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儒意控股
RUYI HOLDINGS

China Ruyi Holdings Limited

中國儒意控股有限公司

(a company incorporated in Bermuda with limited liability)

(Stock Code: 136)

**ANNUAL RESULTS ANNOUNCEMENT
FOR THE YEAR ENDED 31 DECEMBER 2025**

FINANCIAL HIGHLIGHTS

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Revenue	3,342,975	3,670,760
Net profit/(loss)	1,786,023	(206,576)
Adjusted net profit ^(Note)	1,962,636	1,064,982
Adjusted net profit margin	59%	29%
Basic earning/(loss) per share	RMB0.11419	RMB(0.01570)
Diluted earning/(loss) per share	RMB0.11419	RMB(0.01570)

Note: We define adjusted net profit as net profit/(loss) for the year net of (i) share-based compensation expenses; (ii) fair value change in contingent consideration payable; (iii) imputed interest expenses; and (iv) interests expenses on convertible bonds.

The board (the “**Board**”) of directors (the “**Directors**”) of China Ruyi Holdings Limited (the “**Company**”) announces the consolidated results of the Company and its subsidiaries and controlled entities (together the “**Group**”) for the year ended 31 December 2025 (the “**Reporting Period**”).

MANAGEMENT DISCUSSION AND ANALYSIS

Financial Performance Summary

The Group recorded a profit attributable to owners of the Company of approximately RMB1,797 million for the year ended 31 December 2025, which increased by approximately RMB1,988 million as compared to the loss attributable to owners of the Company of approximately RMB191 million for the year ended 31 December 2024. The increase in the profit attributable to owners of the Company was mainly due to the increase in contribution from the gaming business and optimization of cost efficiency. The basic and diluted earnings per share were RMB0.11419 and RMB0.11419 for the year ended 31 December 2025, respectively, as compared to the basic and diluted loss per share of RMB0.01570 and RMB0.01570 for the year ended 31 December 2024, respectively.

For the year ended 31 December 2025, the Group's revenue decreased from RMB3,671 million for the year ended 31 December 2024 to RMB3,343 million for the year ended 31 December 2025, including revenue from film and television drama production, online streaming and gaming businesses of RMB3,303 million, and revenue from other business segment of RMB40 million.

For the year ended 31 December 2025, the adjusted net profit of the Group was RMB1,962.6 million, while the adjusted net profit for the year ended 31 December 2024 was RMB1,065.0 million, representing an increase of 84%.

Business Review and Outlook

In 2025, the Group continued to advance its strategic portfolio optimization and business structure upgrades. By expanding industrial boundaries through investment and mergers and acquisitions, it has built a synergistically linked business ecosystem, forming a three-pillar driven business structure of “games providing stable cash flow, content driving performance elasticity, and AI enhancing efficiency”, contributing to a significant improvement in profitability.

For the year ended 31 December 2025, the Group's annual revenue was RMB3.343 billion, and was adjusted compared to the same period last year due to industry cycles and content scheduling rhythms. During the Reporting Period, the Group achieved a net profit of RMB1.786 billion, representing a significant increase compared to the same period last year. The profit growth was mainly attributable to the increased contribution from the gaming business and cost efficiency optimization, driving an improvement in the profit structure, which further strengthened the Group's endogenous profitability and resilience against economic cycles.

I. Content production business: Premium content matrix continues to consolidate market leadership position, diverse project pipeline supports long-term development

1. *Film investment, production and distribution: Centered on High-quality content*

In 2025, the domestic film market witnessed several landmark developments. According to data from the China Film Administration, the national box office for 2025 reached RMB51.832 billion, representing a year-on-year increase of 21.95%, and cinema attendance reached 1.238 billion, representing a year-on-year increase of 22.57%, indicating a significant recovery in industry prosperity.

Against this backdrop, the Group continued to strengthen its core competitiveness in film production and distribution, and launched several market-influential works during key seasons, further consolidating its leading position in content creation and market operations. During the Reporting Period, multiple films co-produced by the Group delivered outstanding performances. The suspense crime film “Octopus with Broken Arms” (《誤殺3》) and the romantic comedy “Honey Money Phony” (《騙騙喜歡你》) ranked first and third in the New Year’s Day box office, respectively. During the Spring Festival period, the national-level suspense comedy “Detective Chinatown 1900” (《唐探1900》) ranked second in the box office with over RMB3.6 billion and was awarded “2025 Weibo Night • Film of the Year” (2025微博之夜 • 微博年度電影); the family animation “Boonie Bears: Future Reborn” (《熊出沒 • 重啟未來》) also achieved remarkable box office results. During the summer season, the war-themed film “Dead to Rights” (《南京照相館》) topped the box office with over RMB3 billion; the oriental fantasy adaptation “Curious Tales of a Temple” (《聊齋：蘭若寺》) won the Best Animation Film Award at the 10th Golden Crane Awards — 2025 China Film Week held at Tokyo; the historical suspense adaptation “The Lychee Road” (《長安的荔枝》) won the “Top Ten Golden Angel Awards” at the 21st China-American Film Festival and received multiple nominations such as the Golden Rooster Award; and genre-diverse films such as the social suspense film “Malice” (《惡意》) and the romantic film “Gift from a Cloud” (《有朵雲像你》) also performed steadily. During the National Day period, the war epic “The Volunteers: Peace at Last” (《志願軍：浴血和平》) successfully claimed the top spot. This diverse premium content matrix fully validated the Group’s strong content control and market insight capabilities.

For the 2026 Spring Festival period, the national comedy film “Pegasus 3” (《飛馳人生3》) securely topped the box office with a cumulative total exceeding RMB4 billion; the suspense thriller “Scare Out” (《驚蟄無聲》) secured the second place in the box office; the family animated film “Boonie Bears: The Hidden Protector” (《熊出沒•年年有熊》) continued its stable market performance, maintaining its lead in the family-oriented content segment.

Looking ahead, the Group has formed a content investment structure of “head projects driving + multi-project diversification”, effectively diversifying risks while enhancing single-project returns. The rich project pipeline also lays a solid foundation for the Group’s sustainable development, with major works such as “Cold War 1994” (《寒戰1994》), “The Wild Tales” (《蠻荒禁地》), “Once Upon A Time in the Middle East” (《歡迎來龍餐館》), “Zhuan Nian Hua Kai” (《轉念花開》), “THE WANDERING EARTH III (Part 1 & 2)” (《流浪地球3(上、下)》), “MAD KING” (《狼家伙》), as well as animated film series co-produced with Light Chaser Animation, progressing steadily. The Group consistently adheres to high-quality content as its core, exploring the contemporary value of Chinese culture, and is committed to telling Chinese stories to global audiences, demonstrating cultural confidence and industry responsibility.

2. Investment, production and distribution of television dramas: continuously increasing investment in top-tier premium content

In the drama production segment, the Group continues to increase its investment in top-tier premium content, deepen collaborations with mainstream domestic streaming platforms, and actively expand overseas markets, continuously enhancing the international reach and brand influence of Chinese dramas. During the Reporting Period, the martial arts romance drama “Shadow Love” (《與晉長安》), starred by Song Yi and Cheng Lei, was shortlisted for the Golden Angel Award at the 21st China-American Television Festival.

In terms of project pipeline, the drama series produced and led by the Group span a wide range of genres and enjoy a vibrant landscape, comprehensively covering multiple genres such as suspense, realism, Chinese costume drama, martial arts, and urban romance. The suspense genre includes “Light to the Night” (《黑夜告白》) starred by Pan Yueming and Wang Hedi; the crime-themed drama “Her Brilliant Journey” (《一路燦爛》) starred by Yan Ni and Ren Suxi. Reality-based dramas include “Prosecutor and Boy” (《檢察官與少年》) starred by Zhang Xiaofei and Yu Jiacheng, focusing on juvenile legal education; and “Jia You Qi Lang” (《家有七郎》) starred by Chen Baoguo, Jing Boran, and Gao Yuanyuan. Period and martial arts dramas include “All

Hail my Supreme Sec” (《萬古最強宗》) starred by Peng Yuchang and Wan Peng; and the new-school martial arts drama “Now or Never” (《一點浩然氣》). Urban romance dramas include “Dazzling” (《耀眼》) starred by Guan Xiaotong and Li Yunrui, and the romantic comedy “Touch” (《非正式浪漫》) starred by Cai Wenjing. These pipeline films represent an expansion across multiple narrative genres, with in-depth collaborations already established with various platforms, and are expected to be launched successively, providing continuous content output and revenue contribution for the Group.

II. Online streaming business: AI technology fully empowers content ecosystem, leading the intelligent transformation of streaming business

1. *AI empowers streaming business: A comprehensive leap from auxiliary tool to core engine*

The Group continues to deeply optimize its AI technology deployment across the entire industrial chain of its streaming business, successfully achieving a strategic leap from “AI-assisted creation” to an “AI-native content ecosystem”. Facing the explosive growth of the global AIGC film and television market, the Group not only significantly enhance content production efficiency but also build solid core barriers in commercial monetization and digital asset operations leveraging cutting-edge multimodal large models and digital asset rights confirmation technologies.

2. *AI-native content ecosystem: Building a core barrier for high quality and high commercial value*

The Group has deeply integrated AI technology into the innovation ecosystem of its streaming business, constructing a highly differentiated and scalable content intelligent supply system to continuously drive the reshaping of industrial value. The AIGC content creation system of the AI lab has completed a comprehensive upgrade from short-form content to serialized and long-form content. Its benchmark works such as “Sour Soul” (《酸魂》) and “Prologue to the White Snake” (《白蛇序章》) have achieved tens of millions of cumulative views across the internet, successfully validating the closed-loop path from creation to commercial monetization for AIGC content.

Leveraging continuously iterating AI video generation technology, the Group has established an industrialized production process capable of mass-producing high-quality AI animation series and micro-dramas at scale. Facing the projected industry opportunity of the domestic AI animation series market exceeding RMB24 billion, the Group has strategically leveraged cutting-edge technologies and mature industrial capabilities to pioneer this emerging sector, shortening content development cycles by over 60% while achieving

significant cost optimization in production. Through the continuous delivery of intelligently generated content that integrates cultural depth and commercial appeal, the Group has solidified its position as an innovator in the streaming sector, and simultaneously driven user growth and enhanced commercial value, injecting robust momentum for long-term development.

3. *Multimodal AI middleware architecture: Connecting the entire workflow for streaming content creation*

The Group has comprehensively upgraded its proprietary systems-“Linggou AI”, “Jingce AI”, “Changyu AI”, and “Shuyan AI”-into a multimodal AI middleware architecture. Leveraging cutting-edge multimodal large model technology, this architecture streamlines the entire content production workflow, from concept generation to final delivery, fundamentally reshaping the paradigm of film and television industrial production.

System Name	Core Technology Upgrade	Core Functions and Commercial Value
Linggou AI	Introduction of narrative agents driven by large language models	As an intelligent creation engine, relying on massive literary copyright resources and historical project data, it transforms fragmented creative inspirations into a complete narrative structure, and realizes quantitative evaluation of script logic and prediction of commercial potential.
Jingce AI	Integration of the latest image-to-video and text-to-video large models	Focusing on the director’s preparation phase, it automatically generates high-precision work drafts and dynamic storyboards, achieving physically realistic simulation of lighting effects and lens language, which greatly reduces the cost of early trial and error.

System Name	Core Technology Upgrade	Core Functions and Commercial Value
Changyu AI	Introduction of real-time neural rendering and 3DGS technology	It realizes real-time image quality inspection and high-fidelity rough-cut preview during the shooting process, breaks through the computing power bottleneck of traditional virtual production, and significantly improves shooting efficiency and reduces rework rate.
Shuyan AI	Upgraded to full lifecycle management of AI digital actors	Centered on post-production and asset application, it generates compliant digital actors with high emotional expressiveness, ensures rights security through blockchain-based evidence, and simultaneously lowers the risks and costs associated with high-risk scene shooting.

4. *AI digital asset full-chain platform: Solidifying the core value of digital assets*

The Group has fully transitioned from the “traditional tools + AI” stage into a new phase of “native AI-driven”. Its self-developed digital human system has been upgraded to an AI digital asset full-chain platform. This platform deeply integrates cutting-edge technologies such as 3DGS and NeRF, enabling the rapid generation of cinema-grade precision 3D digital characters and scenes. Combined with blockchain technology, it achieves one-click binding, rights confirmation, and continuous feedback optimization for digital roles, and ensures the uniqueness and security of digital assets, enabling the Group to strategically dominate in future virtual idol operations and IP licensing commercialization.

