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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: 8002)

DISCLOSEABLE TRANSACTION CAPITAL CONTRIBUTION TO JOINT VENTURE COMPANY

The shareholders of the JV Company have by written resolutions dated 8 April 2008 resolved to increase the capital contribution into the JV Company by HK\$87,000,000 so as to expand the investment in the outdoor media business in the PRC. The Contribution constitutes a discloseable transaction for the Company under Chapter 19 of the GEM Listing Rules. A circular containing details of the Contribution will be sent to the Shareholders as soon as reasonably practicable.

THE CONTRIBUTION

Pursuant to the Cooperation Agreement, the JV Company has been set up for developing the outdoor media business in the PRC through wholly foreign-owned enterprises and/or joint venture companies to be established in the PRC in relation thereto.

The shareholdings of the JV Company are held as to 75% by the Group and as to 25% by Regal Fame. According to the Cooperation Agreement, the Group and Regal Fame shall make capital contribution into the JV Company in equal shares up to HK\$100,000,000, that is HK\$50,000,000 by each party, in return for shares in the JV Company in the proportion of 75% to Phoenix and 25% to Regal Fame. Any further capital contribution into the JV Company in excess of HK\$100,000,000 shall be made in proportion to each party's shareholding in the JV Company. Up to the date of this announcement, the Group and Regal Fame have contributed HK\$70,000,000 into the JV Company, that is HK\$35,000,000 by each party.

The shareholders of the JV Company have by written resolutions dated 8 April 2008 resolved to increase the capital contribution into the JV Company from HK\$70,000,000 to HK\$157,000,000 so as to expand the investment in the outdoor media business in the PRC. Out of the proposed increase in capital contribution of HK\$87,000,000 into the JV Company, (i) HK\$30,000,000 shall be contributed as to HK\$15,000,000 by each party; and (ii) the remaining balance of HK\$57,000,000 shall be contributed as to HK\$42,750,000 by the Group and as to HK\$14,250,000 by Regal Fame. Accordingly, the Group shall in aggregate contribute HK\$57,750,000 and Regal Fame shall in aggregate contribute HK\$29,250,000. Each party shall make its respective capital contribution in cash within two weeks from the date of the aforesaid written resolutions of the shareholders of the JV Company. The Contribution will be financed by the internal resources of the Group.

INFORMATION ON THE JV COMPANY

The JV Company is a company incorporated in Hong Kong with limited liability in 2007. The JV Company is in the process of establishing wholly foreign-owned enterprises and/or joint venture companies in the major cities in the PRC which in turn will engage in the outdoor media business in the PRC by way of providing outdoor advertising services on giant-sized LED (light-emitting diode) panels. As such, a substantial amount of the capital of the JV Company will be applied to construct the giant-sized LED panels. The JV Company has neither commenced the outdoor media business in the PRC nor incurred any profits/losses.

REASONS FOR AND BENEFITS OF THE CONTRIBUTION

The Directors are optimistic in the growth and future development of the outdoor media business in the PRC which will diversify the Group's business and provide an additional income source for the Group. In order to expand the investment of the JV Company in the outdoor media business in the PRC, its shareholders have resolved to increase the capital contribution by HK\$87,000,000. Such amount of capital contribution was arrived at by the JV Company after considering (i) the number of wholly foreign-owned enterprises and/or joint venture companies to be established; (ii) the number, size and type of LED panels to be constructed; (iii) the rental expenses payable for erecting or affixing the LED panels on the external walls of buildings; and (iv) general administration costs and expenses. The Directors (including the independent non-executive Directors) consider that the terms of the Contribution are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

FINANCIAL EFFECT OF THE CONTRIBUTION

Upon completion of the proposed capital contribution into the JV Company, the shareholdings of the JV Company will remain to be held as to 75% by the Group and as to 25% by Regal Fame. The JV Company will continue to be a subsidiary of the Company with its results being consolidated into the accounts of the Company.

IMPLICATIONS UNDER THE GEM LISTING RULES

As the applicable percentage ratio of the Contribution when aggregated with the initial capital contribution of HK\$35,000,000 made by the Group into the JV Company exceeds 5% but is less than 25%, the Contribution constitutes a discloseable transaction for the Company under Chapter 19 of the GEM Listing Rules. A circular containing details of the Contribution will be sent to the Shareholders as soon as reasonably practicable.

As Regal Fame is a substantial shareholder of the JV Company which is a subsidiary of the Company, Regal Fame is a connected person of the Company under the GEM Listing Rules. By virtue of the fact that new shares in the JV Company will be allotted and issued to the Group and Regal Fame on a pro rata basis, the parties' proposed capital contribution of HK\$87,000,000 into the JV Company also constitutes an exempted connected transaction for the Company under the GEM Listing Rules which is exempt from all reporting, announcement and independent shareholders' approval requirements under chapter 20 of the GEM Listing Rules.

GENERAL

The Group is a satellite television operator and, through its subsidiaries, is a leading satellite television operator broadcasting into the PRC.

Regal Fame is a company incorporated in the British Virgin Islands whose principal business is investment holding.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions have the following meanings:

“Company”	Phoenix Satellite Television Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on GEM
“Contribution”	the proposed contribution of HK\$57,750,000 by the Group into the JV Company in accordance with the written resolutions of the shareholders of the JV Company dated 8 April 2008
“Cooperation Agreement”	the cooperation agreement dated 22 June 2007 made between a wholly-owned subsidiary of the Company, namely Phoenix Satellite Television Company Limited and Regal Fame for developing the outdoor media business in the PRC
“Directors”	the directors of the Company, including independent non-executive directors

“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“JV Company”	Phoenix Metropolis Media Company Limited, a company incorporated in Hong Kong with limited liability
“PRC”	the People’s Republic of China
“Regal Fame”	Regal Fame Investments Ltd., a company incorporated in the British Virgin Islands with limited liability
“Shareholders”	holders of ordinary shares of HK\$0.10 each in the issued share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

By Order of the Board
LIU Changle
Chairman

Hong Kong, 8 April 2008

The announcement, for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

As at the date of this announcement, the executive directors of the Company are Mr. LIU Changle, Mr. CHUI Keung and Mr. WANG Ji Yan, the non-executive directors of the Company are Mr. LU Xiangdong, Mr. GAO Nianshu, Mr. Paul Francis AIELLO, Mr. LAU Yu Leung John and Mr. GONG Jianzhong and the independent non-executive directors of the Company are Dr. LO Ka Shui, Mr. LEUNG Hok Lim and Mr. Thaddeus Thomas BECZAK .

This announcement will remain on the “Latest Company Announcements” page of the GEM website at www.hkgem.com for at least 7 days from the date of its posting and on the website of the Company at www.ifeng.com.