

Letter to Shareholders

Dear Shareholders,

2022 has been another peculiar year for the world, with forecast of economic recessions, restrictive COVID-19 measures, foreign exchange volatilities and supply chain disruptions, among others.

G.H.Y Culture & Media Holding Co., Limited ("GHY", and together with its subsidiaries and affiliated entities, the "Group") was not spared from the macro environment impact as well, which has affected our concerts and live performances and resulted in difficulties in managing the production budget of our TV dramas and films, disruptions in operations and delays in our projects.

Amidst these challenges, it was gratifying that GHY has nonetheless managed to leverage on our diverse intellectual property ("IP") portfolio and high-quality production capabilities to strengthen our business foothold and set new industry benchmarks. The resumption of Jay Chou's concerts in December 2022 has also provided a glimmer of hope, giving us some encouragement for the potential economic recovery.

Next, please allow me to share some of GHY's memorable events for 2022 with you.

Over the past year, we have completed the filming and post-production work of three new drama series – "Sisterhood 南洋女儿情", "A Fish and A Cat 骑着鱼的猫" and "Moon Romance 月上朝颜".

In September 2022, GHY's large-scale mystery action period drama series "Strange Tales of Tang Dynasty 唐朝诡事录" made its broadcast debut, and was a trending topic on major mainstream social media platforms in China. This generated significant readerships with positive reviews of the drama, placing "Strange Tales of Tang Dynasty 唐朝诡事录" as the one of the most watched mystery action period drama series in 2022.

Our short-form drama series, "Goddess Hotel 女神酒店", also made its global broadcast debut on Douyin (抖音) (also known as TikTok), with seasons 1 to 3 achieving strong ratings. According to Douyin's ratings, "Goddess Hotel 女神酒店" achieved more than 330 million streams and emerged as the highest-ranking drama series in the top charts of Douyin for its release. Another short-form drama series, "Su Wuming of the Tang Dynasty 大唐来的苏无名", a spin-off from "Strange Tales of Tang Dynasty 唐朝诡事录", and which was based on a paid-subscription streaming model, had also yielded good results.

For concert productions, GHY was involved in the co-production of the Power Station (动力火车) and Guns N' Roses concerts in Singapore in 2022. In particular, we are also proud to be the organiser of Jay Chou's Carnival World Tour (Singapore) concerts that were staged at the Singapore National Stadium on 17 and 18 December 2022.

While we have achieved certain milestones in 2022, there is still much more that can be done as several of our drama productions were postponed, and our concert productions and musical performances were also disrupted. For FY2022, we suffered a loss for the very first time since the Group was established. The foreign exchange volatility between the Singapore Dollar and Chinese Renminbi during FY2022 resulted in a net foreign exchange loss that accounted for nearly 80% of our loss due to the appreciation of the Singapore Dollar in FY2022.

While the Group has not performed as well as expected, there is a need to reward shareholders for their support and loyalty, and hence we are proposing a dividend payout similar to last year. We hope that our consistent dividend payout will provide renewed confidence in the Group and our future prospects.

Moving ahead in 2023, here are our plans that are driven by our passion and vision in the media and entertainment industry.

1. TV Program & Film Production: "IP Franchise" Business Strategy with Synergistic Integration of Long-form, Medium-form and Short-form Content

Relying solely on drama and film production will generally only yield short-term positive effects, without maximising the potential and economic value of our IP portfolio. Hence, GHY has developed an "IP franchise" business strategy as the future roadmap for our drama and film production business activities to create innovative content whilst retaining continuity, in order to make each production a recognisable part of a coherent franchise. Currently, we have adopted this business strategy for three key genres, being the supernatural genre (such as the "Strange Tales of Tang Dynasty 唐朝诡事录" drama series), the Nanyang genre (such as the "Sisterhood 南洋女儿情" and "The Little Nyonya 小娘惹" drama series) and the mystery genre (such as the "Goddess Hotel 女神酒店" and "The Ferryman 灵魂摆渡" drama series).

At last year's Asia Television (ATV) Forum 2022, GHY and iQiyi signed a collaboration agreement for the production of the "Strange Tales of Tang Dynasty 唐朝诡事录" drama series, which falls under the supernatural genre. In 2023, we will be launching the long-form drama, "Strange Tales of Tang Dynasty: Journey to the West 唐朝诡事录·西行", and at same time, we will be developing a series of short-form drama spin-offs of the drama characters, plotlines and internet characters from the "Strange Tales of Tang Dynasty: Journey to the West 唐朝诡事录·西行", as well as another short-form drama, "Su Wuming of the Tang Dynasty 大唐来的苏无名".

