

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			
		2020 2020 年		2019 2019 年	
		Revenue 收入 HK\$'000 千港元	Segment results 分類業績 HK\$'000 千港元	Revenue 收入 HK\$'000 千港元	Segment results 分類業績 HK\$'000 千港元
Television broadcasting	電視廣播	747,052	(165,163)	921,541	(63,679)
Internet media	互聯網媒體	1,473,327	(1,048,389)	1,777,598	1,265,042
Outdoor media	戶外媒體	574,979	16,402	691,336	44,167
Real estate	房地產	45,121	(124,285)	49,048	(14,564)
Other businesses	其他業務	188,567	(104,817)	248,708	(141,208)
Group's total revenue and segment results	本集團總收入及 分類業績	3,029,046	(1,426,252)	3,688,231	1,089,758
Unallocated income	未分配收入		98,120		36,392
Unallocated expenses	未分配開支		(287,678)		(282,668)
(Loss)/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(虧損)/溢利		(1,615,810)		843,482

Revenue from television broadcasting, comprising advertising, subscription and other revenue sources, which accounted for 24.7% of the total revenue of Phoenix Media Investment (Holdings) Limited (the "Company") and its subsidiaries (the "Group" or "Phoenix") for the year ended 31 December 2020, decreased 18.9% to approximately HK\$747,052,000 (year ended 31 December 2019: HK\$921,541,000) as a result of the adverse impact of COVID-19 outbreak on the global economy and market condition. As the cost structure is relatively fixed, the segmental loss for the television broadcasting business was approximately HK\$165,163,000 for the year ended 31 December 2020 (year ended 31 December 2019: HK\$63,679,000).

Revenue from Phoenix Chinese Channel and Phoenix InfoNews Channel, which accounted for 22.1% of the total revenue of the Group for the year ended 31 December 2020, decreased 16.5% to approximately HK\$669,266,000 (year ended 31 December 2019: HK\$801,447,000).

電視廣播收入(包括廣告、收視訂戶及其他收入來源)下降18.9%至約747,052,000港元(截至2019年12月31日止年度:921,541,000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」或「鳳凰衛視」)截至2020年12月31日止年度總收入的24.7%,是由於新冠病毒爆發對全球經濟及市場狀況造成不利影響所致。由於成本架構相對固定,電視廣播業務於截至2020年12月31日止年度的分類虧損約為165,163,000港元(截至2019年12月31日止年度:63,679,000港元)。

鳳凰衛視中文台及鳳凰衛視資訊台的收入減少16.5%至約669,266,000港元(截至2019年12月31日止年度:801,447,000港元),佔本集團截至2020年12月31日止年度總收入的22.1%。



MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

The total revenue of Phoenix Hong Kong Channel, Phoenix Movies Channel, Phoenix North America Chinese Channel, Phoenix Chinese News and Entertainment Channel and others decreased 35.2% to approximately HK\$77,786,000 (year ended 31 December 2019: HK\$120,094,000).

The revenue of the internet media business for the year ended 31 December 2020 decreased 17.1% to approximately HK\$1,473,327,000 (year ended 31 December 2019: HK\$1,777,598,000). The segmental loss of internet media business for the year ended 31 December 2020 was approximately HK\$1,048,389,000 (year ended 31 December 2019: profit of HK\$1,265,042,000) as a result of significant net loss related to the investment in Particle Inc.

The revenue of the outdoor media business for the year ended 31 December 2020 decreased 16.8% to approximately HK\$574,979,000 (year ended 31 December 2019: HK\$691,336,000). The segmental profit of the outdoor media business for the year ended 31 December 2020 decreased 62.9% to approximately HK\$16,402,000 (year ended 31 December 2019: HK\$44,167,000).

The segmental loss for real estate business for the year ended 31 December 2020 was approximately HK\$124,285,000 (year ended 31 December 2019: HK\$14,564,000), which included the net fair value loss of approximately HK\$140,493,000 (year ended 31 December 2019: HK\$6,847,000) recognised 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.

