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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)

**(1) MAJOR TRANSACTION
REGARDING THE DISPOSAL OF
EQUITY INTERESTS IN PARTICLE INC.
(2) TERMINATION OF SECOND COMPLETION
UNDER PREVIOUS VERY SUBSTANTIAL DISPOSAL
AND
(3) PROFIT ALERT**

2020 AGREEMENT

On 7 August 2020, PNM (a subsidiary of the Company) entered into an agreement (the “**2020 Agreement**”) with the Purchaser, which has become legally binding upon PNM’s receipt of the 2020 Payable Amount (as defined below) from the Purchaser on 10 August 2020.

LISTING RULES IMPLICATIONS

As one or more of the relevant percentage ratios under the Listing Rules in respect of the Disposal exceed 25% but are below 75%, the Disposal will constitute a major transaction for the Company and is subject to the announcement and shareholders’ approval requirements under Chapter 14 of the Listing Rules.

To the best of the Directors’ knowledge, none of the Shareholders and their respective close associates has a materially different interest in the Disposal contemplated under the 2020 Agreement and the transactions contemplated thereunder or incidental thereto. No Shareholder is required to abstain from voting in respect of the resolution approving the 2020 Agreement and the transactions contemplated thereunder or incidental thereto at the EGM.

Completion of the transactions contemplated under the 2020 Agreement is subject to the satisfaction of the conditions disclosed in this announcement and may or may not materialize. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.

References are made to the Announcements and the Circulars in relation to the Disposal. Unless the context otherwise requires, capitalized terms used herein shall have the same meanings as defined in the Announcements and the Circulars.

INTRODUCTION

PNM and the Purchaser entered into the Share Purchase Agreement on 22 March 2019, the Supplemental Agreement on 23 July 2019 and together with Long De Co-sale Entities, entered the New Agreement on 20 January 2020 (collectively, the “**Previous SPA**”). Pursuant to the Previous SPA, PNM agreed to sell and the Purchaser agreed to purchase 27,639,580 series B preferred shares and 174,923,596 series C preferred shares of Cayman Company for a consideration of US\$427,336,067. As of today, PNM First Completion has taken place when 94,802,752 preferred shares (being 27,639,580 series B preferred shares and 67,163,172 series C preferred shares) in Cayman Company has been transferred to the Purchaser. Pursuant to the Previous SPA, the Purchaser shall pay to PNM the Revised Residual Consideration on or before 10 August 2020 to purchase the PNM Second Completion Shares. Pursuant to the Previous SPA, the amount of the consideration for Long De Co-sale Entities to transfer 4,584,209 series D1 preferred shares in Cayman Company to the Purchaser is US\$9,671,045.96, which was paid by an interest free loan of US\$9,671,045.96 from PNM to the Purchaser (“**PNM Loan**”). Pursuant to the Previous SPA, the Purchaser has pledged 4,584,209 series D1 preferred shares of Cayman Company (“**Pledged Shares**”) to PNM to secure the repayment of the PNM Loan.

On 7 August 2020, PNM (a subsidiary of the Company) entered into an agreement (the “**2020 Agreement**”) with the Purchaser, which has become legally binding upon PNM’s receipt of the 2020 Payable Amount (as defined below) from the Purchaser on 10 August 2020.

Pursuant to the 2020 Agreement, the parties agreed that:

- (i) PNM shall sell and the Purchaser shall purchase (the “**2020 Offshore Share Transfer**”) 140,248,775 preferred shares (being 116,604,684 series C preferred shares and 23,644,091 series D1 preferred shares) in Cayman Company (the “**2020 Offshore Target Shares**”), and
- (ii) PNM shall designate the onshore transferor (Mr. Chen) to sell (the “**2020 Onshore Share Transfer**”) approximately 42.9% equity interest held by PNM in Yidian Technology (representing RMB4,292,617 of the registered share capital in Yidian Technology) (the “**2020 Onshore Target Shares**”, together with 2020 Offshore Target Shares, the “**2020 Target Shares**”) to the Purchaser’s designee.

As of the date of this announcement, PNM has received US\$50,714,413 from the Purchaser, comprising of the Residual Consideration Deposit of US\$50 million and interests accrued from the Deposit of US\$100 million (collectively the “**Original Deposit**”).

According to the terms of the 2020 Agreement, the Previous SPA, the transactions contemplated thereunder which have not been completed (including the PNM Second Completion under the very substantial disposal for the Previous SPA as set out in the Company’s circular dated 20 April 2020) and the parties’ rights and obligations thereunder have been terminated and no party shall be liable for any antecedent breach thereunder.

