

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 | | | |
|---|----------------------------|---|--|----------------------------------|--|
| | | 2018 2018 年 | | 2017 2017 年 | |
| | | Revenue 收入 HK\$'000 千港元 | Segment result 分類業績 HK\$'000 千港元 | Revenue 收入 HK\$'000 千港元 | Segment result 分類業績 HK\$'000 千港元 |
| Television broadcasting | 電視廣播 | 1,284,068 | 254,096 | 1,336,615 | 316,022 |
| Internet media | 互聯網媒體 | 1,690,804 | 726,798 | 1,733,094 | 453,583 |
| Outdoor media | 戶外媒體 | 823,084 | 142,899 | 721,436 | 119,524 |
| Real estate | 房地產 | 68,404 | 36,193 | 29,464 | (6,818) |
| Other businesses | 其他業務 | 196,456 | (99,203) | 136,878 | (33,490) |
| Group's total revenue and segment results | 本集團總收入及分類業績 | 4,062,816 | 1,060,783 | 3,957,487 | 848,821 |
| Unallocated income | 未分配收入 | | 6,966 | | 62,143 |
| Unallocated expenses | 未分配開支 | | (303,697) | | (286,789) |
| 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 |

Revenue from television broadcasting, comprising advertising, subscription and other revenue sources, which accounted for 31.6% of the total revenue of Phoenix Media Investment (Holdings) Limited (the "Company") and its subsidiaries (the "Group") for the year ended 31 December 2018, decreased 3.9% to approximately HK\$1,284,068,000 (year ended 31 December 2017: HK\$1,336,615,000). The critical traditional media trading environment has led to a decrease in the advertising income of the television broadcasting business. As the cost structure is relatively fixed, the segmental profit for the television broadcasting business reduced to approximately HK\$254,096,000 for the year ended 31 December 2018 (year ended 31 December 2017: HK\$316,022,000).

Revenue from Phoenix Chinese Channel and Phoenix InfoNews Channel, which accounted for 28.5% of the total revenue of the Group for the year ended 31 December 2018, decreased 4.7% to approximately HK\$1,159,445,000 (year ended 31 December 2017: HK\$1,216,859,000).

電視廣播收入（包括廣告、收視訂戶及其他收入來源）下降3.9%至約1,284,068,000港元（截至2017年12月31日止年度：1,336,615,000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2018年12月31日止年度總收入的31.6%。傳統媒體經營環境仍然嚴峻，導致電視廣播業務的廣告收入減少。由於成本架構相對固定，電視廣播業務於截至2018年12月31日止年度的分類溢利減至約254,096,000港元（截至2017年12月31日止年度：316,022,000港元）。

鳳凰衛視中文台及鳳凰衛視資訊台的收入下降4.7%至約1,159,445,000港元（截至2017年12月31日止年度：1,216,859,000港元），佔本集團截至2018年12月31日止年度總收入的28.5%。

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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 increased 4.1% to approximately HK\$124,623,000 (year ended 31 December 2017: HK\$119,756,000).

The revenue of the internet media business for the year ended 31 December 2018 decreased 2.4% to approximately HK\$1,690,804,000 (year ended 31 December 2017: HK\$1,733,094,000). The segmental profit of internet media business for the year ended 31 December 2018 was approximately HK\$726,798,000 (year ended 31 December 2017: HK\$453,583,000) 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 2018 increased 14.1% to approximately HK\$823,084,000 (year ended 31 December 2017: HK\$721,436,000). The segmental profit of the outdoor media business for the year ended 31 December 2018 increased 19.6% to approximately HK\$142,899,000 (year ended 31 December 2017: HK\$119,524,000).

