

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### Comments on Segmental Information

### 分類資料評論

		Year ended 31 December 截至 12 月 31 日止年度			
		2019 2019 年		2018 2018 年	
		Revenue 收入 HK\$'000 千港元	Segment results 分類業績 HK\$'000 千港元	Revenue 收入 HK\$'000 千港元	Segment results 分類業績 HK\$'000 千港元
Television broadcasting	電視廣播	921,541	(63,679)	1,284,068	254,096
Internet media	互聯網媒體	1,777,598	1,265,042	1,690,804	726,798
Outdoor media	戶外媒體	691,336	44,167	823,084	142,899
Real estate	房地產	49,048	(14,564)	68,404	36,193
Other businesses	其他業務	248,708	(141,208)	196,456	(99,203)
Group's total revenue and segment results	本集團總收入及分類業績	<b>3,688,231</b>	<b>1,089,758</b>	4,062,816	1,060,783
Unallocated income	未分配收入		<b>36,392</b>		6,966
Unallocated expenses	未分配開支		<b>(282,668)</b>		(303,697)
Profit before share of results of joint ventures and associates, income tax and non-controlling interests	攤佔合營企業及聯營公司業績、所得稅及非控股權益前溢利		<b>843,482</b>		764,052

Revenue from television broadcasting, which comprised advertising, subscription and other revenue sources, accounted for 25.0% of the total revenue of Phoenix Media Investment (Holdings) Limited (the "Company") and its subsidiaries (the "Group") for the year ended 31 December 2019, decreased 28.2% to approximately HK\$921,541,000 (year ended 31 December 2018: HK\$1,284,068,000). The continued expansion of internet media has continued to pose a challenge to conventional media. As the cost structure is relatively fixed, the segmental loss for the television broadcasting business was approximately HK\$63,679,000 for the year ended 31 December 2019 (year ended 31 December 2018: profit of HK\$254,096,000).

Revenue from Phoenix Chinese Channel and Phoenix InfoNews Channel, which accounted for 21.7% of the total revenue of the Group for the year ended 31 December 2019, decreased 30.9% to approximately HK\$801,447,000 (year ended 31 December 2018: HK\$1,159,445,000).

電視廣播收入（包括廣告、收視訂戶及其他收入來源）下降 28.2% 至約 921,541,000 港元（截至 2018 年 12 月 31 日止年度：1,284,068,000 港元），佔鳳凰衛視投資（控股）有限公司（「本公司」）及其附屬公司（「本集團」）截至 2019 年 12 月 31 日止年度總收入的 25.0%。互聯網媒體的持續發展繼續對傳統媒體造成挑戰。由於成本架構相對固定，電視廣播業務於截至 2019 年 12 月 31 日止年度的分類虧損約為 63,679,000 港元（截至 2018 年 12 月 31 日止年度：溢利 254,096,000 港元）。

鳳凰衛視中文台及鳳凰衛視資訊台的收入下降 30.9% 至約 801,447,000 港元（截至 2018 年 12 月 31 日止年度：1,159,445,000 港元），佔本集團截至 2019 年 12 月 31 日止年度總收入的 21.7%。

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The total revenue of Phoenix Hong Kong Channel, Phoenix Movies Channel, Phoenix North America Chinese Channel, Phoenix Chinese News and Entertainment Channel and others decreased 3.6% to approximately HK\$120,094,000 (year ended 31 December 2018: HK\$124,623,000).

The revenue of the internet media business for the year ended 31 December 2019 increased 5.1% to approximately HK\$1,777,598,000 (year ended 31 December 2018: HK\$1,690,804,000). The segmental profit of internet media business for the year ended 31 December 2019 was approximately HK\$1,265,042,000 (year ended 31 December 2018: HK\$726,798,000) as a result of a significant increase in net gain related to subsequent measurement of the investment in Particle Inc.

The revenue of the outdoor media business for the year ended 31 December 2019 decreased 16.0% to approximately HK\$691,336,000 (year ended 31 December 2018: HK\$823,084,000). The segmental profit of the outdoor media business for the year ended 31 December 2019 decreased 69.1% to approximately HK\$44,167,000 (year ended 31 December 2018: HK\$142,899,000).

The segmental loss for real estate business for the year ended 31 December 2019 was approximately HK\$14,564,000 (year ended 31 December 2018: segmental profit of HK\$36,193,000), which included the net fair value loss of approximately HK\$6,847,000, recognised for the investment properties.

Please refer to Note 5 to the consolidated financial statements for a detailed analysis of segmental information and the section entitled “Business Overview and Prospects” in this report for commentary on the core business of the Group.