5. *Strategic outlook: Leading the intelligent transformation of streaming business*

The large-scale application of AI technology significantly reduces unit content production costs while increasing content supply frequency, creating a sustainable profit growth leverage. Moving forward, the Group will drive the upgrade of AI from a production tool to the core engine of the industry. Driven by the dual forces of “AI + IP”, it aims to build a globally leading

intelligent content ecosystem. Through the continuous deepening of technological applications and the expansion of commercialization pathways, the Group will achieve a comprehensive intelligent transformation of its streaming business, establishing differentiated advantages in global competition.

III. Jingxiu Games: Premium R&D and operations drive performance growth, global IP self-development and technological innovation empower long-term value

Upholding its core strategy of premium quality, globalization, and integrated R&D and operations, the Group has built a closed-loop system for self-developing and self-publishing globally renowned IPs. Leveraging in-house R&D strength, full-cycle refined operations, and global IP integration capabilities, it has achieved growth in both business scale and operational efficiency.

1. *Sustained operation of core products, continuous value release of classic IPs, new products and innovative gameplay unlock new growth space*

The Group has established a mature sustained operation system covering the entire product lifecycle. Through continuous version updates, refined user operations, and content innovation, it has driven core products to consistently rank at the forefront of the industry. Among them, the benchmark SLG product “Red Alert Online” (《紅警OL》), leveraging the influence of its classic IP and a deep operational strategy, has long remained in the top tier of the domestic iOS game bestseller list. As of August 2025, the product’s cumulative gross revenue exceeded RMB6 billion, setting a milestone for long-term operation in the domestic SLG category, fully validating the Group’s core barriers in classic IP adaptation and sustained operations. Products such as “Ragnarok Origin” (《仙境傳說：愛如初見》) and “Civilization: Eras & Allies” (《世界啟元》) have also maintained stable user bases and revenue contributions.

During the Reporting Period, the Group focused on breakthrough innovations in the core SLG segment, precisely targeting niche genres such as sci-fi and Three Kingdoms, and launched several differentiated premium new games. The sci-fi themed new product “The Nova Era” (《群星紀元》) innovatively integrated RTS gameplay and synergized three top-tier sci-fi IPs- “The South Heaven Gate Project” (《南天門計劃》), “Starship Troopers” (《星河戰隊》), and “Swallowed Star” (《吞噬星空》), achieving a dual breakthrough in content and user base, becoming a benchmark in the sci-fi SLG segment. “The War of Dragon Stones” (《龍石戰爭》) pioneered the “Dragon Stone-like” strategic gameplay, earning high recognition from core strategy players; the Three Kingdoms themed new product “Yanwu” (《偃武》), leveraging

historically grounded narratives and youth-oriented art design, topped the iOS free charts shortly after launch, successfully reaching a broad user base across all age groups, further expanding the Group’s user boundaries and market space.

2. *Self-search and self-development closed loop for global top-tier IPs, full-chain autonomous control establishes core barriers*

The Group is firmly advancing its strategy of collaborating with globally recognized top-tier IPs, achieving full-chain autonomous control from IP acquisition, R&D, publishing to operations, building a scarce and high-quality IP resource barrier and product pipeline, providing a solid guarantee for performance growth over the next 3–5 years. During the Reporting Period, the Group’s collaboration with renowned global game developer Ubisoft, “Heroes of Might & Magic: Lordship Rivalry” (《魔法門英雄無敵：領主爭霸》), is expected to officially launch in 2026; a comprehensive top-tier IP self-development collaboration was reached with Electronic Arts (EA), covering the EA SPORTS FC football IP and the classic “Command & Conquer” (《命令與征服》) series SLG products, expected to launch globally in early 2027. Through this self-search and self-development closed-loop model for IPs, the Group maximizes IP value and gains full control over operations.

In terms of its global market presence, the Group has established deep collaborations with leading regional partners. In Korea, the Group has reached a collaboration intent with Devsister for the “CookieRun” IP, with the agency product “CookieRun: Tower of Adventures” (《餅乾人聯盟》) expected to be released in 2026; the Group is also engaged in R&D collaboration with SmileGate on the “CrossFire” IP. In the North American market, the Group has reached collaboration consensus with leading mobile game developer Scopely on multiple premium products, with both parties leveraging their respective strengths to drive product launch and promotion.

Furthermore, the Group is precisely positioning itself in the sports game segment, constructing a dual-core product matrix of “EA SPORTS football IP + NBA basketball IP”, fully integrating the user bases of sports competitions and gaming. The full-platform product “NBAGO” (《NBA瞬息》) is expected to commence testing in 2026, forming a sports game portfolio covering both football and basketball, creating a new performance growth pole for the Group.

3. *Independent R&D and implementation of core AI technologies, full-chain cost reduction and efficiency enhancement to establish a technological moat*

The Group has deeply integrated AI technology into its strategic framework for the gaming business. By continuously increasing R&D investment, it comprehensively promotes the innovative application of artificial intelligence across the entire chain of game R&D, production, and operations. Currently, the in-house R&D team has achieved breakthroughs in two core technologies: “AI-driven intelligent analysis of sports event tactical formations” and “video-driven non-physical motion capture”, significantly improving the efficiency of action resource production and shortening development cycles. Meanwhile, AI has been implemented at scale in areas such as voice generation, post-production, and procedural content generation, propelling the game industry into a new phase of intelligent production.

4. *Precise positioning in local segment, strategic investment completes all-genre ecosystem*

The Group is improving its business ecosystem and creating new performance growth curves through equity cooperation and strategic investments. In January 2025, the Group acquired a 30% equity stake in Beijing Yonghang Technology Company Limited, and initiated in-depth collaboration around the “QQ Dance” (《QQ炫舞》) IP by integrating core resources such as the virtual idol “Xing Tong” (星瞳) to create innovative “music-dance + social + short drama” integrated film-game products. To actively position itself in the open-world action game segment, the Group made a strategic investment in Chengdu Xiaozhiyouchuang Technology Co., Ltd., a team currently developing related products based on the UE5 engine. Following the successful collaboration on “Age of Stellarian” (《群星紀元》), the Group strategically invested in its developer, Kaboom Technology, to jointly develop the next-generation products for the global market.

IV. Strategic investment business: Focusing on core segment, deepening industrial synergy and value realization

During the Reporting Period, the Group executed a series of strategic investments to strengthen synergies among its business segments, and built a more resilient ecosystem platform with significant growth potential to help core businesses improve quality, enhance efficiency, and expand growth boundaries.

1. *Investment in Wanda Film: Strengthening full-industry chain synergy, consolidating offline scene advantages*

In 2023, the Group strategically invested in Wanda Film, a leading domestic cinema chain, achieving full-process integration from content creation and production to terminal screening, which helps to enhance content distribution efficiency and monetization capability. The Group deeply synergized its own film, television, and gaming resources with Wanda Film's nationwide theater network, significantly improving the conversion efficiency of high-quality content into commercial value. During the Reporting Period, the Group engaged in in-depth collaboration with Wanda Film, launching innovative "movie watching + gaming" offline linkage activities in Wanda Cinemas across five major cities including Beijing and Chongqing, covering over 700 cinema locations nationwide, effectively achieving high-efficiency exposure for new games and conversion of user reservations. Additionally, leveraging the vast audience data and consumer behaviour insights accumulated by Wanda Film, the Group can precisely grasp market demand, dynamically optimize film positioning and promotion strategies, thereby effectively improving project investment returns and reducing market risks.

2. *Investment in 52TOYS: Expanding IP derivative business, extending the value chain*

To deepen the exploration of IP values, the Group strategically invested in 52TOYS Development Co., Ltd., whose well-known brand 52TOYS possesses abundant IP resources. On one hand, the Group can share in the capital appreciation benefits brought by the brand development and market expansion of 52TOYS; on the other hand, leveraging the Group's strengths in film and television IP content and 52TOYS' capabilities in product design, development, and channels. Both parties engage in deep synergy to drive the commercialization innovation of film and television IPs, create competitive hit derivative products, expand revenue sources, and significantly enhance IP monetization capabilities and overall profitability.

A deep linkage was successfully carried out between 52TOYS' original sci-fi IP "Beast Box"(猛兽匣) and "The War of Dragon Stones" (《龍石戰爭》), a game product under the Group's Jingxiu Games. Through the launch of an exclusive game version and offline pop-up events, this initiative achieved dual-line operation of "virtual content + physical products". This activity not only explored a new path for the integration of "toy IP + game" but also achieved mutual growth in users and traffic.

3. *Acquisition of partial equity in Kuaiqian: Deepening the “culture + technology + finance” strategic portfolio*

During the Reporting Period, the Group acquired a 40% equity stake in Kuaiqian Financial Services (Shanghai) Co., Ltd. (“**Kuaiqian**”), aiming to enhance the strategic controllability of the financial payment link within the Group’s closed-loop ecosystem, thereby improving the Group’s platform-based operational capability and industrial synergy effects. Kuaiqian holds a nationally issued third-party payment license and has a deep presence in comprehensive payment solutions for large and medium-sized enterprises, digital RMB applications, and cross-border payments.

This acquisition brings multiple benefits. It is expected to improve the payment settlement efficiency and user experience for the Group’s internal businesses such as film, streaming media, games, and cinemas, and optimize the fund flow. Leveraging Kuaiqian’s expertise in cross-border payments and other areas, it can provide efficient fintech support for the global distribution and operations of the Group’s content products. Both parties will explore innovative business models combining “cultural content + scenario-based payment”, so as to further expand business boundaries.

4. *Strategic investment in AISphere Technology: Positioning in the “AI +Content” segment, empowering business intelligent upgrade*

To seize the strategic opportunity in “AI+Content”, in early 2026, the Group has made a strategic investment in AISphere Limited (“**AISphere**”), a global leader in AI video, and has entered into a strategic partnership with its onshore operating entity, Beijing AISphere Technology Co., Ltd.* (北京愛詩科技有限公司) (“**AISphere Technology**”), constructing a bidirectional empowerment system of “technology + industry”. The core product of AISphere Technology, “PixVerse”, has over 100 million users globally, and its self-developed technology holds a leading edge in AI video generation, with extensive experience in implementing AI solutions for film, television, and short dramas. This investment is an important initiative for the Group to implement its “Content + Technology” development strategy. Both parties will promote the collaboration on multiple dimensions. At the strategic level, the core team of AISphere Technology will assist the Group’s intelligent transformation. At the technical application level, the focus will be on deep application of AI in areas such as film and television special effects, promotion and distribution, and game scene optimization, enhancing efficiency and content quality. At the innovation and expansion level, leveraging the Group’s rich IP resources combined with AI technology for secondary creation, the two parties will jointly develop multimodal agents, and exploring next-generation interactive content formats. In the future, the

Group will continue to drive the deep integration of AI technology with its core businesses, use technological innovation to drive industrial upgrades, and create a benchmark for the integrated development of “AI+Content”, thereby consolidating a foundation for long-term sustainable development.

ADJUSTED NET PROFIT

To supplement our consolidated financial statements which are presented in accordance with HKFRS Accounting Standards (“**HKFRS**”), we also use adjusted net profit as additional financial measures, which are not required by, or presented in accordance with HKFRS. We believe that these non-HKFRS measures, which have excluded certain items, 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 adjusted net profit may not be comparable to similarly titled measures presented by other companies. The use of these non-HKFRS 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 HKFRS. The following tables reconcile our adjusted net profit for the years presented to the most directly comparable financial measure calculated and presented in accordance with HKFRS:

	Year ended 31 December	
	2025	2024
	RMB'000	RMB'000
Reconciliation of net profit/(loss) to adjusted net profit:		
Net profit/(loss) for the period	1,786,023	(206,576)
Add:		
Share-based compensation expenses	50,317	67,272
Interests expenses on convertible bonds	87,239	—
Imputed interest expenses	39,057	82,839
Fair value change in contingent consideration payable	<u>—</u>	<u>1,121,447</u>
Adjusted net profit	<u>1,962,636</u>	<u>1,064,982</u>

LIQUIDITY, CAPITAL RESOURCES, BORROWINGS AND GEARING RATIO

The Group maintains a prudent treasury policy. The Group primarily financed its operations through shareholder's equity and cash generated from operations. During the year ended 31 December 2025, the liquidity of the Group was closely monitored by the Board and the Group reviews its working capital and finance requirements on a regular basis.

Liquidity

As at 31 December 2025, the Group maintained the balance of cash and cash equivalents and term deposits of approximately RMB7,243.8 million (as at 31 December 2024: approximately RMB3,493.6 million). The increase in the balance of cash and cash equivalents and term deposits was mainly due to receipt of financing proceeds and growth in operating performance.

