

CHAIRMAN'S STATEMENT

主席報告書

Although the traditional media business environment is still critical, revenue from the outdoor media business increased.

The Group's revenue for the year ended 31 December 2018 was approximately HK\$4,062,816,000, which represented an increase of 2.7 % over the previous year.

雖然傳統媒體經營環境仍然嚴峻，戶外媒體業務的收入仍然有增長。

截至2018年12月31日止年度，本集團的收入約為4,062,816,000港元，較去年增加2.7%。



CHAIRMAN'S STATEMENT

主席報告書

Financial Summary

- Revenue for the year ended 31 December 2018 was approximately HK\$4,062,816,000, which represented an increase of 2.7% over the previous year.
- Profit attributable to owners of Phoenix Media Investment (Holdings) Limited (the "**Company**") was approximately HK\$243,790,000.
- The board of directors of the Company (the "**Board**") recommended a final dividend of 1 Hong Kong cent per ordinary share of the Company (the "**Share(s)**").

Results

The revenue of the Company and its subsidiaries (the "**Group**") for the year ended 31 December 2018 was approximately HK\$4,062,816,000 (year ended 31 December 2017: HK\$3,957,487,000), which represented an increase of 2.7% over the previous year. Although the traditional media business environment is still crucial to the Company's income, revenue from the outdoor media business increased. The operating costs have increased 7.8% to approximately HK\$4,129,514,000 (year ended 31 December 2017: HK\$3,829,558,000) compared to the previous year. The increase in operating costs was primarily due to an increase in the contribution required by the strategic upgrade of the Group.

財務概要

- 截至2018年12月31日止年度的收入約為4,062,816,000港元，較去年增加2.7%。
- 鳳凰衛視投資(控股)有限公司(「**本公司**」)擁有人應佔溢利約為243,790,000港元。
- 本公司董事會(「**董事會**」)建議派發末期股息每股本公司普通股(「**股份**」)1港仙。

業績

本公司及其附屬公司(「**本集團**」)截至2018年12月31日止年度的收入約為4,062,816,000港元(截至2017年12月31日止年度: 3,957,487,000港元)，較去年增加2.7%。雖然傳統媒體經營環境仍對本集團收入極為重要，戶外媒體業務的收入出現增長。經營成本較去年增加7.8%至約4,129,514,000港元(截至2017年12月31日止年度: 3,829,558,000港元)。經營成本增加主要由於本集團戰略升級所需之投入增加所致。

CHAIRMAN'S STATEMENT

主席報告書

The operating loss of the Group for the year ended 31 December 2018 was approximately HK\$66,698,000 (year ended 31 December 2017: operating profit of HK\$127,929,000).

截至2018年12月31日止年度，本集團經營虧損約為66,698,000港元（截至2017年12月31日止年度：經營溢利127,929,000港元）。

Fair value gain on financial assets related to subsequent measurement of internet media's investment in Particle Inc. for the year ended 31 December 2018 was approximately HK\$802,877,000 (year ended 31 December 2017: HK\$285,352,000).

截至2018年12月31日止年度，與其後計量的互聯網媒體於Particle Inc. 投資有關的財務資產公平值收益約為802,877,000港元（截至2017年12月31日止年度：285,352,000港元）。

Fair value gain of approximately HK\$7,533,000 (year ended 31 December 2017: HK\$44,868,000) was recognized for the investment properties in Beijing and London.

位於北京及倫敦的投資物業確認公平值收益約為7,533,000港元（截至2017年12月31日止年度：44,868,000港元）。

The net exchange loss of the Group for the year ended 31 December 2018 was approximately HK\$17,906,000 (year ended 31 December 2017: gain of HK\$8,083,000) mainly resulting from the depreciation of the Renminbi.

本集團截至2018年12月31日止年度錄得匯兌虧損淨額約17,906,000港元（截至2017年12月31日止年度：收益8,083,000港元），主要源自人民幣貶值。

The profit attributable to owners of the Company was approximately HK\$243,790,000 (year ended 31 December 2017: HK\$286,248,000).

