

MAOYAN ENTERTAINMENT

貓眼娛樂

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立的有限公司)

Stock Code 股份代號：1896



Interim Report **2024** 中 期 報 告

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Corporate Information

BOARD OF DIRECTORS

Executive Director

Mr. Zheng Zhihao (*Chief Executive Officer*)

Non-executive Directors

Mr. Wang Changtian (*Chairman*)

Ms. Li Xiaoping

Ms. Wang Jian

Mr. Sun Zhonghuai

Mr. Chen Shaohui

Mr. Tang Lichun

Independent Non-executive Directors

Mr. Wang Hua

Mr. Chan Charles Sheung Wai

Mr. Yin Hong

Ms. Liu Lin

AUDIT COMMITTEE

Mr. Chan Charles Sheung Wai (*Chairman*)

Mr. Wang Hua

Ms. Liu Lin

NOMINATION COMMITTEE

Mr. Wang Hua (*Chairman*)

Mr. Chan Charles Sheung Wai

Mr. Zheng Zhihao

REMUNERATION COMMITTEE

Mr. Wang Hua (*Chairman*)

Ms. Liu Lin

Mr. Zheng Zhihao

JOINT COMPANY SECRETARIES

Ms. Zheng Xia

Mr. Cheng Ching Kit

AUTHORIZED REPRESENTATIVES

Mr. Zheng Zhihao

Mr. Cheng Ching Kit

AUDITOR

PricewaterhouseCoopers

Certified Public Accountants

Registered Public Interest Entity Auditor

REGISTERED OFFICE

Walkers Corporate Limited

190 Elgin Avenue

George Town

Grand Cayman KY1-9008

Cayman Islands

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN CHINA

No. 3 Building, Yonghe Hangxing Garden

No.11 Hepingli East Street

Dongcheng District

Beijing, PRC

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

40th Floor, Dah Sing Financial Centre

No. 248 Queen's Road East

Wanchai, Hong Kong

Corporate Information



LEGAL ADVISORS

As to Hong Kong law:

Linklaters

As to Cayman Islands law:

Walkers (Hong Kong)

As to the PRC law:

Commerce & Finance Law Offices

STOCK CODE

1896

COMPANY'S WEBSITE

www.maoyan.com

HONG KONG SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited

Shops 1712-1716, 17th Floor

Hopewell Centre

183 Queen's Road East

Wanchai, Hong Kong

CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Walkers Corporate Limited

190 Elgin Avenue

George Town

Grand Cayman KY1-9008

Cayman Islands

PRINCIPAL BANKERS

China Merchants Bank, Beijing Branch

Ping An Bank, Garden Road Sub-Branch



CEO's Statement

I am pleased to present our interim results for the six months ended June 30, 2024.

FINANCIAL HIGHLIGHTS

Our revenue remained stable with a slight decrease from RMB2,196.9 million in the first half of 2023 to RMB2,170.9 million in the first half of 2024. Our gross profit increased from RMB1,101.2 million in the first half of 2023 to RMB1,156.2 million in the first half of 2024. Net profit for the period in the first half of 2024 was RMB284.8 million, as compared to net profit for the period of RMB405.2 million in the first half of 2023. Our adjusted EBITDA for the period in the first half of 2024 was RMB489.7 million, compared to adjusted EBITDA of RMB584.4 million in the first half of 2023; our adjusted net profit^(Note) in the first half of 2024 was RMB351.8 million, compared to adjusted net profit^(Note) of RMB455.7 million in the first half of 2023.

BUSINESS REVIEW

According to the data of Maoyan Pro (貓眼專業版), the Chinese Mainland's total box office (including service fees) in the first half of 2024 was RMB23.903 billion, representing a year-over-year decrease of 9.02%. Among the year's various promotional seasons, box office performance during some periods such as New Year's Day season, Spring Festival season and Qingming Festival season, exceeded that of the same periods last year. According to the National Performance Market Development Briefing for the First Half of 2024 (《2024年上半年全國演出市場發展簡報》) released by the China Association of Performing Arts (中國演出行業協會), the box office revenue of commercial performances nationwide in the first half of 2024 was RMB19.016 billion, representing a year-over-year increase of 13.24%, and audience size increased by 27.10% year-over-year.

During the Reporting Period, the number of released movies in which the Company was involved and their box office performance remained at the forefront of the industry. The Company also maintained its leading edge in terms of its distribution and promotion service capacities and market coverage. Project reserves were abundant, and the Company continued to optimize its revenue structure and record profits.

Note: In the first half of 2024 and 2023, we defined adjusted net profit as net profit for the six months adjusted by adding back share-based compensation and amortization of intangible assets resulting from business combinations.

Entertainment Content Services

As a leading film promoter and distributor in China, we continued to actively participate in the distribution/production of domestic movies, providing a wide range of services for an increasing number of movies. During the Reporting Period, we participated in the distribution/production of 32 domestic movies, with the number of movies increasing compared to the corresponding period in the previous years. Among the top five domestic movies in terms of box office in the first half of the year, we were involved in the distribution/production of four.

In the first half of 2024, we continued to iterate promotion and distribution products, enhance industry awareness, grasp market trends, and optimize our promotion and distribution strategies and organizational capabilities, thereby maintaining our competitive advantages and enhancing our capabilities in promotion and distribution. During the Reporting Period, we participated in the promotion and distribution of 31 domestic movies, and we acted as a lead distributor for 15 movies, exceeding our historical records in terms of quantity. Many of these movies achieved a top-tier box office performance during their respective release period. For example, *Shining For One Thing* (一闪一闪亮星星), *Johnny Keep Walking!* (年会不能停!) and *The Goldfinger* (金手指), for which we acted as a distributor and producer, ranked among the top three movies in terms of box office performance during the New Year's Day season. *Pegasus 2* (飞驰人生2), for which we acted as a lead distributor/producer, performed well in terms of box office and reputation, ranking second in the box office in the Spring Festival season with a box office of RMB3.398 billion. Over the past four years, the movies in which we served as the lead distributor have consistently ranked among the top two in box office performance during the Spring Festival season. *The Last Frenzy* (末路狂花钱) and *Be My Friend* (我才不要和你做朋友呢), for which we acted as a lead distributor, became box office champions during the Labor Day season and the Dragon Boat Festival season, respectively.

Based on our strong data analysis and iterative industry cognition capabilities, we continued to promote movie content development and production. We participated in the development of more than 20 movie projects, among which *A Place Called Silence* (默杀) began filming earlier this year and was already released in the summer season, quickly achieving a box office of more than RMB1.3 billion. Several other movies, such as *Honey Money Phony* (「騙騙」喜歡你), *Life Party* (人生會議), *Endless Journey of Love* (時間之子), *Casual Revenge* (即興謀殺) and *Running In The Rain* (千金不換), are underway and progressing steadily.

During the summer movie season, we distributed/produced a number of movies which were released successively, such as *A Place Called Silence* (默杀), *Successor* (抓娃娃), *Decoded* (解密), *Go For Broke* (重生) and *White Snake: Afloat* (白蛇：浮生), many of which performed well. Another series of movies for which we participated in distribution and production, including *High Forces* (危機航線), *Give You A Candy* (出入平安), *Project P* (P計劃) and *Honey Money Phony* (「騙騙」喜歡你), are scheduled for successive release in the second half of this year. In addition, the Company has a large reserve of movie content across a wide range of types and themes. The movies in which we participated as a distributor/producer include *SHE'S GOT NO NAME* (醬園弄), *To Gather Around* (勝券在握), *Dumpling Queen* (水餃皇后) and *Hot Pot Artist* (火鍋藝術家), will also be released in due course.



CEO's Statement

Online Entertainment Ticketing Business

Since 2024, the performance market has remained prosperous. We continued to increase our investment and develop live performance services, including online performance ticketing services, while deeply cultivating local entertainment sub-categories and innovative marketing. At the same time, we consistently improved our comprehensive service capabilities, enriched industry marketing scenarios, upgraded our on-site support and service capabilities for large-scale performances, and enhanced brand awareness and industry influence. During the Reporting Period, our business performance was highly effective. In terms of large-scale concerts, we provided services for more than 3,000 concerts, including a number of concerts featuring leading artists such as Jacky Cheung, Andy Lau and Jay Chou, and the GMV of concerts and music festivals increased by approximately 3 times year-over-year. At the local performance level, our local performance coverage rate exceeds 95%. We also supported cultural benefit activities held by various provincial and municipal governments, such as those in Shaanxi, Zhejiang, and Sichuan, which boosted local cultural tourism consumption. In overseas regions, in addition to providing support services for various performances in Hong Kong, we have also expanded businesses in new countries and regions such as Macao, and served many activities such as Time Concert-“Time Music”. We also continued to actively explore cooperation scenarios in Southeast Asia, the Middle East, Latin America and other regions. At present, we have established in-depth cooperative relations with several super APPs, and will continue to strengthen these cooperations across performances and other businesses in the future.

During the Reporting Period, we continued to actively provide quality movie ticketing services for the industry. Our online movie ticketing business remained stable and its competitiveness in the industry continued to rise. At the same time, we continued to strengthen in-depth cooperation with cinemas across all aspects of the industry chain, explore new business scenarios, improve platform service capabilities, enhance multi-platform collaboration effects, and jointly provide SaaS services for ticketing systems with partners, in order for us to deliver better services for customers, cinemas and industry. Concurrently, we continued to serve as the official ticketing platform for the 14th Beijing International Film Festival, marking our fourth consecutive year as a service provider for the Beijing International Film Festival. With our mature ticketing experience and technical capabilities, we provided full support for the film festival in terms of ticketing, special promotion and other aspects. We also provided service support for cultural benefit activities launched by various provincial and municipal governments, such as those in Beijing, Guangxi, Xi'an, and Hangzhou.



Advertising Services and Others

During the Reporting Period, we continued to integrate industry resources, expanded and extended scenarios for reaching audiences, and deeply embraced the diverse ecology and multiple scenarios we covered. For example, we successfully constructed an integrated, all-media matrix across movies, cultural tourism and business brands. We also created a live-streaming marketing model for box office periods, comprehensively upgrading the product marketing infrastructure and user experience on Douyin. Meanwhile, we initiated cooperation with Baidu's digital humans on film promotion projects to explore new ideas for the intelligent development of the film industry. To date, we have become one of the top film and television accounts on platforms such as Douyin, Weixin Channels and Xiaohongshu. The cumulative number of our new media fans exceeds 80 million, with average daily views surpassing 120 million.

We continued to serve the industry with "technology + big data" solutions and consistently emphasized the integration of AI technology and the film and television industry. During the Reporting Period, we independently developed AI-related movie & TV creation software and remained committed to enhancing production capabilities through intelligent script analysis and intelligent character creation, etc., effectively improving the efficiency of the early script creation and communication process. At the same time, we also carried out multi-level cooperation across business and technologies with many AI companies in the industry, to jointly explore the application and iteration of AI technology in animation production, visual storytelling, promotion and distribution products and other fields.

Our Maoyan Pro (貓眼專業版) continued to provide the industry with comprehensive, accurate and real-time data services and various refined data operation tools to promote the sharing of film data across the industry. During the Reporting Period, Maoyan Pro (貓眼專業版) further improved the industry's film data system and enhanced data visualization capabilities. For example, our film publicity campaign report launched during the Spring Festival visually depicts the event's progress by showcasing the data performance of distribution materials of films on mainstream promotional platforms. At the same time, Maoyan Pro (貓眼專業版) was officially launched on the PC side, helping industry partners to better formulate publicity strategies through basic data combination queries in more dimensions and scenarios, as well as user portrait exposure from multiple angles.

During the Reporting Period, our Maoyan Research Institute (貓眼研究院) released a number of seasonal insight reports, integrating in-depth analysis on various topics, such as the "Top ten internet entertainment content trend of the year". Additionally, Maoyan Research Institute (貓眼研究院) provided early development and research services to a growing number of film and television companies in the industry and further enhanced its data analysis and industry integration capabilities, as well as commercialization opportunities, to continuously help industry partners conduct business in a more efficient way.



CEO's Statement

OUTLOOK

During the summer movie season, various types of movies with diverse themes were released successively and audience enthusiasm and market activity continued to improve. According to the data of Maoyan Pro (貓眼專業版), as of August 25, 2024, the box office for the summer movie season movies had surpassed RMB11.1 billion and the accumulated box office of 2024 had reached RMB32.8 billion.

We will adhere to the core development strategy of “Technology + Pan-entertainment” by continuing to deepen our presence in the pan-entertainment industry while maintaining and improving our core competitiveness and profitability, remaining true to our original intention of being a dedicated “service provider” for the entire industry and working with the entire industry to create and promote high-quality movie content. In addition, we will capture the market's development trends and continuously enhance the market engagement and competitiveness of offline performance. Meanwhile, we will further explore the application of AI technology and overseas business prospects to identify new growth opportunities.

Last but not least, we would like to express our sincere gratitude to all of our colleagues, shareholders, and industry partners for their trust and support. Let us forge ahead together and propel the high-quality development of the film industry and the establishment of China as a major cinematic player.

Executive Director and Chief Executive Officer

ZHENG Zhihao

Hong Kong

August 26, 2024

Management Discussion and Analysis



INTERIM PERIOD REVIEW

	Six months ended June 30,			
	2024		2023	
	RMB million (Unaudited)	%	RMB million (Unaudited)	%
Revenue	2,170.9	100.0	2,196.9	100.0
Cost of revenue	(1,014.7)	(46.7)	(1,095.7)	(49.9)
Gross profit	1,156.2	53.3	1,101.2	50.1
Selling and marketing expenses	(512.0)	(23.6)	(366.0)	(16.6)
General and administrative expenses	(183.6)	(8.5)	(186.7)	(8.5)
Net impairment losses on financial assets	(48.1)	(2.2)	(35.3)	(1.6)
Other income	25.8	1.2	26.3	1.2
Other losses, net	(31.4)	(1.4)	(21.1)	(1.0)
Operating profit	406.9	18.7	518.4	23.6
Finance income	52.2	2.4	34.3	1.6
Finance costs	(3.3)	(0.2)	(3.6)	(0.2)
Finance income, net	48.9	2.2	30.7	1.4
Share of losses of investments accounted for using the equity method	(0.9)	(0.0)	(0.5)	(0.0)
Impairment losses of investments accounted for using the equity method	(3.5)	(0.1)	(8.5)	(0.4)
Profit before income tax	451.4	20.8	540.1	24.6
Income tax expenses	(166.6)	(7.7)	(134.9)	(6.2)
Profit for the period	284.8	13.1	405.2	18.4
Non-IFRS Measures:				
EBITDA	467.1	21.5	578.7	26.3
Adjusted EBITDA	489.7	22.6	584.4	26.6
Adjusted net profit ^(Note)	351.8	16.2	455.7	20.7

Note: In the first half of 2024 and 2023, we defined adjusted net profit as net profit for the six months adjusted by adding back share-based compensation and amortization of intangible assets resulting from business combinations.



Management Discussion and Analysis

Revenue

Our revenue decreased from RMB2,196.9 million in the first half of 2023 to RMB2,170.9 million in the first half of 2024. Such decrease was primarily due to the decrease in revenue from entertainment content services for the first half of 2024. The following table sets forth our revenue by service in the first half of 2024 and 2023.

	Six months ended June 30,			
	2024		2023	
	RMB million (Unaudited)	%	RMB million (Unaudited)	%
Revenue				
Online entertainment ticketing services	1,046.1	48.2	1,015.8	46.2
Entertainment content services ^(Note)	1,024.1	47.2	1,100.1	50.1
Advertising services and others	100.7	4.6	81.0	3.7
Total	2,170.9	100.0	2,196.9	100.0

Note: This amount included fair value gains on the Group's investments in movies, TV series and entertainment events amounting to RMB14.9 million for the six months ended June 30, 2024 (for the six months ended June 30, 2023: fair value gains of RMB8.2 million).

