflecting Phoenix TV’s international first-class production standards and capabilities.

Phoenix TV covers the global audiences through multiple channels, including satellite, radio frequency spectrum, cable TV networks, mobile internet, Internet Protocol Television (IPTV) and over-the-top (OTT) platforms, social media, and intelligent distribution platforms, with more than 500 million TV audiences and nearly 200 million overseas new media audiences. To align with the development trend of artificial intelligence technology, Phoenix TV has partnered with multiple AI platforms and institutions to explore the creation of multilingual and multimodal data sets, and to empower content production and application using generative artificial intelligence technology. The Company will also continuously innovate its international content, enhance its integrated capabilities in TV-web collaboration and multi-screen coordination, and leverage on Phoenix TV’s overseas broadcasting platforms and social media networks to continuously increase the international influence of its omni-media content.

Phoenix TV has been recognised by The Chamber of Hong Kong Listed Companies Magazine as a “Pioneer in ESG-Driven Sustainable Media” for its long-term promotion of public welfare and commitment to media responsibility. During the Period, the Company continued to organise the *Hong Kong Nature Stories* documentary screening and nature expert activities in campus, and organised a donation ceremony to donate nature education courseware based on *Hong Kong Nature Stories* to 1,007 Hong Kong schools, and invited primary and secondary students to join the screening activity at the Company’s headquarters to further convey the concept of sustainable development. Phoenix TV has joined forces with its partners to participate in the public welfare and environmental protection activity “Earth Hour” for three consecutive years, expressing their concern for nature and support for environmental protection. In addition, Phoenix will continue to cooperate with the World Wide Fund for Nature and other international organisations to organise the “Zero Carbon Mission International Climate Summit” this year, driving the international community to pay close attention to climate issues and take concerted actions.

During the first half of the year, the Company promoted business innovation and marketing upgrades through various operational strategies, such as content innovation, integrated marketing, business and resource integration and synergy development, which drove the commercialisation of media content, platforms, resources, and traffic flows in a wider range of areas and at a deeper level. Meanwhile, the Company has continued to promote the content production and integrated marketing of its omni-media platforms, including television broadcasting, internet media, outdoor media, magazines, mobile app and social media account, comprehensively providing customers with integrated and customised omni-media products and communication services. It has deepened the integration of content and marketing, amplified the synergistic effects, injected vitality into incremental development, and improved the quality and efficiency of Phoenix TV’s operational transformation and business development.

The number and activeness of the users on the flagship product IFENG News App under Phoenix New Media (ifeng.com), an internet media platform under Phoenix TV, maintained a leading position as one of the most popular mobile terminal information products among Chinese users. During the first half of the year, a number of major local and foreign news reports have effectively boosted the in-app traffic. The average usage time and click-through rate of the customers have increased. Multiple original programs and live programs such as *On the Cover* and *Global Insights* have gained widespread dissemination, with the total number of fans across the network continuously increasing, bringing stronger bargaining power to brand advertising. Major events such as The Chinese Ethos Annual Person of the Year Awards, Influence of Women Award, Forever Happiness were successfully held, continuously consolidating the competitiveness in the industry and continuously enhancing the overall influence of the Phoenix brand.

Phoenix Metropolis Media has been focusing on outdoor LED media for 17 years, dedicated to providing professional services with large coverage scale, excellent creative planning, high safety and stability, and leading technical support for well-known domestic and international brands. In the first half of the year, Phoenix Metropolis Media actively responded to market changes. Driven by the continuous upgrade and optimisation of media resources and network, and the constant enrichment of creative marketing strategies on the basis of stabilising the advantages of the PRC's digital network, cooperation with well-known PRC and overseas brands remained stable, and repeatedly achieved breakthroughs in cooperation with emerging brands. Currently, Phoenix Metropolis Media's outdoor LED display panel media resources cover over 300 cities in China with over 1,000 panels, and over 31 overseas countries and regions, and as such it has achieved global procurement and distribution for satisfying the customers' outdoor advertising needs in all aspects.

The Company's "Phoenix Weekly" developed steadily in its publication, new media, and video footage businesses, with over 53 million users across the network and diversified revenue sources. In the first half of the year, the video footage business has shown significant advantages in original content, with revenue doubling compared to the same period last year, and its proportion to the total business of "Phoenix Weekly" has further expanded. "Phoenix Weekly" focuses on leveraging the advantages of originality and creativity. With over 18 million users on the two major platforms, namely Douyin and WeChat Channels, its excellent documentaries and interview programs have had an increasingly greater influence and have received widespread acclaim across various sectors. The overall operating revenue structure of "Phoenix Weekly" is more diversified and reasonable, effectively addressing the changes in the industry and the market.

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

RESULTS

The revenue of the Group for the Period was approximately HK\$1,042,746,000 (six months ended 30 June 2023: HK\$1,133,077,000), which represented a decrease of 8.0% in comparison with the same period last year. The operating costs for the Period decreased by 13.0% to approximately HK\$1,224,550,000 (six months ended 30 June 2023: HK\$1,407,036,000).

The operating loss of the Group for the Period decreased to approximately HK\$181,804,000 (six months ended 30 June 2023: HK\$273,959,000), which represented a decrease of 33.6% in comparison with the same period last year.

The revenue decrease was mainly due to the challenging market condition in Mainland China. Nevertheless, effective cost control measures, in particular, in the area of staff costs, had been implemented by the Group to alleviate the negative impact caused by the revenue decrease.

The net exchange loss of the Group for the Period was approximately HK\$8,115,000 (six months ended 30 June 2023: gain of HK\$1,574,000).

The loss attributable to owners of the Company increased to approximately HK\$184,457,000 (six months ended 30 June 2023: HK\$129,158,000), which represented an increase of 42.8% in comparison with the same period last year.

The chart below summarises the performance of the Group for the six months ended 30 June 2024 and the same period in 2023 respectively.

	Six months ended 30 June	
	2024	2023
	HK\$'000	HK\$'000
Television broadcasting	382,584	409,250
Internet media	353,308	373,400
Outdoor media	245,565	265,923
Real estate	18,669	8,795
Other businesses	42,620	75,709
Group's total revenue	1,042,746	1,133,077
Operating costs	(1,224,550)	(1,407,036)
Operating loss	(181,804)	(273,959)
Fair value loss on investment properties, net	(29,625)	(14,419)
Exchange (loss)/gain, net	(8,115)	1,574
Other income, net	5,619	68,748
Loss before share of results of joint ventures and associates, income tax and non-controlling interests	(213,925)	(218,056)
Share of results of joint ventures and associates	(5,509)	60
Income tax credit	7,976	8,787
Loss for the period	(211,458)	(209,209)
Non-controlling interests	27,001	80,051
Loss attributable to owners of the Company	(184,457)	(129,158)
		(Restated)
Basic and diluted loss per share, Hong Kong cents	(36.94)	(25.86)

