



Mango Excellent Media Co., Ltd.

Annual Report 2022

April 2023

Annual Report 2022

Section I Important Note, Table of Contents and Definitions

The Board of Directors, the Board of Supervisors, directors, supervisors and executives of the Company hereby warrant that the information contained in this Annual Report is true, accurate and complete and this Annual Report is free from any misrepresentation, misleading statement or material omission, and agree to assume joint and several liability for this Annual Report.

CAI Huaijun, Principal of the Company, ZHANG Zhihong, CFO and TAO Jinyu, Chief Accountant hereby represent that the financial statements contained in this Annual Report are true, accurate and complete.

All directors of the Company attended the meeting of the Board of Directors reviewing this Report.

This Report contains certain forward-looking statements regarding future plans, development strategies and other projected matters, which do not constitute any substantial covenant made by the Company to the investors and related persons. The investors and related persons shall be fully aware of the relevant risks, and understand the differences among such plans, forecasts and covenants.

The Company has stated in details the possible risks in its operation and countermeasures in this Report. Investors are advised to refer to the Section III “Management’s Discussion and Analysis - Prospects for future development of the Company”.

According to the profit distribution proposal approved by the Board of Directors, on the basis of 1,870,720,815, a cash dividend of RMB 1.3 (tax inclusive) will be distributed for every 10 shares held by shareholders, with 0 bonus share (tax inclusive) and no capital reserves converted into the share capital.

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List of References

1. Financial statements signed and chopped by the Principal, CFO and Chief Accountant of the Company;
2. Original of the auditor's report stamped with the seal of the accounting firm and signed and chopped by the certified public accountants;
3. Originals of all documents of the Company publicly disclosed on the website for information disclosure designated by the China Securities Regulatory Commission during the Reporting Period and related announcements; and
4. Other references.

Definitions

Terms	Definition
Mango Excellent Media, Company, we/our or the Listed Company	means Mango Excellent Media Co., Ltd.
Mango Excellent Media Co., Ltd.	means The full name of the Company in English.
MANGO	means The short name of the Company in English.
Happy Sunshine	means Hunan Happy Sunshine Interactive Entertainment Media Co., Ltd., a wholly-owned subsidiary of the Listed Company.
Mango Studios	means Mango Studios Culture Co., Ltd., a wholly-owned subsidiary of Happy Sunshine.
Mango Entertainment	means Hunan Mango Entertainment Co., Ltd., a wholly-owned subsidiary of Happy Sunshine.
EE-Media	means Shanghai EE-Media Co., Ltd., a wholly-owned subsidiary of the Listed Company.
Happigo	means Happigo Co., Ltd., a wholly-owned subsidiary of the Listed Company.
Mangofun	means Shanghai Mangofun Technology Co., Ltd., a wholly-owned subsidiary of Happy Sunshine.
Mango TV	means The online video platform affiliated to the Listed Company and operated by Happy Sunshine.
Xiaomang E-commerce	means Xiaomang E-commerce Co., Ltd., a subsidiary of Happy Sunshine
Mango Media	means Mango Media Co., Ltd. the controlling shareholder of the Company.
GBS	means Golden Eagle Broadcasting System Co., Ltd., the parent company of Mango Media Co., Ltd. as the controlling shareholder of the Company.
Hunan Cultural Assets Commission	means Hunan State-owned Cultural Assets Supervision and Administration Commission, the actual controller of the Company.
Hunan Broadcasting System	means GBS is an all-in-one company of Hunan Broadcasting System, and Hunan Broadcasting System and Golden Eagle Broadcasting System Co., Ltd. are operated under the management model of “two institutions operating integratedly under the leadership of one CPC committee” of Hunan Broadcasting System and GBS.
HBNHG	means Hunan Broadcasting Network Holding Group Co., Ltd., a subsidiary of GBS.
Xiaoxiang Film Group	means Xiaoxiang Film Group Co., Ltd., a subsidiary of GBS.
HTBI	means Hunan TV & Broadcast Intermediary

		Co., Ltd.
China Mobile	means	China Mobile Communications Group Co., Ltd.
IPTV	means	Internet Protocol Television, a technology integrated with internet, multimedia, communication and other technologies that provides home users with digital television and other interactive services through broadband network.
OTT	means	Over The Top, which provides a variety of video and data services to users via the Internet.
IP	means	Intellectual Property, the property rights given to persons over the creations of their minds.
APP	means	Application, mobile application program.
PAD	means	Portable Device.
PC	means	Personal computer.
TV	means	Television.
AR	means	Augmented Reality.
VR	means	Virtual Reality.
5G	means	5G Network.
QM	means	QuestMobile, a mobile web big data company.
KOL	means	Key Opinion Leader.
PUGC	means	Professional User-generated Content
AIGC	means	AI Generated Content.
ChatGPT	means	Chat Generative Pre-trained Transformer, a large language model based on the GPT-4 architecture developed by OpenAI
ENLIGHTENT	means	A data platform which carries out statistics and analysis of the program broadcast data of long video platforms and channels

Section II Company Profile and Key Financial Indicators

I. Company profile

Stock short name	Mango	Stock code	300413
Chinese name	芒果超媒股份有限公司		
Chinese short name	芒果超媒		
English name (if any)	Mango Excellent Media Co., Ltd.		
English short name (if any)	Mango		
Legal representative	CAI Huaijun		
Registered address	Golden Eagle TV Culture City, Changsha, Hunan		
Postal code of registered address	410003		
History of changes in registered address	None		
Office address	Golden Eagle TV Culture City, Changsha, Hunan		
Postal code of office address	410003		
Company website	https://www.mgtv.com		
Email	mangocm@mangocm.com		

II. Contact person and contact information

	Board Secretary	Securities Affairs Representative
Name	WU Jun	ZHOU Yong
Address	Golden Eagle TV Culture City, Changsha, Hunan	Golden Eagle TV Culture City, Changsha, Hunan
Telephone	(0731) 82967188	(0731) 82967188
Facsimile	(0731) 82897962	(0731) 82897962
Email	mangocm@mangocm.com	mangocm@mangocm.com

III. Information disclosure and place for keeping annual report

Website of the stock exchange disclosing the Company's annual report	http://www.szse.cn
Media and website disclosing the Company's annual report	The China Securities Journal, the Securities Times, the Securities Daily, the Shanghai Securities News and http://www.cninfo.com.cn
Place for keeping the Company's annual report	Board of Directors Office of the Company

IV. Other related information

Accounting firm engaged by the Company:

Name of accounting firm	Pan-China Certified Public Accountants LLP
Office address of accounting firm	6/F, No. 128, Xixi Road, Xihu District, Hangzhou City,

	Zhejiang Province
Name of accountants signing this Report	ZHENG Shengjun and HU Jian

Sponsor institution engaged by the Company that performs the duties of ongoing supervision over the Company during the Reporting Period:

Applicable N/A

Name of sponsor institution	Office address of sponsor institution	Sponsor's representative	Period of continuous supervision
China International Capital Corporation Limited	27 & 28/F, Block 2, China World Towers, No. 1 Jianguomenwai Street, Chaoyang District, Beijing	YAO Xudong and WANG Kun	From August 24, 2021 to December 31, 2023

Financial advisor engaged by the Company that performs the duties of ongoing supervision over the Company during the Reporting Period:

Applicable N/A

V. Key accounting data and financial indicators

Did the Company need to retrospectively adjust or re-state accounting data of prior accounting years?

Yes No

	2022	2021	Increase/decrease YoY	2020
Operating revenue (RMB)	13,704,339,712.31	15,355,863,482.07	-10.76%	14,005,534,955.36
Net profit attributable to shareholders of the Listed Company (RMB)	1,824,925,935.93	2,114,090,171.85	-13.68%	1,982,159,476.82
Net profit attributable to shareholders of the Listed Company less non-recurring profit or loss (RMB)	1,587,332,987.64	2,059,758,151.24	-22.94%	1,846,203,181.73
Net cash flow from operating activities (RMB)	551,646,897.99	561,800,882.37	-1.81%	580,970,353.08
Basic earnings per share (RMB/share)	0.98	1.17	-16.24%	1.11
Diluted earnings per share (RMB/share)	0.98	1.17	-16.24%	1.11
Weighted average return on equity	10.20%	16.25%	-6.05%	20.46%
	End of 2022	End of 2021	Year-end increase/decrease YoY	End of 2020
Total assets (RMB)	29,049,673,556.55	26,110,751,404.90	11.26%	19,265,699,802.98
Net assets attributable to shareholders of the Listed Company (RMB)	18,850,714,836.78	16,966,400,358.23	11.11%	10,587,978,185.42

Whether the lower of the net profit before and after deduction of non-recurring profit or loss in the past three accounting years has been negative and the most recent annual auditor's report indicates that the Company's ability to continue as a going concern is uncertain?

Yes No

Whether the lower of the net profit before and after deduction of non-recurring profit or loss is negative?

Yes No

VI. Key financial indicators by quarter

In RMB

	First quarter	Second quarter	Third quarter	Fourth quarter
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Operating revenue	3,123,969,453.34	3,590,517,648.95	3,524,344,638.12	3,465,507,971.90
Net profit attributable to shareholders of the Listed Company	507,478,079.59	683,286,374.23	487,528,304.18	146,633,177.93
Net profit attributable to shareholders of the Listed Company less non-recurring profit or loss	474,325,192.41	621,084,933.79	441,615,284.70	50,307,576.74
Net cash flow from operating activities	-733,432,499.72	648,062,871.71	542,673,374.45	94,343,151.55

Whether there's any material difference between the financial indicators or aggregate amounts thereof set out above and the corresponding financial indicators set out in any quarter report or semi-annual report of the Company already disclosed?

Yes No

VII. Differences in accounting data arising from adoption of foreign and Chinese accounting standards concurrently

1. Differences between net profit and net assets disclosed on the financial statements according to the international accounting standards and the Chinese accounting standards concurrently

Applicable N/A

During the Reporting Period, there was no difference in net profits and net assets in the financial report disclosed in accordance with the international accounting standards and the Chinese accounting standards.

2. Differences between net profit and net assets disclosed on the financial statements according to the foreign accounting standards and the Chinese accounting standards concurrently

Applicable N/A

During the Reporting Period, there was no difference in net profits and net assets in the financial report disclosed in accordance with the foreign accounting standards and the Chinese accounting standards.

VIII. Items and amounts of non-recurring profit or loss

Applicable N/A

In RMB

Item	Amount in 2022	Amount in 2021	Amount in 2020	Note
Gain or loss on disposal of non-current assets (including the written-off part of the asset impairment reserve accrued)	807,213.90	501,358.91	70,055,759.62	Income from scrapping of fixed assets and disposal of assets
Government subsidies accrued to the current profit and loss (excluding government subsidies that are closely related to the business of the Company and are provided in fixed amount or quantity continuously according to the applicable polices and standards of the country)	46,148,191.22	35,999,768.69	49,700,923.82	
Profit and loss from investment or asset management by commissioned parties	119,290,763.72	34,265,617.23	3,906,349.28	
Profit and loss from debt restructuring	27,219,600.00			
Reversal of provision for impairment of receivables subject to individual impairment test	3,355,000.00	4,843,660.00	31,747,600.00	
Other non-operating revenue and expenditure other than those listed above	41,319,889.16	-21,265,876.15	-18,913,395.60	

Less: Amount of income tax affected			1,209.77	
Amount of minority shareholders' equity affected (after tax)	547,709.71	12,508.07	539,732.26	
Total	237,592,948.29	54,332,020.61	135,956,295.09	--

Specific circumstances of other profit or loss items that meet the definition of non-recurring profit or loss:

Applicable N/A

The Company does not have any other profit or loss items that can be defined as non-recurring profit or loss.

Statement on defining non-recurring profit or loss items listed in the "Explanatory Announcement No. 1 on Information Disclosure of Publicly Listed Companies - Non-recurring Profit or Loss" as recurring profit or loss items

Applicable N/A

The Company does not have any non-recurring profit or loss items listed in the "Explanatory Announcement No. 1 on Information Disclosure of Publicly Listed Companies - Non-recurring Profit or Loss" defined as recurring profit or loss items.

Section III Management's Discussion and Analysis

I. Situations of our industry during the Reporting Period

1. Cultural confidence is built and the development of a digital China is accelerated to secure successes in developing a confident and flourishing digital culture

The report to the 20th National Congress of CPC points out that to build a modern socialist country in all respects, we must develop a socialist culture with Chinese characteristics and be more confident in our culture; to develop cultural programs and the cultural sector, we will encourage people-centered cultural creation and make sure the cultural sector prioritizes social benefit while also producing economic returns, deepen reform of the cultural management system and improve economic policy for the cultural sector; we will implement a national cultural digitization strategy, improve the modern system of public cultural services and launch new public-benefit cultural programs; and we will improve the modern systems for cultural industries and markets and implement major cultural projects to spur the development of the sector. The Central Committee of the CPC and the State Council issued the Plan for the Overall Layout of Building a Digital China (hereinafter, the "Plan"). The Plan points out that we will forge a confident and flourishing digital culture; we will vigorously develop cyber culture, strengthen the supply of top-quality cyber cultural products and guide all kinds of platforms as well as Internet users at large to create and produce positive, healthy, upright and beneficial cyber cultural products; we will promote the digital development of culture, deepen the implementation of national culture digitization strategy, build a national big data cultural system, and form a data bank of Chinese culture; we will raise capacity for digital cultural services, create a number of comprehensive digital culture exhibition platforms, and accelerate the development of novel cultural enterprises, industrial models, and consumption models. Guided by new macro policies and jointly advanced by technology upgrading and market demands, the Internet digital economy, platform economy, media integration, cultural innovation and content consumption will embrace new opportunities.

2. Reducing costs, increasing efficiency, and putting profits first have become a common understanding of the long video industry

According to QM data report, as of the end of 2022, the number of China's mobile Internet users reached 1.2 billion, further increasing customer stickiness. On average, Internet users spent more than 177 hours every month, and the number of their use exceeded 2,600 times. Regarding the video industry, various platforms continued to implement their plans for burden alleviation. The long video industry moved faster to return to media attributes and content essence. Reducing costs, increasing efficiency, making both ends meet, and putting profits first have become a common understanding of the industry, and old days of "losing money for the market" have come to an end. Confronted with the continued fluctuations in the advertising market caused by macroeconomic instability, leading platforms further intensified efforts to expand their ecological membership layout and conduct refined operations, and the periodic increase in membership prices has become the market norm. Intelligent, comprehensive, long-tail operations continued to raise the member conversion rate and made users develop payment habits. The emerging leverage effect brought by high-quality content of leading platforms and the efforts to explore users' core extended needs by focusing on low-cost targeted content jointly push the long video content consumption to a new level.

3. The advertising market moves forward under pressure in 2022, while e-commerce and beauty advertising spending scale remains in the front rank

According to CTR data, QM data, GfK's China Consumer Confidence survey and other reports, the advertising market moved forward under pressure in 2022, and the market shares decreased by 11.8% year on year, including a year-on-year decline of over 57% in the cinema video advertising spending. Online shopping, online games, digital reading and other Internet industry advertising spending decreased on a year-on-year basis, while the advertising spending for the non-Internet industries, such as household appliances, medicine and health care, mother and baby products, maintained a year-on-year growth. Core customer groups, including e-commerce platforms and international beauty care brands, still ranked among the top in term of advertising spending. Different channels such as long and short videos, social media and live streaming platforms, continue to show differentiated unique content advantages and attract different types of advertisers for more accurate advertisement putting cooperation. Given the large-scale promotion activities at the end of 2022 and the expectations of a stable macroeconomic prospect in 2023, the customers' confidence is improving, and the overall advertising growth is expected to resume.

4. The popularization of IPv6 and ultra-high-definition video technologies is accelerated and the smart large-screen users hit record high

The State Council issued the Plan for Development of the Digital Economy During the "14th Five-Year" Period, pointing that the popularization of ultra-high-definition TV should be strengthened, and new technologies and business modes such as 8K ultra-high-definition video, interactive video and immersive video should be developed. The Cyberspace Administration of China, the National Development and Reform Commission of China and the Ministry of Industry and Information Technology of China jointly printed and issued the document, pointing out that we should deeply promote IPv6 scale deployment and application, continuously optimize IPv6 network performance, enhance IPv6 network interoperability, explore and advance live network deployment of IPv6 single stack and SRv6 technology, step up the IPv6 upgrading and transformation of broadcasting networks, and improve the end-to-end IPv6 support capability of IPTV services. In 2022, China's three basic telecommunications enterprises continuously devoted great energy to developing IPTV, Internet data centers, big data, cloud computing, the Internet of Things and other emerging businesses. According to the data issued by the Ministry of Industry and Information Technology of China, our total IPTV users

reached 380 million, with a net increase of 31.92 million. CSM report shows that China's audience size, market share and monthly active users of IPTV and OTT grew steadily throughout 2022, and that the personalized, timely, multi-selective and interactive large-screen viewing experience made the smart large-screen viewers further show a younger trend, bringing more opportunities for industry communication and marketing.

5. The films, TV dramas and variety shows implement the plan of “cost-reducing and efficiency-increasing” throughout 2022 and the shares of the long video platforms remain stable by adhering to the business philosophy that “content quality is the king”

With respect to variety shows, according to the reports issued by ENLIGHTENT, the Institute of Media Economics and other institutes, 274 home-made seasonal variety shows were released in 2022, an increase of 7 shows year on year. The major long video platforms enjoyed an important market share, while short video platforms continued to increase their investment in variety shows. The high-quality variety shows maintained a high level, and the “N-generation variety show” took the lead in the segmented field. Music variety shows have become a core engine, and their nostalgic theme and sentiment help them become a hot-selling product. The vertically classified and derivative customized variety shows were further expanded. Efforts were made to develop “small but beautiful” mid-tier and micro variety shows to precisely attract core target audiences under the guidance of cost reduction and efficiency increase as well as value co-creation. In terms of films and TV dramas, according to Endata, 301 dramas were released on long video platforms in 2022, a year-on-year decrease of 18 dramas, with the number of Internet dramas representing over 60%. The high-quality dramas and series were still concentrated in major long video platforms, and the number of popular dramas winning good reputation and audience rating increased significantly. The reality, history and women dramas and series outperformed the market, and more high-quality costume dramas, comedies, suspense dramas and workplace dramas were produced. Further, the content modes and consumption experience of short dramas made a new breakthrough.

6. Content protection continues to strengthen, and the in-depth cooperation between long and short videos becomes a general trend

The administrative and judicial organs further enhance efforts to combat infringements of content copyright and continuously impose more severe punishments. The national-level network copyright protection work, represented by “Jianwang” special campaigns jointly carried out by the National Copyright Administration, the Ministry of Industry and Information Technology, the Ministry of Public Security, the Cyberspace Administration of China and other departments to combat Internet infringement and piracy, has been conducted over a long period of time. This effectively promotes mutual in-depth cooperation between leading long and short video platforms, so that they work together to protect original copyrights, broadly grant genuine authorization and effectively advance joint innovation. On the basis of high-quality product content matrix, long video platforms continued to explore the new direction of micro dramas and micro variety shows, and more and more derivative high-quality PUGC products were released and well received by target audiences. The attention, rate of becoming widely known and rate of return of the original works grew steadily. Capitalizing on the traffic, algorithm and scale advantages, the leading short video platforms continued to expand the ecological deployment of original long videos, and broaden two-way promotion and distribution channels of the original, cooperative and derivative long videos between upstream and downstream, and further explore the global market.

7. The new AI is on the upswing, and AIGC opens up a new direction of content creation

The new AI represented by ChatGPT grows rapidly, and new opportunities, new modes and new applications of related industries and sectors have commanded high attention worldwide. The heads of related departments in the Ministry of Science and Technology of China said that, AI, as a strategic emerging technology, has become an important driver for scientific and technological innovation, industrial upgrading and productivity improvement in many fields. In March 2023, the Ministry of Science and Technology of China officially started the special deployment of “Artificial Intelligence for Science”, a project to promote the use of AI in frontier sci-tech research, with a view to accelerating the building of a new generation of national AI innovation platforms. Local AI special campaigns or development plans were issued successively in Beijing, Tianjin, Chengdu and Hangzhou, etc., further supporting the development of China's AI and its applications. The evolution of AIGC creation and production system for texts, images, 3D, audio, video and games based on a new generation of AI technology is accelerating. New AI has a broad prospect of application in the key aspects of content creation and systemic design from content informatization, digitization to intelligentization, which exerts far-reaching impacts on the evolution and upgrading of the cultural industry in terms of production efficiency, cost optimization and access threshold. As a result, more and more major Internet platforms, games and content-based companies begin to set foot in this field.

8. The e-commerce expansion continues to accelerate across all domains and all scenarios, and the content e-commerce penetration rate increases steadily

According to QM data, the number of major e-commerce platform users remained on the rise in 2022, and the overall gap between the leading platforms and medium-sized platforms continued to widen in terms of user scale, resource investment and other key areas. In the industry with strong demand for liquidity, e-commerce platforms worked to deploy multiple channels, and actively made the growth of user scale become a new growth driver. The users of the mobile shopping all-scenic traffic channels represented by applets reached 700 million, becoming a core pillar of differentiated ecological traffic. The self-built e-commerce channels emerged in leading vertical industries such as liquor and mobile phones. The interest-based content e-commerce platforms represented by “live + short video” further deepened the integration of content and consumption scenarios, increasing consumer reach and conversion rates. By community marketing, the use habits of targeted users were further cultivated. The user scale of the group, community and takeaway e-commerce platforms were expanded steadily.

II. Our main business during the Reporting Period

The Company shall comply with the disclosure requirements for “Internet Video Business” set forth in the Guide on Self-

regulatory Supervision for Companies Listed on the Shenzhen Stock Exchange No. 4 – Disclosure of Industry Information by the Companies Listed on the ChiNext Board.

We are the first state-owned new media company listed on the A-share market that is characterized by integrated development, and has built a core industry chain covering all channels and the entire content ecosystem, and is the integrated convergence media industry and capital operation platform affiliated to GBS (Hunan Broadcasting System). Our main business includes Mango TV Internet video business, new media interactive entertainment content production and content e-commerce business. Relying on the Mango convergence media ecosystem, and centered on the Internet video platform operation, we have built an entire media industry chain ecosystem covering membership, advertising, IPTV, OTT, films and TV dramas, variety shows, artist agency, music copyright operation, IP derivative development and live entertainment, content e-commerce, etc., characterized by synergetic development of the upstream and downstream.



1. Mango TV's Internet video service

Mango TV's Internet video business is mainly categorized into advertising, membership and operator businesses. The advertising business is mainly categorized into soft advertising business and hard advertising business. The soft advertising business focuses on contents, fully explores the marketing value of high-quality content IPs, and provides clients with naming, placement and other advertising products; hard advertising business provides clients with patching, inserting and other advertising services. The membership business is divided into two parts, that is, the online part and the offline part. The online membership business means that the Company attracts users to purchase membership packages through online consumption with its enriched copyright resources and high-quality exclusive contents; the offline membership business mainly attracts target audience and make them members through promotional activities in various forms. The operator's large-screen business model is mainly to sign cooperation agreements with major operators, cable TV operators, etc., where the Company provides content products for promotion and marketing, and both parties share related revenues.

2. New media interactive entertainment content production

Our new media interactive entertainment content production business mainly includes content production and operation, artist agency, music copyright, IP derivatives development and location-based entertainment business. The content production and operation business mainly include production of variety shows, films and TV dramas and content copyright operation, reflecting our core competencies. As a leading content producer, we produce proprietary and customized high-quality content, to publicize the positive energy of the society, guide the values of young people, and bring social benefits as a state-owned cultural company. On the other hand, we use our high-quality content to attract members, serve advertisers or otherwise bring economic benefits. In the artist agency business, we seek and train new talents having great potentials, provide artists with comprehensive services including positioning, publicity, modeling, commercial sponsorship, etc., build an echelon of artists at all levels and of various types, and create a closed loop of artist agency business by arranging the artists to take part in films, TV dramas, variety shows, commercial performances, branded concerts, brand sponsorship, peripheral derivatives license or otherwise. In the music copyright business, on the basis of music IP resources accumulated and continuously enriched by the artists, we grant online App licenses, overseas digital music licenses, game licenses, program licenses, background music licenses for films and TV dramas and other digital music licenses. In the IP derivatives development and location-based entertainment business, relying on the IPs of Who's the Murderer, Great Escape and other programs, we grant multi-dimensional IP derivatives licenses, carry out offline location-based entertainment business around the country, and build M-CITY brand.

3. Content e-commerce business

Our content e-commerce business includes Happigo and Xiaomang. Happigo e-commerce seeks to develop a service and tool platform around the closed loop of large-screen TV and TV audience sales, with its focus on TV shopping business, and supply chain building and expansion. Xiaomang e-commerce is designed as "a content e-commerce platform focusing on home-made new fashions", focuses on the integration of IP content and e-commerce modes, and creates a vertical Mang brand with the help of multiple unique content-based product lines. Meanwhile, we strengthened the overall linkage between Xiaomang e-commerce and each business sector of the overall Mango ecosphere. We took advantage of IP cooperation rights and interests to further expand the cooperation matrix of home-made brands, and continued to improve the closed loop of "content + video + e-commerce".

III. Analysis of core competencies

1. Opportunities for in-depth integrated development of media

The report to the 20th National Congress of CPC points out that we will improve the systems for communications across all forms of media and create a new environment of mainstream public opinion. In this report, a comprehensive plan is developed for being more confident in our culture, carrying forward China's cultural heritage and turning China into a country with a strong socialist culture, bringing new strategic opportunities for the in-depth integrated development of media. As a Party media and state-owned enterprise, we build the integration ecosystem of mainstream new media group in a comprehensive manner, keep improving the effectiveness of international communication, and deliver high-quality political leadership projects, hot innovation projects, operation optimization projects, industrial upgrading projects, and youth talent projects. By strengthening and innovating the Internet content building, we have effectively turned opportunities into development effectiveness.

2. System and mechanism advantages in joint development of double platforms

Hunan Broadcasting System has the advantage of leading double platforms in the country, i.e. the mainstream new media platform Mango TV and the traditional media Hunan TV. These two platforms continue to create a new pattern of media integration, realizing the effect of making one plus one bigger than two. These two platforms have actively explored the integration of strategies, marketization of mechanism and rejuvenation of talents, and built a joint development model characterized by co-creation and sharing. With these efforts, we have realized opening up and cooperation in content creation, advertising marketing, joint interview and broadcasting and other areas, and mutual supplement in product cluster and linkage, and actually brought benefits of reform and development through integrated development of media in iteration and symbiosis.

3. Mango innovation gene based on the concept of “innovate or die”

We carry Mango innovation spirit of “innovate or die”, and continue our efforts to explore endogenous driving force through the synergy innovation of the system, management, business and technology. With respect to mechanisms, we have established the open and innovative incentive system, and vigorously promoted team system and studio system, to create a sound external environment for the employees that bears the basic risks and arouses their enthusiasm; with respect to management, we have organized “Mango Youth Talk”, “Young CEO Club”, “Qingmang Internship Program” and other activities to iterate young talent training programs and internal competition mechanisms, and promoted the rejuvenation of the management team; with respect to business, we have got rid of the dependency on channels, set the goal of “do it first or be the best”, create highly innovative content works, and preserve our core competencies in proprietary content.

4. The intensive and smart mid-end enabling production of proprietary content

We encourage people-centered cultural creation, rely on our strong content production teams, secure core essential production factors, and build a high-level long video platform. As of the end of the Reporting Period, Mango TV has 24 show production teams, and has built a proprietary variety show system having strong competencies and high market value in the industry, and become the largest variety show producer. With respect to TV dramas and series, we now have 25 film and TV drama production teams and 34 strategic studios under the Xinmang Program, and in reliance on Mango ecosystem, actively innovate in the integration of TV station and network. In addition, we have built a leading smart mid-end matrix in China's video industry, and realized standardized coordination in content, technology, risk control and operation and other aspects, in order to build a joint action mechanism with efficient processes, activated elements and agile operation that enables sound management, liberate the production forces of the content teams to have them focus on quality and innovation and continuously consolidate and improve the high-quality proprietary content with plentiful layers and special characteristics of Mango.

5. Differential positioning of “youth, metropolis and women”

We stick to the special content strategy and platform positioning of “youth, metropolis and women”, to ensure that our clear user base, fine content products and advertisers are linked and fit perfectly with each other. The overall user image of Mango TV is “vigor, fashion and quality”, among others, and its percentage of women users is higher than the average level of the industry. Clear user imaging and platform positioning will enhance our special advantages in realizing compound value of content IPs through multiple channels and in a variety of ways, and building membership operation system. On this basis, we will continuously enrich the content matrix, to acquire more diversified users.

6. Closed loop of new media ecosystem with joint actions of the upstream and downstream of the entire industry chain

In reliance on our advantages in proprietary content, we stick to creating and controlling content independently, and have built the closed loop of new media ecosystem covering the entire industry chain of media and Internet, where the upstream mainly includes artist agency and variety show, film and TV drama production business, the mid-stream is responsible for content operation and distribution through multiple channels provided by the online video platforms, in reliance on our strong content production capabilities and high-quality content matrix, and the downstream is responsible for adaption and development of Mango family content IPs and derivatives of offline location-based entertainment, and on the basis of content, creates a wholly new video content e-commerce model centered on “content + video + e-commerce”, and realizes monetization of derivatives through multiple online and offline channels. All aspects in our industry chain coordinate and supplement with each other, creating an integrated Mango ecosystem covering the entire industry chain with special characteristics in the context of media convergence.

7. “One cloud and multiple screens” system with multiple licenses covering all terminals

Mango TV is the sole market player in the Internet video industry that holds both IPTV and OTT business licenses, and its smart large-screen business has covered 31 provincial regions in China, and is an important supporting point for us to develop 5G and living room economy. In reliance on our complete licenses, our video content business covers all terminals, including mobile phone, PAD, PC, TV, IPTV and OTT. We are the first video media platform that has actually built “one cloud and multiple screens” system in the industry.

8. High-quality development of business model

We stick to the general principle that the content is the king, and continuously improve the content and market input-output ratio with the help of high-quality content and technological innovation. We have blazed a sustainable development path different from other Internet platforms. On the one hand, we have realized effective control over content production costs through accurate user positioning, strong content production capabilities, and effective cluster of core production factors. On the other hand, in reliance on our industry-leading model of monetization through “membership + advertising + operator” channels, we have developed multiple sources of revenue, and become a market player in the Internet video industry that has made profits and maintained profitability.

IV. Analysis of main business

1. Overview

In 2022, China successfully convened the 20th National Congress of CPC. An ambitious blueprint has been drawn for building a modern socialist country in all respects and advancing the great rejuvenation of the Chinese nation on all fronts through a Chinese path to modernization, sounding a clarion call of the times for us to forge ahead on a new journey. Guided by Xi Jinping’s Thought on Socialism with Chinese Characteristics for a New Era and the spirit of Xi Jinping’s series of important speeches on media integration, we, as a new media platform under Hunan Broadcasting System and a pioneer in building mainstream new media group, are committed to shouldering the mission as a Party media and state-owned enterprise, namely, “focusing on upholding socialism with Chinese characteristics, rallying public support, fostering a new generation of young people, developing Chinese culture, and better presenting China to the world”. We also strive to advance the media integration to develop in depth and breadth, keep the fundamentals of core business, improve quality while ensuring stability in economic activities, and consolidate the foundations of high-quality development. During the Reporting Period, our operating revenue totaled RMB 13.704 billion, a decrease of 10.76% year on year; and the net profit attributable to the shareholders of the Listed Company was RMB 1.825 billion, a decrease of 13.68% year on year. Our core business, Mango TV Internet video business, realized an operating revenue of RMB 10.418 billion, down by 7.49% year on year. We were listed in the 14th “Top 30 National Cultural Enterprises”, and Mango TV ranked 19th among the “2022 China Internet Comprehensive Strength Enterprises”, the only state-controlled enterprise among top 20.

1. Give full play to the advantages of integrated communication and resolutely shoulder the mission and responsibilities as a Party media

As the largest listed new media platform enterprise managed and controlled by the CPC in China, we have always adhered to the leadership of the Party with utter loyalty and give top priority to expanding mainstream ideas. We promote mainstream value communication with innovative and young spirit, perform social responsibilities, and are dedicated to ensuring that underlying values hold greater appeal than ever before, and the wave of positive energy felt throughout society is building. During the Reporting Period, we closely followed and publicized the main line of work included in the report to the 20th National Congress of CPC. For example, we set the “Special Zone for the 20th National Congress of CPC” on the first screen of Mango TV’s homepage, focusing on the reporting and publicizing the “Following the Footsteps of the General Secretary”, “The Past Decade”, “Times of the 20th National Congress of CPC”, “Hard Work in Great Age” and other special events in the whole media. We also established a multi-dimensional communication matrix of positive energy, actively created an enthusiastic and positive public opinion atmosphere, and fully demonstrated the course of endeavor and great achievements for advancing the rejuvenation of the Chinese nation on all fronts through a Chinese path to modernization. By sticking to the theme that China’s culture should go broad, and around the interpretation of Xi Jinping’s Thought on Socialism with Chinese Characteristics for a New Era, the 20th National Congress of CPC, Two Sessions, 101st Anniversary of CPC, 25th Anniversary of Hong Kong’s Return and other major events, the Mango TV International APP continued to explore how to tell China’s stories well and make the voice of China heard on the world stage, and our international works have won the China News Award for four consecutive years. All of this have rewarded us with an ever increasing overseas influence. The APP now covers over 195 countries and regions worldwide with over 118 million downloads.

2. Keep advancing in-depth media integration and build hubs for long video content creation

We fully implement the strategic plans of the Party Central Committee on accelerating the development of media integration, adhere to the “sustainability” and “futurism”, and fulfill the values guiding role of media and innovation in proprietary content. In addition, we focus on building Mango’s in-depth integration ecosystem, make better use of the content supply advantages of media integration development, continuously improve the diversity, innovation and sustainability of content ecosystem, so as to secure development advantages with content advantages. Mango TV has 24 variety show production teams, 25 film and TV drama production teams and 34 strategic studios under the Xinmang Program, and is dedicated to building hubs for talents and innovation in China’s long video production.

With respect to variety shows, during the Reporting Period, Mango TV released 77 variety show programs, of which 4 N-generation programs, including “Sisters Who Make Waves S3”, “Who’s the Murderer S7”, “Great Escape S4” and “Call Me By Fire S2”, were named in the list of Top 10 Effective View Counts of Online Variety Shows in 2022 (from ENLIGHTENT), with “Sisters Who Make Waves S3” taking the first. This further consolidates our leading position in the industry. The “Infinity and Beyond 2022” (also known as “Endless Melody”), an innovative program, is created for celebrating the 25th anniversary of Hong Kong’s return. This program was honored as the “Cultural Integration Bellwether in the Greater Bay Area” and also entered the “Network Audiovisual Program Quality Creation and Dissemination Projects of the National Radio and Television Administration”. The derivative variety show “Go for Happiness” won reputation and popularity and had a score of 9.6 points on the Douban Platform, and its sequel “Go for Happiness S2” also gained a score of 9.5 points.



With respect to films and TV dramas, during the Reporting Period, Mango TV released 163 films and TV dramas, including key films and TV dramas, and short and micro dramas under the “Big Mango Program”. 4 TV dramas, including “The Power Source”, “Draw the Line”, “The Long River” and “Twenty Your Life On S2”, were named in the list of “2022 Selected Chinese Dramas” of the National Radio and Television Administration, and “A Land So Rich In Beauty” won China’s 33rd TV Series “Flying Award”. “Mango Monsoon” released 5 dramas (which were first released on TV and then on online platforms) and 4 online dramas. “Guo’s Summer”, “A Year Without A Job”, “The Disappearing Child” and other dramas, which focus on social reality topics from different dimensions, have won the championship of multi-network provincial TV channels and gained high attention from the market. “Big Mango Program” released a series of high-quality short TV dramas as represented by “A Familiar Stranger” and “The Killer is also Romantic”, achieving good results.



3. Actively overcome the disturbance of external factors and firmly keep the fundamentals of core business

During the Reporting Period, we made active response and breakthroughs, removed the adverse impact of the decline in the Internet advertising industry to the greatest extent possible, and firmly kept the fundamentals of Mango TV Internet video business.

With respect to advertising business, there was still some pressure. During the Reporting Period, we realized the operating revenue of RMB 3.994 billion, a decrease of 26.77% year on year, and the YoY scale of decline dropped compared to that in the first half of the year. Given the industry uncertainties, Mango TV upgraded its joint investment attraction mechanism. To be specific, it upgraded single-platform content to a comprehensive dual-platform, multi-layered and full-chain marketing system, so as to provide the advertisers with higher-value and more competitive integrated marketing solutions. Meanwhile, with respect to innovative marketing strategies, we provided a package of special marketing solutions to gain exclusive budget and the cooperation amounts with a number of key customers witnessed continuous growth against economy downturn; we also launched online super show, naked eye 3D show and other new forms of advertising, and expanded 32 new non-pre-roll brands in the second half of the year, securing a rise in the non-pre-roll hard advertising revenue.

The number of members hit a historic high. Mango TV took multiple measures such as content operation, activity marketing and channel expansion to make innovation and improve efficiency. With these efforts, the member scale hit a record high, there had 59.16 million active members as of the end of 2022, and our revenue from the membership business in 2022 totaled RMB 3.915 billion, an increase of 6.15% year on year. Mango TV created a content operation system with Mango’s characteristics, developed a series of

customized variety shows for members with respect to key IPs, e.g., “Go for Happiness” and “Welcome to the Mushroom House”; launched a number of integrated marketing activities such as “Cool Season” and “Selection Season”, as well as a number of limited IP cards such as the “Card for Back to Field”, “Card for Great Escape”, and “Card for The Long River” to meet the needs of different consumer groups; strengthened channel coverage and attraction of new members, and developed heavyweight membership products such as China Mobile’s “Mango Card” and Huamang Fusion Membership.

The operator business grew steadily. During the Reporting Period, our revenue from the operator business totaled RMB 2.509 billion, an increase of 18.36% year on year, maintaining a steady increase. With respect to out-of-province business, in reliance on the strategic cooperation with the three major operators, especially China Mobile, we continued to deepen the layout of large screen across the country and expand the in-depth cooperation in various fields such as content innovation to improve content reach rate. With respect to provincial business, we piloted the unified billing mode of “Mango Big TV membership” and realized a steady increase in value-added income; strengthened the content operation and created Hunan IPTV’s “Happykan” and “Mangtoutiao”, effectively increasing users’ VODs and enhancing customer stickiness.

4. Increase the resource integration and contribute to the rapid development of new forms of business

Xiaomang e-commerce continues to be designed as “a content e-commerce platform focusing on home-made new fashions”, and by strengthening the overall linkage between Xiaomang e-commerce and each business sector of the overall Mango ecosphere, developed core vertical products. As a result, our gross merchandise volume (“GMV”) in 2022 was seven times that of previous year and the daily active user (“DAU”) peak reached 2.06 million, making initial progress. During the Reporting Period, Xiaomang e-commerce completed the first round of financing, introduced the necessary liquidity for the strategic cultivation period, and accelerated the construction of the closed loop of “content + video + e-commerce”. First, we focused on the integration of content and e-commerce business, and achieved precise reach at the target consumers with the help of IPs, developed representative products such as self-owned brand “No. 1” baseball clothes. Second, we actively explored innovative strategies for selling goods in scenarios, and made the use of Mango’s high-quality IP resources such as “Who is the Murderer”, “Detective School” and “Racing Mangoers” to drive the sales of cooperative goods and expand new channels. Third, we created special evening parties for home-made products, including Shopmang Flower Cultivation Night, Xiaomang New Year’s Shopping Festival, conducted marketing activities in conjunction with major IPs such as “Sisters Who Make Waves” and “Call Me By Fire” to expand the cooperation brand matrix and the influence of Xiaomang brand. Xiaomang e-commerce has established multiple product lines with characteristics covering clothing, food, beauty, celebrity souvenir, art toys, cute pets, light camping, etc. In the future, it will continue to explore the ability to sell goods in content scenarios and lead the trend of home-made product consumption for young users. While Happigo e-commerce seeks to develop a service and tool platform around the closed loop of large-screen TV and TV audience sales, with its focus on TV shopping business, and supply chain building and expansion.

5. Build business synergy ecosystem and stimulate endogenous momentum through internal integration

During the Reporting Period, influenced by objective conditions, the artist agency and other business were affected to a certain extent. In order to enhance management efficiency and strengthen ecological synergy, we gave full play to the brand effect of EE-Media’s first-class artist agency and famous record company in China, and promoted the comprehensive integration of the artist agency business and music copyright business of each subsidiary. With respect to the artist agency business, we established an interactive mechanism between content production and artist cultivation, and gave priority to contracted artists for content products such as variety shows, films and TV dramas, realizing two-way empowerment of platforms and artists. During the Reporting Period, our artists appeared in many films and TV dramas including “The Power Source”, “Draw the Line” and “Being A Hero”. Regarding music copyright business, with EE-Media as the sole distributor of music works on the double platform, we sought business increments by creating individual albums of key contracted artists, increasing copyright licensing, expanding cooperation platforms and intensifying music product planning. Meanwhile, in reliance on the resources of high-quality variety shows, films and TV dramas on double platforms, we continuously expanded the scale of variety show, film, and TV music copyright. As of the end of the Reporting Period, we had more than 2,000 pieces of record, film, TV and variety show music protected by copyright.

2. Revenues and costs

(1) Components of operating revenue

Overall situation of operating revenue

In RMB

	2022		2021		Y/Y % change
	Amount	Proportion to operating revenue	Amount	Proportion to operating revenue	
Total operating revenue	13,704,339,712.31	100%	15,355,863,482.07	100%	-10.76%
By segment					
Mango TV Internet video business	10,417,661,860.99	76.02%	11,261,249,957.21	73.33%	-7.49%
New media interactive entertainment content production	1,118,058,249.34	8.16%	1,877,457,854.82	12.23%	-40.45%

and operation					
Content E-business	2,136,369,043.68	15.59%	2,157,213,530.01	14.05%	-0.97%
Other main business	16,292,021.76	0.12%	39,485,705.99	0.26%	-58.74%
Revenue from other business	15,958,536.54	0.12%	20,456,434.04	0.13%	-21.99%
By product					
Mango TV Internet video business	10,417,661,860.99	76.02%	11,261,249,957.21	73.33%	-7.49%
New media interactive entertainment content production and operation	1,118,058,249.34	8.16%	1,877,457,854.82	12.23%	-40.45%
Content E-business	2,136,369,043.68	15.59%	2,157,213,530.01	14.05%	-0.97%
Other main business	16,292,021.76	0.12%	39,485,705.99	0.26%	-58.74%
Revenue from other business	15,958,536.54	0.12%	20,456,434.04	0.13%	-21.99%
By region					
Hunan	3,247,684,921.20	23.70%	4,224,776,693.61	27.51%	-23.13%
Outside Hunan	10,456,654,791.11	76.30%	11,131,086,788.46	72.49%	-6.06%
By sales model					
Sale	13,704,339,712.31	100.00%	15,355,863,482.07	100.00%	-10.76%

(2) Segments, products, regions or sales models representing more than 10% of operating revenue or profit
Applicable N/A

In RMB

	Operating revenue	Operating cost	Gross margin	Y/Y % change in operating revenue	Y/Y % change in operating cost	Y/Y % change in gross margin
By segment						
Mango TV Internet video business	10,417,661,860.99	6,135,708,871.91	41.10%	-7.49%	-3.38%	-2.51%
New media interactive entertainment content production	1,118,058,249.34	903,918,572.35	19.15%	-40.45%	-41.93%	2.06%
Content E-business	2,136,369,043.68	1,999,701,035.45	6.40%	-0.97%	1.57%	-2.33%
Others	32,250,558.30	27,705,011.28	14.09%	-46.20%	-5.65%	-36.92%
By product						
Mango TV Internet video business	10,417,661,860.99	6,135,708,871.91	41.10%	-7.49%	-3.38%	-2.51%
New media interactive entertainment content	1,118,058,249.34	903,918,572.35	19.15%	-40.45%	-41.93%	2.06%

production						
Content E-business	2,136,369,043.68	1,999,701,035.45	6.40%	-0.97%	1.57%	-2.33%
Others	32,250,558.30	27,705,011.28	14.09%	-46.20%	-5.65%	-36.92%
By region						
Hunan	3,247,684,921.20	2,128,310,905.82	34.47%	-23.13%	-20.58%	-2.10%
Outside Hunan	10,456,654,791.11	6,938,722,585.17	33.64%	-6.06%	-3.97%	-1.45%
By sales model						
Sale	13,704,339,712.31	9,067,033,490.99	33.84%	-10.76%	-8.46%	-1.65%

In case of any adjustment to the statistic scale for main business data, the main business data of the most recent reporting period as adjusted according to the statistic scale applied at the end of the current Reporting Period:

Applicable N/A

(3) Whether the Company's revenue from sale of tangible goods is higher than the revenue from labor service?

Yes No

(4) Performance of material sales contracts and material purchase contracts of the Company as of the end of the Reporting Period

Applicable N/A

(5) Components of operating cost

Classification of segments and products:

In RMB

Segment	Item	2022		2021		Y/Y % change
		Amount	Proportion to operating revenue	Amount	Proportion to operating revenue	
Mango TV Internet video business	Internet video business	5,771,468,065.50	63.65%	5,929,892,854.51	59.86%	-2.67%
Mango TV Internet video business	Operator business	364,240,806.41	4.02%	420,684,971.83	4.25%	-13.42%
New media interactive entertainment content production	Copyright and production costs	749,036,548.43	8.26%	1,402,186,406.77	14.16%	-46.58%
New media interactive entertainment content production	Employee benefits and others	154,882,023.92	1.71%	154,498,988.90	1.56%	0.25%
Content E-business	Content E-business	1,999,701,035.45	22.05%	1,968,834,667.67	19.88%	1.57%
Other main business	Other main business	14,003,554.74	0.15%	20,199,308.10	0.20%	-30.67%
Costs of other business	Costs of other business	13,701,456.54	0.15%	9,165,573.04	0.09%	49.49%

In RMB

Product	Item	2022		2021		Y/Y % change
		Amount	Proportion to operating revenue	Amount	Proportion to operating revenue	
Mango TV Internet video	Internet video business	5,771,468,065.50	63.65%	5,929,892,854.51	59.86%	-2.67%

business						
Mango TV Internet video business	Operator business	364,240,806.41	4.02%	420,684,971.83	4.25%	-13.42%
New media interactive entertainment content production	Copyright and production costs	749,036,548.43	8.26%	1,402,186,406.77	14.16%	-46.58%
New media interactive entertainment content production	Employee benefits and others	154,882,023.92	1.71%	154,498,988.90	1.56%	0.25%
Content E-business	Content E-business	1,999,701,035.45	22.05%	1,968,834,667.67	19.88%	1.57%
Other main business	Other main business	14,003,554.74	0.15%	20,199,308.10	0.20%	-30.67%
Costs of other business	Costs of other business	13,701,456.54	0.15%	9,165,573.04	0.09%	49.49%

Analysis: None.

(6) Changes in the scope of consolidation during the Reporting Period

Yes No

During the Reporting Period, Changsha Xingmang Artist Culture Communication Partnership, Changsha Xingzhimang Entertainment Media Co., Ltd., Changsha Xingmang Interactive Entertainment Media Partnership (Limited Partnership), and Hunan Immersion Technology Co., Ltd. were newly established. See “VIII. Changes in Scope of Consolidation” under “Section X Financial Report” for details.

(7) Material changes or adjustments in respect of business, products or services of the Company during the Reporting Period

Applicable N/A

(8) Major customers and suppliers

Major customers of the Company:

Aggregate sales revenue from top 5 customers (RMB)	4,832,064,340.93
Proportion of aggregate sales revenue from top 5 customers to annual sales revenue	35.26%
Proportion of aggregate sales revenue from related parties among top 5 customers to annual sales revenue	27.76%

Particulars of top 5 customers:

No.	Name of customer	Sales revenue (RMB)	Proportion to annual sales revenue
1	Customer 1	2,166,512,518.08	15.81%
2	Customer 2	1,637,712,672.66	11.95%
3	Customer 3	537,210,743.30	3.92%
4	Customer 4	268,149,541.96	1.96%
5	Customer 5	222,478,864.92	1.62%
Total	--	4,832,064,340.93	35.26%

Other information of major customers:

Applicable N/A

The sales revenue from the largest customer reflects the aggregate sales revenue from our affiliate Migu Culture Technology Co., Ltd. and its controlled subsidiaries, and the sales revenue from the second largest customer reflects the aggregate sales revenue from GBS (Hunan Broadcasting System) and its controlled subsidiaries.

Major suppliers of the Company:

Aggregate purchase amount from top 5 suppliers (RMB)	1,808,811,480.15
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Proportion of aggregate purchase amount from top 5 suppliers to annual purchase cost	19.95%
Proportion of aggregate purchase amount from related parties among top 5 suppliers to annual purchase cost	11.02%

Particulars of top 5 suppliers:

No.	Name of supplier	Purchase amount (RMB)	Proportion to annual purchase cost
1	Supplier 1	998,977,312.84	11.02%
2	Supplier 2	267,947,374.14	2.96%
3	Supplier 3	194,716,981.13	2.15%
4	Supplier 4	188,679,246.00	2.08%
5	Supplier 5	158,490,566.04	1.74%
Total	--	1,808,811,480.15	19.95%

Other information of major suppliers:

Applicable N/A

The purchase amount from the largest supplier reflects the aggregate purchase amount from GBS (Hunan Broadcasting System) and its controlled subsidiaries.