Online entertainment ticketing services

Revenue from online entertainment ticketing business increased from RMB1,015.8 million in the first half of 2023 to RMB1,046.1 million in the first half of 2024. According to the Briefs of National Performing Arts Markets in the First Half of 2024 (《2024上半年全國演出市場簡報》) published by the China Association of Performing Arts (中國演出行業協會), in the first half of 2024, the box office of commercial performances nationwide increased by 13.24% as compared with that of the first half of 2023. According to the data of Maoyan Pro (貓眼專業版), Mainland China's total box office in the first half of 2024 was RMB23.903 billion, representing a year-over-year decrease of 9.0%.

Entertainment content services

Revenue from entertainment content services decreased from RMB1,100.1 million in the first half of 2023 to RMB1,024.1 million in the first half of 2024. Such decrease was mainly due to the slight decrease in box office of the domestic movies, which we participated in distribution/production in the first half of 2024 as compared to the corresponding period in the previous year.

Management Discussion and Analysis



Advertising services and others

Revenue from advertising services and others increased from RMB81.0 million in the first half of 2023 to RMB100.7 million in the first half of 2024. The increase in revenue was mainly due to the increase in demand for advertisements from advertisers in the first half of 2024.

Cost of revenue

Cost of revenue decreased by 7.4% from RMB1,095.7 million in the first half of 2023 to RMB1,014.7 million in the first half of 2024. The decrease in cost of revenue was primarily due to the decrease in the cost of content production, distribution and promotion.

The following table sets forth our cost of revenue by amount, as a percentage of total cost of revenue and as a percentage of total revenue for the periods indicated:

	Six months ended June 30,					
	2024			2023		
	RMB million (Unaudited)	% of cost	% of revenue	RMB million (Unaudited)	% of cost	% of revenue
Internet infrastructure cost	285.3	28.1	13.1	209.1	19.1	9.5
Content distribution and promotion cost	273.7	27.0	12.6	330.6	30.2	15.0
Ticketing system cost	222.2	21.9	10.3	234.2	21.4	10.7
Content production cost	115.5	11.4	5.3	220.2	20.1	10.0
Amortization of intangible assets	44.4	4.4	2.0	44.8	4.1	2.1
Depreciation of property, plant and equipment	4.0	0.4	0.2	3.9	0.3	0.2
Other expenses	69.6	6.8	3.2	52.9	4.8	2.4
Total	1,014.7	100.0	46.7	1,095.7	100.0	49.9



Management Discussion and Analysis

Gross Profit and Gross Margin

Our gross profit increased from RMB1,101.2 million in the first half of 2023 to RMB1,156.2 million in the first half of 2024, and our gross margin was 50.1% and 53.3% in the first half of 2023 and 2024, respectively. The increase in our gross profit was primarily due to the decrease in our cost of revenue of RMB81.0 million compared with the first half of 2023, while the gross margin increased slightly.

Selling and Marketing Expenses

Selling and marketing expenses increased by 39.9% from RMB366.0 million in the first half of 2023 to RMB512.0 million in the first half of 2024, primarily due to the increase in marketing and promotion expenses.

General and Administrative Expenses

General and administrative expenses decreased by 1.7% from RMB186.7 million in the first half of 2023 to RMB183.6 million in the first half of 2024, basically remained stable.

Net Impairment Losses on Financial Assets

We recorded net impairment losses on financial assets of RMB48.1 million in the first half of 2024, compared to net impairment losses on financial assets of RMB35.3 million in the first half of 2023. We evaluated the expected credit loss of financial assets as at June 30, 2024 on prudent basis, and made provisions for the impairments.

Other Income and Other Losses, Net

We recorded other income of RMB25.8 million in the first half of 2024, and recorded other income of RMB26.3 million in the first half of 2023, mainly attributable to government grants. Net other losses increased by 48.8% from RMB21.1 million in the first half of 2023 to RMB31.4 million in the first half of 2024, mainly due to the increase in the exchange loss arising from exchange rate fluctuation.

Operating Profit

As a result of the foregoing, our operating profit was RMB406.9 million in the first half of 2024, compared to an operating profit of RMB518.4 million in the first half of 2023.

Finance Income, Net

We had net finance income of RMB48.9 million in the first half of 2024, compared to net finance income of RMB30.7 million in the first half of 2023, primarily due to the improvement of fund management efficiency, which in turn resulted in an increase in finance income and a decrease in finance costs.

Management Discussion and Analysis



Income Tax Expenses

Income tax expense was RMB166.6 million in the first half of 2024, compared to income tax expense of RMB134.9 million in the first half of 2023. This was mainly due to the changes in tax rates for certain companies.

Non-IFRS Financial Measures

To supplement our consolidated financial statements which are presented in accordance with IFRS, we also use EBITDA, adjusted EBITDA and adjusted net profit as additional financial measures, which are not required by, or presented in accordance with IFRS. We believe that these non-IFRS measures, which have excluded certain effects of one-off or non-cash projects and M&A transactions for the previous years, facilitate comparisons of operating performance from period to period and company to company by eliminating potential impacts of items that our management does not consider to be indicative of our operating performance. We believe that these measures provide useful information to investors and others in understanding and evaluating our consolidated results of operations in the same manner as they help our management. However, our presentation of the EBITDA, adjusted EBITDA and adjusted net profit may not be comparable to similarly titled measures presented by other companies. The use of these non-IFRS measures has limitations as an analytical tool, and you should not consider them in isolation from, or as substitute for analysis of, our results of operations or financial condition as reported under IFRS.

Adjusted Net Profit, EBITDA and Adjusted EBITDA

The following tables reconcile our adjusted net profit and EBITDA and adjusted EBITDA for the period presented to the most directly comparable financial measure calculated and presented in accordance with IFRS:

	Six months ended June 30,	
	2024 RMB million (Unaudited)	2023 RMB million (Unaudited)
Reconciliation of net profit to adjusted net profit		
Net profit for the period	284.8	405.2
Add:		
Share-based compensation	22.6	5.7
Amortization of intangible assets resulting from business combinations	44.4	44.8
Adjusted net profit^(Note)	351.8	455.7

Note: In the first half of 2024 and 2023, we defined adjusted net profit as net profit for the six months adjusted by adding back share-based compensation and amortization of intangible assets resulting from business combinations.



Management Discussion and Analysis

	Six months ended June 30,	
	2024	2023
	RMB million	RMB million
	(Unaudited)	(Unaudited)
Reconciliation of operating profit to EBITDA and adjusted EBITDA		
Operating profit for the period	406.9	518.4
Add:		
Depreciation of property, plant and equipment	6.2	4.7
Amortization of intangible assets	46.6	48.6
Depreciation of right-of-use assets	7.4	7.0
EBITDA ^(Note)	467.1	578.7
Add:		
Share-based compensation	22.6	5.7
Adjusted EBITDA ^(Note)	489.7	584.4

Note: In the first half of 2024 and 2023, we defined EBITDA as operating profit for the period adjusted for depreciation and amortization expenses. We derived adjusted EBITDA by adding back share-based compensation to EBITDA.

OTHER FINANCIAL INFORMATION

Capital Structure

The Company continued to maintain a healthy and sound financial position. Our total assets changed from RMB12,540.1 million as of December 31, 2023 to RMB13,242.9 million as of June 30, 2024, whilst our total liabilities increased from RMB3,501.8 million as of December 31, 2023 to RMB4,004.4 million as of June 30, 2024. Liabilities-to-assets ratio increased from 27.9% as of December 31, 2023 to 30.2% as of June 30, 2024.

As of June 30, 2024, we pledged bank deposits of RMB250.0 million as securities for bank borrowings.

Management Discussion and Analysis



Liquidity, Financial Resources and Gearing

We have historically funded our cash requirements principally from cash generated from operations, and to a lesser extent, equity and debt financing. We adopt prudent treasury policies in cash and financial management. To achieve better risk control and minimise cost of funds, our treasury activities are centralised. Cash is generally placed in short-term deposits mostly denominated in RMB or USD. Our liquidity and financing requirements are reviewed regularly. We will consider new financing while maintaining an appropriate level of gearing in anticipation of new investments or maturity of bank loans.

As of June 30, 2024, we had cash and cash equivalents and other forms of bank deposits of RMB3,925.4 million, which were predominantly denominated in RMB and USD. Going forward, we believe that our liquidity requirements will be satisfied by using a combination of cash generated from operating activities and other funds raised from the capital markets from time to time.

As of June 30, 2024, our total borrowings were approximately RMB477.3 million, which were all bank borrowings denominated in RMB. The following table sets forth further details of our banking borrowings as of June 30, 2024:

	RMB million	Interest rate
Secured	250.0	1.3%~1.80%
Guaranteed	227.3	2.5%~2.85%
Total	477.3	

As of June 30, 2024, we had unutilized banking facilities of RMB472.7 million.

As of June 30, 2024, we did not have any significant contingent liabilities.

We monitor capital on basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings and financial liabilities at fair value through profit or loss, net of cash and cash equivalent, restricted bank deposits and term deposit with original maturity over three months. Total capital is calculated as "equity" as shown in the consolidated statement of financial position. As at June 30, 2024 and December 31, 2023, the Group has a net cash position.



Management Discussion and Analysis

Capital Expenditure

Our capital expenditure primarily included purchase of property, plant and equipment and intangible assets. Our capital expenditure decreased by 14.9% to RMB6.3 million in the first half of 2024 from RMB7.4 million in the first half of 2023. We plan to fund our planned capital expenditure using cash generated from operations.

Material Acquisitions, Disposals and Future Plans for Major Investments

The Group did not have any plans for major investments and capital assets as of June 30, 2024. During the six months ended June 30, 2024, we did not have any material acquisitions and disposals of subsidiaries and affiliated companies.

Major Investments Held

On March 12, 2019, we entered into a subscription agreement and a strategic cooperation agreement with Huanxi Media Group Limited. Pursuant to the subscription agreement, we have conditionally agreed to subscribe for, and Huanxi Media Group Limited has conditionally agreed to allot and issue to us, 236,600,000 shares at a total consideration of HK\$390,555,620. Under such agreements, we planned to establish strategic cooperation with Huanxi Media Group Limited in entertainment content services. On March 19, 2019, the subscription was completed and the consideration was duly paid. For further details, please see our announcement dated March 13, 2019 and our annual report for the financial year ended December 31, 2018 and 2019. As at June 30, 2024, we held 5.7% equity interest of Huanxi Media Group Limited.

Foreign Exchange Risk Management

Our businesses are principally conducted in RMB, which is exposed to foreign currency risk with respect to transactions denominated in currencies other than RMB. Foreign exchange risk arises from recognized assets and liabilities and net investments in foreign operations. We manage foreign exchange risk by performing regular reviews of our foreign exchange exposures and try to minimize these exposures through natural hedges, wherever possible, and may enter into forward foreign exchange contracts, when necessary. We did not enter into any forward contract or other financial instruments to hedge our exposure to foreign currency risk in the first half of 2024.

Employees and Remuneration Policy

As of June 30, 2024, we had 866 full-time employees, who were based in mainland China and Hong Kong, primarily at our headquarters in Beijing, with the remainder in Shanghai and various other cities in China.

Management Discussion and Analysis



Committed to establishing a competitive, fair remuneration and benefits system, we continually refine our remuneration and incentive policies through market research and comparison with our competitors, in order to ensure that our employees receive competitive remuneration packages. We also purchase commercial health and accidental insurance for our employees. We also provide regular and specialized trainings tailored to the needs of our employees in different departments, so that our employees may stay up to date with the latest industrial developments and technological advancements. In order to incentivize our Directors, senior management and other employees for their contribution to our Group and to attract and retain suitable personnel, we have granted and planned to continue to grant share-based incentive awards to our employees in the future to incentivize their contributions to our growth and development.

As required under the PRC regulations, we participate in housing fund and various employee social security plans that are organized by applicable local municipal and provincial governments, including housing, pension, medical, maternity, work-related injury and unemployment benefit plans, under which the Group and its employees who are based in mainland China are required to make monthly contributions to these plans at specified percentages of the salaries of the employees. There was no forfeited contribution utilized to offset employers' contributions and there was no forfeited contribution available to reduce the contribution for the six months ended June 30, 2024. The Group also provides a mandatory provident fund scheme for employees employed under the Hong Kong Employment Ordinance.

EVENTS AFTER THE REPORTING PERIOD

On July 15, 2024, the Board announced that, the WFOE, the New PRC Holdco and the New Registered Shareholder entered into the New Contractual Arrangements. Through the New Contractual Arrangements, the Company can consolidate all the economic benefits generated by the New PRC Holdco and its subsidiaries.



Other Information

INTERIM DIVIDEND

The Board has resolved not to pay any interim dividend for the six months ended June 30, 2024.

COMPLIANCE WITH CORPORATE GOVERNANCE CODE

The Company is dedicated to maintaining and ensuring high standards of corporate governance practices and the corporate governance principles of the Company are adopted in the interest of the Company and its Shareholders. The Board considers that the Company has complied with all the applicable code provisions set out in the Corporate Governance Code during the Reporting Period.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as its own code of conduct for directors' securities transactions. Having made specific enquiry with the Directors, all of the Directors confirm that they have complied with the required standard as set out in the Model Code during the Reporting Period.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor its subsidiaries has purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares) during the Reporting Period.

As at June 30, 2024, the Company did not hold any treasury shares.

AUDIT COMMITTEE

The Audit Committee consists of three independent non-executive Directors, namely Mr. Chan Charles Sheung Wai, Mr. Wang Hua and Ms. Liu Lin. Mr. Chan Charles Sheung Wai currently serves as the chairman of the Audit Committee.

The Audit Committee, together with management and the Auditor, PricewaterhouseCoopers, has reviewed the unaudited condensed consolidated results of the Group for the six months ended June 30, 2024.



FROZEN EQUITY INTERESTS OF TIANJIN MAOYAN WEYING

Weying Culture, one of the Registered Shareholders holding 26.9% equity interests in Tianjin Maoyan Weying, and its affiliated company, Weying Technology, have been involved in certain lawsuits as defendants in the PRC. The plaintiffs of the lawsuits applied for, and the relevant PRC courts granted, orders to freeze the equity interests held by Weying Culture in Tianjin Maoyan Weying (the “Frozen Equity Interests”) (i.e. Document 2021 Jing 04 Zhi 480 and Document 2022 Jing 01 Zhi 1258), as shown on National Enterprise Credit Information Publicly System. As of the date of this report, Weying’s debts under the above lawsuits have not been paid off and the freezes are not released.

In response to the above lawsuits, Weying Technology and Weying Culture co-issued the Confirmation Letter to Tianjin Maoyan Weying and WFOE, pursuant to which Weying undertook to comply with and fulfil the terms and conditions, responsibilities and obligations under the Contractual Arrangements including but not limited to fully cooperating with the WFOE’s instructions when the WFOE exercises its irrevocable and exclusive right to purchase the Frozen Equity Interests, or transfer the Frozen Equity Interests to the WFOE’s assignee at the WFOE’s request.

The Directors, based on the advice of the Company’s PRC legal advisors, consider that the Contractual Arrangements and the Confirmation Letter are in compliance with relevant PRC laws and regulations and are legally binding and enforceable. There is no material adverse impact on the Contractual Arrangements.

