



长信传媒  
G.H.Y Culture & Media

# Financial Results Highlights for 6M2023

7 August 2023

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## Section 1

# Key Corporate Highlights in 6M2023 & Recent Updates



# Corporate Highlights in 6M2023 & Recent Updates

## TV Program and Film Production

- ✓ Signed a collaboration agreement with iQIYI in April 2023 to co-produce the web drama series titled “Strange Tales of Tang Dynasty 2: To the West 唐朝诡事录之西行”. Filming is expected to be completed in 3<sup>rd</sup> quarter of 2023;
- ✓ In June 2023, Tencent Video announced its drama list for 2023 which includes a co-production titled "Contenders 狮城山海" with the Group. Filming for "Contenders 狮城山海" is expected to commence in 4<sup>th</sup> quarter of 2023.



# Corporate Highlights in 6M2023 & Recent Updates

## TV Program and Film Production

- ✓ Commenced pre-production for “Nanyang Transport Volunteers 南洋英雄”, the third drama series of the Nanyang genre in the 3<sup>rd</sup> quarter of 2023;
- ✓ Launched our own label “Legendary short drama” on Douyin (抖音) (also known as Tik Tok); and
- ✓ Expects to materialise drama production collaborations with Youku in the 4<sup>th</sup> quarter of 2023.



# Corporate Highlights in 6M2023 & Recent Updates

## Concert Production

- ✓ Successfully organised Jay Chou's Carnival World concerts in Kuala Lumpur, Malaysia and Sydney, Australia in 1<sup>st</sup> quarter of 2023;
- ✓ Invested in Chris Li Yuchun's 李宇春 2023 Beijing, China concert tour; and
- ✓ Expects to invest in Jay Chou's Carnival World concerts in four Chinese cities including Taiyuan and Hohhot in the People's Republic of China ("PRC"), in second half of 2023.



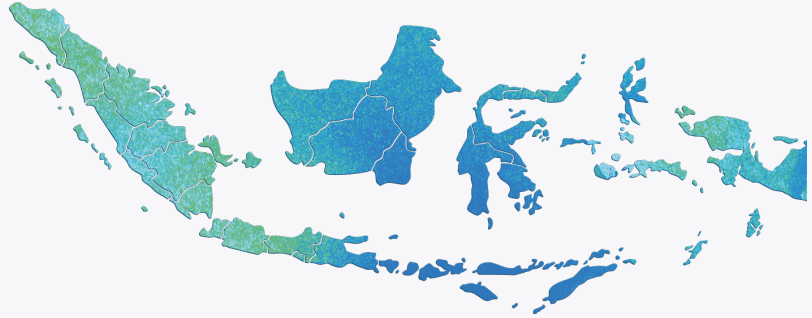
## Musical Play Production

- ✓ Leveraged on our “IP franchise” business strategy to successfully create two large-scale original musicals for “The Ferryman 靈魂擺渡” and “Strange Tales of Tang Dynasty 唐朝詭事錄”;
- ✓ These two musicals have been ranked among the top three in the PRC’s original musical charts by “Damai 大麦” and Douyin (抖音) in 2022; and
- ✓ Expects to have close to 100 shows in the PRC in 2023 and 2024.





## Other Initiatives



- ✓ Launched the plan to build our media production hub in Jakarta, Indonesia; and
- ✓ Focuses on utilising professional cinematic capabilities to enhance the quality of advertising campaigns in short-form videos or livestreaming platforms, which can then be mass-produced and monetised for the e-commerce markets in Asia.



- ✓ Continues to expand our business presence and market share in talent management services, costumes, props and make-up services and other complementary growth adjacencies, in order to create growth catalysts.



