

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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)

CONNECTED TRANSACTION

On 20 March 2015, Phoenix HK, through Sino TV, entered into the Advertising & Sponsorship Contract with LLT for the Sponsorship Period from 30 March 2015 to 31 December 2015.

The Transaction constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules. As one of the applicable percentage ratios for the Advertising & Sponsorship Contract exceeds 0.1% but less than 5%, the Transaction is subject to the reporting, announcement and annual review requirements and is exempt from the independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

INTRODUCTION

The Board wishes to announce that on 20 March 2015, Phoenix HK, through Sino TV, entered into the Advertising & Sponsorship Contract with LLT for the Sponsorship Period from 30 March 2015 to 31 December 2015.

ADVERTISING & SPONSORSHIP CONTRACT

Pursuant to the Advertising & Sponsorship Contract, LLT agreed to sponsor the television programme 《世界因你而美麗－影响世界華人盛典》 of the Group during the Sponsorship Period (i.e. from 30 March 2015 to 31 December 2015). During the Sponsorship Period, LLT can place advertisements via Phoenix Chinese Channel, Phoenix InfoNews Channel and the on-the-ground advertisements for the said programme.

The Sponsorship Amount is RMB6,550,000 (equivalent to approximately HK\$8,112,175) in total, which shall be settled by LLT in ten instalments from 26 March 2015 to 15 December 2015.

Sino TV, to the best of the Directors' knowledge, information and belief having made all reasonable enquiry, is an independent third party which is (i) not connected with any of the directors, chief executives, substantial shareholders of the Company or any of its subsidiaries or any of their respective associates; and (ii) not a connected person of the Company.

REASONS FOR AND BENEFITS OF THE TRANSACTION

Phoenix HK sells advertising airtime and programme sponsorship on its satellite television channels in its ordinary course of business. Income generated from the sale of advertising airtime and programme sponsorship forms the major part of its turnovers. By selling advertising airtime and programme sponsorship to LLT, the Group is able to generate more income for its operation and business.

The Advertising & Sponsorship Contract was entered into by the parties after arm's length negotiation such that the advertising airtime and programme sponsorship provided by the Group to other customers with similar purchase will be at rates no less favorable than that of the Advertising & Sponsorship Contract. The Sponsorship Amount under the Advertising & Sponsorship Contract was agreed between the parties with reference to (i) the rate card published by Phoenix HK from time to time which contains the pricing structure for the sale of advertising airtime on its satellite television channels; and (ii) the advertising discounts policy of Phoenix HK.

The Directors (including the independent non-executive Directors) considered that the Advertising & Sponsorship Contract was entered into on normal commercial terms and in the ordinary and usual course of business of the Group, and the terms thereof and the Sponsorship Amount are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Mr. LIU Changle, the Director of the Company, had abstained from voting on the Board resolutions approving the Advertising & Sponsorship Contract due to his connected relationship with LLT. Save as disclosed above, none of the Directors has a material interest in the Advertising & Sponsorship Contract.

IMPLICATIONS UNDER THE LISTING RULES

As Mr. He Xin, the controlling shareholder of LLT, is the son-in-law of Mr. Liu Changle, who is the Chairman of the Board and Chief Executive Officer of the Company, LLT is therefore a connected person of the Company under the Listing Rules and accordingly the Transaction constitutes a connected transaction for the Company under Chapter 14A of the Listing Rules.

As one of the applicable percentage ratios for the Advertising & Sponsorship Contract exceeds 0.1% but less than 5%, the Transaction is subject to the reporting, announcement and annual review requirements and is exempt from the independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

GENERAL

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

LLT is an internet finance company established in the PRC, and is mainly engaged in provision of platforms for P2P online lending and rewards-based crowd-funding business.

Unless otherwise stated in this announcement and for the purpose of illustration only, amounts quoted in RMB have been converted into HK\$ at the rate of RMB1 to HK\$1.2385. Such exchange rates have been used, where applicable, for the purpose of illustration only and do not constitute representations that any amounts were or may have been exchanged at these or any other rates or at all.

DEFINITIONS

“Advertising & Sponsorship Contract”	the advertising and sponsorship contract entered into between Sino TV (acting as the agent of Phoenix HK in this Transaction) and LLT dated 20 March 2015 relating to the purchase of advertising airtime and programme sponsorship of the Group for the period from 30 March 2015 to 31 December 2015
“associates”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Company”	Phoenix Satellite Television Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the Stock Exchange
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company, including independent non-executive director(s)
“Group”	the Company and its subsidiaries

“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“LLT”	北京鳳凰理理它信息技術有限公司 (Beijing Phoenix Li Li Ta Information Technology Co, Ltd.*), a limited company established under the laws of the PRC
“Phoenix HK”	Phoenix Satellite Television Company Limited, a company incorporated in Hong Kong with limited liability and is an indirect wholly-owned subsidiary of the Company
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, which for the purpose of this announcement, shall exclude Hong Kong, the Macau Special Administrative Region and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	holder(s) of ordinary shares of HK\$0.10 each in the issued share capital of the Company
“Sino TV”	神州電視有限公司 (Sino Television Co., Ltd.*), a company established under the laws of the PRC and is the PRC advertising agent of Phoenix HK
“Sponsorship Amount”	the total amount payable by LLT under the Advertising & Sponsorship Contract
“Sponsorship Period”	from 30 March 2015 to 31 December 2015
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Transaction”	the transactions contemplated under the Advertising & Sponsorship Contract
“%”	per cent.

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

Hong Kong, 20 March 2015

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. SHA Yuejia, Mr. GAO Nianshu, Mr. GONG Jianzhong and Mr. SUN Yanjun

Independent Non-executive Directors

Dr. LO Ka Shui, Mr. LEUNG Hok Lim, Mr. Thaddeus Thomas BECZAK and Mr. FANG Fenglei

Alternate Director

Mr. LAU Wai Kei, Ricky (alternate director to Mr. SUN Yanjun)

** For identification purpose only*