MANAGEMENT DISCUSSION AND ANALYSIS

COMMENTS ON SEGMENTAL INFORMATION

	Six months ended 30 June			
	2024		2023	
	Revenue <i>HK\$'000</i>	Segment results <i>HK\$'000</i>	Revenue <i>HK\$'000</i>	Segment results <i>HK\$'000</i>
Television broadcasting	382,584	(43,979)	409,250	(5,848)
Internet media	353,308	(28,513)	373,400	(108,095)
Outdoor media	245,565	(4,687)	265,923	(24,797)
Real estate	18,669	(28,094)	8,795	(9,488)
Other businesses	42,620	(15,572)	75,709	(26,405)
Group's total revenue and segment results	<u>1,042,746</u>	<u>(120,845)</u>	<u>1,133,077</u>	<u>(174,633)</u>
Unallocated income		7,524		47,146
Unallocated expenses		<u>(100,604)</u>		<u>(90,569)</u>
Loss before share of results of joint ventures and associates, income tax and non-controlling interests		<u>(213,925)</u>		<u>(218,056)</u>

Revenue from television broadcasting, comprising advertising, subscription and other revenue sources, which accounted for 36.7% of the total revenue of the Group for the Period, decreased by 6.5% to approximately HK\$382,584,000 (six months ended 30 June 2023: HK\$409,250,000), the segmental loss for television broadcasting business was approximately HK\$43,979,000 for the Period (six months ended 30 June 2023: HK\$5,848,000).

Revenue from Phoenix Chinese Channel and Phoenix InfoNews Channel, which accounted for 26.0% of the total revenue of the Group for the Period, increased by 6.8% to approximately HK\$271,049,000 (six months ended 30 June 2023: HK\$253,868,000).

The total revenue of Phoenix Hong Kong Channel, Phoenix Movies Channel, Phoenix North America Chinese Channel, Phoenix Chinese News and Entertainment Channel, integrated media operating platform and others decreased by 28.2% to approximately HK\$111,535,000 (six months ended 30 June 2023: HK\$155,382,000).

The revenue of the internet media business for the Period decreased by 5.4% to approximately HK\$353,308,000 (six months ended 30 June 2023: HK\$373,400,000). The segmental loss of the internet media business for the Period was approximately HK\$28,513,000 (six months ended 30 June 2023: HK\$108,095,000).

The revenue of the outdoor media business for the Period decreased by 7.7% to approximately HK\$245,565,000 (six months ended 30 June 2023: HK\$265,923,000). The segmental loss of the outdoor media business for the Period was approximately HK\$4,687,000 (six months ended 30 June 2023: HK\$24,797,000).

The segmental loss of the real estate business for the Period was approximately HK\$28,094,000 (six months ended 30 June 2023: HK\$9,488,000).

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

DIVIDENDS

The Board has considered the Group’s financial performance, working capital requirements and the general economic conditions according to the Group’s Dividend Policy, and does not recommend the payment of interim dividend to the shareholders of the Company (the “Shareholders”) for the Period (interim dividend for 2023: Nil).

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND AFFILIATED COMPANIES

As at 30 June 2024, the Group’s equity interest in Phoenix New Media Limited (“PNM”) increased to 55.04% (as at 31 December 2023: 54.68%) as a result of the repurchase of 78,396 American Depositary Shares (the “ADS”, representing 3,763,008 class A ordinary shares of PNM) by PNM under the PNM Repurchase Program (as defined under the section entitled “Purchase, Sale or Redemption of Securities” in this announcement) during the Period.

Save as disclosed above, the Group had no material acquisition and disposal of subsidiaries, associates and joint ventures for the six months ended 30 June 2024.

LIQUIDITY AND FINANCIAL RESOURCES

The liquidity and financial resources of the Group as at 30 June 2024 remained solid. As at 30 June 2024, the Group’s total cash and current bank deposits were about HK\$1,646,940,000 (as at 31 December 2023: HK\$1,709,596,000), and structured deposits of approximately HK\$524,445,000 (as at 31 December 2023: HK\$461,498,000) have been recorded as financial assets at fair value through profit or loss. The aggregate outstanding borrowings of the Group were approximately HK\$366,650,000 (as at 31 December 2023: HK\$210,759,000), 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 89% as at 30 June 2024 (as at 31 December 2023: 79%).

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 Renminbi ("RMB"), with minimal balances in Pound Sterling. The Group is therefore exposed to foreign exchange risks arising from currency exposures, primarily with respect to USD and RMB. The Group manages its foreign exchange risks by performing regular reviews and monitoring its foreign exchange exposure. The Group may consider using forward currency contracts as a tool to manage and reduce such risks as appropriate. Taking into account the Group's current operational and capital requirements, the Directors consider that the foreign currency exchange risk of the Group is limited.

CHARGE ON ASSETS

Bank deposit in People's Republic of China ("PRC") of approximately HK\$213,800,000 as at 30 June 2024 (as at 31 December 2023: HK\$219,620,000) was pledged with a bank to secure a bank borrowing.

Save as disclosed above, the Group did not have any other charges on its assets as at 30 June 2024 and 31 December 2023.

CAPITAL STRUCTURE AND SHARE OPTIONS

As a result of the consolidation of every 10 (ten) issued and unissued then existing shares of par value HK\$0.10 each in the share capital of the Company into one (1) consolidated share of par value HK\$1.00 each, which became effective on 20 February 2024, the authorised share capital of the Company remained at HK\$1,000,000,000 but divided into 1,000,000,000 ordinary shares (the "Shares") of HK\$1.00 each, of which 499,365,950 Shares (as at 31 December 2023: 4,993,659,500 Shares) were issued and fully paid. For details, please refer to the circular of the Company dated 17 January 2024 and the announcements of the Company dated 6 February 2024 and 19 February 2024.

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

As at 30 June 2024, the operations of the Group were mainly financed by owners' equity, bank borrowings, loans from non-controlling shareholders of subsidiaries and banking facilities.

STAFF

As at 30 June 2024, the Group employed 2,641 staff (as at 31 December 2023: 2,704) and staff costs for the Period decreased to approximately HK\$537,808,000 (six months ended 30 June 2023: HK\$602,301,000).

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 despatch of reading materials for its employees annually.

SIGNIFICANT INVESTMENTS HELD

As at 30 June 2024, there was no significant investment held by the Group, and none of each individual investment held by the Group contributed 5% or more of the Group's total assets. For details of financial assets at fair value through profit or loss, please refer to Note 16 to the unaudited condensed consolidated interim financial information.

FUTURE PLANS FOR MATERIAL INVESTMENTS AND EXPECTED SOURCE OF FUNDING

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

CONTINGENT LIABILITIES

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

OTHER IMPORTANT EVENTS DURING THE PERIOD AND SUBSEQUENT EVENTS

Save as otherwise disclosed in this announcement, the Board is not aware of any other significant events which is required to be disclosed for the Period and up to the date of this announcement.

PURCHASE, SALE OR REDEMPTION OF SECURITIES

The board of directors of PNM approved a share repurchase program on 27 September 2023 (the "**PNM Repurchase Program**"), pursuant to which PNM may repurchase up to US\$2,000,000 worth of its outstanding ADS, each representing 48 Class A ordinary shares of PNM, from time to time for a period not exceeding five (5) months commencing from 27 September 2023 (being the effective date of the PNM Repurchase Program) on the open market. For further information regarding the PNM Repurchase Program, please refer to the announcement of the Company dated 27 September 2023. Upon the expiry of the implementation period of the PNM Repurchase Program on 27 February 2024, PNM had repurchased an aggregate of 120,981 ADS representing 5,807,088 Class A ordinary shares of PNM at a total repurchase amount of approximately US\$173,386 (in which 78,396 ADS representing 3,763,008 Class A ordinary shares of PNM were repurchased during the Period and 5,327,746 ADS remained outstanding as at 30 June 2024).

