

Maoyan Entertainment

貓眼娛樂

(Incorporated in the Cayman Islands with limited liability)

Stock Code : 1896



ANNUAL REPORT 2025

Contents

2	Corporate Information
4	CEO's Statement
12	Management Discussion and Analysis
21	Profiles of Directors and Senior Management
27	Directors' Report
76	Corporate Governance Report
101	Independent Auditor's Report
108	Consolidated Statement of Comprehensive Income
110	Consolidated Statement of Financial Position
112	Consolidated Statement of Changes in Equity
114	Consolidated Statement of Cash Flows
116	Notes to the Consolidated Financial Statements
229	Financial Summary
230	Environmental, Social and Governance Report
300	Definitions and Glossary



Corporate Information

BOARD OF DIRECTORS

Executive Director

Mr. Zheng Zhihao (*Chief Executive Officer*)

Non-executive Directors

Mr. Wang Changtian (*Chairman*)

Ms. Li Xiaoping

Ms. Wang Jian

Mr. Sun Zhonghuai

Mr. Chen Shaohui

Mr. Tang Lichun

Independent Non-executive Directors

Mr. Wang Hua

Mr. Chan Charles Sheung Wai

Mr. Yin Hong

Ms. Liu Lin

AUDIT COMMITTEE

Mr. Chan Charles Sheung Wai (*Chairman*)

Mr. Wang Hua

Ms. Liu Lin

NOMINATION COMMITTEE

Mr. Wang Hua (*Chairman*)

Mr. Chan Charles Sheung Wai

Ms. Liu Lin (*appointed on August 25, 2025*)

Mr. Zheng Zhihao

REMUNERATION COMMITTEE

Mr. Wang Hua (*Chairman*)

Ms. Liu Lin

Mr. Zheng Zhihao

JOINT COMPANY SECRETARIES

Ms. Zheng Xia

Mr. Cheng Ching Kit

AUTHORIZED REPRESENTATIVES

Mr. Zheng Zhihao

Mr. Cheng Ching Kit

AUDITOR

PricewaterhouseCoopers

Certified Public Accountants

Registered Public Interest Entity Auditor

REGISTERED OFFICE

Walkers Corporate Limited

190 Elgin Avenue

George Town

Grand Cayman KY1-9008

Cayman Islands

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN CHINA

No. 3 Building, Yonghe Hangxing Garden

No. 11 Hepingli East Street

Dongcheng District

Beijing, PRC



Corporate Information

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

40th Floor, Dah Sing Financial Centre
No. 248 Queen's Road East
Wanchai, Hong Kong

LEGAL ADVISORS

As to Hong Kong law:

Linklaters

As to Cayman Islands law:

Walkers (Hong Kong)

As to the PRC law:

Commerce & Finance Law Offices

HONG KONG SHARE REGISTRAR

Computershare Hong Kong Investor Services Limited
Shops 1712–1716, 17th Floor
Hopewell Centre
183 Queen's Road East
Wanchai, Hong Kong

CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Walkers Corporate Limited
190 Elgin Avenue
George Town
Grand Cayman KY1-9008
Cayman Islands

PRINCIPAL BANKERS

China Merchants Bank, Beijing Branch
Ping An Bank, Garden Road Sub-Branch

STOCK CODE

1896

COMPANY'S WEBSITE

www.maoyan.com

CEO's Statement

I am pleased to present our annual results for the year ended December 31, 2025.

FINANCIAL HIGHLIGHTS

Our revenue increased by 13.5% to RMB4,631.5 million in 2025 from RMB4,082.2 million in 2024. Our gross profit increased by 23.3% to RMB2,004.1 million in 2025 from RMB1,625.0 million in 2024. Our profit for the year in 2024 was RMB181.9 million whereas our profit for the year in 2025 was RMB563.1 million, representing a year-over-year increase of 209.6%. Our adjusted EBITDA in 2025 was RMB860.8 million, increasing from adjusted EBITDA of RMB361.6 million in 2024, representing a year-over-year increase of 138.1%. Our adjusted net profit ^(Note) was RMB677.1 million in 2025, increasing from adjusted net profit ^(Note) of RMB309.6 million in 2024, representing a year-over-year increase of 118.7%.

BUSINESS REVIEW

According to the data released by the China Film Administration (國家電影局), the total box office nationwide in 2025 reached RMB51.832 billion, representing a year-on-year increase of 21.95%, and the number of moviegoers in urban cinemas was 1.238 billion, representing a year-on-year increase of 22.57%. The offline performance market continued to maintain its vigorous upward development trend. According to the National Performance Market Development Briefing for 2025 (《2025全國演出市場簡報》) released by the China Association of Performing Arts (中國演出行業協會), the commercial performance box office revenue nationwide in 2025 was RMB61.655 billion, representing a year-on-year increase of 6.39%.

During the Reporting Period, the number of released movies in which the Company was involved and their box office performance continued to rank at the top among industry leaders. The number of movies for which we acted as a lead distributor continued to increase, and the core advantages of our promotion and distribution services were further enhanced. Our live entertainment business continued to outperform the overall market in GMV growth, and our market competitiveness continued to increase. With the profitability improving steadily, the Company continued with the arrangements for the shareholder return.

Note: We defined adjusted net profit as net profit for the year adjusted by adding back share-based compensation and amortization of intangible assets resulting from business combinations.

CEO's Statement

Entertainment Content Services

As a leading film promoter and distributor, we continued to actively participate in the promotion and distribution/production of movies, providing a wide range of services for an increasing number of domestic and imported movies, and further enhancing our promotion and distribution advantages. During the Reporting Period, we participated in the promotion and distribution/production of 73 films, including 55 domestic films and 18 imported films, with both the quantity and box office coverage reaching historic highs for the same period.

During the Reporting Period, we continued to leverage our promotion and distribution capabilities and advantages, and completed systematic iterations in three dimensions: strategic precision, rhythm compatibility, and infrastructure standardization. By combining the film types and their own characteristics, and based on our advantages such as data analysis and industry experience, we continued to optimize and iterate promotion and distribution strategies, crafting out highlight strategies such as emotional marketing and content co-creation promotion and distribution. This helped films achieve excellent box office results. For instance, in the promotion and distribution of *Nobody* (流浪山小妖怪), we focused on details of life and the workplace, accurately capturing the emotional needs of the audience from "being watched" to "being empathized with". For *The Legend of Hei 2* (羅小黑戰記2), we collaborated with over a thousand pop-up themed cinemas and hosted hundreds of innovative interactive ceremony sessions. By creating immersive consumption scenario experiences and stimulating the emotional resonance of moviegoers, we successfully boosted the box office. Similarly, Disney's *ZOOTOPIA 2* (瘋狂動物城2), for which we played a key role in the promotion and distribution, grossed RMB4.593 billion, contributing to Hollywood reassessing the potential of the Chinese film market.

CEO's Statement

Leveraging our experience and advantages in promotion and distribution, as well as our ever-growing movie selection capabilities and data accumulation, we participated in the promotion and distribution of 68 movies during the Reporting Period, among which we acted as a lead distributor for 48 movies, setting a new record in terms of the number of movies. Furthermore, a number of the movies we distributed/produced delivered outstanding box office performance during several important release periods. For instance:

- During the Spring Festival season, *DETECTIVE CHINATOWN 1900* (唐探1900), for which we acted as a lead distributor/producer, became the runner-up of the season with a box office of RMB3.612 billion. Based on this, for five consecutive years during the Spring Festival season, movies for which we acted as a lead distributor have maintained the outstanding performance of ranking in the top two of the season;
- During the May Day holiday, *The Dumpling Queen* (水餃皇后) and *A Gilded Game* (獵金•遊戲), for which we acted as a lead distributor/producer, ranked first and second in box office for the release period, respectively;
- During the Qingming Festival, *Doraemon The Movie: Nobita's Art World Tales* (哆啦A夢：大雄的繪畫奇遇記), for which we acted as a lead distributor/producer, and *ENDLESS JOURNEY OF LOVE* (時間之子), which we developed, ranked second and third in box office for the release period, respectively;
- During the summer movie season, *Nobody* (浪浪山小妖怪) and *The Lychee Road* (長安的荔枝), for which we acted as a lead distributor/producer, ranked second and fourth in box office for the release period, respectively;
- During the National Day season, *The Volunteers: Peace at Last* (志願軍：浴血和平) and *A Writer's Odyssey II* (刺殺小說家2), for which we acted as a lead distributor/producer, ranked first and third in box office for the release period, respectively;
- During the Chinese New Year's release period, *ZOOTOPIA 2* (瘋狂動物城2), *Avatar: Fire and Ash* (阿凡達3), and *Gezhi Town* (得閒謹制), for which we acted as a promoter/distributor/producer, ranked among the top three of the season.

Moreover, several of the aforementioned movies won or were nominated for awards at the China Golden Rooster Awards (中國電影金雞獎), the Shanghai International Film Festival (上海國際電影節), the Macau International Movie Festival (澳門國際電影節), and the Golden Singa Awards (新加坡國際華語電影金獅大賞).

CEO's Statement

In addition, our promotion and distribution services for imported films achieved phased results. In 2025, we participated in the promotion/distribution/production of 18 imported films, setting a historic high for the same period in terms of service quantity. Notably, we provided promotion/distribution services for all of the top five imported films in terms of annual box office, achieving effective coverage of the core box office of imported films. Moving forward, we will continue to enhance our promotion and distribution service capabilities for top-tier imported movies.

Currently, a series of movies for which we acted as a distributor/producer are already scheduled, and we have a diverse pipeline of high-quality movie content covering varied themes, which are steadily progressing and will be released as opportunities arise, such as:

Works	Estimated Scheduled date	Ways of cooperation
THE CACED BUTTERFLY (蝴蝶樓•驚魂)	April 3, 2026	Lead distributor and producer
Game of Identity (天才遊戲)	April 4, 2026	Self-producer and producer
RUNNING IN THE RAIN (千金不換)	May 1, 2026	Lead distributor and producer
Demon Agent (大唐妖探)	To be determined	Lead distributor and producer
Intercross (人•魚)	To be determined	Lead distributor and producer
MAKE ZHONGHE GREAT AGAIN (年會不能停2)	To be determined	Lead distributor and producer
Go For Broke 2 (重生2)	To be determined	Lead distributor and producer
Lady R (魔方小姐)	To be determined	Lead distributor and producer
Honey Money Phony 2 (「騙騙」喜歡你2)	To be determined	Self-producer and producer
See You in Spring (見春天)	To be determined	Lead distributor and producer
Shen Tan Zhi Hen Ji (神探之痕跡)	To be determined	Lead distributor and producer
Benbo (碧波譚小妖怪)	To be determined	Self-producer and producer
BEING TOWARD DEATH (十間敢死隊)	To be determined	Lead distributor and producer
Mr. & Mrs. Pardon (什麼意思夫婦)	To be determined	Lead distributor and producer
Vanishing Point (消失的人)	To be determined	Lead distributor and producer
All Wishes Come True! (八仙)	To be determined	Lead distributor and producer
Girls on Fire (野火)	To be determined	Self-producer and producer
The Secret in Eyes (謎一樣的眼睛)	To be determined	Self-producer and producer
TIME TRAVELER LOST IN TIME (年夜「犯」)	To be determined	Lead distributor and producer
The Boy Who Counted Cars (我看見兩朵一樣的雲)	To be determined	Lead distributor and producer
The Wild Forbidden Land (蠻荒禁地)	To be determined	Lead distributor and producer
Fight for My Lost Cat (請不要吃我的大白)	To be determined	Self-producer and producer
Shi Jian Shang De Fang Zi (時間上的房子)	To be determined	Self-producer and producer
Xi Bo Li Ya (西伯利亞)	To be determined	Self-producer and producer

CEO's Statement

Online Entertainment Ticketing Services

The performance market has continued to remain robust since the beginning of 2025. We continued to strengthen investment in all aspects of the performance business, including establishing cooperation across the industry chain, and enhancing fundamental service capabilities including infrastructure construction and on-site team building, thereby consistently reinforcing the Company's core competitiveness. During the Reporting Period, our total performance GMV growth rate far exceeded the industry performance. In particular, the GMV and coverage of local performance projects continued to increase, with local Quyi shows, talk shows, and e-sports and other categories delivering outstanding results. For example, the GMV of local Quyi shows and talk shows increased by 90% and 70% year-on-year, respectively. During the Reporting Period, we provided high-quality service and on-site ticketing support as a general ticketing agent for thousands of large-scale performance projects, representing a year-on-year increase of over 30% in terms of the number of projects, providing services to artists including but not limited to Jacky Cheung (張學友), Jay Chou (周杰倫), Eason Chan (陳奕迅), Leehom Wang (王力宏), Han Geng (韓庚) and David Tao (陶喆). We also actively explored upstream content production for performance projects, by utilizing the business connection and synergy advantages of film + performance to form effective coordination between film and television artists/creators and the performance business. Such exploration has expanded the possibility of content reserve and stimulated new market demands.

It is noteworthy that in overseas regions, especially Hong Kong and Macau, the performance categories we serve have become increasingly diversified, with the sales scale achieving breakthrough high-speed growth. During the Reporting Period, we continued to maintain stable and good cooperation with multiple venues including AsiaWorld-Expo, Galaxy Macau, and Sands Macao. In addition, we maintained active cooperation with various organizers, with scope of cooperation covering multiple categories such as concerts, theater performances, and sports events, such as well-known sports events like WTT Champions Macao 2025 (WTT澳門冠軍賽2025), WTT Finals Hong Kong 2025 (WTT香港總決賽2025), and the RED on RED: Gerrard 11 vs Rio 11(雙紅會：謝拉特、費南迪邀請賽). In addition, we maintained stable cooperation with performance partners in a number of Southeast Asian countries and regions.

CEO's Statement

We continued to plough resources into the online movie ticketing business, thereby maintaining our leading position and consistently committing to actively providing professional full-chain services for the film industry. During the Reporting Period, we actively innovated commercial scenarios for movie ticketing, assisting theaters in refined operations and commercial marketing capabilities. Meanwhile, we helped to create an innovative mutual entertainment marketing model for the theater industry, using theaters as the core scenario to help realize a new ecosystem for local entertainment consumption. On the other hand, we further strengthened the synergy capabilities between our platform services and ticketing system partners, with services covering more than 4,000 cinemas nationwide, and continued to provide high-quality system services for more cinemas. Furthermore, we continued to enhance our service capabilities for film festivals and government-sponsored cultural activities. In addition to serving as the official ticketing platform for the Beijing International Film Festival for five consecutive years, we also provided full-process assurance such as ticketing and thematic promotional campaign for multiple film festivals including the 49th Hong Kong International Film Festival and the 12th Silk Road International Film Festival. During the Reporting Period, we also collaborated with government departments across multiple provinces, cities, and districts to implement a series of cultural benefit activities, helping to boost the vitality of the cultural consumption market.

Advertising Services and Others

We continued to explore the IP derivative business. Currently, we have established the full-link capabilities spanning from IP copyright to development, production, and sales. During the Reporting Period, we participated in cooperation for 14 animated films, covering classic imported animation and Chinese original animation, while balancing mature IPs with new project exploration into rich project types and diverse styles. Through the gradual advancement of multiple projects, we have achieved verifiable results. On one hand, we are rooted in the upstream of the film and television industry chain, taking high-quality film content as a launchpad to explore diverse directions for film IP and derivative businesses. In 2025, we carried out joint cooperation in the “film promotion and distribution + IP derivatives” with films such as *The Legend of Hei 2* (羅小黑戰記2) and *Demon Slayer: Kimetsu no Yaiba Infinity Castle* (鬼滅之刃：無限城篇). For example, created in collaboration with Chaoyang Culture & Tourism's Chaoyang Park, the “Meeting Hei” summer themed park achieved significant breakthrough effects and derivative revenue growth. In addition, we once again collaborated with Chaoyang Culture & Tourism to hold the Demon Slayer IP city-walk check-in event, with the gameplay spreading from a single point to regional radiation, achieving a larger scale of IP exposure and an immersive experience event focused on exhibition and sales. Meanwhile, we also continue to explore the IP path for original films. Based on the image of “Huhu”, the panda IP image from the first Chinese panda-themed film series *PANDA PLAN* (熊貓計劃) developed by us, we developed and operated various derivatives that are extensively connected to the characteristics of Yunnan culture and tourism, thereby realizing the extension and synergy of “content-consumption-tourism” strategy. On the other hand, we are strategically developing our image-based IP portfolio, such as Xing You Ye and Potato Dog. This year, we will also cooperate with multiple domestic and foreign film projects on IP derivative rights, including *Demon Agent* (大唐妖探), *All Wishes Come True!* (八仙), *Peppa Pig's Perfect Holiday* (小豬佩奇•完美假期), *Minions & Monsters* (小黃人大眼萌3), and *Toy Story 5* (玩具總動員5). We have also established deep strategic partnerships with companies such as Universal and Disney in areas including cinema distribution channels and Maoyan's proprietary IP channels. As for offline business operation, we will launch the new retail brand “MmmGoods吃穀子”, which starts from film IPs and extends to diverse entertainment scenarios, covering all categories of IP merchandise. Our first IP-themed new retail flagship store is expected to officially commence operation in Beijing in the first half of this year.

CEO's Statement

We also continued to increase our investment and application in AI and big data infrastructure. In addition to utilizing big data algorithms to provide timely and accurate movie box office decision-making basis for the entire industry, we also strengthened the construction and reserve of box office forecast capabilities for performance projects, assisting the Company's participation and promotion and distribution decisions for performance business, and accumulating multiple successful cases and business logic for rapid replication and adaptation of crossover performance projects. In terms of movies, in addition to continuing to efficiently generate various promotion and distribution materials such as images and videos through AI technology, we established multi-level business and technology collaborations with various AI companies in the industry. For example, we carried out cross-border collaboration with Unitree Robotics to transform the virtual character "Huhu" from the movie into a touchable and interactive physical panda through robotic technology.

As a senior industry insider, Maoyan Research Institute (貓眼研究院) has always maintained its market acumen by continuing to release data insights for key seasons such as the Spring Festival, summer, and National Day, accurately conveying user feedback and empowering upstream creation with data. While simultaneously consolidating core services such as test screenings and promotion and distribution monitoring, it actively expanded research boundaries by introducing IP public opinion analysis and project target audience research based on big data. This helps projects accurately lock in audiences and effectively avoids risks during the development period.

OUTLOOK

As of March 24, 2026, the total box office nationwide in 2026 has exceeded RMB11.6 billion. Notably, during the Spring Festival season this year, *PEGASUS 3* (飛馳人生3), for which we acted as a lead distributor/producer, became the box office champion of the season with a box office of RMB4.314 billion. This also marks the sixth consecutive year that films under our lead distribution have maintained the outstanding performance of ranking in the top two during the Spring Festival season.

CEO's Statement

As a key participant in China's film industry, we have witnessed and felt privileged to experience a year where Chinese cinema forged ahead on the path of high-quality development with fruitful results. In a complex and volatile market environment, we will adhere to the core development strategy of "Technology + Pan-Entertainment" to deepen our presence in the pan-entertainment industry, by consistently improving our core competitiveness and profitability, and upholding our original aspiration of serving as the "service provider" for the entire industry to better serve high-quality film content across the industry.

- We will continue to maintain and consolidate the market competitiveness of the entertainment content business, further leveraging our leading advantages and capabilities in movie promotion and distribution, continuing to focus on high-quality content, deepening the breadth and depth of our participation in the lead promotion and distribution and production of blockbusters, creating more high-quality and high-impact premium content to enhance brand competitiveness, as well as continuing to explore content creation and technological capability iteration;
- By tapping into the advantageous capabilities and resource spillover in the entertainment content, we will continue to focus on the IP derivative business, deepen the IP value and build a comprehensive IP ecosystem, building a new moat around our IP assets as the new business segment and creating a second growth curve for the next stage. In addition, we will continue to explore the application of AI across the entire film production, promotion and distribution chain, develop new scenarios and models in collaboration with partners such as cinemas, and further drive business exploration and innovation;
- We will continue to increase our long-term investment in the performance business, strengthen in-depth cooperation across the entire industry chain, and enhance infrastructure construction and service capabilities to further consolidate and enhance the Company's market competitiveness. At the same time, capitalizing on the existing platforms and business growth opportunities in Hong Kong and Macau, we will continue to expand our commercial cooperation scenarios in these regions and beyond, actively exploring new growth space and development potential.

Last but not least, we would like to express our sincere gratitude to all of our colleagues, shareholders, and industry partners for their trust and support. Let us forge ahead together and propel the high-quality development of the film industry, advancing China's transformation into a cinematic powerhouse.

Executive Director and Chief Executive Officer

Zheng Zhihao

Hong Kong

March 26, 2026

Management Discussion and Analysis

2025 REVIEW

	Year ended December 31,			
	2025		2024	
	RMB million	%	RMB million	%
Revenue	4,631.5	100.0	4,082.2	100.0
Cost of revenue	(2,627.4)	(56.7)	(2,457.2)	(60.2)
Gross profit	2,004.1	43.3	1,625.0	39.8
Selling and marketing expenses	(921.9)	(19.9)	(939.8)	(23.0)
General and administrative expenses	(304.9)	(6.6)	(363.3)	(8.9)
Net impairment losses on financial assets	(72.0)	(1.6)	(129.6)	(3.2)
Other income	9.1	0.2	44.2	1.1
Other gains/(losses), net	10.0	0.2	(40.6)	(1.0)
Operating profit	724.4	15.6	195.9	4.8
Finance income	62.1	1.3	121.4	3.0
Finance costs	(10.1)	(0.2)	(9.6)	(0.3)
Finance income, net	52.0	1.1	111.8	2.7
Share of losses of investments accounted for using the equity method	0.5	0.0	(1.6)	(0.0)
Impairment loss on investments accounted for using the equity method	(2.1)	(0.0)	(4.8)	(0.1)
Profit before income tax	774.8	16.7	301.3	7.4
Income tax expenses	(211.7)	(4.5)	(119.4)	(2.9)
Profit for the year	563.1	12.2	181.9	4.5
Non-IFRS Measures:				
EBITDA	835.7	18.0	322.6	7.9
Adjusted EBITDA	860.8	18.6	361.6	8.9
Adjusted net profit <i>(Note)</i>	677.1	14.6	309.6	7.6

Note: We defined adjusted net profit as net profit for the year adjusted by adding back share-based compensation and amortization of intangible assets resulting from business combinations.

Management Discussion and Analysis

Revenue

Our revenue increased by 13.5% to RMB4,631.5 million in 2025 from RMB4,082.2 million in 2024. The increase was primarily a result of the increase in revenue from online entertainment ticketing services and entertainment content services due to the growth of the national box office in 2025. The following table sets forth our revenues by service for the years ended December 31, 2025 and 2024.

	Year ended December 31,			
	2025		2024	
	RMB million	%	RMB million	%
Revenue				
Online entertainment ticketing services	2,293.6	49.5	1,921.6	47.1
Entertainment content services <i>(Note)</i>	2,127.2	45.9	1,959.8	48.0
Advertising services and others	210.7	4.6	200.8	4.9
Total	4,631.5	100.0	4,082.2	100.0

Note: This amount included fair value gain on the Group's investment in movie, TV series and entertainment events amounting to RMB218.8 million and RMB27.5 million for the years ended December 31, 2025 and December 31, 2024, respectively.

Online Entertainment Ticketing Services

Revenue from our online entertainment ticketing business increased by 19.4% to RMB2,293.6 million in 2025 from RMB1,921.6 million in 2024, which was generally in line with the growth of the national box office.

Entertainment Content Services

Revenue from our entertainment content services increased by 8.5% to RMB2,127.2 million in 2025 from RMB1,959.8 million in 2024. The increase was due to the fact that key metrics including the number of films the Group participated in promotion and distribution/production and their box office share, and the number of films for which the Group acted as the lead distributor, all reached record highs for the same period, and multiple films achieved excellent word-of-mouth and box office performance.

Management Discussion and Analysis

Advertising Services and Others

Revenue from our advertising services and others increased by 4.9% to RMB210.7 million in 2025 from RMB200.8 million in 2024.

Cost of Revenue

Our cost of revenue increased by 6.9% to RMB2,627.4 million in 2025 from RMB2,457.2 million in 2024. The increase in our cost of revenue was mainly due to an increase in internet infrastructure cost and ticketing system cost (which was in line with the increase in our revenue from online movie ticketing services).

The following table sets forth our cost of revenue by amount, as a percentage of total cost of revenue and as a percentage of total revenues for the years indicated:

	Year ended December 31,					
	2025			2024		
	RMB million	% of cost	% of revenue	RMB million	% of cost	% of revenue
Internet infrastructure cost	709.8	27.0	15.3	528.9	21.5	13.0
Content production cost	590.1	22.5	12.7	631.7	25.7	15.5
Content distribution and promotion cost	584.3	22.2	12.6	677.0	27.6	16.6
Ticketing system cost	537.3	20.4	11.7	424.2	17.3	10.3
Amortization of intangible assets	88.9	3.4	1.9	88.7	3.6	2.2
Depreciation of property, plant and equipment	5.4	0.2	0.1	9.9	0.4	0.2
Other expenses	111.6	4.3	2.4	96.8	3.9	2.4
Total	2,627.4	100.0	56.7	2,457.2	100.0	60.2

Gross Profit and Gross Margin

Our gross profit increased by 23.3% to RMB2,004.1 million in 2025 from RMB1,625.0 million in 2024, and our gross margin was 39.8% and 43.3% in 2024 and 2025, respectively. The increase in our gross profit was mainly due to our revenue increased by RMB549.3 million compared to 2024, while the fixed costs in our cost of revenue would not increase year-on-year accordingly.

Management Discussion and Analysis

Selling and Marketing Expenses

Our selling and marketing expenses decreased by 1.9% to RMB921.9 million in 2025 from RMB939.8 million in 2024, basically remaining stable.

General and Administrative Expenses

Our general and administrative expenses decreased by 16.1% to RMB304.9 million in 2025 from RMB363.3 million in 2024, due to the Group's ongoing implementation of lean management and enhanced cost control measures.

Net Impairment Loss on Financial Assets

Our net impairment loss on financial assets decreased by 44.4% from RMB129.6 million in 2024 to RMB72.0 million in 2025, due to the Group's ongoing optimization of accounts receivable management and proactive collection efforts targeting long-aged receivables, which led to the continued recovery of corresponding overdue amounts during the financial year 2025.

Other Income and Other Gains/(Losses), Net

We recorded other income of RMB9.1 million in 2025, representing a decrease of 79.4% as compared to RMB44.2 million in 2024, mainly due to a decrease in government grants. We recorded net other gains of RMB10.0 million in 2025, compared to net other losses of RMB40.6 million in 2024, mainly due to the increase in fair value gains on financial assets at fair value through profit or loss and the decrease in foreign exchange losses.

Operating Profit

As a result of the foregoing, our operating profit was RMB724.4 million in 2025, compared to operating profit of RMB195.9 million in 2024.

Finance Income, Net

Our net finance income decreased from RMB111.8 million in 2024 to RMB52.0 million in 2025, primarily due to the decrease in interest rates of deposits.

Income Tax Expenses

We had income tax expenses of RMB211.7 million in 2025, compared to the income tax expenses of RMB119.4 million in 2024. This was primarily due to the increase in our operating profit.

Management Discussion and Analysis

Profit for the Year

As a result of the foregoing, our profit for the year was RMB563.1 million in 2025, compared to profit for the year of RMB181.9 million in 2024.

Non-IFRS Financial Measure

To supplement our consolidated financial statements which are presented in accordance with IFRS, we also use EBITDA, adjusted EBITDA and adjusted net profit as additional financial measures, which are not required by, or presented in accordance with IFRS. We believe that these non-IFRS measures, which have excluded certain effects of one-off or non-cash projects and M&A transactions for the previous years, 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 EBITDA, adjusted EBITDA and adjusted net profit may not be comparable to similarly titled measures presented by other companies. The use of these non-IFRS 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 IFRS.

Adjusted Net Profit, EBITDA and Adjusted EBITDA

The following tables reconcile our adjusted net profit and EBITDA and adjusted EBITDA for the years presented to the most directly comparable financial measure calculated and presented in accordance with IFRS:

	Year ended December 31,	
	2025	2024
	RMB million	RMB million
Reconciliation of net profit to adjusted net profit		
Net profit for the year	563.1	181.9
Add:		
Share-based compensation	25.1	39.0
Amortization of intangible assets resulting from business combinations	88.9	88.7
Adjusted net profit <i>(Note)</i>	677.1	309.6

Note: We defined adjusted net profit as net profit for the year adjusted by adding back share-based compensation and amortization of intangible assets resulting from business combinations.

Management Discussion and Analysis

	Year ended December 31,	
	2025 RMB million	2024 RMB million
Reconciliation of operating profit to EBITDA and adjusted EBITDA		
Operating profit for the year	724.4	195.9
Add:		
Depreciation of property, plant and equipment	12.9	15.6
Amortization of intangible assets	91.3	92.7
Depreciation of right-of-use assets	7.1	18.4
EBITDA <i>(Note)</i>	835.7	322.6
Add:		
Share-based compensation	25.1	39.0
Adjusted EBITDA <i>(Note)</i>	860.8	361.6

OTHER FINANCIAL DATA AND INFORMATION

Capital Structure

The Company continued to maintain a healthy and sound financial position. Our total assets increased from RMB12,505.6 million as of December 31, 2024 to RMB12,724.5 million as of December 31, 2025, whilst our total liabilities decreased from RMB3,457.3 million as of December 31, 2024 to RMB3,431.9 million as of December 31, 2025. Our liabilities-to-assets ratio decreased from 27.6% in 2024 to 27.0% in 2025.

Note: We defined EBITDA as operating profit for the year adjusted for depreciation and amortization expenses. We add back share-based compensation to EBITDA to derive adjusted EBITDA.

Management Discussion and Analysis

Liquidity, Financial Resources, and Gearing

We have historically funded our cash requirements principally from cash generated from operations, and to a lesser extent, debt financing. We adopt prudent treasury policies in cash and financial management. To achieve better risk control and minimize cost of funds, our treasury activities are centralized. Cash is generally placed in short-term deposits mostly denominated in RMB or US dollars. Our liquidity and financing requirements are reviewed regularly. We will consider new financing while maintaining an appropriate level of gearing in anticipation of new investments or maturity of bank loans.

As of December 31, 2025, we had cash and cash equivalents and other forms of bank deposits of RMB2,252.3 million, which were predominantly denominated in RMB and US dollars. Going forward, we believe that our liquidity requirements will be satisfied by using a combination of cash generated from operating activities, and other funds raised from the capital markets from time to time.

As of December 31, 2025, our total borrowings were approximately RMB94.5 million, which were all bank borrowings denominated in RMB. The following table sets forth further details of our bank borrowings as of December 31, 2025:

	RMB million	Interest rate
Guaranteed	94.5	2.30%~2.50%
Total	94.5	2.30%~2.50%

As of December 31, 2025, we had unutilized banking facilities of RMB1,000.0 million.

As of December 31, 2025, we did not have any significant contingent liabilities.

We monitor capital on basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings, net of cash and cash equivalents, restricted bank deposits and term deposits with original maturity over three months. Total capital is calculated as “equity” as shown in the consolidated statement of financial position. As at December 31, 2024 and 2025, the Group had a net cash position.

Management Discussion and Analysis

Capital Expenditure

Our capital expenditures primarily included purchase of equipment and intangible assets. Our capital expenditures decreased by 60.1% to RMB5.7 million in 2025 from RMB14.3 million in 2024. We plan to fund our planned capital expenditures using cash generated from operations.

Material Acquisitions and Future Plans for Major Investments

As of December 31, 2025, the Group did not have any plans for major investments and capital assets. During the year ended December 31, 2025, we did not have any material acquisitions and disposals of subsidiaries and affiliated companies.

Major Investments Held

On March 12, 2019, we entered into a subscription agreement and a strategic cooperation agreement with Huanxi Media Group Limited. Pursuant to the subscription agreement, we have conditionally agreed to subscribe for, and Huanxi Media Group Limited has conditionally agreed to allot and issue to us, 236,600,000 Shares at a total consideration of HK\$390,555,620. Under such agreements, we planned to establish strategic cooperation with Huanxi Media Group Limited in entertainment content services. On March 19, 2019, the subscription was completed and the consideration was duly paid. For further details, please see our announcement dated March 13, 2019 and our Annual Reports for 2018 and 2019. As at December 31, 2025, the Company held 5.7% equity interest of Huanxi Media Group Limited.

Foreign Exchange Risk Management

Our businesses are principally conducted in RMB, which is exposed to foreign currency risk with respect to transactions denominated in currencies other than RMB. Foreign exchange risk arises from recognized assets and liabilities and net investments in foreign operations. We manage foreign exchange risk by performing regular reviews of our foreign exchange exposures and try to minimize these exposures through natural hedges, wherever possible, and may enter into forward foreign exchange contracts, when necessary.

Management Discussion and Analysis

Employees and Remuneration Policy

As of December 31, 2025, we had 927 full-time employees, all of whom were based in mainland China and Hong Kong, primarily at our headquarters in Beijing, with the remainder in Shanghai and various other cities in China.

Committed to establishing a competitive, fair remuneration and benefits system, we continually refine our remuneration and incentive policies through market research and comparison with our competitors, in order to ensure that our employees receive competitive remuneration packages. We also purchase commercial health and accidental insurance for our employees. We also provide regular and specialized trainings tailored to the needs of our employees in different departments, so that our employees may stay up to date with the latest industrial developments and technological advancements. In order to incentivize our Directors, senior management and other employees for their contribution to our Group and to attract and retain suitable personnel, we have granted and planned to continue to grant share-based incentive awards to our employees in the future to incentivize their contributions to our growth and development.

As required under the PRC regulations, we participate in housing fund and various employee social security plans that are organized by applicable local municipal and provincial governments, including housing, pension, medical, maternity, work-related injury and unemployment benefit plans, under which the Group and its employees who are based in mainland China are required to make monthly contributions to these plans at specified percentages of the salaries of the employees. There was no forfeited contribution utilized to offset employers' contributions for the year ended December 31, 2025, and there was no forfeited contribution available to reduce the contribution. The Group also provides a mandatory provident fund scheme for employees employed under the Hong Kong Employment Ordinance.

Profiles of Directors and Senior Management

EXECUTIVE DIRECTOR

Mr. Zheng Zhihao (鄭志昊), aged 56, is an executive Director and the Chief Executive Officer of the Company and has held directorships and senior management positions at various subsidiaries within the Group, including as a director and the general manager of Tianjin Maoyan Weying since April 2016, and as an executive director, the legal representative as well as the manager of Maoyan Technology from February 2018 to July 2021.

Mr. Zheng has extensive experience in the Internet and media industries. From April 2001 to February 2005, Mr. Zheng served as a senior consultant in Microsoft Corporation, a company listed on the NASDAQ (Stock Code: MSFT). From February 2005 to September 2006, Mr. Zheng successively served as the senior program manager and the group manager in Microsoft (China) Co., Ltd. Shanghai Branch (微軟(中國)有限公司上海分公司). Mr. Zheng then served as a department general manager and the vice president of Tencent Technology (Shenzhen) Company Limited (騰訊科技(深圳)有限公司) from September 2006 to April 2015. Mr. Zheng also served as the president and the chief product officer at Dianping Holdings Ltd. between March 2014 and November 2015, responsible for its overall operations and the management of various products, including the development of the movie department and the management of the entertainment business such as the movie ticketing services business, and as the president of the platform business group of Meituan between November 2015 and April 2016, mainly in charge of the management of various products, including the movie ticketing services, product operations and technologies.

Mr. Zheng received a bachelor's degree in applied chemistry from Shandong University (山東大學) in Shandong, the PRC in July 1992 and a master's degree in science from University of Kentucky in Kentucky, the United States, in December 1996.

NON-EXECUTIVE DIRECTORS

Mr. Wang Changtian (王長田), aged 60, is a non-executive Director and the Chairman of the Company and the chairman of the board of Tianjin Maoyan Weying since July 2016. Mr. Wang also holds directorships and senior management positions in companies across various industries: in the media industry, Mr. Wang has served as the chairman of the board and general manager of Enlight Media since April 2000, and held directorships at its various subsidiaries, including the chairman of Beijing Enlight Pictures Co., Ltd. (北京光線影業有限公司) ("Enlight Pictures") since October 2004 and the director of Horgos Colorful (Enlight) Pictures Co., Ltd. (霍爾果斯彩條屋影業有限公司) since July 2015; and in the finance sector, Mr. Wang has served as a director of China Renaissance Securities (China) Co., Ltd. (華興證券有限公司) and Beijing Zhongguancun Bank Co., Ltd. (北京中關村銀行股份有限公司) since August 2016 and June 2017, respectively.

Mr. Wang received a bachelor's degree in journalism from Fudan University (復旦大學) in Shanghai, the PRC in July 1988.

Profiles of Directors and Senior Management

Ms. Li Xiaoping (李曉萍), aged 51, is a non-executive Director of the Company and a director of Tianjin Maoyan Weying since September 2017. Ms. Li also holds directorships and senior management positions at various companies in the media industry where she has served as a deputy general manager of Enlight Media since October 1999 and as its director since July 2009, as the president of Enlight Pictures since March 2011, and also as a director of various other subsidiaries of Enlight Media including Beijing Chuanmei Zhiguang Advertising Co., Ltd. (北京傳媒之光廣告有限公司) and Beijing Enlight Yishi Internet Technology Co., Ltd. (北京光線易視網絡科技有限公司).

Ms. Wang Jian (王華), aged 54, is a non-executive Director of the Company and holds directorships and senior management positions at various companies within the Group, including as a director of Tianjin Maoyan Weying since July 2016, as an executive director and the manager of Maoyan Pictures since August 2016, and as an executive director, the general manager as well as the legal representative of Beijing Maoyan since August 2016. Currently, Ms. Wang also holds directorships and senior management positions at various subsidiaries of Enlight Media, including as a director and the general manager of Shannan Enlight Pictures Co., Ltd. (山南光線影業有限公司) since August 2017. Ms. Wang has also served as a director at Enlight Holdings since January 2009.

