



# PHOENIX NEW MEDIA

NYSE: FENG

November 2020



鳳凰網  
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# Safe Harbor Statement

This presentation contains forward-looking statements. These statements are made under the “safe harbor” provisions of the U.S. Private Securities Litigation Reform Act of 1995. These forward-looking statements can be identified by terminology such as “will,” “expects,” “anticipates,” “future,” “intends,” “plans,” “believes,” “estimates” and similar statements. Among other things, the business outlook and quotations from management in this presentation, as well as Phoenix New Media’s strategic and operational plans, contain forward-looking statements. Phoenix New Media may also make written or oral forward-looking statements in its periodic reports to the U.S. Securities and Exchange Commission (“SEC”) on Forms 20-F and 6-K in its annual report to shareholders, in press releases and other written materials and in oral statements made by its officers, directors or employees to third parties. Statements that are not historical facts, including statements about Phoenix New Media’s beliefs and expectations, are forward-looking statements. Forward-looking statements involve inherent risks and uncertainties. A number of factors could cause actual results to differ materially from those contained in any forward-looking statement, including but not limited to the following: the Company’s goals and strategies; the Company’s future business development, financial condition and results of operations; the expected growth of the online and mobile advertising, online video and mobile paid service markets in China; the Company’s reliance on online advertising and MVAS for the majority of its total revenues; the Company’s expectations regarding demand for and market acceptance of its services; the Company’s expectations regarding the retention and strengthening of its relationships with advertisers, partners and customers; fluctuations in the Company’s quarterly operating results; the Company’s plans to enhance its user experience, infrastructure and service offerings; the Company’s reliance on mobile operators in China to provide most of its MVAS; changes by mobile operators in China to their policies for MVAS; competition in its industry in China; and relevant government policies and regulations relating to the Company. Further information regarding these and other risks is included in the Company’s filings with the SEC, including its registration statement on Form F-1, as amended, and its annual reports on Form 20-F. All information provided in this presentation is as of the date of this presentation, and Phoenix New Media does not undertake any obligation to update any forward-looking statement, except as required under applicable law.