3. Expenses

In RMB

	2022	2021	Y/Y % change	Reason of significant change
Selling expenses	2,179,889,009.35	2,469,328,212.64	-11.72%	Mainly reduction in advertising expenditure and labor cost
Administrative expenses	623,943,425.86	695,934,611.78	-10.34%	Mainly reduction in logistics office cost and labor cost
Financial expenses	-131,463,023.66	-101,210,337.17	29.89%	Mainly increase in interest income
R&D expenses	234,726,198.48	271,991,403.40	-13.70%	Mainly reduction in the labor cost for R&D personnel

4. R&D expenses

Applicable N/A

Description of major R&D project	Purpose	Progress	Objectives	Expected effect on the future development of the Company
Mango TV smart audio-visual media service platform	Use proprietary technologies to build a basic service platform, an intelligent content production and processing platform, a content distribution platform, an application service platform and other systems, and form a domestic leading smart audio-visual media service platform.	The construction of sub-modules required for 6 projects, including Mango TV's basic service platform, content production management new infrastructure platform, audio-visual media business application innovation platform, VR application research platform, audio-visual media refined operation support platform, and Guangmang cloud production and broadcasting platform, has been started.	To improve the security of platform data contents and other information, and enhance R&D efficiency; provide efficient and powerful tools for smart content production, refined operation and multi-channel distribution, help with "4K+5G" high-definition intelligent production, explore VR and other cutting-edge technology scenarios and realize their industrialization.	The project can support the ever-expanding demand for content production and distribution, meet the growing needs of users for the development of audio-visual experience, help Mango TV to enhance its image in the industry and its soft power, and build a media technology moat. It is the only way to reduce costs and improve efficiency in operation and enhance user experience, and is of great significance for the Company to maintain its core competitiveness in the future.
Smartly managed broadcasting and control system	The smartly managed broadcasting and control system is a key project of Mango TV for ensuring secure live broadcast and improving picture quality, and is designed to build an IP broadcasting and control platform using virtual, SDN and other next-generation technologies under the development strategy of integration and intelligentization of radio, TV and media.	The broadcasting and control management system has been built: the signal source receipt system transformation, livestreaming transcoding system upgrading and transformation, multicast switching system upgrading and transformation, SDN system construction, data analysis system construction and basic network optimization and adjustment have been completed, downstream CMS is connected in business, the channel	The product fully supports signal source reception, live broadcast, broadcast monitoring, fault alert and location and emergency response for IPTV in Hunan, and provides data analysis and logical display capabilities, and data system support for scientific broadcast management. The new distributed broadcast and control model with data link logical display + accurate fault location developed independently will be the important tool for improving the	1. To implement the safe broadcasting regulations of the National Radio and Television Administration, and build a signal source reception, livestreaming transcoding and broadcasting routing 1:1 backup system with full coverage 2. To formulate a standardized data interface, enhance the safety performance and upgrade the image quality of the Mango TV livestreaming system via smartly managed broadcasting and control

		coverage rate is 100%, and the system has been launched smoothly as a whole.	stability of live broadcast of Mango TV.	system based on the principles of safe broadcasting and standardized operation and maintenance, and make it fully adapt to the current and future development of integrated media business needs.
Key technology R&D project for ultimate audio-visual experience	To implement the “Ultra-HD Video Industry Development Action Plan (2019-2022)” jointly promulgated by the Ministry of Industry and Information Technology, the National Radio and Television Administration and China Media Group, and follow the overall technical route of “4K first, followed by 8K” to bring users “extreme audio-visual” experience, including the improvement of picture quality and sound quality.	The first phase of the project has been completed: the self-adaption coding, coding in areas of interest, video repair, video denoising, super resolution, SDR-to-HDR technology iterative optimization and productization promotion have been completed; video frame insertion, 3D sound coding, decoding, sound effect library and R&D for production software have been completed, which have been promoted on the platforms as products.	To develop the “Mango Sound” and “Mango 3D Sound” product solutions based on the domestic AVS2 standard audio part, as well as the end-to-end solution on the basis of the 3D sound bed and post-production workstation for objects, 3D sound audio coding and terminal virtual sound algorithm technology, benchmarking “Dolby Audio” and “Dolby Atmos”.	Lay a solid technical foundation for the high growth of the Mango TV platform, and contribute to the core technology in the Internet audio-visual and other fields of China.
System upgrading and integration	To systematize new businesses, standardize business operation and processes; optimize system modules related to functional management, to meet the needs for business development	The system upgrading and integration have been completed	To help with business development and enhance management efficiency	Create a highly integrated business system to adapt to the ever-changing business forms

Particulars of R&D personnel:

	2022	2021	Y/Y % change
Number of R&D personnel	535	595	-10.08%
Proportion of R&D personnel to total number of employees	12.97%	14.79%	-1.82%
Education background of R&D personnel			
Undergraduates	395	439	-10.02%
Masters	92	100	-8.00%
Others	48	56	-14.29%
Ages of R&D personnel			

Below 30	153	155	-1.29%
30-40	350	415	-15.66%
Others	32	25	28.00%

Amount of R&D expenses and proportion of R&D expenses to operating revenue in the past three years:

	2022	2021	2020
Amount of R&D expenses (RMB)	341,251,899.60	369,361,905.14	319,282,521.92
Proportion of R&D expenses to operating revenue	2.49%	2.41%	2.28%
Amount of R&D expenses capitalized (RMB)	106,525,701.12	97,370,501.74	134,897,573.20
Proportion of capitalized R&D expenses to total R&D expenses	31.22%	26.36%	42.25%
Proportion of R&D expenses capitalized to the net profit of the current period	6.03%	4.60%	6.82%

Analysis of the cause and effect of significant change in the composition of R&D personnel:

Applicable N/A

Analysis of the cause of significant change in the proportion of R&D expenses to operating revenue compared with the preceding year:

Applicable N/A

Analysis of the cause and reasonableness of significant change in the proportion of R&D expenses capitalized:

Applicable N/A

5. Cash flows

In RMB

Item	2022	2021	Y/Y % change
Subtotal of cash provided by operating activities	13,145,180,960.83	14,948,148,074.05	-12.06%
Subtotal of cash used in operating activities	12,593,534,062.84	14,386,347,191.68	-12.46%
Net cash flows from operating activities	551,646,897.99	561,800,882.37	-1.81%
Subtotal of cash provided by investment activities	14,213,254,913.96	5,738,565,482.92	147.68%
Subtotal of cash used in investment activities	13,559,572,200.09	8,931,089,507.90	51.82%
Net cash flows from investment activities	653,682,713.87	-3,192,524,024.98	120.48%
Subtotal of cash provided by financing activities	1,893,632,088.23	4,566,523,925.07	-58.53%
Subtotal of cash used in financing activities	348,471,673.05	339,498,633.27	2.64%
Net cash flows from financing activities	1,545,160,415.18	4,227,025,291.80	-63.45%
Net increase in cash and cash equivalents	2,750,948,433.80	1,596,914,430.17	72.27%

Analysis of the main causes of significant changes in the relevant data:

Applicable N/A

The net cash flow from operating activities decreased by 1.81% YoY, basically flat compared with that of the last year.

The net cash flow from investment activities increased by 120.48% YoY, mainly due to the redemption of bank finance products purchased last year.

The net cash flow from financing activities decreased by 63.45% YoY, mainly due to the significant decrease in cash inflow from financing activities this year compared to that of the last year caused by the fund raised in the last year.

Analysis of the significant difference between net cash flows from operating activities during the Reporting Period and net profit in current year:

Applicable N/A

Mainly due to the cash inflow from a large amount of notes discounted accrued to financing activities in the current year.

V. Analysis of non-main business

Applicable N/A

In RMB

	Amount	Proportion to total profit	Main source	Whether or not sustainable
Investment income	132,976,709.08	7.53%	Income on bank wealth management products	No

Impairment loss on assets	-167,832,371.04	-9.50%	Impairment loss on accounts receivable and inventories provisioned	No
Non-operating revenue	45,620,655.36	2.58%	Income from rights protection actions	No
Non-operating expenses	4,384,991.00	0.25%	Expenses in connection with indemnity	No

VI. Analysis of assets and liabilities

1. Material changes in the components of assets

In RMB

	End of 2022		Beginning of 2022		Change	Reason of significant change
	Amount	Proportion to total assets	Amount	Proportion to total assets		
Monetary capital	9,686,689,374.39	33.35%	6,974,465,151.81	26.71%	6.64%	Mainly due to the increase in redeemed bank wealth management products and increase in accumulative operating revenues
Accounts receivable	3,235,431,528.25	11.14%	3,113,742,914.88	11.93%	-0.79%	
Contract assets	929,403,936.51	3.20%	903,053,743.61	3.46%	-0.26%	
Inventory	1,600,131,838.66	5.51%	1,689,546,700.79	6.47%	-0.96%	
Investment properties	83,381,033.60	0.29%			0.29%	
Long-term equity investment	4,123,864.73	0.01%	23,882,517.37	0.09%	-0.08%	
Fixed assets	165,275,869.62	0.57%	184,450,336.98	0.71%	-0.14%	
Right-of-use asset	172,188,222.02	0.59%	210,304,495.42	0.81%	-0.22%	
Short-term loan	1,057,932,476.80	3.64%	39,786,903.37	0.15%	3.49%	
Contract liabilities	1,044,740,162.71	3.60%	1,327,294,063.85	5.08%	-1.48%	
Lease liabilities	131,515,067.86	0.45%	169,643,622.50	0.65%	-0.20%	

Analysis of high proportion of overseas assets:

Applicable N/A

2. Assets and liabilities at fair value

Applicable N/A

In RMB

Item	Opening balance	Gain or loss on changes in fair	Aggregate changes in fair value recorded	Impairment loss recognized in the current period	Amount acquired in the Reporting Period	Amount sold in the Reporting Period	Other changes	Closing balance
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	value	in equity						
Financial assets								
1. Financial assets held for trading (excluding derivative financial assets)	3,410,000.00				13,371,990,000.00	14,086,990,000.00		2,695,000,000.00
2. Financing with accounts receivable	137,800.00						-89,614,557.81	48,185,442.19
Subtotal	3,547,800.00				13,371,990,000.00	14,086,990,000.00	-89,614,557.81	2,743,185,442.19
Financial liabilities	0.00							0.00

Other changes:

Other changes of receivables financing mainly refer to changes of discounting, endorsement or acceptance upon maturity of acceptance bills.

Whether there's any material change in the measurement properties of main assets of the Company during the Reporting Period?

Yes No

3. Encumbrances on assets as of the end of the Reporting Period

As of the end of the Reporting Period, the total amount of restricted assets was RMB 1,048,758,700, including capitals of RMB 22,600,000 frozen in litigations, third-party platform deposit RMB 1,742,100, and other deposit RMB 20,900; endorsed or discounted commercial bill undue RMB 1,024,395,700.

VII. Analysis of investments

1. Overall situation

Applicable N/A

Amount of investment in 2022 (RMB)	Amount of investment in 2021 (RMB)	Y/Y % change
2,880,000.00	43,523,517.70	-93.38%

2. Major equity investments acquired during the Reporting Period

Applicable N/A

3. Major non-equity investments that have not yet been completed in the Reporting Period

Applicable N/A

4. Investment in financial assets

(1) Securities investment

Applicable N/A

The Company had no securities investment during the Reporting Period.

(2) Derivative investment

Applicable N/A

The Company had no derivative investment during the Reporting Period.

5. Use of offering proceeds

Applicable N/A

(1) Description of use of offering proceeds

Applicable N/A

In RMB 0'000

Year of offering	Method of offering	Total offering proceeds	Total amount of offering proceeds used in the Reporting Period	Aggregate amount of offering proceeds already used	Total amount of offering proceeds the purpose of which was changed in the Reporting Period	Aggregate amount of offering proceeds the purpose of which has been changed	Percentage of offering proceeds the purpose of which has been changed	Total amount of unused offering proceeds	Purpose and whereabouts of unused offering proceeds	Total amount of offering proceeds that has remained unused for more than two years
2019	Private share offering	198,270.07	9,392	108,219.45	0	0	0.00%	90,050.62	Deposited in the special account of offering proceeds and used for the purchase of cash management products	90,050.62
2021	Share offering to specific persons	448,579.21	71,997.08	180,724.73	0	0	0.00%	267,854.48	Deposited in the special account of offering proceeds, and purchase cash management products	0
Total	--	646,849.28	81,389.08	288,944.18	0	0	0.00%	357,905.1	--	90,050.62

Description of use of offering proceeds

During the Reporting Period, the total amount of offering proceeds used by us was RMB813,890,800. As of December 31, 2022, the aggregate amount of offering proceeds used by us was RMB2,889,441,800. The balance of the special account of offering proceeds was RMB1,625,457,400, including RMB1,435,245,500 of principal and RMB190,211,900 of interest income. We have used RMB1,775,000,000 of unused offering proceeds to purchase cash management products.

(2) Committed fund-raising investment projects

Applicable N/A

In RMB 0'000

Committed investment project and use of over-raised funds	Whether the project has been changed or partially changed	Total committed investment amount	Total investment amount as adjusted (1)	Amount invested in the Reporting Period	Aggregate amount already invested as of the end of the Reporting Period (2)	Progress of investment as of the end of the Reporting Period (3) = (2)/(1)	Date that the project is ready for its intended use	Income earned in the Reporting Period	Aggregate income as of the end of the Reporting Period	Whether the project has produced the desired result	Whether there's any significant change in the feasibility of the project
Committed investment project											
Mango TV copyright pool expansion	No	148,674	148,674	9,392	95,542	64.26%		11,344.3	28,460.29	N/A	No

project											
Mango TV cloud storage and multi-screen broadcast platform project	No	49,558	49,558		12,677.45	25.58% Note 1		Note 2		N/A	No
Content resource pool expansion project	No	398,587.78	398,587.78	66,790.71	175,518.36	44.04%		69,867.51	178,720.81	N/A	No
Mango TV smart audio & video media service platform project	No	49,991.43	49,991.43	5,206.37	5,206.37	10.41%		Note 3		N/A	No
Subtotal	--	646,811.21	646,811.21	81,389.08	288,944.18	--	--	81,211.81	207,181.1	--	--
Use of over-raised funds											
None											
Total	--	646,811.21	646,811.21	81,389.08	288,944.18	--	--	81,211.81	207,181.1	--	--
Explain the situation and reason for failure to achieve the planned progress and desired result by item (including the reason for choosing "N/A" for "Whether the project has produced the desired result")	<p>Mango TV cloud storage and multi-screen broadcast platform project: The project was planned for in 2017 and implemented in 2019 after receipt of the relevant offering proceeds. During the procedure of implementation, the market and technical environment of the industry also changed to certain degree. Therefore, after receipt of the relevant offering proceeds, we adjusted the fund use plan by extending the fund use period to 2021, resulting in the difference between the fund use progress and original use plan in the reporting period. The fund use plan in respect of Mango TV cloud storage and multi-screen broadcast platform project was adjusted pursuant to the Proposal for Adjusting the Fund Use Plan in Respect of Certain Fund-raising Investment Project adopted by the 29th session of the 3rd Board of Directors of the Company on April 23, 2020, and further adjusted pursuant to the Proposal for Adjusting the Fund Use Plan in Respect of Certain Fund-raising Investment Project adopted by the 35th session of the 3rd Board of Directors on January 26, 2021.</p> <p>Mango TV smart audio & video media service platform project: The planning of the project was completed in 2020, the fundraising of the project was completed in 2021, the project was officially implemented in 2022, and the construction of the project is planned to complete in 2023. During the implementation of the project, certain changes have taken place in both the external market and the technical environment: On the one hand, due to the impact of travel conditions in 2022, there was a certain lag in business negotiation, contract signing and other procedures required for the procurement of software and hardware in this project; meanwhile, the frequency of offline communication and field follow-up projects of the R&D team has decreased, which, to some extent, has affected the progress of project construction. On the other hand, in the background of reducing costs and increasing efficiency, Mango TV has suspended the development of heavy-asset projects after multiple reviews of project implementation and R&D focuses; it has prioritized the development of light-asset projects, mainly with human resources and a small quantity of software and hardware. With the transfer and adjustment of R&D resources and strategies, the overall implementation progress of the project has certain changes. According to evaluation, it is expected that the project needs to be postponed for one year on the basis of the original project construction schedule; to be specific, all construction contents under the project plan will be completed by the end of 2024. The Company held the 15th session of the 4th Board of Directors of the Company on April 20, 2023, reviewing and adopting the Proposal for Adjusting the Fund Use Plan in Respect of Fund Raised for Mango TV Smart Audio & Video Media Service Platform Project, to adjust the fund use plan of the Mango TV smart audio & video media service platform project. The Company's independent directors and the board of supervisors expressed their consent to the above proposal, and the sponsor issued a verification opinion.</p>										
Reason of significant change in the feasibility	None										

of the project	
Amount and use of over-raised funds and progress of use thereof	N/A
Change in the place of the fund-raising investment project	N/A
Adjustment of the method of implementation of the fund-raising investment project	Applicable
	<p>Occurred in previous years</p> <p>Mango TV copyright pool expansion project: As of December 31, 2020, we purchased and released on Hunan TV 5 key TV series as scheduled. The progress of investment and development meet expectations. The amount of actual investment being lower than the planned amount of investment was primarily due to changes in industry policies, as a result of which the prices for content copyright have returned to the reasonable level, so the price for TV series per part actually paid by us was lower than the estimated amount. On November 28, 2021, the Company held the 7th session of the 4th Board of Directors, considering and approving the Proposal for Adjusting the Method of Implementation and Fund Use Plan in Respect of Certain Fund-raising Investment Project, pursuant to which the method of implementation and fund use plan in respect of the Mango TV copyright pool expansion project were adjusted. The Company's independent directors and board of supervisors expressed their consent to the above proposal, and the independent financial consultant issued a verification opinion. On December 21, 2021, the above proposal was reviewed and approved at the Company's 2nd extraordinary general meeting of shareholders in 2021. The remaining offering proceeds were used to purchase exclusive Internet copyright of teleplays.</p>
Funds pre-invested in the investment project and replacement thereof	<p>Applicable</p> <p>On August 25, 2020, the 31th session of the 3rd Board of Directors considered and adopted the Proposal Regarding Payment by the Wholly-owned Subsidiary of Funds Invested in the Fund-Raising Investment Project with Banker's Acceptance Bills and Replacement of the Same with the Offering Proceeds, approving that Happy Sunshine, a wholly-owned subsidiary of the Company, may use banker's acceptance bills as the case may be during project investment with the fund raised, and replacement of the same with the offering proceeds by transferring the amount actually paid from the special account of offering proceeds to the account of owned funds of the Company. The independent directors and the Board of Supervisors of the Company expressed their consent to the above proposal, and the independent financial consultant issued a verification opinion.</p> <p>On September 23, 2021, the 5th meeting of the 4th Board of Directors considered and adopted the Proposal for Replacing the Self-raised Funds Pre-invested in the Fund-Raising Investment Project and Funds Used to Pay Part of the Offering Costs with the Offering Proceeds, approving the replacement of the funds pre-invested in the investment project in the amount of RMB703,945,533.67 and self-raised funds used to pay part of the offering costs in the amount of RMB475,471.70 (exclusive of tax) with the offering proceeds. The independent directors and the Board of Supervisors of the Company approved such proposal, and the sponsor issued a verification opinion. The Replacement of raised funds pre-invested in the fund-raising investment project was completed as of December 31, 2021.</p> <p>On September 23, 2021, the 5th meeting of the 4th Board of Directors and the 4th meeting of the 4th Board of Supervisors considered and adopted the Proposal Regarding Payment by the Wholly-owned Subsidiary of Funds Invested in the Fund-Raising Investment Project with Banker's Acceptance Bills and Replacement of the Same with the Offering Proceeds, approving the payment by Happy Sunshine, our wholly-owned subsidiary, of amounts in connection with the fund-raising investment project with banker's acceptance bills during the period of fund raising for such investment project through share offering to specific persons in 2020, and replacement of the same</p>

	with the offering proceeds by transferring the amount actually paid from the special account of offering proceeds to the account of owned funds of the Company. The independent directors and the Board of Supervisors of the Company approved such proposal. During the Reporting Period, and the sponsor issued a verification opinion.
Temporary replenishment of working capital with the unused offering proceeds	N/A
Amount of unused offering proceeds and reason thereof	Applicable
	Mango TV cloud storage and multi-screen broadcast platform project: The project was planned in 2017 and implemented from 2019 when the supporting funds were raised. The construction of the project was basically completed in 2021, and the project has reached the expected usable state as planned. On April 21, 2022, Mango Excellent Media held the 8th session of the 4th Board of Directors, reviewing and adopting the Proposal on the Closing of Mango TV Cloud Storage and Multi-screen Broadcast Platform Project and Permanent Supplementation of Working Capital through with Remaining Raised Funds. The independent directors and the Board of Supervisors expressed their independent consent. On May 19, 2022, the Company held the 2021 annual general meeting of shareholders, reviewing and adopting the above proposal. As of December 31, 2022, the special fund-raising account of the Mango TV cloud storage and multi-screen broadcast platform project has been canceled, and the remaining raised funds of RMB390,599,900 (including interest) has been transferred out to permanently supplementing the working capital. The reason for the balance is that the fundraising plan of the project was mainly based on investments in hardware platforms, mainly including the procurement of node servers, switches, storage servers and other equipment. During the project construction, cloud computing technology developed rapidly, and the Company also actively grasped the opportunity brought about by the technological innovation by purchasing commercial CDNs and cloud resources to replace the original hardware procurement plan, which, without affecting the implementation of the project, effectively reduced the project cost and enhanced the resource utilization efficiency of the Company. Besides, the Company has strengthened its independent innovation capabilities, increased expenses for personnel, increased self-research efforts, insisted on nationalization and self-development, replaced procurement with self-research, increase the number of R&D team members from 287 to 558, and had 70 patents from the project. For this project, in addition to the investment with raised funds, the Company also spent around RMB164,599,300 with its own funds in R&D personnel, commercial CDNs, cloud resources, etc.
Purpose and whereabouts of unused offering proceeds	As of the end of the Reporting Period, we used RMB1.775 billion of unused offering proceeds to purchase cash management products, and deposited the balance of the unused offering proceeds in the special account of offering proceeds.
Problems or other matters existing in the use and disclosure of offering proceeds	None

Note 1: The project has been concluded.

Note 2: The project aims at fully improving users' experience of watching across the platform, no economic benefits will be yielded directly, so it is impossible to calculate the benefits of such project separately.

Note 3: This project aims at improving overall platform-level solutions in ultra HD video, interactive video and re-consumable video in the future, accelerating integration of Mango TV in aspects of resources, technology, services, business and flow, and no economic benefits will be yielded directly, so it is impossible to calculate the benefits of such project separately.

(3) Changes in the fund-raising investment projects

Applicable N/A

There has been no change in the fund-raising investment projects during the Reporting Period.

VIII. Sale of material assets and equities

1. Sale of material assets

Applicable N/A

No material asset has been sold during the Reporting Period.

2. Sale of material equities

Applicable N/A

Counterparty	Equities sold	Date of transaction	Transaction price (RMB0'000)	Net profit contributed by such equities to the Listed Company from the beginning date of the reporting report to the date of transaction (RMB0'000)	Effect of the sale on the Company	Ratio of the net profit contributed by the sale of equities to the Listed Company to its total net profit	Pricing principle	Whether or not a related-party transaction	Affiliation with the counterparty	Whether such equities have been fully transferred	Whether the transaction has been completed as scheduled, and if not, the reason and the actions taken by the Company	Date of disclosure	Disclosure reference
Mango Media Co., Ltd.	Xiaomang Electronic Commerce Co., Ltd.	May 19, 2022	28,600	-9,214.72	It has enhanced the financial strength of Xiaomang Electronic Commerce, and promoted the collaboration between Xiaomang Electronic Commerce and the Mango ecosystem		Appraised price	Yes	Parent company	Yes	Yes	June 25, 2022	Announcement on the Completion of Recapitalization and Share Increase and Related Transaction by Wholly-owned Subsidiary disclosed on www.cninfo.com.cn

IX. Analysis of major subsidiaries and associates

Applicable N/A

Major subsidiaries and associates representing more than 10% of the net profit of the Company:

In RMB

Company name	Type of company	Main business	Registered capital	Total assets	Net assets	Operating revenue	Operating profit	Net profit
Happy Sunshine	Subsidiary	Internet video business, operator business and content operation business	242,470,013.00	26,953,351,270.92	16,883,899,853.41	11,965,582,644.18	1,783,083,681.29	1,822,513,283.32
Happigo	Subsidiary	Media retail	401,000,000.00	966,889,524.27	564,635,153.97	1,493,429,340.05	-18,729,268.46	-17,030,766.95
EE-Media	Subsidiary	Artist agency business, program,	90,000,000.0	789,183,839.05	536,117,059.70	338,731,640.61	44,636,370.32	44,548,627.72

		film and TV drama production business and copyright business	0					
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Subsidiaries acquired or disposed of during the Reporting Period:

Applicable N/A

Particulars of major subsidiaries and associates:

X. Structured entities controlled by the Company

Applicable N/A

XI. Prospects for future development of the Company

(I) Prospects for future development

The year of 2023 is the first year for fully implementing the spirit of the 20th National Congress of CPC and also a crucial year for implementing the 14th Five-Year Plan. Let us brave wind and rain and forge ahead against all odds. As guided by Xi Jinping's Thought on Socialism with Chinese Characteristics for a New Era, we unwaveringly publicize and implement the spirit of the 20th National Congress of CPC, maintain firm strategic resolve, pursue reform and integrated development, and steer changes. These efforts will help us to continuously deliver Mango's high-quality development achievements in a new journey to build a mainstream new media group with strong influence and competitiveness.

1. Remain true to our original aspiration and keep our mission as a Party media firmly

We will adhere to the leadership of the Party with utter loyalty. We will stick to the right political direction, tone in public communication and value orientation, and actively perform our mission of "focusing on upholding socialism with Chinese characteristics, rallying public support, fostering a new generation of young people, developing Chinese culture, and better presenting China to the world". We will resolutely occupy the mainstream propaganda front, enhance the construction of Mango TV's headline project and homepage, and make theme planning around important time nodes such as the 130th anniversary of Comrade Mao Zedong's birth, the 45th anniversary of Reform and Opening up, and the 70th anniversary of the victory of the War to Resist US Aggression and Aid Korea. For example, we will make greater efforts to deliver high-quality works such as "Navigating to the Future" and "China S3", effectively lay out key dramas such as "City of Sunlight" and "Polluted Rivers", and create "people-centered" masterpieces, so as to ensure that the underlying values hold greater appeal than ever before, and the wave of positive energy felt throughout society is building. Meanwhile, we will continue to explore how to tell China's stories well and make the voice of China heard on the world stage, and develop Mango TV International App into a more influential communication benchmark platform around the world.

2. Sail into the future through in-depth integration and embark on a new journey to pursue the integrated media development

2023 is a critical year for us to promote the in-depth integrated development of media. We will continue to fully implement the strategic plans of the Party Central Committee on accelerating the in-depth integrated development of media. Subject to the provisions of Compliant Operation of the Listed Companies and market-oriented principles, we will utilize the advantages of the two platform of Mango ecosystem and advance the media integration to develop in depth and breadth with innovations in value, mechanism, content and business cooperation. With these efforts, we will create the all-media communication ecosystem with the guiding role. What's more, we will continue to explore unique, effective and sustainable mechanisms, paths and methods of in-depth integration, realize the self-evolution and iteration of media integration in a Mango model, and stimulate more industrial vitality and momentum, and make every effort to achieve the rapid development of high-quality integrated development of double platforms.

3. Insist on innovation and continue to consolidate and expand content brand advantages

The report to the 20th National Congress of CPC points out that we will encourage people-centered cultural creation and production of more outstanding works that inspire the people. In the future, we will continue to pursue the values guiding role of media and innovation in proprietary content, make better use of the content supply advantages of media's integrated development, and consolidate development advantages with content advantages. With respect to variety shows, we will insist on self-breakthrough, remove reliance on channels, release a number of key projects such as "Youth π Plan", "Infinity and Beyond 2023", "Run for Time" and "Sisters Who Make Waves 2023", and maintain over 40% of innovative programs to preserve our leading position in variety shows. With respect to films and TV dramas, in reliance on our film and TV drama production teams and strategic studios, we will accelerate the self-production of dramas, and strengthen the whole process management. Key films and TV dramas such as "Fireworks of My Heart", "Young Blood S2" and "As All The Stars Shine" will be released.

4. Accumulate momentum to make progress while ensuring stability in all businesses

The 20th National Congress of CPC, the Central Economic Work Conference and the Two Sessions have been held successively. We see that the Chinese modernization is speeding up and various policies have gained notable effects. For the various major business divisions, detailed plans have been worked out and the momentum for development is building. We will pool resources to grasp new strategic opportunities for business development. With respect to the advertising division, we will integrate the advantageous resources of double platforms, determine the budget of core customers, and fully explore non-core resources, non-prime times and non-key projects. With respect to the membership division, in conjunction with leading IPs, we will implement the strategies for full-scene marketing, customized content and differentiated membership, deepen cooperation with leading enterprises in the consumer electronics industry, and expand diversified channels with joint rights and interests. With respect to the large screen division, we will maintain the business cooperation scale with strategic partners, and fully launch Mango Card, Mango Big TV membership and other ecological products. Artist agency and music copyright business will accelerate the integration with Mango ecosystem around core platforms to stimulate the internal momentum for business integration.

5. Pursue rapid development while ensuring stability and fully stimulate the development vitality of new business modes

In 2023, we will continue to invest more resources in strategic emerging businesses. Xiaomang e-commerce will still be designed as "a content e-commerce platform focusing on home-made new fashions". In reliance on high-quality content IPs and artist resources within Mango ecosystem and on double platforms, Xiaomang e-commerce will devote great energy to creating hot products, establishing a replicable growth mechanism for hot products, and exploring home-made product partners; highlight the characteristics of products, and empower the content of products of new types and new concepts with the help of IPs and artist attributes; improve liquidity, utilize the IP value and the capacity to sell goods in content scenarios in a long term, lead the trend of women fashion based on the Mango core user group, and strive to be one of the most commercially valuable platforms of Hunan Broadcasting System. Based on a new positioning, Happigo e-commerce will focus on the differentiated market, and form complementarity with Xiaomang e-commerce.

6. Continue to consolidate the foundations of high-quality development governance

We will keep improving the level of compliant operation through our multi-level and multi-dimensional corporate governance. First, we will continue to strengthen the construction of the corporate governance system and enhance the governance capacity and internal control level in accordance with the latest regulatory policy system and on the basis of the actual situation of the Company; second, we will continue to improve the information disclosure system in response to consumers' demands, and fully disclose the information necessary for value judgments and investment decisions by investors; third, we will define the main responsibility of the "key minority", continuously improve the development quality of the Listed Company and create higher corporate value; fourth, we will establish a sound communication mechanism for investors and a smooth channel and way for investors to

participate in corporate governance, and continuously optimize the mechanism of returns to investors; fifth, we will enhance ESG governance and make ESG governance become an important tool of high-quality development.

7. Move with the times and actively seek the content production patterns by using technologies

In 2023, we will devote great energy to taking AIGC and virtual-real interaction as the main direction of product technology innovation. On the one hand, we will explore the multi-touch combination of AIGC technology stack and media business scenarios, and focus on creating new AIGC infrastructures covering script creation, audio and video content production, new search recommendation and other businesses. On the other hand, we will create virtual interactive spaces based on the content production demand of key IPs in virtual human, virtual interaction, virtual space and other areas, so as to realize new content interactive experiences such as content classic episodes, user online case detection and deduction, and variety co-creation interaction. In the future, we will continue to explore the innovation in the media product forms, technology applications and business modes for metaverse and AIGC.

8. Vigorously implement the strategy on strengthening the enterprise through youth talent

Xi Jinping, the General Secretary, pointed out in 2023 New Address that a nation will prosper only when its young people thrive, and for China to develop further, our young people must step forward and take on their responsibilities. In the future, we will attach greater importance to, value and foster young people. To be specific, we will enable more post-90s and post-00s to take up producer, management and core business positions through a series of talent training projects, including “Mango Youth Talk”, “Qingmang Internship Program”, “Young CEO Club” and “36 Young Talents Action”. Our aim is to create a new talent team compatible with the development of a mainstream new media group. Further, we will make sure that core resources will be tilted toward young people and the business department, accelerate team restructuring and iterations, cultivate more young teams in practices, and incubate more innovative projects.

(II) Potential risks and countermeasures

1. Risks of impact of economic cycles

The advertising budget of business customers and consumption preference of end users of our Internet video business are closely related to the macroeconomic cycles. In recent years, China’s economy has maintained medium-to-high speed of development, and Internet media industry has realized rapid growth. However, given the economic cycles, our business development may still be affected to a certain extent. To this end, we will fully make foresight and planning and continuously consolidate our core competitiveness in terms of content, products, talents and technologies to effectively cope with the impact of economic cycles.

2. Risk of changes in industrial policies

We pertain to the cultural and art industry. The market players shall conduct relevant business in strict accordance with the industrial regulatory policies and shall obtain broadcast licenses before releasing the films, TV dramas, variety shows. Any change in industrial regulatory policies will bring uncertainties to our content production and broadcast schedule. As a Party media and state-owned enterprise, we have head start advantages in policy research, and will adhere to the right political direction, tone in public communication and value orientation, and create content in strict compliance with requirements of industrial policies.

3. Risks of market competition

The Internet long video industry witnesses fundamental changes in operational thinking and underlying logics and enters a new stage of rational development in terms of industry competition. Various major video platforms are further strengthening capabilities of proprietary content production, improving operation efficiency and enhancing profitability. Changes in industrial competitive situation may have adverse impact on our market shares and profitability. As a state-owned long video platform, we

will continue to pursue the values guiding role of media and innovation in proprietary content and consolidate development advantages with content advantages.

4. Risk of business qualifications

Our certain businesses require and maintain special business qualifications. If we are unable to promptly renew or obtain new business qualifications upon expiration of the relevant existing business qualifications, our business development may be adversely affected. We will enhance business qualification management, work out a scientific plan for applying for business qualifications, increase communications with the competent business qualifications authorities to promptly renew business qualifications upon expiration thereof.

5. Risks of return on investment

The broadcast effect of audiovisual content including films, TV dramas and variety shows is highly uncertain because it is affected by several factors such as program quality, user preference and public opinion environment. The production of audiovisual content and the procurement of copyright have the inherent characteristics of huge amount of single investment, long period of return on investment and non-predictability of market reaction, among others, so the return on investment is greatly uncertain. As a result, we have firmly controlled content production elements in the whole process, established a comprehensive appraisal system to focus on the content input-output ratio and minimize investment risks.

6. Risk of technology upgrading

Along with the maturity and application of metaverse, AIGC and other technologies, new business patterns and business models will bring wholly new cultural and entertainment experience to users. If we fail to keep with the trend of technology upgrading, the commercial remodeling brought by technology upgrading may have an adverse effect on our operation. We have established the innovation research institute to enhance researches on new technologies, new models and future trends of the industry, make judgments and arrangements in advance, and grasp development opportunities brought by technology upgrading.

7. Risk of outflow of talents

The new media business, film and TV drama production, and artist agency business conducted by us have high requirements for the professional levels of practitioners, so outflow of core personnel could affect the conduct of our business to a certain degree. We have established an open and innovative incentive mechanism, a unique self-motivation mechanism and a content ecosystem suitable for creative talents to release their potential, so as to arouse the enthusiasm and creativity of core personnel while retaining them.

8. Risk of infringement on intellectual property rights

Our main business involves the use of copyright of audiovisual programs, so the purchased copyright may have defects and infringe on the interests of legal right holders. Meanwhile, there exist infringements on copyright of the programs to which we have legal rights and interests. Therefore, we have established a copyright procurement management system, regulated the procurement process, conducted strict examination of copyright supporting documents, and specified relevant rights and obligations as well as liability for breach of contract; and intensified efforts to safeguard our intellectual property rights against copyright infringements.

XII. Investigation, research, communication, interview and other activities during the Reporting Period

Applicable N/A

Date	Place	Method of communication	Type of guests	Guests	Main topic of discussion and	Particulars of the
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					information provided	investigation and research activity available at
April 25, 2022	Teleconference	Communication by telephone	Institutions	Refer to the Record of Investor Relations Activities of Mango Excellent Media Co., Ltd. (2022-01)	Our business situations	Refer to our Record of Investor Relations Activities disclosed on www.cninfo.com.cn
August 18, 2022	Teleconference	Communication by telephone	Institutions	Refer to the Record of Investor Relations Activities of Mango Excellent Media Co., Ltd. (2022-02)	Our business situations	Refer to our Record of Investor Relations Activities disclosed on www.cninfo.com.cn

Section IV Corporate Governance

I. Overview of our corporate governance

During the Reporting Period, we have continuously improved our corporate governance structure, internal management and control policies, promoted compliant operations and raised the governance level in strict accordance with the requirements of the Company Law, the Securities Law, the Code of Corporate Governance for Listed Companies, the Rules Governing the Listing of Stocks on the ChiNext Board of the Shenzhen Stock Exchange, the Guide on Self-regulatory Supervision for Companies Listed on the Shenzhen Stock Exchange No. 2 – Compliant Operations of Listed Companies on the ChiNext Board, and other applicable laws, regulations and normative documents. As of the end of the Reporting Period, our corporate governance complies with the applicable laws, administrative regulations and the provisions of the CSRC regarding corporate governance of the listed companies.

1. Shareholders and the general meeting of shareholders

We convened and held general meetings of shareholders in strict accordance with our Articles of Association and the Rules of Procedure of the General Meeting of Shareholders and treated all shareholders fairly. We permitted investors to elect to vote in person or on line at our shareholders' meetings, so as to enable minority investors to fully exercise their voting rights. In considering material matters that affect the interests of minority investors, the votes cast by them were counted separately and disclosed on the relevant announcements on the resolutions of our shareholders' meeting.

2. Relationship with the controlling shareholder

Our controlling shareholder exercised its rights as a contributor to the Company in accordance with law and did not directly or indirectly interfere with the decision-making and business activities of the Company without the authorization of the general meeting of shareholders. We conduct business and operate independently, and are independent of our controlling shareholder in business, personnel, assets, organization and finance.

3. Directors and the Board of Directors

Our Board of Directors has 9 directors, including 3 independent directors. The number of members and composition of our Board of Directors comply with the requirements of the applicable laws and regulations and our Articles of Association. The procedures for convening and holding the meetings of the Board of Directors, voting procedures and resolutions comply with the relevant provisions of the laws, regulations, Articles of Association and the Rules of Procedure of the Board of Directors. All directors exercise their functions and perform their duties and obligations with good faith and diligently and in accordance with the provisions of the Guide on Self-regulatory Supervision for Companies Listed on the Shenzhen Stock Exchange No. 2 – Compliant Operations of Listed Companies on the ChiNext Board.

4. Supervisors and the Board of Supervisors

The Board of Supervisors of the Company consists of 3 supervisors, including 1 employee supervisor. The number of members and composition of the Board of Supervisors are in compliance with the requirements of relevant laws and regulations. During the Reporting Period, our supervisors seriously performed their duties, and actively supervised our material matters, related-party transactions, insiders, internal controls and financial condition and performance of duties by our directors and executives in compliance with the applicable laws and regulations, pursuant to the Rules of Procedure of the Board of Supervisors.

5. Establishment and implementation of internal audit policy

Our Board of Directors has set up the Audit Committee, responsible for communications, supervision, meeting organization and examinations in respect of internal and external audits. The Audit Department under the Audit Committee is responsible for handling day-to-day affairs, and examination and supervision of the establishment and implementation of internal controls, truthfulness and completeness of financial information of the Company.

6. Performance appraisal and incentive and restraint mechanisms

Our Board of Directors has set up the Compensation and Appraisal Committee, responsible for the establishment of compensation policies, determination of compensation plans, and performance appraisal of executives. We have established scientific performance appraisal standards and procedures for executives, and the executives are engaged in strict accordance with the relevant provisions of the Companies Law and the Articles of Association.

7. Stakeholders

We fully respect the legitimate rights and interests of stakeholders, and strive to coordinate and balance the interests of shareholders, employees, partners, the society and other stakeholders, and jointly promote our high-quality development, the details of which are shown in the 2022 ESG Report and Social Responsibility Report disclosed on www.cninfo.com.cn on the same day.

8. Information disclosure and transparency

We have established the relevant systems on information disclosure management, made the secretary of the Board of Directors be responsible for the information disclosure of the Company, and designated www.cninfo.com.cn, the China Securities Journal, the Shanghai Securities News, the Securities Times and the Securities Daily as the websites and newspapers for us to disclose information. During the Reporting Period, we performed the obligations of information disclosure in strict accordance with the requirements of the CSRC and the Shenzhen Stock Exchange and ensured that all shareholders have equal opportunities to access the information about us.

We have established the office of the Board of Directors in charge of investor relations management in strict compliance with the Work Guidelines for the Investor Relations Management of Listed Companies and the relevant systems on investor relations management and is dedicated to enabling investors to equally access the business management, future development and other information on us in a better manner. We actively replied to important problems that employees care about through the investor “interaction” platform, investor consultation telephone, public email and other diversified communication channels, as well as through performance briefings convened on a periodic basis and receiving investigations by investors from time to time.

During the Reporting Period, we were awarded A, the highest level, in the annual assessment by the Shenzhen Stock Exchange of information disclosure of the listed companies in the fourth consecutive year, and awarded the “2022 5A Rating for Performance Evaluation of Board Secretaries of Listed Companies” and the “2022 Best Practice Cases of Directors’ Office of Listed Companies” of China Association for Public Companies.

Is there any significant difference between the actual circumstance of corporate governance of the Company and the applicable laws, administrative regulations and the provisions of the CSRC regarding corporate governance of the listed companies?

Yes No

There is no significant difference between the actual circumstance of our corporate governance and the applicable laws, administrative regulations and the provisions of the CSRC regarding corporate governance of the listed companies.

II. The Company’s independence of its controlling shareholder and actual controller in assets, personnel, finance, organization and business

We are independent of our controlling shareholder and actual controller in assets, personnel, finance, organization and business. The Company’s assets are complete and free from any encumbrance, and we have independent purchasing, production and sales systems and supporting facilities; we have an independent human resources department; we have an independent finance department, and have established independent financial and accounting system and formulated financial management policies; we have set up internal bodies that are suitable for our development requirements and operate independently; we are an independent corporate entity, and conduct business and operate independently. None of our controlling shareholder, actual controller or their affiliates have illegally occupied our funds or requested us to provide any guarantee in violation of the applicable laws and regulations.

III. Horizontal competition

Applicable N/A

Type of problems	Type of related party relationship with the Listed Company	Company name	Company nature	Reasons	Solutions	Progress and subsequent plans
Coexistence	Controlling Shareholder	HTBI	Regulated by SASAC local counterparts	In accordance with relevant notices and replied approvals issued by the General Office of the CPC Hunan Provincial Committee, the General Office of the People's Government of Hunan Province and the Special Panel for Reform of Hunan Provincial Cultural System from 2018, the CPC Hunan Provincial Committee and the People's Government of Hunan Province proposed to reorganize the CPC Committee of Golden Eagle Broadcasting System Co., Ltd. to universally lead GBS, Xiaoxiang Film Group and HBNHG. It was agreed that Xiaoxiang Film Group and HBNHG were merged into GBS to be its wholly-owned subsidiaries, and all institutional assets owned by Hunan Broadcasting System were divested and transferred to GBS, so that the management system of "two institutions	GBS has issued written commitment on matters related to horizontal competition with the Listed Company during the application process of the Company's 2020 non-public offering and of free transfer by the Company's controlling shareholder of the state-owned shares, which clearly describes the plan and schedule for solving the horizontal competition, with details referring to Section VI "I. Performance of commitments".	GBS has issued written commitment on matters related to horizontal competition with the Listed Company during the application process of the Company's 2020 non-public offering and of free transfer by the Company's controlling shareholder of the state-owned shares, which clearly describes the plan and schedule for solving the horizontal competition, with details referring to Section VI "I. Performance of commitments".
Coexistence	Controlling Shareholder	Xiaoxiang Film Group	Regulated by SASAC local counterparts			

				under the leadership of one CPC committee operating integratedly” can be realized, and GBS can further develop. After the integration of GBS, Xiaoxiang Film Group (film and television content production business) and HTBI (game business) under HBNHG have similar businesses with the Listed Company.	
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IV. Annual and extraordinary general meetings of shareholders held during the Reporting Period

1. General meetings of shareholders held during the Reporting Period

Session	Type of meeting	Percentage of investors attending the meeting	Date of meeting	Disclosure date	Resolution of the meeting
Annual general meeting of shareholders in 2021	Annual general meeting of shareholders	78.27%	May 19, 2022	May 20, 2022	Refer to the Announcement on Resolutions of the 2021 Annual General Meeting of Shareholders (No.: 2022-027) disclosed on www.cninfo.com.cn .
1st extraordinary general meeting of shareholders in 2022	Extraordinary general meeting of shareholders	65.37%	December 27, 2022	December 28, 2022	Refer to the Announcement on Resolutions of the First Extraordinary General Meeting of Shareholders in 2022 (No. 2022-053) disclosed on www.cninfo.com.cn .

2. Extraordinary general meetings of shareholders convened at the request of preferred shareholders with resumed voting rights

Applicable N/A

V. Arrangement for differential voting rights

Applicable N/A

VI. Corporate governance of red-chip structured companies

Applicable N/A

VII. Directors, supervisors and executives

1. Particulars

Name	Title	Status	Gender	Age	Beginning date of the term of office	End date of the term of office	Opening balance of shares held	No. of additional shares acquired in the Reporting Period	No. of shares disposed of in the Reporting Period	Changes in the number of shares held due to other reasons	Closing balance of shares held	Cause of increase or decrease in the number of shares held
CAI Huaijun	Chairman	Current	Male	46	January 31, 2023							
	Director				September 12, 2018							
ZHONG Hongming	Independent Director	Current	Male	48	June 14, 2017							
XIAO Xing	Independent Director	Current	Female	52	January 8, 2019							
LIU Yuhui	Independent Director	Current	Male	53	January 8, 2019							
YANG Yun	Director	Current	Male	50	February 21, 2023		1,500				1,500	
SONG Zichao	Director	Current	Male	54	February 21, 2023							
LIANG Deping	Director	Current	Male	44	February 21, 2023							
	General Manager				January 31, 2023							
LIU Xin	Director	Current	Male	52	September 19, 2019							
PENG Jian	Director	Current	Male	51	May 19, 2022							
FANG Fei	Chairman of the Board of Supervisors	Current	Male	38	February 27, 2023							
FANG Fei	Supervisor	Current	Male	38	February 21, 2023							
ZHANG Shangbin	Supervisor	Current	Male	51	February 21, 2023							
XIE Shaoqiang	Employee Supervisor	Current	Male	38	September 7, 2022							
ZHENG Huaping	Deputy General Manager	Current	Male	47	August 16, 2018							

ZHOU Hai	Deputy General Manager	Current	Male	47	January 31, 2023							
ZHANG Zhihong	Deputy General Manager & Finance Director	Current	Male	46	July 4, 2022							
SHEN Yadong	Deputy General Manager	Current	Male	43	July 4, 2022							
LUO Zejun	Deputy General Manager	Current	Male	52	July 4, 2022							
WU Jun	Deputy General Manager	Current	Female	40	July 4, 2022							
	Board Secretary				April 27, 2019							
ZHANG Huali	Chairman and Director	Retired	Male	59	November 16, 2017	January 31, 2023						
LUO Weixiong	Director	Retired	Male	61	September 19, 2019	January 31, 2023						
ZHANG Yong	Director	Retired	Male	61	November 25, 2011	January 31, 2023						
TANG Liang	Director	Retired	Male	47	June 1, 2014	April 22, 2022						
YANG Yun	Chairman of the Board of Supervisors and Supervisor	Retired	Male	50	June 14, 2017	February 21, 2023						
LI Jiaochun	Supervisor	Retired	Male	59	June 14, 2017	February 21, 2023						
FANG Fei	Employee Supervisor	Retired	Male	38	August 18, 2020	September 7, 2022						
CAI Huaijun	General Manager	Retired	Male	46	August 16, 2018	January 31, 2023						
LIANG	Deputy	Retired	Male	44	August 16,	July 4,						

Deping	General Manager & Finance Director				2018	2022						
LIANG Deping	Executive Deputy General Manager	Retired	Male	44	July 4, 2022	January 31, 2023						
Total	--	--	--	--	--	--	1,500	0	0	0	1,500	--

Whether any director or supervisor retired or any executive was removed during the Reporting Period?

Yes No

On April 22, 2022, Mr. TANG Liang resigned from the position as the director and the relevant position of the special committee of the Company due to transfer to a different job.

On July 4, 2022, upon deliberation and approval at the 9th meeting of the 4th Board of Directors of the Company, Mr. LIANG Deping worked as the executive deputy general manager of the Company and ceased to work as the deputy general manager and Finance Director.

On September 7, 2022, Mr. FANG Fei ceased to work as the employee supervisor due to work adjustment, and Mr. XIE Shaoqiang was elected as the new employee supervisor by the trade union of the Company.

On January 31, 2023, Mr. ZHANG Huali resigned from the Chairman, director, and the member of the Strategy Committee of the Company due to work adjustment, and Mr. LUO Weixiong and Mr. ZHANG Yong resigned from the director and the relevant position of the special committee because they have reached the statutory retirement age.

On January 31, 2023, upon deliberation and approval at the 14th meeting of the 4th Board of Directors of the Company, the director Mr. CAI Huaijun worked as the Chairman of the 4th Board of Directors and ceased to work as the general manager of the Company.

On January 31, 2023, upon deliberation and approval at the 14th meeting of the 4th Board of Directors of the Company, Mr. LIANG Deping worked as the general manager of the Company and ceased to be the executive deputy general manager.

Changes in directors, supervisors and executives

Applicable N/A

Name	Title	Type	Date	Reason
TANG Liang	Director	Retired	April 22, 2022	Mr. TANG Liang resigned from the position as the director of the Company due to transfer to a different job.
PENG Jian	Director	Elected	May 19, 2022	Mr. PENG Jian was elected as the director at the Company's annual general meeting of shareholders in 2021.
LIANG Deping	Executive Deputy General Manager	Appointed and removed	July 4, 2022	Upon deliberation and approval at the 9th meeting of the 4th Board of Directors of the Company, Mr. LIANG Deping worked as the executive deputy general manager of the Company and ceased to work as the deputy

				general manager and Finance Director.
SHEN Yadong	Deputy General Manager	Engaged	July 4, 2022	Upon deliberation and approval at the 9th meeting of the 4th Board of Directors of the Company, Mr. SHEN Yadong worked as the deputy general manager of the Company.
LUO Zejun	Deputy General Manager	Engaged	July 4, 2022	Upon deliberation and approval at the 9th meeting of the 4th Board of Directors of the Company, Mr. LUO Zejun worked as the deputy general manager of the Company.
ZHANG Zhihong	Deputy General Manager and Finance Director	Engaged	July 4, 2022	Upon deliberation and approval at the 9th meeting of the 4th Board of Directors of the Company, Mr. ZHANG Zhihong worked as the deputy general manager and Finance Director of the Company.
WU Jun	Deputy General Manager	Engaged	July 4, 2022	Upon deliberation and approval at the 9th meeting of the 4th Board of Directors of the Company, Mr. WU Jun was engaged by the Company as the deputy general manager and the board secretary.
FANG Fei	Employee Supervisor	Retired	September 7, 2022	Mr. FANG Fei ceased to work as the employee supervisor of the 4th Board of Supervisors due to work adjustment.
XIE Shaoqiang	Employee Supervisor	Elected	September 7, 2022	XIE Shaoqiang was elected by the trade union of the Company as the new employee supervisor because of the original employee supervisor's departure.
ZHANG Huali	Chairman	Retired	January 31, 2023	Mr. ZHANG Huali resigned from the position as the Chairman of the 4th Board of Directors,

				director, and the member of the Strategy Committee of the Company due to work adjustment.
CAI Huaijun	Chairman	Appointed and removed	January 31, 2023	Upon deliberation and approval at the 14th meeting of the 4th Board of Directors of the Company, the director Mr. CAI Huaijun worked as the Chairman of the 4th Board of Directors and ceased to work as the general manager of the Company.
LUO Weixiong	Director	Retired	January 31, 2023	Mr. LUO Weixiong resigned from the position as the director of the 4th Board of Directors and the member of the special committee because he has reached the retirement age.
ZHANG Yong	Director	Retired	January 31, 2023	Mr. ZHANG Yong resigned from the position as the director of the 4th Board of Directors and the member of the special committee because he has reached the retirement age.
LIANG Deping	General Manager	Appointed and removed	January 31, 2023	Upon deliberation and approval at the 14th meeting of the 4th Board of Directors of the Company, Mr. LIANG Deping worked as the general manager of the Company and ceased to work as the executive deputy general manager.
ZHOU Hai	Deputy General Manager	Engaged	January 31, 2023	Upon deliberation and approval at the 14th meeting of the 4th Board of Directors of the Company, Mr. ZHOU Hai was engaged as the deputy general manager of the Company.
YANG Yun	Director	Elected	February 21, 2023	Mr. YANG Yun was elected as the director

				at the 1st extraordinary general meeting of shareholders in 2023.
SONG Zichao	Director	Elected	February 21, 2023	Mr. SONG Zichao was elected as the director at the 1st extraordinary general meeting of shareholders in 2023.
LIANG Deping	Director	Elected	February 21, 2023	Mr. LIANG Deping was elected as the director at the 1st extraordinary general meeting of shareholders in 2023.
YANG Yun	Chairman of the Board of Supervisors	Retired	February 21, 2023	Mr. YANG Yun resigned from the position as the non-employee supervisor and the chairman of the 4th Board of Supervisors due to work adjustment, which will become effective after a new supervisor is elected at the general meeting of the Company.
LI Jiaochun	Supervisor	Retired	February 21, 2023	Mr. LI Jiaochun resigned from the position as the non-employee supervisor of the 4th Board of Supervisors due to work adjustment, which will become effective after a new supervisor is elected at the general meeting of the Company.
FANG Fei	Supervisor	Retired	February 21, 2023	Mr. FANG Fei was elected as the non-employee supervisor at the 1st extraordinary general meeting of shareholders in 2023.
ZHANG Shangbin	Supervisor	Retired	February 21, 2023	Mr. ZHANG Shangbin was elected as the non-employee supervisor at the 1st extraordinary general meeting of shareholders in 2023.
FANG Fei	Chairman of the Board of Supervisors	Elected	February 27, 2023	Upon deliberation and approval at the 12th meeting of the 4th Board of Supervisors, Mr. FANG Fei worked as the Chairman of the

				4th Board of Supervisors.
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2. Positions held

Professional background and main work experience of our current directors, supervisors and executives and main positions held by them in the Company:

Directors of the Company:

CAI Huaijun, male, born in December 1977, member of the Communist Party of China, holds a doctor's degree in management; former director, General Manager and Chief Editor of Mango Excellent Media Co., Ltd., Secretary of the Party Committee, executive director and General Manager of Hunan Happy Sunshine Interactive Entertainment Media Co., Ltd., and Chairman of Xiaomang Electronic Commerce Co., Ltd.; and is now member of the Party Committee and Deputy General Manager (Vice President) of Golden Eagle Broadcasting System Co., Ltd. (Hunan Broadcasting System), Secretary of the Party Committee of Satellite TV Channel, and Deputy Secretary and Chairman of the Board of Directors in Mango Excellent Media Co., Ltd.