### Dividends

The board of directors of the Company (the “**Board**” or **Directors**”) did not recommend the payment of final dividend to the shareholders of the Company for the year (final dividend for 2018: 1 Hong Kong cent) due to the economic instability and challenges in the media industry ahead.

### Annual General Meeting

The forthcoming annual general meeting of the Company (the “**AGM**”) will be held at No. 2-6 Dai King Street, Tai Po Industrial Estate, Tai Po, New Territories, Hong Kong on 5 June 2020, Friday at 3:00 p.m.

鳳凰衛視香港台、鳳凰衛視電影台、鳳凰衛視美洲台、鳳凰衛視歐洲台及其他的總收入減少3.6%至約120,094,000港元(截至2018年12月31日止年度: 124,623,000港元)。

互聯網媒體業務於截至2019年12月31日止年度的收入增加5.1%至約1,777,598,000港元(截至2018年12月31日止年度: 1,690,804,000港元)。截至2019年12月31日止年度互聯網媒體業務的分類溢利約1,265,042,000港元(截至2018年12月31日止年度: 726,798,000港元)，主要由於與其後計量於Particle Inc.的投資有關的收益淨額大幅增加所致。

截至2019年12月31日止年度之戶外媒體業務收入減少16.0%至約691,336,000港元(截至2018年12月31日止年度: 823,084,000港元)。截至2019年12月31日止年度之戶外媒體業務的分類溢利下降69.1%至約44,167,000港元(截至2018年12月31日止年度: 142,899,000港元)。

截至2019年12月31日止年度之房地產業務的分類虧損約為14,564,000港元(截至2018年12月31日止年度: 分類溢利36,193,000港元)，其中包括確認為投資物業的公平值虧損淨額約6,847,000港元。

有關分類資料的詳細分析及本集團核心業務的描述，請分別參閱綜合財務報表附註5及本報告內「業務概覽及前景」一節。

### 股息

由於經濟不穩定及未來媒體產業充滿挑戰，本公司董事會(「**董事會**」或「**董事**」)不建議向本公司股東派發末期股息(2018年末期股息: 1港仙)。

### 股東週年大會

本公司即將舉行的股東週年大會(「**股東週年大會**」)謹定於2020年6月5日(星期五)下午3時正在香港新界大埔大埔工業邨大景街2-6號舉行。

## Closure Of Register Of Members

The register of members of the Company will be closed from 2 June 2020, Tuesday to 5 June 2020, Friday (both dates inclusive), during which period no share transfer will be effected. In order to qualify for attending and voting at the forthcoming AGM, all share transfers must be lodged with the Company's branch share registrar in Hong Kong, Hong Kong Registrars Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, no later than 4:30 p.m. on 1 June 2020, Monday.

## Material Acquisitions and Disposals of Subsidiaries And Affiliated Companies

As at 31 December 2019, as a result of the exercise of share options by the option holders, the Group's equity interest in PNM decreased from 54.51% to 54.49% (as at 31 December 2018: the Group's equity interest in PNM decreased from 54.96% to 54.51%).

## Liquidity and Financial Resources

The liquidity and financial resources of the Group as at 31 December 2019 remained solid. As at 31 December 2019, the Group's total cash and current bank deposits were about HK\$1,841,257,000 (as at 31 December 2018: HK\$1,665,485,000), as well as structured deposits of approximately HK\$1,420,370,000 (as at 31 December 2018: 1,030,227,000) which have been recorded as financial assets at fair value through profit or loss. The aggregated outstanding borrowings of the Group were approximately HK\$820,929,000 (as at 31 December 2018: HK\$1,206,367,000), representing non-interest bearing loans, non-interest bearing loans from non-controlling shareholders of subsidiaries, secured and interest bearing bank borrowings to fund the investment in Phoenix International Media Centre in Beijing 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 80.7% as at 31 December 2019 (as at 31 December 2018: 57.0%). The increase in total liabilities was mainly contributed by lease liabilities of approximately HK\$823,612,000 (as at 31 December 2018: Nil), which were recognised on adoption of HKRFS 16 Leases, and increase in accounts payable, other payables and accruals due to US\$50,000,000 deposit received from the disposal of interest in Particle Inc.

