



## DouYu International Holdings Limited Reports Fourth Quarter and Full Year 2023 Unaudited Financial Results

WUHAN, China, March 26, 2024 /PRNewswire/ -- DouYu International Holdings Limited ("DouYu" or the "Company") (Nasdaq: DOYU), a leading game-centric live streaming platform in China and a pioneer in the eSports value chain, today announced its unaudited financial results for the fourth quarter and the full year ended December 31, 2023.

### Fourth Quarter 2023 Financial and Operational Highlights

- Total net revenues in the fourth quarter of 2023 were RMB1,296.0 million (US\$182.5 million), compared with RMB1,681.1 million in the same period of 2022.
- Gross profit in the fourth quarter of 2023 was RMB126.2 million (US\$17.8 million), compared with RMB186.1 million in the same period of 2022.
- Net loss in the fourth quarter of 2023 was RMB62.2 million (US\$8.8 million), compared with net income of RMB41.8 million in the same period of 2022.
- Adjusted net loss<sup>1</sup> in the fourth quarter of 2023 was RMB5.0 million (US\$0.7 million), compared with RMB4.3 million in the same period of 2022.
- Average mobile MAUs<sup>2</sup> in the fourth quarter of 2023 were 51.7 million, compared with 57.4 million in the same period of 2022.
- The number of quarterly average paying users<sup>3</sup> in the fourth quarter of 2023 was 3.7 million, compared with 5.6 million in the same period of 2022.

### Full Year 2023 Financial Highlights

- Total net revenues for the full year of 2023 were RMB5,530.4 million (US\$778.9 million), compared with RMB7,108.2 million for the full year of 2022.
- Gross profit for the full year of 2023 was RMB684.0 million (US\$96.3 million), compared with RMB990.1 million for the full year of 2022.
- Net income for the full year of 2023 was RMB35.5 million (US\$5.0 million), compared with net loss of RMB90.4 million for the full year of 2022.
- Adjusted net income for the full year of 2023 was RMB154.0 million (US\$21.7 million), compared with adjusted net loss of RMB7.6 million for the full year of 2022.

The interim management committee of DouYu commented, "In 2023, we remained firmly committed to executing our core strategy of fostering a vibrant, diverse, game-centric content ecosystem. We continued to invest in premium content and efficient operations across our platform while adopting flexible operating strategies to navigate the challenging macro environment. Our synchronized initiatives included optimizing our revenue structure, fine-tuning user acquisition strategies, and continued compliance enhancement, all aimed at fortifying our platform's long-term, sustainable growth. In the fourth quarter of 2023, our mobile MAUs remained stable at 51.7 million compared with the previous quarter. Looking ahead, by harnessing our three core strengths – extensive streamer resources, a rich content ecosystem, and close cooperation with game developers – we aim to further cultivate the game-centric community ecosystem across our platform through product innovation and content upgrades. We are committed to advancing the Company's commercialization efforts while further reinforcing compliance and improving user experience. Leveraging our strategic initiatives, we are poised to solidify DouYu's competitive edge and maintain market leadership in the domestic live streaming industry amid macro headwinds, with a focus on gaming content."

<sup>1</sup> "Adjusted net income" is defined as net income excluding share-based compensation expenses, and share of income (loss) in equity method investments, gain on disposal of investment, impairment loss of investments and impairment loss of goodwill and intangible assets. For more information, please refer to "Use of Non-GAAP Financial Measures" and "Reconciliations of GAAP and Non-GAAP Results" at the end of this press release.

<sup>2</sup> Refers to the number of mobile devices that launched our mobile apps in a given period. Average mobile MAUs for a given period is calculated by dividing (i) the sum of active mobile users for each month of such period, by (ii) the number of months in such period.

<sup>3</sup> "Quarterly average paying users" refers to the average paying users for each quarter during a given period of time calculated by dividing (i) the sum of paying users for each quarter of such period, by (ii) the number of quarters in such period. "Paying user" refers to a registered user that has purchased virtual gifts on our platform at least once during the relevant period.





Mr. Hao Cao, Vice President of DouYu, commented, “Throughout 2023, we refined our revenue-generating strategy and enhanced our commercialization capabilities. These adjustments improved our revenue structure with the proportion of full-year revenue from advertising and others climbing to 13.2% in 2023 from 4.4% in 2022. We also persistently optimized costs and expenses to improve our overall profitability, achieving a net profit of RMB35.5 million and an adjusted net profit of RMB154.0 million for the full year of 2023. Moving forward, we remain firmly committed to our long-term, sustainable growth strategy amid macro challenges and uncertainties. We will steadily advance our core businesses while ensuring a solid financial performance. By further expanding our monetization efforts, we aim to establish a robust foundation for the Company’s healthy growth ahead, creating enduring value for our shareholders.”