CHANGES TO DIRECTORS’ INFORMATION

Mr. Chan Charles Sheung Wai resigned as an independent non-executive director of Shanghai Bio-heart Biological Technology Co., Ltd. (上海百心安生物技術股份有限公司, SEHK Stock Code: 2185) with effect from June 21, 2024.

Save as disclosed in this interim report, the Directors confirm that no other information is required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules.



Other Information

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at June 30, 2024, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which (a) were required, pursuant to section 352 of the SFO, to be recorded in the register referred to therein; or (b) were required to be notified to the Company and the Stock Exchange pursuant to the Model Code, were as follows:

Name of Directors/ Chief Executive	Capacity	Nature of Interests	No. of Shares	Approximate percentage of the issued share capital of the Company (%)
Mr. Zheng Zhihao ¹	Interest in controlled corporations	Long Position	19,277,225	1.66
	Beneficial owner	Long Position	11,013,597 ²	0.95
Mr. Wang Changtian ³	Interest in controlled corporations	Long Position	471,465,845	40.70
Ms. Wang Jian	Beneficial owner	Long Position	450,000	0.04

Notes:

- As at June 30, 2024, Rhythm Brilliant Limited directly held 19,277,225 Shares in our Company. Rhythm Brilliant Limited is a wholly-owned subsidiary of Mr. Zheng Zhihao. Therefore, Mr. Zheng Zhihao is deemed to be interested in the 19,277,225 Shares held by Rhythm Brilliant Limited for purpose of Part XV of the SFO.
- These interests include 6,141,058 share options granted by the Company to Mr. Zheng Zhihao under the Post-IPO Share Option Scheme on January 19, 2021 entitling Mr. Zheng Zhihao to subscribe for 6,141,058 shares of the Company. As of June 30, 2024, Mr. Zheng Zhihao has not exercised any share options.
- As at June 30, 2024, Vibrant Wide Limited and Hong Kong Pictures International Limited directly held 277,979,625 Shares and 193,486,220 Shares in our Company, respectively. Vibrant Wide Limited is owned by Mr. Wang Changtian as to 100% of its equity interests. Hong Kong Pictures International Limited is a wholly-owned subsidiary of Enlight Media, which is owned by Enlight Holdings as to 37.4% of its equity interests, which in turn is owned by Mr. Wang Changtian as to 95% of its equity interests. Therefore, Mr. Wang Changtian is deemed to be interested in the 471,465,845 Shares held by Vibrant Wide Limited and Hong Kong Pictures International Limited for purpose of Part XV of the SFO.

Save as disclosed above and elsewhere in this interim report, as at June 30, 2024, neither the Directors nor chief executive of the Company (including their spouses and children under 18 years of age) had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under section 352 of the SFO or otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

Other Information



SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at June 30, 2024, the Substantial Shareholders, other than the Directors or chief executive of the Company, who had interests or short positions in the Shares or underlying Shares as recorded in the register required to be kept by the Company under section 336 of the SFO, were as follows:

Name of Substantial Shareholders	Capacity	Nature of Interest	Number of Shares	Approximate percentage of the issued share capital of the Company (%)
Vibrant Wide Limited	Beneficial owner	Long Position	277,979,625	24.00
Hong Kong Pictures International Limited	Beneficial owner	Long Position	193,486,220	16.70
Inspired Elite Investments Limited ¹	Beneficial owner	Long Position	82,693,975	7.14
Meituan ¹	Interest in controlled corporations	Long Position	82,693,975	7.14
Crown Holdings Asia Limited ¹	Interest in controlled corporations	Long Position	82,693,975	7.14
Songtao Limited ¹	Interest in controlled corporations	Long Position	82,693,975	7.14
TMF (Cayman) Ltd. ¹	Trustee	Long Position	82,693,975	7.14
Wang Xing ¹	Interest in controlled corporations	Long Position	82,693,975	7.14
Image Flag Investment (HK) Limited ²	Beneficial owner	Long Position	157,169,260	13.57
Tencent ²	Interest in controlled corporations	Long Position	157,169,260	13.57
Interstellar Investment Ltd. ³	Beneficial owner	Long Position	66,127,317	5.71
NottingHill Investment Ltd. ³	Interest in controlled corporations	Long Position	66,127,317	5.71
FountainVest China Capital Partners Fund III, L.P. ³	Interest in controlled corporations	Long Position	66,127,317	5.71
FountainVest China Capital Partners GP3 Ltd. ³	Interest in controlled corporations	Long Position	66,127,317	5.71



Other Information

Notes:

1. Inspired Elite Investments Limited is wholly-owned by Meituan, which is owned as to 39.18% by Crown Holdings Asia Limited, which is in turn wholly-owned by Songtao Limited. Songtao Limited is in turn wholly-owned by TMF (Cayman) Ltd., which is in turn wholly-owned by Mr. Wang Xing. Therefore, Meituan, Crown Holdings Asia Limited, Songtao Limited, TMF (Cayman) Ltd. and Mr. Wang Xing are deemed to be interested in the 82,693,975 shares held by Inspired Elite Investment Limited for purpose of Part XV of the SFO.
2. Image Flag Investment (HK) Limited is wholly-owned by Tencent. Therefore, Tencent is deemed to be interested in the 157,169,260 shares held by Image Flag Investment (HK) Limited for purpose of Part XV of the SFO.
3. Interstellar Investment Ltd. is wholly-owned by NottingHill Investment Ltd., which is owned as to 77.34% by FountainVest China Capital Partners Fund III, L.P., which is in turn wholly-owned by FountainVest China Capital Partners GP3 Ltd. Therefore, NottingHill Investment Ltd., FountainVest China Capital Partners Fund III, L.P. and FountainVest China Capital Partners GP3 Ltd. are deemed to be interested in the Shares held by Interstellar Investment Ltd.

Save as disclosed above, as at June 30, 2024, so far as the Directors were aware, no other persons (other than the Directors or chief executive) had any interests or short positions in the Shares and underlying Shares as recorded in the register required to be kept by the Company under Section 336 of the SFO.

EMPLOYEE INCENTIVE SCHEMES

Pre-IPO Share Option Scheme

The Pre-IPO Share Option Scheme was adopted by the Company as a continuation and restructuring of the employee share incentive scheme originally adopted by Tianjin Maoyan Weying on November 8, 2016 (the “2016 ESOP”) following the Reorganization, which was established to recognize and reward the contribution of the participants to the growth and development of Tianjin Maoyan Weying. The 2016 ESOP was terminated as a result of the adoption of the ESOP Plan. The terms of the Pre-IPO Share Option Scheme are not subject to the provisions of Chapter 17 of the Listing Rules as our Pre-IPO Share Option Scheme will not involve the grant of options by us to subscribe for new shares of the Company.

Other Information



Movements of the options granted by the Company pursuant to the Pre-IPO Share Option Scheme during the Reporting Period are as follows:

Category	Exercise price per Share (HK\$)	Date of grant	Exercise period	Closing price immediately prior to date of grant	Outstanding as of January 1, 2024	Granted during the period	Exercised during the period	Weighted average closing price immediately prior to date of exercise (HK\$)	Lapsed during the period	Cancelled during the period	Outstanding as of June 30, 2024	Vesting period (note)
Employee	0.1009	2018/8/1 to 2018/3/1	Eight years from the date of grant	NA	461,515	-	7,910	9.1994	-	-	453,605	1(a)
	14.8000	2018/2/1 to 2018/8/1	Eight years from the date of grant	NA	1,888,068	-	-	NA	-	-	1,888,068	1(b)
		2018/4/11 to 2018/6/1	Eight years from the date of grant	NA	7,710,890	-	-	NA	-	-	7,710,890	1(a)
Total					10,060,473	-	7,910	NA	-	-	10,052,563	



Other Information

Notes:

1. The options granted under the scheme are subject to a vesting schedule and can be exercised in the following manner:

a. Category A

Vesting Date	Percentage that can be exercised
First vesting date	Up to 25% of the options granted
First anniversary of first vesting date	Up to 50% of the options granted
Second anniversary of first vesting date	Up to 75% of the options granted
Third anniversary of first vesting date	Up to all of the options granted

b. Category B

Vesting Date	Percentage that can be exercised
First vesting date	Up to 50% of the share options granted
First anniversary of first vesting date	Up to 75% of the share options granted
Second anniversary of first vesting date	Up to all of the share options granted

Post-IPO Share Option Scheme

The Post-IPO Share Option Scheme was conditionally adopted together with the Restricted Share Agreement, Pre-IPO Share Option Scheme and the RSU Scheme by the Shareholders' resolutions on the Adoption Date and was amended by the Shareholders' resolution on June 28, 2023.

Other Information



Movements of the options granted by the Company pursuant to the Post-IPO Share Option Scheme during the Reporting Period are as follows:

Category	Exercise price per Share (HK\$)	Date of grant	Exercise period	Closing price immediately prior to date of grant (HK\$)	Outstanding as of January 1, 2024	Granted during the period	Exercised during the period	Weighted average closing price immediately prior to date of exercise (HK\$)	Lapsed during the period	Cancelled during the period	Outstanding as of June 30, 2024	Vesting period (note)
Employee	16.2000	2019/5/2	Ten years from the date of grant	16.1000	-	-	-	NA	-	-	-	1(b)
	14.7600	2019/5/10	Ten years from the date of grant	14.1000	1,578,410	-	-	NA	-	-	1,578,410	1(b)
					138,795	-	-		-	-	138,795	1(a)
	11.4360	2019/11/1	Ten years from the date of grant	11.3200	-	-	-	NA	-	-	-	1(b)
	10.5000	2020/4/29	Ten years from the date of grant	10.3200	1,269,646	-	-	NA	-	-	1,269,646	1(a)
					250,000	-	-	NA	-	-	250,000	1(b)
Director												
Zheng Zhihao	13.1360	2021/1/19	Ten years from the date of grant	12.6200	7,533,000	-	-	NA	1,391,942	-	6,141,058	1(a)
Total					10,769,851	-	-	NA	1,391,942	-	9,377,909	

Notes:

- Please refer to note under sub-section headed "Pre-IPO Share Option Scheme" above.
- As at January 1, 2024 and June 30, 2024, the total numbers of Post-IPO Share Options available for grant under the Post-IPO Share Option Scheme were 11,889,550 and 13,281,492, respectively.
- All the above grants were made prior to the effective date of the amendments to Chapter 17 of the Listing Rules.
- There were no share options granted by the Company during the six months ended June 30, 2024.



Other Information

RSU Scheme

The RSU Scheme was adopted on the Adoption Date and was amended by the Shareholders' resolution on June 28, 2023.

Movements of the RSU Scheme during the Reporting Period are as follows:

Category	Date of grant	Total amount of award shares granted	Closing price immediately prior to	Outstanding	Granted during the period	Vested during the period	Lapsed during the period	Cancelled during the period	Outstanding	Vesting period (note)
			date of grant of awards (HK\$)	as of January 1, 2024					as of June 30, 2024	
Employee	2019/5/2	655,425	16.1000	-	-	-	-	-	-	1(b)
	2019/10/8	3,336,336	12.0200	-	-	-	-	-	-	1(a)
	2019/11/1	729,200	11.3200	-	-	-	-	-	-	1(b)
	2020/4/29	8,528,779	10.3200	1,285,842	-	1,285,842	-	-	-	1(a)
		80,000		20,000	-	20,000	-	-	-	1(b)
	2021/5/1	349,378	15.4800	-	-	-	-	-	-	1(b)
		100,000		-	-	-	-	-	-	1(a)
	2021/11/26	760,000	9.2900	335,000	-	-	-	-	335,000	1(a)
		754,100		342,500	-	-	40,000	-	302,500	1(b)
	2022/5/1	200,000	6.2600	200,000	-	100,000	-	-	100,000	1(b)
	2022/11/26	80,000	6.6400	-	-	-	-	-	-	1(b)
	2023/5/4	384,333	8.2800	164,633	-	-	-	-	164,633	1(b)
		518,400		518,400	-	129,600	-	-	388,800	1(a)
	2023/9/20	8,150,000	11.6800	8,130,000	-	-	40,000	-	8,090,000	1(a)
	2023/11/1	237,600	9.3200	237,600	-	-	-	-	237,600	1(b)
	2024/5/6	410,100	9.9900	-	410,100	-	-	-	410,100	1(b)
Total				11,233,975	410,100	1,535,442	80,000	-	10,028,633	



Notes:

1. Please refer to note under sub-section headed “Pre-IPO Share Option Scheme” above.
2. As at January 1, 2024 and June 30, 2024, the total numbers of RSUs available for grant under the RSU Scheme were 13,243,560 and 12,913,460, respectively.
3. The fair value of awards granted on May 6, 2024 as at the date of grant was HK\$9.82 per share. The fair value of these RSUs was determined with reference to the share price of the Company as at the date of grant. As the Company had no history of dividend payment, no expected dividends were taken into account in calculating the fair value of these RSUs.
4. The weighted average closing price of Shares immediately preceding the vesting dates of the awards vested during the six months ended June 30, 2024 was HK\$10.03 per share.
5. The purchase price per share of RSUs was nil.
6. There were no performance targets for all the awards granted during the six months ended June 30, 2024 as disclosed in the announcement of the Company dated May 6, 2024.
7. The total number of Shares that may be issued in respect of options and awards granted under all schemes of the Company during the Reporting Period divided by the weighted average number of the Shares in issue during the Reporting Period is 0.04%.
8. As provided in the RSU Scheme, the scheme shall be valid and effective for a period of eight years since the Adoption Date.

DIRECTORS’ RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as otherwise disclosed in this interim report, at no time during the Reporting Period and up to the date of this interim report was the Company or any of its subsidiaries or holding company or any subsidiary of the Company’s holding company, a party to any arrangement that would enable the Directors to acquire benefits by means of acquisition of shares in, or debentures of, the Company or any other body corporate, and none of the Directors or any of their spouses or children under the age of 18 were granted any right to subscribe for the equity or debt securities of the Company or any other body corporate or had exercised any such right.



Other Information

QUALIFICATION REQUIREMENTS

Updates in Relation to the Qualification Requirements

On December 11, 2001, the State Council promulgated the Regulations for the Administration of Foreign-Invested Telecommunications Enterprises (the “FITE Regulations”), which were amended on September 10, 2008, February 6, 2016 and March 29, 2022. According to the FITE Regulations, foreign investors are not allowed to hold more than 50% of the equity interests in a company providing value-added telecommunications services. In addition, though based on the latest amendment to the FITE Regulations promulgated on March 29, 2022 which came into effect on May 1, 2022, a foreign investor who invests in a value-added telecommunications business in the PRC no longer need to possess prior experience in and a proven track record of operating value-added telecommunications businesses overseas (the “Qualification Requirements”), the guidance memorandum on the application requirement for establishing foreign-invested value-added telecommunications enterprises in the PRC has not yet be updated by the Ministry of Industry and Information Technology of the PRC on its official website and no further implementing regulations or rules to the latest FITE Regulations have been promulgated. According to the current guidance memorandum on its website, an applicant is required to provide, among other things, its annual reports for the past three years, satisfactory proof of the Qualification Requirements and business development scheme. The current guidance memorandum does not provide any further guidance on more proof, record or document required to support the proof satisfying the Qualification Requirements. Further, the current guidance memorandum does not purport to provide an exhaustive list on the application requirements.

Efforts and Actions Undertaken to Comply with the Qualification Requirements

Despite the lack of clear guidance or interpretation on the qualification requirements for foreign investors investing value-added telecommunications business in the PRC and no further implementing regulations or rules to the latest FITE Regulations have been promulgated, referring to the effective guidance memorandum, we had taken the following steps to meet the qualification requirements:

- we set up a subsidiary in Hong Kong, namely Hong Kong Maoyan Live Entertainment Limited, to operate our overseas online ticketing business;
- we have successfully registered a series of trademarks in Hong Kong;
- we have launched the UUTIX ticketing platform to operate our own performance ticketing business in Hong Kong;
- we will continuously monitor future regulatory and policy changes and take further actions when applicable.