Borrowings and Gearing Ratio

The Group maintained a sound financial position, and its borrowing demand was not seasonal. As at 31 December 2025, the Group had borrowings of RMB733.0 million (as at 31 December 2024: approximately RMB1,700.9 million). Borrowings at fixed rates accounted for 39.6%. Such borrowings will be due within 19 months.

As at 31 December 2025, the Group's net equity amounted to approximately RMB23,868.9 million (as at 31 December 2024: approximately RMB16,345.2 million) with total assets amounting to approximately RMB30,260.3 million (as at 31 December 2024: approximately RMB21,670.7 million). Net current assets were approximately RMB13,429.1 million (as at 31 December 2024: approximately RMB6,660.4 million) and the current ratio was 4.3 times (as at 31 December 2024: 2.5 times). Gearing ratio calculated on the basis of the Group's total debts (interest-bearing borrowings, lease liabilities and convertible bonds) over shareholders' funds was 9.5% (as at 31 December 2024: 2.0%).

Charge of Assets

During the year ended 31 December 2025, the Group did not have any charges of assets (as at 31 December 2024: nil).

Commitment

As at 31 December 2025, the Group had no capital commitment (as at 31 December 2024: nil).

Contingent Liabilities

The Company and the Group did not provide corporate guarantee to its subsidiaries or other parties and did not have other significant contingent liabilities as at 31 December 2025 (as at 31 December 2024: nil).

CURRENCY RISK MANAGEMENT

The Group had significant amount of assets and liabilities denominated in Renminbi (“**RMB**”) as at 31 December 2025. The content production and online streaming and online gaming businesses are mainly carried out in RMB in Mainland China. Therefore, the Group is exposed to the risk of significant fluctuation in RMB exchange rates. During the year ended 31 December 2025, the Group closely monitored the fluctuation and does not expect any material fluctuation of exchange rates in the near future, but will continue to monitor it.

SHARE-BASED PAYMENTS

2013 Share Option Scheme

The Company’s former share option scheme (the “**2013 Share Option Scheme**”) adopted pursuant to a resolution passed by the shareholders on 31 October 2013 was terminated by a resolution passed in the annual general meeting of the Company held on 28 June 2023 (the “**2023 AGM**”). The purpose of the 2013 Share Option Scheme was to provide incentives to eligible participants.

No further options shall be granted under the 2013 Share Option Scheme upon termination but in all other respects, the provision of the 2013 Share Option Scheme shall remain in force to the extent necessary to give effect to the exercise of any options granted prior thereto or otherwise as may be required in accordance with the provisions of the 2013 Share Option Scheme and the options granted prior to the termination shall continue to be valid and exercisable in accordance with 2013 Share Option Scheme.

On 26 November 2021, the Company granted 181,917,000 share options pursuant to the 2013 Share Option Scheme and no further share options were granted pursuant to the 2013 Share Option Scheme up to the termination of the 2013 Share Option Scheme. For the year ended 31 December 2025, no share option granted under the 2013 Share Option Scheme had been lapsed or cancelled. As at 31 December 2025, a total of 181,228,000 share options granted under the 2013 Share Option Scheme have not been exercised.

2023 Share Option Scheme

The Company adopted the current share option scheme (the “**2023 Share Option Scheme**”) pursuant to a resolution passed by the shareholders in the 2023 AGM. The purpose of the 2023 Share Option Scheme is to provide incentives to eligible participants. Since the adoption of the 2023 Share Option Scheme and up to the date of this announcement, the Company has not granted any share option under the 2023 Share Option Scheme or adopted any other share scheme. As at 31 December 2025, there were no outstanding options under the 2023 Share Option Scheme.

NUMBER OF EMPLOYEES AND REMUNERATION POLICY

As at 31 December 2025, the Group employed approximately 684 employees. The remuneration policy of the Group is to reward its employees with reference to their qualifications, experience and work performance as well as to market benchmarks. Employee benefits include medical insurance coverage and mandatory provident fund, etc. Total staff costs for the year ended 31 December 2025, including directors’ emoluments, amounted to approximately RMB338.0 million (for the year ended 31 December 2024: RMB269.6 million).

MATERIAL ACQUISITION AND DISPOSAL

On 13 January 2025, (i) Beijing Ruyijingxiu Network Technology Co., Ltd.* (“**Beijing Jingxiu**”, 北京儒意景秀網絡科技有限公司) and Virtual Cinema Entertainment Limited (“**Virtual Cinema**”) (as purchasers) (collectively, the “**Beijing Yonghang Purchasers**”); (ii) Tencent Digital (Shenzhen) Company Limited* (騰訊數碼(深圳)有限公司), Tencent Mobility Limited (“**Tencent Hong Kong**”), Guangxi Tencent Venture Capital Co., Ltd.* (廣西騰訊創業投資有限公司) and Tibet Yonghang Enterprise Management Partnership (Limited Partnership)* (西藏永航企業管理合夥企業(有限合夥)) (as vendors) (collectively, the “**Beijing Yonghang Vendors**”); (iii) Beijing Yonghang Technology Company Limited (“**Beijing Yonghang**”); and (iv) the Company (as the guarantor of the Beijing Yonghang Purchasers) entered into an equity transfer agreement (the “**Beijing Yonghang Equity Transfer Agreement**”), pursuant to which the Beijing Yonghang Vendors had conditionally agreed to sell, and the Beijing Yonghang Purchasers had conditionally agreed to acquire a total of 30% equity interest in Beijing Yonghang at a total consideration of RMB825 million, including (i) RMB742.5 million in cash, and (ii) 36,666,667 new shares (the “**Consideration Shares**”) to be allotted and issued by the Company to Tencent Hong Kong or its designated parties at the price of HK\$2.432 per Consideration Share.

Beijing Jingxiu is a controlled structured entity in which the Company has 100% beneficial interest, and Virtual Cinema is an indirect wholly-owned subsidiary of the Company. Each of the Beijing Yonghang Vendors is a wholly-owned subsidiary of

Tencent Holdings. The core assets of Beijing Yonghang encompass “QQ Dance” 《(QQ炫舞)》, “QQ Dance II” 《(QQ炫舞 2)》, “QQ Dance Mobile” 《(QQ炫舞手遊)》, and other games.

On 10 April 2025, the Consideration Shares were allotted and issued to Tencent Hong Kong pursuant to the specific mandate sought from the shareholders of the Company other than Water Lily Investment Limited, Mr. Yang Ming and their respective associates at the special general meeting of the Company convened on 26 March 2025.

For further details of the acquisition of 30% equity interest in Beijing Yonghang and issue of Consideration Shares under specific mandate, please refer to the announcement of the Company dated 13 January 2025, the circular of the Company dated 7 March 2025 and the next day disclosure return of the Company dated 10 April 2025.

Save as disclosed above, during the year ended 31 December 2025, there was no other material acquisition and disposal by the Company or any of its subsidiaries.

SIGNIFICANT INVESTMENTS

Save as disclosed in the section headed “MATERIAL ACQUISITION AND DISPOSAL”, the Group did not have any significant investments (including any investment in an investee company with a value of 5% or more of the Group’s total assets as of 31 December 2025) for the year ended 31 December 2025, and there was no plan authorised by the Board for other material investments or additions of capital assets as at the date of this announcement.

FINANCIAL INFORMATION

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	<i>Notes</i>	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Revenue	3	3,342,975	3,670,760
Cost of revenue	4	<u>(2,159,234)</u>	<u>(1,760,345)</u>
Gross profit		1,183,741	1,910,415
Selling and marketing costs	4	(363,980)	(161,738)
Administrative expenses	4	(302,859)	(328,608)
Net impairment losses on financial assets	2.1(a)	(155,483)	(144,525)
Other income	5	15,007	11,693
Other gain/(loss) — net	6	<u>1,281,717</u>	<u>(1,222,041)</u>
Operating profit		1,658,143	65,196
Finance cost		(141,965)	(103,574)
Finance income		<u>214,925</u>	<u>110,244</u>
Finance income — net	7	72,960	6,670
Share of profit/(loss) of associates accounted for using the equity method		<u>201,249</u>	<u>(215)</u>
Profit before income tax		1,932,352	71,651
Income tax expenses	8	<u>(146,329)</u>	<u>(278,227)</u>
Profit/(Loss) for the year, net of tax		<u>1,786,023</u>	<u>(206,576)</u>
Other comprehensive loss			
<i>Items that may be reclassified to profit or loss:</i>			
Changes at fair value through other comprehensive income/(loss)		10	(7)
Currency translation difference		242,578	48,056
<i>Items that will not be reclassified to profit or loss:</i>			
Currency translation difference		<u>(410,893)</u>	<u>(73,247)</u>
Other comprehensive losses for the year, net of tax		<u>(168,305)</u>	<u>(25,198)</u>
Total comprehensive income/(loss) for the year		<u>1,617,718</u>	<u>(231,774)</u>

	<i>Notes</i>	2025 RMB'000	2024 RMB'000
Profit/(loss) attributable to:			
— Equity holders of the Company		1,796,636	(190,533)
— Non-controlling interests		<u>(10,613)</u>	<u>(16,043)</u>
		<u>1,786,023</u>	<u>(206,576)</u>
 Total comprehensive income/(loss) attributable to:			
— Equity holders of the Company		1,628,331	(215,731)
— Non-controlling interests		<u>(10,613)</u>	<u>(16,043)</u>
		<u>1,617,718</u>	<u>(231,774)</u>
 Earning/(loss) per share for profit/(loss) attributable to the equity holders of the Company for the years: (expressed in RMB cents per share)			
— Basic earning/(loss) per share	9	<u>11.42</u>	<u>(1.57)</u>
— Diluted earning/(loss) per share	9	<u>11.42</u>	<u>(1.57)</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		31 December 2025	31 December 2024
	<i>Notes</i>	<i>RMB'000</i>	<i>RMB'000</i>
ASSETS			
Non-current assets			
Property, plant and equipment		80,350	92,177
Right-of-use assets		56,467	63,613
Goodwill		4,443,665	4,443,665
Film and television programmes rights	10	1,353,174	1,939,333
Other intangible assets		743,097	715,570
Deferred tax assets		95,917	40,424
Investments accounted for using equity method		1,712,143	33,799
Financial assets at fair value through profit or loss	13	4,277,999	3,117,420
Financial assets at fair value through other comprehensive income		513	516
Prepayments and other non-financial assets		40,384	195,773
Deposits	11	<u>5,457</u>	<u>6,106</u>
		<u>12,809,166</u>	<u>10,648,396</u>
Current assets			
Film and television programmes rights	10	2,251,005	1,809,113
Inventories		3,039	2,874
Prepayments and other non-financial assets		440,939	276,891
Other receivables and deposits	11	1,398,223	1,611,573
Trade and bills receivables	12	2,517,984	2,956,914
Financial assets at fair value through profit or loss	13	3,596,181	871,310
Term deposits		957,718	—
Cash and cash equivalents		<u>6,286,066</u>	<u>3,493,642</u>
		<u>17,451,155</u>	<u>11,022,317</u>
Total assets		<u>30,260,321</u>	<u>21,670,713</u>
EQUITY			
Equity attributable to equity holders of the Company			
Share capital	14	318,541	273,444
Share premium	14	22,673,729	17,069,660
Other reserves		127,663	49,736
Retain earnings/(accumulated losses)		<u>749,011</u>	<u>(1,047,625)</u>
		23,868,944	16,345,215
Non-controlling interests		<u>(23,221)</u>	<u>(12,608)</u>
Total equity		<u>23,845,723</u>	<u>16,332,607</u>

		31 December 2025	31 December 2024
	<i>Notes</i>	RMB'000	RMB'000
LIABILITIES			
Non-current liabilities			
Borrowings		69,398	479,821
Lease liabilities		27,628	37,311
Deferred tax liabilities		436,668	459,022
Contingent consideration payable		17,000	—
Convertible bonds	16	<u>1,841,893</u>	<u>—</u>
		<u>2,392,587</u>	<u>976,154</u>
Current liabilities			
Contract liabilities		18,563	18,232
Borrowings		663,563	1,221,043
Trade payables	15	530,859	835,888
Film and television programmes investment funds from investors		673,136	743,375
Other payables and accruals		1,460,522	832,924
Current income tax liabilities		571,217	682,124
Lease liabilities		23,522	28,366
Convertible bonds	16	<u>80,629</u>	<u>—</u>
		<u>4,022,011</u>	<u>4,361,952</u>
Total liabilities		<u>6,414,598</u>	<u>5,338,106</u>
Total equity and liabilities		<u><u>30,260,321</u></u>	<u><u>21,670,713</u></u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 BASIS OF PREPARATION

The consolidated financial statements of the Group have been prepared in accordance with all applicable HKFRS Accounting Standards and disclosure requirements of the Hong Kong Companies Ordinance (“HKCO”) Cap. 622. The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets at fair value through other comprehensive income, financial assets at fair value through profit or loss, and contingent consideration payable which are stated at fair value.