#### **Fourth Quarter 2023 Financial Results**

**Total net revenues** in the fourth quarter of 2023 decreased by 22.9% to RMB1,296.0 million (US\$182.5 million), compared with RMB1,681.1 million in the same period of 2022.

*Livestreaming revenues* in the fourth quarter of 2023 decreased by 36.1% to RMB1,020.8 million (US\$143.8 million) from RMB1,596.7 million in the same period of 2022. The decrease was primarily attributable to the soft macroeconomic environment and reduced revenue-generating promotions during the quarter, leading to a decrease in the number of quarterly average paying users.

*Advertising and other revenues* in the fourth quarter of 2023 increased by 226.5% to RMB275.2 million (US\$38.8 million) from RMB84.3 million in the same period of 2022. The increase was primarily driven by other revenues generated through new innovative business.

**Cost of revenues** in the fourth quarter of 2023 was RMB1,169.7 million (US\$164.8 million), a decrease of 21.8% compared with RMB1,495.0 million in the same period of 2022.

*Revenue sharing fees and content costs* in the fourth quarter of 2023 decreased by 30.3% to RMB885.3 million (US\$124.7 million) from RMB1,271.1 million in the same period of 2022. The decrease was primarily due to a decrease in sharing fees aligned with decreased livestreaming revenues, as well as a decline in content costs resulting from improved cost management in self-produced content and streamer payments. The decrease was partially offset by an increase in copyright costs due to the acquisition of the LOL World Championship tournament.

*Bandwidth costs* in the fourth quarter of 2023 decreased by 27.4% to RMB100.5 million (US\$14.2 million) from RMB138.4 million in the same period of 2022. The decline was primarily due to a year-over-year decrease in peak bandwidth usage.



**Gross profit** in the fourth quarter of 2023 was RMB126.2 million (US\$17.8 million), compared with RMB186.1 million in the same period of 2022. The decrease in gross profit was mainly due to a decrease in livestreaming revenues. Gross margin in the fourth quarter of 2023 was 9.7%, compared with 11.1% in the same period of 2022.

**Sales and marketing expenses** in the fourth quarter of 2023 decreased by 32.2% to RMB84.0 million (US\$11.8 million) from RMB123.9 million in the same period of 2022. This was mainly attributable to decreases in user acquisition marketing expenses and staff-related expenses.

**Research and development expenses** in the fourth quarter of 2023 decreased by 26.7% to RMB59.1 million (US\$8.3 million) from RMB80.6 million in the same period of 2022. This decrease was primarily due to a decrease in staff-related expenses.

**General and administrative expenses** in the fourth quarter of 2023 increased by 45.0% to RMB80.0 million (US\$11.3 million) from RMB55.2 million in the same period of 2022. The increase was due to higher salary expenses associated with management position adjustments, increased expense related to our organizational streamlining initiatives, as well as an increase in the provisions for assets.

**Other operating loss, net** in the fourth quarter of 2023 was RMB9.6 million (US\$1.4 million), compared with other operating income of RMB17.6 million in the same period of 2022.

**Loss from operations** in the fourth quarter of 2023 was RMB120.4 million (US\$17.0 million), compared with RMB56.0 million in the same period of 2022.

**Adjusted operating loss**, which added back impairment loss of goodwill and intangible assets, was RMB86.4 million in the fourth quarter of 2023, compared with RMB56.0 million in the same period of 2022.

**Net loss** in the fourth quarter of 2023 was RMB62.2 million (US\$8.8 million), compared with net income of RMB41.8 million in the same period of 2022.

**Adjusted net loss**, which excludes share-based compensation expenses, the share of income (loss) in equity method investments, gain on disposal of investment, impairment loss of investments and impairment loss of goodwill and intangible assets, was RMB5.0 million (US\$0.7 million) in the fourth quarter of 2023, compared with RMB4.3 million in the same period of 2022.

**Basic and diluted net loss per ADS<sup>4</sup>** in the fourth quarter of 2023 were both RMB0.19 (US\$0.03). **Adjusted basic and diluted net loss per ADS** in the fourth quarter of 2023 were both RMB0.02(US\$0.00).