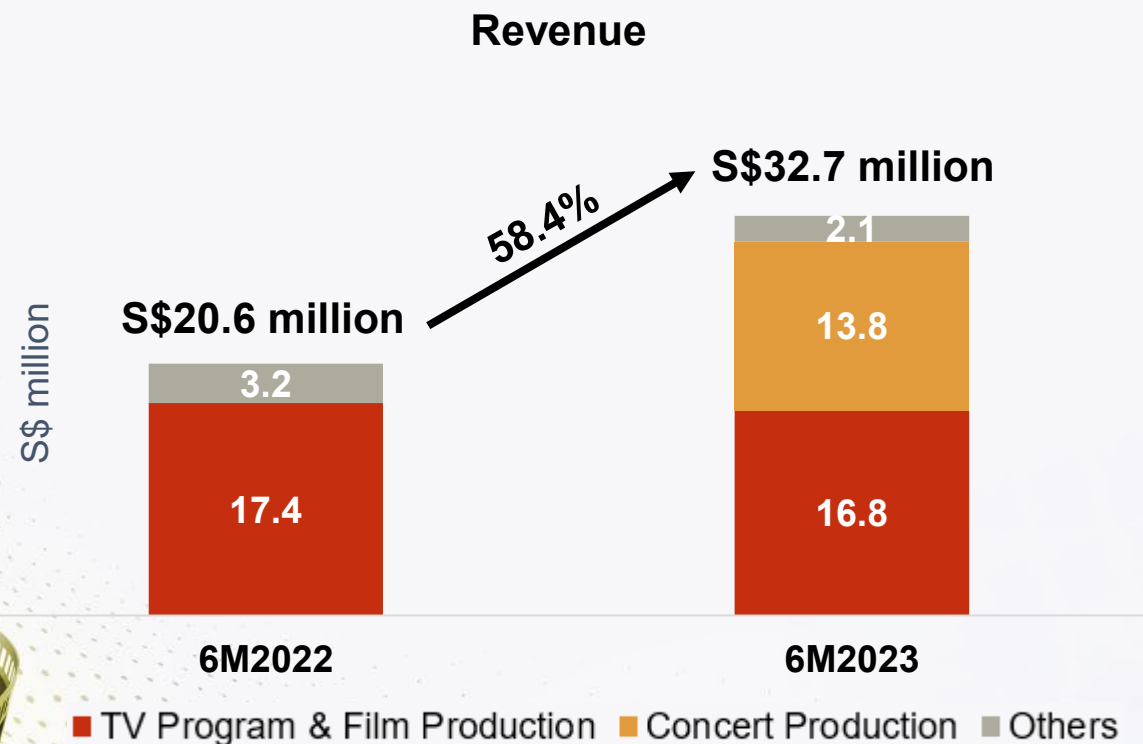
## Section 2

# 6M2023 Performance Summary



# Revenue Highlights for 6M2023

## Strong revenue growth boosted by Concert Production



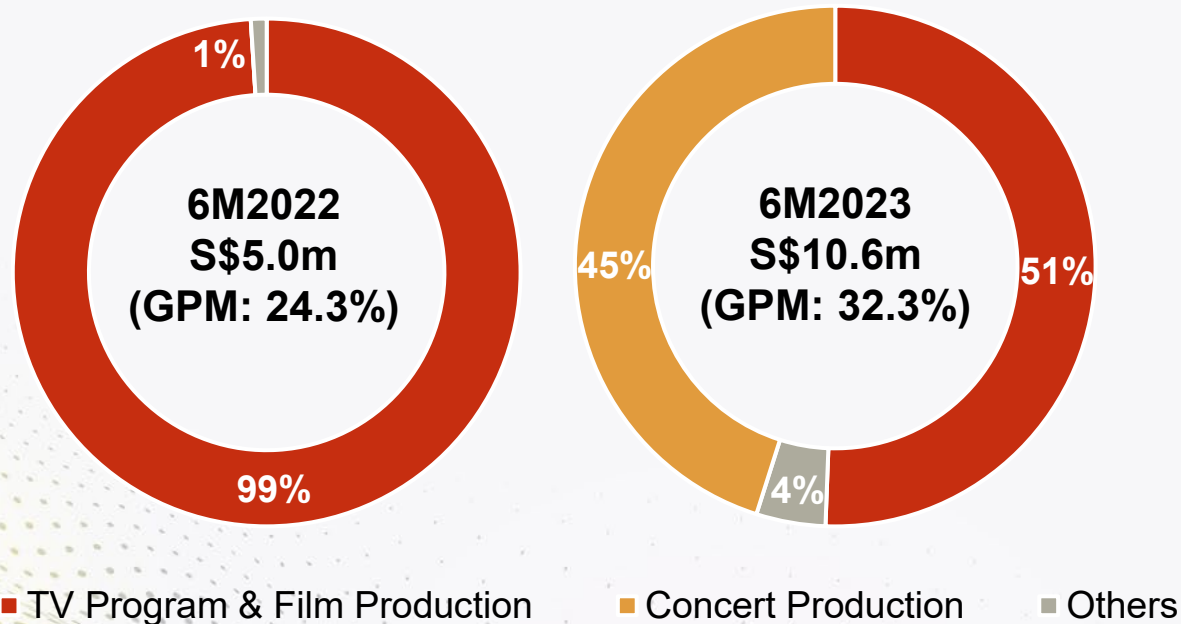
Revenue increased by approximately S\$12.1 million or 58.4% to S\$32.7 million in 6M2023 mainly due to:

- revenue contribution in respect of one drama series titled “Strange Tales of Tang Dynasty 2: To the West 唐朝诡事录之西行”; and
- revenue contribution of approximately S\$13.8 million in respect of two concerts held in Malaysia and Australia in January 2023 and March 2023 respectively.