ZHONG Hongming, male, Han nationality, born in January 1975, graduated from the Law School of Renmin University of China, doctor of laws; is now associate research fellow at the Institute of Law, Sichuan Academy of Social Sciences, member of the Executive Council of the China Commercial Law Society, member of the Executive Council of the China Securities Law Society, and independent director of FIYTA Precision Technology Co., Ltd. and Chengdu Shengbang Seals Co., Ltd.; and has been our independent director since June 2017.

XIAO Xing, female, born in March 1971, member of the Communist Party of China, graduated from the Tsinghua University, PhD in accounting; joined the School of Economics and Management of Tsinghua University in 1997, successively acted as teaching assistant, lecturer, associate professor, tenured associate professor and tenured professor there; and is now professor and chief of the Department of Accounting of the School of Economics and Management, Tsinghua University, and Director of the Institute for Global Private Equity, Tsinghua University, member of the National Accounting Professional Master Education Steering Committee, member of the Accounting Teaching Steering Committee of the Ministry of Education, and independent director of Li Auto; and has been our independent director since January 2019.

LIU Yuhui, male, born in October 1970, member of the Communist Party of China, graduated from the Chinese Academy of Social Sciences majoring in quantitative economics, PhD; Head of the Key Financing Laboratory, the Institute of Finance, the Chinese Academy of Social Sciences from August 2003 to April 2017; joined the Institute of Economics, the Chinese Academy of Social Sciences as a research fellow in April 2017; and is now professor and doctoral tutor of economics at the Chinese Academy of Social Sciences, member of the Executive Council of the China Chief Economist Forum, and member of the Annuity Council of China National Petroleum Corporation; and has been our independent director since January 2019.

YANG Yun, male, born in July 1973, member of the Communist Party of China, holds an MBA degree, accountant; former Deputy Director of the Entertainment Channel of Hunan Broadcasting System, member of the Party Committee and Deputy General Manager of Mango Media Co., Ltd., Director of the Finance Department of Hunan Broadcasting System, Head of the Assets and Finance Department of Golden Eagle Broadcasting System Co., Ltd., and the Chairman of the Board of Supervisors in Mango Excellent Media Co., Ltd.; and is now Assistant General Manager and Head of the Assets and Finance Department of Golden Eagle Broadcasting System Co., Ltd., Director of the Finance Department of Hunan Broadcasting System, director and General Manager of Mango Media Co., Ltd., director of Mango Excellent Media Co., Ltd. and Hunan TV & Broadcast Intermediary Co., Ltd.

SONG Zichao, male, born in August 1969, member of the Communist Party of China, grade-1 director, holds a master's degree in arts; former Director of R&D Center, Production Scheduling Center and Advertising Department of Satellite TV channel and Deputy Director of Satellite TV channel in Hunan Broadcasting System, and Secretary of the Party Committee of TV channel in Golden Eagle Broadcasting System Co., Ltd. (Hunan Broadcasting System); and is now Deputy Secretary of the Party

Committee and Director of Satellite TV Channel in Golden Eagle Broadcasting System Co., Ltd. (Hunan Broadcasting System), Deputy Secretary of the Party Committee and director of Mango Excellent Media Co., Ltd.

LIANG Deping, male, born in February 1979, member of the Communist Party of China, holds a MBA degree; former Deputy General Manager and Finance Director, Executive Deputy General Manager of Mango Excellent Media Co., Ltd., member of the Party Committee, Deputy General Manager and Finance Director of Hunan Happy Sunshine Interactive Entertainment Media Co., Ltd., and Secretary of the Party Committee and executive director of Happingo Co., Ltd.; and is now member of the Party Committee, director and General Manager of Mango Excellent Media Co., Ltd., Secretary of the Party Committee, executive director and General Manager of Hunan Happy Sunshine Interactive Entertainment Media Co., Ltd., director of Xiaomang Electronic Commerce Co., Ltd., and member of the Party Committee of Satellite TV Channel in Golden Eagle Broadcasting System Co., Ltd. (Hunan Broadcasting System).

LIU Xin, male, born in October 1971, member of the Communist Party of China, PhD; former Deputy General Manager and General Manager of the Data Department of China Mobile; is now Secretary of the Party Committee, Chairman and General Manager of Migu Culture Technology Co., Ltd., and director of iFlyTek Co., Ltd.; and our director since September 2019.

PENG Jian, male, born in November 1972, member of the Communist Party of China, undergraduate; former Deputy Director of the Division IV of Hunan Commissioner Office of the Ministry of Finance, full-time Deputy Secretary of the Party Committee of Hunan Commissioner Office of the Ministry of Finance, full-time Deputy Secretary of the Party Committee of Hunan Regulatory Bureau of the Ministry of Finance and Assistant to the General Manager (temporary) of Hunan Chasing Financial Holding Group Co., Ltd.; is now Assistant to the General Manager of Hunan Chasing Financial Holding Group Co., Ltd.; and our director since May 2022.

Supervisors of the Companies:

FANG Fei, male, born in December 1985, member of the Communist Party of China, holds a master's degree in science; former General Manager of Advertising & Marketing Center, Assistant to the President and Deputy General Manager of Hunan Happy Sunshine Interactive Entertainment Media Co., Ltd., and employee supervisor of Mango Excellent Media Co., Ltd.; and is now Chairman of the Board of Supervisors of Mango Excellent Media Co., Ltd., Deputy Director of Satellite TV Channel in Golden Eagle Broadcasting System Co., Ltd. (Hunan Broadcasting System), member of the Party Committee of Hunan Happy Sunshine Interactive Entertainment Media Co., Ltd., General Manager of Shanghai Mangofun Technology Co., Ltd. and director of Xiaomang Electronic Commerce Co., Ltd.

ZHANG Shangbin, male, born in May 1972, member of the Communist Party of China, holds a bachelor's degree in law; former Deputy Director of Production and Scheduling Center and Director of Public Affairs Department, Director of Comprehensive Affairs Department, and Director of HR Department of Satellite TV Channel in Hunan Broadcasting System; and is now member of the Party Committee, Secretary of Discipline Inspection Committee, and supervisor of Mango Excellent Media Co., Ltd.

XIE Shaoqiang, male, born in March 1985, member of the Communist Party of China, undergraduate; former General Manager of Large Membership Center, General Manager of Operator Network Center and General Manager of Smart Large Screen Center in Hunan Happy Sunshine Interactive Entertainment Media Co., Ltd., and the General Manager of Xiaomang Electronic Commerce Co., Ltd.; and is now employee supervisor of Mango Excellent Media Co., Ltd., Deputy Chief Editor and General Manager of Brand Promotion Center of Hunan Happy Sunshine Interactive Entertainment Media Co., Ltd.

Executives (other than those who serve on the Board of Directors concurrently) of the Company:

ZHENG Huaping, male, born in October 1976, member of the Communist Party of China, holds a master's degree in philosophy; former Deputy Chief of Mango Media Restructuring and Listing Office, Deputy Director of the Chief Editor Office of the Hunan Satellite TV Channel, Deputy Director of HBS Program Transaction Management Center, and Chairman and General Manager of Shanghai Mangofun Technology Co., Ltd.; and is now member of the Party Committee, Chief Editor and Deputy General Manager of Mango Excellent Media Co., Ltd., member of the Party Committee, Chief Editor and Deputy General Manager of Hunan Happy Sunshine Interactive Entertainment Media Co., Ltd., director of Xiaomang Electronic Commerce Co.,

Ltd., executive director of Mango Studios Culture Co., Ltd., and member of the Party Committee of Satellite TV Channel in Golden Eagle Broadcasting System Co., Ltd. (Hunan Broadcasting System).

ZHOU Hai, male, born in November 1976, member of the Communist Party of China, holds a master's degree in law, literary editor of second rank; former Director of the Chief Editor Office, Assistant to the Director and Director of the Chief Editor Office of the Satellite TV Channel in Hunan Broadcasting System, member of the Party Committee, Deputy Director and Director of the Chief Editor Office of Satellite TV Channel in Golden Eagle Broadcasting System Co., Ltd. (Hunan Broadcasting System), member of the Party Committee and Secretary of the Discipline Inspection Committee of Mango Excellent Media Co., Ltd.; and is now member of the Party Committee and Deputy General Manager of Mango Excellent Media Co., Ltd., and member of the Party Committee of Satellite TV Channel in Golden Eagle Broadcasting System Co., Ltd. (Hunan Broadcasting System).

ZHANG Zhihong, male, born in September 1977, member of the Communist Party of China, holds a master's degree in management; former Senior Director of the Assets and Finance Department, General Manager of the Finance Center, and Finance Director of Hunan Happy Sunshine Interactive Entertainment Media Co., Ltd., and Deputy General Manager and Finance Director of Happy Sunshine Xingmang Interactive Entertainment Media Co., Ltd.; and is now Deputy General Manager and Finance Director of Mango Excellent Media Co., Ltd, member of the Party Committee, Deputy General Manager and Finance Director of Hunan Happy Sunshine Interactive Entertainment Media Co., Ltd., and the director of Xiaomang Electronic Commerce Co., Ltd.

SHEN Yadong, male, born in June 1980, member of the Communist Party of China, holds a master's degree in law; former Deputy General Manager of the Program Department of the Chief Editor Office of Satellite TV Channel in Hunan Broadcasting System, Head of Copyright Management Department of HBS Program Transaction Management Center, Deputy General Manager of Shanghai EE-Media Co., Ltd., No. 1 Deputy Director of Legal Affairs Department of Golden Eagle Broadcasting System Co., Ltd., and Assistant to General Manager of Mango Excellent Media Co., Ltd.; and is now Deputy General Manager of Mango Excellent Media Co., Ltd., and executive director and General Manager of Shanghai EE-Media Co., Ltd.

LUO Zejun, male, born in February 1971, member of the Communist Party of China, undergraduate; former Director of the Security Department of Hunan Economic TV Channel, Deputy Director of HBS Urban Channel, Executive Deputy General Manager, Secretary of the General Party Branch, and General Manager of Hunan Radio, Film & Television Property Management Center, and Director of HBS Logistics Support Center; and is now Deputy General Manager of Mango Excellent Media Co., Ltd., and member of the Party Committee and Deputy General Manager of Hunan Happy Sunshine Interactive Entertainment Media Co., Ltd.

WU Jun, female, born in February 1983, member of the Communist Party of China, holds a doctor's degree in arts; worked as reporter and editor in charge at Hunan News of Hunan TV, Deputy Chief of the Administration and Human Resources Department, Director of the General Manager's Office and Party Branch Secretary of the Head Office of Mango Media Co., Ltd.; and is now Deputy General Manager, Secretary of the Board of Directors, and Director of Board Office of Mango Excellent Media Co., Ltd.

Positions held in shareholders:

Applicable N/A

Name	Shareholder	Position	Beginning date of the term of office	End date of the term of office	Whether or not receiving remunerations and subsidies from such shareholder
YANG Yun	Mango Media Co., Ltd.	Director & General Manager			

Positions held in other entities:

Applicable N/A

Name	Entity	Position	Beginning date of the term of office	End date of the term of office	Whether or not receiving
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					remunerations and subsidies from such entity
CAI Huaijun	Golden Eagle Broadcasting System Co., Ltd. (Hunan Broadcasting System)	Member of the Party Committee, Deputy General Manager (Vice President) and Secretary of the Party Committee of Satellite TV Channel			
ZHONG Hongming	Institute of Law, Sichuan Academy of Social Sciences	Associate research fellow & Chief of the Finance Law Research Office			
ZHONG Hongming	China Commercial Law Society	Member of the Executive Council			
ZHONG Hongming	China Securities Law Society	Member of the Executive Council			
ZHONG Hongming	FIYTA (Group) Co., Ltd.	Independent Director			
ZHONG Hongming	Chengdu Shengbang Seals Co., Ltd.	Independent Director			
XIAO Xing	School of Economics and Management, Tsinghua University	Professor & Chief of the Department of Accounting			
XIAO Xing	Institute for Global Private Equity, Tsinghua University	Dean			
XIAO Xing	National Accounting Professional Master Education Steering Committee	Member			
XIAO Xing	Accounting Teaching Steering Committee of the Ministry of Education	Member			
XIAO Xing	Li Auto	Independent Director			
LIU Yuhui	Chinese Academy of Social Sciences	Professor and doctoral tutor			
LIU Yuhui	TF Securities	Guest economist			
LIU Yuhui	China Chief Economist Forum	Member of the Executive Council			
LIU Yuhui	Annuity Council of China National Petroleum Corporation	Member of the Executive Council			
YANG Yun	Golden Eagle	Assistant to the			

	Broadcasting System Co., Ltd. (Hunan Broadcasting System)	General Manager and Head of the Assets and Finance Department of the Group, and Director of the Finance Department of HBS			
YANG Yun	Hunan TV & Broadcast Intermediary Co., Ltd.	Director			
SONG Zichao	Golden Eagle Broadcasting System Co., Ltd. (Hunan Broadcasting System)	Deputy Secretary of the Party Committee and Director of Satellite TV Channel			
LIANG Deping	Golden Eagle Broadcasting System Co., Ltd. (Hunan Broadcasting System)	Member of the Party Committee of Satellite TV Channel			
LIU Xin	MIGU Culture Technology Co., Ltd.	Secretary of the Party Committee, Chairman and General Manager			
LIU Xin	iFlyTek Co., Ltd.	Director			
PENG Jian	Hunan Chasing Financial Holding Group Co., Ltd.	Assistant to the General Manager			
FANG Fei	Golden Eagle Broadcasting System Co., Ltd. (Hunan Broadcasting System)	Deputy Director of Satellite TV Channel			
ZHENG Huaping	Golden Eagle Broadcasting System Co., Ltd. (Hunan Broadcasting System)	Member of the Party Committee of Satellite TV Channel			
ZHOU Hai	Golden Eagle Broadcasting System Co., Ltd. (Hunan Broadcasting System)	Member of the Party Committee of Satellite TV Channel			

Punishments imposed by the securities regulatory authorities in the past three years on the directors, supervisors and executives of the Company currently in office or leaving office during the Reporting Period:

Applicable N/A

3. Remunerations of directors, supervisors and executives

Decision-making process, criteria for determination and actual amount in respect of remunerations of directors, supervisors and executives

Decision-making process: The remunerations of our directors and supervisors are decided by the shareholders' meeting according to our Articles of Association and other relevant provisions; the remunerations of executives are decided by the Board of Directors. The remunerations and subsidies of our directors and supervisors are considered and approved by the Board of Directors, and then submitted to the general meeting of shareholders for approval.

Criteria for determination of the remunerations: The remunerations are determined according to our business situations, scope, duties, importance and result of performance appraisal. The subsidies of independent directors are determined by reference to the overall level of the listed companies in the same region and industry.

Amount of remunerations actually paid: The remunerations of directors, supervisors and executives holding posts in the Company are paid by the Company during the Reporting Period. We do not pay any additional subsidy to our directors and supervisors. The amount of total remunerations paid in 2022 was RMB34,612,300.

Remunerations of directors, supervisors and executives paid in the Reporting Period:

In RMB 0'000

Name	Title	Gender	Age	Status	Total remuneration received from the Company (inclusive of tax)	Whether or not receiving remunerations from any affiliate of the Company
CAI Huaijun	Chairman and Director	Male	46	Current		
	General Manager			Retired	513.33	
ZHONG Hongming	Independent Director	Male	48	Current	22	
XIAO Xing	Independent Director	Female	52	Current	22	
LIU Yuhui	Independent Director	Male	53	Current	22	
YANG Yun	Director	Male	50	Current		
	Chairman of Board of Supervisors			Retired		
SONG Zichao	Director	Male	54	Current		
LIANG Deping	Director & General Manager	Male	44	Current		
	Executive Deputy General Manager, Deputy General Manager, and Finance Director			Retired	450	
LIU Xin	Director	Male	52	Current		
PENG Jian	Director	Male	51	Current		

FANG Fei	Chairman of the Board of Supervisors and Supervisor	Male	38	Current		
	Employee Supervisor			Retired	450	
ZHANG Shangbin	Supervisor	Male	51	Current		
XIE Shaoqiang	Employee Supervisor	Male	38	Current	280	
ZHENG Huaping	Deputy General Manager	Male	47	Current	400	
ZHOU Hai	Deputy General Manager	Male	47	Current		
ZHANG Zhihong	Deputy General Manager and Finance Director	Male	46	Current	480	
SHEN Yadong	Deputy General Manager	Male	43	Current	256	
LUO Zejun	Deputy General Manager	Male	52	Current	256	
WU Jun	Deputy General Manager and Board Secretary	Female	40	Current	256	
ZHANG Huali	Chairman	Male	59	Retired		
LUO Weixiong	Director	Male	61	Retired		
ZHANG Yong	Director	Male	61	Retired		
TANG Liang	Director	Male	47	Retired	53.9	
LI Jiaochun	Supervisor	Male	59	Retired		
Total	--	--	--	--	3,461.23	--

VIII. Performance of duties by the directors during the Reporting Period

1. Meetings of the Board of Directors held during the Reporting Period

Session	Date of meeting	Disclosure date	Resolution of the meeting
8th meeting of the 4th Board of Directors	April 21, 2022	April 25, 2022	Refer to the Announcement on Resolutions of the 8th meeting of the 4th Board of Directors disclosed on www.cninfo.com.cn .
9th meeting of the 4th Board of Directors	July 4, 2022	July 5, 2022	Refer to the Announcement on Resolutions of the 9th meeting of the 4th Board of Directors disclosed on www.cninfo.com.cn .
10th meeting of the 4th Board of Directors	August 16, 2022	August 18, 2022	Refer to the Announcement on Resolutions of the 10th meeting of the 4th Board of Directors disclosed on www.cninfo.com.cn .
11th meeting of the 4th Board of Directors	August 30, 2022	August 31, 2022	Refer to the Announcement on Resolutions of the 11th meeting of the 4th Board of

			Directors disclosed on www.cninfo.com.cn.
12th meeting of the 4th Board of Directors	October 24, 2022	October 25, 2022	Refer to the Announcement on Resolutions of the 12th meeting of the 4th Board of Directors disclosed on www.cninfo.com.cn.
13th meeting of the 4th Board of Directors	December 8, 2022	December 9, 2022	Refer to the Announcement on Resolutions of the 13th meeting of the 4th Board of Directors disclosed on www.cninfo.com.cn.

2. Attendance of the directors at meetings of the Board of Directors and shareholders

Attendance of the directors at meetings of the Board of Directors and shareholders							
Director	No. of board meetings that should be attended during the Reporting Period	No. of board meetings present in person	No. of board meetings present by means of communication equipment	No. of board meetings present by proxy	No. of board meetings absent from	Whether or not having been absent from two consecutive board meetings	No. of shareholders' meeting attended
CAI Huaijun	6	2	4	0	0	No	2
ZHONG Hongming	6	0	6	0	0	No	2
XIAO Xing	6	0	6	0	0	No	2
LIU Yuhui	6	1	5	0	0	No	2
LIU Xin	6	0	6	0	0	No	2
PENG Jian	5	1	4	0	0	No	1
ZHANG Huali (retired)	6	1	4	1	0	No	2
LUO Weixiong (retired)	6	2	4	0	0	No	2
ZHANG Yong (retired)	6	2	4	0	0	No	2
TANG Liang (retired)	1	1	0	0	0	No	0

Explanation about absence from two consecutive meetings of the Board of Directors

3. Objections raised by the directors regarding matters of the Company

Whether any director has raised any objection regarding matters of the Company?

Yes No

No director has raised any objection regarding matters of the Company during the Reporting Period.

4. Other information regarding the performance of duties by the directors

Whether the suggestions put forward by the directors have been adopted by the Company?

Yes No

Explanation about the adoption or non-adoption by the Company of the suggestions put forward by the directors

During the Reporting Period, our directors have performed their duties and obligations diligently in strict accordance with the Company Law, the Securities Law and other applicable laws and regulations and our Articles of Association, actively participated in the relevant meetings, and seriously considered all proposals. Our independent directors have kept communications with other directors, executives and related personnel by multiple ways, asked for information about our production, operation and financial conditions, put forward suggestions regarding our development strategies and corporate governance, and expressed independent opinions about related-party transactions, profit distribution policies, remuneration management and other matters, to effectively ensure the fairness and objectiveness of the decisions made by the Board of Directors. Our directors perform their duties honestly and in good faith, safeguard the legitimate rights and interests of the Company and all shareholders, and play an active role in promoting our operational compliance and healthy development.

IX. Activities of the committees of the Board of Directors during the Reporting Period

Committee	Members	No. of meetings held	Date of meeting	Topics	Important opinions and suggestions	Performance of other duties	Objections (if any)
Audit Committee	XIAO Xing (Chairman), ZHONG Hongming, LIU Yuhui, LUO Weixiong and TANG Liang	5	April 11, 2022	Considered and approved the Proposal Regarding the 2021 Auditor's Report, the Proposal Regarding the Self-assessment of Internal Controls in 2021, the Proposal Regarding the Special Report on the Deposit and Use of Offering Proceeds in 2021, the Proposal Regarding the Special Examination Report on the Implementation of Significant Events and Material Receipts and Payments in 2021, the Proposal Regarding the Financial Report for the First Quarter of 2022.			
	XIAO Xing (Chairman), ZHONG Hongming, LIU Yuhui, and LUO Weixiong		April 25, 2022	Considered and approved the Proposal Regarding the Special Report on Offering Proceeds in the First Quarter of 2022.			
	XIAO Xing (Chairman), ZHONG Hongming, LIU Yuhui, and LUO Weixiong		August 6, 2022	Considered and approved the Proposal Regarding the Financial Report for the First Half of 2022, and the Proposal Regarding the Special Report on the Deposit and Use of Offering Proceeds in the First Half of 2022; and approved the Proposal Regarding the Special Examination Report on the Implementation of Significant Events and Material Receipts and Payments in the First Half of 2022.			
	XIAO Xing (Chairman), ZHONG Hongming, LIU Yuhui, and LUO Weixiong		October 19, 2022	Considered and approved the Proposal Regarding the Financial Report for the Third Quarter of 2022, the Proposal Regarding the Re-appointment of Accounting Firm, and approved the Proposal Regarding the Special Report on the Deposit and Use of Offering Proceeds in the Third Quarter of 2022.			
	XIAO Xing		December	Considered and approved the Proposal Regarding			

	(Chairman), ZHONG Hongming, LIU Yuhui, and LUO Weixiong		30, 2022	the 2022 Annual Report Audit Plan prepared by Pan-China Certified Public Accountants LLP, and the Proposal regarding the 2023 Internal Audit Plan.			
Nominating Committee	ZHONG Hongming (Chairman), XIAO Xing, LIU Yuhui, ZHANG Yong and CAI Huaijun	2	April 12, 2022	Considered and approved the Proposal Regarding Nomination of Non-independent Director Candidates			
			June 28, 2022	Considered and approved the Proposal Regarding the Engagement of the Company's Executive Deputy General Manager, the Proposal Regarding the Engagement of the Company's Deputy General Manager, and the Proposal Regarding the Change of the Company's Chief Financial Officer			
Compensation and Appraisal Committee	LIU Yuhui (Chairman), ZHONG Hongming, XIAO Xing, ZHANG Yong and LIU Xin	2	January 24, 2022	Considered and approved the Proposal Regarding Total Salaries and Executives' Remunerations of Mango Excellent Media for 2021.			
Compensation and Appraisal Committee	LIU Yuhui (Chairman), ZHONG Hongming, XIAO Xing, ZHANG Yong and LIU Xin	2	April 12, 2022	Considered and approved the Proposal Regarding Performance Appraisal of Executives for 2021 and Remuneration Proposal for 2022.			

X. Activities of the Board of Supervisors

Whether the Board of Supervisors has identified any risk involving the Company in its supervisory activities during the Reporting Period?

Yes No

The Board of Supervisors has not raised any objection to the supervisory matters during the Reporting Period.

XI. Employees

1. Employees and their composition by specialization and education background

Employees of the parent company (person) at the end of the Reporting Period	34
Employees of main subsidiaries (person) at the end of the Reporting Period	4,091
Total of employees on active duty (person) at the end of the Reporting Period	4,125
Total of employees receiving remuneration for the current period (person)	4,125
Retired employees whose expense is undertaken by parent company and main subsidiaries (person)	8
Composition of employees by specialization	
Areas of specialization	Headcounts
Production personnel	1,383
Sales personnel	1,656
Technical personnel	716
Finance personnel	127
Administrative personnel	243
Total	4,125
Education background	
Education background	Headcounts
Doctorate	6
Master's degree	587
Bachelor's degree	2,766
Junior college or below	766
Total	4,125

2. Remuneration policy

In order to establish and improve the market-based salary determination mechanism and internal incentive and restraint mechanism, and effectively promote the scientific development of the Company, the Company has formulated and promulgated the Measure of Gross Remuneration Determination Mechanism and Management of Mango Excellent Media Co., Ltd., which provides detailed provisions on the method of determining the gross payroll of the Company's employees, reasonable intervals, formula, management procedures and supervision and inspection mechanisms. This measure strictly complies with the relevant provisions of the policy documents and adheres to the basic principles of "strategic orientation, dual-effect unification, benefits synergy and dynamic supervision". According to this measure, the annual gross payrolls of employees of the Company are

determined reasonably by taking the total annual salary of prior year as the basis and considering the Company's salary-income ratio and market and industry benchmark, the completion of the assessment goals, the rate of value preservation and appreciation of state-owned assets, labor cost production ratio and other factors in accordance with the Company's development strategy and remuneration strategy, annual production and operation goals, social benefits, economic benefits and other factors.

3. Training plan

The Company continuously establishes and improves a systematic employee training system and cultivation system, and carries out training work by categories and levels. Based on an in-depth understanding of the training needs of employees, the Company has developed interesting and practical courses for employees of different functions, and established a comprehensive training system covering vocational training, theoretical education, professional training, marketing, new technology, new media operation, etc., to support the comprehensive development of the Company's talents and enhance employees' sense of belonging.

4. Outsourcing

Applicable N/A

Total working hours of outsourcing (hour)	605,520
Total remuneration paid for outsourcing (RMB)	28,710,000.00

XII. The Company's profit distribution and capitalization of capital reserve

Policies of profit distribution during the Reporting Period, especially the development, implementation, or adjustment of cash dividend distribution policies

Applicable N/A

During the Reporting Period, the Company implemented the 2021 profit distribution plan as follows: an aggregate of RMB243,193,705.95 as cash dividends are distributed to all shareholders at RMB1.3 (tax inclusive) per 10 shares based on the total share capital of 1,870,720,815 shares, with 0 bonus shares and 0 capitalized shares involved.

Special explanation for cash dividend policies	
Do they comply with the provisions of Articles of Association or the requirements of the resolutions of general meeting of shareholders?	Yes
Are dividend standards and ratios clear and explicit?	Yes
Are decision-making procedures and mechanisms complete?	Yes
Do independent directors diligently perform their duties and play their roles?	Yes
Do minority shareholders have the opportunity to fully express their opinions and demands? Are their legal rights and interests fully protected?	Yes
Are conditions and procedures for adjusted or changed cash dividend policies compliant and transparent?	Cash dividend policies are not adjusted or changed

The Company's proposed profit distribution plan and proposed capitalization of capital reserve during the Reporting Period are consistent with relevant provisions of the Company's Articles of Association and dividend management methods.

Yes No N/A

The Company's proposed profit distribution plan and proposed capitalization of capital reserve during the Reporting Period are consistent with relevant provisions of the Company's Articles of Association and other regulations.

Description of the profit distribution and capitalization of capital reserve during this year

Number of bonus shares distributed for each 10 shares (unit: share)	0
Amount of dividends distributed for each 10 shares (in RMB) (including tax)	1.3
Number of shares transferred from capital reserve each 10 shares (unit: share)	0
Basic number of the share capital for the distribution proposal (unit: share)	1,870,720,815
Amount of cash dividends (in RMB) (including tax)	243,193,705.95
Amount of cash dividends through other methods (e.g., repurchase of shares) (in RMB)	0.00
Total cash dividends (including those distributed through other methods) (in RMB)	243,193,705.95
Distributable profits (in RMB)	246,837,709.46
Proportion of total cash dividends (including those distributed through other methods) to the total profits distributed	100.00%
Cash dividends distributed this time	
If the Company is at the growth period and has any major asset arrangement, then at the time of distribution of profits, its cash dividends shall account for at least 20% of profits distributed this time.	
Descriptions on proposal of profit distribution or capitalization of capital reserve	
The profit distribution proposal which is in compliance with the relevant provisions of the Articles of Association and the deliberation procedures, has fully protected the legitimate rights and interests of minority investors, on which the independent directors have expressed their agreement opinion independently.	

The Company puts forward no proposal for cash dividend distribution despite of profitable and positive profits of its parent company attributable to shareholders during the Reporting Period

Applicable N/A

XIII. Implementation of the Company's equity incentive plan, employee shareholding plan or other employee incentive measures

Applicable N/A

The Company has no equity incentive plan, employee shareholding plan or other employee incentive measures as well as the implementation thereof during the Reporting Period.

XIV. Construction and implementation of internal control system during the Reporting Period

1. Construction and implementation of internal control system

During the Reporting Period, the Company conscientiously complies with all laws and regulations as well as the provisions of the Company's internal control system to standardize operations, optimize governance and control risks. Through comprehensive implementation of the Company's internal control application manual, the Company makes continuous review and evaluation on the implementation effects of the internal control system, continues to improve and optimize various important business processes in conjunction with business changes, and revises and updates the internal control application manual, in order to ensure its internal control management develops synchronously with businesses, and its internal control system is complete, compliant with laws and regulations, effective and feasible. The Audit Department under the Audit Committee of the Board of Directors of the Company carries out independent and objective supervision and evaluation within the Company pursuant to regulations and

systems such as the Basic Standards for Enterprise Internal Control, Internal Audit Standards, the Company's Audit Management System and Management Measures for Self-Evaluation of the Company's Internal Control. In accordance with the determination of material deficiencies in the Company's internal control over financial report, the Company has no material deficiencies in internal control over financial report on the benchmark date of the internal control evaluation report, and the Company has maintained effective internal control over financial report in all material aspects under the requirements of Standards for Enterprise Internal Control and related regulations. In accordance with the determination of material deficiencies in the Company's internal control over non-financial report, the Company has no material deficiencies in internal control over non-financial report on the benchmark date of the internal control evaluation report. There are no factors affecting the evaluation conclusion of the effectiveness of internal control from the benchmark date of the internal control evaluation report to the issue date thereof.

2. Details of material internal control deficiencies identified during the Reporting Period

Yes No

XV. Management and control of subsidiaries by the Company during the Reporting Period

Company name	Integration plan	Integration progress	Problems met in integration	Solutions adopted	Progress	Subsequent solutions
N/A	N/A	N/A	N/A	N/A	N/A	N/A

XVI. Internal control self-evaluation report or internal control audit report

1. Internal control self-evaluation report

Disclosure date	April 22, 2023	
Index of disclosure	http://www.cninfo.com.cn	
Proportion of the total assets of the entities included in the evaluation scope to the total assets recorded in the Company's consolidated financial statements	100.00%	
Proportion of the operating income of the entities included in the evaluation scope to the operating income recorded in the Company's consolidated financial statements	100.00%	
Identification Standard of Deficiencies		
Category	Financial Report	Non-financial Report
Qualitative standard	<p>1. General deficiencies: other internal control deficiencies under the threshold of material deficiencies and significant deficiencies.</p> <p>2. Significant deficiencies: the selection and application of accounting policies inconsistent with the generally accepted accounting standards; the absence of anti-fraud procedures and control measures; the absence of appropriate control mechanisms, the absence of compensatory controls or failure in the implementation thereof for the accounting treatment of irregular or special transactions; the existence of one or more deficiencies in the</p>	<p>1. General deficiencies: other internal control deficiencies under the threshold of material deficiencies and significant deficiencies.</p> <p>2. Significant deficiencies: general mistakes resulting from decision-making procedures; violation of internal rules and regulations, resulting in losses; deficiencies in significant business mechanisms or systems; significant or general deficiencies in internal control that have not been rectified.</p> <p>3. Material deficiencies: significant mistakes due to lack of democratic decision-making procedures or unscientific</p>

	control of the financial reporting process at the end of the period and the absence of reasonable assurance that the financial statements prepared are true and accurate. 3. Material deficiencies: fraud acts of the Company's directors, supervisors, or executives; correction of published financial reports by the Company, and material misstatements in the current financial reports detected by the certified public accountants but not identified by the Company's internal control process; ineffective supervision by the Audit Committee and the internal audit institution on internal control.	decision-making procedures, resulting in significant property losses to the Company; serious violations of national laws and regulations; lack of significant business mechanisms, or ineffectiveness of implementation thereof; continuous or a large quantity of significant internal control deficiencies in the Company.
Quantitative standard	1. General deficiencies: potential misstatement of total consolidated profit <3%, potential misstatement of total consolidated owner's equity <0.5%, potential misstatement of total consolidated assets <0.5%, potential misstatement of total consolidated operating income <0.5%. 2. Significant deficiencies: 3% ≤ potential misstatement of total consolidated profit <5%, 0.5% ≤ potential misstatement of total consolidated owner's equity <1%, 0.5% ≤ potential misstatement of total consolidated assets <3%, 0.5% ≤ potential misstatement of total consolidated operating income <1%. 3. Material deficiencies: potential misstatement of total consolidated profit ≥5%, potential misstatement of total consolidated owner's equity ≥1%, potential misstatement of total consolidated assets ≥3%, potential misstatement of total consolidated operating income ≥1%.	1. General deficiencies: direct property loss subsequent to consolidation <0.5% of total assets of the Company; 2. Significant deficiencies: 0.5% of total assets of the Company ≤ direct property loss subsequent to consolidation <1% of total assets of the Company; 3. Material deficiencies: 1% of total assets of the Company ≤ direct property loss subsequent to consolidation.
Number of material deficiencies of financial reports (piece)		0
Number of material deficiencies of non-financial reports (piece)		0
Number of significant deficiencies of financial reports (piece)		0
Number of significant deficiencies of non-financial reports (piece)		0

2. Audit or assurance report of internal control

Assurance report of internal control

Audit opinion on assurance report of internal control
The Company maintained effective internal control over financial reports in all material aspects as of December 31, 2022 in accordance with the Basic Standard for Corporate Internal Control and relevant regulations. This conclusion is based on the inherent limitations set forth in the authentication report.

Disclosure of Internal Control Assurance Report	Disclosure
Disclosure date	April 22, 2023
Index for Disclosure	http://www.cninfo.com.cn
Type of opinions	Standard unqualified opinion
Whether there are any material deficiencies in non-financial reports	No

Did the accounting firm issue a modified assurance report of internal control?

Yes No

Was the assurance report of internal control issued by the accounting firm in line with self-evaluation report opinion of the Board of Directors?

Yes No

XVII. Rectification on self-examination problems regarding the special campaign to improve the governance of listed companies

Under relevant requirements of the Announcement on Launching a Special Campaign to Improve the Governance of Listed Companies (Zheng Jian Hui [2020] No. 69) by China Securities Regulatory Commission (“CSRC”) and the Circular on Launching a Special Campaign to Improve the Governance of Listed Companies (Xiang Zheng Jian Gong Si Zi [2020] No. 31) by Hunan Regulatory Bureau of CSRC, the Company conscientiously organizes, carefully arranges and actively carries out the special campaign to improve the governance of listed companies. Through self-examination, self-correction and self-regulation, the Company has strengthened the endogenous power of corporate governance and improved rules of corporate governance system, thus a good ecology of corporate governance has been established, and a listed company governance structure with each department taking accountability for their own duties and responsibilities, coordinated operation and effective balances has been further improved, so as to solidify the foundation of the Company’s high-quality development.

Problems: There was no horizontal competition between Mango Media Co., Ltd. as our controlling shareholder and the Listed Company. Mango Media Co., Ltd. has made written commitment on matters related to horizontal competition with the Listed Company to avoid horizontal competition with the Listed Company. Xiaoxiang Film Group under GBS as our indirect controlling shareholder and HTBI have similar businesses with the Listed Company.

Reasons: In accordance with relevant notices and replied approvals issued by the General Office of the CPC Hunan Provincial Committee, the General Office of the People’s Government of Hunan Province and the Special Panel for Reform of Hunan Provincial Cultural System from 2018, the CPC Hunan Provincial Committee and the People’s Government of Hunan Province proposed to reorganize the CPC Committee of Golden Eagle Broadcasting System Co., Ltd. to universally lead Golden Eagle Broadcasting System, Xiaoxiang Film Group and HBNHG. It was agreed that Xiaoxiang Film Group and HBNHG were merged into GBS to be its wholly-owned subsidiaries, and all institutional assets owned by Hunan Broadcasting System were divested and transferred to GBS, so that the management system of “two institutions under the leadership of one CPC committee operating integratedly” can be realized, and GBS can further develop. After the integration of GBS, Xiaoxiang Film Group (film and television content production business) and HTBI (game business) under HBNHG have similar businesses with the Listed Company.

Rectification plan: GBS has issued written commitment on matters related to horizontal competition with the Listed Company during the application process of the Company’s 2020 non-public offering and of free transfer by the Company’s controlling shareholder of the state-owned shares, which clearly describes the plan and schedule for solving the horizontal competition with key details referring to Section VI “I. Performance of commitments”.

Section V Environmental and Social Responsibility

I. Significant environment protection problems

Whether the Listed Company and its subsidiaries are in high pollution industries regulated by the State Department of Environmental Protection?

Yes No

Description of administrative penalties for environmental problems during the Reporting Period

Company or subsidiaries	Reasons for penalty	Violation cases	Penalty result	Effects on production and operation of the Listed Company	Rectification measures
N/A	N/A	N/A	N/A	N/A	N/A

Other environment information disclosed with reference to other entities engaged in high pollution industries

N/A

Measures taken to reduce its carbon emissions and their effectiveness during the Reporting Period

Applicable N/A

Reasons for not disclosing other environment information

None of the Company or its subsidiaries is a major polluter identified by the environmental protection authority. During the Reporting Period, the Company and its subsidiaries received no penalties due to violation of laws and regulations related to environment protection.

II. Description of social responsibilities

We have always adhered to the leadership of the Party with utter loyalty. As a state-owned mainstream new media and the listed company, Mango Excellent Media has always put its social responsibilities first. In 2022, in reliance on Mango ecological advantages of in-depth integrated development of the double platforms, we promoted mainstream value communication, contributed to rural revitalization and social welfare, focused on protection of investors, and effectively shouldered the social responsibilities as a state-owned enterprise.

We kept our mission as a Party media and a state-owned enterprise firmly, strived to secure that underlying values hold greater appeal than ever before, and the wave of positive energy felt throughout society is building, and continuously enhanced our ability to guide mainstream values. During the 20th National Congress of CPC, with the help of two platforms including Hunan TV and Mango TV, we carried out integrated communication and launched a number of heavyweight plans, products and arrangements to establish a multi-dimensional communication matrix of positive energy and actively created an enthusiastic and positive public opinion atmosphere. We have always adhered to the people-centered creation direction, created the works accessible to and serving ordinary people at the grassroots to tell warm and resonant Chinese stories, shaping the image of the people for a new area and demonstrating great achievements for a new area. We have stuck to cultural confidence and actively explored excellent cultural elements to integrate traditional Chinese culture into our work creation and enhance cultural connotation of our works. Also, we have developed new ways of communication, intensified efforts to expand overseas market and actively advanced Chinese culture to go out.

Mango TV launched a special channel to publicize the 20th National Congress of CPC in a comprehensive way. “Philosophy Shining China • Sharing”, “Letter from General Secretary”, and “A Journey into the Thought” show the responsibility and elegant demeanor as a new mainstream media. “The Past Decade”, “The Past Decade • Light Chaser” and “The Past Decade • Light

Chasing Night” are about the struggle history of light chasers in the new era, winning big traffic with central theme content and positive energy. “The Power Source”, “Draw the Line” and other thematic dramas were broadcast intensively during the 20th National Congress of CPC, building a network zone for dramas carrying forward positive energy. The TV series “Our Times” demonstrates the miracles with the persistent efforts of representatives from all walks of life. In addition, the documentary “China S2” discusses our culture in the vision of the world, and explores the source of Chinese spirit, Chinese power and Chinese confidence in the context of international communication. Mango TV’s international communication works have won the China News Award for four consecutive years. As of the end of the Reporting Period, the Mango TV International APP was downloaded more than 118 million times, an increase of 94.1% year on year; the number of overseas users exceeded 110 million, and overseas business services covered more than 195 countries and regions in the world, supporting subtitle switching in 18 languages.

We devoted ourselves to public welfare activities, built “Mango Public Welfare” platform to actively respond to major social concerns and launch public fundraising projects for emergency and disaster relief as an important complementary force to the government’s welfare policy benefiting all people. With these efforts, we strived to effectively address the urgent needs of the public, ensured people’s wellbeing and raised the level of public service supply. During the summer vacation in 2022, the Mango Public Welfare platform launched the Mango public welfare activity to assist the impoverished students, entitled “Weak Light Coming Together as Bright as Sun”, and a total of RMB10.03 million was raised, including offline donations from enterprises. After the forest mountain fire broke out in Chongqing, Mango Public Welfare platform organized the public welfare project “Guarding Our Beautiful Mountain” without delay. To be specific, we planted trees for the mountainous areas affected by the wildfire, and carried out forest guarding and disaster prevention activities. Further, after an earthquake struck Luding county, Sichuan Province on September 5, 2022, Mango Public Welfare platform timely started the fundraising project “Help Luding County, Sichuan” to collect donations from people from all walks of life, which are used to buy relief materials and help rebuild families after earthquake. During the “June 1” Children’s Day, Mango TV organized a series of public welfare activities entitled “Protect Children” to care for disadvantaged children. On the “March 8” International Women’s Day, Mango TV organized the online public welfare activity to promote women’s employment and entrepreneurship, protect maternal and child health and care about minority girls.

We gave full play to the advantages of our new media platform and actively fulfilled our social responsibility of investor protection. During the Reporting Period, the investor education channel of the Mango TV, as the investor education base of new media, actively promoted the opening of columns around such themes as “Registration System Reform”, “New Regulations on Delisting”, “Advancing Development of National Financing Education”, “Shareholders Coming” and “Propaganda and Education on Preventing and Fighting Illegible Activities”, with a total of 9,000 minutes of video content and 250 million views. The short video of investor education entitled “Application of Knowledge to Practice” ranked 1st among 3,800 pieces of works in the national short video competition -“Hi, Registration System” organized by China Securities Investor Services Center. What’s more, we organized the high-quality final competition of “Shareholders Coming 2022” and held the Mango investor education forum. Our investor protection work was affirmed well by regulatory authorities.

For our fulfillment of social responsibilities, see the 2022 ESG Report and Social Responsibility Report disclosed on www.cninfo.com.cn on the same day.

III. Description of consolidating and expanding achievements of poverty eradication and rural revitalization

Relying on its own integrated media resources and e-commerce platform, the Company utilizes the power of media to consolidate poverty alleviation achievements and help with rural revitalization. During the 1st Hunan Tourism Development Conference, the Company worked with Hunan TV to give full play to the advantages of the dual platforms, and efficiently organized and disseminated the opening ceremony and promotion party of the 1st Hunan Tourism Development Conference in just one week. As of midnight of the day, a total of 120 million audiences watched the livestreaming on new media such as Hunan TV

and Mango TV, and a new pattern of cultural and tourism integration has thus been built in Hunan with ingenious creation. During the event, the Company created a “mainstream media + e-commerce” public benefit platform - Mango Revitalization Cloud Supermarket, which launched a series of livestreaming events with hundreds of Internet anchors, themed “Beautiful Scenery in a Fairyland, Quality Products from Nature”, achieving sales of RMB14.8744 million in total across all Internet-based platforms. Mango Revitalization Cloud Supermarket also gives full play to the brand effect of a ten-year brand program of Hunan Broadcasting System named “New Year at the Grassroots” by promoting characteristic agricultural products from all over Hunan and publicizing local characteristic tourism at the start of every Spring Festival through live commerce in “Great Changes in New Mountain Areas” via the launch of the topic page of “New Year at the Grassroots”. Besides, Mango Revitalization Cloud Supermarket organized the “Yanling Yellow Peach Sweetens the World” event in July 2022, selling out 5,213 pieces of Yanling Yellow Peach in just one week, with a sale volume of over RMB750,000. The “Thousands of Screens for Livestreaming: Purchase from Anhua on Cloud” livestreaming event was held in November, promoting characteristic agricultural and sideline products represented by Yiyang Anhua Black Tea and tourism resources to the people across China. With the foregoing programs, every product sold through livestreaming can truly enhance the local economy.

Section VI Important Events

I. Performance of Commitments

1. Commitments completed during the Reporting Period or not completed as of the end of the reporting period by the actual controller, shareholders, affiliates and acquirer of the Company, the Company itself and other related parties

Applicable N/A

Commitment	Committed by	Type	Content	Date	Deadline	Performance
Commitments made in the Acquisition Report or Equity Change Report	Golden Eagle Broadcasting System Co., Ltd.	Commitments on Avoiding Horizontal Competition, Related Party Transactions and Fund Use	1. After completion of this free transfer, we and our related parties will minimize and regulate the related party transactions with the List Company and its subordinate enterprises. 2. After completion of this free transfer, with respect to the related party transactions with the Listed Company and its subordinate enterprises that are unavoidable or conducted with good reason, we and our related parties will comply with the market principle to conclude such transactions at fair and reasonable market prices, perform decision-making procedures for related party transactions in accordance with the provisions of applicable laws, regulations and normative documents, fulfill the obligations of information disclosure in accordance with law and go through the relevant formalities for approval, and avoid such transactions as required, and will not use related party transactions to illegally use funds and assets of the Listed Company or seek any other improper interests or use the status of the controlling shareholder to damage the legitimate interests of the Listed Company and other shareholders. 3. After completion of this free transfer, we will not use the shareholder rights owned by us in the Listed Company to manipulate or instruct the List Company or any of its directors, supervisors and executives to cause the Listed Company to provide or accept funds, goods, services or other assets on unfair terms, or do any act that is detrimental to the interests of the Listed Company. The aforementioned commitments will remain in effect for so long as we actually control the Listed Company and the Listed Company maintains its listing status. We will be liable for any actual losses, if any, caused to the Listed Company arising from our breach of the aforementioned commitments.	November 22, 2022	Long-term	Ongoing
	Golden Eagle Broadcasting System Co., Ltd.	Other Commitments	In order to ensure the independence of the Listed Company, we make the following commitments with respect to maintaining the independence of the Listed Company after this free transfer: 1. We guarantee that Mango Excellent Media will be independent of us and our related parties business, assets, finance, personnel and organization, among others, and we will strictly comply with the relevant provisions of the China Securities Regulatory Commission (the "CSRC") on the independence of listed companies; 2. we undertake that	November 22, 2022	Long-term	Ongoing

			we will not use our status as the actual controller of the Listed Company to damage the legitimate interests of the Listed Company; 3. we and the channels and enterprises controlled by us will eliminate any illegal use of assets and funds of the Listed Company, and in no event shall we request the Listed Company and its controlled subsidiaries to provide any form of guarantee or financial support to us. The aforementioned commitments will remain in effect for so long as we remain control of Mango Excellent Media. We will compensate Mango Excellent Media in time and in full for any and all losses caused to Mango Excellent Media arising from our failure to fulfill the aforementioned commitments.			
	Golden Eagle Broadcasting System Co., Ltd.	Other Commitments	After completion of this transfer, we will give full play to our active role as an indirect controlling shareholder of the Listed Company, cause the Listed Company to continuously improve the corporate governance structure, establish a sound internal control system, regulate the operations of the Listed Company and raise the governance level of the Listed Company in accordance with the requirements of the Articles of Association of Mango Excellent Media Co., Ltd., the Companies Law of the People's Republic of China, the Securities Law of the People's Republic of China, the Code of Corporate Governance of Listed Companies, the Rules Governing Listing of Stocks on Shenzhen Stock Exchange, the Guidelines for Articles of Association of Listed Companies and all other applicable laws and regulations of the CSRC and the Shenzhen Stock Exchange.	November 22, 2022	Long-term	Ongoing
	Golden Eagle Broadcasting System Co., Ltd.	Other Commitments	1. As at the date of issue of the letter of commitments, we and the channels or enterprises controlled by us have not carried out horizontal competition which has material adverse effect on the Listed Company and/or its controlled enterprises. 2. By the end of July 2026, we and the channels or enterprises controlled by us will settle the horizontal competition with the Listed Company that already existed by various means such as entrusted management, assets restructuring, business adjustment/termination and assets transfer/sale, and implement measures related to business integration, in accordance with laws, regulations, policies, articles of association or similar constitutional documents of such channels or enterprise, with a view to benefiting business development of the Listed Company and safeguarding benefits of shareholders of the Listed Company. 3 We will, and procure that channels and enterprises controlled by us will, adopt effective measures to: (1) avoid adding other business constituting horizontal competition with the Listed Company and/or its controlled enterprises before settling existing horizontal competition; (2) not to support any persons other than the Listed Company and/or its controlled enterprises in conducting any business or activities which compete or would compete with the business currently conducted or presently proposed to be conducted by the Listed Company and/or its controlled enterprises. 4 If we and the channels or enterprises controlled by us have any business opportunity of carrying out, participating in or holding shares in any	November 22, 2022	Long-term	Ongoing

			business or activity which would compete with the business conducted by the Listed Company and/or its controlled enterprises, then the Listed Company and/or its controlled enterprises shall have preferred rights with respect to such business opportunity. 5 We agree to bear and compensate for all losses, damages and expenses caused to the Listed Company and/or its controlled enterprises arising from our breach of the aforementioned commitments. 6. The aforementioned commitments will remain in effect for so long as we actually control the Listed Company and the Listed Company maintains its listing status. We will be liable for any actual losses, if any, caused to the Listed Company arising from our breach of the aforementioned commitments.			
Commitments made at the time of IPO or re-financing	Aegon-industrial Fund Management Co., Ltd.; Zhongou Asset Management Co., Ltd.; China Mobile Capital Holding Co., Ltd.	Commitments on Share Lock-Up	The shares subscribed for by any person to which the shares are issued shall not be transferred within 6 months of completion of this issuance. From end of this issuance to expiry of lock-up period, any shares added to the shares purchased by the person to which the shares are issued due to bonus issue or share capital converted from capital reserves shall also comply with aforementioned lock-up arrangement.	August 24, 2021	February 24, 2022	Fully fulfilled
	Mango Excellent Media Co., Ltd.	Other Commitments	1. During 6 months prior to the date of board resolution concerning this issuance and till today, we did not invest in any similar financial business; from the date of issuing letter of commitment (December 25, 2020) to the date when the capitals raised this time are totally used or during 36 months after raised capitals are available, we undertake to not add investment in any similar financial business (including capital increase, loan, security and other forms of investment); 2. As at the date of this Announcement, we hold 100% of shares in Hunan Happy Money Microfinance Co., Ltd. (hereinafter "Happy Money"), we will complete dispose of small loan business of Happy Money through dissolution and liquidation, termination of business or transferring equities to qualified entity within 6 months after letter of commitments is issued, and we will no longer be engaged in small loan business.	December 25, 2020	Long-term	Ongoing
	Golden Eagle Broadcasting System Co., Ltd.	Commitments on Avoiding Horizontal Competition, Related Party Transactions and Fund Use	(1) As at the date of issue of the letter of commitments, GBS and the channels or enterprises controlled by it have not carried out horizontal competition which has material adverse effect on the Issuer and/or its controlled enterprises. (2) Within 5 years after completion of this issuance, GBS and the channels or enterprises controlled by it will settle the horizontal competition with the Issuer that already existed by various means such as entrusted management, assets restructuring, business adjustment/termination and assets transfer/sale, and implement measures related to business integration, in accordance with laws, regulations, policies, articles of association or similar organizational documents of such channels or enterprise, with a view to benefiting business development of the Issuer and safeguarding benefits of shareholders of the Issuer. (3) GBS will, and procure that channels and enterprises controlled by it will, adopt effective measures to: (i) avoid adding other business constituting horizontal	September 25, 2020	Long-term	Fully fulfilled (Such commitments have been made in the Acquisition Report again).