#### **Full Year 2023 Financial Results**

**Total net revenues** for the full year of 2023 were RMB5,530.4 million (US\$778.9 million), compared with RMB7,108.2 million in the same period of 2022. The decrease was primarily driven by the year-over-year decrease in livestreaming revenues, which was partially offset by the increase in advertising and other revenues.

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<sup>4</sup> Every ten ADSs represent one ordinary share for the relevant period and calendar year.



**Gross profit** for the full year of 2023 was RMB684.0 million (US\$96.3 million), compared with RMB990.1 million in the same period of 2022.

**Loss from operations** for the full year of 2023 was RMB164.0 million (US\$23.1 million), compared with RMB198.9 million in the same period of 2022.

**Adjusted net income** for the full year of 2023, which excludes share-based compensation expenses, the share of loss (income) in equity method investments, gain on disposal of investment, impairment loss of investments, and impairment of goodwill and intangible assets, was RMB154.0 million (US\$21.7 million), compared with adjusted net loss of RMB7.6 million in the same period of 2022.

**Basic and diluted net income per ADS** for the full year of 2023 were both RMB0.11 (US\$0.02). **Adjusted basic and diluted net income per ADS** in the full year of 2023 were both RMB0.48 (US\$0.07).

#### **Cash and cash equivalents, restricted cash and bank deposits**

As of December 31, 2023, the Company had cash and cash equivalents, restricted cash, restricted cash in other non-current assets, and short-term and long-term bank deposits of RMB6,855.5 million (US\$965.6 million), compared with RMB6,808.8 million as of December 31, 2022.

#### **Share Repurchase Program**

On December 28, 2023, the Company announced that its board of directors had authorized a share repurchase program under which the Company may repurchase up to US\$20 million of its ordinary shares in the form of ADSs during a period of up to 12 months commencing on January 1, 2024. The Company expects to utilize existing funds to make repurchases under this program.

#### **Conference Call Information**

The Company will hold a conference call on March 26, 2024, at 7:00 a.m. Eastern Time (or 7:00 p.m. Beijing Time on the same day) to discuss the financial results. Listeners may access the call by dialing the following numbers:

|                           |                 |
|---------------------------|-----------------|
| International:            | +1-412-317-6061 |
| United States Toll Free:  | +1-888-317-6003 |
| Mainland China Toll Free: | 4001-206115     |
| Hong Kong Toll Free:      | 800-963976      |
| Singapore Toll Free:      | 800-120-5863    |
| Conference ID:            | 4708948         |

The replay will be accessible through April 2, 2024, by dialing the following numbers:

|                          |                 |
|--------------------------|-----------------|
| International:           | +1-412-317-0088 |
| United States Toll Free: | +1-877-344-7529 |
| Conference ID:           | 1682032         |

A live and archived webcast of the conference call will also be available at the Company's investor relations website at <http://ir.douyu.com>.



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## About DouYu International Holdings Limited

Headquartered in Wuhan, China, DouYu International Holdings Limited (Nasdaq: DOYU) is a leading game-centric live streaming platform in China and a pioneer in the eSports value chain. DouYu operates its platform on both PC and mobile apps to bring users access to immersive and interactive games and entertainment livestreaming, a wide array of video and graphic contents, as well as opportunities to participate in community events and discussions. By nurturing a sustainable technology-based talent development system and relentlessly producing high-quality content, DouYu consistently delivers premium content through integration of livestreaming, video, graphics, and virtual communities with a primary focus on games, especially on eSports. This enables DouYu to continuously enhance its user experience and pursue long-term healthy development. For more information, please see <http://ir.douyu.com>.

## Use of Non-GAAP Financial Measures

Adjusted operating income (loss) is calculated as operating income (loss) adjusted for share-based compensation expenses. Adjusted net income (loss) is calculated as net income (loss) adjusted for share-based compensation expenses, share of income (loss) in equity method investments, gain on disposal of investment, impairment loss of investments, and impairment loss of goodwill and intangible assets. Adjusted net income (loss) attributable to DouYu is calculated as net income (loss) attributable to DouYu adjusted for share-based compensation expenses, share of income (loss) in equity method investments, gain on disposal of investment, impairment loss of investments, and impairment loss of goodwill and intangible assets. Adjusted basic and diluted net income per ordinary share is non-GAAP net income attributable to ordinary shareholders divided by weighted average number of ordinary shares used in the calculation of non-GAAP basic and diluted net income per ordinary share. The Company adjusted the impact of (i) share-based compensation expenses, (ii) share of income (loss) in equity method investments, (iii) gain on disposal of investment, (iv) impairment loss of investments, (v) impairment loss of goodwill and intangible assets to understand and evaluate the Company's core operating performance. The non-GAAP financial measures are presented to enhance investors' overall understanding of the Company's financial performance and should not be considered a substitute for, or superior to, the financial information prepared and presented in accordance with U.S. GAAP. Investors are encouraged to review the reconciliation of the historical non-GAAP financial measures to its most directly comparable GAAP financial measures. As non-GAAP financial measures have material limitations as analytical metrics and may not be calculated in the same manner by all companies, they may not be comparable to other similarly titled measures used by other companies. In light of the foregoing limitations, you should not consider non-GAAP financial measures as a substitute for, or superior to, such metrics in accordance with U.S. GAAP.