The segmental gain for real estate business for the year ended 31 December 2018 was approximately HK\$36,193,000 (year ended 31 December 2017: segmental loss of HK\$6,818,000), which included the net fair value gain of approximately HK\$7,533,000, recognized 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") recommended the payment of a final dividend of 1 Hong Kong cent per ordinary share of the Company (the "Share(s)") (final dividend for 2017: 1 Hong Kong cent), totaling approximately HK\$49,935,000 to be payable to shareholders of the Company (the "Shareholders") whose names appear on the register of members of the Company on 14 June 2019, Friday. Subject to the passing of the relevant resolution at the forthcoming annual general meeting of the Company (the "AGM"), the final dividend will be payable on or around 24 June 2019, Monday.

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增加4.1%至約124,623,000港元(截至2017年12月31日止年度: 119,756,000港元)。

互聯網媒體業務於截至2018年12月31日止年度的收入下降2.4%至約1,690,804,000港元(截至2017年12月31日止年度: 1,733,094,000港元)。截至2018年12月31日止年度互聯網媒體業務的分類溢利約726,798,000港元(截至2017年12月31日止年度: 453,583,000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2018年12月31日止年度之戶外媒體業務收入增加14.1%至約823,084,000港元(截至2017年12月31日止年度: 721,436,000港元)。截至2018年12月31日止年度之戶外媒體業務的分類溢利增加19.6%至約142,899,000港元(截至2017年12月31日止年度: 119,524,000港元)。

截至2018年12月31日止年度之房地產業務的分類溢利約為36,193,000港元(截至2017年12月31日止年度: 分類虧損6,818,000港元)，其中包括確認為投資物業的公平值收益淨額約7,533,000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

本公司董事會(「董事會」或「董事」)建議向於2019年6月14日(星期五)名列本公司股東(「股東」)登記冊的股東派發普通股(「股份」)末期股息每股1港仙(2017年末期股息: 1港仙)，合共應派股息約49,935,000港元。待有關決議案於即將舉行的本公司股東週年大會(「股東週年大會」)上獲通過後，末期股息將於2019年6月24日(星期一)或前後派發。

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Annual General Meeting

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 2019, Wednesday at 3:00 p.m.

Material Acquisitions and Disposals of Subsidiaries And Affiliated Companies

As at 31 December 2018, as a result of the exercise of share options by the option holders, the Group's equity interest in Phoenix New Media Limited ("PNM") decreased from 54.96% to 54.51% (as at 31 December 2017: the Group's equity interest in PNM decreased from 55.45% to 54.96%).

Liquidity and Financial Resources

The liquidity and financial resources of the Group as at 31 December 2018 remained solid. As at 31 December 2018, the Group had cash and current bank deposits totaling about HK\$1,665,485,000 (as at 31 December 2017: HK\$2,690,998,000), as well as structured deposits of approximately HK\$1,030,227,000 (as at 31 December 2017: nil) which have been recorded as financial assets at fair value through profit or loss. The aggregated outstanding borrowings of the Group were approximately HK\$1,206,367,000 (as at 31 December 2017: HK\$1,239,544,000), 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 57.0% as at 31 December 2018 (as at 31 December 2017: 54.6%).

股東週年大會

股東週年大會謹定於2019年6月5日(星期三)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。

附屬公司及聯屬公司的重大收購及出售

於2018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有限公司(「鳳凰新媒體」)的股本權益由54.96%減少至54.51%(於2017年12月31日：本集團於鳳凰新媒體的股本權益由55.45%減少至54.96%)。

流動資金及財務資源

本集團於2018年12月31日的流動資金及財務資源依然穩健。於2018年12月31日，本集團現金及短期銀行存款合共約1,665,485,000港元(於2017年12月31日：2,690,998,000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1,030,227,000港元(於2017年12月31日：零港元)。本集團的尚未償還借貸總額約1,206,367,000港元(於2017年12月31日：1,239,544,000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2018年12月31日的資本負債比率為57.0%(於2017年12月31日：54.6%)。

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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 2018, the land and property in Chaoyang Park, Beijing, with carrying value of approximately HK\$96,000,000, HK\$365,000,000 and HK\$1,497,000,000 (as at 31 December 2017: HK\$103,000,000, HK\$412,000,000 and HK\$1,555,000,000) 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\$734,745,000 (as at 31 December 2017: HK\$781,666,000) was pledged with a bank to secure a bank borrowing to optimize return through interest difference and arrangement of external security within the loan. The property in the United States with carrying value of approximately HK\$2,720,000 (as at 31 December 2017: HK\$2,751,000) was pledged with a bank to secure a bank borrowing. No deposits were pledged with a bank to secure banking guarantee given to the landlord of a subsidiary (as at 31 December 2017: HK\$352,000).