Previously, Ms. Wang served as the chief financial officer of Enlight Media from June 2000 to September 2011 and from August 2012 to August 2018. She also served as a board secretary of Enlight Media from July 2009 to February 2016.

Mr. Sun Zhonghuai (孫忠懷), aged 52, has been appointed as a non-executive Director of the Company on November 16, 2022. Mr. Sun has approximately 20 years of experience in media industry and management. He joined Tencent in July 2003 and currently serves as vice president of Tencent and the chairman of Tencent Video. Between September 24, 2021 and January 24, 2025, Mr. Sun served as a non-executive director of Linmon Media Limited (檸萌影視傳媒有限公司, a company listed on the Stock Exchange under the stock code of 9857).

Mr. Sun obtained an Executive Master of Business Administration degree from Renmin University of China (中國人民大學) in June 2009.

Profiles of Directors and Senior Management

Mr. Chen Shaohui (陳少暉), aged 45, is a non-executive Director of the Company and a director of Tianjin Maoyan Weying since March 2017.

Mr. Chen has extensive experience in investment and strategic management. Between June 2004 and October 2005, he worked as an analyst at A.T. Kearney. From October 2005 to August 2008, he was employed as an investment manager at WI Harper Group (中經合集團). Between January 2011 and October 2014, he served as an investment director at Tencent. In November 2014, he joined Meituan and currently serves as its chief financial officer and senior vice president. Between July 2018 and March 2023, he served as a director at Enlight Media.

Mr. Chen received a bachelor's degree in economics from Peking University (北京大學) in Beijing, the PRC in June 2004 and a master's degree in business administration from Harvard Business School in Massachusetts, the United States, in May 2010.

Mr. Tang Lichun (唐立淳), aged 40, is a non-executive Director of the Company since January 15, 2020. Mr. Tang has over ten years of experience in media technology and investment. Mr. Tang has served as a director of FountainVest Partners Asia Limited since May 2012. Mr. Tang worked at PricewaterhouseCoopers from October 2007 to April 2012 and served as a manager.

Mr. Tang graduated from Shanghai Jiao Tong University (上海交通大學) in August 2007 with a bachelor's degree in business administration.

Profiles of Directors and Senior Management

INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Wang Hua (汪華), aged 48, has been appointed as an independent non-executive Director of the Company on August 22, 2018, effective in January 2019.

Mr. Wang is the founder of and currently serves as a managing partner in the investment department of Sinovation Ventures (創新工場), an established Chinese technology-savvy investment firm. Mr. Wang has extensive experience in capital investment and information technology industry. He founded Shanghai Yinda Technology Co., Ltd. (上海音達科技集團有限公司), a company providing technical solutions to telecommunication carriers and equipment providers. Since May 2025, Mr. Wang has served as an independent director of Haier Smart Home Co., Ltd. (海爾智家股份有限公司) (a company listed on the Shanghai Stock Exchange, the Hong Kong Stock Exchange and the Frankfurt Stock Exchange with stock codes: 600690, 6690 and 690D respectively). Between September 2006 and October 2009, Mr. Wang served as the strategic partner manager in Google China.

Mr. Wang received a bachelor's degree in automation from Shanghai University of Electric Power (上海電力大學) in Shanghai, the PRC in July 1999 and a master's degree of business administration from Stanford University in California, the United States in June 2006.

Mr. Chan Charles Sheung Wai (陳尚偉), aged 72, has been appointed as an independent non-executive Director of the Company on August 22, 2018, effective in January 2019.

Mr. Chan holds directorships in various companies. Since December 20, 2022, Mr. Chan has served as an independent non-executive director of S.F. Holding Co., Ltd. (順豐控股股份有限公司), a company listed on the Shenzhen Stock Exchange (Stock Code: 002352). Since January 31, 2021, Mr. Chan has served as an independent non-executive director of Sun Art Retail Group Limited (高鑫零售有限公司), a company listed on the Stock Exchange (Stock Code: 6808). Since June 2019, Mr. Chan has served as an independent non-executive director of Hansoh Pharmaceutical Group Company Limited (翰森製藥集團有限公司), a company listed on the Stock Exchange (Stock Code: 3692). Between November 24, 2020 and June 21, 2024, Mr. Chan served as an independent non-executive director of Shanghai Bio-heart Biological Technology Co., Ltd. (上海百心安生物技術股份有限公司), a company listed on the Stock Exchange on December 23, 2021 (Stock Code: 2185).

Between 1977 and 1994, Mr. Chan worked in Arthur Andersen Canada. Between 1994 and 2002, Mr. Chan served as a partner and head of audit and business advisory division in Arthur Andersen China/Hong Kong, during which he had been a global partner since 1998. Between July 2002 and June 2012, he held various management positions at PricewaterhouseCoopers Zhong Tian CPAs Limited, including a partner in audit department.

Profiles of Directors and Senior Management

Mr. Chan received a bachelor's degree in commerce from University of Manitoba in Manitoba, Canada in May 1977. Mr. Chan has been a Chartered Accountant in Canada and a Certified Public Accountant in Hong Kong since 1980 and 1995, respectively. Mr. Chan was a member of Council, Hong Kong Society of Accountants (now named Hong Kong Institute of Certified Public Accountants). Between 1998 and 2001, he was a member of Listing Committee of the Stock Exchange. Mr. Chan was a member of the First Election Committee for the Hong Kong Legislature in April 1998.

Mr. Yin Hong (尹紅, alias: Yin Hong (尹鴻)), aged 64, has been appointed as an independent non-executive Director of the Company on October 28, 2020. Mr. Yin has been serving as a professor of Tsinghua University (清華大學) since 1999, and concurrently serving as a distinguished professor and the dean of Academy of Film at Macau University of Science and Technology (澳門科技大學) since 2017. Between December 1984 and August 1986, Mr. Yin served as a teaching assistant of Sichuan University (四川大學). Between September 1989 and August 1999, Mr. Yin served in Beijing Normal University (北京師範大學) with his last position as a professor. Mr. Yin is a well-known film theorist, critic, and planner in China. He has served as a consultant, producer, and art director for a number of film and television works, and concurrently assumes many important positions within several national associations and societies including the vice chairman of the China Literature and Art Critics Association (中國文藝評論家協會) and the vice chairman of the China Film Association (中國電影家協會).

Mr. Yin obtained the bachelor degree in Chinese language and the master degree in modern Chinese literature from Sichuan University (四川大學) in 1982 and 1984, respectively, and the doctoral degree in modern Chinese literature from Beijing Normal University (北京師範大學) in 1989. Mr. Yin received the Special Government Allowances of the State Council (國務院政府特殊津貼) from the State Council of the PRC in 2010 and was awarded the Top Ten Film Workers of Beijing (北京十佳電影工作者) by departments including Beijing Municipal Human Resources and Social Security Bureau (北京市人力資源和社會保障局), Beijing Federation of Literary and Art Circles (北京市文學藝術界聯合會) and Beijing Television Artists Association (北京電視藝術家協會) in 2013.

Ms. Liu Lin (劉琳), aged 50, has been appointed as an independent non-executive Director of the Company on June 9, 2020. Between March 2016 and May 2020, Ms. Liu served as a senior vice president of Meituan. Between April 2003 and March 2016, Ms. Liu served as the general manager of the human resources department of Tencent and the general manager of Tencent Consulting successively.

Ms. Liu obtained a master degree in economics from Nankai University (南開大學) in December 2006.

Profiles of Directors and Senior Management

CHANGE OF INFORMATION OF DIRECTORS AND CHIEF EXECUTIVE

Save as disclosed in this Annual Report, for the year ended December 31, 2025, the Company does not have any information required for disclosure in accordance with Rule 13.51B(1) of the Listing Rules.

SENIOR MANAGEMENT

Mr. Zheng Zhihao (鄭志昊) is the executive Director and the Chief Executive Officer of the Company. See “Executive Director” above for his biographical details.

JOINT COMPANY SECRETARIES

Ms. Zheng Xia (鄭霞) was appointed as a Joint Company Secretary of the Company in August 2018. Ms. Zheng joined the Company in May 2018 and currently serves as vice president and other positions of the Company. Ms. Zheng has more than ten years of experience as a lawyer.

Ms. Zheng received a bachelor's degree in law and a master's degree in law from China University of Political Science and Law (中國政法大學) in Beijing, the PRC, in June 2004 and January 2011, respectively. Ms. Zheng also obtained a LL.M degree from the University of Southern California in May 2012. Ms. Zheng is qualified as a lawyer in New York, and has obtained the PRC legal professional qualification.

Mr. Cheng Ching Kit (鄭程傑) was appointed as a Joint Company Secretary of the Company in August 2018. Mr. Cheng is an assistant vice president of SWCS Corporate Services Group (Hong Kong) Limited, a professional services provider specialising in corporate services, and has over ten years of experience in corporate secretarial field. He is an associate member of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute in the United Kingdom.

In addition, he holds a bachelor of commerce degree in finance from the University of Queensland, Australia and a master of laws degree in Chinese law from the University of Hong Kong.

Directors' Report

The Board presents the directors' report together with the audited consolidated financial statements of our Group for the year ended December 31, 2025.

PRINCIPAL ACTIVITIES

We are a leading provider of "Technology+Pan-Entertainment" service in China, offering online entertainment ticketing services, entertainment content services and advertising services and others.

RESULTS OF OPERATIONS

The results of our Group for the year ended December 31, 2025 are set out in the consolidated statement of comprehensive income on pages 108 to 109 of this Annual Report.

FINANCIAL SUMMARY

The financial summary of our Group between 2021 and 2025 is set out in the section headed "Financial Summary" on page 229 in this Annual Report.

BUSINESS REVIEW

For 2025, the total box office nationwide reached RMB51.832 billion, representing a year-on-year increase of 21.95% (according to the data released by the China Film Administration (國家電影局)). The offline performance market continued to demonstrate a robust growth trend. Under this background, the number of released movies in which the Company was involved and their box office performance remained at the top of the industry. The number of movies for which we acted as a lead distributor continued to increase, with the core advantages of our promotion and distribution services further enhanced. The GMV growth of our live entertainment business continued to outperform the overall market, with our market competitiveness continuously improving. The Company's profitability steadily enhanced, and we continued to carry out work related to shareholder returns.

For more details of the business development and performance of our Group for the Year, please refer to the sections headed "CEO's Statement" and "Management Discussion and Analysis" in this Annual Report.

PRINCIPAL RISKS AND UNCERTAINTIES

Please refer to the section headed "Risk Management and Internal Control" in the corporate governance report in this Annual Report for the principal risks and uncertainties facing the Group.

Directors' Report

Important events occurred since the end of the financial year

There have been no other significant events affecting the Company from December 31, 2025 up to the date of this Annual Report.

Future development

Under the complex and volatile market environment, we will adhere to the core development strategy of “Technology + Pan-entertainment” to deepen our presence in the pan-entertainment industry, by consistently improving our core competitiveness and profitability, and upholding our original aspiration of serving as the “service provider” for the entire industry and better serve high-quality movie content across the industry. We will continue to maintain and consolidate the market competitiveness of our entertainment content business. Meanwhile, leveraging our advantageous capabilities and resource spillover in the field of entertainment content, we will continue to focus on IP-derivative business and further promote business exploration and innovation, such as the application of AI technology in the cultural and entertainment industry chain. We will also continue to increase our long-term investment in our performance business, further solidifying and enhancing the Company's market competitiveness.

For more details of the future development of the Group, please refer to “CEO's Statement” of this Annual Report.

Environmental policies and performance

We are not subject to significant environmental risks. During the year ended December 31, 2025 and up to the date of this Annual Report, we were not subject to any fines or other penalties due to non-compliance with environmental regulations.

For more details of the environment policies and performance of the Company, please refer to the section headed “Environmental, Social and Governance Report” of this Annual Report.

Compliance with the relevant laws and regulations

Our Group is subject to applicable laws and regulations in the PRC in respect of its business operations, including but not limited to those relating to value-added telecommunications services, information security and privacy protection, film distribution, radio and television programs, and Internet advertisement. During the year ended December 31, 2025 and up to the date of this Annual Report, we had not been and were not involved in any non-compliance incidents that led to fines, coercive measures or other penalties that could, individually or in the aggregate, have a material adverse impact on our business, financial condition or results of operations, and had complied with all relevant PRC laws and regulations that are applicable to us in all material respects.

Directors' Report

Relationships with stakeholders

The Group's success depends on the support from key stakeholders which comprise our Directors and senior management members, employees, customers and suppliers.

Employees

As of December 31, 2025, we had 927 full-time employees, all of whom were based in mainland China and Hong Kong, primarily at our headquarters in Beijing, with the remainder in Shanghai and various other cities in China.

Committed to establishing a competitive, fair remuneration and benefits system, we continually refine our remuneration and incentive policies through market research and comparison with our competitors, in order to ensure that our employees receive competitive remuneration packages. As required under the PRC regulations, we participate in housing fund and various employee social security plans that are organized by applicable local municipal and provincial governments. We also purchase commercial health and accidental insurance for our employees, and provide regular and specialized trainings tailored to the needs of our employees in different departments as well, so that our employees may stay up to date with the latest industrial developments and technological advancements. In order to incentivize our Directors, senior management and other employees for their contribution to our Group and to attract and retain suitable personnel, we have granted and planned to continue to grant share-based incentive awards to our employees in the future to incentivize their contributions to our growth and development.

Customers

Our customers primarily include cinemas, entertainment content producers and distributors, and advertisers. Pursuant to the ticket sales agreements with cinemas, we typically act as a non-exclusive online ticketing service provider for tickets sold outside of cinemas.

Suppliers

Our suppliers primarily include ticketing system companies who help establish and maintain our connection with cinemas' ticketing systems. We generally enter into separate agreements with these ticketing system companies supplementary to our agreements with cinemas, to establish a connection between our platform and the ticketing system of each cinema and to ensure the smooth integration of its ticketing system into our network. The settlement period with ticketing system companies is typically one month.

Directors' Report

MAJOR SUPPLIERS AND CUSTOMERS

For the year ended December 31, 2025, the percentage of the total revenue attributable to the five largest customers was less than 30% of the total revenue of the Group, and the percentage of the total cost attributable to the five largest suppliers was approximately 43.6% of the total cost of the Group, while the percentage of the total cost attributable to the largest supplier was approximately 11.5% of the total cost of the Group. To the knowledge of the directors, during the Reporting Period, save for Meituan, a shareholder of the Company holding 7.12% of the shares of the Company as of December 31, 2025, and Tencent, a shareholder of the Company holding 13.52% of the shares of the Company as of December 31, 2025, being one of the five largest suppliers, respectively, none of the other directors and their respective associates or any shareholders holding more than 5% of the issued capital of the Company have any rights or interests in our five largest suppliers. Save for Enlight Media, a shareholder of the Company (which, by itself and through its wholly-owned subsidiary Hong Kong Pictures International Limited, held an aggregate interest of approximately 17.89% of the issued share capital of the Company as at December 31, 2025), being one of the five largest customers, none of the other directors and their respective associates or any shareholders holding more than 5% of the issued share capital of the Company have any rights or interests in our five largest customers.

PROPERTY AND EQUIPMENT

Details of the movements in property and equipment of the Group during the year ended December 31, 2025 are set out in Note 14 to the audited consolidated financial statements.

FINAL DIVIDEND

The Board recommended the payment of a final dividend of HK\$0.22 per Share for the year ended December 31, 2025. Subject to the approval by the Shareholders at the annual general meeting to be held on June 23, 2026, the proposed final dividend is expected to be paid on or around August 21, 2026 to the Shareholders whose names appear on the register of members of the Company at the close of business on July 3, 2026.

The dividend will be paid to all Shareholders on an all-cash basis by default. Eligible Shareholders will also be provided with an option to receive the final dividend wholly in the form of new fully paid Shares in lieu of cash. The scheme is conditional upon the passing of the relevant resolution at the AGM of the Company and the Listing Committee of the Stock Exchange granting the listing of and permission to deal in the new Shares to be issued under the scheme. Shareholders not making any election will receive the whole dividend in cash. For the avoidance of doubt, Shareholders cannot elect to receive the final dividend partly in cash and partly in the form of new Shares, except for Hong Kong Securities Clearing Company Nominees Limited which may elect to receive its entitlement partly in cash and partly in the form of new Shares.

Directors' Report

Reference is made to the annual results announcement of the Company dated March 27, 2025 for the year ended December 31, 2024 in relation to, among other things, the dividend plan of the Company for the years 2025 – 2027. Based on the rules established in the dividend policy adopted by the Company on March 25, 2019, for the financial years 2025, 2026 and 2027, subject to the factors set out in the dividend policy, if the Company decides to recommend or declare a dividend, the Company aims to distribute no less than 20% of the profit attributable to owners of the Company for the relevant financial year. For the 2025 financial year, the amount of dividends to be paid by the Group is expected to exceed the aforementioned target.

CLOSURES OF THE REGISTER OF MEMBERS

The Company will hold the AGM on Tuesday, June 23, 2026. The register of members of the Company will be closed from Wednesday, June 17, 2026 to Tuesday, June 23, 2026, both days inclusive, in order to determine the identity of the Shareholders who are entitled to attend and vote at the AGM, during which period no share transfers will be registered. The record date for determining the Shareholders entitled to attend and vote at the AGM will be Tuesday, June 23, 2026. To be eligible to attend and vote at the AGM, all properly completed transfer forms accompanied by the relevant share certificates must be lodged for registration with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712 – 1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 4:30 p.m. on Tuesday, June 16, 2026.

The proposed final dividend is subject to the passing of ordinary resolutions by the Shareholders at the AGM. The register of members of the Company will be closed from Monday, June 29, 2026 to Friday, July 3, 2026, both days inclusive, in order to determine the entitlement to the proposed final dividend, during which period no share transfers will be registered. The record date for entitlement to the proposed final dividend is Friday, July 3, 2026. In order to be eligible to receive the proposed final dividend, all properly completed transfer forms accompanied by the relevant Share certificates, must be lodged for registration with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712 – 1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on Friday, June 26, 2026. If approved by the Shareholders at the forthcoming AGM, the payment date of the proposed final dividend is expected to be or around Friday, August 21, 2026.

SUBSIDIARIES

Particulars of the Company's subsidiaries are set out in Note 36 to the audited consolidated financial statements.

SHARE CAPITAL

Details of the movements in the Company's share capital during the year ended December 31, 2025 are set out in Note 28 to the audited consolidated financial statements.

Directors' Report

RESERVES

Details of the movement in the reserves of the Group and the Company during the year ended December 31, 2025 are set out in Notes 29 and 35 respectively to the audited consolidated financial statements.

DISTRIBUTABLE RESERVES

Details of the Company's reserves available for distribution to the Shareholders, calculated in accordance with the provisions of the Companies Act, as at December 31, 2025, are set out in Note 35 to the audited consolidated financial statements.

BORROWINGS

Details of the borrowings of the Group are set out in the paragraph headed "Liquidity, Financial Resources and Gearing" in the section headed "Management Discussion and Analysis" in this Annual Report and Note 25 to the audited consolidated financial statements.

ISSUE OF DEBENTURE

The Group has not publicly issued any debentures during the year ended December 31, 2025.

TAX RELIEF AND EXEMPTION

The Directors are not aware of any tax relief and exemption available to the Shareholders by reasons of their holding of the Company's securities.

PURCHASE, SALE OR REDEMPTION OF THE LISTED SECURITIES

Neither the Company nor its subsidiaries has purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares) during the Reporting Period.

As at December 31, 2025, the Company did not hold any treasury shares.

Directors' Report

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Articles of Association, or the law of Cayman Islands being the jurisdiction in which the Company is incorporated, under which would oblige the Company to offer new Shares on a pro-rata basis to existing Shareholders.

CHARITABLE DONATIONS

During the Reporting Period, the Group made charitable donations of approximately RMB0.2 million.

DIRECTORS

The Directors during the Reporting Period and as of the date of this Annual Report are:

Executive Director

Mr. Zheng Zhihao (*Chief Executive Officer*)

Non-executive Directors

Mr. Wang Changtian (*Chairman*)

Ms. Li Xiaoping

Ms. Wang Jian

Mr. Sun Zhonghuai

Mr. Chen Shaohui

Mr. Tang Lichun

Independent Non-executive Directors

Mr. Wang Hua

Mr. Chan Charles Sheung Wai

Mr. Yin Hong

Ms. Liu Lin

The biographical details of the Directors and senior management are set out in the section headed "Profiles of Directors and Senior Management" in this Annual Report.

In accordance with Article 109(a) of the Articles of Association, Mr. Sun Zhonghuai, Mr. Tang Lichun, Mr. Yin Hong and Ms. Liu Lin shall retire by rotation at the AGM and, being eligible, have offered themselves for re-election.

Directors' Report

DIRECTORS' SERVICE CONTRACTS

Our executive Director has entered into a service contract with the Company for a term of three years from June 29, 2024. Either party has the right to give not less than three months' prior written notice to terminate the agreement.

Each of the non-executive Directors and independent non-executive Directors (excluding Mr. Sun Zhonghuai, Mr. Tang Lichun, Ms. Liu Lin and Mr. Yin Hong) has entered into an appointment letter with the Company. The term for their appointment shall be three years from June 29, 2024 or until terminated in accordance with the terms and conditions of the appointment letter or by either party giving to the other not less than three months' prior notice in writing.

Mr. Sun Zhonghuai has entered into an appointment letter with the Company on November 16, 2025; Mr. Tang Lichun has entered into an appointment letter with the Company on January 15, 2026; Ms. Liu Lin has entered into an appointment letter with the Company on June 9, 2023; and Mr. Yin Hong has entered into an appointment letter with the Company on October 28, 2023. The term for their appointment shall be three years from the date of their appointment or until terminated in accordance with the terms and conditions of the appointment letter or by either party giving to the other not less than three months' prior notice in writing.

There was no service contract entered into/appointment letter signed by the Company and any Director to be re-elected at the forthcoming AGM which is not determinable by the Company within one year without payment of compensation, other than statutory compensation.

CONFIRMATION OF INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

Our Company has received, from each of the independent non-executive Directors, an annual confirmation of his/her independence pursuant to the factors set out in Rule 3.13 of the Listing Rules. The Company considers all of the independent non-executive Directors to be independent.

DIRECTORS' INTERESTS IN TRANSACTIONS, ARRANGEMENTS AND CONTRACTS OF SIGNIFICANCE

Save as disclosed in Note 37 to the Consolidated Financial Statements and in the section headed "Connected Transactions" of the Directors' Report in this Annual Report, no Director nor an entity connected with a Director has or had a material beneficial interest, directly or indirectly in any transaction and arrangement or contract of significance subsisting as at December 31, 2025, or at any time during the year ended December 31, 2025.

Directors' Report

DIRECTORS' INTERESTS IN COMPETING BUSINESS

As of December 31, 2025, Mr. Wang Changtian, our Chairman and non-executive Director, (i) indirectly held approximately 23.92% interests in the issued share capital of our Company through Vibrant Wide Limited (a subsidiary wholly owned by Mr. Wang), and indirectly held a total of approximately 17.89% interests in the issued share capital of our Company through Enlight Media and its wholly-owned subsidiary Hong Kong Pictures International Limited; and (ii) directly held 95% interests in Enlight Holdings (in which the remaining 5% is held by Ms. Wang Jian, being Mr. Wang's sister), which owned approximately 37.4% interests in Enlight Media.

As disclosed in the Prospectus, Enlight Media is primarily engaged in investment and production of entertainment content, including movies, TV series, comics and animation, video, music and literature, as well as movie and TV series promotion and distribution. For details of the delineation of the businesses of our Group and of Enlight Media, please refer to the section headed "Relationship with Enlight and Tencent" in the Prospectus.

Save as disclosed above, as of December 31, 2025, none of the Directors nor their respective close associates had interests in businesses, which compete or are likely to compete, either directly or indirectly, with the businesses of the Company and its subsidiaries as required to be disclosed pursuant to Rule 8.10(2) of the Listing Rules.

MANAGEMENT CONTRACTS

No contract concerning the management and administration of the whole or any substantial part of the business of the Company was entered into or existed during the year ended December 31, 2025.

REMUNERATION OF DIRECTORS

In compliance with the CG Code, the Company has established the Remuneration Committee to formulate remuneration policies. Directors' remuneration is subject to Shareholders' approval at general meetings or shall be fixed by the Board with the authorization. Other emoluments are determined by the Board with reference to Directors' duties and responsibilities, the recommendations of the Remuneration Committee and the performance and results of the Group. No Director, or any of their respective associates, was involved in deciding his/her own remuneration.

Details of the remuneration of the Directors and the five highest paid individuals during the year ended December 31, 2025 are set out in Notes 9 and 37 to the audited consolidated financial statements respectively.

During the year ended December 31, 2025, none of the Directors had waived or agreed to waive any remuneration and there were no emoluments paid by the Group to any of the Directors as an inducement to join, or upon joining the Group, or as compensation for loss of office.

Directors' Report

PERMITTED INDEMNITY PROVISION

A permitted indemnity provision for the benefit of the Directors is currently in force. The Company has taken out and maintained appropriate insurance cover in respect of potential legal actions against its Directors and officers.

EQUITY-LINKED AGREEMENT

Except for the employee incentive schemes as set out in this Annual Report, no equity-linked agreements were entered into by the Group, or existed during the year ended December 31, 2025.

EMPLOYEE INCENTIVE SCHEMES

In order to provide incentives and rewards to directors, senior management and employees of the Group and other eligible individuals and entities, the Company adopted a series of employee incentive schemes, including Pre-IPO Share Option Scheme, Post-IPO Share Option Scheme, RSU Scheme and Restricted Share Agreement (collectively, the "ESOP Plan") on July 23, 2018 (the "Adoption Date").

The total number of Shares issued or issuable pursuant to the ESOP Plan shall not be more than 117,033,705 Shares, representing approximately 10.1% of the total issued shares of the Company as at the date of this Annual Report.

PRE-IPO SHARE OPTION SCHEME

The Pre-IPO Share Option Scheme was adopted by the Company as a continuation and restructuring of the employee share incentive scheme originally adopted by Tianjin Maoyan Weying on November 8, 2016 (the "2016 ESOP") following the Reorganization, which was established to recognise and reward the contribution of the participants to the growth and development of Tianjin Maoyan Weying. The 2016 ESOP was terminated as a result of the adoption of the ESOP Plan. The terms of the Pre-IPO Share Option Scheme are not subject to the provisions of Chapter 17 of the Listing Rules as our Pre-IPO Share Option Scheme will not involve the grant of options by us to subscribe for new Shares of the Company.

The Pre-IPO Share Option Scheme shall be valid and effective for the period of time commencing on the Adoption Date and unless amended, altered, suspended or terminated by the Board and Shareholders, the Pre-IPO Share Option Scheme shall continue in effect for a term of eight (8) years and shall terminate on the eighth anniversary of the Adoption Date. The scheme will expire on July 22, 2026, upon which any Pre-IPO Share Options granted or agreed to be granted pursuant to the Pre-IPO Share Option Scheme and any offer of such a grant shall be of no effect, and for which no claim whatsoever shall be made against the Company.

Directors' Report

Participants of the Pre-IPO Share Option Scheme (the "Pre-IPO Eligible Participants") include the directors, senior management and employees of the Group and any other persons as the Board may deem appropriate provided that such Pre-IPO Eligible Participants shall have satisfied certain conditions. Nil consideration is required to be paid by the grantee of Pre-IPO Share Option Scheme (the "Grantee") for the grant of any Pre-IPO Share Options under the Pre-IPO Share Option Scheme.

The maximum number of Shares that may be issued upon exercise of all options granted and to be granted under the Pre-IPO Share Option Scheme shall be no more than 42,544,600 (which have been reserved by the Company), representing approximately 3.7% of the total issued shares of the Company as at the date of this Annual Report.

A Grantee may exercise his or her option in whole or in part (but if in part only, in respect of a board lot or any integral multiple thereof) at any time during the period which may be specified by the Board or the CEO in the grant letter (the "Pre-IPO Exercise Period") by the Grantee (or in the case of his death, his legal personal representatives) giving notice in writing to the Company stating that the Pre-IPO Share Options are thereby exercised and the number of Shares in respect of which it is exercised. Each such notice must be accompanied by a remittance for the full amount of exercise price (the "Pre-IPO Exercise Price") for the Shares in respect of which the notice is given.

The vesting of the Pre-IPO Share Options to each Grantee shall follow the vesting schedule in each of such Grantee's grant letter. The vesting period shall commence on the date of the grant letter or any other date as the CEO may agree. Notwithstanding the foregoing, in order to match the vested options under the 2016 ESOP, certain Pre-IPO Share Options shall be vested to the Grantees upon the date of the grant letter but shall only become exercisable as and when permitted by applicable laws, which will be more specifically set out in the grant letter. All the underlying Shares pursuant to the share options granted and to be granted under the Pre-IPO Share Option Scheme are subject to lock-up for a period of six months following the Listing during which no employee shall dispose of the underlying Shares issued to such employee.

In the case of retirement, voluntary termination of employment or engagement of the Grantee, any unvested Pre-IPO Share Options at such termination will be automatically forfeited and any Pre-IPO Share Option not exercised prior to the expiry of the ninety-day period will lapse.

The Pre-IPO Share Options exercise price shall be as specified by the Board or the CEO in the grant letter and may be determined by reference to the market practice and the historical value of the Shares during the capitalisation period of the Company, which shall in no event be lower than the par value of the Shares in the Company.

Directors' Report

Movements of the options granted by the Company pursuant to the Pre-IPO Share Option Scheme during the Reporting Period are as follows:

Category				Closing	Outstanding			Weighted				
	Exercise			price				average				
	Share	Date of	Exercise	immediately	as of	Granted	Exercised	immediately	Lapsed	Cancelled	Outstanding	Vesting
	(HK\$)	grant	period	prior to	January 1,	during the	during the	prior to	during the	during the	as of	Period
				grant	2025	period	period	exercise	period	period	December 31,	(note)
								(HK\$)			2025	
	0.1009	2016/8/1 to 2018/3/1	Eight years from the date of grant	N/A	452,910	–	80,280	7.9370	110	–	372,520	1(a)
Employee	14.8000	2018/2/1 to 2018/8/1	Eight years from the date of grant	N/A	1,098,343	–	–	N/A	35,455	–	1,062,888	1(b)
		2018/4/11 to 2018/6/1		N/A	7,710,890	–	–	N/A	–	–	7,710,890	1(a)
Total					9,262,143	–	80,280	N/A	35,565	–	9,146,298	

Directors' Report

Notes:

1. The options granted under the scheme are subject to a vesting schedule and can be exercised in the following manner:

a. Category A

Vesting Date	Percentage that can be exercised
First vesting date	Up to 25% of the options granted
First anniversary of first vesting date	Up to 50% of the options granted
Second anniversary of first vesting date	Up to 75% of the options granted
Third anniversary of first vesting date	Up to all of the options granted

b. Category B

Vesting Date	Percentage that can be exercised
First vesting date	Up to 50% of the share options granted
First anniversary of first vesting date	Up to 75% of the share options granted
Second anniversary of first vesting date	Up to all of the share options granted

POST-IPO SHARE OPTION SCHEME

The purpose of the Post-IPO Share Option Scheme is to provide incentives and rewards to directors, senior management and employees of the Group and any other eligible individuals and/or entities in order to provide incentives and rewards to them for their contribution, and to align the corporate objectives and interests between the Group and its key talents.

The Post-IPO Share Option Scheme was conditionally adopted together with the Restricted Share Agreement, Pre-IPO Share Option Scheme and the RSU Scheme by the Shareholders' resolutions on the Adoption Date. The total number of Shares which may be issued upon exercise of options that may be granted under the Post-IPO Share Option Scheme and the RSU Scheme shall not in aggregate exceed 55,211,880 Shares ("Post-IPO Share Option and RSU Total Limit") (which have been reserved by the Company), representing approximately 4.8% of the total issued shares of the Company as at the date of this Annual Report. The total number of Shares issued and which may be issued pursuant to the options granted or to be granted under the Post-IPO Share Option Scheme does not exceed 23,293,595 Shares (the "Post-IPO Share Option Scheme Limit") (which has been reserved by the Company), representing approximately 2.0% of the total issued shares of the Company as at the date of this Annual Report.

Directors' Report

The participants for the Post-IPO Share Option Scheme (the "Post-IPO Eligible Participants") include the directors, senior management and employees (whether full time or part time) of the Group (including persons who are granted Options under the Plan as an inducement to enter into employment contracts with the Group), provided that such participant shall have satisfied the relevant conditions, or any other conditions as agreed by the Board. The subscription price in respect of any option shall be a price determined by the Board which shall be no less than (i) the closing price of a Share as stated in the Stock Exchange's daily quotations sheet on the date of the grant letter; (ii) an amount equivalent to the average closing price of a Share as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the date of the grant letter of the relevant Post-IPO Share Options; and (iii) the par value of the Share on the date of the grant letter.

Where any grant of Options to a participant would result in the total number of Shares issued and to be issued in respect of all Awards and Options granted (excluding any Awards and Options lapsed in accordance with the terms of RSU Scheme and Share Option Scheme) under RSU Scheme and Share Option Scheme in the 12-month period up to and including the date of such grant representing in aggregate over 1% of the total number of Shares in issue, such grant must be separately approved by the Shareholders in general meeting in accordance with the requirements of the Listing Rules with such participant and his/her close associate (or associates, if the participant is a connected person), or such persons as may be required under the Listing Rules from time to time, abstaining from voting. The number and terms of the Options to be granted to such participant must be fixed before the approval of the Shareholders.

Where any grant of Options to a substantial shareholder or an independent non-executive director of the Company, or any of their respective associates, would result in the Shares issued and to be issued in respect of all Options, RSUs and Awards granted (excluding any Options and Awards lapsed in accordance with the terms of RSU Scheme and Share Option Scheme) to such person in the 12-month period up to and including the date of such grant representing in aggregate over 0.1% of the Shares in issue, such further grant of Options must be approved by shareholders of the Company in general meeting (with such selected person, his/her associates and all core connected persons of the Company abstaining from voting in favour at such general meeting). In such event, the Company shall comply with the requirements under Rules 13.40, 13.41 and 13.42 of the Listing Rules.

Subject to otherwise determined by the Board/the CEO (as the case may be) at its/his/her sole absolute discretion, the grantee is not required to pay any grant or purchase price or make any other payment to the Company to accept the Options granted.

Subject to the terms of the Post-IPO Share Option Scheme and unless otherwise specified in the grant letter pursuant to Post-IPO Share Option Scheme, the granted Post-IPO Share Options shall vest 1) 25% per year within four (4) anniversary years or 2) 50% upon/within the second (2) anniversary year with an equal proportion of the remaining balance upon/within the third (3) and fourth (4) anniversary year, respectively. Save for other specified thereunder, the vesting period shall not be less than twelve months or other periods as may be required or permitted under the Listing Rules. The vesting period shall commence on the grant date or any other date as the Board or the CEO (as the case may be) may agree.

Directors' Report

A person entitled to any Post-IPO Share Option in consequence of the death of the original grantee (or in the case of his death, his legal personal representatives) may exercise his Post-IPO Share Options in whole or in part (but if in part, only in respect of a board lot or any integral multiple thereof) at any time during the Post-IPO Exercise Period which may be specified by the Board in the grant letter in the manner by giving notice in writing (in such form as the Company may from time to time specify) to the Company stating that the Post-IPO Share Options are thereby exercised and the number of Shares in respect of which it is exercised with a remittance for the full amount of the aggregate subscription price for the Shares in respect of which the notice is given.

Subject to the rules of the Post-IPO Share Option Scheme, options may be exercised by a Post-IPO Eligible Participant, in whole or in part, at any time during the period commencing from the grant date and such expiry date as determined by the Board in the grant letter (the "Post-IPO Exercise Period").

Subject to earlier termination by our Company in general meeting or by the Board, the Post-IPO Share Option Scheme shall be valid and effective for a period of 10 years commencing on the effective date. As of the date of this Annual Report, the Post-IPO Share Option Scheme shall continue in effect for next two years. After the expiration of the 10-year period, no further options will be granted by the provisions of the scheme, but the provisions of the scheme shall remain in full force and effect 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 Post-IPO Share Option Scheme.

Amendments have been made to the Chapter 17 of the Listing Rules for the purpose of regulating share option schemes and share award schemes, with effect from January 1, 2023 (the "Amended Listing Rules"). The Company has amended the Post-IPO Share Option Scheme to bring it in line with the Amended Listing Rules. The adoption of the proposed amended Post-IPO Share Option Scheme was approved by the Shareholders on June 28, 2023 by way of an ordinary resolution at the AGM. For further details, please refer to the circular of the Company dated April 26, 2023.

Directors' Report

Movements of the options granted by the Company pursuant to the Post-IPO Share Option Scheme during the Reporting Period are as follows:

Category				Closing	Outstanding			Weighted				
	Exercise			price				average				
	price per			immediately	as of	Granted	Exercised	closing	Lapsed	Cancelled	Outstanding	Vesting
	Share	Date of	Exercise	prior to	January 1,	during the	during the	price	during the	during the	as of	Period
	(HK\$)	grant	Period	grant	2025	period	period	immediately	period	period	December 31,	(notes)
				(HK\$)				the date of			2025	
								exercise				
								of share				
								options				
								(HK\$)				
Employee	16.2000	2019/5/2	Ten years from the date of grant	16.1000	–	–	–	N/A	–	–	–	1(b)
	14.7600	2019/5/10	Ten years from the date of grant	14.1000	1,305,445	–	–	N/A	35,855	–	1,269,590	1(b)
					138,795	–	–	N/A	–	–	138,795	1(a)
	11.4360	2019/11/1	Ten years from the date of grant	11.3200	–	–	–	N/A	–	–	–	1(b)
	10.5000	2020/4/29	Ten years from the date of grant	10.3200	1,039,646	–	–	N/A	–	–	1,039,646	1(a)
					250,000	–	–	N/A	250,000	–	–	1(b)
Director												
Zheng Zhihao	13.1360	2021/1/19	Ten years from the date of grant	12.6200	6,141,058	–	–	N/A	3,766,500	–	2,374,558	1(a)
	6.7000	2025/5/16	Ten years from the date of grant	6.6700	–	10,000,000	–	N/A	–	–	10,000,000	1(a)
Total					8,874,944	10,000,000	–	N/A	4,052,355	–	14,822,589	

Directors' Report

Notes:

1. Please refer to note under sub-section headed "Pre-IPO Share Option Scheme" above.
2. As at January 1, 2025 and December 31, 2025, the total numbers of Post-IPO Share Options available for grant under the Post-IPO Share Option Scheme were 13,784,457 and 7,836,812, respectively.
3. The fair value of share options granted on May 16, 2025 as at the grant dates was HK\$3.35 per share.