For more information on these non-GAAP financial measures, please see the table captioned "Reconciliations of Non-GAAP Results" near the end of this release.

## Exchange Rate Information

This announcement contains translations of certain RMB amounts into U.S. dollars at a specified rate solely for the convenience of the reader. Unless otherwise noted, all translations from RMB to U.S. dollars are made at a rate of RMB7.0999 to US\$1.00, the noon buying rate in effect on December 29, 2023, in the H.10 statistical release of the Federal Reserve Board. The Company makes no representation that the RMB amounts could have been, or could be, converted, realized or settled in U.S. dollars, at that rate on December 29, 2023, or at any other rate.



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## Safe Harbor Statement

This press release contains forward-looking statements. These statements are made under the “safe harbor” provisions of the U.S. Private Securities Litigation Reform Act of 1995. Statements that are not historical facts, including statements about the Company's beliefs and expectations, are forward-looking statements. Forward-looking statements involve inherent risks and uncertainties, and a number of factors could cause actual results to differ materially from those contained in any forward-looking statement, including but not limited to the following: the Company's results of operations and financial condition; the Company's business strategies; general market conditions, in particular, the game live streaming market; the ability of the Company to retain and grow active and paying users; changes in general economic and business conditions in China; the impact of the COVID-19 to the Company's business operations and the economy in China and globally; any adverse changes in laws, regulations, rules, policies or guidelines applicable to the Company; and assumptions underlying or related to any of the foregoing. In some cases, forward-looking statements can be identified by words or phrases such as “may,” “will,” “expect,” “anticipate,” “target,” “aim,” “estimate,” “intend,” “plan,” “believe,” “potential,” “continue,” “is/are likely to” or other similar expressions. Further information regarding these and other risks, uncertainties or factors is included in the Company's filings with the Securities Exchange Commission. The announced results of the fourth quarter and full year 2023 are preliminary and unaudited. All information provided in this press release is as of the date of this press release, and the Company does not undertake any duty to update such information, except as required under applicable law.

## Investor Relations Contact

### In China:

Lingling Kong  
DouYu International Holdings Limited  
Email: ir@douyu.tv  
Tel: +86 (10) 6508-0677

Andrea Guo  
Piacente Financial Communications  
Email: douyu@tpg-ir.com  
Tel: +86 (10) 6508-0677

### In the United States:

Brandi Piacente  
Piacente Financial Communications  
Email: douyu@tpg-ir.com  
Tel: +1-212-481-2050

## Media Relations Contact

### In China:

Lingling Kong  
DouYu International Holdings Limited  
Email: pr\_douyu@douyu.tv  
Tel: +86 (10) 6508-0677





**UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS**  
(All amounts in thousands, except share, ADS, per share and per ADS data)