Save as disclosed above, the Company or any of its subsidiaries did not purchase or sell or redeem any of their listed securities during the Period.

CORPORATE GOVERNANCE PRACTICES

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

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

Save for the deviations below, the Company has, throughout the Period made up to 30 June 2024, complied with the Corporate Governance Code.

(1) Chairman and Chief Executive

Code Provision

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

Deviation and its Reasons

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

(2) Appointments, Re-election and Removal

Code Provision

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

Deviation and its Reason

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

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

DIRECTORS' SECURITIES TRANSACTIONS

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

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

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

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

The Audit Committee had reviewed the unaudited condensed consolidated interim financial information for the Period and the related interim results announcement, and provided advices and comments thereto, and discussed matters related to auditing, risk management and internal control systems as well as recommend to the Board to approve the engagement letter of PricewaterhouseCoopers for 2024 annual audit.

PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

This interim results announcement of the Company for the Period is published on the website of the Stock Exchange at www.hkexnews.hk and the Company's professional investor relation website at www.irasia.com/listco/hk/phoenixtv. The interim report of the Company for the Period will be despatched to Shareholders and/or published on the abovementioned websites on or before 30 September 2024.

UNAUDITED CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

The Board has the pleasure of presenting the unaudited condensed consolidated interim financial information of the Group as at and for the six months ended 30 June 2024, together with the comparative figures for the corresponding period and relevant date in 2023.

CONDENSED CONSOLIDATED INCOME STATEMENT — UNAUDITED

For the six months ended 30 June 2024

		For the six months ended 30 June	
	Note	2024 HK\$'000	2023 HK\$'000
Revenue	5	1,042,746	1,133,077
Operating expenses		(1,030,254)	(1,162,558)
Selling, general and administrative expenses		(192,976)	(210,188)
Net impairment losses on financial assets		(1,320)	(34,290)
Other (losses)/gains, net	6	(38,811)	51,746
Interest income		23,759	23,773
Interest expense		(17,069)	(19,616)
Share of profits less losses of associates		(6,329)	(471)
Share of profits less losses of joint ventures		<u>820</u>	<u>531</u>
Loss before income tax	6	(219,434)	(217,996)
Income tax credit	7	<u>7,976</u>	<u>8,787</u>
Loss for the period		<u>(211,458)</u>	<u>(209,209)</u>
Loss attributable to:			
Owners of the Company		(184,457)	(129,158)
Non-controlling interests		<u>(27,001)</u>	<u>(80,051)</u>
		<u>(211,458)</u>	<u>(209,209)</u>
Loss per share for loss attributable to the owners of the Company for the period			(Restated)
Basic loss per share, Hong Kong cents	9	<u>(36.94)</u>	<u>(25.86)</u>
Diluted loss per share, Hong Kong cents	9	<u>(36.94)</u>	<u>(25.86)</u>

The notes on pages 21 to 41 form an integral part of this condensed consolidated interim financial information.

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME —
UNAUDITED**

For the six months ended 30 June 2024

	For the six months ended 30 June	
	2024	2023
	HK\$'000	HK\$'000
Loss for the period	(211,458)	(209,209)
Other comprehensive (expense)/income for the period		
<i>Items that have been/may be reclassified subsequently to profit or loss</i>		
Currency translation differences on translation of foreign operations	<u>(96,270)</u>	<u>125,620</u>
Total comprehensive expense for the period	<u>(307,728)</u>	<u>(83,589)</u>
Total comprehensive expense for the period attributable to:		
Owners of the Company	(251,446)	(47,211)
Non-controlling interests	<u>(56,282)</u>	<u>(36,378)</u>
	<u>(307,728)</u>	<u>(83,589)</u>

The notes on pages 21 to 41 form an integral part of this condensed consolidated interim financial information.

CONDENSED CONSOLIDATED BALANCE SHEET — UNAUDITED

As at 30 June 2024

	<i>Note</i>	As at 30 June 2024 HK\$'000	As at 31 December 2023 HK\$'000 (Audited)
Assets			
Non-current assets			
Purchased programme and film rights, net	10	12,069	13,429
Right-of-use assets		800,167	837,521
Property, plant and equipment, net	11	564,751	597,219
Investment properties	12	1,261,625	1,325,872
Intangible assets	13	25,838	29,985
Investments in joint ventures		35,005	34,989
Investments in associates		54,738	62,901
Other long-term assets		63,312	45,102
Deferred income tax assets		95,504	103,220
		<u>2,913,009</u>	<u>3,050,238</u>
Current assets			
Accounts receivable, net	14	600,368	650,685
Prepayments, deposits and other receivables	15	493,661	491,050
Inventories		797	4,305
Amounts due from related companies	23	4,968	4,400
Self-produced programmes		965	1,297
Purchased programme and film rights, net	10	115	139
Financial assets at fair value through profit or loss	16	601,770	547,226
Bank deposits		116,872	160,537
Restricted cash	20	225,102	231,459
Cash and cash equivalents		1,530,068	1,549,059
		<u>3,574,686</u>	<u>3,640,157</u>
Total assets		<u><u>6,487,695</u></u>	<u><u>6,690,395</u></u>

The notes on pages 21 to 41 form an integral part of this condensed consolidated interim financial information.

	<i>Note</i>	As at 30 June 2024 HK\$'000	As at 31 December 2023 HK\$'000 (Audited)
Equity			
Equity attributable to owners of the Company			
Share capital	19	499,366	499,366
Reserves		<u>2,440,578</u>	<u>2,692,024</u>
		2,939,944	3,191,390
Non-controlling interests		<u>923,411</u>	<u>979,058</u>
Total equity		<u>3,863,355</u>	<u>4,170,448</u>
Liabilities			
Non-current liabilities			
Lease liabilities		535,343	578,616
Other long-term liabilities		4,233	4,348
Loans from non-controlling shareholders of subsidiaries	17(b)	10,848	11,144
Deferred income tax liabilities		<u>127,723</u>	<u>143,571</u>
		678,147	737,679
Current liabilities			
Accounts payable, other payables and accruals	18	1,069,980	1,045,397
Bank borrowings	17(a)	219,145	54,905
Lease liabilities		146,703	148,932
Deferred income		237,186	238,033
Loans from non-controlling shareholders of subsidiaries	17(b)	132,424	140,362
Current income tax liabilities		<u>140,755</u>	<u>154,639</u>
		1,946,193	1,782,268
Total liabilities		<u>2,624,340</u>	<u>2,519,947</u>
Total equity and liabilities		<u>6,487,695</u>	<u>6,690,395</u>

The notes on pages 21 to 41 form an integral part of this condensed consolidated interim financial information.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY — UNAUDITED
For the six months ended 30 June 2024