RSU SCHEME

The purposes of the RSU Scheme is to recognise and reward participants for their contribution to the Group, to attract best available personnel, and to provide additional incentives to them to remain within the Group and further promote the success of its business.

An award of restricted share units under the RSU Scheme (the "Award(s)") gives a participant in the RSU Scheme a conditional right when the Award vests to obtain either Shares or an equivalent value in cash with reference to the market value of the Shares on or about the date of vesting, as determined by the Board in its absolute discretion. An Award may include, if so specified by the Board in its entire discretion, cash and non-cash income, dividends or distributions and/or the sale proceeds of non-cash and non-scrip distributions in respect of those Shares from the date that the Award is granted to the date that it vests.

The participants for the RSU Scheme (the "RSU Participants") include the directors, senior management and employees (whether full time or part time) of the Group (including persons who are granted RSU under the Scheme as an inducement to enter into employment contracts with the Group) provided that such participants shall have satisfied the following conditions, or any other conditions as agreed by the Board: having entered into the agreements with the Company in terms of employment, confidentiality, intellectual properties and non-competition in the form and content to the satisfaction of the Company.

Where any grant of Awards to a participant would result in the total number of Shares issued and to be issued in respect of all Awards and Options granted (excluding any Awards and Options lapsed in accordance with the terms of Scheme and Share Option Scheme) under Scheme and Share Option Scheme in the 12-month period up to and including the date of such grant representing in aggregate over 1% of the total number of Shares in issue, such grant must be separately approved by the Shareholders in general meeting in accordance with the requirements of the Listing Rules with such participant and his/her close associate (or associates, if the participant is a connected person), or such persons as may be required under the Listing Rules from time to time, abstaining from voting. The number and terms of the Award to be granted to such participant must be fixed before the approval of the Shareholders.

Directors' Report

Where any grant of RSUs under this Scheme to a Director (other than an independent non-executive Director) or chief executive of the Company, or any of their respective associates would result in the Shares issued and to be issued in respect of all RSUs and awards granted (excluding any RSUs lapsed in accordance with the terms of this Scheme) to such person in the 12-month period up to and including the date of such grant representing in aggregate over 0.1% of the Shares in issue, such grant of RSUs must be approved by shareholders of the Company in general meeting (with such participant, his/her associates and all core connected persons of the Company abstaining from voting in favour at such general meeting). In such event, the Company shall comply with the requirements under Rules 13.40, 13.41 and 13.42 of the Listing Rules.

Where any grant of RSUs to a substantial shareholder or an independent non-executive director of the Company, or any of their respective associates, would result in the Shares issued and to be issued in respect of all RSUs, options and awards granted (excluding any Awards and Options lapsed in accordance with the terms of Scheme and Share Option Scheme) to such person in the 12-month period up to and including the date of such grant representing in aggregate over 0.1% of the Shares in issue, such further grant of RSUs must be approved by shareholders of the Company in general meeting (with such selected person, his/her associates and all core connected persons of the Company abstaining from voting in favour at such general meeting). In such event, the Company shall comply with the requirements under Rules 13.40, 13.41 and 13.42 of the Listing Rules.

Subject to otherwise determined by the Board/the CEO (as the case may be) at its/his/her sole absolute discretion, the grantee is not required to pay any grant or purchase price or make any other payment to the Company to accept the RSUs granted. Subject to any early termination as may be determined by the Board and Shareholders, the RSU Scheme shall be valid and effective for the period of eight years commencing on the date of adoption (the "Term of the RSU Scheme"). The scheme will expire on July 22, 2026. Thereafter, no further Awards will be granted, but the provisions of the RSU Scheme shall in all other respects remain in full force and effect and Awards that are granted during the Term of the RSU Scheme may continue to be exercisable in accordance with their terms of issue.

On and subject to the terms of the RSU Scheme and the terms and conditions that the Board and/or the CEO (as the case may be) imposes, the Board and the CEO shall be entitled at any time during the term of the RSU Scheme to make a grant to any RSU Participant as the Board or the CEO may in its respective absolute discretion determine. The amount of an Award may be determined at the sole and absolute discretion of the Board and the CEO (as the case may be) and may differ among selected participants.

Directors' Report

No Award shall be granted pursuant to the RSU Scheme if as a result of such grant (assumed accepted), the aggregate number of Shares (being in a board lot or an integral multiple thereof) (or, where cash is awarded in lieu of Shares, the aggregate number of Shares as are equivalent to the amount of cash so awarded) underlying all grants made pursuant to the RSU Scheme (excluding Awards that have lapsed or been cancelled in accordance with the rules of the RSU Scheme) will exceed in total 31,918,285 Shares (the "RSU Scheme Limit") (which have been reserved by the Company), representing approximately 2.7% of the total issued shares of the Company as at the date of this annual report.

The Company has appointed a professional Trustee (the "RSU Trustee") to assist with the administration and vesting of RSUs granted pursuant to the RSU Scheme.

Subject to the terms of the RSU Scheme and the specific terms and conditions applicable to each Award, the RSUs granted in an Award shall vest 1) 25% per year within four (4) anniversary years; or 2) 50% upon/within the second (2) anniversary year with an equal proportion of the remaining balance upon/within the third (3) and fourth (4) anniversary year, respectively. Save for other specified thereunder, the vesting period shall not be less than twelve months or other periods as may be required or permitted under the Listing Rules. The vesting period shall commence on the grant date or any other date as the CEO may agree. All Awards granted as of the date of this Annual Report, have been settled or will be settled by way of new shares issued or to be issued by the Company.

Subject to the execution of documents by the grantee, the RSUs which have vested shall be satisfied at the Board's or the CEO's absolute discretion.

The RSU Scheme may be terminated at any time prior to the expiry of its term by the Board and Shareholders provided that the Company shall protect all subsisting rights of all grantees hereunder, including the repayment of consideration or transfer price payable under the RSU Scheme. In this event no further Awards shall be granted after the RSU Scheme is terminated but in all other respects the provisions of the RSU Scheme shall remain in full force and effect. All RSUs granted prior to such termination and not vested on the date of termination shall remain valid.

The Company has amended the RSU Scheme to bring it in line with the Amended Listing Rules. The adoption of the proposed amendments to the RSU Scheme was approved by the Shareholders on June 28, 2023 by way of an ordinary resolution at the AGM. For further details, please refer to the circular of the Company dated April 26, 2023.

Directors' Report

The award shares granted by the Company for the year ended December 31, 2025 are as follows:

Category	Date of grant	Closing price		Outstanding as of January 1, 2025	Granted during the period	Vested during the period	Lapsed during the period	Cancelled during the period	Outstanding as of December 31, 2025		Vesting Period (notes)
		Total amount of award shares granted	immediately prior to grant of Awards (HK\$)								
Employee	2019/5/2	655,425	16.1000	–	–	–	–	–	–	–	1(b)
	2019/10/8	3,336,336	12.0200	–	–	–	–	–	–	–	1(a)
	2019/11/1	729,200	11.3200	–	–	–	–	–	–	–	1(b)
	2020/4/29	8,528,779	10.3200	–	–	–	–	–	–	–	1(a)
		80,000		–	–	–	–	–	–	–	1(b)
	2021/5/1	349,378	15.4800	–	–	–	–	–	–	–	1(b)
		100,000		–	–	–	–	–	–	–	1(a)
	2021/11/26	760,000	9.2900	167,500	–	145,000	22,500	–	–	–	1(a)
		754,100		151,250	–	151,250	–	–	–	–	1(b)
	2022/5/1	200,000	6.2600	100,000	–	50,000	50,000	–	–	–	1(b)
	2022/11/26	80,000	6.6400	–	–	–	–	–	–	–	1(b)
	2023/5/4	384,333	8.2800	164,633	–	82,316	–	–	82,317	–	1(b)
		518,400		–	–	–	–	–	–	–	1(a)
	2023/9/20	8,150,000	11.6800	5,970,000	–	1,910,000	250,000	–	3,810,000	–	1(a)
	2023/11/1	237,600	9.3200	100,300	–	50,150	–	–	50,150	–	1(b)
	2024/5/6	410,100	9.9900	366,000	–	–	–	–	366,000	–	1(b)
	2025/5/6	400,000	6.5800	–	400,000	–	–	–	400,000	–	1(b)
Total				7,019,683	400,000	2,388,716	322,500	–	4,708,467		

Directors' Report

Notes:

1. Please refer to note under sub-section headed "Pre-IPO Share Option Scheme" above.
2. As at January 1, 2025 and December 31, 2025, the total numbers of RSUs available for grant under the RSU Scheme were 13,586,160 and 13,508,660, respectively.
3. The fair value of Award granted on May 6, 2025 as at the grant dates was HK\$6.66 per share. The fair value of these RSUs was determined with reference to the share price of the Company as at the date of grant.
4. The weighted average closing price of Shares immediately preceding the vesting date of the Awards vested during the year 2025 was HK\$8.21 per share.
5. The purchase price per share of RSUs was nil.
6. There were no performance targets for all the Awards granted for the year ended December 31, 2025.
7. The total number of Shares that may be issued in respect of options and awards granted under all schemes of the Company during the year divided by the weighted average number of the Shares in issue during the year is 0.91%.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SECURITIES

As at December 31, 2025, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which (a) were required, pursuant to section 352 of the SFO, to be recorded in the register referred to therein; or (b) were required to be notified to the Company and the Stock Exchange pursuant to the Model Code, were as follows:

Interests and Short Positions in the Shares, Underlying Shares and Debentures

Name of Directors/ Chief Executive	Capacity	Nature of Interests	No. of Shares	Approximate percentage of the issued share capital of the Company (%)
Mr. Zheng Zhihao ¹	Interest in controlled corporations	Long Position	19,277,225	1.66
	Beneficial owner	Long Position	17,247,097 ²	1.48
Mr. Wang Changtian ³	Interest in controlled corporations	Long Position	485,859,409	41.81
Ms. Wang Jian	Beneficial owner	Long Position	450,000	0.04

Directors' Report

Notes:

1. As at December 31, 2025, Rhythm Brilliant Limited directly held 19,277,225 Shares in our Company. Rhythm Brilliant Limited is wholly-owned by Mr. Zheng Zhihao. Therefore, Mr. Zheng Zhihao is deemed to be interested in the 19,277,225 Shares held by Rhythm Brilliant Limited for the purpose of Part XV of the SFO.
2. These interests include 2,374,558 share options granted by the Company to Mr. Zheng Zhihao under the Post-IPO Share Option Scheme on January 19, 2021 entitling Mr. Zheng Zhihao to subscribe for 2,374,558 shares of the Company and 10,000,000 share options granted by the Company to Mr. Zheng Zhihao under the Post-IPO Share Option Scheme on May 16, 2025 entitling Mr. Zheng Zhihao to subscribe for 10,000,000 shares of the Company. As of December 31, 2025, Mr. Zheng Zhihao has not exercised any share options.
3. As at December 31, 2025, Vibrant Wide Limited, Hong Kong Pictures International Limited and Enlight Media directly held 277,979,625 Shares, 201,974,784 Shares and 5,905,000 Shares in our Company, respectively. Vibrant Wide Limited is owned by Mr. Wang Changtian as to 100% of its equity interests. Hong Kong Pictures International Limited is a wholly-owned subsidiary of Enlight Media, which is owned by Enlight Holdings as to approximately 37.4% of its equity interests, which in turn is owned by Mr. Wang Changtian as to 95% of its equity interests. Therefore, Mr. Wang Changtian is deemed to be interested in the 485,859,409 Shares held by Vibrant Wide Limited, Hong Kong Pictures International Limited and Enlight Media for the purpose of Part XV of the SFO. Mr. Wang Changtian serves as a director at Vibrant Wide Limited, Hong Kong Pictures International Limited and Enlight Holdings, respectively.

Save as disclosed above, as at December 31, 2025, neither the Directors nor chief executive of the Company (including their spouses and children under 18 years of age) had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under section 352 of the SFO or otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

Directors' Report

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at December 31, 2025, so far as the Directors or the chief executive of the Company were aware, the Substantial Shareholders, other than the Directors or chief executive of the Company, who had interests or short positions in the Shares or underlying Shares as recorded in the register required to be kept by the Company under section 336 of the SFO, were as follows:

Name of Substantial Shareholders	Capacity	Nature of Interest	No. of Shares	Approximate percentage of the issued share capital of the Company (%)
Vibrant Wide Limited	Beneficial owner	Long position	277,979,625	23.92
Hong Kong Pictures International Limited	Beneficial owner	Long position	201,974,784	17.38
Inspired Elite Investments Limited ¹	Beneficial owner	Long position	82,693,975	7.12
Meituan ¹	Interest in a controlled corporation	Long position	82,693,975	7.12
Crown Holdings Asia Limited ¹	Interest in a controlled corporation	Long position	82,693,975	7.12
Songtao Limited ¹	Interest in a controlled corporation	Long position	82,693,975	7.12
TMF (Cayman) Ltd. ¹	Trustee	Long position	82,693,975	7.12
Wang Xing ¹	Interest in a controlled corporation	Long position	82,693,975	7.12
Image Flag Investment (HK) Limited ²	Beneficial owner	Long position	157,169,260	13.52
Tencent ²	Interest in a controlled corporation	Long position	157,169,260	13.52
Interstellar Investment Ltd. ³	Beneficial owner	Long position	66,127,317	5.69
NottingHill Investment Ltd. ³	Interest in a controlled corporation	Long position	66,127,317	5.69
FountainVest China Capital Partners Fund III, L.P. ³	Interest in a controlled corporation	Long position	66,127,317	5.69
FountainVest China Capital Partners GP3 Ltd. ³	Interest in a controlled corporation	Long position	66,127,317	5.69

Directors' Report

Notes:

1. Inspired Elite Investments Limited is wholly owned by Meituan. Crown Holdings Asia Limited holds 43.23% voting power of Meituan as a controlling shareholder, and is wholly owned by Songtao Limited, the entire interest of which is held through trust established by Mr. Wang Xing (as settlor) for the benefit of Mr. Wang Xing and his family, with TMF (Cayman) Ltd. as trustee. Therefore, Meituan, Crown Holdings Asia Limited, Songtao Limited, TMF (Cayman) Ltd. and Mr. Wang Xing are deemed to be interested in the 82,693,975 shares held by Inspired Elite Investments Limited for the purpose of Part XV of the SFO. Mr. Chen Shaohui serves as a director at Inspired Elite Investment Limited.
2. Image Flag Investment (HK) Limited is wholly-owned by Tencent. Therefore, Tencent is deemed to be interested in the 157,169,260 shares held by Image Flag Investment (HK) Limited for the purpose of Part XV of the SFO.
3. Interstellar Investment Ltd. is wholly-owned by NottingHill Investment Ltd., which is owned as to 77.34% by FountainVest China Capital Partners Fund III, L.P., which is in turn wholly-owned by FountainVest China Capital Partners GP3 Ltd. Hence, NottingHill Investment Ltd., FountainVest China Capital Partners Fund III, L.P. and FountainVest China Capital Partners GP3 Ltd. are deemed to be interested in the Shares held by Interstellar Investment Ltd.

Save as disclosed above, as at December 31, 2025, so far as the Directors were aware, no other persons (other than the Directors or chief executive) had any interests or short positions in the Shares and underlying Shares as recorded in the register required to be kept by the Company under section 336 of the SFO.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed under the section headed "Employee Incentive Schemes" above, at no time during the year ended December 31, 2025 were rights to acquire benefits by means of the acquisition of Shares in or debentures of the Company granted to any Director or their respective spouse or children under 18 years of age, or were any such rights exercised by them; or was the Company or any of its subsidiaries or any of its holding companies or any of subsidiaries of its holding companies a party to any arrangement to enable the Directors, or their respective spouse or children under 18 years of age, to acquire such rights in any other body corporate.

CONTRACTS WITH CONTROLLING SHAREHOLDERS

As disclosed in the Prospectus of the Company and so far as the Directors or the chief executive of the Company were aware, the Company did not have any controlling shareholder for the year ended December 31, 2025.

EMPLOYEE RETIREMENT BENEFITS

Particulars of the employee retirement benefits of the Group are set out in Note 9 to the audited consolidated financial statements.

Directors' Report

SUFFICIENCY OF PUBLIC FLOAT

The Stock Exchange has granted the Company a waiver from strict compliance with the requirements of Rule 8.08(1) (a) of the Listing Rules. Based on the information that is publicly available to the Company and to the best knowledge and information of the Directors, as at the date of this Annual Report, the number of Shares in public hands of the total issued share capital of the Company satisfies the minimum percentage prescribed in the conditions imposed in the waiver granted by the Stock Exchange from strict compliance with Rule 8.08(1) of the Listing Rules.

CONNECTED TRANSACTIONS

Details of our Group's continuing connected transactions during the Reporting Period are set out as follows:

I. Continuing Connected Transactions with the Enlight Media Group

Non-Exempt Continuing Connected Transactions

As Enlight Media is an associate of Mr. Wang Changtian who is a non-executive Director and a substantial Shareholder of the Company, the transactions with Enlight Media constitute connected transactions of the Company.

1. *Enlight Movie and TV Series Production and Copyright Cooperation Framework Agreement*

1(a) *Enlight Movie and TV Series Production Cooperation Framework Agreement*

We entered into the movie and TV series production and copyright cooperation framework agreement with Enlight Media (for itself and on behalf of its subsidiaries (the "Enlight Media Group")) (the "Enlight Movie and TV Series Production and Copyright Cooperation Framework Agreement") on August 28, 2024, pursuant to which we and the Enlight Media Group agreed to cooperate with each other in the arrangements including but not limited to:

- Making joint investment in the production of movies and TV series.
- Forming joint ventures or other joint arrangements (whether as a partnership, a company or in any other form) in connection with or for the purpose of the investment in production of movies and TV series.

The term of the Enlight Movie and TV Series Production and Copyright Cooperation Framework Agreement is from January 1, 2025 to December 31, 2027, subject to renewal upon the mutual agreement of both parties.

The annual cap for the connected transaction for the year ended December 31, 2025 is RMB160.0 million, and the actual transaction amount for the year ended December 31, 2025 was approximately RMB15.0 million.

Directors' Report

1(b) Licensing and outright sales of copyright rights by the Group to the Enlight Media Group

Pursuant to the Enlight Movie and TV Series Production and Copyright Cooperation Framework Agreement, we and the Enlight Media Group agreed to cooperate on copyright, and the Group will provide the outright sales and licensing of any or all adaptation rights of the movies and TV series owned/invested by the Group for the Enlight Media Group, and the Enlight Media Group will pay licensing fees to us for such cooperation.

The annual cap for the connected transaction for the year ended December 31, 2025 is RMB50.0 million, and the actual transaction amount for the year ended December 31, 2025 was approximately RMB0.0 million.

1(c) Licensing and outright sales of copyright rights by the Enlight Media Group to the Group

Pursuant to the Enlight Movie and TV Series Production and Copyright Cooperation Framework Agreement, the Enlight Media Group will also provide the outright sales and licensing of any or all adaptation rights of the movies and TV series owned/invested by the Enlight Media Group for the Group, and the Group will pay licensing fees to the Enlight Media Group for such cooperation.

The annual cap for the connected transaction for the year ended December 31, 2025 is RMB20.0 million, and the actual transaction amount for the year ended December 31, 2025 was approximately RMB0.0 million.

Directors' Report

2. **Enlight Movie and TV series Promotion and Distribution Framework Agreement**

2(a). *Provision of Movie and TV series Promotion and Distribution Services by Our Group to the Enlight Media Group*

We renewed the movie and TV series promotion and distribution framework agreement with Enlight Media (for itself and on behalf of its subsidiaries) (the “Enlight Movie and TV Series Promotion and Distribution Framework Agreement”) on August 28, 2024, pursuant to which our Group will provide movie and TV series promotion and distribution services to the Enlight Media Group, and service fees will be paid to us in respect of such services.

- **Movies and TV series promotion services:** we will plan and coordinate various marketing and promotional activities to optimize the performance of movies and TV series, including but not limited to, conducting marketing and publicity campaigns as well as organizing fans gatherings and road shows.
- **Movies and TV series distribution services:** we will coordinate the distribution of marketing materials to cinemas and TV stations, configure marketing strategies and release plans, monitor box office performance and market feedback of movies and TV series.

The term of the Enlight Movie and TV Series Promotion and Distribution Framework Agreement is from January 1, 2025 to December 31, 2027, subject to renewal upon the mutual agreement of both parties.

The annual cap for the connected transaction for the year ended December 31, 2025 was RMB150.0 million, and the actual transaction amount for the year ended December 31, 2025 was approximately RMB36.1 million.

2(b). *Provision of Movie and TV Series Promotion and Distribution Services by the Enlight Media Group to Our Group*

Pursuant to the Enlight Movie and TV Series Promotion and Distribution Framework Agreement, the Enlight Media Group will also provide movie and TV series promotion and distribution services to our Group, and we will pay service fees to the Enlight Media Group. The principal terms are substantially the same as the terms on which we provide movie and TV series promotion and distribution services to the Enlight Media Group.

The annual cap for the connected transaction for the year ended December 31, 2025 was RMB50.0 million, and the actual transaction amount for the year ended December 31, 2025 was approximately RMB36.6 million.

Directors' Report

3. *Enlight Business Collaboration and Services Framework Agreement*

We renewed the business collaboration and services framework agreement with Enlight Media (for itself and on behalf of its subsidiaries) (the “Enlight Business Collaboration and Services Framework Agreement”) on August 28, 2024, pursuant to which our Group and the Enlight Media Group will engage in the following collaboration from time to time.

- **Provision of movie coupons:** the Enlight Media Group will purchase movie coupons from us;
- **Provision of advertising services:** the Group will provide online advertising services and in-movie advertising service to the Enlight Media Group;

The term of the Enlight Business Collaboration and Services Framework Agreement is from January 1, 2025 to December 31, 2027, subject to renewal upon the mutual agreement of both parties.

The annual cap for the connected transaction of provision by the Group of products and services to Enlight Media Group for the year ended December 31, 2025 was RMB15.0 million, and the actual transaction amount for the year ended December 31, 2025 was approximately RMB0.8 million.

Directors' Report

II. Continuing Connected Transactions with the Represented Tencent Group

Non-exempt continuing connected transactions

As Tencent is a substantial Shareholder of the Company, the transactions with the Represented Tencent Group constitute connected transactions of the Company.

4. Tencent Entertainment Content Production Cooperation Framework Agreement

We renewed the entertainment content production cooperation framework agreement with Tencent Computer (for itself and on behalf of the Represented Tencent Group) (the "Tencent Entertainment Content Production Cooperation Framework Agreement") on August 26, 2024, pursuant to which our Company (for itself and on behalf of the Group) and the Represented Tencent Group agreed to cooperate with each other in the joint arrangements including but not limited to:

- Making joint investment in the production of movies and TV series.
- Forming joint ventures or other joint arrangements (whether as a partnership, a company or in any other form) in connection with or for the purpose of the joint investment in the production of several types of entertainment content mentioned above.

The term of the Tencent Entertainment Content Production Cooperation Framework Agreement is from January 1, 2025 to December 31, 2027, subject to renewal upon the mutual agreement of both parties.

The annual cap for the connected transaction for the year ended December 31, 2025 was RMB210.0 million, and the actual transaction amount for the year ended December 31, 2025 was approximately RMB7.5 million.

Directors' Report

5. **Tencent Movie and TV series Promotion and Distribution Framework Agreement**

5(a). *Provision of movie and TV series promotion and distribution services by our Group to the Represented Tencent Group*

We renewed the movie and TV series promotion and distribution framework agreement with Tencent Computer (for itself and on behalf of its group members, excluding China Literature Limited and its subsidiaries, and Tencent Music Entertainment Group and its subsidiaries, (the "Represented Tencent Group")) (the "Tencent Movie and TV series Promotion and Distribution Framework Agreement") on August 26, 2024, pursuant to which we will provide movie and TV series promotion and distribution services to the Represented Tencent Group, and service fees will be paid to us in respect of such services:

- **Movies and TV series promotion services:** we will plan and coordinate various online or offline movie and TV series marketing and promotional activities, including but not limited to organizing private screening and movie premiere.
- **Movies and TV series distribution services:** we will coordinate the distribution of marketing materials to cinemas and TV stations, configure marketing strategies and release plans, monitor box office performance and market feedback of movies and TV series.

The term of the Tencent Movie and TV series Promotion and Distribution Framework Agreement is from January 1, 2025 to December 31, 2027, subject to renewal upon the mutual agreement of both parties.

The annual cap for the connected transaction for the provision of movie and TV series promotion and distribution services by the Group to the Represented Tencent Group for the year ended December 31, 2025 was RMB210.0 million, and the actual transaction amount for the year ended December 31, 2025 was approximately RMB0.0 million.

5(b). *Provision of Movie and TV Series Promotion and Distribution Services by the Represented Tencent Group to our Group*

Pursuant to the Tencent Movie and TV series Promotion and Distribution Framework Agreement, the Represented Tencent Group will also provide movie and TV series promotion and distribution services to our Group, and we will pay service fees to the Represented Tencent Group. The principal terms are substantially the same as the terms on which the Group provides movie and TV series promotion and distribution services to the Represented Tencent Group.

The annual cap for the connected transaction for the provision of movie and TV series promotion and distribution services by the Represented Tencent Group to the Group for the year ended December 31, 2025 was RMB60.0 million, and the actual transaction amount for the year ended December 31, 2025 was approximately RMB1.6 million.

Directors' Report

6. ***Payment Services Cooperation Framework Agreement***

We renewed the payment services cooperation framework agreement (the "Payment Services Cooperation Framework Agreement") with Tencent Computer (for itself and on behalf of the Represented Tencent Group) on August 26, 2024, pursuant to which the Represented Tencent Group will provide us with payment services through its payment channels so as to enable our users to conduct online transactions and we will pay service commissions to the Represented Tencent Group in respect of such services.

The term of the Payment Services Cooperation Framework Agreement is from January 1, 2025 to December 31, 2027, subject to renewal upon the mutual agreement of both parties.

The annual cap for the connected transaction for the year ended December 31, 2025 was RMB130.0 million, and the actual transaction amount for the year ended December 31, 2025 was approximately RMB98.8 million.

7. ***Cloud Services and Technical Services Framework Agreement***

We renewed the cloud services and technical services framework agreement (the "Cloud Services and Technical Services Framework Agreement") with Tencent Computer (for itself and on behalf of the Represented Tencent Group) on August 26, 2024, pursuant to which the Represented Tencent Group will provide cloud services and other technical services to us for service fees. Cloud services and other technical services include but not limited to provision of cloud services, cloud storage, technical support related to cloud services, and other technical services such as domain name resolution services.

The term of the Cloud Services and Technical Services Framework Agreement is from January 1, 2025 to December 31, 2027, subject to renewal upon the mutual agreement of both parties.

The annual cap for the connected transaction for the year ended December 31, 2025 was RMB80.0 million, and the actual transaction amount for the year ended December 31, 2025 was approximately RMB73.3 million.

8. ***Tencent Marketing Promotion Framework Agreement***

We entered into the marketing promotion framework agreement with Tencent Computer (for itself and on behalf of the Represented Tencent Group) (the "Tencent Marketing Promotion Framework Agreement") on August 26, 2024, pursuant to which, the Represented Tencent Group will provide to us traffic support and ancillary technical support service by, including but not limited to, authorizing the Company to utilize the Represented Tencent Group's products, channels, software and intellectual property rights.

Directors' Report

The term of the Tencent Marketing Promotion Framework Agreement is from January 1, 2025 to December 31, 2027, subject to renewal upon the mutual agreement of both parties.

For the year ended December 31, 2025, the annual cap for the connected transaction in respect of the traffic support and ancillary technical support service provided by Tencent Group to the Group was RMB205.0 million, and the actual transaction amount for the year ended December 31, 2025 was approximately RMB128.3 million.

9. *Tencent Business Collaboration and Services Framework Agreement*

We renewed the business collaboration and services framework agreement with Tencent Computer (for itself and on behalf of the Represented Tencent Group) (the "Tencent Business Collaboration and Services Framework Agreement") on August 26, 2024, pursuant to which our Group and the Represented Tencent Group will engage in the following collaboration from time to time.

- **Provision of movie coupons:** the Represented Tencent Group will purchase movie coupons from us;
- **Licensing of broadcasting rights:** our Group will license the broadcasting rights of entertainment content, including movies, concerts, shows and events, to the Represented Tencent Group for a licensing fee;
- **Provision of advertising services:** we will provide advertising services to the Represented Tencent Group, and the Represented Tencent Group will pay service fees for such advertisement services;
- **Provision of online entertainment event ticketing services:** our Group will provide online ticketing services to the Represented Tencent Group for service fees;
- **Purchase of advertising services:** the Represented Tencent Group will provide advertising services to us for service fees;
- **Purchase of other forms of advertisement resources:** our Group will purchase other forms of advertisement resources to be used in our advertising business and publicity activities from the Represented Tencent Group. For example, we will engage artists managed by the Represented Tencent Group to attend our publicity activities.

Directors' Report

The term of the Tencent Business Collaboration and Services Framework Agreement is from January 1, 2025 to December 31, 2027, subject to renewal upon the mutual agreement of both parties.

The annual cap for the connected transaction of provision by the Group of products and services to the Represented Tencent Group for the year ended December 31, 2025 was RMB70.0 million, and the actual transaction amount for the year ended December 31, 2025 was approximately RMB6.5 million.

The annual cap for the connected transaction of provision by the Represented Tencent Group of products and services to the Group for the year ended December 31, 2025 was RMB10.0 million, and the actual transaction amount for the year ended December 31, 2025 was approximately RMB5.7 million.

III. Continuing Connected Transaction with China Literature Group

Non-exempt continuing connected transaction

As China Literature is a subsidiary of Tencent, the transaction with China Literature Group constitute connected transactions of the Company.

10. China Literature Entertainment Content Investment and Production Cooperation Framework Agreement

On August 26, 2024, we and Shanghai Yueting (for itself and on behalf of China Literature Group) entered into the Entertainment Content Investment and Production Cooperation Framework Agreement (the "China Literature Entertainment Content Investment and Production Cooperation Framework Agreement"), pursuant to which the Company (for itself and on behalf of the Group) and China Literature Group agreed to cooperate with each other in the joint investment for the production of movies.

The term of the China Literature Entertainment Content Investment and Production Cooperation Framework Agreement is from January 1, 2025 to December 31, 2027, subject to renewal upon the mutual agreement of both parties.

The annual cap for this connected transaction for the year ended December 31, 2025 was RMB200.0 million and the actual transaction amount for the year ended December 31, 2025 was approximately RMB28.0 million.

Directors' Report

11. **China Literature Movies Promotion and Distribution Framework Agreement**

11(a). Provision of Movies Promotion and Distribution Services by our Group to China Literature Group

On August 26, 2024, we and Shanghai Yueting (for itself and on behalf of China Literature Group) entered into the Movies Promotion and Distribution Framework Agreement (the "China Literature Movies Promotion and Distribution Framework Agreement"), pursuant to which we will provide movies promotion and distribution services to China Literature Group:

- **Movies promotion services:** the Group will plan and coordinate various online or offline marketing and promotional activities, including but not limited to organizing private screening and movie premiere;
- **Movies distribution services:** the Group will coordinate the distribution of marketing materials, configure marketing strategies and release plans, and monitor box office performance and market feedback of movies.

The term of the China Literature Movies Promotion and Distribution Framework Agreement is from January 1, 2025 to December 31, 2027, subject to renewal upon the mutual agreement of both parties.

The annual cap for the connected transaction for the year ended December 31, 2025 was RMB210.0 million, and the actual transaction amount for the year ended December 31, 2025 was approximately RMB0.0 million.

11(b). Provision of Movies Promotion and Distribution Services by China Literature Group to our Group

Pursuant to the China Literature Movies Promotion and Distribution Framework Agreement, the China Literature Group will also provide movie promotion and distribution services to our Group and we will pay service fees to the China Literature Group, the main terms of which are generally consistent with the terms under which the Group provides movie promotion and distribution services to the China Literature Group.

The annual cap for the connected transaction for the year ended December 31, 2025 was RMB20.0 million, and the actual transaction amount for the year ended December 31, 2025 was approximately RMB0.0 million.

Directors' Report

ANNUAL REVIEW BY THE INDEPENDENT NON-EXECUTIVE DIRECTORS AND THE AUDITOR

The independent non-executive Directors reviewed the aforesaid continuing connected transactions, and confirmed that these continuing connected transactions:

- (a) were entered into in the ordinary and usual course of business of the Group;
- (b) were either on normal commercial terms or better; and
- (c) were conducted in accordance with the relevant agreements governing them on terms that are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

The auditor of the Company performed certain procedures regarding the continuing connected transactions entered into by the Group during the year ended December 31, 2025, in accordance with the Hong Kong Standard on Assurance Engagement 3000 (Revised) "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the HKICPA, as set out above and confirms that:

- (a) Nothing has come to their attention that causes the auditor to believe that the disclosed continuing connected transactions have not been approved by the Company's Board of Directors;
- (b) For transactions involving the provision of goods or services by the Group, nothing has come to their attention that causes the auditor to believe that the transactions were not, in all material respects, in accordance with the pricing policies of the Group;
- (c) Nothing has come to their attention that causes the auditor to believe that the transactions were not entered into, in all material respects, in accordance with the relevant agreements governing such transactions;
- (d) With respect to the aggregate amount of each of the continuing connected transactions (other than those transactions with Consolidated Affiliated Entities) set out in the attached list of continuing connected transactions, nothing has come to their attention that causes the auditor to believe that the disclosed continuing connected transactions have exceeded the annual cap as set by the Company; and
- (e) With respect to the disclosed continuing connected transactions with Consolidated Affiliated Entities under the contractual arrangements, nothing has come to their attention that causes the auditor to believe that dividends or other distributions have been made by Consolidated Affiliated Entities to the holders of the equity interests of Consolidated Affiliated Entities which are not otherwise subsequently assigned or transferred to the Group.

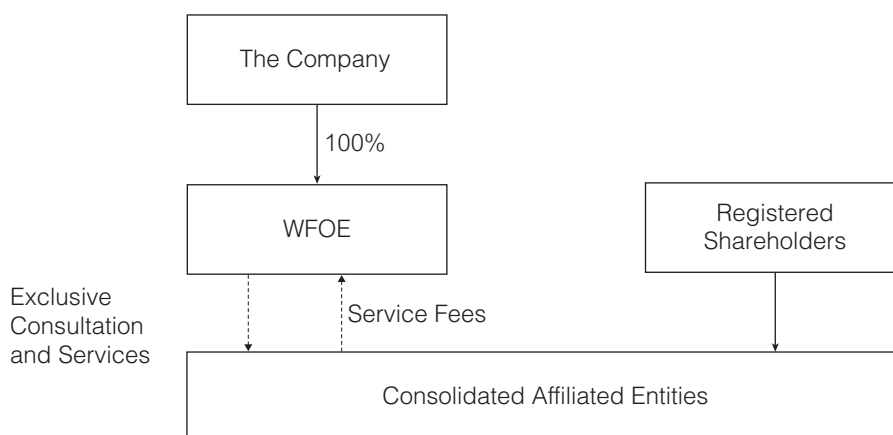
Directors' Report

Saved as disclosed in this annual report, none of the related party transactions as disclosed in note 33 to the audited consolidated financial statements constituted as connected transactions or continuing connected transactions as defined in Chapter 14A of the Listing Rules and in compliance with the disclosure requirements under Chapter 14A of the Listing Rules.

CONTRACTUAL ARRANGEMENTS

Due to regulatory restrictions on foreign ownership in Relevant Businesses in the PRC, we conduct a portion of our business through our Consolidated Affiliated Entities in the PRC. We do not hold any equity interests in our Consolidated Affiliated Entities which are held by Registered Shareholders. The Contractual Arrangements enable us to (i) receive substantially all of the economic benefit from our Consolidated Affiliated Entities in consideration for the services provided by Maoyan Technology to the Consolidated Affiliated Entities; (ii) exercise effective control over our Consolidated Affiliated Entities; and (iii) hold an exclusive option to purchase all or part of the equity interests in Consolidated Affiliated Entities when and to the extent permitted by PRC laws.

The following simplified diagram illustrates the flow of economic benefits from our Consolidated Affiliated Entities to our Group stipulated under the Contractual Arrangements as at December 31, 2025:



「—————>」 denotes legal and beneficial ownership in the equity interest.

「----->」 denotes contractual relationship.

Directors' Report

SUMMARY OF MAJOR TERMS UNDER THE CONTRACTUAL ARRANGEMENTS

As at December 31, 2025, there were two sets of ongoing Contractual Arrangements in place:

- (a) In respect of Tianjin Maoyan Weying, the amended and restated Exclusive Consultation and Service Agreement, the amended and restated Exclusive Option Agreement, the amended and restated Equity Pledge Agreement and the amended and restated Shareholders' Rights Proxy Agreement were entered into among the WFOE, Tianjin Maoyan Weying (as the Operating Entity), Enlight Holdings, Enlight Media, Shanghai Sankuai Technology, Weying Culture, Linzhi Lixin and Historical ESOP Platforms (together as the Registered Shareholders) on August 9, 2018 (the "Existing Contractual Arrangement");
- (b) In respect of Tianjin Ganyu, the Exclusive Consultation and Service Agreement, the Exclusive Option Agreement, the Equity Pledge Agreement and the Shareholders' Rights Proxy Agreement were entered into among the WFOE, Tianjin Ganyu (as the Operating Entity) and Tianjin Yunqi (as the Registered Shareholder) on July 15, 2024 (the "New Contractual Arrangement"). For details of the New Contractual Arrangement, please refer to the announcement of the Company dated July 15, 2024.