The preparation of financial statements in conformity with HKFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies.

(a) New and amended standards adopted by the Group

The Group has applied the following standards and amendments for the first time for its annual reporting period commencing 1 January 2025:

Amendments to HKAS 21 Lack of Exchangeability (amendments)
and HKFRS 1

The adoption of the above amended standard did not have any significant impact on the Group’s accounting policies and did not require retrospective adjustments.

(b) Amendments to existing standards and interpretations have been issued but are not effective for the financial year beginning on 1 January 2025 and have not been early adopted by the Group.

		Effective for annual periods beginning on or after
HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments (amendments)	1 January 2026
HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7	Annual Improvements to HKFRS Accounting Standards — Volume 11	1 January 2026
HKFRS 9 and HKFRS 7	Contracts Referencing Nature- dependent Electricity (amendments)	1 January 2026
HKFRS 18	Presentation and Disclosure in Financial Statements (new standard)	1 January 2027
HKFRS 19	Subsidiaries without Public Accountability: Disclosures (new standard)	1 January 2027

**Effective for annual periods
beginning on or after**

HK Int 5	Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause (amendments)	1 January 2027
HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

The Group has already commenced an assessment of the impact of these new or revised standards, interpretation and amendments. According to the preliminary assessment made by the directors, no significant impact on the financial performance and position of the Group is expected when they become effective. Except that certain pervasive changes in the presentation and disclosure may be restated upon the adoption of HKFRS 18.

HKFRS 18 Presentation and Disclosure in Financial Statements (effective for annual periods beginning on or after 1 January 2027)

HKFRS 18 will replace HKAS 1 Presentation of financial statements, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though HKFRS 18 will not impact the recognition or measurement of items in the financial statements, its impacts on presentation and disclosure are expected to be pervasive, in particular those related to the statement of financial performance and providing management-defined performance measures within the financial statements. The Group does not expect there to be a significant change in the information because the requirement to disclose material information remains unchanged; however, the way in which the information is grouped might change as a result of the aggregation/disaggregation principles.

2 FINANCIAL RISK MANAGEMENT

2.1 Financial risk factors

(a) *Credit risk*

The Group is exposed to credit risk in relation to its financial assets at FVOCI, trade and other receivables, term deposits and cash and cash equivalents.

The carrying amounts of financial asset at FVOCI, trade and other receivables, term deposits and cash and cash equivalents represent the Group's maximum exposure to credit risk in relation to financial assets.

(i) *Risk management*

As at 31 December 2025 and 2024, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties is arising from the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position.

As at 31 December 2025 and 2024, 63% and 56% of the total trade and bills receivables were due from the Group's five largest customers. The directors of the Company consider these counterparties with good credit worthiness based on their past repayment history. The directors closely monitor the subsequent settlement of the customers. The Group does not grant long credit period to the counterparties.

In order to minimise the credit risk, management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade and bills receivables at the end of the reporting period to ensure that adequate impairment losses are made for irrecoverable amounts.

Substantially all of the Group's bank deposits are deposited with major financial institutions incorporated in the Chinese Mainland and Hong Kong, which management believes are of high credit quality without significant credit risk.

(ii) *Impairment of financial assets*

The Group has the following types of financial asset that is subject to the expected credit loss models:

- Cash and cash equivalents
- Term deposits
- Financial assets at FVOCI
- Bills receivables

- Trade receivables
- Deposits and other receivables

While cash and cash equivalents, term deposits, bills receivables and financial assets at FVOCI were also subject to the impairment requirements of HKFRS 9, the identified impairment loss was immaterial.

Trade receivables

The Group applies the HKFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade receivables. The Group measures the expected credit losses on a combination of both individual and collective basis.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics.

Measurement of expected credit loss on individual basis

Trade receivables with known insolvencies are assessed individually for impairment allowances and are written off when 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 prepayment plan with the Group, and a failure to make contractual payments. As at 31 December 2025, the balance of loss allowance in respect of these individually assessed receivables was approximately RMB62,616,000 (as at 31 December 2024: RMB62,616,000).

Measurement of expected credit loss on collective basis

Expected credit losses are also estimated by grouping the remaining receivables based on shared credit risk characteristics and collectively assessed for likelihood of recovery, taking into account the nature of the customer, its geographical location and its ageing category, and applying the expected credit loss rates to the respective gross carrying amounts of the receivables.

The Group applies the HKFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

To measure the expected credit losses, trade receivables have been grouped into below groups based on shared credit risk characteristics:

— State-owned companies and listed companies

For trade receivables from state-owned companies and/or listed companies and their subsidiaries, the management uses modelling approach that incorporated key parameters and assumptions, including probability of default, loss given default, exposure at default, with reference to external information from reputable external agencies such as Moody's.

— Other customers

For trade receivables from other customers being private companies that are neither state-owned nor listed, the expected loss rates are based on the corresponding historical credit losses experienced, industry credit loss rates and aging profiles of trade receivables over a period of 36 months before 31 December 2025 or 1 January 2025 respectively within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified the GDP and urban per capital disposable income of the PRC in which the Group sells its goods and services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in this factor.

As at 31 December 2025, the amount of loss allowance in respect of these collectively assessed receivables was approximately RMB264,995,000 (as at 31 December 2024: RMB234,188,000).

Impairment losses on trade receivables are presented as ‘net impairment losses on financial assets’ in the consolidated statement of profit or loss and other comprehensive income.

Deposits and other receivables

For deposits and other receivables, the expected credit loss is based on 12 months expected loss. It is the portion of lifetime expected credit loss that results from default events on a financial instrument that are possible within 12 months after the reporting date. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime expected credit loss.

The Directors 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 borrower, including changes in the payment status of borrowers and changes in the operating results of the borrower.

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.

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.	12 months 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 contractually past due less than 90 days.	Lifetime expected losses
Stage 3	Interest and/or principal repayments are more than 90 days contractually 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.

The loss allowance for trade and other receivables as at 31 December 2025 and 2024 reconcile to the opening loss allowance as follows:

	Trade and bills receivables <i>RMB'000</i>	Deposits and other receivables <i>RMB'000</i>	Total <i>RMB'000</i>
Balance as at 1 January			
2024	162,727	72,630	235,357
Impairment provision	134,472	10,053	144,525
Exchange difference	<u>(395)</u>	<u>252</u>	<u>(143)</u>
Balance as at 31			
December 2024	<u>296,804</u>	<u>82,935</u>	<u>379,739</u>
Balance as at 1 January			
2025	296,804	82,935	379,739
Impairment provision	30,812	124,671	155,483
Exchange difference	<u>(5)</u>	<u>(219)</u>	<u>(224)</u>
Balance as at 31			
December 2025	<u>327,611</u>	<u>207,387</u>	<u>534,998</u>

The loss allowance on trade receivables as at 31 December 2025 and 2024 was determined as follows:

	Up to 3 months past due <i>RMB'000</i>	3 to 6 months past due <i>RMB'000</i>	6 to 12 months past due <i>RMB'000</i>	Over 1 year past due <i>RMB'000</i>	Total <i>RMB'000</i>
As at 31 December 2025					
On collective basis					
Expected loss rate	0.32%	1.23%	2.57%	21.24%	9.52%
Gross carrying amount	678,062	245,090	724,047	1,135,780	2,782,979
Loss allowance provision	2,151	3,020	18,636	241,188	264,995
On individual basis					
Expected loss rate	—	—	—	100.00%	100.00%
Gross carrying amount	—	—	—	62,616	62,616
Loss allowance provision	—	—	—	62,616	62,616
Total					
Expected loss rate	0.32%	1.23%	2.57%	25.35%	11.51%
Gross carrying amount	678,062	245,090	724,047	1,198,396	2,845,595
Loss allowance provision	2,151	3,020	18,636	303,804	327,611
As at 31 December 2024					
On collective basis					
Expected loss rate	1.34%	0.89%	1.87%	22.95%	7.34%
Gross carrying amount	1,471,437	95,301	755,185	869,179	3,191,102
Loss allowance provision	19,694	848	14,131	199,515	234,188
On individual basis					
Expected loss rate	—	—	—	100.00%	100.00%
Gross carrying amount	—	—	—	62,616	62,616
Loss allowance provision	—	—	—	62,616	62,616
Total					
Expected loss rate	1.34%	0.89%	1.87%	28.13%	9.12%
Gross carrying amount	1,471,437	95,301	755,185	931,795	3,253,718
Loss allowance provision	19,694	848	14,131	262,131	296,804

The loss allowance on deposits and other receivables as at 31 December 2025 and 2024 was determined as follows:

	Stage 1 <i>RMB'000</i>	Stage 2 <i>RMB'000</i>	Stage 3 <i>RMB'000</i>	Total <i>RMB'000</i>
As at 31 December 2025				
Gross carrying amount				
Receivables from investments				
in film and television				
programmes rights	889,008	—	114,036	1,003,044
Receivables from redemption				
of investments funds	237,770	—	—	237,770
Loans to third parties	219,551	—	38,720	258,271
Amounts due from related				
parties	16,338	—	—	16,338
Others	<u>54,385</u>	<u>—</u>	<u>41,259</u>	<u>95,644</u>
	<u><u>1,417,052</u></u>	<u><u>—</u></u>	<u><u>194,015</u></u>	<u><u>1,611,067</u></u>
Loss allowance				
Receivables from investments				
in film and television				
programmes rights	10,481	—	114,036	124,517
Loans to third parties	2,012	—	38,720	40,732
Amounts due from related				
parties	133	—	—	133
Others	<u>746</u>	<u>—</u>	<u>41,259</u>	<u>42,005</u>
	<u><u>13,372</u></u>	<u><u>—</u></u>	<u><u>194,015</u></u>	<u><u>207,387</u></u>
Expected credit loss rate	0.94%	—	100.00%	12.87%

	Stage 1 <i>RMB'000</i>	Stage 2 <i>RMB'000</i>	Stage 3 <i>RMB'000</i>	Total <i>RMB'000</i>
As at 31 December 2024				
Gross carrying amount				
Receivables from investments in film and television programmes rights	1,010,450	4,488	49,206	1,064,144
Loans to third parties	436,857	—	—	436,857
Amounts due from related parties	57,083	—	—	57,083
Others	<u>126,351</u>	<u>—</u>	<u>16,179</u>	<u>142,530</u>
	<u><u>1,630,741</u></u>	<u><u>4,488</u></u>	<u><u>65,385</u></u>	<u><u>1,700,614</u></u>
Loss allowance				
Receivables from investments in film and television programmes rights	12,116	1,140	49,206	62,462
Loans to third parties	1,719	—	—	1,719
Amounts due from related parties	455	—	—	455
Others	<u>2,120</u>	<u>—</u>	<u>16,179</u>	<u>18,299</u>
	<u><u>16,410</u></u>	<u><u>1,140</u></u>	<u><u>65,385</u></u>	<u><u>82,935</u></u>
Expected credit loss rate	1.01%	25.40%	100.00%	4.88%

2.2 Fair value estimation

(a) Financial assets and liabilities

(i) Fair value hierarchy

The following table presents the Group's financial assets and financial liabilities measured and recognised at fair value as at 31 December 2025 and 2024 on a recurring basis:

	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
As at 31 December 2025				
Financial assets				
Financial assets at FVPL (<i>Note 13</i>)				
— Film rights investments	—	—	64,648	64,648
— Investments in listed equity securities	206,362	—	—	206,362
— Investments in unlisted funds	—	397,978	4,606,026	5,004,004
— Investments in unlisted companies	—	2,378,377	193,479	2,571,856
— Investments in unlisted bonds	—	27,310	—	27,310
	<u>206,362</u>	<u>2,803,665</u>	<u>4,864,153</u>	<u>7,874,180</u>
Financial assets at FVOCI				
— Listed fund	<u>513</u>	—	—	<u>513</u>
	<u>206,875</u>	<u>2,803,665</u>	<u>4,864,153</u>	<u>7,874,693</u>
As at 31 December 2025				
Financial liability				
Contingent consideration payable	<u>—</u>	<u>—</u>	<u>17,000</u>	<u>17,000</u>

	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
As at 31 December 2024				
Financial assets				
Financial assets at FVPL (<i>Note 13</i>)				
— Film rights investments	—	—	120,265	120,265
— Investments in listed equity securities	28,592	—	—	28,592
— Investments in unlisted funds	—	348,462	859,156	1,207,618
— Investments in unlisted companies	—	2,540,804	55,510	2,596,314
— Investments in unlisted bonds	—	35,941	—	35,941
	<u>28,592</u>	<u>2,925,207</u>	<u>1,034,931</u>	<u>3,988,730</u>
Financial assets at FVOCI				
— Listed fund	516	—	—	516
	<u>29,108</u>	<u>2,925,207</u>	<u>1,034,931</u>	<u>3,989,246</u>

During the year ended 31 December 2025 and 2024, there were no transfers between levels 1 and 2 for recurring fair value measurements.