The Impact of the Pandemic on the Group's Operation

Strict pandemic prevention measures resulted from the outbreak of the COVID-19 pandemic have affected all walks of life and caused the general advertising market trend to deteriorate. In the first quarter of 2020, customers adjusted their sales and marketing strategies to cope with the pandemic, tended to be more conservative with marketing expenditures and hence were less willing to place advertisements. Contract negotiations had been made more difficult with market opportunities shrunken overall. Phoenix's advertising which was of no exception was seriously impacted. Fortunately, crisis creates opportunities. The public demand for information

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減少35.2%至約77,786,000港元(截至2019年12月31日止年度: 120,094,000港元)。

互聯網媒體業務於截至2020年12月31日止年度的收入減少17.1%至約1,473,327,000港元(截至2019年12月31日止年度: 1,777,598,000港元)。截至2020年12月31日止年度互聯網媒體業務的分類虧損約1,048,389,000港元(截至2019年12月31日止年度: 溢利1,265,042,000港元)，主要由於與Particle Inc.的投資有關的重大虧損淨額所致。

截至2020年12月31日止年度之戶外媒體業務收入減少16.8%至約574,979,000港元(截至2019年12月31日止年度: 691,336,000港元)。截至2020年12月31日止年度之戶外媒體業務的分類溢利下降62.9%至約16,402,000港元(截至2019年12月31日止年度: 44,167,000港元)。

截至2020年12月31日止年度之房地產業務的分類虧損約為124,285,000港元(截至2019年12月31日止年度: 14,564,000港元)，其中包括確認為投資物業的公平值虧損淨額約140,493,000港元(截至2019年12月31日止年度: 6,847,000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。

疫情對集團運作的影響

受新冠病毒疫情爆發影響，嚴格的防疫措施對各行業均做成影響，並導致了廣告市場整體趨勢惡化，2020年第一季客戶因應疫情對銷售和市場策略進行調整，行銷支出趨向保守，投放廣告的意願降低，合約洽談難度增加，市場總體機會減少，鳳凰衛視廣告亦不能倖免地受到較大衝擊。幸而危中有機，疫情下市民對資訊的渴求增加，加上社交距離限制、在家工作等安排下受眾更多留在家中，令總體收視上升，致客戶對電視及新媒

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

has leveraged under the pandemic. Coupled with social distancing restrictions and work-from-home arrangements, more audiences stayed at home, resulting in an increase in the overall viewership leading to customer's confidence in advertising on television and new media. From the second quarter of 2020, advertising revenue retrieved with a steady trend. As the pandemic in China had been kept significantly under control in the second quarter and the adjustment in pandemic prevention measures, outdoor media business also rebounded significantly.

During the year, the Group adopted rigorous pandemic prevention measures and all employees held on to their posts. Not only were broadcasting safety and the normal business operation ensured, but also a zero infection rate for Phoenix's employees worldwide was achieved. The Group will closely monitor the development of the pandemic, stay vigilant and continue to implement various measures, carry on to monitor the impact of the pandemic on its financial positions, cash flows and operating results, and be prudent in coping with the future challenges.

DIVIDENDS

The board of directors of the Company (the "Board" or "Directors") did not recommend the payment of final dividend to the shareholders of the Company for the year (final dividend for 2019: Nil) due to the economic instability and challenges in the media industry ahead.

ANNUAL GENERAL MEETING

The forthcoming annual general meeting of the Company (the "AGM") will be held at No. 2-6 Dai King Street, Tai Po Industrial Estate, Tai Po, New Territories, Hong Kong on 4 June 2021, Friday at 3:00 p.m.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from 1 June 2021, Tuesday to 4 June 2021, Friday (both dates inclusive), during which period no share transfer will be effected. In order to qualify for attending and voting at the forthcoming AGM, all share transfers must be lodged with the Company's branch share registrar in Hong Kong, Hong Kong Registrars Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, no later than 4:30 p.m. on 31 May 2021, Monday.