Each of the above two sets of Contractual Arrangements includes substantially similar terms. A description of each of the specific agreements that comprise the Contractual Arrangements is set out below.

Exclusive Consultation and Service Agreement

Pursuant to the Exclusive Consultation and Service Agreement under each of Contractual Arrangements, the relevant Operating Entity agreed to engage the WFOE as its exclusive provider of technical support, consultation and other services, including the following services:

- providing information consultation services in respect of the Consolidated Affiliated Entities' business;
- providing business management consultation;
- providing technical support and professional training services to relevant staff of the Consolidated Affiliated Entities;
- providing order management and customer services;
- providing marketing and promotion services;
- assisting Consolidated Affiliated Entities in consultancy, collection and research of technology and market information (excluding market research business that wholly foreign owned enterprises are prohibited from conducting under PRC laws);
- design, development, maintenance and updating of software in respect of the Consolidated Affiliated Entities' business;

Directors' Report

- license and authorization of use of the software, trademarks, domain names and various other types of intellectual properties owned by the WFOE;
- design, installation, daily management, maintenance and updating of network systems, hardware and database;
- maintenance of the local area network of the Consolidated Affiliated Entities' business and anti-virus and security management of the network of the Consolidated Affiliated Entities' business;
- assisting Consolidated Affiliated Entities for transfer, leasing and disposal of equipment and properties;
- providing on-site services upon request from the Consolidated Affiliated Entities, arranging engineers to provide on-site assistance for conferences and other relevant technical support and consultation services; and
- other relevant services requested by the Consolidated Affiliated Entities from time to time to the extent permitted under PRC laws.

Under the Exclusive Consultation and Service Agreement, the service fee shall consist of 100% of the total consolidated profit of the Consolidated Affiliated Entities, after deduction of any accumulated deficit of the Consolidated Affiliated Entities in respect of the preceding financial year(s), operating costs, expenses, taxes and other statutory contributions. Notwithstanding the foregoing, the WFOE may adjust the scope and amount of service fees according to PRC tax law and tax practices, and the relevant Operating Entity will accept such adjustments. The WFOE shall calculate the service fees on a monthly basis and issue a corresponding invoice to the Relevant Operating Entity. The relevant Operating Entity shall make payment to the bank account designated by the WFOE within 10 days upon receipt of the invoice and send payment certificates to the WFOE.

In addition, absent the prior written consent of the WFOE, during the term of the Exclusive Consultation and Service Agreement, with respect to the services subject to the Exclusive Consultation and Service Agreement and other matters, the Consolidated Affiliated Entities shall not directly or indirectly accept the same or any similar services provided by any third party, establish cooperation relationships similar to that formed by the Exclusive Consultation and Service Agreement with any third party, or in its own initiative perform any acts which might affect the confidentiality of the technology and secrets involved in the service provided by the WFOE or the effectiveness and efficiency of the technical supports or allow any third party to do the same. The WFOE may appoint other parties, who may enter into certain agreements with the Consolidated Affiliated Entities, to provide the Consolidated Affiliated Entities with the services under the Exclusive Consultation and Service Agreement.

Directors' Report

The Exclusive Consultation and Service Agreement also provide that the WFOE has the exclusive proprietary rights to and relevant interests in any and all intellectual property rights developed or created by the Consolidated Affiliated Entities during the performance of the Exclusive Consultation and Service Agreement.

In respect of Tianjin Maoyan Weying, the validity period of the Exclusive Consultation and Service Agreement shall start from the execution date and it shall remain effective for 20 years unless terminated (a) by agreement between the WFOE and Tianjin Maoyan Weying; or (b) by a written notice from the WFOE at least 30 days before termination. Tianjin Maoyan Weying is not entitled to unilaterally terminate the agreement. Upon expiration of the agreement and if the WFOE intends to extend it, Tianjin Maoyan Weying shall accept the extension without conditions. In respect of Tianjin Ganyu, the validity period of the Exclusive Consultation and Service Agreement shall start from the execution date and continue to be valid unless terminated (a) by agreement between the WFOE and Tianjin Ganyu; or (b) by a written notice from the WFOE at least 30 days before termination. Tianjin Ganyu is not entitled to unilaterally terminate the agreement. Upon expiration of the agreement and if the WFOE intends to extend it, Tianjin Ganyu shall accept the extension without conditions.

Exclusive Option Agreement

Pursuant to the Exclusive Option Agreement under each of Contractual Arrangements, the WFOE has been granted an irrevocable, unconditional and exclusive right to require the Registered Shareholders to transfer any or all their equity interests in the relevant Operating Entity to the WFOE and/or a third party designated by it, in whole or in part at any time and from time to time. The relevant Operating Entity and its Registered Shareholders, among other things, have covenanted that:

- without the prior written consent of the WFOE, they shall not in any manner supplement, change or amend the constitutional documents of the Consolidated Affiliated Entities, increase or decrease their registered capital, or change the structure of their registered capital in other manner;
- they shall maintain the Consolidated Affiliated Entities' corporate existence in accordance with good financial and business standards and practices, obtain and maintain all necessary government licenses and permits by prudently and effectively operating their business and handling their affairs;
- without the prior written consent of the WFOE, they shall not and shall procure its subsidiaries not, at any time following the date when the Exclusive Option Agreement came into effect sell, transfer, pledge or dispose of in any manner any assets of more than RMB5,000,000, business, operation rights or legitimate interest in the income of Tianjin Maoyan Weying;
- without the prior written consent of the WFOE, the Consolidated Affiliated Entities shall not incur, inherit, guarantee or assume any debt, except for payables incurred in the ordinary course of business not generated from loans;

Directors' Report

- the Consolidated Affiliated Entities shall always operate all of their businesses during the ordinary course of business to maintain their asset value and refrain from any action/omission that may adversely affect their operating status and asset value;
- without the prior written consent of the WFOE, they shall not cause the Consolidated Affiliated Entities to execute any material contract with a value of more than RMB5,000,000, except the contracts executed in the ordinary course of business;
- without the prior written consent of the WFOE, they shall not cause the Consolidated Affiliated Entities to provide any person with any loan or credit, or guarantee for any third-party debt;
- they shall provide the WFOE with information on the Consolidated Affiliated Entities' business operations and financial condition at the request of the WFOE;
- if requested by the WFOE, they shall procure and maintain insurance in respect of the Consolidated Affiliated Entities' assets and business from an insurance carrier acceptable to the WFOE, at an amount and type of coverage typical for companies that operate similar businesses;
- without the prior written consent of the WFOE, they shall not cause or permit the Consolidated Affiliated Entities to merge, consolidate with, acquire or invest in any person;
- they shall immediately notify the WFOE of the occurrence or possible occurrence of any litigation, arbitration or administrative proceedings relating to the Consolidated Affiliated Entities' assets, business or revenue, as well as any circumstances which may adversely affect the Consolidated Affiliated Entities' existence, business operation, financial situation, assets or goodwill;
- to maintain the ownership by the Consolidated Affiliated Entities of all of their assets, they shall execute all necessary or appropriate documents, take all necessary or appropriate actions and file all necessary or appropriate complaints or raise necessary and appropriate defences against all claims;
- without the prior written consent of the WFOE, the Consolidated Affiliated Entities shall not in any manner distribute profits or dividends to their shareholders, provided that upon the request of the WFOE, the Consolidated Affiliated Entities shall immediately distribute all distributable profits to their shareholders;
- at the request of the WFOE, they shall appoint any persons designated by the WFOE as the directors, supervisors and senior management of the Consolidated Affiliated Entities, replace or remove the directors, supervisors and senior management of the Consolidated Affiliated Entities, and go through all relevant resolution procedures and filings;

Directors' Report

- without the written consent of the WFOE, the Consolidated Affiliated Entities shall not engage in any business in competition with the WFOE or its affiliates;
- unless otherwise mandatorily required by PRC laws, the Consolidated Affiliated Entities shall not be dissolved or liquidated without prior written consent by the WFOE;
- if the exercise of the rights by the WFOE is obstructed due to the Consolidated Affiliated Entities' or any of their shareholders' non-compliance of their tax duties under applicable laws, the WFOE shall have the right to require them to fulfill such tax duties;
- in the event of bankruptcy, dissolution, liquidation, death or loss of legal capacity (if applicable) of any of Consolidated Affiliated Entities' shareholders, or other circumstances that may affect the Consolidated Affiliated Entities' equity interests, any successor of an existing shareholder shall be deemed to be a party to the Exclusive Option Agreement. The Consolidated Affiliated Entities shall, on or before the day of signing this agreement to make everything properly arranged and signed in order to ensure the documentations, in the event of bankruptcy, dissolution, liquidation, death, incapacity or divorce (if applicable) and any circumstance of their shareholders, will not affect or hinder the fulfillment of the Exclusive Option Agreement. The Exclusive Option Agreement and other contractual arrangements shall prevail any form of agreements relating to disposition of interests in the Consolidated Affiliated Entity unless prior written consent from the WFOE is obtained;
- without the prior written consent of the WFOE, the Consolidated Affiliated Entities will not and shall not assist or permit their shareholders to transfer or otherwise dispose of any option equity or to establish any security interest or other third-party rights on any option equity; and
- if signing and performance of the Exclusive Option Agreement and the stock transfer options granted under the Exclusive Option Agreement shall require any third party's consent, permission, waiver, authorization or any governmental agency's approval, license, immunity, registration or filing in accordance with the law, the Consolidated Affiliated Entities shall make every endeavour to help satisfy the above conditions.

In addition, the Registered Shareholders, among other things, have covenanted that:

- without the written consent of the WFOE, they shall not sell, transfer, pledge or dispose of in any other manner the legal or beneficial interest in the relevant Operating Entity, or allow the encumbrance thereon of any security interest, except for the Equity Pledge Agreement and the interests prescribed in the Proxy Agreement;

Directors' Report

- for each exercise of the equity purchase option, they shall cause the shareholders' meeting and/or the board of directors of the Operating Entity to vote on the approval of the transfer of equity interests and any other action requested by the WFOE;
- Registered Shareholders whose equity interest has not been transferred shall relinquish the pre-emptive right (if any) it is entitled to in relation to the transfer of equity interest by any other shareholders to the WFOE and/or any entity or individual appointed by the WFOE pursuant to Exclusive Option Agreement;
- without the written consent of the WFOE, each of the Registered Shareholders shall not request the relevant Operating Entity to distribute dividends or profits in any form, propose resolutions in relation to this at a general meeting, or vote to pass such resolutions. In any event, unless decided otherwise by the WFOE, if any Registered Shareholder receives corporate income, profits or dividends from the Operating Entity, they shall pay or transfer the received income, profits, dividends to the WFOE or any party designated by the WFOE to the extent allowed by the PRC laws; and
- Registered Shareholders shall also strictly comply with the provisions of the Exclusive Option Agreement between Registered Shareholders, the relevant Operating Entity and the WFOE, and shall faithfully perform the obligations under such agreements and shall not conduct any act and/or omission which shall affect the validity and enforceability of such agreements. If any Registered Shareholder retains any rights on the equities as in the Equity Pledge Agreement or the Proxy Agreement, it shall not exercise such rights unless instructed in writing by the WFOE.

The validity period of the Exclusive Option Agreement shall start from the execution date and it shall remain effective unless terminated if the entire equity interests held by the Registered Shareholders or their successors or the transferees in the relevant Operating Entity have been transferred to the WFOE or their appointee(s).

Equity Pledge Agreement

Pursuant to the Equity Pledge Agreement under each of Contractual Arrangements, each of the Registered Shareholders agreed to pledge all their respective equity interests in the relevant Operating Entity that they own, including any interest or dividend paid for the shares, to the WFOE as a security interest to guarantee the performance of contractual obligations and the payment of outstanding debts.

The pledge in respect of the relevant Operating Entity takes effect upon the completion of change of registration with the relevant administration for industry and commerce and shall remain valid until after all the contractual obligations of the Registered Shareholders and the relevant Operating Entity under the relevant Contractual Arrangements have been fully performed and all the outstanding debts of the Registered Shareholders and the relevant Operating Entity under the relevant Contractual Arrangements have been fully paid.

Directors' Report

Upon the occurrence and during the continuance of an event of default (as defined in the Equity Pledge Agreement), unless such default is cured within twenty days following the Registered Shareholders or the relevant Operating Entity's receipt of the written notice which requests for the cure of such default, the WFOE shall have the right to exercise all such rights as a secured party under any applicable PRC law and the Equity Pledge Agreement, including without limitations, being paid in priority with the equity interests based on the monetary valuation that such equity interests are converted into or from the proceeds from auction or sale of the equity interest upon written notice to the Registered Shareholders.

The equity pledge registrations under the Equity Pledge Agreement as required by the relevant laws and regulations have been completed in accordance with the Equity Pledge Agreement and PRC laws and regulations.

Shareholders' Rights Proxy Agreement

Pursuant to the Shareholders' Rights Proxy Agreement under each of Contractual Arrangements, pursuant to which, each of the Registered Shareholders irrevocably and exclusively appointed the persons designated by the WFOE (including but not limited to Directors of the WFOE's parent company, Maoyan Entertainment, and their successors and liquidators replacing the Directors but excluding those who are non-independent or who may give rise to conflict of interests) as its attorneys-in-fact to exercise on its behalf, any and all right that it has in respect of its equity interests in the relevant Operating Entity, including without limitation:

- to propose to convene and to attend shareholders' meetings of the relevant Operating Entity and to execute any and all written resolutions and meeting minutes in the name and on behalf of such shareholder;
- to exercise all shareholder's rights and shareholder's voting rights in accordance with law and the constitutional documents of the relevant Operating Entity, including but not limited to the sale, transfer, pledge or disposal of any or all of the equity interests in the relevant Operating Entity;
- to nominate, elect, appoint or remove the legal representatives, directors, supervisors, general manager, chief financial officer and other senior management of the relevant Operating Entity;
- to supervise business performance, approve annual budget, declare dividends, and consult financial information of the relevant Operating Entity;
- to permit the relevant Operating Entity to submit any registration documents to relevant governmental authorities and to file documents with company registry;
- to exercise voting rights on behalf of the shareholders prior to liquidation of the relevant Operating Entity;

Directors' Report

- If the act of directors and/or senior management harms the interests of the relevant Operating Entity or its shareholders, to file a shareholder action against such directors and/or senior management or to take other legal actions;
- to approve amendments on the articles of association; and
- to exercise any other rights granted to shareholders pursuant to the relevant Operating Entity's articles of association or relevant laws and regulations.

On June 30, 2019, NDRC and the MOFCOM issued Order No.25, and promulgated the Special Administrative Measures for Access of Foreign Investment (Negative List) (the "Negative List (2019)") (2019 Edition, which came into force from July 30, 2019). As advised by our PRC legal advisor, the Negative List (2019) has cancelled foreign investment restrictions for the performance brokerage business, and according to our communication with the competent culture department of Tianjin, it began to accept applications for performance brokerage licenses for wholly foreign-owned enterprises at the end of 2019. Based on this, the performance brokerage business of Maoyan Live JV, our Consolidated Affiliated Entity, is no longer subject to the limit of not more than 50% foreign investment at the time of its establishment. Accordingly, after seeking the advice of our PRC legal advisor, the Company has established its wholly-owned subsidiary, namely Maoyan (Guangzhou) Entertainment Culture Co., Ltd. (貓眼(廣州)文化娛樂有限公司), which has applied for a commercial performance license in accordance with the law and will undertake internal performance business in the group. After the transfer of the performance brokerage business, Maoyan Live JV and its subsidiaries will gradually cease operations until it is deregistered.

For the year ended December 31, 2025, save for the release of the Special Administration Measures for Access of Foreign Investment (Negative List) (2024 Edition) (the "Negative List (2024)"), which was issued on September 6, 2024 and came into force from November 1, 2024 and the active measures taken by the Company in response, none of the Contractual Arrangements had been unwound on the basis that none of the restrictions that led to the adoption of the Contractual Arrangements had been removed. As of December 31, 2025, we had not encountered interference or encumbrance from any PRC governing bodies in operating our businesses through our Consolidated Affiliated Entities under the Contractual Arrangements.

The revenue of the Consolidated Affiliated Entities amounted to RMB2,048 million for the year ended December 31, 2025, representing an increase of 24.00% from RMB1,942 million for the year ended December 31, 2024. As of December 31, 2025, the total assets of the Consolidated Affiliated Entities amounted to RMB8,850 million, representing approximately 69.55% of the total assets of our Group.

Directors' Report

Reasons for Adopting the Contractual Arrangements

Foreign investment activities in the PRC are mainly governed by the Catalogue of Encouraged Industries for Foreign Investment (2025 Edition) (the "Catalogue", which has replaced the Catalogue of Encouraged Industries for Foreign Investment (2022 Edition)) and the Negative List (2024), which have been promulgated and amended from time to time jointly by the MOFCOM and the NDRC. The Catalogue and the Negative List (2024) divide industries into four categories in terms of foreign investment, namely, "encouraged", "restricted", "prohibited" and "permitted" (the last category of which includes all industries not listed under the "encouraged", "restricted" and "prohibited" categories).

As advised by our PRC legal advisor, our (i) value-added telecommunication services business; (ii) movie distribution; and (iii) radio and television program production conducted by our Consolidated Affiliated Entities are subject to foreign investment restriction or prohibition in accordance with the Catalogue and the Negative List (2024).

In order to maintain our business operations in compliance with the applicable PRC laws and regulations, the Company, as a foreign investor under the current regulatory regime, has adopted the Contractual Arrangements, which allow the Company to exercise control over the business operation of our Consolidated Affiliated Entities and enjoy all the economic interests derived therefrom.

For details of the foreign investment restrictions relating to the Contractual Arrangements, please refer to the sections headed "Contractual Arrangements – PRC Regulatory Background" and "Contractual Arrangements – Qualification Requirements under the FITE Regulations" on pages 270 to 275, and the section headed "Contractual Arrangements – Development in the PRC Legislation on Foreign Investment" on pages 291 to 295 of the Prospectus, and the announcement of the Company dated July 15, 2024.

Risks Relating to the Contractual Arrangements

The Company believes the following risks are associated with the Contractual Arrangements:

- If the PRC government finds that the agreements that establish the structure for operating our businesses in China do not comply with applicable PRC laws and regulations, or if these regulations or their interpretation change in the future, we could be subject to severe consequences, including the nullification of the contractual arrangements and the relinquishment of our interest in our Consolidated Affiliated Entities.
- Our contractual arrangements may not be as effective in providing operational control as direct ownership. Tianjin Maoyan Weying or its shareholders may fail to perform their obligations under our contractual arrangements.

Directors' Report

- We may lose the ability to use and enjoy assets held by our Consolidated Affiliated Entities that are material to our business operations if our Consolidated Affiliated Entities declare bankruptcy or become subject to a dissolution or liquidation proceeding.
- The shareholders and directors of Tianjin Maoyan Weying may have conflicts of interest with us, which may materially and adversely affect our business.
- If we exercise the option to acquire equity ownership or assets of Consolidated Affiliated Entities, the ownership or asset transfer may subject us to certain limitations and substantial costs.
- Our contractual arrangements may be subject to scrutiny by the PRC tax authorities, and a finding that we owe additional taxes could substantially reduce our profit and the value of the Shareholders' investment.

Further details of these risks are set out in the section headed "Risk Factors – Risks Relating to Our Contractual Arrangement" on pages 59 to 65 of the Prospectus.

The Foreign Investment Law

The Foreign Investment Law (外商投資法) (the "FIL") promulgated by the National People's Congress on March 15, 2019 and Implementation Regulations for Foreign Investment Law promulgated by the State Council of China on December 26, 2019 (the "Implementation Regulations for FIL") have taken effect on January 1, 2020. The FIL replaces the existing laws regulating foreign investments in PRC, namely, the Sino-foreign Equity Joint Venture Enterprise Law, the Sino-foreign Cooperative Joint Venture Enterprise Law and the Wholly Foreign-invested Enterprise Law. The FIL and Implementation Regulations for FIL embody an expected regulatory trend in PRC to rationalize its foreign investment regulatory regime in line with prevailing international practice and the legislative efforts to unify the corporate legal requirements for both foreign and domestic investments.

The FIL and Implementation Regulations for FIL do not explicitly stipulate the contractual arrangements as a form of foreign investment. The FIL does not mention concepts including "actual control" and "controlling through contractual arrangements" nor does it specify the regulation on controlling through contractual arrangements. Furthermore, the FIL and Implementation Regulations for FIL do not specifically stipulate rules on the Relevant Businesses. Instead, the FIL and Implementation Regulations for FIL stipulate that "foreign investors invest in PRC through any other methods under laws, administrative regulations, or provisions prescribed by the State Council". In addition, the FIL and Implementation Regulations for FIL do not specify what actions shall be taken with respect to the existing companies with a VIE structure, whether or not these companies are controlled by PRC entities and/or citizens. Therefore, as advised by our PRC legal advisor, our Contractual Arrangements are currently not affected by the FIL and Implementation Regulations for FIL.

Directors' Report

Nevertheless, there are possibilities that future laws, administrative regulations or provisions of the State Council of PRC may stipulate contractual arrangements as a way of foreign investments, and then whether our Contractual Arrangements will be recognised as foreign investments, whether our Contractual Arrangements will be deemed to be in violation of the foreign investment access requirements and how our Contractual Arrangements will be dealt with are uncertain.

Our Group has adopted the following measures to ensure the effective operation of our Group with the implementation of the Contractual Arrangements and our compliance with the Contractual Arrangements:

- (1) major issues arising from the implementation and compliance with the Contractual Arrangements or any regulatory enquiries from government authorities will be submitted to the Board, if necessary, for review and discussion on an occurrence basis;
- (2) the Board will review the overall performance of and compliance with the Contractual Arrangements at least once a year;
- (3) our Company will disclose the overall performance of and compliance with the Contractual Arrangements in our annual reports; and
- (4) our Company will engage external legal advisors or other professional advisors, if necessary, to assist the Board to review the implementation of the Contractual Arrangements and review the legal compliance of our WFOE and Consolidated Affiliated Entities to deal with specific issues or matters arising from the Contractual Arrangements.

FROZEN EQUITY INTERESTS OF TIANJIN MAOYAN WEYING

Weying Culture, one of the Registered Shareholders holding 26.9% equity interests in Tianjin Maoyan Weying, and its affiliated company, Weying Technology, have been involved in certain lawsuits as defendants in the PRC. The plaintiffs of the lawsuits applied for, and the relevant PRC courts granted, orders to freeze the equity interests held by Weying Culture in Tianjin Maoyan Weying (the "Frozen Equity Interests") (i.e. Document 2021 Jing 04 Zhi 480 and Document 2022 Jing 01 Zhi 1258), as shown on National Enterprise Credit Information Publicly System. As of the date of this Annual Report, Weying's debts under the above lawsuits have not been paid off and the freezes are not released.

In response to the above lawsuits, Weying Technology and Weying Culture co-issued the Confirmation Letter to Tianjin Maoyan Weying and WFOE, pursuant to which Weying undertook to comply with and fulfil the terms and conditions, responsibilities and obligations under the Contractual Arrangements including but not limited to fully cooperating with the WFOE's instructions when the WFOE exercises its irrevocable and exclusive right to purchase the Frozen Equity Interests, or transfer the Frozen Equity Interests to the WFOE's assignee at the WFOE's request.

Directors' Report

The Directors, based on the advice of Company's PRC legal advisors, consider that the Contractual Arrangements and the Confirmation Letter are in compliance with relevant PRC laws and regulations and are legally binding and enforceable. There is no material adverse impact on the Contractual Arrangements.

WAIVERS GRANTED BY THE STOCK EXCHANGE

In respect of the Existing Contractual Arrangement, the Company has applied to the Stock Exchange for, and the Stock Exchange has granted to the Company, a waiver from strict compliance with (i) the announcement and independent Shareholders' approval requirements under Rules 14A.04 and 14A.105 of the Listing Rules; and (ii) the requirement of setting an annual cap for the transaction under the Existing Contractual Arrangement under Rule 14A.53 of the Listing Rules, for so long as our Shares are listed on the Stock Exchange, subject to the certain conditions as disclosed on pages 253 to 256 of the Prospectus.

Confirmation from Independent Non-executive Directors

The Company's independent non-executive Directors have reviewed the Existing Contractual Arrangement and confirmed that:

- (i) the transactions carried out during the year ended December 31, 2025 have been entered into in accordance with the relevant provisions of the Existing Contractual Arrangement;
- (ii) no dividends or other distributions have been made by the Consolidated Affiliated Entities under the Existing Contractual Arrangement to the holders of its equity interests which are not otherwise subsequently assigned or transferred to the Group during the year ended December 31, 2025; and
- (iii) any new contracts entered into, renewed or reproduced between the Group and the Consolidated Affiliated Entities under the Existing Contractual Arrangement during the year ended December 31, 2025 are fair and reasonable, or advantageous to the Shareholders, so far as the Group is concerned and in the interests of the Company and the Shareholders as a whole.

Directors' Report

Confirmations from the Auditor

The Auditor has confirmed in a letter to the Board that, with respect to the Existing Contractual Arrangement:

- (i) nothing has come to their attention that causes the Auditor to believe that those transactions under the Existing Contractual Arrangement have not been approved by the Board;
- (ii) nothing has come to their attention that causes the Auditor to believe that those transactions under the Existing Contractual Arrangement were not entered into, in all material respects, in accordance with the relevant agreements governing such transactions; and
- (iii) nothing has come to their attention that causes the Auditor to believe that dividends or other distributions have been made by Consolidated Affiliated Entities under the Existing Contractual Arrangement to the holders of its equity interests which are not otherwise subsequently assigned or transferred to the Group.

AUDIT COMMITTEE

The Audit Committee had reviewed together with the Board the accounting principles and policies adopted by the Group and the audited consolidated financial statements for the year ended December 31, 2025.

AUDITOR

The financial statements of the Group for the year ended December 31, 2025 have been audited by PricewaterhouseCoopers, auditor of the Company, who shall retire and, being eligible, have offered itself for re-appointment as auditor at the AGM. The Company has not changed auditor during any of the past three years.

A resolution will be proposed at the AGM to re-appoint PricewaterhouseCoopers as the auditor of the Company and to authorize the Board to re-authorize the executive Director or the management to fix the remuneration of auditor.

By order of the Board

Maoyan Entertainment

Zheng Zhihao

Executive Director

Hong Kong, March 26, 2026

Corporate Governance Report

CORPORATE GOVERNANCE PRACTICES

The Company is dedicated to maintaining and ensuring high standards of corporate governance practices and the corporate governance principles of the Company are adopted in the interest of the Company and its Shareholders.

The Board considered that the Company had complied with all applicable code provisions set out in the Corporate Governance Code during the Reporting Period. Unless otherwise stated, reference of the code provisions made in this corporate governance report in relation to the Corporate Governance Code is referred to the provisions contained in the Appendix C1 to the Listing Rules in force during the year ended December 31, 2025.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as set out in Appendix C3 to the Listing Rules as its own code of conduct regarding Directors' securities transactions. Having made specific enquiry of all Directors, each of the Directors has confirmed that he/she has complied with the Model Code during the Reporting Period.

CORPORATE CULTURE

The Company promotes the values of "integrity, excellence, cooperation, and happiness", serving as the tenet of advancing our sustainability development and proactive progress. By adopting a number of policies and measures to promote the integration of corporate values into our business operations, including but not limited to promoting the cultural atmosphere of equality and win-win, the Company continues to deepen its service capabilities, strengthen infrastructure construction, and provide diversified services, creating more value for the industry. By doing so, we expect to become a brand trusted by users and partners in the market.

THE BOARD OF DIRECTORS

Board composition

The Board currently comprises one executive Director, six non-executive Directors and four independent non-executive Directors. The composition of the Board during the Reporting Period and as of the date of this Annual Report is set out as follows:

Executive Director

Mr. Zheng Zhihao (*Chief Executive Officer*)

Corporate Governance Report

Non-executive Directors

Mr. Wang Changtian¹ (*Chairman*)

Ms. Li Xiaoping

Ms. Wang Jian²

Mr. Sun Zhonghuai

Mr. Chen Shaohui

Mr. Tang Lichun

Independent Non-executive Directors

Mr. Wang Hua

Mr. Chan Charles Sheung Wai

Mr. Yin Hong

Ms. Liu Lin

Notes:

1. Mr. Wang Changtian is the brother of Ms. Wang Jian.
2. Ms. Wang Jian is the sister of Mr. Wang Changtian.

The biographical details of the Directors are set out in the section headed “Profiles of Directors and Senior Management” in this Annual Report.

During the Reporting Period, the Board has at all times met the requirements of Rules 3.10(1), 3.10(2) and 3.10A of the Listing Rules relating to the appointment of at least three independent non-executive Directors with at least one independent non-executive Director possessing appropriate professional qualifications, or accounting or related financial management expertise, and independent non-executive Directors representing at least one-third of the Board.

Each of the independent non-executive Directors has confirmed his or her independence pursuant to the factors set out in Rule 3.13 of the Listing Rules and the Company considers each of them to be independent.

Corporate Governance Report

Chairman and Chief Executive Officer

The positions of the chairman of the Board (“Chairman”) and the chief executive officer (“Chief Executive Officer”) of the Company are held separately. The role of Chairman is held by Mr. Wang Changtian, and the role of Chief Executive Officer is held by Mr. Zheng Zhihao. The Chairman is responsible for chairing the general meetings and board meetings of the Company, making decision on and guiding the Company for the significant matters in respect of the Company’s external affairs and financial planning and the Company’s important business activities. The Chief Executive Officer is responsible for operating management and the daily management of Company’s business, making decision on the Company’s major plan and development and investment proposals, and leading and managing the Company’s business with the delegated power.

The division of responsibilities between the Chairman and the Chief Executive Officer is defined and established in writing.

Board Meetings, Board Committees Meetings and General Meetings

The attendance record of each Director at the board meetings, general meetings and board committee meetings held during the Reporting Period is set out in the table below:

Name of Directors	Number of meetings attended/held ¹				
	Board meeting	General meeting	Audit committee	Nomination committee	Remuneration committee
Executive Director					
Mr. Zheng Zhihao	7/7	1/1	N/A	2/2	2/2
Non-executive Directors					
Mr. Wang Changtian	7/7	1/1	N/A	N/A	N/A
Ms. Li Xiaoping	7/7	0/1	N/A	N/A	N/A
Ms. Wang Jian	7/7	0/1	N/A	N/A	N/A
Mr. Sun Zhonghuai ²	4/4	0/1	N/A	N/A	N/A
Mr. Chen Shaohui ³	4/4	0/1	N/A	N/A	N/A
Mr. Tang Lichun	7/7	0/1	N/A	N/A	N/A
Independent Non-executive Directors					
Mr. Wang Hua	7/7	1/1	3/3	2/2	2/2
Mr. Chan Charles Sheung Wai	7/7	1/1	3/3	2/2	N/A
Mr. Yin Hong	7/7	0/1	N/A	N/A	N/A
Ms. Liu Lin	7/7	0/1	3/3	N/A ⁴	2/2

Corporate Governance Report

Notes:

1. Excluding the number of meetings attended by the alternate directors.
2. Due to business engagement, Mr. Sun Zhonghuai entrusted Ms. Zheng Yanjing (鄭焱晶) as an alternate director to attend three meetings.
3. Due to business engagement, Mr. Chen Shaohui entrusted Ms. Tao Rongrong (陶融融) as an alternate director to attend three meetings.
4. Ms. Liu Lin was appointed as a member of the Nomination Committee on August 25, 2025, after the Nomination Committee meetings held during the year ended December 31, 2025 had been convened.

During the Reporting Period, the Company held 7 board meetings, and the chairman held one meeting with the independent non-executive Directors without the presence of other Directors.

The 2025 annual general meeting of the Company was held at No. 3 Building, Yonghe Hangxing Garden, No. 11 Hepingli East Street, Dongcheng District, Beijing, the PRC on June 25, 2025, considered and approved the resolutions regarding audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors of the Company and auditor for the year ended December 31, 2024, distribution of the final dividend for the year ended December 31, 2024, re-election of retiring directors and authorizing the Board to fix remuneration of the Directors, re-appointment of PricewaterhouseCoopers as the auditor of the Company and authorizing the Board to delegate the executive Director or the management of the Company to fix the remuneration of the auditor, and granting of general mandates to issue new shares and to repurchase shares.

Appointment, Re-election and Removal of Directors

Each of the Directors (including the non-executive Directors and independent non-executive Directors) has entered into a service contract or appointment letter with the Company. Terms of the Directors are set out in the section headed “Directors’ Report – Directors’ Service Contracts” of this Annual Report.

In accordance with the Articles of Association, all Directors appointed by the Board to fill a casual vacancy shall hold office only until the first general meeting of the Company after his/her appointment and be subject to re-election at such meeting.

In accordance with the Articles of Association, at each annual general meeting one-third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest to but not less than one-third, shall retire from office by rotation provided that every Director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years. A retiring Director shall be eligible for re-election.

In accordance with Article 109(a) of the Articles of Association, Mr. Sun Zhonghuai, Mr. Tang Lichun, Mr. Yin Hong and Ms. Liu Lin shall retire by rotation at the AGM and, being eligible, will offer themselves for re-election.

Corporate Governance Report

Directors' Responsibilities for Financial Statements

The Directors acknowledge their responsibilities for preparing the financial statements of the Group in accordance with statutory requirements and applicable accounting standards. The Directors also acknowledge their responsibilities to ensure that the financial statements of the Group are published in a timely manner.

The Directors are not aware of any material uncertainties relating to events or conditions which may cast significant doubt upon the Company's ability to continue as a going concern. Accordingly, the Directors have prepared the financial statements of the Company on a going concern basis.

The reporting responsibilities of the Company's external auditor on the financial statements of the Group are set out in the section headed "Independent Auditor's Report" in this Annual Report.

Responsibilities of and Delegation by the Board

The major powers and functions of the Board include, but are not limited to, convening the general meetings, presenting reports at the general meetings, implementing the resolutions passed at the general meetings, determining the operational plans and investment plans of the Group, determining the annual financial budgets and final accounts of the Group, determining the fundamental management systems of the Group, formulating profit distribution plans and loss recovery plans of the Group, and exercising other powers and functions as conferred by the Articles of Association.

All Directors, including non-executive Directors and independent non-executive Directors, have brought a wide spectrum of valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning.

The Board reserves for its decision on all major matters relating to policy matters, strategies and budgets, internal control and risk management, material transactions (in particular those that may involve conflict of interests), financial information and other significant operational matters of the Company. Responsibilities relating to implementing decisions of the Board, directing and coordinating the daily operation of the Group and management of the Company are delegated to the management of the Company.

The Board and the management have clearly defined their authorities and responsibilities under various internal control and check and balance mechanisms. The Board does not delegate matters to the Board committee(s), executive Directors or the management to an extent that would significantly hinder or reduce the ability of the Board as a whole to perform its functions.

Corporate Governance Report

Continuous Professional Development

Directors shall keep abreast of regulatory developments and changes in order to effectively perform their responsibilities and to ensure that their contribution to the Board remains informed and relevant. During the Reporting Period, the internal audit and inspection department of the Company and external professional institute provided online training to the Directors, including, among others, Director's management on ESG and integrity construction as well as other matters.

Directors	Attending training session	Reading regulatory materials
Executive Director		
Mr. Zheng Zhihao	✓	✓
Non-executive Directors		
Mr. Wang Changtian	✓	✓
Ms. Li Xiaoping	✓	✓
Ms. Wang Jian	✓	✓
Mr. Sun Zhonghuai		✓
Mr. Chen Shaohui		✓
Mr. Tang Lichun	✓	✓
Independent Non-executive Directors		
Mr. Wang Hua	✓	✓
Mr. Chan Charles Sheung Wai	✓	✓
Mr. Yin Hong	✓	✓
Ms. Liu Lin	✓	✓

Corporate Governance Report

Corporate Governance Function

The Board recognises that corporate governance should be the collective responsibility of Directors and their corporate governance duties include:

- to develop and review the Company's policies and practices on corporate governance and make recommendations to the Board;
- to review and monitor the training and continuous professional development of Directors and senior management;
- to review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;
- to develop, review and monitor the code of conduct and compliance manual (if any) applicable to employees and Directors; and
- to review the Company's compliance with the code provisions of the CG Code and disclosure in the corporate governance report under the Listing Rules.

The Board has reviewed the policies and practices on corporate governance and this corporate governance report.

BOARD COMMITTEES

The Company has established three Board committees in accordance with the relevant laws and regulations and the corporate governance practice under the Listing Rules, including the Audit Committee, the Remuneration Committee and the Nomination Committee.

Audit Committee

The Audit Committee consists of three independent non-executive Directors, namely Mr. Chan Charles Sheung Wai, Mr. Wang Hua and Ms. Liu Lin. Mr. Chan Charles Sheung Wai currently serves as the chairman of the Audit Committee.

The terms of reference of the Audit Committee are of no less exacting terms than those set out in the CG Code. The primary duties of the Audit Committee are as follows:

1. to review significant financial policies of the Company and their implementation, and supervise the financial activities of the Company;
2. to review the financial information and relevant disclosures of the Company;

Corporate Governance Report

3. to consider and approve the risk management and internal control evaluation proposal of the Company, and supervise and evaluate the risk management and internal control of the Company;
4. to consider and approve the audit budget, remuneration of staff and appointment and dismissal of major officers of the Company, supervise and evaluate the work of internal audit of the Company and formulate the medium-to long-term audit plan, annual working plan and internal audit system setting plan of the Company as authorized by the Board, and report to the Board;
5. to propose the appointment or dismissal of an external accounting firm, supervise the work of the external accounting firm, and evaluate the report of the external accounting firm to ensure that the external accounting firm undertakes its audit responsibilities;
6. to facilitate communications and monitor the relationship between the internal audit and supervision department and the external accounting firm;
7. to monitor the non-compliance of the Company in respect of the financial reports and the risk management and internal control; and
8. other matters required by laws, regulations, regulatory documents, the rules of the securities regulatory authority of the place where our Shares are listed and the requirements of the Articles of Association, and as authorized by the Board.

During the Reporting Period, the Audit Committee held three meetings, at each of which, the external auditor was invited without the presence of the executive Director.