			<p>competition with the Issuer and/or its controlled enterprises before settling existing horizontal competition;</p> <p>(ii) not to support any persons other than those of the Issuer and/or its controlled enterprises in conducting any business or activities which compete or would compete with the business currently conducted or presently proposed to be conducted by the Listed Company and/or its controlled enterprises.</p> <p>(4) If GBS and the channels or enterprises controlled by it have any business opportunity of carrying out, participating in or holding shares in any business or activity which would compete with the business conducted by the Issuer and/or its controlled enterprises, then the Issuer and/or its controlled enterprises shall have preferred rights with respect to such business opportunity.</p> <p>(5) GBS agrees to bear and compensate for all losses, damages and expenses caused to the Issuer and/or its controlled enterprises arising from GBS's breach of the aforementioned commitments.</p>			
	Hunan Broadcasting System; Mango Media Co., Ltd.	Other Commitments	<p>(1) We undertake that we will not interfere in the Company's operation and management activities beyond our authority, nor will we encroach on the Company's interests;</p> <p>(2) From the date of this letter of commitment to the completion of the Company's issuance of A-share shares to specific persons, if securities regulatory authorities such as the CSRC and Shenzhen Stock Exchange make separate provisions or put forward other requirements on measures to compensate for diluted returns and the commitments thereon, and the above commitments cannot meet such provisions, we will then make supplementary commitments in accordance with the latest provisions;</p> <p>(3) We will effectively take relevant recovery measures for returns formulated by the Company and fulfill our corresponding commitments on recovery measures for returns. Besides, we will, in case of violating or refusing to fulfill the above commitments, undertake the corresponding obligations of explanation, apology and so on in accordance with the relevant provisions, and will be liable for compensation as appropriate in accordance with law if losses are thus caused to the Company or its shareholders.</p>	September 25, 2020	Long-term	Ongoing
	CAI Huaijun; HE Jin; LIANG Deping; LIU Xin; LIU Yuhui; LUO Weixiong; TANG Liang; WANG Ke; WU Jun; XIAO Xing; ZHANG Huali; ZHANG Yong; ZHENG Huaping; ZHONG Hongming	Other Commitments	<p>(1) I undertake that I will faithfully and diligently perform my duties and safeguard the legitimate rights and interests of the Company and all shareholders;</p> <p>(2) I undertake that I will not to transfer benefits to other entities or individuals free of charge or under unfair conditions, nor otherwise damage the Company's interests;</p> <p>(3) I undertake that I will restrict my position-related consumption;</p> <p>(4) I undertake that I will not use the Company's assets to engage in investment or consumption activities irrelevant to performance of my duties;</p> <p>(5) I undertake that I will procure the linkage of the compensation system formulated by the board of directors or the remuneration and appraisal assessment committee with the implementation of the Company's recovery</p>	September 25, 2020	Long-term	Ongoing

			<p>measures for returns within my legal authority;</p> <p>(6) If the Company subsequently implements the equity incentive plan, I undertake that I will procure the linkage of exercise conditions for the Company's equity incentives to be announced with the implementation of the Company's recovery measures for returns within my legal authority;</p> <p>(7) From the date of this letter of commitment to the completion of the Company's issuance of A-share shares to specific persons, if securities regulatory authorities such as the CSRC and Shenzhen Stock Exchange make separate provisions or put forward other requirements on measures to compensate for diluted returns and the commitments thereon, and the above commitments cannot meet such provisions, I undertake that I will then make supplementary commitments in accordance with the latest provisions;</p> <p>(8) I undertake that I will effectively implement measures to compensate for diluted returns formulated by the Company and fulfill my corresponding commitments on measures to compensate for diluted returns. Besides, I will, in case of violating or refusing to fulfill the above commitments, undertake the corresponding obligations of explanation, apology and so on in accordance with the relevant provisions, and will be liable for compensation as appropriate in accordance with if losses are thus caused to the Company or its shareholders.</p>			
Mango Media Co., Ltd.	Commitments on Share Lock-Up	<p>1. Within 36 months from the end of this issuance, we will not transfer the Listed Company's shares acquired by us in this restructuring in any form, including but not limited to the public transfer through securities market or transfer by agreement, nor will we entrust others with management of the Listed Company's shares held by us. Within 6 months of completion of this restructuring, if the daily closing price of the Listed Company's shares is lower than the issue price for 20 consecutive trading days, or the daily closing price of the Listed Company's shares at the end of a 6-month period is lower than the issue price, then the lock-up period of the Listed Company's shares acquired by us in this restructuring will automatically be extended for 6 months;</p> <p>2. The aforesaid share lock-up arrangements shall also apply to the increase in holdings of consideration shares acquired by us in this restructuring due to placement of shares, bonus share distribution and capitalization of capital reserve by the Listed Company and other reasons within the lock-up period;</p> <p>3. If the aforesaid commitments on the lock-up period are inconsistent with the latest regulatory opinions issued by the security regulatory authority, then we agree to make adjustments accordingly pursuant to the regulatory opinions issued by the competent security regulatory authority; after the expiry of the aforesaid lock-up period, the relevant regulations of the CSRC and Shenzhen Stock Exchange shall apply;</p> <p>4. If we are suspected of providing or disclosing any information containing misrepresentations, misleading statements or materials omissions in this transaction and</p>	July 12, 2018	July 12, 2021	Fully fulfilled, but such shareholder has not gone through the formalities for circulation of restricted shares.	

			are therefore investigated by the judicial authority or the CSRC, we will not transfer the beneficial interest held by us in the Listed Company before the investigation conclusion of the case is determined.			
	Hunan Broadcasting System; Mango Media Co., Ltd.	Commitments on Avoiding Horizontal Competition, Related Party Transactions and Fund Use	<p>In order to avoid the horizontal competition with the Listed Company, Mango Media and Hunan Broadcasting System have respectively issued their own Letter of Commitments on Avoiding Horizontal Competition, undertaking that, during the period of acting as the controlling shareholder and actual controller of the Listed Company,</p> <p>“1. We and the channels and enterprises controlled by us are not engaged in any business or activity in any form that competes or would compete, directly or indirectly, with the business of the Listed Company and/or its controlled enterprises.</p> <p>2. After completion of this restructuring, we will take and procure the channels and companies controlled by us to take effective measures to avoid:</p> <p>(1) engaging in any business or activities directly or indirectly in any form that competes or would compete, directly or indirectly, with the business of the Listed Company and/or its controlled enterprises, or holding any interests or benefits in such business;</p> <p>(2) supporting in any form any persons other than the Listed Company and/or its controlled enterprises in engagement in any business or activity that competes or would compete with the business currently conducted or presently proposed to be conducted by the Listed Company and/or its controlled enterprises.</p> <p>3. If we and the channels and enterprises controlled by us have any business opportunity of carrying out, participating in or holding shares in any business or activity which would compete with the business conducted by the Listed Company and/or its controlled enterprises, then Listed Company and/or its controlled enterprises shall have preferred rights with respect to such business opportunity.</p> <p>4. If our business and the business of the channels and enterprises controlled by us competes with business of the Listed Company and/or its controlled enterprises, then we and the channels and enterprises controlled by us will cease engaging in any business similar with or identical with the principal business of the Listed Company and/or its controlled enterprises to avoid the horizontal competition by stopping conduct of the relevant competitive business, including the relevant competitive business in that of the listed company or transferring the relevant competitive business to any unrelated third party.</p> <p>5. We agree to bear and be liable for all losses, damage and costs caused to the Listed Company and/or its controlled enterprises due to our breach of the aforesaid commitments.”</p>	July 12, 2018	Long-term	Ongoing
	Hunan Broadcasting System; Mango Media Co., Ltd.	Commitments on Avoiding Horizontal Competition, Related Party	In order to reduce and regulate the related party transactions and safeguard the legal rights and interests of Happigo and minority shareholders, Hunan Broadcasting System and Mango Media have issued the Letter of Commitments on Regulating Related Party Transactions	July 12, 2018	Long-term	Ongoing

	Transactions and Fund Use	<p>with the contents as follows:</p> <p>we and the channels and other public institutions or economic organizations controlled by us will take measures to avoid conducting the related party transactions with the Listed Company and its controlled enterprises as far as possible;</p> <p>regarding the related party transactions that cannot be avoided or are definitely necessary (including but not limited to product transactions, mutual offer of services/labor and etc.), we undertake that we will urge the channels and other public institutions or economic organizations controlled by us to follow the principles of market fairness, justice and openness, legally sign agreements and perform the legal procedures in accordance with the provisions on the decision-making and abstention of related party transactions of the relevant laws and regulations, normative documents and the Listed Company to guarantee the fairness and compliance of the related party transactions, will not harm the legitimate rights and interests of shareholders of the Listed Company and its controlled subsidiaries as well as shareholders of the Listed Company through related party transactions, and will promptly disclose the information as required by the relevant laws and regulations and normative documents;</p> <p>We and the channels and other public institutions or economic organizations controlled by us will eliminate any illegal use of assets and funds of the Listed Company. If aforesaid commitments are breached, we are willing to assume all legal responsibilities arising therefrom.</p>			
Mango Media Co., Ltd.	Commitments on Reducing Shareholdings	<p>Mango Media Co., Ltd., the controlling shareholder of the Company, makes the following commitments with respect to the intention to reduce shareholdings:</p> <p>(1) If we intend to reduce the shares of the Company held us it after expiry of lock-up period, we will legally do same, and make a public announcement within 3 trading days prior to reduction through the Company. The total number of shares of the Company reduced by us within 2 years after expiry of lock-up period shall not exceed 5% of total shares held by us at the time of IPO, and the price at which shares are reduced shall not be less than 100% of price of IPO. If shares are reduced 2 years after expiry of lock-up period, the price at which shares are reduced through call auction trading system of securities exchange shall not be less than closing price of shares in the trading day immediately preceding the share reduction announcement day.</p> <p>(2) The reduction period will be 6 months after the public announcement of the reduction plan, and if we continue to reduce our shareholdings after expiry of the reduction period, we will make the public announcement anew in accordance with the aforesaid arrangements.</p>	January 21, 2015	Long-term	Ongoing
Hongyi Investment Industry Phase I Fund (Tianjin) (L.P.); Mianyang Science and Technology	Commitments on Reducing Shareholdings	<p>Hongyi Investment Industry Phase I Fund (Tianjin) (L.P.) (“Hongyi Investment”), Mianyang Science and Technology Industry Investment Fund (L.P.) (“Mianyang Fund”) and Tianjin Hongshan Capital Investment Fund Center (L.P.) (“Hongshan Capital”) as other existing shareholders of the Company make the following</p>	January 21, 2015	January 21, 2018	Mianyang Fund and Hongshan Capital disclosed on November 19, 2016 and Hongyi Investment

	Industry Investment Fund (L.P.); Tianjin Hongshan Capital Investment Fund Center (L.P.)		<p>commitments with respect to the intention to reduce shareholdings: (1) We will not transfer or entrust others with management of any pre-IPO shares of the Issuer held by us, nor propose the repurchase of such shares by the Company within 12 months from the listing date of the Issuer.</p> <p>(2) If we intend to reduce our shareholdings in the Company after the expiry of the lock-up period of shares held by us in the Company, we will legally do same, and make a public announcement within 3 trading days prior to reduction through the Company. The shareholdings of Hongyi Investment, Mianyang Fund, Hongshan Capital we reduce in aggregate within 2 years after the expiry of the lock-up period will equal to the issuer's shares held in total by us and the reduction price will not lower than 80% of the IPO price of the Company. The reduction period will be 6 months after the public announcement of the reduction plan, and if we continue to reduce our shareholdings after expiry of the reduction period, we will make the public announcement anew in accordance with the aforesaid arrangements. During the period from the listing of the Company's shares until reduction of shareholdings, if the Company has paid dividends, given bonus shares, capitalized capital reserve, issued new shares or had other ex-right and ex-dividend matters, the floor reduction price and number of reduced shares will be adjusted accordingly. If the Company's shareholders fail to fulfill these commitments, the proceeds from reduction of shareholdings in the Company will belong to the listed Company.</p>			disclosed on December 10, 2016 the Announcement on Prompt of Shareholdings Reduction Plan for Shareholders Holding 5% or More of Shares Prior to IPO through the Company, and as of the end of 2017, all of them have completed reduction of their shareholdings.
	Mango Excellent Media Co., Ltd.	Commitments on Distributing Dividends	<p>We will improve the profit distribution system, particularly the cash dividend policy.</p> <p>The Company improved the Articles of Associations (Draft) at the 1st extraordinary general meeting of shareholders in 2014, stipulating the Company's profit distribution policy, the procedures for decision-making and implementation of the profit distribution policy, preparation and adjustment mechanism of the profit distribution policy, and the plan for shareholders' dividend returns in order to enhance the protection over minority shareholders. The Articles of Associations (Draft) further defines the Company's profit distribution, especially the specific conditions, percentages, and forms of the cash dividend distribution as well as the conditions of the bonus share distribution, and clarifies that the cash dividends are superior to bonus shares; and the Company prepared the Plan on Dividend Returns for the Coming Three Years of Happigo Inc. to further implement the profit distribution system.</p>	January 21, 2015	Long-term	Ongoing
	Hunan Broadcasting System; Mango Media Co., Ltd.	Commitments on Avoiding Horizontal Competition, Related Party Transactions and Fund Use	<p>(I) Commitments on Avoiding Horizontal Competition</p> <p>In order to avoid the horizontal competition and protect the interests of the Company and other shareholders, Hunan Broadcasting System as the actual controller of the Company and Mango Media as the controlling shareholder of the Company have respectively issued their own Letter of Commitments on Avoiding Horizontal Competition.</p> <p>1. Mango Media as the controlling shareholder of the</p>	January 21, 2015	Long-term	Ongoing

			<p>Company has issued its Letter of Commitments on Avoiding Horizontal Competition.</p> <p>(1) Mango Media and its other subordinate enterprises other than the Issuer are not engaged in any business or activity in any form that competes or would compete, directly or indirectly, with the business of the Issuer and/or its subordinate enterprises.</p> <p>(2) Mango Media will, and procure that any enterprises controlled by Mango Media will, adopt effective measures to avoid:</p> <p>(A) engaging in any business or activities directly or indirectly in any form that competes or would compete, directly or indirectly, with the business of the Issuer and/or its subordinate enterprises, or holding any interests or benefits in such business;</p> <p>(B) supporting any persons other than the Issuer and/or its subordinate enterprises in conducting any business or activities which compete or would compete with the business currently conducted or presently proposed to be conducted by the Issuer and/or its subordinate enterprises.</p> <p>(3) If Mango Media and its subordinate enterprises have any business opportunity of carrying out, participating in or holding shares in any business or activity which would compete with the business conducted by the Issuer and/or its subordinate enterprises, then the Issuer and/or its subordinate enterprises shall have preferred rights with respect to such business opportunity.</p> <p>(4) Mango Media, as the shareholder of the Issuer, will not engage in any business or activity that damages or would damage the interests of the Issuer and/or its subordinate enterprises by utilizing the status of the shareholder, the rights to which the shareholder is entitled and the information obtained in accordance with the relevant laws, regulations and the Articles of Association, including but not limited to the trade secrets of the Issuer and/or its subordinate enterprises.</p> <p>Mango Media agrees to bear and be liable for all losses, damage and costs caused to the Issuer and/or its subordinate enterprises due to breach of the aforementioned commitments.</p> <p>2. Commitments on avoiding horizontal competition and constraint measures of the actual controller</p> <p>(1) Letter of Overall Commitments issued by Hunan Broadcasting System</p> <p>On March 29, 2012, Hunan Broadcasting System, as the actual controller of the Company, issued the Letter of Commitments on Avoiding Horizontal Competition, undertaking that:</p> <p>①Hunan Broadcasting System and its other subordinate enterprises other than the Issuer are not engaged in any business or activity in any form that competes or would compete with the business of the Issuer and/or its subordinate enterprises directly or indirectly.</p> <p>②Hunan Broadcasting System will, and procure that any enterprises controlled by Hunan Broadcasting System will, adopt effective measures to avoid:</p> <p>(A) engaging in any business or activities directly or indirectly in any form that competes or would compete</p>			
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			<p>with the business of the Issuer and/or its subordinate enterprises, or holding any interests or benefits in such business;</p> <p>(B) supporting any persons other than the Issuer and/or its subordinate enterprises in conducting any business or activities which compete or would compete with the business currently conducted or presently proposed to be conducted by the Issuer and/or its subordinate enterprises.</p> <p>③ If Hunan Broadcasting System and its subordinate enterprises have any business opportunity of carrying out, participating in or holding shares in any business or activity which would compete with the business conducted by the Issuer and/or its subordinate enterprises, then the Issuer and/or its subordinate enterprises shall have preferred rights with respect to such business opportunity.</p> <p>Hunan Broadcasting System agrees to bear and be liable for all losses, damage and costs caused to the Issuer and its subordinate enterprises due to breach of the aforementioned commitments.</p> <p>(II) Letter of Commitments on Avoiding Fund Use</p> <p>The controlling shareholder and the actual controller of the Company undertake that: they will strictly comply with the provisions of the laws, regulations, normative documents and the Company's relevant rules and systems, not appropriate or use the Company's assets or resources in any form, nor do anything directly or indirectly which harms or would harm the interests of the Company and other shareholders. If the rights and interests of the Company or other shareholders are harmed due to breach of the aforementioned commitments and undertakings, the controlling shareholder and the actual controller will be liable for compensation in accordance with law.</p>			
Fulfill the commitments on time or not	Yes					

2. Explanation of the original profit estimate with respect to the assets or projects of the Company and reasons for realization if the Company makes a profit estimate for its assets or projects which is still in progress during the Reporting Period

Applicable N/A

II. Appropriation of non-operating funds of the Listed Company by the controlling shareholder and other related parties

Applicable N/A

In RMB0'000

Shareholders or related parties	Type of related relationship	Appropriation period	Reason for appropriation	Opening balance	New appropriated amount during the Reporting Period	Proportion of the latest audited net assets	Total repayments during the Reporting Period	Closing balance	Proportion of the latest audited net assets	Balance as of the disclosure date of the annual report	Estimated repayment method	Estimated repayment amount	Estimated repayment time (month)

Shanghai Mamma Mia Interactive Entertainment Technology Co., Ltd.	Others	6 years	Borrowings for production and operation	262.98	0	0.00%	30	232.98	0.00%	222.98	Cash settlement	222.98	May 2026
Total				262.98	0	0.00%	30	232.98	0.00%	222.98		222.98	
Relevant decision procedures				In order to support the business development of Shanghai Mamma Mia Interactive Entertainment Technology Co., Ltd. ("Mamma Mia") which was originally a wholly-owned subsidiary of Happy News, Mamma Mia would be supported with liquidity from Happy News through Happy News' internal approval and decision-making process.									
Reasons for new appropriation of non-operating funds by controlling shareholders and other related parties and description of the responsible persons' accountability and proposed measures by the Board of Directors in the current period				N/A									
Reasons for failure to settle appropriated non-operating funds as planned, and description of accountability and proposed measures by the Board of Directors in the current period				In December 2016, Happy News transferred 70% of the equity shares of Mamma Mia externally (to noncontrolling shareholders and their affiliates), so that Mamma Mia was no longer included in the scope of consolidation of Happy News. At present, Happy News still holds 24.25% of the equity shares of Mamma Mia. In order to ensure stable development of Mamma Mia, Happy News and Mamma Mia signed Repayment Plan, which stipulates monthly repayment of RMB 50,000 since January 2022, until the loan is paid off.									
Special review opinions on appropriation of funds given by accounting firm				Pan-China Certified Public Accountants LLP believes that the summary sheet prepared by management of Mango Excellent Media complies with the provisions of Guideline No. 8 on Regulation of Listed Companies – Regulatory Requirements on Fund Transfer and External Guarantee of Listed Companies (CSRC Announcement (2022) No. 26) and Guideline No. 1 on Self-discipline Regulation of Companies Listed at of the Shenzhen Stock Exchange – Business Handling (Revised in February 2023) (SZS (2023) No. 135) in all material aspects, truly reflecting appropriation of non-operating funds and transfer of other related capitals of Mango Excellent Media in 2022.									
Reasons for inconsistency between appropriation of non-operating funds by the controlling shareholder and other related parties disclosed in the Company's annual report and that in the special audit opinion				N/A									

III. External Guarantees in Violation of Regulations

Applicable N/A

The Company has no external guarantees in violation of regulations during the Reporting Period.

IV. Explanations from the Board of Directors for the “Modified Auditor’s Report” Issued Most Recently

Applicable N/A

V. Explanations from the Board of Directors, the Board of Supervisors, the Independent Directors (if any) for the “Modified Auditor’s Report” Issued by the Engaged Accounting Firm During the Reporting Period

Applicable N/A

VI. Explanation from the Board of Directors for Accounting Policies and Accounting Estimate Change and Significant Accounting Mistake Correction

Applicable N/A

VII. Explanation for Changes in the Scope of Consolidated Financial Statements Comparing with Those in Prior Year

Applicable N/A

Changsha Xingmang Artist Culture Communication Partnership, Changsha Xingzhimang Entertainment Media Co., Ltd., Changsha Xingmang Interactive Entertainment Media Partnership (Limited Partnership), and Hunan Immersion Technology Co., Ltd. were newly established during the Reporting Period. See “VIII. Changes in Scope of Consolidation” under “Section X Financial Report” for details.

VIII. Engagement and Dismissal of the Accounting Firm

Current certified public accountants

Domestic certified public accountants	Pan-China Certified Public Accountants LLP
Remuneration paid to the domestic certified public accountants (in RMB0'000)	198
Audit period of the domestic accounting firm	7
Name of the engaged certified public accountants	ZHENG Shengjun and HU Jian
Audit period of the engaged certified public accountants	1 year for ZHENG Shengjun and 1 years for HU Jian

Whether the certified public accountant is changed

Yes No

Description of engaging certified public accountants, financial adviser, or sponsor for internal control

Applicable N/A

IX. Delisting Subsequent to the Disclosure of the Annual Report

Applicable N/A

X. Bankruptcy and Reorganization

Applicable N/A

The Company has no matters with respect to bankruptcy and reorganization during the Reporting Period.

XI. Material Litigation or Arbitration

Applicable N/A

The Company involves in no material litigation or arbitration during the year.

XII. Penalty and Rectification

Applicable N/A

The Company has no penalty and rectification during the Reporting Period.

XIII. Integrity of the Company and its Controlling Shareholder and Actual Controller

Applicable N/A

XIV. Significant Related Party Transactions

1. Related party transactions related to daily operations

Applicable N/A

Related party	Related party relationship	Type	Content	Pricing principle	Price	Amount (in RMB0'000)	Proportion of similar trading amount	Approved trading amount (in RMB0'000)	Exceed the approved amount or not	Mode of settlement	Available market price of similar transactions	Disclosure date	Disclosure index
Golden Eagle Broadcasting System	Under common control of the same actual controller	Acceptance of labor service	Copyright, etc.	Market pricing	55,069.96	55,069.96	6.07%	66,000.00	No	By transfer	55,069.96	April 25, 2022	Published at http://www.cninfo.com.cn ; Announcement Title: Announcement on the Occurrence of Related-party Transactions Concerning Daily Operations in 2021 and Estimation of Related-party Transactions Concerning Daily Operations in 2022
Golden Eagle Broadcasting System	Under common control of the same actual controller	Rendering of labor service	Advertising release, etc.	Market pricing	77,552.00	77,552.00	5.66%	153,900.00	No	By transfer	77,552.00	April 25, 2022	
Yunhong Communication Technology (Guangzhou) Co., Ltd.	Company materially affected by the actual controller	Acceptance of labor service	Advertising service	Market pricing	18,526.33	18,526.33	2.04%	23,312.00	No	By transfer	18,526.33	April 25, 2022	
Yunhong Communication Technology (Guangzhou) Co., Ltd.	Company materially affected by the actual controller	Rendering of labor service	Advertising release	Market pricing	80,483.60	80,483.60	5.87%	93,250.00	No	By transfer	80,483.60	April 25, 2022	
MIGU Culture Technology Co., Ltd.	Sharing the key manager	Rendering of labor service	Operator revenue	Market pricing	216,651.25	216,651.25	15.81%	202,600.00	Yes	By transfer	216,651.25	April 25, 2022	
Total				--	--	448,283.14	--	539,062.00	--	--	--	--	--
Details of return of goods in large sales				None									
Actual performance during the Reporting Period (if any) in the event that the total amount of the daily related-party transactions to occur in the current period is expected by categories				None									
Reasons for the large difference between the trading price and the market reference price (if applicable)				N/A									

2. Related party transactions related to acquisition or disposal of assets and equities

Applicable N/A

Related Party	Related party relationship	Type	Content	Pricing principle	Carrying amount of transferred assets (RMB0'000)	Appraisal value of transferred assets (RMB0'000)	Transfer price (RMB0'000)	Mode of settlement	Trading profit or loss (RMB0'000)	Disclosure date	Disclosure index
Mango	Parent	Sales	33.33% of	Appraisal	28,600	28,600	28,600	Settlement	0	June 25,	Announcement on

Media Co., Ltd.	company	of equity	the equity in Xiaomang Electronic Commerce Co., Ltd.	value				by transferring accounts		2022	the Completion of Recapitalization and Share Increase and Related Transaction by Wholly-owned Subsidiary disclosed on www.cninfo.com.cn
Reasons for significant difference between transfer price and carrying amount or appraisal value (if any)				None.							
Impact on the Company's operating results and financial situation				No impact on the consolidated net profit of the Company							
The performance realization during the Reporting Period if the related party transaction involves performance agreement				None.							

3. Related party transactions related to joint external investment

Applicable N/A

The Company has no related party transactions involving joint external investments during the Reporting Period.

4. Credits and debits with related parties

Applicable N/A

Whether there are non-operating credits and debits with related parties

Yes No

Credits due from related parties

Related party	Relation	Reason of formation	Whether there is any non-operating fund use	Opening balance (RMB0'000)	Current increased amount (RMB0'000)	Current recovered amount (RMB0'000)	Interest rate	Current interest (RMB0'000)	Closing balance (RMB0'000)
Xiaoxiang Film Group Co., Ltd.	Controlled by the same actual controller	Accounts current	No	5.08		5.08			0
Mango Media Co., Ltd. and its subsidiaries	Controlled by the same actual controller	Accounts current	No	92.12	0.77				92.89
Hunan Mango Entertainment Co., Ltd.	Subsidiary	Accounts current	No	8,000					8,000
Hunan Happy Sunshine Interactive Entertainment Media	Subsidiary	Profit distribution	No		30,000				30,000

Co., Ltd.									
Shanghai EE-Media Co., Ltd.	Subsidiary	Profit distribution	No	25,000		25,000			0
Impact of related-party creditor's rights on the Company's operating results and financial status		No material impact							

Debts due to related-party

Related party	Relation	Reason of formation	Opening balance (RMB0'000)	Current increased amount (RMB0'000)	Current recovered amount (RMB0'000)	Interest rate	Current interest (RMB0'000)	Closing balance (RMB0'000)

5. Transactions with finance companies having related party relationship

Applicable N/A

The Company has no deposit, loan, credit facility or other financial business with finance companies having related-party relationship and related parties.

6. Transactions between finance companies controlled by the Company and related parties

Applicable N/A

Finance companies controlled by the Company have no deposit, loan, credit facility or other financial business with related parties.

7. Other significant related party transactions

Applicable N/A

The Company has no other significant related-party transactions during the Reporting Period.

XV. Significant Contracts and Performances Thereof**1. Trusteeship, contracting and leasing****(1) Trusteeship**

Applicable N/A

The Company has no trusteeship during the Reporting Period.

(2) Contracting

Applicable N/A

The Company has no contracting during the Reporting Period.

(3) Leasing

Applicable N/A

Lease description

1. The Company as a lessee

(1) For relevant details of the right-of-use assets, see Article VII (14) of “Section X Financial Report”.

(2) Current lease-related profit and loss and cash flow

Unit: RMB

Item	Current amount	Amount in the same period last year
Interest expenditure on lease liabilities	9,301,906.56	5,819,271.54
Income from sub-leasing of right-of-use assets	7,990,890.37	9,341,266.04
Total lease-related cash outflow	64,204,383.75	64,826,084.84

(3) For the maturity time analysis of lease liabilities and the corresponding liquidity risk management, see Article X of “Section X Financial Report” for details.

2. The Company as a lessor

Operating lease

(1) Lease income

Unit: RMB

Item	Current amount	Amount in the same period last year
Income from lease	11,353,234.87	19,143,126.43

(2) Operating lease assets

Unit: RMB

Item	Closing amount	Closing amount of the last year
Fixed assets	22,747,860.63	34,070,036.19
Right-of-use assets	4,732,738.24	6,884,092.38
Investment real estate properties	50,786,391.83	
Subtotal	78,266,990.70	40,954,128.57

For details of operating leased-out fixed assets, see Article VII (13) of “Section X Financial Report”

(3) Undiscounted lease receipt that will be received in the future

Unit: RMB

Remaining period	Closing amount	Closing amount of the last year
Within 1 year	10,623,126.18	15,399,807.10
1-2 years	11,238,554.40	13,592,258.70
2-3 years	9,883,531.00	12,598,737.80
3-4 years	8,326,777.08	10,176,167.90
4-5 years	6,061,978.71	8,561,441.20
5 years later	5,370,943.39	11,423,322.10
Total	51,504,910.76	71,751,734.80

Items that bring profits or losses to the Company amounting to over 10% of the Company’s total profits in the Reporting Period

 Applicable N/A

During the Reporting Period, there were no leasing items that bring profits or losses to the Company reached more than 10% of the Company's total profits in the Reporting Period.

2. Significant guarantee

Applicable N/A

The Company has no significant guarantee during the Reporting Period.

3. Cash asset management by others under entrustment

(1) Entrusted financing

Applicable N/A

Overview of entrusted financing during the Reporting Period

In RMB0'000

Specific type	Capital sources of entrusted financing	Amount of entrusted financing	Undue balance	Amount overdue and not recovered	Impaired amount of financing overdue and not recovered
Bank financing product	Own funds	214,000	140,000	0	0
Bank financing product	Raised funds	216,000	129,500	0	0
Total		430,000	269,500	0	0

Details of high-risk entrusted financing with significant single amount or poor security and liquidity

Applicable N/A

Expected unavailability to recover the principal or other situations that may lead to impairment with respect to entrusted financing

Applicable N/A

(2) Entrusted loans

Applicable N/A

The Company has no entrusted loan during the Reporting Period.

4. Other significant contracts

Applicable N/A

The Company has no other significant contracts during the Reporting Period.

XVI. Description of Other Significant Matters

Applicable N/A

On July 30, 2022, the Company disclosed the "Informative Announcement on Free Transfer of Controlling Shareholder's Equity and Proposed Change of Actual Controller" (Announcement No.: 2022-032). The Company received a notice from its controlling shareholder Mango Media that in accordance with an official reply issued by the Hunan Provincial Department of Finance on matters related to the transformation of Hunan Broadcasting System into an enterprise, Hunan Broadcasting System, the sole shareholder of Mango Media, intends to transfer the 100% equity in Mango Media it holds to GBS (hereinafter referred to as the "Free Transfer"). Currently, relevant procedures are being handled for the Free Transfer. After the transfer is completed, the Company's controlling shareholder will still be Mango Media, while the Company's actual controller will be changed from Hunan Broadcasting System to Hunan State-owned Cultural Assets Supervision and Administration Commission, which performs the

investor's duties to GBS as authorized by the Hunan Provincial People's Government. Hunan Provincial State-owned Cultural Assets Supervision and Administration Commission. The Free Transfer is an important initiative of GBS (Hunan Broadcasting System) to implement decisions and deployment related to cultural system reform made by the Hunan Provincial Committee of the CPC and the Hunan Provincial People's Government, which is conducive to the further optimization of the layout structure of Hunan's cultural enterprises, the promotion of resource elements to be gathered for backbone cultural enterprises, and the large-scale and group-type development. GBS is an integrated operation company of Hunan Broadcasting System. The management mode of Hunan Broadcasting System and GBS is "one Party committee, two organs and all-in-one operation". This change of control will not have any adverse impact on the Company's normal production and operation, nor will it do any damage to the interests of the Company and its small and medium shareholders. On November 30, 2022, the Company disclosed the "Informative Announcement on Completion of Industrial and Commercial Registration Information Change for Free Transfer of Controlling Shareholder's Equity and Completion of Change of Actual Controller" (Announcement No.: 2022-049), and the industrial and commercial registration information change has been completed for the above Free Transfer, and the actual controller of the Company has been changed into the Hunan Cultural Assets Commission.

XVII. Description of Significant Matters of the Company's Subsidiaries

Applicable N/A

Section VII Share Changes and Information of Shareholders

I. Share changes

1. Share changes

Unit: share

	Before this change		Increase or decrease this time (+,-)					After this change	
	Number	Proportion	New shares	Bonus shares	Capitalization of capital reserve	Others	Sub-total	Number	Proportion
I. Restricted share	939,364,161	50.21%	0	0	0	-90,343,304	-90,343,304	849,020,857	45.38%
1. Shareholdings by the state	0	0.00%	0	0	0	0	0	0	0.00%
2. Shareholdings by the state-owned legal persons	909,248,601	48.60%	0	0	0	-60,228,869	-60,228,869	849,019,732	45.38%
3. Other shareholdings by domestic investors	30,115,560	1.61%	0	0	0	-30,114,435	-30,114,435	1,125	0.00%
Including: shareholdings by domestic legal persons	30,114,435	1.61%	0	0	0	-30,114,435	-30,114,435	0	0.00%
Shareholdings by domestic natural persons	1,125	0.00%	0	0	0	0	0	1,125	0.00%
4. Shareholdings by foreign investors	0	0.00%	0	0	0	0	0	0	0.00%
Including: shareholdings by overseas legal persons	0	0.00%	0	0	0	0	0	0	0.00%
Shareholdings by overseas natural persons	0	0.00%	0	0	0	0	0	0	0.00%
II. Unrestricted share	931,356,654	49.79%	0	0	0	90,343,304	90,343,304	1,021,699,958	54.62%
1. RMB ordinary share	931,356,654	49.79%	0	0	0	90,343,304	90,343,304	1,021,699,958	54.62%
2. Domestic listed foreign share	0	0.00%	0	0	0	0	0	0	0.00%
3. Overseas listed	0	0.00%	0	0	0	0	0	0	0.00%

foreign share									
4. Others	0	0.00%	0	0	0	0	0	0	0.00%
III. Total	1,870,720,815	100.00%	0	0	0	0	0	1,870,720,815	100.00%

Reasons for share changes

Applicable N/A

In accordance with the CSRC's Official Reply on Approving the Registration of Share Offering to Specific Persons by Mango Excellent Media (Zheng Jian Xu Ke [2021] No. 2105), the Company issued 90,343,304 RMB ordinary shares to three specific persons, namely Zhongyi Capital Holding Group Limited, Lombarda China Fund Management Co., Ltd. and Aegon-industrial Fund Management Co., Ltd. at a price of RMB49.81 per share. The above shares were listed on the GEM of the Shenzhen Stock Exchange on August 24, 2021, with a six-month lock-up period commencing from the date of listing of the additional shares. On February 24, 2022, the aforementioned lock-up shares were released and became available for trading. The restricted shares of the Company decreased by 90,343,304 shares and unrestricted shares increased by 90,343,304 shares, so the total share capital remain unchanged.

Approval of share changes

Applicable N/A

Description of registration of share changes

Applicable N/A

Effect of share changes on financial indicators in the most recent year and the most recent period, such as basic earnings per share, diluted earnings per share, net assets per share attributable to the Company's shareholders of ordinary shares

Applicable N/A

Other information that the Company deemed as necessary, or security regulators require to be disclosed

Applicable N/A

2. Restricted share changes

Applicable N/A

Unit: share

Name of shareholders	Opening restricted shares	Increase in restricted shares for the current period	Restricted shares released for the current period	Closing restricted shares	Reasons for restriction	Date of release of restriction
Mango Media Co., Ltd.	849,019,732	0	0	849,019,732	Additional restricted shares in offering of shares for purchasing assets	The lock-up period was expired on July 12, 2021, but the listing and circulating procedures of the restricted shares are not applied for.
Zhongyi Capital Holding Group Limited	60,228,869	0	60,228,869	0	Additional restricted shares in offering of A-share shares to specific persons in 2020	As the lock-up period was expired, these shares became available for trading on February 24,

						2022
Industrial and Commercial Bank of China Limited - Lombarda China Times Pioneer Stock Promoter Securities Investment Fund	7,428,228	0	7,428,228	0	Additional restricted shares in offering of A-share shares to specific persons in 2020	As the lock-up period was expired, these shares became available for trading on February 24, 2022
Shanghai Pudong Development Bank Co., Ltd - Lombarda China Innovation Future 18-month Closed Operation Hybrid Securities Investment Fund	4,416,784	0	4,416,784	0	Additional restricted shares in offering of A-share shares to specific persons in 2020	As the lock-up period was expired, these shares became available for trading on February 24, 2022
China Everbright Bank Co., Ltd.- Xingquan Business Model Preferred Hybrid Securities Investment Fund (LOF)	3,122,979	0	3,122,979	0	Additional restricted shares in offering of A-share shares to specific persons in 2020	As the lock-up period was expired, these shares became available for trading on February 24, 2022
China Merchants Bank Co., Ltd. - Lombarda China Internet Pioneer Hybrid Securities Investment Fund	2,810,680	0	2,810,680	0	Additional restricted shares in offering of A-share shares to specific persons in 2020	As the lock-up period was expired, these shares became available for trading on February 24, 2022
China Merchants Bank Co., Ltd. - Xingquan Heyi Flexible Allocation Hybrid Securities Investment Fund (LOF)	2,411,981	0	2,411,981	0	Additional restricted shares in offering of A-share shares to specific persons in 2020	As the lock-up period was expired, these shares became available for trading on February 24, 2022
China Merchants Bank Co., Ltd.	2,411,980	0	2,411,980	0	Additional restricted shares in	As the lock-up period was expired, these

- Xingquan Herun Hybrid Securities Investment Fund					offering of A-share shares to specific persons in 2020	shares became available for trading on February 24, 2022
Industrial and Commercial Bank of China Limited - Xingquan Green Investment Hybrid Securities Investment Fund (LOF)	1,561,489	0	1,561,489	0	Additional restricted shares in offering of A-share shares to specific persons in 2020	As the lock-up period was expired, these shares became available for trading on February 24, 2022
Postal Savings Bank of China Co., Ltd.- Lombarda China Shuangli Debt Securities Investment Fund	1,003,814	0	1,003,814	0	Additional restricted shares in offering of A-share shares to specific persons in 2020	As the lock-up period was expired, these shares became available for trading on February 24, 2022
Others	4,947,625	0	4,946,500	1,125	4,946,500 shares are additional restricted shares in offering of A-share shares to specific persons in 2020 and the left 1,125 shares are restricted shares to directors, supervisors and executives.	As the lock-up period of 4,946,500 shares was expired, these shares became available for trading on February 24, 2022, and the left 1,125 shares are restricted shares to directors, supervisors and executives.
Total	939,364,161	0	90,343,304	849,020,857	--	--

II. Shares issuing and listing

1. Securities issuing during the Reporting Period (excluding preferred shares)

Applicable N/A

2. Explanation for changes in the Company's total shares, shareholder structure, and structure of assets and liabilities

Applicable N/A

3. Current shares subject to employee share ownership plan

Applicable N/A

III. Shareholders and actual controllers

1. Description of the Number of the Company's shareholders and shares held by them

Unit: share

Total ordinary shareholders as of the end of the period	52,454	Total ordinary shareholders as of the end of the month prior to the disclosure date of annual report	42,332	Total preferred shareholders (if any) with recovered voting rights as of the end of the period	0	Total preferred shareholders (if any) with recovered voting rights as of the end of the month prior to the disclosure date of annual report	0	Total shareholders (if any) holding special voting right shares	0
Information of shareholders holding 5% or more of shares or top 10 shareholders									
Name of shareholders	Nature of shareholder	Shareholding ratio	Closing shareholding quantity	Increase or decrease	Number of restricted shares held	Number of unrestricted shares held	Pledged, marked or frozen		
							Status	Quantity	
Mango Media Co., Ltd.	State-owned legal person	56.09%	1,049,300,301	0	849,019,732	200,280,569			
Zhongyi Capital Holding Group Limited	State-owned legal person	7.01%	131,188,792	0	0	131,188,792			
Hunan Caixin Jingguo Equity Investment Partnership (LP)	State-owned legal person	5.01%	93,647,857	0	0	93,647,857			
Hong Kong Securities Clearing Company Limited	Others	3.05%	57,013,712	4,980,707	0	57,013,712			
China Merchants Bank Co., Ltd. - Xingquan Herun Hybrid Securities Investment Fund	Others	1.51%	28,206,669	5,847,288	0	28,206,669			
China	Others	0.93%	17,407,7	-492,617	0	17,407,787			

Merchants Bank Co., Ltd. - Xingquan Heyi Flexible Allocation Hybrid Securities Investment Fund (LOF)			87					
Industrial and Commercial Bank of China Limited - Xingquan Green Investment Hybrid Securities Investment Fund (LOF)	Others	0.51%	9,599,502	-2,982,573	0	9,599,502		
Industrial Bank Co., Ltd. - Xingquan Qushi Investment Hybrid Securities Investment Fund	Others	0.50%	9,407,869	4,070,419	0	9,407,869		
China Merchants Bank Co., Ltd. - Xingye Xingrui 2-Year Hybrid Securities Investment Fund	Others	0.42%	7,880,000	6,350,300	0	7,880,000		
Industrial and Commercial Bank of China Limited - GF China Securities Media LOF	Others	0.40%	7,565,118	1,671,233	0	7,565,118		
Related-party relationship or concerted action relationship among the aforementioned shareholders	There is no related party relationship or concerted action relationship between Mango Media Co., Ltd. as the controlling shareholder of the Company and other top 10 shareholders; we are not aware whether or not there is a related-party relationship or concerted action relationship among other top 10 shareholders.							
Explanation for entrusting/accepting entrusted voting rights and waiver of voting rights regarding above shareholders	None							
Shareholdings of top 10 unrestricted shareholders								
Name of shareholders	Number of unrestricted shares held at the end of the reporting period	Type						
		Type	Number					
Mango Media Co., Ltd.	200,280,569	RMB ordinary shares						
Zhongyi Capital Holding	131,188,792	RMB ordinary						

Group Limited		shares	
Hunan Caixin Jingguo Equity Investment Partnership (LP)	93,647,857	RMB ordinary shares	
Hong Kong Securities Clearing Company Limited	57,013,712	RMB ordinary shares	
China Merchants Bank Co., Ltd. - Xingquan Herun Hybrid Securities Investment Fund	28,206,669	RMB ordinary shares	
China Merchants Bank Co., Ltd. - Xingquan Heyi Flexible Allocation Hybrid Securities Investment Fund (LOF)	17,407,787	RMB ordinary shares	
Industrial and Commercial Bank of China Limited - Xingquan Green Investment Hybrid Securities Investment Fund (LOF)	9,599,502	RMB ordinary shares	
Industrial Bank Co., Ltd. - Xingquan Qushi Investment Hybrid Securities Investment Fund	9,407,869	RMB ordinary shares	
China Merchants Bank Co., Ltd. - Xingye Xingrui 2-Year Hybrid Securities Investment Fund	7,880,000	RMB ordinary shares	
Industrial and Commercial Bank of China Limited - GF China Securities Media LOF	7,565,118	RMB ordinary shares	
Explanation for related-party relationship or concerted actions between top 10 unrestricted outstanding shareholders, and between top 10 unrestricted outstanding shareholders and top 10 shareholders	There is no related party relationship or concerted action relationship between Mango Media Co., Ltd. as the controlling shareholder of the Company and other top 10 unrestricted outstanding shareholders; we are not aware whether or not there is a related-party relationship or concerted action relationship among top 10 unrestricted outstanding shareholders and between top 10 unrestricted outstanding shareholders and top 10 shareholders.		

Whether the Company has made arrangement for voting right differences

Applicable N/A

Whether the Company's top 10 ordinary shareholders and top 10 unrestricted ordinary shareholders have engaged in an agreed repurchase transaction during the Reporting Period

Yes No

The Company's top 10 ordinary shareholders and top 10 unrestricted ordinary shareholders have no agreed repurchase transaction during the Reporting Period.

2. Controlling shareholder of the Company

Nature of the controlling shareholder: Local state-owned holding company

Type of the controlling shareholder Legal person

Controlling	Legal	Date of incorporation	Organization code	Principal activities
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shareholder	representative/responsible person			
Mango Media Co., Ltd.	ZHANG Huali	July 10, 2007	914300006707880875	Planning, production and operation of radio and television programs; investments in culture, sports, entertainment, media, technology, internet and other industries by self-owned funds (excluding national financial supervision and financial credit businesses such as deposit absorption, fund collection, entrusted loans, notes, and loans issuance); advertising planning, production and operation; multimedia technology development and operation. (Projects required for legal approval shall be operated on the premise of being approved by relevant authorities)

Change of the controlling shareholder during the Reporting Period

Applicable N/A

There was no change of the controlling shareholder of the Company during the Reporting Period.

3. Actual controller and its acting-in-concert parties of the Company

Nature of the actual controller: local state capital management institution

Type of the controlling shareholder: legal person

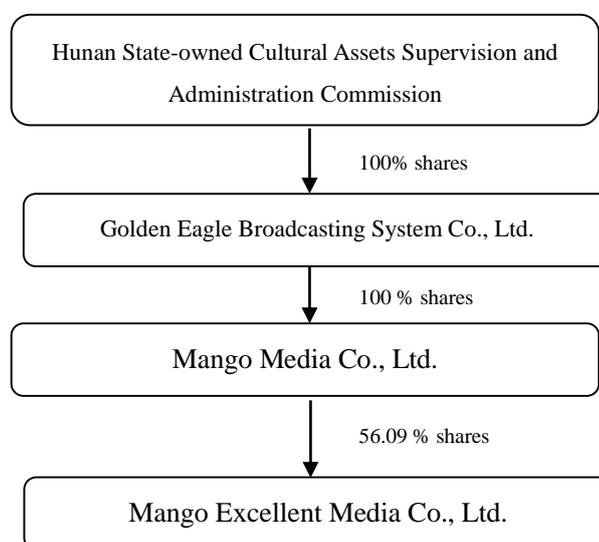
Actual controller	Legal representative/responsible person	Date of incorporation	Organization code	Principal activities
Hunan State-owned Cultural Assets Supervision and Administration Commission	—	May 27, 2015	—	Perform the responsibilities of provincial state-owned cultural enterprise as a contributor
Equity of other domestic and oversea listed companies controlled by the actual controller during the Reporting Period	Directly holding 16.66% of shares in Hunan TV & Broadcast Intermediary Co., Ltd.			

Change of the actual controller during the Reporting Period

Applicable N/A

Original actual controller	Hunan Broadcasting System
New actual controller	Hunan State-owned Cultural Assets Supervision and Administration Commission
Date of change	November 30, 2022
Designated website for query index	Suggestive Announcement on Transfer of Shares by the Controlling Shareholder Free of Charge and Proposed Change of the Actual Controller (No. 2022-032) and Suggestive Announcement on Completion of Change Registration for Transfer of Shares by the Controlling Shareholder Free of Charge and Change of the Actual Controller (No. 2022-049) disclosed on www.cninfo.com.cn.
Date of disclosure on the designated website	July 30, 2022

Block diagram for the ownership and controlling relationship between the Company and the actual controller



The Company is controlled by the actual controller through trust funds or other asset management methods

Applicable N/A

4. The Company's controlling shareholder or top 1 shareholder and its acting-in-concert parties pledged more than 80% in total of the Company's shares held by them

Applicable N/A

5. Other institutional shareholders owning over 10% of shares

Applicable N/A

6. Restrictions on shareholding reduction of the controlling shareholder, actual controller, restructuring parties, and other commitment subjects

Applicable N/A

IV. Specific implementation of share repurchases during the Reporting Period

Implementation progress of share repurchase

Applicable N/A

Progress of reducing repurchased shares by means of centralized auction trading

Applicable N/A

Section VIII Preference Shares

Applicable N/A

The Company has no preferred shares during the Reporting Period.

Section IX Bonds

Applicable N/A

Section X Financial Report

I. Auditor's Report

Audit opinion	Unmodified Opinion
Signing date of audit report	April 20, 2023
Auditor	Pan-China Certified Public Accountants LLP
Audit report document No.	Tian Jian Shen (2023) 2-208
Name of certified public accountants	ZHENG Shengjun and HU Jian

Auditor's Report

To all shareholders of Mango Excellent Media Co., Ltd.:

I. Audit opinion

We have audited the financial statements of Mango Excellent Media Co., Ltd. ("Mango Excellent Media"), which comprise the consolidated and the parent company's balance sheets as at December 31, 2022, and the consolidated and the parent company's income statements, the consolidated and the parent company's statements of cash flow and the consolidated and the parent company's statements of changes in owners' equity for the year then ended, and the notes to the financial statements.

In our opinion, the accompanying financial statements are prepared in all material respects in accordance with Accounting Standards for Business Enterprises and fairly present the consolidated and the parent company's financial position as of December 31, 2022, and the consolidated and the parent company's operating results and cash flows for the year then ended.

II. Basis for Opinion

We conducted our audit in accordance with China Standards on Auditing. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of Mango Excellent Media in accordance with the Code of Ethics for Chinese Institute of Certified Public Accountants ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

III. Key Audit Matters

Key audit matters are those matters that, in our professional judgment, are of most significance in our audit of the financial statements for the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not express a separate opinion on these matters.

(I) Revenue recognition

1. Descriptions

Details of relevant information are disclosed in Note III (XXII), V(II)1 and XIII(II) to the financial statements.

The operating income of Mango Excellent Media is mainly from new media platform operation, new media interactive entertainment content production and media retail, etc. In 2022, the operating income of Mango Excellent Media amounted to RMB13,704,339,700, of which the operating income from the segments including new media platform operation and new media interactive entertainment content production amounted to RMB11,535,720,100, accounting for 84.18 % thereof.

As the operating income is one of Mango Excellent Media's KPIs, there may be an inherent risk that the management of Mango Excellent Media (hereinafter referred to as "management") may recognize the revenue inappropriately to achieve specific objectives or expectations. Meanwhile, revenue recognition also needs complex information systems and significant management judgement. Therefore, we identified revenue recognition as a key audit matter.

