

Stock Code: 300413

Stock Short Name: Mango Excellent Media

Announcement No.: 2023 - 053

Mango Excellent Media Co., Ltd.

Summary of the Semi-Annual Report 2023

I. Important notes

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

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

Auditors' unqualified opinion

Applicable N/A

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

Applicable N/A

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

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

Applicable N/A

II. Basic Information of the Company

1. Company profile

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

2. Major accounting data and financial indicators

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

Yes No

	Reporting period	Same period of last	YoY+/- (%)
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		year	
Operating income (RMB)	6,689,380,452.70	6,714,487,102.29	-0.37%
Net profit attributable to the listed company's shareholders (RMB)	1,250,733,373.80	1,190,764,453.82	5.04%
Net profits attributable to listed company shareholders after deducting non-recurring profits and losses (RMB)	1,174,165,663.05	1,095,410,126.20	7.19%
Net cash flows from operating activities (RMB)	1,033,397,458.37	-85,369,628.01	1,310.50%
Basic earnings per share (RMB/share)	0.67	0.64	4.69%
Diluted earnings per share (RMB/share)	0.67	0.64	4.69%
Weighted average return on equity (%)	6.44%	6.80%	-0.36%
	As at the end of the reporting period	As at the end of last year	YoY+/- (%)
Total assets (RMB)	30,220,120,815.96	29,049,673,556.55	4.03%
Net assets attributable to shareholder of listed company (RMB)	19,843,107,268.38	18,850,714,836.78	5.26%

3.Shareholders and shareholding

Unit: Share

Total number of ordinary shareholders at the end of the reporting period		41,751	Number of preferred shareholders whose voting rights had been restituted during the report period (If any)	0	Number of shareholders holding shares with special voting rights (If any)	0
Top 10 shareholders						
Name of shareholders	Nature of shareholders	Shareholding ratio	Quantity of shares	Quantity of restricted shares held	Pledged, marked or frozen shares	
					Status	Quantity
Mango Media Co., Ltd.	State-owned legal person	56.09%	1,049,300,301	849,019,732		
China Mobile Capital Holdings Co. Ltd.	State-owned legal person	7.01%	131,188,792	0		
Hunan Caixin Jingguo Equity Investment Partnership (LP)	State-owned legal person	5.01%	93,647,857	0		
Hong Kong Securities Clearing Co. Ltd.	Others	3.76%	70,369,482	0		
China Merchants Bank Co.,	Others	0.38%	7,180,000	0		

Ltd - Xingye Xingrui hybrid securities investment funds of two-year holding period						
Industrial and Commercial Bank of China Co., Ltd. - EFUNDS ETF	Others	0.36%	6,757,276	0		
Dajia Life Insurance Co., Ltd. - Universal product	Others	0.32%	5,918,007	0		
China Universal Asset Management Co., Ltd - China Life - Participating life fund - Single Asset Management Plan of Growth Stock Portfolio of China Universal Asset and China Life (available for sale)	Others	0.30%	5,644,300	0		
China Life Insurance Co., Ltd. - Ordinary insurance products -005L - CT001 Shanghai	Others	0.29%	5,405,052	0		
AEGON-INDUSTRIAL FUND - China Life - Participating life fund - Single Asset Management Plan of Growth Stock Portfolio of AEGON-INDUSTRIAL FUND and China Life	Others	0.27%	5,128,935	0		
Related or acting-in-concert parties among the shareholders listed above	Mango Media Co., Ltd., the controlling shareholder of the Company, has no related-party relationship or concerted action relationship with other top ten shareholders, and it is unknown whether or not there is a related-party relationship or concerted action relationship among other top ten shareholders					