The Audit Committee held a meeting on March 26, 2025 and reviewed, among other things, the audited consolidated results of the Group for the year ended December 31, 2024 and the effectiveness of the risk management and internal control systems of the Company, etc. On August 22, 2025, another meeting was held to review, inter alia, the unaudited consolidated results of the Group for the six months ended June 30, 2025, etc.

PricewaterhouseCoopers ("PwC") is the appointed auditor of the Group. The Audit Committee annually reviews the relationship between the Company and PwC. In addition, the Audit Committee has also reviewed the effectiveness of external audit procedures and the independence and objectiveness of PwC, and is satisfied with the existence of the good relationship. As a result, the Audit Committee recommends the reappointment of PwC at the forthcoming AGM.

Corporate Governance Report

Nomination Committee

The Nomination Committee consists of three independent non-executive Directors, namely Mr. Wang Hua, Mr. Chan Charles Sheung Wai and Ms. Liu Lin (among whom, Ms. Liu Lin was appointed as a member of the Nomination Committee of the Company on August 25, 2025) and one executive Director, namely Mr. Zheng Zhihao. Mr. Wang Hua currently serves as the chairman of the Nomination Committee.

The terms of reference of the Nomination Committee are of no less exacting terms than those set out in the CG Code. The primary duties of the Nomination Committee are as follows:

1. to formulate procedures and standards for the election of Directors and senior management and make recommendations to the Board on the proposed procedures and standards;
2. to assist the Board in maintaining a Board skills matrix;
3. to make recommendations to the Board on the nomination of candidates for Directors, Presidents and secretary of the Board;
4. to preliminarily examine the eligibility of candidates for Directors and senior management;
5. to make recommendations to the Board on the nomination of candidates for chairmen and members of the Board committees;
6. to regularly evaluate the Board's performance, including the review and assessment of each Director's time commitment and contribution to the Board as well as the Director's ability to discharge his or her responsibilities effectively; and
7. other matters required by laws, regulations, regulatory documents, the rules of the securities regulatory authority of the place where our Shares are listed and the requirements of the Articles of Association, and as authorized by the Board.

Corporate Governance Report

During the Reporting Period, the Nomination Committee held two meetings.

The Nomination Committee held a meeting on March 26, 2025 and reviewed, among other things, the structure, size and composition of the Board, assessed the independence of independent non-executive Directors to determine their eligibility and discussed re-election of retiring directors and succession planning for directors, assessed whether non-executive directors are devoting sufficient time to their duties and reviewed the Board Diversity Policy and Nomination Policy, etc.

Remuneration Committee

The Remuneration Committee consists of two independent non-executive Directors, namely Mr. Wang Hua and Ms. Liu Lin, and one executive Director, namely Mr. Zheng Zhihao. Mr. Wang Hua currently serves as the chairman of the Remuneration Committee.

The terms of reference of the Remuneration Committee are of no less exacting terms than those set out in the CG Code. The primary duties of the Remuneration Committee are as follows:

1. to organize and formulate the remuneration policy and plan of Directors and senior management and submit to the Board for approval, and propose the remuneration distribution plan according to the performance evaluation of Directors and senior management and submit to the Board for approval; and
2. other matters required by laws, regulations, regulatory documents, the rules of the securities regulatory authority of the place where our Shares are listed and the requirements of the Articles of Association, and as authorized by the Board.

During the Reporting Period, the Remuneration Committee held two meetings.

The Remuneration Committee held a meeting on December 18, 2025, among other things, to discuss the annual routine issues of the Remuneration Committee, which includes, among other things, reviewing the remuneration package of the Directors and the remuneration policy and structure of the Group's senior management, reviewing the share incentive scheme.

Corporate Governance Report

BOARD DIVERSITY POLICY

The Group adopted a board diversity policy (the “Board Diversity Policy”) on January 10, 2019. A summary of this policy is disclosed as below:

The purpose of the Board Diversity Policy is to set out the basic principles to be followed to ensure that the Board has the appropriate balance of skills, experience and diversity of perspectives necessary to enhance the effectiveness of the Board and to maintain high standards of corporate governance.

The Nomination Committee has primary responsibility for identifying candidates, formulating selection standards and procedures, and examining candidates for directors and senior management of the Company, and providing recommendations on the selection. The Nomination Committee will give adequate consideration to this policy in identifying and selecting suitably qualified candidates to become directors of the Company.

Selection of director candidates shall be based on a range of diversity perspectives with reference to the Company's business model and specific needs, including but not limited to gender, race, language, cultural background, educational background, industry experience and professional experience.

The Nomination Committee is responsible for reviewing the Board Diversity Policy, developing and reviewing measurable objectives for implementing the policy and monitoring the progress on achieving these measurable objectives. The Nomination Committee shall review the Board Diversity Policy and the measurable objectives at least annually to ensure the continuing effectiveness of the Board.

As of the date of this Annual Report, the Company has a total of 11 Directors, covering different gender (three of them are female) and a broad age distribution. There is a diverse mix of experience and background including Internet and media, film industry, information technology, human resource, investment and accounting. The Nomination Committee has reviewed the Board Diversity Policy and considers that, appropriate balance has been stricken among the Board members in terms of skills, experience and perspectives.

EMPLOYEE DIVERSITY

The Company follows the concept of diversity in hiring and has a roughly equal gender ratio among employees (including senior management). As of December 31, 2025, males account for approximately 46.39% and females account for approximately 53.61% of the 927 employees of the Company. To maintain gender diversity in the workforce, we welcome individuals of all genders and promise to provide equal opportunities in recruitment, training and development, promotion, and compensation and benefits for all employees regardless of gender. The Company believes that we have achieved a satisfactory level of gender diversity in our current workforce composition.

Corporate Governance Report

MECHANISMS FOR ENSURING INDEPENDENT VIEWS AND INPUT

The Company recognises that independence of the Board is a key element of good corporate governance. The Company has established effective mechanisms, including but not limited to entitling the Directors to seek independent professional advice on matters relating to the Company where appropriate at the Company's expense, to ensure independent views are available to the Board. These mechanisms in place are subject to annual review by the Board that underpins a strong independent Board.

NOMINATION POLICY

The Company adopted a policy for nomination (the "Nomination Policy") on March 25, 2019, pursuant to which, the Nomination Committee shall advise the Board on the appointment of any director in accordance with the following procedures and process:

1. The Nomination Committee shall, upon completing the assessment over the current composition and size of the Board, produce a description of the responsibilities and capabilities required for the specific appointment with reference to the findings of such assessment.
2. Taking into consideration these conditions of identifying or selecting suitable candidates, the Nomination Committee may seek any source of assistance as it sees fit, including referrals from existing directors, use of public advertisement or external consultancy services, and recommendations from the shareholders of the Company.
3. The Nomination Committee shall conduct preliminary review over the qualifications and conditions of the candidates for directorship before recommending suitable candidates for directorship to the Board, while the Remuneration Committee shall review the letter of appointment or major terms of such appointment in regard to the candidates for directorship.
4. As for the procedures for shareholders to nominate a person for election as a director, please refer to the "Procedures for Shareholders to Nominate a Person for Election as a Director" set out on the website of the Company.
5. The Board is entitled to final decision in connection with all matters involving election of the recommended candidates at a general meeting.

Corporate Governance Report

In assessing the candidates, the Nomination Committee shall take into the following factors, including but not limited to:

- reputation for individual character, integrity, and others;
- achievements and experiences in the related industry;
- time available for performing duties;
- diversity of the Board in various aspects, including but not limited to gender, age, cultural and education backgrounds, ethnicity, professional experiences, skills, knowledge, and length of services;
- independence from the Company, as well as potential or actual conflict of interest; and
- potential contributions to the Board.

REMUNERATION OF THE MEMBERS OF THE SENIOR MANAGEMENT BY BAND

Details of the remuneration of the Directors are set out in Note 37 to the audited consolidated financial statements. Save as disclosed therein, there is other individual of senior management. Pursuant to paragraph E.1.5 of Part 2 of the CG Code, their remuneration by band for the year ended December 31, 2025 is set out below:

Remuneration bands	Number of individual
RMB1 to RMB5,000,000	–
RMB5,000,001 to RMB10,000,000	1
RMB10,000,001 to RMB50,000,000	–
RMB50,000,001 to RMB100,000,000	–

Corporate Governance Report

EXTERNAL AUDITOR'S REMUNERATION

The remunerations paid or payable to the external auditor of the Company in respect of audit and non-audit services provided to the Group for the year ended December 31, 2025 are set out as below. The non-audit services conducted by the Auditor mainly include professional services on tax advisory.

	Fees payable or paid RMB'000
Services Category	
Audit Services	4,500
Non-audit Services	700
Total Fees	5,200

RISK MANAGEMENT AND INTERNAL CONTROL

Responsibilities and Oversight of the Board

The Board has overall responsibility for the risk management and internal control systems of the Company to safeguard the interest of our shareholders and the assets of the Company. The Board is committed to implementing an effective and sound risk management and internal control system and has appointed the management to implement related tasks within the delegated scope. The management is responsible for overseeing financial, operational, compliance, and risk management functions, and regularly reviews all associated control measures.

Responsibilities of the Management

The Board acknowledges that it is the responsibility of the Board to ensure that the Company has established and maintained adequate and effective risk management and internal control systems and to review their effectiveness. The Board delegates its responsibility to the Audit Committee to review the practices of management with respect to risk management and internal control, including the design, implementation and supervision of the risk management and internal control systems on an annual basis. Furthermore, the Audit Committee also reviews the effectiveness of the risk management and internal control systems.

Corporate Governance Report

Three-Line Defence Model

To ensure that the risk management and internal control systems are effective, the Company, under the supervision and guidance of the Board and factoring the actual needs of the Company, has adopted the “Three Lines” model as an official organizational structure for risk management and internal control.

1. *First Line – Core Business Departments*

The First Line is comprised of various business departments of the Company, which is responsible for daily operation and management of related business lines of the Company, and related positions of departments are responsible for design and implementation of related risk management and internal control systems for their respective departments. The head of each business segment leads and directs the operations and works, promotes the achievement of the Company’s organizational and operational objectives, and monitors the Company’s operations and risk management of relate business lines to ensure compliance with legal, regulatory and ethical requirements by business departments.

2. *Second Line – Functional Departments*

The Second Line is comprised of various functional departments of the Company, which is responsible for supporting management in establishing and optimizing business functions and management processes, continuously overseeing the enforcement of policies related to the risk management and internal control of the Company, assisting the First Line in establishing and improving its risk management and internal control system. The Second Line is also responsible for providing necessary support and training to achieve a uniform understanding and standardized implementation of risk management and internal control across the Company, as well as discharging supervisory functions of the Company in respect of risk management and internal control across various functional departments. Furthermore, reasonable queries will be raised on risk management related work, and corresponding solutions and proposals shall be communicated.

3. *Third Line – Internal Audit Department*

The Third Line is established by the internal audit and supervision department, which is responsible for providing independent assessment the effectiveness of risk management and internal control systems as a whole and assisting departments in establishing and improving control systems. The internal audit department regularly monitors, and assesses the implementation of various systems and provides independent consultation to the management to drive continuous improvement within the Company. The organizational structure is designed to manage risks but cannot completely eliminate all potential risks, particularly in providing reasonable assurance against material misstatement or loss.

Corporate Governance Report

Risk Management

The Company continuously improves the risk management system, including structure, process and culture development, through the enhancement of risk management ability, to ensure the business compliance and sustainable development of the Company.

The Company has established a comprehensive risk management system and has defined the roles and responsibilities of each relevant party as well as established risk management measures and control systems in accordance with the Three Lines model. Each operation line of the Company, on a regular basis, identifies and assesses potential risk that may negatively impact the achievement of its objectives, and formulates appropriate response measures. The Company's staff are also provided with training in relation to risk management and internal controls to ensure the effective implementation of risk management and internal control systems.

Risk Management Process

The Company has established a dynamic risk management process:

- Business and functional departments of each operation line identify, assess and respond to risks in the course of operation in a systematic manner and communicate results to the internal audit and supervision department;
- The internal audit and supervision department collects, analyses, and consolidates a list of significant risks at the company level, and provides input on risk response strategies and control measures for such risks. The corresponding risk responses and control measures against these significant risks will be reviewed by the Audit Committee before reporting to the Board;
- The internal audit and supervision department tracks, reviews and evaluates the responses to significant risks from time to time, and reports to the Audit Committee at least once a year; and
- The Audit Committee, on behalf of the Board, assesses and determines the nature and level of the risks that the Company is willing to take in order to achieve the organization and operational targets of the Company and formulates appropriate response strategies which include designating responsible departments for handling each significant risk. The Audit Committee provides guidance to the Company's management to implement effective risk management system with supports from the internal audit and supervision department.

Corporate Governance Report

Significant Risks of the Company

In 2025, the management identified four significant risks in accordance with the abovementioned risk management process. The Board has monitored the overall risk exposure of the Company and reviewed the nature and potential Impact of such significant risks facing the Company. The Board is of opinion that the management has implemented appropriate measures to control these significant risks to an acceptable level.

Set out below is a summary over the significant risks currently facing the Company and the countermeasures implemented against these risks. As a result of changes in the external landscape, the Company also identified changes in the significant risks during the year, and the risk exposure against the Company may at any time change. Therefore, the list as follows is not exhaustive.

1. Legal and policy risks

The industry in which the Company operates is subject to strict supervision and management under relevant national and local laws, regulations, and industry policies. As the industry gradually transitions from scale expansion to high-quality development, the regulatory focus is shifting from operational compliance to quality and efficiency. In 2025, relevant authorities issued a series of guiding policies covering areas such as content creation, distribution and exhibition, and technological application, further reinforcing the industry's high-quality development direction. Against this backdrop, various regions continued to roll out subsidised movie-viewing programs to stimulate market consumption through fiscal incentives, imposing higher management requirements on the Company in terms of content review, compliant use of funds, and policy implementation. In the field of ticketing agency services, regulators continued to focus on strengthening consumer rights and personal data protection mechanisms, raising the bar for platform information transparency, reasonableness of refund rules, stability of ticketing systems, and tiered management of personal information. If the Company fails to promptly identify and effectively respond to changes in relevant laws, regulations and policies, it may face regulatory inquiries, administrative penalties or other compliance risks, which could in turn adversely affect the Company's brand reputation and sustainable business development.

Corporate Governance Report

To effectively manage the above risks, the Company has established dedicated legal and government affairs departments and engaged external professional legal advisers to continuously track and interpret policy and regulatory developments, adhering to a compliance-driven approach to high-quality development and ensuring that business strategies evolve in line with regulatory requirements. In ticketing agency services, the Company continues to improve its refund and rescheduling mechanisms, enhance anti-overselling controls, and protect the legitimate rights and interests of consumers. A tiered personal information management system has also been continuously improved to ensure effective protection of personal data. In addition, the Company supports the implementation of subsidised movie-viewing programs in various regions, assisting authorities in channelling fiscal support directly to consumers.

2. *Public opinion risks*

The Company operates in the film promotion, distribution, production and live entertainment sectors, where public discourse dynamics are constantly evolving, exposing the Company to reputation risks. Certain film and television projects may trigger public backlash due to insufficient anticipation of market sentiment during the early planning stage or controversies involving key creative personnel. Films and live entertainment projects may lead to public opinion risks concerning value orientations. Technical failures in the ticketing system or lapses in the review process may also result in platform liability and directly trigger a public opinion crisis. Furthermore, when artists with significant influence are involved, public opinion tends to escalate much more rapidly, making the impact of such risks on the Company's business brand more explosive. Given that the reach and speed of public opinion incidents in the internet communication environment are difficult to predict, any failure to promptly identify and effectively respond to relevant risks could adversely affect the Company's business brand reputation and business operations.

To effectively manage the aforementioned risks, the Company, at the inception of its participation in film and television projects, focuses on assessing potential public opinion controversies that may be triggered by film content or key creators, so as to proactively identify potential risks. The Company has established a multi-level information review process to strictly review promotional copy, platform display content, and materials produced by partners, ensuring information accuracy and compliance of wording to avoid inappropriate content resulting from oversight in the review process. In response to abnormal situations that may occur during the operation of the ticketing system, the Company has further strengthened the management of system stress testing processes and improved ticketing system operation standards and risk contingency plans, ensuring prompt response and proper handling in the event of technical operational errors. At the same time, the Company continues to optimize its public opinion monitoring and early warning mechanism, leveraging its internal monitoring team and collaboration with third-party professional agencies to monitor real-time public discourse dynamics related to industry trends. In addition, the Company's senior management and professional public relations team collaboratively handle public opinion incidents, swiftly formulating response plans and taking timely measures when risks escalate into crises, so as to minimize the impact on brand reputation to the greatest extent possible.

Corporate Governance Report

3. *Industry competition risks*

Against the backdrop of continuous industry development, the market competition landscape has shown an intensifying trend. In the film content sector, the concentration of box office revenues toward major productions continues to intensify, with the market exhibiting structural fragmentation, where major productions capture the majority of market share. In the live entertainment sector, the siphon effect of major productions is pronounced. As audience entertainment choices grow increasingly diverse, films and live entertainment – as forms of offline consumption – face intense competition from other leisure activities. Should the Company fail to accurately assess market dynamics or keep pace with industry developments, it may encounter challenges in terms of market share and project returns.

To address the aforementioned risks, the Company continuously monitors changes in the industry landscape. Leveraging market data insight reports published by the Maoyan Research Institute, it systematically analyses market trends to provide decision-making references for the industry in grasping consumption dynamics. As an industry data platform, Maoyan Pro (貓眼專業版) continues to offer functions such as film box office inquiries, screening monitoring, and box office forecasting, helping industry participants efficiently track market changes. The Company actively explores the application of artificial intelligence and big data in business scenarios including content production, data analysis, and intelligent promotion and distribution, thereby enhancing service competitiveness and operational efficiency. On the ticketing operations front, the Company continues to optimise user experience, refine core system capabilities, and improve product usability and user stickiness, while also expanding multi channel partnerships. Meanwhile, the Company has established a market dynamics monitoring mechanism to promptly adjust ticketing operations and promotion and distribution strategies, strengthen data analytics capabilities, and improve precision marketing and operational efficiency, ensuring it maintains a competitive edge in a rapidly evolving market environment.

Corporate Governance Report

4. *IP business investment risks*

Under the “Technology + Pan-Entertainment” strategy, the Company continues to invest in emerging businesses such as film and animation content production and IP derivatives. IP value extension has become an industry trend, business expansion faces multiple uncertainties. Industry competition is intensifying, and consumer preferences across different segments are changing rapidly, posing challenges to consistently producing high quality original content that accurately meets market demand. Derivative development involves multiple stages – including licensing, distribution channels, and supply chains. Unclear ownership of IP rights, improper licensing management, or insufficient due diligence on partners could easily lead to copyright disputes and commercial losses. If the Company fails to effectively manage risks related to investment decisions and licensing compliance, it may experience lower than expected returns and reduced resource allocation efficiency, which could in turn affect overall profitability and the execution of its long term strategy.

To mitigate the aforementioned risks, the Company has taken multiple measures to establish a full process risk control system. In terms of investment decisions, it leverages accumulated industry data to build a content value assessment framework, providing a scientific basis for investments based on dimensions such as audience preferences and market positioning. As for IP development, it adopts a dual track approach combining in house development and external collaboration to create proprietary original IPs and strategically invest in high quality content teams, thereby enriching its IP pipeline. In derivative operations, it refines its licensing management mechanism by clearly defining IP ownership, licensing scope, and breach of liability in agreements, ensuring a traceable licensing chain. In terms of channel development, it leverages cinema channels to create themed IP sales scenarios, promoting deep integration of promotion and distribution with derivative sales, while also expanding diversified channels such as pop up stores and online shops to increase market coverage. As for content pipeline, the Company continues to build its proprietary brands, deepen external copyright collaborations, and strengthen IP value extraction and diversified monetisation, thereby ensuring the steady advancement of its “Technology + Pan Entertainment” strategy.

Corporate Governance Report

Internal Control

The management of the Company is responsible for the formulation, implementation and maintenance of the effectiveness of risk management and internal control systems. The Board and the Audit Committee are responsible for monitoring and overseeing the performance of the internal control systems by the management to ensure it is appropriate and effective.

The Company's internal control systems clearly define roles and responsibilities of each party as well as authorizations and approvals required for key actions of the Company. Policies and procedures are put in place for the key business processes. Such information is also clearly shared with employees. All employees must strictly follow the policies which cover, amongst other things, financial, legal and operational issues that set the control standards for the management of each business process.

The functional departments assist the business departments in the construction work involving the risk management and internal control systems, as well as carrying out the risk management work, and ensure that appropriate management measures are implemented. The internal audit and supervision department, serving as the independent third line, provides independent and objective confirmation and consultation on the effectiveness of the Company's risk management and internal control systems, while performing the supervisory, monitoring, investigational, and assessment functions, the findings or results of which will be reported to the Audit Committee.

Inside Information

The Company has established an inside information policy, and actively reminded the Directors and employees of due compliance with all policies regarding inside information. To ensure adequate attention to whistleblowing, the Company has established a reporting mechanism to handle and discuss internal whistleblowing of financial, operational, internal control and fraud issues. Major internal control deficiencies or whistle-blowing issues will be submitted to the Audit Committee.

Corporate Governance Report

Effectiveness of Risk Management and Internal Control Systems

The Board conducted an annual review over the effectiveness of risk management and internal control systems of the Company for the year ended December 31, 2025, and the management confirmed the effectiveness of the risk management and internal control systems within their terms of reference during the year. As a result, the Board is confident, without any evidence to the contrary, that the Company has provided reasonable assurance as to compliance with the risk management and internal control systems for the year ended December 31, 2025, which has prevented any significant financial misstatement or loss, and included protection of assets, appropriate maintenance of accounting records, reliability of financial data, compliance with applicable laws and regulations, and identification and control of business risks. In connection with the effectiveness of risk management and internal control systems, the Board has confirmed that no significant areas of concern have been identified and believes that the system remains effective and adequate, including accounting, internal audit, and financial reporting functions.

JOINT COMPANY SECRETARIES

The joint company secretaries of the Company are Ms. Zheng Xia and Mr. Cheng Ching Kit.

Ms. Zheng Xia joined the Company in May 2018 and currently serves as vice president of the Company and other positions. Mr. Cheng Ching Kit is an assistant vice president of SWCS Corporate Services Group (Hong Kong) Limited, a professional services provider specialising in corporate services, and has over ten years of experience in corporate secretarial field. Mr. Cheng Ching Kit's primary corporate contact person at the Company is Ms. Zheng Xia.

During the Reporting Period, Ms. Zheng Xia and Mr. Cheng Ching Kit were fully in compliance with the Rule 3.29 of the Listing Rules as both received no less than 15 hours of professional training.

Corporate Governance Report

SHAREHOLDERS' RIGHTS

The Company encourages the Shareholders to attend the general meetings of the Company.

The Procedures for Shareholders to Convene an Extraordinary General Meeting (“EGM”) and for Putting Forward Proposals at General Meeting

Pursuant to Article 64 of the Articles of Association, an extraordinary general meeting of the Company shall be convened on the requisition of one or more shareholders of the Company holding, at the date of deposit of the requisition, not less than one-tenth of the paid up capital of the Company having the right of voting at general meetings. Such requisition shall be made in writing to the Board or the company secretary of the Company at the headquarter of the Company in the PRC, which is presently situated at No. 3 Building, Yonghe Hangxing Garden, No. 11 Hepingli East Street, Dongcheng District, Beijing, PRC, for the purpose of requiring an EGM to be called by the Board for the transaction of any business specified in such requisition and signed by the requisitionist(s) (the “Requisitionist(s)”).

Such meeting shall be held within two months after the deposit of such requisition. If within 21 days of such deposit, the Board fails to proceed to convene such meeting, the requisitionist(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitionist(s) as a result of the failure of the Board to duly convene the meeting shall be reimbursed to the requisitionist(s) by the Company.

Article 114 of the Articles of Association provides that no person, other than a retiring director of the Company, shall, unless recommended by the Board of the Company for election, be eligible for election to the office of director of the Company at any general meeting, unless notice in writing of the intention to propose that person for election as a Director and notice in writing by that person of his/her willingness to be elected shall have been lodged at the head office or at the registration office. The period for lodging the notices as required under the Articles of Association will commence no earlier than the day after the despatch of the notice of the general meeting appointed for such election and end no later than seven days prior to the date of such general meeting and the minimum length of the period during which such notices to the Company may be given will be at least seven days.

Accordingly, if a shareholder wishes to nominate a person to stand for election as a director of the Company at the general meeting, the following documents must be validly served at the registered office of the Company, namely (1) his/her notice of intention to propose a resolution at the general meeting; (2) a notice signed by the nominated candidate of his/her willingness to be elected; (3) the nominated candidate's information as required to be disclosed under Rule 13.51(2) of the Listing Rules; and (4) the nominated candidate's written consent to the publication of his/her personal data.

Corporate Governance Report

DIVIDEND POLICY

The Company adopted a dividend policy on March 25, 2019.

The Company intends to achieve a balance between maintaining sufficient capital for the Group's business development and operation and rewarding the shareholders of the Company with dividends.

In accordance with the dividend policy, in deciding whether to propose the payment of dividends and the amount of dividend payable, the Board will take into consideration the following factors affecting the Group, including but not limited to:

- actual and expected financial results of the Group;
- distributable profits of the Company and other subsidiaries of the Group;
- dividend income attributable to subsidiaries;
- future operation and profitability;
- capital requirements, earnings, and future expansion plans;
- the overall financial conditions of the Group, including the level of debts, liquidity, and future commitments;
- any contractual limitation on payment of dividends by the Company or payment of dividends by subsidiaries of the Company to the Company;
- taxation factors, as well as legal and regulatory restrictions; and
- other factors as the Board may consider.

Corporate Governance Report

INVESTOR RELATIONS AND COMMUNICATIONS WITH SHAREHOLDERS

To promote effective communication, the Company adopts a shareholders' communication policy, which aims at establishing a two-way relationship and communication between the Company and the Shareholders. During the Reporting Period, the Board has reviewed the implementation and effectiveness of the shareholders' communication policy. The Company also maintains a website of the Company (<https://ir.maoyan.com/>), where the Company's announcements, financial information and other information are available for public access.

Shareholders, investors and members of the public should direct their questions about their shareholdings to the Company's Hong Kong Share Registrar. The contact details for the Hong Kong Share Registrar are as follows:

Computershare Hong Kong Investor Services Limited
Shops 1712–1716
17th Floor, Hopewell Centre
183 Queen's Road East
Wan Chai, Hong Kong
Telephone: (852) 2862 8555
Fax: (852) 2865 0990
Email: hkinfo@computershare.com.hk

Should any questions as to the Company arise, shareholders and investors who wish to make inquiries with the Board may contact the Company. The contact details of the Company are as follows:

Maoyan Entertainment
No. 3 Building, Yonghe Hangxing Garden
No. 11 Hepingli East Street
Dongcheng District
Beijing, PRC
Email: ir@maoyan.com

CONSTITUTIONAL DOCUMENTS

During the year ended December 31, 2025, there was no significant change in the constitutional documents of the Company.

Reference is made to the Company's announcement dated March 26, 2026. The Company proposed to adopt a new set of amended and restated memorandum and articles of association of the Company at the forthcoming annual general meeting of the Company to be held on June 23, 2026. Such proposed amendments are subject to the approval of the Shareholders of the Company by way of a special resolution.

Independent Auditor's Report



To the Shareholders of Maoyan Entertainment

(incorporated in the Cayman Islands with limited liability)

OPINION

What we have audited

The consolidated financial statements of Maoyan Entertainment (the "Company") and its subsidiaries (the "Group"), which are set out on pages 108 to 228, comprise:

- the consolidated statement of financial position as at December 31, 2025;
- the consolidated statement of comprehensive income for the year then ended;
- the consolidated statement of changes in equity for the year then ended;
- the consolidated statement of cash flows for the year then ended; and
- the notes to the consolidated financial statements, comprising material accounting policy information and other explanatory information.

Our opinion

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at December 31, 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

Independent Auditor's Report

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the Code of Ethics for Professional Accountants as issued by the Hong Kong Institute of Certified Public Accountants (the "Code"), as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with the Code.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters identified in our audit are summarised as follows:

- Impairment assessment of goodwill
- Expected credit losses assessment of accounts receivable, deposits and other receivables

Independent Auditor's Report

Key Audit Matter

How our audit addressed the Key Audit Matter

Impairment assessment of goodwill

Refer to Notes 2.2.2, 4(a) and 16 to the consolidated financial statements.

As at December 31, 2025, there was goodwill with carrying amount of approximately RMB4,511 million arising from the acquisitions of certain businesses, which represented approximately 35.4% of the total assets of the Group.

Management allocated its goodwill to the relevant cash generating units ("CGUs") and performed goodwill impairment test by comparing the recoverable amounts of CGUs to the carrying amounts. Management determined the recoverable amounts of the CGUs based on the higher of value in use ("VIU") and the fair value less costs of disposal. Based on the assessments, management considered no impairment is necessary in respect of the goodwill as at December 31, 2025.

We focused on this area due to the magnitude of the carrying amounts of goodwill and the fact that significant judgements and estimates were required by management as the VIU of the related CGUs is determined based on assumptions used in the cash flow forecast. The key assumptions adopted by management include the revenue growth rate, gross margin, terminal growth rate and pre-tax discount rate.

Our procedures in relation to impairment assessment of goodwill included:

- We obtained an understanding of management's internal control and process of the estimation of goodwill impairment and assessed the inherent risk of material misstatement by considering the degree of estimation uncertainty, complexity and subjectivity.
- We evaluated and tested management's key controls in respect of the goodwill impairment assessment, including the determination of CGUs, the valuation model and assumptions used in the calculation of VIU.
- We performed the retrospective review of the significant judgments and key assumptions used in management's discounted cash flow forecasts under VIU approach by comparing the prior period's estimates to actual results to determine whether management's significant judgments and estimates indicate a possible management bias;
- We evaluated the reasonableness of the key assumptions used in the cash flow forecast, such as revenue growth rate, terminal growth rate and gross margin taking into account industry forecasts and market developments, the Group's management approved budget, plan and historical performance.
- We evaluated the reasonableness of the discount rates applied in the calculation with the involvement of our internal valuation experts through reviewing the relevant parameters and calculations and performing independent cross-checking analysis; and
- We evaluated management's sensitivity analysis over the revenue growth rate, gross margin, terminal growth rate and pre-tax discount rate as adopted in the impairment test so as to assess the potential implication on the results of the impairment test for changes of assumptions within a reasonable range.

Based on the above procedures, we considered that the significant judgements and estimates adopted in management's impairment assessment of goodwill were supportable by the evidence we obtained.

Independent Auditor's Report

Key Audit Matter

Expected credit losses assessment of accounts receivable, deposits and other receivables

Refer to Notes 3.1(b), 22 and 23 to the consolidated financial statements.

As at December 31, 2025, the gross amount of the Group's accounts receivable, deposits and other receivables amounted to approximately RMB3,031 million which represented approximately 23.8% of the total assets of the Group. Management has estimated the expected credit losses ("ECL") on the accounts receivable, deposits and other receivables and a loss allowance of approximately RMB901 million was made against the accounts receivable, deposits and other receivables as at December 31, 2025.

The loss allowances for accounts, deposits and other receivables reflected management's best estimate to determine the ECL at the balance sheet date under IFRS Accounting Standard 9.

For accounts receivable that do not share same risk characteristics with others, management assessed their expected credit losses on an individual basis.

For accounts receivable that share same risk characteristics with others, the management applied the simplified approach to provide for their ECL, by first grouping accounts receivable based on their nature and risk characteristics and then recalculating their historical credit loss information before further incorporating forward-looking adjustments to reflect the management's forecasts of macroeconomic factors in different scenarios as this affects the debtors' abilities to settle the receivables.

For deposits and other receivables, the management assessed whether their credit risk had increased significantly since their initial recognition and applied the three-stage approach to provide for their ECL using a modelling approach that incorporated key parameters and assumptions (including probability of default, loss given default, exposure at default, etc.).

We focused on this area due to the magnitude of the balance of accounts receivable, deposits and other receivables and the fact that significant judgements were required by management in assessing the ECL of accounts receivable, deposits and other receivables.

How our audit addressed the Key Audit Matter

Our procedures in relation to management's assessment on the ECL of accounts receivable, deposits and other receivables include:

- We obtained an understanding of management's internal control and process of the estimation of the ECL on accounts receivable, deposits and other receivables and assessed the inherent risk of material misstatement by considering the degree of estimation uncertainty, complexity and subjectivity.
- We evaluated and tested management's key control in relation to the estimate of the ECL on accounts receivable, deposits and other receivables.
- We performed the following procedures regarding the reasonableness of methods and assumptions used and judgements made by management:
 - We assessed the appropriateness of the ECL provisioning methodology adopted by management.
 - We tested, on a sample basis, the accuracy of the key data inputs such as the aging schedules of accounts receivable, deposits and other receivables.
 - We evaluated the reasonableness of grouping of accounts receivable, including those assessed on an individual basis, and staging determination for deposits and other receivables against their nature and risk characteristics.
 - We challenged the reasonableness of the detailed application of key ECL model parameters and assumptions including possibility of default, loss given default, exposure at default by considering, the historical default rates and past collection information.
 - We evaluated the appropriateness of forward-looking information with reference to independent data and our industry knowledge including multiple economic scenarios and parameters; and
 - We tested the mathematical accuracy of the calculations of expected credit loss rates based on the historical loss and forward-looking information.

Based on the above procedures, we considered that the significant judgements and estimates made by management in relation to the assessment of the ECL on accounts receivable, deposits and other receivables were supportable by available evidence.



Independent Auditor's Report

OTHER INFORMATION

The directors of the Company are responsible for the other information. The other information comprises all of the information included in the annual report other than the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF DIRECTORS AND THE AUDIT COMMITTEE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

The Audit Committee is responsible for overseeing the Group's financial reporting process.

Independent Auditor's Report

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Independent Auditor's Report

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Cecilia, Lai Ting Yau.

PricewaterhouseCoopers

Certified Public Accountants

Hong Kong, March 26, 2026

Consolidated Statement of Comprehensive Income

	Note	Year ended December 31,	
		2025	2024
		RMB'000	RMB'000
Revenue	6	4,631,482	4,082,178
Cost of revenue	7	(2,627,403)	(2,457,176)
Gross profit		2,004,079	1,625,002
Selling and marketing expenses	7	(921,938)	(939,810)
General and administrative expenses	7	(304,942)	(363,269)
Net impairment losses on financial assets	3.1(b)	(72,017)	(129,564)
Other income	8	9,125	44,225
Other gains/(losses), net	8	10,071	(40,704)
Operating profit		724,378	195,880
Finance income	10	62,105	121,429
Finance costs	10	(10,086)	(9,554)
Finance income, net	10	52,019	111,875
Share of results of investments accounted for using the equity method	17	446	(1,662)
Impairment losses of investments accounted for using the equity method	17	(2,059)	(4,768)
Profit before income tax		774,784	301,325
Income tax expenses	11	(211,685)	(119,420)
Profit for the year		563,099	181,905
Profit is attributable to:			
– Owners of the Company		563,649	181,905
– Non-controlling interests		(550)	–
		563,099	181,905

Consolidated Statement of Comprehensive Income

		Year ended December 31,	
		2025	2024
	Note	RMB'000	RMB'000
Earnings per share attributable to owners of the Company			
(expressed in RMB per share)			
– Basic earnings per share	12	0.49	0.16
– Diluted earnings per share	12	0.49	0.16
Profit for the year		563,099	181,905
Other comprehensive loss:			
<i>Item that may be reclassified to profit or loss</i>			
Currency translation differences from foreign operations		(15,121)	18,889
<i>Items that will not be reclassified to profit or loss</i>			
Currency translation differences from the Company		(30,527)	25,432
Changes in the fair value of financial assets at fair value through other comprehensive income, net of tax	3.3,20	(44,968)	(209,556)
Other comprehensive loss for the year, net of tax		(90,616)	(165,235)
Total comprehensive income for the year		472,483	16,670
Total comprehensive income attributable to:			
– Owners of the Company		473,033	16,670
– Non-controlling interests		(550)	–
Total comprehensive income for the year		472,483	16,670

The notes on pages 116 to 228 are integral parts of these consolidated financial statements.

Consolidated Statement of Financial Position

		As at December 31,	
	Note	2025 RMB'000	2024 RMB'000
ASSETS			
Non-current assets			
Property, plant and equipment	14	17,552	25,946
Right-of-use assets	15	10,083	9,803
Intangible assets	16	4,701,691	4,763,537
Investments accounted for using the equity method	17	6,358	7,971
Other financial assets measured at amortised cost	18	566,488	580,762
Financial assets at fair value through profit or loss	3.3	851,616	30,074
Financial assets at fair value through other comprehensive income	3.3	198,270	325,198
Deferred income tax assets	20	43,517	40,570
Prepayments, film rights, deposits and other receivables	23	42,887	54,836
		6,438,462	5,838,697
Current assets			
Inventories	21	15,067	33,995
Accounts receivable	22	726,982	876,162
Prepayments, film rights, deposits and other receivables	23	2,981,039	3,109,664
Prepaid income tax		27,608	123,833
Financial assets at fair value through profit or loss	3.3	283,056	145,246
Restricted bank deposits	24	47,360	16,907
Term deposits with original maturity over three months	24	65,994	1,458,033
Cash and cash equivalents	24	2,138,935	903,058
		6,286,041	6,666,898
Total assets		12,724,503	12,505,595
EQUITY			
Equity attributable to owners of the Company			
Share capital	28	157	155
Treasury shares	28	(1)	(1)
Reserves	29	7,853,865	8,178,175
Retained earnings		1,429,807	869,983
		9,283,828	9,048,312
Non-controlling interests		8,809	—
Total equity		9,292,637	9,048,312

Consolidated Statement of Financial Position

		As at December 31,	
	Note	2025 RMB'000	2024 RMB'000
LIABILITIES			
Non-current liabilities			
Deferred income tax liabilities	20	74,628	101,579
Lease liabilities	15	6,586	–
		81,214	101,579
Current liabilities			
Borrowings	25	94,539	470,442
Accounts payable	26	795,944	752,805
Other payables, accruals and other liabilities	27	2,327,047	2,095,682
Lease liabilities	15	3,677	10,773
Current income tax liabilities		129,445	26,002
		3,350,652	3,355,704
Total liabilities		3,431,866	3,457,283
Total equity and liabilities		12,724,503	12,505,595

The notes on pages 116 to 228 are integral parts of these consolidated financial statements.

