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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)

**CONTINUING CONNECTED TRANSACTION
THE 2018 MIGU ADVERTISING CONTRACT**

On 19 March 2018, PMM, a subsidiary of the Company, entered into the 2018 MIGU Advertising Contract with MIGU for the period of one year commencing from the Effective Date for promoting the businesses of the MIGU Group at a maximum contract sum not exceeding RMB14,520,000 (equivalent to approximately HK\$17,975,760).

The Transactions constitute continuing connected transactions for the Company under Chapter 14A of the Listing Rules. As the applicable percentage ratios for the maximum contract sum under 2018 MIGU Advertising Contract alone or when aggregated with other relevant transactions with CMCC Group within the past 12 months, i.e. CMGHC Advertising Contract, 2nd CMGG Advertising Contract, MIGU Building Advertising Contract, CMGS Advertising Contract, 3rd MIGU Advertising Contract, 2nd MIGU Advertising Contract, the CMGGD Advertising Contract, CMI Advertising Contract, the 2017 CMGD Outdoor Advertising Contract, the 2017 CMC Outdoor Advertising Contract, the MIGU Advertising Contract, the CMGG Advertising Contract, the 2016 CMGD Outdoor Advertising Contract and the 2016 CMC Outdoor Advertising Contract exceed 0.1% but are less than 5%, the 2018 MIGU Advertising Contract and the Transactions are subject to reporting, announcement and annual review requirements but are exempt from the independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

INTRODUCTION

The Board is pleased to announce that on 19 March 2018, PMM has entered into the 2018 MIGU Advertising Contract with MIGU. Prior to the 2018 MIGU Advertising Contract, PMM has already entered into the MIGU Advertising Contract, the 2nd MIGU Advertising Contract, 3rd MIGU Advertising Contract and the MIGU Building Advertising Contract with MIGU on 21 March 2017, 26 September 2017, 27 September 2017 and 11 October 2017 respectively. For details, please refer to the announcement of the Company dated 21 March 2017 and 26 September 2017.

THE 2018 MIGU ADVERTISING CONTRACT

Pursuant to the 2018 MIGU Advertising Contract, MIGU may place advertisements on the LED Panels operated by or licensed to PMM in the PRC for the period of one year commencing from the Effective Date for promoting the businesses of the MIGU Group. The maximum contract sum shall be RMB14,520,000 (equivalent to approximately HK\$17,975,760) (inclusive of sales tax). There is no minimum amount of advertisement required to be placed by MIGU under the 2018 MIGU Advertising Contract.

The advertising fee of each advertisement will be agreed between PMM and MIGU with reference to the rate card published by PMM from time to time which contains the pricing structure of the sale of advertisement airtime on the outdoor LED panels. MIGU will be provided with a discount of around 90% to 91% off the rate card published by PMM after taking into account of the actual local market condition and the advertising budget of MIGU Group.

Under the 2018 MIGU Advertising Contract, MIGU shall pay the advertising fees in arrears on a quarterly basis. Such advertising fees shall be paid by cheque, cash or telegraphic transfer within 20 business days immediately after the receipt of value-added tax invoice issued by PMM and the written confirmation issued by a third party mass media agency authorized by MIGU to monitor the broadcast conditions.

The actual transaction amounts incurred under the MIGU Advertising Contract during the contract term up to 31 December 2017 are RMB3,765,600 (equivalent to approximately HK\$4,661,812.80). The actual transaction amounts incurred under the 2nd MIGU Advertising Contract during the contract term up to 31 December 2017 are RMB3,943,600 (equivalent to approximately HK\$4,882,176.80). The actual transaction amounts incurred under the 3rd MIGU Advertising Contract during the contract term up to 31 December 2017 are RMB317,200 (equivalent to approximately HK\$392,693.60). The actual transaction amounts incurred under the MIGU Building Advertising Contract during the contract term up to 31 December 2017 are RMB481,296 (equivalent to approximately HK\$595,844.45). The actual transaction amounts incurred between PMM and the CMCC Group for the period from 1 January 2017 to 31 December 2017 under CMGHC Advertising Contract, 2nd CMGG Advertising Contract, MIGU Building Advertising Contract, CMGS Advertising Contract, 3rd MIGU Advertising Contract, 2nd MIGU Advertising Contract, the CMGGD Advertising Agreement, CMI Advertising Agreement, the 2017 CMGD Outdoor Advertising Contract, the 2017 CMC Outdoor

Advertising Contract, the MIGU Advertising Contract, the CMGG Advertising Contract, the 2016 CMGD Outdoor Advertising Contract and the 2016 CMC Outdoor Advertising Contract in aggregate are RMB27,900,873.26 (equivalent to approximately HK\$34,541,281.10).