Report on Review of Interim Financial Information



羅兵咸永道

To the Board of Directors of Maoyan Entertainment
(incorporated in the Cayman Islands with limited liability)

INTRODUCTION

We have reviewed the interim financial information set out on pages 30 to 85, which comprises the interim condensed consolidated statement of financial position of Maoyan Entertainment (the “Company”) and its subsidiaries (together, the “Group”) as at June 30, 2024 and the interim condensed consolidated statement of comprehensive income, the interim condensed consolidated statement of changes in equity and the interim condensed consolidated statement of cash flows for the six-month period then ended, and selected explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and International Accounting Standard 34 “Interim Financial Reporting”. The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with International Accounting Standard 34 “Interim Financial Reporting”. Our responsibility is to express a conclusion on this interim financial information based on our review and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

We conducted our review in accordance with International Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information of the Group is not prepared, in all material respects, in accordance with International Accounting Standard 34 “Interim Financial Reporting”.

PricewaterhouseCoopers
Certified Public Accountants

Hong Kong, August 26, 2024



Interim Condensed Consolidated Statement of Comprehensive Income

	Note	Six months ended June 30,	
		2024 (Unaudited) RMB'000	2023 (Unaudited) RMB'000
Revenue	6	2,170,895	2,196,877
Cost of revenue	7	(1,014,724)	(1,095,695)
Gross profit		1,156,171	1,101,182
Selling and marketing expenses	7	(511,979)	(366,022)
General and administrative expenses	7	(183,620)	(186,706)
Net impairment losses on financial assets	4.2	(48,115)	(35,266)
Other income	8	25,831	26,253
Other losses, net	8	(31,383)	(21,054)
Operating profit		406,905	518,387
Finance income		52,183	34,341
Finance costs		(3,289)	(3,623)
Finance income, net	9	48,894	30,718
Share of losses of investments accounted for using the equity method	15	(827)	(541)
Impairment losses of investments accounted for using the equity method	15	(3,546)	(8,459)
Profit before income tax		451,426	540,105
Income tax expenses	10	(166,599)	(134,929)
Profit for the period		284,827	405,176
Profit attributable to:			
– Owners of the Company		284,827	406,646
– Non-controlling interests		–	(1,470)
		284,827	405,176
Earnings per share attributable to owners of the Company (expressed in RMB per share)			
– Basic earnings per share	11	0.25	0.36
– Diluted earnings per share	11	0.25	0.35

Interim Condensed Consolidated Statement of Comprehensive Income



	Note	Six months ended June 30,	
		2024 (Unaudited) RMB'000	2023 (Unaudited) RMB'000
Profit for the period		284,827	405,176
Other comprehensive (loss)/income:			
<i>Items that may be reclassified to profit or loss</i>			
Currency translation differences from foreign operations		71	658
<i>Items that will not be reclassified to profit or loss</i>			
Currency translation differences from the Company		25,434	50,711
Changes in the fair value of financial assets at fair value through other comprehensive income, net of tax		(132,734)	8,435
Other comprehensive (loss)/income for the period, net of tax		(107,229)	59,804
Total comprehensive income for the period		177,598	464,980
Total comprehensive income attributable to:			
– Owners of the Company		177,598	466,450
– Non-controlling interests		–	(1,470)
Total comprehensive income for the period		177,598	464,980

The above condensed consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.



Interim Condensed Consolidated Statement of Financial Position

	<i>Note</i>	As at June 30, 2024 (Unaudited) RMB'000	As at December 31, 2023 (Audited) RMB'000
ASSETS			
Non-current assets			
Property, plant and equipment	13	27,726	28,338
Right-of-use assets	14	19,651	27,084
Intangible assets	13	4,809,105	4,855,105
Investments accounted for using the equity method	15	10,028	14,401
Other financial assets measured at amortized cost	16	289,897	–
Financial assets at fair value through other comprehensive income	4.4	397,863	458,866
Financial assets at fair value through profit or loss	4.4	30,074	36,857
Deferred income tax assets	17	37,568	34,741
Prepayments, deposits and other receivables	19	53,194	11,947
		5,675,106	5,467,339
Current assets			
Inventories		36,626	39,431
Accounts receivables	18	544,008	747,741
Prepayments, deposits and other receivables	19	2,984,708	2,564,857
Prepaid income tax		1,866	20,090
Financial assets at fair value through profit or loss	4.4	75,205	15,264
Term deposits with original maturity over three months	20	1,475,021	1,277,048
Restricted bank deposits	20	299,771	261,104
Cash and cash equivalents	20	2,150,568	2,147,222
		7,567,773	7,072,757
Total assets		13,242,879	12,540,096
EQUITY			
Equity attributable to owners of the Company			
Share capital	24	154	154
Reserves	25	8,265,450	8,353,274
Retained earnings		972,905	687,760
		9,238,509	9,041,188
Non-controlling interests		–	(2,911)
Total equity		9,238,509	9,038,277

Interim Condensed Consolidated Statement of Financial Position



	Note	As at June 30, 2024 (Unaudited) RMB'000	As at December 31, 2023 (Audited) RMB'000
LIABILITIES			
Non-current liabilities			
Deferred income tax liabilities	17	77,573	90,586
Lease liabilities	14	3,236	11,705
		80,809	102,291
Current liabilities			
Borrowings	21	477,271	250,000
Accounts payables	22	764,274	880,584
Other payables, accruals and other liabilities	23	2,590,434	2,182,673
Lease liabilities	14	17,589	16,766
Current income tax liabilities		73,993	69,505
		3,923,561	3,399,528
Total liabilities		4,004,370	3,501,819
Total equity and liabilities		13,242,879	12,540,096

The above condensed consolidated statement of financial position should be read in conjunction with the accompanying notes.

On behalf of the Board

ZHENG Zhihao

Executive Director and Chief Executive Officer

LI Li

Senior Financial Director



Interim Condensed Consolidated Statement of Changes in Equity

(Unaudited)	Note	Attributable to owners of the Company					
		Share capital	Reserves	Retained earnings	Total	Non-controlling interests	Total
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
As at January 1, 2024		154	8,353,274	687,760	9,041,188	(2,911)	9,038,277
Profit for the period		-	-	284,827	284,827	-	284,827
Currency translation differences	25	-	25,505	-	25,505	-	25,505
Changes in the fair value of financial assets at fair value through other comprehensive income, net of tax		-	(132,734)	-	(132,734)	-	(132,734)
Total comprehensive income		-	(107,229)	284,827	177,598	-	177,598
Transfer of gain on disposal of equity investments at fair value through other comprehensive income to retained earnings		-	(318)	318	-	-	-
Transactions with owners of the Company							
Transactions with non-controlling interests		-	(2,911)	-	(2,911)	2,911	-
Issuance of new shares under share option scheme	25	-	1	-	1	-	1
Share-based compensation expenses	7,26	-	22,633	-	22,633	-	22,633
Total transactions with owners of the Company		-	19,723	-	19,723	2,911	22,634
As at June 30, 2024		154	8,265,450	972,905	9,238,509	-	9,238,509

Interim Condensed Consolidated Statement of Changes in Equity



(Unaudited)	Note	Attributable to owners of the Company					
		Share capital RMB'000	Reserves RMB'000	(Accumulated losses)/ retained earnings RMB'000	Total RMB'000	Non-controlling interests RMB'000	Total RMB'000
As at January 1, 2023		154	8,328,722	(156,516)	8,172,360	1,415	8,173,775
Profit for the period		-	-	406,646	406,646	(1,470)	405,176
Currency translation differences	25	-	51,369	-	51,369	-	51,369
Changes in the fair value of financial assets at fair value through other comprehensive income, net of tax		-	8,435	-	8,435	-	8,435
Total comprehensive income		-	59,804	406,646	466,450	(1,470)	464,980
Transactions with owners of the Company							
Issuance of new shares under share option scheme	25	-	15	-	15	-	15
Share-based compensation expenses	7,26	-	5,404	-	5,404	339	5,743
Total transactions with owners of the Company		-	5,419	-	5,419	339	5,758
As at June 30, 2023		154	8,393,945	250,130	8,644,229	284	8,644,513

The above condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes.



Interim Condensed Consolidated Statement of Cash Flows

	Note	Six months ended June 30,	
		2024 (Unaudited) RMB'000	2023 (Unaudited) RMB'000
Cash flows from operating activities			
Cash generated from operations		489,285	1,763,007
Interest paid	9	(2,818)	(2,626)
Income tax paid		(159,502)	(129,041)
Net cash generated from operating activities		326,965	1,631,340
Cash flows from investing activities			
Purchases of property, plant and equipment	13	(5,695)	(7,173)
Purchases of intangible assets	13	(571)	(187)
Payments for financial assets at fair value through profit or loss	4.4	(406,750)	(12,825)
Proceeds from disposals of financial assets at fair value through profit or loss	4.4	362,421	10,584
Payments for financial assets at fair value through other comprehensive income	4.4	(71,268)	(55,027)
Proceeds from disposals of financial assets at fair value through other comprehensive income		1,765	–
Interest received		37,918	41,176
Advance of receivables from investments in movies and TV series		(777)	(674)
Repayment of receivables from investments in movies and TV series		59,778	8,500
Advance of loans to third parties		(66,500)	(57,632)
Repayment of loans to third parties		–	11,072
Payments for term deposits with original maturity over three months		(1,304,952)	(207,861)
Proceeds from disposal of term deposits with original maturity over three months		1,126,241	438,964
Dividend received	15	–	36
Proceeds from disposals of investments accounted for using the equity method	15	–	4,381
Payment for other financial assets at amortized cost		(289,897)	–
Net cash (used in)/generated from investing activities		(558,287)	173,334



Interim Condensed Consolidated Statement of Cash Flows

	Note	Six months ended June 30,	
		2024 (Unaudited) RMB'000	2023 (Unaudited) RMB'000
Cash flows from financing activities			
Proceeds from short-term borrowings	21	227,271	–
Repayments of short-term borrowings		–	(235,000)
Principal elements of lease payments		(8,117)	(8,078)
Proceeds from restricted bank deposits		–	36,000
Payments for restricted bank deposits		–	(126,346)
Issuance of new shares under share option scheme	25	1	15
Net cash generated from/(used in) financing activities		219,155	(333,409)
Net (decrease)/increase in cash and cash equivalents			
Cash and cash equivalents at beginning of the period		2,147,222	1,720,875
Exchange gains on cash and cash equivalents		15,513	41,328
Cash and cash equivalents at end of the period		2,150,568	3,233,468

The above condensed consolidated statement of cash flows should be read in conjunction with the accompanying notes.



Notes to the Interim Financial Information

1 GENERAL INFORMATION

Maoyan Entertainment (the “Company”) was incorporated in the Cayman Islands on December 8, 2017 as an exempted company with limited liability under the Companies Act (as revised) of the Cayman Islands. The address of the Company’s registered office is Walkers Corporate Limited, 190 Elgin Avenue, George Town, Grand Cayman KY1-9008, Cayman Islands. The Company’s shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited on February 4, 2019.

The Company is an investment holding company. The Company and its subsidiaries, including structured entities (collectively, the “Group”), are principally engaged in the provision of online entertainment ticketing services, entertainment content services, advertising services and others in the People’s Republic of China (the “PRC”).

The interim condensed consolidated financial information (“Interim Financial Information”) is presented in Renminbi (“RMB”) and all values are rounded to the nearest thousand (RMB’000) except when otherwise indicated.

This Interim Financial Information was approved for issue by the board of directors on August 26, 2024 and has not been audited.

2 BASIS OF PREPARATION

2.1 Basis of preparation and summary of material accounting policy information

The Interim Financial Information for the sixth-month reporting period ended June 30, 2024 have been prepared in accordance with International Accounting Standard (“IAS”) 34 “Interim Financial Reporting” issued by the International Accounting Standards Board.

The interim report does not include all of the notes normally included in an annual consolidated financial statements. Accordingly, this report should be read in conjunction with the annual consolidated financial statements for the year ended December 31, 2023 (“2023 Financial Statements”), which have been prepared in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board (“IFRS Accounting Standards”).

2.2 Accounting policies

The accounting policies adopted are consistent with those of the 2023 Financial Statements, as described in those annual consolidated financial statements, except for the adoption of new and amended IFRS Accounting Standards as set out below. Income tax expense was recognized based on management’s estimate of the annual income tax rate expected for the full financial year.

Notes to the Interim Financial Information



2 BASIS OF PREPARATION *(Continued)*

2.2 Accounting policies *(Continued)*

New and amended standards adopted by the Group

The Group has applied new and amended standards effective for the financial period beginning on January 1, 2024. The adoption of these new and revised standards does not have any significant impact on the Interim Financial Information.

New and amended standards and interpretations not yet adopted

The following new standards and amendments to standards issued by the International Accounting Standards Board have not come into effect for the financial year beginning January 1, 2024 and have not been early adopted by the Group in preparing the Interim Financial Information.

		Effective for annual periods beginning on or after
Amendments to IAS 21	Lack of Exchangeability	January 1, 2025
Amendments to IFRS Accounting Standards 9 and IFRS Accounting Standards 7	Disclosures' on classification and measurement of financial instruments	January 1, 2026
Annual improvements to IFRS Accounting Standards	Annual Improvements to IFRS Accounting Standards – Volume 11	January 1, 2026
New standards IFRS Accounting Standards 18	Presentation and Disclosure in Financial Statements	January 1, 2027
New standards IFRS Accounting Standards 19	Subsidiaries without Public Accountability: Disclosures	January 1, 2027

The Group will adopt the above new or revised standards, amendments and interpretations to existing standards as and when they become effective. Management has performed preliminary assessment and does not anticipate any material impact on the Group's financial position and results of operations upon adopting these standards, amendments to standards and interpretations to the existing IFRS Accounting Standards.



Notes to the Interim Financial Information

2 BASIS OF PREPARATION *(Continued)*

2.3 Subsidiaries controlled through contractual arrangements

Maoyan Entertainment (HK) Limited (“Maoyan Entertainment HK”), the subsidiary of the Group, established Tianjin Maoyan Weying Technology Co., Ltd. (the “WFOE”), has entered into the contractual arrangements (“Contractual Arrangements”) with Tianjin Maoyan Weying Cultural Media Co., Ltd. (“Tianjin Maoyan Weying”) and its registered shareholders, which enables the WFOE and the Group to:

- Exercise effective control over the Tianjin Maoyan Weying and its subsidiaries (the “Operating Entities”);
- Exercise owners’ voting rights of the Operating Entities;
- Receive substantially all of the economic interests and returns generated by the Operating Entities in consideration for the technical support, consulting and other services provided exclusively by the WFOE, at the WFOE’s discretion;
- Obtain an irrevocable and exclusive right to purchase all equity interests in Tianjin Maoyan Weying from its registered shareholders at a nominal consideration unless the relevant government authorities request that another amount be used as the purchase consideration and in which case the purchase consideration shall be such amount. Where the purchase consideration is required by the relevant government authorities to be an amount other than a nominal amount, the registered shareholders of Tianjin Maoyan Weying shall return the amount of purchase consideration they have received to the WFOE. At the WFOE’s request, the registered shareholders of Tianjin Maoyan Weying will promptly and unconditionally transfer their respective equity interests of Tianjin Maoyan Weying to the WFOE (or its designee within the Group) after the WFOE exercises its purchase right; and
- Obtain pledges over the entire equity interests in Tianjin Maoyan Weying from its registered shareholders to secure, among others, performance of their obligations under the Contractual Arrangements.