The consolidated financial statements on pages 108 to 228 were approved for issue by the Board of Directors on March 26, 2026 and were signed on its behalf.

Zheng Zhihao
Executive Director and Chief Executive Officer

Miao Boshu
Financial Director

Consolidated Statement of Changes in Equity

	Note	Attributable to owners of the Company						Non-controlling interests	Total
		Share capital	Treasury shares	Reserves	Retained earnings	Total			
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000		
As at January 1, 2025		155	(1)	8,178,175	869,983	9,048,312	–		9,048,312
Profit/(loss) for the year		–	–	–	563,649	563,649	(550)		563,099
Currency translation differences		–	–	(45,648)	–	(45,648)	–		(45,648)
Changes in the fair value of financial assets at fair value through other comprehensive income, net of tax	3.3,20	–	–	(44,968)	–	(44,968)	–		(44,968)
Total comprehensive income		–	–	(90,616)	563,649	473,033	(550)		472,483
Transfer of gain upon disposal of financial assets at fair value through other comprehensive income to retained earning		–	–	3,825	(3,825)	–	–		–
Transactions with owners of the Company									
Issuance of new shares under share option scheme	28,29	–*	–	8	–	8	–		8
Share-based compensation expenses	30	–	–	25,135	–	25,135	–		25,135
Transfer of vested restricted share units from treasury shares	28,29	–	–*	–	–	–	–		–
Dividends declared	13	–	–	(334,135)	–	(334,135)	–		(334,135)
Scrip dividends	13	2	–	71,473	–	71,475	–		71,475
Non-controlling interests arising from business combination		–	–	–	–	–	9,359		9,359
Total transactions with owners of the Company		2	–	(237,519)	–	(237,517)	9,359		(228,158)
As at December 31, 2025		157	(1)	7,853,865	1,429,807	9,283,828	8,809		9,292,637

* The balance was rounded to the nearest thousand

Consolidated Statement of Changes in Equity

	Note	Attributable to owners of the Company					Non-	Total
		Share capital	Treasury shares	Reserves	Retained earnings	Total	controlling interests	
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
As at January 1, 2024		154	–	8,353,274	687,760	9,041,188	(2,911)	9,038,277
Profit for the year		–	–	–	181,905	181,905	–	181,905
Currency translation differences		–	–	44,321	–	44,321	–	44,321
Changes in the fair value of financial assets at fair value through other comprehensive income, net of tax	3.3,20	–	–	(209,556)	–	(209,556)	–	(209,556)
Total comprehensive income		–	–	(165,235)	181,905	16,670	–	16,670
Transfer of gain upon disposal of financial assets at fair value through other comprehensive income to retained earning		–	–	(318)	318	–	–	–
Transactions with owners of the Company								
Issuance of new shares under share option scheme	28,29	–*	–	1	–	1	–	1
Insurance of new shares under restricted shares units scheme	28	2	(2)	–	–	–	–	–
Share-based compensation expenses	30	–	–	38,960	–	38,960	–	38,960
Transfer of vested restricted share units from treasury shares	28,29	–	1	(1)	–	–	–	–
Repurchase of the shares of the Company		–	(45,596)	–	–	(45,596)	–	(45,596)
Cancellation of repurchased shares		(1)	45,596	(45,595)	–	–	–	–
Transactions with non-controlling interests		–	–	(2,911)	–	(2,911)	2,911	–
Total transactions with owners of the Company		1	(1)	(9,546)	–	(9,546)	2,911	(6,635)
As at December 31, 2024		155	(1)	8,178,175	869,983	9,048,312	–	9,048,312

* The balance was rounded to the nearest thousand

The notes on pages 116 to 228 are integral parts of these consolidated financial statements.

Consolidated Statement of Cash Flows

	Note	Year ended December 31,	
		2025	2024
		RMB'000	RMB'000
Cash flows from operating activities			
Cash generated from/(used in) operations	31(a)	1,257,024	(576,534)
Interest paid	10	(9,813)	(8,125)
Income tax paid		(49,971)	(261,603)
Net cash generated from/(used in) operating activities		1,197,240	(846,262)
Cash flows from investing activities			
Purchases of property, plant and equipment	14	(4,969)	(13,253)
Purchases of intangible assets	16	(773)	(1,093)
Payments for financial assets at fair value through profit or loss		(1,003,095)	(786,750)
Proceeds from disposals of financial assets at fair value through profit or loss		153,069	685,415
Payments for financial assets at fair value through other comprehensive income	3.3	—	(71,268)
Proceeds from disposals of financial assets at fair value through other comprehensive income	3.3	80,345	1,765
Interest received		109,170	91,400
Advance of receivables from investments in movies, TV series and entertainment events		(55,000)	(24,143)
Repayment of receivables from investments in movies, TV series and entertainment events		128,538	60,210
Advance of loans to third parties		(49,800)	(36,500)
Repayment of loans to third parties		34,500	—
Payments for term deposits with original maturity over three months		(1,209,292)	(2,597,631)
Proceeds from disposals of term deposits with original maturity over three months		2,525,762	2,465,371
Payments for acquisition a subsidiary, net of cash acquired		(7,563)	—
Payment for other financial assets measured at amortised cost		—	(580,304)

Consolidated Statement of Cash Flows

	Note	Year ended December 31,	
		2025	2024
		RMB'000	RMB'000
Net cash generated from/(used in) investing activities		700,892	(806,781)
Cash flows from financing activities			
Proceeds from short-term borrowings	31(b)	94,409	470,442
Repayments of short-term borrowings	31(b)	(470,442)	(250,000)
Payments for repurchase of shares		–	(45,596)
Principal elements of lease payments	15(c)	(8,061)	(23,846)
Proceeds from disposals of restricted bank deposits		–	250,000
Dividends paid		(263,410)	–
Issuance of new shares under share option scheme	28,29	8	1
Net cash (used in)/generated from financing activities		(647,496)	401,001
Net increase/(decrease) in cash and cash equivalents		1,250,636	(1,252,042)
Cash and cash equivalents at beginning of year		903,058	2,147,222
Exchange (losses)/gains on cash and cash equivalents		(14,759)	7,878
Cash and cash equivalents at end of year		2,138,935	903,058

The notes on pages 116 to 228 are integral parts of these consolidated financial statements.

Notes to the Consolidated Financial Statements

1 GENERAL INFORMATION

Maoyan Entertainment (the “Company”) was incorporated in the Cayman Islands on December 8, 2017 as an exempted company with limited liability under the Companies Act (as revised) of the Cayman Islands. The address of the Company’s registered office is Walkers Corporate Limited, 190 Elgin Avenue, George Town, Grand Cayman KY1-9008, Cayman Islands. The Company’s shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited on February 4, 2019.

The Company is an investment holding company. The Company and its subsidiaries, including structured entities (collectively, the “Group”), are principally engaged in the provision of online entertainment ticketing services, entertainment content services, advertising services and others in the People’s Republic of China (the “PRC”).

The consolidated financial statements for the year ended December 31, 2025 is presented in Renminbi (“RMB”) and all values are rounded to the nearest thousand (RMB’000) except when otherwise indicated. The consolidated financial statements for the year ended December 31, 2025 have been approved for issue by the Company’s board of directors (the “Board”) on March 26, 2026.

2 BASIS OF PREPARATION AND SUMMARY OF MATERIAL ACCOUNTING POLICIES

The material accounting policies applied in the preparation of the consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards as issued by the IASB (“IFRS Accounting Standards”) and the disclosure requirements of the Hong Kong Companies Ordinance Cap.622. IFRS Accounting Standards comprise the following authoritative literature:

- IFRS Accounting Standards,
- International Accounting Standards, and
- Interpretations developed by the IFRS Interpretations Committee or its predecessor body, the Standing Interpretations Committee

The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets at fair value through profit or loss and financial assets at fair value through other comprehensive income, which are carried at fair value.

Notes to the Consolidated Financial Statements

2 BASIS OF PREPARATION AND SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.1 Basis of preparation (continued)

The preparation of the consolidated financial statements in conformity with IFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 4 below.

New and amended standards adopted by the Group

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

- Amendments to IAS 21 – Lack of Exchangeability;

The amendments listed above did not have any material impact on amounts recognised in prior periods and are not expected to significantly affect the current or future period.

New and amended standards and interpretations not yet adopted

Certain new accounting standards and amendments to accounting standards issued by the International Accounting Standards Board have been published that are not mandatory for December 31, 2025 reporting period and have not been early adopted by the Group. The adoption of IFRS 18 will not affect the recognition or measurement of items in the consolidated financial statements, and will only impact on presentation and disclosure, in particular those related to the consolidated statement of comprehensive income and providing management-defined performance measures within the consolidated financial statements. Except for IFRS 18, none of these standards is expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

Notes to the Consolidated Financial Statements

2 BASIS OF PREPARATION AND SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.1 Basis of preparation (continued)

New and amended standards and interpretations not yet adopted (continued)

		Effective for annual periods beginning on or after
Amendment to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments	January 1, 2026
Amendment to IFRS 9 and IFRS 7	Contracts Referencing Nature-dependent Electricity	January 1, 2026
Annual Improvements	Annual Improvements to IFRS Accounting Standards – Volume 11	January 1, 2026
IFRS 18	Presentation and Disclosure in Financial Statements	January 1, 2027
IFRS 19	Subsidiaries without Public Accountability: Disclosures	January 1, 2027
Amendments to IAS 21	Translation to a Hyperinflationary Presentation Currency	January 1, 2027
Amendments to Illustrative Examples on IFRS 7, IFRS 18, IAS 1, IAS 8, IAS 36 and IAS 37	Disclosures about Uncertainties in the Financial Statements	To be determined

2.2 Summary of material accounting policies

2.2.1 Property, plant and equipment

All property, plant and equipment are stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives as follows:

Office equipment	3-5 years
Computer equipment	3 years
Leasehold improvements	the shorter of their useful lives and the lease terms

Notes to the Consolidated Financial Statements

2 BASIS OF PREPARATION AND SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.2 Summary of material accounting policies (continued)

2.2.2 Intangible assets

(a) Goodwill

Goodwill arises on the acquisition of subsidiaries represents the excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identified net assets acquired. Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the cash-generating units ("CGUs"), or groups of CGUs, that is expected to benefit the business combination in which the goodwill arose. Each unit or group of units to which the goodwill is allocated represents the lowest level within the entity at which the goodwill is monitored for internal management purposes. Goodwill is monitored at the operating segment level. The carrying value of the CGU containing the goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs of disposal. Any impairment is recognised immediately as an expense and is not subsequently reversed.

(b) Trademarks and licenses

Separately acquired trademarks and licenses are shown at historical cost. Trademarks and licenses acquired in a business combination are recognised at fair value at the acquisition date. Trademarks and licenses have finite useful lives and are carried at cost less accumulated amortization and impairment losses. Amortization is calculated using the straight-line method to allocate the cost of trademarks and licenses over their estimated useful lives. The Group determined the acquired trademarks and licenses to have useful lives of 9 to 10 years based on the brand awareness of acquiree, expected future renewal rates and the best estimate of the Group.

Notes to the Consolidated Financial Statements

2 BASIS OF PREPARATION AND SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.2 Summary of material accounting policies (continued)

2.2.2 Intangible assets (continued)

(c) Software

Acquired computer software licenses are capitalized on the basis of the costs incurred to acquire and bring to use the specific software. Considering this acquired software licenses are well-developed off the shelf software, there is no contractual term of these software license, and the Group can use the software as long as it can meet the Group's business needs. Based on the current functionalities equipped by this software and the daily operation needs, the Group considers a useful life of 3-10 years is the best estimation under current business needs.

(d) Intellectual property rights ("IP Rights")

IP Rights are initially recognised and measured at cost or estimated fair value as acquired through business combinations. They have a finite useful life and are subsequently carried at cost less accumulated amortization and impairment losses.

(e) Contractual customer relationship

Contractual customer relationships acquired in a business combination are recognised at fair value at the acquisition date. The contractual customer relationship have a finite useful life and are carried at cost less accumulated amortization. The Group determined the acquired contractual customer relationship to have a useful life of 10 to 15 years based on the rule-of-thumb approach, considering the increase rate of revenue from these customers and customer churn rate, to determine the estimated benefit period of the contractual customer relationship.

The group amortises intangible assets with a finite useful life using the straight-line method over the following periods:

Trademarks and licenses	9-10 years
Software	3-10 years
Business cooperation agreement	5 years
Contractual customer relationship	10-15 years
IP Rights	10 years

Notes to the Consolidated Financial Statements

2 BASIS OF PREPARATION AND SUMMARY OF MATERIAL ACCOUNTING POLICIES

(continued)

2.2 Summary of material accounting policies *(continued)*

2.2.3 Impairment of non-financial assets

Intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

2.2.4 Financial assets

(a) Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income ("OCI"), or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will be recorded either in profit or loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to present subsequent change in fair value through other comprehensive income ("FVOCI").

The Group reclassifies debt instruments when and only when its business model for managing those assets changes.

Notes to the Consolidated Financial Statements

2 BASIS OF PREPARATION AND SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.2 Summary of material accounting policies (continued)

2.2.4 Financial assets (continued)

(b) Recognition and derecognition

Regular way purchases and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

(c) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss ("FVPL"), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in "other gain/(losses), net" together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the consolidated statement of comprehensive income.

Notes to the Consolidated Financial Statements

2 BASIS OF PREPARATION AND SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.2 Summary of material accounting policies (continued)

2.2.4 Financial assets (continued)

(c) Measurement (continued)

Debt instruments (continued)

- FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in "other gain/(losses), net". Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in "other gain/(losses), net" and impairment losses are presented as separate line item in the consolidated statement of comprehensive income.
- FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within "other gain/(losses), net" in the period in which it arises.

Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in "other gain/(losses), net" in the consolidated statement of comprehensive income as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Notes to the Consolidated Financial Statements

2 BASIS OF PREPARATION AND SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.2 Summary of material accounting policies (continued)

2.2.4 Financial assets (continued)

(d) Impairment

The Group has types of financial assets subject to IFRS 9's expected credit loss model:

- Accounts receivable;
- Deposits and other receivables;
- Cash and cash equivalents, restricted bank deposits and term deposits with original maturity over three months, and
- Other financial assets measured at amortised cost

The Group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For accounts receivable, the Group applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Impairment on deposits and other receivables is measured as either 12-month expected credit losses or lifetime expected credit loss, depending on whether there has been a significant increase in credit risk since initial recognition. If a significant increase in credit risk of a receivable has occurred since initial recognition, then impairment is measured as lifetime expected credit losses. To manage risk arising from cash and cash equivalents, restricted bank deposits, term deposits with original maturity over three months and other financial assets measured at amortised cost, the Group only transacts with state-owned or reputable financial institutions. There has been no recent history of default in relation to these financial institutions.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in profit or loss.

Notes to the Consolidated Financial Statements

2 BASIS OF PREPARATION AND SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.2 Summary of material accounting policies (continued)

2.2.4 Financial assets (continued)

(e) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position where the Group currently has a legally enforceable right to offset the recognised amounts, and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

2.2.5 Accounts receivable, deposits and other receivables

Accounts receivable are amounts due from customers for services performed or inventories sold in the ordinary course of business. If collection of accounts, deposits and other receivables is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. Otherwise, they are presented as non-current assets.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, in which case they are recognised at fair value. The group holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less provision for impairment. See Note 2.2.4(d) for a description of the Group's impairment policy for accounts receivable.

2.2.6 Revenue recognition

Revenue is measured when or as the control of the goods or services is transferred to a customer. Depending on the terms of the contract and the laws that apply to the contract, control of the goods and services may be transferred over time or at a point in time. Control of the goods and services is transferred over time if the Group's performance:

- provides all of the benefits received and consumed simultaneously by the customer; or
- creates and enhances an asset that the customer controls as the Group performs; or
- does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

Notes to the Consolidated Financial Statements

2 BASIS OF PREPARATION AND SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.2 Summary of material accounting policies (continued)

2.2.6 Revenue recognition (continued)

If control of the goods and services transfers over time, revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. The Group uses the input methods to measure the progress towards, recognizing revenue based on direct measurements of the value transferred to the customer. Otherwise, revenue is recognised at a point in time when the customer obtains control of the goods and services.

Contracts with customers may include multiple performance obligations. For such arrangements, the Group allocates revenue to each performance obligation based on its relative standalone selling price. The Group generally determines standalone selling prices based on the prices charged to customers. If the standalone selling price is not directly observable, it is estimated using expected cost plus a margin or adjusted market assessment approach, depending on the availability of observable information. Assumptions and estimations have been made in estimating the relative selling price of each distinct performance obligation, and changes in judgements on these assumptions and estimates may impact the revenue recognition.

When either party to a contract has performed, the Group presents the contract in the statement of financial position as a contract asset or a contract liability, depending on the relationship between the entity's performance and the customer's payment.

A contract asset is the Group's right to consideration in exchange for goods and services that the Group has transferred to a customer. A receivable is recorded when the Group has an unconditional right to consideration. A right to consideration is unconditional if only the passage of time is required before payment of the consideration is due.

If a customer pays consideration or the Group has a right to an amount of consideration that is unconditional, before the Group transfers a good or service to the customer, the Group presents the contract liability when the payment is made or a receivable is recorded (whichever is earlier). A contract liability is the Group's obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due from the customer).

The Group principally derives revenue from online movie and entertainment event ticketing services, movie distribution and promotion services, movies production/investment, licensing of broadcasting rights of television series, advertising services and others.

Notes to the Consolidated Financial Statements

2 BASIS OF PREPARATION AND SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.2 Summary of material accounting policies (continued)

2.2.6 Revenue recognition (continued)

(a) Online entertainment ticketing services

Online entertainment ticketing services consist primarily of online movie ticketing as well as entertainment event ticketing service.

(i) Online movie ticketing services

The Group operates a platform that enables cinemas to sell their movie tickets to users. Users can select cinemas, movies, seats and process payments through the platform. The Group identifies cinemas as the customers for the online movie ticketing services.

Revenue from online movie ticketing services is recognised on a net basis as the Group does not bear primary obligation to end-users and lacks control over film exhibition. The Group does not determine ticket pricing and only earns commission fees from cinemas.

The payments from end-users are cancellable and refundable prior to the screening. The Group initially recorded the payments from the users as other payable. Revenue is recognised at the point in time when the screening commences.

The Group offers ticket refund and exchange services on the platform for some cinemas and receive extra service fee from cinemas. The payments arising from ticket refund and exchange are non-refundable. Revenue is recognised when the cinemas complete the ticket refund and exchange services for users.

(ii) Online entertainment event ticketing services

The Group operates a platform offering ticketing services for entertainment events (e.g., concerts, live performances, exhibitions, sports). For eligible venues, the platform enables online seat selection.

Tickets are sold on the Group's platform at the face value determined by the event promoters, including theaters and other venues. The Group provides the event promoters with convenient and stable ticketing system and managerial assistance through the system.

Notes to the Consolidated Financial Statements

2 BASIS OF PREPARATION AND SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.2 Summary of material accounting policies (continued)

2.2.6 Revenue recognition (continued)

(a) Online entertainment ticketing services (continued)

(ii) Online entertainment event ticketing services (continued)

The Group identifies event promoters as the customers for online entertainment event ticketing services.

Ticket refund and exchange, as well as the extra service fee, are subject to the terms and conditions made by the event promoters. If events are cancelled or postponed, the event promoters will refund the users through the Group, and the event promoters are responsible for any expenses, liability claims, disputes and litigation resulting from such cancellation.

Revenue is recognised on a net basis as the Group does not bear primary obligation to end-users and lacks control over the event. The Group only receives commission fee from the event promoters.

The Group initially recorded the payments from the users as other payables and recognises commission revenue when the tickets are accepted and unreturnable.

(b) Entertainment content services

The Group operates an integrated platform to provide entertainment content services, including distribution, promotion to production, for various entertainment formats including movies, TV series and entertainment events.

(i) Movie distribution and promotion services

The Group provides movie distribution and promotion services to content producers, which are identified its customers. Services include tailored audience incentive programs, promotion campaign in cooperation with movie fans club, movie presale and test screenings.

As primary obligor with pricing authority, service quality control, and contractual negotiation rights, the Group recognises revenue on a gross basis.

Notes to the Consolidated Financial Statements

2 BASIS OF PREPARATION AND SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.2 Summary of material accounting policies (continued)

2.2.6 Revenue recognition (continued)

(b) Entertainment content services (continued)

(i) Movie distribution and promotion services (continued)

Revenue from distribution and promotion comprises of either a fixed-amount or a percentage of the box office, net of all necessary production and distribution costs and expenses. Revenue from distribution and promotion is recognised over the period in which the services are rendered as the customer consumed the services simultaneously. Accounts receivable is recorded when revenue is recognised due to the Group has an unconditional right to consideration.

(ii) Movies production/investment

The Group provides market-oriented advice to the production crew on the shooting and edition processes, leveraging the Group's big data analytical capabilities and extensive experience of movie distribution and promotion, and makes capital investment in the production as a co-producer or a producer.

Notes to the Consolidated Financial Statements

2 BASIS OF PREPARATION AND SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.2 Summary of material accounting policies (continued)

2.2.6 Revenue recognition (continued)

(b) Entertainment content services (continued)

(ii) Movies production/investment (continued)

When the Group is not involved in the determination of idea origination, production crew and cast selection, shooting and post-production but only participates in the distribution and promotion. The Group is not considered to be involved in the movie production process and the main purpose of the investment in the movies is to obtain the distribution right of the movies from the movie production companies and to earn the distribution fee. Given that distribution services are provided by the Group to the producers/movie production companies, and the investment in the relevant movie made by the Group is also paid to the same producer/movie production company, such investment cost is considered as in substance a consideration payable to a customer of the Group, and as a result, such investment cost shall be accounted for as a reduction of revenue.

Revenue from this type of investment in movie projects arising from the revenue share of the movie, based on the interest percentage owned by the Group, is recognised over the movie screening period according to the progress of box office, after the reduction of the Group's investment cost (on a net basis). The prepaid costs are initially capitalised under "prepayments for distribution and promotion contracts" in Note 23. Accounts receivable is recorded when revenue recognised due to the Group has an unconditional right to consideration.

When the Group is fully involved as a principal in the determination of idea origination, production crew and cast selection, shooting and post-production, the Group controlled the movie production process and is considered to be a producer or co-producer. Therefore, revenue from this type of movie production represents the Group's share of box office sales from movies exhibited in movie theatres, after the payment of taxes and other charges by movie theatres and associates of movie theatres, is recognised over the movie screening period according to the progress of box office (on a gross basis). The corresponding movie production costs are initially capitalised under "film rights production costs" in Note 23.

Notes to the Consolidated Financial Statements

2 BASIS OF PREPARATION AND SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.2 Summary of material accounting policies (continued)

2.2.6 Revenue recognition (continued)

(b) Entertainment content services (continued)

(ii) Movies production/investment (continued)

Provisions are made for costs which are in excess of the expected future revenues generated by these films. Prepayments for distribution and promotion contracts and film rights production costs are subject to impairment assessment, and the provisions are recognised in cost of revenue or deduction of revenue, respectively, when the expected recoverable amounts of certain film rights production costs could not cover the respective carrying amounts. Capitalised costs are subsequently amortised to profit or loss under cost of revenue in the same pattern of the aforesaid revenue recognition when the associated movies are exhibited.

The Group also strategically invested in movies, TV series and entertainment events as one of the principal activities of the Group. Therefore, the Group has presented the changes in fair value on the investment in movies, TV series and entertainment events as revenue of the Group in the consolidated statement of comprehensive income.

(iii) Licensing of broadcasting rights of television series

When the Group controls the television series production process by determined the idea origination, production crew and cast selection, shooting and post-production, the Group determines it's a principal and therefore records revenue on a gross basis. After completing the idea origination and preliminary work, the Group negotiate with online video platforms to license the television series rights.

Revenue from the licensing of broadcasting rights of television series is recognised at the point in time when the television series are available to the licensee who is able to use and benefit from the license, generally on delivery of broadcasting rights of the television series.

Notes to the Consolidated Financial Statements

2 BASIS OF PREPARATION AND SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.2 Summary of material accounting policies (continued)

2.2.6 Revenue recognition (continued)

(b) Entertainment content services (continued)

(iii) Licensing of broadcasting rights of television series (continued)

In certain agreements with online video platform customers, the Group is entitled to additional bonus based on the actual broadcasting performance. Revenue from such additional bonus is recognised when the amount is determined and confirmed by the customers.

(c) Advertising services and others

The Group's platform offers online ordering of in-cinema food and beverage, sale of IP-centric movie merchandise and movie ticket membership subscriptions for the cinemas. Users can place orders and prepay for these goods and services through the Group's platform.

The varieties and price of food, beverage and other items are determined by the individual cinemas. The Group acts as an agent in these transactions and only earns pre-agreed commission from cinemas. Revenue from e-commerce services is recognised on a net basis as the Group is not regarded as the primary obligor with respect to the goods and services.

The payments from users are cancellable and refundable before they consume the goods or services. The Group initially records the payments from the users as other payables and recognises commission revenue when the underlying goods and services are consumed.

The Group provides advertising services to advertisers and advertising agencies in both the movie industry and other industries. The Group also provides other advertising services, including advertisements incorporated into the entertainment content (e.g., via news feeds and articles published through official social media accounts), various offline marketing resources (e.g., cinemas, movie roadshows, and cross-industry advertising collaborations).

Advertising revenue mainly comprises revenue derived from displaying advertisements on the Group's platform. Revenue is recognised on a straight-line basis over the contractual period with customers during which the advertisements are displayed.

Notes to the Consolidated Financial Statements

2 BASIS OF PREPARATION AND SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.2 Summary of material accounting policies (continued)

2.2.6 Revenue recognition (continued)

(c) Advertising services and others (continued)

The Group is considered the principal obligor for advertising services because it controls the pricing of the advertising services, takes responsibility for monitoring the quality of advertising services and negotiates the service terms with customers. Consequently, revenue from advertising service is recognised on a gross basis.

Advertisers typically pay for the advertisement after the display is completed. The Group records accounts receivable when the revenue recognised since the Group has unconditional rights to payments of advertising services which are due according to the contract terms.

(d) Transaction price allocated to the remaining performance obligation

The transaction price allocated to the performance obligations that are unsatisfied, or partially unsatisfied, has not been disclosed, as substantially all of the Group's contracts have a duration of 1 year or less.

2.2.7 Principles of consolidation and equity accounting

(a) Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity where the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. The acquisition method of accounting is used to account for business combinations by the Group (Note 2.2.7(f)).

Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed here necessary to ensure consistency with the policies adopted by the Group.

Notes to the Consolidated Financial Statements

2 BASIS OF PREPARATION AND SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.2 Summary of material accounting policies (continued)

2.2.7 Principles of consolidation and equity accounting (continued)

(a) **Subsidiaries** (continued)

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of comprehensive income, statement of changes in equity and statement of financial position respectively.

Subsidiaries controlled through contractual arrangements

Maoyan Entertainment (HK) Limited ("Maoyan Entertainment HK"), the subsidiary of the Group, established Tianjin Maoyan Weying Technology Co., Ltd (the "WFOE"), who has entered into contractual arrangements ("Existing Contractual Arrangements") with Tianjin Maoyan Weying Cultural Media Co., Ltd. ("Tianjin Maoyan Weying") and its registered shareholders. On July 15, 2024, the WFOE has entered into new contractual arrangements, which comprised the same set of agreements constituting the Existing Contractual Arrangements in substantially the same form, with Tianjin Ganyu Information Technology Co., Ltd. ("Tianjin Ganyu") and its registered shareholders. These contractual arrangements enable the WFOE and the Group to:

- Exercise effective control over Tianjin Maoyan Weying, Tianjin Ganyu and their subsidiaries (the "Operating Entities");
- Exercise owners' voting rights of the Operating Entities;
- Receive substantially all of the economic interests and returns generated by the Operating Entities in consideration for the technical support, consulting and other services provided exclusively by the WFOE, at the WFOE's discretion;

Notes to the Consolidated Financial Statements

2 BASIS OF PREPARATION AND SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.2 Summary of material accounting policies (continued)

2.2.7 Principles of consolidation and equity accounting (continued)

(a) **Subsidiaries** (continued)

Subsidiaries controlled through contractual arrangements (continued)

- Obtain an irrevocable and exclusive right to purchase all equity interests in Tianjin Maoyan Weying and Tianjin Ganyu from their registered shareholders at a nominal consideration unless the relevant government authorities request that another amount be used as the purchase consideration and in which case the purchase consideration shall be such amount. Where the purchase consideration is required by the relevant government authorities to be an amount other than a nominal amount, the registered shareholders of Tianjin Maoyan Weying and Tianjin Ganyu shall return the amount of purchase consideration they have received to the WFOE. At the WFOE's request, the registered shareholders of Tianjin Maoyan Weying and Tianjin Ganyu will promptly and unconditionally transfer their respective equity interests of Tianjin Maoyan Weying and Tianjin Ganyu to the WFOE (or its designee within the Group) after the WFOE exercises its purchase right; and
- Obtain pledges over the entire equity interests in Tianjin Maoyan Weying and Tianjin Ganyu from their registered shareholders to secure, among others, performance of their obligations under the contractual arrangement.

The Group does not have any equity interest in the Operating Entities. However, as a result of the contractual arrangement, the Group has rights to variable returns from its involvement with the Operating Entities and has the ability to affect those returns through its power over the Operating Entities and is considered to control the Operating Entities. Consequently, the Company regards the Operating Entities as controlled structure entities and consolidated the financial position and results of operations of these entities in the consolidated financial statements of the Group during the years ended December 31, 2025 and 2024.

Notes to the Consolidated Financial Statements

2 BASIS OF PREPARATION AND SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.2 Summary of material accounting policies (continued)

2.2.7 Principles of consolidation and equity accounting (continued)

(a) **Subsidiaries** (continued)

Subsidiaries controlled through contractual arrangements (continued)

Nevertheless, there are still uncertainties regarding the interpretation and application of current and future PRC laws and regulations. The Directors of the Group, based on the advice of its legal counsel, consider the contractual arrangements are valid, legally binding on the parties thereto, and enforceable under the PRC laws and regulations.

(b) **Associates**

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting (see 2.2.7(d) below), after initially being recognised at cost.

(c) **Joint arrangements**

Under IFRS 11 Joint Arrangements investments in joint arrangements are classified as either joint operations or joint ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement.

The Group has assessed the nature of its certain investments in movie production and determined them to be joint operations. The Group recognises its direct right to the assets, liabilities, revenues and expenses of joint operations and its share of any jointly held or incurred assets, liabilities, revenue and expenses. These have been incorporated in the financial statements under the appropriate headings such as prepayments and film rights and payables in respect of share in the box office receipts. Details of the revenues recognition related to investments in movie production classified as joint operation are set out in Note 2.2.6(b) (ii). Interests in joint ventures are accounted for using the equity method (see 2.2.7(d) below), after initially being recognised at cost in the consolidated statement of financial position.

Notes to the Consolidated Financial Statements

2 BASIS OF PREPARATION AND SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.2 Summary of material accounting policies (continued)

2.2.7 Principles of consolidation and equity accounting (continued)

(d) **Equity method**

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

Where the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity-accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity-accounted investments is tested for impairment in accordance with the policy described in Note 2.2.3.

(e) **Changes in ownership interests**

The group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners of the Group.

Notes to the Consolidated Financial Statements

2 BASIS OF PREPARATION AND SUMMARY OF MATERIAL ACCOUNTING POLICIES

(continued)

2.2 Summary of material accounting policies *(continued)*

2.2.7 Principles of consolidation and equity accounting *(continued)*

(e) Changes in ownership interests *(continued)*

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable IFRS Accounting Standards.

If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

(f) Business Combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the fair values of the assets transferred, the liabilities incurred to the former owners of the acquired business and the equity interests issued by the Group. The consideration transferred also includes the fair value of any asset or liability resulting from a contingent consideration arrangement, and the fair value of any pre-existing equity interest in the subsidiary. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

The Group recognises any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets. Acquisition-related costs are expensed as incurred.

Notes to the Consolidated Financial Statements

2 BASIS OF PREPARATION AND SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.2 Summary of material accounting policies (continued)

2.2.7 Principles of consolidation and equity accounting (continued)

(f) **Business Combinations** (continued)

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date. Any gains or losses arising from such remeasurement are recognised in profit or loss.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the business acquired, the difference is recognised directly in profit or loss as a bargain purchase.

2.2.8 Separate financial statements

Investments in subsidiaries are accounted for at cost less impairment. Cost includes direct attributable costs of investment. The results of subsidiaries are accounted for by the Company on the basis of dividend received and receivable.

Impairment testing of the investments in subsidiaries is required upon receiving a dividend from these investments if the dividend exceeds the total comprehensive income of the subsidiary in the period the dividend is declared or if the carrying amount of the investment in the separate financial statements exceeds the carrying amount in the consolidated financial statements of the investee's net assets including goodwill.

2.2.9 Current and deferred income tax

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses. Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Notes to the Consolidated Financial Statements

2 BASIS OF PREPARATION AND SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.2 Summary of material accounting policies (continued)

2.2.9 Current and deferred income tax (continued)

(a) Current income tax

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation, and it considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Group measures its tax balances either based on either the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

(b) Deferred income tax

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

The deferred tax liability in relation to investment property that is measured at fair value is determined assuming that the property will be recovered entirely through sale.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Notes to the Consolidated Financial Statements

2 BASIS OF PREPARATION AND SUMMARY OF MATERIAL ACCOUNTING POLICIES

(continued)

2.2 Summary of material accounting policies (continued)

2.2.9 Current and deferred income tax (continued)

(c) Offsetting

Deferred tax assets and liabilities are offset where there is a legally enforceable right to offset current tax assets and liabilities and where the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

2.2.10 Employee benefits

(a) Short-term obligations

Liabilities for wages and salaries including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period, and they are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as payroll and welfare payable in the statement of financial position.

(b) Employee leave entitlements

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the end of the reporting period. Employee entitlements to sick and maternity leave are not recognised until the time of leave.

(c) Pension obligations

The Group contributes on a monthly basis to various defined contribution plans organised by the relevant governmental authorities. The Group's liability in respect of these plans is limited to the contributions payable in each period. Contributions to these plans are expensed as incurred and not reduced by contributions forfeited by those employees who leave the plan prior to vesting fully in the contributions. Assets of the plans are held and managed by government authorities and are separated from those of the Group.

Notes to the Consolidated Financial Statements

2 BASIS OF PREPARATION AND SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.2 Summary of material accounting policies (continued)

2.2.10 Employee benefits (continued)

(d) Share-based benefits of the Group

The Group operates several equity-settled share-based compensation plans (including share option scheme and restricted stock units ("RSUs") scheme), under which the Group receives service from its employees in exchange for the equity instruments of the Group. As disclosed in Note 30, during the years ended December 31, 2025 and 2024, the fair value of the employee service received in exchange for the grant of share options and RSUs is recognised as an expense. The total amount to be expensed is determined by reference to the fair value of the equity instruments granted:

- Including any market performance conditions (e.g., the entity's share price);
- Excluding the impact of any service and non-market performance vesting conditions (e.g., profitability, sales growth targets and remaining an employee of the entity over a specified time period); and
- Including the impact of any non-vesting conditions (e.g., the requirement for employees to save or holdings shares for a specific period of time).

The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the entity revises its estimates of the number of options that are expected to vest based on the non-market vesting and service conditions. It recognises the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

In addition, in some circumstances employees may provide services in advance of the grant date and therefore the grant date fair value is estimated for the purposes of recognising the expense during the period between service commencement period and grant date.

Notes to the Consolidated Financial Statements

2 BASIS OF PREPARATION AND SUMMARY OF MATERIAL ACCOUNTING POLICIES

(continued)

2.2 Summary of material accounting policies *(continued)*

2.2.10 Employee benefits *(continued)*

(d) Share-based benefits of the Group *(continued)*

The grant by the Company of its equity instruments to the employees of its subsidiaries is treated as a capital contribution. The fair value of employee services received, measured by reference to the grant date fair value, is recognised over the vesting period as an increase to investments in subsidiaries, with a corresponding credit to equity in the parent entity accounts.

Where there is any modification of terms and conditions which increases the fair value of the equity instruments granted, the Group includes the incremental fair value granted in the measurement of the amount recognised for the services received over the remainder of the vesting period. The incremental fair value is the difference between the fair value of the modified equity instrument and that of the original equity instrument, both estimated as at the date of the modification. An expense based on the incremental fair value is recognised over the period from the modification date to the date when the modified equity instruments vest in addition to any amount in respect of the original instrument, which should continue to be recognised over the remainder of the original vesting period. Furthermore, if the entity modifies the terms or conditions of the equity instruments granted in a manner that reduces the total fair value of the share-based payment arrangement, or is not otherwise beneficial to the employee, the entity shall nevertheless continue to account for the services received as consideration for the equity instruments granted as if that modification had not occurred (other than a cancellation of some or all the equity instruments granted).

2.2.11 Research and development expenses

Research expenditure is recognised as an expense as incurred.

Costs incurred on development projects (relating to the design and testing of new or improved products) are capitalized as intangible assets when the following recognition criteria are fulfilled:

- it is technically feasible to complete the software so that it will be available for use;

Notes to the Consolidated Financial Statements

2 BASIS OF PREPARATION AND SUMMARY OF MATERIAL ACCOUNTING POLICIES

(continued)

2.2 Summary of material accounting policies *(continued)*

2.2.11 Research and development expenses *(continued)*

- management intends to complete the software and use or sell it;
- there is an ability to use or sell the software;
- it can be demonstrated how the software will generate probable future economic benefits;
- adequate technical, financial and other resources to complete the development and to use or sell the software are available; and
- the expenditure attributable to the software during its development can be reliably measured.