2. Audit response

For revenue recognition, our audit procedures include, inter alia:

(1) Understand the key internal controls related to revenue recognition, evaluate the design of those controls, determine whether they are implemented, and test the operational effectiveness of the relevant internal controls;

(2) Test general information system controls and application controls related to the revenue recognition process by virtue of the work results of the in-house information technology experts;

(3) Examine major sales contracts, understand the major provisions or conditions thereof, and evaluate whether revenue recognition methods are proper;

(4) Implement substantive analysis procedures for operating income and gross margin by month, product, customer, etc., to identify whether there are significant or unusual fluctuations and to find out the causes of such fluctuations;

(5) Sample contracts, licenses, final statements, receipts and sign-offs to make test of details according to different types of revenues, and pay attention to the business content of the related sales and their commercial reasonableness;

(6) In conjunction with accounts receivable confirmation procedures, send confirmation to major customers to recognize the current sale volumes on a sample basis;

(7) Conduct the cut-off test on the operating incomes recognized about the balance sheet date to evaluate whether the operating incomes are recognized appropriately;

(8) Obtain a record of sales returns after the balance sheet date to check if there is any instance that conditions for revenue recognition were not met at the balance sheet date; and

(9) Check whether information relating to operating income is properly presented and disclosed in the financial statements.

(II) The carrying amount of content copyrights

1. Descriptions

Details of relevant information are disclosed in Note III (XI), Note III (XVII) and Note V (I) 8 and Note V (I) 15 to the financial statements.

As of December 31, 2022, the carrying amount of Mango Excellent Media's content copyrights such as online information dissemination rights, screenplays, and film and television series was RMB8,137,597,000; of which, intangible assets were RMB6,625,457,600 and stocks were RMB1,512,139,400.

The management makes significant judgment to evaluate the carrying amount of content copyrights such as online information dissemination rights, screenplays, and film and television series. In making such evaluation, the management considers all possible factors that may affect the future broadcasting, production and distribution plans of the content copyrights such as the online information dissemination rights, screenplays and film and television series, the saleable or booking prices of film and television series, the discount rate and the current market environment to judge the expectation of obtaining future cash flows. The amount of content copyrights such as online information dissemination rights, screenplays, and film and television series is material, and involves significant management judgments, therefore, we identify the carrying amount of content copyrights such as online information dissemination rights, screenplays, and film and television series as a key audit matter.

2. Audit response

For the carrying amount of content copyrights such as online information dissemination rights, screenplays, and film and television series, our audit procedures include, inter alia:

(1) Understand the key internal controls related to content copyrights such as online information dissemination rights, screenplays, and film and television series, evaluate the design of those controls, determine whether they are implemented, and test the operational effectiveness of the relevant internal controls;

(2) Know and evaluate the reasonableness of amortization policies of online information dissemination rights, and implement computer-aided audit procedure for amortization information system of online information dissemination rights;

(3) Evaluate the reasonableness of accounting policies related to content copyrights such as online information dissemination rights, screenplays, and film and television series by comparing relevant accounting standards and industry practice benchmarks, and test the management's assessment of the recoverable amount of content copyrights such as online information dissemination rights, screenplays, and film and television series on a sample basis based on the materiality level of the closing balance of net value of content copyrights such as online information dissemination rights, screenplays, and film and television series;

(4) Inspect relevant agreements for the purchase of content copyrights such as online information dissemination rights, and

screenplays, and verify the valid period of their licenses to evaluate the reasonableness of their net realizable values. For self-produced film and television series, select samples and discuss with the management to understand the current market environment, their future production and distribution plans;

(5) Inspect distribution contracts to verify the estimated selling price of content rights such as online information dissemination rights, screenplays, and film and television series. For television series that have been produced but have not obtained broadcast licenses, we select samples to compare their projected selling prices with the selling prices available to similar television series, so as to assess their impairment;

(6) Pay attention to public opinion of content rights such as online information dissemination rights, screenplays, and film and television series, assessing their negative public opinion and discussing with the management that whether there is an expected withdrawal or failure to complete production;

(7) Check whether information relating to impairment and copyright amortization of content rights such as online information dissemination rights, screenplays, and film and television series is properly presented and disclosed in the financial statements;

IV. Other Information

The management is responsible for other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is any material misstatement of other information, we are required to report that fact. We have nothing to report in this regard.

V. Responsibilities of the Management and Those Charged with Governance for the Financial Statements

The management of Mango Excellent Media is responsible for the preparation and fair presentation of the financial statements in accordance with Accounting Standards for Business Enterprises, and designing, implementing, and maintaining internal control that is necessary to enable the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the management is responsible for assessing Mango Excellent Media's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate Mango Excellent Media or to cease operations, or have no realistic alternative but to do so.

Those charged with governance of Mango Excellent Media (hereinafter referred to as "those charged with governance") are responsible for overseeing Mango Excellent Media's financial reporting process.

VI. Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion solely to you. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with China Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with China Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

(I) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

(II) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.

(III) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

(IV) Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Mango Excellent Media's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Mango Excellent Media to cease to continue as a going concern.

(V) Evaluate the overall presentation, structure, and content of the financial statements and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;

(VI) Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Mango Excellent Media to express an opinion on the financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements for the current period and are therefore key audit matters. We describe these matters in our audit report unless laws or regulations preclude public disclosure of the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Pan-China Certified Public Accountants LLP Certified Public Accountant: ZHENG Shengjun
(Engagement Partner)

Hangzhou, China

Certified Public Accountant: HU Jian

April 20, 2023

II. Financial Statements

Statements in notes to the financial statements are dominated in RMB.

1. Consolidated balance sheet

Prepared by: Mango Excellent Media Co., Ltd.

December 31, 2022

In RMB

Item	December 31, 2022	January 1, 2022
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Current Assets:		
Cash and bank balances	9,686,689,374.39	6,974,465,151.81
Balances with clearing agencies		
Placements with banks and other financial institutions		
Held-for-trading financial assets	2,695,000,000.00	3,410,000,000.00
Derivative financial assets		
Notes receivable	1,424,539,500.76	673,742,339.23
Accounts receivable	3,235,431,528.25	3,113,742,914.88
Receivable financing	48,185,442.19	137,800,000.00
Prepayments	1,650,218,511.76	1,834,350,013.20
Premium receivable		
Amounts receivable under reinsurance contracts		
Reinsurer's share of insurance contract reserves		
Other receivables	54,351,283.13	40,568,403.37
Including: Interest receivable		
Dividends receivable		
Financial assets purchased under resale agreements		
Inventories	1,600,131,838.66	1,689,546,700.79
Contract assets	929,403,936.51	903,053,743.61
Held-for-sale assets		
Non-current assets due within one year		
Other current assets	110,758,833.97	123,539,219.25
Total current assets	21,434,710,249.62	18,900,808,486.14
Non-current assets:		
Loans and advances to customers		
Debt investments		
Other debt investments		
Long-term receivables		
Long-term equity investments	4,123,864.73	23,882,517.37
Other investments in equity instruments		
Other non-current financial assets		
Investment properties	83,381,033.60	
Fixed assets	165,275,869.62	184,450,336.98
Construction in progress		
Bearer biological assets		
Oil and gas assets		
Right of use assets	172,188,222.02	210,304,495.42
Intangible assets	6,965,069,584.73	6,443,675,155.95
Development expenditure	101,832,746.23	232,522,753.24

Goodwill		
Long-term prepaid expenses	88,074,795.05	113,847,481.21
Deferred tax assets		
Other non-current assets	35,017,190.95	1,260,178.59
Total non-current assets	7,614,963,306.93	7,209,942,918.76
Total assets	29,049,673,556.55	26,110,751,404.90
Current liabilities:		
Bank borrowings	1,057,932,476.80	39,786,903.37
Loans from the central bank		
Taking from banks and other financial institutions		
Held-for-trading financial liabilities		
Derivative financial liabilities		
Notes payable	1,641,001,844.25	921,504,704.91
Accounts payable	4,836,096,826.84	4,960,935,241.83
Receipts in advance		
Contract liabilities	1,044,740,162.71	1,327,294,063.85
Financial assets sold under repurchase agreements		
Customer deposits and deposits from banks and other financial institutions		
Funds from securities trading agency		
Funds from underwriting securities agency		
Employee benefits payable	988,921,346.26	980,394,114.20
Taxes payable	203,562,305.87	123,474,589.72
Other payables	130,945,241.48	149,086,160.61
Including: Interest payable		
Dividends payable		
Fees and commissions payable		
Amounts payable under reinsurance contracts		
Held-for-sale liabilities		
Non-current liabilities due within one year	51,183,707.98	43,098,562.04
Other current liabilities	105,651,142.25	339,035,557.99
Total current liabilities	10,060,035,054.44	8,884,609,898.52
Non-current liabilities:		
Insurance contract reserves		
Long-term borrowings		
Bonds payable		
Including: Preference shares		
Perpetual bonds		
Lease liabilities	131,515,067.86	169,643,622.50

Long-term payables		
Long-term employee benefits payable		
Estimated liabilities	9,038,875.00	13,815,868.00
Deferred income	42,775,997.77	45,517,771.81
Deferred tax liabilities		
Other non-current liabilities		
Total non-current liabilities	183,329,940.63	228,977,262.31
Total liabilities	10,243,364,995.07	9,113,587,160.83
Owner's equity:		
Share capital	1,870,720,815.00	1,870,720,815.00
Other equity instruments		
Including: Preference shares		
Perpetual bonds		
Capital reserve	9,546,797,532.04	9,244,386,503.55
Less: Treasury shares		
Other comprehensive income	157,436.90	-13,783.18
Special reserve		
Surplus reserve	126,108,937.21	105,025,383.29
General risk reserve		
Undistributed profit	7,306,930,115.63	5,746,281,439.57
Total owners' equity attributable to equity holders of the parent company	18,850,714,836.78	16,966,400,358.23
Minority interests	-44,406,275.30	30,763,885.84
Total owners' equity	18,806,308,561.48	16,997,164,244.07
Total liabilities and owners' equity	29,049,673,556.55	26,110,751,404.90

Legal representative: CAI Huaijun

CFO: ZHANG Zhihong

Chief Accountant: TAO Jinyu

2. Balance sheet of the parent company

In RMB

Item	December 31, 2022	January 1, 2022
Current Assets:		
Cash and bank balances	536,508,258.51	593,199,335.20
Held-for-trading financial assets		
Derivative financial assets		
Notes receivable		
Accounts receivable		
Receivable financing		
Prepayments	23,629.23	746,648.08
Other receivables	380,020,000.00	330,099,116.90
Including: Interest receivable		
Dividends receivable	300,000,000.00	250,000,000.00
Inventories		
Contract assets		
Held-for-sale assets		
Non-current assets due within one year		
Other current assets	4,739,926.06	2,989,471.09

Total current assets	921,291,813.80	927,034,571.27
Non-current assets:		
Debt investments		
Other debt investments		
Long-term receivables		
Long-term equity investments	11,976,375,839.55	11,976,375,839.55
Other investments in equity instruments		
Other non-current financial assets		
Investment properties		
Fixed assets	438,682.49	852,797.16
Construction in progress		
Bearer biological assets		
Oil and gas assets		
Right of use assets	7,135,223.31	8,919,029.19
Intangible assets	696,395.36	714,278.56
Development expenditure		
Goodwill		
Long-term prepaid expenses	3,920,863.29	4,785,543.89
Deferred tax assets		
Other non-current assets		
Total non-current assets	11,988,567,004.00	11,991,647,488.35
Total assets	12,909,858,817.80	12,918,682,059.62
Current liabilities:		
Bank borrowings		
Held-for-trading financial liabilities		
Derivative financial liabilities		
Notes payable		
Accounts payable		
Receipts in advance		
Contract liabilities		
Employee benefits payable	54,779,216.00	39,647,064.37
Taxes payable	429,648.09	624,511.69
Other payables	18,721,165.76	8,598,711.22
Including: Interest payable		
Dividends payable		
Held-for-sale liabilities		
Non-current liabilities due within one year	1,693,962.89	1,524,817.62
Others Current liabilities		
Total current liabilities	75,623,992.74	50,395,104.90
Non-current liabilities:		
Long-term borrowings		

Bonds payable		
Including: Preference shares		
Perpetual bonds		
Lease liabilities	5,784,555.83	7,478,518.73
Long-term payables		
Long-term employee benefits payable		
Estimated liabilities		
Deferred income		
Deferred tax liabilities		
Other non-current liabilities		
Total non-current liabilities	5,784,555.83	7,478,518.73
Total liabilities	81,408,548.57	57,873,623.63
Owner's equity:		
Share capital		
Other equity instruments	1,870,720,815.00	1,870,720,815.00
Including: Preference shares		
Perpetual bonds		
Capital reserve	10,584,782,807.56	10,584,782,807.56
Less: Treasury shares		
Other comprehensive income		
Special reserve		
Surplus reserve	126,108,937.21	105,025,383.29
Undistributed profit	246,837,709.46	300,279,430.14
Total owners' equity	12,828,450,269.23	12,860,808,435.99
Total liabilities and owners' equity	12,909,858,817.80	12,918,682,059.62

3. Consolidated income statement

In RMB

Item	2022	2021
I. Total operating income	13,704,339,712.31	15,355,863,482.07
Including: Operating income	13,704,339,712.31	15,355,863,482.07
Interest income		
Premiums earned		
Fee and commission income		
II. Total operating costs	12,064,532,034.44	13,268,399,151.99
Including: Operating cost	9,067,033,490.99	9,905,462,770.82
Interest expenses		
Fee and commission expenses		
Surrenders		
Claims and policyholder benefits (net of amounts recoverable from reinsurers)		
Net withdrawal of insurance contract reserves		
Insurance policyholder dividends		

Expenses for reinsurance accepted		
Taxes and surcharges	90,402,933.42	26,892,490.52
Selling expenses	2,179,889,009.35	2,469,328,212.64
General and administrative expenses	623,943,425.86	695,934,611.78
R&D expenses	234,726,198.48	271,991,403.40
Financial expenses	-131,463,023.66	-101,210,337.17
Including: Interest expenses	19,950,698.57	8,449,934.71
Interest income	-188,926,813.85	125,145,189.95
Add: Other income	119,207,987.73	123,334,219.55
Investment income (loss is indicated by “-”)	132,976,709.08	37,229,498.93
Including: Income from investments in associates and joint ventures	-2,576,746.69	999,547.86
Income from derecognition of financial assets measured at amortized cost		
Foreign exchange gains (loss is indicated by “-”)		
Net exposure hedging income (loss is indicated by “-”)		
Gains from changes in fair value (loss is indicated by “-”)		
Impairment losses of credit (loss is indicated by “-”)	-118,092,496.49	-43,921,867.09
Impairment losses of assets (loss is indicated by “-”)	-49,739,874.55	-68,086,394.50
Gains from disposal of assets (loss is indicated by “-”)	891,438.70	-85,941.70
III. Operating profit (loss is indicated by “-”)	1,725,051,442.34	2,135,933,845.27
Add: Non-operating revenue	45,620,655.36	21,850,496.77
Less: Non-operating expenses	4,384,991.00	43,300,269.96
IV. Total profit (total losses are indicated by “-”)	1,766,287,106.70	2,114,484,072.08
Less: Income tax expense	120,303.42	4,357.00
V. Net profit (net loss is indicated by “-”)	1,766,166,803.28	2,114,479,715.08
(I) Categorized by the nature of continuing operation		
1. Net profit from continuing operations (net loss is indicated by “-”)	1,766,166,803.28	2,113,148,651.46
2. Net profit from discontinued operations (net loss is indicated by “-”)		1,331,063.62
(II) Categorized by ownership:		
1. Net profit attributable to shareholders of the parent company	1,824,925,935.93	2,114,090,171.85

2. Profit or loss attributable to minority interests	-58,759,132.65	389,543.23
VI. Other comprehensive income, net of tax	171,220.08	-11,023.81
Other comprehensive income attributable to owners of the parent company, net of tax	171,220.08	-11,023.81
(I) Other comprehensive income that cannot be subsequently reclassified to profit or loss		
1. Changes from re-measurement of defined benefit plans		
2. Other comprehensive income that cannot be reclassified to profit or loss under the equity method		
3. Changes in fair value of other investments in equity instruments		
4. Changes in fair value of enterprises' own credit risks		
5. Others		
(II) Other comprehensive income that will be reclassified to profit or loss	171,220.08	-11,023.81
1. Other comprehensive income that will be reclassified to profit or loss under the equity method		
2. Changes in fair value of other debt investments		
3. Amounts of financial assets reclassified into other comprehensive income		
4. Provision for credit impairment of other debt investments		
5. Reserve for cash flow hedges		
6. Translation differences of financial statements denominated in foreign currencies	171,220.08	-11,023.81
7. Others		
Other comprehensive income attributable to minority interests, net of tax		
VII. Total comprehensive income	1,766,338,023.36	2,114,468,691.27
Total comprehensive income attributable to owners of the parent company	1,825,097,156.01	2,114,079,148.04
Total comprehensive income attributable to minority interests	-58,759,132.65	389,543.23
VIII. Earnings per share		
(I) Basic earnings per share	0.98	1.17
(II) Diluted earnings per share	0.98	1.17

For any business combination involving enterprises under common control for the current period, the net profits of the absorbed party prior to the combination are RMB in the current period, and were RMB in the prior period.

Legal representative: CAI Huaijun

CFO: ZHANG Zhihong

Chief Accountant: TAO Jinyu

4. Income statement of the parent company

In RMB

Item	2022	2021
I. Operating income	18,867.92	0.00
Less: Operating cost	0.00	0.00
Taxes and surcharges	2,099.24	1,899,087.62
Selling expenses		
General and administrative expenses	101,887,298.84	99,902,232.40
R&D expenses		
Financial expenses	-12,545,424.65	-25,837,827.24
Including: Interest expenses	401,132.83	226,451.74
Interest income	12,954,190.78	26,073,238.54
Add: Other income	84,643.52	11,246.72
Investment income (loss is indicated by “-”)	300,000,000.00	254,810,066.45
Including: Income from investments in associates and joint ventures		
Income from derecognition of financial assets measured at amortized cost (loss is indicated by “-”)		
Net exposure hedging income (loss is indicated by “-”)		
Gains from changes in fair value (loss is indicated by “-”)		
Impairment losses of credit (loss is indicated by “-”)	1,001.18	410.99
Impairment losses of assets (loss is indicated by “-”)		
Gains from disposal of assets (loss is indicated by “-”)		
II. Operating profit (loss is indicated by “-”)	210,760,539.19	178,858,231.38
Add: Non-operating revenue	75,000.00	0.08
Less: Non-operating expenses		
III. Total profit (loss is indicated by “-”)	210,835,539.19	178,858,231.46
Less: Income tax expense		
IV. Net profit (net loss is indicated by “-”)	210,835,539.19	178,858,231.46
(I) Net profit from continuing operations (net loss is indicated by “-”)	210,835,539.19	178,858,231.46
(II) Net profit from discontinued operations (net loss is indicated by “-”)		
V. Other comprehensive income, net of tax		
(I) Other comprehensive income that cannot be subsequently reclassified to profit or loss		

1. Changes from re-measurement of defined benefit plans		
2. Other comprehensive income that cannot be reclassified to profit or loss under the equity method		
3. Changes in fair value of other investments in equity instruments		
4. Changes in fair value of enterprises' own credit risks		
5. Others		
(II) Other comprehensive income that will be reclassified to profit or loss		
1. Other comprehensive income that will be reclassified to profit or loss under the equity method		
2. Changes in fair value of other debt investments		
3. Amounts of financial assets reclassified into other comprehensive income		
4. Provision for credit impairment of other debt investments		
5. Reserve for cash flow hedges		
6. Translation differences of financial statements denominated in foreign currencies		
7. Others		
VI. Total comprehensive income:	210,835,539.19	178,858,231.46
VII. Earnings per share:		
(I) Basic earnings per share		
(II) Diluted earnings per share		

5. Consolidated statements of cash flows

In RMB

Item	2022	2021
I. Cash Flows from Operating Activities:		
Cash receipts from the sale of goods and the rendering of services	12,819,276,216.45	14,751,013,340.67
Net increase in customer deposits and deposits from banks and other financial institutions		
Net increase in loans from the central bank		
Net increase in taking from banks and other financial institutions		
Cash receipts from premiums under direct insurance contracts		
Net cash receipts from reinsurance business		
Net cash receipts from policyholders' deposits and investment contract liabilities		
Cash receipts from interest, fees and commissions		

Net increase in taking from banks and other financial institutions		
Net increase in financial assets sold under repurchase arrangements		
Net cash received from securities trading agency		
Receipts of tax refunds	30,895,444.30	1,996,750.43
Other cash receipts relating to operating activities	295,009,300.08	195,137,982.95
Sub-total of cash inflows from operating activities	13,145,180,960.83	14,948,148,074.05
Cash payments for goods purchased and services received	9,214,889,349.53	10,601,434,852.06
Net increase in loans and advances to customers		-24,141,357.18
Net increase in balance with the central bank and due from banks and other financial institutions		
Cash payments for claims and policyholders' benefits under direct insurance contracts		
Net increase in placements with banks and other financial institutions		
Cash payments for interest, fees and commissions		
Cash payments for insurance policyholder dividends		
Cash payments to and on behalf of employees	1,512,911,054.68	1,652,192,693.42
Payment of various types of taxes	201,026,494.42	161,767,416.65
Other cash payments relating to operating activities	1,664,707,164.21	1,995,093,586.73
Cash used in operating activities	12,593,534,062.84	14,386,347,191.68
Net cash flows from operating activities	551,646,897.99	561,800,882.37
II. Cash flows from investing activities:		
Cash receipts from disposals and recovery of investments		
Cash receipts from investment income		560,366.45
Net cash receipts from disposals of fixed assets, intangible assets and other long-term assets	173,531.48	986,465.39
Net cash receipts from disposals of subsidiaries and other business entities		245,559,897.67
Other cash receipts relating to investing activities	14,213,081,382.48	5,491,458,753.41
Sub-total of cash inflows from investing activities	14,213,254,913.96	5,738,565,482.92
Cash payments to acquire or construct fixed assets, intangible assets and other long-term assets	187,582,200.09	193,602,527.81
Cash payments to acquire investments		
Net increase in pledged loans receivable		
Net cash payments for acquisitions of		1,486,980.09

subsidiaries and other business entities		
Other cash payments relating to investing activities	13,371,990,000.00	8,736,000,000.00
Sub-total of cash outflows from investing activities	13,559,572,200.09	8,931,089,507.90
Net cash flows from investment activities	653,682,713.87	-3,192,524,024.98
III. Cash Flows from Financing Activities:		
Cash receipts from investments by others	286,000,000.00	4,496,792,425.07
Including: Cash received by subsidiaries from minority shareholders' investments	286,000,000.00	
Cash receipts from borrowings	1,607,632,088.23	69,731,500.00
Other cash receipts relating to financing activities		
Sub-total of cash inflows from financing activities	1,893,632,088.23	4,566,523,925.07
Cash repayments of borrowings	39,051,360.40	39,631,527.65
Cash payments for distribution of dividends or profits or settlement of interest expenses	245,215,928.90	234,040,696.91
Including: Dividends or profit paid by subsidiaries to minority shareholders		
Other cash payments relating to financing activities	64,204,383.75	65,826,408.71
Cash used in financing activities	348,471,673.05	339,498,633.27
Net cash flows from financing activities	1,545,160,415.18	4,227,025,291.80
IV. Effect of foreign exchange rate changes on cash and cash equivalents	458,406.76	612,280.98
V. Net increase in cash and cash equivalents	2,750,948,433.80	1,596,914,430.17
Add: Opening balance of cash and cash equivalents	6,911,377,914.18	5,314,463,484.01
VI. Closing balance of cash and cash equivalents	9,662,326,347.98	6,911,377,914.18

6. Statement of cash flows of the parent company

In RMB

Item	2022	2021
I. Cash Flows from Operating Activities:		
Cash receipts from the sale of goods and the rendering of services		
Receipts of tax refunds		1,996,750.43
Other cash receipts relating to operating activities	17,332,962.40	211,758,714.55
Sub-total of cash inflows from operating activities	17,332,962.40	213,755,464.98
Cash payments for goods purchased and services received		
Cash payments to and on behalf of employees	52,213,840.99	49,283,696.15
Payment of various types of taxes	2,099.24	1,899,087.70
Other cash payments relating to operating activities	26,017,975.33	46,516,142.78

Cash used in operating activities	78,233,915.56	97,698,926.63
Net cash flows from operating activities	-60,900,953.16	116,056,538.35
II. Cash flows from investing activities:		
Cash receipts from disposals and recovery of investments		304,249,700.00
Cash receipts from investment income	250,000,000.00	560,366.45
Net cash receipts from disposals of fixed assets, intangible assets and other long-term assets		
Net cash receipts from disposals of subsidiaries and other business entities		
Other cash receipts relating to investing activities		
Sub-total of cash inflows from investing activities	250,000,000.00	304,810,066.45
Cash payments to acquire or construct fixed assets, intangible assets and other long-term assets	497,131.58	306,134.50
Cash payments to acquire investments		4,495,792,101.20
Net cash payments for acquisitions of subsidiaries and other business entities		
Other cash payments relating to investing activities		
Sub-total of cash outflows from investing activities	497,131.58	4,496,098,235.70
Net cash flows from investment activities	249,502,868.42	-4,191,288,169.25
III. Cash Flows from Financing Activities:		
Cash receipts from investments by others		4,496,792,425.07
Cash receipts from borrowings		
Other cash receipts relating to financing activities		
Sub-total of cash inflows from financing activities		4,496,792,425.07
Cash repayments of borrowings		
Cash payments for distribution of dividends or profits or settlement of interest expenses	243,193,705.95	231,449,076.43
Other cash payments relating to financing activities	2,099,286.00	2,641,478.36
Cash used in financing activities	245,292,991.95	234,090,554.79
Net cash flows from financing activities	-245,292,991.95	4,262,701,870.28
IV. Effect of foreign exchange rate changes on cash and cash equivalents		
V. Net increase in cash and cash equivalents	-56,691,076.69	187,470,239.38
Add: Opening balance of cash and cash equivalents	593,199,335.20	405,729,095.82
VI. Closing balance of cash and cash equivalents	536,508,258.51	593,199,335.20

7. Consolidated statement of changes in owners' equity

Amount for the current period

In RMB

Item	2022													Minority interests	Total owners' equity
	Equity attributable to owners of the parent company														
	Share capital	Other equity instruments			Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserve	Surpluses reserve	General risk reserve	Undistributed profits	Others	Sub-total		
Preference shares		Perpetual bonds	Others												
I. Closing balance of the preceding year	1,870,720,815.00				9,244,386,503.55		-13,783.18	105,025,383.29		5,746,281,439.57		16,966,400,358.23	30,763,885.84	16,997,164,244.07	
Add: Changes in accounting policies															
Corrections of prior period errors															
Business combination involving enterprises under common control															
Others															
II. Opening balance of the current year	1,870,720,815.00				9,244,386,503.55		-13,783.18	105,025,383.29		5,746,281,439.57		16,966,400,358.23	30,763,885.84	16,997,164,244.07	
III. Changes for the year (decrease is indicated by "-")					302,411,028.49		171,220.08	21,083,553.92		1,560,648,676.06		1,884,314,478.55	75,170,161.14	1,809,144,317.41	
(I) Total comprehensive income							171,220.08			1,824,925,935.93		1,825,097,156.01	58,759,132.65	1,766,338,023.36	
(II) Owners' contributions and reduction in capital					302,411,028.49							302,411,028.49	16,411,028.49	286,000,000.00	
1. Ordinary shares contributed by owners													286,000,000.00	286,000,000.00	
2. Capital contribution from holders of other equity instruments															
3. Share-based payment recognized in owners' equity															
4. Others					302,411,028.49							302,411,028.49	-302,411,028.49		
(III) Profit distribution								21,083,553.92		-264,277,259.87		-243,193,705.95		-243,193,705.95	
1. Transfer to surplus reserve								21,083,553.92		21,083,553.92					
2. Transfer to general risk reserve															
3. Distributions to owners (shareholders)										-243,193,705.95		-243,193,705.95		-243,193,705.95	
4. Others															
(IV) Transfers within owners' equity															
1. Capitalization of capital reserve															
2. Capitalization of surplus reserve															
3. Loss offset by surplus reserve															

Item	2022											
	Share capital	Other equity instruments			Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	Undistributed profits	Others	Total owners' equity
		Preference shares	Perpetual bonds	Others								
I. Closing balance of the preceding year	1,870,720,815.00				10,584,782,807.56				105,025,383.29	300,279,430.14		12,860,808,435.99
Add: Changes in accounting policies												
Corrections of prior period errors												
Others												
II. Opening balance of the current year	1,870,720,815.00				10,584,782,807.56				105,025,383.29	300,279,430.14		12,860,808,435.99
III. Changes for the year (decrease is indicated by "-")									21,083,553.92	-53,441,720.68		-32,358,166.76
(I) Total comprehensive income										210,835,539.19		210,835,539.19
(II) Owners' contributions and reduction in capital												
1. Ordinary shares contributed by owners												
2. Capital contribution from holders of other equity instruments												
3. Share-based payment recognized in owners' equity												
4. Others												
(III) Profit distribution									21,083,553.92	-264,277,259.87		-243,193,705.95
1. Transfer to surplus reserve									21,083,553.92	-21,083,553.92		
2. Distributions to owners (shareholders)										-243,193,705.95		-243,193,705.95
3. Others												
(IV) Transfers within owners' equity												
1. Capitalization of capital reserve												
2. Capitalization of surplus reserve												
3. Loss offset by surplus reserve												
4. Retained earnings carried forward from												

changes in defined benefit plans												
5. Retained earnings carried forward from other comprehensive income												
6. Others												
(V) Special reserve												
1. Transfer to special reserve in the period												
2. Amount utilized in the period												
(VI) Others												
IV. Closing balance of the current period	1,870,720,815.00				10,584,782,807.56				126,108,937.21	246,837,709.46		12,828,450,269.23

Amount for the prior period

In RMB

Item	2021											
	Share capital	Other equity instruments			Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	Undistributed profit	Others	Total owners' equity
		Preference shares	Perpetual bonds	Others								
I. Closing balance of the preceding year	1,780,377,511.00				6,179,334,010.36				87,139,560.14	370,756,098.26		8,417,607,179.76
Add: Changes in accounting policies												
Corrections of prior period errors												
Others												
II. Opening balance of the current year	1,780,377,511.00				6,179,334,010.36				87,139,560.14	370,756,098.26		8,417,607,179.76
III. Changes for the year (Decrease is indicated by “-”)	90,343,304.00				4,405,448,797.20				17,885,823.15	-70,476,668.12		4,443,201,256.23
(I) Total comprehensive income										178,858,231.46		178,858,231.46
(II) Owners' contributions and reduction in capital	90,343,304.00				4,405,448,797.20							4,495,792,101.20
1. Ordinary shares contributed by owners	90,343,304.00				4,405,448,797.20							4,495,792,101.20

2. Capital contribution from holders of other equity instruments												
3. Share-based payment recognized in owners' equity												
4. Others												
(III) Profit distribution									17,885,823.15	-		-
1. Transfer to surplus reserve									17,885,823.15	-		
2. Distributions to owners (shareholders)										249,334,899.58		231,449,076.43
3. Others												
(IV) Transfers within owners' equity												
1. Capitalization of capital reserve												
2. Capitalization of surplus reserve												
3. Loss offset by surplus reserve												
4. Retained earnings carried forward from changes in defined benefit plans												
5. Retained earnings carried forward from other comprehensive income												
6. Others												
(V) Special reserve												
1. Transfer to special reserve in the period												
2. Amount utilized in the period												

(VI) Others												
IV. Closing balance of the current period	1,870,720,815.00				10,584,782,807.56				105,025,383.29	300,279,430.14		12,860,808,435.99

III. Basic Information

Mango Excellent Media Co., Ltd. (hereinafter referred to as the “Company”), formerly known as Happigo Inc., was established on the basis of the overall change of Happigo Co., Ltd. It completed the registration with the Administration for Industry and Commerce of Changsha City, Hunan Province on December 28, 2005, with the headquarter located in Changsha City, Hunan Province. In July 2018, the Company changed its name from “Happigo Inc.” to “Mango Excellent Media Co., Ltd”. Currently, the Company holds a business license with unified social credit code numbered 91430100782875193K, with registered capital amounting to RMB1,870,720,815.00 and a total of 1,870,720,815 shares (with the par value of RMB 1 per share) comprising restricted outstanding A-share of 849,020,900 shares and unrestricted A-share of 1,021,700,000 shares as of December 31, 2022. The Company’s shares were listed for trading on the Shenzhen Stock Exchange on January 21, 2015.

The Company is an entity engaged in the internet new media industry. Its principal operating activities can be divided into three parts, namely new media platform operation, new media interactive entertainment content production and media retail business.

These financial statements were approved by the 15th meeting of the fourth board of directors of the Company on April 20, 2023 for issuance.

Thirty-one companies including Hunantv.com Interactive Entertainment Media Co., Ltd. (hereinafter referred to as “Huntv.com”), Shanghai EE-Media Co., Ltd. (hereinafter referred to as “EE-Media”), and Happigo Co., Ltd. were included in the scope of the consolidated financial statements for the current period. For details, please see Note VI and Note VII to the Financial Statements.

IV. Basis of Preparation of Financial Statements

1. Basis of preparation

The Company’s financial statements are prepared on a going-concern basis.

2. Going-concerning

The Company has detected no events or circumstances that may cast significant doubt upon its ability to continue as a going concern within 12 months from the reporting period.

V. Significant Accounting Policies and Accounting Estimates

Reminders on specific accounting policies and accounting estimates:

Notice: The Company has formulated the specific accounting policies and made the specific accounting estimates with respect to the impairment of financial instruments, depreciation of fixed assets, depreciation of right of use assets, amortization of intangible assets, recognition of revenues and other transactions and events according to the actual production and operation characteristics of the Company.

1. Statement of Compliance with the Accounting Standards for Business Enterprises

The financial statements prepared by the Company conform to the requirements of the Accounting Standards for Business Enterprises and truly and completely reflect the Company's financial position, operating results, cash flows and other related information.

2. Accounting period

The Company's accounting year is from January 1 to December 31 of each calendar year.

3. Operating cycle

The Company has a relatively short operating cycle, and determines the liquidity of assets and liabilities on the basis of 12 months.

4. Functional currency

The Company and its domestic subsidiaries adopt RMB as its functional currency, while Mgtv.com (Hong Kong) Media Company Limited engages in overseas operations and accordingly selects the US dollar, the currency used in the main economic environment in which it operates, as its functional currency.

5. Accounting treatment of business combinations involving enterprises under common control and business combinations not involving enterprises under common control

1. Accounting treatment of business combination involving enterprises under common control

Assets and liabilities that are obtained by the Company in a business combination shall be measured at their carrying amounts in the consolidated financial statements of the ultimate controller at the combination date as recorded by the acquiree. The difference between the carrying amount of the owners' equity of the acquiree as stated in the consolidated financial statements of the ultimate controller and the carrying amount of the total consideration paid or total par value of the shares issued in connection with the combination is treated as an adjustment to the capital reserve. In case the capital reserve is not sufficient to absorb the difference, the remaining balance is adjusted against the retained earnings.

2. Accounting treatment of business combinations not involving enterprises under common control

Where the cost of the combination exceeds the Company's share of the fair value of the acquiree's identifiable net assets, the difference is recognized as goodwill at the date of acquisition. Where the cost of combination is lower than the Company's share of the fair value of the acquiree's identifiable net assets, the Company reviews the measurement of the fair value of each of the identifiable assets, liabilities and contingent liabilities acquired from the acquiree and the cost of combination, and if the cost of combination as reviewed is still lower than the Company's share of the fair value of the acquiree's identifiable net assets, the difference is recognized in profit or loss for the current period.

6. Method of preparation of consolidated financial statements

The parent company includes all of its controlled subsidiaries in its consolidated financial statements. The consolidated financial statements are prepared by the parent company in accordance with the Accounting Standards for Business Enterprises No. 33 - Consolidated Financial Statements, on the basis of the respective financial statements of the parent company and its subsidiaries, by reference to other relevant data.

7. Classification of joint arrangements and accounting treatment of joint operations

1. Joint arrangements are classified into joint operations and joint ventures.
2. When the Company is a party to a joint operation, the Company recognizes the following items relating to its interest in the joint operation:
 - (1) the assets individually held by the Company, and the Company's share of the assets held jointly;
 - (2) the liabilities incurred individually by the Company, and the Company's share of the liabilities incurred jointly;
 - (3) the Company's revenue from the sale of its share of output of the joint operation;
 - (4) the Company's share of revenue from the sale of assets by the joint operation; and
 - (5) the expenses incurred individually by the Company, and the Company's share of the expenses incurred jointly.

8. Recognition of cash and cash equivalents

For the purpose of the statement of cash flows, cash comprises cash on hand and demand deposits, and cash equivalents comprise short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

9. Foreign currency transactions and translation of foreign currency financial statements

1. Translation of foreign currency transactions

Upon initial recognition, foreign currency transactions are translated into RMB using the exchange rates prevailing at the transaction dates. At the balance sheet date, monetary items denominated in foreign currencies are translated into RMB using the spot exchange rates at the balance sheet date. Exchange differences arising from such translations are recognized in profit or loss for the current period, except for those attributable to foreign currency borrowings that have been taken out specifically for the acquisition or construction of qualifying assets and accrued interest. Non-monetary items denominated in foreign currencies that are measured at historical cost are translated using the foreign exchange rates ruling at the transaction dates, without adjusting the amounts in RMB. Non-monetary items denominated in foreign currencies that are measured at fair value are translated using the foreign exchange rates prevailing at the dates the fair value was determined, and exchange differences arising from such translations are recognized in profit or loss for the current period or other comprehensive income.

2. Translation of foreign currency financial statements

The asset and liability items in the balance sheet are translated at the spot exchange rates at the balance sheet date. The owners' equity items other than "Undistributed profits" are translated at the spot exchange rates at the transaction dates. The income and expense items in the income statements are translated at the spot exchange rates at the transaction dates. Exchange differences arising from such translations are recognized in other comprehensive income.

10. Financial instruments

1. Classification of financial assets and financial liabilities

Upon initial recognition, financial assets are classified into: (1) financial assets at amortized cost; (2) financial assets at fair value through other comprehensive income; and (3) financial assets at fair value through profit or loss.

Upon initial recognition, financial liabilities are classified into: (1) financial liabilities at fair value through profit or loss; (2) financial liabilities arising as a result of the transfer of financial assets not meeting the criteria for derecognition or continuing involvement in the financial assets transferred; (3) financial guarantee contracts not falling under items (1) and (2), and loan commitments not falling under item (1) and below market interest rate; and (4) financial liabilities at amortized cost.

2. Recognition, measurement and derecognition of financial assets and financial liabilities

(1) Recognition and initial measurement of financial assets and financial liabilities

When the Company becomes a party to a financial instrument contract, a financial asset or liability is recognized. Financial assets and liabilities are initially measured at fair value. Transaction costs relating to financial assets or liabilities at fair value through profit or loss are directly recognized in profit or loss for the current period. Transaction costs relating to other kinds of financial assets or liabilities are included in their initially recognized amount. However, where the accounts that do not contain any significant financing component or are recognized by the Company without taking into consideration the significant financing components under the contracts with a term of less than one year upon initial recognition are initially measured at transaction price defined in the *Accounting Standards for Business Enterprises No. 14—Revenue*.

(2) Subsequent measurement of financial assets

1) Financial assets at amortized cost

Financial assets at amortized cost are subsequently measured at amortized cost using the effective interest method. Gains or losses on financial assets at amortized cost that do not belong to any hedging relationship are recognized in profit or loss for the current period upon derecognition, reclassification, amortization using the effective interest method or recognition of impairment.

2) Investments in debt instruments at fair value through other comprehensive income

Investments in equity instruments at fair value through other comprehensive income are subsequently measured at fair value. Interest, impairment losses or gains and exchange gains or losses calculated using the effective interest method are recognized in profit or loss for the current period, and other gains or losses are recognized in other comprehensive income. On derecognition, the cumulative gain or loss previously included in other comprehensive income is removed out from other comprehensive income and included in profit or loss for the current period.

3) Investments in equity instruments at fair value through other comprehensive income

Investments in equity instruments at fair value through other comprehensive income are subsequently measured at fair value. Dividends received (other than those received as recovery of investment cost) are recognized in profit or loss for the current period, and other gains or losses are recognized in other comprehensive income. On derecognition, the cumulative gain or loss previously included in other comprehensive income is removed out from other comprehensive income and included in retained earnings.

4) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are subsequently measured at fair value. Gains or losses thereon, including interest and dividend income, are recognized in profit or loss for the current period, except the financial assets belonging to any hedging relationship.

(3) Subsequent measurement of financial liabilities

1) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading (including derivatives classified as financial liabilities), and financial liabilities directly designated as at fair value through profit or loss. Such financial liabilities are subsequently measured at fair value. Changes in the fair value of financial liabilities designated as at fair value through profit or loss arising out of changes in the Company's credit risk are recognized in other comprehensive income, unless such treatment will result in or increase any accounting mismatch in profit or loss. Other gains or losses on such financial liabilities, including interest expenses and changes in fair value not arising out of changes in the Company's credit risk, are recognized in profit or loss for the current period, except the financial liabilities belonging to any hedging relationship. On derecognition, the cumulative gain or loss previously included in other comprehensive income is removed out from other comprehensive income and included in retained earnings.

2) Financial liabilities arising as a result of the transfer of financial assets not meeting the criteria for derecognition or continuing involvement in the financial assets transferred

Such financial liabilities are measured in accordance with the *Accounting Standards for Business Enterprises No. 23 - Transfer of Financial Assets*.

3) Financial guarantee contracts not falling under items 1) and 2) above, and loan commitments not falling under item 1) above

and below market interest rate

Such financial liabilities are subsequently measured at the higher of ① provision for impairment losses determined according to the policy for impairment of financial instruments; and ② balance of the initially recognized amount after deduction of the accumulated amortization determined in accordance with *Accounting Standards for Business Enterprises No. 14—Revenue*.

4) Financial liabilities at amortized cost

Such financial liabilities are measured at amortized cost using the effective interest method. Gains or losses on financial liabilities at amortized cost that do not belong to any hedging relationship are recognized in profit or loss for the current period upon derecognition or amortization using the effective interest method.

(4) Derecognition of financial assets and financial liabilities

1) Financial assets are derecognized when:

① the contractual right to receive cash flows from the financial assets has expired; or
 ② the financial assets have been transferred and such transfer meets the criteria for derecognition of financial assets as set forth in the *Accounting Standards for Business Enterprises No. 23 -- Transfer of Financial Assets*.

2) A financial liability (or part thereof) is derecognized when all or part of the outstanding obligations thereon have been discharged.

3. Determination and measurement of financial assets transferred

When a financial asset of the Company is transferred, if substantially all the risks and rewards incidental to the ownership of the financial asset have been transferred, the financial asset is derecognized, and the rights and obligations incurred or retained in such transfer are separately recognized as assets or liabilities (as the case may be). If the Company retains substantially all the risks and rewards of ownership of a financial asset, the Company shall not derecognize the financial asset. If the Company retains substantially all the risks and rewards of ownership of a financial asset, the Company shall not derecognize the financial asset. If the Company neither transferred nor retained a substantial portion of all risks and rewards incidental to the ownership of the financial asset, then: (1) if the Company does not retain control over the financial asset, the financial asset is derecognized, and the rights and obligations incurred or retained in such transfer are separately recognized as assets or liabilities (as the case may be); and (2) if the Company retains control over the financial asset, the financial asset continues to be recognized to the extent of the Company's continuing involvement in the financial asset transferred, and a corresponding liability is recognized.

If an entire transfer of a financial asset meets the criteria for derecognition, the difference between (1) the carrying amount of the financial asset transferred at the date of derecognition; and (2) the sum of the consideration received from the transfer and the portion of the cumulative amount of changes in fair value directly recorded as other comprehensive income originally that corresponds to the part derecognized (where the financial asset transferred is an investment in debt instruments at fair value through other comprehensive income) is recognized in profit or loss for the current period. If part of a financial asset is transferred and the part transferred entirely meets the criteria for derecognition, the total carrying amount of the financial asset immediately prior to the transfer is allocated between the part derecognized and the part not derecognized in proportion to their relative fair value at the date of transfer, and the difference between (1) the carrying amount of the part derecognized and (2) the sum of the consideration received from the transfer of the part derecognized and the portion of the cumulative amount of changes in fair value directly recorded as other comprehensive income originally that corresponds to the part derecognized (where the financial asset transferred is an investment in debt instruments at fair value through other comprehensive income) is recognized in profit or loss for the current period.

4. Determination of fair value of financial assets and financial liabilities

The Company adopts the valuation techniques applicable to the current situations and with sufficient data available and support of other information to determine the fair value of financial assets and financial liabilities. The Company classifies the inputs used by the valuation techniques in the following levels and uses them in turn:

(1) Level 1 inputs: quoted market price (unadjusted) in an active market for an identical asset or liability available at the date of measurement;

(2) Level 2 inputs: inputs other than inputs included within Level 1 that are observable directly or indirectly. This category

includes quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in inactive markets, observable inputs other than quoted prices (such as interest rate and yield curves observable during regular intervals of quotation), and inputs validated by the market;

(3) Level 3 inputs: inputs that are unobservable. This category includes interest rate or stock volatility that cannot be directly observed or validated by observable market data, future cash flows from retirement obligation incurred in business combinations, and financial forecasts made using own data.

5. Impairment of financial instruments

(1) Measurement and accounting treatment of impairment of financial instruments

The Company carries out impairment treatment and determines impairment losses of financial assets at amortized cost, investments in debt instruments at fair value with changes accrued to other comprehensive income, contract assets, lease receivables, loan commitments other than financial liabilities at fair value with changes accrued to current profit or loss, and financial guarantee contracts other than financial liabilities at fair value with changes accrued to current profit or loss and other than financial liabilities arising as a result of the transfer of financial assets that does not meet the criteria for derecognition or that continues being involved in the financial assets transferred, on the basis of expected credit losses.

Expected credit loss is the weighted average of credit losses on financial instruments taking into account the possibility of default. Credit loss is the present value of the difference between all contractual cash flows receivable under the contract and estimated future cash flows discounted at the original effective interest rate, i.e., the present value of all cash shortage, wherein the Company's purchased or originated financial assets that have become credit impaired are discounted at their credit-adjusted effective interest rate.

With respect to purchased or originated financial assets that have become credit impaired, at the balance sheet date, the Company recognizes a loss allowance equal to the cumulative amount of changes in lifetime expected credit losses since initial recognition.

With respect to accounts receivable and contract assets that arise from the transactions regulated under the *Accounting Standard for Business Enterprises No. 14 - Revenue* and do not contain any significant financing component or are recognized by the Company without taking into consideration the significant financing components under the contracts with a term of less than one year, the Company uses the simple measurement method and recognizes a loss allowance equal to the lifetime expected credit losses.

With respect to financial assets not using the measurement methods stated above, at each balance sheet date, the Company assesses whether the credit risk has increased significantly since initial recognition, and recognizes a loss allowance equal to the lifetime expected credit losses if the credit risk has increased significantly since initial recognition, or to the expected credit losses within the next 12 months if the credit risk has not increased significantly since initial recognition.

The Company uses reasonable and supportable information, including forward-looking information, and compares the possibility of default at the balance sheet date with the possibility of default upon initial recognition, to determine whether the credit risk of the financial instruments has increased significantly since initial recognition.

At the balance sheet date, if the Company determines that a financial instrument has low credit risk, the Company assumes that its credit risk has not increased significantly since initial recognition.

The Company assesses expected credit risk and measures expected credit losses of financial instruments individually or collectively. When assessing the financial instruments collectively, the Company includes the financial instruments in different groups according to their common risk characteristics.

At each balance sheet date, the Company re-assesses the expected credit losses, with the amount of increase in or reversal of loss allowance recognized in profit or loss for the current period as impairment losses or gains. With respect to a financial asset at amortized cost, its carrying amount recorded in the balance sheet is written off against the loss allowance. With respect to an investment in debt instruments at fair value through other comprehensive income, the Company recognizes the loss allowance in other comprehensive income, without reducing its carrying amount.

(2) Financial instruments with expected credit risk assessed on a group basis and expected credit loss measured under three-

stage model

Item	Basis for grouping	Method for measuring expected credit losses
Other receivables - group of receivables from related parties controlled by the same actual controller	Nature of receivables	Calculate the expected credit losses according to the default risk exposure and rate of expected credit loss within the next 12 months or lifetime expected credit losses by reference to historic credit loss experience, and taking into account the current situations and prediction of future economic conditions.
Other receivables - group of deposit and security receivable		
Other receivables - grouping by age	Aging	

(3) Accounts receivable and contract assets for which expected credit losses are measured collectively

1) Specific grouping and method for measuring expected credit losses

Item	Basis for grouping	Method for measuring expected credit losses
Notes receivable - banker's acceptance bills	Type of notes	Calculate the expected credit losses according to the default risk exposure and lifetime expected credit losses by reference to historic credit loss experience, and taking into account the current situations and prediction of future economic conditions.
Notes receivable - commercial acceptance bills receivable		
Accounts receivables - group of receivables from related parties controlled by the same actual controller	Group of receivables from related parties controlled by the same actual controller	
Accounts receivable - grouping by age	Aging	Prepare a comparison table of the age of accounts receivable and rate of lifetime expected credit loss, and calculate the expected credit losses by reference to historic credit loss experience, and taking into account the current situations and prediction of future economic conditions.
Contract assets - group of operator business	Operator business	Calculate the expected losses according to the default risk exposure and rate of lifetime expected loss by reference to historic loss experience, and taking into account the current situations and prediction of future economic conditions.

2) Accounts receivable - comparison table of the age of accounts receivable and rate of lifetime expected credit loss

Aging	Accounts receivable Rate of expected credit loss (%)
Group I: Mango TV Internet Video Business (Hunantv.com)	
Within 1 year (inclusive, same below)	5.00
More than 1 year but not exceeding 2 years	10.00
More than 2 years but not exceeding 3 years	30.00
More than 3 years but not exceeding 4 years	50.00
More than 4 years but not exceeding 5 years	100.00
Over 5 years	100.00
Group II: New media interactive entertainment production and operation, , content e-business and others (companies other than Hunantv.com)	
Within 1 year (inclusive, same below)	1.00
More than 1 year but not exceeding 2 years	5.00
More than 2 years but not exceeding 3 years	10.00
More than 3 years but not exceeding 4 years	30.00
More than 4 years but not exceeding 5 years	50.00
Over 5 years	100.00

6. Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are presented separately in the balance sheet and are not offset. However, a financial asset and a financial liability shall be offset, and the net amount presented in the balance sheet when both of the following conditions are satisfied: (1) the Company has a legal right to set off the recognized amounts and the legal right is currently enforceable; and (2) the Company intends either to settle on a net basis, or to realize the financial asset and settle the financial liability simultaneously.

In accounting for a transfer of a financial asset that does not qualify for derecognition, the Company do not offset the transferred financial asset and the associated liability.

11. Inventories

The Company shall comply with the disclosure requirements for “Internet Video Business” set forth in the *Guide on Self-regulatory Supervision for Companies Listed on the Shenzhen Stock Exchange No. 4 – Disclosure of Industry Information by the Companies Listed on the ChiNext Board*.

1. Classification of inventories

Inventories include finished goods or merchandise held by the Company for sale in the ordinary course of business, or work in progress in the process of production for such sale, or materials or supplies to be consumed in the production process or in the rendering of services.

2. Pricing methods of inventories transferred out

When transferring out inventories, the Company determines the actual cost of automobile, film and television drama and consignment goods using the specific-identification method and of the remaining goods using the weighted moving average method.