Notes to the Interim Financial Information



2 BASIS OF PREPARATION *(Continued)*

2.3 Subsidiaries controlled through contractual arrangements *(Continued)*

The Group does not have any equity interest in the Operating Entities. However, as a result of the Contractual Arrangements, the Group has rights to variable returns from its involvement with the Operating Entities and has the ability to affect those returns through its power over the Operating Entities and is considered to control the Operating Entities. Consequently, the Company regards the Operating Entities as controlled structure entities and consolidated the financial position and results of operations of these entities in the Interim Financial Information of the Group during the six months ended June 30, 2024 and consolidated financial statements of the Group during the years ended December 31, 2023.

Nevertheless, there are still uncertainties regarding the interpretation and application of current and future PRC laws and regulations. The Directors of the Group, based on the advice of its legal counsel, consider that the use of Contractual Arrangements does not constitute a breach of relevant laws and regulations.

3 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the Interim Financial Information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this Interim Financial Information, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the 2023 Financial Statements.



Notes to the Interim Financial Information

4 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

4.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, fair value interest rate risk and price risk), credit risk and liquidity risk.

This Interim Financial Information does not include all financial risk management information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the 2023 Financial Statements.

There have been no material changes in the risk management policies since December 31, 2023.

4.2 Credit risk

The Group is exposed to credit risk primarily in relation to its cash and cash equivalents, restricted bank deposits and term deposits with original maturity over three months placed with banks and financial institutions as well as accounts receivables and other receivables. The carrying amount of each class of the above financial assets represents the Group's maximum exposure to credit risk in relation to the corresponding class of financial assets.

(a) Risk management

To manage risk arising from cash and cash equivalents, restricted bank deposits and term deposits with original maturity over three months, the Group only transacts with state-owned or reputable financial institutions in Hong Kong and mainland China. There has been no recent history of default in relation to these financial institutions. The Group has large number of debtors and there was no concentration of credit risk. The Group has monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverability of these trade and other receivables at the end of each reporting period to ensure that adequate impairment losses are made for irrecoverable amounts.

Notes to the Interim Financial Information



4 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS *(Continued)*

4.2 Credit risk *(Continued)*

(b) Impairment of financial assets

The Group has three types of financial assets that are subject to the expected credit loss model:

- Cash and cash equivalents, restricted bank deposits and term deposits with original maturity over three months
- Accounts receivables
- Other receivables

While cash and cash equivalents, restricted bank deposits and term deposits with original maturity over three months are also subject to the impairment requirements of IFRS Accounting Standards 9, the identified impairment loss was immaterial as they were mainly placed in reputable institutions in Hong Kong and mainland China with sound credit ratings.

Accounts receivables

The Group applies the simplified approach to provide for expected credit losses prescribed by IFRS Accounting Standards 9, which permits the use of the lifetime expected loss provision for all accounts receivables. To measure the expected credit losses, accounts receivables have been grouped based on share credit risk characteristics and the days past due.

The expected loss rates are based on the aging profiles of accounts receivables over a period before the June 30, 2024 or January 1, 2024 respectively and the corresponding historical credit losses expected within this period. These historical loss rates are then adjusted to reflect current and forward-looking information on macro-economic factors affecting the ability of the customers to settle the receivables. The Group has identified the “urban per capita disposable income” of the PRC in which it sells its services to be the most relevant factor, and accordingly adjusts the historical loss rates based on expected changes in this factor in different scenarios.



Notes to the Interim Financial Information

4 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS *(Continued)*

4.2 Credit risk *(Continued)*

(b) Impairment of financial assets *(Continued)*

Accounts receivables *(Continued)*

On such basis, the loss allowance as at June 30, 2024 and December 31, 2023 was determined as follows for accounts receivables:

	Current RMB'000	Up to 3 months past due RMB'000	3 to 6 months past due RMB'000	6 to 12 months past due RMB'000	Over 1 year past due RMB'000	Total RMB'000
As at June 30, 2024 (Unaudited)						
On collective basis						
Expected loss rate	7.58%	13.90%	21.72%	34.78%	75.42%	23.36%
Gross carrying amount	302,943	169,867	56,611	71,605	108,801	709,827
Loss allowance provision	22,949	23,617	12,297	24,902	82,054	165,819
On individual basis						
Expected loss rate	-	-	-	-	100.00%	100.00%
Gross carrying amount	-	-	-	-	244,370	244,370
Loss allowance provision	-	-	-	-	244,370	244,370
Total						
Expected loss rate	7.58%	13.90%	21.72%	34.78%	92.43%	42.99%
Gross carrying amount	302,943	169,867	56,611	71,605	353,171	954,197
Loss allowance provision	22,949	23,617	12,297	24,902	326,424	410,189

Notes to the Interim Financial Information



4 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Continued)

4.2 Credit risk (Continued)

(b) Impairment of financial assets (Continued)

Accounts receivables (Continued)

	Current RMB'000	Up to 3 months past due RMB'000	3 to 6 months past due RMB'000	6 to 12 months past due RMB'000	Over 1 year past due RMB'000	Total RMB'000
As at December 31, 2023						
(Audited)						
On collective basis						
Expected loss rate	7.29%	12.09%	15.67%	30.90%	73.12%	16.26%
Gross carrying amount	625,909	112,534	24,703	30,386	99,376	892,908
Loss allowance provision	45,635	13,610	3,871	9,389	72,662	145,167
On individual basis						
Expected loss rate	-	-	-	-	100.00%	100.00%
Gross carrying amount	-	-	-	-	225,115	225,115
Loss allowance provision	-	-	-	-	225,115	225,115
Total						
Expected loss rate	7.29%	12.09%	15.67%	30.90%	91.77%	33.12%
Gross carrying amount	625,909	112,534	24,703	30,386	324,491	1,118,023
Loss allowance provision	45,635	13,610	3,871	9,389	297,777	370,282



Notes to the Interim Financial Information

4 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS *(Continued)*

4.2 Credit risk *(Continued)*

(b) Impairment of financial assets *(Continued)*

Accounts receivables *(Continued)*

The loss allowances for accounts receivables as at June 30, 2024 and December 31, 2023, reconcile to the opening loss allowances as follows:

	As at June 30, 2024 (Unaudited) RMB'000	As at December 31, 2023 (Audited) RMB'000
At the beginning of the period/year	370,282	252,530
Impairment provision for the period/year	39,907	117,752
At the end of the period/year	410,189	370,282

Accounts receivables are written off where there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group.

Notes to the Interim Financial Information



4 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS *(Continued)*

4.2 Credit risk *(Continued)*

(b) Impairment of financial assets *(Continued)*

Other receivables

Other receivables primarily comprise balances resulted from the Group's principal activities with various business partners primarily in the PRC entertainment industry. The impairment loss of these financial assets carried at amortized cost is measured based on the twelve months expected credit loss. The directors of the Company consider the probability of default upon initial recognition of assets and whether there has been significant increase in credit risk on an ongoing basis. To assess whether there is a significant increase in credit risk, the Group compares risk of a default occurring on the assets as at the reporting date with the risk of default as at the date of initial recognition. Especially the following indicators are incorporated:

- external credit rating;
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the customer's ability to meet its obligations; and
- significant changes in the expected performance and behaviour of the borrowers, including changes in the payment status of borrowers and changes in the operating results of the borrowers.

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 30 days past due in making a contractual payment. Under such case, the other receivables are classified as stage 2 and subject to lifetime expected losses provision. When the other receivables became past due for more than 90 days, they are treated as credit-impaired and therefore classified as stage 3.

A default on a financial asset is when the counterparty fails to make contractual payments when they fall due.

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. Where other receivables have been written off, the Company continues to engage in follow-up actions such as enforcement activities to attempt to recover the receivable due. Where recoveries are made, these are recognized in profit or loss.



Notes to the Interim Financial Information

4 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS *(Continued)*

4.2 Credit risk *(Continued)*

(b) Impairment of financial assets *(Continued)*

Other receivables *(Continued)*

Management uses three categories for other receivables which reflect their credit risk and how the loss provision is determined for each of those categories.

A summary of the assumptions underpinning the Group's expected credit loss model on other receivables is as follows:

Category	The Group's definition of category	Basis for recognition of expected credit loss provision
Stage 1	Other receivables whose credit risk is in line with original expectations and/or past due for less than 30 days.	12 month expected losses. Where the expected lifetime of an asset is less than 12 months, expected losses are measured at its expected lifetime
Stage 2	Other receivables for which a significant increase has occurred compared to original expectations; A significant increase in credit risk is presumed if interest and/or principal repayments are past due for more than 30 days but less than 90 days.	Lifetime expected losses
Stage 3	Interest and/or principal repayments are more than 90 days past due or it becomes probable that a customer will enter bankruptcy.	Lifetime expected losses

In calculating the expected credit loss rates, the Group considers historical loss rates for each category of debtors, and adjusts for forward-looking macroeconomic data.

Notes to the Interim Financial Information



4 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS *(Continued)*

4.2 Credit risk *(Continued)*

(b) Impairment of financial assets *(Continued)*

Other receivables *(Continued)*

As at June 30, 2024, the Group provides for expected credit losses against other receivables as follows:

As at June 30, 2024 (Unaudited)	Stage 1 RMB'000	Stage 2 RMB'000	Stage 3 RMB'000	Total RMB'000
Gross carrying amount				
Deposits and receivables for online entertainment ticketing, e-commerce and other services	586,264	–	221,730	807,994
Loans to third parties	88,214	44,685	116,781	249,680
Amounts due from related parties	137,612	–	4,727	142,339
Receivables for investments in movies and TV series	20,016	–	59,611	79,627
Deposits for rental and others	61,927	–	–	61,927
Receivables from transfer of investments in movies and TV series	20,060	–	–	20,060
Others	51,517	–	9,896	61,413
	965,610	44,685	412,745	1,423,040
Loss allowance				
Deposits and receivables for online entertainment ticketing, e-commerce and other services	11,866	–	221,730	233,596
Loans to third parties	1,994	21,742	116,781	140,517
Amounts due from related parties	125	–	4,727	4,852
Receivables for investments in movies and TV series	415	–	59,611	60,026
Deposits for rental and others	753	–	–	753
Receivables from transfer of investments in movies and TV series	597	–	–	597
Others	101	–	9,896	9,997
	15,851	21,742	412,745	450,338
Expected credit loss rate	1.64%	48.66%	100.00%	31.65%



Notes to the Interim Financial Information

4 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS *(Continued)*

4.2 Credit risk *(Continued)*

(b) Impairment of financial assets *(Continued)*

Other receivables *(Continued)*

As at December 31, 2023, the Group provides for expected credit losses against other receivables as follows:

As at December 31, 2023 (Audited)	Stage 1 RMB'000	Stage 2 RMB'000	Stage 3 RMB'000	Total RMB'000
Gross carrying amount				
Deposits and receivables for online entertainment ticketing, e-commerce and other services	463,602	–	223,354	686,956
Loans to third parties	80,810	–	115,065	195,875
Amounts due from related parties	180,354	–	4,717	185,071
Receivables for investment in movies and TV series	74,196	–	60,432	134,628
Deposits for rental and others	55,727	–	–	55,727
Receivables from transfer of investments in movies and TV series	30,897	–	–	30,897
Others	41,386	–	24,372	65,758
	926,972	–	427,940	1,354,912
Loss allowance				
Deposits and receivables for online entertainment ticketing, e-commerce and other services	9,179	–	223,354	232,533
Loans to third parties	1,090	–	115,065	116,155
Amounts due from related parties	290	–	4,717	5,007
Receivables for investment in movies and TV series	407	–	60,432	60,839
Deposits for rental and others	1,491	–	–	1,491
Receivables from transfer of investments in movies and TV series	1,040	–	–	1,040
Others	693	–	24,372	25,065
	14,190	–	427,940	442,130
Expected credit loss rate	1.53%	–	100.00%	32.63%

Notes to the Interim Financial Information



4 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Continued)

4.2 Credit risk (Continued)

(b) Impairment of financial assets (Continued)

Other receivables (Continued)

The loss allowances for other receivables as at June 30, 2024 and December 31, 2023, reconcile to the opening loss allowances as follows:

	As at June 30, 2024 (Unaudited) RMB'000	As at December 31, 2023 (Audited) RMB'000
At the beginning of the period/year	442,130	439,335
Impairment provision for the period/year	8,208	2,795
At the end of the period/year	450,338	442,130

As at June 30, 2024, the maximum credit risk exposure of other receivables amounted to approximately RMB1,423,040,000 (as at December 31, 2023: approximately RMB1,354,912,000).

4.3 Liquidity risk

Compared to the year ended December 31, 2023, there was no material change in the contractual undiscounted cash outflows for financial liabilities. The Group exercises prudent liquidity risk management by maintaining sufficient cash and bank balances. The Group's liquidity risk is further mitigated through the availability of financing through its own cash resources and the availability of banking facilities to meet its financial commitments. In the opinion of the directors of the Company, the Group does not have any significant liquidity risk.



Notes to the Interim Financial Information

4 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS *(Continued)*

4.4 Fair value estimation

The table below analyses the Group's financial instruments carried at fair value, by the levels of inputs to valuation techniques used to measure fair value. The inputs to valuation techniques are categorised into three levels within a fair value hierarchy as follows:

- Level 1 – Quoted prices unadjusted in active markets for identical assets or liabilities.
- Level 2 – Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly that is, as prices or indirectly that is, derived from prices.
- Level 3 – Inputs for the asset or liability that are not based on observable market data that is, unobservable inputs.

The following table presents the Group's financial assets that are measured at fair value as at June 30, 2024.

(Unaudited)	Level 1	Level 2	Level 3	Total
	RMB'000	RMB'000	RMB'000	RMB'000
Financial assets at fair value through profit or loss				
Investments in wealth management products	–	50,013	–	50,013
Investments in movies, TV series and entertainment events	–	–	25,192	25,192
Unlisted investments	–	–	30,074	30,074
	–	50,013	55,266	105,279
Financial assets at fair value through other comprehensive income				
Listed investments	156,381	–	–	156,381
Unlisted investments	–	–	241,482	241,482
	156,381	–	241,482	397,863

Notes to the Interim Financial Information



4 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Continued)

4.4 Fair value estimation (Continued)

The following table presents the Group's financial assets that are measured at fair value as at December 31, 2023.

(Audited)	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
Financial assets at fair value through profit or loss				
Investment in movies, TV series and entertainment events	–	–	15,264	15,264
Unlisted investments	–	–	36,857	36,857
	–	–	52,121	52,121
Financial assets at fair value through other comprehensive income				
Listed investments	234,592	–	–	234,592
Unlisted investments	–	–	224,274	224,274
	234,592	–	224,274	458,866

The fair value of financial instruments traded in active markets is determined based on quoted market prices at the end of the reporting period. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required for evaluating the fair value of a financial instrument are observable, the instrument is included in level 2.



Notes to the Interim Financial Information

4 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS *(Continued)*

4.4 Fair value estimation *(Continued)*

If one or more of the significant inputs are not based on observable market data, the instrument is included in level 3.

Specific valuation techniques used to value financial instruments include:

- Dealer quotes for similar instruments;
- Other techniques, such as discounted cash flow (DCF) analysis and market approach, are used to determine fair value for financial instruments.

During the six months ended June 30, 2024 and the year ended December 31, 2023, there was no transfer between level 1, 2 and 3 for recurring fair value measurements.