## 暫停辦理股份過戶登記

本公司將於2020年6月2日(星期二)至2020年6月5日(星期五)止期間(包括首尾兩日)暫停辦理股份過戶登記手續,期內將不會辦理股份過戶登記。為符合出席應屆股東週年大會及於會上投票的資格,所有股份過戶文件必須最遲於2020年6月1日(星期一)下午4時30分前,交回本公司的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。

## 附屬公司及聯屬公司的重大收購及出售

於2019年12月31日,由於購股權持有人行使購股權,本集團於鳳凰新媒體的股本權益由54.51%減少至54.49%(於2018年12月31日:本集團於鳳凰新媒體的股本權益由54.96%減少至54.51%)。

## 流動資金及財務資源

本集團於2019年12月31日的流動資金及財務資源依然穩健。於2019年12月31日,本集團現金及短期銀行存款合共約1,841,257,000港元(於2018年12月31日:1,665,485,000港元),歸類到按公平值透過損益記賬的財務資產的結構性存款共約1,420,370,000港元(於2018年12月31日:1,030,227,000港元)。本集團的尚未償還借貸總額約820,929,000港元(於2018年12月31日:1,206,367,000港元),包括免息貸款、來自附屬公司的非控股股東的免息貸款、用作投資位於北京的鳳凰國際傳媒中心款項的有抵押計息銀行借貸,以及其他有抵押計息銀行借貸。按總負債相對本公司擁有人應佔權益計算,本集團於2019年12月31日的資本負債比率為80.7%(於2018年12月31日:57.0%)。總負債的增加主要源自約823,612,000港元的租賃負債(於2018年12月31日:無)(其於採納香港財務報告準則第16號租賃中確認),及因出售Particle Inc. 權益所收取的50,000,000美元保證金而使應付賬款、其他應付款項及應計款項增加所致。

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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 and New Taiwan dollars. 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 will consider using forward currency contracts as a tool to manage and reduce such risks. Taking into account the Group's current operational and capital requirements, the Directors do not consider the Group is significantly exposed to any foreign currency exchange risk.

### Charge on Assets

As at 31 December 2019, the land and property in Chaoyang Park, Beijing, with carrying value of approximately HK\$92,000,000, HK\$335,000,000 and HK\$1,472,000,000 (as at 31 December 2018: HK\$96,000,000, HK\$365,000,000 and HK\$1,497,000,000) recorded in lease premium for land, property, plant and equipment and investment properties respectively were pledged with a bank to secure a bank borrowing to fund the investment in Phoenix International Media Centre in Beijing. Bank deposit of approximately HK\$391,465,000 (as at 31 December 2018: HK\$734,745,000) was pledged with a bank to secure a bank borrowing to optimise return through interest difference and arrangement of external security within the loan. The property in the United States with carrying value of approximately HK\$2,680,000 (as at 31 December 2018: HK\$2,720,000) was pledged with a bank to secure a bank borrowing.

Save as disclosed above, the Group did not have any other charges on its assets as at 31 December 2019 and 31 December 2018.

### Capital Structure and Share Options

As at 31 December 2019, the authorised share capital of the Company was HK\$1,000,000,000 divided into 10,000,000,000 ordinary shares (the "Shares") of HK\$0.10 each, of which 4,993,469,500 Shares (as at 31 December 2018: 4,993,469,500 Shares) had been issued and fully paid.

There was no option exercised under the Company's share option schemes during the year.

除上文所披露者外，本集團的財務狀況仍具流動性。由於本集團大部份貨幣資產、負債及交易乃以港元、美元及人民幣計價，而少數以英鎊及新台幣計價，本集團因而承受主要源自美元及人民幣的外匯風險。本集團通過定期監察管理外匯風險，並會考慮利用遠期貨幣合約作為管理工具，以減低此等風險。考慮本集團現時的營運及資本需要，董事認為本集團之外匯風險有限。

### 資產抵押

於2019年12月31日，北京朝陽公園的土地及其物業，於土地租賃費用、物業、廠房及設備，以及投資物業項下分別錄得賬面值約92,000,000港元、335,000,000港元及1,472,000,000港元（於2018年12月31日：96,000,000港元、365,000,000港元及1,497,000,000港元），已抵押予銀行以取得銀行借貸用作位於北京的鳳凰國際傳媒中心投資款項。銀行存款約391,465,000港元（於2018年12月31日：734,745,000港元）已抵押予銀行以取得銀行借貸從而爭取息差之回報以及外保內貸安排。位於美國賬面值約2,680,000港元（於2018年12月31日：2,720,000港元）之物業已抵押予銀行以取得銀行借貸。

除上文所披露者外，本集團於2019年12月31日及2018年12月31日並無抵押任何其他資產。

### 資本架構及購股權

於2019年12月31日，本公司的法定股本為1,000,000,000港元，分為10,000,000,000股每股面值0.10港元的普通股股份（「股份」），其中4,993,469,500股股份（於2018年12月31日：4,993,469,500股股份）為已發行及繳足。

本公司購股權計劃項下概無購股權於年內行使。

As at 31 December 2019, the operations of the Group were mainly financed by owners' equity, bank borrowings, loans from non-controlling shareholders of subsidiaries and banking facilities.

