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**UNIVERSE ENTERTAINMENT AND CULTURE
GROUP COMPANY LIMITED**
寰宇娛樂文化集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 1046)

**INTERIM RESULTS ANNOUNCEMENT FOR
THE SIX MONTHS ENDED 31ST DECEMBER 2025**

The board of directors (the “**Director(s)**”) (the “**Board**”) of Universe Entertainment and Culture Group Company Limited (the “**Company**”) announces the unaudited interim results of the Company and its subsidiaries (collectively, the “**Group**”) for the six months ended 31st December 2025 (the “**Period**”) as follows:

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE
INCOME**

		Unaudited	
		For the six months ended	
		31st December	
		2025	2024
	<i>Note</i>	HK\$'000	HK\$'000
Revenue			
Sales of goods – video distribution, optical products and watches products		5,760	5,958
Income on film distribution and exhibition, licensing and sub-licensing of film rights		31,541	229,584
Income from other businesses		20,476	13,490
Total revenue	4	57,777	249,032

Unaudited
For the six months ended
31st December

	<i>Note</i>	2025 HK\$'000	2024 HK\$'000
Cost of revenue			
Cost of inventories sold		(2,832)	(3,373)
Related cost on film distribution and exhibition, licensing and sub-licensing of film rights		(27,755)	(215,272)
Cost from other businesses		<u>(12,858)</u>	<u>(10,035)</u>
 Total cost of revenue		 <u>(43,445)</u>	 <u>(228,680)</u>
 Selling expenses		 (4,056)	 (3,267)
Administrative expenses		(20,094)	(26,902)
Change in expected credit loss		58	(725)
Amortisation of other intangible assets		(24)	(23)
Impairment loss of film rights and films in progress		–	(64,540)
Reversal of impairment loss of film related deposit		275	–
Fair value change of securities investment		(487)	–
Other losses – net		–	(210)
Other income		364	1,675
Gain on disposal of a subsidiary		9	–
Finance income		1,038	1,637
Finance costs		<u>(382)</u>	<u>(276)</u>
 Loss before tax	 <i>5</i>	 (8,967)	 (72,279)
Income tax expense	<i>6</i>	<u>(936)</u>	<u>(2,436)</u>
 Loss for the Period		 <u>(9,903)</u>	 <u>(74,715)</u>

	Unaudited	
	For the six months ended	
	31st December	
	2025	2024
<i>Note</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Other comprehensive loss		
<i>Items that may be reclassified to profit or loss:</i>		
Currency translation differences	<u>76</u>	<u>(61)</u>
Other comprehensive loss for the Period, net of tax	<u>76</u>	<u>(61)</u>
Total comprehensive loss for the Period	<u>(9,827)</u>	<u>(74,776)</u>
Loss attributable to:		
Owners of the Company	(9,882)	(74,277)
Non-controlling interests	<u>(21)</u>	<u>(438)</u>
	<u>(9,903)</u>	<u>(74,715)</u>
Total comprehensive loss for the Period		
attributable to:		
Owners of the Company	(9,806)	(74,338)
Non-controlling interests	<u>(21)</u>	<u>(438)</u>
	<u>(9,827)</u>	<u>(74,776)</u>
Loss per share attributable to the owners		
of the Company for the Period		
(expressed in HK cents per share)		
– basic and diluted	<u>7 (1.09)</u>	<u>(8.19)</u>

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Unaudited As at 31st December 2025 <i>HK\$'000</i>	Audited As at 30th June 2025 <i>HK\$'000</i>
<i>Note</i>		
ASSETS		
Non-current assets		
Property, plant and equipment	33,263	34,643
Investment properties	28,740	28,740
Other intangible assets	1,986	2,010
Film rights and films in progress	13,919	40,778
Film related deposits	62,656	58,538
Deposits paid	1,055	1,051
Deferred tax assets	616	581
Other financial assets	770	770
	143,005	167,111
Current assets		
Inventories	938	1,234
Accounts receivable	9 40,192	90,570
Deposits paid, prepayments and other receivables	37,041	34,090
Trading securities	20,278	–
Contract assets	94	2,204
Time Deposit	86,781	5,250
Cash and cash equivalents	107,954	135,245
	293,278	268,593
Total current assets	293,278	268,593
Total assets	436,283	435,704

	Unaudited	Audited
	As at	As at
	31st December	30th June
	2025	2025
<i>Note</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
EQUITY		
Equity attributable to the owners of the Company		
Share capital	9,066	9,066
Reserve	222,432	232,238
	231,498	241,304
Non-controlling interests	(3,569)	(3,548)
Total equity	227,929	237,756
LIABILITIES		
Non-current liabilities		
Lease liabilities	3,095	2,731
Deferred tax liabilities	134	134
	3,229	2,865
Current liabilities		
Accounts payable	7,651	10,189
Other payables and accrued charges	134,431	106,027
Contract liabilities	41,161	58,350
Deposits received	6,148	4,447
Lease liabilities	3,009	4,366
Taxation payable	12,725	11,704
Total current liabilities	205,125	195,083
Total liabilities	208,354	197,948

	Unaudited	Audited
	As at	As at
	31st December	30th June
	2025	2025
	<i>HK\$'000</i>	<i>HK\$'000</i>
Total equity and liabilities	<u>436,283</u>	<u>435,704</u>
Net current assets	<u>88,153</u>	<u>73,510</u>
Total assets less current liabilities	<u>231,158</u>	<u>240,621</u>

NOTES:

1. GENERAL INFORMATION

The Group is principally engaged in video distribution, film distribution and exhibition, licensing and sub-licensing of film rights, provision of financial printing services, trading, wholesaling and retailing of optical products and watches products, leasing of investment properties and securities investment.

The Company is a limited liability company incorporated in Bermuda. The address of its registered office is Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda. The address of the principal place of business of the Company is 18th Floor, Wyler Centre Phase II, 192–200 Tai Lin Pai Road, Kwai Chung, New Territories, Hong Kong.