Valuation processes of the Group (Level 3)

The Group has a team of personnel who performs valuation on these level 3 instruments for financial reporting purposes. On an semi-annual basis, the team adopts various valuation techniques to determine the fair value of the Group's level 3 instruments.

The components of the level 3 instruments mainly include investments in movies, TV series and entertainment events and unlisted investments. As these instruments are not traded in an active market, their fair values have been determined using various applicable valuation techniques, including DCF approach and market approach, etc. Major assumptions used in the valuation include historical financial results, assumptions about future growth rates, estimates of weighted average cost of capital (WACC), recent market transactions, discount for lack of marketability and other exposure etc. The fair value of these instruments determined by the Group requires significant judgement, including the likelihood of non-performing by the investee company, financial performance of the investee company, market value of comparable companies as well as discount rate, etc.

The investment in movies, TV series and entertainment events mainly represent the investments in certain movies, TV series and entertainment events. The Group used DCF approach to evaluate the fair value of the investments in movies, TV series and entertainment events as at June 30, 2024. Based on the Group's evaluation, fair value gains of the investments amounting to approximately RMB14,855,000 (during the six months ended June 30, 2023: approximately RMB8,202,000) had been recognized under "revenue" for the six months ended June 30, 2024 (Note 6).

Notes to the Interim Financial Information



4 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (Continued)

4.4 Fair value estimation (Continued)

Valuation processes of the Group (Level 3) (Continued)

The unlisted investments represent the investments in certain privately owned companies. The Group used market approach and DCF approach to evaluate the fair value of the unlisted investments as at June 30, 2024.

The carrying amounts of the Group's financial assets and liabilities including cash and cash equivalents, restricted bank deposits, term deposits with original maturity over three months, accounts receivables, other receivables, accounts payables, other payables and borrowings approximate to their fair values due to their short maturities.

The following table summarises the information about the key inputs and valuation techniques used in the fair value measurement:

Description	Fair value at		Unobservable inputs	Range of inputs		Key inputs and relationships of unobservable inputs to fair value
	June 30, 2024 RMB'000	December 31, 2023 RMB'000		June 30, 2024	December 31, 2023	
Investment in movies, TV series and entertainment events	25,192	15,264	Discount rate	10.0%- 11.0%	10.0%- 11.0%	Expected future cash flows are discounted at rates that reflect the internal rates of return of the underlying investments. The higher internal rates of return, the lower the fair value.
Investment in unlisted equity securities	271,556	261,131	Discount rate	5.00%- 12.00%	5.00%- 12.00%	Expected future cash flows are discounted at rates that reflect the internal rates of return of the underlying investments. The higher internal rates of return, the lower the fair value.
			Discount rate for lack of marketability	15.0%- 24.0%	16.0%- 20.0%	Reference to a combination of unobservable inputs, including market multiples, discount rate for lack of marketability, etc.
			Price-to-Book Ratio	3.35x	4.77x	The lower the discount rate for lack of marketability, the higher the fair value.
			Enterprise value/Sales	3.75x- 11.46x	6.29x- 89.25x	The higher the market multiples, the higher the fair value.



Notes to the Interim Financial Information

4 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS *(Continued)*

4.4 Fair value estimation *(Continued)*

The following table presents the movements in investments in wealth management products, movies, TV series and entertainment events and investments in listed equity securities and unlisted equity securities for the period ended June 30, 2024 and year ended December 31, 2023:

	Financial assets at fair value through profit or loss			
	Investments			Total RMB'000
	Investments	in movies,	Investments	
	in wealth	TV series, and	in unlisted	
management	entertainment	equity		
	products	events	securities	
	RMB'000	RMB'000	RMB'000	RMB'000
As January 1, 2023	–	42,476	23,245	65,721
Additions	–	12,825	–	12,825
Disposals	–	(10,584)	–	(10,584)
Fair value changes	–	8,202	(3,245)	4,957
As at June 30, 2023	–	52,919	20,000	72,919
As January 1, 2024	–	15,264	36,857	52,121
Additions	400,000	6,750	–	406,750
Disposals	(350,744)	(11,677)	–	(362,421)
Fair value changes	757	14,855	(6,783)	8,829
As at June 30, 2024	50,013	25,192	30,074	105,279

Notes to the Interim Financial Information



4 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS *(Continued)*

4.4 Fair value estimation *(Continued)*

	Financial assets at fair value through other comprehensive income		
	Investments in listed equity securities RMB'000	Investments in unlisted equity securities RMB'000	Total RMB'000
As January 1, 2023	212,767	217,785	430,552
Additions	34,104	20,923	55,027
Fair value changes	8,435	–	8,435
Currency translation differences	10,651	4,311	14,962
As at June 30, 2023	265,957	243,019	508,976
As January 1, 2024	234,592	224,274	458,866
Additions (a)	–	71,268	71,268
Disposals	(1,765)	–	(1,765)
Fair value changes	(77,828)	(55,131)	(132,959)
Currency translation differences	1,382	1,071	2,453
As at June 30, 2024	156,381	241,482	397,863

- (a) During the six months ended June 30, 2024, the Group invested in an unlisted company at a consideration of approximately USD10,000,000 (equivalent to approximately RMB71,268,000). Since the Group has no board seat in the company and the investment is intended to hold as strategic investments without trading purpose, management designated this investment as financial assets at fair value through other comprehensive income.



Notes to the Interim Financial Information

5 SEGMENT INFORMATION

The Group's business activities, for which discrete financial statements are available, are regularly reviewed and evaluated by the chief operating decision-makers, being the executive directors of the Group.

As a result of this evaluation, the executive directors of the Group consider that the Group's operations are operated and managed as a single segment; accordingly no segment information is presented.

The Company is domiciled in the Cayman Islands while the Group mainly operates its businesses in the PRC and earns substantially all of the revenue from external customers in the PRC.

As at June 30, 2024, substantially all of the non-current assets were located in the PRC.

6 REVENUE

	Six months ended June 30,	
	2024 (Unaudited) RMB'000	2023 (Unaudited) RMB'000
Revenue from contracts with customers under IFRS Accounting Standards 15		
Online entertainment ticketing services	1,046,119	1,015,845
Entertainment content services	1,009,174	1,091,872
Advertising services and others	100,747	80,958
	2,156,040	2,188,675
Gains on movies, TV series and entertainment events investments <i>(Note 4.4)</i>	14,855	8,202
Total revenue	2,170,895	2,196,877

	Six months ended June 30,	
	2024 (Unaudited) RMB'000	2023 (Unaudited) RMB'000
Revenue at a point in time	1,079,421	1,046,357
Revenue over time	1,076,619	1,142,318
Revenue from contract with customers under IFRS Accounting Standards 15	2,156,040	2,188,675

Notes to the Interim Financial Information



7 EXPENSES BY NATURE

	Six months ended June 30,	
	2024	2023
	(Unaudited) RMB'000	(Unaudited) RMB'000
Marketing and promotion expenses	377,776	261,835
Internet infrastructure cost	285,267	209,104
Content distribution and promotion cost	273,681	330,591
Staff costs excluding share options and restricted stock units ("RSUs") granted to directors and employees	231,914	222,668
Ticketing system cost	222,174	234,165
Content production cost	115,499	220,229
Amortization of intangible assets (Note 13)	46,571	48,569
Share options and RSUs granted to directors and employees (Note 26)	22,633	5,404
Tax and levies	12,218	10,350
Depreciation of right-of-use assets (Note 14)	7,433	7,039
Depreciation of property, plant and equipment (Note 13)	6,240	4,716
Rental expense for short-term and low-value leases (Note 14)	2,971	4,862
Expenses from other share-based payment transaction	-	339
Other expenses	105,946	88,552
Total cost of revenue, selling and marketing expenses and general and administrative expenses	1,710,323	1,648,423

During the six months ended June 30, 2024, the Group incurred expenses for the purpose of research and development of approximately RMB100,553,000 (during the six months ended June 30, 2023: approximately RMB112,148,000), which primarily comprised employee benefits expenses of approximately RMB84,220,000 (during the six months ended June 30, 2023: approximately RMB103,362,000).



Notes to the Interim Financial Information

8 OTHER INCOME AND OTHER LOSSES, NET

	Six months ended June 30,	
	2024 (Unaudited) RMB'000	2023 (Unaudited) RMB'000
Other income		
Government subsidies	25,831	22,143
Tax credit of input tax additional deduction	–	4,110
	25,831	26,253
Other losses, net		
Net foreign exchange losses	(25,006)	(10,660)
Net fair loss on wealth management products and unlisted investments classified as financial assets at fair value through profit or loss (Note 4.4)	(6,026)	(3,245)
Loss on disposals of property, plant and equipment	(67)	(62)
Loss on disposals of investments accounted for using the equity method	–	(7,663)
Dividend from unlisted investments classified as financial assets at fair value through profit or loss	–	515
Others	(284)	61
	(31,383)	(21,054)

Notes to the Interim Financial Information



9 FINANCE INCOME, NET

	Six months ended June 30,	
	2024 (Unaudited) RMB'000	2023 (Unaudited) RMB'000
Finance income:		
– Interest income from bank deposits and loans to third parties	52,183	34,341
Finance costs:		
– Interest expense on bank borrowings	(2,818)	(2,626)
– Unwinding of interests on lease liabilities (Note 14)	(471)	(997)
Finance income, net	48,894	30,718

10 INCOME TAX EXPENSES

	Six months ended June 30,	
	2024 (Unaudited) RMB'000	2023 (Unaudited) RMB'000
Current income tax (a)	182,214	154,547
Deferred income tax	(15,615)	(19,618)
Income tax expenses	166,599	134,929

- (a) The high-tech enterprise qualification of a profitable subsidiary of the Group has expired, and the new qualification has not been obtained by the time of issuance of the Interim Financial Information. Management decided to use 25% as the estimated average annual tax rate due to the uncertainty.



Notes to the Interim Financial Information

11 EARNINGS PER SHARE

(a) Basic earnings per share

	Six months ended June 30,	
	2024 (Unaudited)	2023 (Unaudited)
Profit attributable to owners of the Company (RMB'000)	284,827	406,646
Weighted average number of ordinary shares outstanding (thousand)	1,120,063	1,119,468
Weighted average number of vested restricted shares outstanding (thousand)	27,447	25,206
Total weighted average number of shares outstanding (thousand)	1,147,510	1,144,674
Basic earnings per share (in RMB)	0.25	0.36

Basic earnings per share are calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares outstanding and weighted average number of vested restricted shares outstanding during the respective periods.

Notes to the Interim Financial Information



11 EARNINGS PER SHARE (Continued)

(b) Diluted earnings per share

	Six months ended June 30,	
	2024	2023
	(Unaudited)	(Unaudited)
Profit attributable to owners of the Company (RMB'000)	284,827	406,646
Total weighted average number of shares outstanding (thousand)	1,147,510	1,144,674
Adjustments for share-based compensation – share options (thousand)	211	302
Adjustments for share-based compensation – RSUs (thousand)	6,915	1,999
Weighted average number of shares for diluted earnings per share (thousand)	1,154,636	1,146,975
Diluted earnings per share (in RMB)	0.25	0.35

Diluted earnings per share are calculated by adjusting the weighted average number of shares outstanding to assume conversion of all dilutive potential shares.

For the six months ended June 30, 2024 and 2023, the Company had dilutive potential ordinary shares of share options and RSUs granted to employees (Note 26). The number of shares that would have been issued assuming the exercise of the share options less the number of shares that would have been issued at assumed exercise price (determined as any amount that the employees must pay upon exercise and the balance of any amounts calculated under IFRS Accounting Standards that have not yet been charged to income statement) are incremental shares issued for nil consideration which causes dilution to earnings per share. The number of shares that would have been issued also assuming the exercise of the RSUs less the number of shares that would have been issued at assumed exercise price (determined as the balance of any amounts calculated under IFRS Accounting Standards that have not yet been charged to income statement) are incremental shares issued for nil consideration which causes dilution to earnings per share.

12 DIVIDENDS

No dividends have been paid or declared by the Company during the six months ended June 30, 2024 (during the six months ended June 30, 2023: Nil).



Notes to the Interim Financial Information

13 PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

	Property, plant and equipment RMB'000	Goodwill RMB'000	Other intangible assets RMB'000
Six months ended June 30, 2023 (Unaudited)			
Opening net book amount	18,477	4,504,884	443,085
Additions	7,173	–	187
Disposals	(62)	–	–
Depreciation and amortization	(4,716)	–	(48,569)
Closing net book amount	20,872	4,504,884	394,703
As at June 30, 2023			
Cost	90,990	4,504,884	1,156,582
Accumulated depreciation/amortization	(70,118)	–	(761,879)
Net book amount	20,872	4,504,884	394,703
Six months ended June 30, 2024 (Unaudited)			
Opening net book amount	28,338	4,504,884	350,221
Additions	5,695	–	571
Disposals	(67)	–	–
Depreciation and amortization	(6,240)	–	(46,571)
Closing net book amount	27,726	4,504,884	304,221
As at June 30, 2024			
Cost	110,478	4,504,884	1,159,205
Accumulated depreciation/amortization	(82,752)	–	(854,984)
Net book amount	27,726	4,504,884	304,221

The Company normally performs goodwill impairment test in the fourth quarter of each year, and there is no indicator for impairment of goodwill as of June 30, 2024. For details of goodwill impairment assessment for the year ended December 31, 2023, please refer to the 2023 Financial Statements.

Notes to the Interim Financial Information



14 LEASES

(a) Balance recognized in the interim condensed consolidated statement of financial position relating to leases

Right-of-use assets

	Six months ended June 30,	
	2024 (Unaudited) RMB'000	2023 (Unaudited) RMB'000
Lease properties		
At the beginning of the period	27,084	37,596
Additions	–	3,470
Depreciation	(7,433)	(7,039)
At the end of the period	19,651	34,027

Lease liabilities

	As at June 30, 2024 (Unaudited) RMB'000	As at December 31, 2023 (Audited) RMB'000
	Lease properties	
Current portion	17,589	16,766
Non-current portion	3,236	11,705
Total lease liabilities	20,825	28,471

As at June 30, 2024 and December 31, 2023, the carrying amounts of the Group's lease liabilities were denominated in RMB.

(b) Amounts recognized in the interim condensed consolidated statement of comprehensive income relating to leases

	Six months ended June 30,	
	2024 (Unaudited) RMB'000	2023 (Unaudited) RMB'000
Depreciation of right-of-use assets (<i>Note 7</i>)	7,433	7,039
Rental expenses for short-term and low-value leases (<i>Note 7</i>)	2,971	4,862
Unwinding of interests on lease liabilities (<i>Note 9</i>)	471	997



Notes to the Interim Financial Information

15 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	Six months ended June 30,	
	2024 (Unaudited) RMB'000	2023 (Unaudited) RMB'000
At the beginning of the period	14,401	44,946
Additions	–	2,000
Disposals	–	(12,044)
Share of losses	(827)	(541)
Dividend received	–	(36)
Impairment provision	(3,546)	(8,459)
At the end of the period	10,028	25,866

16 OTHER FINANCIAL ASSETS MEASURED AT AMORTIZED COST

	As at June 30, 2024 (Unaudited) RMB'000	As at December 31, 2023 (Audited) RMB'000
Treasury bond	289,897	–

Financial assets measured at amortized cost were primarily treasury bonds of USD40,000,000 with coupon rate ranging from 4.50% to 4.63% and maturity from 3 to 5 years. These financial assets are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest, so they are measured at amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method.