## Staff

As at 31 December 2019, the Group employed 3,288 full-time staff (as at 31 December 2018: 2,869) at market remuneration supplemented with employee benefits such as comprehensive medical coverage, insurance plan, defined contribution pension schemes and employee share option schemes. Staff costs for the year ended 31 December 2019 increased to approximately HK\$1,468,535,000 (year ended 31 December 2018: HK\$1,286,214,000).

## Significant Investments Held

As at 31 December 2019, the Group invested in listed securities investments with estimated fair market value of approximately HK\$18,575,000 (as at 31 December 2018: HK\$19,782,000) which was recognised as "financial assets at fair value through profit or loss" and such investments were less than 5% of the Group's total assets.

The unlisted preferred shares of Particle Inc. held by the Group was recognised as "financial assets at fair value through profit or loss" with estimated fair market value of approximately HK\$2,258,645,000 (as at 31 December 2018 : HK\$2,235,585,000). For details of Particle Inc. and the Company's investment strategy for Particle Inc., please refer to the section titled "Other Important Events and Subsequent Events" of this report. Save as disclosed above, the Group had not held any other significant investment for the year ended 31 December 2019.

## Future Plans for Material Investments and Expected Source of Funding

In view of the challenging environment ahead, the Group will continue to consolidate its existing businesses while exploring new business opportunities that will complement and enhance its existing businesses.

## Contingent Liabilities

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

於2019年12月31日，本集團的業務運作主要透過擁有人的權益、銀行借貸、附屬公司的非控股股東借貸及銀行信貸提供資金。

## 員工

於2019年12月31日，本集團僱用3,288名全職員工（於2018年12月31日：2,869名），員工所獲的薪酬符合市場水平，員工福利包括全面醫療保障、保險計劃、定額供款退休金計劃及員工購股權計劃。截至2019年12月31日止年度的員工成本增加至約1,468,535,000港元（截至2018年12月31日止年度：1,286,214,000港元）。

## 所持有的重大投資

於2019年12月31日，本集團於上市證券的投資的公平市值估計約為18,575,000港元（於2018年12月31日：19,782,000港元）及確認為「按公平值透過損益記賬的財務資產」，而該等投資少於本集團總資產的5%。

本集團於Particle Inc.之非上市優先股的投資確認為「按公平值透過損益記賬的財務資產」，公平市值估計約為2,258,645,000港元（於2018年12月31日：2,235,585,000港元）。有關Particle Inc.及本公司於Particle Inc.的投資策略，請參閱本報告的「其他重要事件及期後事項」一節。除上文所披露者外，本集團於截至2019年12月31日止年度內並無持有任何其他重大投資。

## 未來重大投資計劃及預期資金來源

面對未來充滿挑戰的環境，本集團將繼續整合現有業務，並同時物色新商機，以與現有業務相輔相成並收增強之效。

## 或有負債

本集團旗下公司中亦有涉及本身日常業務過程中產生的訴訟。經審視有關待決申索並計及所收到的法律意見後，董事認為已於年度的綜合財務資料中作出足夠撥備。

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#### Purchase, Sale or Redemption of Securities

The Company had not redeemed any Shares. Neither the Company nor any of its subsidiaries had purchased or sold any of the Shares during the year.

#### Directors' Securities Transactions

The Company has adopted the required standard of dealings as set out in the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 to the Listing Rules as the code of conduct regarding securities transactions by the Directors.

Having made specific enquiries of all Directors, it was confirmed that the Directors have complied with the above-mentioned required standards of dealings regarding Directors' securities transactions throughout the year ended 31 December 2019.

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 Audit Committee has reviewed the Group's annual results for the year ended 31 December 2019 and provided advice and comments thereon before such statements were presented to the Board for approval. The figures in respect of the Group's consolidated balance sheet, consolidated statement of comprehensive income, consolidated income statement and related notes thereto for the year ended 31 December 2019 as set out in this report have been agreed by the Group's auditor, PricewaterhouseCoopers, to the amounts set out in the Group's draft consolidated financial statements for the year. The work performed by PricewaterhouseCoopers in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by PricewaterhouseCoopers on this report.