|                                                | As of December 31 | As of December 31 |                     |
|------------------------------------------------|-------------------|-------------------|---------------------|
|                                                | 2022              | 2023              | 2023                |
|                                                | RMB               | RMB               | US\$ <sup>(1)</sup> |
| <b>ASSETS</b>                                  |                   |                   |                     |
| <b>Current assets:</b>                         |                   |                   |                     |
| Cash and cash equivalents                      | 4,041,603         | 4,440,131         | 625,379             |
| Restricted cash                                | 6,057             | -                 | -                   |
| Short-term bank deposits                       | 2,511,150         | 1,716,540         | 241,770             |
| Accounts receivable, net                       | 109,180           | 73,453            | 10,346              |
| Prepayments                                    | 26,064            | 38,181            | 5,378               |
| Amounts due from related parties               | 46,126            | 68,994            | 9,718               |
| Other current assets                           | 337,004           | 348,129           | 49,031              |
| <b>Total current assets</b>                    | <b>7,077,184</b>  | <b>6,685,428</b>  | <b>941,622</b>      |
|                                                |                   |                   |                     |
| Property and equipment, net                    | 16,988            | 13,808            | 1,945               |
| Intangible assets, net                         | 106,723           | 120,694           | 16,999              |
| Long-term bank deposits                        | 250,000           | 630,000           | 88,734              |
| Investments                                    | 531,911           | 436,197           | 61,437              |
| Goodwill                                       | 13,804            | -                 | -                   |
| Right-of-use assets, net                       | 49,911            | 22,792            | 3,210               |
| Other non-current assets                       | 98,845            | 163,184           | 22,984              |
| <b>Total non-current assets</b>                | <b>1,068,182</b>  | <b>1,386,675</b>  | <b>195,309</b>      |
| <b>TOTAL ASSETS</b>                            | <b>8,145,366</b>  | <b>8,072,103</b>  | <b>1,136,931</b>    |
| <b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>    |                   |                   |                     |
| <b>LIABILITIES</b>                             |                   |                   |                     |
| <b>Current liabilities:</b>                    |                   |                   |                     |
| Accounts payable                               | 666,985           | 534,428           | 75,273              |
| Advances from customers                        | 6,459             | 12,911            | 1,818               |
| Deferred revenue                               | 288,152           | 315,969           | 44,503              |
| Accrued expenses and other current liabilities | 302,801           | 246,601           | 34,733              |
| Amounts due to related parties                 | 266,788           | 251,392           | 35,408              |
| Lease liabilities due within one year          | 27,479            | 14,768            | 2,080               |
| <b>Total current liabilities</b>               | <b>1,558,664</b>  | <b>1,376,069</b>  | <b>193,815</b>      |
|                                                |                   |                   |                     |
| Lease liabilities                              | 19,572            | 6,701             | 944                 |
| Deferred revenue                               | 6,570             | -                 | -                   |
| <b>Total non-current liabilities</b>           | <b>26,142</b>     | <b>6,701</b>      | <b>944</b>          |
| <b>TOTAL LIABILITIES</b>                       | <b>1,584,806</b>  | <b>1,382,770</b>  | <b>194,759</b>      |

(1) Translations of certain RMB amounts into U.S. dollars at a specified rate are solely for the convenience of the reader. Unless otherwise noted, all translations from RMB to U.S. dollars are made at a rate of RMB7,0999 to US\$1.00, the noon buying rate in effect on December 29, 2023, in the H.10 statistical release of the Federal Reserve Board.





# UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS (CONTINUED)

(All amounts in thousands, except share, ADS, per share and per ADS data)

|                                                   | As of December 31 | As of December 31 |                     |
|---------------------------------------------------|-------------------|-------------------|---------------------|
|                                                   | 2022              | 2023              | 2023                |
|                                                   | RMB               | RMB               | US\$ <sup>(1)</sup> |
| <b>SHAREHOLDERS' EQUITY</b>                       |                   |                   |                     |
| Ordinary shares                                   | 23                | 23                | 3                   |
| Treasury shares                                   | (911,217)         | (911,217)         | (128,342)           |
| Additional paid-in capital                        | 10,670,287        | 10,670,287        | 1,502,878           |
| Accumulated deficit                               | (3,520,525)       | (3,485,007)       | (490,853)           |
| Accumulated other comprehensive income            | 321,991           | 415,247           | 58,486              |
| <b>Total DouYu Shareholders' Equity</b>           | <b>6,560,559</b>  | <b>6,689,333</b>  | <b>942,172</b>      |
| Noncontrolling interests                          | 1                 | -                 | -                   |
| <b>Total Shareholders' Equity</b>                 | <b>6,560,560</b>  | <b>6,689,333</b>  | <b>942,172</b>      |
| <b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b> | <b>8,145,366</b>  | <b>8,072,103</b>  | <b>1,136,931</b>    |

<sup>(1)</sup> Translations of certain RMB amounts into U.S. dollars at a specified rate are solely for the convenience of the reader. Unless otherwise noted, all translations from RMB to U.S. dollars are made at a rate of RMB7.0999 to US\$1.00, the noon buying rate in effect on December 29, 2023, in the H.10 statistical release of the Federal Reserve Board.



# UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF INCOME (LOSS)

(All amounts in thousands, except share, ADS, per share and per ADS data)

|                                                                                                  | Three Months Ended |                 |                 |                     | Year Ended      |                 |                     |
|--------------------------------------------------------------------------------------------------|--------------------|-----------------|-----------------|---------------------|-----------------|-----------------|---------------------|
|                                                                                                  | Dec 31,<br>2022    | Sep 30,<br>2023 | Dec 31,<br>2023 | Dec 31,<br>2023     | Dec 31,<br>2022 | Dec 31,<br>2023 | Dec 31,<br>2023     |
|                                                                                                  | RMB                | RMB             | RMB             | US\$ <sup>(1)</sup> | RMB             | RMB             | US\$ <sup>(1)</sup> |
| <b>Net revenues</b>                                                                              | 1,681,054          | 1,359,189       | 1,295,962       | 182,532             | 7,108,238       | 5,530,405       | 778,941             |
| <b>Cost of revenues</b>                                                                          | (1,494,998)        | (1,166,771)     | (1,169,712)     | (164,750)           | (6,118,128)     | (4,846,371)     | (682,597)           |
| <b>Gross profit</b>                                                                              | 186,056            | 192,418         | 126,250         | 17,782              | 990,110         | 684,034         | 96,344              |
| <b>Operating (expenses) income<sup>(2)</sup></b>                                                 |                    |                 |                 |                     |                 |                 |                     |
| Sales and marketing expenses                                                                     | (123,912)          | (89,996)        | (83,998)        | (11,831)            | (639,871)       | (351,727)       | (49,540)            |
| General and administrative expenses                                                              | (55,175)           | (50,994)        | (80,031)        | (11,272)            | (288,242)       | (237,756)       | (33,487)            |
| Research and development expenses                                                                | (80,566)           | (74,510)        | (59,072)        | (8,320)             | (383,091)       | (276,936)       | (39,006)            |
| Other operating income, net                                                                      | 17,580             | 14,272          | (9,618)         | (1,355)             | 122,214         | 32,315          | 4,551               |
| Impairment of goodwill                                                                           | -                  | -               | (13,967)        | (1,967)             | -               | (13,967)        | (1,967)             |
| <b>Total operating expenses</b>                                                                  | (242,073)          | (201,228)       | (246,686)       | (34,745)            | (1,188,990)     | (848,071)       | (119,449)           |
| <b>Loss from operations</b>                                                                      | (56,017)           | (8,810)         | (120,436)       | (16,963)            | (198,880)       | (164,037)       | (23,105)            |
| Other expenses, net                                                                              | (17,692)           | 1,401           | (21,844)        | (3,077)             | (80,301)        | (52,874)        | (7,447)             |
| Interest income, net                                                                             | 55,256             | 80,747          | 82,556          | 11,628              | 129,858         | 284,982         | 40,139              |
| Foreign exchange (loss) income                                                                   | -                  | 4               | (122)           | (17)                | -               | 126             | 18                  |
| <b>(Loss) income before income taxes and share of (loss) income in equity method investments</b> | (18,453)           | 73,342          | (59,846)        | (8,429)             | (149,323)       | 68,197          | 9,605               |
| Income tax expense                                                                               | (3,487)            | -               | (1,069)         | (151)               | (3,487)         | (1,069)         | (151)               |
| Share of (loss) income in equity method investments                                              | 63,781             | 3,035           | (1,310)         | (185)               | 62,395          | (31,610)        | (4,452)             |
| <b>Net (loss) income</b>                                                                         | 41,841             | 76,377          | (62,225)        | (8,765)             | (90,415)        | 35,518          | 5,002               |
| Less: Net income(loss) attributable to noncontrolling interest                                   | (3,479)            | -               | -               | -                   | (14,992)        | -               | -                   |
| <b>Net (loss) income attributable to ordinary shareholders of the Company</b>                    | 45,320             | 76,377          | (62,225)        | (8,765)             | (75,423)        | 35,518          | 5,002               |
| <b>Net (loss) income per ordinary share</b>                                                      |                    |                 |                 |                     |                 |                 |                     |
| Basic                                                                                            | 1.42               | 2.39            | (1.95)          | (0.27)              | (2.36)          | 1.11            | 0.16                |
| Diluted                                                                                          | 1.42               | 2.39            | (1.95)          | (0.27)              | (2.36)          | 1.11            | 0.16                |
| <b>Net (loss) income per ADS<sup>(3)</sup></b>                                                   |                    |                 |                 |                     |                 |                 |                     |
| Basic                                                                                            | 0.14               | 0.24            | (0.19)          | (0.03)              | (0.24)          | 0.11            | 0.02                |