Other development expenditures that do not meet those criteria are recognised as expenses as incurred. Development costs previously recognised as expenses are not recognised as assets in subsequent periods. Capitalized development costs are amortised from the point at which the assets are ready for use on a straight-line basis over their estimated useful lives.

2.2.12 Earnings per share

(a) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company, excluding any costs of servicing equity other than ordinary shares.
- by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year and excluding treasury shares.

Notes to the Consolidated Financial Statements

2 BASIS OF PREPARATION AND SUMMARY OF MATERIAL ACCOUNTING POLICIES

(continued)

2.2 Summary of material accounting policies *(continued)*

2.2.12 Earnings per share *(continued)*

(b) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after-income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

2.2.13 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, demand deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

2.2.14 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the term of the facility to which it relates.

Notes to the Consolidated Financial Statements

2 BASIS OF PREPARATION AND SUMMARY OF MATERIAL ACCOUNTING POLICIES (continued)

2.2 Summary of material accounting policies (continued)

2.2.14 Borrowings (continued)

Borrowings are derecognised when the obligation specified in the contract is extinguished, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as finance costs.

Borrowings are classified as current liabilities unless, at the end of the reporting period, the group has a right to defer settlement of the liability for at least 12 months after the reporting period. Covenants that the group is required to comply with, on or before the end of the reporting period, are considered in classifying loan arrangements with covenants as current or non-current. Covenants that the group is required to comply with after the reporting period do not affect the classification at the reporting date.

2.2.15 Account payables, other payables and accruals

These amounts represent liabilities for services provided to the Group prior to the end of financial year which are unpaid. Account payables and other payables are presented as current liabilities, unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortised cost using the effective interest method.

2.2.16 Dividend distribution

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

3 FINANCIAL RISK MANAGEMENT

3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, fair value interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. Risk management is carried out by the senior management of the Group.

Notes to the Consolidated Financial Statements

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

(a) Market risk

(i) Foreign exchange risk

The Group's businesses are principally conducted in RMB, which is exposed to foreign currency risk with respect to transactions denominated in currencies other than RMB. Foreign exchange risk arises from recognised assets and liabilities and net investments in foreign operations. The Group did not enter into any forward contract to hedge its exposure to foreign currency risk for the years ended December 31, 2025 and 2024.

The following table shows the Group's monetary assets and liabilities (in RMB equivalent) that are denominated in foreign currencies other than the functional currencies of respective group entities:

Currency denomination	Assets		Liabilities	
	As at December 31,		As at December 31,	
	2025	2024	2025	2024
	RMB'000	RMB'000	RMB'000	RMB'000
Singapore Dollar ("SGD")	122	446	—	—
United States Dollar ("USD")	9	9	—	—
Hong Kong Dollar ("HKD")	194,640	77,765	2,988	10,391
	194,771	78,220	2,988	10,391

The Group may experience a loss as a result of any foreign currency exchange rate fluctuations in connection with monetary assets shown above. The Group has not used any means to hedge the exposure.

If RMB had weakened/strengthened by 5% against the foreign currency dollars with all other variables held constant, profit before income tax for the year ended December 31, 2025 would have been RMB9,589,000 higher/lower (2024: RMB3,391,000 higher/lower).

Notes to the Consolidated Financial Statements

3 FINANCIAL RISK MANAGEMENT *(continued)*

3.1 Financial risk factors *(continued)*

(a) Market risk *(continued)*

(ii) Fair value interest rate risk

The Group's interest rate risk arises from interest-bearing bank deposits and bank borrowings. Bank borrowings issued at variable rates expose the Group to cash flow interest rate risk. Bank borrowings at fixed rates expose the Group to fair value interest rate risk.

Other than interest-bearing bank deposits, the Group has no other significant interest-bearing assets. The directors of the Company do not anticipate there is any significant impact to interest-bearing assets resulted from the changes in interest rates, because the interest rates of bank deposits are not expected to change significantly.

As at December 31, 2025 and 2024, the Group's interest-bearing borrowings are all at fixed rates.

(iii) Price risk

The Group is exposed to price risk in respect of the long-term investments and short-term investments measured at financial asset at FVPL and FVOCI held by the Group. The Group is not exposed to commodity price risk. To manage its price risk arising from the investments, the Group diversifies its portfolio. Each investment was managed by senior management on a case-by-case basis.

(b) Credit risk

The Group is exposed to credit risk primarily in relation to its cash and cash equivalents, restricted bank deposits and term deposits with original maturity over three months placed with banks and financial institutions as well as accounts receivable, deposits and other receivables. The carrying amount of each class of the above financial assets represents the Group's maximum exposure to credit risk in relation to the corresponding class of financial assets.

Notes to the Consolidated Financial Statements

3 FINANCIAL RISK MANAGEMENT *(continued)*

3.1 Financial risk factors *(continued)*

(b) Credit risk *(continued)*

(i) Risk management

To manage risk arising from cash and cash equivalents, restricted bank deposits and term deposits with original maturity over three months, the Group only transacts with state-owned or reputable financial institutions in Hong Kong and Chinese Mainland. There has been no recent history of default in relation to these financial institutions.

The Group has large number of debtors and there was no concentration of credit risk. The Group has monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverability of these accounts receivable, deposits and other receivables at the end of each reporting period to ensure that adequate impairment losses are made for irrecoverable amounts.

(ii) Impairment of financial assets

The Group has four types of financial assets that are subject to the expected credit loss model:

- Cash and cash equivalents, restricted bank deposits and term deposits with original maturity over three months
- Other financial assets measured at amortised cost
- Accounts receivable
- Deposits and other receivables

While cash and cash equivalents, restricted bank deposits and term deposits with original maturity over three months, are also subject to the impairment requirements of IFRS Accounting Standard 9, the identified impairment loss was immaterial as they were mainly placed in reputable institutions in Hong Kong and Chinese Mainland with sound credit ratings.

Notes to the Consolidated Financial Statements

3 FINANCIAL RISK MANAGEMENT *(continued)*

3.1 Financial risk factors *(continued)*

(b) Credit risk *(continued)*

(ii) Impairment of financial assets *(continued)*

Other financial assets measured at amortised cost of the Group were treasury bonds. The credit risk associated with these financial assets is low, no loss allowance for other financial assets measured at amortised cost as at December 31, 2025 and 2024 was recognised.

Accounts receivable

The Group applies the simplified approach to provide for expected credit losses prescribed by IFRS 9, which permits the use of the lifetime expected loss provision for all accounts receivable. To measure the expected credit losses, accounts receivable has been grouped based on shared credit risk characteristics and the days past due.

The expected loss rates are based on the aging profiles of accounts receivable over a period before the December 31, 2025 or January 1, 2025 respectively and the corresponding historical credit losses expected within this period. These historical loss rates are then adjusted to reflect current and forward-looking information on macro-economic factors affecting the ability of the customers to settle the receivables. The Group has identified the “urban per capita disposable income” of the PRC in which it sells its services to be the most relevant factor, and accordingly adjusts the historical loss rates based on expected changes in this factor in different scenarios. The Group also performed assessment at an individual basis, when it becomes aware of an increase in credit risk for the individual accounts receivable.

Notes to the Consolidated Financial Statements

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

(b) Credit risk (continued)

(ii) Impairment of financial assets (continued)

Accounts receivable (continued)

On such basis, the loss allowance as at December 31, 2025 and 2024 was determined as follows for accounts receivable:

	Current	Up to 3	3 to 6	6 to 12	Over	Total
	RMB'000	months	months	months	1 year	RMB'000
		past due	past due	past due	past due	
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
As at December 31, 2025						
On collective basis						
Expected loss rate	6.44%	13.51%	26.63%	41.77%	84.67%	26.18%
Gross carrying amount	494,595	92,135	152,448	81,626	164,058	984,862
Loss allowance provision	31,843	12,443	40,591	34,099	138,904	257,880
On individual basis						
Expected loss rate	-	-	-	-	100.00%	100.00%
Gross carrying amount	-	-	-	-	129,175	129,175
Loss allowance provision	-	-	-	-	129,175	129,175
Total						
Expected loss rate	6.44%	13.51%	26.63%	41.77%	91.42%	34.74%
Gross carrying amount	494,595	92,135	152,448	81,626	293,233	1,114,037
Loss allowance provision	31,843	12,443	40,591	34,099	268,079	387,055

Notes to the Consolidated Financial Statements

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

(b) Credit risk (continued)

(ii) Impairment of financial assets (continued)

Accounts receivable (continued)

		Up to 3 months	3 to 6 months	6 to 12 months	Over 1 year	Total
	Current RMB'000	past due RMB'000	past due RMB'000	past due RMB'000	past due RMB'000	RMB'000
As at December 31, 2024						
On collective basis						
Expected loss rate	6.37%	13.03%	21.41%	38.85%	82.40%	18.19%
Gross carrying amount	720,925	126,972	25,117	82,947	115,008	1,070,969
Loss allowance provision	45,890	16,541	5,377	32,227	94,772	194,807
On individual basis						
Expected loss rate	–	–	–	–	100.00%	100.00%
Gross carrying amount	–	–	–	–	251,894	251,894
Loss allowance provision	–	–	–	–	251,894	251,894
Total						
Expected loss rate	6.37%	13.03%	21.41%	38.85%	94.48%	33.77%
Gross carrying amount	720,925	126,972	25,117	82,947	366,902	1,322,863
Loss allowance provision	45,890	16,541	5,377	32,227	346,666	446,701

Notes to the Consolidated Financial Statements

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

(b) Credit risk (continued)

(ii) Impairment of financial assets (continued)

Accounts receivable (continued)

The loss allowances for accounts receivable as at December 31, 2025 and 2024 reconcile to the opening loss allowances as follows:

	Year ended December 31,	
	2025 RMB'000	2024 RMB'000
At the beginning of the year	446,701	370,282
Provision of impairment	63,074	79,589
Reversal of impairment	(104,223)	(3,170)
Write off	(18,497)	–
At the end of the year	387,055	446,701

The directors of the Company have carefully re-assessed the lifetime expected credit loss of accounts receivable as at December 31, 2025 and 2024, and accounts receivable are written off where there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in repayment plan with the Group.

Notes to the Consolidated Financial Statements

3 FINANCIAL RISK MANAGEMENT *(continued)*

3.1 Financial risk factors *(continued)*

(b) Credit risk *(continued)*

(ii) Impairment of financial assets *(continued)*

Deposits and other receivables

Deposits and other receivables primarily comprise balances resulted from the Group's principal activities with various business partners primarily in the PRC entertainment industry. The impairment loss of these financial assets carried at amortised cost is measured based on the twelve months 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.

A default on a financial asset is when the counterparty fails to make contractual payments when they fall due.

Financial assets are written off when there is no reasonable expectation of recovery, such as a debtor failing to engage in a repayment plan with the Group. Where deposits and other receivables have been written off, the Company continues to engage in follow-up actions such as enforcement activities to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.

Management uses three categories for deposits and other receivables which reflect their credit risk and how the loss provision is determined for each of those categories.

Notes to the Consolidated Financial Statements

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

(b) Credit risk (continued)

(ii) Impairment of financial assets (continued)

Deposits and other receivables (continued)

A summary of the assumptions underpinning the Group's expected credit loss model on deposits and other receivables is as follows:

Category	The Group's definition of category	Basis for recognition of expected credit loss provision
Stage 1	Deposits and other receivables whose credit risk is in line with original expectations and/or past due for less than 30 days.	12 month expected losses. Where the expected lifetime of an asset is less than 12 months, expected losses are measured at its expected lifetime
Stage 2	Deposits and 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 past due for more than 30 days but less than 90 days.	Lifetime expected losses
Stage 3	Interest and/or principal repayments are more than 90 days past due or it becomes probable that a customer will enter bankruptcy.	Lifetime expected losses

In calculating the expected credit loss rates, the Group applied the three-stage approach for their ECL using a modelling approach that incorporated key parameters and assumptions (including probability of default, loss given default, exposure at default, etc.), and adjusts for forward-looking macroeconomic data.

Notes to the Consolidated Financial Statements

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

(b) Credit risk (continued)

(ii) Impairment of financial assets (continued)

Deposits and other receivables (continued)

The Group provides for credit losses against deposits and other receivables as follows:

As at December 31, 2025	Stage1 RMB'000	Stage2 RMB'000	Stage3 RMB'000	Total RMB'000
Gross carrying amount				
Deposits and receivables for online entertainment ticketing, e-commerce and other services	866,635	—	263,387	1,130,022
Amounts due from related parties	185,789	—	19,737	205,526
Loans to third parties	46,800	—	107,890	154,690
Receivables for investments in movies, TV series and entertainment events	69,870	—	96,051	165,921
Deposits for rental and others	139,349	—	—	139,349
Receivables from transfer of investments in movies, TV series and entertainment events	31,854	—	—	31,854
Others	80,114	—	9,709	89,823
	1,420,411	—	496,774	1,917,185
	Stage1 RMB'000	Stage2 RMB'000	Stage3 RMB'000	Total RMB'000
Loss allowance				
Deposits and receivables for online entertainment ticketing, e-commerce and other services	14,712	—	263,387	278,099
Amounts due from related parties	11	—	19,737	19,748
Loans to third parties	517	—	107,890	108,407
Receivables for investments in movies, TV series and entertainment events	229	—	96,051	96,280
Deposits for rental and others	378	—	—	378
Receivables from transfer of investments in movies, TV series and entertainment events	486	—	—	486
Others	668	—	9,709	10,377
	17,001	—	496,774	513,775
Expected credit loss rate	1.20%	—	100.00%	26.80%

Notes to the Consolidated Financial Statements

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

(b) Credit risk (continued)

(ii) Impairment of financial assets (continued)

Deposits and other receivables (continued)

The Group provides for credit losses against deposits and other receivables as follows:
(continued)

As at December 31, 2024	Stage1 RMB'000	Stage2 RMB'000	Stage3 RMB'000	Total RMB'000
Gross carrying amount				
Deposits and receivables for online entertainment ticketing, e-commerce and other services	893,966	—	229,428	1,123,394
Loans to third parties	103,213	—	145,289	248,502
Amounts due from related parties	127,463	—	19,737	147,200
Receivables for investments in movies, TV series and entertainment events	26,788	—	77,196	103,984
Deposits for rental and others	55,304	—	—	55,304
Receivables from transfer of investments in movies, TV series and entertainment events	10,284	—	—	10,284
Others	39,728	—	9,896	49,624
	1,256,746	—	481,546	1,738,292
	Stage1 RMB'000	Stage2 RMB'000	Stage3 RMB'000	Total RMB'000
Loss allowance				
Deposits and receivables for online entertainment ticketing, e-commerce and other services	10,557	—	229,428	239,985
Loans to third parties	1,690	—	145,289	146,979
Amounts due from related parties	71	—	19,737	19,808
Receivables for investments in movies, TV series and entertainment events	521	—	77,196	77,717
Deposits for rental and others	406	—	—	406
Receivables from transfer of investments in movies, TV series and entertainment events	201	—	—	201
Others	283	—	9,896	10,179
	13,729	—	481,546	495,275
Expected credit loss rate	1.09%	—	100.00%	28.49%

Notes to the Consolidated Financial Statements

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

(b) Credit risk (continued)

(ii) Impairment of financial assets (continued)

Deposits and other receivables (continued)

The loss allowances for deposits and other receivables as at December 31, 2025 and 2024 reconcile to the opening loss allowances as follows:

	Year ended December 31,	
	2025 RMB'000	2024 RMB'000
At the beginning of the year	495,275	442,130
Provision of impairment	139,667	128,440
Reversal of impairment	(26,501)	(75,295)
Write off	(94,666)	–
At the end of the year	513,775	495,275

As at December 31, 2025, the maximum credit risk exposure of deposits and other receivables amounted to approximately RMB1,917,185,000 (2024: approximately RMB1,738,292,000).

(c) Liquidity risk

The Group aims to maintain sufficient cash and cash equivalents and marketable securities. Due to the dynamic nature of the underlying businesses, the Group maintains flexibility in funding by maintaining adequate cash and cash equivalents.

The table below analyses the Group's financial liabilities into relevant maturity grouping based on the remaining period at the end of each reporting period to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

Notes to the Consolidated Financial Statements

3 FINANCIAL RISK MANAGEMENT (continued)

3.1 Financial risk factors (continued)

(c) Liquidity risk (continued)

	Less than 1 year RMB'000	Between 1 and 2 years RMB'000	Between 2 and 5 years RMB'000	Total RMB'000
As at December 31, 2025				
Accounts payable	795,944	—	—	795,944
Other payables, accruals and other liabilities (excluding payroll and welfare payable, and other taxes liabilities)	2,181,028	—	—	2,181,028
Borrowings	95,045	—	—	95,045
Lease liabilities	3,978	4,033	2,766	10,777
	3,075,995	4,033	2,766	3,082,794

	Less than 1 year RMB'000	Between 1 and 2 years RMB'000	Between 2 and 5 years RMB'000	Total RMB'000
As at December 31, 2024				
Accounts payable	752,805	—	—	752,805
Other payables, accruals and other liabilities (excluding payroll and welfare payable, compensation provision and other taxes liabilities)	1,924,129	—	—	1,924,129
Borrowings	475,882	—	—	475,882
Lease liabilities	11,533	—	—	11,533
	3,164,349	—	—	3,164,349

Notes to the Consolidated Financial Statements

3 FINANCIAL RISK MANAGEMENT *(continued)*

3.2 Capital management

The Group's objectives on managing capital are to safeguard the Group's ability to continue as a going concern and support the sustainable growth of the Group in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to enhance owners' value in the long term.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, issue new shares or sell assets to reduce debt.

The Group monitors capital on basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings and lease liabilities, less cash and cash equivalents. Total capital is calculated as "equity" as shown in the consolidated statement of financial position. As at December 31, 2025 and 2024, the Group has a net cash position.

3.3 Fair value estimation

The table below analyses the Group's financial instruments carried at fair value as at December 31, 2025 and 2024 by level of the inputs to valuation techniques used to measure fair value. The inputs to valuation techniques are categorised into three levels within a fair value hierarchy as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1);
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2); and
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

Notes to the Consolidated Financial Statements

3 FINANCIAL RISK MANAGEMENT (continued)

3.3 Fair value estimation (continued)

As at December 31, 2025	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
Financial assets at FVPL				
Investments in wealth management products	–	797,689	–	797,689
Investment in movies, TV series and entertainment events	–	–	278,023	278,023
Unlisted investments	–	–	58,960	58,960
	–	797,689	336,983	1,134,672
Financial assets at FVOCI				
Listed investments	61,412	–	–	61,412
Unlisted investments	–	–	136,858	136,858
	61,412	–	136,858	198,270
As at December 31, 2024	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
Financial assets at FVPL				
Investment in movies, TV series and entertainment events	–	–	145,246	145,246
Unlisted investments	–	–	30,074	30,074
	–	–	175,320	175,320
Financial assets at FVOCI				
Listed investments	133,330	–	–	133,330
Unlisted investments	–	–	191,868	191,868
	133,330	–	191,868	325,198

Notes to the Consolidated Financial Statements

3 FINANCIAL RISK MANAGEMENT *(continued)*

3.3 Fair value estimation *(continued)*

The fair value of financial instruments traded in active markets is determined based on quoted market prices at the end of the reporting period. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required for evaluating the fair value of a financial instrument are observable, the instrument is included in level 2.

If one or more of the significant inputs are not based on observable market data, the instrument is included in level 3.

Specific valuation techniques used to value financial instruments include:

- Dealer quotes for similar instruments;
- Other techniques, such as discounted cash flow (DCF) analysis and market approach, are used to determine fair value for financial instruments.

Valuation processes of the Group

The Group has a team of personnel who performs valuation on these level 3 instruments for financial reporting purposes. On a semi-annual basis, the team adopts various valuation techniques to determine the fair value of the Group's level 3 instruments.

Notes to the Consolidated Financial Statements

3 FINANCIAL RISK MANAGEMENT *(continued)*

3.3 Fair value estimation *(continued)*

Valuation processes of the Group (continued)

The components of the level 3 instruments mainly include investments in movies, TV series and entertainment events and unlisted investments. As these instruments are not traded in an active market, their fair values have been determined using various applicable valuation techniques, including DCF approach and market approach, etc. Major assumptions used in the valuation include historical financial results, assumptions about future growth rates, estimates of weighted average cost of capital (WACC), recent market transactions, discount for lack of marketability and other exposure etc. The fair value of these instruments determined by the Group requires significant judgement, including the likelihood of non-performing by the investee company, financial performance of the investee company, market value of comparable companies as well as discount rate, etc.

The investment in movies, TV series and entertainment events mainly represent the investments in certain movies, TV series and entertainment events. The Group used DCF approach to evaluate the fair value of the investments in movies, TV series and entertainment events as at year end. Based on the Group's evaluation, fair value gains of the investments amounting to approximately RMB218,760,000 had been recognised under "revenue" for the year ended December 31, 2025.

The unlisted investments represent the investments in certain privately owned companies. The Group used market approach and DCF approach to evaluate the fair value of the unlisted investments as at December 31, 2025. Besides, management is of the view that there is no significant change in fair value of the unlisted investments which are acquired close to December 31, 2025, during the year ended December 31, 2025, unless there is available information about latest round of financing.

The carrying amounts of the Group's financial assets and liabilities including cash and cash equivalents, restricted bank deposits, term deposits with original maturity over three months, accounts receivable, deposits and other receivables, accounts payable, other payables and borrowings approximate to their fair values due to their short maturities.

Notes to the Consolidated Financial Statements

3 FINANCIAL RISK MANAGEMENT (continued)

3.3 Fair value estimation (continued)

Valuation processes of the Group (continued)

The following table summarises the information about the key inputs and valuation techniques used in the fair value measurement:

Description	Fair value at December 31,		Unobservable inputs	Range of inputs		Key inputs and relationships of unobservable inputs to fair value
	2025 RMB'000	2024 RMB'000		2025	2024	
Investment in movies, TV series and entertainment events	278,023	145,246	Discount rate	10.0%-11.0%	10.0%-11.0%	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.
Investment in unlisted equity securities	195,818	221,942	Discount rate	5.0%-12.0%	5.0%-12.0%	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.
			Discount rate for lack of marketability	14.0%-25.0%	15.0%-25.0%	Reference to a combination of unobservable inputs, including market multiples, discount rate for lack of marketability, etc.
			Price-to-Book Ratio	1.00x-21.12x	2.03x	The lower the discount rate for lack of marketability the higher the fair value. The higher the market multiples, the higher the fair value.
			Enterprise value to Sales Ratio	1.20x-4.74x	1.63x-4.01x	
			Price to Sales Ratio	NA	8.75x	

Notes to the Consolidated Financial Statements

3 FINANCIAL RISK MANAGEMENT (continued)

3.3 Fair value estimation (continued)

Valuation processes of the Group (continued)

During the year ended December 31, 2025, there was no transfer between Level 1 and 2 for recurring fair value measurements. The following table presents the changes in FVPL and FVOCI for the years ended December 31, 2025 and 2024:

	Financial assets at FVPL			
	Investments			Total RMB'000
	Investments in wealth management products RMB'000	in movies, TV series and entertainment events RMB'000	Investments in Unlisted equity securities RMB'000	
As at January 1, 2024	–	15,264	36,857	52,121
Additions	600,000	186,750	–	786,750
Disposals	(601,118)	(84,297)	–	(685,415)
Fair value gains/(losses)	1,118	27,529	(6,783)	21,864
As at December 31, 2024	–	145,246	30,074	175,320
As at January 1, 2025	–	145,246	30,074	175,320
Additions	894,880	67,815	30,000	992,695
Disposals	(100,084)	(153,798)	–	(253,882)
Fair value gains/(losses)	19,921	218,760	(395)	238,286
Currency translation differences	(17,028)	–	(719)	(17,747)
As at December 31, 2025	797,689	278,023	58,960	1,134,672
Includes unrealised gains/(losses) recognised in profit or loss attributable to balances held at the end of the reporting period*				
2025	–	92,343	(9,122)	83,221
2024	–	(122,565)	(8,727)	(131,292)

Notes to the Consolidated Financial Statements

3 FINANCIAL RISK MANAGEMENT (continued)

3.3 Fair value estimation (continued)

Valuation processes of the Group (continued)

	Financial assets at FVOCI		
	Investments in listed equity securities RMB'000	Investments in unlisted equity securities RMB'000	Total RMB'000
As at January 1, 2024	234,592	224,274	458,866
Additions	–	71,268	71,268
Disposals	(1,765)	–	(1,765)
Fair value losses	(103,379)	(106,076)	(209,455)
Currency translation differences	3,882	2,402	6,284
As at December 31, 2024	133,330	191,868	325,198
As at January 1, 2025	133,330	191,868	325,198
Disposals	(80,345)	–	(80,345)
Fair value gains/(losses)	9,557	(52,347)	(42,790)
Currency translation differences	(1,130)	(2,663)	(3,793)
As at December 31, 2025	61,412	136,858	198,270
Includes unrealised losses recognised in profit or loss attributable to balances held at the end of the reporting period*			
2025	–	(151,712)	(151,712)
2024	–	(99,365)	(99,365)

* Only for financial assets at fair value through comprehensive income classified as level 3.

Notes to the Consolidated Financial Statements

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

Management of the Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

(a) Recoverability of non-financial assets

The Group tests annually whether goodwill has suffered any impairment. The recoverable amount of a CGU is determined based on value-in-use calculations which require the use of assumptions. The calculations use cash flow projections based on financial budgets approved by management covering a five-year period. Cash flows beyond the five-year period are extrapolated using the estimated growth rates. These growth rates are consistent with forecasts included in industry reports specific to the industry in which each CGU operates. Details of impairment charge, key assumptions which are made by the management and third-party valuer and impact of possible changes in key assumptions are disclosed in Note 16. Based on assessment, the management and directors of the Company are of the view that there is no impairment of goodwill as at December 31, 2025.

Other non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. The recoverable amounts have been determined based on value-in-use calculations or fair value less costs to sell. These calculations require the use of judgments and estimates.

Judgement is required to determine key assumptions adopted in the valuation models for impairment review purpose. Changing the assumptions selected by management in assessing impairment could materially affect the result of the impairment test and as a result affect the Group's financial condition and results of operations. If there is a significant adverse change in the key assumptions applied, it may be necessary to take additional impairment charge to the consolidated statement of comprehensive income.

Notes to the Consolidated Financial Statements

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS *(continued)*

(b) Measurement of the expected credit losses

The measurement of the expected credit losses for financial assets measured at amortised cost is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behaviour. Explanation of the inputs, assumptions and estimation techniques used in measuring expected credit loss is further detailed in Note 3.1(b).

A number of judgements are also required in applying the accounting requirements for measuring expected credit loss, such as:

- Determining criteria for significant increase in credit risk;
- Choosing appropriate models and assumptions for the measurement of expected credit loss; and
- Establishing the number and relative weightings for forward-looking scenarios and the associated expected credit loss.

(c) Recognition of share-based compensation expenses

The fair value of options is determined by the Binomial model or Monte Carlo model at the grant date, and is expected to be expensed over the respective vesting period. Significant estimate on assumptions, including underlying equity value, risk-free interest rate, expected volatility, dividend yield, and terms, are made by the directors and the third-party valuer.

(d) Current and deferred income taxes

The Group is subject to income taxes in the PRC and other jurisdictions. Judgment is required in determining the provision for income taxes in each of these jurisdictions. There are transactions and calculations during the ordinary course of business for which the ultimate tax determination is uncertain. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred income tax provisions in the period in which such determination is made.

Notes to the Consolidated Financial Statements

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS *(continued)*

(d) Current and deferred income taxes *(continued)*

The Group considers whether it is probable that the relevant authority will accept each tax treatment, or group of tax treatments, that it used or plans to use in its income tax filing, by assuming taxation authority will examine those amounts and will have full knowledge of all relevant information. When the Group concludes that it is probable that a particular tax treatment is accepted, the Group determines taxable profit/(tax loss), tax bases, unused tax losses, unused tax credits or tax rates consistently with the tax treatment included in its income tax filings. If the Group concludes that it is not probable that a particular tax treatment is accepted, the Group uses the most likely amount or the expected value of the tax treatment when determining taxable profit/(tax loss), tax bases, unused tax losses, unused tax credits and tax rates. The Group assesses its judgements and estimates if facts and circumstances change.

Deferred income tax assets relating to certain temporary differences and tax losses are recognised when management considers it is probable that future taxable profits will be available against which the temporary differences or tax losses can be utilized. When the expectation is different from the original estimate, such differences will impact the recognition of deferred income tax assets and taxation charges in the period in which such estimate is changed.

(e) Fair value measurement of FVPL and FVOCI

The fair value determination of FVPL and FVOCI for which there is no observable market price requires the use of valuation techniques. The inputs to the valuation models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Details of the key assumptions and inputs used are disclosed in Note 3.3.

(f) Scope of consolidation

Consolidation is required only if control exists. The Group controls an investee when it has all the following: (i) power over the investee; (ii) exposure, or rights, to variable returns from its involvement with the investee; and (iii) the ability to use its power over the investee to affect the amount of the Group's returns. Power results from rights that can be straightforward through voting rights or complicated in contractual arrangements. Variable returns are returns that are not fixed and have the potential to vary as a result of the performance of an investee. These three factors cannot be considered in isolation by the Group in its assessment of control over an investee. Where the factors of control are not apparent, significant judgement is applied in the assessment, which is based on an overall analysis of all of the relevant facts and circumstances.

The Group is required to reassess whether it controls the investee if facts and circumstances indicate a change to one or more of the three factors of control.

Notes to the Consolidated Financial Statements

5 SEGMENT INFORMATION

The Group's business activities, for which discrete financial statements are available, are regularly reviewed and evaluated by the chief operating decision-makers, being the executive director of the Group. As a result of this evaluation, the executive director of the Group consider that the Group's operations are operated and managed as a single segment; accordingly no segment information is presented.

The Company is domiciled in the Cayman Islands while the Group mainly operates its businesses in the PRC and earns substantially all the revenue from external customers in the PRC.

6 REVENUE

	Year ended December 31,	
	2025 RMB'000	2024 RMB'000
Revenue from contracts with customers under IFRS Accounting Standard 15		
Online entertainment ticketing services	2,293,599	1,921,582
Entertainment content services	1,908,404	1,932,224
Advertising services and others	210,719	200,843
	4,412,722	4,054,649
Gains on movies, TV series and entertainment events investments (Note 3.3)	218,760	27,529
Total revenue	4,631,482	4,082,178

	Year ended December 31,	
	2025 RMB'000	2024 RMB'000
Revenue recognised at a point in time	2,381,063	1,977,034
Revenue recognised over time	2,031,659	2,077,615
Revenue from contracts with customers under IFRS Accounting Standard 15	4,412,722	4,054,649

Notes to the Consolidated Financial Statements

7 EXPENSES BY NATURE

	Year ended December 31,	
	2025	2024
	RMB'000	RMB'000
Internet infrastructure cost	709,753	528,891
Marketing and promotion expenses	661,319	680,040
Content production cost	590,067	631,741
Content distribution and promotion cost	584,250	676,958
Ticketing system cost	537,280	424,174
Staff costs excluding share options and restricted share units granted to directors and employees (Note 9)	442,015	462,183
Amortization of intangible assets (Note 16)	91,260	92,661
Outsourcing expenses	52,078	42,527
Other professional expenses	32,656	40,238
Share options and RSUs granted to directors and employees (Note 9)	25,135	38,960
Tax and levies	21,995	19,210
Depreciation of property, plant and equipment (Note 14)	12,872	15,642
Office expenses	12,610	11,148
Rental expense for short-term and low-value leases (Note 15)	12,259	7,749
Depreciation of right-of-use assets (Note 15)	7,128	18,425
Auditor's remuneration	5,200	5,291
– Audit services	4,500	4,700
– Other services	700	591
Other expenses	56,406	64,417
Total cost of revenues, selling and marketing expenses and general and administrative expenses	3,854,283	3,760,255

During the year ended December 31, 2025, the Group incurred expenses for the purpose of research and development of approximately RMB201,391,000 (2024: RMB 218,964,000), which mainly comprised employee benefits expenses of approximately RMB181,128,000 (2024: RMB 204,385,000).

Notes to the Consolidated Financial Statements

8 OTHER INCOME AND OTHER GAINS/(LOSSES), NET

	Year ended December 31,	
	2025 RMB'000	2024 RMB'000
Other income		
Government subsidies	8,971	43,025
Tax credit of input tax additional deduction	154	1,200
	9,125	44,225
Other gains/(losses), net		
Net fair value changes on wealth management investments and unlisted investments classified as financial assets at FVPL (Note 3.3)	19,526	(5,665)
Losses on disposals of property, plant and equipment (Note 14)	(893)	(10)
Net foreign exchange losses	(5,090)	(21,594)
Gains on write off the net payables that will not need to be paid	—	22,571
Losses on disposals of right of use assets	—	(3,575)
Compensation losses (a)	—	(27,255)
Others	(3,472)	(5,176)
	10,071	(40,704)

(a) Compensation losses are related to penalty for early termination of lease contracts and restoration cost.

Notes to the Consolidated Financial Statements

9 EMPLOYEE BENEFIT EXPENSES

	Year ended December 31,	
	2025 RMB'000	2024 RMB'000
Wages, salaries and bonuses	347,558	370,124
Welfare, medical and other expenses	56,954	56,909
Contributions to pension plans	37,503	35,150
Share options and RSUs granted to directors and employees (Note 30)	25,135	38,960
	467,150	501,143

(a) Pensions – defined contribution plans

Majority of the Group's contributions to pension plans are related to the local employees in the PRC. All local employees of the subsidiaries in the PRC participate in employee social security plans established in the PRC, which cover pension, medical and other welfare benefits. The plans are organised and administered by the governmental authorities. The Group also participates in the Mandatory Provident Fund Scheme in Hong Kong, under which the Group and relevant employees are required to contribute to the scheme monthly, and the Group has no further payment obligations once the contributions have been paid. The Group's contributions to the Mandatory Provident Fund Scheme are expensed as incurred. Except for the contributions made to these social security plans, the Group has no other material commitments owing to the employees. According to the relevant regulations, the portion of premium and welfare benefit contributions that should be borne by the companies within the Group as required by the above social security plans are principally determined based on percentages of the basic salaries of employees, subject to certain ceilings imposed. These contributions are paid to the respective labour and social welfare authorities and are expensed as incurred. No forfeited contributions were used to reduce the current year's level of contributions (2024: Nil) and no forfeited contribution was available at December 31, 2025 (2024: Nil) to reduce future years' contributions.

Notes to the Consolidated Financial Statements

9 EMPLOYEE BENEFIT EXPENSES *(continued)*

(b) Five highest paid individuals

The five individuals whose emoluments were the highest in the Group include 1 director for the year ended December 31, 2025 (2024: nil), whose emoluments are reflected in the analysis shown in Note 37. The emoluments payable to the remaining 4 individuals during year ended December 31, 2025 (2024: 5) are as follows:

	Year ended December 31,	
	2025 RMB'000	2024 RMB'000
Basic wages and salaries	7,087	7,450
Share-based compensation expenses	5,376	13,235
Bonuses	2,860	12,300
Welfare, medical and other expenses	366	436
Contributions to pension plans	276	340
	15,965	33,761

Notes to the Consolidated Financial Statements

9 EMPLOYEE BENEFIT EXPENSES *(continued)*

(b) Five highest paid individuals *(continued)*

The emoluments fell within the following bands:

	Number of individuals	
	Year ended December 31,	
	2025	2024
Emolument bands		
HKD3,500,001 – HKD4,000,000	2	–
HKD4,000,001 – HKD4,500,000	–	–
HKD4,500,001 – HKD5,000,000	1	–
HKD5,000,001 – HKD5,500,000	–	1
HKD5,500,001 – HKD6,000,000	1	1
HKD6,000,001 – HKD6,500,000	–	–
HKD6,500,001 – HKD7,000,000	–	–
HKD7,000,001 – HKD7,500,000	–	–
HKD7,500,001 – HKD8,000,000	–	2
HKD8,000,001 – HKD11,500,000	–	1

During the years ended December 31, 2025 and 2024, no director or the five highest paid individuals received any emolument from the Group as an inducement to join or upon joining the Group, leave the Group or as compensation for loss of office.

Notes to the Consolidated Financial Statements

10 FINANCE INCOME, NET

	Year ended December 31,	
	2025 RMB'000	2024 RMB'000
Finance income:		
– Interest income from bank deposits and treasury bond	62,105	121,429
Finance costs:		
– Interest expense on bank borrowings	(9,943)	(8,125)
– Unwinding of interests on lease liabilities (Note 15(b))	(143)	(1,429)
	(10,086)	(9,554)
Finance income, net	52,019	111,875

11 INCOME TAX EXPENSES

	Year ended December 31,	
	2025 RMB'000	2024 RMB'000
Current income tax	249,511	114,357
Deferred income tax (Note 20)	(37,826)	5,063
Income tax expenses	211,685	119,420

Notes to the Consolidated Financial Statements

11 INCOME TAX EXPENSES (continued)

A reconciliation of the tax expense applicable to profit tax at the statutory rate in Chinese Mainland to the tax expense at the effective rate is as follows:

	Year ended December 31,	
	2025 RMB'000	2024 RMB'000
Profit before income tax	774,784	301,325
Share of results of investments accounted for using the equity method	(446)	1,662
	774,338	302,987
Tax calculated at a tax rate of 25%	193,585	75,747
Tax effects of:		
– Effects of different tax rates applicable to different subsidiaries	(63,985)	(37,057)
– Expenses not deductible for tax purposes	2,713	9,482
– Tax losses and temporary differences not recognised for deferred tax assets	39,572	43,032
– Utilisation of tax losses previously not recognised as deferred tax assets	(22,541)	(14,386)
– Withholding tax on the earnings remitted or expected to be remitted by subsidiaries	43,007	34,771
– Under provision for prior years	19,334	7,831
Income tax expenses	211,685	119,420

(a) Cayman Islands corporate income tax (“CIT”)

Under the current laws of Cayman Islands, the Company is not subject to tax on income or capital gain. In addition, upon payments of dividends by the Company to its shareholders, no Cayman Islands withholding tax will be imposed.