#### 購買、出售或贖回證券

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

#### 董事的證券交易

本公司已採納上市規則附錄10所載的上市發行人董事進行證券交易的標準守則的規定買賣標準，作為董事進行證券交易的操守指引。

經向所有董事作出特定查詢後，確認董事於截至2019年12月31日止年度內一直遵守上述有關董事進行證券交易的規定買賣標準。

本公司亦已採納對可能擁有或獲得有關本集團或其證券內幕消息的本集團僱員所進行的證券交易施行監管的守則。

#### 審核委員會

審核委員會已審閱本集團截至2019年12月31日止年度的年度業績，並於該等報表提交董事會批准前據此提供建議及意見。本集團核數師羅兵咸永道會計師事務所已就本報告所載有關本集團截至2019年12月31日止年度的綜合資產負債表、綜合全面收益表、綜合收益表及相關附註之數字與本年度綜合財務報表草稿中所載的數額核對一致。羅兵咸永道會計師事務所就此所做的工作並不構成根據香港會計師公會頒佈的香港核數準則、香港審閱聘用準則或香港核證聘用準則所作的核證聘用，因此羅兵咸永道會計師事務所對本報告不發表任何核證聲明。

## Other Important Events and Subsequent Events

Discloseable Transaction regarding the Acquisition of Interest in 北京易天新動網絡科技有限公司 (Beijing Yitian Xindong Network Technology Co., Ltd.\*) (“**Yitian Xindong**”)

On 18 December 2018, 北京塵寰科技有限公司 (Beijing Chenhuan Technology Co., Ltd.\*) (“**Chenhuan Technology**”), an indirect non-wholly owned subsidiary of the Company, entered into a share purchase and option agreement (the “**SP and Option Agreement**”) with 天音通信有限公司 (Tianyin Telecommunication Co., Ltd.\*) (“**Tianyin**”) and 深圳市秉瑞信科技有限公司 (Bingruixin Technology Co., Ltd.\*) (“**Bingruixin Technology**”). Pursuant to the SP and Option Agreement: (i) Tianyin agreed to sell and Chenhuan Technology agreed to purchase 25.5% of the equity interest in Yitian Xindong at a consideration of RMB144,100,000 (the “**Initial Acquisition**”); (ii) Tianyin provided certain undertakings on the operation and financial performance of the Yitian Xindong to Chenhuan Technology. Should Yitian Xindong’s performance fail to meet any of the performance targets in either 2019 or 2020, Chenhuan Technology will be entitled to a refund of RMB85,300,000 (the “**Performance Target Undertakings**”). As security to the said refund, Tianyin will provide security fund or bank guarantee to Chenhuan Technology; (iii) Bingruixin Technology agreed to grant a call option to Chenhuan Technology to acquire a further 25.5% of the equity interest in Yitian Xindong at a consideration of RMB144,100,000 (the “**Call Option**”).

On 1 March 2019, Chenhuan Technology exercised the Call Option and entered into a second share purchase agreement with Tianyin, Bingruixin Technology and Yitian Xindong (the “**Share Purchase Agreement**”). Pursuant to the Share Purchase Agreement: (i) Bingruixin Technology agreed to sell and Chenhuan Technology agreed to purchase 25.5% of the equity interest in Yitian Xindong at a consideration of RMB144,100,000 (the “**Second Acquisition**”); and (ii) Tianyin provided undertakings identical to the Performance Target Undertakings for the Second Acquisition and will provide security fund or bank guarantee for the said refund.

Upon the completion of the Initial Acquisition, Chenhuan Technology obtained control over Yitian Xindong. Chenhuan Technology holds an aggregated 51% of the equity interest in Yitian Xindong after the Second Acquisition. Yitian Xindong owns and operates Tadu, a leading online reading mobile application in China that serves more than 1,000,000 daily active users, and it is expected that the acquisition of Tadu will provide synergy to the Group’s business.

\* For identification only

## 其他重要事件及期後事項

有關收購北京易天新動網絡科技有限公司 (「易天新動」) 權益的須予披露交易

於2018年12月18日，北京塵寰科技有限公司 (「塵寰科技」) 本公司的間接非全資附屬公司) 與天音通信有限公司 (「天音」) 及深圳市秉瑞信科技有限公司 (「秉瑞信科技」) 訂立購股及期權協議 (「購股及期權協議」)。根據購股及期權協議：(i) 天音同意出售而塵寰科技同意以代價人民幣144,100,000元購買易天新動之25.5%股權 (「初始收購事項」)；(ii) 天音向塵寰科技就易天新動的營運及財務業績提供若干承諾。倘易天新動之業績不能達成2019年或2020年之任何業績目標，則塵寰科技將有權獲得人民幣85,300,000元的退款 (「業績目標承諾」)。作為上述退款之擔保，天音將向塵寰科技提供擔保金或銀行擔保；(iii) 秉瑞信科技同意向塵寰科技授出認購期權，以代價人民幣144,100,000元進一步收購易天新動之25.5%股權 (「認購期權」)。