# Gross Profit Highlights for 6M2023

Higher gross profits with overall higher gross profit margin, reflecting a return to a more normalised operating environment with the reopening of the PRC

## Gross Profit Breakdown

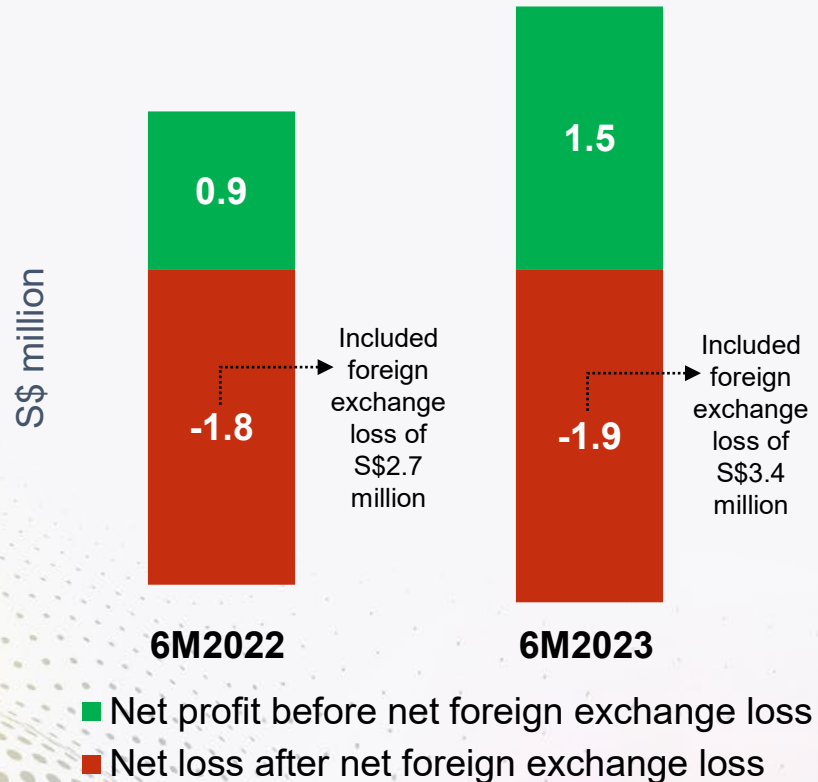


Gross profit increased by approximately S\$5.5 million or more than 100% to S\$10.6 million; and Gross profit margin (“GPM”) improved from 24.3% in 6M2022 to 32.3% in 6M2023 mainly due to:

- gross profit contribution of approximately S\$4.8 million and GPM of 34.6% mainly in respect of two concerts held in Malaysia and Australia in January 2023 and March 2023 respectively; and
- revenue contribution mainly in respect of one drama series titled “Strange Tales of Tang Dynasty 2: To the West 唐朝诡事录之西行” in 6M2023. GPM improved from 29.5% in 6M2022 to 31.9% in 6M2023.

# Profit & Loss Highlights for 6M2023

Excluding the foreign exchange loss of approximately S\$3.4 million in 6M2023, the Group would have registered a net profit of approximately S\$1.5 million for 6M2023

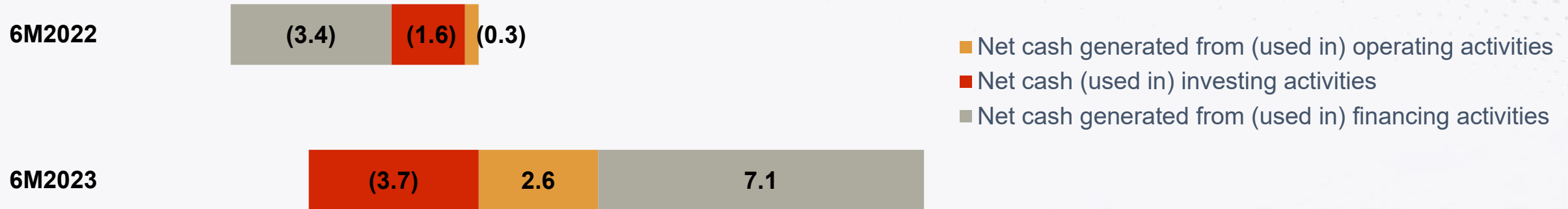


Excluding the foreign exchange loss of approximately S\$3.4 million recognised in 6M2023, the Group would have registered net profit of approximately S\$1.5 million for 6M2023.