	Attributable to owners of the Company								
	Share capital <i>HK\$'000</i>	Share premium <i>HK\$'000</i>	Statutory reserve <i>HK\$'000</i>	Capital reserve <i>HK\$'000</i>	Exchange reserve <i>HK\$'000</i>	Employee share-based payment reserve <i>HK\$'000</i>	Retained earnings <i>HK\$'000</i>	Non-controlling interests <i>HK\$'000</i>	Total equity <i>HK\$'000</i>
Balance at 1 January 2024	499,366	172,521	197,454	1,394,845	(211,854)	40,624	1,098,434	979,058	4,170,448
Loss for the period	—	—	—	—	—	—	(184,457)	(27,001)	(211,458)
Other comprehensive expense									
Currency translation differences	—	—	—	—	(66,989)	—	—	(29,281)	(96,270)
Total comprehensive expense for the period	—	—	—	—	(66,989)	—	(184,457)	(56,282)	(307,728)
Transactions with owners									
Share option scheme									
— value of employee services	—	—	—	—	—	—	—	1,535	1,535
— lapse of share options	—	224	—	—	—	(224)	—	—	—
Repurchase of shares of a subsidiary	—	—	—	—	—	—	—	(900)	(900)
Total transactions with owners	—	224	—	—	—	(224)	—	635	635
Balance at 30 June 2024	<u>499,366</u>	<u>172,745</u>	<u>197,454</u>	<u>1,394,845</u>	<u>(278,843)</u>	<u>40,400</u>	<u>913,977</u>	<u>923,411</u>	<u>3,863,355</u>

	Attributable to owners of the Company								
	Share capital <i>HK\$'000</i>	Share premium <i>HK\$'000</i>	Statutory reserve <i>HK\$'000</i>	Capital reserve <i>HK\$'000</i>	Exchange reserve <i>HK\$'000</i>	Employee share-based payment reserve <i>HK\$'000</i>	Retained earnings <i>HK\$'000</i>	Non-controlling interests <i>HK\$'000</i>	Total equity <i>HK\$'000</i>
Balance at 1 January 2023	499,366	163,821	197,396	1,396,370	(244,129)	49,324	1,351,204	1,016,542	4,429,894
Loss for the period	—	—	—	—	—	—	(129,158)	(80,051)	(209,209)
Other comprehensive income									
Currency translation differences	—	—	—	—	81,947	—	—	43,673	125,620
Total comprehensive expense for the period	—	—	—	—	81,947	—	(129,158)	(36,378)	(83,589)
Transactions with owners									
Share option scheme									
— value of employee services	—	—	—	—	—	—	—	3,101	3,101
— lapse of share options	—	8,105	—	—	—	(8,105)	—	—	—
Allocation to statutory reserve	—	—	(234)	—	—	—	234	—	—
Acquisition of additional equity interest in subsidiaries	—	—	—	(546)	—	—	—	(3,576)	(4,122)
Total transactions with owners	—	8,105	(234)	(546)	—	(8,105)	234	(475)	(1,021)
Balance at 30 June 2023	<u>499,366</u>	<u>171,926</u>	<u>197,162</u>	<u>1,395,824</u>	<u>(162,182)</u>	<u>41,219</u>	<u>1,222,280</u>	<u>979,689</u>	<u>4,345,284</u>

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

The notes on pages 21 to 41 form an integral part of this condensed consolidated interim financial information.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS — UNAUDITED*For the six months ended 30 June 2024*

	For the six months ended 30 June	
	2024	2023
	HK\$'000	HK\$'000
Cash flows from operating activities		
Cash used in operations	(9,024)	(43,644)
Interest received	23,759	23,773
Interest paid	(17,069)	(19,327)
Overseas taxation paid	(9,081)	(19,923)
	<u>(11,415)</u>	<u>(59,121)</u>
Net cash used in operating activities		
Cash flows from investing activities		
Decrease in restricted cash	6,357	2,395
Decrease/(increase) in bank deposits	39,929	(20,294)
Purchase of intangible assets	(1,963)	(1,674)
Purchase of property, plant and equipment	(26,494)	(43,696)
Purchase of programme and film rights	(3,621)	(5,960)
Proceeds from disposal of property, plant and equipment	584	6,491
Investment income from financial assets at fair value through profit or loss	1,479	1,134
Acquisition of subsidiaries, net of cash acquired	—	32,740
Capital return from an associate	222	—
(Purchase)/redemption of financial assets at fair value through profit or loss	(76,165)	168,837
	<u>(59,672)</u>	<u>139,973</u>
Net cash (used in)/generated from investing activities		
Cash flows from financing activities		
Drawdown of bank borrowings	168,475	4,935
Repayment of bank borrowings	—	(5,075)
Principal elements of lease payments	(72,221)	(87,769)
Repurchase of shares of a subsidiary	(900)	—
Acquisition of additional equity interest in a subsidiary	—	(4,122)
	<u>95,354</u>	<u>(92,031)</u>
Net cash generated from/(used in) financing activities		
Net increase/(decrease) in cash and cash equivalents	24,267	(11,179)
Cash and cash equivalents at beginning of period	1,549,059	1,374,812
Net exchange (losses)/gains on cash and cash equivalents	(43,258)	47,382
	<u>1,530,068</u>	<u>1,411,015</u>
Cash and cash equivalents at end of period		

The notes on pages 21 to 41 form an integral part of this condensed consolidated interim financial information.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION — UNAUDITED

1 GENERAL INFORMATION

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

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

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

The condensed consolidated interim financial information is presented in Hong Kong dollars (“**HK\$**”), unless otherwise stated. This condensed consolidated interim financial information was approved for issue by the Board of Directors of the Company on 16 August 2024.

This condensed consolidated interim financial information has not been audited.

2 BASIS OF PREPARATION AND ACCOUNTING POLICIES

(a) Basis of preparation

This condensed consolidated interim financial information for the six months ended 30 June 2024 has been prepared in accordance with Hong Kong Accounting Standard (“**HKAS**”) 34 “Interim financial reporting” issued by the Hong Kong Institute of Certified Public Accountants. This condensed consolidated interim financial information should be read in conjunction with the annual financial statements of the Group for the year ended 31 December 2023, which have been prepared in accordance with Hong Kong Financial Reporting Standards (“**HKFRS**”).

(b) Accounting policies

Except as described below, the accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2023 as described in those annual financial statements.

(a) *Effect of adopting amendments to standards*

The following amendments to standards, accounting guideline and interpretation are mandatory for accounting periods beginning on or after 1 January 2024.

Amendments to HKAS 1	Classification of Liabilities as Current or Non-current
Amendments to HKAS 1	Non-current Liabilities with Covenants
Amendment to HKFRS 16	Lease Liability in a Sale and Leaseback
Hong Kong Interpretation 5 (Revised)	Presentation of Financial Statements — Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements

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

(b) New standards and amendments to standards that have been issued but are not effective for the financial year ending 31 December 2024 and have not been early adopted by the Group except otherwise stated

HKAS 21 (Amendments)	Lack of Exchangeability ⁽¹⁾
HKFRS 9 and HKFRS 7 (Amendments)	Classification and measurement of financial instruments ⁽²⁾
HKFRS 18	Presentation and Disclosure in Financial Statements ⁽³⁾
HKFRS 19	Subsidiaries without Public Accountability: Disclosures ⁽³⁾
HKFRS 10 and HKAS 28 (Amendments)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ⁽⁴⁾

¹ Effective for annual periods beginning on or after 1 January 2025

² Effective for annual periods beginning on or after 1 January 2026

³ Effective for annual periods beginning on or after 1 January 2027

⁴ Effective for annual periods beginning on or after a date to be determined

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

3 ESTIMATES

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

In preparing this condensed consolidated interim financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2023.