The Company's shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**").

This unaudited condensed consolidated interim financial information is presented in thousands of units of Hong Kong dollars ("**HK\$'000**"), unless otherwise stated. This unaudited condensed consolidated interim financial information has been approved for issue by the Board on 27th February 2026.

2. BASIS OF PREPARATION

This unaudited condensed consolidated interim financial information has been prepared in accordance with the Hong Kong Accounting Standard ("**HKAS**") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**") as well as the applicable disclosure provisions of the Rules of Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**").

The unaudited condensed consolidated interim financial information has been prepared on the historical cost convention, as modified by the revaluation of financial instruments that are measured at fair values at the end of each reporting period, trading securities, other financial assets and investment properties, which are carried at fair value.

The unaudited condensed interim financial information has been prepared in accordance with the same accounting policies adopted in the Company's consolidated financial statements for the year ended 30th June 2025, except for the accounting policy changes that are expected to be reflected in the Company's consolidated financial statements for the year ending 30th June 2026. Details of these changes in accounting policies are set out in note 3.

The preparation of interim condensed consolidated financial statements in conformity with HKAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

The unaudited condensed consolidated interim financial information contains selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the annual financial statements for the year ended 30th June 2025. The unaudited condensed consolidated interim financial information and notes thereon do not include all of the information required for full set of financial statements prepared in accordance with the Hong Kong Financial Reporting Standards (the "**HKFRSs**").

3. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

In the current period, the Group has adopted all the new and revised Hong Kong Financial Reporting Standards (“**HKFRSs**”) issued by the HKICPA that are relevant to its operations and effective for its accounting year beginning on 1st July 2025. HKFRSs comprise HKFRS; HKAS; and Interpretations. The adoption of these new and revised HKFRSs did not result in significant changes to the Group’s accounting policies, presentation of the Group’s financial statements and amounts reported for the current period and prior years.

The Group has not applied the new and revised HKFRSs that have been issued but are not yet effective. The Group has already commenced an assessment of the impact of those new and revised HKFRSs but is not yet in a position to state whether these new and revised HKFRSs would have a material impact on its results of operations and financial position.

4. SEGMENT INFORMATION

The Group manages its businesses by divisions, which are organised by business lines (products and services). In a manner consistent with the way in which information is reported internally to the Chairman of the Company, being the Group’s chief operating decision maker (“**CODM**”) for the purposes of resources allocation and performance assessment.

The Group has presented the following reportable segments.

- Video distribution, film distribution and exhibition, licensing and sub-licensing of film rights
- Financial printing services
- Trading, wholesaling and retailing of optical products and watches products
- Leasing of investment properties
- Securities investments
- Other (i.e. Entertainment business)

Management monitors the results of the Group’s operating segments separately for the purpose of making decisions about resources allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/(loss), which is a measure of profit/(loss) before tax. The profit/(loss) before tax is measured consistently with the Group’s profit/(loss) before tax except that finance income, finance cost, gain on disposal of a subsidiary and unallocated corporate expenses.

Segment assets exclude unallocated other intangible assets, other financial assets, unallocated cash and cash equivalents, deferred tax assets and other unallocated corporate assets as these assets are managed on a group basis.

Segment liabilities exclude tax payable, deferred tax liabilities, and other unallocated corporate liabilities as these liabilities are managed on a group basis.

Information regarding the Group's reportable segments as provided to the Group's CODM for the purposes of resources allocation and assessment of segment performance is set out below.

	2025							
	Video distribution, film distribution and exhibition, licensing and sub-licensing of film rights <i>HK\$'000</i>	Financial printing services <i>HK\$'000</i>	Trading, wholesaling, and retailing of optical products and watches products <i>HK\$'000</i>	Leasing of investment properties <i>HK\$'000</i>	Securities investments <i>HK\$'000</i>	Other <i>HK\$'000</i>	Elimination <i>HK\$'000</i>	Total <i>HK\$'000</i>
For the six months ended								
31st December 2025 (Unaudited)								
Disaggregate by timing of revenue recognition								
- Point in time	32,356	3,243	4,945	-	-	378	-	40,922
- Overtime	-	16,575	-	-	-	-	-	16,575
- Revenue out of scope of HKFRS 15	-	-	-	280	-	-	-	280
Revenue from external customers	32,356	19,818	4,945	280	-	378	-	57,777
Intersegment revenue	-	179	-	-	-	-	(179)	-
Segment revenue	<u>32,356</u>	<u>19,997</u>	<u>4,945</u>	<u>280</u>	<u>-</u>	<u>378</u>	<u>(179)</u>	<u>57,777</u>
Segment result	(9,019)	498	(89)	148	(487)	267	-	(8,682)
Gain on disposal of a subsidiary								9
Finance income								1,038
Finance cost								(382)
Unallocated corporate expenses								(950)
Loss before tax								<u>(8,967)</u>
As at 31st December 2025 (Unaudited)								
Segment assets	247,898	14,669	2,647	28,845	20,278	9,339	-	323,676
Segment liabilities	<u>169,205</u>	<u>13,981</u>	<u>4,908</u>	<u>185</u>	<u>-</u>	<u>1,656</u>	<u>-</u>	<u>189,935</u>