THE 2020 AGREEMENT

The following summarizes the principal terms of the 2020 Agreement.

Date: 7 August 2020

Parties:

Vendor : Phoenix New Media Limited, an indirect non-wholly owned subsidiary of the Company

Purchaser : Run Liang Tai Management Limited

The Purchaser is a company with limited liability incorporated under the laws of Hong Kong on 27 April 2016, with principal business in investment holding.

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, each of the Purchaser and its ultimate beneficial owner, Mr. YANG Yuxiang, is an independent third party.

Sale and Purchase of 2020 Target Shares

The purchase price payable by the Purchaser for the 2020 Offshore Target Shares is US\$150,000,000 (the “**2020 Offshore Target Shares Purchase Price**”) and the purchase price for the 2020 Onshore Target Shares is RMB4,292,617 (the “**2020 Onshore Target Shares Purchase Price**”). The Purchaser shall pay the full amount of the 2020 Offshore Target Shares Purchase Price less the Original Deposit (the “**2020 Payable Amount**”) to the bank account designated by PNM.

Completion of 2020 Offshore Share Transfer

Unless waived by PNM in writing, the completion shall take place upon satisfaction of the following conditions:

- (a) approval having been obtained from the Shareholders at Shareholders’ meeting;
- (b) the Stock Exchange and other relevant authorities (if applicable) having no objection to the announcement(s) and circular(s) issued by the Company related to the transaction contemplated under the 2020 Agreement;
- (c) the Purchaser having fully performed its payment obligations under section “Co-sale” below and provided PNM with reasonable evidence to prove it; and
- (d) the Purchaser having fully performed its obligation to transfer the Pledged Shares.

Notwithstanding any waiver by PNM of condition (d), the Purchaser shall remain liable for such transfer or repayment after the completion of the 2020 Offshore Share Transfer.

Within three (3) business day (or within such other period as agreed by the parties) from the satisfaction (or waiver) of all above conditions, the completion of the 2020 Offshore Share Transfer shall take place by remote exchange of electronic documents between both parties or other method as agreed by the parties.

PNM shall use commercially reasonable efforts to cooperate with Cayman Company to provide the Purchaser with a share certificate in respect of the 2020 Offshore Target Shares and an updated register of members of Cayman Company within ten (10) business days after the completion.

Completion of 2020 Onshore Share Transfer

Upon the completion of 2020 Offshore Share Transfer, PNM shall designate the onshore transferor to enter into a transfer agreement to transfer the 2020 Onshore Target Shares to the designee of Purchaser within a reasonable period as informed by the Purchaser in writing and cooperate with the Purchaser to change the commercial registration of Yidian Technology. After the change of commercial registration, designee of the Purchaser shall pay the onshore transferor or other entity agreed by both parties in writing the 2020 Onshore Target Shares Purchase Price.

Previous SPA

Upon the 2020 Agreement becoming legally binding, the Previous SPA, the transactions contemplated thereunder which have not been completed (including the PNM Second Completion under the very substantial disposal for the Previous SPA as set out in the Company's circular dated 20 April 2020) and the parties' rights and obligations thereunder have been terminated and no party shall be liable for any antecedent breach thereunder. As the Long De Second Completion is conditional upon PNM Second Completion, all transactions related to Long De Second Completion have been terminated and no party shall be liable to the Long De Co-sale Entities. The Original Deposit transferred under Previous SPA shall remain valid under the 2020 Agreement.

Pledged Shares

The Purchaser shall procure its designee (the registered owner of the Pledged Shares) to transfer the Pledged Shares to PNM. Within five (5) business days after the 2020 Agreement has become legally binding, the Purchaser shall procure its designee to provide the Cayman Company with all necessary documents for change of registration. Within twenty (20) business days (or such period as agreed by both parties) of the transfer, the Purchaser shall provide PNM with the share certificate for the Pledged Shares and a copy of the shareholders' register showing PNM as the holder of the Pledged Shares as certified by the registered Cayman agent of Cayman Company. The Purchaser shall guarantee that the Pledged Shares are not subject to any other pledge, escrow, judicial restriction or any other rights unless specified by the constitutional documents of the Cayman Company. After the above transfer of the Pledged Shares, the Purchaser shall no longer be liable to repay the PNM Loan. If the Purchaser fails to complete the above transfer and change of registration because of its own fault within forty (40) business days (or such period as agreed by both parties) after the 2020 Agreement has become legally binding, the Purchaser shall repay the full amount of PNM Loan within five (5) business days, failing which PNM shall be entitled to claim its actual loss against the Purchaser for not less than the principal amount of the PNM Loan and up to US\$50,000,000.

