



Mango Excellent Media Co., Ltd.

Annual Report 2024

April 2025

Annual Report 2024

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.

Alert of risks related to a sharp decline in operating results: During the reporting period, due to the changes in the preferential enterprise income tax policy applicable to the Company, in accordance with the relevant provisions of the Accounting Standards for Business Enterprises, the Company reversed certain deferred tax assets, resulting in a net decrease in the net profit attributable to the shareholders of the Listed Company by RMB420 million in the 2024 financial statements (in comparison to a net increase in the net profit attributable to the shareholders of the Listed Company by RMB1.63 billion in 2023 due to an increase in the amount of deferred tax assets recognized), which led to a significant decrease in the net profit attributable to the shareholders of the Listed Company in 2024 as compared to the previous year. There has been no material adverse change in the primary business and core competencies of the Company, or material risk that might impair the Company's ability to continue as a going concern. Refer to Section II "Company Profile and Key Financial Indicators - Key accounting data and financial indicators" for details.

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 describes in details the possible risks in its operation and countermeasures in this Report. Please see 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, the Company will distribute a cash dividend of RMB2.2 (tax inclusive) per 10 shares to all shareholders on the basis of 1,870,720,815 shares, without distributing any bonus shares or transferring any capital reserve to the share capital.

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List of References

1. Financial statements signed and sealed 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 sealed 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	means	Definition
Mango Excellent Media, Company, we 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 TV	means	the online video platform affiliated to the Listed Company and operated by Happy Sunshine.
Golden Eagle Cartoon	means	Hunan Golden Eagle Cartoon Media Co., Ltd., a wholly-owned subsidiary of the Listed Company.
Xiaomang E-commerce	means	Xiaomang E-commerce Co., Ltd., a subsidiary controlled by the Listed Company.
Happigo	means	Happigo Co., Ltd., a wholly-owned subsidiary of the Listed Company.
EE-Media	means	Shanghai EE-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.
Mango International	means	Hunan Mango International Cultural Media Co., Ltd., a wholly-owned 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, 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	a company subject to integration operation by GBS, where they are managed under the model of “one Party committee, two entities and integrated operation”.
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, i.e. mobile application program.
PAD	means	portable device.
PC	means	personal computer.
TV	means	television.
AR	means	augmented reality.
QM	means	QuestMobile, a mobile web big data company.
AIGC	means	AI generated content.
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	ZHANG Zhihong	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. Media for information disclosure and place for keeping annual report

Website of the stock exchange for disclosing the Company's annual report	http://www.szse.cn
Media and website for 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 ZHOU Rong

Sponsor engaged by the Company that performs the duties of ongoing supervision over the Company during the reporting period:

☐ Applicable ☒ N/A

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

	2024	2023	Y/Y % change	2022
Operating revenue (RMB)	14,079,689,573.23	14,628,016,301.84	-3.75%	13,976,774,034.92
Operating profit (RMB)	1,742,413,721.94	1,819,030,916.19	-4.21%	1,764,444,313.03
Net profit attributable to shareholders of the Listed Company (RMB)	1,364,348,174.20	3,555,705,558.90	-61.63%	1,864,245,432.69
Net profit attributable to shareholders of the Listed Company after deduction of non-recurring gain or loss (RMB)	1,644,849,888.65	1,695,473,001.05	-2.99%	1,604,009,042.23
Net cash flows from operating activities (RMB)	-25,185,869.72	1,083,773,256.71	-102.32%	621,803,699.44
Basic earnings per share (RMB/share)	0.73	1.90	-61.58%	1.00
Diluted earnings per share (RMB/share)	0.73	1.90	-61.58%	1.00
Weighted average return on net assets	6.21%	17.34%	-11.13%	10.17%
	December 31, 2024	December 31, 2023	Y/Y % change	December 31, 2022
Total assets (RMB)	32,530,165,142.43	31,422,386,654.49	3.53%	29,783,551,722.86
Net assets attributable to shareholders of the Listed Company (RMB)	22,488,957,025.14	21,492,422,786.43	4.64%	19,014,691,412.16

Note: The cultural enterprises affiliated to us that were transformed from public institutions enjoyed the preferential enterprise income tax policy in 2023 and the previous years. However, the Announcement to Continue to Implement Certain Tax Policies Applicable to the Enterprises Transformed from Operating Cultural Institutions in the Reform of Cultural System jointly released by the Ministry of Finance, the State Administration of Taxation and the Publicity Department, CCCPC in October 2023 did not explicitly indicate whether the cultural enterprises affiliated to us that were transformed from public institutions were eligible to continue to enjoy the preferential enterprise income tax policy. On the prudence principle, we judged that such enterprises would cease to enjoy the preferential enterprise income tax policy from 2024, and recognized a deferred tax asset of RMB1.63 billion in the 2023 financial statements in accordance with the relevant provisions of the Accounting Standards for Business Enterprises, resulting in an increase in the net profit attributable to the shareholders of the Listed Company by RMB1.63 billion. In December 2024, the Ministry of Finance, the State Administration of Taxation and the Publicity Department, CCCPC jointly released the Announcement on the Tax Policies Applicable to the Enterprises Transformed from Operating Cultural Institutions in the Reform of Cultural System, clarifying that the cultural enterprises affiliated to us that were transformed from public institutions continue to enjoy the preferential enterprise income tax policy between 2024 and 2027. Pursuant to the relevant provisions of the Accounting Standards for Business Enterprises, in 2024, we need to reverse a total deferred tax asset of RMB630 million recognized in 2023 for the tax exemption period from 2024 to 2027, resulting in a decrease in the net profit attributable to the shareholders of the Listed Company by RMB630 million. This reversal of the deferred tax assets recognized in 2023 was a one-off adjustment, without the need to make any further adjustment between 2025 and 2027. In addition, we recognize deferred tax assets pursuant to the relevant provisions of the Accounting Standards for Business Enterprises in 2024 and subsequent years, where the total deferred tax assets recognized in 2024 was RMB210 million, resulting in an increase in the net profit attributable to the shareholders of the Listed Company by RMB210 million. Therefore, the net deferred tax assets reversed in 2024 was RMB420 million, resulting in a decrease in the net profit attributable to the shareholders of the Listed Company by RMB420 million. To sum up, due to the changes in the enterprise income tax policies, the net profit attributable to the shareholders of the Listed Company increased by RMB1.63 billion in 2023 resulting from an increase in the deferred tax assets recognized, and decreased by RMB420 million in 2024 resulting from a net reversal of the deferred tax assets, leading to a significant change in the net profit attributable to the shareholders of the Listed Company in 2024 as compared with the previous year.

Whether the lower of the net profit before and after deduction of non-recurring gain 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 lowest of the total audited profit, net profit and net profit after deduction of non-recurring gain or loss in the most recent accounting year is negative?

☐ Yes ☒ No

VI. Key financial indicators by quarter

In RMB

	First quarter	Second quarter	Third quarter	Fourth quarter
Operating revenue	3,324,411,405.72	3,635,515,147.35	3,317,814,008.84	3,801,949,011.32
Net profit attributable to shareholders of the Listed Company	472,318,688.25	592,514,302.93	379,514,088.32	-79,998,905.30
Net profit attributable to shareholders of the Listed Company after deduction of non-recurring gain or loss	467,007,963.53	445,215,608.84	314,099,713.25	418,526,603.03
Net cash flow from operating activities	173,323,874.77	-353,825,044.72	-145,040,655.72	300,355,955.95

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 profit 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 profit 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 gain or loss

☒ Applicable ☐ N/A

In RMB

Item	Amount in 2024	Amount in 2023	Amount in 2022	Remark
Gain or loss on disposal of non-current assets (including the allowance for impairment of assets that has been written off)	908,979.96	1,151,553.70	807,213.90	

Government grants recognized in profit or loss (excluding the government grants that are closely related to the business of the Company, conform to the applicable policies of the country, are provided in accordance with the established standards, and continuously affect the Company's profit or loss)	24,246,646.69	63,122,567.77	29,499,336.70	
Gain or loss on from investment or asset management by commissioned parties	297,764,471.95	92,809,746.83	119,290,763.72	
Reversal of impairment loss on accounts receivable tested for impairment individually	9,343,207.55	17,343,043.26	3,355,000.00	
Net profit or loss of subsidiaries acquired through business combination involving entities under common control from the beginning of the current period to the combination date		32,481,963.81	39,292,296.69	
Gain or loss on debt restructuring	2,032,257.87	3,000,000.00	27,219,600.00	
One-off effect of adjustments of tax, accounting and other laws and regulations on current profit or loss	-634,590,022.23	1,628,790,218.38		One-off adjustment due to changes in the enterprise income tax policies
Other non-operating revenues and expenses other than those listed above	20,843,049.34	25,036,359.58	41,319,889.16	
Less: Effect on income tax	337.22	243,024.40		
Effect on minority interests (tax exclusive)	1,049,968.36	3,259,871.08	547,709.71	
Total	-280,501,714.45	1,860,232,557.85	260,236,390.46	--

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

☐ Applicable ☒ N/A

We do not have any other gain or loss item that can be defined as non-recurring gain or loss.

Classification of any item of non-recurring gain or loss defined by the Explanatory Announcement No. 1 on Information Disclosure by Companies Publicly Offering Securities - Non-recurring Gain or Loss as a recurring gain or loss:

☐ Applicable ☒ N/A

We have not classified any item of non-recurring gain or loss defined by the Explanatory Announcement No. 1 on Information Disclosure by Companies Publicly Offering Securities - Non-recurring Gain or Loss as a recurring gain or loss.

Section III Management's Discussion and Analysis

I. Situations of our industry during the reporting period

1. The promotion of the integrated development of culture and technology provides strategic opportunities for mainstream media outlets.

The Third Plenary Session of the 20th CPC Central Committee made important arrangements to “explore long-term mechanisms for the integration of culture and technology and accelerate the development of new types of cultural operation”, and provided direction and guide for the innovative development of the cultural and media industry. In the era of digital and intelligent industrial transformation, the integration of culture and technology, as an important form of new productive forces, is an inherent requirement and important pathway for enhancing cultural soft power, and also offers greater potential, innovativeness and space for content creation, and will drive the emergence of more innovative forms of artistic expression. The mainstream media outlets shoulder the responsibility of exploring long-term mechanisms for the integration of culture and technology, and promoting a comprehensive transformation of content, platforms, technology and industry. At the same time, a series of supporting policies for promoting the integration of culture and technology, along with the continuous iteration and upgrading of new technologies, will bring greater development opportunities for mainstream media outlets.

2. The supply of film, TV drama and variety show content remains stable, while micro dramas become a new source of content growth.

According to Enlightent, in 2024, the supply of online variety shows, films and TV dramas was generally stable. The number of new variety shows increased slightly, while the number of new films and TV dramas decreased slightly year on year. Video platforms focused on top-tier content that has a remarkable siphon effect, and vertical content catering to core users. In terms of broadcast strategy, the video platforms adopted exclusive broadcast as their primary strategy. The percentage of exclusively broadcast online variety shows exceeded 90%, as the top-tier variety show platforms continuously enhanced their content output capability and recognition. The percentage of exclusively broadcast films and TV dramas was nearly 80%, a slight decline year on year. The video platforms spread content costs through concurrent broadcasts of the same TV dramas on multiple platforms. Micro dramas are becoming a new source of content growth, with major video platforms significantly increasing their investment in this area.

3. The long video user base is basically stable and the platforms seek higher quality development in their membership operation.

According to QuestMobile, in December 2024, the monthly active users of the four major long video platforms, namely, Tencent Video, iQIYI, Mango TV, and Youku, were 387 million, 354 million, 277 million, and 184 million, respectively, indicating that the market is highly concentrated, the competitive landscape is stabilizing, and the top-tier platforms show an evident agglomeration effect. The user numbers and duration of watch time fluctuated with the release schedule and effect of major content. Each platform, taking into account its development stage, uses high-quality content to develop new users and exploit existing users, enhances member benefits, explores value-added services, and innovates in the membership system, in order to increase the ARPPU (average revenue per paying user) and pursue higher-quality growth.

4. The advertising market is regaining confidence, and shows a structural recovery.

According to CTR, the domestic advertising market was gradually recovering in 2024, up about 1.6% year on year. By advertisement type, general performance-based advertisements take the lead in strong recovery, while the recovery of brand advertisements still lags behind. When the consumer market enters an upward cycle, a more reliable and sustainable recovery of brand advertisements can be expected, due to replenishment of budget. The top-tier media outlets have relative advantages in market competition due to their brand value, user access and transformation effect. AI and other new technologies are promoting innovation in advertising products and upgrading of marketing systems, potentially bringing new momentum for industry development.

5. Large-screen televisions remain important terminals in the content ecosystem, and industry governance has achieved staged results.

The industrial authorities have taken a series of actions against the Matryoshka doll-style charges, complicated operations and other problems existing in the household large-screen TV business, to continuously regulate the order of business operation of the industry, and achieved staged results in industrial governance. In the long run, IPTV and OTT license holders are expected to benefit from the regulatory compliance and high-quality development of the industry. According to the data released by the Ministry of Industry and Information Technology, by the end of 2024, the total number of IPTV (Internet Protocol Television) subscribers of the three major telecommunication carriers reached 408 million. According to QuestMobile, in December 2024, the total number of active smart television devices in China was 281 million. As a household information and entertainment hub and major channel for the content ecosystem of long and short video platforms, large-screen televisions still occupy an important position in content terminals.

6. AIGC continues to promote industrial transformation and enables the application scenarios in the field of media in an all-round way.

AIGC provides a new way to create content following PGC and UGC. With the deepening innovative applications of AIGC in the content industry and continuous exploration of business models, particularly the breakthroughs in key technologies such as text-to-video, the cultural and media industry faces a critical window period to embrace technology and accelerate the cultivation of new productive forces. The open-sourcing of multiple general-purpose open-source large models will further reduce the cost of AI applications. In the future, along with the release and continuous upgrading of more large AI model products, the media industry is expected to develop more application scenarios, continuously improve content production, dissemination efficiency and quality, and give rise to more new business models.

II. Our primary business during the reporting period

We are required to 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 sole state-owned long video and new media platform listed on the A-share market, represent an important achievement in reform made by the Hunan Broadcasting System (HBS) in actively responding to the strategy of the Central Government on promoting the in-depth media convergence and development, and are one of the first leading entities in the convergence of radio, TV and media named by the State Administration of Radio, Film and Television (“SARFT”). Leveraging the Mango media convergence ecosystem, and centered on our Internet video platform, Mango TV, we have actively explored the effective mechanism for integration of culture and technology, focused on the control of the entire industry chain and ecosystem synergy, established an interconnected ecosystem matrix with multiple linkages, and built a state-owned digital, intelligent, platform-based new media group with strong leadership, communication and competitive powers. We are primarily engaged in the operation of Mango TV Internet video, new media interactive entertainment content production, and content e-commerce businesses.



1. Mango TV Internet video

Our Mango TV Internet video business comprises advertising, membership and operator businesses, where the membership business is designed to attract the target audience to become subscribing members through promotional campaigns and channel expansions, by leveraging our rich copyright resources and exclusive broadcast strategy; the advertising business focuses on high-quality content, fully explores the marketing value of IPs, and provides clients with naming, placement, patching, inserting and other advertising products and services; and in the operator's large-screen business, as a license holder with advantageous contents, we cooperate with the telecommunication carriers and cable TV operators, and share the revenues from VOD with them.

2. New media interactive entertainment content production

Our new media interactive entertainment content production business mainly comprises content production and operation, artist agency, music copyright, and IP derivatives businesses. In the content production and operation business, we create and produce variety shows, films, TV dramas, cartoons for children and other programs, and earn revenues through content operation and copyright distribution, among others. In the artist agency business, we build an echelon of artists at all levels and of various types, and create a closed business loop by arranging for the artists to take part in films, TV dramas, variety shows, commercial performances, branded concerts, among others. In the music copyright business, we grant licenses on the basis of music IP resources accumulated and continuously enriched by the artists. In the IP derivatives business, we have created M-City, study tour, Maiji and other offline brands through multi-dimensional development of IP derivatives.

3. Content e-commerce

In the content e-commerce business, leveraging our advantages in media creativity, content production and artist resources, we conduct integrated communications and marketing through APP, large screen, mini program, live streaming rooms and other channels, to attract consumer demands and sell goods. Xiaomang E-commerce is committed to building a consumer platform centered on emotional value, focusing on domestic brands with Chinese design elements", which focuses on the integration of IP content and e-commerce modes, explores innovative paths for the monetization of Mango family IPs, and continuously improves the closed business loop from watching video content to interactive consumption. Happigo targets silver-haired old people on the basis of large screen TV audience, serves members through private domain marketing, and sells goods through TV, APP and other channels.

III. Analysis of core competencies

1. Platform advantages

As a Party-controlled mainstream media outlet and state-owned cultural platform-based company, we inherit the media gene that “orientation is more precious than gold”, stick to the correct political direction, public opinion guidance and orientation of values,

adhere to the creation concept centering on people, build a strong ideological front, vigorously create a sound network ecosystem, and improve the communication and leaderships powers, influence and public credibility of mainstream public opinions. Our content ecosystem integrates with the communication system for social mainstream values and mainstream culture, and has precise insight, profound understanding and strong execution capability in mainstream propaganda.

2. Advantages in integration

We vigorously promote the “two integration”, namely integrated development of new media and traditional media, and integrated development of culture and technology. We have successfully built an integrated ecosystem comprising Mango TV, Golden Eagle Cartoon, Xiaomang E-commerce and Hunan Satellite TV, which give full play to the effect of business synergy and resource integration, and effectively transform the advantages of media integration into drives for development. Meanwhile, we leverage the advantages of our technical team that takes the lead in the industry, enables content iteration through technological innovation, accelerates the integrated development of culture and technology, and fostering of new productive forces, to continuously enhance the new communication forces.

3. Institutional advantages

Relying on our efficient and flexible market-oriented operating mechanism, we have continuously improved the management and operating efficiency of our platforms, introduced the innovative track manager regime, studio regime and other content team management regimes, and explored the optimal content production organization regimes; promoted the orderly and benign competition among internal teams through market-oriented talent flows, “H” type double talent channel management, young talent training project, among others; and used the “intelligent mid-end matrix” to build a content-technology-risk control-operation coordinated linkage mechanism, to further liberate the productive forces of content teams.

4. Advantages in innovation

We have stuck to the creation concept of “innovate or die”, built a strong content team system, continuously secured core essential production factors, and firmly maintained our core competencies in content innovation. Mango TV and Hunan Satellite TV currently have 55 variety show production teams, 24 film and TV drama production teams, and 40 strategic studios under the Xinmang Program, thereby becoming the largest variety show producer in China. By establishing the content innovation bidding system, innovating in creativity research, development and production chain or otherwise, we stimulate the teams’ creative power, and achieve rapid response and implementation in content innovation.

5. Advantages in users

Mango TV sticks to the distinct content strategy and platform positioning of “youth, metropolis and women”, and realizes 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 profile and platform positioning will enhance our special advantages in monetizing the brand value of our platform through multiple channels and in a variety of ways, and building the membership operation system.

6. Advantages in ecosystem

Leveraging our advantages in proprietary content, we have built the synergistic and complementary closed loop of Mango new media ecosystem covering the entire industry chain of media and the Internet, where the upstream mainly includes artist agency and variety shows, film and TV drama, and children’s cartoon production business; the mid-stream is responsible for content operation through multiple channels provided by the online video platforms, in reliance on our strong content production capabilities and premium content matrix; and the downstream centers on offline location-based entertainment, parent-child amusement parks, live concerts and other derivative operations based on Mango family content IPs, creates a wholly new business model comprising “content + video + e-commerce”.

7. Advantages in licenses

Mango TV is the sole market player in the Internet video industry that holds both IPTV and OTT business licenses, with its smart large-screen business covering 31 provincial regions in China, which is an important supporting point for us to develop living room economy. In reliance on our complete licenses, our video content business covers all terminals, including mobile phone, PAD, PC, IPTV and OTT. We are the first video media platform that has actually built “one cloud and multiple screens” system in the industry. As the Internet TV industry enters the high-quality development stage, the licenses held by us will further show our advantages.

8. Advantages in business model

We firmly believe that content is the king, and have established a sustainable and sound business model. In reliance on our sound market-oriented operation mechanisms, we have continuously improved the efficiency of business innovation and risk control level, maximized the input-output ratio, and become a market player in the online video industry that has made profits for many years. We have gradually achieved economies of scale in content production through accurate user positioning, strong content production capabilities, and effective cluster of core production factors, and realized monetization of content through multiple channels, including membership, advertising, operator, e-commerce and IP derivatives businesses.

IV. Analysis of primary business

1. Overview

The year 2024 is a crucial and key year for us to advance the integrated development of culture and technology. We thoroughly learned and digested the important speeches and instructions regarding cultural development given by General Secretary Xi Jinping during his inspection tours in Hunan, stuck to “culture + technology”, focused on building “content + technology” dual engines, addressed the uncertainties of the external environment with our own determination and resilience in development, took a series of measures and made concerted efforts, to continuously optimize our business structure, promote the steady improvement of quality and efficiency, and enable high-quality development. During the reporting period, we were awarded the title of “Top 30 Cultural

Enterprise Nationwide” for the fifth time, and ranked 19th on the list of “Top 100 Internet Enterprises in China for 2024”, being the only state-owned enterprise among the top 20. In 2024, our total operating revenue was RMB14.080 billion, operating profit was RMB1.742 billion, net profit attributable to the shareholders of the List Company was RMB1.364 billion, and closing balance of total assets was RMB32.530 billion.

(1) Uphold the mission of Party-controlled media outlets and build a premium mainstream propaganda position

We always uphold the principle that “a media outlet controlled by the Party shall adhere to the leadership of the Party with strict loyalty”, continuously enhance the reach, guiding force, influence and credibility of mainstream communication, and actively shoulder the new cultural mission in the new era. On the one hand, we hold high the banner of thought and vigorously implement the “headline project”. Mango TV has prominently featured “Study Moments” on the first screen of its homepage, with a total of over 6.1 billion views of the special section of important reports featuring General Secretary Xi Jinping. During important events, such as the national two sessions, the Third Plenary Session of the 20th CPC Central Committee, and the 75th anniversary of the founding of New China, we completed 150 publicity projects, delivered 51 major live news reports and 669 regular live news reports, released 71,400 pieces of news on line, produced 228 thematic special features, fully leveraged the advantages of integrated communication, and expanded mainstream thoughts and ideas. On the other hand, we remain true to our original aspiration for content, and strive to produce high-quality mainstream works. We vigorously disseminate positive energy with more youthful, creative and hit works. In 2024, 255 works produced by us won mainstream awards, achieving a “Grand Slam” at major awards including the Feitian Award, Golden Eagle Award, White Magnolia Award and Starlight Award. “Infinity and Beyond 2023” and “China S3” received the “Five-One Projects Award” from the Publicity Department, CCCPC. Our mainstream documentaries have won the “China News Award” for seven consecutive years. Our cultural micro-documentary “Admonitions to Officials in China” is a key program under the “Broadcast and Television Communication Project for Chinese Culture”, which innovatively combines real-life shooting with AI-generated images, to give contemporary connotation to historical stories.

(2) Actively explore the optimal content production regimes and strengthen Mango ecosystem moat in an all-round way

We firmly maintain cultural self-confidence, uphold fundamental principles and break new ground, continuously explore the optimal content production organization regimes, break the path dependency, focus on hit programs, continuously consolidate our advantages in the supply of creative, high-level, large-sized and professional content, firmly safeguard the absolute leading position of “Mango Production” in content innovation, and form a Mango style content matrix, thereby continuously fortifying the moat for high-quality development with premium content.

Continuously consolidate leadership in the field of variety shows with phenomenal hit programs. During the reporting period, in order to better grasp the content dissemination patterns, understand the development trends in program production, and create innovative tracks and hit programs, Mango TV launched the “Track Manager” regime to further improve the refined management of variety program teams, adopted a “track management” approach in the content research, development and production, established multiple variety tracks including stage competition, major innovation, music variety show, reality show and reasoning. Under the “Track Manager” regime, a track manager is responsible for project management, content supervision, and research and development of innovative content for the track assigned to him or her. In 2024, Mango TV released 160 variety shows in total, 40% of which were innovative variety shows. We steadily maintained the first place in terms of number of variety shows effectively broadcast, and further consolidated our leadership in the field of variety shows. According to Enlightent, among the top 10 variety shows effectively broadcast on line in China, five were produced by us, namely “See You Again S4”, “Ride the Wind 2024”, “Who’s the Murderer S9”, “Divas Hit the Road • Silk Road” and “Call Me by Fire S4”; and among the top 10 variety shows effectively broadcast on TV, four were produced by us, namely “Singer 2024”, “Hello, Saturday 2024”, “the Chinese Restaurant S8” and “Run For Time S4”.

Increase the reserve of major dramas, as investment in films and TV dramas gradually enters the output cycle. We proactively adapted to the development trends in the film and TV drama industry, took a series of actions, such as establishing the drama evaluation and quality control center, building super studios for film and TV drama production, and implementing the super partner regime under the “Xinmang S Program”, and actively increased the content investment in films and TV dramas, especially the development and deployment of major projects. In 2024, Mango TV released 27 key films and TV dramas. Among the top 10 Mandarin TV dramas with the highest ratings on Douban in 2024, three were produced by us, namely “Romance in the Alley”, “The Forerunner” and “City of Daylights”. Our self-produced TV dramas, “The Forerunner”, “City of Daylights” and “Begin Again”, were aired on CCTV at prime time. “Romance in the Alley” took the lead in the TV dramas broadcast on line in terms of popularity and comments, with a Douban rating of 8.2 and a Weibo rating of 9.2. We have over 100 films and TV dramas in reserve and own two broadcast channels, Mango TV and Hunan Satellite TV, and have a convergence influence covering both online and TV channels, which will enable us to produce more hit TV dramas. “Flourished Peony” and “Perfect Match” aired in the first quarter of 2025 topped the Enlightent ranking of TV dramas consecutively.

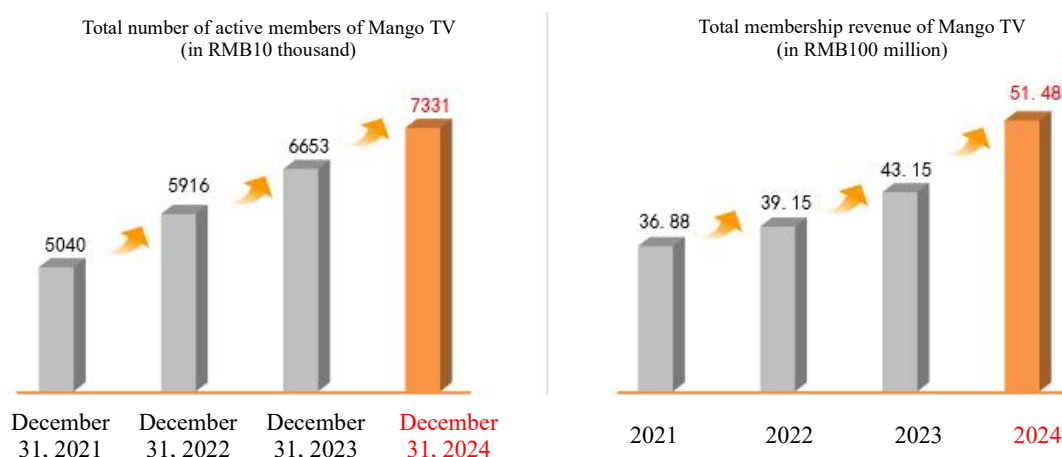
Enhance the strategic position of micro dramas, and focus on building a new ecosystem of “long, medium, and short” video content. In order to promote the rapid development of micro and short video content and accelerate the development of the advantages in “long, medium, and short” video content ecosystem, Mango TV innovated in the systems and mechanisms, and established the micro innovation center, which will focus on horizontal-screen boutique dramas, mini-program dramas, interactive content and micro-variety shows, and leverage Mango’s unique variety show brands, artist resources, large and small screen platform and communication systems, to build a more open, aggregated and efficient specialized production and operation system for micro and short video content. During the reporting period, Mango TV released 340 micro dramas in total, of which, “The Story of Suzhou” and nine other micro dramas were included in the SARFT’s recommended list “Travel Following Micro Dramas”. Mango TV, in conjunction with Hunan Satellite TV, launched the “Damang Theatre”, a new micro drama brand, and successfully aired 14 short dramas, such as “A Taste Called Qingxi”, on satellite TV channels.

(3) Strive to optimize the structure of primary business and restructure the core drivers for growth

In order to adapt to the evolving industrial development trends, we proactively adjusted the operational strategies for primary business, to promote the rapid growth of the B2C business, ensure the overall stable operation of our “three pillar” businesses, namely membership, advertising and operator businesses, and maintain sufficient developmental resilience and momentum.

Our membership business achieved both growth of business volume and improvement of quality, and maintained rapid growth. By the end of 2024, Mango TV had 73.31 million members, and achieved an annual membership revenue of RMB5.148 billion,

which exceeded RMB5 billion for the first time, representing an increase of 19.3% year on year, accounting for over 50% of the total revenue from the Internet video business, becoming a core driver for our current and future growth. The rapid growth of membership business was primarily due to Mango TV's sustained and stable supply of high-quality content and the membership benefits system that makes innovations continuously. On one hand, the hit variety shows, such as "Singer 2024" and "See You Again S4", and popular TV series, such as "Romance in the Alley" and "The Legend of Shen Li", greatly drove the rapid growth of members, further validating the growth logic that investment in content and growth of members will form a virtuous cycle and positive feedback loop. On the other hand, we upgraded the membership benefits system in an all-round way, offered exclusive benefits to higher-tier members, built four revenue growth matrices comprising customized IP programs, standalone live streaming, drama-variety show linkage and advanced after-sale services, and released many innovative member interaction products, such as public prediction live streaming of "Singer 2024" and multi-perspective broadcast of the "New Year's Eve Gala", which enhanced the subscribers' value perception and willingness to pay, and steadily increased the ARPPU.



Our advertising business showed a slight fluctuation but generally maintained the recovery trend. During the reporting period, our revenue from the advertising business was RMB3.438 billion. In 2024, although the entire advertising industry showed signs of recovery, the rebound was relatively weak, and the recovery of brand advertising lagged behind. Leveraging the advantages of our multi-platform integrated ecosystem and steadily growing user base, we customized long-term marketing strategies for major customers in dairy products, healthcare, liquor and other sectors, enhanced innovation in marketing models, developed a combined approach of "long-short linkage", and created the new business model of "IP live streaming + offline marketing", to promote the integration of branding and effect marketing. Such efforts helped us maintain stability in the fundamentals of the advertising business.

Our operator business declined in the short term but will benefit from the high-quality industry development in the long term. During the reporting period, our revenue from the operator business was RMB1.593 billion. We actively complied with the requirements for the governance of the television industry, optimized the large screen TV-related services, such as "billing packages" and "pay-per-view content" in an all-round way. In the short term, the revenue from the value-added services in the operator business will be significantly affected. However, in the long term, with the improvement of viewing experiences and user stickiness in the large screen TV industry, as the sole market player holding both IPTV and OTT licenses, we are expected to benefit from the high-quality development of the industry.

(4) Fully leverage the synergy advantages of our ecosystem, and explore more innovative paths for IP derivatives

During the reporting period, on the basis of consolidating Mango TV Internet video business, we fully integrated content creation, production and operation, improved the content ecosystem and value realization chain, built a Mango ecosystem with richer content, and fully enabled our two major business sectors, new media interactive entertainment content production and content e-commerce.