體的廣告投放信心加強，廣告收入在2020年第二季起呈回穩勢態。隨國內疫情在第二季起顯著受控，防疫措施調整，戶外媒體業務亦出現較明顯反彈。

年內，本集團採取嚴謹的防疫措施，各員工緊守崗位，不但保障了播出安全及業務正常運作，且全球鳳凰衛視員工均無受感染。本集團將密切留意疫情的發展，保持警惕並繼續採取各項措施，持續監察疫情對財務狀況、現金流和經營業績的影響，謹慎應對未來的種種挑戰。

股息

由於經濟不穩定及未來媒體產業充滿挑戰，本公司董事會（「董事會」或「董事」）本年度不建議向本公司股東派發末期股息（2019年末期股息：無）。

股東週年大會

本公司即將舉行的股東週年大會（「股東週年大會」）謹定於2021年6月4日（星期五）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。

暫停辦理股份過戶登記

本公司將於2021年6月1日（星期二）至2021年6月4日（星期五）止期間（包括首尾兩日）暫停辦理股份過戶登記手續，期內將不會辦理股份過戶登記。為符合出席應屆股東週年大會及於會上投票的資格，所有股份過戶文件必須最遲於2021年5月31日（星期一）下午4時30分前，交回本公司的香港股份過戶登記處分處香港證券登記有限公司，地址為香港灣仔皇后大道東183號合和中心17樓1712-1716號舖。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND AFFILIATED COMPANIES

As at 31 December 2020, the Group's equity interest in Phoenix New Media Limited ("PNM") remained as 54.49% (as at 31 December 2019: 54.49%).

On 18 May 2020, Beijing Chenhuan Technology Co., Ltd.* (北京塵寰科技有限公司) ("**Chenhuan Technology**"), an indirect non-wholly owned subsidiary of the Company, transferred all of its 51% of the equity interest in Beijing Yitian Xindong Network Technology Co., Ltd.* (北京易天新動網絡科技有限公司) ("**Yitian Xindong**") to Shenzhen Shenghuayu Energy Conservation Service Co., Ltd.* (深圳市晟華宇節能服務有限公司) ("**Shenzhen Shenghuayu**"), particulars of which are set out in the section entitled "Other Important Events and Subsequent Events" in this report.

For the year ended 31 December 2020, PNM, an indirect non-wholly owned subsidiary of the Company, transferred 140,248,775 preferred shares in Particle Inc. (at the time of transfer, it represented approximately 20.21% of the equity interest of Particle Inc.) to Run Liang Tai Management Limited ("**Run Liang Tai**"). In aggregation with the 94,802,752 preferred shares in Particle Inc. (at the time of transfer, it represented approximately 15.18% of the equity interest of Particle Inc.) previously transferred to Run Liang Tai in November 2019, a total of 235,051,527 preferred shares in Particle Inc. were transferred to Run Liang Tai, particulars of the disposal of interest in Particle Inc. are set out in the section entitled "Other Important Events and Subsequent Events" in this report.

LIQUIDITY AND FINANCIAL RESOURCES

The liquidity and financial resources of the Group as at 31 December 2020 remained solid. As at 31 December 2020, the Group's total cash and current bank deposits were about HK\$1,849,547,000 (as at 31 December 2019: HK\$1,841,257,000), as well as structured deposits of approximately HK\$1,451,040,000 (as at 31 December 2019: 1,420,370,000) which have been recorded as financial assets at fair value through profit or loss. The aggregate outstanding borrowings of the Group were approximately HK\$726,179,000 (as at 31 December 2019: HK\$820,929,000), 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.

* For identification purpose only

附屬公司及聯屬公司的重大收購及出售

於2020年12月31日，本集團於鳳凰新媒體有限公司（「鳳凰新媒體」）的股本權益維持於54.49%（於2019年12月31日：54.49%）。

於2020年5月18日，本公司的間接非全資附屬公司北京塵寰科技有限公司（「塵寰科技」）向深圳市晟華宇節能服務有限公司（「深圳晟華宇」）轉讓其於北京易天新動網絡科技有限公司（「易天新動」）的全部51%股權，其詳情載於本報告內「其他重要事件及期後事項」一節。

