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鳳凰衛視

PHOENIX SATELLITE TELEVISION HOLDINGS LIMITED

鳳凰衛視控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 02008)

CLARIFICATION ANNOUNCEMENT RELATING TO CONNECTED TRANSACTIONS INVOLVING THE RESTRUCTURING OF THE PMM GROUP

Reference is made to the announcement of the Company dated 11 April 2011 in relation to the subject matter (the “Announcement”). Undefined capitalized terms used in this announcement shall have the same meanings ascribed to them in the Announcement.

The Board wishes to clarify a statement in the Announcement regarding the total amount of funds injected by Phoenix BVI and Regal Fame into Phoenix Metropolis Media as well as provide additional information regarding Phoenix Metropolis Media to its shareholders and investors.

In the paragraph headed “Introduction” in the Announcement, it was stated that Phoenix BVI and Regal Fame had injected into Phoenix Metropolis Media an aggregate sum of HK\$202,476,000 (of which HK\$157,000,000 were in the form of capital and HK\$45,476,000 were in the form of shareholders’ loans) on a pro-rata basis. The Board wishes to clarify that while the aggregate sum of shareholders’ loans of HK\$45,476,000 was injected by Phoenix BVI and Regal Fame on a pro-rata basis of 75:25, the aggregate capital sum of HK\$157,000,000 was not injected on a pro-rata basis. Of the HK\$157,000,000 of capital, HK\$92,750,000 (representing approximately 59% of the total capital sum) were injected by Phoenix BVI and HK\$64,250,000 (representing approximately 41% of the total capital sum) were injected by Regal Fame.

The consideration amount under each of the Sale and Purchase Agreement and the Capital Increase Agreement of HK\$64,250,000 was determined by the parties based on the total capital amount injected by Regal Fame into Phoenix Metropolis Media. The total amount of shareholders’ loans of HK\$11,369,000 advanced by Regal Fame to Phoenix Metropolis Media would not be assigned to Phoenix BVI under the Sale and Purchase Agreement and would remain to be held by Regal Fame.

The net book value of Phoenix Metropolis Media as at 31 December 2010 was HK\$149,639,000. The profits before and after tax of Phoenix Metropolis Media for the two years ended 31 December 2010 were as follows:

	For the year ended	
	31 December 2009	31 December 2010
Profit/(Loss) before tax	(HK\$34,552,000)	HK\$55,584,000
Profit/(Loss) after tax	(HK\$34,660,000)	HK\$55,693,000

Note: The figures above were derived from the audited consolidated financial statements of the Company for the two years ended 31 December 2010.

By Order of the Board
Phoenix Satellite Television Holdings Limited
Liu Changle
Chairman

Hong Kong, 13 April 2011

As at the date of this announcement, the board of directors of the Company comprises:

Executive Directors

Mr. LIU Changle (Chairman) (also an alternate director to Mr. CHUI Keung); Mr. CHUI Keung (also an alternate director to Mr. LIU Changle); Mr. WANG Ji Yan (also an alternate director to Mr. LIU Changle and Mr. CHUI Keung)

Non-executive Directors

Mr. GAO Nianshu; Mr. SHA Yuejia; Mr. Jan KOEPPEN; Mr. CHEUNG Chun On, Daniel; Mr. GONG Jianzhong

Independent Non-executive Directors

Dr. LO Ka Shui; Mr. LEUNG Hok Lim; Mr. Thaddeus Thomas BECZAK

Alternate Directors

Ms. Ella Betsy WONG (alternate to Mr. Jan KOEPPEN); Dr. GAO Jack Qunyao (alternate to Mr. CHEUNG Chun On, Daniel)