- \$3.4 million foreign exchange loss is largely attributable to strengthening of Singapore Dollar against Chinese Renminbi, as the Group has significant operations in the PRC.

# Cash Flow Highlights for 6M2023

## Committed to disciplined execution and prudent capital management

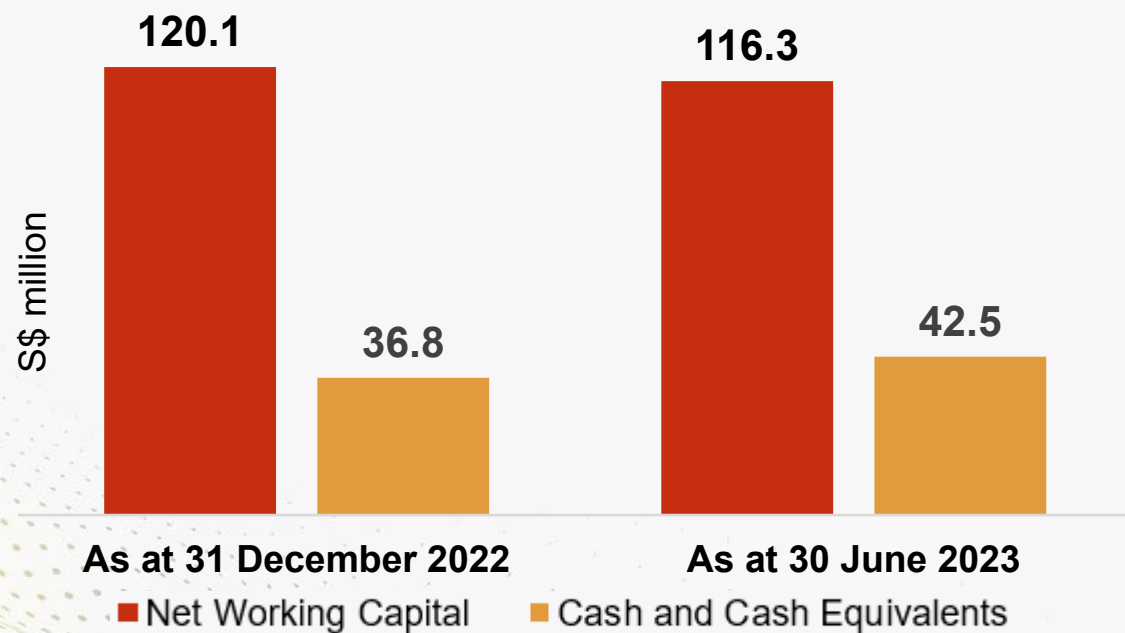


## Preparation to ramp up business activities in the second half of 2023

- Net cash of approximately S\$2.6 million generated from operating activities in 6M2023 mainly from increased receipts for drama and concert productions, partially offset by cash utilised for ramping up of production volume;
  - Net cash of approximately S\$3.7 million used in investing activities in 6M2023 mainly for concert investments advanced to external parties for the financing of production and marketing; and
    - Net cash of approximately S\$7.1 million generated from financing activities mainly due to net proceeds from borrowings and film investment funds partially offset by payment of final dividends in respect of FY2022 and payment of lease liabilities.

# Resilient Balance Sheet with Net Cash Position

Well-placed within the industry value chain to pursue organic and inorganic growth



Maintained a net working capital of approximately S\$116.3 million

- To be used primarily for concert productions, dramas and film productions, and working capital purposes;
- Enhances the Group's business agility within the industry value chain to strategically pursue organic and inorganic growth in order to return to pre-pandemic profitability and enhance stakeholders' value.