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2018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96,000,000港元、365,000,000港元及1,497,000,000港元（於2017年12月31日：103,000,000港元、412,000,000港元及1,555,000,000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734,745,000港元（於2017年12月31日：781,666,000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2,720,000港元（於2017年12月31日：2,751,000港元）之物業已抵押予銀行以取得銀行借貸。沒有存款抵押予銀行以取得向一間附屬公司之業主提供銀行擔保（於2017年12月31日：352,000港元）。

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Save as disclosed above, the Group did not have any other charges on its assets as at 31 December 2018 and 31 December 2017.

Capital Structure and Share Options

As at 31 December 2018, the authorized share capital of the Company was HK\$1,000,000,000 divided into 10,000,000,000 Shares of HK\$0.10 each, of which 4,993,469,500 Shares (as at 31 December 2017: 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.

As at 31 December 2018, 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 2018, the Group employed 2,869 full-time staff (as at 31 December 2017: 2,881) 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 2018 increased to approximately HK\$1,286,214,000 (year ended 31 December 2017: HK\$1,277,283,000).

Significant Investments Held

As at 31 December 2018, the Group invested in listed securities investments with estimated fair market value of approximately HK\$19,782,000 (as at 31 December 2017: HK\$24,406,000) which was recognized as "financial assets at fair value through profit and loss", and the unlisted preferred shares of Particle Inc. held by the Group were recognized as "financial assets at fair value through profit and loss" with estimated fair market value of approximately HK\$2,235,585,000 (as at 31 December 2017 recognized as "available-for-sale financial assets": HK\$705,712,000 and "derivative financial instruments": HK\$721,002,000). Save as disclosed above, the Group had not held any other significant investment for the year ended 31 December 2018.

除上文所披露者外，本集團於2018年12月31日及2017年12月31日並無抵押任何其他資產。

資本架構及購股權

於2018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港元的股份，其中4,993,469,500股股份（於2017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。

於2018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2018年12月31日，本集團僱用2,869名全職員工（於2017年12月31日：2,881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2018年12月31日止年度的員工成本增加至約1,286,214,000港元（截至2017年12月31日止年度：1,277,283,000港元）。

所持有的重大投資

於2018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19,782,000港元（於2017年12月31日：24,406,000港元）及確認為「按公平值透過損益記賬的財務資產」，本集團於Particle Inc.之非上市優先股的投資確認為確認為「按公平值透過損益記賬的財務資產」，公平市值估計約為2,235,585,000港元（於2017年12月31日確認為「可供銷售財務資產」：705,712,000港元及「衍生財務工具」：721,002,000港元）。除上文所披露者外，本集團於截至2018年12月31日止年度內並無持有其他重大投資。

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Future Plans for Material Investments and Expected Source Of Funding

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 outstanding claims and taking into account legal advice received, the Directors are of the opinion that adequate provisions have been made in the audited consolidated financial information for the year. (Adequate provisions had also been made in the audited consolidated financial information for the year ended 31 December 2017).

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.

Other Important Events and Subsequent Events

Assignment of Loans Granted to Particle Inc.

On 28 January 2016, 5 April 2016, 10 August 2016, 2 November 2016 and 20 January 2017, PNM, a non-wholly owned subsidiary of the Company granted loans in the principal amounts of US\$10,000,000, US\$10,000,000, US\$14,800,000 (the “**August 2016 Loan**”), RMB46,000,000 and RMB74,000,000 (the “**January 2017 Loan**”) respectively to Particle Inc.