本公司擁有人應佔溢利約為243,790,000港元（截至2017年12月31日止年度：286,248,000港元）。

CHAIRMAN'S STATEMENT

主席報告書

The chart below summarises the performance of the Group for the year ended 31 December 2018 and the year ended 31 December 2017 respectively.

下表分別概述本集團截至2018年12月31日止年度及截至2017年12月31日止年度的表現。

		Year ended 31 December 截至12月31日止年度	
		2018 2018年 HK\$'000 千港元	2017 2017年 HK\$'000 千港元
Television broadcasting	電視廣播	1,284,068	1,336,615
Internet media	互聯網媒體	1,690,804	1,733,094
Outdoor media	戶外媒體	823,084	721,436
Real estate	房地產	68,404	29,464
Other businesses	其他業務	196,456	136,878
Group's total revenue	本集團總收入	4,062,816	3,957,487
Operating costs	經營成本	(4,129,514)	(3,829,558)
Operating (loss)/profit	經營(虧損)/溢利	(66,698)	127,929
Fair value gain on investment properties	投資物業公平值收益	7,533	44,868
Net gain on internet media investment	互聯網媒體投資的收益淨額		
Fair value gain	公平值收益	802,877	285,352
Interest income	利息收入	4,389	136,124
Exchange (loss)/gain, net	匯兌(虧損)/收益淨額	(17,906)	8,083
Gain on deemed disposal of a subsidiary	視作出售一間附屬公司之收益	—	5,007
Other income, net	其他收入淨額	33,857	16,812
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	764,052	624,175
Share of results of joint ventures and associates	攤佔合營企業及聯營公司業績	14,059	(13,743)
Income tax expense	所得稅費用	(216,768)	(89,579)
Profit for the year	年度溢利	561,343	520,853
Non-controlling interests	非控股權益	(317,553)	(234,605)
Profit attributable to owners of the Company	本公司擁有人應佔溢利	243,790	286,248
Basic earnings per share, Hong Kong cents	每股基本盈利，港仙	4.88	5.73

CHAIRMAN'S STATEMENT

主席報告書

Business Overview and Prospects

With an insight into the perplexing media market which is experiencing drastic changes in the global political and economic environment, Phoenix TV has adjusted its operations by setting a three-year development goal of strategic upgrade: leveraging Phoenix TV's brand influence and professionalism to build an internationally leading high-tech omni-media group focused on content operations and driven by cross-sector integration. In 2018, the first year in which the strategy was implemented, the Group constantly improved the operation system with perseverance, innovation, prioritization, integration and choice-making. Driven by technological innovation and capital operation, the Group promoted the coordinated development of its various business segments, as well as controlling operation costs reasonably with consideration to the business operations. The financial performance of the Company was in-line with its transformation and upgrade. Liu Changle, the Chairman and Chief Executive Officer of the Company, remains positive on the prospect of the Group's strategic transformation and upgrade.

Based in Hong Kong, Phoenix TV serves Chinese all over the world. The news and information production of Phoenix TV upholds the philosophy of "Global Outlook and Chinese Perspective". It emphasises integrating its brand with the local culture, communicates with the world with professionalism and passion, and plays a crucial role in promoting Chinese culture, hence becoming a media platform facilitating linkage and communication between China and the rest of the world. In 2018, our global Phoenix TV team witnessed and immediately reported on world events such as China's diplomatic relations with many major countries, the Inter-Korean Summits, the U.S.-North Korea Summit, the China-U.S. trade tensions, the U.S. mid-term elections, the progress of Brexit, the Russian presidential election, etc. The coverage of these developments won praise and acclaim from Chinese audiences all over the world, reflecting the international characteristics and global influence of Phoenix TV.