Further deploy the child-oriented business. Golden Eagle Cartoon, as a top-tier domestic parent-child content platform, is an important vehicle for us to deepen the children content strategy and develop users in family scenarios. During the reporting period, on the basis of the original child-oriented business operation, Golden Eagle Cartoon fully leveraged its influence among the new generation of audience, built the study tour brand "Chaomang Star" integrating Mango family resources in brand, platform, ecosystem, etc., and offered high-quality product matrices, such as "Mango Direct Study Tour Focusing on Art Experience"; in combination with our proprietary IPs, launched adventure camps during winter and summer vacations in Zhangjiajie and Xinjiang; arranged visits to the venues of the Golden Eagle Festival, Mango New Year's Eve Gala and other events, and extended parent-child amusement parks, derivative and peripheral products, and other operations.

Xiaomang E-commerce continues its rapid expansion. Xiaomang E-commerce is part of GBS's strategic deployment based on the closed-loop monetization of IPs. After four years of nurturing, the platform now has a more precise positioning and is distinctly targeting youngsters. During the reporting period, Xiaomang E-commerce successfully completed its Series A1 of financing, and achieved a record high GMV of RMB16.1 billion, representing a four-year CAGR of 125%. Products like "No. 1" apparel, Guofeng mecha, and IP cards ranked among the top selling products in the industry. Xiaomang E-commerce leveraged Mango's ecosystem advantages to create high "emotion-price ratio" products and services, and seize the new trend of emotional consumption. Young users have developed habits of "watching and buying" on Mango. Happigo transitioned towards the silver-haired market to adapt to the market changes and rebuild its brand image.

The content industry value chain becomes richer. During the reporting period, our artist agency segment strengthened its pipeline building. EE-Media signed 11 new artists. Mango TV and Hunan Satellite TV gave priority to our signed artists in the

variety shows, films and TV dramas, and other content produced by them, achieving a win-win collaboration between the platform and artists. Our music copyright business, relying on professional music artists and bands, and popular music programs, continued to expand its copyright library of music from recordings, films, TV dramas and variety shows, and further solidified its sound cooperation relationships with major music platforms. In addition, we steadily conducted and deployed online and offline integrated IP tours, and created many series performance, such as Youth Mango Night and M-Zone Mango Card “Unlimited X” live concert.

(5) Seize the strategic opportunities brought by the integration of culture and technology, and accelerate the exploration and cultivation of new productive forces

In March 2024, during his inspection trip in Hunan, General Secretary Xi Jinping emphasized that “we should explore effective mechanisms for the integration of culture and technology, accelerate the development of new types of cultural operation, and create more new growth drivers for the cultural industry.” The proposition of the integration of culture and technology provided direction and basic guidance for Hunan to enhance its cultural soft power and promote the development of the cultural industry. Hunan has released and improved a series of policies and measures, designed to support the integration of culture and technology, further optimize the ecosystem of industry, research and development, finance, etc., widely attract domestic and international businesses, talents and significant technological forces engaged in the integration of culture and technology to gather in Malanshan, to build Malanshan into an important source of technology, birthplace of achievements, and gathering place for application scenarios in the integration of culture and technology.

Using our best efforts to respond to call for the integration of culture and technology not only reflects our commitment as a leader in Hunan’s cultural companies, but also represents the only path to leverage our content and technology advantages, to seize the strategic opportunities brought by the new waves of technology that enable the development of the cultural industry, and cultivate the new momentum for high-quality development. On the one hand, leveraging our rich application scenarios and content ecosystem, we actively explored the application of cutting-edge technologies like AI and innovation in types of operation, accelerated the cultivation of new productive forces, and fully enabled content creation, production, operation and monetization across the entire chain. During the reporting period, we actively promoted the innovative application of cutting-edge technologies, and established the “Shanghai Research Institute”. Our “Mango Large Model” has successfully passed the review by and been filed with the Cyberspace Administration of China, which has built an AI agent application platform, and achieved application across the entire chain from content creation, operation and monetization. We have applied AI-powered whole course digital and intelligent production processes in the creation of variety shows, micro dramas, advertisements and other types of content, and applied virtual reality technology in the production of Admonitions to Officials in China S2, Cyber Century and other programs, to reduce costs and increase efficiency. On the other hand, we built the innovative digital and intelligent interactive ecosystem for users, used the new technologies to comprehensively upgrade the digital and intelligent platforms, launched many innovative interaction programs, such as “AI character chat”, “cloud broadcast console • multi-screen viewing”, “crowd prediction interaction” and “lyric barrage choir”, which were applied in “Singer 2024”, “Time Concert” and other programs. In order to better seize the strategic opportunities and solidly promote the in-depth integration of culture and technology, we have kept great reserves of key projects, such as top-tier digital and intelligent communication platforms, Mango Overseas, “Mango Pi” game interactive platform, Mango strategic micro drama projects, and creation and dissemination of cartoon IP content based on excellent traditional Chinese culture.

(6) Improve the effectiveness of international communication in an all-round way, and successfully implement the overseas business double growth plan

We attach great importance to the building of international communication capabilities, and fully leverage our advantages to continuously explore the ways to tell China’s stories and make China’s voices heard in the world, and seek greater business growth through the expansion of overseas markets. First, promote the upgrading of the platform and effectively implement the “double growth plan”. As early as 2018, we launched the Mango TV International App, which was the first “self-owned, self-operated and self-controlled” overseas new media platform in the domestic industry. During the reporting period, in order to further increase its overseas market share and user base, the Mango TV International App vigorously implemented a “double growth plan”, and successfully increased its revenue from RMB62 million to RMB141 million, and aggregate downloads from 130 million at the end of 2023 to 261 million at the end of 2024. At present, the App supports free switching among 8 interface languages and 17 subtitle languages, and covers 195 countries and regions worldwide. In terms of user structure, the platform is particularly popular among younger users throughout the world, with nearly 60% of users aged 18-24. Second, promote the release of programs on the overseas market, and attract overseas fans with premium content. We released over 60 programs overseas, including “Singer 2024”, “Riding the Wind 2024” and “The Chinese Restaurant S8”, which built a bridge to communicate with global users, and achieved emotional resonance and cultural exchange with fashionable, trendy, youthful and international audiovisual expressions. “Singer 2024” has received recognition from the UNESCO twice as a “beautiful demonstration of cultural exchange”. “Riding the Wind 2024” promoted the natural blending of diverse international cultures from France, Vietnam, the United States, Thailand and Russia through the beauty of art. The “Riding the Wind” series, the “Call Me by Fire” series and other top-tier programs have successfully realized the export of IP models. Third, open new channels on the overseas market through win-win cooperation. We implemented the “Super Overseas Partner Program”, and cooperated with local media outlets and institutions in Vietnam, Singapore, Malaysia and other countries, to integrate with local cultural and business ecosystems, and explore the new paths for the integration of cultural export and industrial development.

2. Revenues and costs

(1) Components of operating revenue

Overall situation of operating revenue

In RMB

	2024		2023		Y/Y % change
	Amount	Proportion to operating revenue	Amount	Proportion to operating revenue	
Total operating revenue	14,079,689,573.23	100%	14,628,016,301.84	100%	-3.75%
By segment					
Mango TV Internet video business	10,178,828,062.30	72.29%	10,614,030,327.62	72.56%	-4.10%
New media interactive entertainment content production and operation	1,262,302,865.98	8.97%	1,149,941,038.24	7.86%	9.77%
Content e-commerce	2,600,499,612.87	18.47%	2,822,529,201.38	19.30%	-7.87%
Others	38,059,032.08	0.27%	41,515,734.60	0.28%	-8.33%
By product					
Mango TV Internet video business	10,178,828,062.30	72.29%	10,614,030,327.62	72.56%	-4.10%
New media interactive entertainment content production and operation	1,262,302,865.98	8.97%	1,149,941,038.24	7.86%	9.77%
Content e-commerce	2,600,499,612.87	18.47%	2,822,529,201.38	19.30%	-7.87%
Others	38,059,032.08	0.27%	41,515,734.60	0.28%	-8.33%
By region					
Hunan	3,827,921,369.66	27.19%	3,558,155,682.72	24.32%	7.58%
Outside Hunan	10,251,768,203.57	72.81%	11,069,860,619.12	75.68%	-7.39%
By sales model					
Sale	14,079,689,573.23	100.00%	14,628,016,301.84	100.00%	-3.75%

(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	10,178,828,062.30	6,583,034,084.93	35.33%	-4.10%	5.68%	-5.98%
New media interactive entertainment content production	1,262,302,865.98	937,328,628.20	25.74%	9.77%	9.51%	0.17%
Content e-commerce	2,600,499,612.87	2,442,583,668.39	6.07%	-7.87%	-8.95%	1.12%
Others	38,059,032.08	28,733,576.32	24.50%	-8.33%	-18.24%	9.16%
By product						
Mango TV Internet video business	10,178,828,062.30	6,583,034,084.93	35.33%	-4.10%	5.68%	-5.98%

New media interactive entertainment content production	1,262,302,865.98	937,328,628.20	25.74%	9.77%	9.51%	0.17%
Content e-commerce	2,600,499,612.87	2,442,583,668.39	6.07%	-7.87%	-8.95%	1.12%
Others	38,059,032.08	28,733,576.32	24.50%	-8.33%	-18.24%	9.16%
By region						
Hunan	3,827,921,369.66	2,763,894,057.28	27.80%	7.58%	15.97%	-5.22%
Outside Hunan	10,251,768,203.57	7,227,785,900.56	29.50%	-7.39%	-2.59%	-3.47%
By sales model						
Sale	14,079,689,573.23	9,991,679,957.84	29.03%	-3.75%	1.92%	-3.95%

In case of any adjustment to the statistic scale for primary business data, the primary 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 the sale of tangible goods is higher than the revenue from labor services?

☐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:

Segment	Item	2024		2023		Y/Y % change
		Amount	Proportion to operating cost	Amount	Proportion to operating cost	
Mango TV Internet video business	Internet video business	6,285,527,990.38	62.91%	5,795,180,476.82	59.12%	8.46%
Mango TV Internet video business	Operator business	297,506,094.55	2.98%	434,042,736.79	4.43%	-31.46%
New media interactive entertainment content production	Copyright and production costs	811,080,699.51	8.12%	692,872,785.79	7.07%	17.06%
New media interactive entertainment content production	Employee remuneration and others	126,247,928.69	1.26%	163,026,492.45	1.66%	-22.56%
Content e-commerce	Content e-commerce	2,442,583,668.39	24.45%	2,682,738,552.41	27.37%	-8.95%
Others	Others	28,733,576.32	0.29%	35,145,850.68	0.36%	-18.24%

In RMB

Product	Item	2024	2023	Y/Y %
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		Amount	Proportion to operating cost	Amount	Proportion to operating cost	change
Mango TV Internet video business	Internet video business	6,285,527,990.38	62.91%	5,795,180,476.82	59.12%	8.46%
Mango TV Internet video business	Operator business	297,506,094.55	2.98%	434,042,736.79	4.43%	-31.46%
New media interactive entertainment content production	Copyright and production costs	811,080,699.51	8.12%	692,872,785.79	7.07%	17.06%
New media interactive entertainment content production	Employee remuneration and others	126,247,928.69	1.26%	163,026,492.45	1.66%	-22.56%
Content e-commerce	Content e-commerce	2,442,583,668.39	24.45%	2,682,738,552.41	27.37%	-8.95%
Others	Others	28,733,576.32	0.29%	35,145,850.68	0.36%	-18.24%

Analysis:

None.

(6) Changes in the scope of consolidation during the reporting period

☐ Yes ☒ No

(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)	4,407,674,915.98
Proportion of aggregate sales revenue from top 5 customers to annual sales revenue	31.31%
Proportion of aggregate sales revenue from related parties among top 5 customers to annual sales revenue	25.61%

Particulars of top 5 customers:

No.	Name of customer	Sales revenue (RMB)	Proportion to annual sales revenue
1	Customer 1	2,302,864,123.42	16.36%
2	Customer 2	1,302,369,609.14	9.25%
3	Customer 3	351,489,791.27	2.50%
4	Customer 4	229,282,793.14	1.63%
5	Customer 5	221,668,599.01	1.57%
Total	--	4,407,674,915.98	31.31%

Other information of major customers:

☐ Applicable ☒ N/A

Major suppliers of the Company:

Aggregate purchase amount from top 5 suppliers (RMB)	2,137,992,382.93
Proportion of aggregate purchase amount from top 5 suppliers to annual purchase cost	21.40%

Proportion of aggregate purchase amount from related parties among top 5 suppliers to annual purchase cost	11.13%
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Particulars of top 5 suppliers:

No.	Name of supplier	Purchase amount (RMB)	Proportion to annual purchase cost
1	Supplier 1	1,111,910,723.40	11.13%
2	Supplier 2	299,645,594.04	3.00%
3	Supplier 3	249,113,207.55	2.49%
4	Supplier 4	244,858,490.51	2.45%
5	Supplier 5	232,464,367.43	2.33%
Total	--	2,137,992,382.93	21.40%

Other information of major suppliers:

☐Applicable ☒N/A.

3. Expenses

In RMB

	2024	2023	Y/Y % change	Reason of significant change
Selling expenses	1,991,049,368.32	2,260,065,273.97	-11.90%	Primarily due to a decrease in labor costs
Administrative expenses	440,417,808.78	612,009,007.33	-28.04%	Primarily due to a decrease in labor costs
Financial expenses	-189,180,203.00	-147,667,394.09	28.11%	Primarily due to an increase in interest income, and decrease in interest expenses
R&D expenses	263,871,588.23	278,728,244.78	-5.33%	

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.	<p>Mango TV basic service platform module: the research, development and building of crowdsourced security testing service central platform, intelligent review system, multi-cloud data platform and other modules have been completed.</p> <p>Audio-visual media business application innovation platform: the research, development and building of Mango video tool, user profiling system, Mango theatre and other innovative interactive products have been completed.</p> <p>VR application research platform: the research, development and building of the AR interactive engine, AI video and visual and other products have been completed.</p> <p>Guangmang cloud production and broadcast platform: the research, development and building of intelligent coding technology, high-quality post-production system and other products have been completed.</p> <p>New infrastructure platform for content production management: the research, development and building of the automated video remix platform, multi-media comprehensive analysis and search platform and other products have been completed.</p> <p>Audio-visual media refined operation support platform: the research, development and building of the data sharing system, high-speed video distribution node and other products have been completed.</p>	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, support “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 demands 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.

Particulars of R&D personnel:

	2024	2023	Y/Y % change
Number of R&D personnel	879	694	26.66%
Proportion of R&D personnel	19.48%	15.78%	3.70%
Education background of R&D personnel			
Undergraduates	612	518	18.15%
Masters	152	111	36.94%
Others	115	65	76.92%
Ages of R&D personnel			
Below 30	217	185	17.30%
30-40	529	453	16.78%
Others	133	56	137.50%

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

	2024	2023	2022
Amount of R&D expenses (RMB)	394,717,347.82	418,744,155.24	364,132,943.53
Proportion of R&D expenses to operating revenue	2.80%	2.86%	2.61%
Amount of R&D expenses capitalized (RMB)	130,845,759.59	140,015,910.46	106,525,701.12
Proportion of capitalized R&D expenses to total R&D expenses	33.15%	33.44%	29.25%
Proportion of R&D expenses capitalized to the net profit of the current period	9.74%	4.03%	5.90%

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	2024	2023	Y/Y % change
Subtotal of cash provided by operating activities	14,685,012,203.09	14,518,104,991.76	1.15%
Subtotal of cash used in operating activities	14,710,198,072.81	13,434,331,735.05	9.50%
Net cash flows from operating activities	-25,185,869.72	1,083,773,256.71	-102.32%
Subtotal of cash provided by investment activities	3,850,361,967.64	7,219,501,306.58	-46.67%
Subtotal of cash used in investment activities	11,535,169,635.64	6,463,056,173.92	78.48%
Net cash flows from investment activities	-7,684,807,668.00	756,445,132.66	-1,115.91%

Subtotal of cash provided by financing activities	258,515,632.97	679,622,361.64	-61.96%
Subtotal of cash used in financing activities	546,086,658.65	997,937,817.51	-45.28%
Net cash flows from financing activities	-287,571,025.68	-318,315,455.87	9.66%
Net increase in cash and cash equivalents	-7,997,480,048.52	1,521,997,270.65	-625.46%

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

☒Applicable ☐N/A

The net cash flow from operating activities decreased by 102.32% year on year, primarily due to an increase in the reserve of top-tier content in the current year.

The net cash flow from investment activities decreased by 1,115.91% year on year, primarily due to changes in the term deposits, large-denomination certificate of deposits and structural deposits purchased and redeemed in the current year.

The net cash flow from financing activities increased by 9.66% year on year, primarily due to receipt of additional capital contributions to a subsidiary, and changes in discount on notes not qualifying for derecognition.

The net increase in cash and cash equivalents decreased by 625.46% year on year, primarily due to a decrease in cash and bank balances in the current year, resulting in a decrease in cash and cash equivalents; while the decrease in the closing balance of cash and bank balances was primarily due to the presentation of the term deposits and large-denomination certificate of deposits held by us and measured at amortized cost under debt investments or other current assets pursuant to the CASBE No. 22 - Recognition and Measurement of Financial Instruments.

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

☒Applicable ☐N/A

The great difference between net cash flows from operating activities and net profit was primarily due to an increase in the prepayments for top-tier content and amortization of intangible assets in the current year.

V. Analysis of non-primary business

☒Applicable ☐N/A

In RMB

	Amount	Proportion to total profit	Main source	Whether or not sustainable
Investment income	284,577,190.38	16.14%	Interest income on term deposits, large-denomination certificates of deposit and structural deposits	No
Impairment loss on assets	-97,952,613.79	-5.56%	Recognition of impairment losses on accounts receivable	No
Non-operating revenue	37,254,683.06	2.11%	Income from rights protection actions	No
Non-operating expenses	16,576,762.46	0.94%	Expenses in connection with donations and indemnity	No

VI. Analysis of assets and liabilities

1. Material changes in the components of assets

In RMB

	December 31, 2024		January 1, 2024		Change	Reason of significant change
	Amount	Proportion to total assets	Amount	Proportion to total assets		
Cash and bank balances	3,900,720,328.83	11.99%	11,882,208,257.60	37.81%	-25.82%	The decrease in the closing balance of cash and bank balances was

						primarily due to the presentation of the term deposits and large-denomination certificate of deposits held by us and measured at amortized cost under debt investments or other current assets pursuant to the CASBE No. 22 - Recognition and Measurement of Financial Instruments.
Accounts receivable	4,539,972,513.35	13.96%	3,496,523,370.15	11.13%	2.83%	The increase in the closing balance of accounts receivable was primarily due to an increase in accounts receivable due within one year, which have a low recovery risk.
Contract assets	924,417,333.31	2.84%	838,691,849.14	2.67%	0.17%	
Inventories	1,331,578,160.36	4.09%	1,717,435,689.33	5.47%	-1.38%	
Investment properties	73,280,700.70	0.23%	81,084,052.23	0.26%	-0.03%	
Fixed assets	131,318,038.31	0.40%	142,419,568.37	0.45%	-0.05%	
Right-of-use assets	236,851,480.00	0.73%	228,587,413.61	0.73%	0.00%	
Short-term borrowings	33,777,599.72	0.10%	33,781,325.60	0.11%	-0.01%	
Contract liabilities	1,322,006,823.98	4.06%	1,223,382,815.57	3.89%	0.17%	
Lease liabilities	145,427,479.17	0.45%	151,809,003.34	0.48%	-0.03%	
Other current assets	3,651,306,615.16	11.22%	130,178,232.12	0.41%	10.81%	
Debt investments	3,845,940,324.39	11.82%			11.82%	

Analysis of the high proportion of overseas assets:

☐Applicable ☒N/A

2. Assets and liabilities at fair value

☒Applicable ☐N/A

In RMB 0'000

Item	Opening balance	Gain or loss on changes in fair value	Aggregate changes in fair value recorded in equity	Impairment loss recognized in the current period	Amount purchased in the reporting period	Amount sold in the reporting period	Other changes	Closing balance
Financial assets								
1. Financial assets held for trading (excluding	105,200.00				210,159.77	156,236.22	1,560.66	160,684.21

derivative financial assets)								
Subtotal of financial assets	105,200.00				210,159.77	156,236.22	1,560.66	160,684.21
Receivables financing	69,839.49						-64,019.31	5,820.18
Subtotal	175,039.49				210,159.77	156,236.22	-62,458.65	166,504.39
Financial liabilities	0.00							0.00

Other changes:

Other changes in financial assets held for trading were primarily due to an increase in interest income. Other changes in receivables financing were primarily due to a decrease in banker's acceptance bills.

Whether there's any material change in the measurement properties of the 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 RMB30.8840 million, where the bank deposits included RMB16.1152 million subject to judicial freeze, and RMB1.2443 million of security deposits and others, and other monetary funds included RMB13.5245 million of deposits.

VII. Analysis of investments

1. Overall situation

☒Applicable ☐N/A

Amount of investment in 2024 (RMB)	Amount of investment in 2023 (RMB)	Y/Y % change
0.00	834,795,100.00	-100.00%

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

No such case during the reporting period.

(2) Derivative investment

☐Applicable ☒N/A

No such case during the reporting period.

5. Use of offering proceeds

☒Applicable ☐N/A

(1) Description of the use of offering proceeds

☑Applicable ☐N/A

In RMB 0'000

Year of offering	Method of offering	Date of listing	Total offering proceeds	Net offering proceeds (1)	Total amount of offering proceeds used in the reporting period	Aggregate amount of offering proceeds already used (2)	% of offering proceeds used as of the end of the reporting period (3) = (2)/(1)	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	Acquisition of assets by issuance of shares and ancillary fund-raising	May 30, 2019	200,000	198,270.07	9,348	140,017.45	70.62%	0	0	0.00%	58,252.62	Deposited in the dedicated account of offering proceeds and used for the purchase of cash management products; wherein, RMB368,805,500 has been used to permanently replenish the working capital	58,252.62
2021	Share offering to specific persons	August 24, 2021	450,000	448,579.21	68,481.73	365,821.85	81.55%	0	0	0.00%	82,757.36	Deposited in the dedicated account of offering proceeds, and purchase cash management products	82,757.36
Total	--		650,000	646,849.28	77,829.73	505,839.3	78.20%	0	0	0.00%	141,009.98	--	141,009.98
Description of use of offering proceeds													
During the reporting period, the total amount of offering proceeds used by us was RMB778,297,300. As of December 31, 2024, the aggregate amount of offering proceeds used by us was RMB5,058,393,000, and RMB390,599,900 (including interest) was used to permanently replenish the working capital. The balance of the dedicated account of offering proceeds was RMB1,362,029,000, including RMB1,041,294,300 of principal and RMB320,734,700 of interest income, of which, RMB282,029,000 was deposited in the dedicated account of offering proceeds, and RMB1,080,000,000 of idle offering proceeds was used to purchase cash management products.													

(2) Committed fund-raising investment projects

☑Applicable ☐N/A

In RMB0'000

Name of investment project	Date of listing	Committed investment project and use of over-raised funds	Nature of project	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 project	May 30, 2019	Mango TV copyright pool expansion project	Content investment	No	148,674	148,674	9,348	127,340	85.65%		-1,290.27	23,001.45	N/A	No
Mango TV cloud storage and multi-screen broadcast platform project	May 30, 2019	Mango TV cloud storage and multi-screen broadcast platform project	R&D project	No	49,558	49,558		12,677.45	25.58% ¹		²		N/A	No
Content resource pool expansion project	August 24, 2021	Content resource pool expansion project	Content investment	No	398,587.78	398,587.78	57,158.2	340,575.59	85.45%		-7,630.08	282,186.21	Yes	No
Mango TV smart audio & video media service platform project	August 24, 2021	Mango TV smart audio & video media service platform project	R&D project	No	49,991.43	49,991.43	11,323.53	25,246.26	50.50%		³		N/A	No
Subtotal				--	646,811.21	646,811.21	77,829.73	505,839.3	--	--	-8,920.35	305,187.66	--	--
Use of over-raised funds														
No over-raised funds	August 24, 2021	No over-raised funds	No over-raised funds	No									N/A	No
Total				--	646,811.21	646,811.21	77,829.73	505,839.3	--	--	-8,920.35	305,187.66	--	--

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 in 2017 and implemented in 2019 after receipt of the relevant offering proceeds. However, within these two years, the technical environment changed greatly, and the technical requirements also changed. Therefore, after receipt of the relevant offering proceeds, we adjusted the fund use plan, resulting in a significant deviation of the fund use progress from the fund use plan originally disclosed. Pursuant to the Guide on Operational Compliance for Companies Listed on the ChiNext Board of the Shenzhen Stock Exchange, we proposed to adjust the fund use plan in respect of the cloud storage and multi-screen broadcast platform project, by extending the fund use period to 2021. 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 at the 29th meeting of the 3rd Board of Directors 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 at the 35th meeting 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 be completed 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 the 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. On April 20, 2023, the 15th meeting of the 4th Board of Directors considered and adopted 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 proposal, and the sponsor issued a verification opinion. During the implementation of the project, in the background of reducing costs and increasing efficiency, Happy Sunshine continuously improved the technology investment plan and proportion, by actively replacing outsourced technologies with self-developed technologies on the one hand, and giving priority to the development of asset-light project and postponing the development of asset-heavy projects on the other hand; and in light of the changes in the technical environment, gave priority to home made equipment in the procurement of core hardware and software, and changed certain suppliers, resulting in a delay in the project to a certain extent. With the transfer and adjustment of R&D resources and strategies, the overall implementation progress of the project has certain changes. According to the evaluation, it is expected that the project needs to be further postponed for one year on the basis of the original project construction schedule; to be specific, the Mango TV smart audio & video media service platform project will be fully completed by the end of 2025. On April 18, 2024, the 20th meeting of the 4th Board of Directors and the 18th meeting of the 4th Board of Supervisors considered and adopted 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, by postponing the completion of the project till December 31, 2025. The sponsor issued a verification opinion.</p> <p>Content resource pool expansion project: The actual progress of the use of offering proceeds by the project lags behind the schedule, because that in light of the overall development trend of the industry, we focus on the quality of contents and pursue high-quality development, therefore take a more cautious approach toward content production than what is expressed in the original plan. In addition, we now also make payments for contents by means of bill acceptance, which has delayed the progress of actual payment of the offering proceeds to a certain extent. On August 17, 2023, the 18th meeting of the 4th Board of Directors considered and adopted the Proposal on Adjusting the Use Plan of Funds Raised by the Content Resource Pool Expansion Project, to adjust the fund use plan of the content resource pool expansion project, by postponing the completion of the project by two years till the end of 2025. The Company's independent directors and the Board of Supervisors expressed their consent to the proposal, and the sponsor issued a verification opinion.</p>
Reason of significant change in the feasibility of the project	None
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	<p>Applicable</p> <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 meets 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 and December 21, 2021, the 7th meeting of the 4th Board of Directors and the 2nd extraordinary general meeting of shareholders in 2021 considered and approved 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 remaining offering proceeds were used to purchase exclusive Internet copyright of teleplays. In addition, we adjusted the fund use plan simultaneously. On April 18, 2024, the 20th meeting of the 4th Board of Directors and the 18th meeting of the 4th Board of Supervisors of the Company considered and adopted the Proposal on Adjusting the Implementation Method and Fund Use Plan of Mango TV Copyright Pool Expansion Project. Due to commercial negotiations, scheduling planning and other reasons, the films and TV dramas that the Company intended to purchase were subject to scheduling adjustment, repertoire change, etc. According to the actual implementation of the project, the Company adjusted the implementation method and fund use plan of the Mango TV copyright pool expansion project, adjusted part of the films and TV dramas to be purchased, and extended the project construction period to December 31, 2026. A special meeting of the Company's independent directors considered and adopted the proposal, and the independent financial adviser issued the verification opinion. The proposal was approved at the general</p>

	<p>meeting of shareholders of the Company held on May 31, 2024.</p> <p>Content resource pool expansion project: On April 18, 2024, the 20th meeting of the 4th Board of Directors and the 18th meeting of the 4th Board of Supervisors considered and adopted the Proposal on Adjusting the Implementation Method of the Content Resource Pool Expansion Project. Due to commercial negotiations, scheduling planning and other reasons, the films and TV dramas that the Company intended to purchase were subject to rescheduling, repertoires changes, etc. According to the actual implementation of the project, the Company adjusted the implementation method of the content resource pool expansion project, and continued to use the balance of the raised funds of Sub-project 1 “Grade-S Film and TV Drama Copyright Procurement Project” for Sub-project 2, and adjusted the implementation method of Sub-project 2 “Grade-A Film and TV Drama Copyright Self-production (including Customization) and Procurement Project” into “Grade-S / Grade-A Film and TV Drama Copyright Self-production (including Customization) and Procurement Project”. A special meeting of the Company’s independent directors considered and adopted the proposal, and the sponsor issued a verification opinion. The proposal was approved at the 2023 general meeting of shareholders of the Company held on May 31, 2024. On October 24, 2024, the 24th meeting of the 4th Board of Directors and the 21st meeting of the 4th Board of Supervisors considered and approved the Proposal for Adjusting the Internal Investment Structure of the Content Resource Pool Expansion Project. The outstanding amount of RMB20 million payable for the “Grade-S Film and TV Drama Copyright Procurement Project” will be paid with self-owned funds, while the raised fund of RMB20 million originally allocated for this purpose will continue to be used in the “Grade-S / Grade-A Film and TV Drama Copyright Self-production (including Customization) and Procurement Project”. The fund use plan of the “Grade-S / Grade-A Film and TV Drama Copyright Self-production (including Customization) and Procurement Project” was adjusted accordingly based on the adjustment of the internal investment structure and progress of the project. The sponsor issued a verification opinion.</p>
Funds pre-invested in the investment project and replacement thereof	<p>Applicable</p> <p>On August 25, 2020, the 31th meeting 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 proposal, and the independent financial advisor issued a verification opinion.</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 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 RMB703,945,553.67 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, totaling RMB704,421,025.37. The independent directors and the Board of Supervisors of the Company approved the proposal. The Replacement 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 (including issuance and endorsement of banker’s acceptance bills, the same below), during the period of fund-raising for such investment project through A-share offering to specific persons in 2020, and replacement of the same with the offering proceeds by transferring the amount actually paid from the dedicated 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 the proposal.</p> <p>On April 20, 2023, the 15th meeting of the 4th Board of Directors of the Company considered and adopted the Proposal Regarding Payment with Commercial Acceptance Bills or Otherwise 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 commercial acceptance bills (including issuance and endorsement of banker’s acceptance bills and commercial acceptance bills, the same below), letters of credit, cloud certificates or otherwise, and replacement of the same with the offering proceeds by transferring the amount actually paid from the dedicated 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, and the sponsor and independent financial advisor issued a verification opinion on, the proposal referred to above.</p>
Temporary replenishment of working capital with the unused offering proceeds	N/A
Amount of unused offering proceeds and reason thereof	<p>Applicable</p> <p>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, the 8th meeting of the 4th Board of Directors considered and adopted 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. The proposal was approved at the 2021 annual general meeting of shareholders held on May 19, 2022. 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.</p>
Purpose and whereabouts of unused offering proceeds	<p>As of the end of the reporting period, we used RMB1,080,000,000 of unused offering proceeds to purchase cash management products, and deposited the balance of the unused offering proceeds in the dedicated account of offering proceeds.</p>

Problems or other matters existing in the use and disclosure of offering proceeds	None
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Note:

1. The project has been completed.
2. The Mango TV cloud storage and multi-screen broadcast platform 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.
3. The Mango TV smart audio & video media service platform project was authorized in the first quarter of 2022, and funds have been invested in the project thereafter continuously. The project aims at improving overall platform-level solutions in ultra HD video, interactive video and re-consumable video in the future, accelerating the 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

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 RMB0'000

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	24,247.00	2,842,899.32	1,908,864.19	1,103,151.90	170,166.56	130,388.20
Xiaomang E-commerce	Subsidiary	Content e-commerce	9,086.29	31,763.99	7,280.66	106,675.05	-4,877.89	-4,748.78
Golden Eagle Cartoon	Subsidiary	Production of contents for youth	5,969.33	46,572.42	29,252.60	20,495.37	6,523.45	6,485.51
Happigo	Subsidiary	Media retail	40,100.00	77,175.30	51,245.46	160,966.43	-2,280.99	-1,801.11
EE-Media	Subsidiary	Artist agency business, program, film and TV drama production business and copyright business	9,000.00	84,561.75	62,261.72	34,038.00	4,895.22	4,542.40

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

1. Hold high the banner and write a new chapter in mainstream propaganda

A media outlet controlled by the Party shall adhere to the leadership of the Party with strict loyalty, nurture roots and forge spirits, guided by principle. As a Party-controlled mainstream media outlet, we will always keep in mind our responsibilities and missions, and go all out to shape a new pattern of mainstream public opinions, raise the ideological banner higher, strengthen positive energy and amplify the main melody. We will vigorously publicize and interpret Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, further improve the “headline project”; carry forward cultural self-confidence, and explore the origin of cultural heritage, integrate the excellent traditional Chinese culture into innovative content for the new era. Under the theme “Chinese Modernization: A Bright Path 2025”, we will create more powerful and widely disseminated mainstream propaganda content, and produce more Mango branded excellent main melody works.