The pledge of the Pledged Shares and PNM's right to foreclose the same have been set out in the Company's circular dated 20 April 2020 and approved by the Shareholders at the general meeting held on 7 May 2020.

Covenants

PNM shall use commercially reasonable effort to satisfy the conditions (a) and(b) under the section "Completion of 2020 Offshore Share Transfer" and to procure related parties within PNM and the Company's control to vote for the 2020 Agreement and transactions thereunder at general meeting.

After the full payment of 2020 Offshore Target Shares Purchase Price and the completion of 2020 Offshore Share Transfer, the Purchaser is entitled to appoint two directors in the Cayman Company to replace original two directors appointed by PNM and shall be entitled to 3 votes according to the prevailing constitutional documents. PNM shall cooperate with the Purchaser to complete the replacement of directors.

PNM shall use commercially reasonable efforts to cooperate with the Purchaser to procure WFOE to provide a loan of RMB4,292,617 to the designee of the Purchaser. Upon the onshore transferor (or other entity agreed by both parties in writing) receiving the 2020 Onshore Target Shares Purchase Price, PNM shall procure it to repay the outstanding loan of RMB4,292,617 owed to WFOE within a reasonable time.

Co-sale

Upon the 2020 Agreement becoming legally binding, PNM may notify the Co-sale Entities who enjoy co-sale right over the 2020 Offshore Target Shares. If any of the Co-sale Entities exercises its co-sale right pursuant to the terms of the Shareholders Agreement and the articles of association of the Cayman Company, the Purchaser shall pay the Co-sale Entities who exercise the co-sale right at the price of US\$1.06952805826 per share no later than the satisfaction of all conditions set out in section “Completion of 2020 Offshore Share Transfer”.

For the avoidance of doubt, notwithstanding any contrary provision in the Shareholder’s Agreement or articles of association of the Cayman Company, exercising of co-sale right shall not affect the Purchaser’s obligation to purchase 2020 Offshore Target Shares and pay the 2020 Offshore Target Shares Purchase Price.

Termination

The 2020 Agreement and transactions contemplated thereunder can be terminated upon the following:

- (I) if both parties agree to terminate in writing;
- (II) if PNM notifies the Purchaser in writing to terminate the 2020 Agreement, in the event (i) the Purchaser fails to pay the Co-sale Entities in accordance with the section “Co-sale”; or (ii) the Purchaser fails to procure Broad Steam Capital 1 L.P. to issue to PNM a letter of authorization according to the Previous SPA;
- (III) if any of the parties notifies the other party in writing to terminate the 2020 Agreement, in the event condition (a) or (b) under the section “Completion of 2020 Offshore Share Transfer” remains unsatisfied upon the expiry of 4 months (or such longer period as agreed by both parties in writing) (the “**Long Stop Date**”) after the 2020 Agreement has become legally binding for reasons beyond the reasonable control of PNM; or
- (IV) if the Purchaser notifies PNM in writing to terminate the 2020 Agreement, in the event (i) PNM fails to discharge certain specific obligations for the transfer of the 2020 Offshore Target Shares; or (ii) if the Stock Exchange and other relevant authorities have approved the issue of the announcement(s) and circular(s) related to the Disposal, and condition (a) under the section “Completion of 2020 Offshore Share Transfer” remains unsatisfied on the Long Stop Date for reasons within the reasonable control of PNM (including related parties within the control of PNM and the Company voting against the Disposal).

If the 2020 Agreement is terminated in situation (I) above, the Original Deposit and the 2020 Payable Amount shall be subject to further negotiation and agreement between the parties.

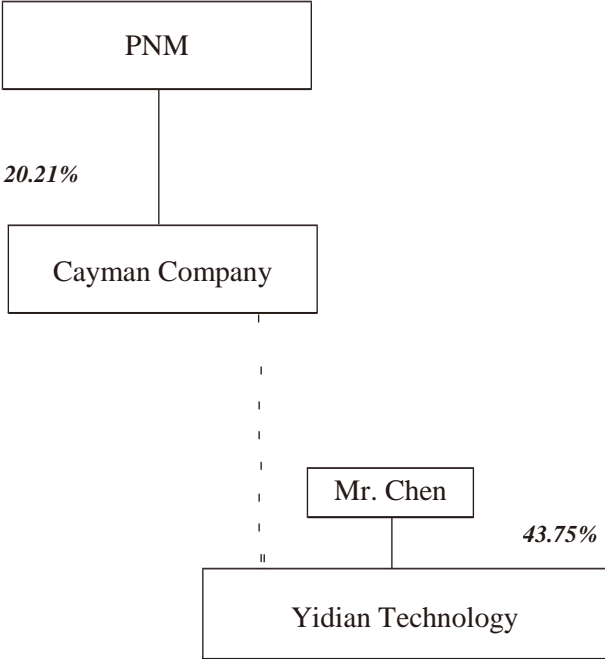
If the 2020 Agreement is terminated in situation (II) above, PNM shall be entitled to forfeit the Original Deposit and relevant interests accrued and also US\$50,000,000 from the 2020 Payable Amount. PNM shall return to the Purchaser the balance of the 2020 Payable Amount and relevant interests accrued within five (5) business days after the termination of the 2020 Agreement.

