

Stock Code: 300413

Stock Short Name: Mango Excellent Media

Announcement No.: 2022 - 038

Mango Excellent Media Co., Ltd.

Summary of the Semi-Annual Report 2022

I. Important notes

The summary of this semi-annual report comes from the full text of the annual report. In order to fully understand the Company's operating results, financial position and future development plan, investors should read the full text of the semi-annual report carefully in the media designated by the China Securities Regulatory Commission (CSRC).

All the directors attended in person the Board meeting for the review of this Report and its summary.

Auditors' unqualified opinion

Applicable N/A

Preliminary plan for profit distribution to the common shareholders or turning the capital reserve into the share capital during the reporting period, which has been reviewed and approved at the board meeting

Applicable N/A

The Company has no plan for distribution of cash dividends and bonus shares, or capitalization of common reserves.

Preliminary plan for profit distribution to the preference shareholders during the reporting period, which has been reviewed and approved at the board meeting.

Applicable N/A

II. Basic Information of the Company

1. Company profile

Stock abbreviation	Mango Excellent Media	Stock Code	300413
Stock exchange for stock listing	Shenzhen Stock Exchange		
Contact information	Secretary of the Board	Securities affairs representative	
Name	WU Jun	ZHOU Yong	
Telephone	(0731) 82967188	(0731) 82967188	
Official address	Golden Eagle TV Culture City, Changsha City, Hunan Province	Golden Eagle TV Culture City, Changsha City, Hunan Province	
Email	mangocm@mangocm.com	mangocm@mangocm.com	

2. Major accounting data and financial indicators

If it is necessary for the Company to make retrospective adjustment or restatement on the accounting data in previous years

Yes No

	Reporting period	Same period of last	YoY+/- (%)
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		year	
Operating income (RMB)	6,714,487,102.29	7,853,228,785.77	-14.50%
Net profit attributable to the listed company's shareholders (RMB)	1,190,764,453.82	1,451,207,609.75	-17.95%
Net profits attributable to listed company shareholders after deducting non-recurring profits and losses (RMB)	1,095,410,126.20	1,440,022,162.65	-23.93%
Net cash flows from operating activities (RMB)	-85,369,628.01	401,943,857.80	-121.24%
Basic earnings per share (RMB/share)	0.64	0.82	-21.95%
Diluted earnings per share (RMB/share)	0.64	0.82	-21.95%
Weighted average return on equity (%)	6.80%	12.87%	-6.07%
	As at the end of the reporting period	As at the end of last year	YoY+/- (%)
Total assets (RMB)	27,675,613,646.33	26,110,751,404.90	5.99%
Net assets attributable to shareholder of listed company (RMB)	18,216,479,690.29	16,966,400,358.23	7.37%

3.Shareholders and shareholding

Unit: Share

Total number of ordinary shareholders at the end of the reporting period		56,119	Number of preferred shareholders whose voting rights had been restituted during the report period (If any)	0	Number of shareholders holding shares with special voting rights (If any)	0
Top 10 shareholders						
Name of shareholders	Nature of shareholders	Shareholding ratio	Quantity of shares	Quantity of restricted shares held	Pledged, marked or frozen shares	
					Status	Quantity
Mango Media Co., Ltd.	State-owned legal person	56.09%	1,049,300,301.00	849,019,732.00		
China Mobile Capital Holdings Co. Ltd.	State-owned legal person	7.01%	131,188,792.00	0.00		
Hunan Caixin Jingguo Equity Investment Partnership (LP)	State-owned legal person	5.01%	93,647,857.00	0.00		
Hong Kong Securities Clearing Co. Ltd.	Others	2.95%	55,188,756.00	0.00		
China Merchants Bank Co.,	Others	1.89%	35,349,729.00	0.00		

Ltd. - Xingquan Herun Hybrid Securities Investment Fund						
China Industrial Bank Co., Ltd.- Xingquan Trend Investment Hybrid Securities Investment Fund	Others	1.72%	32,108,187.00	0.00		
China Merchants Bank Co., Ltd. - Xingquan Heyi Flexible Allocation of Hybrid Securities Investment Funds (LOF)	Others	1.19%	22,261,690.00	0.00		
Industrial and Commercial Bank of China Co., Ltd.- Xingquan Green Investment Hybrid Securities Investment Fund (LOF)	Others	0.82%	15,293,349.00	0.00		
Industrial and Commercial Bank of China Co., Ltd.- GF CSI Media Exchange Traded Fund Securities Investment Fund	Others	0.43%	8,011,218.00	0.00		
China Everbright Bank Co.,Ltd.-Xingquan Commercial Mode Preferred Hybrid Securities Investment Fund(LOF)	Others	0.40%	7,498,873.00	0.00		
Related or acting-in-concert parties among the shareholders listed above	Mango Media Co., Ltd., the controlling shareholder of the Company, has no related-party relationship or concerted action relationship with other top ten shareholders, and it is unknown whether or not there is a related-party relationship or concerted action relationship among other top ten shareholders					