3. Determination of net realizable value of inventories

At the balance sheet date, inventories are measured at the lower of cost and net realizable value, and the reserve for inventory impairment is made based on the cost of a single inventory item less the net realizable value. For inventories available for sales, in the ordinary production and operation process, their net realizable value is determined at the estimated selling price of these inventories less the estimated costs necessary to make the sale and relevant taxes; for the inventories that need to be processed, in the ordinary production and operation process, their net realizable value is determined at the estimated selling price of finished products less the estimated costs of completion and the estimated costs necessary to make the sale and relevant taxes. At the balance sheet date, where a part of an inventory is subject to the contract price agreement and other parts of the same inventory has no such agreement, their net realizable value is determined separately, and by comparing them with their corresponding cost, the amount made for or reversal of the provision for decline in value of inventories is determined separately.

4. Inventory systems for inventories

A perpetual inventory system is adopted, among which the Company uses verification of copyright and other right documents as the inventory system for film and television series.

5. Amortization of low-value consumables and packing materials

(1) Low-value consumables

The packing materials are amortized using immediate write-off method.

(2) Packing materials

The packing materials are amortized using immediate write-off method.

12. Contract assets

The Company presents the contract assets or liabilities in the balance sheet based on the relationship between performance obligations and customer payments. The Company lists the net contract assets and liabilities under the same contract after offset.

The Company presents its owned right to unconditionally (that is, only depending on the passage of time) receive consideration from customers as the accounts receivable, and the right to receive the consideration for which the goods have been transferred to customers (that is, depending on factors other than the passage of time) as the contract assets.

13. Contract costs

Assets related to contract costs include contract acquisition costs and contract performance costs.

If the incremental cost incurred by the Company to obtain a contract is expected to be recovered, it is recognized as an asset as the cost of obtaining a contract. If the amortization period of the cost of obtaining a contract does not exceed one year, such cost is directly included in the profit or loss for the current period.

The cost incurred by the Company to perform a contract is not governed by the standards on inventories, fixed assets or intangible assets, and if meeting the following criteria, is recognized as an asset as the contract performance cost:

1. Such cost is directly related to an existing or expected contract, including expenses for direct labor, direct materials and manufacturing (or similar expenses), costs to be clearly borne by the customer and other costs incurred only due to the contract;
2. Such cost increases the Company's future resources for fulfilling its performance obligations; and
3. Such cost is expected to be recovered.

The Company amortizes the asset related to the contract cost on the same basis as the recognition of the revenue of the goods or services related to the asset, and includes it in the profit or cost for the current period.

If the carrying amount of the asset related to the contract cost is higher than the remaining consideration expected to be obtained due to the transfer of the goods or services related to the asset less the estimated cost, then the Company makes a provision for impairment of the excess and recognizes it as an impairment loss for the asset. If the impairment factors for prior periods have changed afterwards so that the remaining consideration expected to be obtained due to the transfer of the goods or services related to the asset less the estimated cost is higher than the carrying amount of the asset, then the Company reverses the provision for impairment originally made and include it in the profit or loss for the current period, provided that the carrying amount after reversal shall not exceed the carrying amount the asset would have reached on the date of reversal had the provision for impairment been not made.

14. Long-term equity investments

1. Judgment criteria of joint control and significant influence

Joint control is the agreed sharing of control over an arrangement, and the decision in relation to the relevant activities of such arrangement may only be made upon the unanimous consent of the parties sharing control. Significant influence is the power of the investing enterprise to participate in the financial and operating policy decisions of an investee, but is not control or joint control with other parties over the establishment of those policies.

2. Determination of investment cost

(1) In case of an equity investment acquired through a business combination involving enterprises under common control, if the acquirer pays consideration for the business combination by cash, transfer of non-cash assets, assumption of liabilities or issuance of equity securities, the initial investment cost of the long-term equity investment is the Company's share of the carrying amount of the owners' equity of the acquiree in the consolidated financial statements of the ultimate controller at the date of combination. The difference between the initial investment cost of the long-term equity investment and the carrying amount of the consideration paid for the combination or the total par value of the shares issued (as applicable) is treated as an adjustment to the capital reserve. In case the capital reserve is not sufficient to absorb the difference, the remaining balance is adjusted against the retained earnings.

In case of a long-term equity investment acquired through a business combination involving enterprises under common control and through multiple transactions by steps, the Company judges whether they constitute a "package deal" or not. If they belong to a "package deal", the Company accounts for all transactions as one transaction to acquire control. If such transactions do not constitute a "package deal", the initial investment cost is the Company's post-combination share of the carrying amount of the net assets of the acquiree in the consolidated financial statements of the ultimate controller at the date of combination. The difference between the initial investment cost of the long-term equity investment at the date of combination and the sum of the carrying amount of long-term equity investment before the combination and the carrying amount of the consideration paid for acquisition of the additional shares at the date of combination is adjusted against the capital reserve. In case the capital reserve is not sufficient to absorb the difference, the remaining balance is adjusted against the retained earnings.

(2) In case of an equity investment acquired through a business combination not involving entities under common control, the initial investment cost is the fair value of the consideration paid for the combination at the date of acquisition.

With respect to a long-term equity investment acquired through a business combination not involving entities under common control that is achieved through multiple transactions by steps, the accounting treatment thereof in the separate financial statements is

different from that in the consolidated financial statements as stated below:

1) In the separate financial statements, the initial investment cost for which the Company changes to the cost method is the sum of the carrying amount of the long-term equity investment originally held and the new investment cost.

2) In the consolidated financial statements, the Company judges whether the transactions constitute a “package deal” or not. If they belong to a “package deal”, the Company accounts for all transactions as one transaction to acquire control. If such transactions do not constitute a “package deal”, the Company re-measures the fair value of the equity held in the acquiree prior to the date of acquisition, and records the difference between the fair value and the carrying amount as investment income for the current period; if the equity held in the acquiree prior to the date of acquisition involves other comprehensive income under equity method, such other comprehensive income is transferred to the income of the period in which the date of acquisition falls, except for other comprehensive income arising from re-measurement by the investee of changes in net liabilities or net assets of defined benefit plans.

(3) In case of an equity investment not acquired through business combination, the initial investment cost is the purchase price actually paid if it is acquired by cash, or the fair value of the equity securities issued if it is acquired through issuance of equity securities, or is determined in accordance with the *Accounting Standards for Business Enterprises No. 12 - Debt Restructuring* if it is acquired through debt restructuring, or in accordance with the *Accounting Standards for Business Enterprises No. 7 - Exchange of Non-monetary Assets* if it is acquired through exchange of non-monetary assets.

3. Subsequent measurement and recognition of profit or loss

Long-term equity investments in investees are measured using the cost method. Long-term equity investments in associates and joint ventures are measured using the equity method.

4. Disposal of investment in a subsidiary through multiple transactions by steps until loss of control over the subsidiary

(1) Separate financial statements

The difference between the carrying amount of the equity disposed of and the proceeds of disposal actually received is recognized in profit or loss for the current period. If the remaining equity empowers the Company to exercise significant influence or joint control over the investees, the remaining equity is accounted for using the equity method; if the remaining equity does not empower the Company to exercise control, joint control or significant influence over the investees, the remaining equity is accounted for in accordance with the *Accounting Standards for Business Enterprises No. 22 - Recognition and Measurement of Financial Instruments*.

(2) Consolidated financial statements

1) Disposal of investment in a subsidiary through multiple transactions by steps until loss of control over the subsidiary which do not constitute a “package deal”

Prior to the loss of control, the difference between the proceeds from disposal and the share owned by the Company in the net assets of the subsidiary in relation to the long-term equity investment disposed of that is calculated continuously from the date of acquisition or combination is adjusted against the capital reserve (capital premium). In case the capital premium is not sufficient to absorb the difference, the remaining balance is adjusted against the retained earnings.

When losing control over an original subsidiary, the remaining equity is re-measured at its fair value at the date of loss of control. The sum of the consideration received from the disposal of the equity and the fair value of the remaining equity, net of the share owned by the Company in the net assets of the subsidiary as calculated continuously from the date of acquisition or combination according to the previous shareholding ratio, is recognized in the investment income for the period in which the control is lost, and the goodwill is reduced accordingly. Other comprehensive income relating to the equity investment in the original subsidiary should be transferred to the investment income for the period in which the control is lost.

2) Disposal of investment in a subsidiary through multiple transactions by steps until loss of control over the subsidiary which constitute a “package deal”

The Company accounts for such transactions as one transaction to dispose of and lose its control over the subsidiary, however, the difference between the proceeds from each disposal before loss of control and the share owned by the Company in the net assets of the subsidiary in relation to the investment disposed of is recognized in other comprehensive income in the consolidated financial statements, which is wholly transferred to the profit or loss in the period in which the control is lost.

15. Investment properties

Measurement model of investment properties

Cost method measurement

Depreciation or amortization method

1. Investment properties include land use rights already leased, land use rights held and ready to be transferred upon appreciation and leased buildings.

2. The initial measurement of investment properties is based on cost, the subsequent measurement is conducted by the cost model, and the depreciation or amortization is conducted by the same method as that for fixed assets and intangible assets.

16. Fixed assets

(1) Criteria for recognition

Fixed assets are tangible assets held for production of goods, rendering of services, lease or operation and management with a useful life of more than one accounting year. A fixed asset is recognized if the economic benefits relating to it are very likely to flow to the Company and its cost can be reliably measured.

(2) Depreciation

Category	Method of depreciation	Estimated useful life (years)	Estimated useful life (years)	Residual value rate
Buildings	Straight line method	30	4	3.2
Machines and equipment	Straight line method	3-8	0-5	11.88-33.33
Transportation equipment	Straight line method	5-8	0-5	11.88-20
Electronic equipment, devices and furniture	Straight line method	3-10	0-5	9.50-33.33

With respect to artworks whose estimated useful life is uncertain, the Company does not assess their depreciation but performs an impairment test on them every year.

17. Borrowing costs

1. Recognition of capitalization of borrowing costs

Borrowing costs incurred by the Company that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of the relevant asset. The amounts of other borrowing costs incurred are expensed when incurred and included in profit or loss for the current period.

2. Period of capitalization of borrowing costs

(1) A borrowing cost is capitalized when all of the following conditions are satisfied: 1) the expenditures on the asset have already been incurred; 2) the borrowing cost has already been incurred; and 3) the acquisition, construction or production activities necessary to prepare the asset for its intended use or sale have already commenced.

(2) Capitalization of borrowing costs is suspended during periods in which the acquisition, construction or production of a qualifying asset is interrupted abnormally, when the interruption is for a continuous period of more than 3 months. The borrowing costs incurred during these periods are recognized as an expense for the current period until the acquisition, construction or production activity is resumed.

(3) When the qualifying asset being acquired, constructed or produced has become ready for its intended use or sale, the capitalization ceases.

3. Rate and amount of capitalization of borrowing costs

If funds are borrowed under a specific-purpose borrowing for the acquisition, construction or production of a qualifying asset, the amount of interest to be capitalized shall be the actual interest expense incurred on that borrowing for the period (including amortized discount or premium determined using the effective interest method) less any bank interest earned from depositing the borrowed funds before being used on the asset or any investment income on the temporary investment of those funds. If funds are borrowed under general-purpose borrowings and are utilized for the acquisition, construction or production of a qualifying asset, the Company shall determine the amount of interest to be capitalized on such borrowings by multiplying a capitalization rate of the utilized general-purpose borrowings by the weighted average of the excess amounts of cumulative expenditures on the asset over and above the amounts of specific-purpose borrowings.

18. Right of use assets

The right of use asset is initially measured at cost, which includes: 1) the initially measured amount of the lease liability; 2) the lease payments made on or before the commencement date of the lease term less the amount related to lease incentives (if any); 3) the initial direct costs incurred by the lessee; 4) the costs that the lessee expects to incur in order to dismantle and remove the leased asset, restore the site where the leased asset locates, or restore the leased asset to the condition agreed upon in the lease terms.

The Company depreciates the right of use asset on a straight-line basis. If it reasonably ensures that ownership of the leased assets will be obtained at the expiry of the lease term, the Company will depreciate the leased assets over their remaining useful lives. If not, the Company will depreciate the leased asset over the shorter of the lease term or the remaining useful life of the leased asset.

19. Intangible assets

(1) Pricing methods, useful lives and impairment tests

The Company shall comply with the disclosure requirements for “Internet Video Business” set forth in the *Guide on Self-regulatory Supervision for Companies Listed on the Shenzhen Stock Exchange No. 4 – Disclosure of Industry Information by the Companies Listed on the ChiNext Board*.

1. Intangible assets include film and television copyrights, land use rights, software, trademarks and domains, game copyrights, etc., which are initially measured at cost.

2. Service life and amortization method

(1) Amortization and carryforwards of film and television copyrights

When a film and television copyright is recognized as an intangible asset, that copyright is amortized in the light of the following principles during the copyright benefit period: in case of the permanent copyright with the benefit period being determined to be 5 years and the film and television series copyright with the benefit period being determined to be not less than 3 years (inclusive), they are amortized on a 5:3:2 basis (that is, 50% of the intangible asset value is amortized evenly in the first 12 months, 30% in the second 12 months and the remaining 20% is amortized on a straight-line basis during the remaining benefit period); in case of the copyrights with the benefit period of more than 2 years (inclusive) but less than 3 years, they are amortized on a 5:5 basis (that is, 50% is amortized in the first 12 months and the remaining 50% is amortized in a straight line during the remaining benefit period); and in case of the copyrights with the benefit period of less than 2 years, they are amortized on a straight-line basis during the benefit period.

When the film and television copyright is used for distribution, the right to use and income right, etc. shared jointly or enjoyed respectively by the Company and its counterparty after distribution should be transferred as the book cost of the intangible assets at the lower of the income amount and the amortized book value of intangible assets from the date on which they satisfy the recognition criteria of revenue. If the amortized value after transfer is still greater than zero, they continue to be amortized using the original amortization method during the remaining amortization period.

(2) Amortization of other intangible assets other than film and television copyright.

The depreciable amount of an intangible asset with a finite useful life is allocated on a systematic and rational basis over its useful life in the pattern in which the asset's economic benefits are expected to be realized. If that pattern cannot be determined reliably, the straight line method shall be used. The specific life is shown as follows:

Item	Amortization period (years)
Land use rights	49
Software	3-10
Trademarks and domain names	Trademarks and domain names
Authorized use period	10
Patent license fee	3
Game copyright	Period granted by the contract

(2) Accounting policy on in-house research and development expenditures

The Company engages in the research and development of system software. Expenditures on research and development projects are classified into expenditures at research phase and expenditures at development phase according to the nature of expenditures and depending on whether it is significantly uncertain that the research and development activities will result in intangible assets. Expenditures at research phase are expenditures at the phase of planned investigation, evaluation and selection for purpose of software research, which are recognized in profit or loss for the period in which they are incurred. Expenditures at the phase of design and testing for purpose of final application of the software are recorded as expenditures at development phase, which are capitalized prior to the final application of the software when all of the following conditions are satisfied: (1) the development of the software has been sufficiently validated by the technical team; (2) the management has approved the budget for the development of the software; (3) the system functions and performance of the software to be developed can satisfy the requirements of economic activities; (4) the technical and financial resources available are sufficient to meet the requirements of the development activities and subsequent use of the software; and (5) the expenditures attributable to the development of the software can be reliably measured.

20. Impairment of long-term assets

With respect to long-term equity investments, fixed assets, construction in progress, intangible assets with a finite useful life, right of use assets and other long-term assets, if there's an indication of impairment at the balance sheet date, the Company assesses their recoverable amount. Goodwill arising from a business combination and an intangible asset with an indefinite useful life are tested for impairment annually, irrespective of whether there is any indication that the asset may be impaired. For the purpose of impairment testing, goodwill is considered together with the related asset groups or sets of asset groups.

If the recoverable amount of the long-term asset above is lower than its carrying amount, the difference is measured as impairment loss of the asset and recognized in profit or loss for the current period.

21. Long-term prepaid expenses

Long-term prepaid expenses are expenses that have already been incurred but should be amortized over a period of more than one year (exclusive). Long-term prepaid expenses are stated as incurred and are amortized evenly by stages within the benefit period or specified period. If an item of long-term prepaid expenses will not benefit the subsequent periods, the amortized value of the item that has not yet been amortized is wholly transferred to profit or loss for the current period.

22. Contract liabilities

The Company presents the contract assets or liabilities in the balance sheet based on the relationship between performance obligations and customer payments. The Company lists the net contract assets and liabilities under the same contract after offset.

The Company presents its obligation to transfer goods to customers for the consideration received or receivable from customers

as the contract liabilities.

23. Employee benefits

(1) Accounting treatment of short-term employee benefits

The Company recognizes the short-term benefits actually incurred during the accounting period when the employees provide services for the Company as liabilities, and include the same in profit or loss for the current period or as part of the cost of related assets.

(2) Accounting treatment of post-employment benefits

Post-employment benefits are classified into defined contribution plans and defined benefit plans.

(1) The Company recognizes the amount contributable calculated based on the defined contribution plan during the accounting period when the employees provide services for the Company as liabilities, and include the same in profit or loss for the current period or as part of the cost of related assets.

(2) The accounting treatment of a defined benefit plan generally involves the following steps:

1) According to the projected unit credit method, use the unbiased and consistent actuarial assumptions to estimate demographic variables and financial variables, measure the obligation arising from the defined benefit plan and determine the period to which the relevant obligation belongs. Meanwhile, discount the obligation arising from the defined benefit plan, in order to determine the present value of the benefit plan obligation and the current service cost;

2) If the defined benefit plan has assets, the deficit or surplus resulting after reducing the present value of the defined benefit plan obligation by the fair value of the assets is recognized as a net liability or asset of the defined benefit plan. If the defined benefit plan has a surplus, the net assets of the defined benefit plan are measured at the lower of surplus in the defined benefit plan and asset ceiling;

3) At the end of the reporting period, the cost of employee benefits arising from the defined benefit plan is recorded as service cost, net interest on the net liabilities or net assets of the defined benefit plan, and changes arising from re-measurement of the net liabilities or net assets of the defined benefit plan, wherein the service cost and the net interest on the net liabilities or net assets of the defined benefit plan are included in profit or loss for the current period or the cost of related assets, and the changes arising from re-measurement of the net liabilities or net assets of the defined benefit plan are included in other comprehensive income, which will not be converted back to profit or loss in subsequent periods, but those recognized as other comprehensive income may be transferred within the scope of equity.

(3) Accounting treatment of termination benefits

The Company recognizes the employment compensation liabilities generated by termination benefits and records them into the profit or loss for the current period at the earlier of the following dates: (1) when the Company cannot unilaterally withdraw the termination benefits provided as a result of the labor relationship termination plan or layoff proposal; or (2) when the Company recognizes the costs or expenses related to the restructuring of the termination benefits payment.

(4) Accounting treatment of other long-term employee benefits

Other long-term employee benefits are accounted for in accordance with the provisions applicable to defined contribution plans if they are qualified as defined contribution plans, otherwise, are accounted for in accordance with the provisions applicable to defined benefit plans. In order to simplify the accounting treatment, the total net amount of the cost of employee benefits arising from

the defined benefit plans that is recorded as service cost, net interest on the net liabilities or net assets of the defined benefit plan, changes arising from re-measurement of the net liabilities or net assets of the defined benefit plan and other components is included in profit or loss for the current period or the cost of related assets.

24. Lease liabilities

At the commence date of the lease term, the Company recognizes the present value of the outstanding lease payments as a lease liability. When calculating the present value of lease payments, the interest rate in the lease is determined as the discount rate. If the interest rate in the lease is unavailable, the Company's incremental borrowing rate is determined as the discount rate. The difference between the lease payments and their present value is recognized as an unrecognized financing expense, with interest expenses recognized at the discount rate used to recognize the present value of the lease payments and charged to profit or loss for the current period over the term of the relevant lease. The variable lease payments not measured as the lease liability are recognized in profit or loss when they are actually incurred.

After the commencement date of the lease term, when there is a change in the substantive fixed payments, the expected amount of payable for the guaranteed residual value, the index or rate used to determine the lease payments, or the evaluation result or actual exercise of the purchase option, renewal option or termination option, the Company will remeasure the lease liability at the present value of the changed lease payments and adjusts the carrying amount of the right of use asset accordingly. If the carrying amount of the right of use asset has been reduced to nil but the lease liability still needs to be further reduced, the remaining amount will be recognized in profit or loss for the current period.

25. Provisions

1. An obligation arising from any external guarantee, litigation, product quality warranty, onerous contract or other contingencies is recognized as a provision if it is a present obligation assumed by the Company, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and the amount of the obligation can be reliably measured.

2. Provisions are initially measured according to the best estimates of the expenditures required to settle the related present obligations. The carrying amount of provisions is reviewed at the balance sheet date.

26. Revenue

The accounting policies adopted for the recognition and measurement of revenue

1. Revenue recognition

At the inception of the contract, the Company evaluates the contract, identifies each single performance obligation contained therein and determine whether each single performance obligation is performed over time or at a point in time.

When meeting one of the following criteria, it belongs to the obligation performed over time, otherwise it constitutes the obligation performed at a point in time: (1) the customer obtains and consumes the economic benefits generated by the Company's performance when the Company performs the contract; (2) the customer can control the products under construction in the process of the Company's performance; (3) the products produced in the process of the Company's performance have irreplaceable uses, and the Company has the right to collect payment for the cumulative performance that has been completed up to date throughout the term of the contract.

For the obligation performed over time, the Company recognizes the revenue based on the performance progress over time. When the performance progress cannot be reasonably determined, and the costs incurred are expected to be recoverable, revenue is recognized to the extent of costs incurred until the performance progress can be reasonably determined. For the obligation performed at a point in time, the revenue is recognized at the time point when the customer obtains the control of the related goods or services.

When judging whether the customer has obtained the control of goods, the Company considers the followings signs: (1) the Company has the current right to receive payment for such goods, that is, the customer has the current obligation to make payment for such goods; (2) the Company has transferred the legal ownership of such goods to the customer, that is, the customer has the legal ownership of such goods; (3) the Company has transferred such goods to the customer physically, that is, the customer has taken possession of such goods physically; (4) the Company has transferred major risks and rewards of such goods to the customer, that is, the customer has obtained major risks and rewards of such goods; (5) the customer has accepted such goods; and (6) other signs that the customer has obtained control of such goods.

2. Revenue measurement

(1) The Company measures revenue based on the transaction price allocated to each single performance obligation. The transaction price is the amount of consideration to which the Company is entitled arising from the transfer of goods or services to the customer, excluding the amount collected on behalf of a third party and expected to be returned to the customer.

(2) If there is variable consideration in the contract, the Company determines the best estimate of the variable consideration based on the expected value or the most likely amount. However, variable consideration is included in the transaction price if, and to the extent that, it is highly probable that its inclusion will not result in a significant revenue reversal of accumulatively recognized revenue in the future when the uncertainty has been subsequently resolved.

(3) If there is a major financing component in the contract, the Company determines the transaction price based on the presumed amount payable in cash when the customer obtains the control of goods or services. The difference between that transaction price and the contract consideration is amortized over the period of the contract using the effective interest method. If at the inception of the contract, the Company expects that the customer's acquisition of control of goods or services is not more than one year from the customer's payment therefor, the major financing component in the contract will not be considered.

(4) If the contract has two or multiple performance obligations, the Company allocates the transaction price to each single performance obligation in the contract by reference to relative standalone selling prices of goods promised thereby.

3. Specific methods for revenue recognition

(1) Revenue recognized at a point in time

The Company's sales of TV shopping products, film and television series and other goods belong to the obligation performed at a point in time. The revenue is recognized when goods made for domestic market meet the following criteria: the Company has delivered the products to the customer pursuant to the contract and the customer has accepted such products, the payment for products has been received or the receipt of payment has been obtained and it is probable that the associated economic benefits will flow to the Company, the legal ownership of the products has been transferred, and the major risks and rewards of the products have been transferred to the customer. The revenue is recognized when goods made for foreign market meet the following criteria: the Company has declared the products pursuant to the contract and obtained the bill of lading, the payment for products has been received or the receipt of payment has been obtained and it is probable that the associated economic benefits will flow to the Company, the legal ownership of the products has been transferred, and the major risks and rewards of the products have been transferred.

(2) Revenue recognized according to the progress of contract performance

The Company provides membership, artiste, operator and financial services, etc. As the customer obtains and consumes the economic benefits generated by the Company's performance when the Company performs the contract, the customer can control the goods or services under construction in the process of the Company's performance, the services or goods provided in the process of the Company's performance have irreplaceable uses, and the Company has the right to collect payment for the cumulative performance that has been completed up to date throughout the term of the contract, the Company regards it as a performance obligation over time and recognizes revenue according to the performance progress, unless the performance progress cannot be reasonably determined. The Company determines the progress of performance obligation using the output method. When the performance progress cannot be reasonably determined, and the costs incurred by the Company are expected to be recoverable, revenue is recognized to the extent of costs incurred until the performance progress can be reasonably determined.

(3) The Company's specific principles for the recognition and measurement of revenues earned in the sectors and lines of business

1) Revenue from sale of goods through TV channels, network channels, outbound channels, online to offline channels and other channels

The goods sold by the Company are mainly delivered by logistics companies to the buyers or picked by the buyers themselves. The Company recognizes the revenue from sale of goods when the goods have been delivered by logistics companies to the buyers and signed for by the buyers and the period for return of goods has expired.

If the customer is a group, sales revenue is recognized when the group has received the goods and signed the receipt of the goods.

If credits are offered to the customers upon sale of goods, the Company allocates the amount received or receivable from the sale of goods between the revenue from the sale of goods and the value of the credits, and recognizes the amount received or receivable from the sale of goods net of the value of the credits as revenue, and the value of the credits as current liabilities.

When the credits are exchanged by the customers, the portion of current liabilities originally recognized in connection with the credits exchanged is recognized as revenue, wherein, the amount of revenue recognized is determined according to the proportion of the amount of the credits exchanged to the total estimated amount of the credits exchangeable.

2) Revenue from advertising service

Revenue from advertising service is recognized after the advertisements have been delivered or according to the settlement amount during the process of service when all of the following conditions are satisfied: (i) the amount of revenue can be measured reliably; (ii) it is probable that the economic benefits associated therewith will flow to the Company; and (iii) the costs incurred or to be incurred for the delivery of advertisements can be measured reliably.

3) Revenue from member service

Service revenue is recognized during the valid period of membership on a daily basis according to the top-up amount paid by the members.

4) Royalty revenue

Royalty revenue includes copyright licensing revenue and revenue from joint copyright investment.

① Copyright licensing revenue is recognized when the license has been granted to the counter party and the license fee has been received or the right to receive the license fee has been obtained under the relevant copyright license contract.

② Revenue from joint copyright investment

A. Investment in film and television series and other programs in which the Company does not hold copyright

Applicable business: The Company participates in the production of film and television series in the capacity of a co-investor under the relevant investment agreement which explicitly provides that the return on investment receivable by the Company shall be a fixed income or a risk investment income wherein the Company does not hold copyright as other investors. Income from such business is recognized as investment income.

B. Investment in film and television series and other programs in which the Company holds joint copyright

Applicable business: The Company participates in the production of film and television series in the capacity of a co-investor under the relevant investment agreement which explicitly provides that the Company shall participate in the income distribution or loss sharing of the project in the capacity of a co-investor and holds copyright therein jointly with other investors in such proportion as agreed. Revenue from release of television series is recognized when the production of the television series has been completed, the film and television series authority has examined the television series and issued a *Television Series Release License*, the copies, tapes and other media of the television series have been delivered to the buyers and it is probable that the economic benefits associated therewith will flow to the Company. Revenue from release of films is recognized when the production of the films has been completed, the film and television series authority has examined the films and issued a *Film Release License*, the film has been screened in theaters and the settlement statement has been received from the relevant theater chains. Revenue from release of programs is recognized when the production of the programs has been completed, the copies, tapes and other media of the program

have been delivered to the buyers and it is probable that the economic benefits associated therewith will flow to the Company.

Such revenue is recognized in two different ways:

If the Company is responsible for release, when the criteria for recognition of revenue is met, the Company recognizes the distribution income as agreed as operating revenue and records the share of income payable to the production partners as deductions from revenue. If another party is responsible for release, when the Company receives the income settlement statement as agreed, the Company recognizes the income receivable as “operating income”.

③ Specific methods for cost recognition

If the Company is responsible for the production of and accounting for film or television series, the cost actually incurred is recorded as “inventories - production cost”. When the production fee advanced by the investors under the contract is received, such amount is initially recorded as “contract liabilities”, and when the production has been completed and the film or television series is ready for release, such amount is offset against the inventory cost of film or television series. If another party is responsible for the production of and accounting for the film or television series, the production fee paid by the Company to the production partner under the contract is initially recorded as “prepayments”, the travel expenses incurred by the Company directly in connection with the project is recorded as “inventories - production cost”, and when the production has been completed and the film or television series is ready for release, such amount is transferred to inventory cost. After receiving the cost or expense settlement vouchers or statements issued by the producer and audited or confirmed by the co-investors, the assets originally recorded are adjusted according to the actual settlement amount, by transferring the Company’s share of the cost of the film or television series investment project from “prepayments” to “inventories - production cost”. After obtaining copyright in the film or television series under the contract, the actual cost of the film or television series is wholly transferred to “inventories - goods on hand”, and the revenue earned is offset against the cost using the percentage of completion method. Under the percentage of completion method, from the date the film or TV play is granted a release permit (i.e. the date of satisfaction of the criteria for recognition of revenue), during the period of cost transfer, the Company uses the cost transfer rate (the proportion of total cost of the film or TV play to the total planned revenue) to calculate and determine the cost of sales to be transferred in the current period and the inventories to be recognized at the end of the period.

5) Revenue from operator service

Revenue from operator service is recognized according to the relevant business settlement statements or third-party or technical background business data provided according to the relevant cooperation agreement.

The Company recognizes the revenue according to the settlement data provided by the operator and confirmed by the Company and the operator prior to the balance sheet date, or if the settlement data is not obtained from the operator prior to the balance sheet date, according to the data collected by the billing platform and other data and information available to the extent that the revenue can be measured reliably, and adjusts the same upon actual settlement.

6) Revenue from sale of hardware

Revenue from sale of hardware is recognized on a monthly basis according to the quantity of intelligent terminal products actually sold in the given month and their selling prices.

7) Recognition of revenue from artiste agent service

① Artiste performance service

The service period is relatively short. In this service, the Company mainly helps the artistes give commercial performance or concerts, and recognizes the revenue after a contracted artiste has fulfilled his or her contractual obligations.

② Artiste shooting service

Shooting service includes participation by the artistes in the shooting of films and TV plays and recording of programs. The service period is about three months generally. The Company recognizes the revenue after a contracted artiste has fulfilled his or her contractual obligations.

③ Artiste endorsement service

The term of an artiste’s endorsement is about 1-2 years generally. During the term of endorsement, the artiste needs to be

featured in video commercials, record theme songs, and participate in public relations and other activities. The revenue is recognized according to the specific contract terms. If the contract provides that after the performance of the obligations by the artiste, and the service fee already received by the Company will not be refunded except for force majeure, the service fee may be wholly recognized as revenue. If the contract provides that, in addition to indicating the force majeure, the artiste needs to give exclusive endorsement or maintain his or her good image, the revenue is recognized in installments during the term of endorsement.

8) Derivative revenue from films, TV plays and programs

Derivative revenue from films, TV plays and programs is recognized after the showing thereof, at such time as provided in the relevant contract.

9) Revenue from games

The Company's revenue from games mainly includes revenue from game copyright, game distribution service and self-developed games, which are recognized as follows:

① Revenue from game copyright includes royalty revenue and minimum guarantee revenue. The royalties received by the Company are recorded as contract liabilities upon receipt, and included in the operating revenue for the current period using the straight line method during the term of agreement. The minimum guarantees received are recognized as revenue when all the risks and rewards have been transferred in accordance with the schedule of payment and division of revenues as provided in the relevant contract or agreement.

② Game distribution service is a mode of operation in which the Company obtains a license to operate an online game and then enters into cooperation with Mango TV, 360 Game Center or other third-party channel platforms to jointly operate the game; the players of the game need to be registered as users of the third-party channel, top up their accounts in the top-up system of the third-party platform to obtain virtual cash, and use such virtual cash to purchase virtual props. In the mode of joint operation by a third party, each third-party platform is responsible for the operation, promotion, charging service and management of billing system of its channel, and the Company recognizes its share of revenue as the operating revenue as calculated according to the cooperation agreement concluded with the third-party platform and confirmed by the Company and the third-party platform.

③ Self-developed games include online games and standalone games. In the mode of self-operation of an online game, the Company distributes and operates the game through its own or third-party channels, and is solely responsible for the operation, promotion and maintenance of the game; the players of the game are directly registered with such channels and then log in to the game, top up their accounts to obtain virtual cash, and use such virtual cash to purchase virtual props; after the game props purchased by the players have been used up, the Company recognizes the amount actually paid and consumed by the players as the operating revenue. Standalone games are available for downloading by the players in the form of a mobile standalone game package. When a player purchases props of the game, the embedded program generates a billing instruction; the telecom carrier or service provider sends a billing code by text message, and then the carrier confirms the deduction of the relevant telephone charge to complete the process of billing and payment. The deduction and payment of the information charge for the mobile standalone game is irrevocable. After the deduction of such charge by the carrier, the risks and rewards are transferred to the users. The Company's standalone games are distributed jointly with third parties. After the users have downloaded and installed the games, the Company is not responsible for the management of the games or otherwise restricts the use of the games by the users, that is, the Company does not have control over such games. In such mode, the Company recognizes its share of revenue as the operating revenue as calculated according to the cooperation agreement concluded with the relevant third-party platform and confirmed by the Company and the third-party platform.

10) Revenue from H5 interaction

Revenue from H5 interaction mainly comes from H5 interactive advertisements placed by clients in the television programs of Hunan TV, and is recognized after the showing of the relevant programs on Hunan TV.

11) Revenue from wireless value-added service

According to the wireless value-added service contract concluded by the Company and the relevant client, if the contract specifies the total contract price, the contract price is allocated according to the schedule of payment during the term of license specified therein if the contract price will be paid in installments, or wholly recognized as revenue after the delivery of service if the

contract price will be paid in one lump sum. If the contract does not specify the total contract price, the revenue is recognized according to the settlement statements provided by the client.

Difference in the accounting policy for revenue recognition arising from adoption of different modes of operation for the same kind of business

None

27. Government grants

1. Government grants are recognized if (1) the Company meets the conditions attaching to the government grants; and (2) the Company will receive the government grants. If a government grant is in the form of a transfer of a monetary asset, the item is measured at the amount received or receivable. If a government grant is in the form of a transfer of a non-monetary asset, the item is measured at fair value. If fair value is not reliably determinable, the item is measured at a nominal amount.

2. Determination and accounting treatment of government grants related to assets

Government grants related to assets are government grants which are offered for purchasing, constructing or otherwise acquiring long-term assets as provided by the applicable government documents, or in the absence of such express provision in the applicable government documents, government grants whose primary condition is that the Company should purchase, construct or otherwise acquire long-term assets. The government grants related to assets are offset against the carrying amount of the related assets or recognized as deferred income. Government grants related to assets recognized as deferred income are included in profit or loss over the service life of the relevant assets on a reasonable and systemic basis. Government grants measured at nominal amount are directly recognized in profit or loss for the current period. In case of sale, transfer, retirement or damage of the relevant assets before the end of intended service life, the balance of the unallocated deferred income is transferred to profit or loss for the period in which the assets are disposed of.

3. Determination and accounting treatment of government grants related to income

Government grants related to income are government grants other than those related to assets. Government grants related to both assets and income in which it is difficult to make a distinction between the portion related to assets and the portion related to income are wholly classified as government grants related to income. Government grants related to income as compensation for expenses or losses to be incurred in subsequent periods are recognized as deferred income and in the period for recognizing the relevant costs, expenses or losses, included in profit or loss for the current period or offset against the relevant costs. Government grants related to income as compensation for expenses or losses already incurred are directly included in profit or loss for the current period or offset against the relevant costs.

4. Government grants related to day-to-day operations of the Company are recognized in other income or offset against the relevant costs and expenses depending on the nature of economic business. Government grants not related to day-to-day operations of the Company are recognized in non-operating revenues or expenses.

5. Accounting treatment of policy preferential loans and interest subsidies

(1) If the Ministry of Finance appropriates the interest subsidies to the lending bank, and then the lending bank offers a loan to the Company at the policy-based preferential interest rate, the Company recognizes the loan amount actually received as the recorded amount of the loan, and calculates the borrowing costs according to the loan principal and such policy-based preferential interest rate.

(2) If the Ministry of Finance directly appropriates the interest subsidies to the Company, the Company offsets the corresponding interest subsidy against the related borrowing costs.

28. Deferred tax assets / deferred tax liabilities

1. The difference between the tax base of an asset or liability and its carrying amount (or in case of an item not recognized as asset or liability whose tax base can be determined according to the applicable tax law, the difference between its tax base and

carrying amount), is recognized as a deferred tax asset or deferred tax liability according to the tax rate applicable to the period in which the asset or liability is expected to be recovered or settled.

2. Deferred income tax assets are recognized to the extent of the amount of income tax payable that will be available in future periods against which deductible temporary differences are deductible. At the balance sheet date, deferred tax assets not recognized in prior periods are recognized if there's conclusive evidence that it is probable that sufficient taxable income will be available in future periods against which the deductible temporary differences are deductible.

3. At the balance sheet date, the carrying amount of a deferred tax asset is reviewed. The Company reduces the carrying amount of a deferred tax asset to the extent that it is no longer probable that sufficient taxable income will be available in future periods to allow the benefit of the deferred tax asset to be utilized. Any such reduction in amount is reversed to the extent that it becomes probable that sufficient taxable income will be available.

4. Current and deferred tax of the Company is recognized as income or an expense and included in profit or loss for the current period, except to the extent that the tax arises from: (1) business combination; or (2) a transaction or event which is recognized directly in owner's equity.

29. Lease

(1) Accounting treatment for operating lease

1. The Company as a lessee

At the commencement date of the lease term, the Company recognizes a lease with a lease term not more than 12 months that include no purchase option as short-term lease; and a lease at lower value when the individually leased asset is brand-new as low-value asset lease. If the Company subleases or expects to sublease the leased assets, the original lease is not recognized as a low-value asset lease.

For all short-term lease and low-value asset lease, the Company recognizes the lease payments in the cost of relevant assets or profit or loss for the current period on a straight-line basis over the term of the relevant lease.

2. The Company as a lessor

At the commencement date of the lease term, the Company classifies a lease as finance lease whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, and all other leases as operating leases.

The Company recognizes lease receipts as rental income on a straight-line basis over the term of the relevant lease, with initial direct costs incurred capitalized and apportioned on the same basis of recognizing rental income to include in profit or loss for the current period separately. Variable lease payments obtained by the Company relevant to operating leases that are not included in the lease receipts are recognized in profit or loss when they are actually incurred.

(2) Accounting treatment of finance lease

1. The Company as the lessee

On the commencement date of the lease period, the Company recognizes the right to use assets and lease liabilities for the lease. See the right-to-use assets and lease liabilities for details.

2. The Company as the lessor

On the commencement date of the lease period, the Company recognizes the finance lease payments receivable in accordance with the net lease investment (sum of the unguaranteed balance and the lease payment not received on the commencement date of the lease period based on the present value discounted at the inherent interest rate of the lease), and derecognizes the finance lease assets. At each phase of the lease period, the Company calculates and recognizes the interest income at the inherent interest rate of the lease.

The amount of variable lease payments obtained by the Company that are not accrued to the measurement of net lease

investment is accrued to the current profit and loss when actually incurred.

30. Other significant accounting policies and accounting estimates

Customer credit policy

The accounting for customer credits requires an estimate of the fair value and the time and possibility of use of credits. Valuation and recording of customer credits require judgment and estimation. If the result of re-estimation is different from the current estimation, such difference will affect the carrying amount of contract liabilities for the period in which the estimation is changed.

31. Changes in significant accounting policies and accounting estimates

(1) Changes in significant accounting policies

Applicable N/A

(2) Changes in significant accounting estimates

Applicable N/A

VI. Taxes

1. Major categories of taxes and tax rates

Tax type	Taxation basis	Tax rate
VAT	VAT payable is the output tax based on the sales of goods and taxable labor income calculated pursuant to the tax law, net of the input tax that is allowed to be deducted in the current period.	13%, 9%, 5%, 6%, 3%
Consumption tax	Taxable sales turnover (volume)	5%
City maintenance and construction tax	Actually paid turnover tax	7%, 5%
Enterprise income tax	Taxable income	Tax exemption, 8.25%, 15%, 16.5%, 25%
Cultural program expenditure	Taxable service income stipulated by the tax law	1.5%
Property tax	If it is levied on an ad valorem basis, the tax is calculated as 1.2% of the remaining value after being deducted 20% of the original value of the property; if it is levied subject to rent, the tax is calculated as 12% of the rental income.	1.2%, 12%
Education surcharges	Actually paid turnover tax	3%
Local education surcharges	Actually paid turnover tax	2%

Disclosure of taxpayers with different rates of enterprise income tax:

Taxpayer	Rate of enterprise income tax
Happigo Co., Ltd.	Tax exemption
Happy Sunshine	Tax exemption
Horgos Happy Sunshine Media Co., Ltd.	Tax exemption
Mango Studios Co., Ltd.	Tax exemption
Mango Entertainment Co., Ltd.	Tax exemption
Hunan Happy Mango Fun Technology Co., Ltd.	Tax exemption
Hunan E.E. Media Film and Television Production Co. Ltd.	Tax exemption
Hainan E.E. Media Co., Ltd.	15%
Happy Sunshine Xingmang Interactive Entertainment Media Co.,	15%

Ltd.	
Dameiren Global Trading Co., Limited	8.25%, 16.5%
Happy Sunshine (Hong Kong) Media Company Limited	8.25%, 16.5%
Other taxpayers excluding above ones	25%

2. Tax incentives

1. Happy Sunshine, Mango Studios, Mango Entertainment, Hunan Happy Mango Fun Technology Co., Ltd., Hunan E.E. Media Film and Television Production Co. Ltd. and Happigo Co., Ltd. are enterprises transformed from cultural public institutions with for-profit operations approved by the Ministry of Finance and the State Administration of Taxation. In accordance with the *Notice of Continuing Implementing Several Tax Policies for the Transformation of Cultural Public Institutions with For-Profit Operations into Enterprises During the Cultural System Reform* jointly issued by the Ministry of Finance, the State Administration of Taxation, and the Publicity Department of the CPC Central Committee (Cai Shui (2019) No. 16) in February 2019, cultural enterprises transformed are qualified to be exempt from enterprise income tax within five years from January 1, 2019. This period is the fourth year of exempting from enterprise income tax.

2. Horgos Happy Sunshine Media Co., Ltd., is an enterprise within the scope defined in the Notice of the Ministry of Finance, the State Administration of Taxation, the National Development and Reform Commission, and the Ministry of Industry and Information Technology on Publishing the Catalogue of Enterprise Income Tax Incentives for Industries Particularly Encouraged by Poverty Areas of Xinjiang for Development (Trial) (Cai Shui (2011) No. 60). In accordance with the requirements in the Notice on Enterprise Income Tax Incentive Policies for Enterprises in Two Special Economic Development Zones Including Kashgar and Horgos Economic Development Zones in Xinjiang (Cai Shui (2011) No. 112), enterprises in such scope can be exempted from enterprise income tax within five years consecutively, starting from the first year in which manufacturing or business operational revenue is earned in the period from January 1, 2010 to December 31, 2020. Horgos Happy Sunshine Media Co., Ltd. is exempted from enterprise income tax within five years from 2018 as it earned its first manufacturing or business operational revenue in 2018. This period is the fifth year of exempting from enterprise income tax.

3. Happy Sunshine Xingmang Interactive Entertainment Media Co., Ltd., Hainan E.E. Media Co., Ltd. is qualified as an encouraged enterprise registered and substantially operating in Hainan Free Trade Port in accordance with the *Notice of Income Tax Incentive Policies for Enterprises in Hainan Free Trade Port* (Cai Shui [2020] No. 31) by the Ministry of Finance and the State Taxation Administration, thus its enterprise income tax is levied at a reduced rate of 15%.

4. In accordance with the Announcement on Relevant Policies for Deepening the Value-Added Tax Reform (Announcement No. 39 by the Ministry of Finance, the State Taxation Administration and the General Administration of Customs in 2019), VAT taxpayers in production and life service industry are allowed to credit the amount of input tax deductible in the current period plus 10% thereof against the amount of taxes payable from April 1, 2019 to December 31, 2021. The National Development and Reform Commission and other departments issued the *Several Policies on Promoting the Recovery of the Development of Industries with Difficulties in the Service Sector*, where it is mentioned that the policy on VAT deduction for the service sector will be continued, and the current deductible input tax for taxpayers in the life service sector will continue to be deducted at the rate of 10% in 2022.

5. In accordance with the *Notice of the Ministry of Finance on Relevant Policies on Adjusting Certain Government-Managed Funds* (Cai Shui [2019] No. 46), from July 1, 2019 to December 31, 2024, development fees for cultural undertakings attributable to the Central Treasury shall be reduced at 50% of the taxable income paid by the taxpayer. In accordance with the *Notice of Huanan Provincial Department of Finance on Relevant Policies on Adjusting Development Fees for Cultural Undertakings* (Xiang Cai Zong (2019) No. 11), from July 1, 2019 to December 31, 2024, local enterprises and institutions and individuals can pay the development fees for cultural undertakings under a reduction rate of 50%.

VII. Notes to Items in the Consolidated Financial Statements

1. Cash and bank balances

In RMB

Item	Closing balance	Opening balance
Cash on hand	70,509.61	42,803.61
Bank deposits	9,662,574,577.55	6,952,751,972.39
Other monetary funds	24,044,287.23	21,670,375.81
Total	9,686,689,374.39	6,974,465,151.81

Other descriptions:

RMB22,600,000.00 in the ending bank deposit balance is frozen due to litigation, and the use of an amount of RMB20,888.80 of the security deposit is restricted.

In the closing balance of other monetary funds, the amount of RMB1,742,137.61 using as third-party deposits are restricted to use.

2. Held-for-trading financial assets

In RMB

Item	Closing balance	Opening balance
Financial assets measured at fair value with any changes accrued to the current profits and losses	2,695,000,000.00	3,410,000,000.00
Including:		
Finance products	2,695,000,000.00	3,410,000,000.00
Including:		
Total	2,695,000,000.00	3,410,000,000.00

Other descriptions:

3. Notes receivable

(1) Presentation of notes receivable by category

In RMB

Item	Closing balance	Opening balance
Bank acceptances	1,374,099,617.12	673,742,339.23
Trade acceptance	50,439,883.64	
Total	1,424,539,500.76	673,742,339.23

In RMB

Category	Closing balance					Opening balance				
	Book balance		Bad debt provision		Carrying amount	Book balance		Bad debt provision		Carrying amount
	Amount	Proportion	Amount	Proportion		Amount	Proportion	Amount	Proportion	
Including:										
Notes receivable for which the provision for bad debts were made by group	1,424,562,652.53	100.00%	23,151.77	0.01%	1,424,539,500.76	673,742,339.23	100.00%			673,742,339.23
Including:										
Bank acceptances	1,374,099,617.12	96.46%			1,374,099,617.12	673,742,339.23	100.00%			673,742,339.23
Trade acceptance	50,463,035.41	3.54%	23,151.77	0.05%	50,439,883.64					
Total	1,424,562,652.53	100.00%	23,151.77	0.01%	1,424,539,500.76	673,742,339.23	100.00%			673,742,339.23

Provisions for bad debts made by group:

In RMB

Name	Closing balance		
	Book balance	Bad debt provision	Proportion
Bank acceptances portfolio	1,374,099,617.12		
Trade acceptance portfolio	50,463,035.41	23,151.77	0.05%
Total	1,424,562,652.53	23,151.77	

Description of basis for determining the group:

If a provision for bad debts is made for notes receivable in accordance with the general model of expected credit losses (hereinafter referred to as “ECL”), please disclose relevant information on provisions for bad debts with reference to the disclosure method of other receivables.

Applicable N/A

(2) Provisions, recovery or reversal of bad debts for the current period

Provision for bad debts made for the current period:

In RMB

Category	Opening balance	Changes for the current period				Closing balance
		Provision	Recovery or reversal	Write-off	Others	
Provision for bad debts by portfolio		23,151.77				23,151.77
Total		23,151.77				23,151.77

Significant recovery or reversal of bad debt provision for the current period:

Applicable N/A

(3) Notes receivable of the Company that have been endorsed or discounted and are not yet due as of the balance sheet date at the end of the Reporting Period

In RMB

Item	Balance derecognized at the end of the period	Balance not derecognized at the end of the period
Bank acceptances		974,395,661.37
Trade acceptance		50,000,000.00
Total		1,024,395,661.37

(4) Notes receivable of the Company that have been transferred to accounts receivable due to the drawers' failure of performance at the end of the reporting period

In RMB

Item	Amount transferred to accounts receivable at the end of the Reporting Period

Other descriptions :

As it is unlikely for large state-owned commercial banks and listed joint-stock commercial banks to be unable to pay the matured acceptance bills, the Company derecognizes the above bank acceptances that have been endorsed or discounted. However,

if these bank acceptances are not paid on maturity, the Company will still be jointly and severally liable to the holder in accordance with the provisions of the *Law on Negotiable Instruments*. Except those accepted by large state-owned commercial banks and listed joint-stock commercial banks, the Company derecognizes no other bank acceptances that have been endorsed or discounted.

4. Accounts receivable

(1) Disclosure of accounts receivable by category

In RMB

Category	Closing balance					Opening balance				
	Book balance		Bad debt provision		Carrying amount	Book balance		Bad debt provision		Carrying amount
	Amount	Proportion	Amount	Proportion		Amount	Proportion	Amount	Proportion	
Accounts receivable for which the provision for bad debts are made individually	81,799,834.94	2.32%	64,795,158.39	79.21%	17,004,676.55	96,251,520.25	2.92%	57,616,847.28	59.86%	38,634,672.97
Including:										
Accounts receivable for which the provision for bad debts are made by group	3,451,667,281.30	97.68%	233,240,429.60	6.76%	3,218,426,851.70	3,198,630,401.64	97.08%	123,522,159.73	3.86%	3,075,108,241.91
Including:										
Total	3,533,467,116.24	100.00%	298,035,587.99	8.43%	3,235,431,528.25	3,294,881,921.89	100.00%	181,139,007.01	5.50%	3,113,742,914.88

Provisions for bad debts made individually:

In RMB

Name	Closing balance			Reason for provisions
	Book balance	Bad debt provision	Proportion	
The first	23,383,374.87	16,777,045.64	71.75%	Likely to be non-recoverable
The second	11,755,050.00	3,526,515.00	30.00%	Likely to be non-recoverable
The third	10,786,000.00	10,786,000.00	100.00%	Expected to be non-recoverable
The fourth	9,701,037.77	9,701,037.77	100.00%	Expected to be non-recoverable
The fifth	4,832,200.00	4,832,200.00	100.00%	Expected to be non-recoverable
The sixth	3,880,651.10	3,880,651.10	100.00%	Expected to be non-recoverable
The seventh	3,000,000.00	830,187.68	27.67%	Likely to be non-recoverable

The eighth	2,185,000.00	2,185,000.00	100.00%	Expected to be non-recoverable
Others	12,276,521.20	12,276,521.20	100.00%	Expected to be non-recoverable
Total	81,799,834.94	64,795,158.39	--	--

Provisions for bad debts made individually:

In RMB

Name	Closing balance		
	Book balance	Bad debt provision	Proportion
Aging group	2,502,582,336.23	233,240,429.60	9.32%
Group of receivables from related parties controlled by the same actual controller	949,084,945.07		
Total	3,451,667,281.30	233,240,429.60	

Description of basis for determining the group:

Provisions for bad debts made by group: aging group

In RMB

Name	Closing balance		
	Book balance	Bad debt provision	Proportion
Within 1 year	1,788,585,669.14	76,973,529.61	4.30
1-2 years	260,626,349.06	23,401,898.84	8.98
2-3 years	186,457,705.87	32,434,896.78	17.40
3-4 years	239,181,511.90	83,624,833.39	34.96
4-5 years	23,535,846.03	12,610,016.75	53.58
Over 5 years	4,195,254.23	4,195,254.23	100.00
Total	2,502,582,336.23	233,240,429.60	9.32

If a provision for bad debts is made for accounts receivable in accordance with the general model of expected credit losses, please disclose relevant information on provisions for bad debts with reference to the disclosure method of other receivables.