If the Company has a differential arrangement of voting rights

Yes No

4. Change of controlling shareholders or de facto controllers

Change of controlling shareholders during the reporting period

Applicable N/A

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

Change of de facto controller during the reporting period

Applicable N/A

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

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

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

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

Applicable N/A

III. Important matters

Year 2023 marks the 10th anniversary of the important directive of XI Jinping to “accelerate the integrative development of traditional and emerging media”. As a new media platform subordinated to Hunan Broadcasting System and a vanguard of building mainstream new media group, the Company has always adhered to the guidance of XI Jinping Thought on Socialism with Chinese Characteristics for a New Era and the spirit of important speeches of General Secretary XI Jinping on the integrative development of traditional and emerging media, actively undertakes the tasks of Party media in “upholding socialism, rallying public support, fostering a new generation with sound values and ethics, developing Chinese culture, and building a positive image of China”, so as to promote the deep integration and high-quality development of the media. During the reporting period, the Company actively seized the development opportunities brought by macroeconomic recovery and industry recovery, stimulated the endogenous momentum of core businesses through content innovation, and promoted the diversified development of emerging formats through ecological synergy. Key profit indicators are back on track for growth. During the reporting period, the Company has achieved a total revenue of RMB 6,689.3805 million, down 0.37% year on year; a net profit attributable to shareholders of the listed company of RMB 1,250.7334 million, up 5.04% year on year. Among them, the revenue achieved in the second quarter amounted to RMB 3,632.8919 million, up 18.86% compared with that of the first quarter, up 1.18% year on year, and the net profit attributable to shareholders of the listed company amounted to RMB 705.7506 million, up 29.50% compared with that of the first quarter, up 3.29% year on year. The net operating cash flow in the first half of the year reached RMB 1,033.3975 million, indicating a favorable cash flow. In June 2023, the Company was selected for the 15th list of “Top 30 National Cultural Enterprises”, continuously consolidating its position as the “first echelon” of the cultural industry.

1. Always adhering to the mission and responsibility of the Party media, firmly seizing the mainstream propaganda position

By upholding the leadership of the Party with utter loyalty, the Company strives forward into the main battlefield of new media, continuously expands mainstream new media through the high-quality development of enterprises, continuously enhances the leadership, dissemination, and influence of mainstream public opinion through reform, innovation, and integrated development, thus making the positive energy more powerful and the main melody more majestic. Firstly, the Company focused on theme promotion and newly upgraded “Learning Moment” section of Mango TV, operated special issue normally on the whole end, such as “Learning Moment - People’s Leader XI Jinping”, “Learning and Implementing the Theme Education of XI Jinping Thought on Socialism with Chinese Characteristics for a New Era”, opened theme sections of “Learning Thought, Strengthening Party Spirit, Emphasizing Practice, and Building New Achievements”, “Holding Aloft the Banner, Following the Core”, “Perceiving the Great Power of Thought and Consolidating the Striving Force”, striving to promote XI Jinping Thought on Socialism with Chinese Characteristics for a New Era more popular and creating a strong learning atmosphere for thematic education. Secondly, the Company has launched a series of high-quality programs. During the reporting period, multiple works of the Company were selected for the selection project of National Radio and Television Administration, in which eleven works were awarded the “Excellent Online Audiovisual Works 2022”, including *China (Season 2)*, *Infinity and Beyond*, and *Past Decade : The Pursuit of Light*; *Past Decade* and *Personal Tales Along the Silk Road* were respectively awarded as the “Excellent Series of Short Films” and “Excellent Series of feature Films” of 2022 Domestic Documentary and Creative Talent Support Project organized by the National Radio and Television Administration; *Infinity and Beyond 2023*, *The Sun Rises from River*, *I Wait for the Sea Breeze to Hug You* were selected for the “2023 Network Audiovisual Program Excellent Creation and Communication Project” organized by the National Radio and Television Administration. Thirdly, helping culture go global. The Company actively implemented the “strengthening international communication capacity building” proposed in the report of the 20th CPC National Congress, continuously explored the global expression of Chinese stories and voices, and strived to build a more influential international communication benchmarking platform. Currently, the International APPs of Mango TV covers cover 195 countries and regions worldwide, with over 130 million downloads, Meanwhile, it supports the switching of subtitles in 18

languages and has become an important window for Chinese culture to go global.

2. Continuously promoting the in-depth development of media integration, winning development advantages with content advantages

The Company thoroughly implemented the strategic deployment of the Central Government on promoting the in-depth development of media integration, adhered to scientific planning and standardized operation, focused on strategic synergy, resource intensification, and mechanism marketization. Adhering to content innovation requires that it is necessary to raise the ideological banner, the content innovation should be deeply rooted in cultural roots, content innovation should respect market rules and comply with the laws of new media dissemination, fully leverage the advantages of media integration in content creation, further stimulate the endogenous motivation for content innovation, and continuously enrich the supply of high-quality content. At present, Mango TV and Hunan TV have a total of 48 program production teams, 22 film and television production teams, and 36 strategic studios under the “Xinmang Plan”, which is the largest production base for long-form video content in China, achieving strategic collaboration in creative proposals, evaluation and project approval, organization and promotion, and production.