	Video distribution, film distribution and exhibition, licensing and sub-licensing of film rights <i>HK\$'000</i>	Financial printing services <i>HK\$'000</i>	Trading, wholesaling, and retailing of optical products and watches products <i>HK\$'000</i>	Leasing of investment properties <i>HK\$'000</i>	Securities investments <i>HK\$'000</i>	Other <i>HK\$'000</i>	Elimination <i>HK\$'000</i>	Total <i>HK\$'000</i>
For the six months ended								
31st December 2024 (Unaudited)								
Disaggregate by timing of revenue recognition								
- Point in time	229,706	2,856	5,836	-	-	173	-	238,571
- Overtime	-	10,090	-	-	-	-	-	10,090
- Revenue out of scope of HKFRS 15	-	-	-	371	-	-	-	371
Revenue from external customers	229,706	12,946	5,836	371	-	173	-	249,032
Intersegment revenue	-	175	-	-	-	-	(175)	-
Segment revenue	<u>229,706</u>	<u>13,121</u>	<u>5,836</u>	<u>371</u>	<u>-</u>	<u>173</u>	<u>(175)</u>	<u>249,032</u>
Segment result	(68,622)	(2,801)	(1,668)	204	-	458	-	(72,429)
Finance income								1,637
Finance cost								(276)
Unallocated corporate expenses								(1,211)
(Loss) before tax								<u>(72,279)</u>
As at 31st December 2024 (Unaudited)								
Segment assets	351,576	11,008	4,567	29,902	1,350	9,026	-	407,429
Segment liabilities	<u>266,125</u>	<u>9,316</u>	<u>5,980</u>	<u>237</u>	<u>-</u>	<u>1,567</u>	<u>-</u>	<u>283,225</u>

5. LOSS BEFORE TAX

Loss before tax is arrived at after charging:

	Unaudited	
	For the six months ended	
	31st December	
	2025	2024
	Total	Total
	HK\$'000	HK\$'000
Amortisation of film right	27,287	173,977
Amortisation of other intangible assets	24	23
Depreciation of property, plant and equipment	734	783
Depreciation of right-of-use assets	3,364	2,615
Employee benefits expenses including directors' emoluments	23,420	23,135
Cost of inventories sold	2,832	3,373

6. INCOME TAX EXPENSE

The amount of income tax expense charged to the unaudited condensed consolidated statement of comprehensive income represents:

	Unaudited	
	For the six months ended	
	31st December	
	2025	2024
	Total	Total
	HK\$'000	HK\$'000
Hong Kong Profits Tax – current	–	1,214
Hong Kong Profits Tax – underprovision in prior years	49	2
PRC withholding tax – current	862	1,242
PRC withholding tax – underprovision/(overprovision) in prior years	60	(20)
Deferred tax relating to the origination and reversal of temporary differences	(35)	(2)
Income tax expense	936	2,436

7. LOSS PER SHARE

(a) Basic

Basic loss per ordinary share is calculated by dividing the loss attributable to the owners of the Company by the weighted average number of ordinary shares in issue during the six months ended 31st December 2025 and 2024.

(i) *Loss for the Period attributable to the owners of the Company*

	Unaudited	
	For the six months ended	
	31st December	
	2025	2024
	HK\$'000	HK\$'000
Loss for the Period attributable to the owners of the Company	<u>(9,882)</u>	<u>(74,277)</u>

(ii) *Weighted average number of ordinary shares in issue*

	Number of shares	
	<i>(in thousand)</i>	
	For the six months ended	
	31st December	
	2025	2024
Weighted average number of ordinary shares in issue at the end of the Period	<u>906,632</u>	<u>906,632</u>

(b) Diluted

For the six months ended 31st December 2024 and 2025, diluted loss per ordinary share equals to basic loss per ordinary share as there was no potential dilutive ordinary share outstanding during the Period.

8. DIVIDENDS

No interim dividend was declared or paid by the Company for the Period (2024: Nil).

9. ACCOUNTS RECEIVABLE

	Unaudited	Audited
	As at	As at
	31st December	30th June
	2025	2025
	HK\$'000	HK\$'000
Accounts receivable	41,053	91,473
Less: allowance for doubtful debts	<u>(861)</u>	<u>(903)</u>
Accounts receivable – net	<u>40,192</u>	<u>90,570</u>

The carrying amount of accounts receivable approximates to their fair values.

Notes:

As at 31st December 2025, the ageing analysis of the accounts receivable arising, based on invoice date or date of revenue recognition was as follows:

	Unaudited	Audited
	As at	As at
	31st December	30th June
	2025	2025
	HK\$'000	HK\$'000
1 to 90 days	10,138	60,402
91 days to 180 days	22,915	2,317
Over 180 days	<u>7,139</u>	<u>27,851</u>
	<u>40,192</u>	<u>90,570</u>

Sales of videogram products are with credit terms of 7 days to 60 days. Sales from film exhibition, licensing and sub-licensing of film rights are on open account terms. Sales from trading and wholesaling of optical products and watches products, and provisions of financial printing services are with credit terms of 0–90 days. Sales to retail customers are made in cash or via major credit cards. The Group has policies in place to ensure that sales of products on credit terms are made to customers with an appropriate credit history and the Group performs periodic credit evaluations of its customers.

10. ACCOUNTS PAYABLE

	Unaudited	Audited
	As at	As at
	31st December	30th June
	2025	2025
	HK\$'000	HK\$'000
Accounts payable	<u><u>7,651</u></u>	<u><u>10,189</u></u>

As at 31st December 2025, the ageing analysis of the accounts payable arising from other businesses based on invoice date was as follows:

	Unaudited	Audited
	As at	As at
	31st December	30th June
	2025	2025
	HK\$'000	HK\$'000
1 to 90 days	2,292	5,060
91 days to 180 days	1,231	636
Over 180 days	<u>4,128</u>	<u>4,493</u>
	<u><u>7,651</u></u>	<u><u>10,189</u></u>

11. PENDING LITIGATIONS

- (a) A court action was commenced in the Court of First Instance of the Hong Kong Special Administrative Region on 17th April 2002 by The Star Overseas Limited (“**Star**”), an independent third party, against Universe Entertainment Limited (“**UEL**”), an indirect wholly-owned subsidiary of the Company.