If the Company has a differential arrangement of voting rights

Yes No

4. Change of controlling shareholders or de facto controllers

Change of controlling shareholders during the reporting period

Applicable N/A

The Company's controlling shareholders has remained unchanged during the reporting period.

Change of de facto controller during the reporting period

Applicable N/A

The Company's de facto controller has remained unchanged during the reporting period.

5. Schedule of total preferred shareholders and shareholding of top 10 preferred shareholders of the Company

There was no shareholding of shareholder of preference share during the reporting period.

6. Bonds existing as of the approval date of the semi-annual report

Applicable N/A

III. Important matters

As a new media platform subordinated to Hunan Broadcasting System and a vanguard of building mainstream new media group, the Company has always adhered to the guidance of XI Jinping Thought on Socialism with Chinese Characteristics for a New Era, and the spirit of important speeches of General Secretary XI Jinping. On the basis of strengthening “Four Awareness”(awareness of the need to maintain political integrity, think in big-picture terms, follow the leadership core, and keep in alignment) and enhancing “Four Confidence”(confidence in the path, theory, system and culture of socialism with Chinese characteristics), the Company actively undertakes the tasks of upholding socialism, rallying public support, fostering a new generation with sound values and ethics, developing Chinese culture, and building a positive image of China. In details, it has fully implemented the overall plan of the central government on boosting in-depth integrated media development, insisting on correct political direction, innovation on the basis of what has worked in the past, and integrated development; it has played an active role in eliminating the continuous impact from the Covid-19; and it has coordinated media values to lead content independent innovations, so as to achieve various businesses’ steady improvement of quality and sound growth of quantity. During the reporting period, the company has achieved a total revenue of RMB 671,4487.1,thousand down 14.50% year on year; a net profit attributable to shareholders of the listed company of RMB 119,0764.5,thousand down 17.95% year on year. Among them, the revenue achieved in the second quarter amounted to RMB 359,0517.6,thousand up 14.93% compared with that of the first quarter, and the net profit attributable to shareholders of the listed company amounted to RMB 68,3286.4,thousand up 34.64% compared with that of the first quarter. In the first half year, MANGO TV Internet video business, as the Company’s core business, achieved a revenue of RMB 5.227,billion down 11.36% year on year, in which the revenue achieved in the second quarter amounted to RMB 2.759,billion up 11.81% compared with that of the first quarter.

1. Strengthening positive publicity around the main theme

With adherence to going forward to the main position as the main force, the Company has launched a lot of film and television programs around the main theme displaying innovative spirit and youthful vitality by virtue of the development tendency of in-depth media integration, in order to inculcate mainstream values and bear social responsibilities. During the reporting period, Mango TV is committed to building a main theme network audio-visual program matrix that reflects the spirit of the times with Chinese characteristics with a focus on welcoming the opening of the 20th CPC Congress. For example, the *Past Decade* recorded great achievements and historic shifts of China through the most touching moments during the past extraordinary decade from the 18th CPC Congress under the guidance of XI Jinping Thought on Socialism with Chinese Characteristics for a New Era; the *Personal Tales Along the Silk Road* told struggle stories of cultural workers in the new era by highlighting the Silk Road spirit of perseverance and struggle throughout history; and the *Daughter of the Party S2* displayed selfless dedication, adherence to struggle against harsh environment, and valiant efforts of female outstanding CPC members in the new era, which reflected the mainstream views and the upward spirits of all walks of life in the new era. With great efforts to disseminate culture globally, Mango TV International App has exerted an increasingly stronger influence on overseas markets, which is represented by a coverage scope of more than 195 countries and regions around the world and over 103.49 million downloads. Mango TV International App continues to explore the globalized expression of Chinese stories and voices closely around important themes such as interpretation of XI Jinping Thought on Socialism with Chinese Characteristics for a New Era, the National People’s Congress and the Chinese People’s Political Consultative Conference, the 101st anniversary of the founding of the Communist Party of China, and the 25th anniversary for the return of Hong Kong.