The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period. The Group did not measure any financial assets or financial liabilities at fair value on a non-recurring basis as at 31 December 2025.

Financial instruments that are measured in the consolidated statement of financial position at fair value are disclosed by level of the following fair value measurement hierarchy:

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the group is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities and for instruments where climate risk gives rise to a significant unobservable adjustment.

(ii) *Fair value measurements using significant unobservable inputs (level 3)*

The following table presents the changes in level 3 financial instruments of the Group for the years ended 31 December 2024 and 2025:

	Film rights investments	Investments in unlisted funds	Investments in an unlisted company	Total	Contingent consideration payable
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Balance as at 1 January					
2024	34,591	166,000	50,000	250,591	(1,322,833)
Additions	121,625	946,956	—	1,068,581	—
Changes in fair values	29,452	71,763	5,510	106,725	(1,121,447)
Currency exchange difference	—	481	—	481	(45,836)
Disposal	(65,403)	(326,044)	—	(391,447)	—
Exercised during the year	<u>—</u>	<u>—</u>	<u>—</u>	<u>—</u>	<u>2,490,116</u>
Balance as at 31 December 2024	<u>120,265</u>	<u>859,156</u>	<u>55,510</u>	<u>1,034,931</u>	<u>—</u>
Balance as at 1 January					
2025	120,265	859,156	55,510	1,034,931	—
Additions	91,134	4,634,326	246,716	4,972,176	(17,000)
Changes in fair values	32,884	919,615	297,633	1,250,132	—
Currency exchange difference	—	(84,142)	—	(84,142)	—
Transfer	—	—	(406,380)	(406,380)	—
Disposal	<u>(179,635)</u>	<u>(1,722,929)</u>	<u>—</u>	<u>(1,902,564)</u>	<u>—</u>
Balance as at 31 December 2025	<u><u>64,648</u></u>	<u><u>4,606,026</u></u>	<u><u>193,479</u></u>	<u><u>4,864,153</u></u>	<u><u>(17,000)</u></u>

The following table summarizes the information about the significant unobservable inputs and valuation techniques used in recurring level 3 fair value measurement:

Fair value as at 31 December 2025	Current/ 2024 Non-current	Valuation techniques and key inputs and relationships of unobservable inputs to fair value
<i>RMB'000</i>	<i>RMB'000</i>	
Financial assets at fair value through profit or loss:		
Film rights investments		
64,648	120,265	Current
		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.
Investments in unlisted funds		
4,606,026	859,156	Current/Non-current
		a. Market approach
		Reference to a combination of unobservable inputs, including market multiples.
		The higher the market multiples, the higher the fair value.
		A qualitative analysis was also conducted on these funds.
		b. Expected rate of return
		Reference to the consolidated statements from administrators of the fund.
		The higher the expected rate of return, the higher the fair value.
Investments in unlisted companies		
193,479	55,510	Non-current
		Market approach
		Reference to a combination of unobservable inputs, including market multiples.
		The higher the market multiples, the higher the fair value.

Fair value as at 31 December 2025 RMB'000	Current/ 2024 RMB'000	Non-current	Valuation techniques and key inputs and relationships of unobservable inputs to fair value
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Financial liability at fair value through profit or loss:

Contingent consideration payable

17,000	—	Non-Current	Reference to a combination of unobservable inputs, including probability.
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The higher the probability of a trigger events being incurred, the lower the fair value.

The fair value of the following financial assets and liabilities approximate their carrying amount:

- Trade and bills receivables
- Other receivables
- Cash and cash equivalents
- Term deposits
- Trade and other payables
- Borrowings

There were no changes in valuation techniques during the periods.

3 SEGMENT INFORMATION

(a) Description of segments and principal activities

The chief operating decision maker of the Group has been designated as an executive director of the Company and is responsible for reviewing the Group's internal reporting for the purposes of performance assessment and resource allocation. Management has determined the operating segments based on these reports.

The directors of the Company assess the performance of the operating segments based on a measure of segment results. Certain corporate expenses, other losses and finance costs — net are not included in the results for each operating segment.

The Group's three reportable segments now comprised (1) Content production business; (2) Online streaming and online gaming businesses; and (3) Other businesses (mainly comprised of manufacture and sales of accessories).

(b) Segment profit/(loss)

The segment results and other segment items included in the consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2025 are as follows:

	Content Production business <i>RMB'000</i>	Online streaming and online gaming businesses <i>RMB'000</i>	Other businesses <i>RMB'000</i>	Inter segment transactions <i>RMB'000</i>	Consolidated <i>RMB'000</i>
Revenue					
Timing of revenue recognition					
— At a point	661,606	372,424	39,657	—	1,073,687
— Over time	16,800	2,269,288	—	(16,800)	2,269,288
	<u>678,406</u>	<u>2,641,712</u>	<u>39,657</u>	<u>(16,800)</u>	<u>3,342,975</u>
Segment profit	<u>1,139,712</u>	<u>819,184</u>	<u>21,604</u>	<u>—</u>	1,980,500
Unallocated corporate expenses					(91,127)
Unallocated other gains — net					68,703
Unallocated finance cost — net					<u>(25,724)</u>
Profit before income tax					<u>1,932,352</u>
Depreciation of property, plant and equipment	15,069	8,563	680		24,312
Depreciation of right-of-use assets	16,668	12,050	3,713		32,431
Amortisation of other intangible assets	6	17,704	—		17,710
Cost of film and television programmes rights	593,177	749,101	—		1,342,278
Share of profit/(loss) of associates accounted for using the equity method	<u>(865)</u>	<u>202,114</u>	<u>—</u>		<u>201,249</u>

The segment results and other segment items included in the consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2024 are as follows:

	Content production business <i>RMB'000</i>	Online streaming and online gaming businesses <i>RMB'000</i>	Other businesses <i>RMB'000</i>	Consolidated <i>RMB'000</i>
Revenue				
Timing of revenue recognition				
— At a point	121,570	1,390,470	36,330	1,548,370
— Over time	5,473	2,116,917	—	2,122,390
	<u>127,043</u>	<u>3,507,387</u>	<u>36,330</u>	<u>3,670,760</u>
Segment (loss)/profit	<u>(242,050)</u>	<u>1,539,672</u>	<u>(1,931)</u>	<u>1,295,691</u>
Unallocated corporate expenses				(89,285)
Unallocated other losses				(1,091,299)
Unallocated finance costs — net				<u>(43,456)</u>
Profit before income tax				<u>71,651</u>
Depreciation of property, plant and equipment	9,438	6,029	341	15,808
Depreciation of right-of-use assets	21,352	8,051	3,041	32,444
Amortisation of other intangible assets	6	4,640	—	4,646
Cost of film and television programmes rights	99,132	767,478	—	866,610
Share of losses of associates accounted for using the equity method	<u>215</u>	<u>—</u>	<u>—</u>	<u>215</u>

During the year ended 31 December 2024, all of the segment revenue reported above was from external customers and there were no inter-segment sales.

(c) **Segment assets and liabilities**

Segment assets and liabilities as at 31 December 2025 are as follows:

	Content production business RMB'000	Online streaming and online gaming businesses RMB'000	Other businesses RMB'000	Consolidated RMB'000
ASSETS				
Segment assets	<u>9,246,685</u>	<u>5,109,113</u>	<u>20,762</u>	14,376,560
Unallocated property, plant and equipment				1,491
Unallocated right of use assets				2,997
Unallocated prepayments, other receivables and deposits				664,879
Financial assets at FVPL				7,874,180
Financial assets at FVOCI				513
Deferred tax assets				95,917
Term deposits				957,718
Cash and cash equivalents				<u>6,286,066</u>
Consolidated total assets				<u>30,260,321</u>
LIABILITIES				
Segment liabilities	<u>(1,877,161)</u>	<u>(1,132,489)</u>	<u>(15,353)</u>	(3,025,003)
Unallocated trade and other payables				(13,310)
Unallocated lease liabilities				(3,335)
Unallocated borrowings				(442,543)
Unallocated convertible bonds				(1,922,522)
Current income tax liabilities				(571,217)
Deferred tax liabilities				<u>(436,668)</u>
Consolidated total liabilities				<u>(6,414,598)</u>

Segment assets and liabilities as at 31 December 2024 are as follows:

	Content production business <i>RMB'000</i>	Online streaming and online gaming businesses <i>RMB'000</i>	Other businesses <i>RMB'000</i>	Consolidated <i>RMB'000</i>
ASSETS				
Segment assets	<u>7,769,095</u>	<u>5,561,489</u>	<u>27,273</u>	13,357,857
Unallocated property, plant and equipment				1,238
Unallocated right of use assets				5,376
Unallocated prepayments, other receivables and deposits				782,930
Financial assets at FVPL				3,988,730
Financial assets at FVOCI				516
Deferred tax assets				40,424
Cash and cash equivalents				<u>3,493,642</u>
Consolidated total assets				<u>21,670,713</u>
LIABILITIES				
Segment liabilities	<u>(1,577,392)</u>	<u>(1,150,187)</u>	<u>(18,167)</u>	(2,745,746)
Unallocated trade and other payables				(12,561)
Unallocated lease liabilities				(5,866)
Unallocated borrowings				(1,432,787)
Current income tax liabilities				(682,124)
Deferred tax liabilities				<u>(459,022)</u>
Consolidated total liabilities				<u>(5,338,106)</u>

For the purpose of monitoring segment performances and allocating resources between segments:

- all assets are allocated to reportable and operating segments, other than certain property, plant and equipment, prepayments, other receivables and deposits, right-of-use assets, financial assets at FVPL, financial assets at FVOCI, deferred tax assets and cash and cash equivalents, term deposits; and
- all liabilities are allocated to reportable and operating segments, other than certain trade and other payables, lease liabilities, borrowings, convertible bonds, current income tax liabilities and deferred tax liabilities.

(d) Disaggregation of revenue from contracts with customers

Revenue of the Group is analysed as follows:

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Content production	661,606	127,043
Online streaming and advertising services	492,739	1,515,668
Online gaming services	2,148,973	1,991,719
Sales of goods	39,657	36,330
	<u>3,342,975</u>	<u>3,670,760</u>

(e) Geographical information

The Group's operations are located in the Chinese mainland and Hong Kong for the years ended 31 December 2025 and 2024.

Information about the Group's revenue from external customers is presented based on the location at which the goods or services are delivered or provided.

The Group's total revenue from sales of goods and provision of services by geographical location is detailed below:

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Chinese Mainland	3,305,633	3,600,630
Europe	13,594	15,937
Hong Kong	10,614	46,412
Others	13,134	7,781
	<u>3,342,975</u>	<u>3,670,760</u>

The Group's non-current assets excluding financial instruments and deferred tax assets by geographical location of the assets are detailed below:

	31 December	31 December
	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Chinese Mainland	8,420,086	7,482,381
Hong Kong	14,651	7,655
	<u>8,434,737</u>	<u>7,490,036</u>

(f) **Liabilities related to contracts with customers**

	31 December 2025 RMB'000	31 December 2024 RMB'000	1 January 2024 RMB'000
Contract liabilities	<u>18,563</u>	<u>18,232</u>	<u>8,820</u>

Revenue recognised in relation to contract liabilities

The following table shows how much of the revenue recognised in the current reporting period relates to carried-forward contract liabilities and how much it relates to performance obligations that were satisfied in prior years.

	2025 RMB'000	2024 RMB'000
Revenue recognised that was included in the contract liabilities balance at the beginning of the period		
— Online streaming membership services	9,876	6,943
— Online gaming services	<u>7,588</u>	<u>—</u>
	<u>17,464</u>	<u>6,943</u>

Unsatisfied performance obligations

Unsatisfied performance obligations are rendered in short period of time, which is generally less than a year, and the Group has elected the practical expedient for not to disclose the remaining performance obligations for these types of contracts.