By the above action, Star alleges that a sum of US\$935,872 (equivalent to HK\$7,299,799) was payable by UEL to Star as its share of the revenue of the movie entitled “Shaolin Soccer” (the “**Movie**”).

Pursuant to an Order (the “**Order**”) made by the High Court on 21st February 2003, UEL was ordered and had paid to Star a sum of HK\$5,495,700, being part of the licence fee of the Movie received by UEL from Miramax Films (being the licensee of the Movie) and which was also part of the sum claimed by Star. Pursuant to the Order, UEL is also liable to pay Star interest in the sum of HK\$350,905 and some of the costs of the application leading to the making of the Order, all of which have been settled. As the Order has not disposed of all the claims of US\$935,872 (equivalent to HK\$7,299,799) by Star, UEL is entitled to continue to defend the claim by Star for recovering the remaining balance in the sum of approximately HK\$1,804,099 (HK\$7,299,799 less HK\$5,495,700).

On 30th April 2002, UEL claimed against Star for the latter's wrongful exploitation of certain rights in the Movie co-owned by both parties. UEL claimed to recover all losses and damages suffered by UEL as a result of the wrongful exploitation.

On 9th September 2002, Universe Laser & Video Co. Limited ("ULV"), an indirect wholly-owned subsidiary of the Company, claimed against Star for the latter's infringement of the licensed rights in the Movie held by ULV. ULV claimed to recover all loss and damages suffered by ULV as a result of the said infringement.

In the opinion of legal counsel, it is premature to predict the outcome of the claim against UEL. The Board is of the opinion that the outcome of the said claim against UEL will have no material financial impact to the Group for the Period.

- (b) On 1st September 2008, Koninklijke Philips Electronics N.V. ("KPE") claimed against among other persons, the Company, ULV and Mr. Lam Shiu Ming, Daneil (one of the Directors), being three of the defendants named therein, in respect of damages arising from alleged infringement of the patents regarding Video Compact Disc owned by KPE.

In the opinion of legal counsel, it is premature to predict the outcome of the said claim made against the Company, ULV and Mr. Lam Shiu Ming, Daneil. The Board is of the opinion that the outflow of economic benefits cannot be reliably estimated and accordingly no provision for any liability that may result has been made in the unaudited condensed consolidated interim financial information for the Period.

- (c) On 8th January 2010, KPE claimed against among other persons, the Company, ULV and Mr. Lam Shiu Ming, Daneil (one of the Directors), being three of the defendants named therein, in respect of damages arising from alleged infringement of the patents regarding Digital Video Disc owned by KPE.

On 6th June 2012, the action was discontinued against the Company and Mr. Lam Shiu Ming, Daneil. The claim made against ULV has been agreed with KPE and settled by ULV and appropriate legal costs provision was recognised accordingly in the consolidated financial statements for the year ended 30th June 2012.

No additional provision has been made in the unaudited condensed consolidated interim financial information for the Period. Based on the consultation with legal counsel, no further material outflow of economic benefits will be incurred for ULV.

Save as disclosed above, as at 31st December 2025, no litigation or claim of material importance is known to the Directors to be pending against either the Company or any of its subsidiaries.

INTERIM DIVIDEND

No interim dividend was declared and paid by the Company for the Period (2024: Nil).

MANAGEMENT DISCUSSION AND ANALYSIS

Overall Group results

For the six months period ended 31st December 2025 (the “**Period**”), the Group recorded revenue of approximately HK\$57.8 million (for the six months period ended 31st December 2024 (“**Last Period**”): approximately HK\$249.0 million) and a loss for the Period of approximately HK\$9.9 million (Last Period: a loss of approximately HK\$74.7 million).

The decrease of the Group’s loss during the Period, compared to the Last Period, was mainly due to the decrease in impairment loss of film rights and films in progress of approximately HK\$64.5 million during the Period as compared to the Last Period.

Films distribution and exhibition, licensing and sub-licensing of film rights

The Group recorded segmental revenue of approximately HK\$32.4 million during the Period, representing a decrease of approximately 85.9% as compared to approximately HK\$229.7 million of the Last Period. It accounted for approximately 56.0% (Last Period: approximately 92.2%) of the Group’s revenue during the Period.

The decrease in revenue of this segment was primarily due to (i) the decrease in the number of Group produced films being debuted in cinemas during the Period as compared to the Last Period; and (ii) the average revenue generated from each film released by the Group during the Period was less than Last Period.

The Group recorded no impairment losses on film rights and films in progress, during the Period, compared to an impairment loss of approximately HK\$64.5 million during Last Period. This reduction in impairment loss was the primary driver, which narrowed the segmental loss from approximately HK\$68.6 million Last Period to approximately HK\$9.0 million during the Period.

The impairment loss of film rights and films in progress is the amount by which the carrying amount of film rights and films in progress exceeds its recoverable amount. The recoverable amount of film rights and films in progress as at 31 December 2024 was assessed with reference to a value-in-use calculation at the end of the reporting period, which was derived from discounting the projected cash flow using a discount rate of 11%. Total impairment loss of film rights and films in progress of approximately HK\$64.5 million was recognized during Last Period. Such impairment loss is principally due to the decrease in income/expected income from the film rights and films in progress of the Group as compared to the budget income as a result of the change of the expected performance of the films which were theatrically released.

According to data from the China Film Administration (國家電影局), China's film market showed signs of recovery in 2025, with total box office revenue reaching approximately RMB 51.8 billion – an increase of nearly 22% year-on-year. This growth was largely driven by the release of several blockbuster movies during key holiday periods. However, competition within the industry remained intense, and the slowdown of the economic growth in China continued to put pressure on cinema revenues, particularly during non-peak seasons. In response to these challenging market conditions, the Group closely monitored developments in the market and maintained a cautious and restrained approach to film investments and productions.