# ABOUT THE COMPANY





# Company Milestones



Phoenix TV founded – a leading Chinese language TV & media group based in HK

"New Media"  
subsidiary established



2011



Strategic investment in Yidian

2014

Achieved exceptional return  
on investment through  
Yidian's transaction

2019

1996

1999

2007



# Senior Management Team



**CFO – Edward Lu**

15+ (Media Industry)  
Joined in 2009



**CEO – Shuang Liu**

20+ (Media industry)  
Joined in 2005



**SVP – Xiaoyan Chi**

18+ (Internet media marketing)  
Joined in 2009



**SVP – Chun Liu**

27+ (Media industry)  
Joined in 2018

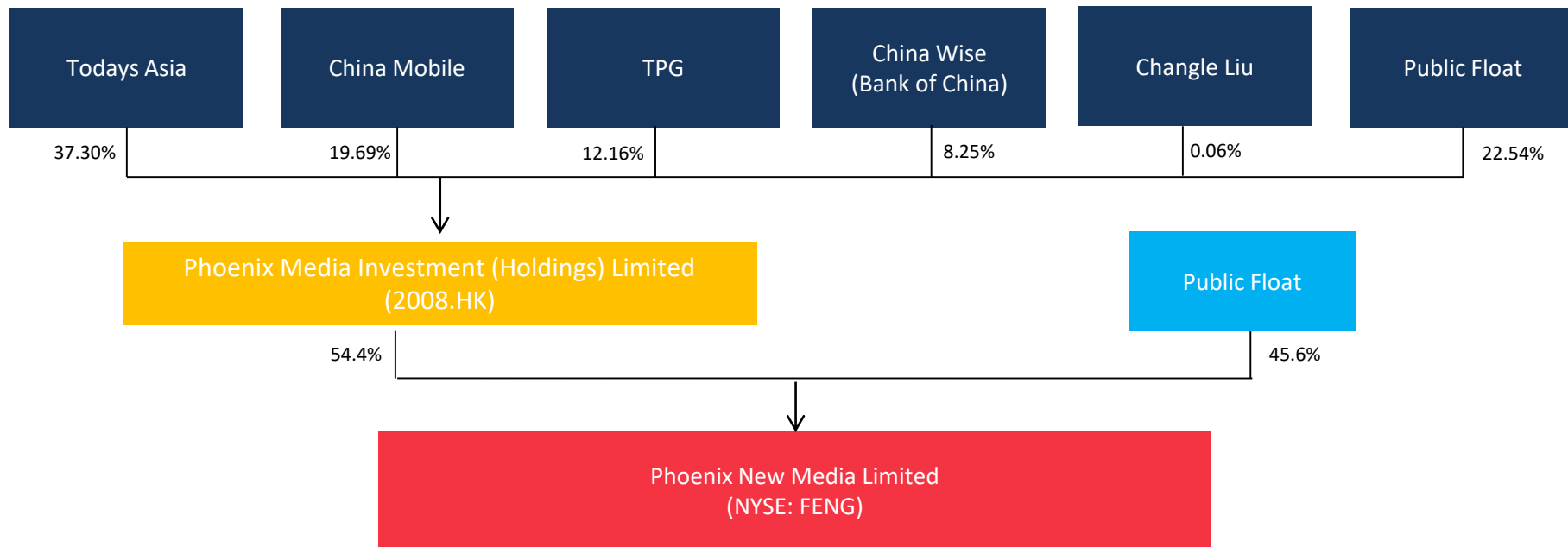


**VP & Chief Editor – Ming Zou**

23+ (Media industry)  
Joined in 1998



# Shareholding Structure





## Institutional Shareholders

Rank	Investor Name	Position 2020/10/30	% of S/O
1	FIL Investment Management (Hong Kong)	1,738,091	2.39%
2	International Value Advisers, LLC	1,300,056	1.79%
3	Top Ace Asset Management Ltd	1,117,845	1.54%
4	Wedbush Securities	1,087,000	1.49%
5	Charles Schwab & Co., Inc.	841,000	1.16%
6	Renaissance Technologies	699,387	0.96%
7	Value Partners	667,000	0.92%
8	Interactive Brokers, L.L.C.	577,000	0.79%
9	TD Ameritrade, Inc.	528,000	0.73%
10	RiverCrest Capital	483,062	0.66%

**Note:** Top 10 shareholders accounted for about 12.42% of total shares outstanding as of October 30, 2020.



# Business Overview



# Industry Landscape



- Editorial Based + AI Powered
- Serious Journalism + Entertainment
- High-end Users