未來重大投資計劃及預期資金來源

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經審核綜合財務報表中作出足夠撥備。(截至2017年12月31日止年度的經審核綜合財務報表中也已作出足夠撥備。)

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。

其他重要事件及期後事項

向 Particle Inc. 授出債權轉讓

於2016年1月28日、2016年4月5日、2016年8月10日、2016年11月2日及2017年1月20日，本公司非全資附屬公司鳳凰新媒體向 Particle Inc. 授出本金額分別為10,000,000美元、10,000,000美元、14,800,000美元(「**2016年8月貸款**」)、人民幣46,000,000元及人民幣74,000,000元(「**2017年1月貸款**」)的貸款。

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On 22 January 2018, PNM extended the terms of (i) the August 2016 Loan for a further six (6) months term to August 2018, and (ii) the January 2017 Loan to July 2018 after the extension. The expiration date of PNM's right to convert, at PNM's option, all or a part of the August 2016 Loan (including principal and interests) into Series D1 preferred shares to be issued by Particle Inc. was accordingly extended to 9 August 2018.

On 29 September 2017, PNM, Particle Inc. and Long De Cheng Zhang Culture Communication (Tianjin) Co., Ltd. ("**Long De**") entered into an agreement pursuant to which PNM was expected to assign its rights under the August 2016 Loan to Long De or its affiliates amongst other matters (the "**Previous Agreement**"). Given the delay in completion of the transactions contemplated under the Previous Agreement, on 2 April 2018, the parties agreed to terminate the Previous Agreement and replace it with a loan assignment agreement, pursuant to which PNM would assign the August 2016 Loan to Long De or its affiliates with an assignment price of approximately US\$17,000,000 amongst other matters.

On 7 August 2018, Long De's designated affiliate paid the assignment price of approximately US\$17,000,000 to PNM and the loan assignment was completed.

PNM currently owns approximately 37.64% of the total outstanding shares of Particle Inc. on an as-if converted basis.

Fund Raising Exercise for Phoenix Entertainment and Game Company Limited Group

In 2018, Phoenix Entertainment and Game Company Limited ("**Phoenix Games**"), a subsidiary of the Company, entered into a round of fund raising exercises seeking external funds to support its business plans in the comic and games industry. Based on the then valuation of Phoenix Games and its subsidiaries ("**Phoenix Games Group**"), the amount to be raised was in a total of RMB100,000,000 in exchange for a total of 5% equity interests in Phoenix Games Group.

於2018年1月22日，鳳凰新媒體延長以下期限：(i)2016年8月貸款進一步延長6個月至2018年8月；及(ii)2017年1月貸款延長至2018年7月。可按鳳凰新媒體選擇將全部或部分2016年8月貸款(包括本金及利息)轉換為Particle Inc.將予發行的D1系列優先股的換股權的屆滿日期已相應延長至2018年8月9日。

於2017年9月29日，鳳凰新媒體、Particle Inc.及龍德成長文化傳播(天津)有限公司(「龍德」)簽訂一份協議(「**先前協議**」)，內容包括，鳳凰新媒體預期將把其於2016年8月貸款項下的權利轉讓給龍德或其關聯公司。鑑於先前協議擬進行的交易未能如期完成，協議方於2018年4月2日同意終止先前協議並以債權轉讓協議取代，內容包括，鳳凰新媒體將以約17,000,000美元的價格，把2016年8月貸款轉讓給龍德或其關聯公司。

於2018年8月7日，龍德的指定關聯公司向鳳凰新媒體支付約17,000,000美元的轉讓價，債權轉讓完成。

按猶如已轉換的基準計算，鳳凰新媒體現時擁有Particle Inc.全部已發行股份約37.64%。

鳳凰娛樂遊戲有限公司集團的集資活動

於2018年，本公司附屬公司鳳凰娛樂遊戲有限公司(「**鳳凰遊戲**」)進行了一輪集資活動尋求外部資金，以支持其動漫及遊戲行業的商業計劃。根據鳳凰遊戲及其附屬公司(「**鳳凰遊戲集團**」)當時的估值，所將籌集的金額合共為人民幣100,000,000元，以換取鳳凰遊戲集團合共5%股本權益。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