Looking ahead, China's film industry continues to face a mixed landscape of opportunities and uncertainties. Despite ongoing challenges from fierce competition and the slowdown of economic growth in China in recent years, the Group remains cautiously optimistic about the long-term growth trajectory of China's film market. Moving forward, we intend to rigorously manage content costs and overheads while actively pursuing additional film licensing and sub-licensing opportunities, with the goal of generating a stable revenue stream from this business segment.

Financial printing

The Group engaged in the business of financial printing to provide the one-stop financial printing services including typesetting, translation, printing, design, distribution and other related services through Formex Financial Press Limited (“**Formex**”), a subsidiary of the Company.

Our core business is divided into two primary areas:

1. Production and publication of annual reports, interim reports, circulars, and announcements for listed companies, government institutions, and non-governmental organizations.
2. Production of prospectuses and other listing documents for issuers undertaking initial public offerings (“**IPO**”) in Hong Kong capital market.

Segment revenue for the Period increased by approximately 53.5% to approximately HK\$19.8 million (Last Period: approximately HK\$12.9 million), driven primarily by growth in revenue from the IPO projects. This segment now represents approximately 34.3% of the Group's total revenue, compared to approximately 5.2% in Last Period. The Group recorded a segmental profit of approximately HK\$498,000 during the Period, an improvement from the loss of approximately HK\$2.8 million Last Period.

The Hong Kong IPO market staged a strong recovery in 2025. The continued rise in IPO projects and dual-listings by issuers in both Hong Kong and China caused a strong demand for our financial printing services. We offer accurate, experienced solutions, advanced presentation and formatting services that help clients meet the stringent requirements of IPO and cross-border listings. In light of the booming capital market in Hong Kong, the Group is optimistic about the growth in revenue and profit from its financial printing business in the near future.

Trade, wholesale and retail of optical products and watches products

The Group engaged in trading, wholesaling and retailing of optical products and watches products in Hong Kong during the Period.

Revenue from this business segment during the Period was approximately HK\$4.9 million, representing a decrease of approximately 15.5% as compared to approximately HK\$5.8 million Last Period. It accounted for approximately 8.6% (Last Period: approximately 2.3%) of the Group's revenue during the Period.

The decline in revenue is attributed to the decrease in average number of retail stores during the Period as compared to Last Period. In response to weak consumer spending in Hong Kong, the Group continued to close unprofitable stores throughout Last Period and the Period. As a result of the closure of unprofitable stores, the segment loss from this business segment during the Period was approximately HK\$89,000, reflecting a decrease of approximately 94.8% compared to approximately HK\$1.7 million Last Period.

To navigate the current challenging operating environment, the Group will maintain strict cost control measures aimed at further reducing losses from this business segment.

Leasing of investment properties

The Group recorded rental income of approximately HK\$280,000 (Last Period: approximately HK\$371,000) during the Period. The segment profit of this business segment was approximately HK\$148,000 (Last Period: approximately HK\$204,000) during the Period.

As the vacant rate of investment properties increased, the revenue and segment profit of this business segment decreased during the Period as compared to Last Period.

Securities Investments

During the Period, the Group leveraged the prosperous of the Hong Kong capital market in 2025 to pursue securities trading opportunities in quality companies with strong potential, aiming to achieve solid returns.

As at 31st December 2025, the Group's trading securities amounted to approximately HK\$20.3 million (30th June 2025 : Nil) which accounted for approximately 4.6% (30th June 2025 : Nil) of the Group's unaudited consolidated total assets as at 31st December 2025. As at 31st December 2025, the Group's portfolio of trading securities comprised 3 equity securities listed in Hong Kong (30th June 2025: Nil) which engaged in banking, communication and on-line retail and wholesale business. Each of the equity securities has a carrying amount that accounted for not more than 5% of the Group's unaudited consolidated total assets as at 31 December 2025. The Group recorded a fair value loss arising from the change in fair value of trading securities of approximately HK\$487,000 for the Period (Last Period : Nil). The fair value loss during the Period was attributable to a stock performance in the on-line retail and wholesale business sector. As a result, the overall segment loss of the securities investments segment was approximately HK\$487,000 during the Period (Last Period : Nil).

Looking ahead, our forward strategy remains centered on actively identifying investments aligned with our objective of delivering value to shareholders. The Group will continue to seek investment opportunities with great potential that generate solid returns while actively mitigating risks in the prevailing market environment.

Geographical contribution

In terms of geographical contribution, overseas markets accounted for approximately 51.5% (Last Period: approximately 90.0%) of the Group's revenue during the Period.

Selling expenses

Selling expenses for the Period increased by approximately 24.2% to approximately HK\$4.1 million as compared to approximately HK\$3.3 million Last Period. The increase in selling expenses was due to the increase in selling activities of the financial printing business during the Period.

Administrative expenses

Administrative expenses for the Period decreased by approximately 25.3% to approximately HK\$20.1 million as compared to approximately HK\$26.9 million Last Period. The decrease in administrative expenses is due to the implementation of the cost control measures during the Period.

OUTLOOK

Looking ahead, the economic growth of Hong Kong and China will continue to be affected by global geopolitical tensions, trade barriers, and subdued consumer sentiment worldwide. This complex and challenging macro environment is expected to remain a source of pressure on the Group's operations.

We remain cautiously optimistic about the prospects of our video distribution, film distribution and exhibition, film rights licensing, and financial printing businesses. A restrained and prudent approach will be maintained in managing these segments to support their long-term sustainability. In response to the contraction in Hong Kong's retail market, we will continue to close loss-making stores as part of our efforts to improve the performance of this segment.

Amid this uncertain operating climate, the Group will carefully evaluate and explore potential new investments and business opportunities, with a view to diversifying and strengthening our income streams.

FINANCIAL RESOURCES/LIQUIDITY

As at 31st December 2025, the Group had cash balances of approximately HK\$108.0 million (30th June 2025: approximately HK\$135.2 million). As at 31st December 2025, the Group had total assets of approximately HK\$436.3 million (30th June 2025: approximately HK\$435.7 million).