截至2020年12月31日止年度，本公司的間接非全資附屬公司鳳凰新媒體向Run Liang Tai Management Limited（「潤良泰」）轉讓其於Particle Inc.的140,248,775股優先股（於轉讓時，其佔Particle Inc.約20.21%股權）。連同先前於2019年11月向潤良泰轉讓於Particle Inc.的94,802,752股優先股（於轉讓時，其佔Particle Inc.約15.18%股權），向潤良泰轉讓於Particle Inc.的股份合共為235,051,527股優先股，有關出售Particle Inc.權益的詳情載於本報告內「其他重要事件及期後事項」一節。

流動資金及財務資源

本集團於2020年12月31日的流動資金及財務資源依然穩健。於2020年12月31日，本集團現金及短期銀行存款合共約1,849,547,000港元（於2019年12月31日：1,841,257,000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合共約1,451,040,000港元（於2019年12月31日：1,420,370,000港元）。本集團的尚未償還借貸總額約726,179,000港元（於2019年12月31日：820,929,000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。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

The gearing ratio of the Group, based on total liabilities to equity attributable to owners of the Company, was 78.9% as at 31 December 2020 (as at 31 December 2019: 80.7%).

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 ("US\$") 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 US\$ 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 2020, the land and property in Chaoyang Park, Beijing, with carrying value of approximately HK\$94,000,000, HK\$331,000,000 and HK\$1,403,000,000 (as at 31 December 2019: HK\$92,000,000, HK\$335,000,000 and HK\$1,472,000,000) recorded in right-of-use assets, 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\$387,640,000 (as at 31 December 2019: HK\$391,465,000) was pledged with a bank to secure a bank borrowing to optimise return through interest difference and arrangement of external security within the loan. The property in the United States with carrying value of approximately HK\$2,615,000 (as at 31 December 2019: HK\$2,680,000) was pledged with a bank to secure a bank borrowing.

Save as disclosed above, the Group did not have any other charges on its assets as at 31 December 2020 and 31 December 2019.

CAPITAL STRUCTURE AND SHARE OPTIONS

As at 31 December 2020, the authorised share capital of the Company was HK\$1,000,000,000 divided into 10,000,000,000 ordinary shares (the "Shares") of HK\$0.10 each, of which 4,993,469,500 Shares (as at 31 December 2019: 4,993,469,500 Shares) had been issued and fully paid.

按總負債相對本公司擁有人應佔權益計算，本集團於2020年12月31日的資本負債比率為78.9%（於2019年12月31日：80.7%）。

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2020年12月31日，北京朝陽公園的土地及其物業，於使用權資產、物業、廠房及設備，以及投資物業項下分別錄得賬面值約94,000,000港元、331,000,000港元及1,403,000,000港元（於2019年12月31日：92,000,000港元、335,000,000港元及1,472,000,000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387,640,000港元（於2019年12月31日：391,465,000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2,615,000港元（於2019年12月31日：2,680,000港元）之物業已抵押予銀行以取得銀行借貸。

除上文所披露者外，本集團於2020年12月31日及2019年12月31日並無抵押任何其他資產。

資本架構及購股權

於2020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港元的普通股股份（「股份」），其中4,993,469,500股股份（於2019年12月31日：4,993,469,500股股份）為已發行及繳足。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析



There was no option exercised under the Company's share option schemes during the year.

As at 31 December 2020, 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 2020, the Group employed 2,840 full-time staff (as at 31 December 2019: 3,288) 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 2020 decreased to approximately HK\$1,301,022,000 (year ended 31 December 2019: HK\$1,468,535,000).

To maintain uninterrupted business operation and to safeguard the health and safety of employees, the Company had introduced a number of precautionary measures in response to the COVID-19 pandemic, including strict compliance of relevant government guidelines, implementation of work-from-home arrangement for employees, health declaration and home confinement arrangement. The Company also stepped up its hygiene measures by installing infrared body temperature monitors, arranging disinfection of workplace and company vehicles, providing hand sanitisers and surgical masks to employees, and require staff to wear them when they are in office. The Company also provides additional health insurance coverage to its employees such as benefits and additional cash subsidies in case of COVID-19 hospitalisation as well as simplified claim procedure.