REASONS FOR AND BENEFITS OF THE 2018 MIGU ADVERTISING CONTRACT

PMM and/or its subsidiaries sell advertising airtime on the outdoor LED Panels operated by or licensed to them in their usual and ordinary course of business. Income generated from the sale of advertising airtime forms the major part of their turnovers. By selling advertising airtime to MIGU, the Group is able to generate more income for its operation and business.

The 2018 MIGU Advertising Contract was entered into by the respective parties thereto after arm's length negotiation such that the advertising airtime on the outdoor LED Panels provided by the Group, through PMM, to other customers with similar purchase will be at rates no less favourable than that of the 2018 MIGU Advertising Contract. The total contract sum under the 2018 MIGU Advertising Contract was agreed between the parties with reference to the rate card published by PMM from time to time which contains the pricing structure for the sale of advertising airtime on the outdoor LED Panels, and the evaluation of the marketing and promotional activities of MIGU in the PRC for 2018 and 2019.

IMPLICATIONS UNDER THE LISTING RULES

As Extra Step Investments Limited, a wholly-owned subsidiary of CMHKG, is a substantial shareholder of the Company, which, as at the date of this announcement, held approximately 19.69% of the issued share capital of the Company, and both CMC and its subsidiary, MIGU, being indirect subsidiaries of CMHKG, are associates of Extra Step Investments Limited, CMC and MIGU are connected persons of the Company under the Listing Rules and accordingly the 2018 MIGU Advertising Contract constitutes continuing connected transaction for the Company under Chapter 14A of the Listing Rules.

As the applicable percentage ratios for the maximum contract sum under 2018 MIGU Advertising Contract alone or when aggregated with other relevant transactions with CMCC Group within the past 12 months, i.e. CMGHC Advertising Contract, 2nd CMGG Advertising Contract, MIGU Building Advertising Contract, CMGS Advertising Contract, 3rd MIGU Advertising Contract, 2nd MIGU Advertising Contract, the CMGGD Advertising Contract, CMI Advertising Contract, the 2017 CMGD Outdoor Advertising Contract, the 2017 CMC Outdoor Advertising Contract, the MIGU Advertising Contract, the CMGG Advertising Contract, the 2016 CMGD Outdoor Advertising Contract and the 2016 CMC Outdoor Advertising Contract exceed 0.1% but are less than 5%, the 2018 MIGU Advertising Contract and the Transactions are subject to reporting, announcement and annual review requirements but are exempt from the independent shareholders' approval requirements under Chapter 14A of the Listing Rules.

VIEWS OF THE DIRECTORS

The Directors (including the independent non-executive Directors) considered that the 2018 MIGU Advertising Contract was on normal commercial terms or better and entered into in the ordinary and usual course of business of PMM and/or its subsidiaries, and the relevant terms thereof and the maximum contract sum of RMB14,520,000 (equivalent to approximately HK\$17,975,760) are fair and reasonable and the Transactions are in the interests of the Company and the Shareholders as a whole.

Two of the Directors, namely Mr. SHA Yuejia and Mr. XIA Bing, have abstained from voting on the Board resolutions approving the 2018 MIGU Advertising Contract due to the fact that Mr. SHA Yuejia and Mr. XIA Bing are Directors nominated by a member of the CMCC Group. Save as disclosed above, none of the Directors has a material interest in the 2018 MIGU Advertising Contract.

GENERAL

The Group is a satellite television operator and, through its subsidiaries, is a leading satellite television broadcasting and new media services provider.

CMHKG is the substantial shareholder of China Mobile Limited, which is a leading mobile telecommunications services provider in the PRC, providing mobile telecommunications and related services in all 31 provinces, autonomous regions and directly-administered municipalities throughout the PRC and in Hong Kong. The ordinary shares of China Mobile Limited are listed on the Stock Exchange and its American depositary shares are listed on the New York Stock Exchange.

CMC, a wholly-owned subsidiary of China Mobile Limited, acts as China Mobile Limited's network and business coordination center in the PRC.

MIGU is a subsidiary of CMC. MIGU integrates the businesses of CMC's music, video, reading, games, animation etc, responsible for the digital content areas of product operations and services business.