2. Uphold fundamental principles and break new ground, and strive towards new heights in content creation and production

We will continue to explore the optimal content production organization regimes, vigorously promote the innovation in dramas and variety shows to reach new heights; actively implement the “Track Manager” regime, innovate in and upgrade the “Generation N” variety shows, ensure that the proportion of innovative content is above 40%, create wholly new hits, and continuously consolidate our dominant position in the variety show industry; further enhance the development and deployment of top-tier projects, steadily implement the big drama strategy, promote the development of high-quality low-cost works, and foster a user perception of “watching variety shows on Mango, also watching good dramas on Mango”. We will further deepen our deployment in the track of micro and short content, promote the growth of micro dramas in both quantity and quality, and strive to gain in-depth advantages in the “long, medium and short” video content ecosystem rapidly. Mango TV will implement the “theater-style + premium product” strategy, build four theme theaters focusing on self-produced premium dramas; adopt a wholly new profit-sharing cooperation model for premium micro short dramas, and build a diversified ecosystem of micro dramas in collaboration with the peers from three dimensions, namely increasing the earnings of the authors, enhance resource support, and innovating in the of cooperation model.

3. Take steady and incremental steps to create a new growth engine

From the perspective of the development trend of the long video industry, the membership business has substantial growth potential, and demonstrates strong resilience against the fluctuations of economic cycle and the advertising market. Currently, we are in a stage of transition from the old growth engine to the new growth engine driven by performance, as the membership business is gradually replacing traditional businesses like advertising and becoming a new growth engine. We will promote the stable growth of members and steady rise of the ARPPU through a stable supply of high-quality content and continuous improvement of the benefits system, and ensure the membership revenue maintains a high-quality growth trend with the rise of both volume and price. In addition, by building a marketing ecosystem of “long, medium, short video content” covering both online and offline channels, we will steadily increase the online broadcast rate and duration of watch time of premium large-screen content, to promote the rebound of our advertising and operator businesses.

4. Adhere to the top-level design and cultivate new driving forces for ecological integration

We will center on the Mango TV, as our core platform, enhance the synergy effect of our ecosystem, improve the closed value loop from content incubation to monetization, and complete the development of an entire industry chain for our IPs. Golden Eagle Cartoon will create cross-screen hit variety shows and animation IPs, and build an immersive view matrix that integrates study tour research bases, theme parks and kid competitions. Xiaomang E-commerce is actively introducing investors to accelerate its Series A2 financing and plan for a Series B round. It will deepen the building of circle brands, promote spending on variety shows, films, TV dramas, animations, games and other derivative products, build a co-creation platform for IP derivatives, and lead the new spending trends for the young generation. EE-Media will strengthen its core advantages in music copyright operation and further build the whole-cycle artist training system. Happigo will further its strategic transformation towards the silver-haired economy, and build a “content + service + product” elderly consumer ecosystem.

5. Continue to use technologies to build a new digital and intelligent communication ecosystem

Amid the vigorous integrated development of culture and technology in Hunan, the building of a top-tier intelligent digital and communication platform is not only a major task of the strategy for the integration of culture and technology, but also brings about opportunities for development. We will leverage our advantages in diverse business scenarios and resource endowments, create a new “digital and intelligent production” model integrating “AIGC + mixed reality + virtual human + digital asset library”, increase the application of new technologies in content innovation, and explore the ways to give rise to new types of cultural operation by new technologies. In order to better seize the strategic opportunities and solidly promote the in-depth integration of culture and technology, we have kept great reserves of key projects, such as “Mango Pi” game interactive platform, Mango strategic micro drama projects, and creation and dissemination of cartoon IP content based on excellent traditional Chinese culture.

6. Forge ahead, delve deep, and improve the effectiveness of international communication

To go global is not only a move made by us to implement the national strategy, but also an important way for us to seek market and growth. We will, in reliance on the Mango TV International App, strive to achieve growth of user base on the basis of IP-based, diversified and international content, and establish a dedicated company responsible for running the Mango TV International App, to vigorously implement the “Mango Three-Year Action Plan to Go Global (2025-2027)”, develop a more intelligent, diversified interactive platform covering the entire chain on the basis of AI large models, intelligent production, block chain and other new technologies, and strive to double the daily active users of the Mango TV International App for three consecutive years.

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 the 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 operate in the cultural and art industry. The market players are required to conduct relevant business in strict accordance with the industrial regulatory policies and obtain broadcast licenses before releasing films, TV dramas, variety shows. Any change in industrial regulatory policies will bring uncertainties to our content production, broadcast schedule and monetization models. As a Party-controlled media outlet and state-owned enterprise, we have head start advantages in policy research, and will adhere to the correct political direction, direction of guidance of public opinion and direction of values, and produce and broadcast programs 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 the industrial competitive situation may have an adverse impact on our market shares and profitability. As a state-owned long video platform, we will continue to pursue the values guiding the 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, and 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 the huge amount of a single investment, a 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 minimized 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 experiences to users. If we fail to keep up 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 research 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 the 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 primary business involves the use of copyright of audiovisual programs, so the purchased copyright may have defects and infringe on the interests of legal rights 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 information provided	Particulars of the investigation and research activity available at

April 22, 2024	Teleconference	Communication by telephone	Institutional investors	Refer to the Record of Investor Relations Activities of Mango Excellent Media Co., Ltd. (2024-01)	Our business situations	Refer to our Record of Investor Relations Activities (2024-01) disclosed on www.cninfo.com.cn
April 26, 2024	Web meeting	Online communication	Others	Refer to the Record of Investor Relations Activities of Mango Excellent Media Co., Ltd. (2024-002)	Our business situations	Refer to the Record of Investor Relations Activities of Mango Excellent Media Co., Ltd. (2024-002)

XIII. Development and implementation of market value management regulations and corporate value enhancement plan

Whether the Company has developed market value management regulations?

☒ Yes ☐ No

Whether the Company has disclosed its corporate value enhancement plan?

☐ Yes ☒ No

In order to strengthen market value management and enhance our investment value, we have developed the Market Value Management Regulations pursuant to the Guide on Self-regulatory Supervision for Companies Listed on the Shenzhen Stock Exchange No. 10 – Market Value Management and other applicable regulations, taking into account our actual situations, which was approved at the 27th meeting of the 4th Board of Directors.

XIV. Implementation of the action plan to improve the quality and returns

Whether the Company has disclosed its action plan announcement to improve the quality and returns?

☒ Yes ☐ No

We disclosed the Announcement Regarding the Action Plan to “Improve Both Quality and Returns” on www.cninfo.com.cn on March 6, 2024 (Announcement No. 2024-004). The progress of the implementation of the action plan to “Improve Both Quality and Returns” by us during the reporting period is detailed in the Announcement Regarding the Progress of the Implementation of the Action Plan disclosed by us on www.cninfo.com.cn on the same day.

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.

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 2024 ESG & CSR 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 had 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 "EasyIR" platform, investor consultation telephone, public email and other 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 an annual assessment of information disclosure of listed companies for the 6th consecutive year, and awarded the “2024 Best Practice Cases of Directors’ Office of Listed Companies” by the 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	Actual controller	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	GBS has issued written commitment on matters related to horizontal competition with the Listed Company during the 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. Fulfillment of commitments”.	GBS has issued written commitment on matters related to horizontal competition with the Listed Company during the 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. Fulfillment of commitments”.
Coexistence	Actual controller	Xiaoxiang Film Group	Regulated by SASAC local counterparts			

				<p>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 “one Party committee, two entities and integrated operation” 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.</p>		
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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
2023 annual general meeting of shareholders	Annual general meeting of shareholders	70.89%	May 31, 2024	June 1, 2024	Refer to the Announcement of the Resolutions of the 2023 Annual General Meeting of Shareholders (Announcement No.: 2024-033) disclosed on www.cninfo.com.cn .
The 1st extraordinary general meeting of shareholders in 2024	Extraordinary general meeting of shareholders	71.20%	December 26, 2024	December 27, 2024	Refer to the Announcement of the Resolutions of the First Extraordinary General Meeting of Shareholders in 2024 (Announcement No. 2024-055) 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	Gender	Age	Title	Status	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	Male	48	Chairman	Current	January 31, 2023							
			Director	Current	September 12, 2018							
DING Wenhua	Male	69	Independent Director	Current	May 31, 2024							
XIAO Xing	Female	54	Independent Director	Current	January 8, 2019							
LIU Yuhui	Male	55	Independent Director	Current	January 8, 2019							
YANG Yun	Male	52	Director	Current	February 21, 2023		1,500				1,500	
SONG Zichao	Male	56	Director	Current	February 21, 2023							
LIANG Deping	Male	46	Director	Current	February 21, 2023							
			General Manager	Current	January 31, 2023							
SHEN Wenhai	Male	54	Director	Current	May 31, 2024							
PENG Jian	Male	53	Director	Current	May 19, 2022							
TAN Li	Female	45	Chairman of the Board of Supervisors	Current	December 26, 2024							
ZOU Qinghua	Male	55	Supervisor	Current	December 26, 2024							
XIE Shaoqiang	Male	40	Employee Supervisor	Current	September 7, 2022							
ZHENG Huaping	Male	49	Deputy General Manager	Current	August 16, 2018							
ZHOU Hai	Male	49	Deputy General Manager	Current	January 31, 2023							
ZHANG Zhihong	Male	48	Deputy General Manager & Finance Director	Current	July 4, 2022							
			Board Secretary	Current	July 25, 2023							
SHEN Yadong	Male	44	Deputy General Manager	Current	July 4, 2022							
LUO Zejun	Male	53	Deputy General Manager	Current	July 4, 2022							

ZHONG Hongming	Male	51	Independent Director	Resigned	June 14, 2017	May 31, 2024						
LIU Xin	Male	54	Director	Resigned	September 19, 2019	May 15, 2024						
FANG Fei	Male	40	Chairman of the Board of Supervisors	Resigned	February 27, 2023	December 26, 2024						
FANG Fei	Male	40	Supervisor	Resigned	February 21, 2023	December 26, 2024						
ZHANG Shangbin	Male	53	Supervisor	Resigned	February 21, 2023	December 26, 2024						
Total	--	--	--	--	--	--	1,500	0	0		1,500	--

Whether any director or supervisor retired or any executive was removed during the reporting period?

☒Yes ☐No

On May 15, 2024, Mr. LIU Xin resigned as the director, and member of the relevant committees of the Board of Directors due to work adjustment.

On May 31, 2024, Mr. ZHONG Hongming resigned as the independent director and member of the relevant committees of the Board of Directors due to the expiration of his term of office.

On December 26, 2024, Mr. FANG Fei resigned as the Chairman of the Board of Supervisors and non-employee supervisor due to work adjustment.

On December 26, 2024, Mr. ZHANG Shangbin resigned as the non-employee supervisor due to work adjustment.

Changes in directors, supervisors and executives

☒Applicable ☐ N/A

Name	Title	Type	Date	Reason
LIU Xin	Director	Resigned	May 15, 2024	Work adjustment
ZHONG Hongming	Independent director	Retired upon expiration of term of office	May 31, 2024	Re-election
FANG Fei	Chairman and member of the Board of Supervisors	Resigned	December 26, 2024	Work adjustment
ZHANG Shangbin	Supervisor	Resigned	December 26, 2024	Work adjustment
DING Wenhua	Independent director	Appointed	May 31, 2024	Re-election
SHEN Wenhai	Director	Appointed	May 31, 2024	Work adjustment
TAN Li	Chairman and member of the Board of Supervisors	Appointed	December 26, 2024	Work adjustment
ZOU Qinghua	Supervisor	Appointed	December 26, 2024	Work adjustment

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, 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 E-commerce Co., Ltd.; is now member of the Party Committee, General Manager and Vice President of Golden Eagle Broadcasting System Co., Ltd. (Hunan Broadcasting System), Secretary of the Party Committee of the Satellite TV Channel, and Deputy Secretary and Chairman of the Board of Directors in Mango Excellent Media Co., Ltd.

DING Wenhua, male, born in April 1956, member of the Communist Party of China, member of the Chinese Academy of Engineering, professor-level senior engineer, radio, film and TV technology expert, former chief engineer in CCTV, is now Dean of the Shenzhen University College of Electronic and Information Engineering and independent director of Hisense Visual Technology Co., Ltd., and has been our independent director since June 2024.

XIAO Xing, female, born in March 1971, member of the Communist Party of China, graduated from Tsinghua University, a 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; 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, executive director of the Accounting Society of China, and independent director of Li Auto and Kuaishou Technology; and has been our independent director since January 2019.

LIU Yuhui, male, born in October 1970, 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; research fellow of the Institute of Economics, the Chinese Academy of Social Sciences between April 2017 and April 2023; is now member of the Executive Council of the China Chief Economist Forum; and has been our independent director since January 2019.

YANG Yun, male, born in July 1973, a 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.; is now a member of the Party Committee, Deputy General Manager, Vice President and Secretary of the General Party Branch, 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, master's degree in arts; former Director of R&D Center, Production Scheduling Center and Advertising Department, Deputy Director of the Satellite TV channel in Hunan Broadcasting System, and Secretary of the Party Committee of the Satellite TV Channel at Golden Eagle Broadcasting System Co., Ltd. (Hunan Broadcasting System); is now Deputy Secretary of the Party Committee and Director of the Satellite TV Channel at 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, MBA, 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 Happigo Co., Ltd.; 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., Party secretary and director of Golden Eagle Broadcasting System, director of Xiaomang E-commerce Co., Ltd., and member of the Party Committee of the Satellite TV Channel at Golden Eagle Broadcasting System Co., Ltd. (Hunan Broadcasting System).

SHEN Wenhai, male, born in March 1971, member of the Communist Party of China, master's degree, former Director and Deputy General Manager of China Mobile Communications Group Fujian Co., Ltd., member of the Standing Committee of the Shaotong Municipal Party Committee, Vice Mayor of the Shaotong Municipality, Deputy Director of China Mobile Xiong'an New Area Office, and General Manager of the Development Strategy Department of China Mobile Communications Group Co., Ltd.; is now Party secretary and Chairman of China Mobile Migu Co., Ltd., and has been our director since June 2024.

PENG Jian, male, born in November 1972, member of the Communist Party of China, undergraduate; former Deputy Director of 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; 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:

TAN Li, female, born in November 1980, member of the Communist Party of China, master's degree, senior accountant; former Director of the Asset and Finance Department of Mango Media Co., Ltd., and Deputy Director of the Audit Department of Golden Eagle Broadcasting System Co., Ltd. (Hunan Broadcasting System); is now Director of the Audit Department of Golden Eagle Broadcasting System Co., Ltd. (Hunan Broadcasting System), and supervisor of Mango Media Co., Ltd.; and has been our Chairman of the Board of Supervisors since December 2024.

ZOU Qinghua, male, born in June 1970, member of the Communist Party of China, undergraduate; former Director of the Public Complaints Office, Director of the Administrative Efficiency Supervision Office and Director of the Sixth Discipline Inspection Office of the Hengyang Municipal Commission for Discipline Inspection of CPC, member of the Leading Party Members' Group of the Hengyang Municipal Development and Reform Commission, Director of the Hengyang Municipal Office of Economic Development Environment Optimization, member of the Party Committee, Secretary of the Commission for Discipline Inspection and Chairman of the Board of Supervisors of Hunan Cable TV Network (Group) Co., Ltd., and Deputy Secretary and Director of the Discipline Inspection Office of the Commission for Discipline Inspection of Hunan TV & Broadcast Intermediary Co., Ltd.; is now member of the Party Committee and Secretary of the Commission for Discipline Inspection of Mango Excellent Media Co., Ltd.; and has been our supervisor since December 2024.

XIE Shaoqiang, male, born in March 1985, member of the Communist Party of China, undergraduate; former General Manager of the Large Membership Center, General Manager of the Operator Network Center and General Manager of the Smart Large-Screen Center of Hunan Happy Sunshine Interactive Entertainment Media Co., Ltd., General Manager of Xiaomang E-commerce Co., Ltd., Deputy Chief Editor and General Manager of the Brand Promotion Center of Hunan Happy Sunshine Interactive Entertainment Media Co., Ltd.; is now Deputy General Manager of Hunan Happy Avant Garde 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.; is now a 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., Vice Chairman of the Board of Directors of Xiaomang E-commerce Co., Ltd., and member and Chief Editor of the Party Committee of the Satellite TV Channel at 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 the Satellite TV Channel at 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.; is now a member of the Party Committee and Deputy General Manager of Mango Excellent Media Co., Ltd., executive director of Mango Studios Culture Co., Ltd., and member of the Party Committee of the Satellite TV Channel at 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.; is now Deputy General Manager, Finance Director and Board Secretary 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 E-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 the Satellite TV Channel at 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., Assistant to General Manager of Mango Excellent Media Co., Ltd., and General Manager of Shanghai EE-Media Co., Ltd.; is now Deputy General Manager of Mango Excellent Media Co., Ltd., and executive director 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 member of the Party Committee and Deputy General Manager of Hunan Happy Sunshine Interactive Entertainment Media Co., Ltd.; is now Deputy General Manager 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
CAI Huaijun	Mango Media Co., Ltd.	Director			
YANG Yun	Mango Media Co., Ltd.	Secretary of the General Party Branch, Director & General Manager			
TAN Li	Mango Media Co., Ltd.	Supervisor			

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 remunerations and subsidies from such entity
CAI Huaijun	GBS (HBS)	Member of the Party Committee, General Manager, Vice President and Secretary of the Party Committee of the Satellite TV Channel			
DING Wenhua	Shenzhen University	Dean of the College of Electronic and Information Engineering			
DING Wenhua	Hisense Visual Technology Co., Ltd.	Independent director			
XIAO Xing	School of Economics and Management, Tsinghua University	Professor			
XIAO Xing	Institute for Global Private Equity, Tsinghua University	Dean			
XIAO Xing	Li Auto	Independent Director			
XIAO Xing	Kuaishou Technology	Independent Director			

LIU Yuhui	China Chief Economist Forum	Member of the Executive Council			
YANG Yun	GBS (HBS)	Member of the Party Committee, Deputy General Manager and Vice President			
YANG Yun	HTBI	Director			
SONG Zichao	GBS (HBS)	Deputy Secretary of the Party Committee and Director of the Satellite TV Channel			
LIANG Deping	GBS (HBS)	Member of the Party Committee of the Satellite TV Channel			
SHEN Wenhai	Migu Culture Technology Co., Ltd.	Secretary of the Party Committee, Chairman and General Manager			
PENG Jian	Hunan Chasing Financial Holding Group Co., Ltd.	Assistant to the General Manager			
TAN Li	GBS (HBS)	Director of the Audit Department			
ZHENG Huaping	GBS (HBS)	Member of the Party Committee and Chief Editor of the Satellite TV Channel			
ZHOU Hai	GBS (HBS)	Member of the Party Committee of the 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 2024 was RMB24.4352 million.

Remunerations of directors, supervisors and executives paid in the reporting period:

In RMB 0'000						
Name	Gender	Age	Title	Status	Total remuneration received from the Company (inclusive of tax)	Whether or not receiving remunerations from any affiliate of the Company

CAI Huaijun	Male	48	Chairman	Current	0	
DING Wenhua	Male	69	Independent Director	Current	12.83	
XIAO Xing	Female	54	Independent Director	Current	22	
LIU Yuhui	Male	55	Independent Director	Current	22	
YANG Yun	Male	52	Director	Current	0	
SONG Zichao	Male	56	Director	Current	0	
LIANG Deping	Male	46	Director & General Manager	Current	330	
SHEN Wenhai	Male	54	Director	Current	0	
PENG Jian	Male	53	Director	Current	0	
TAN Li	Female	45	Chairman of the Board of Supervisors	Current	0	
ZOU Qinghua	Male	55	Supervisor	Current	60	
XIE Shaoqiang	Male	40	Employee Supervisor	Current	266.5	
ZHENG Huaping	Male	49	Deputy General Manager	Current	327	
ZHOU Hai	Male	49	Deputy General Manager	Current	288	
ZHANG Zhihong	Male	48	Deputy General Manager, CFO and Board Secretary	Current	297	
SHEN Yadong	Male	45	Deputy General Manager	Current	236	
LUO Zejun	Male	54	Deputy General Manager	Current	240	
ZHONG Hongming	Male	50	Independent Director	Resigned	9.17	
LIU Xin	Male	54	Director	Resigned	0	
FANG Fei	Male	40	Chairman of the Board of Supervisors	Resigned	153.02	
ZHANG Shangbin	Male	53	Supervisor	Resigned	180	
Total	--	--	--	--	2,443.52	--

Other information:

☐ Applicable ☒ N/A

VIII. Performance of duties by the directors during the reporting period

1. Meetings of the Board of Directors held during the reporting period

Meeting	Date of meeting	Disclosure date	Resolution of the meeting
20 th meeting of the 4 th Board of Directors	April 18, 2024	April 22, 2024	Refer to the Announcement of the Resolutions of the 20 th meeting of the 4 th Board of Directors disclosed on www.cninfo.com.cn (Announcement No. 2024-006)
21 st meeting of the 4 th Board of Directors	May 17, 2024	May 18, 2024	Refer to the Announcement of the Resolutions of the 21 st meeting of the 4 th Board of Directors disclosed on www.cninfo.com.cn (Announcement No. 2024-028)
22 nd meeting of the 4 th Board of Directors	July 23, 2024	July 25, 2024	Refer to the Announcement of the Resolutions of the 22 nd meeting of the 4 th Board of Directors disclosed on www.cninfo.com.cn (Announcement No. 2024-035)
23 rd meeting of the 4 th Board of Directors	August 20, 2024	August 22, 2024	Refer to the Announcement of the Resolutions of the 23 rd meeting of the 4 th Board of Directors disclosed on www.cninfo.com.cn (Announcement No. 2024-039)
24 th meeting of the 4 th Board of Directors	October 24, 2024	October 26, 2024	Refer to the Announcement of the Resolutions of the 24 th meeting of the 4 th Board of Directors disclosed on www.cninfo.com.cn (Announcement No. 2024-045)
25 th meeting of the 4 th Board	December 9, 2024	December 10, 2024	Refer to the Announcement of the

of Directors			Resolutions of the 25 th meeting of the 4 th Board of Directors disclosed on www.cninfo.com.cn (Announcement No. 2024-052)
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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	0	6	0	0	No	2
DING Wenhua	4	0	4	0	0	No	0
XIAO Xing	6	0	6	0	0	No	1
LIU Yuhui	6	0	6	0	0	No	1
YANG Yun	6	0	6	0	0	No	2
SONG Zichao	6	0	6	0	0	No	2
LIANG Deping	6	0	6	0	0	No	2
SHEN Wenhai	4	0	4	0	0	No	0
PENG Jian	6	0	6	0	0	No	1
ZHONG Hongming	2	0	2	0	0	No	1
LIU Xin	1	0	1	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 maintained communications with other directors, executives and related personnel in 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, LIANG Deping and LIU Xin	5	April 8, 2024	Considered and approved the Proposal Regarding the 2023 Auditor's Report, the Proposal Regarding the Special Report on the Deposit and Use of Offering Proceeds in 2023, the Proposal Regarding the Self-assessment of Internal Controls in 2023, the Proposal Regarding the Re-engagement of the Accounting Firm in 2024, the Proposal Regarding the Appraisal Report on the Performance of Duties by the Accounting Firm in 2023, and the Proposal Regarding the Special Report on the Implementation of Significant Events and Material Receipts and Payments in 2023.			
	XIAO Xing (Chairman), ZHONG Hongming, LIU Yuhui, LIANG Deping and LIU Xin		April 13, 2024	Considered and approved the Proposal Regarding the Financial Report for the First Quarter of 2024, and the Proposal Regarding the Special Report on the Deposit and Use of Offering Proceeds in the First Quarter of 2024.			
	XIAO Xing (Chairman), DING Wenhua, LIU Yuhui, YANG Yun and SONG Zichao		August 15, 2024	Considered and approved the Proposal Regarding the Financial Report for the First Half of 2024, the Proposal Regarding the Special Report on the Deposit and Use of Offering Proceeds in the First Half of 2024, the Proposal Regarding the Engagement Policy for Accounting Firms, and the Proposal Regarding the Special Examination Report on the Implementation of Significant Events and Material Receipts and Payments in the First Half of 2024.			
	XIAO Xing (Chairman), DING Wenhua, LIU Yuhui, YANG Yun and SONG Zichao		October 18, 2024	Considered and approved the Proposal Regarding the Financial Report for the Third Quarter of 2024, and the Proposal Regarding the Special Report on the Deposit and Use of Offering Proceeds in the Third Quarter of 2024.			

	XIAO Xing (Chairman), DING Wenhua, LIU Yuhui, YANG Yun and SONG Zichao		December 30, 2024	Considered and approved the Proposal Regarding the Audit Plan for the 2024 Annual Report, and the Proposal Regarding the 2025 Internal Audit Plan of the Company.			
Nominating Committee	ZHONG Hongming (Chairman), XIAO Xing, LIU Yuhui, CAI Huaijun and SONG Zichao	1	May 13, 2024	Considered and approved the Proposal Regarding the By-election for Independent Directors of the 4 th Board of Directors, and the Proposal Regarding the By-election for Non-independent Directors of the 4 th Board of Directors.			
Compensation and Appraisal Committee	LIU Yuhui (Chairman), ZHONG Hongming, XIAO Xing, YANG Yun and LIU Xin	2	February 7, 2024	Considered and approved the Proposal Regarding Total Salaries and Executives' Remunerations of the Company for 2023.			
	LIU Yuhui (Chairman), ZHONG Hongming, XIAO Xing, YANG Yun and LIU Xin		April 3, 2024	Considered and approved the Proposal Regarding Remuneration of the Executives for 2023 and Performance Appraisal of the Executives for 2024.			

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	36
Employees of main subsidiaries (person) at the end of the reporting period	4,476
Total of employees on active duty (person) at the end of the reporting period	4,512
Total of employees receiving remuneration for the current period (person)	4,512
Retired employees whose expense is undertaken by the parent company and main subsidiaries (person)	18
Composition of employees by specialization	
Areas of specialization	Headcounts
Production personnel	1,551
Sales personnel	1,660
Technical personnel	876
Finance personnel	156
Administrative personnel	269
Total	4,512
Education background	
Education background	Headcounts
Doctorate	5
Master's degree	695
Bachelor's degree	3,103
Junior college or below	709
Total	4,512

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 the previous 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

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, we implemented the 2023 profit distribution plan as follows: a cash dividend of RMB1.8 (inclusive of tax) per 10 shares, or RMB336,729,746.70 in total, was distributed to all shareholders based on the total share capital of 1,870,720,815 shares, without distributing any bonus shares or transferring any capital reserve to the share capital.

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
If the Company has not distributed cash dividends, explain the reason, and describe the measures to be taken in order to increase the return to investors in the futures	N/A
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?	Yes

Whether the Company's proposed profit distribution plan and proposed capitalization of capital reserve during the reporting period are consistent with relevant provisions of its Articles of Association and dividend management methods?

☒Yes ☐No ☐N/A

Our proposed profit distribution plan and proposed capitalization of capital reserve during the reporting period are consistent with relevant provisions of our Articles of Association and other regulations.

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

Number of bonus shares per 10 shares	0
Amount of cash dividends per 10 shares (in RMB) (inclusive of tax)	2.2
Number of shares transferred from capital reserve each 10 shares	0
Share capital based on which the distribution proposal was made	1,870,720,815
Amount of cash dividends (inclusive of tax)	411,558,579.30
Amount of cash dividends distributed in other ways (such as share repurchase) (RMB)	0.00
Total amount of cash dividends (RMB)	411,558,579.30
Distributable profit (RMB)	1,941,636,902.30
Ratio of total cash dividends to the distributable profit	100.00%
Particulars of cash dividends distributed for the reporting period	
If we are at the growth stage and have certain material capital expenditure arrangements, at least 20% of the distributable profit will be distributed in cash.	
Particulars of the proposal of profit distribution or for transfer of capital reserve to share capital	
The proposal of profit distribution complies with our Articles of Association and the relevant deliberation procedures, and fully protects the legitimate rights and interests of minority investors.	

Whether the Company has made a profit in the current period and the parent has profits available for distribution to the shareholders, but does not propose to distribute cash dividends?

☐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 reviews and evaluations 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 reports 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 assessment report or internal control audit report

1. Internal control assessment report

Disclosure date	April 26, 2025
Disclosure index	http://www.cninfo.com.cn
Proportion of the total assets of the entities included in the assessment scope to the total assets recorded in the Company's consolidated financial statements	100.00%
Proportion of the operating revenue of the entities included in the assessment scope to the operating revenue recorded in the	100.00%

Company's consolidated financial statements		
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 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.</p> <p>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.</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 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.</p>
Quantitative standard	<p>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 revenue <0.5%.</p> <p>2. Significant deficiencies: $3\% \leq$ potential misstatement of total consolidated profit <5%, $0.5\% \leq$ potential misstatement of total consolidated owner's equity <1%, $0.5\% \leq$ potential misstatement of total consolidated assets <3%, $0.5\% \leq$ potential misstatement of total consolidated operating revenue <1%.</p> <p>3. Material deficiencies: potential misstatement of total consolidated profit $\geq 5\%$, potential misstatement of total consolidated owner's equity $\geq 1\%$, potential misstatement of total consolidated assets $\geq 3\%$, potential misstatement of total consolidated operating revenue $\geq 1\%$.</p>	<p>1. General deficiencies: direct property loss subsequent to consolidation <0.5% of total assets of the Company;</p> <p>2. Significant deficiencies: 0.5% of total assets of the Company \leq direct property loss subsequent to consolidation <1% of total assets of the Company;</p> <p>3. Material deficiencies: 1% of total assets of the Company \leq direct property loss subsequent to consolidation.</p>
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. Auditor's report on internal controls

☒ Applicable ☐ N/A

Auditor's opinion expressed in the auditor's report on internal controls	
In our opinion, the Company has maintained effective internal control over financial reporting in all material respects as of December 31, 2024 in accordance with the Basic Internal Control Standards for Enterprises and other relevant provisions.	
Disclosure of the auditor's report on internal controls	Disclosed
Disclosure date of the full copy of the auditor's report on internal controls	April 26, 2025
Full copy of the auditor's report on internal controls available at	http://www.cninfo.com.cn
Type of opinion expressed in the auditor's report on internal controls	Unmodified Opinion
Whether there's any material weakness in non-financial reporting	No

Did the accounting firm issue a modified auditor's report on internal controls?

☐ Yes ☒ No

Whether the auditor's report on internal controls issued by the accounting firm is consistent with the opinion expressed in the self-assessment report of the Board of Directors?