The Nanyang genre is GHY's unique IP strength, integrating our production capabilities, deep experience and strong network in Southeast Asia. The broadcast of "The Little Nyonya 小娘惹" drama series in 2020 had achieved strong viewership at China Central Television (CCTV), a national television broadcaster of China, and iQIYI, which generated a global interest in Southeast Asia's distinctive cultural heritage. Our highly anticipated second drama series of the Nanyang genre, titled "Sisterhood 南洋女儿情" is planned to be broadcasted in 2023. The script of our third drama series

of the Nanyang genre, "Nanyang Transport Volunteers 南洋英雄泪", is being finalised and is scheduled to begin production in the 3rd quarter of 2023, with filming to commence in the 4th quarter of 2023. Within the same Nanyang genre, there is a pipeline of new drama productions that are in the script development phase.

With the successful debut of "Goddess Hotel 女神酒店" on Douyin, we believe that GHY and Douyin have established a close-knit and trusted collaborative relationship. In 2023, we plan to combine "Goddess Hotel 女神酒店" with "The Ferryman 灵魂摆渡", another popular drama series in the mystery genre, to produce a short-form drama and a long-form drama under a new mystery genre IP that viewers can engage with.

2. Concert Productions and Live Performances: Preparation for a Full Recovery

In January 2023, the King of Mandopop, Jay Chou, held his Carnival World Tour concert in Kuala Lumpur, Malaysia that attracted a record number of 45,000 concertgoers. In March 2023, Jay Chou's Carnival World Tour concert will be held in Sydney, Australia and tickets have been fully sold out.

With COVID-19 moving into the endemic phase, we expect China's live performance market to stage a strong rebound with rapid growth after being largely dormant for three years. Recognising this upcoming trend, GHY is prepared to harness the opportunities within this market.

Besides ramping up our concert productions, GHY's large-scale original musicals for "The Ferryman 灵魂摆渡" and "Strange Tales of Tang Dynasty 唐朝诡事录" are preparing to continue their tours across China. These two musicals have been ranked among the top three in China's original musical charts by "大麦 Damai" and Douyin in 2022, which is testament to GHY's abilities to adapt to market challenges and seek new opportunities during the pandemic. In 2023, GHY will have a slate of new entertainment content, including live drama performances and immersive theatre experiences, among others.

3. Uni-Icon Media Network: GHY's New Growth Catalyst with Indonesia as our Springboard

In December 2022, GHY entered into a memorandum of understanding with F-Commerce, an integrated e-commerce service provider in Southeast-Asia. With this collaboration, GHY aims to set up media production facilities in Jakarta, Indonesia to create Asia's largest short-form video production hub, which will be named Uni-Icon Media Network. This production hub will focus on utilising professional cinematic capabilities to enhance the quality of short-form videos, which will then be mass-produced and monetised for the e-commerce market across China, Malaysia and Indonesia. We believe that the expansion across Southeast Asia in this new growth adjacency, with Indonesia as the springboard, will create opportunities for the Group to expand globally as short-form videos continue to dominate social media platforms.



G.H.Y CULTURE & MEDIA HOLDING CO., LIMITED
(Incorporated in the Cayman Islands on 29 May 2018)
(Company Registration No: 337751)

Other than the three key business strategies mentioned above, GHY will continue our efforts towards the expansion of 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 long-term sustainable value for our shareholders.

Lastly, on behalf of everyone at GHY, I would like to express my deepest appreciation for our shareholders' continued support and confidence in GHY.

Thank You.

Mr. Guo Jingyu
Executive Chairman and Group CEO
28 February 2023

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This letter should be read in conjunction with the financial statements announcement for FY2022 and the presentation slides uploaded on SGXNet.

About G.H.Y Culture & Media Holding Co. Ltd.

G.H.Y Culture & Media Holding Co., Limited ("GHY", and together with its subsidiaries and affiliated entities, the "Group") is an entertainment business that focuses on the production and promotion of dramas, films and concerts in the Asia-Pacific region. GHY has produced several dramas and films in the People's Republic of China ("PRC"), Singapore and Malaysia that have been broadcasted and/or distributed on major TV networks and leading video streaming platforms in the PRC. The Group has also undertaken the production of concerts for well-known international artistes in Singapore and Malaysia, with an upcoming concert to be held in Australia.

GHY has strong in-house production teams, with scriptwriters, directors and producers who have been involved in various notable dramas and films. The production teams have consistently produced quality dramas and films and the Group also possesses expertise and capabilities across the business value chain.

Currently headquartered in Singapore and the PRC with over 130 employees, the Group also engages in concert production, talent management services, and costumes, props and make-up services.

GHY is listed on the Mainboard of the Singapore Exchange (SGX: XJB; Bloomberg: GHY:SP). For more information, please visit <https://ghyculturemedia.com/>