TERMS USED IN THIS ANNOUNCEMENT

- “2nd MIGU Advertising Contract” the advertising contract entered into between PMM and MIGU dated 26 September 2017 relating to the purchase of advertising airtime by MIGU on the LED panels operated by or licensed to PMM and/or its subsidiaries in the PRC from 26 September 2017 to 25 September 2018 for the sum of not exceeding RMB8,540,000 (equivalent to approximately HK\$9,995,216, at the conversion rate of RMB1 to HK\$1.1704)
- “2nd CMGG Advertising Contract” the advertising contract entered into between PMM and CMGG dated 2 November 2017 relating to the purchase of advertising airtime by CMGG on the LED Panels operated by or licensed to PMM and/or its subsidiaries in the PRC for the period from 2 November 2017 to 31 March 2018 for a sum of not exceeding RMB964,600 (equivalent to approximately HK\$1,136,974.02, at the conversion rate of RMB1 to HK\$1.1787)
- “2016 CMGD Outdoor Advertising Contract” the advertising contract entered into between PMM and CMGD dated 26 April 2016 relating to the purchase of advertising airtime by CMGD Group on the LED Panels operated by or licensed to PMM and/or its subsidiaries in the PRC for the period from 26 April 2016 to 31 March 2017 for the sum of no more than RMB7,510,000 (equivalent to approximately HK\$8,959,430, at the conversion rate of RMB1 to HK\$1.193)
- “2016 CMC Outdoor Advertising Contract” the advertising contract entered into between PMM and CMC dated 26 April 2016 relating to the purchase of advertising airtime by CMC on the LED Panels operated by or licensed to PMM and/or its subsidiaries in the PRC for the period from 26 April 2016 to 31 March 2017 for the sum of not exceeding RMB15,930,000 (equivalent to approximately HK\$19,004,490, at the conversion rate of RMB 1 to HK\$1.193)

“2017 CMGD Outdoor Advertising Contract”	the advertising contract entered into between PMM and CMGD dated 6 July 2017 relating to the purchase of advertising airtime by CMGD on the LED Panels operated by or licensed to PMM and/or its subsidiaries in the PRC for the period from 6 July 2017 to 31 March 2018 for the sum of not exceeding RMB5,970,000 (equivalent to approximately HK\$6,763,413, at the conversion rate of RMB1 to HK\$1.1329)
“2017 CMC Outdoor Advertising Contract”	the advertising contract entered into between PMM and CMC dated 18 May 2017 relating to the purchase of advertising airtime by CMC on the LED Panels operated by or licensed to PMM and/or its subsidiaries in the PRC for the period from 18 May 2017 to 31 March 2018 for the sum of not exceeding RMB13,130,000 (equivalent to approximately HK\$14,817,205, at the conversion rate of RMB1 to HK\$1.1285)
“2018 MIGU Advertising Contract”	the advertising contract entered into between PMM and MIGU dated 19 March 2018 relating to the purchase of advertising airtime by MIGU on the LED panels operated by or licensed to PMM and/or its subsidiaries in the PRC for the period of one year from the Effective Date for the sum of not exceeding RMB14,520,000 (equivalent to approximately HK\$17,975,760)
“3rd MIGU Advertising Contract”	the advertising contract entered into between PMM and MIGU dated 27 September 2017 relating to the purchase of advertising airtime by MIGU on the LED panels operated by or licensed to PMM and/or its subsidiaries in the PRC for the period from 27 September 2017 to 26 September 2018 for the sum of not exceeding RMB629,200 (equivalent to approximately HK\$736,415.68, at the conversion rate of RMB1 to HK\$1.1704)
“associates”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“CMC”	中國移動通信有限公司(China Mobile Communication Co., Ltd.), a company established under the laws of the PRC with limited liability, and an indirect subsidiary of CMHKG

“CMCC”	中國移動通信集團有限公司(China Mobile Communications Group Co., Ltd), a state-owned enterprise established under the laws of the PRC
“CMCC Group”	CMCC and its associates
“CMGD”	中國移動通信集團終端有限公司(China Mobile Group Device Co., Ltd.), a company established under the laws of the PRC and a subsidiary of CMC
“CMGD Group”	CMGD and/or its branch companies
“CMGGD”	中國移動通信集團廣東有限公司(China Mobile Group Guangdong Co., Ltd), a company established under the laws of the PRC and a subsidiary of CMC.
“CMGGD Advertising Contract”	the advertising contract entered into between PMM and CMGGD dated 14 July 2017 relating to the purchase of advertising airtime by CMGGD on the LED Panels operated by or licensed to PMM in the PRC for the period from 14 July 2017 to 31 March 2018 for the sum of not exceeding RMB584,000 (equivalent to approximately HK\$661,613.60, at the conversion rate of RMB1 to HK\$1.1329)
“CMGG Advertising Contract”	the advertising contract entered into between PMM and CMGG dated 25 January 2017 (as amended by a supplemental contract dated 25 January 2017) relating to the purchase of advertising airtime by CMGG on the LED Panels operated by or licensed to PMM and/or its subsidiaries in the PRC for the period from the effective date of the CMGG Advertising Contract to 31 March 2017 for a sum of not exceeding RMB2,120,000 (equivalent to approximately HK\$2,374,824, at the conversion rate of RMB1 to HK\$1.1202)
“CMGG”	中國移動通信集團貴州有限公司(China Mobile Group Guizhou Co., Ltd), a company established under the laws of the PRC and a subsidiary of CMC