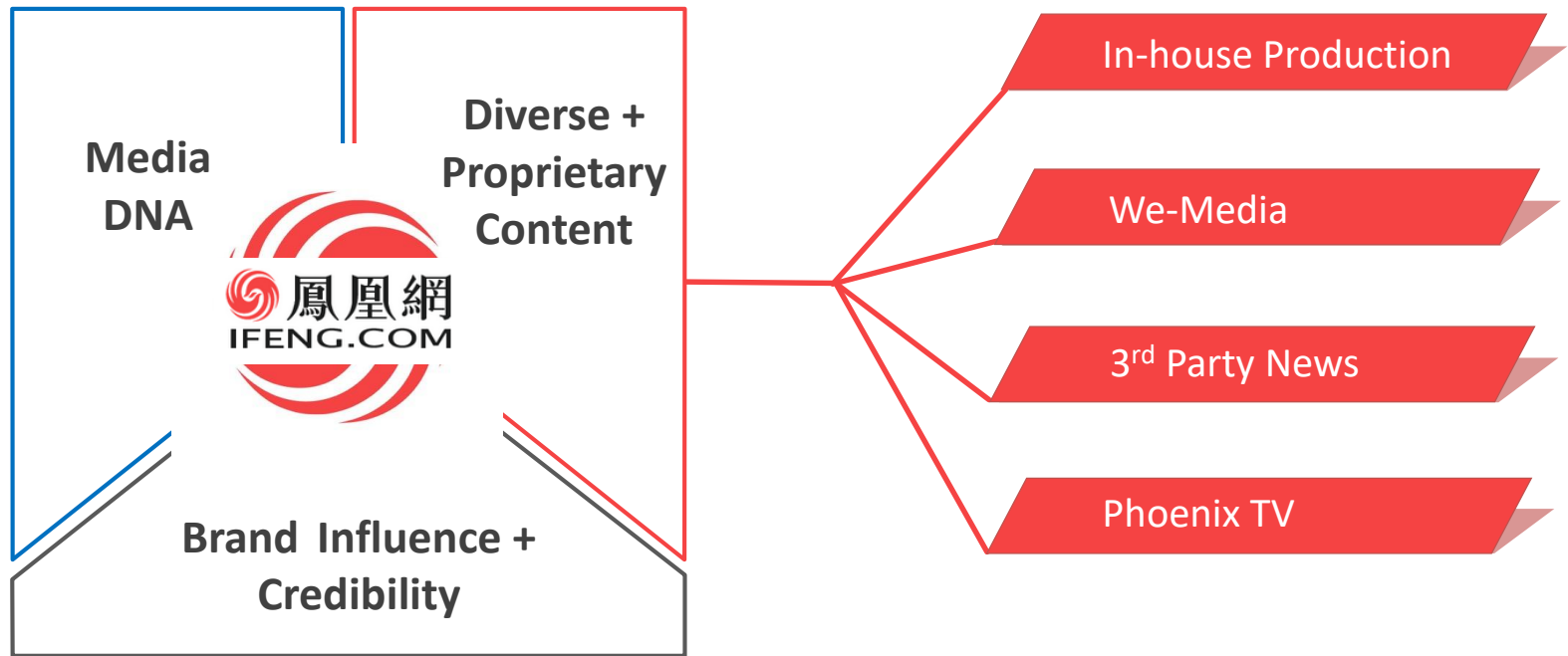


## Uniquely Successful in Bridging the Divide



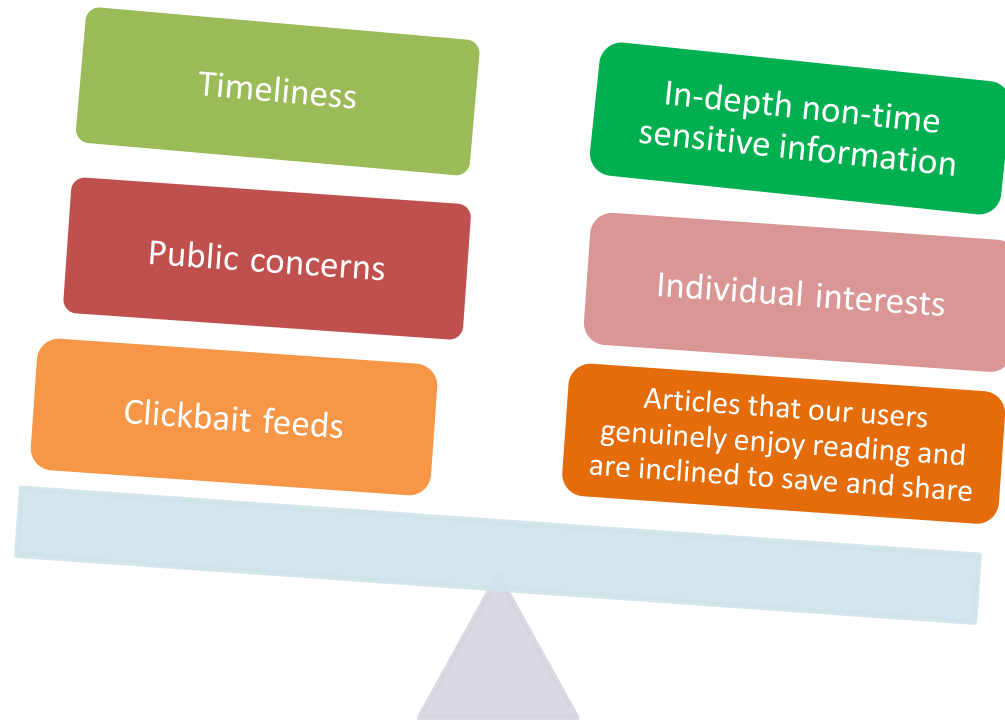


# What Sets Phoenix New Media Apart Today?





## High-quality and Differentiated Content



A balanced content strategy enables us to provide high-quality and differentiated content



# Our New Growth Engine—Original IP



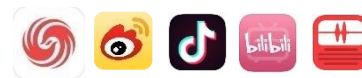
Jun Pin Tan



Alliance of Heroes



Shede Wisdom Talents



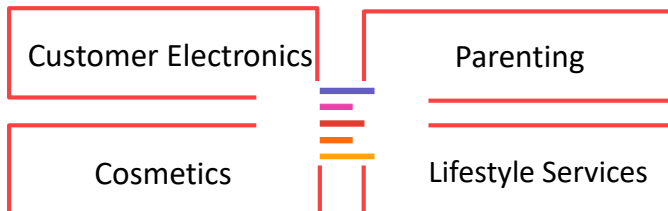
Powerful pipeline of new original IP content with diversified network of distribution partners

# Our New Growth Engine— Phoenix Lab

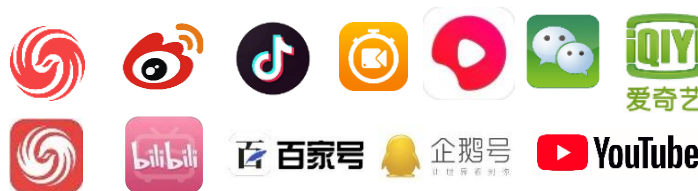


- **Genre:** Product reviews
- **Format:** Short - form Videos
- **Style:** Trustworthy & Entertaining
- **Target Audience:** China's rising middle class
- **Goal:** Become the go-to destination for product reviews

Current product categories:

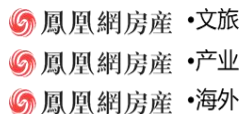


Diversified distribution channels:



# Our Online Real Estates Verticals

Established in 2013, 5- year Revenue CAGR is **74%**



知了普惠



虎牙妹

周伯通

狄仁杰



RESS+ (Residential Ecological Service System)