業務概覽及前景

針對震盪的全球政經環境與劇變的媒體市場，鳳凰衛視見微知著、因時而化，確立三年戰略轉型升級發展目標：依託鳳凰衛視品牌力與專業精神，打造以內容運營為核心、跨界融合發展的、國際領先的高科技全媒體集團。作為實施該策略的第一年，2018年度，本集團業務體系持續演進，有所堅持、有所創新、有所側重、有所融合、有所取捨。在技術創新和資本運作的驅動下，本集團推動了各業務版塊的協同發展，同時結合業務實際合理管控經營成本。本公司的財務表現與轉型升級過程相協調。董事局主席兼行政總裁劉長樂對本集團戰略轉型升級前景保持樂觀。

立足香港，服務全球華人。鳳凰衛視的新聞資訊以「全球視野、華人視角」為理念，堅持品牌與當地文化的融合，以專業和激情與世界對話，並在弘揚中華文化中發揮重要的作用，成為連接中外和溝通世界的媒體平台。於2018年，鳳凰衛視全球團隊見證並報導了中國的大國外交、朝韓峰會、美朝峰會、中美貿易摩擦、美國中期選舉、英國脫歐進程、俄羅斯大選等世界大事，贏得全球華語受眾的口碑和好評，體現出鳳凰衛視的國際化特色和全球影響力。

CHAIRMAN'S STATEMENT

主席報告書

Phoenix TV's status in the industry and brand value continued to improve, and continuously received awards included being rated as one of The World's 500 Largest Media Companies, and entered the list of Hong Kong's 100 Most Influential Brands in 2018, becoming the only media organization to be listed in the top 10, reflecting its status and reputation in media, culture and other fields. Phoenix TV's programmes and promotional trailers have always enjoyed a good reputation among Chinese media, and a number of its excellent programs have received a series of awards from the New York International Television Festival and the Chicago International Television Festival for consecutive years, which underscores the excellent capabilities and professionalism of Phoenix. *Phoenix Zone*, a video on-demand product of derivative culture from television program contents, entered into cooperation with various companies in relation to overseas platform content, the coverage of which in regions including Europe, North America, Asia and Oceania were completed through the new media cooperation platform.

The Group's television broadcasting business has further deepened the philosophy of "omni-media service" with constant innovation of its content production and strengthened customer demand orientation by promoting the evolution of the television station from an advertising and marketing organization into a media service center. Adhering to the idea of having content operations as its core, the Group promoted and launched trial runs of a business operation mode characterized by online and offline integration and platformization of a multi-adaptive omni-media product catalogue to continuously enrich and expand the industrial chain and value chain of the media industry. Phoenix will also continue to pilot the integration and innovation of technology and the media. The newly launched program *Phoenix Health* has realized the interaction with artificial intelligence on the theme of medical science. Corresponding to the development trend of the media vehicle, the Group incubated Fengshows, an integrated media operating platform, on which it will develop various forms of content such as short videos, live streaming and an interactive community, in order to enhance the ability of Phoenix TV in monetizing the traffic of its contents.

The flagship product ifeng News APP under Phoenix New Media, the internet media platform of the Group, has always been one of the most popular news apps in China. The number of active users grew steadily on the Phoenix New Media portal, which enjoyed comprehensive developments in different areas including we-media, live streaming and IP. The Group has constantly enhanced product experience in various fields including content censorship, users' portraits and customized recommendations by integrating computer algorithm with manual intervention. In 2018, the Group has strengthened its deployment in the area of payment for knowledge and strategically invested in the online reading product Tadu, which

鳳凰衛視的行業地位及品牌價值持續提升，連續當選「世界媒體500強」之一，並在2018年「香港品牌100強」的排行榜，成為唯一入選十強的傳媒機構，體現鳳凰衛視在傳媒、文化等領域形成的知名度和美譽度。鳳凰衛視節目及宣傳片在華語媒體中素有口碑，優秀節目連續多年獲獎揚威紐約國際電視節及芝加哥國際電視節，彰顯鳳凰卓越的實力與專業的精神。電視節目內容的衍生文化視頻點播類產品《鳳凰專區》，與多家公司達成海外平台內容合作，其中通過與新媒體合作平台已完成對歐洲、北美洲、亞洲、大洋洲等地區覆蓋。

本集團電視廣播業務進一步深化「全域媒體服務」理念，內容創制持續革新，強化客戶需求導向，將電視廣告營銷機構演進為媒介服務中心；因應內容運營為核心，試點並推廣線上與線下相結合、具多棲適應性全媒體產品的欄目平台化的商業運營模式，不斷豐富和拓展媒體的產業鏈和價值鏈。鳳凰還將不斷嘗試科技與媒體的融合與創新，全新推出的《鳳凰大健康》節目，實現了對健康科普話題進行人工智能的互動。為順應媒介載體的發展趨勢，本集團孵化融媒體運營平台「鳳凰秀」，並將拓展短視頻、直播、互動社區等內容形式，提升鳳凰衛視內容的流量變現能力。