If the 2020 Agreement is terminated in situation (III) above, PNM shall return to the Purchaser the 2020 Payable Amount with interests accrued within five (5) business days, but shall be entitled to forfeit the Original Deposit with interests accrued.

If the 2020 Agreement is terminated in situation (IV) above, PNM shall return to the Purchaser the 2020 Payable Amount with interests accrued, the Original Deposit and a penalty of US\$50,000,000 within five (5) business days.

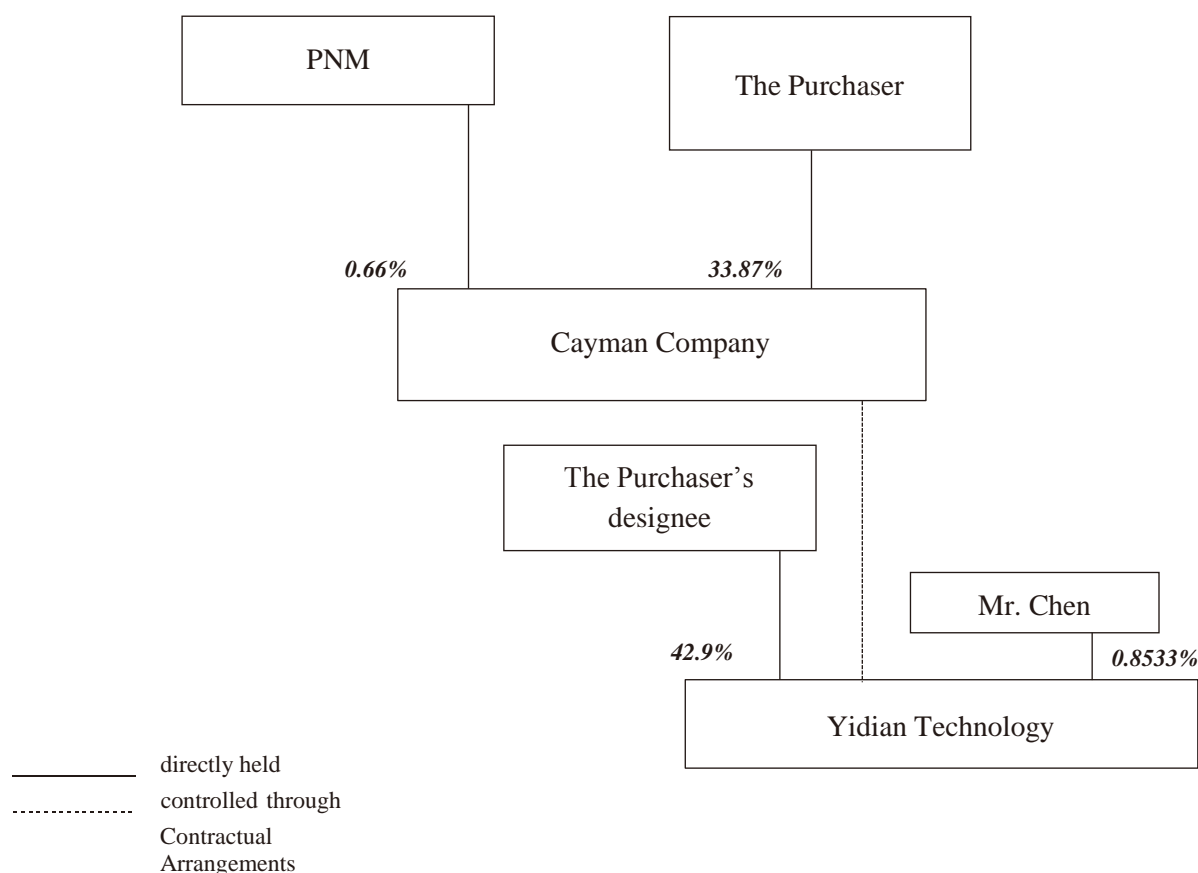
Simplified Shareholding Structure of the Disposal Group