於2019年3月1日，塵寰科技行使認購期權並與天音、秉瑞信科技及易天新動訂立第二份股份購買協議 (「購股協議」)。根據購股協議：(i) 秉瑞信科技同意出售而塵寰科技同意以代價人民幣144,100,000元購買易天新動之25.5%股權 (「第二收購事項」)；及(ii) 天音為第二收購事項提供與業績目標承諾相同的承諾，且將提供擔保金或銀行擔保。

初始收購事項完成後，塵寰科技已獲得易天新動之控制權。於第二收購事項後，塵寰科技持有易天新動合共51%股權。易天新動擁有及營運《塔讀》(中國領先的線上閱讀移動應用程式)，其每日服務超過1,000,000活躍用戶，預期收購《塔讀》將為本集團的業務帶來協同作用。

## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論及分析

Very Substantial Disposal regarding the Disposal of Interest in Particle Inc.

On 22 March 2019, PNM, an indirect non-wholly owned subsidiary of the Company, and Run Liang Tai Management Limited (the “**Purchaser**”), an independent third party, entered into a formal agreement regarding the sale and purchase of 32% equity interest in Particle Inc., on an as-if converted basis (the “**Formal Agreement**”) which superseded the letter of intent previously entered into by the parties. Pursuant to the Formal Agreement, PNM agreed to sell and the Purchaser agreed to purchase 32% equity interest on an as-if converted basis held by PNM in Particle Inc., which comprised an aggregate of 199,866,509 shares of Particle Inc., (the “**Offshore Sale Shares**”) and 37.169% of the equity interest of 北京一點網聚科技有限公司 (Beijing Yidianwanju Technology Co., Ltd.\*) held by a nominee of PNM on behalf of 北京一點網聚信息技術有限公司 (Beijing Particle Information Technology Co., Ltd.\*) under a series of contractual arrangements, at a consideration of US\$448,000,000 and RMB3,719,167 in cash respectively (the “**Disposal**”).

On 31 May 2019, PNM sent a completion confirmation letter to the Purchaser to confirm the satisfaction of all of the conditions precedents in the Formal Agreement (the “**Conditions**”). The Purchaser, however, disputed the satisfaction of certain Conditions.

On 23 July 2019, PNM and the Purchaser entered into a supplemental agreement (the “**Supplemental Agreement**”). The key terms of the Supplemental Agreement, amongst other things, are: (i) the parties conditionally agreed to carry out the completion regardless of whether any dispute is raised by any party in respect of satisfaction of the Conditions under the Formal Agreement; (ii) to adjust the amount of Offshore Sale Shares to an aggregate of 212,358,165 shares of Particle Inc.; (iii) the Purchaser will pay a further deposit in the sum of US\$50,000,000 (the “**Further Deposit**”) within 2 working days after the shareholder’s approval of the transactions contemplated under the Supplemental Agreement; and (iv) completion shall take place in two stages: (a) the amount of consideration at the first completion is US\$200,000,000 (subject to deduction of the deposit in the sum of US\$100,000,000) for 94,802,752 shares of Particle Inc., the first completion shall take place within 7 working days after the shareholder’s approval of the transactions contemplated under the Supplemental Agreement; (b) the amount of the consideration at the second completion is US\$248,000,000 (subject to the deduction of the Further Deposit and all the interest accrued from any of the deposits) for 117,555,413 shares of Particle Inc., the second completion shall take place within 5 working days after payment of the consideration for the second completion (on or before 10 August 2020).

有關出售 Particle Inc. 權益的非常重大的出售事項

於2019年3月22日，鳳凰新媒體（本公司的間接非全資附屬公司）及Run Liang Tai Management Limited（「買方」）（為獨立第三方）就買賣Particle Inc. 按猶如已轉換基準計算的32%股權訂立正式合約（「正式合約」），並替代各方先前訂立的意向書。根據正式合約，鳳凰新媒體同意出售，而買方同意以現金代價分別為448,000,000美元及人民幣3,719,167元購買由鳳凰新媒體持有Particle Inc. 按猶如已轉換基準計算的32%股權，即Particle Inc. 的合共199,866,509股股份（「境外待售股份」）及鳳凰新媒體之名義持有人根據一連串合約安排代表北京一點網聚信息技術有限公司持有於北京一點網聚信息技術有限公司之37.169%股本權益（「出售事項」）。