Applicable N/A

Disclosure by aging

In RMB

Aging	Book balance
Within 1 year (including)	2,669,588,177.06
1-2 years	312,462,622.35
2-3 years	253,350,558.04
Over 3 years	298,065,758.79
3-4 years	246,072,327.50
4-5 years	35,822,155.49
Over 5 years	16,171,275.80
Total	3,533,467,116.24

(2) Provisions, recovery or reversal of bad debts for the current period

Provisions for bad debts made for the current period

In RMB

Category	Opening balance	Changes for the current period				Closing balance
		Provision	Recovery or reversal	Write-off	Others	
Provisions for bad debts made individually:	57,616,847.28	8,733,311.11	1,555,000.00			64,795,158.39
Provisions for bad debts made by group:	123,522,159.73	109,718,269.87				233,240,429.60
Total	181,139,007.01	118,451,580.98	1,555,000.00			298,035,587.99

Significant recovery or reversal of bad debt provision for the current period:

In RMB

Entity	Amount of recovery or reversal	Method of recovery
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(3) Accounts receivable actually written off for the current period

In RMB

Item	Write-off amount
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Information of significant accounts receivable that are written off:

In RMB

Entity	Nature of accounts receivable	Write-off amount	Reason for write-off	Write-off procedures performed	Whether the amount arises from related-party transactions
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Description of write-off of accounts receivable:

(4) Top five closing balances of accounts receivable categorized by debtor

In RMB

Entity	Closing balance of accounts receivable	Proportion of total closing balance of accounts receivable	Closing balance of provisions for bad debts
The first	455,401,053.15	12.89%	
The second	316,136,543.13	8.95%	15,806,827.16
The third	270,043,032.36	7.64%	
The fourth	141,632,704.42	4.01%	2,216,327.04
The fifth	113,618,418.14	3.22%	5,680,920.91
Total	1,296,831,751.20	36.71%	

5. Receivable financing

In RMB

Item	Closing balance	Opening balance
Bank acceptance	48,185,442.19	137,800,000.00
Total	48,185,442.19	137,800,000.00

Increase or decrease of receivable financing for the current period and changes in its fair value

 Applicable N/A

If a provision for impairment is made for receivable financing in accordance with the general model of expected credit losses, please disclose relevant information on the provisions for impairment with reference to the disclosure method of other receivables.

 Applicable N/A

Other descriptions:

At the end of the period, bank acceptances of the Company that have been endorsed or discounted but not yet due as of the balance sheet date amount to RMB966,243,266.44.

6. Prepayments**(1) Presentation of prepayments by aging**

In RMB

Aging	Closing balance		Opening balance	
	Amount	Percentage	Amount	Percentage
Within 1 year	1,110,132,547.22	67.27%	1,420,518,067.67	77.44%

1-2 years	446,355,580.68	27.05%	174,255,538.14	9.50%
2-3 years	14,407,355.13	0.87%	103,322,639.16	5.63%
Over 3 years	79,323,028.73	4.81%	136,253,768.23	7.43%
Total	1,650,218,511.76		1,834,350,013.20	

Reasons for overdue settlement of prepayments with significant amounts and aged more than 1 year:

Entity	Closing balance	Reasons for unsettlement
The first	60,484,371.18	Prepayments for copyrights, pending broadcasting
The second	58,653,586.43	Prepayments for copyrights, pending broadcasting
The third	49,999,516.00	Undelivered goods
The fourth	45,283,019.04	Prepayments for copyrights, pending broadcasting
The fifth	31,733,651.04	Prepayments for copyrights, pending broadcasting
Sub-total	246,154,143.69	

(2) Top five closing balances of prepayments categorized by receivers

Entity	Book balance	Proportion to total prepayments (%)
The first	126,584,906.51	7.19
The second	81,186,510.95	4.61
The third	70,584,905.16	4.01
The fourth	61,094,339.90	3.47
The fifth	60,484,371.18	3.44
Sub-total	399,935,033.70	22.72

Other descriptions:

7. Other receivables

In RMB

Item	Closing balance	Opening balance
Other receivables	54,351,283.13	40,568,403.37
Total	54,351,283.13	40,568,403.37

(1) Other receivables

1) Classification of other receivables by nature

In RMB

Nature	Gross carrying amount at the end of the period	Gross carrying amount at the beginning of the period
Security deposit	35,507,726.83	20,865,460.51
Amount due to or from related parties	6,264,749.58	6,905,347.81
Suspense payments receivable	3,630,180.60	4,517,799.42
Petty cash	7,994,665.36	6,334,132.71

Receivables and payables	7,500,197.30	7,369,135.72
Total	60,897,519.67	45,991,876.17

2) Provision for bad debts

In RMB

Provisions for bad debts	Stage I	Stage II	Stage III	Total
	Future 12-month ECL	Lifetime ECL (without credit impairment)	Lifetime ECL (with credit impairment)	
Balance as at January 1, 2022	552,179.65	90,010.20	4,781,282.95	5,423,472.80
Balance as at January 1, 2022 in the current period				
-- Stage II	-49,621.51	49,621.51		
-- Stage III		-48,923.07	48,923.07	
Current provision	-30,126.17	21,586.61	1,181,303.30	1,172,763.74
Current write-off			50,000.00	50,000.00
Balance as at December 31, 2022	472,431.97	112,295.25	5,961,509.32	6,546,236.54

Changes in book balance whose loss allowance changed significantly in the current period

 Applicable N/A

Disclosure by aging

In RMB

Aging	Gross carrying amount
Within 1 year (including)	37,154,145.07
1-2 years	5,758,731.68
2-3 years	8,205,703.84
Over 3 years	9,778,939.08
3-4 years	3,672,664.29
4-5 years	1,361,903.86
Over 5 years	4,744,370.93
Total	60,897,519.67

3) Provisions, recovery or reversal of bad debts for the period

Provision for bad debts made for the current period:

In RMB

Category	Opening balance	Changes for the current period				Closing balance
		Provision	Recovery or reversal	Write-off	Others	
Provisions for bad debts	5,423,472.80	1,172,763.74		50,000.00		6,546,236.54
Total	5,423,472.80	1,172,763.74		50,000.00		6,546,236.54

Including significant amounts recovered or reversed from the current provision for bad debts:

In RMB

Entity	Amount of recovery or reversal	Method of recovery
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4) Other receivables actually written off for the period

In RMB

Item	Write-off amount
Other receivables	50,000.00

Descriptions of significant other receivables that are written off:

In RMB

Entity	Nature of other receivables	Write-off amount	Reasons for write-off	Write-off procedures performed	Whether the payments were generated from related party transactions
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Descriptions of write-off of other receivables:

5) Top five closing balances of other receivables categorized by debtor

In RMB

Entity	Nature	Closing balance	Aging	Proportion in total closing balance of other receivables	Closing balance of provisions for bad debts
The first	Security deposit	5,444,006.24	Within 1 year	8.94%	
The second	Amount due to or from related parties	2,329,764.69	Over 5 years	3.83%	2,329,764.69
The third	Receivables and payables	2,000,000.00	Within 1 year	3.28%	20,000.00
The fourth	Security deposit	2,000,000.00	3-4 years	3.28%	
The fifth	Security deposit	1,600,000.00	Within 1 year	2.63%	
Total		13,373,770.93		21.96%	2,349,764.69

8. Inventories

Did the Company need to comply with the disclosure requirements on the real estate industry?

No

(1) Categories of inventories

In RMB

Item	Closing balance			Opening balance		
	Book balance	Provision for decline in value of inventories or for impairment of	Carrying amount	Book balance	Provision for decline in value of inventories or for impairment of	Carrying amount

		contract performance costs			contract performance costs	
Raw materials	110,454,024.29		110,454,024.29	153,715,792.31		153,715,792.31
Work in process	751,769,342.11		751,769,342.11	739,561,476.10	7,075,138.47	732,486,337.63
Goods on hand	825,737,851.60	140,484,307.45	685,253,544.15	911,365,394.93	128,552,836.04	782,812,558.89
Turnover materials	756,248.01		756,248.01	756,248.01		756,248.01
Goods upon delivery	51,898,680.10		51,898,680.10	19,775,763.95		19,775,763.95
Total	1,740,616,146.11	140,484,307.45	1,600,131,838.66	1,825,174,675.30	135,627,974.51	1,689,546,700.79

(2) Provision for decline in value of inventories and for impairment of contract performance costs

In RMB

Item	Opening balance	Increase in the current period		Decrease in the current period		Closing balance
		Provision	Others	Reversal or write-off	Others	
Work in process	7,075,138.47			7,075,138.47		
Goods on hand	128,552,836.04	20,684,658.52		8,753,187.11		140,484,307.45
Total	135,627,974.51	20,684,658.52		15,828,325.58		140,484,307.45

As to the Company's products directly used for sale, the net realizable value was recognized by: the estimated selling price of the inventory minus the estimated selling expenses and relevant taxes. External sales have been realized with respect to the current write-off of provision for decline in value of inventories.

9. Contract assets

In RMB

Item	Closing balance			Opening balance		
	Book balance	provision for impairment	Carrying amount	Book balance	provision for impairment	Carrying amount
Operator business	984,299,576.93	54,895,640.42	929,403,936.51	954,735,808.95	51,682,065.34	903,053,743.61
Total	984,299,576.93	54,895,640.42	929,403,936.51	954,735,808.95	51,682,065.34	903,053,743.61

Significant changes in the carrying amount of contract assets for the current period and reasons therefor:

In RMB

Item	Changes	Reason for changes
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If a provision for bad debts is made for contract assets in accordance with the general model of expected credit losses, please disclose relevant information on provisions for bad debts with reference to the disclosure method of other receivables.

Applicable N/A

Information of the provisions for impairment made for contract assets for the period

In RMB

Item	Provision	Reversal	Write-off/elimination for the period	Reason
Operator business portfolio	3,213,575.08			Made by group
Total	3,213,575.08			--

Other descriptions:

10. Other current assets

In RMB

Item	Closing balance	Opening balance
Prepayments for internet access cooperation	13,696,428.21	8,462,851.39
Input VAT to be deducted	83,150,519.10	101,052,683.66

Prepaid taxes and levies		6,281,520.53
Others	13,911,886.66	7,742,163.67
Total	110,758,833.97	123,539,219.25

Other descriptions:

11. Long-term equity investments

In RMB

Investee	Opening balance (carrying amount)	Increase or decrease for the period								Closing balance (carrying amount)	Closing balance of provision for diminution in value
		Additional investment	Decreased investment	Investment profit or loss under equity method	Adjustment in other comprehensive income	Other equity changes	Declared cash dividends or profits	Provisions for impairment	Others		
I. Joint ventures											
II. Associates											
Shanghai Mamma Mia Interactive Entertainment Technology Co., Ltd.	23,882,517.37			-2,576,746.69				17,181,905.95		4,123,864.73	17,181,905.95
Sub-total	23,882,517.37			-2,576,746.69				17,181,905.95		4,123,864.73	17,181,905.95
Total	23,882,517.37			-2,576,746.69				17,181,905.95		4,123,864.73	17,181,905.95

Other descriptions:

12. Investment properties

(1) Investment properties measured at cost

Applicable N/A

Unit: RMB

Item	Buildings	Land use right	Construction in process	Total
I. Original carrying amount:				
1. Opening balance				
2. Increase in the current period	84,309,445.29			84,309,445.29
(1) Purchase				
(2) Inventory/fixed assets/transfer from construction in progress				
(3) Increase due to business merger				
(4) Other increases	84,309,445.29			84,309,445.29
3. Current decreases				
(1) Disposal				
(2) Other amounts transferred out				

4. Closing balance	84,309,445.29			84,309,445.29
II. Accumulative depreciation and accumulative amortization				
1. Opening balance				
2. Current increase	928,411.69			928,411.69
(1) Provision or amortization	928,411.69			928,411.69
3. Current decreases				
(1) Disposal				
(2) Other amounts transferred out				
4. Closing balance	928,411.69			928,411.69
III. Reserve for impairment				
1. Opening balance				
2. Current increase				
(1) Provision				
3. Current decreases				
(1) Disposal				
(2) Other amounts transferred out				
4. Closing balance				
IV. Book value				
1. Closing book value	83,381,033.60			83,381,033.60
2. Opening book value				

(2) Investment properties measured at fair value

Applicable N/A

(3) Investment properties for which the title certificates are not completed

In RMB

Item	Carrying amount	Reason for incompleteness of title certificate
Buildings	29,086,264.81	The online registration was completed in December 2022, and the title certificate is expected to be completed in 2023

Other descriptions: The current increase in investment properties is due to the increase in debt repayment with debt-restructured properties.

13. Fixed assets

In RMB

Item	Closing balance	Opening balance
Fixed assets	165,275,869.62	184,450,336.98
Total	165,275,869.62	184,450,336.98

(1) Fixed assets

In RMB

Item	Buildings	Machines and equipment	Electronic equipment, devices and furniture	Transportation equipment	Others	Total
I. Original carrying amount:						
1. Opening balance	58,268,091.66	294,856,791.19	289,060,651.48	15,665,195.07	11,000,000.00	668,850,729.40
2. Increase in the current period		1,587,194.00	19,815,044.97			21,402,238.97
(1) Purchase		1,587,194.00	19,815,044.97			21,402,238.97
(2) Transfer from construction in progress						
(3) Increase due to business combination						
3. Decrease in the current period			12,308,527.74	507,689.74		12,816,217.48
(1) Disposal or retirement			12,308,527.74	507,689.74		12,816,217.48
4. Closing balance	58,268,091.66	296,443,985.19	296,567,168.71	15,157,505.33	11,000,000.00	677,436,750.89
II. Accumulated depreciation						
1. Opening balance	12,598,574.60	254,381,839.51	206,718,806.39	10,306,057.43		484,005,277.93
2. Increase in the current period	1,908,705.37	10,755,435.17	26,085,388.52	1,234,260.15		39,983,789.21
(1) Provision	1,908,705.37	10,755,435.17	26,085,388.52	1,234,260.15		39,983,789.21
3. Decrease in the current period			11,796,340.93	426,959.43		12,223,300.36
(1) Disposal or retirement			11,796,340.93	426,959.43		12,223,300.36
4. Closing balance	14,507,279.97	265,137,274.68	221,007,853.98	11,113,358.15		511,765,766.78
III. Provision for impairment						
1. Opening balance		391,088.27	4,026.22			395,114.49
2. Increase in the current period						
(1) Provision						
3. Decrease in the current period						
(1) Disposal or retirement						
4. Closing balance		391,088.27	4,026.22			395,114.49
VI. Book value						
1. Closing balance	43,760,811.69	30,915,622.24	75,555,288.51	4,044,147.18	11,000,000.00	165,275,869.62

2. Opening balance	45,669,517.06	40,083,863.41	82,337,818.87	5,359,137.64	11,000,000.00	184,450,336.98
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(3) Fixed assets leased out under operating lease

In RMB

Item	Closing balance
Buildings	22,747,860.63

14. Right of use assets

In RMB

Item		Total
I. Cost:		
1. Opening balance	262,082,926.25	262,082,926.25
2. Increase in the current period	80,455,805.59	80,455,805.59
(1) Lease in	80,455,805.59	80,455,805.59
3. Decrease in the current period	75,880,757.49	75,880,757.49
(1) Disposal	75,880,757.49	75,880,757.49
4. Closing balance	266,657,974.35	266,657,974.35
II. Accumulated depreciation		
1. Opening balance	51,778,430.83	51,778,430.83
2. Increase in the current period	65,087,069.79	65,087,069.79
(1) Provision	65,087,069.79	65,087,069.79
3. Decrease in the current period	22,395,748.29	22,395,748.29
(1) Disposal	22,395,748.29	22,395,748.29
4. Closing balance	94,469,752.33	94,469,752.33
III. Provision for impairment		
1. Opening balance		
2. Increase in the current period		
(1) Provision		
3. Decrease in the current period		
(1) Disposal		
4. Closing balance		
VI. Carrying amount		
1. Closing balance of carrying amount	172,188,222.02	172,188,222.02
2. Opening balance of carrying amount	210,304,495.42	210,304,495.42

Other descriptions:

15. Intangible assets

(1) Intangible assets

In RMB

Item	Land use rights	Patent	Non-patent technology	Film and television series copyright	Software	Trademarks and domain names	Patent licensing fees and program adaptation rights	Game copyright	Total
I. Original carrying amount									
1. Opening balance	33,157,507.40			21,497,248,205.03	193,314,477.93	3,096,059.03	40,660,377.35	25,851,553.37	21,793,328,180.11
2. Increase in the current period				5,289,055,135.23	241,856,763.31	81,235.84		2,069,257.27	5,533,062,391.65
(1) Purchase				5,289,055,135.23	4,641,055.18	81,235.84		2,069,257.27	5,295,846,683.52
(2) In-house research and development					237,215,708.13				237,215,708.13
(3) Increase due to business combinations									
3. Decrease in the current period				976,488,151.57			3,867,924.53		980,356,076.10
(1) Disposal				976,488,151.57					976,488,151.57
Other decreases							3,867,924.53		3,867,924.53
4. Closing balance	33,157,507.40			25,809,815,188.69	435,171,241.24	3,177,294.87	36,792,452.82	27,920,810.64	26,346,034,495.66
II. Accumulated amortization									
1. Opening balance	7,161,570.42			15,200,626,033.52	96,225,593.67	2,985,996.13	25,277,003.45	17,376,826.97	15,349,653,024.16
2. Increase in the current period	676,683.82			4,960,219,659.90	39,657,959.70	32,525.47	4,412,055.37	4,449,476.79	5,009,448,361.05
(1) Provision	676,683.82			4,960,219,659.90	39,657,959.70	32,525.47	4,412,055.37	4,449,476.79	5,009,448,361.05
(2) Other decreases									
3. Decrease in the current period				976,488,151.57			1,648,322.71		978,136,474.28
(1)				976,488,151.57					976,488,151.57

Disposal									
2) Disposal of subsidiaries							1,648,322.71		1,648,322.71
4. Closing balance	7,838,254.24		19,184,357,541.85	135,883,553.37	3,018,521.60	28,040,736.11	21,826,303.76		19,380,964,910.93
III. Provision for impairment									
1. Opening balance									
2. Increase in the current period									
(1) Provision									
3. Decrease in the current period									
(1) Disposal									
4. Closing balance									
VI. Book value									
1. Closing balance	25,319,253.16		6,625,457,646.84	299,287,687.87	158,773.27	8,751,716.71	6,094,506.88		6,965,069,584.73
2. Opening balance	25,995,936.98		6,296,622,171.51	97,088,884.26	110,062.90	15,383,373.90	8,474,726.40		6,443,675,155.95

Proportion of intangible assets generated from the Company's in-house research and development to the balance of intangible assets at the end of the period: 1.05%.

16. Development expenditure

In RMB

Item	Opening balance	Increase in the current period			Decrease in the current period			Closing balance
	Opening balance	In-house development expenditure	Others		Recognized intangible assets	Transfer to current profit or loss		Closing balance
Cloud platform construction project	232,522,753.24	4,692,954.89			237,215,708.13			
Smart audio-visual project		98,662,331.53						98,662,331.53
Self-developed game project		3,170,414.70						3,170,414.70
Total	232,522,753.24	106,525,701.12			237,215,708.13			101,832,744.87

	3.24	1.12			8.13		6.23
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Other descriptions:

Mango TV Smart audio-visual media service platform project (hereinafter referred to as “Smart Audio-visual Project”) is a project supporting Happy Sunshine Fund, aiming to strengthen the basic service ability, intelligent content production management, refined audio-visual media operations, cutting-edge audio-visual experience exploration, innovative business application sector, “4K+5G” high-definition smart production, etc., to build China’s leading smart audio-visual media service platform, so as to improve the core competitiveness and brand awareness of the Company.

Planned in 2020, the Smart Audio-visual Project was approved at a meeting of the Happy Sunshine Technical Committee on March 25, 2022. From March 2022, the expenses related to the project that are eligible for capitalization are included in the development expenses, and the expenses incurred in the previous research phase are directly recognized in the current profit or loss.

17. Long-term prepaid expenses

In RMB

Item	Opening balance	Increase in the current period	Amortization	Other decrease	Closing balance
Projects of rebuilding and decoration for rented buildings	113,847,481.21	4,977,912.59	30,750,598.75		88,074,795.05
Total	113,847,481.21	4,977,912.59	30,750,598.75		88,074,795.05

Other descriptions:

18. Deferred tax assets / deferred tax liabilities

(1) Details of unrecognized deferred tax assets

In RMB

Item	Closing balance	Opening balance
Deductible temporary differences	69,703,920.25	37,086,125.59
Deductible losses	830,187,037.45	453,456,947.42
Total	899,890,957.70	490,543,073.01

(2) Deductible losses, for which no deferred tax assets are recognized, will expire in the following year

In RMB

Year	Closing balance	Opening balance	Remark
2022		16,360,098.46	
2023	33,995,918.61	34,007,431.00	
2024	383,268.85	383,268.85	
2025	39,666,144.36	40,704,936.96	
2026	352,766,517.40	362,001,212.15	
2027	403,375,188.23		
Total	830,187,037.45	453,456,947.42	

Other descriptions:

19. Other non-current assets:

In RMB

Item	Closing balance			Opening balance		
	Book balance	Provision for impairment	Carrying amount	Book balance	Provision for impairment	Carrying amount
Prepayments for equipment and construction projects	35,017,190.95		35,017,190.95	1,260,178.59		1,260,178.59
Total	35,017,190.95		35,017,190.95	1,260,178.59		1,260,178.59

Other descriptions:

20. Short-term borrowings**(1) Category of short-term borrowings**

In RMB

Item	Closing balance	Opening balance
Pledge borrowings	1,018,145,573.43	
Credit borrowings - principal	39,731,500.00	39,731,500.00
Credit borrowings - interest	55,403.37	55,403.37
Total	1,057,932,476.80	39,786,903.37

Description for categories of short-term borrowings: The pledged loans are bank acceptance bills and commercial acceptance bills of small commercial banks that have already been discounted yet not derecognized at the end of the period.

21. Notes payable

In RMB

Category	Closing balance	Opening balance
Commercial acceptances	403,807,532.47	349,649,263.65
Bank acceptances	1,237,194,311.78	571,855,441.26
Total	1,641,001,844.25	921,504,704.91

Total notes payable matured but not paid yet is RMB0.00 at the end of the period.

22. Accounts payable**(1) Accounts payable**

In RMB

Item	Closing balance	Opening balance
Payments for purchase of engineering equipment and goods	4,836,096,826.84	4,960,935,241.83
Total	4,836,096,826.84	4,960,935,241.83

(2) Significant accounts payable aged over one year

In RMB

Item	Closing balance	Reason for failure to be repaid or carried forward
The first	53,715,637.77	Not yet due for settlement
The second	50,943,396.23	Not yet due for settlement
The third	50,395,471.69	Not yet due for settlement

The fourth	49,111,077.45	Not yet due for settlement
The fifth	42,117,006.78	Not yet due for settlement
The sixth	40,658,279.84	Not yet due for settlement
Total	286,940,869.76	--

Other descriptions:

23. Contract liabilities

In RMB

Item	Closing balance	Opening balance
Goods payments	295,622,176.66	551,341,131.10
Investments in film and television series co-production	84,061,093.91	103,960,965.03
Membership service	665,056,892.14	671,991,967.72
Total	1,044,740,162.71	1,327,294,063.85

Significant changes in the carrying amount during the Reporting Period and reasons therefor:

In RMB

Item	Changes	Reason for changes
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24. Employee benefits payable

(1) Employee benefits payable

In RMB

Item	Opening balance	Increase	Decrease	Closing balance
I. Short-term remuneration	979,215,617.98	1,585,230,181.30	1,576,513,479.51	987,932,319.77
II. Post-employment benefits-defined benefit plan	559,049.11	45,323,448.70	45,403,697.71	478,800.10
III. Termination benefits	619,447.11	9,659,771.08	9,768,991.80	510,226.39
Total	980,394,114.20	1,640,213,401.08	1,631,686,169.02	988,921,346.26

(2) Short-term remuneration

In RMB

Item	Opening balance	Increase	Decrease	Closing balance
1. Wages or salaries, bonuses, allowances and subsidies	977,941,723.31	1,476,637,180.65	1,468,983,332.07	985,595,571.89
2. Employee welfare expenses	6,280.00	46,887,370.82	46,893,650.82	
3. Social security contributions	279,871.18	27,815,102.22	27,844,027.97	250,945.43
Including: Medical insurance	259,228.70	22,858,219.09	22,884,351.25	233,096.54
Work-related injuries insurance	13,070.72	1,551,201.19	1,552,647.86	11,624.05
Maternity insurance	7,571.76	324,424.98	325,771.90	6,224.84
Other commercial insurance	0.00	3,081,256.96	3,081,256.96	0.00
4. Housing funds	185,891.00	28,751,191.24	28,586,625.24	350,457.00
5. Union running costs and employee education cost	801,852.49	5,139,336.37	4,205,843.41	1,735,345.45
Total	979,215,617.98	1,585,230,181.30	1,576,513,479.51	987,932,319.77

(3) Defined benefit plan

In RMB

Item	Opening balance	Increase	Decrease	Closing balance
1. Basic pensions	541,346.63	43,549,220.97	43,627,037.67	463,529.93
2. Unemployment insurance	17,702.48	1,774,227.73	1,776,660.04	15,270.17
Total	559,049.11	45,323,448.70	45,403,697.71	478,800.10

25. Taxes payable

In RMB

Item	Closing balance	Opening balance
VAT	9,265,812.82	18,212,095.97
Enterprise income tax	58,276.74	58,276.74
Personal Income Tax	36,167,891.54	12,409,994.97
City maintenance and construction tax	416,197.31	1,082,825.71
Stamp duty	1,985,402.35	2,101,365.54
Education surcharges	323,376.98	773,440.32
Development fee for cultural undertakings	152,478,937.95	88,789,083.88
Other taxes	2,866,410.18	47,506.59
Total	203,562,305.87	123,474,589.72

Other descriptions:

26. Other payables

In RMB

Item	Closing balance	Opening balance
Other payables	130,945,241.48	149,086,160.61
Total	130,945,241.48	149,086,160.61

(1) Other payables**1) Other payables by nature**

In RMB

Item	Closing balance	Opening balance
Receivables and payables	101,256,645.96	125,133,366.15
Security deposit	29,688,595.52	23,952,794.46
Total	130,945,241.48	149,086,160.61

2) Other significant payables aged over one year

In RMB

Item	Closing balance	Reason for failure to be repaid or carried forward
The first	3,795,134.25	Not yet due for settlement
The second	3,679,057.92	Not yet due for settlement
The third	3,000,000.00	Not yet due for settlement
Total	10,474,192.17	

Other descriptions:

27. Non-current liabilities due within one years

In RMB

Item	Closing balance	Opening balance
Lease liabilities due within 1 year	51,183,707.98	43,098,562.04
Total	51,183,707.98	43,098,562.04

Other descriptions:

28. Other current liabilities

In RMB

Item	Closing balance	Opening balance
Logistics and distribution expenses	1,526,603.47	2,219,436.05
Output tax to be transferred	79,144,115.55	106,144,514.31
Expenses for internet access cooperation	12,388,033.97	12,861,922.09
Notes endorsed but not derecognized [note]		210,748,000.00
Others	12,592,389.26	7,061,685.54
Total	105,651,142.25	339,035,557.99

Changes in short-term bonds payable:

In RMB

Name of bond	Par value	Issue date	Term of bond	Issue amount	Opening balance	Issue for the period	Interest accrued based on par value	Amortization of premiums or discounts	Repayment for the period		Closing balance
Total											

Other descriptions:

[Note] Notes endorsed but not derecognized are bank acceptances of small-sized commercial banks that have been endorsed but not derecognize at the end of the Reporting Period.

29. Lease liabilities

In RMB

Item	Closing balance	Opening balance
Leased houses and buildings	131,515,067.86	169,643,622.50
Total	131,515,067.86	169,643,622.50

Other descriptions:

30. Estimated liabilities

In RMB

Item	Closing balance	Opening balance	Reason
Pending litigation	9,038,875.00	13,815,868.00	Estimated compensation for pending litigation
Total	9,038,875.00	13,815,868.00	

Other descriptions, including important assumptions and estimation explanations related to significant estimated liabilities:

31. Deferred income

In RMB

Item	Opening balance	Increase	Decrease	Closing balance	Reason
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Governmental grants	45,517,771.81	14,247,547.17	16,989,321.21	42,775,997.77	Government grants related to assets and income
Total	45,517,771.81	14,247,547.17	16,989,321.21	42,775,997.77	--

Projects involving government grants

In RMB

Liabilities	Opening balance	Additional government grants	Amount recognized in non-operating income	Amount recognized in other income	Amount offset against costs and expenses	Other changes	Closing balance	Related to assets/income
Special funds for culture industry development	19,943,986.81			8,705,958.32			11,238,028.49	Related to assets
Subsidy for Youth Mango Night Project	8,733,333.33			4,599,999.99			4,133,333.34	Related to assets
Mango Offline Immersion Experience Project	3,000,000.00			765,957.48			2,234,042.52	Related to assets
Happigo Supply Chain Urban Co-Distribution System Project	2,383,002.83			100,000.00			2,283,002.83	Related to assets
“Project Investment Support” for Malanshan Investment Invitation and Industry Development	2,292,001.06			647,993.65			1,644,007.41	Related to assets
Special Funds for Construction of Innovative Province	2,000,000.00						2,000,000.00	Related to assets
Special Funds for Development of Mobile Internet Industry	969,999.90			953,333.40			16,666.50	Related to assets
Special Funds for Development of Modern Logistics	935,329.52			40,229.22			895,100.30	Related to assets
Funds for Guiding Development of Provincial Culture Undertakings	333,333.52			333,333.52				Related to assets
Network Audiovisual Program Quality Creation and Dissemination Project	114,000.00			72,000.00			42,000.00	Related to assets
Special Funds for Development of Modern Services	60,000.00			60,000.00				Related to assets
Second Special Funds for Development of Modern Services-Mango TV App	20,000.00			20,000.00				Related to assets
Broadcasting and Recording Studio Subsidy		10,000,000.00					10,000,000.00	Related to assets
Subsidy for Key Animation Projects		707,547.17					707,547.17	Related to assets
Mango TV International Media Integration and Communication Project	2,059,800.00			-73,533.32			2,133,333.32	Related to proceeds
Subsidy for Guiding Development of Hunan Culture Undertakings	957,333.33			284,000.01			673,333.32	Related to proceeds
Mango TV Smart Home Page Push Project	766,666.67			100,000.00			666,666.67	Related to proceeds
Mango TV High-tech Interactive Video Creation Platform Project	115,000.00			30,000.00			85,000.00	Related to proceeds
Mango TV International APP Overseas Development Project		3,000,000.00					3,000,000.00	Related to proceeds
Mango TV International APP Traditional Chinese Culture Project		540,000.00					540,000.00	Related to proceeds

Other	833,984.84			350,048.94			483,935.90	Related to assets
Subtotal	45,517,771.81	14,247,547.17		16,989,321.21			42,775,997.77	

Other descriptions:

32. Share capital

In RMB

	Opening balance	Increase or decrease (+,-)					Closing balance
		New shares	Bonus shares	Capitalization of capital reserve	Others	Sub-total	
Total shares	1,870,720,815.00						1,870,720,815.00

Other descriptions:

33. Capital reserve

In RMB

Item	Opening balance	Increase	Decrease	Closing balance
Capital premium (Share capital premium)	9,238,122,065.71	302,411,028.49		9,540,533,094.20
Other capital reserve	6,264,437.84			6,264,437.84
Total	9,244,386,503.55	302,411,028.49		9,546,797,532.04

Other descriptions, including changes and reasons therefor:

The increase in the current capital premium (equity premium) was caused by capital increase from minority shareholders to the controlled subsidiary Xiaomang Electronic Commerce Co., Ltd. See Note IX (2) hereto for details.

34. Other comprehensive income

In RMB

Item	Opening balance	Amount for the current period						Closing balance
		Amount before income tax for the current period	Less: Amount included in other comprehensive income for the prior periods and transferred to the profit or loss for the current period	Less: Amount included in other comprehensive income for the prior periods and transferred to the retained earnings for the current period	Less: Income tax expenses	Attributable to the parent company after tax	Attributable to minority interests after tax	
II. Other comprehensive income that will be reclassified to profit or loss	-13,783.18	171,220.08				171,220.08		157,436.90
Translation differences of financial statements denominated in foreign currencies	-13,783.18	171,220.08				171,220.08		157,436.90
Total of other comprehensive income	-13,783.18	171,220.08				171,220.08		157,436.90

Other descriptions, including adjustment of the effective part of the cash flow hedge gains and losses transferred to initially recognized amount of hedged items:

35. Surplus reserve

In RMB

Item	Opening balance	Increase	Decrease	Closing balance
Statutory capital reserves	105,025,383.29	21,083,553.92		126,108,937.21
Total	105,025,383.29	21,083,553.92		126,108,937.21

Descriptions of surplus reserve, including changes for the current period and reasons therefor:

Current increase of statutory capital reserves is accrued based on 10% of net profits of parent company.

36. Undistributed profit

In RMB

Item	Amount for the current period	Amount for the prior period
Undistributed profits at the beginning of the period after adjustment	5,746,281,439.57	3,881,526,167.30
Add: Net profit attributable to owners of the parent company for the period	1,824,925,935.93	2,114,090,171.85
Less: Appropriation to statutory surplus reserve	21,083,553.92	17,885,823.15
Dividends payable for ordinary shares	243,193,705.95	231,449,076.43
Undistributed profits at the end of the period	7,306,930,115.63	5,746,281,439.57

Details of adjustments to undistributed profits at the beginning of the period:

1) Undistributed profits at the beginning of the period were affected by RMB due to the retrospective adjustment under the Accounting Standards for Business Enterprises and related new regulations.

2) Undistributed profits at the beginning of the period were affected by RMB due to changes in accounting policies.

3) Undistributed profits at the beginning of the period were affected by RMB due to the correction of significant accounting errors.

4) Undistributed profits at the beginning of the period were affected by RMB due to changes in the scope of consolidation resulting from business combination involving enterprises under common control.

5) Undistributed profits at the beginning of the period were affected by RMB in total due to other adjustments.

37. Operating income and operating costs

In RMB

Item	Amount for the current period		Amount for the prior period	
	Revenue	Cost	Revenue	Cost
Principal operating activities	13,688,381,175.77	9,053,332,034.45	15,335,407,048.03	9,896,297,197.78
Other operating activities	15,958,536.54	13,701,456.54	20,456,434.04	9,165,573.04
Total	13,704,339,712.31	9,067,033,490.99	15,355,863,482.07	9,905,462,770.82

Whether the lower of the net profit after non-recurring gain or loss is negative

Yes No

Information on Revenue:

In RMB

Category of Contract	Segment 1	Segment 2	Total
Commodity type	13,692,986,477.44		13,692,986,477.44
Including:			
Internet video business of Mango TV	10,417,661,860.99		10,417,661,860.99
New media interactive entertainment content production and operation	1,118,058,249.34		1,118,058,249.34
Content E-business	2,136,369,043.68		2,136,369,043.68
Others	20,897,323.43		20,897,323.43
By operating regions	13,692,986,477.44		13,692,986,477.44
Including:			
Within Hunan province	3,236,331,686.33		3,236,331,686.33

Outside Hunan province	10,456,654,791.11			10,456,654,791.11
Type of market or customer				
Including:				
Type of contract				
Including:				
By the time of commodity transfer	13,692,986,477.44			13,692,986,477.44
Including:				
Revenue recognized at a certain time point	7,057,966,158.34			7,057,966,158.34
Revenue recognized over a certain period of time	6,635,020,319.10			6,635,020,319.10
By the contract term				
Including:				
By the selling channel				
Including:				
Total				

Information regarding performance obligations:

Incomes generated from contracts with customers are RMB13,692,986,477.44.

Information regarding the transaction price allocated to the remaining performance obligations:

The revenue corresponding to the performance obligations for which the contract has been signed but has not yet been performed or fully performed at the end of this Reporting Period is RMB960,679,068.80, among which RMB is expected to be recognized as the revenue in, RMB is expected to be recognized as the revenue in, and RMB is expected to be recognized as the revenue in.

Other descriptions:

38. Taxes and levies

In RMB

Item	Amount for the current period	Amount for the prior period
Consumption tax	182,749.05	178,896.89
City maintenance and construction tax	13,948,585.41	12,005,462.97
Education surcharges	10,016,630.23	8,610,998.23
Property tax	728,127.45	662,834.77
Land use rights	304,072.27	294,816.00
Vehicle and vessel tax	41,563.15	34,420.00
Stamp duty	1,485,561.97	5,092,020.91
Cultural program expenditure	63,689,854.06	
Others	5,789.83	13,040.75
Total	90,402,933.42	26,892,490.52

Other descriptions:

39. Selling expenses

In RMB

Item	Amount for the current period	Amount for the prior period
Employee's benefits and labor costs	608,608,837.08	732,215,078.75
Depreciation and amortization	11,377,513.71	12,874,964.32
Advertising costs	1,087,258,876.38	1,385,934,490.67
Expenses for internet access cooperation	35,562,482.84	50,041,434.51
Business travel expenses	14,986,093.99	27,363,866.16
Program production costs	9,674,917.32	22,105,723.12
Channel sales and operations development expenses	390,480,869.67	195,904,288.97
Others	21,939,418.36	42,888,366.14

Total	2,179,889,009.35	2,469,328,212.64
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Other descriptions:

40. General and administrative expenses

In RMB

Item	Amount for the current period	Amount for the prior period
Employee's benefits and labor costs	446,229,549.51	467,964,670.43
Depreciation and amortization	60,238,161.98	63,382,058.67
Legal costs	9,346,418.21	11,964,048.12
Office and administrative service	66,449,942.90	104,503,482.74
Agency fees	14,249,003.73	13,626,103.94
Business entertainment expenses	1,857,431.67	2,749,458.11
Others	25,572,917.86	31,744,789.77
Total	623,943,425.86	695,934,611.78

Other descriptions:

41. Research and development expenses

In RMB

Item	Amount for the current period	Amount for the prior period
Employee's benefits and labor costs	74,149,719.55	121,946,092.84
Depreciation and amortization	15,548,111.63	15,098,549.93
Technical service fees	140,783,980.32	129,004,804.77
Others	4,244,386.98	5,941,955.86
Total	234,726,198.48	271,991,403.40

Other descriptions:

42. Financial expenses

In RMB

Item	Amount for the current period	Amount for the prior period
Loan interest expenses	2,022,222.95	2,630,663.17
Expenditure from interest of bills discounted not derecognized	8,626,569.06	
Less: Interest income	188,926,813.85	125,145,189.95
Service charge	33,103,944.60	16,108,222.86
Interest expenses from lease liabilities	9,301,906.56	5,819,271.54
Foreign exchange gains and losses	4,409,147.02	-623,304.79
Total	-131,463,023.66	-101,210,337.17

Other descriptions:

43. Other income

In RMB

Source of other income	Amount for the current period	Amount for the prior period
Government grants related to assets	16,648,854.52	8,478,530.55
Government grants related to income	29,499,336.70	27,521,238.14
Refund of service fees of withholding personal income tax	5,238,150.50	3,750,717.93
Additional VAT deduction	67,821,646.01	83,583,732.93
Total	119,207,987.73	123,334,219.55

44. Investment income

In RMB

Item	Amount for the current period	Amount for the prior period
Income from long-term equity investments under equity method	-2,576,746.69	999,547.86
Income from disposal of long-term equity investments		771,197.65
Proceeds from debt restructuring	27,219,600.00	
Income from investments in film and television series without copyrights		1,193,136.19
Income from wealth management products	119,290,763.72	34,265,617.23
Derecognized bill discount interest expenditure	-10,956,907.95	
Total	132,976,709.08	37,229,498.93

Other descriptions:

45. Impairment losses of credit

In RMB

Item	Amount for the current period	Amount for the prior period
Bad debt losses of other receivables	-1,172,763.74	-990,116.77
Bad debt losses of accounts receivable	-116,896,580.98	-40,907,026.53
Losses from impairment of notes receivable	-23,151.77	
Other current assets-losses of impairment on issued loans		-2,024,723.79
Total	-118,092,496.49	-43,921,867.09

Other descriptions:

46. Impairment losses of assets

In RMB

Item	Amount for the current period	Amount for the prior period
II. Loss from inventory depreciation and loss from impairment of contract performance cost	-20,684,658.52	-59,299,155.29
III. Loss from impairment of long-term equity investment	-17,181,905.95	
XII. Impairment losses of contractual assets	-3,213,575.08	-8,787,239.21
XIII. Other	-8,659,735.00	
Total	-49,739,874.55	-68,086,394.50

Other descriptions:

47. Income from disposal of assets

In RMB

Source of income from disposal of assets	Amount for the current period	Amount for the prior period
Income from disposal of long-term assets	891,438.70	-85,941.70
Total	891,438.70	-85,941.70

48. Non-operating income

In RMB

Item	Amount for the current period	Amount for the prior period	Amount included in the non-recurring profit or loss for the current period
Payment not to be made	5,290,663.40	1,994,903.35	5,290,663.40
Income from safeguarding legal rights	37,208,566.67	18,826,660.47	37,208,566.67
Others	3,121,425.29	1,028,932.95	3,121,425.29

Total	45,620,655.36	21,850,496.77	45,620,655.36
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Government grants included in profit and loss for the current period:

In RMB

Project	Issuer	Reason	Nature	If the grants affect earnings or losses for the current year	If special grants	Amount for the current period	Amount for the prior period	Related to assets/income
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Other descriptions:

49. Non-operating expenses

In RMB

Item	Amount for the current period	Amount for the prior period	Amount included in the non-recurring profit or loss for the current period
Outbound donations	8,291.60	2,046,319.26	8,291.60
Losses from damage and retirement of non-current assets	84,224.80	183,897.04	84,224.80
Compensation expenditures	4,085,013.49	20,277,175.00	4,085,013.49
Others	207,461.11	20,792,878.66	207,461.11
Total	4,384,991.00	43,300,269.96	4,384,991.00

Other descriptions:

50. Income tax expenses

(1) Table of income tax expenses

In RMB

Item	Amount for the current period	Amount for the prior period
Current income tax expenses	120,303.42	4,357.00
Total	120,303.42	4,357.00

(2) Reconciliation of income tax expenses to the accounting profit

In RMB

Item	Amount for the current period
Total profit	1,766,287,106.70
Income tax expense calculated based on statutory/applicable tax rate	441,571,776.68
Effect of different tax rates of subsidiaries operating in other jurisdictions	-544,902,968.23
Effect of adjustment on income tax for the period	119,436.49
Effect of non-deductible cost, expense and loss	1,511,531.56
Effect of utilizing deductible loss not recognized for deferred tax assets for prior period	-2,861,456.07
Effect of deductible temporary difference or deductible loss not recognized for deferred tax assets for the current period	104,681,982.99
Income tax expense	120,303.42

Other descriptions

51. Items in the cash flow statement

(1) Other cash receipts relating to operating activities

In RMB

Item	Amount for the current period	Amount for the prior period
Governmental grants	43,406,417.18	32,578,704.81
Interest income	188,926,813.85	125,145,189.95

Income from safeguarding legal rights	37,208,566.67	18,826,660.47
Receivables and payables and others	25,467,502.38	18,587,427.72
Total	295,009,300.08	195,137,982.95

Descriptions of other cash receipts relating to operating activities:

(2) Other cash payments relating to operating activities

In RMB

Item	Amount for the current period	Amount for the prior period
Payments of various expenses	1,616,249,384.77	1,920,961,411.48
Band service charges	44,365,733.65	16,108,222.86
Accounts current and others	4,092,045.79	58,023,952.39
Total	1,664,707,164.21	1,995,093,586.73

Descriptions of other cash payments relating to operating activities:

(3) Other cash receipts relating to investing activities

In RMB

Item	Amount for the current period	Amount for the prior period
Recovery of bank wealth management products	14,093,790,618.76	5,326,000,000.00
Income from wealth management products	119,290,763.72	34,265,617.23
Income from investments in copyrights where the investor has no copyrights		1,193,136.18
Amount due to/from Happy Money		130,000,000.00
Total	14,213,081,382.48	5,491,458,753.41

Descriptions of other cash receipts relating to investing activities:

(4) Other cash payments relating to investing activities

In RMB

Item	Amount for the current period	Amount for the prior period
Purchase of wealth management products	13,371,990,000.00	8,736,000,000.00
Total	13,371,990,000.00	8,736,000,000.00

Descriptions of other cash payments relating to investing activities:

(5) Other cash payments relating to financing activities

In RMB

Item	Amount for the current period	Amount for the prior period
Lease payment	64,204,383.75	64,826,084.84
Payment of intermediary financing fees		1,000,323.87
Total	64,204,383.75	65,826,408.71

Descriptions of other cash payments relating to financing activities:

52. Supplementary information to the cash flow statement

(1) Supplementary information to the cash flow statement

In RMB

Supplementary information	Amount in the current period	Amount in prior period
1. Reconciliation of net profit to cash flow from operating activities:		

Net profit	1,766,166,803.28	2,114,479,715.08
Add: Provision for impairment losses of assets	167,832,371.04	112,008,261.59
Depreciation of fixed assets, depletion of oil and gas assets, depreciation of bearer biological assets	40,912,200.90	43,223,108.33
Depreciation of right of use assets	65,087,069.79	52,187,591.16
Amortization of intangible assets	5,009,448,361.05	4,791,099,179.27
Amortization of long-term prepaid expenses	30,750,598.75	19,340,593.74
Losses on disposal of fixed assets, intangible assets and other long-term assets (gains are indicated by “-”)	-891,438.70	85,941.70
Losses on retirement of fixed assets (gains are indicated by “-”)	84,224.80	183,897.04
Income from changes in fair value (gains are indicated by “-”)		
Financial expenses (gains are indicated by “-”)	24,359,845.59	7,826,629.92
Investment losses (gains are indicated by “-”)	-132,976,709.08	-37,229,498.93
Decrease in deferred tax assets (increase is indicated by “-”)		
Increase in deferred tax liabilities (decrease is indicated by “-”)		
Decrease in inventories (increase is indicated by “-”)	68,730,203.61	-88,521,247.99
Decrease in receivables from operating activities (increase is indicated by “-”)	-1,261,061,702.77	-1,337,314,454.99
Increase in payables from operating activities (decrease is indicated by “-”)	62,260,204.96	203,751,973.07
Others	-5,289,055,135.23	-5,319,320,806.62
Net cash flows from operating activities	551,646,897.99	561,800,882.37
2. Significant investing and financing activities that do not involve cash receipts and payments:		
Conversion of debt into capital		
Convertible corporate bonds due within 1 year		
Fixed assets under financing lease		
3. Net changes in cash and cash equivalents:		
Closing balance of cash	9,662,326,347.98	6,911,377,914.18
Less: opening balance of cash	6,911,377,914.18	5,314,463,484.01
Add: Closing balance of cash equivalents		
Less: opening balance of cash equivalents		
Net increase in cash and cash equivalents	2,750,948,433.80	1,596,914,430.17

(2) Composition of cash and cash equivalents

In RMB

Item	Closing balance	Opening balance
I. Cash	9,662,326,347.98	6,911,377,914.18
Including: cash on hand	70,509.61	42,803.61
Bank deposit that can be paid at any time	9,639,953,688.75	6,890,884,946.24
Other monetary funds that can be paid at any time	22,302,149.62	20,450,164.33
III. Closing balance of cash and cash equivalents	9,662,326,347.98	6,911,377,914.18

Other descriptions:

RMB22,600,000.00 in the ending bank deposit balance is frozen due to litigation, and the use of an amount of RMB20,888.80 of the security deposit is restricted.

In the closing balance of other monetary funds, the amount of RMB1,742,137.61 using as third-party deposits are restricted to use.

53. Assets with restrictions in ownership or use right

In RMB

Item	Closing balance	Reason for restriction
Cash and bank balances	24,363,026.41	Funds frozen in litigation and security deposit, and third-party platform account security deposit

Notes receivable	1,024,395,661.37	Bill endorsed or discounted before maturity
Total	1,048,758,687.78	

Other descriptions:

54. Foreign currency item

(1) Foreign currency item

In RMB

Item	Closing balance of foreign currency	Exchange rate	Translated balance in RMB at the end of the period
Cash and bank balances			5,565,395.49
Including: USD	798,757.50	6.9646	5,563,026.48
EUR			
HKD	2,651.98	0.8933	2,369.01
Accounts receivable			5,414,529.23
Including: USD	777,435.78	6.9646	5,414,529.23
EUR			
HKD			
Long-term borrowings			
Including: USD			
EUR			
HKD			
Accounts payable	11,988,641.95	6.9646	83,496,095.72

Other descriptions:

(2) Descriptions of overseas operating entities, including disclosure of the main overseas business locations, functional currency and the basis for selection of important overseas operating entities, and the reasons for changes in functional currency (if any)

Applicable N/A

55. Government grants

(1) Basic information of government grants

In RMB

Category	Amount	Line item	Amount included in profit or loss for the current period
Special funds for the development of the cultural industry	8,705,958.32	Other income	8,705,958.32
Youth Mango Night project subsidy	4,599,999.99	Other income	4,599,999.99
Mango Offline Immersive Experience Project	765,957.48	Other income	765,957.48
Happigo Supply Chain Urban Co-Distribution System Project	100,000.00	Other income	100,000.00
“Project Investment Support” for Malanshan investment attraction and industrial development	647,993.65	Other income	647,993.65
Mobile internet industry development special fund	953,333.40	Other income	953,333.40
Special funds for the development of	40,229.22	Other income	40,229.22

the modern logistics			
Guidance funds for provincial-level cultural industry development	333,333.52	Other income	333,333.52
Network audio-visual program quality creation and distribution project	72,000.00	Other income	72,000.00
Special funds for the development of modern services	60,000.00	Other income	60,000.00
The second batch of special funds for modern services development - Mango TV mobile client	20,000.00	Other income	20,000.00
Other	350,048.94	Other income	350,048.94
Mango TV international convergence media communication project	-73,533.32	Other income	-73,533.32
Guidance fund subsidies for cultural business of Hunan Province	284,000.01	Other income	284,000.01
Mango TV smart home page push project	100,000.00	Other income	100,000.00
Mango TV high-tech interactive video creation platform project	30,000.00	Other income	30,000.00
Subsidy and reward funds for cultural industry development	7,900,000.00	Other income	7,900,000.00
Subsidy fund to help enterprises in need and stabilize the economy	7,005,106.00	Other income	7,005,106.00
Project subsidy fund	4,751,509.44	Other income	4,751,509.44
Cultural export incentive	2,000,000.00	Other income	2,000,000.00
Job stabilization subsidy	1,861,986.32	Other income	1,861,986.32
Social security subsidy for enterprises to maintain steady work and production	1,167,382.00	Other income	1,167,382.00
Corporate science and technology innovation team bonus	1,000,000.00	Other income	1,000,000.00
Invention patent award	900,000.00	Other income	900,000.00
Special fund for e-commerce industry development	870,000.00	Other income	870,000.00
Economic development incentive	360,000.00	Other income	360,000.00
Bonus for the 7 th Online Original Audio-visual Program Competition	349,056.60	Other income	349,056.60
Civilization construction Five "One" Project (one good book, one good TV series, one good play, one good film, and one good article)	150,000.00	Other income	150,000.00
Special fund for service outsourcing industry	150,000.00	Other income	150,000.00
One-time training subsidy for staying workers	107,894.99	Other income	107,894.99
Financial support fund	101,000.00	Other income	101,000.00
Corporate development incentive fund	100,000.00	Other income	100,000.00
Other	384,934.66	Other income	384,934.66

(2) Return of government grants

Applicable N/A

Other descriptions:

VIII. Changes in Scope of Consolidation

1. Disposal of subsidiaries

Whether there was any circumstance under which a single disposal of the investment in subsidiaries led to control loss

Yes No

Whether there is a disposal of investment in a subsidiary through multiple transactions by steps with loss of control over the subsidiary in the current period

Yes No

2. Changes in the scope of combination for other reasons

Descriptions of changes in the scope of combination for other reasons (such as establishment of a new subsidiary and liquidation of a subsidiary, etc.) and the relevant information:

Increase in the scope of combination

Company name	Method of acquiring equity	Timepoint of acquiring equity	Subscribed capital contribution	Proportion of contribution
Changsha Xingmang Artist Culture Communications Partnership (Limited Partnership) [Note 1]	Establishment	February 23, 2022	20,000.00	20%
Changsha Xingzhimang Entertainment Media Co., Ltd. [Note 1]	Establishment	March 21, 2022	20,800.00	20.80%
Changsha Xingmang Interactive Entertainment Media Partnership (Limited Partnership) [Note 1]	Establishment	April 7, 2022	9,921,000.00	99.21%
Hunan Immersion Technology Co., Ltd. [Note 2]	Establishment	August 11, 2022	10,000,000.00	100%

[Note 1] Changsha Xingmang Artist Cultural Communications Partnership, Changsha Xingzhimang Entertainment Media Co., Ltd. and Changsha Xingmang Interactive Entertainment Media Partnership (Limited Partnership) have no actual contributions.