The following diagram sets out the simplified shareholding structure of Cayman Company and Yidian Technology as at the date of this announcement (after issuance of additional shares under the ESOP):



_____ directly held
 controlled through
 Contractual
 Arrangements

The following diagram sets out the simplified shareholding structure of Cayman Company and Yidian Technology following the completion of the Disposal and the transferring of the Pledged Shares (after the issuance of additional shares under the ESOP):



INFORMATION ON THE PARTIES

The Disposal Group

The principal business activities of the Disposal Group are the operation of Yidian Zixun (「一點資訊」), or Yidian, a personalized news and life-style information application in China that allows users to define and explore desired content on their mobile devices. Cayman Company is an investment holding company incorporated in the Cayman Islands and indirectly holds the entire equity interest of WFOE. The share capital of Cayman Company comprised 693,980,936 shares as at the date of this announcement (after the issuance of additional shares under the ESOP). Yidian Technology is a limited company established in the PRC on 23 August 2013 and currently holds a license issued by the CAC for the operation of the Internet (PC and mobile) news information services and the operation of Yidianhao (「一點號」), Yidian's we-media platform, in China. Under the Contractual Arrangements, WFOE has acquired effective control over the financial and operational management and results of Yidian Technology and has become entitled to all the economic benefits generated by the business operated by Yidian Technology and its subsidiaries.

FINANCIAL INFORMATION RELATING TO THE DISPOSAL GROUP

The audited loss before and after taxation of the Disposal Group for the year ended 31 December 2018 was approximately RMB464,495,000 (approximately HK\$515,589,450) and RMB464,495,000 (approximately HK\$515,589,450), respectively. The audited loss before and after taxation of the Disposal Group for the year ended 31 December 2019 was approximately RMB250,348,000 (approximately HK\$277,886,280) and RMB250,348,000 (approximately HK\$277,886,280), respectively. The unaudited loss before and after taxation of the Disposal Group for the six months ended 30 June 2020 was approximately RMB171,071,000 (approximately HK\$189,888,810) and RMB171,071,000 (approximately HK\$189,888,810), respectively.

The audited carrying value of the investments in Cayman Company measured at fair value as at 31 December 2019 was approximately HK\$2,258,645,000, based on an independent valuation as at 31 December 2019 conducted by an independent valuer engaged by PNM to assist in the determination of fair value of the investments as at 31 December 2019 for financial reporting purpose, the details of which are also disclosed in the Company's previous published financial reports. Such independent valuation was based on scenario analysis, the weighted average valuation results derived from both the discounted cash flow model and the markets approach, and the probability of each scenario.

BASIS OF CONSIDERATION

The consideration for the 2020 Target Shares under the 2020 Agreement was determined based on normal commercial terms and after arm's length negotiations between PNM and the Purchaser with reference to a preliminary valuation of the Disposal Group at approximately RMB4,676,000,000 (22.45% of which is owned by PNM with a value of RMB1,050,000,000), taking into account various factors including (a) the price to sales ratio of listed market comparables, including A-share listed People.cn (人民網) and Xinhuanet (新華網) and NASDAQ listed Qutoutiao Inc. (趣頭條), which are all PRC internet companies principally engaged in the provision of contents and whose principal businesses are similar to that of the Disposal Group; (b) the business and financial performance of Yidian Technology in the first half of 2020 which was below expectation and not satisfactory; and (c) the need to strengthen PNM's cash position for other investment opportunities.

REASONS FOR AND BENEFITS OF THE DISPOSAL

The Group is a satellite television operator and, through its subsidiaries, is a leading satellite television operator broadcasting in the PRC as well as worldwide. Apart from satellite television broadcasting, the Group now has a diversified business portfolio covering internet media, outdoor media, animated comics, games, digital technologies, creative cultural, cloud technology services, education, exhibitions and other fields.

PNM (NYSE: FENG) is a leading new media company providing premium content on an integrated Internet platform, including PC and mobile, in China. Having originated from a leading global Chinese language TV network based in Hong Kong, Phoenix TV, PNM enables consumers to access professional news and other quality information and share user-generated content on the Internet through their PCs and mobile devices. PNM's platform includes its PC channel, consisting of ifeng.com website, which comprises interest-based verticals and interactive services; its mobile channel, consisting of mobile news applications, mobile video application, digital reading applications and mobile Internet website; and its operations with the

telecom operators that provides mobile value-added services.