2. Improving content ecology through in-depth media integration

With adherence to long-termism and standardized operation, the Company resolutely implements the overall deployment of the central government on boosting in-depth integrated media development to build Mango’s in-depth integration ecology, so as to further consolidate team advantages, creative advantages and production advantages of high-quality IP resources. It continues to improve the

core competitiveness in the field of high threshold long-form video, maximizing the advantages and increasing the value of the two platforms. At the end of the reporting period, the two platforms have created the largest think tank of content production in China with 48 variety arts production teams, 29 film and TV production teams and 34 strategic studios under the Xinmang Program.

In terms of variety shows, with continuous creation of “phenomenal” works regarding new industries and steadily broadcasting of high-quality variety shows in N seasons, Mango TV strives for the content brand of “MANGO production” consecutively. In the first half year, Mango TV launched 36 variety shows (including 33 self-produced or customized ones of the two platforms), in which the broadcast index (Yien data) of either the innovative variety shows such as the *Infinity and Beyond* and the *Go for Spring*, or the matured variety shows in series such as *Sisters Who Make Waves S3* and *Who’s the Murderer S7*, ranked among the top in the industry. The *Sisters Who Make Waves* which is committed to transmitting the “female” energy of “unlocking infinite possibilities and showing the style of the times”, have achieved a record-high excellent performance in its third season, actively showing women’s self-effacing style in the new era. The brand new music variety show *Hong Kong Music Season of Infinity and Beyond*, as a program listed in the “Project for Creation and Dissemination of Excellent Network Audiovisual Programme by the State Administration of Radio, Film and Television” and the gift to celebrating the 25th anniversary of the return of Hong Kong, interpreted the devotion to family and country and the bond of kinship in songs through immersive presentation of Hong Kong music. The *Forensic Season of Workplace Newcomers* which is the first domestic cultural and educational program focusing on the forensics, displayed rigorous, meticulous, truth-seeking and fearless professionalism of forensics.



In terms of TV dramas and series, during the reporting period, Mango TV launched 78 TV dramas and series, including 18 key TV dramas and 48 micro-short dramas under the “Damang Program”. “Mango Monsoon” theater explored diversified topics such as urban workplace, family emotions and mystery stories on the basis of insisting on respect of creation, users and markets with the purpose to create a “non-genre” theater brand that can be accepted by more audiences. Since 2022, the theater has launched five high-quality dramas reflecting social reality and insight into social emotions, such as *Guo’s Summer*, *Infidelity in Marriage*, and *A Year Without a Job*. In the future, “Mango Monsoon” theater will continue to explore the development of high-quality and branding TV dramas and series under the guidance of the mainstream social culture with the attitude of caring for reality. In terms of micro-dramas, Mango TV pays great attentions to those in 7-10 minutes with high-quality contents, and the popular micro-drama “The Killer is also Romantic” has been broadcasted more than 600 million times.



3. Resilience highlighted in the developmental of Internet video business

(1) Advertising business. In the first half of the year, the advertising business achieved a revenue of RMB 2.163, billion down 31.15% year on year, with reasons explained as below. First, it is relatively high for the advertising revenue base for the same period of last year. Second, the advertising industry is not going as well as previous years due to the impact of macroeconomic and the new crown pneumonia epidemic. During the reporting period, we actively respond to the industry predicament and market anxiety, and took positive measures to solve difficulties and seek changes. On the one hand, we strengthened the linkage mechanism between advertising marketing and content innovation to maximize the value of content products. *Sisters Who Make Waves S3*, with 27 advertising partners, has led the variety show market in the first half year in terms of the number of clients through advertising investment; *Hong Kong Music Season of Infinity and Beyond*, despite a brand-new program, has also received sponsorship from 10 brands; and *Royal Feast* set a new high in advertising investment and implantation advertising for TV series on Mango TV. On the other hand, we create an innovative joint investment mechanism that has been upgraded from the single-platform content marketing to the full-chain three-dimensional marketing system cross platforms with multiple circle levels which takes Mango IP as the core. Relying on the exclusive advantages of Mango website, we are committed to providing advertisers with high-value and diversified integrated marketing solutions.