(g) **Information about major customers**

During the year ended 31 December 2025, there are four customers individually contributed more than 10% of the Group's revenue. The revenue from these customers during the year was approximately RMB738,656,000, RMB718,138,000, RMB450,000,000 and RMB326,509,000, accounting for 22%, 21%, 13% and 10% of the Group's revenue, respectively. (2024: four customers, approximately RMB547,654,000, RMB417,271,000, RMB382,967,000 and RMB377,358,000, accounting for 15%, 11%, 10% and 10% of the Group's revenue).

4 EXPENSES BY NATURE

Major expenses included in cost of revenue, selling and marketing costs and administrative expenses are analysed as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Employees benefit expenses (including directors' emoluments)	300,966	220,166
Share-based compensation expenses	50,317	67,272
Costs of gaming development, content revenue-sharing, distribution and promotion and payment handling fees	344,918	448,581
Cost of inventories sold	18,696	18,253
Cost of film and television programmes rights (<i>Note 10</i>)	1,342,278	866,610
Amortisation of other intangible assets	17,710	4,646
Depreciation		
— Property, plant and equipment	24,312	15,808
— Right-of-use assets	32,431	32,444
Advertising and promotion costs	552,732	408,851
Bandwidth and server custody fees	34,898	41,970
Rental expenses	2,321	3,980
Travelling expenses	8,624	7,165
Legal and professional fees	15,331	12,255
Auditor's remuneration		
— Audit services	5,900	5,500
— Non-audit services	632	2,000
Others	<u>74,007</u>	<u>95,190</u>
	<u><u>2,826,073</u></u>	<u><u>2,250,691</u></u>

5 OTHER INCOME

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Government grants	14,977	11,661
Others	<u>30</u>	<u>32</u>
	<u><u>15,007</u></u>	<u><u>11,693</u></u>

6 OTHER GAIN/(LOSS) — NET

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Net fair value changes in financial assets at FVPL (<i>Note 13</i>)	1,169,262	(156,927)
Gain/(loss) of disposals of property, plant and equipment	262	(5,684)
Gain on disposals of subsidiaries	—	175
Remeasurement of film and television programmes		
investment funds from investors	82,720	13,865
Dividend income from financial assets at FVPL	18,714	—
Remeasurement gain from modification of borrowing	—	55,140
Fair value changes in contingent consideration payable (<i>a</i>)	—	(1,121,447)
Others	<u>10,759</u>	<u>(7,163)</u>
Other gain/(loss) — net	<u><u>1,281,717</u></u>	<u><u>(1,222,041)</u></u>

(a) In December 2024, warrants issued by the Company for the acquisition of Virtual Cinema Entertainment Limited in 2021, were fully exercised. Thus, the contingent consideration payable was derecognised.

7 FINANCE INCOME — NET

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Finance income:		
— Interest income on saving deposits	152,863	32,060
— Interest income on receivables from investments in film and television programmes rights and loans to third parties and related parties	<u>62,062</u>	<u>78,184</u>
	<u><u>214,925</u></u>	<u><u>110,244</u></u>
Finance cost:		
— Interest expenses on borrowings	(9,129)	(14,303)
— Interest expenses on film and television programmes investment funds from investors	(731)	(3,386)
— Interest expenses on lease liabilities	(5,809)	(3,046)
— Imputed interest expenses	(39,057)	(82,839)
— Interest expenses from convertible bonds	<u>(87,239)</u>	<u>—</u>
	<u><u>(141,965)</u></u>	<u><u>(103,574)</u></u>
Finance income — net	<u><u>72,960</u></u>	<u><u>6,670</u></u>

8 INCOME TAX EXPENSES

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Current income tax		
— Provision for the year	224,176	370,394
Deferred income tax	<u>(77,847)</u>	<u>(92,167)</u>
Income tax expenses	<u>146,329</u>	<u>278,227</u>

The income tax on the Group's profit before income tax differs from the theoretical amount that would arise using the weighted average tax rates applicable to subsidiaries comprising the Group as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Profit before income tax	1,932,352	71,651
Tax calculated at the tax rates applicable to profits in the respective jurisdictions	205,192	52,002
Income not subject to tax	(29,218)	—
Tax losses and temporary differences for which no deferred tax asset have been recognised	14,376	34,444
Temporary differences for which no deferred tax liability have been recognised	(55,345)	—
Over provision for previous year	(6,540)	—
Expenses not deductible for tax purposes	29,001	207,382
Utilisation of tax losses previously not recognised	<u>(11,137)</u>	<u>(15,601)</u>
	<u>146,329</u>	<u>278,227</u>

Bermuda corporate tax

The Company is incorporated in the Bermuda under the Companies Act 1981 of Bermuda and, accordingly, is exempted from the Bermuda corporate tax.

Hong Kong profits tax

Under the two-tiered profits tax rates regime for the years ended 31 December 2025 and 2024, the profits tax rate for the first HK\$2,000,000 of assessable profits is lowered to 8.25% (half of the rate specified in Schedule 8 to the Inland Revenue Ordinance). Assessable profits above HK\$2,000,000 continue to be subject to the rate of 16.5%. There is no assessable income for the year under Hong Kong profits tax.

PRC corporate income tax

The income tax provision of the Group in respect of operations in the PRC has been calculated at the applicable tax rate of 25%, except for a subsidiary of the Group which are entitled to preferential tax rate applicable to advanced and new technology enterprises of 15% in 2025 (2024:15%) on the estimated assessable profit for the year, based on the existing legislation, interpretations and practices in respect thereof.

9 EARNING/(LOSS) PER SHARE

(a) Basic

Basic earning/(loss) per share is calculated by dividing the profit/(loss) attributable to owners of the Company by the weighted average number of ordinary shares in issue during the year.

	2025	2024
Profit/(loss) attributable to equity holders of the Company (RMB'000)	<u>1,796,636</u>	<u>(190,533)</u>
Weighted average number of ordinary shares in issue (thousands)	<u>15,733,711</u>	<u>12,138,635</u>
Basic earning/(loss) per share (RMB cents per share) for the year	<u><u>11.42</u></u>	<u><u>(1.57)</u></u>

(b) Diluted

Diluted earnings/(loss) per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company has two categories of dilutive potential ordinary share being (1) share options; and (2) convertible bonds.

The share options granted by the Company should also have potential dilutive effect on the earnings per share. During the years ended 31 December 2025 and 2024, these share options have anti-dilutive effect to the Group's diluted earnings per share.

The convertible bonds are assumed to have been converted into ordinary shares. Interest savings on convertible bonds are adjusted to the extent of the amount charged to the profit/(loss) attributable to owners of the Company, if applicable. For the year ended 31 December 2025, the convertible bonds were excluded from the computation of diluted earning per share as they are anti-dilutive. Accordingly, diluted earning/(loss) per share for the years ended 31 December 2025 and 2024 are the same as basic earning/(loss) per share.

10 FILM AND TELEVISION PROGRAMMES RIGHTS

	31 December 2025 RMB'000	31 December 2024 RMB'000
Film and television programmes rights completed	907,184	790,785
Film and television programmes rights under production	2,286,083	2,163,047
Licensed film and television programmes rights	410,912	794,614
	3,604,179	3,748,446
Less: Current portion	(2,251,005)	(1,809,113)
	<u>1,353,174</u>	<u>1,939,333</u>

Movements in the Group's film and television programmes rights were as follows:

	Film and television programmes rights completed RMB'000	Film and television programmes rights under production RMB'000	Licensed film and television programmes rights RMB'000	Total RMB'000
As at 1 January 2024	503,432	1,787,553	439,320	2,730,305
Additions	125,526	694,994	1,118,719	1,939,239
Transfer from prepayment	—	—	4,053	4,053
Charged as expenses included in cost of revenue (<i>Note 4</i>)	(99,132)	—	(767,478)	(866,610)
Disposal of subsidiaries	—	(58,541)	—	(58,541)
Transfer	<u>260,959</u>	<u>(260,959)</u>	<u>—</u>	<u>—</u>
As at 31 December 2024	<u>790,785</u>	<u>2,163,047</u>	<u>794,614</u>	<u>3,748,446</u>
As at 1 January 2025	790,785	2,163,047	794,614	3,748,446
Additions	44,758	422,797	446,700	914,255
Transfer from prepayment	—	99,057	184,699	283,756
Charged as expenses included in cost of revenue (<i>Note 4</i>)	(327,177)	—	(1,015,101)	(1,342,278)
Transfer	<u>398,818</u>	<u>(398,818)</u>	<u>—</u>	<u>—</u>
As at 31 December 2025	<u>907,184</u>	<u>2,286,083</u>	<u>410,912</u>	<u>3,604,179</u>

11 OTHER RECEIVABLES AND DEPOSITS

	31 December 2025 RMB'000	31 December 2024 RMB'000
Amounts due from related parties	16,338	57,083
Receivables from investments in film and television programmes rights (a)	1,003,044	1,064,144
Loans to third parties (b)	258,271	436,857
Receivables from redemption of investments funds (c)	237,770	—
Others	95,644	142,530
	1,611,067	1,700,614
Less: Impairment for other receivables and deposits (Note 2.1(a))	(207,387)	(82,935)
	1,403,680	1,617,679
Less: non-current portion	(5,457)	(6,106)
	1,398,223	1,611,573

- (a) The receivables are interest-bearing at fixed rates between 5% to 15% and repayable within 12 months. Balances of RMB39,693,000 are secured with certain assets and the remaining are unsecured.
- (b) As at 31 December 2025 and 2024, the balances are interest-bearing at fixed rates between 3% to 8% and repayable within 12 months commencing from the date of the loans. Balances of RMB100,000,000 are secured with certain equity or assets and the remaining are unsecured.
- (c) The receivables represent the redemption of investments fund and were settled on 2 January 2026.

12 TRADE AND BILLS RECEIVABLES

	31 December 2025 RMB'000	31 December 2024 RMB'000
Trade receivables from third parties	2,023,088	1,959,897
Trade receivables from related parties	822,507	1,293,821
	2,845,595	3,253,718
Less: allowance for impairment of trade receivables (Note 2.1(a))	(327,611)	(296,804)
	<u>2,517,984</u>	<u>2,956,914</u>

(a) Trade and bills receivables were denominated in the following currencies:

	31 December 2025 RMB'000	31 December 2024 RMB'000
— RMB	2,513,814	2,940,058
— HK\$	—	13,509
— US\$	4,170	3,347
	<u>2,517,984</u>	<u>2,956,914</u>

(b) Trade and bills receivables mainly arose from the provision of content production, online gaming and online streaming services. The following is an aging analysis of trade and bills receivables net of allowance for impairment, based on the recognition date at the end of the reporting period.

	31 December 2025 RMB'000	31 December 2024 RMB'000
Within 90 days	675,911	1,451,743
91 days to 180 days	242,070	94,453
181 days to 365 days	705,411	741,054
1 year to 2 years	593,202	441,263
Over 2 years	301,390	228,401
	<u>2,517,984</u>	<u>2,956,914</u>

13 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	31 December 2025 RMB'000	31 December 2024 RMB'000
Non-current assets		
Investments in unlisted funds	1,706,143	512,318
Investments in unlisted companies	2,571,856	2,596,314
Investments in listed equity securities	<u>—</u>	<u>8,788</u>
	<u>4,277,999</u>	<u>3,117,420</u>
Current assets		
Film rights investments	64,648	120,265
Investments in listed equity securities	206,362	19,804
Investments in unlisted bonds	27,310	35,941
Investment in unlisted funds	<u>3,297,861</u>	<u>695,300</u>
	<u>3,596,181</u>	<u>871,310</u>
	<u>7,874,180</u>	<u>3,988,730</u>

Movements in the Group's financial assets of fair value through profit or loss were as follows:

	Year ended 31 December 2025 RMB'000	Year ended 31 December 2024 RMB'000
At the beginning of the year	3,988,730	3,514,380
Additions	5,871,232	1,106,225
Disposal	(2,654,804)	(485,749)
Transfer to an investment accounted for using the equity method	(406,380)	—
Net fair value changes in financial assets at FVPL (<i>Note 6</i>)	1,169,262	(156,927)
Currency translation differences	<u>(93,860)</u>	<u>10,801</u>
At the end of the year	<u>7,874,180</u>	<u>3,988,730</u>

14 SHARE CAPITAL AND SHARE PREMIUM

Ordinary shares, issued and fully paid:

	Number of ordinary shares	Share capital <i>RMB'000</i>	Share premium <i>RMB'000</i>
As at 1 January 2024	11,585,897,545	222,761	11,664,209
Issuance of ordinary shares (a)	<u>2,753,029,307</u>	<u>50,683</u>	<u>5,405,451</u>
As at 1 January 2025	14,338,926,852	273,444	17,069,660
Issuance of ordinary shares (b)(c)(d)			
— Share placing	2,425,021,096	44,415	5,522,286
— Acquisition of Beijing Yonghang	<u>36,666,667</u>	<u>682</u>	<u>81,783</u>
As at 31 December 2025	<u>16,800,614,615</u>	<u>318,541</u>	<u>22,673,729</u>

- (a) On 4 July 2023, the Company entered into share subscription agreements pursuant to which a maximum of 2,500,000,000 placing shares could be issued at the subscription prices of HK\$1.6 per share.