The Purchaser has recently communicated with PNM about the arrangement of PNM Second Completion and wished to replace it with new terms. PNM considered various factors, including (i) business and financial performance of Yidian Technology; (ii) the uncertainties involved in any legal action to resolve the matter and the time, cost and management attention that will be incurred; (iii) the financial burden and investment risk faced by PNM if PNM Second Completion cannot be completed timely; (iv) the time required to find new buyers; and (v) PNM's plan to realize its investment gain in Yidian Technology and recoup the cash invested as soon as possible. Having considered the above factors, in particular that PNM will achieve a substantial gain from its investment in Yidian Technology despite the price per share under the 2020 Agreement is lower than the favorable price per share that PNM obtained under the terms of the Previous SPA, the PNM management considered that the prompt realization of investment in Yidian Technology and recoupment of cash through the 2020 Agreement is in line with PNM's investment strategy in relation to Yidian Technology and in the interest of PNM and its shareholders.

Based on the PNM management analysis above, and taking into account factors such as the independent management of PNM as a listed issuer, the PNM management's first-hand knowledge and deep understanding of the Yidian Technology investment, and that PNM will achieve a substantial gain overall from its investment in Yidian Technology, the Directors consider that the terms of the 2020 Agreement are fair and reasonable and in the interest of the Company and its Shareholders taking the Yidian Technology investment as a whole.

FINANCIAL EFFECTS

The outstanding shares held by PNM in Cayman Company was previously recognized as "financial assets at fair value through profit or loss" with fair value of approximately HK\$2,256,645,000 as at 31 December 2019 (as at 31 December 2018: approximately HK\$2,235,585,000).

Subject to and upon the completion of the Disposal, it is estimated that the Company will recognize an unaudited loss on the disposal (before tax and expenses) of approximately HK\$1,087 million for the year ending 31 December 2020, which was calculated with reference to the carrying value of approximately HK\$2,257 million. The actual loss as a result of the Disposal to be recorded by the Company is subject to audit and will be assessed after the completion of the Disposal.

After the transfer of the Pledged Shares, the Purchaser shall no longer be liable to repay the PNM Loan of US\$9,671,045.96. The estimated value of the Pledged Shares was approximately US\$6.8 million. It is estimated that the Company will recognize an unaudited loss of approximately US\$2.8 million for the year ending 31 December 2020, which was the difference between PNM Loan and estimated value of the Pledged Shares.

Upon the transfer of Pledged Shares to PNM, the 4,584,209 series D1 preferred shares of Cayman Company held by PNM will be recorded as "financial assets at fair value through profit and loss".

INTENDED USE OF PROCEEDS FROM THE DISPOSAL

The estimated net proceeds of US\$135 million (RMB945 million) (which was calculated based on the 2020 Offshore Target Shares Purchase Price netting off the disposal related taxes and expenses) derived from the Disposal will be held in cash, deposits or short-term investments, subject to the ongoing assessment of PNM's business development and funding requirements from time to time for future allocation of all or part of the proceeds to various potential uses, including but not limited to enhancing the operational capability of PNM's existing business, financing possible investment(s) and/or making dividend payment(s), if any.

IMPLICATIONS UNDER THE LISTING RULES

As one or more of the relevant percentage ratios under the Listing Rules in respect of the Disposal exceed 25% but are below 75%, the Disposal will constitute a major transaction for the Company and is subject to the announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

To the best of the Directors' knowledge, none of the Shareholders and their respective close associates has a materially different interest in the Disposal contemplated under the 2020 Agreement and the transactions contemplated thereunder or incidental thereto. No Shareholder is required to abstain from voting in respect of the resolution approving the 2020 Agreement and the transactions contemplated thereunder or incidental thereto at the EGM.

As more time is needed to prepare and finalize the relevant financial and other information to be included in the circular in accordance with the relevant requirements of the Listing Rules, a circular containing, among other things, further details of the Disposal and a notice convening the EGM to approve the 2020 Agreement and the transactions contemplated thereunder will be despatched to the Shareholders on or before 25 September 2020.

Completion of the transactions contemplated under the 2020 Agreement is subject to the satisfaction of the conditions disclosed in this announcement and may or may not materialize. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.

PROFIT ALERT

Based on the preliminary unaudited consolidated management accounts of the Group for the six months ended 30 June 2020 (the "Period"), the Group is expected to record a loss attributable to shareholders for the Period over HK\$900 million (compared to a loss of HK\$202 million for the six months ended 30 June 2019). Approximately HK\$530 million of the expected loss was due to our share of the expected valuation loss of the Group's investment in the Cayman Company aforementioned.

The above information is only based on a preliminary assessment by the Group's management according to the latest information currently available and the unaudited management accounts of the Group, which have not been audited or reviewed by the Company's independent auditor, nor have been reviewed by the audit committee of the Company, hence may be subject to further adjustment. The Group's results for the Period are expected to be published by the end of August 2020.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.