## Section 3

# Appendix: Financial Statements for 6M2023





# Financial Statements for 6M2023

	Group For the half year ended			
	30 June 2023 (Unaudited)	30 June 2022 (Unaudited)	Change Increase / (Decrease)	Change Increase / (Decrease)
	\$'000	\$'000	\$'000	%
Revenue	32,677	20,625	12,052	58
Cost of sales	(22,110)	(15,605)	6,505	42
Gross profit	10,567	5,020	5,547	110
Other income	1,842	5,801	(3,959)	(68)
Share of result from associate	(4)	8	(12)	(150)
Share of result from joint venture	(175)	(154)	21	14
Administrative expenses	(6,079)	(5,997)	82	1
Selling and distribution expenses	(2,657)	(2,824)	(167)	(6)
Other expenses	(4,142)	(3,167)	975	31
Finance costs	(1,292)	(638)	654	103
Loss before income tax	(1,940)	(1,951)	(11)	(1)
Income tax credit	49	166	(117)	(70)
Loss for the period	<b>(1,891)</b>	<b>(1,785)</b>	<b>106</b>	<b>6</b>
Loss per share:				
Basic and diluted (cents)	(0.16)	(0.13)	0.03	23

## Section 4

# Appendix: Company Overview



## Growth is supported by increasing internet penetration rates<sup>(1)</sup>

Connecting people through innovative online video and content



TV Program and Film  
Production Services

- Producer and co-producer of high-quality TV and web dramas and films broadcasted and/or distributed on major TV networks and leading video streaming platforms in the PRC (e.g., iQIYI, YOUKU and CCTV) and beyond
- Established production teams in both the PRC and Singapore



Concert Production

- Organiser of concerts for well-known international artistes in Singapore, with upcoming concerts in Malaysia and Australia
- Involved in production of concerts in the PRC
- Established concert production teams in both the PRC and Singapore



Costumes, Props and Make-  
up Services, Talent  
Management Services and  
Musical Plays

- Provision of costumes, props and make-up services for drama and film production activities. Exclusive collaboration with award-winning costumes and props designer Chen Minzheng<sup>(2)</sup>
- Provision of talent management services to more than 60 artistes primarily based in the PRC and/or Singapore
- Creator of large-scale original musicals (such as for “The Ferryman 灵魂摆渡” and “Strange Tales of Tang Dynasty 唐朝诡事录”) based on our “IP franchise” business strategy

Note:

(1) Source: Frost & Sullivan, Independent Market Research on Video Content Market and Concert Market in China, Singapore and Malaysia

(2) Chen Minzheng is a well-known designer for costumes, props and make-up in the PRC who has won, among others, the Golden Horse Award for Best Makeup & Costume Design in 2018 and the Asian Film Award for Best Costume Design in 2019

# Overview of Businesses and Revenue Models

## Diversified business segments across the value chain

### Businesses

### Types of revenue models

#### TV Program and Film Production



1. Engaged by the customer for production by the Group for a fixed fee
- 2a. Produced by the Group and sold to the customer for a fixed fee
- 2b. Produced by the Group and licensed to the customer for a fixed fee for a fixed period of time
3. Produced by the Group and licensed to the customer for variable fees based on user clicks or viewership for each episode

#### Concert Production



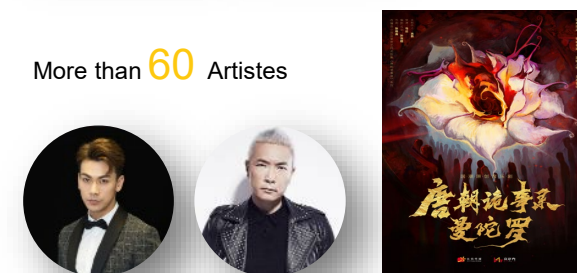
Proceeds from concert ticket sales and sponsorship income for concert organisation and fees for concert management

#### Costumes, Props and Make-up Services and Talent Management Services



- Fees from provision of costumes, props and make-up services
- Fees from management services for artistes based on an agreed fee-sharing arrangement
- Proceeds from musical play production

### Working Partners / Customers / Artistes



# Directing our path to sustainable innovation and growth

Building an entertainment ecosystem to be a leading player in the Asia Pacific media and entertainment industry



Ability to produce high quality and well-received dramas and films led by strong end-to-end production capabilities



Management bench strength with experience and capabilities spanning the entire business value chain



Strong network of business relationships and partnerships with distributors for strategic investments to diversify into new growth adjacencies



Growing portfolio of artistes contribute to the expansion of the concert production business