|                                                                                                            |             |             |             |             |             |             |             |
|------------------------------------------------------------------------------------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Diluted                                                                                                    | 0.14        | 0.24        | (0.19)      | (0.03)      | (0.24)      | 0.11        | 0.02        |
| <b>Weighted average number of ordinary shares used in calculating net (loss) income per ordinary share</b> |             |             |             |             |             |             |             |
| Basic                                                                                                      | 32,023,641  | 31,977,665  | 31,977,665  | 31,977,665  | 31,971,245  | 31,977,665  | 31,977,665  |
| Diluted                                                                                                    | 32,023,641  | 31,977,665  | 31,977,665  | 31,977,665  | 31,971,245  | 31,977,665  | 31,977,665  |
| <b>Weighted average number of ADS used in calculating net (loss) income per ADS(3)</b>                     |             |             |             |             |             |             |             |
| Basic                                                                                                      | 320,236,412 | 319,776,650 | 319,776,650 | 319,776,650 | 319,712,449 | 319,776,650 | 319,776,650 |
| Diluted                                                                                                    | 320,236,412 | 319,776,650 | 319,776,650 | 319,776,650 | 319,712,449 | 319,776,650 | 319,776,650 |

(1) Translations of certain RMB amounts into U.S. dollars at a specified rate are solely for the convenience of the reader. Unless otherwise noted, all translations from RMB to U.S. dollars are made at a rate of RMB7.0999 to US\$1.00, the noon buying rate in effect on December 29, 2023, in the H.10 statistical release of the Federal Reserve Board.

(2) Share-based compensation expenses were allocated in cost of revenues and operating expenses as follows:

|                                     | Three Months Ended |                 |                 |                     |                 | Year Ended      |                     |
|-------------------------------------|--------------------|-----------------|-----------------|---------------------|-----------------|-----------------|---------------------|
|                                     | Dec 31,<br>2022    | Sep 30,<br>2023 | Dec 31,<br>2023 | Dec 31,<br>2023     | Dec 31,<br>2022 | Dec 31,<br>2023 | Dec 31,<br>2023     |
|                                     | RMB                | RMB             | RMB             | US\$ <sup>(1)</sup> | RMB             | RMB             | US\$ <sup>(1)</sup> |
| Research and development expenses   | -                  | -               | -               | -                   | 11,476          | -               | -                   |
| Sales and marketing expenses        | -                  | -               | -               | -                   | 2,560           | -               | -                   |
| General and administrative expenses | -                  | -               | -               | -                   | 52,705          | -               | -                   |

(3) Every ten ADSs represent one ordinary share for the relevant period and calendar year.



**RECONCILIATIONS OF GAAP AND NON-GAAP RESULTS**  
(All amounts in thousands, except share, ADS, per share and per ADS data)