4 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

4.1 Financial risk factors

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

The condensed consolidated interim financial information does not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at 31 December 2023.

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

4.2 Liquidity risk

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

4.3 Fair value estimation

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

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1)

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

The Finance Department reviews the valuations of the financial instruments. The Finance Department holds discussion with the independent valuers on the valuation assumptions and valuation results when the valuation is performed at each interim and annual reporting dates.

The following table presents the Group's financial assets and liabilities that are measured at fair value at 30 June 2024.

	Level 1 <i>HK\$'000</i>	Level 2 <i>HK\$'000</i>	Level 3 <i>HK\$'000</i>	Total <i>HK\$'000</i>
Financial assets				
Financial assets at fair value through profit or loss				
— Trading equity securities	9,922	—	—	9,922
— Convertible redeemable preferred shares	—	—	332	332
— Other investments	—	—	67,071	67,071
— Structured deposits	—	524,445	—	524,445
	<u>9,922</u>	<u>524,445</u>	<u>67,403</u>	<u>601,770</u>

The following table presents the Group's financial assets and liabilities that are measured at fair value at 31 December 2023.

	Level 1 <i>HK\$'000</i>	Level 2 <i>HK\$'000</i>	Level 3 <i>HK\$'000</i>	Total <i>HK\$'000</i>
Financial assets				
Financial assets at fair value through profit or loss				
— Trading equity securities	19,232	—	—	19,232
— Convertible redeemable preferred shares	—	—	339	339
— Other investments	—	—	66,157	66,157
— Structured deposits	—	461,498	—	461,498
	<u>19,232</u>	<u>461,498</u>	<u>66,496</u>	<u>547,226</u>

During the six months ended 30 June 2024 and 2023, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3.

During the six months ended 30 June 2024, there were no changes in valuation techniques and reclassifications of financial assets and liabilities (six months ended 30 June 2023: Nil).

(a) Financial instruments in Level 1

The fair value of financial instruments traded in active markets is based on quoted market prices at the balance sheet date. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in Level 1. As at 30 June 2024, instruments included in Level 1 comprise shares of HSBC Holdings PLC ("HSBC"), an entity listed on the Stock Exchange, of approximately HK\$9,922,000 (as at 31 December 2023: HK\$19,232,000) (Note 16).

(b) Financial instruments in Level 2

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

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

(c) Financial instruments in Level 3

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

Description	Fair value at 30 June 2024 <i>HK\$'000</i>	Valuation technique(s)	Unobservable inputs	Value of unobservable inputs	Relationship of unobservable inputs to fair value
Other investments	67,071	Market approach and price derived from observable market transactions	N/A	N/A	N/A

Description	Fair value at 31 December 2023 <i>HK\$'000</i>	Valuation technique(s)	Unobservable inputs	Value of unobservable inputs	Relationship of unobservable inputs to fair value
Other investments	66,157	Market approach and price derived from observable market transactions	N/A	N/A	N/A

The following table presents the changes in level 3 instruments during the six months ended 30 June 2024 and year ended 31 December 2023.

	Convertible redeemable preferred shares HK\$'000	Other investments HK\$'000	Total HK\$'000
Opening balance on 1 January 2024	339	66,157	66,496
Fair value gain recognised in profit or loss	—	2,693	2,693
Currency translation differences	(7)	(1,779)	(1,786)
Closing balance on 30 June 2024	<u>332</u>	<u>67,071</u>	<u>67,403</u>
	Convertible redeemable preferred shares HK\$'000	Other investments HK\$'000	Total HK\$'000
Opening balance on 1 January 2023	331	72,419	72,750
Fair value loss recognised in profit or loss	—	(6,574)	(6,574)
Currency translation differences	8	312	320
Closing balance on 31 December 2023	<u>339</u>	<u>66,157</u>	<u>66,496</u>

(2) *Quantitative sensitivity analysis*

No sensitivity analysis for convertible redeemable preferred shares amounting to HK\$332,000 (as at 31 December 2023: HK\$339,000) and other investments amounting to HK\$67,071,000 (as at 31 December 2023: HK\$66,157,000) is presented as a reasonably possible change in key assumptions used in the sensitivity analysis would not result in any significant potential financial impact.

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

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

For the fair values of borrowings, please refer to Note 17(c).

5 SEGMENTAL INFORMATION

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

The Group has five main operating segments including:

- (i) Television broadcasting — broadcasting of television programmes and commercials and provision of promotion activities;
 - (a) Primary channels, including Phoenix Chinese Channel and Phoenix InfoNews Channel
 - (b) Others, including Phoenix Movies Channel, Phoenix North America Chinese Channel, Phoenix Chinese News and Entertainment Channel, Phoenix Hong Kong Channel, integrated media operating platform and others
- (ii) Internet media — provision of website portal and value-added telecommunication services;
- (iii) Outdoor media — provision of outdoor advertising services;
- (iv) Real estate — property development and investment (mainly Phoenix International Media Centre in Beijing); and
- (v) Other activities — programme production and ancillary services, merchandising services, magazine publication and distribution, and other related services.

Period ended 30 June 2024

	Television broadcasting							Inter-segment elimination	Group
	Primary channels	Others	Sub-total	Internet media	Outdoor media	Real estate	Other activities		
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Revenue									
External sales	271,049	111,535	382,584	353,308	245,565	18,669	42,620	—	1,042,746
Inter-segment sales (Note c)	—	24,563	24,563	2,022	416	3,895	2,289	(33,185)	—
Total revenue	271,049	136,098	407,147	355,330	245,981	22,564	44,909	(33,185)	1,042,746
Timing of revenue recognition									
At a point in time	—	3	3	26,632	—	—	—	—	26,635
Over time	271,049	111,532	382,581	326,676	245,565	4,871	42,620	—	1,002,313
Revenue from other source	—	—	—	—	—	13,798	—	—	13,798
	271,049	111,535	382,584	353,308	245,565	18,669	42,620	—	1,042,746
Segment results	(10,517)	(33,462)	(43,979)	(28,513)	(4,687)	(28,094)	(15,572)	—	(120,845)
Unallocated income (Note a)									7,524
Unallocated expenses (Note b)									(100,604)
Loss before share of results of joint ventures, associates, income tax and non-controlling interests									(213,925)
Share of profits less losses of joint ventures									820
Share of profits less losses of associates									(6,329)
Income tax credit									7,976
Loss for the period									(211,458)
Non-controlling interests									27,001
Loss attributable to owners of the Company									(184,457)
Depreciation	(5,641)	(7,817)	(13,458)	(3,131)	(10,816)	(11,442)	(3,391)	—	(42,238)
Unallocated depreciation									(6,742)
									(48,980)
Interest income	—	2,325	2,325	20,463	605	50	142	—	23,585
Unallocated interest income									174
									23,759
Interest expenses	—	(28)	(28)	(1,470)	(11,713)	—	(245)	—	(13,456)
Unallocated interest expenses									(3,613)
									(17,069)
Provision for impairment of accounts receivable	—	—	—	(844)	—	—	(476)	—	(1,320)