☒ Yes ☐ No

XVII. Rectification of 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 a 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 "one Party committee, two entities and integrated operation" 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 a written commitment on matters related to horizontal competition with the Listed Company during the 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. Fulfillment 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

None

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

See the 2024 ESG & CSR Report disclosed on www.cninfo.com.cn on the same day.

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

See the 2024 ESG & CSR Report disclosed on www.cninfo.com.cn on the same day.

Section VI Important Events

I. Fulfillment of Commitments

1. Covenants made by the actual controllers, shareholders, affiliates and acquirer of the Company, the Company itself and other related parties that have been fulfilled during the reporting period or have not yet been completely fulfilled as at the end of the reporting period

☒ Applicable ☐ N/A

Background of covenant	Covenantor	Type of covenant	Content of covenant	Time of covenant	Validity period of covenant	Status of fulfillment
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
Commitments made in the Acquisition Report or Equity Change Report	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 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.	November 22, 2022	Long-term	Ongoing
Commitments made in the	Golden Eagle Broadcasting	Other Commitments	After completion of this transfer, we will give full play to our active role as an indirect controlling shareholder of the	November 22, 2022	Long-term	Ongoing

Acquisition Report or Equity Change Report	System Co., Ltd.		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.			
Commitments made in the Acquisition Report or Equity Change Report	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 a 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 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.	November 22, 2022	Long-term	Ongoing
Commitments made at the time of IPO or re-financing	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 have not invested 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 of the date of this Announcement, we hold 100% of shares in Hunan Happy Money Microfinance Co., Ltd. (hereinafter "Happy Money"), we will completely dispose of the small loan business of Happy Money through dissolution and liquidation, termination of business or transferring equities to the 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
Commitments made at the time of IPO or re-financing	Golden Eagle Broadcasting System Co., Ltd.	Commitments on Avoiding Horizontal Competition, Related-party Transactions and	(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 a 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	September 25, 2020		

		Fund Use	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 competition with the Issuer and/or its controlled enterprises before settling existing horizontal competition; (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. (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. (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.			
Commitments made at the time of IPO or re-financing	Hunan Broadcasting System; Mango Media Co., Ltd.	Other Commitments	(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; (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; (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 the law if losses are thus caused to the Company or its shareholders.	September 25, 2020	Long-term	Ongoing
Commitments made at the time of IPO or re-financing	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	(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; (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; (3) I undertake that I will restrict my position-related consumption; (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; (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 measures for returns within my legal authority; (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; (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	September 25, 2020	Long-term	Ongoing

			meet such provisions, I undertake that I will then make supplementary commitments in accordance with the latest provisions; (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.			
Commitments made at the time of IPO or re-financing	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 the 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; 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; 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; 4. If we are suspected of providing or disclosing any information containing misrepresentations, misleading statements or materials omissions in this transaction and 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.</p>	July 12, 2018	July 12, 2021	Fully fulfilled, but such shareholder has not gone through the formalities for circulation of restricted shares.
Commitments made at the time of IPO or re-financing	Hunan Broadcasting System; Mango Media Co., Ltd.	Commitments on Avoiding Horizontal Competition, Related-party Transactions and Fund Use	<p>In order to avoid 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: (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; (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</p>	July 12, 2018	Long-term	

			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. 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.”			
Commitments made at the time of IPO or re-financing	Hunan Broadcasting System; Mango Media Co., Ltd.	Commitments on Avoiding Horizontal Competition, Related-party Transactions and Fund Use	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 with the contents as follows: we and the channels and other public institutions or economic organizations controlled by us will take measures to avoid conducting the relate related-party d party transactions with the Listed Company and its controlled enterprises as far as possible; 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; 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.	July 12, 2018	Long-term	Ongoing
Commitments made at the time of IPO or re-financing	Mango Media Co., Ltd.	Commitments on Reducing Shareholdings	Mango Media Co., Ltd., the controlling shareholder of the Company, makes the following commitments with respect to the intention to reduce shareholdings: (1) If we intend to reduce the shares of the Company held by us after the expiry of the lock-up period, we will legally do the 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 the expiry of the 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 the price of IPO. If shares are reduced 2 years after the expiry of the lock-up period, the price at which shares are reduced through the call auction trading system of securities exchange shall not be less than the closing price of shares in the trading day immediately preceding the share reduction announcement day. (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 the expiry of the reduction period, we will make the public announcement anew in accordance with the aforesaid arrangements.	January 21, 2015	Long-term	Ongoing
Commitments made at the time of IPO or re-financing	Hongyi Investment Industry Phase I Fund (Tianjin) (L.P.); Mianyang Science and Technology Industry Investment Fund (L.P.); Tianjin	Commitments on Reducing Shareholdings	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 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	January 21, 2015	January 21, 2018	Mianyang Fund and Hongshan Capital disclosed on November 19, 2016 and Hongyi Investment disclosed on December 10, 2016 the Announcement

	Hongshan Capital Investment Fund Center (L.P.)		by us, nor propose the repurchase of such shares by the Company within 12 months from the listing date of the Issuer. (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 the 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 the 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 the number of reduced shares will be adjusted accordingly. If the Company's shareholders fail to fulfill these commitments, the proceeds from the reduction of shareholdings in the Company will belong to the listed Company.			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.
Commitments made at the time of IPO or re-financing	Mango Excellent Media Co., Ltd.	Commitments on Distributing Dividends	We will improve the profit distribution system, particularly the cash dividend policy. The Company improved the Articles of Associations (Draft) at the 1 st 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.	January 21, 2015	Long-term	Ongoing
Commitments made at the time of IPO or re-financing	Hunan Broadcasting System; Mango Media Co., Ltd.	Commitments on Avoiding Horizontal Competition, Related-party Transactions and Fund Use	(I) Commitments on Avoiding Horizontal Competition In order to avoid 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 Commitment on Avoiding Horizontal Competition. 1. Mango Media as the controlling shareholder of the Company has issued its Letter of Commitment on Avoiding Horizontal Competition. (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. (2) Mango Media will, and procure that any enterprises controlled by Mango Media will, adopt effective measures to avoid: (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; (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. (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 that 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. (4) Mango Media, as the shareholder of the Issuer, will not engage in any business or activity that	January 21, 2015	Long-term	Ongoing

			<p>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. 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: ① Hunan 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. ② Hunan Broadcasting System will, and procure that any enterprises controlled by Hunan Broadcasting System will, adopt effective measures to avoid: (A) engaging in any business or activities directly or indirectly in any form that competes or would compete with the business of the Issuer and/or its subordinate enterprises, or holding any interests or benefits in such business; (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. 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. 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 Commitment 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 a breach of the aforementioned commitments and undertakings, the controlling shareholder and the actual controller will be liable for compensation in accordance with the law.</p>			
Other Commitments	Mango Media Co., Ltd.	Commitments on not Reducing Shareholdings	Based on our firm belief in the continuous steady development and full recognition of the long-term investment value of the Listed Company, we undertake not to sell any shares held by us in the Listed Company, including the additional shares that we may receive due to any distribution of bonus shares, capitalization of capital reserve, share allotment or otherwise, within 12 months from August 28, 2023.	August 28, 2023	August 27, 2024	Fulfilled
Whether the covenants have been fulfilled on time	Yes					

2. If the Company has made any profit forecast on its assets or project and the reporting period falls within the period of such profit forecast, explanation about whether the forecast profit has been achieved and the related reasons

☒Applicable ☐ N/A

Underlying asset or project	Beginning time of forecast	End time of forecast	Forecast result of the current period (RMB0'000)	Actual result of the current period (RMB0'000)	Reason of failure to achieve the forecast profit (if applicable)	Disclosure date of the original forecast	Disclosure index (if any)
Golden Eagle Cartoon	January 1, 2023	December 31, 2025	5,414.25	5,546.2	N/A	July 26, 2023	Announcement of Acquisition of 100% Shares of Hunan Golden Eagle Cartoon Media Co., Ltd. by Cash and Related-party Transaction (Announcement No.: 2023-046) disclosed on www.cninfo.com.cn on July 26, 2023

Commitments made by the shareholders and counterparties of the Company with respect to the annual operating results of the Company or related assets:

☒Applicable ☐ N/A

See the Announcement of Acquisition of 100% Shares of Hunan Golden Eagle Cartoon Media Co., Ltd. by Cash and Related-party Transaction (Announcement No. 2023-046) disclosed on www.cninfo.com.cn on July 26, 2023.

Fulfillment of the commitment on operating results and effect on the assessment of impairment loss on goodwill:

Golden Eagle Cartoon has fulfilled the commitment on operating results for 2024.

II. Occupation by the Controlling Shareholders and their Affiliates of the Funds of the Company for Non-Operating Purpose

☐Applicable ☒N/A

Our controlling shareholders and their affiliates have not occupied our funds for non-operating purpose during the reporting period.

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 about Changes in the Scope of Consolidation Compared with the Financial Report for the Previous Year

☐Applicable ☒N/A

During the reporting period, the scope of consolidation remained unchanged.

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	9
Name of the engaged certified public accountants	ZHENG Shengjun and ZHOU Rong
Audit period of the engaged certified public accountants	3 years for ZHENG Shengjun and 1 year for ZHOU Rong

Whether the certified public accountant is changed

☐Yes ☒No

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

☒Applicable ☐N/A

We engaged Pan-China Certified Public Accountants LLP as auditor of internal controls, and paid an audit fee for internal controls of RMB400,000 in total this year.

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
GBS and its subsidiaries	Under common control of the same actual controller	Purchase of goods/ receipt of services	Copyright, etc.	Market pricing	93,890.65	93,890.65	9.40%	87,240	Yes	Bank transfer and notes	93,890.65	April 22, 2024	Announcement of Estimated Daily Related-party Transactions in 2024 disclosed on www.cninfo.com.cn
GBS and its subsidiaries	Under common control of the same actual controller	Sale of goods/ rendering of services	Advertising release, etc.	Market pricing	74,789.11	74,789.11	5.31%	97,425	No	Bank transfer and notes	74,789.11		
Yunhong Communication Technology (Guangzhou) Co., Ltd.	Under the influence of the actual controller	Purchase of goods/ receipt of services	Advertising agency	Market pricing	14,927.55	14,927.55	1.49%	15,000	No	Bank transfer and notes	14,927.55		
Yunhong Communication Technology (Guangzhou) Co., Ltd.	Under the significant influence of the actual controller	Sale of goods/ rendering of services	Advertising release	Market pricing	55,216.16	55,216.16	3.92%	62,000	No	Bank transfer and notes	55,216.16		
MIGU Culture Technology Co., Ltd.	Sharing the key officer	Purchase of goods/ receipt of services	Bandwidth, etc.	Market pricing	1,725.50	1,725.5	0.17%	37,505	No	Bank transfer	1,725.50		
MIGU Culture Technology Co., Ltd.	Sharing the key officer	Sale of goods/ rendering of services	Operator revenue	Market pricing	230,286.41	230,286.41	16.36%	268,003	No	Bank transfer and notes	230,286.41		
Total				--	--	470,835.38	--	567,173	--	--	--	--	--
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 involving acquisition or sale of assets or equities

☐ Applicable ☒ N/A

There has been no related-party transaction involving acquisition or sale of assets or equities during the reporting period.

3. Related-party transactions involving joint external investment

☐ Applicable ☒ N/A

There has no related-party transactions involving joint external investment during the reporting period.

4. Debts owed by and to related parties

☒ Applicable ☐ N/A

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

☐ Yes ☒ No

There were no non-operating credits and debits with related parties during the reporting period.

5. Dealings with affiliated financial companies

☐ Applicable ☒ N/A

There has been no deposit, loan, facility or other financial business between us and any of our affiliated financial companies.

6. Dealings with financial companies controlled by the Company and its affiliates

☐ Applicable ☒ N/A

There has been no deposit, loan, facility or other financial business between any of our controlled financial companies and affiliates.

7. Other material related-party transactions

☐ Applicable ☒ N/A

There has been no other material related-party transaction during the reporting period.

XV. Significant Contracts and Performances Thereof

1. Trusteeship, contracting and leasing

(1) Trusteeship

☐ Applicable ☒ N/A

No such case during the reporting period.

(2) Contracting

☐ Applicable ☒ N/A

No such case during the reporting period.

(3) Leases

☐ Applicable ☒ N/A

No such case during the reporting period.

2. Significant guarantee

☐ Applicable ☒ N/A

No such case during the reporting period.

3. Entrusted management of cash assets**(1) Entrusted wealth management**

☐ Applicable ☒ N/A

No such case during the reporting period.

(2) Entrusted loans

☐ Applicable ☒ N/A

No such case during the reporting period.

4. Other significant contracts

☐ Applicable ☒ N/A

No such case during the reporting period.

XVI. Description of Other Significant Matters

☐ Applicable ☒ N/A

There's no other significant matter needing to be explained for the reporting period.

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

☒ Applicable ☐ N/A

During the reporting period, our wholly owned subsidiary Happy Sunshine made an additional capital contribution of RMB414,236,000 to our controlled subsidiary Xiaomang E-commerce by means of debt to equity swap, and transferred the shares held by it in Xiaomang E-commerce to us, which transactions were disclosed by us in the Announcement of Additional Capital Contribution to Our Controlled Subsidiary by Means of Debt to Equity Swap and Related Transactions (Announcement No. 2024-038) on www.cninfo.com.cn. As of the end of the reporting period, the additional capital contribution and share transfer were completed, and we now hold 67.62% shares of Xiaomang E-commerce.

Section VII Share Changes and Information of Shareholders

I. Share changes

1. Share changes

	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	849,020,857	45.38%	0	0	0	0	0	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	849,019,732	45.38%	0	0	0	0	0	849,019,732	45.38%
3. Other shareholdings by domestic investors	1,125	0.00%	0	0	0	0	0	1,125	0.00%
Incl.: shareholdings by domestic legal persons	0	0.00%	0	0	0	0	0	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%
Incl.: 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	1,021,699,958	54.62%	0	0	0	0	0	1,021,699,958	54.62%
1. RMB ordinary share	1,021,699,958	54.62%	0	0	0	0	0	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 foreign share	0	0.00%	0	0	0	0	0	0	0.00%
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

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

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: Shares

Total ordinary shareholders as of the end of the period	45,591	Total ordinary shareholders as of the end of the month prior to the disclosure date of annual report	41,019	Total preferred shareholders (if any) with recovered voting rights as of the end of the period (Note 9)	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 (Note 9)	0	Total shareholders (if any) holding special voting right shares	0
Information of shareholders holding 5% or more of shares or top 10 shareholders (excluding the shares lent via refinancing)									
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 corporation	56.09%	1,049,300,301	0	849,019,732	200,280,569	N/A		0
Zhongyi Capital Holding Group Limited	State-owned corporation	7.01%	131,188,792	0	0	131,188,792	N/A		0
Hunan Caixin Jingguo Equity Investment Partnership	State-owned corporation	5.01%	93,647,857	0	0	93,647,857	N/A		0

(LP)								
Hong Kong Securities Clearing Company Limited	Foreign corporation	2.75%	51,407,799	-7,437,158	0	51,407,799	N/A	0
Industrial and Commercial Bank of China – E-Fund ChiNext ETF	Others	0.91%	17,064,823	7,983,947	0	17,064,823	N/A	0
National Social Security Fund Portfolio 112	Others	0.90%	16,885,463	16,885,463	0	16,885,463	N/A	0
Industrial and Commercial Bank of China – Huatai PineBridge Shanghai-Shenzhen CSI 300 Index ETF	Others	0.69%	12,966,483	7,578,500	0	12,966,483	N/A	0
RUI Insurance – Self-owned funds	Others	0.63%	11,839,200	5,126,300	0	11,839,200	N/A	0
National Social Security Fund Portfolio 604	Others	0.58%	10,777,107	4,133,240	0	10,777,107	N/A	0
E-Fund – China Life Insurance – Participating Insurance – E-Fund – China Life Insurance Growth Stock Portfolio under Single Asset Management Plan (available for sale)	Others	0.49%	9,180,501	9,180,501	0	9,180,501	N/A	0
Strategic investors or general corporations becoming top 10 shareholders as a result of rights issue (if any)	None							
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., our controlling shareholder, 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.							
Delegation or waiver of voting rights or ownership of voting rights by or to the shareholders listed above	None							
Special explanation about any dedicated account for repurchase opened by any top 10 shareholder (if any)	None							
Shareholdings of top 10 unrestricted shareholders (excluding the shares lent via refinancing and locked shares held by executives)								
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	200,280,569					
Zhongyi Capital Holding Group Limited	131,188,792	RMB ordinary shares	131,188,792					
Hunan Caixin Jingguo Equity Investment Partnership (LP)	93,647,857	RMB ordinary shares	93,647,857					
Hong Kong Securities Clearing Company Limited	51,407,799	RMB ordinary shares	51,407,799					
Industrial and Commercial Bank of China – E-Fund ChiNext ETF	17,064,823	RMB ordinary shares	17,064,823					
National Social Security Fund Portfolio 112	16,885,463	RMB ordinary shares	16,885,463					
Industrial and Commercial Bank of China – Huatai PineBridge Shanghai-Shenzhen CSI 300 Index ETF	12,966,483	RMB ordinary shares	12,966,483					

RUI Insurance – Self-owned funds	11,839,200	RMB ordinary shares	11,839,200
National Social Security Fund Portfolio 604	10,777,107	RMB ordinary shares	10,777,107
E-Fund – China Life Insurance – Participating Insurance – E-Fund – China Life Insurance Growth Stock Portfolio under Single Asset Management Plan (available for sale)	9,180,501	RMB ordinary shares	9,180,501
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., our controlling shareholder, 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.		
Explanation for securities margin trading conducted by shareholders (if any)	None		

Share lending via refinancing by holders of 5% or more of the shares, top 10 shareholders and top 10 unrestricted shareholders

☒Applicable ☐N/A

Unit: Shares

Share lending via refinancing by holders of 5% or more of the shares, top 10 shareholders and top 10 unrestricted shareholders								
Full name of shareholder	Number of shares held in ordinary account and margin trading account at the beginning of the current period		Number of outstanding shares lent via refinancing at the beginning of the current period		Number of shares held in ordinary account and margin trading account at the end of the current period		Number of outstanding shares lent via refinancing at the end of the current period	
	Total number	% of total share capital	Total number	% of total share capital	Total number	% of total share capital	Total number	% of total share capital
Industrial and Commercial Bank of China – E-Fund ChiNext ETF	9,080,876	0.49%	140,000	0.01%	17,064,823	0.91%	0	0.00%
Industrial and Commercial Bank of China – Huatai PineBridge Shanghai-Shenzhen CSI 300 Index ETF	5,387,983	0.29%	55,100	0.00%	12,966,483	0.69%	0	0.00%

Changes in top 10 shareholders and top 10 unrestricted shareholders compared to the prior period due to lending or return of shares via refinancing

☐Applicable ☒N/A

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 shareholder	Legal representative/responsible person	Date of incorporation	Organization code	Principal activities
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Mango Media Co., Ltd.	GONG Zhengwen	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)
Shares held in other domestic or foreign listed companies controlled or invested by the controlling shareholder during the reporting period	Hold 16.66% of the shares of Hunan TV & Broadcast Intermediary Co., Ltd.			

Change of the controlling shareholder during the reporting period

☐ Applicable ☒ N/A

There was no change in our controlling shareholder 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

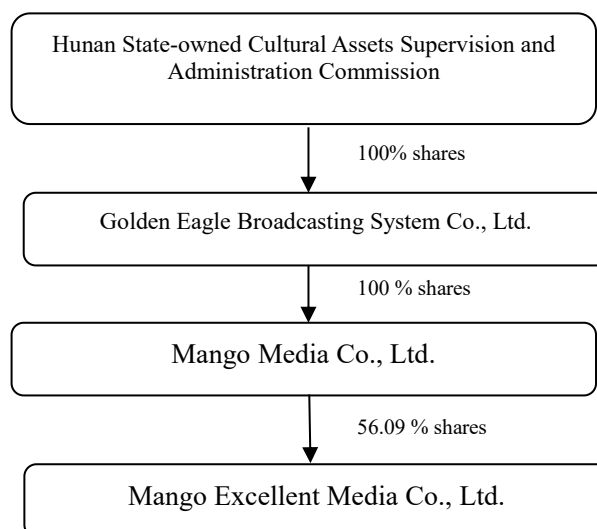
Actual controller	Legal representative/responsible person	Date of incorporation	Organization code	Principal activities
Hunan State-owned Cultural Assets Supervision and Administration Commission	-	May 27, 2015	-	Perform the responsibilities of a provincial state-owned cultural enterprise as a contributor
Equity of other domestic and overseas listed companies controlled by the actual controller during the reporting period	None			

Change of the actual controller during the reporting period

☐ Applicable ☒ N/A

There was no change in the actual controller of the Company during the reporting period.

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 24, 2025
Auditor	Pan-China Certified Public Accountants LLP
Document number of the auditor's report	Tian Jian Shen [2025] No. 2-331
Name of certified public accountants	ZHENG Shengjun and ZHOU Rong

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, 2024, 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, 2024, 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 (XXIII), V(II)1 and XIV to the financial statements.

The operating revenue of Mango Excellent Media is mainly from new media platform operation, new media interactive entertainment content production and media retail, etc. In 2024, the operating revenue of Mango Excellent Media amounted to RMB14,079,689,600, of which the operating revenue from the segments including new media platform operation and new media interactive entertainment content production amounted to RMB11,441,130,900, accounting for 81.26 % thereof.

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

2. Audit response

Our audit procedures related to revenue recognition included the following, among others:

(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 terms or conditions thereof, and evaluate whether revenue recognition methods are proper;

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

(5) Examine the supporting documents, such as contracts, licenses, settlements, receipts and sign-offs, related to different kinds of revenues on a sample basis, and pay attention to the business content of the related sales and their commercial reasonableness;

(6) In conjunction with the accounts receivable confirmation procedures, send confirmation requests to verify the sales revenues on a sample basis;

(7) Conduct the cut-off test to evaluate whether the operating revenues 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 revenue is properly presented and disclosed in the financial statements.

(II) Recognition of deferred tax assets**1. Descriptions**

Details of relevant information are disclosed in Note III(XXVII) and Note V(I)18 to the financial statements.

As of December 31, 2024, Mango Excellent Media recognized RMB1,206,664,900 of deferred tax assets in total, mainly arising from temporary differences between the accounting amortization approach for film and TV drama copyright and the amortization approach set forth in tax law. Since the recognition of deferred tax assets involves complicated calculation of differences between the accounting amortization approach for film and TV drama copyright and the amortization approach set forth in tax law, the judgment of the availability of taxable income in future periods against which the deductible temporary differences can be utilized involves material judgment of the management, and the recognition of deferred tax assets has a significant on accounting profit, we identified the recognition of deferred tax assets as a critical audit matter.

2. Audit response

Our audit procedures related to recognition of deferred tax assets included the following, among others:

(1) Understand and evaluate the management's calculation methods for the differences between the accounting amortization approach for film and TV drama copyright and the amortization approach set forth in tax law, and reasonableness of forecast and assumptions in respect of taxable income available in future periods;

(2) Review the process of calculation of deferred tax assets, and ensure they are accurate and comply with the relevant provisions of the tax law and accounting standards;

(3) Analyze and assess the temporary differences related to film and TV drama copyright, and review the historic data, assess the sustainability of forecasts and changes in the relevant tax laws and regulations; and

(4) Check whether information relating to deferred tax assets 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 ("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 may 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: ZHOU Rong

April 24, 2025

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, 2024

In RMB

Item	December 31, 2024	January 1, 2024
Current assets:		
Cash and bank balances	3,900,720,328.83	11,882,208,257.60
Balances with clearing agencies		
Placements with banks and other financial institutions		
Held-for-trading financial assets	1,606,842,142.43	1,052,000,000.00
Derivative financial assets		
Notes receivable	2,367,729.46	34,920,000.00
Accounts receivable	4,539,972,513.35	3,496,523,370.15
Receivable financing	58,201,838.89	698,394,858.57
Prepayments	1,796,466,172.90	1,016,664,374.18
Premium receivable		
Amounts receivable under reinsurance contracts		
Reinsurer's share of insurance contract reserves		
Other receivables	60,325,084.20	47,852,640.07
Incl.: Interest receivable		
Dividends receivable		
Financial assets purchased under resale agreements		
Inventories	1,331,578,160.36	1,717,435,689.33
Incl.: Data resources		

Contract assets	924,417,333.31	838,691,849.14
Held-for-sale assets		
Non-current assets due within one year		
Other current assets	3,651,306,615.16	130,178,232.12
Total current assets	17,872,197,918.89	20,914,869,271.16
Non-current assets:		
Loans and advances to customers		
Debt investments	3,845,940,324.39	
Other debt investments		
Long-term receivables		
Long-term equity investments		
Other investments in equity instruments		
Other non-current financial assets		
Investment properties	73,280,700.70	81,084,052.23
Fixed assets	131,318,038.31	142,419,568.37
Construction in progress		
Bearer biological assets		
Oil and gas assets		
Right-of-use assets	236,851,480.00	228,587,413.61
Intangible assets	8,696,007,577.34	8,113,877,366.31
Incl.: Data resources		
Development expenditure	372,694,416.28	241,848,656.69
Incl.: Data resources		
Goodwill		
Long-term prepaid expenses	93,539,454.14	69,653,104.00
Deferred tax assets	1,206,664,871.37	1,628,790,218.38
Other non-current assets	1,670,361.01	1,257,003.74
Total non-current assets	14,657,967,223.54	10,507,517,383.33
Total assets	32,530,165,142.43	31,422,386,654.49
Current liabilities:		
Bank borrowings	33,777,599.72	33,781,325.60
Loans from the central bank		
Taking from banks and other financial institutions		
Held-for-trading financial liabilities		
Derivative financial liabilities		
Notes payable	1,414,153,191.89	1,714,493,274.32
Accounts payable	5,788,420,486.10	5,211,653,685.68
Receipts in advance		
Contract liabilities	1,322,006,823.98	1,223,382,815.57
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	792,664,666.22	1,133,198,261.73
Taxes payable	193,086,445.58	271,158,208.58
Other payables	117,343,017.55	118,868,606.40
Incl.: Interest payable		
Dividends payable		
Fees and commissions payable		
Amounts payable under reinsurance contracts		
Held-for-sale liabilities		
Non-current liabilities due within one year	78,041,417.61	63,380,220.77
Other current liabilities	63,345,153.49	90,565,321.21
Total current liabilities	9,802,838,802.14	9,860,481,719.86
Non-current liabilities:		
Insurance contract reserves		
Long-term borrowings		
Bonds payable		
Incl.: Preference shares		
Perpetual bonds		
Lease liabilities	145,427,479.17	151,809,003.34
Long-term payables		
Long-term employee benefits payable		
Estimated liabilities	4,738,690.00	3,156,100.00
Deferred income	47,215,620.57	43,207,716.48
Deferred tax liabilities	99,176.77	94,340.19
Other non-current liabilities		
Total non-current liabilities	197,480,966.51	198,267,160.01
Total liabilities	10,000,319,768.65	10,058,748,879.87
Owner's equity:		
Share capital	1,870,720,815.00	1,870,720,815.00
Other equity instruments		
Incl.: Preference shares		
Perpetual bonds		
Capital reserve	8,780,302,817.71	8,811,414,997.63
Less: Treasury shares		
Other comprehensive income	200,049.35	172,058.22
Special reserve		
Surplus reserve	378,855,897.82	179,622,015.26

General risk reserve		
Undistributed profit	11,458,877,445.26	10,630,492,900.32
Total equity attributable to owners of the parent company	22,488,957,025.14	21,492,422,786.43
Minority interests	40,888,348.64	-128,785,011.81
Total owners' equity	22,529,845,373.78	21,363,637,774.62
Total liabilities and owners' equity	32,530,165,142.43	31,422,386,654.49

Legal representative: CAI Huaijun

CFO: ZHANG Zhihong

Chief accountant: TAO Jinyu

2. Balance sheet of the parent company

In RMB

Item	December 31, 2024	January 1, 2024
Current assets:		
Cash and bank balances	121,287,338.43	282,978,984.89
Held-for-trading financial assets	303,673,972.63	
Derivative financial assets		
Notes receivable		
Accounts receivable		
Receivable financing		
Prepayments	23,629.23	1,585,821.83
Other receivables	198,649.90	80,009,604.19
Incl.: Interest receivable		
Dividends receivable		
Inventories		
Incl.: Data resources		
Contract assets		
Held-for-sale assets		
Non-current assets due within one year		
Other current assets	1,428,689,510.52	5,647,818.59
Total current assets	1,853,873,100.71	370,222,229.50
Non-current assets:		
Debt investments	150,914,791.66	
Other debt investments		
Long-term receivables		
Long-term equity investments	12,178,569,314.30	12,173,055,024.52
Other investments in equity instruments		
Other non-current financial assets		
Investment properties		
Fixed assets	130,478.36	228,497.46
Construction in progress		
Bearer biological assets		
Oil and gas assets		

Right-of-use assets	3,567,611.55	5,351,417.43
Intangible assets	502,421.36	599,408.36
Incl.: Data resources		
Development expenditure		
Incl.: Data resources		
Goodwill		
Long-term prepaid expenses	2,191,502.09	3,056,182.69
Deferred tax assets		
Other non-current assets		
Total non-current assets	12,335,876,119.32	12,182,290,530.46
Total assets	14,189,749,220.03	12,552,512,759.96
Current liabilities:		
Short-term borrowings		
Held-for-trading financial liabilities		
Derivative financial liabilities		
Notes payable		
Accounts payable		
Receipts in advance		
Contract liabilities		
Employee benefits payable	34,402,428.65	49,039,181.88
Taxes payable	1,336,805.42	1,072,123.90
Other payables	6,604,280.56	14,345,469.63
Incl.: Interest payable		
Dividends payable		
Held-for-sale liabilities		
Non-current liabilities due within one year	1,959,369.08	1,773,647.85
Others Current liabilities		
Total current liabilities	44,302,883.71	66,230,423.26
Non-current liabilities:		
Long-term borrowings		
Bonds payable		
Incl.: Preference shares		
Perpetual bonds		
Lease liabilities	2,051,538.89	4,010,907.98
Long-term payables		
Long-term employee benefits payable		
Estimated liabilities		
Deferred income		
Deferred tax liabilities		
Other non-current liabilities		
Total non-current liabilities	2,051,538.89	4,010,907.98
Total liabilities	46,354,422.60	70,241,331.24

Owner's equity:		
Share capital	1,870,720,815.00	1,870,720,815.00
Other equity instruments		
Incl.: Preference shares		
Perpetual bonds		
Capital reserve	9,952,181,182.31	9,946,666,892.53
Less: Treasury shares		
Other comprehensive income		
Special reserve		
Surplus reserve	378,855,897.82	179,622,015.26
Undistributed profit	1,941,636,902.30	485,261,705.93
Total owners' equity	14,143,394,797.43	12,482,271,428.72
Total liabilities and owners' equity	14,189,749,220.03	12,552,512,759.96

3. Consolidated income statement

In RMB

Item	2024	2023
I. Total operating revenue	14,079,689,573.23	14,628,016,301.84
Incl.: Operating revenue	14,079,689,573.23	14,628,016,301.84
Interest income		
Premiums earned		
Fee and commission income		
II. Total operating costs	12,570,048,126.71	12,906,257,244.76
Incl.: Operating cost	9,991,679,957.84	9,803,006,894.94
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	72,209,606.54	100,115,217.83
Selling expenses	1,991,049,368.32	2,260,065,273.97
Administrative expenses	440,417,808.78	612,009,007.33
R&D expenses	263,871,588.23	278,728,244.78
Financial expenses	-189,180,203.00	-147,667,394.09
Incl.: Interest expenses	11,974,775.16	23,068,674.36
Interest income	228,123,599.61	208,888,917.13