SIGNIFICANT INVESTMENTS HELD

As at 31 December 2020, the Group invested in listed securities investments with estimated fair market value of approximately HK\$12,440,000 (as at 31 December 2019: HK\$18,575,000) which was recognised as "financial assets at fair value through profit or loss"; and such investments made up of less than 5% of the Group's total assets. Save as disclosed above, the Group had not held any other significant investment for the year ended 31 December 2020.

本公司購股權計劃項下概無購股權於年內行使。

於2020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2020年12月31日，本集團僱用2,840名全職員工（於2019年12月31日：3,288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2020年12月31日止年度的員工成本減少至約1,301,022,000港元（截至2019年12月31日止年度：1,468,535,000港元）。

為維持不間斷的業務運營及維護員工的健康和安全，本公司因應新冠病毒疫情採取了多項預防措施，包括嚴格遵守政府相關指引，實行員工在家工作安排，健康申報和家居隔離安排。本公司還加強了其衛生措施，安裝紅外線體溫監測儀、安排對工作場所和公司車輛進行消毒、為員工提供消毒洗手液和外科口罩，並要求員工在辦公室必須配戴。本公司還向員工提供額外健康保險保障，例如確診新冠病毒的住院福利及額外現金補貼以及簡化索償程序。

所持有的重大投資

於2020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12,440,000港元（於2019年12月31日：18,575,000港元）及確認為「按公平值透過損益記賬的財務資產」，而該等投資佔本集團總資產少於5%。除上文所披露者外，本集團截至2020年12月31日止年度內並無持有任何其他重大投資。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

FUTURE PLANS FOR MATERIAL INVESTMENTS AND EXPECTED SOURCE OF FUNDING

In view of the challenging environment ahead, 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 the outstanding claims and taking into account the legal advice received, the Directors are of the opinion that adequate provisions have been made in the consolidated financial information for the year.

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.

AUDIT COMMITTEE

The Audit Committee of the Company had reviewed the Group's annual results for the year ended 31 December 2020 and provided advice and comments thereon before such statements were presented to the Board for approval. The figures in respect of the Group's consolidated balance sheet, consolidated income statement, consolidated statement of comprehensive income and related notes thereto for the year ended 31 December 2020 as set out in this report have been agreed by the Group's auditor, PricewaterhouseCoopers, to the amounts set out in the Group's draft consolidated financial statements for the year. The work performed by PricewaterhouseCoopers in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by PricewaterhouseCoopers on this report.

未來重大投資計劃及預期資金來源

面對未來充滿挑戰的環境，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綜合財務資料中作出足夠撥備。

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。

審核委員會

本公司審核委員會已審閱本集團截至2020年12月31日止年度的年度業績，並於該等報表提呈董事會批准前據此提供建議及意見。本集團核數師羅兵咸永道會計師事務所已就本報告所載有關本集團截至2020年12月31日止年度的綜合資產負債表、綜合收益表、綜合全面收益表及相關附註之數字與本年度綜合財務報表草稿中所載的數額核對一致。羅兵咸永道會計師事務所就此所做的工作並不構成根據香港會計師公會頒佈的香港核數準則、香港審閱聘用準則或香港核證聘用準則所作的核證聘用，因此羅兵咸永道會計師事務所對本報告不發表任何核證聲明。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析



OTHER IMPORTANT EVENTS AND SUBSEQUENT EVENTS

Change of Chief Executive Officer (“CEO”)

On 26 February 2021, Mr. LIU Changle (“**Mr. LIU**”) resigned from his role as CEO and Mr. XU Wei (“**Mr. XU**”) was appointed as the new CEO. Mr LIU remains as the chairman of the Board (the “**Chairman**”) and an executive Director. The change of CEO can enhance the corporate governance of the Group by splitting the roles of the Chairman and the CEO in compliance with the Corporate Governance Code contained in Appendix 14 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

For the biography of Mr. XU, please see the announcement of the Company dated 26 February 2021.

Discloseable Transaction regarding the Disposal of Interest in Yitian Xindong

On 18 May 2020, Chenhuan Technology, an indirect non-wholly owned subsidiary of the Company holding 51% of the equity interest in Yitian Xindong, entered into agreements with Shenzhen Shenghuayu, Tianyin Telecommunication Co. Ltd.* (天音通信有限公司) (“**Tianyin**”), Yitian Xindong and the management team of Yitian Xindong (collectively referred as the “**Yitian Xindong Agreements**”).