(1) Variety shows. During the reporting period, Mango TV launched 39 various variety shows, in which eight programs were selected as one of the TOP20 effective network variety shows in the first half of 2023 (ENLIGHTENT), such as *Sisters Who Make Waves 2023*, *Infinity and Beyond 2023*, *Who's the Murderer S8*, *SHE RLOCK*, thus continuing to consolidate the leading position of variety shows. Top programs have gain fruitful social and economic benefits. *Sisters Who Make Waves 2023* conveys the values and concepts of “Greater China, Riding the Wind”, promotes cultural exchange and mutual learning between China and foreign countries, and has been highly recommended by the Ministry of Foreign Affairs, embassies of multiple countries, and mainstream media. It has made new breakthroughs in influence, communication and topic degree, and has become the first popular variety show on the whole network, whose top search breaks 10,000 times. With music as the medium, *Infinity and Beyond 2023* takes root in the Chinese context and promotes the mutual understanding of people on both sides of the Taiwan Straits. After being broadcast at home and abroad, it has generated a strong response. “Small and Beautiful” variety shows, such as *SHE RLOCK*, *Guys with Kids season 2*, *Happy Adult*, and *Great Escape Season 5*, have varying themes and gain high popularity and reputation.

(2) Dramas and series. During the reporting period, Mango TV launched 64 TV dramas and series, including 19 key TV dramas and 45 micro-short dramas under the “Damang Plan”. *Go to windy places* has gained good reputation and has been highly praised by authoritative media at home and abroad, producing a phenomenon effect of “popularizing and thriving a city through a drama”, and becoming a masterpiece of literary works to help rural revitalization. The audio-visual presentation and theme expression of *For the first time in My Life* were praised by 11 mainstream media such as *Guangming Net* and *China Women's News*. “Damang Plan” has launched a series of high-quality short dramas represented by *Never Too Late*, *Marriage*, and *Butterflied Lover*, which have achieved good broadcasting results.

3. Further optimization of income structure, making the core business of internet video more resilient

As important monetization channels for long video content, advertising, membership and operators constitute the “troika” of the Internet video business of Mango TV. From the development situation in the first half of the year, the income structure of the three sectors was further improved, the margin of advertising business improved, the proportion of membership business continued to increase, and operator business continued to develop steadily. There is a structural complementarity trend between businesses. The development of internet video business is more benign, healthy, and resilient.

(1) Advertising business. In the first half of the year, the advertising business achieved a revenue of RMB 1,790 million, down 17.23% year on year, with significantly narrowed decrease. In the short term, the entire consumer market and advertising industry show a slow recovery trend, and some advertisers are still relatively cautious about marketing budget allocation. On the whole, the advertising business of the Company showed a marginal improvement trend. The Company consolidated the investment attraction for top variety shows, such as *Sisters Who Make Waves 2023*, *Infinity and Beyond 2023*, and made efforts to expand top-tier brand customers in several Internet platforms, liquor, food and other key industries. Relying on the continuously stable advantages of variety shows and the recovery of the industry, the Company is expected to open up the growth space of advertising business by reinforcing the series, strengthening the marketing effect and algorithm optimization in the future.

(2) Membership business. In the first half of the year, the membership business achieved a revenue of RMB 1,961 million, up 5.54% year on year. Mango TV has always been committed to providing users with quality content experience and enriching membership rights and benefits. Relying on high-quality IP such as *Going to Windy Places* and *Sisters Who Make Waves 2023*, it has launched membership rights and benefits such as annual major drama open, first watch of exclusive variety shows, participation in live recording of the program, and continuously increased the proportion of new members, user stickiness, and long-term users. New achievements have been made in expanding membership channels. For the “Mango Card” pilot launched in Hunan Province in cooperation with China Mobile, the number of new users has exceeded one million as of the end of the reporting period. On July 16, the Company and China Mobile jointly held the “China Mobile M-ZONE Mango Card Sales” in the activity themed “Here for the Times & Brilliant Mango” to sell M-ZONE Mango Card nationwide, whose users’ rights and interests are newly promoted with the product model of “Content + IP + Network + Application”. On August 3, Mango TV and Tmall officially reached a cooperation agreement. Tmall 88VIP membership has more annual card benefits of Mango TV membership. This cooperation is the first time for 88VIP to cooperate with video platforms other than Ali Ecology.