Add: Other income	45,283,091.35	122,924,507.92
Investment income (loss is indicated by “-”)	284,577,190.38	73,236,767.58
Incl.: Income from investments in associates and joint ventures		-4,123,864.73
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 “-”)		
Credit loss (loss is indicated by “-”)	-69,433,454.71	-67,536,455.57
Impairment losses of assets (loss is indicated by “-”)	-28,519,159.08	-32,524,584.01
Gains from disposal of assets (loss is indicated by “-”)	864,607.48	1,171,623.19
III. Operating profit (loss is indicated by “-”)	1,742,413,721.94	1,819,030,916.19
Add: Non-operating revenue	37,254,683.06	35,532,003.82
Less: Non-operating expenses	16,576,762.46	4,005,884.29
IV. Total profit (total losses are indicated by “-”)	1,763,091,642.54	1,850,557,035.72
Less: Income tax expense	420,182,287.81	-1,620,769,786.67
V. Net profit (net loss is indicated by “-”)	1,342,909,354.73	3,471,326,822.39
(I) Categorized by the nature of continuing operation		
1. Net profit from continuing operations (net loss is indicated by “-”)	1,342,909,354.73	3,471,326,822.39
2. Net profit from discontinued operations (net loss is indicated by “-”)		
(II) Categorized by ownership		
1. Net profit attributable to shareholders of the parent company	1,364,348,174.20	3,555,705,558.90
2. Profit or loss attributable to minority interests	-21,438,819.47	-84,378,736.51
VI. Other comprehensive income, net of tax	27,991.13	14,621.32
Other comprehensive income attributable to owners of the parent company, net of tax	27,991.13	14,621.32
(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	27,991.13	14,621.32
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	27,991.13	14,621.32
7. Others		
Other comprehensive income attributable to minority interests, net of tax		
VII. Total comprehensive income	1,342,937,345.86	3,471,341,443.71
Total comprehensive income attributable to owners of the parent company	1,364,376,165.33	3,555,720,180.22
Total comprehensive income attributable to minority interests	-21,438,819.47	-84,378,736.51
VIII. Earnings per share		
(I) Basic earnings per share	0.73	1.90
(II) Diluted earnings per share	0.73	1.90

With respect to the business mergers involving entities under common control consummated in the current period, the net profit of the acquirees was nil prior to the merger, and nil 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	2024	2023
I. Operating revenue	18,867.92	11,056.00
Less: Operating cost	0.00	0.00
Taxes and surcharges	4,466.17	423,344.58

Selling expenses		
Administrative expenses	65,321,750.77	79,347,994.13
R&D expenses		
Financial expenses	-9,752,991.83	-14,858,117.90
Incl.: Interest expenses	248,600.12	328,285.09
Interest income	10,005,633.95	15,190,882.99
Add: Other income	12,732.22	15,041.29
Investment income (loss is indicated by “-”)	2,048,032,449.09	600,000,000.00
Incl.: 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 “-”)	-1,998.49	-97.01
Impairment losses of assets (loss is indicated by “-”)		
Gains from disposal of assets (loss is indicated by “-”)		
II. Operating profit (loss is indicated by “-”)	1,992,488,825.63	535,112,779.47
Add: Non-operating revenue		18,001.00
Less: Non-operating expenses	150,000.00	
III. Total profit (total loss is indicated by “-”)	1,992,338,825.63	535,130,780.47
Less: Income tax expense		
IV. Net profit (net loss is indicated by “-”)	1,992,338,825.63	535,130,780.47
(I) Net profit from continuing operations (net loss is indicated by “-”)	1,992,338,825.63	535,130,780.47
(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	1,992,338,825.63	535,130,780.47
VII. Earnings per share:		
(I) Basic earnings per share		
(II) Diluted earnings per share		

5. Consolidated statements of cash flows

In RMB

Item	2024	2023
I. Cash flows from operating activities:		
Cash receipts from the sale of goods and the rendering of services	14,152,622,524.31	14,115,387,393.70
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	160,122,905.11	8,609,557.50
Other cash receipts relating to operating activities	372,266,773.67	394,108,040.56
Sub-total of cash inflows from operating activities	14,685,012,203.09	14,518,104,991.76
Cash payments for goods purchased and services received	10,908,495,322.82	9,748,214,137.91
Net increase in loans and advances to customers		
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	1,462,502,688.82	1,493,967,167.82

Payment of various types of taxes	558,613,579.24	292,315,607.94
Other cash payments relating to operating activities	1,780,586,481.93	1,899,834,821.38
Sub-total of cash outflows from operating activities	14,710,198,072.81	13,434,331,735.05
Net cash flows from operating activities	-25,185,869.72	1,083,773,256.71
II. Cash flows from investing activities:		
Cash receipts from disposals and recovery of investments	400,000.00	
Cash receipts from investment income		
Net cash receipts from disposals of fixed assets, intangible assets and other long-term assets	9,080.00	225,533.85
Net cash receipts from disposals of subsidiaries and other business entities		
Other cash receipts relating to investing activities	3,849,952,887.64	7,219,275,772.73
Sub-total of cash inflows from investing activities	3,850,361,967.64	7,219,501,306.58
Cash payments to acquire or construct fixed assets, intangible assets and other long-term assets	164,567,397.14	150,261,073.92
Cash payments to acquire investments		
Net increase in pledged loans receivable		
Net cash payments for acquisitions of subsidiaries and other business entities		834,795,100.00
Other cash payments relating to investing activities	11,370,602,238.50	5,478,000,000.00
Sub-total of cash outflows from investing activities	11,535,169,635.64	6,463,056,173.92
Net cash flows from investment activities	-7,684,807,668.00	756,445,132.66
III. Cash flows from financing activities:		
Cash receipts from investments by others	160,000,000.00	
Incl.: Cash received by subsidiaries from minority shareholders' investments	160,000,000.00	
Cash receipts from borrowings	98,515,632.97	679,622,361.64
Other cash receipts relating to financing activities		
Sub-total of cash inflows from financing activities	258,515,632.97	679,622,361.64
Cash repayments of borrowings	98,515,632.97	296,562,773.00
Cash payments for distribution of dividends or profits or settlement of interest expenses	339,046,366.45	555,137,003.35
Incl.: Dividends or profit paid by subsidiaries to minority shareholders		
Other cash payments relating to financing activities	108,524,659.23	146,238,041.16
Sub-total of cash outflows from operating activities	546,086,658.65	997,937,817.51
Net cash flows from financing activities	-287,571,025.68	-318,315,455.87
IV. Effect of foreign exchange rate changes on cash and cash equivalents	84,514.88	94,337.15
V. Net increase in cash and cash equivalents	-7,997,480,048.52	1,521,997,270.65
Add: Opening balance of cash and cash equivalents	11,867,316,344.43	10,345,319,073.78
VI. Closing balance of cash and cash equivalents	3,869,836,295.91	11,867,316,344.43

6. Statement of cash flows of the parent company

In RMB

Item	2024	2023
I. Cash flows from operating activities:		
Cash receipts from the sale of goods and the rendering of services		
Receipts of tax refunds		
Other cash receipts relating to operating activities	18,415,704.55	22,753,060.50
Sub-total of cash inflows from operating activities	18,415,704.55	22,753,060.50
Cash payments for goods purchased and services received		
Cash payments to and on behalf of employees	58,841,144.54	58,220,694.58
Payment of various types of taxes	421,098.92	5,947.03
Other cash payments relating to operating activities	32,537,850.70	38,515,544.95
Sub-total of cash outflows from operating activities	91,800,094.16	96,742,186.56
Net cash flows from operating activities	-73,384,389.61	-73,989,126.06
II. Cash flows from investing activities:		
Cash receipts from disposals and recovery of investments		
Cash receipts from investment income	2,000,000,000.00	900,000,000.00
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	182,373,350.56	
Sub-total of cash inflows from investing activities	2,182,373,350.56	900,000,000.00
Cash payments to acquire or construct fixed assets, intangible assets and other long-term assets		158,535.05
Cash payments to acquire investments		834,795,100.00
Net cash payments for acquisitions of subsidiaries and other business entities		
Other cash payments relating to investing activities	1,930,935,166.67	
Sub-total of cash outflows from investing activities	1,930,935,166.67	834,953,635.05
Net cash flows from investment activities	251,438,183.89	65,046,364.95
III. Cash flows from financing activities:		
Cash receipts from investments by others		
Cash receipts from borrowings		
Other cash receipts relating to financing activities		
Sub-total of cash inflows from financing activities		
Cash repayments of borrowings		
Cash payments for distribution of dividends or profits or settlement of interest expenses	336,729,746.70	243,193,705.95
Other cash payments relating to financing activities	2,204,250.30	2,204,250.30
Sub-total of cash outflows from operating activities	338,933,997.00	245,397,956.25
Net cash flows from financing activities	-338,933,997.00	-245,397,956.25

IV. Effect of foreign exchange rate changes on cash and cash equivalents		
V. Net increase in cash and cash equivalents	-160,880,202.72	-254,340,717.36
Add: Opening balance of cash and cash equivalents	282,167,541.15	536,508,258.51
VI. Closing balance of cash and cash equivalents	121,287,338.43	282,167,541.15

7. Consolidated statement of changes in owners' equity

Amount in the current period

In RMB

Item	2024													in RMB	
	Equity attributable to owners of the parent company												Minority interests	Total owners' equity	
	Share capital	Other equity instruments			Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus 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				8,811,414,997.63		172,058.22		179,622,015.26		10,630,492,900.32		21,492,422,786.43	-128,785,011.81	21,363,637,774.62
Add: Changes in accounting policies															
Corrections of prior period errors															
Others															
II. Opening balance of the current year	1,870,720,815.00				8,811,414,997.63		172,058.22		179,622,015.26		10,630,492,900.32		21,492,422,786.43	-128,785,011.81	21,363,637,774.62
III. Changes for the year (decrease is indicated by “-”)					-31,112,179.92		27,991.13		199,233,882.56		828,384,544.94		996,534,238.71	169,673,360.45	1,166,207,599.16
(I) Total comprehensive income							27,991.13				1,364,348,174.20		1,364,376,165.33	-21,438,819.47	1,342,937,345.86
(II) Owners' contributions and reduction in capital					-31,112,179.92								-31,112,179.92	191,112,179.92	160,000,000.00
1. Ordinary shares contributed by owners														160,000,000.00	160,000,000.00
2. Capital contribution from holders of other equity instruments															
3. Share-based payment recognized in owners' equity															
4. Others					-31,112,179.92								-31,112,179.92	31,112,179.92	
(III) Profit distribution									199,233,882.56		-535,963,629.26		-336,729,746.70		-336,729,746.70
1. Transfer to surplus reserve									199,233,882.56		-199,233,882.56				
2. Transfer to general risk reserve															
3. Distributions to owners (shareholders)											-336,729,746.70		-336,729,746.70		-336,729,746.70

4. 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				8,780,302,817.71		200,049.35		378,855,897.82		11,458,877,445.26		22,488,957,025.14	40,888,348.64	22,529,845,373.78

Amount in the prior period

In RMB

Item	2023													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	Surplus 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				9,646,210,097.63		157,436.90		126,108,937.21		7,371,494,125.42		19,014,691,412.16	-44,406,275.30	18,970,285,136.86
Add: Changes in accounting policies															
Corrections of prior period errors															
Others															
II. Opening balance of the current year	1,870,720,815.00				9,646,210,097.63		157,436.90		126,108,937.21		7,371,494,125.42		19,014,691,412.16	-44,406,275.30	18,970,285,136.86
III. Changes for the year (decrease is indicated by “-”)					-834,795,100.00		14,621.32		53,513,078.05		3,258,998,774.90		2,477,731,374.27	-84,378,736.51	2,393,352,637.76
(I) Total comprehensive income							14,621.32				3,555,705,558.90		3,555,720,180.22	-84,378,736.51	3,471,341,443.71
(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									53,513,078.05		-296,706,784.00		-243,193,705.95		-243,193,705.95
1. Transfer to surplus reserve									53,513,078.05		-53,513.07				

										8.05				
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														
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					- 834,795,100.00						- 834,795,100.00			-834,795,100.00
IV. Closing balance of the current period	1,870,720,815.00				8,811,414,997.63	172,058.22	179,622,015.26		10,630,492,900.32	21,492,422,786.43	- 128,785,011.81			21,363,637,774.62

8. Statement of changes in owners' equity of the parent company

Amount in the current period

In RMB

Item	2024											
	Share capital	Other equity instruments	Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	Undistributed profits	Others	Total owners' equity		
I. Closing balance of the preceding year	1,870,720,815.00				9,946,666,892.53			179,622,015.26	485,261,705.93			12,482,271,428.72
Add: Changes in accounting policies												
Corrections of prior period errors												
Others												
II. Opening balance of the current year	1,870,720,815.00				9,946,666,892.53			179,622,015.26	485,261,705.93			12,482,271,428.72
III. Changes for the year (decrease is indicated by "-")					5,514,289.78			199,233,882.56	1,456,375,196.37			1,661,123,368.71
(I) Total comprehensive income									1,992,338,825.63			1,992,338,825.63
(II) Owners' contributions and reduction in capital					5,514,289.78							5,514,289.78
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					5,514,289.78							5,514,289.78
(III) Profit distribution									199,233,882.56	-535,963,629.26		-336,729,746.70
1. Transfer to surplus reserve									199,233,882.56	-199,233,882.56		
2. Distributions to owners (shareholders)										-336,729,746.70		-336,729,746.70
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				9,952,181,182.31				378,855,897.82	1,941,636,902.30		14,143,394,797.43

Amount in the prior period

In RMB

Item	2023											
	Share capital	Other equity instruments			Capital reserve	Less: Treasury shares	Other comprehensive income	Special reserve	Surplus reserve	Undistributed profits	Others	Total owners' equity
I. Closing balance of the preceding year	1,870,720,815.00				10,584,782,807.56				126,108,937.21	246,837,709.46		12,828,450,269.23
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				126,108,937.21	246,837,709.46		12,828,450,269.23
III. Changes for the year (decrease is indicated by "-")					-638,115,915.03				53,513,078.05	238,423,996.47		-346,178,840.51
(I) Total comprehensive income										535,130,780.47		535,130,780.47
(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									53,513,078.05	-296,706,784.00		-243,193,705.95
1. Transfer to surplus reserve									53,513,078.05	-53,513,078.05		
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					9,946,666,892.53				179,622,015.26	485,261,705.93	12,482,271,428.72

III. Basic Information of the Company

Mango Excellent Media Co., Ltd. (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. 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 27th meeting of the 4th Board of Directors of the Company on April 24, 2025 for issuance.

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, inventories, depreciation of fixed assets, 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 and Dameiren Global Trading Co., Limited engage in overseas operations and accordingly select the US dollar, the currency used in the main economic environment in which they operate, as their functional currency.

5. Determination and basis for selection of materiality criteria

☒Applicable ☐N/A

Item	Materiality criteria
Material accounts receivable assessed for impairment loss individually	Individual accounts receivable in excess of RMB10 million are recognized as material accounts receivable.
Material other receivables assessed for impairment loss individually	Individual other receivables in excess of RMB3 million are recognized as material other receivables.
Material prepayments aged more than one year	Individual prepayments in excess of RMB30 million and aged more than one year are recognized as material prepayments.
Material accounts payable aged more than one year	Individual accounts payable in excess of RMB30 million and aged more than one year are recognized as material accounts payable.
Material other payables aged more than one year	Individual other payables in excess of RMB3 million and aged more than one year are recognized as material other payables.
Material debt investments	Individual debt investments in excess of RMB150 million are recognized as material debt investments.
Material capitalised research and development projects	Any capitalised research and development project in excess of RMB30 million is recognized as a material capitalised research and development project
Material subsidiaries and non-wholly-owned subsidiaries	Any subsidiary whose total assets/operating revenue accounts for more than 15% of the Group's total assets/operating revenue, or whose total profit/net profit accounts for more than 10% of the Group's total profit/net profit is recognized as a material subsidiary or non-wholly-owned subsidiary (as the case may be).
Material commitments	Individual commitments in excess of RMB100 million are recognized as material commitments.
Material contingencies	Individual contingencies in excess of RMB10 million or of a special nature are recognized

	as material contingencies.
Material subsequent events	Individual subsequent events in excess of RMB100 million are recognized as material subsequent events.
Material debt restructuring	Any debt restructuring in excess of RMB10 million is recognized as a material debt restructuring

6. Accounting treatment of business mergers involving entities under common control and business mergers not involving entities under common control

1. Accounting treatment of business merger involving entities under common control

Assets and liabilities that are obtained by the Company in a business merger shall be measured at their carrying values in the consolidated financial statements of the ultimate controller at the merger date as recorded by the acquiree. The difference between the carrying value of the owners' equity of the acquiree as stated in the consolidated financial statements of the ultimate controller and the carrying value of the total consideration paid or total par value of the shares issued in connection with the merger 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 mergers not involving entities under common control

Where the cost of the merger 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 merger 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 provisions acquired from the acquiree and the cost of merger, and if the cost of merger 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.

7. Determination of control and method of preparation of consolidated financial statements

1. Determination of control

Control refers to the investor has the power over the investee, enjoys variable returns by participating in the relevant activities of the investee, and has the ability to use the power of the investee to influence the amount of returns.

2. Method of preparation of consolidated financial statements

The 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.

8. 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.

9. 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.

10. 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.

11. 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 value 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 value 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 value 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 mergers, 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 value 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 value.

(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 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 and other receivables - comparison table of the age of accounts receivable and rate of lifetime expected credit loss

Aging	Rate of expected credit loss on accounts receivable and other receivables (%)
Group I: Mango TV Internet Video Business (Hunan Happy Sunshine Interactive Entertainment Media Co., Ltd., "Happy Sunshine")	
Within 1 year (inclusive, same below)	5.00
1-2 years	10.00
2-3 years	30.00
3-4 years	50.00
4-5 years	100.00
Over 5 years	100.00

Group II: New media interactive entertainment production and operation, content e-commerce and others (companies other than Happy Sunshine)	
Within 1 year (inclusive, same below)	1.00
1-2 years	5.00
2-3 years	10.00
3-4 years	30.00
4-5 years	50.00
Over 5 years	100.00

Accounts receivable shall be aged from the month in which they are actually incurred.

(4) The criteria for the identification of receivables and contract assets for the accrual of expected credit losses on an individual basis

For receivables and contract assets whose credit risk is significantly different from its portfolio credit risk, the expected credit losses shall be accrued on an individual basis.

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 does not offset the transferred financial asset and the associated liability.

12. Contract assets

Contract assets or contract liabilities are presented in the balance sheet according to the relationship between the relevant performance obligations and payment by the customer. Contract assets and contract liabilities under the same contract are presented on a net basis.

The right of the Company to payment that is unconditional, except for the passage of time, is presented as an account receivable. The right of the Company to payment for goods already transferred to a customer is presented as a contract asset if that right to payment is conditional on something other than the passage of time.

13. 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 TV drama and consignment goods using the specific-identification method and of the remaining goods using the weighted moving average method.

3. 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 films and TV dramas.

4. Amortization of low-value consumables and packing materials

(1) Low-value consumables

The low-value consumables are amortized using immediate write-off method.

(2) Packing materials

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

5. Inventory depreciation reserve

On the balance sheet date, inventory is measured at the lower of the cost or the net realizable value, and the inventory depreciation reserve is accrued for the difference between the cost and the net realizable value. In the normal production and operation process, the net realizable value of inventory directly used for sale is determined by the estimated selling prices of inventory less the estimated selling expenses and related taxes; in the normal production and operation process, the net realizable value of inventory to be processed is determined by the estimated selling prices of finished products less the estimated costs to be incurred upon completion, the estimated selling expenses, and related taxes; on the balance sheet date, if part of the same inventory has contract price agreements, while the other part does not have any, their net realizable values shall be determined respectively, which shall be compared with the corresponding costs, to determine the amount of the inventory depreciation reserve to be accrued or reserved respectively.

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 merger involving entities under common control, if the acquirer pays consideration for the business merger 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 value of the owners' equity of the acquiree in the consolidated financial statements of the ultimate controller at the date of merger. The difference between the initial investment cost of the long-term equity investment and the carrying value of the consideration paid for the merger 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 merger involving entities 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-merger share of the carrying value of the net assets of the acquiree in the consolidated financial statements of the ultimate controller at the date of merger. The difference between the initial investment cost of the long-term equity investment at the date of merger and the sum of the carrying value of long-term equity investment before the merger and the carrying value of the consideration paid for acquisition of the additional shares at the date of merger 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 merger not involving entities under common control, the initial investment cost is the fair value of the consideration paid for the merger at the date of acquisition.

With respect to a long-term equity investment acquired through a business merger 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 value 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 value 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 merger, 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) Determination of whether a transaction is a "package deal"

Where equity investment is made in the subsidiary step by step through multiple transactions until the control is lost, the Company determines whether the step-by-step transaction is a "package deal" by considering the transaction agreement terms, the respective disposal consideration acquired, the object of the equity sale, the disposal means, the disposal time and other information of each step of the step-by-step transaction. If the terms, conditions and economic impact of each transaction meet one or more than one of the following conditions, it generally indicates that the multiple transactions are the "package deal":

- 1) The transactions are concluded at the same time or with regard to their mutual effects;
- 2) These transactions can achieve a complete business outcome only when being considered as a whole;
- 3) The occurrence of one transaction depends on the occurrence of at least one other transaction;
- 4) A transaction is uneconomic in isolation, but economic when considered together with other transactions.

(2) Accounting treatment that is not a "package deal"

1) Separate financial statements

The difference between the carrying value 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

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 merger 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 merger 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.

(3) Accounting treatment for “package deals”

1) Separate financial statements

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 carrying value of long-term equity investments in relation to the investment disposed of is recognized in other comprehensive income in individual financial statements, which is wholly transferred to the profit or loss in the period in which the control is lost.

2) Consolidated financial statements

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. An investment property is measured initially at cost, and subsequently using the cost model. The cost of the investment property, net of estimated net residual value and cumulative provision for impairment loss, is depreciated or amortized using the straight-line method over its remaining useful life.

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)	Residual value rate	Annual depreciation 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. Intangible assets

(1) Useful life, basis for determination of useful life, estimates, amortization or review process

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 TV 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 carryforward of film and TV copyrights

When a film and TV 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 films and TV dramas 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 monthly straight-line basis during the benefit period.

When the film and TV 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 carrying 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 TV 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	Useful life (years)	Basis for determination of useful life	Method of amortization
Land use rights	Term of the relevant land use right certificate	Title certificate	Straight line method
Software	3-10	Expected benefit period	Straight line method
Trademarks and domain names	Term of license	Term of license	Straight line method
Patent license fee	10	Expected benefit period	Straight line method
Program adaptation right	3	Expected benefit period	Straight line method
Game copyright	Agreed term of license	Agreed term of license	Straight line method

(2) Scope and accounting treatment of research and development expenditures

(1) Labor costs

Labor costs include wages and salaries for the Company's R&D personnel, basic pension insurance, basic medical insurance, unemployment insurance, work-related injury insurance, maternity insurance, housing provident funds, employee benefits, etc.

If R&D personnel serve multiple R&D projects concurrently, their costs are allocated proportionally based on their recorded work hours across different projects.

(2) Direct investment costs

Direct investment costs mean actual expenditures incurred by the Company for implementing R&D activities, such as technical service fees for the operation, maintenance, inspection, testing, and repair of equipment used in R&D activities.

(3) Depreciation expenses and long-term prepaid expenses

Depreciation expense means costs for the depreciation of equipment and buildings in R&D activities.

For equipment and buildings used both for R&D and non-R&D activities, necessary records shall be made on the use of such equipment and buildings, and the actually incurred depreciation costs shall be allocated between R&D expenses and production and operating expenses in a reasonable manner according to the actual working hours, use area, etc.

Long-term prepaid expenses include costs incurred during the alteration, modification, renovation and repair of R&D facilities. When the facilities are used for non-R&D activities at the same time, the expenses shall be allocated between R&D expenses and production and operating expenses in a reasonable manner according to the actual working hours and use area.

(4) Amortization expenses for intangible assets

Amortization expenses for intangible assets mean the amortization expenses for software and intellectual properties used in R&D activities.

(5) Commissioned external R&D expenses

The commissioned external R&D expenses mean expenses incurred by the Company in delegating other organizations or individuals, both at home and abroad, to conduct R&D activities (the results of the R&D activities are owned by the Company and are closely related to the Company's main business).

(6) Other expenses

Other expenses mean expenses directly related to R&D activities other than the above expenses, including document translation fees, expert consulting fees, fees for the retrieval, demonstration, review, appraisal, examination and acceptance of R&D results, intellectual property application fees, registration fees, conference expenses, travel expenses, communication fees, etc.

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.

19. Impairment of long-term assets

With respect to long-term equity investments, fixed assets, 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 merger 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 value, the difference is measured as impairment loss of the asset and recognized in profit or loss for the current period.

20. 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.

21. 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.

22. 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 contributions payable as 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.

23. 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 value of provisions is reviewed at the balance sheet date.

24. Revenue

Accounting policies adopted for the recognition and measurement of revenues disclosed by type of business

1. Revenue recognition

At the inception of the contract, the Company evaluates the contract, identifies each single performance obligation contained therein and determines 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 following 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, films and TV dramas 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, artist and operator 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 contract liabilities.

When the credits are exchanged by the customers, the portion of contract 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) Advertising revenue

Advertising revenue 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 is received or 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) Membership revenue

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 films and TV dramas and other programs in which the Company does not hold copyright

Applicable business: The Company participates in the production of films and TV dramas 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 films and TV dramas and other programs in which the Company holds joint copyright

Applicable business: The Company participates in the production of films and TV dramas 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 films and TV dramas 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 films and TV dramas 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 revenue".

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 artist agent service

① Artist performance service

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

② Artist shooting service

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

③ Artist endorsement service

The term of an artist's endorsement is about 1-2 years generally. During the term of endorsement, the artist 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 artist, 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 artist 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 dramas and programs

Derivative revenue from films, TV dramas 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

25. Contract 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.

26. Government grants

1. Government grants are recognized if (1) the Company meets the conditions attached 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 value 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.

27. Deferred tax assets / deferred tax liabilities

1. The difference between the tax base of an asset or liability and its carrying value (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 value), 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 value of a deferred tax asset is reviewed. The Company reduces the carrying value 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 merger; or (2) a transaction or event which is recognized directly in owner's equity.

5. When the following conditions are met at the same time, the Company will present the net amount of deferred income tax assets and deferred income tax liabilities after offset: (1) It has the legal right to settle current income tax assets and current income tax liabilities on a net basis; (2) deferred income tax assets and deferred income tax liabilities are related to income taxes levied by the same tax authority on the same taxpayer or related to different taxpayers, provided that during the period in which each of the future material deferred income tax assets and deferred income tax liability is reversed, the taxpayer involved intends to net the current income tax assets and current income tax liabilities, or acquire assets and settle debts at the same time.

28. Lease

(1) The Company as lessee

At the commencement date of the lease term, the Company recognizes a lease with a lease term not more than 12 months that includes 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.

Except the above short-term leases and low-value asset leases subject to simplified treatment, the Company recognizes the right of use assets and lease liabilities on the lease at the commencement date of the lease period.

(1) 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.

(2) 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 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.

(2) The Company as 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 leased asset, and all other leases as operating leases.

(1) Operating lease

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) Finance lease

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 or loss when actually incurred.

29. 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 value of contract liabilities for the period in which the estimation is changed.

30. Changes in significant accounting policies and accounting estimates

(1) Changes in significant accounting policies

☒Applicable ☐N/A

In RMB

Content and reason of changes in accounting policies	Item significantly affected	Amount affected
Since January 1, 2024, the Company has adopted the provisions contained in the Interpretation of the Accounting Standards for Business Enterprises No. 17 issued by the Ministry of Finance, regarding “classification of current liabilities and non-current liabilities”, “disclosure of supplier financing arrangements”, and “accounting treatment of sale and leaseback”, and the provisions contained in the Interpretation of the Accounting Standards for Business Enterprises No. 18 issued by the Ministry of Finance, regarding “accounting treatment of guarantee-type warranty that is not a single performance obligation”.	Such changes in accounting policies do not have a material effect on our financial statements.	

(2) Changes in significant accounting estimates

☐Applicable ☒N/A

(3) Adjustments to related financial statement items for the period in which the new accounting standards were adopted for the first time since 2024

☐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 sale 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%
Urban maintenance and construction tax	Actually paid turnover tax	7%, 5%
Enterprise income tax	Taxable income	Tax exemption, 8.25%, 15%, 16.5%, 20%, 25%
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%
Cultural undertaking development fee	Taxable service revenue calculated pursuant to the tax law	1.5%

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
Mango Studios Culture Co., Ltd. ("Mango Studios")	Tax exemption
Hunan Mango Entertainment Co., Ltd. ("Mango Entertainment")	Tax exemption
Hunan Happy Mango Fun Technology Co., Ltd.	Tax exemption
Hunan E.E. Media Film and Television Production Co. Ltd.	Tax exemption
Hunan Golden Eagle Cartoon Media Co., Ltd. ("Golden Eagle Cartoon")	Tax exemption
Xiaomang E-commerce Co., Ltd.	15%
Hunan Maiji Park Cultural Development Co., Ltd.	5%
Dameiren Global Trading Co., Limited	8.25%, 16.5%
Mgtv.com (Hong Kong) Media Company Limited	8.25%, 16.5%
Other taxpayers not listed above	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., Happigo and Golden Eagle Cartoon are enterprises transformed from operating cultural institutions in the reform of cultural system approved by the Ministry of Finance and the State Administration of Taxation. Pursuant to the Announcement on the Tax Policies Applicable to the Enterprises Transformed from Operating Cultural Institutions in the Reform of Cultural System (Announcement of the Ministry of Finance, the State Administration of Taxation and the Publicity Department, CCCPC [2024] No. 20) jointly released by the Ministry of Finance, the State Administration of Taxation and the Publicity Department, CCCPC in December 2024, the enterprises transformed from operating cultural institutions before December 31, 2022 would be exempted from the enterprise income tax from their registered date of transformation till December 31, 2027.

2. Pursuant to the List of the Second Batch of High and New Technology Enterprises Recognized and Filed by the Recognition Authority of Hunan Province in 2023 jointly issued by the Office of the National Leading Group for Recognition Management of High and New Technology Enterprises and the Hunan Provincial Department of Science and Technology, Xiaomang E-commerce Co., Ltd. was recognized as a high and new technology enterprise with a term of three years (Certificate No.: GR202343005636), and therefore is subject to a reduced enterprise income tax rate of 15% applicable to high and new technology enterprises from 2023 to 2025.

3. Pursuant to the List of the First Batch of High and New Technology Enterprises Recognized and Filed by the Recognition Authority of Hunan Province in 2022 issued by the Office of the National Leading Group for Recognition Management of High and New Technology Enterprises, Happy Sunshine was recognized as a high and new technology enterprise with a term of three years (Certificate No.: GR202243000815), and therefore is subject to a reduced enterprise income tax rate of 15% applicable to high and new technology enterprises from 2022 to 2024.

4. As stipulated by the Announcement of the General Administration of Taxation of the Ministry of Finance on Related Tax Policies for Further Supporting the Development of SMEs and Private Businesses (Announcement No. 12 of the General Administration of Taxation of the Ministry of Finance, 2023), before December 31, 2027, taxable incomes of SMEs shall be reduced to 25%, and enterprise income taxes shall be levied at a rate of 20%. Hunan Maiji Park Cultural Development Co., Ltd. is entitled the above preferential enterprise income tax policy for the period.

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, cultural undertaking development fee attributable to the Central Treasury shall be reduced at 50% of the taxable income paid by the taxpayer. In accordance with the Notice of Hunan Provincial Department of Finance on Relevant Policies on Adjusting Cultural Undertaking Development Fee (Xiang Cai Zong [2019] No. 11), from July 1, 2019 to December 31, 2024, local enterprises and institutions and individuals can pay the cultural undertaking development fee 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	36,048.85	34,083.85
Bank deposits	3,864,984,022.72	11,857,589,366.06
Other monetary funds	35,700,257.26	24,584,807.69
Total	3,900,720,328.83	11,882,208,257.60

Other information:

Among the closing balance of bank deposits, RMB16,115,246.67 was frozen due to litigation, and RMB1,244,317.42 was security deposits or otherwise subject to restrictions on use.