本集團的互聯網媒體業務平台「鳳凰新媒體」，其旗艦產品《鳳凰新聞客戶端》持續位列最受華人歡迎的移動終端新聞應用程式之圍。鳳凰新媒體客戶端活躍用戶數目穩步增長，在自媒體、直播、IP等多領域全面發展。本集團通過機器演算法結合人工干預，在內容審核、用戶畫像、以及興趣推薦等方面，不斷優化產品體驗。於2018年，本集團加大知識付費領域佈局，戰略投資在線閱讀產品《塔讀》，這將有效提升鳳凰於線上閱讀領域的影響力。本集團透過「鳳凰新媒

CHAIRMAN'S STATEMENT

主席報告書

will effectively promote the influence of Phoenix in the field of online reading. Yidian Zixun, an algorithm-based news feed app in which the Group strategically invested through Phoenix New Media, provided considerable valuation gains to the Group in the year 2018. The Group believes that it will bring significant investment returns to the Group as well as reflect the successful transformation of the Group after the strategic disposal of part of the investment subsequent to the reporting year.

The Group's outdoor media platform, Phoenix Metropolis Media, has become a large and very influential outdoor LED media operator with high revenue and profits in Mainland China. Its LED media business is supplemented and upgraded by two business forms of the Group, namely, Phoenix LED Alliance which is based on the extensive media resources, and Phoenix Interaction which is based on leading digital marketing. In 2018, LED media business recorded a significant growth in both revenue and profits. Its visual contents and innovative forms of advertising are highly recognised in the industry.

Various other business segments of the Group also maintained healthy development. With regard to education, Phoenix Education is expected to strengthen its fundamental business through the use of capital operations. Development and breakthroughs were achieved in terms of the Digital Media Production and Education Integration business, Adolescent Language Arts training and projects including International Education. Diversified business layout and development have laid a solid foundation for the Group's strategic transformation and upgrade.

With respect to cultural creativity, Phoenix Entertainment owns the copyright of the comics adapted from Jin Yong's novels, such as *Demi-Gods and Semi-Devils*, *The Smiling, Proud Wanderer* and *Legends of the Condor Heroes* which have accumulated a total of 702,000,000 views on Tencent Comics, the largest animation and comics platform in China. Phoenix Entertainment completed the first round of financing for a total of RMB90,000,000 in 2018, the proceeds from which are intended to be used for the improvement on the market influence of comic IP. After several years of business deployment, Phoenix Culture and Phoenix Art, both serving as the cultural creativity industry platforms of the Group, have formed a sustainable and viable business model in the fields of large-scale performing arts, cross-sector empowerment, cultural creativity towns and culture-tourism integration. On this basis, new business modes and new products are continuously explored and developed and the business will soon enter the growth stage.

體」戰略性投資基於演算法的新聞推送應用程式「一點資訊」，於2018年度估值上升為集團帶來可觀的收益。本集團相信於報告年度期後策略性出售部份投資可期為集團實現重大的投資回報，並體現集團的升級轉型。

本集團旗下戶外媒體業務平台「鳳凰都市傳媒」，已成為中國內地規模宏大、極具影響力、收入與利潤高企的戶外LED媒體運營商。以廣泛覆蓋的媒體資源為基礎的「鳳凰LED聯盟」，以及領先數字營銷為基礎的「鳳凰互動」兩大業務形態，是對自有LED媒體業務的補充和升級。LED媒體業務於2018年度的收入及盈利顯著增長，其廣告視覺內容與形式創新為業界所推崇。

本集團其他業務板塊亦保持健康發展。在教育領域，「鳳凰教育」將借力資本運作加強基本業務、數字媒體產教融合業務、青少年語言藝術培訓、國際教育等項目亦有所發展和突破。本集團多元化的業務佈局與產業發展，為本集團的戰略轉型升級夯實基礎。