(2) Membership business. The member business achieved a revenue of RMB 1.858, billion up 6.48% year on year. According to the user data of Questmobile online video platform, the average daily and monthly active users of Mango TV steadily increased in the first half of the year, and the per capita single-day usage hours were relatively high in the industry ranking. On the one hand, we strengthen refined operation and upgrade iterate innovative operation strategies, so as to keep user retention, enhance user stickiness and improve the conversion rate of membership payments. Mango TV has firstly created the variety show matrix of “pre-broadcast program + post-broadcast derivative program” to launched popular pre-broadcast and post-broadcast derivative variety shows such as *Welcome to Mushroom House* and *Go for Happiness*; innovatively launched movie cards, IP limited packages and other membership cards by segmentation of content preferences; and continued to enrich the membership rights and benefits system, with more than 200 membership rights and benefits in seven categories available. On the other hand, we have increased the cooperation with channels to effectively increase the scale of revenue and broaden the membership base. We have cooperated with strategic partners to launch heavyweight membership products such as China Mobile “Mango Card” and Huamang Joint Membership, and with a number of automobile companies such as Xiaopeng Auto and ARCFOX to explore in-car screen video services with the purpose to provide a full range of high-quality audiovisual experience for in-car screen users.

(3) Operator business. The operator business achieved a revenue of RMB 1.206, billion up 19.31% year on year, maintaining steady growth continuously. With respect to the national business, relying on strategic cooperation, Mango TV continued to deepen cooperation with China Mobile in large-screen business and 5G innovative business, realizing complementary resources and advantages of both parties as well as synergy in multiple business areas. The operator business has covered more than 341 million users in 31 provincial administrative regions. With respect to the business in Hunan Province, Mango TV actively explores the integration of membership and operator rights and channels in cooperating with three major operators, and continue to promote the comprehensive

upgrade of business operation and brand strategy from “Hunan IPTV” to “MANGO Big TV” in order to build a smart family audiovisual entertainment scene, and promote integrated innovation through local content self-production, one screen per county, etc.

4. Strengthening ecological synergy by promoting the integration of artist agency businesses

During the reporting period, due to the repeated outbreak of the COVID-19, the development of various artist agency businesses has been greatly affected. In order to create a new landscape for the artist agency business, enhance business management efficiency and strengthen ecological synergy, the Company actively promoted the comprehensive integration of its subsidiaries’ artist agency business and music copyright business to give full play to the brand effect of EE-Media acting as the domestic first-class artist agency and the well-known record company. With respect to the artist agency business, the Company has concluded contracts with 128 artists covering all business types such as film, TV, variety show, music and hosting, and manages these artists based on insisting on transmitting mainstream social values and promoting the main theme, so as to keep good guidance and demonstrate good content, thus strengthening the overall and long-term planning of artist development categorized by different levels and types. We give priority to contracted artists for our internal variety shows, TV dramas and other content products to achieve win-win cooperation between the platform and the artists. With respect to the music copyright business, we create individual albums for key contracted artists and promote the release of digital songs and digital albums of top-level artists. Meanwhile, relying on the resources of high-quality variety shows and TV dramas on the two platforms, we continue to expand the scale of variety music and TV and film music copyrights. As of the end of the reporting period, there are nearly 1,800 songs in our library regarding recorded music, TV and film music and variety show music.

5. Exploring new path for e-commerce through integration of optimized resources

During the reporting period, the new business section Xiaomang E-commerce has achieved a rapid development, resulting in significant increase in platform users and great improvement of operational efficiency. In the first half year, upon completion of capital increase and share expansion, Xiaomang E-commerce introduced the liquidity required for the strategic cultivation period to strengthened the building of operation team, supply chain system, after-sales service system and technical platform, so as to promote the synergistic development between Xiaomang and all business segments of the whole Mango ecosystem to accelerate the construction of the business closed loop of “content + video + e-commerce”. With respect to content promotion, we integrate high-quality IP resources of the two platforms, building Xiaomang community with enhanced user interaction and launching various theme evening parties such as “Xiaomang New Year Shopping Festival”, and “Han-style clothing as beautiful as sunrise light”, which has realized the purpose of promotion and publicity, and stimulated consumptions. With respect to product selection, Xiaomang E-commerce incubates the “Mang Brand” and grow with the brand together through cooperation with over 500 new China-Chic brands or Chinese merchants supplying Chinese goods, so that we have formed many product lines such as Han-style clothing, beauty, art toys, digital goods, cute pets, light camping, etc. Around five categories of beauty, health, food, home life and popular clothing with great efforts to TV big screen, Happigo has been actively seeking to transform from traditional e-commerce businesses to realize refined operation of users on the basis of maintaining the existed achievements by virtue of Internet channel, and explored distribution businesses for selected products with a focus on supply chain development based on supply chain services.