Among the closing balance of other monetary funds, RMB13,524,468.83 was subject to restrictions on 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	1,606,842,142.43	1,052,000,000.00
Incl.:		
Structural deposits	1,605,606,575.40	1,052,000,000.00
Copyright investment without copyright	1,235,567.03	
Incl.:		
Total	1,606,842,142.43	1,052,000,000.00

Other information:

3. Notes receivable

(1) Presentation of notes receivable by category

In RMB

Item	Closing balance	Opening balance
Banker's acceptance bills	1,400,000.00	34,920,000.00
Commercial acceptance bills	967,729.46	
Total	2,367,729.46	34,920,000.00

(2) Presentation by method of recognition of provision for bad debts

In RMB

Category	Closing balance					Opening balance				
	Book balance		Bad debt provision		Carrying value	Book balance		Bad debt provision		Carrying value
	Amount	Proportion	Amount	Proportion		Amount	Proportion	Amount	Proportion	
Incl.:										
Notes receivable for which the provision for bad debts were made by group	2,418,662.59	100.00%	50,933.13	2.11%	2,367,729.46	34,920,000.00	100.00%			34,920,000.00
Incl.:										
Banker's acceptance bills	1,400,000.00	57.88%			1,400,000.00	34,920,000.00	100.00%			34,920,000.00
Commercial acceptance bills	1,018,662.59	42.12%	50,933.13	5.00%	967,729.46					
Total	2,418,662.59	100.00%	50,933.13	2.11%	2,367,729.46	34,920,000.00	100.00%			34,920,000.00

Provisions for bad debts made by group: RMB50,933.13

In RMB

Item	Closing balance		
	Book balance	Bad debt provision	Proportion
Group of banker's acceptance bills	1,400,000.00		
Group of commercial acceptance bills	1,018,662.59	50,933.13	5.00%
Total	2,418,662.59	50,933.13	

Description of basis for determining the group:

Provisions for bad debts made for notes receivable in accordance with the general model of expected credit losses ("ECL"):

☐ Applicable ☒ N/A

(3) 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	Write-off	Others	

			reversal			
Provision for bad debts by group		50,933.13				50,933.13
Total		50,933.13				50,933.13

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

☐ Applicable ☒ N/A

4. Accounts receivable

(1) Presentation by aging

In RMB

Aging	Opening book balance	Closing book balance
Within 1 year (inclusive)	4,126,973,641.86	2,943,842,242.71
1-2 years	361,470,164.63	397,974,645.55
2-3 years	224,887,285.73	148,659,620.53
Over 3 years	260,033,120.65	372,906,782.88
3-4 years	74,072,444.30	176,552,081.76
4-5 years	64,806,958.01	147,583,365.37
Over 5 years	121,153,718.34	48,771,335.75
Total	4,973,364,212.87	3,863,383,291.67

(2) Presentation by method of recognition of provision for bad debts

In RMB

Category	Closing balance					Opening balance				
	Book balance		Bad debt provision		Carrying value	Book balance		Bad debt provision		Carrying value
	Amount	Proportion	Amount	Proportion		Amount	Proportion	Amount	Proportion	
Accounts receivable for which the provision for bad debts are made individually	80,608,785.50	1.62%	66,610,18.95	82.63%	13,998,666.55	81,268,801.50	2.10%	64,684,124.95	79.59%	16,584,676.55
Incl.:										
Accounts receivable for which the provision for bad debts are made by group	4,892,755,427.37	98.38%	366,781,580.57	7.50%	4,525,973,846.80	3,782,114,490.17	97.90%	302,175,796.57	7.99%	3,479,938,693.60
Incl.:										
Total	4,973,364,212.87	100.00%	433,391,699.52	8.71%	4,539,972,513.35	3,863,383,291.67	100.00%	366,859,921.52	9.50%	3,496,523,370.15

Provisions for bad debts made individually: RMB66,610,118.95

In RMB

Name	Opening balance		Closing balance			
	Book balance	Bad debt provision	Book balance	Bad debt provision	Proportion	Reason for provisions
The first	23,383,374.87	16,777,045.64	23,383,374.87	16,777,045.64	71.75%	Likely to be non-recoverable
The second	11,155,050.00	3,346,515.00	10,445,050.00	5,222,525.00	50.00%	Likely to be non-recoverable
The third	10,786,000.00	10,786,000.00	10,786,000.00	10,786,000.00	100.00%	Expected to be non-recoverable
Others	35,944,376.63	33,774,564.31	35,994,360.63	33,824,548.31	93.97%	Likely to be non-recoverable
Total	81,268,801.50	64,684,124.95	80,608,785.50	66,610,118.95		

Provisions for bad debts made by group: RMB366,781,580.57

In RMB

Name	Closing balance		
	Book balance	Bad debt provision	Proportion
Aging group	4,333,249,118.98	366,781,580.57	8.46%

Group of receivables from related parties controlled by the same actual controller	559,506,308.39		
Total	4,892,755,427.37	366,781,580.57	

Description of basis for determining the group:

Provisions for bad debts made for notes receivable in accordance with the general model of ECL:

☐ Applicable ☒ N/A

(3) 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	64,684,124.95	2,155,994.00	230,000.00			66,610,118.95
Provisions for bad debts made by group	302,175,796.57	64,758,277.18		150,000.00	-2,493.18	366,781,580.57
Total	366,859,921.52	66,914,271.18	230,000.00	150,000.00	-2,493.18	433,391,699.52

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

In RMB

Entity	Amount of recovery or reversal	Reason for recovery	Method of recovery	Basis for determining the proportion of provision for bad debts and its reasonableness
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No significant provision for bad debts was recovered or reversal in the current period.

(4) Accounts receivable actually written off for the current period

In RMB

Item	Write-off amount
Accounts receivable actually written off	150,000.00

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:

No significant accounts receivable was written off in the current period.

(5) Top five closing balances of accounts receivable and contract assets categorized by debtor

In RMB

Entity	Closing balance of accounts receivable	Closing balance of contract assets	Total closing balance of accounts receivable and contract assets	Proportion of total closing balance of accounts receivable and contract assets	Closing balance of the allowance for bad debts of accounts receivable and the provision for impairment of contract assets
The first	1,256,247,643.31		1,256,247,643.31	21.08%	62,812,382.17
The second	318,523,832.63	568,473,648.57	886,997,481.20	14.89%	44,349,874.06
The third	318,091,290.36		318,091,290.36	5.34%	15,904,564.52
The fourth	311,636,207.83		311,636,207.83	5.23%	
The fifth	257,240,914.62		257,240,914.62	4.32%	12,862,045.73
Total	2,461,739,888.75	568,473,648.57	3,030,213,537.32	50.86%	135,928,866.48

5. Contract assets

(1) Details of contract assets

In RMB

Item	Closing balance			Opening balance		
	Book balance	Bad debt provision	Carrying value	Book balance	Bad debt provision	Carrying value
Operator business	985,362,331.20	60,944,997.89	924,417,333.31	890,102,310.00	51,410,460.86	838,691,849.14
Total	985,362,331.20	60,944,997.89	924,417,333.31	890,102,310.00	51,410,460.86	838,691,849.14

(2) Presentation by method of recognition of provision for bad debts

In RMB

Category	Closing balance					Opening balance				
	Book balance		Bad debt provision		Carrying value	Book balance		Bad debt provision		Carrying value
	Amount	Proportion	Amount	Proportion		Amount	Proportion	Amount	Proportion	
Incl.:										
Provision for bad debts made by group	985,362,331.20	100.00%	60,944,997.89	6.19%	924,417,333.31	890,102,310.00	100.00%	51,410,460.86	5.78%	838,691,849.14
Total	985,362,331.20	100.00%	60,944,997.89	6.19%	924,417,333.31	890,102,310.00	100.00%	51,410,460.86	5.78%	838,691,849.14

Total amount of provision for bad debts made by group: RMB60,944,997.89

In RMB

Item	Closing balance		
	Book balance	Bad debt provision	Proportion
Group of operator business	985,362,331.20	60,944,997.89	6.19%
Total	985,362,331.20	60,944,997.89	

Description of basis for determining the group:

Provisions for bad debts made in accordance with the general model of ECL:

☐ Applicable ☒ N/A

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

In RMB

Item	Provision	Recovery or reversal	Write-off	Reason
Provision for bad debts made by group	9,534,537.03			
Total	9,534,537.03			-

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

In RMB

Entity	Amount of recovery or reversal	Reason for recovery	Method of recovery	Basis for determining the proportion of provision for bad debts and its reasonableness

Other information:

6. Accounts receivable financing

(1) Presentation of accounts receivable financing by category

In RMB

Item	Closing balance	Opening balance
Banker's acceptance bills	58,201,838.89	690,394,858.57
Letters of credit		8,000,000.00

Total	58,201,838.89	698,394,858.57
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(2) Presentation by method of recognition of provision for bad debts

In RMB

Category	Closing balance					Opening balance				
	Book balance		Bad debt provision		Carrying value	Book balance		Bad debt provision		Carrying value
	Amount	Proportion	Amount	Proportion		Amount	Proportion	Amount	Proportion	
Incl.:										
Provision for bad debts made by group	58,201,838.89	100.00%			58,201,838.89	698,394,858.57	100.00%			698,394,858.57
Incl.:										
Banker's acceptance bills	58,201,838.89	100.00%			58,201,838.89	690,394,858.57	98.85%			690,394,858.57
Letters of credit						8,000,000.00	1.15%			8,000,000.00
Total	58,201,838.89	100.00%			58,201,838.89	698,394,858.57	100.00%			698,394,858.57

Total amount of provision for bad debts made by group: Nil

In RMB

Item	Closing balance		
	Book balance	Bad debt provision	Proportion
Provision for bad debts made by group	58,201,838.89		
Total	58,201,838.89		

Description of basis for determining the group:

Provisions for bad debts made in accordance with the general model of ECL:

In RMB

Bad debt provision	Stage I	Stage II	Stage III	Total
	Future 12-month ECL	Lifetime ECL (without credit impairment)	Lifetime ECL (with credit impairment)	
Balance at January 1, 2024 in the current period:				

Basis for determination of stages and proportion of provision for bad debts:

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

(3) Accounts receivable financing already endorsed or discounted but not yet become due at the balance sheet date

In RMB

Item	Balance derecognized at the end of the period	Balance not derecognized at the end of the period
Banker's acceptance bills	401,633,422.53	
Letters of credit	335,357,619.99	
Total	736,991,042.52	

7. Other receivables

In RMB

Item	Closing balance	Opening balance
Other receivables	60,325,084.20	47,852,640.07
Total	60,325,084.20	47,852,640.07

(1) Other receivables**1) Classification of other receivables by nature**

In RMB

Nature	Closing book balance	Opening book balance
Security deposit	27,544,135.68	19,318,333.70
Amount due to or from related parties	1,963,695.20	5,196,090.37
Suspense payments receivable	1,322,825.94	2,490,337.84
Petty cash	12,340,256.91	9,418,011.24
Receivables under current account	30,727,523.04	24,349,805.30
Total	73,898,436.77	60,772,578.45

2) Presentation by aging

In RMB

Aging	Closing book balance	Opening book balance
Within 1 year (inclusive)	43,878,718.51	29,587,160.90
1-2 years	5,130,847.31	6,355,747.68
2-3 years	4,830,487.65	5,244,596.68
Over 3 years	20,058,383.30	19,585,073.19
3-4 years	4,197,090.61	6,159,143.40
4-5 years	5,761,918.07	1,515,668.57
Over 5 years	10,099,374.62	11,910,261.22
Total	73,898,436.77	60,772,578.45

3) Presentation by method of recognition of provision for bad debts☒Applicable ☐N/A

In RMB

Category	Closing balance					Opening balance				
	Book balance		Bad debt provision		Carrying value	Book balance		Bad debt provision		Carrying value
	Amount	Proportion	Amount	Proportion		Amount	Proportion	Amount	Proportion	
Provision for bad debts made individually	11,773,626.23	15.93%	10,846,353.20	92.12%	927,273.03	9,913,746.23	16.31%	8,986,473.20	90.65%	927,273.03
Incl.:										
Provision for bad debts made by group	62,124,810.54	84.07%	2,726,999.37	4.39%	59,397,811.17	50,858,832.22	83.69%	3,933,465.18	7.73%	46,925,367.04
Incl.:										
Total	73,898,436.77	100.00%	13,573,352.57	18.37%	60,325,084.20	60,772,578.45	100.00%	12,919,938.38	21.26%	47,852,640.07

Provisions for bad debts made individually: RMB10,846,353.20

In RMB

Name	Opening balance		Closing balance			
	Book balance	Bad debt provision	Book balance	Bad debt provision	Proportion	Reason for provisions
Provision for bad debts made individually	9,913,746.23	8,986,473.20	11,773,626.23	10,846,353.20	92.12%	Likely to be non-recoverable
Total	9,913,746.23	8,986,473.20	11,773,626.23	10,846,353.20		

Provisions for bad debts made by group: RMB2,726,999.37

In RMB

Name	Closing balance		
	Book balance	Bad debt provision	Proportion
Group of receivables from related parties controlled by the same actual controller	1,957,904.68		
Group of security deposits	26,995,615.69		

receivable			
Aging group	33,171,290.17	2,726,999.37	8.22%
Total	62,124,810.54	2,726,999.37	

Description of basis for determining the group:

Provisions for bad debts made in accordance with the general model of ECL:

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, 2024	1,012,044.56	108,399.10	11,799,494.72	12,919,938.38
In the current period				
-- Transferred to Stage II	-67,940.86	67,940.86		
-- Transferred to Stage III		-4,998.01	4,998.01	
Current provision	421,602.53	-38,297.89	2,314,945.76	2,698,250.40
Current write-off			15,071.52	15,071.52
Other changes			-2,029,764.69	-2,029,764.69
Balance as at December 31, 2024	1,365,706.23	133,044.06	12,074,602.28	13,573,352.57

Basis for determination of stages and proportion of provision for bad debts:

Stage I refers to other receivables whose credit risk has not increased significantly since initial recognition; Stage II refers to other receivables whose credit risk has increased significantly since initial recognition, but which are not credit impaired; Stage III refers to other receivables credit impaired.

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

☐ Applicable ☒ N/A

4) 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	12,919,938.38	2,698,250.40		15,071.52	-2,029,764.69	13,573,352.57
Total	12,919,938.38	2,698,250.40		15,071.52	-2,029,764.69	13,573,352.57

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

In RMB

Entity	Amount of recovery or reversal	Reason for recovery	Method of recovery	Basis for determining the proportion of provision for bad debts and its reasonableness
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No significant provision for bad debts was recovered or reversal in the current period.

5) Other receivables actually written off for the period

In RMB

Item	Write-off amount
Other receivables	15,071.52

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:

No other receivables were written off in the current period.

6) 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	Receivables under current account	15,450,000.00	Within 1 year	20.91%	772,500.00
The second	Security deposit	10,979,063.29	Within 1 year	14.86%	
The third	Receivables under current account	2,000,000.00	2-3 years	2.71%	2,000,000.00
The fourth	Security deposit	2,000,000.00	1-2 years	2.71%	
The fifth	Security deposit	1,000,000.00	4-5 years	1.35%	
Total		31,429,063.29		42.54%	2,772,500.00

8. Prepayments

(1) Presentation of prepayments by aging

In RMB

Aging	Closing balance		Opening balance	
	Amount	Percentage	Amount	Percentage
Within 1 year	1,289,069,522.26	71.76%	703,944,332.23	69.24%
1-2 years	288,753,603.80	16.07%	116,269,839.01	11.44%
2-3 years	74,564,490.45	4.15%	174,573,702.88	17.17%
Over 3 years	144,078,556.39	8.02%	21,876,500.06	2.15%
Total	1,796,466,172.90		1,016,664,374.18	

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

In RMB

Entity	Closing balance	Reasons for unsettlement
The first	169,056,604.10	Prepayments for copyrights, pending broadcasting
The second	58,653,586.43	Prepayments for copyrights, pending broadcasting
The third	50,596,981.09	Prepayments for copyrights, pending broadcasting
The fourth	49,999,516.00	Undelivered goods
The fifth	31,132,075.59	Prepayments for copyrights, pending broadcasting
The sixth	30,792,452.83	Prepayments for copyrights, pending broadcasting
Sub-total	390,231,216.04	

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

In RMB

Entity	Book balance	Proportion to total prepayments (%)
The first	208,653,396.55	10.83
The second	169,056,604.10	8.77
The third	113,132,075.59	5.87
The fourth	107,120,000.00	5.56

The fifth	90,977,433.77	4.72
Sub-total	688,939,510.01	35.75

Other information:

9. 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 contract performance costs	Carrying value	Book balance	Provision for decline in value of inventories or for impairment of contract performance costs	Carrying value
Raw materials	111,190,626.86		111,190,626.86	70,747,527.56		70,747,527.56
Work in process	495,755,254.07	4,462,452.84	491,292,801.23	760,533,375.34		760,533,375.34
Goods on hand	854,657,793.40	149,158,207.55	705,499,585.85	1,023,495,995.75	152,362,654.35	871,133,341.40
Turnover materials	755,578.95		755,578.95	807,117.72	41,751.25	765,366.47
Goods upon delivery	22,839,567.47		22,839,567.47	14,256,078.56		14,256,078.56
Total	1,485,198,820.75	153,620,660.39	1,331,578,160.36	1,869,840,094.93	152,404,405.60	1,717,435,689.33

(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		4,462,452.84				4,462,452.84
Goods on hand	152,362,654.35	5,712,386.01		8,916,832.81		149,158,207.55
Turnover materials	41,751.25			41,751.25		
Total	152,404,405.60	10,174,838.85		8,958,584.06		153,620,660.39

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.

Provision for decline in value of inventories made by group:

In RMB

Name of group	End of the current period			Beginning of the current period		
	Closing balance	Provision for decline	Proportion	Opening balance	Provision for decline	Proportion

Criteria for provision for decline in value of inventories made by group:

10. Other current assets

In RMB

Item	Closing balance	Opening balance
Term deposits and large-denomination certificate of deposits with maturities of one year or less	3,424,356,248.15	

Prepaid enterprise income tax	98,629,272.43	
Prepayments for Internet access cooperation	5,588,903.07	7,628,577.66
Input VAT to be deducted	122,329,544.75	115,296,910.67
Others	402,646.76	7,252,743.79
Total	3,651,306,615.16	130,178,232.12

Other information:

11. Debt investments

(1) Details of debt investments

In RMB

Item	Closing balance			Opening balance		
	Book balance	Provision for impairment	Carrying value	Book balance	Provision for impairment	Carrying value
Term deposits and large-denomination certificate of deposits with maturities of one year or less	3,845,940,324.39		3,845,940,324.39			
Total	3,845,940,324.39		3,845,940,324.39			

Changes in provision for impairment in the current period

In RMB

Item	Opening balance	Increase in the current period	Decrease in the current period	Closing balance
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(2) Closing balance of significant debt investments

In RMB

Item	Closing balance					Opening balance				
	Par value	Coupon rate	Effective rate	Maturity date	Overdue principal	Par value	Coupon rate	Effective rate	Maturity date	Overdue principal
Deposit product 1	800,000,000.00	3.19%	3.19%	June 26, 2026						
Deposit product 2	200,000,000.00	3.20%	3.20%	August 11, 2026						
Deposit product 3	200,000,000.00	3.30%	3.30%	January 12, 2026						
Deposit product 4	300,000,000.00	2.40%	2.40%	September 29, 2026						
Deposit product 5	400,000,000.00	2.40%	2.40%	October 21, 2026						
Total	1,900,000,000.00									

12. Investment properties

(1) Investment properties measured at cost

☒Applicable ☐N/A

In RMB

Item	Buildings	Land use right	Construction in process	Total
I. Original carrying value:				
1. Opening balance	84,309,445.29			84,309,445.29
2. Increase in the current period				
(1) Purchase				
(2) Inventory/fixed assets/transfer from construction in progress				
(3) Increase due to business merger				
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	3,225,393.06			3,225,393.06
2. Current increase	2,296,981.34			2,296,981.34
(1) Provision or amortization	2,296,981.34			2,296,981.34
3. Current decreases				
(1) Disposal				
(2) Other amounts transferred out				
4. Closing balance	5,522,374.40			5,522,374.40
III. Provision for impairment				
1. Opening balance				
2. Current increase	5,506,370.19			5,506,370.19
(1) Provision	5,506,370.19			5,506,370.19
3. Current decreases				
(1) Disposal				
(2) Other amounts transferred out				
4. Closing balance	5,506,370.19			5,506,370.19
IV. Carrying value				
1. Closing carrying value	73,280,700.70			73,280,700.70
2. Opening carrying value	81,084,052.23			81,084,052.23

Recoverable amount determined based on fair value net of disposal cost:

☒Applicable ☐N/A

In RMB

Item	Carrying value	Recoverable amount	Impairment loss	Method for determining fair value and cost of disposal	Key parameter	Basis for determining the key parameter
Residence property	51,111,643.02	50,378,346.78	733,296.24	Market approach	Selling price	Based on market condition, the Company's plan for holding the property and appraised value
Commercial service property	27,675,427.87	22,902,353.92	4,773,073.95	Market approach	Selling price	Based on market condition, the Company's plan for holding the property and appraised value
Total	78,787,070.89	73,280,700.70	5,506,370.19			

Recoverable amount determined based on present value of expected future cash flows:

☐Applicable ☒N/A

Reason of significant difference between the information set out above and the information used in prior year's impairment assessment or external information:

Reason of significant difference between the information used in prior year's impairment assessment and the actual situation of the current year:

Other information:

(2) Investment properties measured at fair value

☐ Applicable ☒ N/A

13. Fixed assets

In RMB

Item	Closing balance	Opening balance
Fixed assets	131,318,038.31	142,419,568.37
Total	131,318,038.31	142,419,568.37

(1) Details of fixed assets

In RMB

Item	Buildings	Machines and equipment	Electronic equipment, devices and furniture	Transportation equipment	Others	Total
I. Original carrying value:						
1. Opening balance	58,268,091.66	310,483,591.97	314,717,531.66	15,691,994.31	11,000,000.00	710,161,209.60
2. Increase in the current period		11,248,557.08	15,781,664.59	112,283.18		27,142,504.85
(1) Purchase		11,248,557.08	15,781,664.59	112,283.18		27,142,504.85
(2) Transfer from construction in progress						
(3) Increase due to business merger						
3. Decrease in the current period		1,153,827.05	2,927,862.48			4,081,689.53
(1) Disposal or retirement		1,153,827.05	2,927,862.48			4,081,689.53
4. Closing balance	58,268,091.66	320,578,322.00	327,571,333.77	15,804,277.49	11,000,000.00	733,222,024.92
II. Accumulated depreciation						
1. Opening balance	16,415,985.34	284,611,078.06	253,689,811.57	12,629,651.77		567,346,526.74
2. Increase in the current period	1,908,705.37	10,107,257.22	25,016,300.12	1,036,465.29		38,068,728.00
(1) Provision	1,908,705.37	10,107,257.22	25,016,300.12	1,036,465.29		38,068,728.00
3. Decrease in the current period		1,101,429.73	2,804,952.89			3,906,382.62
(1) Disposal or retirement		1,101,429.73	2,804,952.89			3,906,382.62
4. Closing balance	18,324,690.71	293,616,905.55	275,901,158.80	13,666,117.06		601,508,872.12
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
IV. Carrying value						
1. Closing balance	39,943,400.95	26,570,328.18	51,666,148.75	2,138,160.43	11,000,000.00	131,318,038.31
2. Opening balance	41,852,106.32	25,481,425.64	61,023,693.87	3,062,342.54	11,000,000.00	142,419,568.37

(2) Fixed assets leased out under operating lease

In RMB

Item	Closing carrying value
Buildings	22,214,011.36

14. Right-of-use assets

(1) Details of right-of-use assets

In RMB

Item	Buildings	Total
I. Original carrying value		
1. Opening balance	348,389,392.07	348,389,392.07
2. Increase in the current period	116,717,241.71	116,717,241.71
(1) Lease in	116,717,241.71	116,717,241.71
3. Decrease in the current period	67,535,609.07	67,535,609.07
(1) Amendment of contract	33,977,813.42	33,977,813.42
(2) Expiration of lease	33,557,795.65	33,557,795.65
4. Closing balance	397,571,024.71	397,571,024.71
II. Accumulated depreciation		
1. Opening balance	119,801,978.46	119,801,978.46
2. Increase in the current period	91,929,788.40	91,929,788.40
(1) Provision	91,929,788.40	91,929,788.40
3. Decrease in the current period	51,012,222.15	51,012,222.15
(1) Disposal		
(2) Amendment of contract	17,454,426.50	17,454,426.50
(3) Expiration of lease	33,557,795.65	33,557,795.65
4. Closing balance	160,719,544.71	160,719,544.71
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		
IV. Carrying value		
1. Closing balance	236,851,480.00	236,851,480.00
2. Opening balance	228,587,413.61	228,587,413.61

15. Intangible assets

(1) Details of intangible assets

In RMB

Item	Land use rights	Patent	Non-patent technology	Films and TV dramas copyright	Software	Trademarks and domain names	Patent licensing fees and program adaptation rights	Game copyright	Total
I. Original carrying value									
1. Opening balance	33,157,507.40			31,481,228,693.15	439,949,809.72	4,746,884.13	36,792,452.82	31,695,470.34	32,027,570,817.56
2. Increase in the current period				6,347,777,615.80	629,906.48	11,565.28	1,738,198.58	1,180,964.97	6,351,338,251.11
(1) Purchase				6,347,777,615.80	629,906.48	11,565.28	1,738,198.58	1,180,964.97	6,351,338,251.11
(2) Internal research and development									
(3) Increase due to business mergers									
3. Decrease in the current period				1,028,825,388.42				421,773.20	1,029,247,161.62
(1) Disposal				1,028,825,388.42				421,773.20	1,029,247,161.62
4. Closing balance	33,157,507.40			36,800,180,920.53	440,579,716.20	4,758,449.41	38,530,651.40	32,454,662.11	37,349,661,907.05
II. Accumulated amortization									
1. Opening balance	8,514,938.06			23,666,765,170.49	179,408,504.03	4,033,853.90	29,916,103.91	25,054,880.86	23,913,693,451.25
2. Increase in the current period	676,683.82			5,720,770,886.35	41,274,115.71	146,977.23	2,078,157.64	3,839,446.13	5,768,786,266.88
(1) Provision	676,683.82			5,720,770,886.35	41,274,115.71	146,977.23	2,078,157.64	3,839,446.13	5,768,786,266.88
3. Decrease in the current period				1,028,825,388.42					1,028,825,388.42
(1) Disposal				1,028,825,388.42					1,028,825,388.42
4. Closing balance	9,191,621.88			28,358,710,668.42	220,682,619.74	4,180,831.13	31,994,261.55	28,894,326.99	28,653,654,329.71
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									
IV. Carrying value									
1. Closing balance	23,965,885.52			8,441,470,252.11	219,897,096.46	577,618.28	6,536,389.85	3,560,335.12	8,696,007,577.34
2. Opening balance	24,642,569.34			7,814,463,522.66	260,541,305.69	713,030.23	6,876,348.91	6,640,589.48	8,113,877,366.31

Proportion of intangible assets generated from the Company's internal research and development to the balance of intangible assets at the end of the period: 0.77%.