(3) Operator business. In the first half of the year, the operator business achieved a revenue of RMB 1,389 million, up 15.18% year on year. With respect to the business of other provinces, relying on strategic cooperation with telecom operators, especially China Mobile, the Company continuously strengthened the business expansion of other provinces and deepened the national layout of large screen business. With respect to the business in Hunan Province, IPTV has launched “super membership”, which steadily increased value-added business revenue. The Company collected educational resources of Hunan Province, continuously built educational content sharing platforms such as “Happy Watch” and “Mangtoutiao”, and launched the “Hunan Smart Education Platform TV End”, so as to continuously enrich the application scenarios of large screen business.

4. Leveraging the advantages of content ecology, using new strategies to promote the rapid development of Xiaomang E-commerce

The GMV of Xiaomang E-commerce in the first half of Year 2023 has exceeded the total GMV of last year, and continues to maintain a high-speed development trend. In terms of brand side, Xiaomang E-commerce has successively created hot-selling products, such as No.1 baseball uniform in *Famous Detective Academy*, board game “Forest Evolutionism” in *Who’s the Murderer*, cool style T-shirt in *Sisters Who Make Waves 2023*, and IKF earphones in *Treasure Island Season*. Among them, Xiaomang’s first self-operated fashion brand “No.1” has achieved a leap from single item to brand, which provides a more commercially valuable growth model for cooperative brands. In terms of client end, Xiaomang E-commerce deeply explored the consumption potential of circle users, customized products, activities, and IP content according to user needs, so as to realize deep integration of content and e-commerce. *Follow the Geography Book to Travel*, the first customized variety show of Xiaomang, increases rapidly in program volume and product sales, with a Douban rating of over 9 points. Happigo and Xiaomang E-commerce formed complementary user and channel positioning, which actively adjusted the business structure and commodity structure and accelerated self-owned products and exclusive agency goods by relying on years of accumulated content conversion capabilities, supply chain management capabilities, and member operation capabilities.

5. Promoting business collaboration through resource integration, supporting the diversified development of the entire industrial chain

In order to improve management efficiency and strengthen ecological collaboration, talent agents and music copyright business of EE-media revolve around the core platform to comprehensively implement business integration. During the reporting period, business integration has achieved preliminary success, with a rapid year-on-year growth in talent agents and music copyright. EE-media seized the opportunity of consumption recovery to promote the revenue of artist brokerage business revenue by holding concerts or music festivals, recording variety shows, and participating in TV dramas and movies. In terms of music copyright business, relying on the dual-platform artist team and content endowment, EE-media, as the sole distributor of the Company’s music works, continuously expanded the copyright library of record music, film and TV music and variety music, and continuously established good cooperative relationships with major music platforms. In terms of IP derivative development, the third M-CITY flagship store operated by Mangofun landed in Nanjing Confucius Temple.

6. Actively embracing cutting-edge technology, actively exploring landing applications and business innovation

The Company gave full play to the advantages of rich application scenarios, and actively explored the application of cutting-edge technologies and format innovation from the aspects of enabling content production, helping to reduce costs and increase efficiency, and innovating user interaction. As for helping to reduce costs and increase efficiency, the Company developed AIGC video automatic stripping technology, which significantly improved the production efficiency of secondary innovation content, and supported the production of short videos for key programs such as *Run for Time 2023*, *Exploration Method of Love*, and *Fireworks of My Heart*. As for enabling content production, the Company used VR LED XR technology to create the first cross-time, cross-regional VR variety show for *Infinity and Beyond 2023* in China, and supported the content shooting and production of *Run for Time 2023* and the documentary *Search Beyond Time and Space* through the combination of virtual shooting and VR technology. As for innovating user interaction, the Company explored new business models, and launched the “Hichat Party” full-station chat hall whose active users has reached several millions. In addition, the Company has also launched anthropomorphic AI products to link the “anthropomorphic model” with featured IP content, introduced the AI characters of *Young Blood 2*, and established an AI social system to try the AI chat payment scenarios. In the future, the Company will combine its own resources to explore more scenarios for the implementation and application of new technologies such as AIGC.