The Group's gearing ratio as at 31st December 2025 was approximately 2.7% (as at 30th June 2025: approximately 3.0%), which was calculated on the basis of the Group's total debt (including borrowings, lease liability and bank overdraft) divided by total equity of the Group.

The Group incurred financial cost of approximately HK\$382,000, which is attributable to the interest on lease liabilities during the Period (Last Period: approximately HK\$276,000).

In light of the fact that most of the Group's transactions are denominated in Hong Kong dollars, Renminbi and United States dollars, the Group is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to Renminbi. The Group will continue to take proactive measures and monitor its exposure to the movements of these currencies closely.

As at 31st December 2025, current ratio (defined as total current assets divided by total current liabilities) was approximately 1.4 (as at 30th June 2025: approximately 1.4).

Management has closely monitored the current and anticipated liquidity of the Group in the future. Having considered the Group's financial position as at 31st December 2025, and the coming operation's plan, the Directors believe that the Group will have sufficient financial resources to satisfy its future working capital and other financing requirements for the foreseeable future.

CAPITAL STRUCTURE

As at 31st December 2025, the Group had shareholders' capital of approximately HK\$9.1 million (as at 30th June 2025: approximately HK\$9.1 million). The shareholders' capital of the Company is constituted of 906,632,276 shares.

THE PLEDGE OF GROUP ASSETS

As at 31st December 2025, none of the Group's assets was pledged to secure any liabilities (as at 30th June 2025: None).

EMPLOYEES AND REMUNERATION POLICIES

As at 31st December 2025, the Group had 105 staff (as at 30th June 2025: 116). Remuneration is reviewed annually and certain staffs are entitled to commission. In addition to basic salaries, staff benefits include discretionary bonus, medical insurance scheme and mandatory provident fund.

SHARE OPTION SCHEME

Pursuant to an ordinary resolution passed in the annual general meeting held on 4th December 2023, the Company adopted a share option scheme ("**Share Option Scheme**") and is effective for a period of 10 years from the date of adoption. A summary of the principal terms of the Share Option Scheme are as follow:

(1) Purpose

The purpose of the Share Option Scheme is to recognize and acknowledge the contributions or potential contributions made or to be made by the eligible participant(s) including the employee participants, the related entity participants and the service providers (the "**Eligible Participants**") to the Group, to motivate the Eligible Participants to optimize their performance and efficiency for the benefit of the Group, and to maintain or attract business relationship with the Eligible Participants whose contributions are or may be beneficial to the growth of the Group.

(2) Eligible Participants

The Share Option Scheme enables the Company to grant options (the “**Option**”) to Eligible Participant(s) to subscribe for share(s) of the Company (the “**Shares**”) under the Option Scheme.

The adoption of the Share Option Scheme aligns with the market practice of providing incentives to the employee participants to work towards enhancing the enterprise value and achieving the long-term objectives for the benefit of the Group as a whole.

As the related entity participants and service providers have contributed to the long-term growth of the Company’s businesses, it would be in the Company’s interests to also have the flexibility to grant Options to the related entity participants and service providers in recognition of their contributions to the Company. It is beneficial to include the related entity participants and service providers since a sustainable and stable relationship with them is essential to the business development of the Group, and that the grant of Options to these non-employee participants will align their interests with the Group’s interests, incentivising them to provide better services to, create more opportunities for and/or contribute to the success of the Group in the long run.

The Board will determine the employee participants’ eligibility in its sole discretion by considering all relevant factors as appropriate and take into account criteria based on the nature of the contributions made by service providers and related entity participants before granting Option(s) to them.

The inclusion of each of the related entity participants and proposed categories of service providers are in line with the Company’s business needs and the industry norm, and the criteria for the election of Eligible Participants and the terms of an offer (the “**Offer**”) to an Eligible Participant for the grant of an Option align with the purpose of the Share Option Scheme.

(3) **Subscription Price**

The subscription price of the Options shall be determined by the Board and notified to an Eligible Participant at the time the grant of the Option(s) is made to (and subject to acceptance by) the Eligible Participant and shall be at least the highest of: (a) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date of grant, which must be a business day (as defined in the Share Option Scheme); (b) the average closing price of the Shares as stated in the Stock Exchange's daily quotations sheets for the five (5) business days (as defined in the Share Option Scheme) immediately preceding the date of grant; and (c) the nominal value of the Shares. The Board considers that such basis will serve to preserve the value of the Company and encourage the Eligible Participants to acquire proprietary interests in the Company.

(4) **Maximum Number of Shares**

- (a) The total number of Shares which may be issued in respect of all Options to be granted under the Share Option Scheme and all options to be granted under any other share option scheme(s) of the Company must not, in aggregate, exceed ten per cent (10%) of the total number of Shares in issue as at the adoption date (the "**Scheme Mandate Limit**") unless approval of the shareholders of the Company (the "**Shareholders**") has been obtained pursuant to paragraphs 4(d) and (e) or (f) below. Options lapsed in accordance with the terms of the Share Option Scheme or any other share option scheme(s) of the Company shall not be regarded as utilised for the purpose of calculating the Scheme Mandate Limit.

- (b) Subject to paragraph 4(c) below, within the Scheme Mandate Limit, the total number of Shares which may be issued in respect of all Options to be granted under the Share Option Scheme and all options to be granted under any other share option scheme(s) of the Company to the service providers must not, in aggregate, exceed three per cent (3%) of the total number of Shares in issue as at the Adoption Date (the "**Service Provider Sublimit**") unless Shareholders' approval has been obtained pursuant to paragraphs 4(d) and (e) or (f) below. Options lapsed in accordance with the terms of the Share Option Scheme or any other share option scheme(s) of the Company shall not be regarded as utilised for the purpose of calculating the Service Provider Sublimit.