DEFINITIONS

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

“Announcements”	the announcements of the Company dated 27 February 2019, 25 March 2019, 30 May 2019, 28 June 2019, 25 July 2019, 22 October 2019 and 20 January 2020, respectively, in relation to the Disposal and its updates
“Beijing Subsidiary B”	Beijing Yidian Wangju Interaction Technology Co., Ltd.* (北京一點網聚互動科技有限公司), a limited company established in the PRC on 5 May 2017 and a member of the Disposal Group
“Beijing Subsidiary C”	Beijing Yidian Shuyu Technology Co., Ltd.* (北京一點數娛科技有限公司), a limited company established in the PRC on 1 December 2017 and a member of the Disposal Group
“Board”	the board of Directors
“business day”	a day (other than Saturdays and Sundays) on which banks are open for business in Hong Kong
“Cayman Company”	Particle Inc., an exempted company incorporated in the Cayman Islands on 22 July 2013 and a member of the Disposal Group
“Circulars”	the circulars of the Company dated 14 May 2019, 4 October 2019 and 20 April 2020, respectively, in relation to the Disposal
“close associate(s)”	has the meaning ascribed to it under the Listing Rules
“Company”	Phoenix Media Investment (Holdings) Limited (鳳凰衛視投資(控股)有限公司), a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the Main Board of the Stock Exchange
“Co-sale entities”	Shareholders of the Cayman Company who enjoy co-sale right according to constitutional documents of the Cayman Company

“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Disposal”	the disposal by PNM of the 2020 Target Shares to the Purchaser pursuant to the terms and conditions of the 2020 Agreement
“Disposal Group”	Cayman Company and its subsidiaries and entities controlled through the Contractual Arrangements (including US Subsidiary, HK Subsidiary, Beijing Subsidiary A, Beijing Subsidiary B, Beijing Subsidiary C, Yidian Technology, Tianjin Subsidiary and Shandong Subsidiary)
“ESOP”	the existing employee share option plan of Cayman Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“HK Subsidiary”	Particle (HK) Limited, a limited company incorporated in Hong Kong on 30 July 2013 and a member of the Disposal Group
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“independent third party(ies)”	independent third party(ies) who is/are, to the best of the Directors’ knowledge, information and belief having made all reasonable enquires, independent of the Company and its connected persons
“Letter of Intent”	the binding letter of intent entered into between PNM and the Purchaser regarding the proposed disposal of the Offshore Sale Shares in Cayman Company, which was superseded by the Share Purchase Agreement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Long De Chengzhang”	Long De Chengzhang Culture Communication (Tianjin) Co., Ltd. (龍德成長文化傳播(天津)有限公司), a limited company established in the PRC on 20 February 2017, a shareholder of the Cayman Company and an independent third party of the Company and PNM

“Long De Co-sale Entities”	Long De HK and Long De Tianjin
“Long De HK”	Long De Holdings (Hong Kong) Co., Limited, a shareholder of the Cayman Company
“Long De Second Completion”	See definition under the heading “Completion Arrangements of the Co-sale Shares” on page 7 of the announcement dated 20 January 2020
“Long De Second Completion Consideration”	See definition under the heading “Completion Arrangements of the Co-sale Shares” on page 7 of the Announcement dated 20 January 2020
“Long De Tianjin”	Longde Chengzhang (Tianjin) Investment Management Center (Limited Partnership)
“Long Stop Date”	See definition under the heading “Termination” on page 6 of this announcement
“Mr. Chen”	Mr. Chen Ming (陳明), a nominee to hold approximately 43.75% of the entire equity interest in Yidian Technology (representing RMB4,377,669 of the registered share capital in Yidian Technology) according to the Contractual Arrangements as of the date of signing the Share Purchase Agreement. Mr. Chen is a director of Phoenix New Media (Hong Kong) Company Limited, Beijing Fenghuang Tianbo Network Technology Co., Ltd.* (北京鳳凰天博網絡技術有限公司) and Shanghai Yixi Network Technology Co. Ltd.* (上海億息網絡技術有限公司), each a subsidiary of the Group.
“normal commercial terms or better”	has the meaning ascribed to it under the Listing Rules
“Original Deposit”	See definition under the heading “Introduction” on page 2 of this announcement
“percentage ratios”	the applicable percentage ratios set out in Rule 14.07 of the Listing Rules
“Pledged Shares”	See definition under the heading “Introduction” on page 2 of this announcement
“PNM”	Phoenix New Media Limited, a company incorporated in the Cayman Islands with limited liability, an indirectly non-owned subsidiary of the Company whose shares are listed by way of American depositary shares on the New York Stock Exchange in the United States