During the year ended 31 December 2024, the Company issued the remaining 918,750,000 placing shares under the aforementioned subscription agreements at the subscription prices of HK\$1.6 per share, with gross proceeds of approximately HK\$1,470,000,000 (equivalent to approximately RMB1,337,627,000). After netting off these gross proceeds with share issuance costs, the respective share capital amount was approximately RMB16,720,000 and share premium arising from the issuance was approximately RMB1,319,519,000. The share issuance costs mainly include lawyers' fees and other related costs, which are incremental costs directly attributable to the issuance of the new shares and therefore treated as a deduction against the share premium arising from the issuance.

During the year ended 31 December 2024, warrants issued by the Company for the acquisition of Virtual Cinema in 2021, which were fully exercised. The Company issued 1,834,279,307 shares at the subscription prices of HK\$0.96 per share, with gross proceeds of approximately HK\$1,760,908,000 (equivalent to approximately RMB1,630,249,000) and transfer of contingent consideration payable amounting to approximately RMB2,490,116,000 from financial liabilities to equity. The derecognition of the liabilities and the transfer to equity caused the share premium to increase by approximately RMB2,490,116,000. After netting off these gross proceeds with share issuance costs, the respective share capital amount was approximately RMB33,963,000 and share premium arising from the issuance was approximately RMB1,595,816,000. Among the total net proceeds, approximately RMB1,589,504,000 were settled in 2024 and approximately RMB40,745,000 of receivables from Pumpkin Films Limited, a company controlled by Mr. Ke Liming (“**Mr. Ke**”), were settled in January 2025.

- (b) On 28 January 2025, the Company entered into share placing and subscription agreements pursuant to which a maximum of 1,635,021,096 placing shares could be issued at the subscription prices of HK\$2.37 per share.

During the year ended 31 December 2025, the Company issued a total of 1,635,021,096 placing shares under the aforementioned subscription agreements at the subscription prices of HK\$2.37 per share with gross proceeds of approximately HK\$3,875,000,000 (equivalent to approximately RMB3,560,946,000). After netting off these gross proceeds with share issuance costs, the respective share capital amount was approximately RMB 30,050,000 and share premium arising from the issuance was approximately RMB3,530,195,000. The share issuance costs mainly include lawyers' fees and other related costs, which are incremental costs directly attributable to the issuance of the new shares. These share issuance costs were treated as a deduction against the share premium arising from the issuance.

- (c) In April 2025, the Company issued 36,666,667 shares at the subscription prices of HK\$2.432 per share as part of the consideration for the acquisition of Beijing Yonghang. The respective share capital amount was approximately RMB682,000 and share premium arisen from the issuance was approximately RMB81,783,000. The share issuance costs mainly included lawyers' fees and other related costs, which were incremental costs directly attributable to the issuance of the new shares and therefore treated as a deduction against the share premium arising from the issuance.

- (d) During the year ended 31 December 2025, the Company issued a total of 790,000,000 placing shares under the subscription agreements with gross proceeds of approximately HK\$2,210,000,000 (equivalent to approximately RMB2,009,618,000). After netting off these gross proceeds with share issuance costs, the respective share capital amount was approximately RMB14,365,000 and share premium arising from the issuance was approximately RMB1,992,091,000. The share issuance costs mainly include lawyers' fees and other related costs, which are incremental costs directly attributable to the issuance of the new shares. These share issuance costs were treated as a deduction against the share premium arising from the issuance.

The directors do not recommend the payment of final dividend for the years ended 31 December 2025 and 2024.

15 TRADE PAYABLES

	31 December 2025 RMB'000	31 December 2024 RMB'000
Trade payables to:		
— Third parties	453,502	769,099
— Related parties	77,357	66,789
	<u>530,859</u>	<u>835,888</u>

Trade payables were denominated in the following currencies:

	31 December 2025	31 December 2024
	<i>RMB'000</i>	<i>RMB'000</i>
— RMB	431,524	777,114
— HK\$	1,159	1,016
— US\$	<u>98,176</u>	<u>57,758</u>
	<u>530,859</u>	<u>835,888</u>

The aging analysis of trade payables of the Group based on invoice date is as follows:

	31 December 2025	31 December 2024
	<i>RMB'000</i>	<i>RMB'000</i>
Within 60 days	159,085	194,854
61 days to 150 days	54,038	490,215
Over 151 days	<u>317,736</u>	<u>150,819</u>
	<u>530,859</u>	<u>835,888</u>

The carrying amounts of trade payables approximate their fair values as at 31 December 2025 and 2024.

16 CONVERTIBLE BONDS

On 22 April 2025, the Company issued convertible bonds (the “**Convertible Bonds**”) with an aggregate principal amount of HKD2,341 million (approximately RMB2,200 million). The Convertible Bonds bear an interest of 3.95% per annum payable semi-annually and will mature on 22 April 2030.

Upon the occurrence of certain events specified in the agreement, the bondholders will have the right to require the Company to redeem all or some of such holder’s bonds on 28 April 2028 at their principal amount, together with unpaid default interest thereon (if any).

Bondholders may convert their bonds into ordinary shares at any time on or after 2 June 2025 up to 10 trading days prior to 22 April 2030. The conversion shares will be issued upon full conversion of the convertible bonds based on the contracted conversion price of HKD2.704 per share.

The Convertible Bonds were recognised as a compound instrument comprising liability component and equity component as follows:

- The initial value of the liability component was calculated using a market interest rate for an equivalent non-convertible bond of the Group. Embedded financial derivatives were comprised of the fair value of the holders of the Convertible Bonds to require the Company to redeem the Convertible Bonds and the fair value of the Company’s option to redeem the

Convertible Bonds. These embedded redemption options are closely related to the host debt as the redemption amount is principal amount together with accrued but unpaid interest, and therefore they do not need to be accounted for separately.

The initial value of the liability component and the fair value of the embedded redemption options were recognised as a single liability component, and is subsequently carried at amortised cost using the effective interest method; and

- Equity component, being the conversion option of the Convertible Bonds, was initially recognised at the residual amount after deducting the value of the aforesaid liability component from the initial net proceeds.

As at the date of issue, the fair value of the liability component and the equity component of the Convertible Bonds were set out as below:

	<i>RMB'000</i>
Principal amount	2,174,087
Less: transaction costs	<u>(47,089)</u>
Net proceeds	<u><u>2,126,998</u></u>
Liability component	1,931,083
Equity component	<u>195,915</u>
	<u><u>2,126,998</u></u>

Interest expense is calculated by applying the effective interest rate of 6.56% per annum to the liability component. The equity component will remain in “convertible bonds reserve” until the embedded conversion option is exercised or the Convertible Bonds reach their maturities.

The movement of the liability component and the equity component of the Convertible Bonds for the year ended 31 December 2025 is set out below:

	Liability component	Equity component	Total
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
As at 1 January 2025	—	—	—
Issuance	1,931,083	195,915	2,126,998
Interest charged (<i>Note 7</i>)	87,239	—	87,239
Interest paid	(42,316)	—	(42,316)
Exchange differences	<u>(53,484)</u>	<u>—</u>	<u>(53,484)</u>
As at 31 December 2025	<u><u>1,922,522</u></u>	<u><u>195,915</u></u>	<u><u>2,118,437</u></u>

As at 31 December 2025, no conversion shares had been issued under the convertible bonds. If bonds were fully converted as of 31 December 2025, 865,754,437 ordinary shares would have been issued.

OTHER INFORMATION

FINAL DIVIDEND

The Board does not recommend the payment of a final dividend for the year ended 31 December 2025 (for the year ended 31 December 2024: nil).

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES AND OTHER EQUITY FUNDRAISING ACTIVITIES

(1) Subscription of new shares pursuant to the subscription agreements under general mandate and (2) placing of new shares pursuant to the placing agreement under general mandate

On 27 January 2025 (after trading hours), the Company (as the issuer) entered into two separate subscription agreements (the “**Jan 2025 Subscription Agreements**”) with each of Sunshine Life Insurance Corporation Limited (陽光人壽保險股份有限公司) and TFI Investment Fund SPC (“**TFI Investment**”) (collectively, the “**Jan 2025 Subscribers**”), pursuant to which the Jan 2025 Subscribers had conditionally agreed to subscribe for, and the Company had conditionally agreed to allot and issue, an aggregate of 1,144,514,767 subscription shares at the subscription price of HK\$2.37 per subscription share, upon the respective terms and subject to the respective conditions set out in the respective Jan 2025 Subscription Agreements (the “**Jan 2025 Share Subscriptions**”). The subscription shares had an aggregate nominal value of HK\$22,890,295.34 based on a nominal value of HK\$0.02 per Share. The gross proceeds from the Jan 2025 Share Subscriptions amounted to approximately HK\$2,712,499,998 (equivalent to approximately US\$350,000,000), while the net proceeds from the Jan 2025 Share Subscriptions, after deducting the related expenses, were estimated to be approximately HK\$2,712,499,998.

On 27 January 2025 (after trading hours), the Company (as the issuer) entered into a placing agreement (the “**Jan 2025 Placing Agreement**”) with TFI Securities and Futures Limited (as the placing agent, the “**Jan 2025 Placing Agent**”), pursuant to which the Jan 2025 Placing Agent had conditionally agreed to act as agent of the Company to procure, on a best effort basis, not less than six placees who and whose ultimate beneficial owners shall be independent third parties to subscribe for up to 490,506,329 placing shares at the placing price of HK\$2.37 per placing share, upon the terms and subject to the conditions set out in the Jan 2025 Placing Agreement (the “**Jan 2025 Placing**”). The placing shares had an aggregate nominal value of HK\$9,810,126.58 based on a nominal value of HK\$0.02 per Share. The gross proceeds from the Jan 2025 Placing amounted to approximately HK\$1,162,500,000 (equivalent to approximately US\$150,000,000) and the net proceeds from the Jan 2025 Placing (after deducting the placing commission for the Jan 2025 Placing and other relevant expenses) were approximately HK\$1,157,850,000.

The gross proceeds from the Jan 2025 Share Subscriptions and the Jan 2025 Placing, in aggregate, amounted to approximately HK\$3,874,999,998 (equivalent to approximately US\$500,000,000). The aggregate net proceeds of the Jan 2025 Share Subscriptions and the Jan 2025 Placing, after the deduction of related fees and expenses for the Jan 2025 Share Subscriptions and the Jan 2025 Placing and placing commission for the Jan 2025 Placing, amounted to approximately HK\$3,870,349,998. The Company intends to apply the net proceeds from the Jan 2025 Share Subscriptions and the Jan 2025 Placing in the following manner: (a) approximately HK\$3,483,314,998 (or approximately 90%) for the growth and expansion of the business of the Group, including content production, purchase of drama script and copyright and purchase of copyright of films and TV programs, and integrating upstream and downstream resources of the Group's businesses; and (b) approximately HK\$387,035,000 (or approximately 10%) for the Group's general working capital purposes.

On 25 April 2025, the Company and TFI Investment entered into a supplemental agreement, pursuant to which the Company and TFI Investment agreed to extend the subscription closing date and the long stop date under the subscription agreement entered into between the Company and TFI Investment to 28 July 2025 (or such other date as the parties may agree in writing).

In respect of the Jan 2025 Placing, 160,280,000 placing shares and 330,226,329 placing shares were issued to the Jan 2025 Placing Agent on 14 February 2025 and 18 February 2025 respectively, pursuant to the terms and conditions of the Jan 2025 Placing Agreement and under the general mandate granted by the shareholders of the Company at the annual general meeting of the Company held on 18 June 2024 (the "**2024 General Mandate**").

In respect of the Jan 2025 Share Subscriptions, 654,008,438 subscription shares were allotted and issued to Sunshine Life Insurance Corporation Limited under the 2024 General Mandate on 27 February 2025; and 327,004,000 and 163,502,329 subscription shares were allotted and issued to TFI Investment on 8 July 2025 and 24 July 2025, respectively.