- (c) Notwithstanding any other provisions of the Share Option Scheme, the Service Provider Sublimit is subject to approval by the Shareholders in general meeting. If on the adoption date, the adoption of the Share Option Scheme is approved by the Shareholders in general meeting but the Service Provider Sublimit is not so approved by the Shareholders, no Option shall be granted to any Service Provider and the Service Provider Sublimit shall be deemed to be nil Share, and the provisions of the Share Option Scheme shall be construed accordingly, unless and until a sublimit on the total number of Shares which may be issued in respect of all Options to be granted under the Share Option Scheme and all options to be granted under any other share option scheme(s) of the Company to the Service Providers is subsequently approved by the Shareholders in general meeting, in which case the Service Provider Sublimit shall be deemed to be the sublimit so approved by the Shareholders with effect from the date of such approval, and the provisions of the Share Option Scheme shall be construed accordingly.
- (d) The Company may seek approval by the Shareholders in general meeting for “refreshing” the Scheme Mandate Limit (and the Service Provider Sublimit) after three (3) years from date of the Shareholders’ approval for the last refreshment (or the adoption date). Any “refreshment” within any three (3) year period must be approved by the Shareholders subject to the following provisions:
- (i) any controlling shareholders of the Company and their associates (or if there is no controlling shareholder of the Company, Directors (excluding independent non-executive Directors) and the chief executive of the Company and their respective associates) must abstain from voting in favour of the relevant resolution at the general meeting; and
 - (ii) the Company must comply with the requirements under Rules 13.39(6) and (7), 13.40, 13.41 and 13.42 of the Listing Rules.

The requirements under paragraphs 4(d)(i) and (ii) above do not apply if the refreshment is made immediately after an issue of securities by the Company to the Shareholders on a pro rata basis as set out in Rule 13.36(2)(a) of the Listing Rules such that the unused part of each of the Scheme Mandate Limit and the Service Provider Sublimit (as a percentage of total number of Shares in issue) upon refreshment is the same as the unused part of each of the Scheme Mandate Limit and the Service Provider Sublimit immediately before the issue of securities, rounded to the nearest whole Share.

- (e) The total number of Shares which may be issued in respect of all Options to be granted under the Share Option Scheme and all options to be granted under any other share option scheme(s) of the Company under the Scheme Mandate Limit and the Service Provider Sublimit as “refreshed” must not, in aggregate, exceed ten per cent (10%) and three per cent (3%) of the total number of Shares in issue as at the date of approval of the refreshed Scheme Mandate Limit (the “**Refreshed Scheme Mandate Limit**”) and the refreshed Service Provider Sublimit (the “**Refreshed Service Provider Sublimit**”) respectively. The Company must send a circular to the Shareholders containing the number of Options that were already granted under the existing Scheme Mandate Limit and the existing Service Provider Sublimit, and the reason for the “refreshment”.
- (f) The Company may seek separate approval by the Shareholders in general meeting for granting Options beyond the Scheme Mandate Limit (or the Refreshed Scheme Mandate Limit, as the case may be) or the Service Provider Sublimit (or the Refreshed Service Provider Sublimit, as the case may be) provided that the Options in excess of the Scheme Mandate Limit, the Refreshed Scheme Mandate Limit, the Service Provider Sublimit or the Refreshed Service Provider Sublimit (as the case may be) are granted only to Eligible Participants specifically identified by the Company before such approval is sought. The Company must send a circular to the Shareholders containing the name of each specified Eligible Participant who may be granted such Options, the number, and terms of the Options to be granted to each such Eligible Participant, and the purpose of granting Options to the specified Eligible Participants with an explanation as to how the terms of the Options serve such purpose. The number and terms of Options to be granted to such Eligible Participant must be fixed before the Shareholders’ approval. In respect of any Options to be granted, the date of the Board meeting for proposing such grant should be taken as the date of grant for the purpose of calculating the Subscription Price under paragraph 3 above.
- (g) If the Company conducts a share consolidation or sub-division after the Scheme Mandate Limit has been approved in general meeting, the maximum number of Shares that may be issued in respect of all options to be granted under all of the schemes of the Company under the Scheme Mandate Limit and the Service Provider Sublimit as a percentage of the total number of issued Shares at the date immediately before and after such consolidation or sub-division shall be the same, rounded to the nearest whole share.

(5) Maximum Entitlement of Each Eligible Participant

Where any grant of Options is proposed to be made to an Eligible Participant which, if accepted and exercised in full, would result in the total number of Shares issued and which may fall to be issued upon the exercise of such Options proposed to be granted under the Share Option Scheme and all options granted under any other share option scheme(s) of the Company to such Eligible Participant (excluding any options lapsed in accordance with the terms of the Share Option Scheme or any other share option scheme(s) of the Company) in the 12-month period up to and including the date of such grant representing in aggregate over one per cent (1%) of the total number of Shares in issue as at the date of such grant (the “**1% Individual Limit**”), such grant must be separately approved by the Shareholders in general meeting with such Eligible Participant and his/her close associates (or associates if the Eligible Participant is a connected person) abstaining from voting. A circular must be sent by the Company to the Shareholders disclosing the identity of the Eligible Participant, the number, and terms of the Options to be granted (and those previously granted to such Eligible Participant in the 12-month period), the purpose of granting Options to the Eligible Participant and an explanation as to how the terms of the Options serve such purpose. The number and terms of the Options to be granted to such Eligible Participant must be fixed before the Shareholders’ approval. In respect of any Options to be granted, the date of the Board meeting for proposing such further grant should be taken as the date of grant for the purpose of calculating the subscription price under paragraph 3 above.