“PNM First Completion”	See definition under the heading “Proposed Amendments to the Terms of the Disposal” on page 4 of the announcement dated 20 January 2020
“PNM Group”	PNM and its subsidiaries
“PNM Loan”	See definition under the heading “Introduction” on page 2 of this announcement
“PNM Second Completion”	See definition under the heading “Proposed Amendments to the Terms of the Disposal” on page 4 of the announcement dated 20 January 2020
“PNM Second Completion Shares”	See definition under the heading “Proposed Amendments to the Terms of the Disposal” on page 4 of the announcement dated 20 January 2020
“PRC”	the People’s Republic of China, which for the purpose of this circular, excludes Hong Kong, Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Previous SPA”	See definition under the heading “Introduction” on page 2 of this announcement
“Purchaser”	Run Liang Tai Management Limited, a company with limited liability incorporated in Hong Kong on 27 April 2016
“Residual Consideration Deposit”	a deposit in respect of the residual of the Consideration in the amount of US\$50 million
“Residual Consideration Deposit Interest”	the interest accrued from the Residual Consideration Deposit
“RMB”	Renminbi, the lawful currency of the PRC
“Revised Residual Consideration”	See definition under the heading “Completion of the Disposal as revised by the New Agreement” on page 10 of the announcement dated 20 January 2020
“Shandong Subsidiary”	Shandong Yidian Zhiyue Information Technology Co., Ltd.* (山東一點智越信息科技有限公司), a limited company established in the PRC on 20 December 2017 and a member of the Disposal Group

“Share(s)”	ordinary share(s) of HK\$0.10 each in the Company
“Shareholder(s)”	holder(s) of the Shares
“Shareholders Agreement”	The Eighth Amended and Restated Shareholders Agreement of the Cayman Company dated 8 August 2018
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Tianjin Subsidiary”	Tianjin Yidian Xintong Technology Co., Ltd.* (天津一點信通科技有限公司), a limited company established in the PRC on 28 April 2018 and a member of the Disposal Group
“US\$”, “USD” or “US dollars”	United States dollars, the lawful currency of the United States
“US Subsidiary”	Particle Media Inc., a limited company incorporated in the State of Delaware on 2 September 2016 and a member of the Disposal Group
“WFOE” or “Beijing Subsidiary A”	Beijing Particle Information Technology Co., Ltd.* (北京一點網聚信息技術有限公司), a limited company established in the PRC on 24 December 2013 and a member of the Disposal Group
“Yidian Technology”	Beijing Yidianwangju Technology Co., Ltd.* (北京一點網聚科技有限公司), a limited company established in the PRC on 23 August 2013 and a member of the Disposal Group
“%”	per cent.
“2020 Agreement”	See definition under the heading “Introduction” on page 2 of this announcement
“2020 Offshore Share Transfer”	See definition under the heading “Introduction” on page 2 of this announcement
“2020 Offshore Target Shares”	See definition under the heading “Introduction” on page 2 of this announcement
“2020 Offshore Target Shares Purchase Price”	See definition under the heading “Sale and Purchase of 2020 Target Shares” on page 3 of this announcement
“2020 Onshore Share Transfer”	See definition under the heading “Introduction” on page 2 of this announcement

“2020 Onshore Target Shares”	See definition under the heading “Introduction” on page 2 of this announcement
“2020 Onshore Target Shares Purchase Price”	See definition under the heading “Sale and Purchase of 2020 Target Shares” on page 3 of this announcement
“2020 Payable Amount”	See definition under the heading “Sale and Purchase of 2020 Target Shares” on page 3 of this announcement
“2020 Target Shares”	See definition under the heading “Introduction” on page 2 of this announcement

** for identification purpose only*

For the purpose of this announcement, unless otherwise specified, conversions of the US dollars into Hong Kong dollars are based on the approximate exchange rates of US\$1.00 to HK\$7.8 and conversions of the RMB into Hong Kong dollars are based on the approximate exchange rates of RMB\$1.00 to HK\$1.11. Such exchange rate has been used, where applicable, for the purpose of illustration only and does not constitute a representation that any amounts were or may have been exchanged at this or any other rates or at all.

By Order of the Board
Phoenix Media Investment (Holdings) Limited
LIU Changle
Chairman

Hong Kong, 10 August 2020

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

Non-executive Directors

Mr. JIAN Qin, Mr. ZHANG Dong, Mr. HUANG Tao and Mr. SUN Qiang Chang

Independent Non-executive Directors

Mr. LEUNG Hok Lim, Mr. Thaddeus Thomas BECZAK, Mr. FANG Fenglei and Mr. HE Di