Period ended 30 June 2023

	Television broadcasting			Internet media <i>HK\$'000</i>	Outdoor media <i>HK\$'000</i>	Real estate <i>HK\$'000</i>	Other activities <i>HK\$'000</i>	Inter- segment elimination <i>HK\$'000</i>	Group <i>HK\$'000</i>
	Primary channels <i>HK\$'000</i>	Others <i>HK\$'000</i>	Sub-total <i>HK\$'000</i>						
Revenue									
External sales	253,868	155,382	409,250	373,400	265,923	8,795	75,709	—	1,133,077
Inter-segment sales (<i>Note c</i>)	—	27,836	27,836	3,949	1,720	24,096	1,777	(59,378)	—
Total revenue	253,868	183,218	437,086	377,349	267,643	32,891	77,486	(59,378)	1,133,077
Timing of revenue recognition									
At a point in time	—	29,118	29,118	37,743	—	—	432	—	67,293
Over time	253,868	126,264	380,132	335,657	265,923	1,602	75,277	—	1,058,591
Revenue from other source	—	—	—	—	—	7,193	—	—	7,193
	253,868	155,382	409,250	373,400	265,923	8,795	75,709	—	1,133,077
Segment results	(48,600)	42,752	(5,848)	(108,095)	(24,797)	(9,488)	(26,405)	—	(174,633)
Unallocated income (<i>Note a</i>)									47,146
Unallocated expenses (<i>Note b</i>)									(90,569)
Loss before share of results of joint ventures, associates, income tax and non-controlling interests									(218,056)
Share of profits less losses of joint ventures									531
Share of profits less losses of associates									(471)
Income tax credit									8,787
Loss for the period									(209,209)
Non-controlling interests									80,051
Loss attributable to owners of the Company									(129,158)
Depreciation	(5,173)	(8,427)	(13,600)	(4,977)	(10,428)	(12,105)	(5,223)	—	(46,333)
Unallocated depreciation									(9,065)
									(55,398)
Interest income	3	2,669	2,672	19,891	465	108	172	—	23,308
Unallocated interest income									465
									23,773
Interest expenses	—	(58)	(58)	(2,649)	(16,021)	—	(863)	—	(19,591)
Unallocated interest expenses									(25)
									(19,616)
Provision for impairment of accounts receivable	—	—	—	(33,811)	—	—	(479)	—	(34,290)

Notes:

- (a) Unallocated income represents exchange gain, interest income, fair value gain on financial assets (realised and unrealised) and investment income.
- (b) Unallocated expenses represent primarily:
- corporate staff costs;
 - office rental;
 - general administrative expenses;
 - marketing and advertising expenses that relate to the Group as a whole;
 - exchange loss; and
 - fair value loss on financial assets.
- (c) Sales between segments are carried out based on terms determined by management with reference to market prices.

6 LOSS BEFORE INCOME TAX

The following items have been charged to the loss before income tax during the period:

	For the six months ended 30 June	
	2024 HK\$'000	2023 HK\$'000
Charging		
Production costs of self-produced programmes	67,523	80,273
Commission expenses	45,219	51,989
Bandwidth costs	14,145	18,908
Employee benefit expenses (including Directors' emoluments)	537,808	602,301
Operating lease rental in respect of		
— LED panels	1,301	1,533
Loss on disposal of property, plant and equipment	282	640
Depreciation of property, plant and equipment	48,980	55,398
Depreciation of right-of-use assets	64,312	94,406
Amortisation of purchased programme and film rights	4,970	5,070
Amortisation of intangible assets	5,700	7,104

Other (losses)/gains, net comprise the following items:

	For the six months ended 30 June	
	2024	2023
	HK\$'000	HK\$'000
Fair value loss on investment properties (<i>Note 12</i>)	(29,625)	(14,419)
Exchange (loss)/gain, net	(8,115)	1,574
Investment income	1,479	790
Fair value gain on financial assets at fair value through profit or loss, net	4,367	3,911
Gain on disposal of property, plant and equipment	4	3,594
Gain on bargain purchase	—	38,150
Employee retention subsidies	—	12,872
Others, net	(6,921)	5,274
	<u>(38,811)</u>	<u>51,746</u>

7 INCOME TAX CREDIT

Hong Kong profits tax has been provided at the rate of 16.5% (six months ended 30 June 2023: 16.5%) on the estimated assessable profit for the period. Taxation on PRC and overseas profits has been calculated on the estimated assessable profit for the period at the rates of taxation prevailing in the countries/areas in which the Group operates.

The amount of taxation credited to the condensed consolidated income statement represents:

	For the six months ended 30 June	
	2024	2023
	HK\$'000	HK\$'000
Current income tax		
— Hong Kong profits tax	—	—
— PRC and overseas taxation	(358)	(3,662)
Deferred income tax	(7,618)	(5,125)
	<u>(7,976)</u>	<u>(8,787)</u>

8 DIVIDENDS

No final dividend that relates to the year ended 31 December 2023 was paid or declared during the period.

The Directors do not recommend the payment of interim dividend for the six months ended 30 June 2024 (six months ended 30 June 2023: Nil).

9 LOSS PER SHARE

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

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

Basic

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

	For the six months ended 30 June	
	2024	2023 (Restated)
Loss attributable to owners of the Company (<i>HK\$'000</i>)	<u>(184,457)</u>	<u>(129,158)</u>
Weighted average number of ordinary shares in issue (<i>'000</i>)	<u>499,366</u>	<u>499,366</u>
Basic loss per share (Hong Kong cents)	<u>(36.94)</u>	<u>(25.86)</u>

Diluted

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

There was no impact of the dilutive instruments during the six months ended 30 June 2024 as the share options of the Company and a subsidiary were anti-dilutive (six months ended 30 June 2023: Nil).

10 PURCHASED PROGRAMME AND FILM RIGHTS, NET

	For the six months ended 30 June 2024 HK\$'000	For the year ended 31 December 2023 HK\$'000 (Audited)
Balance, beginning of period/year	13,568	14,512
Additions	3,621	8,847
Amortisation	(4,970)	(10,136)
Others	(35)	345
	<u>12,184</u>	<u>13,568</u>
Less: Purchased programme and film rights — current portion	<u>(115)</u>	<u>(139)</u>
	<u>12,069</u>	<u>13,429</u>

11 PROPERTY, PLANT AND EQUIPMENT, NET

	For the six months ended 30 June 2024 HK\$'000	For the year ended 31 December 2023 HK\$'000 (Audited)
Balance, beginning of period/year	597,219	638,823
Additions	26,494	63,878
Disposals	(298)	(4,799)
Depreciation	(48,980)	(109,229)
Acquisition of subsidiaries	—	13,811
Disposal of subsidiaries	—	(8,689)
Currency translation differences	(9,684)	3,424
	<u>564,751</u>	<u>597,219</u>

- (a) Included in the net book value as of 30 June 2024 is an amount of HK\$18,836,000 (as at 31 December 2023: HK\$19,186,000) which relates to the Group's entitlement to use 10,000 square metres in the Shenzhen Building. As at 30 June 2024, the cost was HK\$30,848,000 (as at 31 December 2023: HK\$30,848,000) with a net book value of HK\$18,836,000 (as at 31 December 2023: HK\$19,186,000). As at 30 June 2024, the Group was still in the process of obtaining the title certificate to the 8,500 square metres of the entitled areas through the payment of land premium and taxes.