(6) Vesting Period

The vesting period of the Options shall not be shorter than 12 months from the date of acceptance of the Offer, provided that where the Eligible Participant who is: (a) an employee participant who is a director or a senior manager of the Company, the remuneration committee may, or (b) an employee participant who is not a director or a senior manager of the Company, the board of directors of the Company may, in its absolute discretion, determine a shorter vesting period under the following specific circumstances:

- (i) grants of “make-whole” Options to new joiners to replace options such employee participant forfeited when leaving his previous employer;
- (ii) grants to an employee participant whose employment is terminated due to death or disability or occurrence of any out of control event; and
- (iii) grants with performance-based vesting conditions in lieu of time-based vesting criteria.

It is considered that by having the flexibility of having a shorter vesting period, the Group will be in a better position to attract and retain such Eligible Participants to continue serving the Group whilst at the same time providing them with further incentives in achieving the goals of the Group, and thereby, to achieve the purpose of the Share Option Scheme.

(7) Performance Targets and Clawback Mechanism

Under the Share Option Scheme, the Board may, in its sole and absolute discretion, specify the performance targets in respect of each Offer that must be duly fulfilled by the grantee before the Option may be vested to such grantee under such Offer, such performance targets shall include, among other things, financial targets and management targets which shall be determined based on the (a) individual performance, (b) performance of the Group and/or (c) performance of business groups, business units, business lines, functional departments, projects and/or geographical area managed by the Grantee. This will provide the Board with more flexibility in setting out the terms and conditions of the Options under particular circumstances of each grant and facilitate the Board to offer meaningful incentives to attract and retain quality personnel that are valuable to the development of the Group.

The provisions of the Share Option Scheme provides for an automatic lapse of Option as clawback mechanism, the right to exercise an Option shall lapse automatically on the date on which the grantee ceases to be an Eligible Participant by reason of the termination of his employment, directorship, appointment or engagement on any one or more of the grounds that he has been guilty of misconduct, or has committed an act of bankruptcy or has become insolvent or has made any arrangement or composition with his creditors generally, or has breached or failed to comply with any provisions of the relevant service contract, letter of appointment or contracts or agreements of the grantee with the Company or the relevant subsidiary or related entity for the employment, appointment or engagement, or has been convicted of any criminal offence involving his integrity or honesty or on any other ground on which an employer would be entitled to terminate his employment or office at common law or pursuant to any applicable laws or under the service contract, letter of appointment or other contract or agreement for the employment, appointment or engagement of the grantee with the Company or the relevant subsidiary or related entity.

Unless otherwise determined by the Board pursuant to the rules of the Share Option Scheme and stated in the relevant Offer and subject to the above clawback mechanism, there is neither any performance target which must be achieved before an Option can be exercised nor any clawback mechanism for the Company to recover or withhold any remuneration (which may include Options granted) to any Eligible Participants in the event of serious misconduct, a material misstatement in the Company's financial statements or other circumstances.

Please refer to the Company's circular dated 30th October 2023 for the details of the Share Option Scheme.

The number of share options available for grant under the Share Option Scheme as at 1 July 2025 and 31 December 2025 was 90,663,227.

The sublimit of the number of share options available for grant under the Share Option Scheme to the service provider as at 1 July 2025 and 31 December 2025 was 27,198,968.

The number of shares available for issue under the Share Option Scheme as at 31 December 2025 was 90,663,227, representing approximately 10% of the 906,632,276 issued shares of the Company (excluding treasury shares) as at 31 December 2025 and the date of this announcement.

No share options under the Share Option Scheme was issued and outstanding during the Period (Last Period: Nil).

CORPORATE GOVERNANCE CODE

The Company has, throughout the six months ended 31st December 2025, complied with the code provisions contained in Corporate Governance Code (the “**Code**”) set out in Appendix C1 to the Listing Rules except for the code provision C.2.1 of the Code for the separation of the roles of Chairman and Chief Executive Officer (“**CEO**”) as described in the following.

Code provision C.2.1 of the Code sets out that the roles of the Chairman and CEO should be separate and should not be performed by the same individual. The Company does not at present have any officer holding the position of CEO. Mr. Lam Shiu Ming, Daneil is the founder and Chairman of the Company and has also carried out the responsibilities of CEO. Mr. Lam Shiu Ming, Daneil possesses the essential leadership skills to manage the Board and extensive knowledge in the business of the Group. The Board considers the present structure to be more suitable to the Company because it can promote the efficient formulation and implementation of the Group’s strategies.

AUDIT COMMITTEE

The Audit Committee was established on 11th October 1999. Its current members include three independent non-executive Directors, namely Mr. Choi Wing Koon (Chairman), Mr. Tang Yiu Wing and Ms. Pong Suet Hing.

The Audit Committee has reviewed the accounting principles and practises adopted by the Group and discussed internal control, risk management and financial reporting matters including a review of the unaudited condensed consolidated interim financial information for the six months ended 31st December 2025 with the management.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

The Company has not redeemed any of its shares during the six months ended 31st December 2025. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's listed securities during the Period.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS

During the six months ended 31st December 2025, the Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules (the "**Model Code**") as the code for dealing in securities of the Company by Directors. Having made specific enquiries, all Directors confirmed that they had complied with the Model Code throughout the Period.

PUBLICATION ON THE COMPANY AND STOCK EXCHANGE'S WEBSITES

This interim results announcement is published on the websites of the Company (www.uih.com.hk) and the Stock Exchange (www.hkexnews.hk), respectively. The interim report will also be available on the same websites on or before 31st March 2026.

On behalf of the Board
**Universe Entertainment and Culture
Group Company Limited**
Lam Shiu Ming, Daneil
Chairman and Executive Director

Hong Kong, 27th February 2026

As at the date of this announcement, the executive directors of the Company are Mr. Lam Shiu Ming, Daneil and Mr. Lam Kit Sun, and the independent non-executive directors of the Company are Mr. Choi Wing Koon, Mr. Tang Yiu Wing and Ms. Pong Suet Hing.