16. 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	69,653,104.00	52,036,219.93	28,149,869.79		93,539,454.14
Total	69,653,104.00	52,036,219.93	28,149,869.79		93,539,454.14

Other information:

17. Deferred tax assets / deferred tax liabilities**(1) Deferred tax assets not offset**

In RMB

Item	Closing balance		Opening balance	
	Deductible temporary difference	Deferred tax assets	Deductible temporary difference	Deferred tax assets
Provision for impairment of assets			355,596,582.46	54,294,735.45
Unrealized profits on intragroup transactions			93,422,322.40	14,013,348.36
Intangible assets	8,044,405,878.74	1,206,660,881.81	10,377,237,346.29	1,556,627,584.71
Lease liabilities	88,942,847.06	17,542,108.05	204,140,260.49	38,732,376.27
Deferred income			37,912,257.53	5,886,838.63
Income from equity investment			6,855,915.19	1,028,387.28
Provisions			3,156,100.00	473,415.00
Total	8,133,348,725.80	1,224,202,989.86	11,078,320,784.36	1,671,056,685.70

(2) Deferred tax liabilities not offset

In RMB

Item	Closing balance		Opening balance	
	Taxable temporary difference	Deferred tax liabilities	Taxable temporary difference	Deferred tax liabilities
Right-of-use assets	89,475,416.30	17,637,295.26	228,587,413.61	42,360,807.51
Total	89,475,416.30	17,637,295.26	228,587,413.61	42,360,807.51

(3) Deferred tax assets or deferred tax liabilities presented on a netting basis

In RMB

Item	Closing offset amount of deferred tax assets and liabilities	Closing balance of deferred tax assets or liabilities after offset	Opening offset amount of deferred tax assets and liabilities	Opening balance of deferred tax assets or liabilities after offset
Deferred tax assets	17,538,118.49	1,206,664,871.37	42,266,467.32	1,628,790,218.38
Deferred tax liabilities	17,538,118.49	99,176.77	42,266,467.32	94,340.19

(4) Details of unrecognized deferred tax assets

In RMB

Item	Closing balance	Opening balance
Deductible temporary differences	4,825,781,454.39	364,843,876.01
Deductible losses	1,250,416,310.71	1,194,869,062.77

Total	6,076,197,765.10	1,559,712,938.78
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(5) Deductible losses, for which no deferred tax assets are recognized, will expire in the following year

In RMB

Year	Closing balance	Opening balance	Remark
2024		383,268.85	
2025	18,679,516.60	39,485,265.41	
2026	333,542,456.71	349,142,170.13	
2027	394,313,307.89	394,313,307.89	
2028	411,545,050.49	411,545,050.49	
2029	92,335,979.02		
Total	1,250,416,310.71	1,194,869,062.77	

Other information:

18. Other non-current assets

In RMB

Item	Closing balance			Opening balance		
	Book balance	Provision for impairment	Carrying value	Book balance	Provision for impairment	Carrying value
Prepayments for equipment and construction projects	1,670,361.01		1,670,361.01	1,257,003.74		1,257,003.74
Total	1,670,361.01		1,670,361.01	1,257,003.74		1,257,003.74

Other information:

19. Assets subject to restrictions on ownership or right of use

In RMB

Item	End of the current period				Beginning of the current period			
	Book balance	Carrying value	Type of restriction	Reason of restriction	Book balance	Carrying value	Type of restriction	Reason of restriction
Cash and bank balances	30,884,032.92	30,884,032.92	Freeze and security	Freeze due to litigation, security deposit and third-party platform account security deposit	14,891,913.17	14,891,913.17	Freeze and security	Freeze due to litigation, security deposit and third-party platform account security deposit
Notes receivable					34,920,000.00	34,920,000.00	Endorsement and discount	Endorsed or discounted but yet not matured bills
Total	30,884,032.92	30,884,032.92			49,811,913.17	49,811,913.17		

Other information:

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

In RMB

Item	Closing balance	Opening balance
Credit borrowings - principal	33,731,500.00	33,731,500.00
Credit borrowings - interest	46,099.72	49,825.60
Total	33,777,599.72	33,781,325.60

Description for categories of short-term borrowings:

21. Notes payable

In RMB

Category	Closing balance	Opening balance
Commercial acceptance bills	171,945,308.86	121,027,286.03
Banker's acceptance bills	364,671,683.01	585,287,605.99
Letters of credit	877,536,200.02	1,008,178,382.30
Total	1,414,153,191.89	1,714,493,274.32

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

22. Accounts payable**(1) Details of accounts payable**

In RMB

Item	Closing balance	Opening balance
Payments for purchase of engineering equipment and goods	5,788,420,486.10	5,211,653,685.68
Total	5,788,420,486.10	5,211,653,685.68

(2) Significant accounts payable aged over one year or overdue

In RMB

Item	Closing balance	Reason for failure to be repaid or carried forward
The first	62,830,188.69	Not yet due for settlement
The second	61,070,784.08	Not yet due for settlement
The third	50,395,471.69	Not yet due for settlement
The fourth	45,609,830.03	Not yet due for settlement
Total	219,906,274.49	

Other information:

23. Other payables

In RMB

Item	Closing balance	Opening balance
Other payables	117,343,017.55	118,868,606.40
Total	117,343,017.55	118,868,606.40

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

In RMB

Item	Closing balance	Opening balance
Payables under current account	91,524,069.67	89,952,391.96
Security deposit	25,818,947.88	28,916,214.44
Total	117,343,017.55	118,868,606.40

2) Other significant payables aged over one year or overdue

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
Total	3,795,134.25	

Other information:

24. Contract liabilities

In RMB

Item	Closing balance	Opening balance
Payment for goods	280,091,740.56	326,891,199.04
Investments in films and TV dramas co-production	53,931,502.02	55,498,792.71
Membership service	987,983,581.40	840,992,823.82
Total	1,322,006,823.98	1,223,382,815.57

Material contract liabilities aged more than one year

In RMB

Item	Closing balance	Reason for failure to be repaid or carried forward
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Significant changes in the carrying value during the reporting period and reasons therefor

In RMB

Item	Changes	Reason for changes
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25. Employee benefits payable**(1) Details of employee benefits payable**

In RMB

Item	Opening balance	Increase	Decrease	Closing balance
I. Short-term benefits	1,131,951,524.92	1,129,368,218.22	1,469,387,454.43	791,932,288.71
II. Post-employment benefits-defined contribution plan	922,172.63	58,962,274.66	59,440,303.69	444,143.60
III. Termination benefits	324,564.18	13,604,437.11	13,640,767.38	288,233.91
Total	1,133,198,261.73	1,201,934,929.99	1,542,468,525.50	792,664,666.22

(2) Short-term benefits

In RMB

Item	Opening balance	Increase	Decrease	Closing balance
1. Wages or salaries, bonuses, allowances and subsidies	1,129,167,721.16	1,015,743,993.63	1,355,377,593.54	789,534,121.25

2. Employee welfare expenses	307,299.00	43,378,793.77	43,599,064.17	87,028.60
3. Social security contributions	281,339.31	30,101,885.61	30,182,663.38	200,561.54
Incl.: Medical insurance	249,748.26	25,279,382.98	25,352,363.14	176,768.10
Work-related injuries insurance	13,308.67	1,714,049.99	1,716,564.76	10,793.90
Maternity insurance	6,296.09	167,604.96	173,565.84	335.21
Other commercial insurance	11,986.29	2,940,847.68	2,940,169.64	12,664.33
4. Housing provident fund	215,051.00	32,219,331.00	32,267,756.00	166,626.00
5. Union running costs and employee education cost	1,980,114.45	7,924,214.21	7,960,377.34	1,943,951.32
Total	1,131,951,524.92	1,129,368,218.22	1,469,387,454.43	791,932,288.71

(3) Defined contribution plan

In RMB

Item	Opening balance	Increase	Decrease	Closing balance
1. Basic pensions	900,987.51	56,939,210.29	57,410,274.01	429,923.79
2. Unemployment insurance	21,185.12	2,023,064.37	2,030,029.68	14,219.81
Total	922,172.63	58,962,274.66	59,440,303.69	444,143.60

Other information:

26. Taxes payable

In RMB

Item	Closing balance	Opening balance
VAT	8,623,932.27	11,408,321.49
Enterprise income tax	886,710.15	8,206,297.94
Individual income tax	4,981,082.89	40,619,583.31
Urban maintenance and construction tax	46,894.64	198,770.35
Stamp duty	2,034,761.24	2,521,617.23
Education surcharges	44,728.20	141,978.81
Cultural undertaking development fee	169,538,208.85	205,222,676.00
Other taxes	6,930,127.34	2,838,963.45
Total	193,086,445.58	271,158,208.58

Other information:

27. Non-current liabilities due within one year

In RMB

Item	Closing balance	Opening balance
Lease liabilities due within 1 year	78,041,417.61	63,380,220.77
Total	78,041,417.61	63,380,220.77

Other information:

28. Other current liabilities

In RMB

Item	Closing balance	Opening balance
Output tax to be transferred	63,345,153.49	55,645,321.21
Notes endorsed but not derecognized [note]		34,920,000.00

Others		
Total	63,345,153.49	90,565,321.21

Other information: [Note] Notes endorsed but not derecognized were banker's acceptance bills issued by small commercial banks that were endorsed but not derecognized.

29. Lease liabilities

In RMB

Item	Closing balance	Opening balance
Housing and building rental payments	145,427,479.17	151,809,003.34
Total	145,427,479.17	151,809,003.34

Other information:

30. Provisions

In RMB

Item	Closing balance	Opening balance	Reason
Pending litigation	4,738,690.00	3,156,100.00	Estimated compensation for pending litigation
Total	4,738,690.00	3,156,100.00	

Other information, including important assumptions and estimation explanations related to significant provisions:

31. Deferred income

In RMB

Item	Opening balance	Increase	Decrease	Closing balance	Reason
Government grants	43,207,716.48	21,599,811.32	17,591,907.23	47,215,620.57	Government grants related to assets and income
Total	43,207,716.48	21,599,811.32	17,591,907.23	47,215,620.57	

Other information:

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 information:

33. Capital reserve

In RMB

Item	Opening balance	Increase	Decrease	Closing balance
Capital premium (share capital premium)	8,805,150,559.79		31,112,179.92	8,774,038,379.87
Other capital reserve	6,264,437.84			6,264,437.84
Total	8,811,414,997.63		31,112,179.92	8,780,302,817.71

Other information, including changes and reasons therefor:

The decrease in the current capital premium (share capital premium) was due to additional capital contributed by the Company and external investors to Xiaomang E-commerce Co., Ltd.

34. Other comprehensive income

In RMB

Item	Opening balance	Amount in 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	172,058.22	27,991.13				27,991.13		200,049.35
Translation differences of financial statements denominated in foreign currencies	172,058.22	27,991.13				27,991.13		200,049.35
Total of other comprehensive income	172,058.22	27,991.13				27,991.13		200,049.35

Other information, 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 surplus reserves	179,622,015.26	199,233,882.56		378,855,897.82
Total	179,622,015.26	199,233,882.56		378,855,897.82

Descriptions of surplus reserve, including changes for the current period and reasons therefor: The increase in statutory surplus reserves was due to appropriation of statutory surplus reserves at the rate of 10% of the Parent Company's net profit.

36. Undistributed profit

In RMB

Item	Amount in the current period	Amount in the prior period
Undistributed profits at the end of the prior period before adjustment	10,630,492,900.32	7,306,930,115.63
Aggregate adjustment to the opening balance of undistributed profits (increase expressed with "+", and decrease expressed with "-")		64,564,009.79
Opening balance of undistributed profits after adjustment	10,630,492,900.32	7,371,494,125.42
Add: Net profit attributable to owners of the parent company for the period	1,364,348,174.20	3,555,705,558.90
Less: Appropriation to statutory surplus reserve	199,233,882.56	53,513,078.05
Dividends payable for ordinary shares	336,729,746.70	243,193,705.95
Closing balance of undistributed profits	11,458,877,445.26	10,630,492,900.32

Details of adjustments to the opening balance of undistributed profits:

1) Effect on the opening balance of undistributed profits due to retrospective adjustment pursuant to the Accounting Standards for Business Enterprises and related new provisions: Nil.

2) Effect on the opening balance of undistributed profits due to changes in accounting policies: Nil.

3) Effect on the opening balance of undistributed profits due to the correction of material accounting errors: Nil.

4) Effect on the opening balance of undistributed profits due to changes in the scope of consolidation resulting from business merger involving entities under common control: Nil.

5) Effect on the opening balance of undistributed profits due to other adjustments: Nil.

37. Operating revenues and operating costs

In RMB

Item	Amount in the current period		Amount in the prior period	
	Revenue	Cost	Revenue	Cost
Primary business	14,052,486,682.69	9,969,856,472.42	14,593,731,803.65	9,764,976,782.77
Other business	27,202,890.54	21,823,485.42	34,284,498.19	38,030,112.17
Total	14,079,689,573.23	9,991,679,957.84	14,628,016,301.84	9,803,006,894.94

Whether the lowest of the total audited profit, net profit and net profit after deduction of non-recurring gain or loss in the most recent accounting year is negative?

☐ Yes ☒ No

Breakdown of operating revenues and operating costs:

In RMB

Category of contract	Segment 1		Segment 2				Total	
	Operating revenue	Operating cost	Operating revenue	Operating cost	Operating revenue	Operating cost	Operating revenue	Operating cost
By segment	14,059,695,286.92	9,980,610,958.31					14,059,695,286.92	9,980,610,958.31
Incl.:								
Mango TV Internet video business	10,178,828,062.30	6,583,034,084.93					10,178,828,062.30	6,583,034,084.93
New media interactive entertainment content production and operation	1,262,302,865.98	937,328,628.20					1,262,302,865.98	937,328,628.20
Content e-commerce	2,600,499,612.87	2,442,583,668.39					2,600,499,612.87	2,442,583,668.39
Others	18,064,745.77	17,664,576.79					18,064,745.77	17,664,576.79
By operating region	14,059,695,286.92	9,980,610,958.31					14,059,695,286.92	9,980,610,958.31
Incl.:								
Hunan	3,807,927,083.35	2,752,825,057.75					3,807,927,083.35	2,752,825,057.75
Others	10,251,768,203.57	7,227,785,900.56					10,251,768,203.57	7,227,785,900.56
By market or customer type								
Incl.:								
By contract type								
Incl.:								
By transfer time of goods	14,059,695,286.92	9,980,610,958.31					14,059,695,286.92	9,980,610,958.31
Incl.:								
Revenue recognized at a point in time	7,154,132,562.19	6,013,971,432.17					7,154,132,562.19	6,013,971,432.17
Revenue recognized over time	6,905,562,724.73	3,966,639,526.14					6,905,562,724.73	3,966,639,526.14
By term of contract								
Incl.:								
By sales channel								
Incl.:								

Total							
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Information related to performance obligations:

Item	Time for satisfaction of performance obligation	Material terms of payment	Nature of goods to be transferred by the Company	Whether the Company is a primary obligor	Amount that the Company is expected to return to the customer	Type of warranty provided by the Company and related obligation
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Other information

Information related to the transaction price allocated to the outstanding 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 was RMB1,268,075,321.96, of which RMB[] is expected to be recognized as revenue in [], RMB[] is expected to be recognized as revenue in [], and RMB[] is expected to be recognized as revenue in [].

Information related to variable consideration under the contract:

Material changes to contract or material adjustment to transaction price

In RMB

Item	Method of accounting treatment	Effect on revenues
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Other information:

38. Taxes and surcharges

In RMB

Item	Amount in the current period	Amount in the prior period
Consumption tax	99,470.21	4,609,149.68
Urban maintenance and construction tax	11,105,354.59	15,971,815.04
Education surcharges	7,991,315.39	11,426,041.49
Property tax	663,259.39	848,676.35
Land use tax	297,891.08	317,111.64
Vehicle and vessel tax	44,450.00	52,190.00
Stamp duty	2,030,743.61	4,172,011.31
Cultural undertaking development fee	49,867,022.61	62,712,654.64
Others	110,099.66	5,567.68
Total	72,209,606.54	100,115,217.83

Other information:

39. Administrative expenses

In RMB

Item	Amount in the current period	Amount in the prior period
Employee's benefits and labor costs	265,372,529.81	430,604,885.05
Depreciation and amortization	60,371,748.27	60,923,666.46
Legal costs	11,559,800.77	10,709,601.29
Office and administrative service	66,004,630.69	71,238,413.34
Agency fees	14,489,164.94	17,522,886.67
Others	22,619,934.30	21,009,554.52
Total	440,417,808.78	612,009,007.33

Other information:

40. Selling expenses

In RMB

Item	Amount in the current period	Amount in the prior period
Employee's benefits and labor costs	357,491,962.11	576,127,812.59
Depreciation and amortization	6,513,592.23	8,466,298.99
Advertising costs	1,072,005,369.22	1,096,031,531.92

Expenses for Internet access cooperation	11,448,053.92	34,925,253.55
Office and travel expenses	25,678,698.40	26,303,720.55
Program production costs	11,378,295.01	19,085,890.68
Channel sales and operations development expenses	481,190,353.87	474,478,818.33
Others	25,343,043.56	24,645,947.36
Total	1,991,049,368.32	2,260,065,273.97

Other information:

41. Research and development expenses

In RMB

Item	Amount in the current period	Amount in the prior period
Employee's benefits and labor costs	123,265,617.56	132,809,324.23
Depreciation and amortization	13,869,916.68	14,284,930.13
Technical service fees	121,914,473.10	112,770,214.15
Others	4,821,580.89	18,863,776.27
Total	263,871,588.23	278,728,244.78

Other information:

42. Financial expenses

In RMB

Item	Amount in the current period	Amount in the prior period
Loan interest expenses	2,312,893.87	1,937,719.63
Interest expenses on discounting of bills not derecognized	629,990.03	14,480,442.10
Less: Interest income	228,123,599.61	208,888,917.13
Service charge	26,684,130.18	43,052,222.13
Interest expenses from lease liabilities	9,031,891.26	6,650,512.63
Foreign exchange gains and losses	284,491.27	-4,899,373.45
Total	-189,180,203.00	-147,667,394.09

Other information:

43. Other income

In RMB

Source of other income	Amount in the current period	Amount in the prior period
Government grants related to assets	15,900,334.91	16,732,948.07
Government grants related to income	24,246,646.69	69,609,403.38
Refund of service fees of withholding individual income tax	3,528,028.43	3,820,990.58
Additional VAT deduction	1,608,081.32	32,761,165.89
Total	45,283,091.35	122,924,507.92

44. Investment income

In RMB

Item	Amount in the current period	Amount in the prior period
Income from long-term equity investments under equity method		-4,123,864.73
Investment income from disposal of long-term equity investments	209,501.22	
Interest income on debt investments during the holding period	246,683,061.67	

Proceeds from debt restructuring	2,032,257.87	3,000,000.00
Interest expenses on discounting of bills derecognized	-15,429,040.66	-18,449,114.52
Investment income on held-for-trading financial assets during the holding period	51,081,410.28	92,809,746.83
Total	284,577,190.38	73,236,767.58

Other information:

45. Impairment losses of credit

In RMB

Item	Amount in the current period	Amount in the prior period
Losses from impairment of notes receivable	-50,933.13	23,151.77
Bad debt losses of accounts receivable	-66,684,271.18	-66,160,439.05
Bad debt losses of other receivables	-2,698,250.40	-1,399,168.29
Total	-69,433,454.71	-67,536,455.57

Other information:

46. Impairment losses of assets

In RMB

Item	Amount in the current period	Amount in the prior period
I. Loss from inventory depreciation and loss from impairment of contract performance cost	-10,174,838.85	-16,104,442.05
III. Loss from impairment of investment properties	-5,506,370.19	
XI. Impairment losses of contractual assets	-9,534,537.03	3,485,179.56
XII. Others	-3,303,413.01	-19,905,321.52
Total	-28,519,159.08	-32,524,584.01

Other information:

47. Income from disposal of assets

In RMB

Source of income from disposal of assets	Amount in the current period	Amount in the prior period
Income from disposal of long-term assets	864,607.48	1,171,623.19

48. Non-operating revenues

In RMB

Item	Amount in the current period	Amount in the prior period	Amount included in the non-recurring gain or loss for the current period
Payment not to be made	11,708,173.46	2,956,600.70	11,708,173.46
Income from rights protection actions	21,319,603.39	25,508,083.38	21,319,603.39
Others	4,226,906.21	7,067,319.74	4,226,906.21
Total	37,254,683.06	35,532,003.82	37,254,683.06

Other information:

49. Non-operating expenses

In RMB

Item	Amount in the current period	Amount in the prior period	Amount included in the non-recurring gain or loss for the current period
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External donations	10,350,000.00	447,013.55	10,350,000.00
Losses from damage and retirement of non-current assets	165,128.74	51,994.54	165,128.74
Compensation expenditures	4,092,959.05	3,179,097.37	4,092,959.05
Others	1,968,674.67	327,778.83	1,968,674.67
Total	16,576,762.46	4,005,884.29	16,576,762.46

Other information:

50. Income tax expenses

(1) Table of income tax expenses

In RMB

Item	Amount in the current period	Amount in the prior period
Current income tax expenses	-1,947,895.78	8,146,737.30
Deferred income tax expenses	422,130,183.59	-1,628,916,523.97
Total	420,182,287.81	-1,620,769,786.67

(2) Reconciliation of income tax expenses to the accounting profit

In RMB

Item	Amount in the current period
Total profit	1,763,091,642.54
Income tax expense calculated based on statutory/applicable tax rate	440,772,910.64
Effect of different tax rates of subsidiaries operating in other jurisdictions	-449,242,138.71
Effect of adjustment on income tax for the prior period	-3,525,308.81
Effect of non-deductible cost, expense and loss	223,968.57
Effect of utilizing deductible loss not recognized for deferred tax assets for the prior period	-3,860,311.48
Effect of deductible temporary difference or deductible loss not recognized for deferred tax assets for the current period	27,572,312.91
Others	408,240,854.69
Income tax expense	420,182,287.81

Other information:

Others include temporary differences for the tax exemption period recognized or reversed pursuant to the tax exemption policies newly promulgated.

51. Items of the cash flow statement

(1) Cash flows relating to operating activities

Other cash receipts relating to operating activities

In RMB

Item	Amount in the current period	Amount in the prior period
Government grants	44,154,885.69	86,774,070.16
Interest income	228,123,599.61	208,888,917.13
Income from rights protection actions	21,319,603.39	25,508,083.38
Receipts under current account	78,668,684.98	72,936,969.89
Total	372,266,773.67	394,108,040.56

Descriptions of other cash receipts relating to operating activities:

Other cash payments relating to operating activities

In RMB

Item	Amount in the current period	Amount in the prior period
Payments of various expenses	1,721,504,230.08	1,794,393,196.61
Bank service charges	26,684,130.18	43,052,222.13
Payments under current account	32,398,121.67	62,389,402.64
Total	1,780,586,481.93	1,899,834,821.38

Descriptions of other cash payments relating to operating activities:

(2) Cash flows relating to investing activities

Other cash receipts relating to investing activities

In RMB

Item	Amount in the current period	Amount in the prior period
Withdrawal of term deposits, large-denomination certificates of deposit and structural deposits	3,780,794,231.79	7,121,000,000.00
Interest income on term deposits, large-denomination certificates of deposit and structural deposits	68,796,490.68	98,275,772.73
Withdrawal of copyright investment without copyright	362,165.17	
Total	3,849,952,887.64	7,219,275,772.73

Material cash receipts relating to investing activities

In RMB

Item	Amount in the current period	Amount in the prior period
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Descriptions of other cash receipts relating to investing activities:

Other cash payments relating to investing activities

In RMB

Item	Amount in the current period	Amount in the prior period
Purchase of term deposits, large-denomination certificates of deposit and structural deposits	11,369,004,506.30	5,478,000,000.00
Copyright investment without copyright	1,597,732.20	
Total	11,370,602,238.50	5,478,000,000.00

Material cash payments relating to investing activities

In RMB

Item	Amount in the current period	Amount in the prior period
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Descriptions of other cash payments relating to investing activities:

(3) Cash flows relating to financing activities

Other cash receipts relating to financing activities

In RMB

Item	Amount in the current period	Amount in the prior period
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Descriptions of other cash receipts relating to financing activities:

Other cash payments relating to financing activities

In RMB

Item	Amount in the current period	Amount in the prior period
Lease payment	108,524,659.23	82,238,041.16
Repayment of intergroup loans [Note]		64,000,000.00
Total	108,524,659.23	146,238,041.16

Descriptions of other cash payments relating to financing activities:

[Note] The loan was an intergroup loan obtained by Hunan Golden Eagle Cartoon Media Co., Ltd. before it was merged into the Company, and was repaid in full before it was merged into the Company.

Changes in liabilities arising from financing activities

☒Applicable ☐N/A

In RMB

Item	Opening balance	Increase in the current period		Decrease in the current period		Closing balance
		Monetary change	Non-monetary change	Monetary change	Non-monetary change	
Short-term borrowings	33,781,325.60	98,515,632.97	2,312,893.87	100,832,252.72		33,777,599.72
Lease liabilities (including those due within one year)	215,189,224.11		116,804,331.90	108,524,659.23		223,468,896.78

Dividends payable			336,729,746.70	336,729,746.70		
Total	248,970,549.71	98,515,632.97	455,846,972.47	546,086,658.65		257,246,496.50

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 the prior period
1. Reconciliation of net profit to cash flow from operating activities		
Net profit	1,342,909,354.73	3,471,326,822.39
Add: Provision for impairment losses of assets	97,952,613.79	100,061,039.58
Depreciation of fixed assets, depletion of oil and gas assets, depreciation of bearer biological assets	40,365,709.34	44,086,957.48
Depreciation of right-of-use assets	91,929,788.40	83,840,720.26
Amortization of intangible assets	5,768,786,266.88	5,126,794,678.27
Amortization of long-term prepaid expenses	28,149,869.79	31,314,872.78
Losses on disposal of fixed assets, intangible assets and other long-term assets (gains are indicated by “-”)	-864,607.48	-1,171,623.19
Losses on retirement of fixed assets (gains are indicated by “-”)	165,128.74	51,994.54
Losses from changes in fair value (gains are indicated by “-”)		
Financial expenses (gains are indicated by “-”)	12,259,266.43	18,169,300.91
Investment losses (gains are indicated by “-”)	-300,006,231.04	-73,236,767.58
Decrease in deferred tax assets (increase is indicated by “-”)	422,125,347.01	-1,628,783,436.05
Increase in deferred tax liabilities (decrease is indicated by “-”)	4,836.58	-133,087.92
Decrease in inventories (increase is indicated by “-”)	375,682,690.12	-124,721,268.22
Decrease in receivables from operating activities (increase is indicated by “-”)	-1,682,856,765.58	-258,552,482.21
Increase in payables from operating activities (decrease is indicated by “-”)	125,988,478.37	562,070,967.16
Others	-6,347,777,615.80	-6,267,345,431.49
Net cash flows from operating activities	-25,185,869.72	1,083,773,256.71
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	3,869,836,295.91	11,867,316,344.43
Less: Opening balance of cash	11,867,316,344.43	10,345,319,073.78
Add: Closing balance of cash equivalents		
Less: Opening balance of cash equivalents		
Net increase in cash and cash equivalents	-7,997,480,048.52	1,521,997,270.65

(2) Composition of cash and cash equivalents

In RMB

Item	Closing balance	Opening balance
I. Cash	3,869,836,295.91	11,867,316,344.43
Incl.: Cash on hand	36,048.85	34,083.85
Bank deposit that can be paid at any time	3,847,624,458.63	11,843,692,572.77
Other monetary funds that can be paid at any time	22,175,788.43	23,589,687.81

III. Closing balance of cash and cash equivalents	3,869,836,295.91	11,867,316,344.43
Incl.: Restricted cash and cash equivalents held by the parent company or other subsidiaries in the Group	362,028,983.76	1,490,065,232.16

(3) Amounts whose use is restricted but which are still presented as cash and cash equivalents

In RMB

Item	Amount in the current period	Amount in the prior period	Reason for presentation as cash and cash equivalents
Amount held in the account of offering proceeds	362,028,983.76	1,490,065,232.16	Be subject to limited usage but can be spent at any time
Total	362,028,983.76	1,490,065,232.16	

53. Monetary items denominated in foreign currencies**(1) Monetary items denominated in foreign currencies**

In RMB

Item	Closing balance of foreign currency	Exchange rate	Translated balance in RMB at the end of the period
Cash and bank balances			
Incl.: USD	797,657.74	7.1884	5,733,882.90
EUR			
HKD	2,321.07	0.9260	2,149.31
Accounts receivable			
Incl.: USD	2,530,824.56	7.1884	18,192,579.27
EUR			
HKD			
Long-term borrowings			
Incl.: USD			
EUR			
HKD			

Other information:

(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**54. Leases****(1) The Company as lessee**☒Applicable ☐N/A

Variable lease payments not included in lease liabilities

☐Applicable ☒N/A

Lease expenses under short-term leases or leases of low-value assets using the simplified approach

☐Applicable ☒N/A

Sale and leaseback transactions

None.

(2) The Company as lessor

The Company as lessor under operating leases

☒Applicable ☐N/A

In RMB

Item	Rental income	Incl.: Income related to variable lease payments not included in lease receipts
Buildings	19,994,286.31	
Total	19,994,286.31	

The Company as lessor under finance leases

☐Applicable ☒N/A

Annual undiscounted lease receipts in the following five years

☒Applicable ☐N/A

In RMB

Item	Annual undiscounted lease receipts	
	Closing balance	Opening balance
Year 1	22,735,891.72	9,654,633.78
Year 2	18,832,777.69	7,959,920.12
Year 3	7,439,439.49	5,760,657.31
Year 4	2,132,226.73	3,000,125.74
Year 5	4,403.67	2,161,091.60
Total undiscounted lease receipts after five years		68,807.34

Reconciliation of undiscounted lease receipts to net investment in leases

(3) Gain or loss on sales under finance leases as producer or distributor

☐Applicable ☒N/A

VIII. Research and Development Expenses

In RMB

Item	Amount in the current period	Amount in the prior period
Employee's benefits and labor costs	225,096,690.38	239,717,202.20
Depreciation and amortization	24,153,523.19	25,265,966.87
Technical service fees	134,029,634.78	127,840,867.11
Others	11,437,499.47	25,920,119.06
Total	394,717,347.82	418,744,155.24
Incl.: Charging research and development expenses	263,871,588.23	278,728,244.78
Capitalized research and development expenses	130,845,759.59	140,015,910.46

1. Research and development projects qualified for capitalization

In RMB

Project	Opening balance	Increase in the current period			Decrease in the current period			Closing balance
		Internal development expenses	Others		Recognized as intangible assets	Transferred to current profit or loss		
Smart audio-visual project	224,583,020.01	104,769,651.35						329,352,671.36
Self-developed game project	17,265,636.68	13,563,168.40						30,828,805.08
Multi-modal integrated management service platform		12,512,939.84						12,512,939.84
Total	241,848,656.69	130,845,759.59						372,694,416.28

Important capitalized research and development projects

Project	Progress of research and	Expected time of completion	Expected ways to produce economic	Beginning time of capitalization	Basis for beginning capitalization
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	development		benefits		
Smart audio-visual project	The smart audio-visual project has 6 second-level sub-projects. At present, all projects have proceeded in an orderly manner, and the research and development of 20 out of 33 sub-modules have been completed, marking more than half of the research and development tasks has been completed.	December 31, 2025	The project aims 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.	March 25, 2022	Approval of the project by the meeting of technical committee of Happy Sunshine.

Provision for impairment of development expenses

In RMB

Project	Opening balance	Increase in the current period	Decrease in the current period	Closing balance	Impairment test
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IX. Interests in Other Entities

1. Interests in subsidiaries

(1) Composition of enterprise group

In RMB

Name of subsidiary	Registered capital	Main business place	Registered address	Business nature	Shareholding ratio		Method of acquisition
					Direct	Indirect	
Shanghai Happigo Enterprise Development Co., Ltd.	3,000,000.00	Shanghai	Shanghai	Commerce		100.00%	Establishment
Shanghai Happivision Advertising Communication Co., Ltd.	5,000,000.00	Shanghai	Shanghai	Commerce		100.00%	Establishment
Doug Cloud Business (Hunan) Trade Limited Liability Company	10,000,000.00	Changsha	Changsha	Commerce		100.00%	Establishment
Mango Life (Hunan) E-commerce Limited Liability Company	70,000,000.00	Changsha	Changsha	Commerce		100.00%	Establishment
Happigo (Hunan) Supply	60,000,000.00	Changsha	Changsha	Storage		100.00%	Business merger

Chain Management Co., Ltd.							involving entities not under common control
Shanghai Meimi Trade Co., Ltd.	5,000,000.00	Shanghai	Shanghai	Commerce		100.00%	Establishment
Dameiren Global Trading Co., Limited	1,612,970.00	Shanghai	Hong Kong	Commerce		100.00%	Establishment
Hunan Mango Auto Automobile Sales Co., Ltd.	100,000,000.00	Changsha	Changsha	Commerce		51.00%	Establishment
Happigo Co., Ltd.	401,000,000.00	Changsha	Changsha	Commerce	100.00%		Establishment
Happy Sunshine	242,470,013.00	Changsha	Changsha	Video	100.00%		Business merger involving entities under common control
Mango Entertainment	48,306,424.00	Changsha	Changsha	Film & Television		100.00%	Business merger involving entities under common control
Mango Studios	80,000,000.00	Changsha	Changsha	Film & Television		100.00%	Business merger involving entities under common control
Hunan Mango International Cultural Media Co., Ltd.	72,968,014.00	Shanghai	Shanghai	Game		100.00%	Business merger involving entities under common control
Shanghai EE-Media Co., Ltd.	90,000,000.00	Shanghai	Shanghai	Film & Television	100.00%		Business merger involving entities under common control
Zhejiang Dongyang Tianyu Film and Television Culture Co., Ltd.	10,000,000.00	Zhejiang	Zhejiang	Film & Television		100.00%	Business merger involving entities under common control
Hunan Tianyu Film and Television Production Co., Ltd.	3,000,000.00	Changsha	Changsha	Film & Television		100.00%	Business merger involving entities under common control
Beijing E.E. Media Co., Ltd.	1,000,000.00	Beijing	Beijing	Music		100.00%	Business merger involving entities under common control
Hainan E.E. Media Co., Ltd.	30,000,000.00	Hainan	Hainan	Culture media		100.00%	Establishment

Horgos Happy Sunshine Media Co., Ltd.	10,000,000.00	Horgos	Horgos	Culture media		100.00%	Business merger involving entities under common control
Hunan Happy Mangofun Technology Co., Ltd.	10,000,000.00	Changsha	Changsha	Game		100.00%	Business merger involving entities under common control
Shanghai Mango Universe Culture and Entertainment Co., Ltd.	10,000,000.00	Shanghai	Shanghai	Game		100.00%	Establishment
Happy Sunshine Xingmang Interactive Entertainment Media Co., Ltd.	50,000,000.00	Haikou	Haikou	Commerce		100.00%	Establishment
Happy Sunshine Hongmang Education Technology Co., Ltd.	50,000,000.00	Changsha	Changsha	Commerce		100.00%	Establishment
Xiaomang E-Commerce Co., Ltd.	90,862,872.59	Changsha	Changsha	Commerce	67.62%		Establishment
Mgtv.com (Hong Kong) Media Company Limited	10,000,000.00	Hong Kong	Hong Kong	Commerce		100.00%	Establishment
Shenzhen Zhonghe Boao Technology Development Co., Ltd.	5,000,000.00	Changsha	Shenzhen	Game		100.00%	Business merger involving entities not under common control
Hunan Immersion Technology Co., Ltd.	10,000,000.00	Changsha	Changsha	Advertising		100.00%	Establishment
Changsha Xingmang Artist Culture Communications Partnership (L.P.)	100,000.00	Changsha	Changsha	Commerce		20.00%	Establishment
Changsha Xingzhimang Entertainment Media Co., Ltd.	100,000.00	Changsha	Changsha	Commerce		20.80%	Establishment
Xingmang Interactive Entertainment Media Partnership (Limited Partnership)	10,000,000.00	Changsha	Changsha	Commerce		99.21%	Establishment
Golden Eagle Cartoon	59,693,346.30	Changsha	Changsha	Production of radio programs	100.00%		Business merger involving entities under

							common control
Hunan Maiji Park Cultural Development Co., Ltd.	10,000,000.00	Changsha	Changsha	Commerce		100.00%	Business merger involving entities under common control

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 rights 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 information:

(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 E-commerce Co., Ltd.	32.38%	-16,224,117.27		23,574,216.40

Descriptions of the difference between the shareholding ratio of minority shareholders and their proportion of voting rights in a subsidiary:

Other information:

(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 E-commerce Co., Ltd.	279,752,467.87	37,887,472.67	317,639,940.54	238,653,287.56	6,180,018.98	244,833,306.54	96,307,006.58	11,507,335.55	107,814,342.13	556,404,454.52	5,351,426.35	561,755,880.87

In RMB

Name of subsidiary	Amount in the current period				Amount in the prior period			
	Operating revenue	Net profit	Total comprehensive income	Cash flows from operating activities	Operating revenue	Net profit	Total comprehensive income	Cash flows from operating activities
Xiaomang E-commerce Co., Ltd.	1,066,750,493.95	-47,487,815.15	-47,487,815.15	-168,118,635.85	1,020,970,536.13	-251,177,660.53	-251,177,660.53	-219,609,805.36

Other information:

2. Transactions resulting in the change in the interests held by the Company in subsidiaries over which the Company retains control

(1) Details of changes in the interests held by the Company in the subsidiaries

Name of subsidiary	Date of change	Shareholding percentage before the change	Shareholding percentage after the change
Xiaomang E-commerce Co., Ltd.	August 2024	66.67%	67.62%

(2) Effect of the transactions on the minority interests and the interests attributable to the owners of the parent company

In RMB

Purchase cost/consideration for disposal	
--Cash	160,000,000.00
--Fair value of non-monetary assets	414,235,987.89
Total purchase cost/consideration for disposal	574,235,987.89
Less: Share in the subsidiary's net assets calculated according to the percentage of shares acquired/disposed	605,348,167.81
Difference	-31,112,179.92
Incl.: Adjustment of capital reserve	-31,112,179.92
Adjustment of surplus reserve	
Adjustment of undistributed profit	

Other information:

X. Government Grants**1. Government grants recognized at the amount receivable at the end of the reporting period**☐Applicable ☒N/A

Reason of failure to receive expected government grants at expected time

☐Applicable ☒N/A**2. Liabilities related to government grants**☒Applicable ☐N/A

In RMB

Account title	Opening balance	Additional grants received in the current period	Amount of non-operating revenue recognized in the current period	Amount transferred to other income in the current period	Other changes in the current period	Closing balance	Related to assets/income
Deferred income	38,742,716.44	20,845,094.34		15,900,334.91		43,687,475.87	Related to assets
Deferred income	4,465,000.04	754,716.98		1,691,572.32		3,528,144.70	Related to income

3. Government grants recognized in profit or loss☒Applicable ☐N/A

In RMB

Account title	Amount in the current period	Amount in the prior period
Government grants recognized in other income	40,146,981.60	86,342,351.45

Other information

XI. Risks Related to Financial Instruments**1. Risks arising from 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 qualitative and quantitative 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 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 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 quantitative 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, Note VII.5 and Note VII.7 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, 2024, the Company is exposed to certain concentration of credit risks, as the Company's accounts receivable and contract assets from top 5 customers have accounted for 50.86% of the total balance of accounts receivable and contract assets (December 31, 2023: 42.71%). The Company held no collateral or other credit ranking measures for the balance of accounts receivable and contract assets.