“CMGHC Advertising Contract”	the advertising contract entered into between PMM and CMGHC dated 30 November 2017 relating to the purchase of advertising airtime by CMGHC on the LED panels operated by or licensed to PMM and/or its subsidiaries in the PRC for the period from 30 November 2017 to 31 March 2018 for the sum of not exceeding RMB600,000 (equivalent to approximately HK\$707,220, at the conversion rate of RMB1 to HK\$1.1787)
“CMGHC”	中國移動通信集團湖南有限公司長沙分公司(China Mobile Group Hunan Co., Ltd, Changsha branch), a company established under the laws of the PRC and a subsidiary of CMC
“CMGS Advertising Contract”	the advertising contract entered into between PMM and CMGS dated 27 September 2017 relating to the purchase of advertising airtime by CMGS on the LED panels operated by or licensed to PMM and/or its subsidiaries in the PRC for the period from 27 September 2017 to 26 September 2018 for the sum of not exceeding RMB900,000 (equivalent to approximately HK\$1,053,360, at the conversion rate of RMB1 to HK\$1.1704)
“CMGS”	中國移動通信集團四川有限公司 (China Mobile Group Sichuan Co., Ltd), a company established under the laws of the PRC and a subsidiary of CMC
“CMHKG”	China Mobile (Hong Kong) Group Limited, a company incorporated in Hong Kong with limited liability and a subsidiary of CMCC
“CMI”	中移互聯網有限公司(China Mobile Internet Co., Ltd), a company established under the laws of the PRC and a subsidiary of CMC
“CMI Advertising Contract”	the advertising contract entered into between PMM and CMI dated 25 July 2017 relating to the purchase of advertising airtime by CMI on the LED Panels operated by or licensed to PMM in the PRC for the period from 25 July 2017 to 31 March 2018 for the sum of not exceeding RMB1,400,000 (equivalent to approximately HK\$1,605,940, at the conversion rate of RMB1 to HK\$1.1471)

“Company”	Phoenix Satellite Television Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Directors”	the director(s) of the Company, including independent non-executive director(s)
“Effective Date”	19 March 2018, being the date of signing of the 2018 MIGU Advertising Contract
“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 People’s Republic of China
“LED Panels”	giant-sized light-emitting diode panels
“Listing Rules”	The Rules Governing the Listing of Securities on the Stock Exchange
“MIGU Advertising Contract”	the advertising contract entered into between PMM and MIGU dated 21 March 2017 relating to the purchase of advertising airtime by MIGU on the LED Panels operated by or licensed to PMM in the PRC for the period of one year commencing from 21 March 2017 for the sum of not exceeding RMB3,800,000 (equivalent to approximately HK\$4,306,540, at the conversion rate of RMB1 to HK\$1.1333)
“MIGU”	咪咕文化科技有限公司(MIGU Cultural and Technology Co., Ltd.), a company established under the laws of the PRC and a subsidiary of CMC
“MIGU Building Advertising Contract”	the advertising contract entered into between PMM and MIGU dated 11 October 2017 relating to the purchase of advertising airtime by MIGU on the LED panels operated by or licensed to PMM and/or its subsidiaries in the PRC for the period from 11 October 2017 to 10 October 2018 for the sum of not exceeding RMB962,586 (equivalent to approximately HK\$1,144,899.79 at the conversion rate of RMB1 to HK\$1.1894)

“MIGU Group”	MIGU and its subsidiaries
“PMM”	鳳凰都市傳媒科技股份有限公司(Phoenix Metropolis Media Technology Company Limited*)(formerly known as 鳳凰都市 (北京) 廣告傳播有限公司(Phoenix Metropolis Media (Beijing) Company Limited*)), a company incorporated in the PRC with limited liability and is 45.54% indirectly held by the Company. As the Group is able to govern the financial and operating policies of PMM by virtue of de-facto control, PMM is thus regarded as a subsidiary of the Company
“PRC”	the People’s Republic of China, which for the purpose of this announcement, shall exclude Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	holder(s) of the ordinary shares of HK\$0.10 each in the issued share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Transactions”	the transactions contemplated under the 2nd MIGU Advertising Contract
“%”	per cent

For the purpose of this announcement, the exchange rate of RMB 1 = HK\$1.2380 has been adopted. No representation is made as to whether any amount in RMB or HK\$ can or could have been converted at the relevant dates at the above rates or any other rates at all.

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

Hong Kong, 19 March 2018

As at the date of this announcement, the Board comprises:

Executive Directors

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

Non-executive Directors

Mr. SHA Yuejia, Mr. XIA Bing, Mr. GONG Jianzhong and Mr. SUN Yanjun

Independent Non-executive Directors

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

Alternate Director

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

** For identification purposes only*