On 22 January 2018, Phoenix Games entered into a strategic investment agreement with 深圳市國宏嘉信信息科技有限公司 (“**GuoHong**”), its overseas investment arm China Prosperity Capital Alpha Limited and various parties. GuoHong invested a sum of RMB50,000,000 in return for a 2.5% equity interest (on a diluted basis) in Phoenix Games Group and the transaction was completed on 2 February 2018 (the “**GuoHong Transaction**”). GuoHong is a private investment fund specializing in the mobile internet and pan entertainment industries of the Greater China region.

On 26 February 2018, Phoenix Games entered into another strategic investment agreement with 西藏明溪安同創業投資有限公司 (“**MingXi**”) and various parties, the terms of which were similar to those of the GuoHong Transaction. Pursuant to the agreement, MingXi would invest a sum of RMB30,000,000 in return for a 1.5% equity interest (on a diluted basis) in Phoenix Games Group (the “**MingXi Transaction**”), and an injection of RMB20,000,000 had been completed by the end of 2018. MingXi is a subsidiary in an investment fund focusing on new technology and innovative enterprises with sustainable growth, high competitiveness and good corporate governance.

On 16 March 2018, Phoenix Games entered into another strategic investment agreement with 寧波信達華建投資有限公司 (“**XinDa**”), its overseas investment arm China Cinda (HK) Asset Management Co., Limited and various parties, the terms of which were similar to those of the GuoHong Transaction and the MingXi Transaction. Pursuant to the agreement, XinDa invested a sum of RMB20,000,000 in return for a 1% equity interest (on a diluted basis) in Phoenix Games Group and the transaction was completed on 18 April 2018. XinDa is a wholly-owned subsidiary of China Cinda Assets Management Co., Limited, one of the most prestigious investment brands in China.

於2018年1月22日，鳳凰遊戲與深圳市國宏嘉信信息科技有限公司(「**國宏**」、其海外投資分支China Prosperity Capital Alpha Limited及其他各方訂立戰略投資協議。國宏投資總額為人民幣50,000,000元，以換取鳳凰遊戲集團2.5%股本權益(按攤薄基準)，而有關交易已於2018年2月2日完成交易(「**國宏交易**」)。國宏為私募投資基金公司，專注於大中華地區的移動互聯網和泛娛樂等領域。

於2018年2月26日，鳳凰遊戲與西藏明溪安同創業投資有限公司(「**明溪**」)及其他各方訂立另一項戰略投資協議，其條款與國宏交易的條款相若。根據協議，明溪將投資總額人民幣30,000,000元，以換取鳳凰遊戲集團1.5%股本權益(按攤薄基準)(「**明溪交易**」)，並已於2018年底注資人民幣20,000,000元。明溪為一間專門投資於可持續成長、具高競爭力和良好企業管治的科技創新企業的私募基金的附屬公司。

於2018年3月16日，鳳凰遊戲與寧波信達華建投資有限公司(「**信達**」、其海外投資分支中國信達(香港)資產管理有限公司及其他各方訂立另一份戰略投資協議，其條款與國宏交易及明溪交易的條款相若。根據協議，信達投資總額為人民幣20,000,000元，以換取鳳凰遊戲集團1%股本權益(按攤薄基準)，而有關交易已於2018年4月18日完成。信達為中國信達資產管理股份有限公司的全資附屬公司，後者是中國最著名的投資品牌之一。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Change of Company Name

On 25 January 2018, the Company announced the proposal to change the Company's English name from "Phoenix Satellite Television Holdings Limited" to "Phoenix Media Investment (Holdings) Limited" and to change the dual foreign name in Chinese from "鳳凰衛視控股有限公司" to "鳳凰衛視投資(控股)有限公司" in line with its business directions. The proposed change of company name was subject to: (i) approval by a special resolution of the shareholders at an extraordinary general meeting (the "EGM") to approve the proposed change of company name; and (ii) approval by the Registrar of Companies of the Cayman Islands by issuing a certificate of incorporation on change of name.