於2019年5月31日，鳳凰新媒體向買方提供交割確認書，以確認已達成股份購買協議項下全部條件（「先決條件」）。然而，買方爭議若干條件是否已達成。

於2019年7月23日，鳳凰新媒體與買方訂立補充協議（「補充協議」）。補充協議的主要條款（其中包括）為：(i) 各訂約方有條件地同意進行交割，不論任何訂約方曾否就正式合約項下的先決條件是否已達成提起任何爭議；(ii) 調整境外待售股份至總計212,358,165股Particle Inc. 股份；(iii) 買方將於股東同意補充協議項下擬進行的交易後兩個工作天內支付50,000,000美元的額外保證金（「額外保證金」）及(iv) 交割分為兩階段進行：(a) 第一次交割就94,802,752股Particle Inc. 股份的交易代價金額為200,000,000美元（將扣除金額為100,000,000美元之保證金），第一次交割於取得股東同意補充協議項下擬進行的交易後的七個工作天內完成；(b) 第二次交割就117,555,413股Particle Inc. 股份的交易代價金額為248,000,000美元（將扣除額外保證金及任何由保證金產生的所有利息），第二次交割在支付第二次交割之交易代價之日的五個工作天內完成（即於2020年8月10日或之前）。



On 5 August 2019 Long De Holdings (Hong Kong) Co., Limited (“**Long De HK**”) and Long De Chengzhang Culture Communication (Tianjin) Co., Ltd. (龍德成長文化傳播(天津)有限公司) (“**Long De Chengzhang**”) issued an initial notice to PNM purporting to exercise their co-sale right under the shareholders agreement of Particle Inc. (the “**Shareholders Agreement**”). Pursuant to the terms of the Shareholders Agreement and the articles of association of the Particle Inc., when PNM as an existing shareholder of the Particle Inc. seeks to transfer its interest in the Particle Inc. to a third party, Long De Chengzhang and Long De HK, as existing shareholders of the Particle Inc. have a right to demand a co-sale of their interest in the Particle Inc. to such extent based on a pre-determined formula such that the number of Particle Inc. shares to be sold by PNM shall be reduced correspondingly.

In order to complete the Disposal as soon as practicable and after further arm’s length commercial negotiations, on 20 January 2020, PNM entered into a new agreement with the Purchaser, Long De HK and Long De Chengzhang (Tianjin) Investment Management Center (Limited Partnership) (“**Long De Tianjin**”) in respect of the Disposal and the co-sale event (the “**New Agreement**”). The key terms of the New Agreement, among other things, are: (i) the amount of Offshore Sale Shares to be sold by PNM to the Purchaser be adjusted to an aggregate of 202,563,176 shares of Particle Inc. at a consideration of US\$427,336,067; (ii) the amount of Onshore Sale Shares to be transferred by PNM’s nominee to the Purchaser be adjusted to 39.53% of the equity interest of 北京一點網聚科技有限公司 (Beijing Yidianwanju Technology Co., Ltd.\*) at a consideration of RMB3,955,320; (iii) Long De HK will sell a total of 9,794,989 in Particle Inc. to the Purchaser at a consideration of US\$20,663,933.72; (iv) PNM to grant the Purchaser an interest-free loan in a total amount of US\$9,671,045.96.

For details of the Formal Agreement, the Supplemental Agreement, the New Agreement and the Disposal, please see the circular of the Company dated 14 May 2019 and 4 October 2019, and the announcement of the Company dated 25 July 2019 and 20 January 2020.

The principal business activities of the Particle Inc. and its subsidiaries are the operation of Yidian Zixun, a personalised news and life-style information application in China that allows users to define and explore desired content on their mobile devices.

於2019年8月5日，龍德控股(香港)有限公司(「**龍德香港**」)及龍德成長文化傳播(天津)有限公司(「**龍德成長**」)向鳳凰新媒體發出初步通知，表明擬行使其於Particle Inc.的股東協議(「**股東協議**」)內的共同出售權。根據股東協議的條款及Particle Inc.的組織章程細則，當鳳凰新媒體作為Particle Inc.的現有股東尋求將其於Particle Inc.的權益轉讓予第三方時，龍德成長及龍德香港作為Particle Inc.的現有股東，有權要求按預先釐定的公式計算的數額共同出售其於Particle Inc.持有的權益，以相應減少鳳凰新媒體將出售的Particle Inc.股份的數目。