在文創領域，「鳳凰娛樂」擁有金庸先生小說改編的漫畫版權，《天龍八部》、《笑傲江湖》、《射雕英雄傳》等漫畫作品，在國內最大動漫平台「騰訊動漫」上的總人氣已達702,000,000人次，並於2018年完成第一輪人民幣90,000,000元的融資，計劃用於漫畫IP的市場影響力提升。「鳳凰文化」與「鳳凰藝術」是本集團的文化創意產業平台，經過數年佈局，在大型演藝、跨界賦能、文創小鎮、文化與旅遊融合等領域，形成可持續且有生命力的商業模式，不斷地拓展新業態、新產品，並將步入成長期。

CHAIRMAN'S STATEMENT

主席報告書

With respect to technology, Phoenix Digital Technology is an important practice of the Group to represent years of refinement of Phoenix TV in the fields of humanities and arts. By utilizing digital technologies such as augmented reality (AR), virtual reality (VR) and mixed reality (MR), an immersive experience comes into being and attracts a large audience. Phoenix Cloud, a platform of the Group's cloud technology business, is committed to transforming the media technologies and patents accumulated over the years into digital service products. iFeng Yun, a transmission tool for large files, Fengyun media asset management system and Oceans open cloud platform are expected to contribute significantly to our profit and revenue.

In 2018, Phoenix Digital Technology and the creativity business segment of Phoenix Culture jointly launched a high-tech interactive art exhibition *Life Along the Bian River During the Pure Brightness Festival* at the Palace Museum. By means of a new media interactive art form that integrates culture and technology, the scroll painting *Along the River during the Qingming Festival* has become a new type of exhibition, creating an experience which is immersive, shareable and transmissible, which has drawn extensive attention and recognition from all sectors of the society. This project has become a highlight for the Group's business operations and innovations, and touring exhibitions will subsequently take place in Hong Kong, Japan, the United Kingdom and other locations.

Due to the influence of the global Chinese community, Phoenix TV cooperates with the United Nations ("UN") agencies to help spread and practice the UN's goal of sustainable development, integrate into and facilitate global development, and contribute the wisdom of Phoenix to the world with an open and inclusive attitude. In an era of global turbulence, Phoenix is proud to have accomplished its mission in promoting corporate transformation and upgrade and cross-sector integration, as well as building a high-tech media group which is credible, influential and prominent around the globe. By embracing the development opportunities of the times, the Group is committed to return to the capital market for its expectations of Phoenix TV.

在科技領域，「鳳凰數字科技」是本集團在內容科技創新的重要實踐，體現了鳳凰衛視在人文藝術領域的深厚積澱，利用增強現實(AR)、虛擬現實(VR)、混合現實(MR)等數字技術帶來沉浸式體驗，吸引了龐大的受眾。雲科技業務平台「鳳凰雲祥」，致力於將多年積累的媒體技術和專利轉化為數字服務產品。亦期待「鳳雲快傳」大檔案傳輸工具、「鳳雲」媒資管理系統、以及「Oceans」開放雲平台，在利潤收入上形成可觀貢獻。

於2018年，由「鳳凰數字科技」與「鳳凰文化」創意產業板塊聯合打造的高科技互動藝術展演「清明上河圖3.0數碼藝術展」在故宮開幕。此次展演通過新媒體互動藝術的手法，讓文化與科技相融合，將《清明上河圖》打造成可沉浸體驗、可分享傳播的新型藝術展演，得到社會各界廣泛關注與好評。該項目已成為本集團經營與創新業務的亮點，未來還將到香港、日本、英國等世界各地巡展。

植根於全球華族群體的影響力，鳳凰衛視與聯合國下屬機構展開合作，助力聯合國可持續發展目標的傳播與實踐，以開放和包容的姿態，融入和聯動全球的發展，為世界貢獻鳳凰的智慧。在激蕩雲湧的大時代，鳳凰不辱使命，心懷全球華人，以創新的思維和專業的堅守，推動企業的轉型升級和跨界融合發展，打造具有公信力、影響力、國際領先的高科技媒體集團，以擁抱時代的發展機遇，回饋資本市場對鳳凰衛視的期待。