The EGM was held on 6 March 2018 and a special resolution of the Shareholders was obtained. The Company received the certificate of incorporation on change of name from the Registrar of Companies of the Cayman Islands and the change of name was made effective from 7 March 2018. The Certificate of Registration of Alteration of Name of Registered Non-Hong Kong Company issued by the Registrar of Companies in Hong Kong was also obtained on 19 March 2018. For details, please refer to the Company's announcement dated 21 March 2018.

Continuing Connected Transactions with CMCC Group

On 4 October 2018, the Stock Exchange granted to the Company a waiver from strict compliance with the requirement under Rules 14A.34 and 14A.51 of the Listing Rules to enter into a framework agreement with the CMCC Group at the outset covering all the transactions in relation to provision of website portal and value-added telecommunications services between PNM and its subsidiaries (collectively "**PNM Group**") and CMCC Group (the "**New Media CCT**") for the three years from 1 January 2019 to 31 December 2021, subject to the conditions disclosed in the Company's announcement and the circular dated 16 November 2018 and 22 November 2018 respectively.

On 17 December 2018, the Shareholders other than China Mobile (Hong Kong) Group Limited and its associates approved and confirmed the New Media CCT and the relevant annual caps of RMB181,000,000, RMB200,000,000 and RMB216,000,000 for each year ending 31 December 2019, 2020 and 2021 respectively at the EGM.

更改本公司名稱

於2018年1月25日，本公司宣佈建議將本公司之英文名稱由「Phoenix Satellite Television Holdings Limited」更改為「Phoenix Media Investment (Holdings) Limited」，並將其中文雙重外文名稱由「鳳凰衛視控股有限公司」更改為「鳳凰衛視投資(控股)有限公司」，以符合其業務方向。建議更改公司名稱須待(i)本公司股東於股東特別大會(「股東特別大會」)上透過特別決議案以批准建議更改公司名稱；及(ii)開曼群島公司註冊處處長透過發出更改名稱註冊證明書批准後，方可作實。

股東特別大會於2018年3月6日舉行，並已取得股東特別決議案。本公司已收到開曼群島公司註冊處處長發出的更改名稱註冊證明書，而更改名稱已於2018年3月7日生效。由香港公司註冊處處長頒發的註冊非香港公司變更名稱註冊證明書亦已於2018年3月19日取得。詳情請參閱本公司日期為2018年3月21日的公告。

與中移動通信集團之持續關連交易

於2018年10月4日，聯交所給予本公司豁免，豁免本公司須嚴格遵守上市規則第14A.34及14A.51條的規定，從一開始就與中移動通信集團訂立框架協議，以涵蓋由2019年1月1日至2021年12月31日止三個年度鳳凰新媒體及其附屬公司(統稱「**鳳凰新媒體集團**」)與中移動通信集團之間有關提供網站門戶及電訊增值服務的全部預期進行的持續關連交易(「**新媒體持續關連交易**」)，惟須遵守本公司日期為2018年11月16日之公告及日期為2018年11月22日之通函內所披露的條件。

於2018年12月17日，本公司股東(除中國移動(香港)集團有限公司及其聯繫人之外)於股東特別大會上批准及確認新媒體持續關連交易，以及截至2019年、2020年及2021年12月31日止各個年度之相關年度上限，分別為人民幣181,000,000元、人民幣200,000,000元及人民幣216,000,000元。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Strategic Cooperation Memorandum with 阿里巴巴(中國)有限公司 (Alibaba (China) Company Limited*) (“**Alibaba**”)