As of 30 June 2024, the Group was still in the process of renewing and obtaining certain licences of LED panels. The Directors are of the opinion that the licences will be obtained in the near future and the risk of non-compliance with laws and regulations is remote.

12 INVESTMENT PROPERTIES

	For the six months ended 30 June 2024 HK\$'000	For the year ended 31 December 2023 HK\$'000 (Audited)
Balance, beginning of period/year	1,325,872	1,307,283
Fair value loss	(29,625)	(34,285)
Acquisition of a subsidiary	—	43,038
Currency translation differences	(34,622)	9,836
	<u>1,261,625</u>	<u>1,325,872</u>

13 INTANGIBLE ASSETS

	For the six months ended 30 June 2024 HK\$'000	For the year ended 31 December 2023 HK\$'000 (Audited)
Balance, beginning of period/year	29,985	46,754
Additions	1,963	8,237
Disposal	—	(9,974)
Amortisation	(5,700)	(15,539)
Currency translation differences	(410)	507
	<u>25,838</u>	<u>29,985</u>

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

14 ACCOUNTS RECEIVABLE, NET

	As at 30 June 2024 <i>HK\$'000</i>	As at 31 December 2023 <i>HK\$'000</i> (Audited)
Accounts receivable	754,699	819,443
Less: Provision for impairment	<u>(154,331)</u>	<u>(168,758)</u>
	<u>600,368</u>	<u>650,685</u>

The Group has appointed an advertising agent in the PRC to promote the sales of the Group's advertising airtime and programme sponsorship and collect advertising revenues within the PRC on behalf of the Group (Note 15). The Group generally requires customers to pay in advance. Customers of other business segments are given credit terms of 30 to 180 days.

As at 30 June 2024, the ageing analysis of accounts receivable from customers based on invoice date was as follows:

	As at 30 June 2024 <i>HK\$'000</i>	As at 31 December 2023 <i>HK\$'000</i> (Audited)
0-30 days	161,723	211,925
31-60 days	95,425	104,281
61-90 days	87,308	91,087
91-120 days	69,684	81,310
Over 120 days	<u>340,559</u>	<u>330,840</u>
	754,699	819,443
Less: Provision for impairment	<u>(154,331)</u>	<u>(168,758)</u>
	<u>600,368</u>	<u>650,685</u>

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

The Group has recognised a loss of HK\$1,320,000 (six months ended 30 June 2023: HK\$34,290,000) for the impairment of its accounts receivable during the six months ended 30 June 2024. The loss has been included in selling, general and administrative expenses in the condensed consolidated income statement. The Group has not made reversal of provision for impairment of receivables made in prior years during the six months ended 30 June 2024 (six months ended 30 June 2023: Nil).

15 PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

Included in other receivables is an amount of approximately RMB305,085,000 (HK\$326,136,000) (as at 31 December 2023: RMB300,067,000 (HK\$329,504,000)) owing from an advertising agent, Shenzhou Television Company Limited (“Shenzhou”), in the PRC. The amount represents advertising revenue collected, net of expenses incurred by Shenzhou on behalf of the Group.

Pursuant to a service agreement signed between Shenzhou and the Group dated 29 December 2023, Shenzhou agreed to deposit the advertising revenue it had collected prior to the execution of that agreement and to be collected in the future in one or more than one specific trust bank accounts in the PRC, which together with any interest generated from such bank account(s) (based on prevailing commercial interest rates) would be held in trust on behalf of the Group and handled according to the Group’s instructions. No additional interest will be charged by the Group on the balance.

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

The management of the Group is of the opinion that the amount owing from Shenzhou of approximately RMB305,085,000 (HK\$326,136,000) as at 30 June 2024 (as at 31 December 2023: approximately RMB300,067,000 (HK\$329,504,000)) is fully recoverable and no provision is required. The increase in the balance is due to advertising revenue collected from customers on behalf by Shenzhou. The balance is unsecured, interest-free and repayable on demand.

16 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	As at 30 June 2024 <i>HK\$’000</i>	As at 31 December 2023 <i>HK\$’000</i> (Audited)
Current assets		
Trading equity securities	9,922	19,232
Convertible redeemable preferred shares	332	339
Other investments	67,071	66,157
Structured deposits	<u>524,445</u>	<u>461,498</u>
	<u>601,770</u>	<u>547,226</u>

As at 30 June 2024, the trading equity securities represent the shares of HSBC of HK\$9,922,000 (as at 31 December 2023: HK\$19,232,000) that are held for trading.

Changes in fair value of financial assets at fair value through profit or loss are recognised in “Other (losses)/ gains, net” in the condensed consolidated income statement (Note 6).

17 BORROWINGS

	As at 30 June 2024 <i>HK\$'000</i>	As at 31 December 2023 <i>HK\$'000</i> (Audited)
Bank borrowings (<i>Note a</i>)	219,145	54,905
Loans from non-controlling shareholders of subsidiaries (<i>Note b</i>)	<u>143,272</u>	<u>151,506</u>
	<u>362,417</u>	<u>206,411</u>

(a) Bank borrowings

	As at 30 June 2024 <i>HK\$'000</i>	As at 31 December 2023 <i>HK\$'000</i> (Audited)
Current		
Short-term secured bank borrowings	213,800	49,414
Short-term unsecured bank borrowings	<u>5,345</u>	<u>5,491</u>
Total bank borrowings	<u>219,145</u>	<u>54,905</u>

	As at 30 June 2024 <i>HK\$'000</i>	As at 31 December 2023 <i>HK\$'000</i> (Audited)
The bank borrowings are repayable as follows:		
— Within one year	<u>219,145</u>	<u>54,905</u>
Total bank borrowings	<u>219,145</u>	<u>54,905</u>

As at 30 June 2024, bank deposit in the PRC of approximately HK\$213,800,000 included in “restricted cash” (as at 31 December 2023: HK\$219,620,000) was pledged with a bank to secure a short-term bank borrowing of HK\$213,800,000 (Note 20). The bank borrowing bears interest at interest rate approximately from 3.70% to 5.60% per annum (as at 31 December 2023: 3.97% per annum).

As at 30 June 2024, the Group has undrawn banking facilities of HK\$67,540,000 (as at 31 December 2023: HK\$239,201,000).