New Residential Property + Second Housing



Team of experts in real estate transactions



Media resources inherited from Phoenix



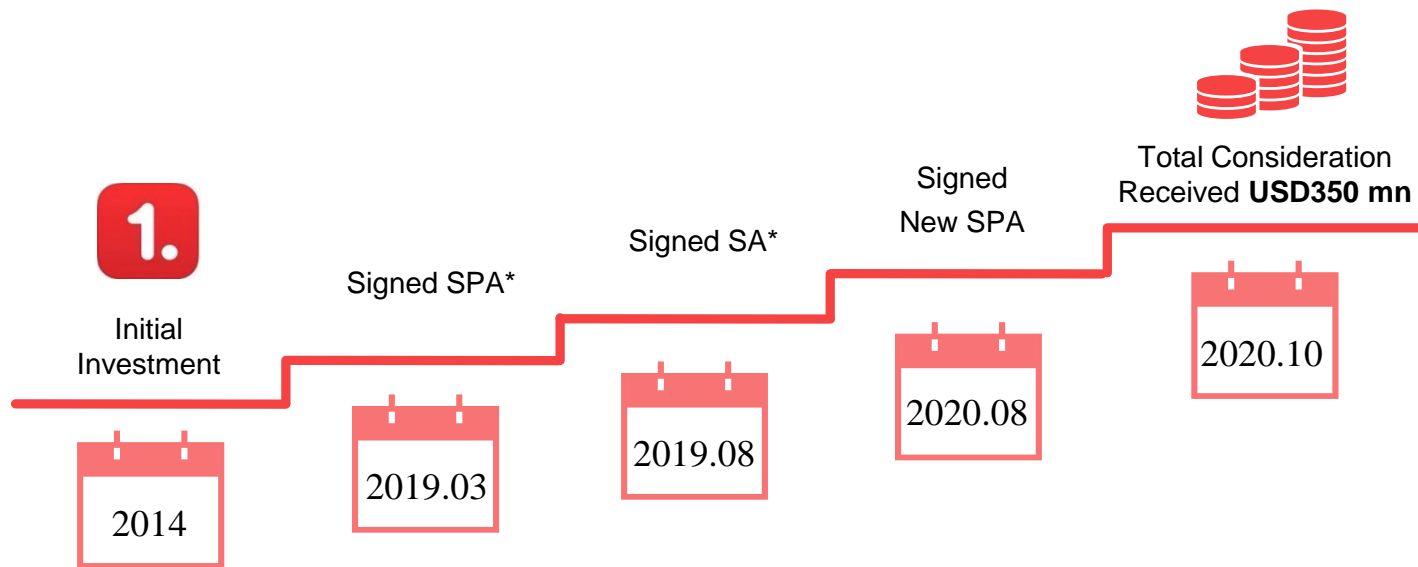
# Expanding Advertisers

AUTO	
E-COMMERCE	
FINANCIAL SERVICES	
INTERNET SERVICES & COMMUNICATION SERVICES	

Source: Company data in 2020



# Our Investment in Yidian Zixun



## Company's Dividend Track Record:

Year	Record Date	Payment Date	Total Amount
2019	November 29	December 13	USD100 mn
2020	December 4	December 22	USD100 mn