Notes to the Interim Financial Information



17 DEFERRED INCOME TAX

The analysis of deferred income tax assets and liabilities is as follows:

	As at June 30, 2024 (Unaudited) RMB'000	As at December 31, 2023 (Audited) RMB'000
Total gross deferred income tax assets	42,481	41,512
Offsetting	(4,913)	(6,771)
Net deferred income tax assets	37,568	34,741
– to be recovered within 12 months	–	–
– to be recovered after 12 months	37,568	34,741
	37,568	34,741
Total gross deferred income tax liabilities	82,486	97,357
Offsetting	(4,913)	(6,771)
Net deferred income tax liabilities	77,573	90,586
– to be recovered within 12 months	22,183	22,183
– to be recovered after 12 months	55,390	68,403
	77,573	90,586
Deferred tax income liabilities, net	(40,005)	(55,845)



Notes to the Interim Financial Information

18 ACCOUNTS RECEIVABLES

	As at June 30, 2024 (Unaudited) RMB'000	As at December 31, 2023 (Audited) RMB'000
Related parties (<i>Note 28</i>)	23,499	17,690
Third parties	930,698	1,100,333
	954,197	1,118,023
Less: allowance for impairment (<i>Note 4.2(b)</i>)	(410,189)	(370,282)
	544,008	747,741

(a) The carrying amounts of the accounts receivables balances approximated to their fair value as at June 30, 2024 and as at December 31, 2023.

(b) Aging analysis of the gross accounts receivables based on recognition date is as follows:

	As at June 30, 2024 (Unaudited) RMB'000	As at December 31, 2023 (Audited) RMB'000
0–90 days	340,028	545,240
91–180 days	108,372	172,129
181–365 days	152,626	76,163
Over 365 days	353,171	324,491
	954,197	1,118,023

Notes to the Interim Financial Information



19 PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	As at June 30, 2024 (Unaudited) RMB'000	As at December 31, 2023 (Audited) RMB'000
Prepayments for:		
-investments and productions in movies, TV series and entertainment events (a)	1,966,611	1,576,488
-contract fulfilment costs for movie productions (b)	246,524	180,057
-operating expenses (c)	39,759	62,811
-others	9,549	16,565
Total of prepayments	2,262,443	1,835,921
Less: impairment for prepayments (a)	(197,243)	(171,899)
Total of prepayments – net	2,065,200	1,664,022
Deposits and other receivables:		
Deposits and receivables for online entertainment ticketing, e-commerce and other services (d)	807,994	686,956
Loans to third parties (e)	249,680	195,875
Amounts due from related parties (Note 28)	142,339	185,071
Receivables from investments in movies and TV series (f)	79,627	134,628
Deposits for rentals and others	61,927	55,727
Receivables from transfer of investments in movies and TV series	20,060	30,897
Others	61,413	65,758
Total of deposits and other receivables	1,423,040	1,354,912
Less: impairment for deposits and other receivables (Note 4.2(b))	(450,338)	(442,130)
Total of deposits and other receivables – net	972,702	912,782
Total of prepayment, deposits and other receivables – net	3,037,902	2,576,804
Less: non-current portion	(53,194)	(11,947)
	2,984,708	2,564,857



Notes to the Interim Financial Information

19 PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES *(Continued)*

- (a) The Group offers distribution and promotion services, which is considered as one of the principal activities of the Group. The investments and productions in movies, TV series and entertainment events with distribution and promotion services are designated as prepayments. The impairment provision mainly represents impairment of prepayments for investments and productions in movies, TV series and entertainment events, which are capitalised movie production and distribution costs subject to impairment assessment. During the six months ended June 30, 2024, due to factors including but not limited to major actors of certain projects were replaced, the risk of being unable to be released in the foreseeable future, and the deterioration of financial and operational position of the business partners, the Group further assessed the probability of non-performance (i.e. the movies or TV series not able to be exhibited) and made impairment provision of approximately RMB37,434,000, which were recognized in cost of revenue, against prepayments for investments and productions in movies, TV series and entertainment events based on the expected recoverable amount estimated by the directors in light of the aforementioned considerations; and reverse RMB12,090,000 since there is cash receipt from a certain impaired investment.
- (b) The contract fulfilment costs for movie productions represents the certain movie production costs when the Group controls the movie production process and is considered to be a producer.
- (c) The amounts mainly represents marketing and promotion expenses which would be recognized as expenses when the services are provided to the Group.
- (d) In line with the general industry practice and after prudently considering factors including creditworthiness and cooperation relationships with relevant business partners to control potential risk, the Group prepaid deposits or advance payments to some cinemas and large-scale concerts organizers operating within China, and then deducted or recovered such prepayment during the settlement with such business partners at a later stage.
- (e) As at June 30, 2024, except for a loan to third party with carrying amount of approximately RMB40,000,000 repayable on or after May 19, 2026, the remaining loans are repayable within 1 year. Except for interest-free and unsecured loans amounting to approximately RMB32,100,000, the remaining loans are interest-bearing at fixed rates ranging from 3% to 13% per annum. Included in the interest-bearing loans, an aggregate of RMB50,907,000 are secured by the debtors' certain receivables.
- (f) The amounts mainly represent the investments with fixed returns in certain movies and TV series projects.

Notes to the Interim Financial Information



20 CASH AND BANK BALANCES

	As at June 30, 2024 (Unaudited) RMB'000	As at December 31, 2023 (Audited) RMB'000
Cash and bank balances	3,925,360	3,685,374
Restricted bank deposits (a)	(299,771)	(261,104)
Term deposits with original maturity over three months (b)	(1,475,021)	(1,277,048)
Cash and cash equivalents	2,150,568	2,147,222
Maximum exposure to credit risk	3,925,360	3,685,374

(a) As at June 30, 2024, the restricted bank deposits of RMB250,000,000 (December 31, 2023: RMB250,000,000) are held by the accounts as securities for bank borrowings (Note 21). The restricted bank deposits of RMB49,771,000 (December 31, 2023: RMB4,196,000) represent cash received from users and placed in a bank supervised account for payments to customers.

(b) As at June 30, 2024, the term deposits with original maturity over three months carried the interest rates of 1.70% to 5.80% per annum.



Notes to the Interim Financial Information

21 BORROWINGS

	As at June 30, 2024 (Unaudited) RMB'000	As at December 31, 2023 (Audited) RMB'000
Current		
Bank borrowings – due within one year		
– Secured (a)	250,000	250,000
– Guaranteed (b)	227,271	–
	477,271	250,000

- (a) As at June 30, 2024 and December 31, 2023, bank borrowing of RMB250,000,000 was secured by restricted bank deposits of RMB250,000,000 with a fixed rate of 1.30% to 1.80% per annum.
- (b) As at June 30, 2024, bank borrowings of approximately RMB227,271,000 were guaranteed by certain subsidiaries of the Group, with a fixed rate of 2.50% to 2.85% per annum.

Notes to the Interim Financial Information



22 ACCOUNTS PAYABLES

Aging analysis of the accounts payables based on invoice date at the respective dates of statement of financial position is as follows:

	As at June 30, 2024 (Unaudited) RMB'000	As at December 31, 2023 (Audited) RMB'000
0-90 days	256,531	298,753
91-180 days	71,674	160,449
181-365 days	161,704	164,824
Over 365 days	274,365	256,558
	764,274	880,584

23 OTHER PAYABLES, ACCRUALS AND OTHER LIABILITIES

	As at June 30, 2024 (Unaudited) RMB'000	As at December 31, 2023 (Audited) RMB'000
Payables in respect of online entertainment ticketing, e-commerce services and advance in respect of content production	1,381,107	1,471,069
Payables in respect of share in the box office receipts	974,544	434,851
Amounts due to related parties (<i>Note 28</i>)	117,726	110,829
Payroll and welfare payable	81,171	128,432
Other tax liabilities	13,097	11,474
Others	22,789	26,018
	2,590,434	2,182,673



Notes to the Interim Financial Information

24 SHARE CAPITAL

(Unaudited)	Number of ordinary shares	Number of ordinary shares pursuant to restricted share agreement	Total number of shares	Nominal value of shares USD'000	Equivalent nominal value of shares RMB'000
Issued and fully paid:					
As at January 1, 2023	1,119,370,889	24,601,331	1,143,972,220	22.88	154
Restricted shares vested	–	1,485,194	1,485,194	0.03	–*
Issuance of new shares under share option scheme	170,000	–	170,000	–	–*
As at June 30, 2023	1,119,540,889	26,086,525	1,145,627,414	22.91	154
As at January 1, 2024	1,120,061,389	26,717,975	1,146,779,364	22.93	154
Restricted shares vested	–	11,644,075	11,644,075	–	–*
Issuance of new shares under share option scheme	7,910	–	7,910	–	–*
As at June 30, 2024	1,120,069,299	38,362,050	1,158,431,349	22.93	154

* The balance was rounded to the nearest thousand

Notes to the Interim Financial Information



25 RESERVES

(Unaudited)	Share premium RMB'000	Capital reserves RMB'000	Financial assets at fair value		Share-based compensation reserves RMB'000	Convertible bonds RMB'000	Statutory reserves RMB'000	Other reserves RMB'000	Total RMB'000
			Currency translation differences RMB'000	through other comprehensive income RMB'000					
As at January 1, 2023	2,445,022	5,592,299	65,403	(99,552)	337,140	(3,676)	-	(7,914)	8,328,722
Issuance of new shares under share option scheme	1,987	-	-	-	(1,972)	-	-	-	15
Issuance of new shares under Post-IPO RSU Scheme	14,935	-	-	-	(14,935)	-	-	-	-
Currency translation differences	-	-	51,369	-	-	-	-	-	51,369
Changes in the financial assets at fair value through other comprehensive income, net of tax (Note 4.4)	-	-	-	8,435	-	-	-	-	8,435
Share-based compensation expenses	-	-	-	-	5,404	-	-	-	5,404
As at June 30, 2023	2,461,944	5,592,299	116,772	(91,117)	325,637	(3,676)	-	(7,914)	8,393,945
As at January 1, 2024	2,469,761	5,592,299	67,965	(175,148)	342,812	(3,676)	67,175	(7,914)	8,353,274
Issuance of new shares under share option scheme	103	-	-	-	(102)	-	-	-	1
Issuance of new shares under Post-IPO RSU Scheme	10,358	-	-	-	(10,358)	-	-	-	-
Currency translation differences	-	-	25,505	-	-	-	-	-	25,505
Changes in the financial assets at fair value through other comprehensive income, net of tax	-	-	-	(132,734)	-	-	-	-	(132,734)
Transfer of gain on disposal of equity investments at fair value through other comprehensive income to retained earnings	-	-	-	(318)	-	-	-	-	(318)
Transactions with Non-controlling interests	-	-	-	-	-	-	-	(2,911)	(2,911)
Share-based compensation expenses	-	-	-	-	22,633	-	-	-	22,633
As at June 30, 2024	2,480,222	5,592,299	93,470	(308,200)	354,985	(3,676)	67,175	(10,825)	8,265,450



Notes to the Interim Financial Information

26 SHARE INCENTIVE PLAN

The share options and RSUs granted to directors and employees recognized during six months ended June 30, 2024 and 2023 are summarized in the following table:

	Six months ended June 30,	
	2024 (Unaudited) RMB'000	2023 (Unaudited) RMB'000
Share options and RSUs granted to directors and employees	22,633	5,404

ESOP Plan of the Company

In order to provide incentives and rewards to directors, senior management and employees of the Group and other eligible individuals and entities, the Company adopted the ESOP Plan on July 23, 2018. The ESOP Plan include Pre-IPO Share Option Scheme, Post-IPO Share Option Scheme and the Post-IPO RSU Scheme.

The total number of shares issued or issuable pursuant to the ESOP Plan shall not be more than 117,033,705 shares of the Company, representing approximately 10.1% of the total issued share capital of the Company as at June 30, 2024, out of which, the maximum number of shares that may be issued upon exercise of all options granted and to be granted under the Pre-IPO Share Option Scheme shall be no more than 42,544,600 shares, and the total number of shares which may be issued upon exercise of options that may be granted under the Post-IPO Share Option Scheme and the RSU Scheme shall not exceed 55,211,880 shares in aggregate.

Notes to the Interim Financial Information



26 SHARE INCENTIVE PLAN (Continued)

ESOP Plan of the Company (Continued)

(a) Pre-IPO Share Option Scheme

Movements of Pre-IPO share options outstanding and their related weighted average exercise prices are as follows:

	Average exercise prices	Number of share options of the Company
(Audited)		
Outstanding balance as at January 1, 2023	RMB12.2547	15,779,492
Exercised	RMB0.0869	(221,900)
Lapsed	RMB12.7711	(5,497,119)
Outstanding balance as at January 1, 2024	RMB12.2408	10,060,473
(Unaudited)		
Exercised	RMB0.0869	(7,910)
Outstanding balance as at June 30, 2024	RMB12.2504	10,052,563

During the six months ended June 30, 2024, the market price of the Company's shares as at the dates of exercise ranges from RMB8.03 per share to RMB10.78 per share (during the year ended December 31, 2023: RMB5.78 per share to RMB10.96 per share).

As at June 30, 2024, out of 10,052,563 share options, 10,052,563 share options were vested and exercisable.



Notes to the Interim Financial Information

26 SHARE INCENTIVE PLAN (Continued)

ESOP Plan of the Company (Continued)

(b) Post-IPO Share Option Scheme

Movements of Post-IPO share options outstanding and their related exercise prices are as follows:

	Average exercise prices	Number of share options of the Company (after Subdivision)
(Audited)		
Outstanding balance as at January 1, 2023	RMB11.0315	15,135,171
Exercised	RMB9.5783	(468,600)
Lapsed	RMB12.6820	(130,220)
Forfeited	RMB10.9930	(3,766,500)
Outstanding balance as at January 1, 2024	RMB11.0883	10,769,851
(Unaudited)		
Lapsed	RMB10.9930	(1,391,942)
Outstanding balance as at June 30, 2024	RMB11.1024	9,377,909

During the six months ended June 30, 2024, the market price of the Company's shares as at the dates of exercise ranges from RMB8.03 per share to RMB10.78 per share (during the year ended December 31, 2023: RMB5.78 per share to RMB10.96 per share).

As at June 30, 2024, out of 9,377,909 share options, 9,377,909 share options were vested and exercisable.

Notes to the Interim Financial Information



26 SHARE INCENTIVE PLAN (Continued)

ESOP Plan of the Company (Continued)

(b) Post-IPO Share Option Scheme (Continued)

Expected retention rate

The Group has to estimate the expected yearly percentage of grantees that will stay within the Group at the end of the vesting periods of the share options (the “Expected Retention Rate”) in order to determine the amount of share-based compensation expenses charged to the consolidated statement of comprehensive income. As at June 30, 2024 and December 31, 2023, the Expected Retention Rate was assessed to be 99.0% and 99.1%, respectively.

(c) Post-IPO RSU Scheme

On May 6, 2024, the board of directors of the Company resolved to grant a total of 410,100 restricted share units under RSU Scheme to employees of the Group. A total of 205,050, 102,525 and 102,525 of the restricted shares will vest on May 6, 2026, May 6, 2027 and May 6, 2028 respectively, subject to the accomplishment of certain service conditions. The fair value of the restricted shares amounted to approximately RMB3,585,000 and was determined with reference to the share price of the Company on May 6, 2024 of HKD9.82 (equivalent to approximately RMB8.92).