(b) Loans from non-controlling shareholders of subsidiaries

	As at 30 June 2024 HK\$'000	As at 31 December 2023 HK\$'000 (Audited)
Non-current		
Long-term loans from non-controlling shareholders of subsidiaries	10,848	11,144
Current		
Short-term loans from non-controlling shareholders of subsidiaries	<u>132,424</u>	<u>140,362</u>
Total loans from non-controlling shareholders of subsidiaries	<u>143,272</u>	<u>151,506</u>
	As at 30 June 2024 HK\$'000	As at 31 December 2023 HK\$'000 (Audited)
The loans from non-controlling shareholders of subsidiaries are repayable as follows:		
— Within one year	132,424	140,362
— More than one year but not exceeding two years	<u>10,848</u>	<u>11,144</u>
Total loans from non-controlling shareholders of subsidiaries	<u>143,272</u>	<u>151,506</u>

The loans from non-controlling shareholders of subsidiaries are denominated in RMB, unsecured and interest-free (as at 31 December 2023: loans from non-controlling shareholders of subsidiaries are denominated in RMB, unsecured and interest-free).

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

	Carrying amount		Fair value	
	As at 30 June 2024 <i>HK\$'000</i>	As at 31 December 2023 <i>HK\$'000</i> (Audited)	As at 30 June 2024 <i>HK\$'000</i>	As at 31 December 2023 <i>HK\$'000</i> (Audited)
Bank borrowings	219,145	54,905	219,145	54,905
Loans from non-controlling shareholders of subsidiaries	143,272	151,506	143,272	151,506
	<u>362,417</u>	<u>206,411</u>	<u>362,417</u>	<u>206,411</u>

The fair values of floating rate borrowings approximate their carrying amounts. The fair values of fixed rate borrowings are based on cash flows discounted using a rate based on the borrowing rate of 6.48% (as at 31 December 2023: 6.48%) and are within level 2 of the fair value hierarchy.

18 ACCOUNTS PAYABLE, OTHER PAYABLES AND ACCRUALS

	As at 30 June 2024 <i>HK\$'000</i>	As at 31 December 2023 <i>HK\$'000</i> (Audited)
Accounts payable	261,716	275,761
Other payables and accruals	808,264	769,636
	<u>1,069,980</u>	<u>1,045,397</u>
Less: Non-financial liabilities	(7,720)	(6,908)
	<u>1,062,260</u>	<u>1,038,489</u>

As at 30 June 2024, the ageing analysis of accounts payable based on invoice date was as follows:

	As at 30 June 2024 <i>HK\$'000</i>	As at 31 December 2023 <i>HK\$'000</i> (Audited)
0-30 days	92,119	146,884
31-60 days	14,129	12,069
61-90 days	13,680	6,000
91-120 days	22,635	12,125
Over 120 days	119,153	98,683
	<u>261,716</u>	<u>275,761</u>

19 SHARE CAPITAL

	As at 30 June 2024		As at 31 December 2023	
	Number of Shares	Amount HK\$'000	Number of Shares	Amount HK\$'000
Authorised:				
Ordinary share	<u>1,000,000,000</u>	<u>1,000,000</u>	<u>10,000,000,000</u>	<u>1,000,000</u>
Issued and fully paid:				
At 1 January	4,993,659,500	499,366	4,993,659,500	499,366
Share consolidation (<i>Note 1</i>)	<u>(4,494,293,550)</u>	<u>—</u>	<u>—</u>	<u>—</u>
At 30 June/31 December	<u>499,365,950</u>	<u>499,366</u>	<u>4,993,659,500</u>	<u>499,366</u>

Note

- Every ten (10) issued and unissued then existing shares of par value HK\$0.10 each in the share capital of the Company were consolidated into one (1) consolidated share of par value HK\$1.00 each, which became effective on 20 February 2024.

20 RESTRICTED CASH

As at 30 June 2024, a bank deposit of approximately HK\$213,800,000 (as at 31 December 2023: HK\$219,620,000) bearing an interest rate of 0.2% per annum (as at 31 December 2023: 1.7% per annum), is pledged to a bank to secure a bank borrowing of approximately HK\$213,800,000 (as at 31 December 2023: HK\$49,414,000) (Note 17(a)).

The fair values of restricted cash approximate their carrying amounts.

21 TRANSACTIONS WITH NON-CONTROLLING INTERESTS

As at 30 June 2024, the Group's equity interest in PNM increased to 55.04% (as at 31 December 2023: 54.68%) as a result of the repurchase of 78,396 American Depositary Shares ("ADS", representing 3,763,008 Class A ordinary shares of PNM) by PNM under the PNM Repurchase Program during the period. Upon the expiry of the implementation period of the PNM Repurchase Program on 27 February 2024, PNM completed the repurchase of an aggregate of 120,981 ADS representing 5,807,088 Class A ordinary shares of PNM at a total repurchase amount of approximately US\$173,386.

22 COMMITMENTS

As at 30 June 2024, the Group had capital commitments as follows:

	As at 30 June 2024 HK\$'000	As at 31 December 2023 HK\$'000 (Audited)
Contracted but not provided for	<u>423</u>	<u>722</u>

23 RELATED PARTY TRANSACTIONS

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

	<i>Note</i>	For the six months ended 30 June	
		2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Service charges received/receivable from China Mobile Communications Group Co., Ltd. and its Subsidiaries (the “CMCC Group”)	<i>a, b</i>	2,087	4,623
Service charges paid/payable to the CMCC Group	<i>a, c</i>	1,843	1,891
Advertising sales to the CMCC Group	<i>a, d</i>	7,262	2,870
Key management compensation	<i>iii</i>	<u>7,416</u>	<u>9,192</u>

Notes:

- (a) The CMCC Group, through a wholly-owned subsidiary of China Mobile (Hong Kong) Group Limited, owns approximately 19.68% of the issued share capital of the Company.
- (b) Service charges received/receivable from CMCC Group related to wireless income which are charged based on terms specified in the agreements.
- (c) Service charges paid/payable to CMCC Group related to video cost which are charged based on terms specified in the agreements.
- (d) Advertising sales to the CMCC Group are related to airtime advertising and programme sponsoring on channels and airtime advertising on giant sized light-emitting diode panels operated by the Group based on terms specified in the agreements.
- (ii) Period/year end balances arising from related parties transactions as disclosed in Note 23(i) above were as follows:

	As at 30 June 2024 <i>HK\$'000</i>	As at 31 December 2023 <i>HK\$'000</i> (Audited)
Amounts due from related companies	<u>4,968</u>	<u>4,400</u>

The amounts due from related companies are unsecured, non-interest bearing and repayable on demand. Other receivables from related parties are repayable in accordance with credit terms.

(iii) Key management compensation

	For the six months ended 30 June	
	2024	2023
	HK\$'000	HK\$'000
Salaries	5,418	7,111
Housing allowance	1,412	1,447
Pension costs	586	634
	<u>7,416</u>	<u>9,192</u>

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

Hong Kong, 16 August 2024

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

Executive Directors

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

Non-executive Directors

Ms. Ho Chiu King, Pansy Catilina (Vice-chairman), Mr. Ding Wei, Mr. Qiu Baohua and Ms. Wang Haixia

Independent Non-executive Directors

Mr. Leung Hok Lim, Mr. Thaddeus Thomas Beczak, Mr. Fang Fenglei and Mr. Zhou Longshan