The maximum exposure to the Company is the carrying value of each financial asset in the balance sheet.

(II) Liquidity risk

Liquidity risk refers 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 value	Undiscounted contract amount	Within 1 year	1-3 years	Over 3 years
Short-term borrowings	33,777,599.72	35,308,984.72	35,308,984.72		
Notes payable	1,414,153,191.89	1,414,153,191.89	1,414,153,191.89		
Accounts payable	5,788,420,486.10	5,788,420,486.10	5,788,420,486.10		
Other payables	117,343,017.55	117,343,017.55	117,343,017.55		
Lease liabilities (including those due within one year)	223,468,896.78	243,707,869.45	84,915,160.65	115,737,223.70	43,055,485.10
Sub-total	7,577,163,192.04	7,598,933,549.71	7,440,140,840.91	115,737,223.70	43,055,485.10

(Continued)

Item	Balance at the end of last year				
	Carrying value	Undiscounted contract amount	Within 1 year	1-3 years	Over 3 years
Short-term borrowings	33,781,325.60	34,406,880.84	34,406,880.84		
Notes payable	1,714,493,274.32	1,714,493,274.32	1,714,493,274.32		
Accounts payable	5,211,653,685.68	5,211,653,685.68	5,211,653,685.68		
Other payables	118,868,606.40	118,868,606.40	118,868,606.40		
Other current liabilities	34,920,000.00	34,920,000.00	34,920,000.00		
Lease liabilities (including those due within one year)	215,189,224.11	236,266,339.88	71,301,647.54	120,460,350.15	44,504,342.19
Sub-total	7,328,906,116.11	7,350,608,787.12	7,185,644,094.78	120,460,350.15	44,504,342.19

(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 denominated in foreign currencies can be referred to in Note VII.53 to the financial statements hereof.

XII. 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		1,605,606,575.40	1,235,567.03	1,606,842,142.43
1. Financial assets at fair value through profit or loss		1,605,606,575.40	1,235,567.03	1,606,842,142.43
(3) Derivative financial assets		1,605,606,575.40	1,235,567.03	1,606,842,142.43
(II) Accounts receivable			58,201,838.89	58,201,838.89

financing				
Total assets continuously measured at fair value		1,605,606,575.40	59,437,405.92	1,665,043,981.32
II. Non-continuous fair value measurement	--	--	--	--

2. Basis for determining the market prices of items subject to continuous and non-continuous fair value measurements within Level 1

3. Valuation techniques and qualitative and quantitative information of key parameters for items subject to continuous and non-continuous fair value measurements within Level 2

With respect to held-for-trading financial assets with quoted prices for similar products in an active market, the fair value of them shall be determined by the quoted prices for such similar products in the active market.

4. Valuation techniques and qualitative and quantitative information of key parameters for items subject to continuous and non-continuous fair value measurements within Level 3

The Company's accounts receivable financing refer to the banker's acceptance bills and letters of credit accepted by commercial banks with higher credit rating, without quoted prices in an active market. The cost thereof represents the best estimate of their fair value.

Since the Company's copyright investment without copyright does not have a quoted price in an active market, its cost represents the best estimate of its fair value.

XIII. 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 controller of the Company is Hunan State-owned Cultural Assets Supervision and Administration Commission.
Other information:

2. Subsidiaries of the Company

For details of the subsidiaries of the Company, see the descriptions in the accompanying Note IX.

3. Joint ventures and associates of the Company

For details of the significant joint ventures or associates of the Company, see the descriptions in the accompanying Note IX. 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
Tianjin Sunshine Meichuang Technology Co., Ltd.	Associate

Other information:

4. Other related parties of the Company

Name of other related parties	Relationship between other related parties and the Company
Yunhong Communication Technology (Guangzhou) Co., Ltd. ¹	Controlled by the same actual controller
GBS and its subsidiaries ²	Controlled by the same actual controller
Hunan Broadcasting System and its subsidiaries ³	Controlled by the same actual controller
HTBI and its subsidiaries (excluding Yunhong) ⁴	Controlled by the same actual controller
Mango Media and its subsidiaries ⁵	Controlled by the same actual controller
MIGU Culture Technology Co., Ltd. ⁶	A company under the significant influence of the key officer(s) of the Company
iFLYTEK Co., Ltd.	A company under the significant influence of the key officer(s) of the Company
Shanghai Xiang Mango Cultural Investment Co., Ltd.	A company under the significant influence of the key officer(s) of the Company

Note:

1. Yunhong Communication Technology (Guangzhou) Co., Ltd. comprises Shanghai Yunhong Advertising Co., Ltd. and Guangzhou Yunhong Jiaze Advertising Co., Ltd.

2. GBS and its subsidiaries include Hunan Radio, Film and Television Group Satellite TV Channel Branch, Hunan E.E. Advertising Co., Ltd., Hunan Fengmang Media Co., Ltd., Hunan Public Media Co., Ltd., Hunan Economic TV Malanhuakai Media Co., Ltd., Hunan Malanshanshang Media Co., Ltd., Hunan Golden Bee Audio & Visual Publishing House Co., Ltd., Changsha Mango Cinema Student Branch 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 Convention and Exhibition Center Co., Ltd., Hunan International Convention and Exhibition Center Management 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., Hunan Ping'an Fairy Media Co., Ltd., HTBI, Hunan Broadcasting Media Co., Ltd., Hunan Golden Eagle International Exhibition Co., Ltd., Hunan Golden Eagle Documentary Media Co., Ltd., Hunan Golden Eagle Sound Media Co., Ltd., Hunan Economic TV Media Co., Ltd., Hunan Letian Shanshuiwan Studio Co., Ltd., Hunan Mango Tingjian Technology Co., Ltd., Hunan Film Release and Showing Center Co., Ltd., Hunan Shijie Golden Eagle Media Co., Ltd., Hunan Xiangshi Advertising Co., Ltd., Shanghai Happy Mango Music & Cultural Media Co., Ltd., Hunan Broadcasting and Television Logistics Management Service Co., Ltd., Hunan Xiangshi TV Program Center Co., Ltd., Hunan Mango Digital & Intelligent Art Technology Co., Ltd., Xiaoxiang Film Group, Hunan Dangran Film Co., Ltd., Hunan Xiaoying Interactive Entertainment Media Co., Ltd., Hunan Xiaoying Cultural Industry Investment Co., Ltd., Anren Xiaoxiang International Studio Co., Ltd., Dong'an Xiaoxiang International Studio Co., Ltd., Hengyang Xiaoxiang International Studio Co., Ltd., Hunan Xiaoxiang Jinqiu International Studio Co., Ltd., Hunan Xiaoxiang Xincheng International Studio Co., Ltd., Hunan Xiaoxiang Studio Investment Management Co., Ltd., Hunan Xiaoxiang Yongzhou International Studio Co., Ltd., Jishou Xiaoxiang Studio Management Co., Ltd., Jinshi Xiaoxiang International Studio Co., Ltd., Nanchang Xiaoxiang Studio Co., Ltd., Pingxiang Xiaoxiang Studio Co., Ltd., Xiamen Xiaoxiang Youth Studio Co., Ltd., Xiangtan Xiaoxiang International Studio Co., Ltd., Yichang Xiaoxiang Studio Co., Ltd., Yingtan Xiaoxiang Studio Co., Ltd., Yueyang Xiaoxiang Studio Co., Ltd., Tianxin District Xiaoxiang International Studio Co., Ltd. of Changsha, and Zhoukou Xiaoxiang Studio Co., Ltd.

3. Hunan Broadcasting System and its subsidiaries include all channels of Hunan Broadcasting System (excluding satellite TV channels), Hunan Broadcasting System Radio Media Center, and Hunan Broadcasting System Logistics Center.

4. HTBI and its subsidiaries include Hunan Saint Tropez Investment Co., Ltd., Shanghai Jiuyou Network Technology Co., Ltd., Changsha Colorful World Co., Ltd., Hunan Mango Travel Investment Co., Ltd., and Huafengda Cable Network Holding Co., Ltd.

5. Mango Media and its subsidiaries include Mango Media, Hunan Mango Vision Technology Co., Ltd., Hunan Happy Money Technology Microfinance Co., Ltd., Hunan Mango Intelligent Media Technology Development Co., Ltd., Hunan Innovative Entertainment & Media Co., Ltd., Golden Light Culture Co., Ltd., Hunan Mango Rongchuang Technology Co., Ltd. and Mango Creative Capital Management Co., Ltd.

6. 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.

Other information:

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 party	Details of related-party transactions	Amount in the current period	Transaction quota approved	Whether exceeding the approved transaction amount	Amount in the prior period
HTBI and its subsidiaries (excluding Yunhong)	Operator sharing, board and lodging expenses, purchase of goods and site expenses	3,947,548.38	6,300,000.00	No	5,261,975.27
Hunan Broadcasting System and its subsidiaries	Publicity and promotion, artist agency, program production, venue exhibition and supporting services, purchase of goods, and advertising agency	16,970,378.68	50,000,000.00	No	48,000,000.00
GBS and its subsidiaries	Purchase of copyrights, operator sharing, publicity and promotion, advertising agency, purchase of goods, program production, publicity and promotion, copyright purchase, and advertising agency	938,906,579.67	872,400,000.00	Yes	961,034,519.83
iFLYTEK Co., Ltd.	Operator business sharing	3,468,150.24	0.00	Yes	1,994,176.45
Mango Media and its subsidiaries	Artist agency, technical fees, and receipt of services	2,810,687.35	2,500,000.00	Yes	2,512,891.82
MIGU Culture Technology Co., Ltd.	Bandwidth, copyright purchase, advertising fee, and purchase of goods	17,255,016.44	375,050,000.00	No	96,781,406.82
Yunhong Communication Technology (Guangzhou) Co., Ltd	Advertising agency	149,275,529.32	150,000,000.00	No	172,341,901.28

Statement of sales of goods/rendering of services

In RMB

Related party	Details of related-party transactions	Amount in the current period	Amount in the prior period
HTBI and its subsidiaries (excluding Yunhong)	Member benefits, and artist revenue	2,830.19	75,471.70
Hunan Broadcasting System and its subsidiaries	Technical services, member benefits, distribution revenue, and sales of goods	1,530,665.71	2,437,646.14
GBS and its subsidiaries	Advertising release, publicity and promotion, member benefits, distribution revenue,	747,891,101.35	710,733,932.78

	sales of goods, and copyright transfer		
iFLYTEK Co., Ltd.	Advertising revenue	8,337,680.58	7,223,630.17
Mango Media and its subsidiaries	Member benefits, and sales of goods	783,368.56	423,755.03
MIGU Culture Technology Co., Ltd.	Operator revenue, advertising release, member benefits, sales of derivatives, and sales of goods	2,302,864,123.42	2,699,571,918.02
Yunhong Communication Technology (Guangzhou) Co., Ltd.	Advertising release	552,161,643.33	566,316,002.35
Shanghai Mamma Mia Interactive Entertainment Technology Co., Ltd.	Sales of goods, and supplier charge		32,923.80

Descriptions of related-party transactions with respect to the sales and purchase of goods, as well as rendering and receipt of services

(2) Related-party leases

The Company as lessor:

In RMB

Name of lessee	Category of leased assets	Lease income recognized in the current period	Lease income recognized in the prior period
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The Company as lessee:

In RMB

Name of lessor	Category of leased assets	Expenses related to short-term leases and low-value assets subject to simplified treatment, if any		Variable lease payments not included in the measurement of lease liabilities, if any		Paid rent		Assumed interest expenses of lease liabilities		Added right-of-use assets	
		Amount in the current period	Amount in the prior period	Amount in the current period	Amount in the prior period	Amount in the current period	Amount in the prior period	Amount in the current period	Amount in the prior period	Amount in the current period	Amount in the prior period
Subsidiaries of GBS	Buildings					23,877,515.04	24,085,967.09	2,705,570.54	3,683,160.64	87,761,453.27	14,507,383.03
Subsidiaries of Hunan Broadcasting System	Buildings							721,946.20	699,900.34		
Subsidiaries of HTBI (excluding Yunhong)	Buildings					17,154,842.48	17,611,301.70	1,025,723.50	1,049,293.71	5,701,911.44	6,765,197.35

Explanation about related-party leases

(3) Compensation for key officers

In RMB

Item	Amount in the current period	Amount in the prior period
Compensation for key officers	24,435,200.00	33,881,000.00

6. Receivables from and payables to related parties

(1) Accounts receivable

In RMB

Item	Related parties	Closing balance		Opening balance	
		Book value	Provisions for bad	Book value	Provisions for bad

			debts		debts
Accounts receivable	GBS and its subsidiaries	457,898,327.90		740,312,889.31	
Accounts receivable	Tianjin Sunshine Meichuang Technology Co., Ltd.	766,557.10	766,557.10	766,557.10	766,557.10
Accounts receivable	Yunhong Communication Technology (Guangzhou) Co., Ltd	93,643,250.53		68,026,149.58	
Accounts receivable	MIGU Culture Technology Co., Ltd.	1,604,962,615.09	80,248,130.75	768,340,398.63	38,518,127.65
Accounts receivable	Hunan Broadcasting System and its subsidiaries	7,318,220.54		7,370,220.54	
Accounts receivable	Mango Media and its subsidiaries	646,509.42		598,245.52	
Accounts receivable	Shanghai Mamma Mia Interactive Entertainment Technology Co., Ltd.	0.00		8,310.60	2,493.18
Accounts receivable	iFLTTEK Co., Ltd.	1,734,880.20	86,744.01	1,868,771.35	93,438.57
Sub-total		2,166,970,360.78	81,101,431.86	1,587,291,542.63	39,380,616.50
Accounts receivable financing	GBS and its subsidiaries			29,000,000.00	
Accounts receivable financing	MIGU Culture Technology Co., Ltd.	45,893,895.75		664,078,684.63	
Sub-total		45,893,895.75	0.00	693,078,684.63	0.00
Prepayments	HTBI and its subsidiaries (excluding Yunhong)	5,000.00		5,000.00	
Prepayments	Tianjin Sunshine Meichuang Technology Co., Ltd.	6,014,723.96	6,014,723.96	6,014,723.96	6,014,723.96
Prepayments	GBS and its subsidiaries	823,830.65		2,683,842.12	
Prepayments	Mango Media and its subsidiaries	2,759,209.99		23,894.18	
Prepayments	Yunhong Communication Technology (Guangzhou) Co., Ltd			160,754.72	
Prepayments	MIGU Culture Technology Co., Ltd.	22,580,372.37			
Sub-total		32,183,136.97	6,014,723.96	8,888,214.98	6,014,723.96
Other receivables	Hunan Broadcasting System and its subsidiaries	63,415.97		819,360.97	
Other receivables	HTBI and its subsidiaries (excluding Yunhong)	873,334.80		1,273,334.80	
Other receivables	GBS and its	999,105.00		1,051,581.00	

	subsidiaries				
Other receivables	Mango Media and its subsidiaries	22,048.91		22,048.91	
Other receivables	Shanghai Mamma Mia Interactive Entertainment Technology Co., Ltd.			2,029,764.69	2,029,764.69
Other receivables	Shanghai Xiang Mango Cultural Investment Co., Ltd.	761,835.52	57.91		
Sub-total		2,719,740.20	57.91	5,196,090.37	2,029,764.69
Contract assets	MIGU Culture Technology Co., Ltd.	596,699,408.57	29,834,970.43	456,846,336.30	22,842,316.82
Sub-total		596,699,408.57	29,834,970.43	456,846,336.30	22,842,316.82

(2) Accounts payable

In RMB

Item	Related parties	Closing book balance	Opening book balance
Accounts payable	Yunhong Communication Technology (Guangzhou) Co., Ltd.	152,051,534.80	150,429,482.95
Accounts payable	Hunan Broadcasting System and its subsidiaries	39,462,244.01	33,001,840.15
Accounts payable	GBS and its subsidiaries	447,991,696.56	443,027,425.61
Accounts payable	Shanghai Mamma Mia Interactive Entertainment Technology Co., Ltd.		21,015.94
Accounts payable	MIGU Culture Technology Co., Ltd.	27,008,527.32	56,656,887.99
Accounts payable	HTBI and its subsidiaries (excluding Yunhong)	1,034,138.53	622,908.63
Accounts payable	Mango Media and its subsidiaries	1,571,202.12	514,847.07
Accounts payable	iFLYTEK Co., Ltd.	3,152,471.77	2,531,110.00
Sub-total		672,271,815.11	686,805,518.34
Notes payable	GBS and its subsidiaries		323,255,000.00
Notes payable	MIGU Culture Technology Co., Ltd.		25,500,000.00
Sub-total			348,755,000.00
Contract liabilities	Hunan Broadcasting System and its subsidiaries	1,931,128.30	1,928,492.45
Contract liabilities	MIGU Culture Technology Co., Ltd.		1,281,446.49
Contract liabilities	GBS and its subsidiaries	1,060,012.53	2,713,195.83
Contract liabilities	Mango Media and its subsidiaries	288,566.79	6,100.00
Contract liabilities	Yunhong Communication Technology (Guangzhou) Co., Ltd.	2,189,860.88	2,460,203.60
Contract liabilities	HTBI and its subsidiaries (excluding Yunhong)	98,161.42	
Sub-total		5,567,729.92	8,389,438.37
Other payables	HTBI and its subsidiaries (excluding Yunhong)	202,116.26	108,422.13
Other payables	Mango Media and its subsidiaries	3,795,134.25	3,795,134.25
Other payables	Hunan Broadcasting System and its subsidiaries	249,019.93	13,455,655.01
Other payables	GBS and its subsidiaries	4,065,581.46	3,473,840.14

Other payables	MIGU Culture Technology Co., Ltd.		3,000.00
Sub-total		8,311,851.90	20,836,051.53
Non-current liabilities due within one year	HTBI and its subsidiaries (excluding Yunhong)	4,759,288.54	6,726,989.84
Non-current liabilities due within one year	Hunan Broadcasting System and its subsidiaries	7,541,137.25	706,625.23
Non-current liabilities due within one year	GBS and its subsidiaries	19,105,675.62	12,049,411.52
Sub-total		31,406,101.41	19,483,026.59
Lease liabilities	HTBI and its subsidiaries (excluding Yunhong)	905,716.05	9,311,800.75
Lease liabilities	Hunan Broadcasting System and its subsidiaries	8,672,394.75	14,784,960.57
Lease liabilities	GBS and its subsidiaries	64,156,599.99	30,562,364.15
Sub-total		73,734,710.79	54,659,125.47

XIV. Commitments and Contingencies

1. Significant commitments

Significant commitments as of the balance sheet date

The table shows the irrevocable external business contracts executed by the Company and its subsidiaries as of the balance sheet date:

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
The 3rd year subsequent to the balance sheet date		
Total	54,571.00	109,142.00

Copyright purchase agreements are concluded by and between Happy Sunshine and GBS 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 RMB22.32 million. As Guolong has not fully delivered the copyright chain of the works, Happy Sunshine has not made the remaining two payments of RMB52.08 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 RMB20.4611 million to Lead Capital on behalf of Guolong. 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 RMB2.98 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. With respect to the dispute between Xiangshan Wukong Cultural Media Co., Ltd. (hereinafter referred to as “Xiangshan Wukong”) and Mango Studios arising out of the settlement of investment in the TV drama “Great Expectations”, Xiangshan Wukong brought a suit against Mango Studios at the Huairou District People’s Court of Beijing, requesting Mango Studios to pay the settlement price of about RMB28.3155 million. Mango Studios has submitted an opposition to jurisdiction over the case, which is pending review. The final result of the case is subject to the judgment rendered by the court.

XV. Events Subsequent to the Balance Sheet Date

1. Profit distribution

Dividends to be distributed per 10 shares (RMB)	2.2
Number of bonus shares to be distributed per 10 shares (shares)	0
Number of shares to be distributed per 10 shares through capitalization of capital reserve (shares)	0
Dividends to be distributed per 10 shares approved and declared (RMB)	2.2
Number of bonus shares to be distributed per 10 shares approved and declared (shares)	0
Number of shares to be distributed per 10 shares through capitalization of capital reserve approved and declared (shares)	0
Profit distribution proposal	To distribute a cash dividend of RMB2.2 (tax inclusive) per 10 shares to all shareholders on the basis of 1,870,720,815 shares, without distributing any bonus shares or transferring any capital reserve to the share capital.

XVI. Other Significant Events

1. 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-commerce 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-commerce	Others	Inter-segment offset	Total
Operating revenue	10,178,828,062.30	1,262,302,865.98	2,600,499,612.87	38,059,032.08		14,079,689,573.23
Operating cost	6,583,034,084.93	937,328,628.20	2,442,583,668.39	28,733,576.32		9,991,679,957.84

(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 two segments i.e. Mango TV Internet video, and new media interactive entertainment content production and operation. Because the assets and liabilities of Happy Sunshine cannot be classified by segment, its assets and liabilities are not disclosed by segment.

XVII. Notes to Main Items in the Financial Statements of the Parent Company

1. Other receivables

In RMB

Item	Closing balance	Opening balance
Other receivables	198,649.90	80,009,604.19
Total	198,649.90	80,009,604.19

(1) Other receivables

1) Classification of other receivables by nature

In RMB

Nature	Closing book balance	Opening book balance
Receivables from entities within the scope of consolidation	30,000.00	80,000,000.00
Temporary payment receivable	170,745.40	9,701.20
Total	200,745.40	80,009,701.20

2) Presentation by aging

In RMB

Aging	Closing book balance	Opening book balance
Within 1 year (inclusive)	191,044.20	9,701.20
1-2 years	9,701.20	
Over 3 years		80,000,000.00
4-5 years		80,000,000.00
Total	200,745.40	80,009,701.20

3) Presentation by method of recognition of provision for bad debts

In RMB

Category	Closing balance					Opening balance				
	Book balance		Bad debt provision		Carrying value	Book balance		Bad debt provision		Carrying value
	Amount	Proportion	Amount	Proportion		Amount	Proportion	Amount	Proportion	
Incl.:										
Provision for bad debts made by group	200,745.40	100.00%	2,095.50	1.04%	198,649.90	80,009,701.20	100.00%	97.01		80,009,604.19
Incl.:										
Total	200,745.40	100.00%	2,095.50	1.04%	198,649.90	80,009,701.20	100.00%	97.01		80,009,604.19

Provisions for bad debts made by group: RMB2,095.50

In RMB

Name	Closing balance		
	Book balance	Bad debt provision	Proportion
Group of receivables from related parties controlled by the same actual controller	30,000.00		
Aging group	170,745.40	2,095.50	1.23%
Total	200,745.40	2,095.50	

Description of basis for determining the group:

Provisions for bad debts made in accordance with the general model of ECL:

In RMB

Provisions for bad	Stage I	Stage II	Stage III	Total
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debts	Future 12-month ECL	Lifetime ECL (without credit impairment)	Lifetime ECL (with credit impairment)	
Balance as at January 1, 2024 in the current period	97.01			97.01
In the current period				
-- Transferred to Stage II	-97.01	97.01		
Current provision	1,610.44	388.05		1,998.49
Balance as at December 31, 2024	1,610.44	485.06		2,095.50

Basis for determination of stages and proportion of provision for bad debts

Stage I refers to other receivables whose credit risk has not increased significantly since initial recognition; Stage II refers to other receivables whose credit risk has increased significantly since initial recognition, but which are not credit impaired; Stage III refers to other receivables credit impaired.

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

☐ Applicable ☒ N/A

4) 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	97.01	1,998.49				2,095.50
Total	97.01	1,998.49				2,095.50

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

In RMB

Entity	Amount of recovery or reversal	Reason for reversal	Method of recovery	Basis for determining the proportion of provision for bad debts and its reasonableness
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2. Long-term equity investments

In RMB

Item	Closing balance			Opening balance		
	Book value	Provision for impairment	Carrying value	Book value	Provision for impairment	Carrying value
Investments in subsidiaries	12,178,569,314.30		12,178,569,314.30	12,173,055,024.52		12,173,055,024.52
Total	12,178,569,314.30		12,178,569,314.30	12,173,055,024.52		12,173,055,024.52

(1) Investments in subsidiaries

In RMB

Investees	Opening balance (carrying value)	Opening balance of provisions for impairment	Changes in the current period				Closing balance (carrying value)	Closing balance of provisions for impairment
			Additional investment	Decreased investment	Provisions for impairment	Others		
Happy Sunshine	10,845,049,607.62						10,845,049,607.62	
EE-Media	535,281,326.72						535,281,326.72	
Happigo	596,044,905.21						596,044,905.21	
Golden Eagle Cartoon	196,679,184.97						196,679,184.97	
Xiaomang			5,514,289.78				5,514,289.78	

E-commerce								
Total	12,173,055,024.52		5,514,289.78				12,178,569,314.30	

3. Operating revenues and operating costs

In RMB

Item	Amount in the current period		Amount in the prior period	
	Revenue	Cost	Revenue	Cost
Other business	18,867.92		11,056.00	
Total	18,867.92		11,056.00	

Breakdown of operating revenues and operating costs:

In RMB

Category of contract	Segment 1		Segment 2				Total	
	Operating revenue	Operating cost	Operating revenue	Operating cost	Operating revenue	Operating cost	Operating revenue	Operating cost
By segment								
Incl.:								
Others	18,867.92						18,867.92	
By operating region								
Incl.:								
Hunan	18,867.92						18,867.92	
By market or customer type								
Incl.:								
By contract type								
Incl.:								
By transfer time of goods								
Incl.:								
Revenue recognized at a point in time	18,867.92						18,867.92	
By term of contract								
Incl.:								
By sales channel								
Incl.:								
Total	18,867.92						18,867.92	

Information related to performance obligations:

Item	Time for satisfaction of performance obligation	Material terms of payment	Nature of goods to be transferred by the Company	Whether the Company is a primary obligor	Amount that the Company is expected to return to the customer	Type of warranty provided by the Company and related obligation
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Other information

Information related to the transaction price allocated to the outstanding 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 was nil, of which RMB[] is expected to be recognized as revenue in [], RMB[] is expected to be recognized as revenue in [], and RMB[] is expected to be recognized as revenue in [].

Material changes to contract or material adjustment to transaction price:

In RMB

Item	Method of accounting treatment	Effect on revenues
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Other information:

4. Investment income

In RMB

Item	Amount in the current period	Amount in the prior period
Long-term equity investment income accounted by the cost method	2,000,000,000.00	600,000,000.00
Investment income on held-for-trading financial assets during the holding period	6,047,323.19	
Interest income on debt investments during the holding period	41,985,125.90	
Total	2,048,032,449.09	600,000,000.00

XIX. Supplementary Information

1. Statement of non-recurring gain or loss for the current period

☒Applicable ☐N/A

In RMB

Item	Amount	Note
Gain or loss on disposal of non-current assets	908,979.96	
Government grants recognized in profit or loss (excluding the government grants that are closely related to the business of the Company, conform to the applicable policies of the country, are provided in accordance with the established standards, and continuously affect the Company's profit or loss)	24,246,646.69	
Gain or loss on investment or asset management by commissioned parties	297,764,471.95	
Reversal of impairment loss on accounts receivable tested for impairment individually	9,343,207.55	
Gain or loss on debt restructuring	2,032,257.87	
One-off effect of adjustments of tax, accounting and other laws and regulations on current profit or loss	-634,590,022.23	One-off adjustment due to changes in the enterprise income tax policy
Other non-operating revenues and expenses other than those listed above	20,843,049.34	
Less: Effect on income tax	337.22	
Effect on minority interests (exclusive of tax)	1,049,968.36	
Total	-280,501,714.45	--

Details of other gain or loss items that meet the definition of non-recurring gain or loss:

☐Applicable ☒N/A

The Company has no other items of gain or loss that meet the definition of non-recurring gain or loss.

Explanations for classifying non-recurring gain or loss items enumerated in the Explanatory Announcement No. 1 for Public Company Information Disclosures – Non-recurring Profits and Losses as recurring gain or 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/share)	Diluted EPS (RMB/share)
Net profit attributable to the Company's ordinary shareholders	6.21%	0.73	0.73
Net profit attributable to the Company's ordinary shareholders after deduction of non-recurring	7.49%	0.88	0.88

gain or loss			
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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

(3) Explanation about the accounting data differences under overseas accounting standards and Chinese accounting standards, and if the data audited by a foreign firm have been reconciled for such differences, name of such foreign firm

☐Applicable ☒N/A