[Note 2] The actual contribution by Hunan Immersion Technology Co., Ltd. is RMB2,880,000.00.

IX. Interests in Other Entities

1. Interests in subsidiaries

(1) Composition of enterprise group

Name of subsidiary	Main business place	Registered address	Business nature	Shareholding ratio		Method of acquisition
				Direct	Indirect	
Shanghai Happigo Enterprise Development Co., Ltd.	Shanghai	Shanghai	Commerce		100.00%	Establishment
Shanghai Happivision Advertising Communication Co., Ltd.	Shanghai	Shanghai	Commerce		100.00%	Establishment
Doug Cloud Business (Hunan) Trade Limited Liability Company	Changsha	Changsha	Commerce		100.00%	Establishment
Mango Life (Hunan) E-commerce Limited Liability	Changsha	Changsha	Commerce		100.00%	Establishment

Company						
Happigo (Hunan) Supply Chain Management Co., Ltd.	Changsha	Changsha	Storage		100.00%	Business combination involving enterprises not under common control
Shanghai Meimi Trade Co., Ltd.	Shanghai	Shanghai	Commerce		100.00%	Establishment
Dameiren Global Trading Co., Limited	Shanghai	Hong Kong	Commerce		100.00%	Establishment
Hunan Mango Auto Automobile Sales Co., Ltd.	Changsha	Changsha	Commerce		51.00%	Establishment
Happigo Co., Ltd.	Changsha	Changsha	Commerce	100.00%		Establishment
Hunan Happy Sunshine Interactive Entertainment Media Co., Ltd.	Changsha	Changsha	Video	100.00%		Business combination involving enterprises under common control
Mango Entertainment Co., Ltd	Changsha	Changsha	Film & Television		100.00%	Business combination involving enterprises under common control
Mango Studios Co., Ltd.	Changsha	Changsha	Film & Television		100.00%	Business combination involving enterprises under common control
Shanghai Mangofun Technology Co., Ltd.	Shanghai	Shanghai	Game		100.00%	Business combination involving enterprises under common control
Shanghai EE-Media Co., Ltd.	Shanghai	Shanghai	Film & Television	100.00%		Business combination involving enterprises under common control
Zhejiang Dongyang Tianyu Film and Television Culture Co. Ltd.	Zhejiang	Zhejiang	Film & Television		100.00%	Business combination involving enterprises under common control
Hunan Tianyu Film and Television Production Co. Ltd.	Changsha	Changsha	Film & Television		100.00%	Business combination involving enterprises under common control
Beijing E.E. Media Co., Ltd.	Beijing	Beijing	Music		100.00%	Business combination involving enterprises under common control
Hainan E.E. Media Co., Ltd.	Hainan	Hainan	Culture media		100.00%	Establishment
Beijing Happy Mango Culture Media Co., Ltd.	Beijing	Beijing	Culture media		100.00%	Business combination involving enterprises under common control
Horgos Happy Sunshine Media Co., Ltd.	Horgos	Horgos	Culture media		100.00%	Business combination involving

						enterprises under common control
Hunan Happy Mangofun Technology Co., Ltd.	Changsha	Changsha	Game		100.00%	Business combination involving enterprises under common control
Shanghai Mango Universe Culture and Entertainment Co., Ltd.	Shanghai	Shanghai	Game		100.00%	Establishment
Happy Sunshine Xingmang Interactive Entertainment Media Co., Ltd.	Haikou	Haikou	Commerce		100.00%	Establishment
Happy Sunshine Hongmang Education Technology Co., Ltd.	Changsha	Changsha	Commerce		100.00%	Establishment
Xiaomang Electronic Commerce Co., Ltd.	Changsha	Changsha	Commerce		66.67%	Establishment
Mgtv.com (Hong Kong) Media Company Limited	Hong Kong	Hong Kong	Commerce		100.00%	Establishment
Shenzhen Zhonghe Boao Technology Development Co., Ltd.	Changsha	Shenzhen	Game		100.00%	Business combination involving enterprises not under common control
Hunan Immersion Technology Co., Ltd.	Changsha	Changsha	Advertising		100.00%	Establishment
Changsha Xingmang Artist Culture Communications Partnership	Changsha	Changsha	Commerce		20.00%	Establishment
Changsha Xingzhimang Entertainment Media Co., Ltd. Changsha	Changsha	Changsha	Commerce		20.80%	Establishment
Xingmang Interactive Entertainment Media Partnership (Limited Partnership)	Changsha	Changsha	Commerce		99.21%	Establishment

Descriptions of the difference between the shareholding ratio and the proportion of voting rights in a subsidiary:

Basis for holding half of the voting rights or below but still controlling the investee, and holding over half of the voting right but having no control over the investee:

Basis for controls over significant structured entities included in consolidation scope:

Basis for determining the Company as the agent or the principal:

Other descriptions:

(2) Significant non-wholly owned subsidiaries

In RMB

Name of subsidiary	Shareholding ratio by minority shareholders	Profit or loss attributable to minority interests for the current period	Dividends declared for distribution to minority shareholders for the current period	Closing balance of minority interests
Xiaomang Electronic Commerce Co., Ltd.	33.33%	-51,176,930.92		-67,587,959.40
Hunan Mango Auto Automobile Sales Co., Ltd.	49.00%	-7,582,201.74		23,181,684.10

Descriptions of the difference between the shareholding ratio of minority shareholders and their proportion of voting rights in a subsidiary:

Other descriptions:

(3) Key financial information of significant non-wholly owned subsidiaries

In RMB

Name of subsidiary	Closing balance						Opening balance					
	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities	Current assets	Non-current assets	Total assets	Current liabilities	Non-current liabilities	Total liabilities
Xiaomang Electronic Commerce Co., Ltd.	308,110,516.20	926,595.24	309,037,111.44	511,800,989.65		511,800,989.65	76,397,426.72	380,034.88	76,777,461.60	319,863,306.60		319,863,306.60
Hunan Mango Auto Automobile Sales Co., Ltd.	186,926,763.42	16,193,386.10	203,120,149.52	150,606,200.35	5,204,389.76	155,810,590.11	278,910,162.12	20,051,233.70	298,961,395.82	230,291,484.49	5,886,470.82	236,177,955.31

In RMB

Name of subsidiary	Amount for the current period				Amount for the prior period			
	Operating income	Net profit	Total comprehensive income	Cash flows from operating activities	Operating income	Net profit	Total comprehensive income	Cash flows from operating activities
Xiaomang Electronic Commerce Co., Ltd.	680,133,769.80	-245,678,033.21	-245,678,033.21	200,830,560.22	247,298,093.03	-281,426,107.65	-281,426,107.65	161,993,395.20
Hunan Mango Auto Automobile Sales Co., Ltd.	563,431,427.14	-15,473,881.10	-15,473,881.10	47,962,141.19	1,008,991,707.33	915,674.90	915,674.90	-50,575,124.22

Other descriptions:

2. Changes of shares of owners' equity in subsidiaries but continue to remain control over transactions of subsidiaries

(1) Descriptions of changes in the share of owner's equity in the subsidiary

Name of subsidy	Time of change	Shareholding ratio before change	Shareholding ratio after change
Xiaomang Electronic Commerce Co., Ltd.	June 20, 2022	100.00%	66.67%

(2) Effect of the transaction on the minority interests and the equity attributable to owners of the parent company

In RMB

Acquisition cost/disposal consideration	
--Cash	286,000,000.00
-- Fair value of non-cash assets	
Total acquisition cost/disposal consideration	286,000,000.00
Less: Share in net assets of subsidiaries calculated based on the acquired/disposed shareholding ratio	-16,411,028.49
Difference	302,411,028.49
Including: Adjustment to capital reserves	302,411,028.49
Adjustment to surplus reserves	
Adjustment to undistributed profits	

Other descriptions:

3. Interests in joint ventures or associates

(1) Summary of financial information of insignificant joint ventures and associates

In RMB

	Closing balance/Amount for the current period	Opening balance/Amount for the prior period
Joint ventures		
Total of the following items calculated based on the shareholding ratio		
Associates:		
Total carrying amount of investment	4,123,864.73	23,882,517.37
Total of the following items calculated based on the shareholding ratio		
--Net profit	-2,576,746.69	999,547.86
--Total comprehensive income	-2,576,746.69	999,547.86

Other descriptions:

X. Risks Related to Financial Instruments

The Company's risk management objectives are to achieve a proper balance between risks and yield, minimize the adverse impacts of risks on the Company's operation performance, and maximize the benefits of the shareholders and other stakeholders. Based on these risk management objectives, the Company's basic risk management strategy is to identify and analyze its exposure to various risks, establish an appropriate maximum tolerance to risk, implement risk management, and monitor regularly and effectively these exposures to ensure the risks are monitored at a certain level.

The Company is exposed to various risks associated with financial instruments in its daily routines, primarily including credit risk, liquidity risk and market risk. The management has reviewed and approved policies to manage these risks, summarized as below.

(I) Credit risk

Credit risk refers to the risk that a party of the financial instrument will default on its obligations resulting in financial loss to the counterparty.

1. Management of credit risk

(1) Evaluation of credit

The Company assesses at each balance sheet date whether the credit risk of the underlying financial instruments has increased significantly since initial recognition. In determining whether the credit risk has increased significantly since initial recognition, the Company considers reasonable and supportable information that is available without undue cost or effort, including quantitative and qualitative analysis based on historical data, ranking of external credit risks and forward-looking information. The Company compares the risk of a default occurring on a financial instrument as at the balance sheet date with the risk of a default occurring on the financial instrument as at the date of initial recognition based on individual financial instrument or a group of financial instruments with similar credit risk characteristic, to determine the change of the risk of a default occurring on a financial instrument over the expected life.

The Company considers the credit risk of financial instruments has increased significantly when one or more of the following quantitative and qualitative criteria are met:

1) The quantitative criterion primarily refers to a certain percentage of increase in the probability of default over the remaining life of the financial instruments as of the balance sheet date when comparing with that at initial recognition of the financial instruments;

2) The qualitative criteria include, inter alia, adverse material changes in business or financial conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations, and an actual or expected significant adverse change in the technological, market, economic, or legal environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations;

(2) Definition of defaulted or credit-impaired assets

A financial asset is defined as defaulted when the financial instrument meets one or more conditions stated as below, and the criteria of defining defaulted asset is consistent with the that of defining credit-impaired asset:

- 1) significant financial difficulty of the debtor;
- 2) a breach of contract terms with binding force by the debtor;
- 3) it is becoming probable that the borrower will enter bankruptcy or other financial reorganization;
- 4) the creditor of the debtor, for economic or contractual reasons relating to the debtor's financial difficulty, has granted to the debtor a concession(s) that the creditor would not otherwise consider.

2. Measurement of expected credit loss ("ECL")

Key parameters to measure ECL include the probability of default, loss given default and the exposure at default. The Company established models of the probability of default, loss given default and the exposure at default on the basis of qualitative analysis on historical statistical data (such as counterparty ranking, guarantee methods, collateral category, and repayment way) and forward-

looking information.

3. Details of reconciliation of the opening balance and the closing balance of provision for impairment of financial instruments can be referred to in Note VII (4), VII (7) and VII (9) to the financial statements hereof.

4. Credit risk exposure and credit risk concentration

The Company's credit risk is primarily from cash and bank balances and receivables. In order to control the risks associated with aforementioned items, the Company has taken the following measures.

(1) Cash and bank balances

The credit risk of the Company is limited because the Company has deposited bank deposits and other monetary funds in banks with high credit ratings.

(2) Receivables

The Company continually evaluates the creditworthiness of its customers with deals on credit, and selects to deal with approved and creditworthy customers subject to the results of the credit assessment with monitoring the balance of its receivables, so as to ensure that the Company is not exposed to significant risk of bad debt.

No collateral is required since the Company only deals with third parties that are approved and creditworthy. The concentrated credit risks are managed by customers. As of December 31, 2022, the Company is exposed to certain concentration of credit risks, as the Company's accounts receivable from top 5 customers have accounted for 36.71% of the total balance of accounts receivable (December 31, 2021: 53.39%). The Company held no collateral or other credit ranking measures for the balance of accounts receivable.

The maximum exposure to the Company is the carrying amount of each financial asset in the balance sheet.

(II) Liquidity risk

Liquidity risk refer to the risk that the Company is in shortage of funds in performing obligations that are settled by delivering cash or another financial asset.

In order to control this risk, the Company balances the continuity and flexibility of financing by using various financing measures such as notes settlement and bank loans comprehensively and adopting both long-term and short-term financing methods to optimize the financing structure. The Company has received credit facilities from a number of commercial banks to satisfy its working capital requirements and capital expenditures.

Financial liabilities classified by remaining maturity

Item	Closing balance				
	Carrying amount	Undiscounted contract amount	Within 1 year	1-3 years	Over 3 years
Bank borrowings	1,057,932,476.80	1,058,796,992.31	1,058,796,992.31		
Notes payable	1,641,001,844.25	1,641,001,844.25	1,641,001,844.25		
Accounts payable	4,836,096,826.84	4,836,096,826.84	4,836,096,826.84		
Other payables	130,945,241.48	130,945,241.48	130,945,241.48		
Lease liabilities (including those due within one year)	182,698,775.84	202,746,787.27	59,391,064.82	78,056,864.66	65,298,857.79
Sub-total	7,848,675,165.21	7,869,587,692.15	7,726,231,969.70	78,056,864.66	65,298,857.79

(Continued to above table)

Item	Balance at the end of last year				
	Carrying amount	Undiscounted contract amount	Within 1 year	1-3 years	Over 3 years
Bank borrowings	39,786,903.37	41,628,749.86	41,628,749.86		
Notes payable	921,504,704.91	921,504,704.91	921,504,704.91		
Accounts payable	4,960,935,241.83	4,960,935,241.83	4,960,935,241.83		
Other payables	149,086,160.61	149,086,160.61	149,086,160.61		

Other current liabilities	210,748,000.00	210,748,000.00	210,748,000.00		
Lease liabilities (including those due within one year)	212,742,184.54	237,923,303.74	44,757,856.68	113,422,811.81	79,742,635.25
Sub-total	6,494,803,195.26	6,521,826,160.95	6,328,660,713.89	113,422,811.81	79,742,635.25

(III) Market risk

Market risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk mainly includes interest rate risk and currency risk.

1. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Since the Company's borrowings are at fixed interest rates, fluctuations in interest rates of borrowings will not have a material impact on the Company's total profits or shareholders' equity.

2. Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Since the Company mainly operates in Mainland China with its principal activities denominated in RMB, its exposure to the currency risk due to changes in market is not material.

The closing balance of the Company's monetary assets and liabilities dominated in foreign currencies can be referred to in Note VII (54) to the financial statements hereof.

XI. Disclosure of Fair Value**1. Closing balance of the fair value of assets and liabilities measured at fair value**

In RMB

Item	Closing balance of fair value			
	Level 1	Level 2	Level 3	Total
I. Continuous fair value measurement	--	--	--	--
(I) Held-for-trading financial assets		2,695,000,000.00		2,695,000,000.00
1. Financial assets at fair value through profit or loss		2,695,000,000.00		2,695,000,000.00
(3) Derivative financial assets		2,695,000,000.00		2,695,000,000.00
(II) Receivables financing			48,185,442.19	48,185,442.19
Total assets continuously measured at fair value		2,695,000,000.00	48,185,442.19	2,743,185,442.19
II. Non-continuous fair value measurement	--	--	--	--

2. Valuation techniques and qualitative and quantitative information of key parameters adopted for continuous and non-continuous level 2 fair value measurement items

With respect to held-for-trading financial assets with similar products quotation in an active market, the fair value of them shall be determined by the quotation of such similar products in the active market.

3. Valuation techniques and qualitative and quantitative information of key parameters adopted for continuous and non-continuous level 3 fair value measurement items

The Company's receivables financing refers to the bank acceptances accepted by commercial banks with higher credit rating, without quotation in the active market. The cost thereof represents the best estimate of fair value.

XII. Related Parties and Related Party Transactions

1. Parent company of the Company

Name of the parent company	Registered address	Business nature	Registered capital	Proportion of the Company's ownership interest held by the parent company (%)	Proportion of the Company's voting right held by the parent company(%)
Mango Media Co., Ltd.	PRC	Planning, production and operation of radio and television programs; asset management and investment subject to laws and regulations; advertising planning, production and operation;	2,050,000,000.00	56.09%	56.09%

Descriptions of the Company's parent company

Mango Media Co., Ltd., which holds 56.09% of the shares in the Company, was established on July 10, 2007 with a registered capital of RMB2,050,000,000 and registered address and principal place of business in Golden Eagle Studio Culture City in Kaifu District, Changsha City. GBS holds 100% shares in Mango Media Co., Ltd. Mango Media Co., Ltd. is mainly engaged in planning, production and operation of radio and television programs; investment in culture, sports, entertainment, media, science and technology, internet and other industries with self-owned funds (not allowed to engage in activities under national financial supervision and financial credit businesses such as deposit absorption, fund raising and collection, entrusted loan, bill issuance, loan issuance, etc.); advertising planning, production and operation; and multimedia technology development and management.

The ultimate controlling party of the Company is Hunan State-owned Cultural Assets Supervision and Administration Commission.

Other descriptions:

2. Subsidiaries of the Company

For details of the subsidiaries of the Company, see the descriptions in the accompanying Note VII.

3. Associates and joint ventures of the Company

For details of the significant joint ventures or associates of the Company, see the descriptions in the accompanying Note VII.

The details of other joint ventures or associates having related party transactions and balances with the Company in the current period or prior periods are presented as follows:

Name of joint venture or associate	Relationship with the Company
Shanghai Mama Mia Mutual Entertainment Network Technology Co., Ltd.	Associates

Tianjin Sunshine Meichuang Technology Co., Ltd.	Associates
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Other descriptions:

4. Other related parties of the Company

Name of other related party	Relationship between other related party and the Company
Hunan Broadcasting System Satellite TV Channel	Controlled by the same actual controller
Hunan EE Advertising Co., Ltd.	Controlled by the same actual controller
Yunhong Communication Technology (Guangzhou) Co., Ltd.	Controlled by the same actual controller
GBS [Note 2]	Controlled by the same actual controller
Subsidiaries of GBS [Note 3]	Controlled by the same actual controller
Hunan Broadcasting System	Controlled by the same actual controller
Subsidiaries of Hunan Broadcasting System [Note 4]	Controlled by the same actual controller
Subsidiaries of Hunan TV & Broadcast Intermediary Co., Ltd. (excluding Yunhong) [Note 5]	Controlled by the same actual controller
Subsidiaries of Mango Media Co., Ltd. [Note 6]	Controlled by the same actual controller
Xiao Xiang Film Group Co., Ltd. [Note 7]	Controlled by the same actual controller
MIGU Culture Technology Co., Ltd. [Note 8]	Company materially affected by the key officers

Other descriptions

[Note 1] Yunhong Communication Technology (Guangzhou) Co., Ltd. comprises Beijing Yunhong Wanhao Advertising Co., Ltd. and Shanghai Yunhong Advertising Co., Ltd.

[Note 2] GBS comprises Hunan Radio, Film and Television Group Satellite TV Channel Branch

[Note 3] The subsidiaries of GBS include Hunan Fengmang Media Co., Ltd., Hunan Public Media Co., Ltd., Hunan Economic TV Malanshan Media Co., Ltd., Hunan Malanshanshang Media Co., Ltd., Golden Light Culture Co., Ltd., Hunan Golden Bee Audio & Visual Publishing House Co., Ltd., Changsha Mango Cinema Student Branch Co., Ltd., Hunan Innovation Entertainment Media Co., Ltd., Hunan TV Drama Media Co., Ltd., Hunan Broadcasting and Television Logistics Management Service Co., Ltd., Hunan Xiangguang Property Management Co., Ltd., Hunan Broadcasting International Media Co., Ltd., Hunan International Exhibition Center Co., Ltd., Hunan International Convention and Exhibition Center Co., Ltd., Hunan International Convention and Exhibition Management Center Co., Ltd., Letian Entertainment (Hunan) Co., Ltd., Hunan Happy Avant Garde Media Co., Ltd., Hunan Happy Avant Garde Tea Culture Media Co., Ltd., Hunan Happy Fishing Development Co., Ltd., Shenzhen Jiuzhitianxia Technology Co., Ltd., and Hunan Pingan Fairy Media Co., Ltd.

[Note 5] The subsidiaries of Hunan TV & Broadcast Intermediary Co., Ltd. include Hunan Jinyingcheng Real Estate Co., Ltd., Hunan Saint Tropez Investment Co., Ltd., Shanghai Jiyou Network Technology Co., Ltd., Changsha Colorful World Co., Ltd., and Hunan Mango Travel Investment Co. Ltd.

[Note 6] Mango Media Co., Ltd. and its subsidiaries comprise] Mango Media Co., Ltd., Hunan Mango Vision Technology Co., Ltd., Hunan Happy Money Microfinance Co., Ltd., Golden Eagle Broadcasting System Co., Ltd. and Hunan Pingan Little Fairy Cultural Development Co., Ltd.

[Note 7] Xiaoxiang Film Group Co., Ltd. comprises Hunan Dangran Film Co., Ltd., Hunan Xiaoying Interactive Entertainment Media Co., Ltd., and Hunan Xiaoying Cultural Industry Investment Co., Ltd.

[Note 8] MIGU Culture Technology Co., Ltd. comprises MIGU Video Technology Co., Ltd., MIGU Xinkong Cultural Technology (Xiamen) Co., Ltd., MIGU Digital Media Co., Ltd., MIGU Music Co., Ltd. and MIGU Interactive Entertainment Co., Ltd.

5. Related party transactions

(1) Sales and purchase of goods, and rendering and receipt of services

Statement of purchase of goods/ receipt of services

In RMB

Related parties	Details of related party transactions	Amount for the current period	Transaction quota approved	Whether exceeding the approved transaction amount	Amount for the prior period
Yunhong Communication Technology (Guangzhou) Co., Ltd	Advertising agency	185,263,301.58	233,120,000.00	No	209,219,140.92
Hunan Broadcasting System	Value added share of operators, brand license and program usage fee	1,674,491.61	4,000,000.00	No	3,805,031.40
Subsidiaries of Hunan Broadcasting System	Publicity and promotion, artist agency, program production, venue exhibition and supporting services, purchase of goods, and advertising agency	526,415.09	3,100,000.00	No	68,743,054.93
Hunan Broadcasting System Satellite TV Channel	Publicity and promotion, artist agency, accepting services and copyrights			No	1,724,905.65
Shanghai Mama Mia Mutual Entertainment Network Technology Co., Ltd.	Merchandise sales and supplier charges	547,062.50		Yes	1,360,895.71
MIGU Culture Technology Co., Ltd.	Bandwidth, copyright purchase, advertising fee and goods purchase	58,600,167.19	83,340,000.00	No	36,872,709.67
Hunan Broadcasting and Film Group Co., Ltd.	Purchase of copyrights, operator sharing, publicity and promotion, and advertising agency	550,699,612.49	660,000,000.00	No	732,959,163.69
Subsidiaries of Hunan TV & Broadcast Intermediary Co., Ltd.	Operator sharing, board and lodging expenses, purchase of goods and site expenses	7,748,967.46	8,500,000.00	No	12,498,312.87
Mango Media Co., Ltd. and subsidiaries	Artist agency, technical and labor costs	12,128,629.83	7,270,000.00	Yes	24,809,356.57
Hunan EE Advertising Co., Ltd.	Advertising agency, internet access cooperation fees	2,698,445.39	97,360,000.00	No	77,336,094.65
Xiao Xiang Film Group Co., Ltd.	Copyright purchase	158,491,887.45	2,000,000.00	Yes	1,769,911.50
Subsidiaries of GBS	Commodity purchase, program production, publicity and promotion, copyright purchase, and advertising agency service	79,745,561.94	36,000,000.00	Yes	

Statement of sales of goods/rendering of services

In RMB

Related parties	Details of related party transactions	Amount for the current period	Amount for the prior period
Yunhong Communication Technology (Guangzhou) Co., Ltd	Advertising	804,836,021.38	765,968,272.87
Hunan Broadcasting and Film Group Co., Ltd.	Advertising, release income, publicity and promotion	775,519,960.53	1,684,145,199.13
Hunan Broadcasting System	Advertising, release income, and sales of goods	1,694,883.18	619,469.03
Hunan Broadcasting System Satellite TV Channel	Release income and rendering of services		3,069,701.06
Subsidiaries of Hunan Broadcasting System	Advertising, artist income, derivatives business and sales of goods	3,303,257.24	5,961,199.88
Shanghai Mama Mia Mutual Entertainment Network Technology Co., Ltd.	Sales of goods and supplier charge	642,662.54	146,432.71
MIGU Culture Technology Co., Ltd.	Operator income, advertising, membership rights and interests, derivative sales, and commodity sales	2,166,512,518.08	1,650,532,231.02
Hunan EE Advertising Co., Ltd.	Advertising and commodity sales	29,240,355.34	673,438,735.02
Mango Media Co., Ltd. and its subsidiaries	Artist income, merchandise sales, and distribution income	1,422,806.62	156,799,987.36
Xiaoxiang Film Group Co., Ltd.	Copyright transfer	2,005,001.63	185,238.06
Subsidiaries of GBS	Artist income, copyright sales, publicity and promotion, advertising, and commodity sales	19,313,027.94	
Subsidiaries of Hunan TV & Broadcast Intermediary Co., Ltd.	Program production cost	377,358.80	

Descriptions of related party transactions with respect to the sales and purchase of goods, as well as rendering and receipt of services

(2) Related leases

The Company as the lessor:

In RMB

Name of lessee	Category of leased assets	Lease income recognized in the current period	Lease income recognized in the prior period
Mango Media Co., Ltd. and its subsidiaries	Lease and property management	150,000.00	561,203.27
Hunan Broadcasting System and its subsidiaries	Lease and property management		4,052,832.85

The Company as the lessee:

In RMB

Lessor	Category of leased	Expenses related to short-term leases and low-	Variable lease payments through profit or loss not	Paid rent	Assumed interest expenses of lease liabilities	Added use right assets
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	assets	value assets leases subject to simplified treatment, if any		included in the measurement of lease liabilities, if any							
		Amount for the current period	Amount for the prior period	Amount for the current period	Amount for the prior period	Amount for the current period	Amount for the prior period	Amount for the current period	Amount for the prior period	Amount for the current period	Amount for the prior period
Subsidiaries of GBS	Buildings					20,948,243.47		3,301,840.93		3,361,745.10	
Subsidiaries of Hunan Broadcasting System	Buildings						30,072,694.74	559,675.42	2,293,526.45	64,564.85	
Subsidiaries of Hunan TV & Broadcast Intermediary Co., Ltd.	Buildings					11,096,465.56	7,058,274.13	771,933.97	566,308.07	10,308,541.44	

(3) Compensation for key management

In RMB

Item	Amount for the current period	Amount for the prior period
Compensation for key management personnel	34,612,300.00	28,980,000.00

6. Receivables from and payables to related parties**(1) Accounts receivable**

In RMB

Item	Related parties	Closing balance		Opening balance	
		Gross carrying amount	Provisions for bad debts	Gross carrying amount	Provisions for bad debts
Accounts receivable	GBS	561,086,053.15		1,039,093,242.60	
Accounts receivable	Subsidiaries of GBS	990,081.81			
Accounts receivable	Tianjin Sunshine Meichuang Technology Co., Ltd.	766,557.10	766,557.10	766,557.10	766,557.10
Accounts	Tianjin Sunshine	104,970,272.61		33,794,156.81	

receivable	Meichuang Technology Co., Ltd.				
Accounts receivable	MIGU Culture Technology Co., Ltd.	435,996,686.27	21,941,878.57	283,182,835.10	14,159,141.76
Accounts receivable	Subsidiaries of Hunan TV & Broadcast Intermediary Co., Ltd.	4,503.00		4,503.00	
Accounts receivable	Subsidiaries of Hunan Broadcasting System	7,313,220.54		7,618,619.30	
Accounts receivable	Hunan EE Advertising Co., Ltd.	273,927,032.36		347,838,043.25	
Accounts receivable	Mango Media Co., Ltd. and its subsidiaries	462,381.60		348,640.12	
Accounts receivable	Shanghai Mama Mia Mutual Entertainment Network Technology Co., Ltd.	8,310.60	831.06	8,310.60	415.53
Accounts receivable	Xiaoxiang Film Group Co., Ltd.	331,400.00		186,352.35	
Subtotal		1,385,856,499.04	22,709,266.73	1,712,841,260.23	14,926,114.39
Notes receivable	GBS			12,000,000.00	
Notes receivable	MIGU Culture Technology Co., Ltd.	1,371,194,442.95		661,742,339.23	
Notes receivable	Yunhong Communication Technology (Guangzhou) Co., Ltd	50,000,000.00			
Subtotal		1,421,194,442.95		673,742,339.23	
Receivable financing	Hunan EE Advertising Co., Ltd.			12,000,000.00	
Receivable financing	GBS	30,300,000.00		43,200,000.00	
Subtotal		30,300,000.00		55,200,000.00	
Prepayments	Subsidiaries of Hunan TV & Broadcast Intermediary Co., Ltd.	3,568.00		160,628.95	
Prepayments	Subsidiaries of Hunan Broadcasting System			2,515,982.48	
Prepayments	Tianjin Sunshine Meichuang	6,014,723.96	6,014,723.96	6,014,723.96	6,014,723.96

	Technology Co., Ltd.				
Prepayments	GBS			2,264.15	
Prepayments	Subsidiaries of GBS	2,617,385.23			
Prepayments	Shanghai Mama Mia Mutual Entertainment Network Technology Co., Ltd.	13,399.99		13,399.99	
Prepayments	Mango Media Co., Ltd. and its subsidiaries	26,493.58		23,893.82	
Subtotal		8,675,570.76	6,014,723.96	8,730,893.35	6,014,723.96
Other receivables	Subsidiaries of Hunan Broadcasting System	756,045.00		1,761,126.00	
Other receivables	Subsidiaries of Hunan TV & Broadcast Intermediary Co., Ltd.	1,214,941.00		1,412,441.00	
Other receivables	Shanghai Mama Mia Mutual Entertainment Network Technology Co., Ltd.	2,329,764.69	2,329,764.69	2,629,764.69	2,629,764.69
Other receivables	GBS			100,000.00	
Other receivables	Subsidiaries of GBS	1,005,081.00			
Other receivables	Mango Media Co., Ltd. and its subsidiaries	928,917.89		921,193.47	
Other receivables	Hunan Broadcasting System	30,000.00		30,000.00	
Other receivables	Xiaoxiang Film Group Co., Ltd.			50,822.65	
Subtotal		6,264,749.58	2,329,764.69	6,905,347.81	2,629,764.69
Contract assets	MIGU Culture Technology Co., Ltd.	530,029,532.96		520,037,950.51	
Subtotal		530,029,532.96		520,037,950.51	
Other current assets	Hunan EE Advertising Co., Ltd.			707,547.16	
Subtotal				707,547.16	

(2) Accounts payable

In RMB

Item	Related parties	Gross carrying amount at the end of the period	Gross carrying amount at the beginning of the period
Accounts receivable	Yunhong Communication	230,784,237.63	237,264,113.11

	Technology (Guangzhou) Co., Ltd		
Accounts receivable	Hunan Broadcasting System	7,601,886.80	20,290,566.05
Accounts receivable	GBS	88,018,798.37	97,676,655.77
Accounts receivable	Subsidiaries of GBS	3,474,774.03	
Accounts receivable	Shanghai Mama Mia Mutual Entertainment Network Technology Co., Ltd.	359,769.40	61,546.13
Accounts receivable	Tianjin Sunshine Meichuang Technology Co., Ltd.		24,449.42
Accounts receivable	MIGU Culture Technology Co., Ltd.	41,206,169.39	13,758,167.93
Accounts receivable	Subsidiaries of Hunan TV & Broadcast Intermediary Co., Ltd.	22,000.30	76,946.59
Accounts receivable	Subsidiaries of Hunan Broadcasting System		9,404,343.82
Accounts receivable	Mango Media Co., Ltd. and its subsidiaries	78,421.84	1,055,662.29
Accounts receivable	Hunan EE Advertising Co., Ltd.	132,483,303.41	169,921,580.33
Accounts receivable	Xiaoxiang Film Group Co., Ltd.	47,548,491.26	
Subtotal		551,577,852.43	549,534,031.44
Contract liabilities	Hunan Broadcasting System	1,886,792.45	1,886,792.45
Contract liabilities	MIGU Culture Technology Co., Ltd.	3,628,680.18	2,907,212.61
Contract liabilities	Subsidiaries of Hunan TV & Broadcast Intermediary Co., Ltd.		1,573,712.60
Contract liabilities	Hunan EE Advertising Co., Ltd.	188,679.25	358,490.58
Contract liabilities	Mango Media Co., Ltd. and its subsidiaries		31,720.00
Contract liabilities	Subsidiaries of GBS	1,296,394.11	
Contract liabilities	Xiaoxiang Film Group Co., Ltd.	15,860.00	
Contract liabilities	Yunhong Communication Technology (Guangzhou) Co., Ltd	188,452.84	
Subtotal		7,204,858.83	6,757,928.24
Other payables	Subsidiaries of Hunan TV & Broadcast Intermediary Co., Ltd.	88,384.49	903,112.55
Other payables	Hunan Broadcasting System	5,667.77	172,249.06
Other payables	Mango Media Co., Ltd. and its subsidiaries	15,801,134.25	3,798,949.15
Other payables	Subsidiaries of Hunan Broadcasting System	2,373,786.45	5,168,933.76
Other payables	GBS	28,051.10	
Other payables	Subsidiaries of GBS	3,542,568.71	
Other payables	MIGU Culture Technology Co., Ltd.	3,000.00	
Subtotal		21,842,592.77	10,043,244.52
Other current liabilities	Subsidiaries of Hunan TV & Broadcast Intermediary Co., Ltd.		5,595,825.03
Other current liabilities	Hunan Broadcasting System	113,207.55	
Other current liabilities	Subsidiaries of Hunan Broadcasting System		12,506,214.32
Other current liabilities	MIGU Culture Technology Co., Ltd.		210,754,333.88
Other current liabilities	Hunan EE Advertising Co., Ltd.	11,320.75	
Subtotal		124,528.30	228,856,373.23
Non-current liabilities due within one year	Subsidiaries of Hunan TV & Broadcast Intermediary Co., Ltd.	9,902,766.53	8,952,558.55
Non-current liabilities due within one year	Subsidiaries of Hunan Broadcasting System		11,062,016.76

Non-current liabilities due within one year	Subsidiaries of GBS	18,456,135.43	
Subtotal		28,358,901.96	20,014,575.31
Lease liabilities	Subsidiaries of Hunan TV & Broadcast Intermediary Co., Ltd.	5,835,350.63	11,051,946.09
Lease liabilities	Subsidiaries of Hunan Broadcasting System	14,791,685.46	60,992,717.01
Lease liabilities	Subsidiaries of GBS	44,407,335.14	
Subtotal		65,034,371.23	72,044,663.10

XIII. Share-Based Payment

1. Overview of shared-based payment

Applicable N/A

2. Equity-settled share-based payment

Applicable N/A

XIV. Commitments and Contingencies

1. Significant commitment

Significant commitments as of the balance sheet date

(1) Commitment to payments for internet access cooperation

In RMB0'000

Payments for internet access cooperation	Closing balance	Opening balance
The 1st year subsequent to the balance sheet date	2,439.67	2,329.72
Total	2,439.67	2,329.72

Payments for internet access cooperation are charges for use that should be paid by the Company in each relevant agreement period subject to agreements concluded by the Happigo and each local TV station with cooperation.

(2) Copyright purchase commitment

In RMB0'000

Copyright purchase agreements	Closing balance	Opening balance
The 1st year subsequent to the balance sheet date	54,571.00	54,571.00
The 2nd year subsequent to the balance sheet date	54,571.00	54,571.00
The 3rd year subsequent to the balance sheet date	54,571.00	54,571.00
Subsequent periods		54,571.00
Total	163,713.00	218,284.00

Copyright purchase agreements are concluded by and between Happy Sunshine and Hunan Broadcasting and Film Group Co., Ltd. for considerations that should be paid by the Company to purchase copyrights in each relevant agreement period.

2. Contingencies

(1) Significant contingencies as of the balance sheet date

1. Beijing Guolong Film Investment Co., Ltd.(hereinafter referred to as “Guolong”) is a debtor to Lead Capital Management Co., Ltd. (hereinafter referred to as “Lead Capital”), and Happy Sunshine purchased the exclusive information network dissemination right for the TV series “If Paris Downcast” from Guolong at a total licensing fee of RMB74.4 million. Happy

Sunshine has already made the down payment of 22.32 million. As Guolong has not fully delivered the copyright chain of the works, Happy Sunshine has not made the remaining two payments of RMB 52.08 million in total. In August 2019, Lead Capital filed a subrogation lawsuit against Happy Sunshine with Changsha Intermediate People's Court, requesting Happy Sunshine to settle the payment and liquidated damages of approximately RMB20,461,100 to Lead Capital on behalf of Guolong. During the litigation, Lead Capital applied with the Changsha Intermediate People's Court for property preservation, as a result of which RMB21 million in the account opened at the Business Department of CZBank Changsha Branch under the name of Happy Sunshine. Happy Sunshine sued Guolong in a separate case on the grounds that Guolong failed to fulfill the main obligations under the contract, requesting the termination of the copyright procurement contract. In the ruling in effect, it is found that the copyright procurement contract for "If Paris Downcast" should be terminated, Guolong should pay liquidated damages of RMB 2.98 million to Happy Sunshine, and the amount of the royalty to be paid by Happy Sunshine to Guolong should be tried in a separate case.

The subrogation case of Lead Capital v. Sunshine was heard by the Hunan Provincial Higher People's Court as the court of second instance. As Guolong, a key party in the case, was ruled bankrupt during the second instance, the trial of the case was suspended.

2. A dispute arose between Shandong Yuquan Tianyuan Agricultural Comprehensive Development Co., Ltd. (hereinafter referred to as "Shandong Yuquan") and Shanghai Mangofun Technology Co., Ltd. (hereinafter referred to as "Mangofun") due to their cooperation in the "Happy Mango" offline experience park, trademark licensing and other matters. Shandong Yuquan sued Mangofun at the People's Court of Lanshan District, Linyi City, Shandong Province, requesting an order to rescind the "Happy Mango" experience park cooperation agreement, where Mangofun should compensate Shandong Yuquan for an economic loss of RMB6,809,800, and applied to the People's Court of Lanshan District for property preservation in the litigation, freezing RMB1.6 million in the China Merchants Bank account under the name of Mangofun. Mangofun filed a counterclaim, requesting an order to rescind the "Happy Mango" experience park cooperation agreement, where Shandong Yuquan should pay Mangofun a brand usage fee and liquidated damages of RMB13.006 million in total. According to the first-instance judgment made by the People's Court of Lanshan District, Shandong Yuquan should pay Mangofun RMB1.7 million, and Mangofun should pay Shandong Yuquan RMB512,116 and a preservation fee of RMB5,000. Now the case has been appealed to the Lanshan Municipal Intermediate People's Court. The result is subject to the court judgment.

3. Guangzhou Tuoying Culture Communications Co., Ltd. (hereinafter referred to as "Guangzhou Tuoying") sued Protium Deuterium Tritium (Guangzhou) Industrial Operation and Management Co., Ltd. (hereinafter referred to as "Protium Deuterium Tritium") at the People's Court of Tianhe District, Guangzhou in April 2022, claiming that Protium Deuterium Tritium failed to pay Guangzhou Tuoying Company for the stage setting and stage construction costs for the third and fourth episodes of the "Great Escape 2" so that Protium Deuterium Tritium should pay RMB3.7004 million to Guangzhou Tuoying; Guangzhou Tuoying also sued Happy Sunshine for its failure to broadcast the program and pay the corresponding fund to Protium Deuterium Tritium, holding that Happy Sunshine should be jointly and severally liable for compensation. As Happy Sunshine held that Protium Deuterium Tritium failed to pay for advertising, Happy Sunshine failed to pay the production fee to Protium Deuterium Tritium and has already delivered a debt offset notice to Protium Deuterium Tritium. The hearing of the case has been started for decision.

(2) Please make corresponding clarification if the Company has no significant contingency to be disclosed

The Company has no significant contingencies to be disclosed.

XV. Events Subsequent to the Balance Sheet Date

1. Profit distribution

	In RMB
Profits or dividends to be distributed	243,193,705.95
Profits or dividends declared for distribution after being approved	243,193,705.95

XVI. Other Significant Events

1. Debt structuring

The Company as the creditor

Debt restructuring form	Book value of creditor's rights	Loss and income related to debt restructuring	Increase in equity investment in a joint venture or joint operation enterprise arising from debt restructuring	Proportion of equity investment in total shares in a joint venture or joint operation enterprise
Debts settled with assets	67,089,845.29	27,219,600.00		

2. Segment information

(1) Determination basis and accounting policies of reporting segments

The Company has established four reporting segments being Mango TV Internet video business, new media interactive entertainment content production, content e-business and others, which are divided based on its internal organizational structure, management requirements, and inner reporting system, among others, in light of the industry and product actuality. The reporting information on each segment is disclosed according to the accounting policies and measurement standards adopted thereby when reporting to the management, the measurement bases of which are in line with the accounting and measurement bases for the preparation of the financial statements.

(2) Financial information of reporting segments

In RMB

Item	Mango TV Internet Video Business	New media interactive entertainment content production and operation	Content E-business	Others	Inter-segment offset	Total
Income from principal operating activities	10,417,661,860.99	1,118,058,249.34	2,136,369,043.68	16,292,021.76		13,688,381,175.77
Cost of principal operating activities	6,135,708,871.91	903,918,572.35	1,999,701,035.45	14,003,554.74		9,053,332,034.45

(3) If the Company has no reporting segment or is unable to disclose total assets and liabilities of each reporting segment, please give the reason therefor

Happy Sunshine, a subsidiary of the Company, engages in business involving three segments i.e. Mango TV Internet video, new media interactive entertainment content production and operation, and content e-commerce, the total assets and liabilities of each reporting segment of whom cannot be disclosed as its assets and liabilities cannot be divided according to the reporting segments.

3. Others

1. The Company as the lessee

(1) For the relevant information of use right assets, see Note VII (14) to the financial statements hereof.

(2) Current profit or loss and cash flow related to leasing

Item	Current amount	Amount in the same period last year
Interest expenditure on lease liabilities	9,301,906.56	5,819,271.54
Income from the sublease of right-of-use assets	7,990,890.37	9,341,266.04
Total lease-related cash outflow	64,204,383.75	64,826,084.84

(3) For the maturity analysis of lease liabilities and the corresponding liquidity risk management, see Note X to the financial statements hereof.

2. The Company as the lessor

Operating lease

(1) Lease income

Item	Current amount	Amount in the same period last year
Lease income	11,353,234.87	19,143,126.43

(2) Operating lease assets

Item	Closing balance (in RMB)	Amount in the same period last year
Fixed assets	22,747,860.63	34,070,036.19
Use right assets	4,732,738.24	6,884,092.38
Investment properties	50,786,391.83	
Sub-total	78,266,990.70	40,954,128.57

For details of fixed assets leased out for operation, see Note VII (13) to the financial statements hereof.

(3) Undiscounted lease receipts to be received for lease in the future

Remaining term	Closing balance (in RMB)	Amount in the same period last year
Within 1 year	10,623,126.18	15,399,807.10
1-2 years	11,238,554.40	13,592,258.70
2-3 years	9,883,531.00	12,598,737.80
3-4 years	8,326,777.08	10,176,167.90
4-5 years	6,061,978.71	8,561,441.20
Over 5 years	5,370,943.39	11,423,322.10
Total	51,504,910.76	71,751,734.80

XVII. Notes to Main Items in the Financial Statements of the Parent Company

1. Other receivables

In RMB

Item	Closing balance	Opening balance
Dividends receivable	300,000,000.00	250,000,000.00
Other receivables	80,020,000.00	80,099,116.90
Total	380,020,000.00	330,099,116.90

(1) Dividends receivable**1) Classification of dividends receivable**

In RMB

Project (or investee)	Closing balance	Opening balance
Happy Sunshine	300,000,000.00	250,000,000.00
Total	300,000,000.00	250,000,000.00

2) Provision for bad debts Applicable N/A

Other descriptions:

(2) Other receivables**1) Classification of other receivables by nature**

In RMB

Nature	Gross carrying amount at the end of the period	Gross carrying amount at the beginning of the period
Petty cash		100,118.08
Amount due to or from related parties within the scope of consolidation	80,020,000.00	80,000,000.00
Total	80,020,000.00	80,100,118.08

2) Provision for bad debts

In RMB

Provisions for bad debts	Stage I	Stage II	Stage III	Total
	Future 12-month ECL	Lifetime ECL (without credit impairment)	Lifetime ECL (with credit impairment)	
Balance as at January 1, 2022	1,001.18			1,001.18
Balance as at January 1, 2022 in the current period				
Current provision	-1,001.18			-1,001.18
Balance as at December 31, 2022	0.00			0.00

Changes in book balance whose loss allowance changed significantly in the current period

 Applicable N/A

Disclosure by aging

In RMB

Aging	Closing balance
Within 1 year (inclusive)	20,000.00

Over 3 years	80,000,000.00
3-4 years	80,000,000.00
Total	80,020,000.00

3) Provisions, recovery or reversal of bad debts for the period

Provision for bad debts made for the current period:

In RMB

Category	Opening balance	Changes for the current period				Closing balance
		Provision	Recovery or reversal	Write-off	Others	
Aging group		1,001.18				1,001.18
Total		1,001.18				1,001.18

Including significant amounts recovered or reversed from the current provision for bad debts:

In RMB

Entity	Amount of recovery or reversal	Method of recovery

4) Other receivables with top five closing balance categorized by debtor

In RMB

Entity	Nature	Closing balance	Aging	Proportion in total closing balance of other receivables	Closing balance of provisions for bad debts
Hunan Mango Entertainment Co., Ltd.	Amount due to or from subsidiaries	80,000,000.00	3-4 years	99.98%	
Hunan Happy Sunshine Interactive Entertainment Media Co., Ltd.	Amount due to or from subsidiaries	20,000.00	Within 1 year	0.02%	
Total		80,020,000.00		100.00%	

2. Long-term equity investments

In RMB

Item	Closing balance			Opening balance		
	Gross carrying amount	Provision for impairment	Carrying amount	Gross carrying amount	Provision for impairment	Carrying amount
Investments in subsidiaries	11,976,375,839.55		11,976,375,839.55	11,976,375,839.55		11,976,375,839.55
Total	11,976,375,839.55		11,976,375,839.55	11,976,375,839.55		11,976,375,839.55

(1) Investments in subsidiaries

In RMB

Investees	Opening balance (carrying amount)	Changes in the current period				Closing balance (carrying amount)	Closing balance of provisions for bad debts
		Additional investment	Decreased investment	Provisions for impairment	Others		
Hunan Happy Sunshine Interactive Entertainment Media Co., Ltd.	10,845,049,607.62					10,845,049,607.62	

Shanghai EE-Media Co., Ltd.	535,281,326.72					535,281,326.72	
Happigo Co., Ltd.	596,044,905.21					596,044,905.21	
Total	11,976,375,839.55					11,976,375,839.55	

3. Operating revenue and operating cost

In RMB

Item	Amount for the current period		Amount for the prior period	
	Income	Cost	Income	Cost
Other business	18,867.92			
Total	18,867.92			

Information on revenue:

In RMB

Category of contract	Segment 1	Segment 2		Total
Commodity type				
Including:				
Other	18,867.92			18,867.92
By operating regions				
Including:				
Within Hunan Province	18,867.92			18,867.92
Type of market or customer				
Including:				
Type of contract				
Including:				
By the time of commodity transfer				
Including:				
Income recognized at a certain time point	18,867.92			18,867.92
By the contract term				
Including:				
By the selling channel				
Including:				
Total				

Information regarding performance obligations:

Wherein, revenues arising from contracts with clients are RMB18,867.92.

Information regarding the transaction price allocated to the remaining performance obligations:

The revenue corresponding to the performance obligations for which the contract has been signed but has not yet been performed or fully performed at the end of the reporting period is RMB0.00, among which RMB is expected to be recognized as the revenue in, RMB is expected to be recognized as the revenue in, and RMB is expected to be recognized as the revenue in.

Other descriptions:

4. Investment income

In RMB

Item	Amount for the current period	Amount for the prior period
Long-term equity investment income accounted by the cost method	300,000,000.00	250,560,366.45
Investment income from disposal of long-term equity investments		4,249,700.00
Total	300,000,000.00	254,810,066.45

XVIII. Supplementary Information

1. Statement of non-recurring profit or loss for the current period

Applicable N/A

In RMB

Item	Amount	Note
Gains or losses from disposal of non-current assets	807,213.90	Income from scrapping of fixed assets and disposal of assets
Government grants recognized in profit or loss for the current period (excluding government grants that are closely related to the company's business operations and gained at a fixed amount or quantity according to national uniform standards)	46,148,191.22	
Gains or losses from entrusting others with investment or asset management	119,290,763.72	
Debt restructuring loss and income	27,219,600.00	
Reversal of impairment provision of accounts receivable that have undergone impairment test alone	3,355,000.00	
Other non-operating incomes and expenses besides the above items	41,319,889.16	
Effect of minority equity	547,709.71	
Total	237,592,948.29	--

Details of other profit and loss items that meet the definition of non-recurring profit and loss:

Applicable N/A

The Company has no other items of profit and loss that meet the definition of non-recurring profit and loss.

Explanations for classifying non-recurring profit and loss items enumerated in the Explanatory Announcement No. 1 for Public Company Information Disclosures – Non-recurring Profits and Losses as recurring profit and loss items:

Applicable N/A

2. Return on equity and earnings per share

Profit for the reporting period	Weighted average return on equity (%)	Earnings per share	
		Basic EPS (RMB)	Diluted EPS (RMB)
Net loss attributable to the Company's ordinary shareholders	10.20%	0.98	0.98
Net profit attributable to the parent company's shareholders after deduction of non-recurring profit or loss	8.87%	0.85	0.85

3. Accounting data differences arising from accounting standard of the PRC and the International Accounting Standards

(1) Differences in net profits and net assets in the financial reports disclosed concurrently under international accounting standards and Chinese accounting standards

Applicable N/A

(2) Differences in net profits and net assets in the financial reports disclosed concurrently under overseas accounting standards and Chinese accounting standards

Applicable N/A