Movements of the Post-IPO RSU granted are as follows:

	Fair value	Number of shares (after Subdivision)
(Audited)		
Outstanding balance as at January 1, 2023	RMB8.8997	4,462,986
Granted	RMB9.5437	9,290,333
Vested	RMB9.4186	(2,116,644)
Forfeited	RMB7.5072	(402,700)
Outstanding balance as at January 1, 2024	RMB9.3844	11,233,975
(Unaudited)		
Granted	RMB8.9230	410,100
Vested	RMB9.1092	(1,535,442)
Forfeited	RMB9.0536	(80,000)
Outstanding balance as at June 30, 2024	RMB9.4103	10,028,633



Notes to the Interim Financial Information

27 CAPITAL COMMITMENTS

As at June 30, 2024, capital expenditure contracted for but not yet incurred by the Group amounted to approximately RMB222,711,000 with respect to investments and productions in certain movies and TV series and equity interest company (December 31, 2023: RMB553,237,000).

28 SIGNIFICANT RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, control the other party or exercise significant influence over the other party in making financial and operation decisions. Parties are also considered to be related if they are subject to common control. Members of key management and their close family members of the Group are also considered as related parties.

There is no change in related parties list compared with December 31, 2023. For detailed list of related parties, please refer to the 2023 Financial Statements.

Save as disclosed elsewhere in the Interim Financial Information, the following significant transactions were carried out between the Group and its related parties during the six months ended June 30, 2024. In the opinion of the Company's directors, the following related party transactions were carried out in the normal course of business and at terms negotiated between the Group and the respective related parties.

(a) Revenue from transactions with related parties

	Six months ended June 30,	
	2024	2023
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Enlight Holdings Limited and Beijing Enlight Media Co., Ltd. and their subsidiaries (collectively "Enlight Group")	78,689	12,438
Meituan and its subsidiaries (collectively "Meituan Group")	6,450	13,611
Tencent Holdings Limited and its subsidiaries (collectively "Tencent Group")	732	4,475
Beijing Yaoying Movie Distribution Co., Ltd. ("Beijing Yaoying")	—	150
	85,871	30,674

Notes to the Interim Financial Information



28 SIGNIFICANT RELATED PARTY TRANSACTIONS *(Continued)*

(b) Purchase of management and infrastructure services

	Six months ended June 30,	
	2024 (Unaudited) RMB'000	2023 (Unaudited) RMB'000
Meituan Group	151,913	115,438
Tencent Group	127,293	99,059
Enlight Group	25	–
	279,231	214,497

(c) Movie cards consideration received on behalf of the Group

	Six months ended June 30,	
	2024 (Unaudited) RMB'000	2023 (Unaudited) RMB'000
Enlight Group	1,287	324



Notes to the Interim Financial Information

28 SIGNIFICANT RELATED PARTY TRANSACTIONS (Continued)

(d) Balances with related parties

	As at June 30, 2024 (Unaudited) RMB'000	As at December 31, 2023 (Audited) RMB'000
Receivables from related parties		
– Accounts receivables		
Tencent Group	22,613	10,684
Meituan Group	326	224
Enlight Group	304	6,526
Beijing Yaoying	256	256
	23,499	17,690
Less: allowance for impairment	(10,736)	(8,657)
	12,763	9,033
– Deposits and other receivables		
Meituan Group	107,011	153,980
Tencent Group	15,591	10,516
Hangzhou Guanghe Zhizao Food Technology Co., Ltd.	15,000	15,000
Shanghai Mila Television Culture Media Co., Ltd.	4,717	4,717
Enlight Group	20	858
	142,339	185,071
Less: allowance for impairment	(4,852)	(5,007)
	137,487	180,064
Payables to related parties		
– Account payables		
Tencent Group	108,496	88,090
Enlight Group	8,751	–
Meituan Group	7,664	8,285
	124,911	96,375
– Other payables, accruals and other liabilities		
Meituan Group	63,901	27,099
Tencent Group	53,092	55,626
Enlight Group	733	28,104
	117,726	110,829

Notes to the Interim Financial Information



28 SIGNIFICANT RELATED PARTY TRANSACTIONS *(Continued)*

(e) Key management compensation

	Six months ended June 30,	
	2024 (Unaudited) RMB'000	2023 (Unaudited) RMB'000
Wages, salaries and bonuses	1,712	1,695

29 FROZEN EQUITY INTERESTS OF TIANJIN MAOYAN WEYING CULTURAL MEDIA CO., LTD.

As disclosed in Note 2.3, Tianjin Maoyan Weying is a PRC subsidiary controlled by the Group through Contractual Arrangements. Beijing Shiji Weying Culture Development Co., Ltd. (“Beijing Shiji Weying”) is a registered shareholder of Tianjin Maoyan Weying and holds approximately 26.9% equity interests (the “Equity Interests”) of Tianjin Maoyan Weying. As at June 30, 2024, the Equity Interests were frozen due to the following cases:

(a) Frozen case 480

Beijing Weying Shidai Technology Co., Ltd. (“Beijing Weying Shidai”), an affiliated company of Beijing Shiji Weying, which transferred the Equity Interests to Beijing Shiji Weying in 2018 for preparation the listing of the company on the Main Board of The Stock Exchange of Hong Kong Limited (the “Transfer”). Prior to the Transfer, Beijing Weying Shidai originally entered into contractual agreements with the WFOE, Tianjin Maoyan Weying and its registered shareholders in July 2018. Subsequent to the Transfer, Beijing Shiji Weying signed the contractual agreements in August 2018 as part of the Contractual Arrangements as disclosed in Note 2.3.

Since Beijing Weying Shidai was involved in certain debt disputes involving approximately USD6,058,000 (approximately RMB40.2 million, the “Debt”) with a creditor who initiated lawsuits against Beijing Weying Shidai as defendant, a court in the PRC issued a civil paper (Document 2021 Jing 04 Zhi 480) (“Civil Paper 480”), pursuant to which the Equity Interests were frozen for the purpose of cancelling the Transfer and transferring the Equity Interests back to Beijing Weying Shidai.



Notes to the Interim Financial Information

29 FROZEN EQUITY INTERESTS OF TIANJIN MAOYAN WEYING CULTURAL MEDIA CO., LTD. *(Continued)*

(a) Frozen case 480 *(Continued)*

In May 2022, Beijing Shiji Weying and Beijing Weying Shidai have entered into settlement agreement with the debtor and agreed to repay the amounts by instalments before March 30, 2024. As at the approval date of the Interim Financial Information, Beijing Shiji Weying and Beijing Weying Shidai has repaid RMB20.1 million out of the total RMB40.2 million but failed to repay the next instalment of RMB10.1 million as agreed in the settlement agreement. The final instalment of RMB10 million should have been settled before March 30, 2024 according to the settlement agreement.

(b) Frozen case 1258

Beijing Weying Shidai was involved in another debt disputes involving a principal of approximately RMB75 million and relevant interest calculated at an interest rate of 12% per annum with a shareholder of Beijing Weying Shidai who initiated an arbitration against Beijing Weying Shidai as respondent, a court in the PRC issues a civil paper (Document 2022 Jing 01 Zhi 1258) (“Civil Paper 1258”), pursuant to which the Equity Interests were frozen due to above mentioned debt.

Beijing Shiji Weying and Beijing Weying Shidai are still in the process of negotiating with the creditors on the settlement of the debt in dispute. As at June 30, 2024 and the date of approval of the Interim Financial Information, the Equity Interests are remained frozen and cannot be changed due to above cases.

In response to the above cases, Beijing Shiji Weying and Beijing Weying Shidai co-issued a letter of confirmation (the “Confirmation”) to Tianjin Maoyan Weying and WFOE, pursuant to which they agreed to comply and fulfil all the terms and conditions, responsibilities and obligations under the contractual agreements including but not limited to fully cooperating when WFOE exercises its irrevocable and exclusive right to purchase the Equity Interests, or transfer the Equity Interests to WFOE's assignee at WFOE's request.

The directors of the Company, based on the advice of its PRC legal advisors, considered that the Contractual Arrangements disclosed in the Note 2.3 and the Confirmation are in compliance with relevant PRC laws and regulations and are legally binding and enforceable. The Company considers the risk of the Equity Interests been disposed due to above two cases is remote. There is no significant change for these Contractual Arrangements and the consolidation of Tianjin Maoyan Weying.

Notes to the Interim Financial Information



30 CONTINGENCIES

The Group had no material contingent liabilities as at June 30, 2024 and December 31, 2023.

31 SUBSEQUENT EVENT

Entering into new Contractual Arrangements

On July 15, 2024, the Board announces that, the WFOE, Tianjin Ganyu Information Technology Co., Ltd.(the “New PRC Holdco”) and Tianjin Yunqi Information Technology Co., Ltd. (the “New Registered Shareholders”) entered into the new contractual arrangements. The new contractual arrangements shall comprise the same set of agreements constituting the existing contractual arrangements as disclosed in Note 2.3 in substantially. Through the new contractual arrangements, the Company would gain effective control over, and receive all the economic benefits generated by the businesses currently operated by the New PRC Holdco and its subsidiaries.



Definition and Glossary

Unless the context otherwise requires, the following expressions in this interim report shall have the following meanings:

“Adoption Date”	July 23, 2018, the date on which the Company adopted the ESOP Plan
“Audit Committee”	the audit committee of the Company
“Auditor”	the external auditor of the Company
“Board”	the board of directors of the Company
“Company”, “our Company” or “Maoyan”	Maoyan Entertainment, an exempted company incorporated in the Cayman Islands with limited liability and whose Shares are listed on the Main Board of the Stock Exchange (Stock Code: 1896)
“Confirmation Letter”	In response to the lawsuits in which Weying acted as defendants and the equity interests held by Weying Culture in Tianjin Maoyan Weying were therefore frozen as disclosed in this report, the confirmation letter co-issued by Weying Technology and Weying Culture to Tianjin Maoyan Weying and WFOE, pursuant to which Weying undertook to comply with and fulfil the terms and conditions, responsibilities and obligations under the Contractual Arrangements including but not limited to fully cooperating with the WFOE’s instructions when the WFOE exercises its irrevocable and exclusive right to purchase the frozen equity interests, or transfer the frozen equity interests to the WFOE’s assignee at the WFOE’s request
“Contractual Arrangements”	the series of contractual arrangements entered into by, among others, the WFOE, Tianjin Maoyan Weying and the Registered Shareholders on August 9, 2018
“Corporate Governance Code”	the Corporate Governance Code as set out in Appendix C1 to the Listing Rules
“Director(s)”	the director(s) of the Company
“Enlight Holdings”	Enlight Holdings Limited (光線控股有限公司), one of our Pre-IPO Investors and one of the Registered Shareholders of Tianjin Maoyan Weying

Definition and Glossary



“Enlight Media”	Beijing Enlight Media Co., Ltd. (北京光線傳媒股份有限公司), a company listed on the Shenzhen Stock Exchange (Stock Code: 300251), one of our Pre-IPO Investors and one of the Registered Shareholders of Tianjin Maoyan Weying
“ESOP Plan”	a series of employee incentive scheme adopted by the Company on July 23, 2018, including Pre-IPO Share Option Scheme, Post-IPO Share Option Scheme, RSU Scheme and Restricted Share Agreement
“GMV”	the value of paid transactions on our platform, including the service fees and without regard to any refunds
“Group”, “our Group”, “we” or “us”	the Company, its subsidiaries and the consolidated affiliated entities
“HK\$” or “HKD”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Hong Kong Stock Exchange” or “Stock Exchange” or “SEHK”	The Stock Exchange of Hong Kong Limited, a wholly-owned subsidiary of Hong Kong Exchanges and Clearing Limited
“Listing”	listing of the Shares on the Main Board of the Stock Exchange of Hong Kong
“Listing Date”	February 4, 2019, the date on which the Shares became listed on the Main Board of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Meituan”	Meituan (美團) (SEHK Stock Code: 3690), an exempted company with limited liability incorporated under the laws of the Cayman Islands on September 15, 2015, or Meituan Dianping and its subsidiaries and consolidated affiliated entities, as the case may be
“Model Code”	Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules



Definition and Glossary

“New Contractual Arrangements”	the series of contractual arrangements entered into by, among others, the WFOE and the New PRC Holdco on July 15, 2024, details of which are described in the announcement of the Company dated July 15, 2024
“New PRC Holdco”	Tianjin Ganyu Information Technology Co., Ltd. (天津甘雨信息科技有限公司), a limited liability company established in the PRC on June 5, 2024
“New Registered Shareholder”	Tianjin Yunqi Information Technology Co., Ltd. (天津雲起信息科技有限公司), a limited liability company incorporated under the laws of the PRC on June 3, 2024
“Nomination Committee”	the nomination committee of the Company
“Post-IPO Share Option Scheme”	the post-IPO share option scheme of our Company as approved on July 23, 2018, which was adopted by the Company to provide incentives and rewards to individuals and/or entities for their contribution, and was amended by the Shareholders’ resolution on June 28, 2023
“PRC” or “China”	the People’s Republic of China, which, for the purpose of this interim report only, unless the context otherwise requires, excludes Hong Kong, Macau Special Administrative Region and Taiwan
“Pre-IPO Share Option Scheme”	the pre-IPO share option scheme of our Company as approved on July 23, 2018, which was adopted by the Company as a continuation and restructuring of the employee share incentive scheme originally adopted by Tianjin Maoyan Weying on November 8, 2016
“Prospectus”	the prospectus of the Company dated January 23, 2019
“Registered Shareholders”	as defined in the Prospectus
“Remuneration Committee”	the remuneration committee of the Company
“Reorganization”	the offshore and onshore reorganization as set out in section headed “History and Reorganization – Reorganization” of the Prospectus
“Reporting Period”	the six months ended June 30, 2024

Definition and Glossary



“Restricted Share Agreement”	the restricted share agreement entered into among the Company, Mr. Zheng Zhihao and Rhythm Brilliant Limited, a wholly-owned subsidiary of Mr. Zheng Zhihao, on July 23, 2018 to recognize and reward the contribution of Mr. Zheng Zhihao to the Group
“RMB”	Renminbi, the lawful currency of the PRC
“RSU Scheme”	the RSU Scheme of our Company as approved on July 23, 2018, which was adopted by the Company to reward participants for their contribution to the Group and attract best available personnel, and was amended by the Shareholders’ resolution on June 28, 2023
“Securities and Futures Ordinance” or “SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Share(s)”	ordinary share(s) in the share capital of the Company with a par value of US\$0.00002
“Shareholder(s)”	holder(s) of the Share(s)
“State Council”	State Council of the People’s Republic of China (中華人民共和國國務院)
“subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules
“Tencent”	Tencent Holdings Limited (SEHK Stock Code: 700), or Tencent Holdings Limited and/or its subsidiaries, as the case may be
“Tianjin Maoyan Weying”	Tianjin Maoyan Weying Cultural Media Co., Ltd. (天津貓眼微影文化傳媒有限公司), formerly known as Tianjin Maoyan Cultural Media Co., Ltd. (天津貓眼文化傳媒有限公司), a company incorporated under the laws of the PRC on May 27, 2015 with limited liability and one of the consolidated affiliated entities of the Group
“US\$” or “US dollars” or “USD”	U.S. dollars, the lawful currency of the United States of America
“Weying”	Weying Culture and Weying Technology
“Weying Culture”	Beijing Shiji Weying Culture Development Co., Ltd. (北京世紀微影文化發展有限公司), a company incorporated under the laws of the PRC on July 22, 2016



Definition and Glossary

“Weying Technology”	Beijing Weying Shidai Technology Co., Ltd. (北京微影時代科技有限公司), a company incorporated under the laws of the PRC with limited liability, and/or subsidiaries, as the case may be
“WFOE”	Tianjin Maoyan Weying Technology Co., Ltd. (天津貓眼微影科技有限公司), a company incorporated under the laws of the PRC on February 5, 2018 with limited liability and a wholly owned subsidiary of our Company
“%”	per cent



Maoyan Entertainment

貓眼娛樂