Notes: SPA\* = Share Purchase Agreement, SA\* = Supplemental Agreement

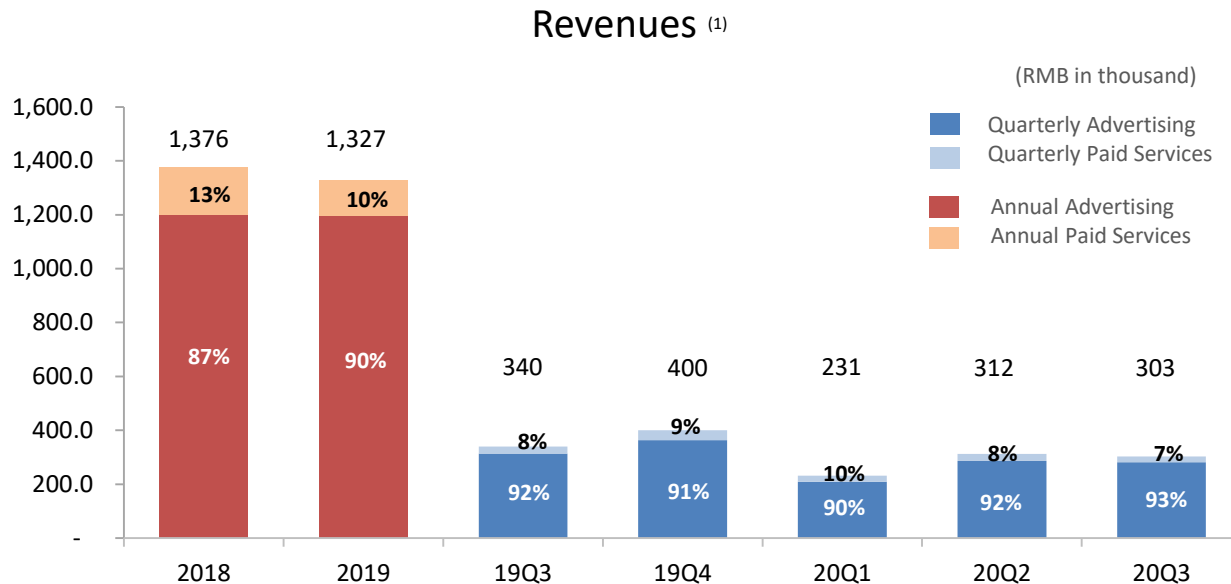


# FINANCIAL HIGHLIGHTS





# Revenues Breakdown



- (1) Paid services revenues comprised of (i) revenues from paid contents excluding those from Tadu, which includes digital reading, audio books, paid videos, and other content-related sales activities, (ii) revenues from games, which includes web-based games and mobile games, (iii) revenues from MVAS, and (iv) revenues from others.
- (2) On May 18, 2020, the Company sold all of its investment in Beijing Yitian Xindong Network Technology Co., Ltd. ("Yitian Xindong" or "Tadu"). Tadu's results of operations have been excluded from the Company's results from continuing operations.



## Profits and Loss Highlights

(RMB 000's)	Quarterly Results			FY 2019	FY 2018
	3Q20	2Q20	3Q19	2019	2018
<b>Revenue</b>	<b>302,989</b>	<b>312,281</b>	<b>302,989</b>	<b>1,327,781</b>	<b>1,376,281</b>
Cost of Revenues	150,036	124,728	150,036	683,330	595,843
Revenue sharing fees	6,026	2,371	6,026	25,156	47,262
Content and operational costs	129,749	107,404	129,749	603,574	491,476
Bandwidth costs	14,261	14,953	14,261	54,600	57,105
Operating Expenses					
S&M	64,899	57,247	64,899	541,772	536,980
G&A	74,782	62,161	74,782	242,047	162,424
R&D	41,706	42,555	41,706	216,741	204,723
Non GAAP Income/(loss) from continuing operations	(26,677)	27,815	(26,676)	(344,252)	(109,699)
<b>Non GAAP Net Profits from continuing operations</b>	<b>1,280</b>	<b>23,699</b>	<b>1,282</b>	<b>(326,117)</b>	<b>(54,503)</b>
<b>% to Revenue</b>					
Revenue sharing fees	2.0%	0.8%	2.0%	1.9%	3.4%
Content and operational costs	42.8%	34.4%	42.8%	45.5%	35.7%
Gross Margin	50.5%	60.1%	50.5%	48.5%	56.7%
S&M	21.4%	18.3%	21.4%	40.8%	39.0%
G&A	24.7%	19.9%	24.7%	18.2%	11.8%
R&D	13.8%	13.6%	13.8%	16.3%	14.9%
Non GAAP Operation Margin	-8.8%	8.9%	-8.8%	-25.9%	-8.0%
Non GAAP Net Margin	0.4%	7.6%	0.4%	-24.6%	-4.0%

Notes: Tadu's results of operations have been excluded from the Company's results from continuing operations.



## Strong Balance Sheet — No Debt!

<i>(RMB in mn)</i>	2019/12/31	2020/9/30	2020/9/30
	RMB	RMB	USD
Cash and Cash Equivalents and Term Deposits and Short Term Investments and Restricted Cash	1,649	2,373	349
Total Current Assets	2,557	3,087	455
Total Non-Current Assets	2,769	1,364	201
Total Liabilities	1,781	2,056	303
Total Shareholders' Equity	3,545	2,395	353



# Company Snapshot

As of November 24, 2020

Exchange / Ticker	NYSE: FENG
Market Cap	US\$ 173.3Mn
Price	US\$ 2.38
ADS Outstanding	72.8Mn
Average Daily Trading Volume (last 3 months)	882,784

## Analysts Coverage

J.P.Morgan





THANKS

IR Team

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