Among other things, pursuant to the Yitian Xindong Agreements: (i) Chenhuan Technology agreed to sell all of its 51% of the equity interest in Yitian Xindong at a consideration of RMB313,600,000 for Shenzhen Shenghuayu to purchase and (ii) all parties to the novation agreements agreed that all rights and obligations of Chenhuan Technology under the original agreements be novated to Shenzhen Shenghuayu upon completion, which took place on 18 May 2020.

For details of the Yitian Xindong Agreements, please see the announcements of the Company dated 18 May 2020 and 25 May 2020.

其他重要事件及期後事項

變更行政總裁

於2021年2月26日，劉長樂先生（「劉先生」）辭任行政總裁職務，而徐威先生（「徐先生」）獲委任為新行政總裁。劉先生繼續擔任董事會主席（「主席」）及執行董事。透過變更行政總裁，以分開主席及行政總裁的角色，可以提升本集團的企業管治水平並遵守香港聯合交易所有限公司證券上市規則附錄14所載的企業管治守則。

有關徐先生的簡歷，請參閱本公司日期為2021年2月26日之公告。

有關出售易天新動權益的須予披露交易

於2020年5月18日，本公司的間接非全資附屬公司塵寰科技（持有易天新動51%權益），與深圳晟華宇、天音通信有限公司（「天音」）、易天新動及易天新動管理團隊簽訂協議（統稱「易天新動協議」）。

除其他事項外，根據易天新動協議：(i) 塵寰科技同意以代價人民幣313,600,000元出售於易天新動的全部51%股權，供深圳晟華宇收購及(ii) 更新協議的各方同意，一旦交割完成（已於2020年5月18日交割），塵寰科技在原協議下的所有權利和義務應轉授予深圳晟華宇。

有關易天新動協議的詳情，請參閱本公司日期為2020年5月18日及2020年5月25日的公告。

* For identification purpose only

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Very Substantial Disposal regarding the Disposal of Interest in Particle Inc.

On 20 January 2020, PNM entered into a new agreement with Run Liang Tai, Long De Holdings (Hong Kong) Co. Limited (“**Long De HK**”) and Longde Chengzhang (Tianjin) Investment Management Center (Limited Partnership) in respect of the disposal (the “**Disposal**”) of the equitable interest in Particle Inc. (the “**January 2020 Agreement**”). The key terms of the January 2020 Agreement, amongst other things, are (i) the amount of shares in Particle Inc. to be transferred by PNM to Run Liang Tai be adjusted to 202,563,176 preferred shares at a consideration of US\$427,336,067; (ii) the amount of the equity interest of Beijing Yidianwangju Technology Co., Ltd.* (北京一點網聚科技有限公司) (“**Beijing Yidianwangju**”) held by a nominee of PNM (the “**Onshore Nominee**”) on behalf of Beijing Particle Information Technology Co., Ltd.* (北京一點網聚信息技術有限公司) under a series of contractual arrangement, to be transferred by the Onshore Nominee to Run Liang Tai be adjusted to 39.53% at a consideration of RMB3,955,320; (iii) Long De HK shall co-sell a total of 9,794,989 preferred shares in Particle Inc. to Run Liang Tai at a consideration of US\$20,663,933.72; (iv) to facilitate the first completion of the co-sale by Long De HK to Run Liang Tai, PNM granted Run Liang Tai an interest-free loan in a total amount of US\$9,671,045.96 (the “**PNM Loan**”), and Run Liang Tai shall pledge 4,584,209 preferred shares in Particle Inc. to PNM as security (the “**Pledged Shares**”). For the avoidance of doubt, the transaction under the January 2020 Agreement was modified under the August 2020 Agreement as defined below.

For details of the January 2020 Agreement, please see the announcement of the Company dated 20 January 2020 and the circular of the Company dated 20 April 2020.