On 16 November 2018, Phoenix TV, an indirect wholly-owned subsidiary of the Company, entered into a strategic cooperation memorandum (the “**Memorandum**”) with Alibaba. Pursuant to the Memorandum, both parties expressed their intention to explore opportunities for possible cooperation in the areas of programme contents, products, platforms, internet technologies such as cloud computing and big data, as well as in fields such as cross-sector innovation, capital investment, middle-tier technology and data sharing, technological innovation transformation of Alibaba DAMO Academy and in the broadcast sector and to enter into binding strategic cooperation agreement(s) within the one-year validity of the Memorandum.

The Board is of the view that the possible cooperation with Alibaba will benefit the implementation of the Group’s strategic goal of “leveraging the Company’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”. For details, please refer to the Company’s announcement dated 19 November 2018.

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

On 30 November 2018, 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 “**2019 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 2019 Contract, CNHK Media agreed to purchase advertising airtime at the Phoenix Chinese Channel and the Phoenix InfoNews Channel for the period from 1 January 2019 to 31 December 2019 for the sum not exceeding RMB40,000,000 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 2019 Contract by CNHK Media is for the ultimate benefits of the CMCC Group.

與阿里巴巴(中國)有限公司(「**阿里巴巴**」)的戰略合作備忘錄

於2018年11月16日，鳳凰衛視(本公司的間接全資附屬公司)與阿里巴巴訂立了一份戰略合作備忘錄(「**該備忘錄**」)。根據該備忘錄，訂約雙方表示了對在節目內容、產品、平臺以及雲計算、大數據等互聯網技術方面開展深化合作的意願，並將探索在跨界創新、資本投資、中台技術共用、達摩院科創轉化與傳播等領域的合作可行性，及在該備忘錄的一年有效期內簽署有約束力的戰略合作協議的意向。

董事會認為與阿里巴巴之可能的合作將有利於本集團「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」的戰略升級目標之實現。詳情請參閱本公司日期為2018年11月19日的公告。

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2018年11月30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(「**2019年合同**」)。

根據2019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2019年1月1日起至2019年12月31日止，涉及金額不超過人民幣40,000,000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2019年合同。

* For identification purpose only

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Pursuant to Rule 14A.20(1) of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), the Company considered CNHK Media a deemed connected person of the Company. As the transactions contemplated under the 2019 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 30 November 2018.

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.

* For identification purpose only

根據香港聯合交易所有限公司（「聯交所」）證券上市規則（「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2019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2018年11月30日的公告。

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

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。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Upon the completion of the Initial Acquisition, Chenhuan Technology obtained control over Yitian Xindong. Chenhuan Technology will hold an aggregated 51% of the equity interest in Yitian Xindong when the Second Acquisition is completed. 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.

Major Transaction 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 to 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., comprised an aggregate of 199,866,509 shares of Particle Inc., 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**").

Upon completion of the Disposal, the equity interest held by PNM in Particle Inc. will represent approximately 5.63% of the entire equity interest on an as-if converted basis in Particle Inc.

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

* For identification purpose only

初始收購事項完成後，塵寰科技已獲得易天新動之控制權。第二收購事項完成後，塵寰科技將持有易天新動合共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名活躍用戶，預期收購《塔讀》將為本集團的業務帶來協同作用。

有關出售 Particle Inc. 的權益的主要交易

於2019年3月22日，鳳凰新媒體(本公司的一間間接非全資附屬公司)及Run Liang Tai Management Limited(「買方」)(一名獨立第三方)就買賣Particle Inc. 按猶如已轉換的基準計算的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. 按猶如已轉換的基準計算的32%股權，即Particle Inc. 的合共199,866,509股股份及鳳凰新媒體之代名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科技有限公司之37.169%股本權益(「出售事項」)。

出售事項完成後，由鳳凰新媒體持有Particle Inc. 股權將佔Particle Inc. 按猶如已轉換的基準計算約5.63%的股權。

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。