For further details of the Jan 2025 Share Subscriptions and the Jan 2025 Placing, please refer to the announcements of the Company dated 28 January 2025 and 14 February 2025 and the next day disclosure returns of the Company dated 14 February 2025, 18 February 2025, 27 February 2025, 8 July 2025 and 24 July 2025.

Issue of HK\$2,341 million 3.95% convertible bonds due 2030 under general mandate (the “2025 Bonds”)

On 14 April 2025 (after trading hours), the Company and the CLSA Limited, Deutsche Bank AG, Hong Kong Branch, Goldman Sachs (Asia) L.L.C., Macquarie Capital Limited and Merrill Lynch (Asia Pacific) Limited (together as joint lead managers for the 2025 Bonds, the “**Managers**”) entered into a conditional subscription agreement (the “**2025 Bonds Subscription Agreement**”), under which, among other things, the Managers have severally (and not jointly) agreed to subscribe and pay for, or to procure to subscribe and pay for, the 2025 Bonds to be issued by the Company in an aggregate principal amount of HK\$2,341 million, subject to the terms and conditions as set out in the 2025 Bonds Subscription Agreement.

The 2025 Bonds may be converted into conversion shares pursuant to the conditions at an initial conversion price of HK\$2.704 per conversion share (subject to adjustments pursuant to the terms and conditions of the 2025 Bonds).

The conversion shares to be allotted and issued upon conversion of the 2025 Bonds shall rank *pari passu* in all respects with the Shares then in issue on the relevant conversion date, and will utilise, based on the initial conversion price, approximately 865,754,437 Shares under the 2024 General Mandate.

The aggregate gross proceeds from the issue of the 2025 Bonds were HK\$2,341 million. The aggregate net proceeds from the issue of the 2025 Bonds, after deduction of fees, commissions and other related expenses, were estimated to be approximately HK\$2,304 million, representing a net issue price of approximately HK\$2.662 per conversion share based on the initial conversion price. The Company intends to apply the net proceeds from the 2025 Bonds in the following manner: (i) approximately HK\$2,074 million (approximately 90%) for the growth and expansion of the business of the Group, including but not limited to content production, purchase of drama script and copyright, purchase of copyright of films and TV programs, and for others (such as development of online game business); and (ii) approximately HK\$230 million (approximately 10%) for the Group’s general working capital purposes.

The issue of the 2025 Bonds in an aggregate principal amount of HK\$2,341 million was completed on 22 April 2025 and the listing of and permission to deal in the 2025 Bonds on the Stock Exchange became effective on 23 April 2025.

For further details of the issue of the 2025 Bonds, please refer to the announcements of the Company dated 15 April 2025 and 22 April 2025 and the offering circular of the Company dated 14 April 2025.

Issue of new shares under general mandate

On 31 July 2025 (after trading hours), the Company entered into a subscription agreement (the “**Jul 2025 Subscription Agreement**”) with Infini Capital Management Limited (the “**Jul 2025 Subscriber**”), pursuant to which the Subscriber conditionally agreed to subscribe, and the Company conditionally agreed to issue and allot a total of 1,300,000,000 subscription shares at a subscription price of HK\$3.00 per subscription share (the “**Jul 2025 Share Subscription**”) under the general mandate granted by the shareholders of the Company at the annual general meeting of the Company held on 3 June 2025 (the “**2025 General Mandate**”). On 1 August 2025 (before trading hours), the Company entered into a placing agreement (the “**Jul 2025 Placing Agreement**”) with CLSA Limited (the “**Jul 2025 Placing Agent**”), engaged primarily to facilitate the settlement and dematerialization of the subscription shares under the Jul 2025 Subscription Agreement, which was a request of the Jul 2025 Subscriber (the “**Jul 2025 Placing**”).

Pursuant to the terms and conditions of the Jul 2025 Subscription Agreement, a total of 390,000,000 subscription shares have been subscribed at the subscription price of HK\$3.00 per subscription share on 18 August 2025 under the 2025 General Mandate.

The subscription price and the total number of subscription shares were amended pursuant to the supplemental agreements to the Jul 2025 Subscription Agreement and the Jul 2025 Placing Agreement dated 11 September 2025, 24 September 2025, 6 November 2025 and 12 December 2025. A total of 400,000,000 subscription shares were further allotted and issued at a subscription price of HK\$2.60 per subscription share on 18 December 2025 under the 2025 General Mandate.

The gross proceeds from the Jul 2025 Share Subscription were approximately HK\$2,210 million, while the aggregate net proceeds, after the deduction of related settlement agent fees, costs and expenses, were approximately HK\$2,205 million. The Company intends to apply the net proceeds from the Jul 2025 Share Subscription in the following manner: (a) approximately HK\$519 million for the growth and expansion of the business of the Group, including purchase of upstream literary works and script copyright, collaborative investments with screenwriter and director, and film and television production or related investment; (b) approximately HK\$1,557 million for strategic investments and acquisitions to expand the Group’s business, including investment and acquisitions involving targets in the gaming industry and the film industry; and (c) approximately 129 million for the Group’s general working capital purposes (mainly including payment of advertising and promotion costs, staff costs, technical and development services fee, and rental costs).

For further details of the Jul 2025 Share Subscriptions and the Jul 2025 Placing, please refer to the announcements of the Company dated 1 August 2025, 18 August 2025, 12 September 2025, 24 September 2025, 10 October 2025, 6 November 2025 and 14 December 2025 and the next day disclosure returns of the Company dated 18 August 2025 and 18 December 2025.

Save as disclosed above and the section headed “MATERIAL ACQUISITION AND DISPOSAL”, there was no purchase, sale or redemption by the Company or any of its subsidiaries of the Company’s listed securities and the Company had not conducted any other equity fundraising activities during the year ended 31 December 2025.

EVENT AFTER THE END OF THE REPORTING PERIOD

Issue of HK\$2,574 million zero coupon convertible bonds due 2027 under general mandate (the “2026 Bonds”)

On 26 January 2026 (after trading hours), the Company and Deutsche Bank AG, Hong Kong Branch (the “**Sole Lead Manager**”) entered into a conditional subscription agreement (the “**2026 Bonds Subscription Agreement**”), under which, among other things, the Sole Lead Manager has agreed to subscribe and pay for, or to procure to subscribe and pay for, the 2026 Bonds to be issued by the Company in an aggregate principal amount of HK\$2,574 million, subject to the terms and conditions as set out in the 2026 Bonds Subscription Agreement.

The 2026 Bonds may be converted into conversion shares pursuant to the conditions at an initial conversion price of HK\$2.6 per conversion share (subject to adjustments pursuant to the terms and conditions of the 2026 Bonds).

The conversion shares to be allotted and issued upon conversion of the 2026 Bonds shall rank *pari passu* in all respects with the Shares then in issue on the relevant conversion date, and will utilise, based on the initial conversion price, approximately 989,999,010 Shares under the 2025 General Mandate.

The aggregate gross proceeds from the issue of the 2026 Bonds were HK\$2,574 million. The aggregate net proceeds from the issue of the 2026 Bonds, after deduction of fees, commissions and other related expenses, were estimated to be approximately HK\$2,548 million, representing a net issue price of approximately HK\$2.574 per conversion share based on the initial conversion price. The Company intends to apply the net proceeds from the 2026 Bonds in the following manner: (i) approximately HK\$593 million (approximately 23.27%) for the repayment of the Group’s indebtedness; (ii) approximately HK\$366 million (approximately 14.36%) for partial consideration for purchase of 30% equity interest in Beijing Yonghang; (iii) approximately HK\$510 million (approximately 20.02%) for strategic investments and acquisitions to expand the Group’s business; (iv) approximately HK\$390 million

(approximately 15.31%) for operational needs of the Group’s gaming business; and (v) approximately HK\$689 million (approximately 27.04%) for drama series for streaming platforms.

The issue of the 2026 Bonds in an aggregate principal amount of HK\$2,574 million was completed on 2 February 2026 and the 2026 Bonds have been listed on the Vienna Stock Exchange.

For further details of the issue of the 2026 Bonds, please refer to the announcements of the Company dated 27 January 2026 and 2 February 2026.

Save as disclosed above, the Group has no event after the end of the Reporting Period that needs to be brought to the attention of the shareholders of the Company.

CORPORATE GOVERNANCE PRACTICES

The Board considers that good corporate governance practices are crucial to the smooth and effective operation of the Group and the safeguarding of the interests of the shareholders and other stakeholders of the Company. The Company has put in place internal policies to ensure the compliance and has adopted and complied with the code provisions set out in the Corporate Governance Code (the “**Code**”) contained in Appendix C1 to the Listing Rules during the year ended 31 December 2025 except for the following deviations from the Code:

- Code provision C.2.1 stipulated that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. During the year ended 31 December 2025, the Company has no such title as chief executive officer. The overall responsibility of supervising and ensuring that the Group functions in line with the order of the Board in terms of day-to-day operation and execution is vested in the Board itself. The Board believes that the current structure is conducive to strong and consistent leadership and oversight enabling the Group to operate efficiently; and
- Code provision B.3.5 (which takes effect on 1 July 2025) stipulated that every listed issuer must appoint at least one director of a different gender to the nomination committee. During the year ended 31 December 2025 and as at the date of this announcement, the composition of the Nomination Committee of the Company comprises only one gender. The Board is in the process of identifying suitable candidate(s) to fill and join the Nomination Committee as soon as practicable and the Company will make further announcement(s) as and when appropriate. Nevertheless, the Board already includes one female director, demonstrating our commitment to gender diversity.

COMPLIANCE WITH THE MODEL CODE

The Company adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) set out in Appendix C3 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) as the code of conduct regarding securities transactions by the Directors. The Company, having made specific and cautious enquiries, confirmed that all Directors had complied with the Model Code for the year ended 31 December 2025.

REVIEW OF RESULTS

The Audit Committee of the Company consists of three of the independent non-executive Directors, namely Mr. Chau Shing Yim, David, Mr. Nie Zhixin and Mr. Chen Haiquan. The Audit Committee assists the Board in, among others, providing an independent review of the completeness, accuracy and fairness of the financial statements of the Group, as well as the efficiency and effectiveness of the Group’s operations and internal controls. The Audit Committee has reviewed the results of the Group for the year ended 31 December 2025.

SCOPE OF WORK OF PRICEWATERHOUSECOOPERS

The figures in respect of the consolidated financial statements of the Group and the related notes thereto for the year ended 31 December 2025 as set out in this preliminary announcement of the results of the Group have been agreed by the auditor of the Company, PricewaterhouseCoopers, to the amounts set out in the Group’s consolidated financial statements for the year ended 31 December 2025. The work of PricewaterhouseCoopers in this respect, did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and, consequently, no assurance will be expressed on the preliminary announcement.

PUBLICATION OF ANNUAL RESULTS ANNOUNCEMENT AND ANNUAL REPORT ON THE STOCK EXCHANGE WEBSITE

The annual results announcement for the year ended 31 December 2025 is also published on the Stock Exchange’s website (<https://www.hkexnews.hk>) and the Company’s website (<https://www.ryholdings.com>). The annual report of the Company for the year ended 31 December 2025 containing all information required by the Listing Rules will be published on websites of the Stock Exchange and the Company on or before 30 April 2026.

2026 ANNUAL GENERAL MEETING

As at the date of this announcement, the Company has not determined the date when the Company's 2026 annual general meeting will be held and the relevant book closure arrangement. Further announcement(s) will be made by the Company as and when appropriate in accordance with the Listing Rules.

FORWARD LOOKING STATEMENTS

There can be no assurance that any forward-looking statements regarding the business development of the Group set out in this announcement or any of the matters set out therein are attainable, will actually occur or will be realised or are complete or accurate. Shareholders and/or potential investors of the Company are advised to exercise caution when dealing in the securities of the Company and not to place undue reliance on the information disclosed herein. Any holder of securities or potential investor of the Company who is in doubt is advised to seek advice from professional advisors.

APPRECIATION

The Board would like to express its sincere gratitude to the Company's shareholders, investors, employees and business partners for their continuous support.

By order of the Board
China Ruyi Holdings Limited
Ke Liming
Chairman

** For identification purposes only*

Hong Kong, 31 March 2026

As at the date of this announcement, the executive directors of the Company are Mr. Ke Liming and Mr. Zhang Qiang; the non-executive director of the Company is Mr. Yang Ming; and the independent non-executive directors of the Company are Mr. Chau Shing Yim, David, Mr. Nie Zhixin, Mr. Chen Haiquan and Professor Shi Zhuomin.