|                                                         | Three Months Ended |                 |                 |                     | Year Ended       |                  |                     |
|---------------------------------------------------------|--------------------|-----------------|-----------------|---------------------|------------------|------------------|---------------------|
|                                                         | Dec 31,<br>2022    | Sep 30,<br>2023 | Dec 31,<br>2023 | Dec 31,<br>2023     | Dec 31,<br>2022  | Dec 31,<br>2023  | Dec 31,<br>2023     |
|                                                         | RMB                | RMB             | RMB             | US\$ <sup>(1)</sup> | RMB              | RMB              | US\$ <sup>(1)</sup> |
| <b>Loss from operations</b>                             | (56,017)           | (8,810)         | (120,436)       | (16,963)            | (198,880)        | (164,037)        | (23,105)            |
| <b>Add:</b>                                             |                    |                 |                 |                     |                  |                  |                     |
| Share-based compensation expenses                       | -                  | -               | -               | -                   | 66,741           | -                | -                   |
| Impairment of goodwill and intangible assets            | -                  | -               | 34,035          | 4,794               | -                | 34,035           | 4,794               |
| <b>Adjusted Operating loss</b>                          | <u>(56,017)</u>    | <u>(8,810)</u>  | <u>(86,401)</u> | <u>(12,169)</u>     | <u>(132,139)</u> | <u>(130,002)</u> | <u>(18,311)</u>     |
| <b>Net (loss) income</b>                                | 41,841             | 76,377          | (62,225)        | (8,765)             | (90,415)         | 35,518           | 5,002               |
| <b>Add:</b>                                             |                    |                 |                 |                     |                  |                  |                     |
| Share-based compensation expenses                       | -                  | -               | -               | -                   | 66,741           | -                | -                   |
| Share of loss (income) in equity method investments     | (63,781)           | (3,035)         | 1,310           | 185                 | (62,395)         | 31,610           | 4,452               |
| Impairment losses of investments                        | 17,592             | 3,731           | 21,844          | 3,077               | 78,461           | 58,006           | 8,170               |
| Gain on disposal of investment                          | -                  | (5,132)         | -               | -                   | -                | (5,132)          | (723)               |
| Impairment losses of goodwill and intangible assets     | -                  | -               | 34,035          | 4,794               | -                | 34,035           | 4,794               |
| <b>Adjusted net (loss) income</b>                       | <u>(4,348)</u>     | <u>71,941</u>   | <u>(5,036)</u>  | <u>(709)</u>        | <u>(7,608)</u>   | <u>154,037</u>   | <u>21,695</u>       |
| <b>Net (loss) income attributable to DouYu</b>          | 45,320             | 76,377          | (62,225)        | (8,765)             | (75,423)         | 35,518           | 5,002               |
| <b>Add:</b>                                             |                    |                 |                 |                     |                  |                  |                     |
| Share-based compensation expenses                       | -                  | -               | -               | -                   | 66,741           | -                | -                   |
| Share of loss (income) in equity method investments     | (63,781)           | (3,035)         | 1,310           | 185                 | (62,395)         | 31,610           | 4,452               |
| Impairment losses of investments                        | 17,592             | 3,731           | 21,844          | 3,077               | 78,461           | 58,006           | 8,170               |
| Gain on disposal of investment                          | -                  | (5,132)         | -               | -                   | -                | (5,132)          | (723)               |
| Impairment losses of goodwill and intangible assets     | -                  | -               | 34,035          | 4,794               | -                | 34,035           | 4,794               |
| <b>Adjusted net (loss) income attributable to DouYu</b> | <u>(869)</u>       | <u>71,941</u>   | <u>(5,036)</u>  | <u>(709)</u>        | <u>7,384</u>     | <u>154,037</u>   | <u>21,695</u>       |
| <b>Adjusted net (loss) income per ordinary share</b>    |                    |                 |                 |                     |                  |                  |                     |

|         |        |      |        |        |      |      |      |
|---------|--------|------|--------|--------|------|------|------|
| Basic   | (0.03) | 2.25 | (0.16) | (0.02) | 0.23 | 4.82 | 0.68 |
| Diluted | (0.03) | 2.25 | (0.16) | (0.02) | 0.23 | 4.82 | 0.68 |

**Adjusted net (loss)  
income per ADS<sup>(2)</sup>**

|         |        |      |        |        |      |      |      |
|---------|--------|------|--------|--------|------|------|------|
| Basic   | (0.00) | 0.22 | (0.02) | (0.00) | 0.02 | 0.48 | 0.07 |
| Diluted | (0.00) | 0.22 | (0.02) | (0.00) | 0.02 | 0.48 | 0.07 |

**Weighted average number of ordinary shares used in calculating Adjusted net (loss) income per ordinary share**

|         |            |            |            |            |            |            |            |
|---------|------------|------------|------------|------------|------------|------------|------------|
| Basic   | 32,023,641 | 31,977,665 | 31,977,665 | 31,977,665 | 31,971,245 | 31,977,665 | 31,977,665 |
| Diluted | 32,023,641 | 31,977,665 | 31,977,665 | 31,977,665 | 31,971,245 | 31,977,665 | 31,977,665 |

**Weighted average number of ADS used in calculating net (loss) income per ADS<sup>(2)</sup>**

|         |             |             |             |             |             |             |             |
|---------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Basic   | 320,236,412 | 319,776,650 | 319,776,650 | 319,776,650 | 319,712,449 | 319,776,650 | 319,776,650 |
| Diluted | 320,236,412 | 319,776,650 | 319,776,650 | 319,776,650 | 319,712,449 | 319,776,650 | 319,776,650 |

<sup>(1)</sup> Translations of certain RMB amounts into U.S. dollars at a specified rate are solely for the convenience of the reader. Unless otherwise noted, all translations from RMB to U.S. dollars are made at a rate of RMB7.0999 to US\$1.00, the noon buying rate in effect on December 29, 2023, in the H.10 statistical release of the Federal Reserve Board.

<sup>(2)</sup> Every ten ADSs represent one ordinary share for the relevant period and calendar year.