有關出售 Particle Inc. 權益的非常重大的出售事項

於2020年1月20日，鳳凰新媒體就出售 Particle Inc. 股權（「**出售事項**」）與潤良泰、龍德控股（香港）有限公司（「**龍德香港**」）及龍德成長（天津）投資管理中心（有限合夥）訂立新協議（「**2020年1月協議**」）。2020年1月協議的主要條款（其中包括）為：(i) 鳳凰新媒體將轉讓予潤良泰的 Particle Inc. 股份數目將予調整至202,563,176優先股股份，代價為427,336,067美元；(ii) 調整鳳凰新媒體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（「**北京一點網聚**」）代名人（「**境內代名人**」）轉讓予潤良泰的股權至39.53%，代價為人民幣3,955,320元；(iii) 龍德香港向潤良泰共同出售合共9,794,989股 Particle Inc. 優先股股份，代價為20,663,933.72美元；(iv) 為協助龍德香港向潤良泰共同出售的第一次交割，鳳凰新媒體向潤良泰授出總額9,671,045.96美元的免息貸款（「**鳳凰新媒體貸款**」），而潤良泰將4,584,209股 Particle Inc. 優先股股份抵押給鳳凰新媒體作為擔保（「**抵押股份**」）。為免疑義，2020年1月協議項下的交易已根據2020年8月協議（定義見下文）修改。

有關2020年1月協議的詳情，請參閱本公司日期為2020年1月20日的公告及本公司日期為2020年4月20日的通函。

* For identification purpose only

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析



Major Transaction regarding the Disposal of Interest in Particle Inc.

On 7 August 2020, PNM entered into an agreement with Run Liang Tai (the “**August 2020 Agreement**”), which has become legally binding on 10 August 2020.

The key terms of the August 2020 Agreement, amongst other things; are (i) the January 2020 Agreement and the transactions contemplated thereunder which had not been completed are terminated (For the avoidance of doubt, the first completion of the Disposal which took place when 94,802,752 preferred shares in Particle Inc. were transferred to Run Liang Tai in November 2019 for a consideration of US\$200,000,000, was not affected); (ii) PNM shall transfer another 140,248,775 preferred shares in Particle Inc. to Run Liang Tai at a consideration of US\$150,000,000; (iii) PNM shall designate the Onshore Nominee to transfer approximately 42.9% equity interest in Beijing Yidianwangju to Run Liang Tai at a consideration of RMB4,292,617; (iv) Run Liang Tai shall procure the transfer of the legal title of the Pledged Shares to PNM for release of its obligations to repay the PNM Loan; and (v) Run Liang Tai shall pay those co-sale entities exercising the co-sale right at the price of approximately US\$1.07 per preferred share in Particle Inc. Completion of the transaction took place on 19 October 2020.

For details of the August 2020 Agreement, please see the announcement of the Company dated 10 August 2020 and the circular of the Company dated 25 September 2020.

有關出售 Particle Inc. 股權的主要交易

於2020年8月7日，鳳凰新媒體與潤良泰訂立協議（「**2020年8月協議**」），該協議於2020年8月10日具法律約束力。

2020年8月協議的主要條款（其中包括）為：(i) 尚未完成的2020年1月協議及其項下擬進行的交易已告終止（為免疑義，出售事項第一次交割（已於2019年11月於94,802,752股 Particle Inc. 優先股股份以代價200,000,000美元轉讓予潤良泰時進行）不受影響）；(ii) 鳳凰新媒體將額外轉讓140,248,775股 Particle Inc. 優先股股份予潤良泰，代價為150,000,000美元；(iii) 鳳凰新媒體須指示境內代名人向潤良泰轉讓北京一點網聚約42.9%股權，代價為人民幣4,292,617元；(iv) 潤良泰應促使將抵押股份的法定所有權轉讓予鳳凰新媒體，以解除其償還鳳凰新媒體貸款的責任；及(v) 潤良泰須按 Particle Inc. 優先股約每股1.07美元的價格向行使共同出售權的共同出售實體支付款項。交易已於2020年10月19日交割。

有關2020年8月協議的詳情，請參閱本公司日期為2020年8月10日的公告及本公司日期為2020年9月25日的通函。

* For identification purpose only