為於實際可行情況下儘快完成出售事項及經進一步公平商務磋商後，於2020年1月20日，鳳凰新媒體就出售事項及共同出售事項與買方、龍德香港及龍德成長(天津)投資管理中心(有限合夥)(「**龍德天津**」)訂立一份新協議(「**新協議**」)。新協議的主要條款如下，其中包括：(i) 鳳凰新媒體將向買方出售的境外待售股份數目將予調整至合共202,563,176股Particle Inc.股份，代價為427,336,067美元；(ii) 鳳凰新媒體的代名人將向買方出售的境內待售股份數目將予調整至佔北京一點網聚科技有限公司股權的39.53%，代價為人民幣3,955,320元；(iii) 龍德香港將向買方出售合共9,794,989股Particle Inc.股份，代價為20,663,933.72美元；(iv) 鳳凰新媒體向買方授出總額9,671,045.96美元的免息貸款。

有關正式合約、補充協議、新協議及出售事項，請參閱本公司日期為2019年5月14日及2019年10月4日之通函以及本公司日期為2019年7月25日及2020年1月20日之公告。

Particle Inc.及其附屬公司主要業務為經營《一點資訊》，是一個國內個人化新聞及時尚生活信息應用程式，其允許用戶通過移動設備評鑑及探索所需內容。

## MANAGEMENT DISCUSSION AND ANALYSIS

### 管理層討論及分析

Continuing Connected Transaction between 神州電視有限公司 (Shenzhou Television Company Ltd.\*) (“**Shenzhou**”) and CNHK Media Limited (“**CNHK Media**”)

On 2 December 2019, Shenzhou, acting as the PRC advertising agent of Phoenix Satellite Television Company Limited (“**Phoenix TV**”), and CNHK Media entered into an advertising contract relating to the purchase of advertising airtime by CNHK Media (the “**2020 Contract**”) for the ultimate benefits of the Group and 中國移動通信集團有限公司 (China Mobile Communications Group Co., Ltd.\*, “**CMCC**”) and its associates (collectively “**CMCC Group**”).

Pursuant to the 2020 Contract, CNHK Media agreed to purchase advertising airtime at the Phoenix Chinese Channel and the Phoenix InfoNews Channel for the period from 1 January 2020 to 31 December 2020 for the sum not exceeding RMB25,000,000 for promoting the CMCC Group. To the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, CNHK Media has entered into contract(s) with a subsidiary of CMCC in the PRC relating to and including the purchase of advertising airtime from Phoenix TV on behalf of CMCC Group covering the aforementioned period. As such, the entering of the 2020 Contract by CNHK Media is for the ultimate benefits of the CMCC Group.

Pursuant to Rule 14A.20(1) of the Listing Rules, the Company considered CNHK Media a deemed connected person of the Company. As the transactions contemplated under the 2020 Contract constitute continuing connected transactions for the Company under the Listing Rules and all of the applicable percentage ratios in respect of the annual cap for the transactions are more than 0.1% but less than 5%, the transactions are subject to the reporting, announcement and annual review requirements under Chapter 14A of the Listing Rules. For details, please refer to the Company’s announcements dated 2 December 2019.

神州電視有限公司（「神州」）與中港傳媒有限公司（「中港傳媒」）訂立的持續關連交易

於2019年12月2日，神州（作為鳳凰衛視有限公司（「鳳凰衛視」）的中國廣告代理）及中港傳媒分別為本集團及中國移動通信集團有限公司（「中移動通信」）及其聯繫人（統稱「中移動通信集團」）的最終利益，訂立了有關中港傳媒購買廣告時段的廣告合同（「2020年合同」）。

根據2020年合同，中港傳媒同意購買鳳凰衛視中文台及鳳凰衛視資訊台的廣告時段以宣傳推廣中移動通信集團，期限由2020年1月1日起至2020年12月31日止，涉及金額不超過人民幣25,000,000元。經董事作出一切合理查詢後所深知、全悉及確信，中港傳媒已與中移動通信在中國的一間附屬公司訂立內容乃有關（並包括）代表中移動通信集團購買鳳凰衛視涵蓋上述期間的廣告時段之合同。因此中港傳媒是為了中移動通信集團的最終利益而訂立2020年合同。

根據上市規則第14A.20(1)條，本公司認為中港傳媒為本公司之視作關連人士。根據上市規則，由於2020年合同擬進行的交易構成本公司的持續關連交易，且就該等交易的年度上限所有適用的百分比率超過0.1%但低於5%，故該等交易須遵守上市規則第14A章之申報、公告及年度審閱的規定。詳情請參閱本公司日期為2019年12月2日的公告。