(b) Hong Kong profits tax

Hong Kong profits tax has been provided for at the rate of 16.5% on the estimated assessable profits for the years ended December 31, 2025 and 2024.

Notes to the Consolidated Financial Statements

11 INCOME TAX EXPENSES *(continued)*

(c) PRC corporate income tax

CIT provision was made on the estimated assessable profits of entities within the Group incorporated in the PRC and was calculated in accordance with the relevant regulations of the PRC after considering the available tax benefits from refunds and allowances. The general PRC CIT rate is 25% for the years ended December 31, 2025 and 2024.

One subsidiary of the Group in Chinese Mainland was approved as High and New Technology Enterprise and was subject to a preferential tax rate of 15% for the year ended 31 December 2025 and 2024.

(d) BVI income tax

No provision for income tax in BVI has been made as the Group has no income assessable to income tax in BVI for the years ended December 31, 2025 and 2024.

(e) Withholding tax

According to applicable tax regulations prevailing in the PRC, dividends distributed by a company established in Chinese Mainland to a foreign investor with respect to profit derived after January 1, 2008 are generally subject to a 10% withholding tax.

12 EARNINGS PER SHARE

(a) Basic earnings per share

	Year ended December 31,	
	2025	2024
Profit attributable to owners of the Company (RMB'000)	563,649	181,905
Weighted average number of ordinary shares outstanding (thousand)	1,116,859	1,117,572
Weighted average number of vested restricted shares outstanding (thousand)	31,248	28,587
Total weighted average number of shares outstanding (thousand)	1,148,107	1,146,159
Basic earnings per share (in RMB)	0.49	0.16

Notes to the Consolidated Financial Statements

12 EARNINGS PER SHARE *(continued)*

(a) Basic earnings per share *(continued)*

Basic earnings per share are calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares outstanding and weighted average number of vested restricted shares outstanding during the respective years.

(b) Diluted earnings per share

	Year ended December 31,	
	2025	2024
Profit attributable to owners of the Company (RMB'000)	563,649	181,905
Total weighted average number of shares outstanding (thousand)	1,148,107	1,146,159
Adjustments for share-based compensation – share options (thousand)	131	211
Adjustments for share-based compensation – RSUs (thousand)	2,871	2,058
Weighted average number of shares for diluted earnings per share (thousand)	1,151,109	1,148,428
Diluted earnings per share (in RMB)	0.49	0.16

Diluted earnings per share are calculated by adjusting the weighted average number of shares outstanding to assume conversion of all dilutive potential shares. For the years ended December 31, 2025 and 2024, the Company had dilutive potential ordinary shares of share options and RSUs granted to employees (Note 30). The number of shares that would have been issued assuming the exercise of the share options less the number of shares that would have been issued at assumed exercise price (determined as any amount that the employees must pay upon exercise and the balance of any amounts calculated under IFRS Accounting Standards that have not yet been charged to income statement) are incremental shares issued for nil consideration which causes dilution to earnings per share. The number of shares that would have been issued also assuming the vest of the RSUs less the number of shares that would have been issued at assumed consideration (determined as the balance of any amounts calculated under IFRS Accounting Standards that have not yet been charged to income statement) are incremental shares issued for nil consideration which causes dilution to earnings per share.

Notes to the Consolidated Financial Statements

13 DIVIDENDS

A final dividend in respect of the year ended December 31, 2024 of HKD0.32 (equivalent to RMB0.29) per share was approved by the shareholders of the Company at the annual general meeting on June 25, 2025. Shareholders were given the option to elect to receive the final dividend only in cash or only in script shares. As a result, 10,734,653 ordinary shares were issued for a total consideration of HKD78,298,559 (equivalently approximately RMB71,474,840), and the remaining was paid in cash.

The Board has recommended the payment of a final dividend of HKD0.22 per share out of the distributable reserves for the year ended December 31, 2025, subject to the approval of the shareholders at the 2026 annual general meeting of the Company or any adjournment thereof. The final dividend proposed after the end of the reporting period will be either payable in cash or in form of new fully paid shares of the Company in respect of all of such final dividend at shareholders' option. This proposed dividend is not reflected as dividend payable in the consolidated financial statements.

Notes to the Consolidated Financial Statements

14 PROPERTY, PLANT AND EQUIPMENT

	Office equipment RMB'000	Computer equipment RMB'000	Leasehold improvements RMB'000	Total RMB'000
Year ended December 31, 2024				
Opening net book amount	13,458	14,628	252	28,338
Additions	4,454	8,480	319	13,253
Disposals	–	(10)	–	(10)
Depreciation	(6,898)	(8,552)	(192)	(15,642)
Currency translation differences	5	–	2	7
Closing net book amount	11,019	14,546	381	25,946
As at December 31, 2024				
Cost	35,194	64,856	16,829	116,879
Accumulated depreciation	(24,175)	(50,310)	(16,448)	(90,933)
Net book amount	11,019	14,546	381	25,946
Year ended December 31, 2025				
Opening net book amount	11,019	14,546	381	25,946
Business combination (Note 36)	416	–	–	416
Additions	2,443	2,526	–	4,969
Disposals	(110)	(783)	–	(893)
Depreciation	(5,676)	(6,922)	(274)	(12,872)
Currency translation differences	(11)	–	(3)	(14)
Closing net book amount	8,081	9,367	104	17,552
As at December 31, 2025				
Cost	37,933	66,599	16,826	121,358
Accumulated depreciation	(29,852)	(57,232)	(16,722)	(103,806)
Net book amount	8,081	9,367	104	17,552

Notes to the Consolidated Financial Statements

14 PROPERTY, PLANT AND EQUIPMENT *(continued)*

Depreciation expenses have been charged to the consolidated statement of comprehensive income as follows:

	Year ended December 31,	
	2025	2024
	RMB'000	RMB'000
Cost of revenue	5,371	9,934
Selling and marketing expenses	4,852	3,336
General and administrative expenses	2,649	2,372
	12,872	15,642

15 LEASES

(a) Amounts recognised in the consolidated statement of financial position

	Year ended December 31,	
	2025	2024
	RMB'000	RMB'000
Right-of-use assets		
Opening net book amount	9,803	27,084
Additions	10,852	76,219
Depreciation charge	(7,128)	(18,425)
Reduction <i>(Note)</i>	(3,444)	(75,075)
	10,083	9,803

Note :

The reduction of right-of-use assets during the years ended December 31, 2024 mainly arose from early termination of lease contracts.

Notes to the Consolidated Financial Statements

15 LEASES (continued)

(a) Amounts recognised in the consolidated statement of financial position (continued)

	As at December 31,	
	2025 RMB'000	2024 RMB'000
Lease liabilities		
Current portion	3,677	10,773
Non-current portion	6,586	–
	10,263	10,773

As at December 31, 2025 and 2024, the carrying amounts of the Group's lease liabilities were denominated in RMB.

(b) Amounts recognised in the consolidated statement of comprehensive income relating to leases

	Year ended December 31,	
	2025 RMB'000	2024 RMB'000
Depreciation of right-of-use assets	10,572	18,425
Unwinding of interests on lease liabilities	143	1,429
Rental expenses for short-term and low-value leases	12,259	7,749

(c) Amounts recognised in the consolidated statement of cash flows relating to leases

	Year ended December 31,	
	2025 RMB'000	2024 RMB'000
Cash flows from operating activities		
Payments for short-term and low-value leases (i)	12,259	7,749
Payments for interest elements of lease liabilities	143	1,429
Cash flows used in financing activities		
Principal elements of lease payments	8,061	23,846

- (i) Payments for short-term and low-value leases were not shown separately but included in the line of "profit before income tax" in respect of the net cash used in operations which were presented in Note 31(a) using the indirect method.

Notes to the Consolidated Financial Statements

16 INTANGIBLE ASSETS

	Goodwill	Trademarks	Software	Contractual customer relationship	Licenses	IP rights	Total
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
Year ended December 31, 2024							
Opening net book amount	4,504,884	250,781	5,639	74,170	19,631	–	4,855,105
Additions	–	–	1,093	–	–	–	1,093
Amortization	–	(68,396)	(3,927)	(15,894)	(4,444)	–	(92,661)
Closing net book amount	4,504,884	182,385	2,805	58,276	15,187	–	4,763,537
As at December 31, 2024							
Cost	4,504,884	683,955	15,829	174,832	40,000	–	5,664,611
Accumulated amortization	–	(501,570)	(13,024)	(116,556)	(24,813)	–	(901,074)
Net book amount	4,504,884	182,385	2,805	58,276	15,187	–	4,763,537
Year ended December 31, 2025							
Opening net book amount	4,504,884	182,385	2,805	58,276	15,187	–	4,763,537
Business combination (Note 36)	5,641	–	–	–	–	23,000	28,641
Additions	–	–	773	–	–	–	773
Amortization	–	(68,396)	(2,334)	(15,894)	(4,444)	(192)	(91,260)
Closing net book amount	4,510,525	113,989	1,244	42,382	10,743	22,808	4,701,691
As at December 31, 2025							
Cost	4,510,525	683,955	16,602	174,832	40,000	23,000	5,694,025
Accumulated amortization	–	(569,966)	(15,358)	(132,450)	(29,257)	(192)	(992,334)
Net book amount	4,510,525	113,989	1,244	42,382	10,743	22,808	4,701,691

Notes to the Consolidated Financial Statements

16 INTANGIBLE ASSETS *(continued)*

Amortization expenses have been charged to the consolidated statement of comprehensive income as follows:

	Year ended December 31,	
	2025	2024
	RMB'000	RMB'000
Cost of revenue	88,926	88,736
General and administrative expenses	1,906	3,502
Selling and marketing expenses	428	423
	91,260	92,661

Goodwill impairment

The goodwill balance mainly arose from the acquisition of 100% equity interests in Beijing Weige Shidai Entertainment Technology Co., Ltd ("Beijing Weige Shidai") and Shenzhen Ruihai Fangyuan Technology Co., Ltd. ("Ruihai Fangyuan") in 2017, and the acquisition of Hangzhou Soushi Network Co., Ltd ("Hangzhou Soushi") in 2019. Goodwill is attributable to the acquired market share and economies of scale expected to be derived from combining with the operations of the Group. The remaining goodwill was related to the acquisition of Chengdu Kandao Culture Media Co., Ltd. in 2025, which was immaterial to the Group (Note 36) and no impairment was made.

Upon completion of acquisition of 100% equity interest in Beijing Weige Shidai and Ruihai Fangyuan in 2017, and Hangzhou Soushi in 2019, the Group integrated the business (including the management, assets, customers, users and systems) of Beijing Weige Shidai, Ruihai Fangyuan and Hangzhou Soushi with the Group's operations in order to improve the operation efficiency. Goodwill of approximately RMB4,504,884,000 arising from the acquisition of Beijing Weige Shidai, Ruihai Fangyuan and Hangzhou Soushi was allocated to the group of CGUs.

Impairment review on the goodwill of the Group has been conducted by the management as at December 31, 2025. For the purpose of impairment review, the recoverable amount of the CGU is determined based on value-in-use calculations. These calculations use pre-tax cash flow projections based on financial budgets prepared by management covering a five-year period.

Notes to the Consolidated Financial Statements

16 INTANGIBLE ASSETS (continued)

Goodwill impairment (continued)

The key parameters used for value-in-use calculations on the movie ticketing operations include revenue growth rates, gross margin, terminal growth rate, and pre-tax discount rate:

	As at December 31,	
	2025	2024
Annual revenue growth rate for five-year period	-6.4%-13.0%	6.1%-20.2%
Gross margin	40.0%-47.3%	44.8%-52.2%
Terminal growth rate	2.0%	2.0%
Pre-tax discount rate	16.69%	16.98%

i) Revenue growth rates

Revenue is directly related to the value of paid transactions on the Group' platform and box office of the Group's business partners. The revenue growth rates are estimated with reference to the industry growth forecast for the market in which the Group operates. When estimating the revenue growth rate of the five-year period, the directors of the Company referred to the industry outlook of the film market.

ii) Gross Margin

The budgeted gross margin of the five years between 40.0% and 47.3% (2024: 44.8% and 52.2%) was determined by the management based on past performance, the current market conditions and its expectation for market development. For items of cost of revenue that relating to gross online entertainment ticketing services of the Group, the Group referred to current fee rate to project the ticket system cost and internet infrastructure cost.

iii) Terminal growth rate

Cash flows beyond the five-year period are extrapolated using the estimated terminal growth rates of 2.0% (2024: 2.0%).

Notes to the Consolidated Financial Statements

16 INTANGIBLE ASSETS (continued)

Goodwill impairment (continued)

iv) Discount rate

The discount rate used is pre-tax and reflects market assessments of the time value and the specific risks relating to the industry. With the assistance of a valuation performed by a third-party independent valuer, the directors used cash flow projections based on the latest financial budget covering a five-year period and business plan approved by management which had been updated to reflect the changes in market conditions during the period. The directors of the Company considered the uncertainty in PRC entertainment industry due to the enhancement of government regulations and a pre-tax discount rate of 16.69% (2024: 16.98%) was applied.

Based on the result of the goodwill impairment testing, the estimated recoverable amount of the business far exceeded its carrying amount as at December 31, 2025 by approximately RMB2,351,593,000 (December 31, 2024: RMB4,230,083,000).

The management of the Group has not identified that a reasonable possible change in any of the key assumptions that could cause the carrying amount to exceed the recoverable amount.

The Group performs the sensitivity analysis based on the assumptions that revenue growth rate, gross margin, terminal growth rate or the discount rate have been changed. Had the estimated key assumptions during the forecast period been changed as below, the headroom would be decreased to as below:

	As at December 31,	
	2025 RMB'000	2024 RMB'000
Revenue growth rate decreases by 10%	2,157,000	2,211,000
Gross margin decreases by 10%	510,000	3,827,000
Terminal growth rate decreases by 10%	2,258,000	4,120,000
Discount rate increases by 5%	2,352,000	3,619,000

Notes to the Consolidated Financial Statements

17 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	Year ended December 31,	
	2025	2024
	RMB'000	RMB'000
At the beginning of the year	7,971	14,401
Impairment provision (b)	(2,059)	(4,768)
Share of results	446	(1,662)
At the end of the year	6,358	7,971

Set out below are the major associates of the Group as at December 31, 2025, which, in the opinion of the directors, none of the associates was individually significant to the Group. The associates as listed below have capital consisting solely of ordinary shares, which are held directly by the Group. The country of incorporation or registration is also the principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

Notes to the Consolidated Financial Statements

17 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD (continued)

Company name	Date of incorporation	Registered capital (RMB'000)	Percentage of ownership interest attributable to the Group		Principal activities and place of operation
			As at	As at	
			December 31, 2025	December 31, 2024	
Shanghai Mila Television Culture Media Co., Ltd. (上海辣視文化傳播有限公司)	August 14, 2017	6,250	20%	20%	The PRC; Film and television culture communication
Beijing Yaoying Movie Distribution Co., Ltd. (北京耀影電影發行有限公司)	June 3, 2016	19,600	25%	25%	The PRC; Film distribution
Ningbo Zhenhai Changxiangyuefu Culture Media Co., Ltd. (寧波鎮海唱享樂府文化傳播有限公司)	February 24, 2017	1,000	30%	30%	The PRC; Cultural and artistic communication
Xinjiang Weying Network Technology Co., Ltd. (新疆微影網絡科技有限公司)	December 1, 2015	5,000	30%	30%	The PRC; Movie ticketing services and performance ticketing services
Ningbo Meishan Bonded Port Area Chenhaiwenjia Investment Management Limited Partnership (寧波梅山保稅港區辰海文嘉投資管理合夥企業(有限合夥))	September 28, 2016	6,000	30%	30%	The PRC; Economic and trade consultation, Strategic investment
Hangzhou Guanghe Zhizao Food Technology Co., Ltd. (杭州光合植造食品科技有限公司) (a)	February 26, 2021	1,053	5%	5%	The PRC; Imports and exports, sales of pre-packaged food

The English names of the associates represent the best effort by the management of the Group in translating their Chinese names as they do not have official English names.

The Group determined that it does not have controlling financial interest in above investees, but rather possesses significant influence. The associates as listed above are private companies and insignificant to the Group. There are no quoted market prices available for their shares. There are no contingent liabilities relating to the Group's interest in the associates.

Notes to the Consolidated Financial Statements

17 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD *(continued)*

- (a) Management determined that the Group could exercise significant influence over Hangzhou Guanghe Zhizao Food Technology Co., Ltd. through the board representation, notwithstanding the shareholdings are 5%.
- (b) Both external and internal sources of information of associates are considered in assessing whether there is any indicator that the investments may be impaired, including but not limited to information about financial position and business performance of the associates, and a significant or prolonged decline in the fair value of an investment below its carrying amount is also objective evidence of impairment. The Group carries out impairment assessment on those investments with impairment indicators, and the respective recoverable amounts of investments are determined with reference to the higher of fair value less costs of disposal and value in use.

During the year ended December 31, 2025, an aggregate impairment loss of approximately RMB2,059,000 (2024: RMB4,768,000) had been recognised for two associates with impairment indicators. All of these associates were unlisted companies.

18 OTHER FINANCIAL ASSETS MEASURED AT AMORTISED COST

	As at December 31,	
	2025	2024
	RMB'000	RMB'000
Treasury bond	566,488	580,762

Financial assets measured at amortised cost were primarily treasury bonds of USD80,000,000 with coupon rate ranging from 3.88% to 4.63% and maturity from 3 to 5 years. These financial assets are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest, so they are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method.

Notes to the Consolidated Financial Statements

19 FINANCIAL INSTRUMENTS BY CATEGORY

	As at December 31,	
	2025 RMB'000	2024 RMB'000
Financial assets-fair value		
– Financial assets at FVPL	1,134,672	175,320
– Financial assets at FVOCI	198,270	325,198
Financial assets-amortised cost		
– Accounts receivable	726,982	876,162
– Deposit and other receivables	1,403,410	1,243,017
– Other financial assets measured at amortised cost	566,488	580,762
– Term deposits with original maturity over three months	65,994	1,458,033
– Restricted bank deposits	47,360	16,907
– Cash and cash equivalents	2,138,935	903,058
	6,282,111	5,578,457
Financial liabilities-amortised cost		
– Accounts payable	795,944	752,805
– Other payables, accruals and other liabilities*	2,181,028	1,924,129
– Borrowings	94,539	470,442
– Lease liabilities	10,263	10,773
	3,081,774	3,158,149

* Excluding payroll and welfare payable, compensation provision and other taxes liabilities.

Notes to the Consolidated Financial Statements

20 DEFERRED INCOME TAX

The analysis of deferred income tax assets and liabilities is as follows:

	As at December 31,	
	2025 RMB'000	2024 RMB'000
Gross deferred income tax assets	46,038	43,021
Offsetting	(2,521)	(2,451)
Net deferred income tax assets	43,517	40,570
– to be recovered within 12 months	–	–
– to be recovered after 12 months	43,517	40,570
	43,517	40,570
Gross deferred income tax liabilities	77,149	104,030
Offsetting	(2,521)	(2,451)
Net deferred income tax liabilities	74,628	101,579
– to be recovered within 12 months	44,405	22,183
– to be recovered after 12 months	30,223	79,396
	74,628	101,579

Notes to the Consolidated Financial Statements

20 DEFERRED INCOME TAX (continued)

The movement in deferred income tax assets and liabilities during the years ended December 31, 2025 and 2024, without taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows:

Deferred income tax assets

	Impairment of receivables RMB'000	Lease liabilities RMB'000	Total RMB'000
As at January 1, 2024	34,741	6,771	41,512
Credited/(charged) to consolidated statement of comprehensive income	5,829	(4,320)	1,509
As at December 31, 2024	40,570	2,451	43,021
As at January 1, 2025	40,570	2,451	43,021
Credited to consolidated statement of comprehensive income	2,947	70	3,017
As at December 31, 2025	43,517	2,521	46,038

Notes to the Consolidated Financial Statements

20 DEFERRED INCOME TAX (continued)

Deferred income tax liabilities

	Change in fair value of financial assets at FVOCI RMB'000	Change in fair value of financial assets at FVPL RMB'000	Intangible assets acquired in business combination RMB'000	Withholding tax on the earnings anticipated to be remitted by subsidiaries RMB'000	Right of use assets RMB'000	Total RMB'000
As at January 1, 2024	226	4,214	86,146	–	6,771	97,357
Charged/(credited) to consolidated statement of comprehensive income	101	(1,696)	(22,183)	34,771	(4,320)	6,673
As at December 31, 2024	327	2,518	63,963	34,771	2,451	104,030
As at January 1, 2025	327	2,518	63,963	34,771	2,451	104,030
Business combination (Note 36)	–	–	5,750	–	–	5,750
Charged/(credited) to consolidated statement of comprehensive income	2,178	(99)	(22,231)	(12,549)	70	(32,631)
As at December 31, 2025	2,505	2,419	47,482	22,222	2,521	77,149

Deferred income tax assets are recognised for tax losses carrying forward and deductible temporary differences to the extent that realisation of the related tax benefits through future taxable profits is probable. As at December 31, 2025, the Group did not recognise deferred income tax assets in respect of losses and deductible temporary differences of approximately RMB1,313,692,000. All of these tax losses will expire within 5 years.

As at December 31, 2025, the Group recognised the relevant deferred income tax liabilities of RMB22,222,000 (2024: recognised RMB34,771,000) on retained earnings anticipated to be remitted to the Company by PRC subsidiaries. The Group did not provide for additional deferred income taxes and foreign withholding taxes on the retained earnings presented on the basis of its current intent to permanently reinvest its foreign subsidiaries' earnings. As at December 31, 2025, the total amount of undistributed earnings from the PRC subsidiaries and the VIEs for which no withholding tax has been accrued was RMB2,265,610,000 (December 31, 2024: RMB1,994,316,000).

Notes to the Consolidated Financial Statements

21 INVENTORIES

	As at December 31,	
	2025 RMB'000	2024 RMB'000
Television and movie scripts	11,059	25,190
Marketing materials for entertainment content services	1,411	5,588
Movie service related merchandises, low-value consumables and others	2,597	3,217
	15,067	33,995

22 ACCOUNTS RECEIVABLE

	As at December 31,	
	2025 RMB'000	2024 RMB'000
Related parties (Note 33)	66,258	35,617
Third parties	1,047,779	1,287,246
	1,114,037	1,322,863
Less: allowance for impairment (Note 3.1(b))	(387,055)	(446,701)
	726,982	876,162

- (a) The carrying amounts of the accounts receivable balances approximated to their fair value as at December 31, 2025 and 2024.

Notes to the Consolidated Financial Statements

22 ACCOUNTS RECEIVABLE *(continued)*

(b) Aging analysis of the gross accounts receivable based on recognition date is as follows:

	As at December 31,	
	2025	2024
	RMB'000	RMB'000
0-90 days	430,680	586,838
91-180 days	291,834	189,434
181-365 days	96,963	135,022
Over 365 days	294,560	411,569
	1,114,037	1,322,863

Notes to the Consolidated Financial Statements

23 PREPAYMENTS, FILM RIGHTS, DEPOSITS AND OTHER RECEIVABLES

	As at December 31,	
	2025 RMB'000	2024 RMB'000
Prepayments and film rights:		
– film rights production costs (a)	1,237,443	1,331,633
– prepayments for distribution and promotion contracts (b)	489,018	785,935
– prepayments to business partners for film production cost	70,864	37,670
– prepayments for operating costs and expenses (d)	68,258	81,763
– others	15,092	7,739
Total of prepayments and film rights	1,880,675	2,244,740
Less: impairment for prepayments and film rights (c)	(260,159)	(323,257)
Total of prepayments and film rights – net	1,620,516	1,921,483
Deposits and other receivables:		
Deposits and receivables for online entertainment ticketing, e-commerce and other services (e)	1,130,022	1,123,394
Amounts due from related parties (Note 33)	205,526	147,200
Loans to third parties (f)	154,690	248,502
Receivables from investments in movies, TV series and entertainment events (g)	165,921	103,984
Deposits for rentals and others	139,349	55,304
Receivables from transfer of investments in movies, TV series and entertainment events	31,854	10,284
Others	89,823	49,624
Total of deposits and other receivables	1,917,185	1,738,292
Less: impairment for deposits and other receivables (Note 3.1 (b))	(513,775)	(495,275)
Total of deposits and other receivables – net	1,403,410	1,243,017
Total of prepayment, film rights, deposits and other receivables – net	3,023,926	3,164,500
Less: non-current portion	(42,887)	(54,836)
	2,981,039	3,109,664

Notes to the Consolidated Financial Statements

23 PREPAYMENTS, FILM RIGHTS, DEPOSITS AND OTHER RECEIVABLES *(continued)*

- (a) The Group, as a producer, produces films with co-producers or by the Group, which is considered as one of the principal activities of the Group. This amount represents the film rights production costs invested by the Group.
- (b) The Group, as a distributor, offers distribution and promotion services, which is considered as one of the principal activities of the Group. This amount represents the advance payments to film producers for the distribution and promotion contracts which will be deducted from revenue, when movie distribution and promotion services are rendered.
- (c) The impairment provision mainly represents impairment of prepayments for distribution and promotion contracts and film rights production costs. For the year ended December 31, 2025, due to factors including but not limited to the replacement of major actors of certain projects, the risk that certain films may not be released in the foreseeable future, declining expectations for the produced films' box office, and the deterioration of financial and operational position of the producers or co-producers, together with the probability of default, the Group identified the expected recoverable amounts of certain film rights production costs could not cover the respective carrying amounts and made impairment provision of approximately RMB17,532,000. Additionally, the Group wrote off approximately RMB66,130,000 in impairment charges, mainly due to the previously impaired films released during the year ended December 31, 2025, and reversed RMB14,500,000 since the Group entered into withdrawal agreements with business partner.
- (d) The amounts mainly represent the distribution and promotion expenses prepaid to the suppliers which would be recognised as costs or expenses when the services are provided to the Group.
- (e) In line with the general industry practice and after prudently considering factors including creditworthiness and cooperation relationships with relevant business partners to control potential risk, the Group prepaid deposits or advance payments to some cinemas and large-scale concerts organizers operating within Chinese Mainland and then deducted or recovered such prepayment during the settlement with such business partners at a later stage.
- (f) As at December 31, 2025, except for a loan to third party with carrying amount of approximately RMB30,000,000 repayable on or after May 19, 2027, the remaining loans are repayable within 1 year. Except for interest-free and unsecured loans amounting to approximately RMB13,660,000, the remaining loans are interest-bearing at fixed rates ranging from 3% to 10% per annum.
- (g) The amounts mainly represent the investments with fixed returns or refunds in certain films, TV series projects and entertainment events.

Notes to the Consolidated Financial Statements

24 CASH AND BANK BALANCES

	As at December 31,	
	2025 RMB'000	2024 RMB'000
Cash and bank balances	2,252,289	2,377,998
Restricted bank deposits (a)	(47,360)	(16,907)
Term deposits with original maturity over three months	(65,994)	(1,458,033)
Cash and cash equivalents	2,138,935	903,058
Maximum exposure to credit risk	2,252,289	2,377,998

- (a) As at December 31, 2025, the restricted bank deposits of RMB40,134,000 (December 31, 2024: RMB16,442,000) represent cash received from users and placed in a bank supervised account for payments to customers.

As at December 31, 2025, the cash and bank balances of the Group denominated in RMB placed in Chinese Mainland amounted to approximately RMB1,475,407,000 (December 31, 2024: RMB334,197,000). The RMB is not freely convertible into other currencies, however, under Chinese Mainland's Foreign Exchange Control Regulations and Administration of Settlement and Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorized to conduct foreign exchange business.

Notes to the Consolidated Financial Statements

25 BORROWINGS

	As at December 31,	
	2025	2024
	RMB'000	RMB'000
Guaranteed		
Bank borrowings – due within one year	94,539	470,442

As at December 31, 2025, bank borrowings of approximately RMB94,539,000 were borrowed by a subsidiary and guaranteed by other subsidiaries of the Group or the Company, with fixed rates of 2.30% to 2.50% per annum (December 31, 2024: 1.95% to 2.85%).

26 ACCOUNTS PAYABLE

Aging analysis of the accounts payable based on invoice date at the respective statement of financial position date is as follows:

	As at December 31,	
	2025	2024
	RMB'000	RMB'000
0-90 days	324,381	307,760
91-180 days	116,388	74,708
181-365 days	142,294	70,541
Over 365 days	212,881	299,796
	795,944	752,805

Notes to the Consolidated Financial Statements

27 OTHER PAYABLES, ACCRUALS AND OTHER LIABILITIES

	As at December 31,	
	2025 RMB'000	2024 RMB'000
Payables in respect of online entertainment ticketing, e-commerce services and advance in respect of content production	1,348,150	1,298,116
Payables in respect of share in the box office receipts	553,429	517,122
Payroll and welfare payable	127,715	143,882
Amounts due to related parties (Note 33)	217,730	79,919
Other tax liabilities	18,304	10,055
Dividend payable	1,420	—
Others	60,299	46,588
	2,327,047	2,095,682

Notes to the Consolidated Financial Statements

28 SHARE CAPITAL

	Number of ordinary shares	Number of ordinary shares pursuant to RSUs	Number of treasury shares (b)	Total number of shares	Nominal value of shares USD'000	Equivalent nominal value of shares RMB'000	Treasury Shares RMB'000	Total RMB'000
Issued and fully paid:								
As at January 1, 2024	1,120,061,389	26,717,975	–	1,146,779,364	22.93	154	–	154
Issuance of new shares under restricted shares units scheme (b)	–	–	11,644,075	11,644,075	0.23	2	(2)	–
Issuance of new shares under share option scheme	8,310	–	–	8,310	–*	–*	–	–*
Repurchase and cancellation of the shares of the Company	(7,099,800)	–	–	(7,099,800)	(0.14)	(1)	–	(1)
Transfer of vested restricted share units from treasury shares (c)	–	3,871,692	(3,871,692)	–	–	–	1	1
As at December 31, 2024	1,112,969,899	30,589,667	7,772,383	1,151,331,949	23.02	155	(1)	154
As at January 1, 2025	1,112,969,899	30,589,667	7,772,383	1,151,331,949	23.02	155	(1)	154
Issuance of new shares under share option scheme	80,280	–	–	80,280	–*	–*	–	–*
Transfer of vested restricted share units from treasury shares (c)	–	2,388,716	(2,388,716)	–	–*	–*	–*	–*
Scrip dividends (Note 13)	10,734,653	–	–	10,734,653	0.21	2	–	2
As at December 31, 2025	1,123,784,832	32,978,383	5,383,667	1,162,146,882	23.23	157	(1)	156

* The balance was rounded to the nearest thousand

- (a) As at December 31, 2025 and 2024, the Company's authorized share capital amounted to USD50,000 was divided into 2,500,000,000 shares of USD0.00002 each.
- (b) On January 11, 2024 and May 6, 2024, the Company allotted and issued 11,644,075 ordinary shares to Maoyan Employee Benefit Limited in total. The issuance resulted in the increase in share capital of RMB2,000 and the ordinary shares issued were presented as treasury shares.
- (c) During the year ended December 31, 2025, 2,388,716 (Note 30) restricted share units (the year ended December 31, 2024: 3,871,692) were vested and transferred from treasury shares to share-based compensation reserve.

Notes to the Consolidated Financial Statements

29 RESERVES

	Share premium RMB'000	Capital reserves RMB'000	FVOCI RMB'000	Convertible bonds RMB'000	Share-based compensation reserve RMB'000	Statutory reserves RMB'000	Currency translation differences RMB'000	Other reserves RMB'000	Total RMB'000
As at January 1, 2024	2,469,761	5,592,299	(175,148)	(3,676)	342,812	67,175	67,965	(7,914)	8,353,274
Issuance of new shares under share option scheme	107	-	-	-	(106)	-	-	-	1
Transfer of vested restricted share units from treasury shares	37,967	-	-	-	(37,968)	-	-	-	(1)
Share-based compensation expenses	-	-	-	-	38,960	-	-	-	38,960
Changes in the fair value of financial assets at FVOCI, net of tax (Note 3.3 and 20)	-	-	(209,556)	-	-	-	-	-	(209,556)
Transfer of gains upon disposal of financial assets at FVOCI to retained earnings	-	-	(318)	-	-	-	-	-	(318)
Cancellation of repurchased shares	(45,595)	-	-	-	-	-	-	-	(45,595)
Transactions with non-controlling interests	-	-	-	-	-	-	-	(2,911)	(2,911)
Currency translation difference	-	-	-	-	-	-	44,321	-	44,321
As at December 31, 2024	2,462,240	5,592,299	(385,022)	(3,676)	343,698	67,175	112,286	(10,825)	8,178,175
As at January 1, 2025	2,462,240	5,592,299	(385,022)	(3,676)	343,698	67,175	112,286	(10,825)	8,178,175
Issuance of new shares under share option scheme	87	-	-	-	(79)	-	-	-	8
Transfer of vested restricted share units from treasury shares	23,959	-	-	-	(23,959)	-	-	-	-*
Share-based compensation expenses	-	-	-	-	25,135	-	-	-	25,135
Changes in the fair value of financial assets at FVOCI, net of tax (Note 3.3 and 20)	-	-	(44,968)	-	-	-	-	-	(44,968)
Transfer of gains upon disposal of financial assets at FVOCI to retained earnings	-	-	3,825	-	-	-	-	-	3,825
Dividends declared (Note 13)	(334,135)	-	-	-	-	-	-	-	(334,135)
Scrip dividend (Note 13)	71,473	-	-	-	-	-	-	-	71,473
Currency translation difference	-	-	-	-	-	-	(45,648)	-	(45,648)
As at December 31, 2025	2,223,624	5,592,299	(426,165)	(3,676)	344,795	67,175	66,638	(10,825)	7,853,865

Notes to the Consolidated Financial Statements

30 SHARE INCENTIVE PLAN

The share options and RSUs granted to directors and employees recognised during years ended December 31, 2025 and 2024 are summarised in the following table:

	Year ended December 31,	
	2025 RMB'000	2024 RMB'000
Share options and RSUs granted to directors and employees	25,135	38,960

ESOP Plan of the Company

In order to provide incentives and rewards to directors, senior management and employees of the Group and other eligible individuals and entities, the Company adopted the ESOP Plan on July 23, 2018. The ESOP Plan include Pre-IPO Share Option Scheme, Post-IPO Share Option Scheme and the Post-IPO RSU Scheme.

The total number of shares issued or issuable pursuant to the ESOP Plan shall not be more than 117,033,705 shares of the Company, representing approximately 10.1% of the total issued share capital of the Company as at December 31, 2025, out of which, the maximum number of shares that may be issued upon exercise of all options granted and to be granted under the Pre-IPO Share Option Scheme shall be no more than 42,544,600 shares, and the total number of shares which may be issued upon exercise of options that may be granted under the Post-IPO Share Option Scheme and the RSU Scheme shall not exceed 55,221,880 shares in aggregate.

Notes to the Consolidated Financial Statements

30 SHARE INCENTIVE PLAN (continued)

ESOP Plan of the Company (continued)

(a) Pre-IPO Share Option Scheme

Movements of Pre-IPO share options outstanding and their related weighted average exercise prices are as follows:

	Average exercise price	Number of share options of the Company
Outstanding balance as at January 1, 2024	RMB12.2408	10,060,473
Exercised	RMB0.0869	(8,310)
Lapsed	RMB12.7205	(790,020)
Outstanding balance as at December 31, 2024	RMB12.2108	9,262,143
Exercised	RMB0.0869	(80,280)
Lapsed	RMB12.7369	(35,565)
Outstanding balance as at December 31, 2025	RMB12.3152	9,146,298

During the year ended December 31, 2025, the market price of the Company's shares as at the dates of exercise ranges from RMB5.75 per share to RMB8.64 per share (during the year ended December 31, 2024: RMB5.28 per share to RMB8.70 per share).

As at December 31, 2025, out of 9,146,298 share options, 9,146,298 share options were vested and exercisable (December 31, 2024: 9,262,143).

Notes to the Consolidated Financial Statements

30 SHARE INCENTIVE PLAN (continued)

ESOP Plan of the Company (continued)

(a) Pre-IPO Share Option Scheme (continued)

Pre-IPO share options outstanding at the end of the year ended December 31, 2025 and 2024 have the following expiry date and exercise prices:

Grant Date	Expiry Date	Exercise price per share (HKD)	Share options as at		Vesting period
			December 31, 2025	2024	
August 1, 2016 to March 1, 2018	Eight years from the date of grant	0.1009	372,520	452,910	(i)
February 1, 2018 to August 1, 2018	Eight years from the date of grant	14.8000	1,062,888	1,098,343	(ii)
April 11, 2018 to June 1, 2018	Eight years from the date of grant	14.8000	7,710,890	7,710,890	(i)
			9,146,298	9,262,143	

- (i) 25% of the options granted shall be vested upon each anniversary of the Grant Date during a four-year term.
- (ii) 50% of the options granted shall be vested upon the second anniversary of the Grant Date, and the remaining shall be equally vested upon the third and fourth anniversary of the Grant Date.
- (iii) The weighted average remaining contract life for outstanding share options was 0.43 years and 1.43 years as of December 31, 2025 and 2024, respectively

Notes to the Consolidated Financial Statements

30 SHARE INCENTIVE PLAN (continued)

ESOP Plan of the Company (continued)

(b) Post-IPO Share Option Scheme

Movements of Post-IPO share options outstanding and their related exercise prices are as follows:

	Average exercise prices	Number of share options of the Company (after Subdivision)
Outstanding balance as at January 1, 2024	RMB11.0883	10,769,851
Lapsed	RMB15.0941	(1,894,907)
Outstanding balance as at December 31, 2024	RMB10.2330	8,874,944
Granted	RMB6.1738	10,000,000
Lapsed	RMB6.1738	(4,052,355)
Outstanding balance as at December 31, 2025	RMB10.9221	14,822,589

As at December 31, 2025, out of 14,822,589 share options, 14,822,589 share options were vested and exercisable (December 31, 2024: 8,874,944).

Post-IPO share options outstanding at the end of the year ended December 31, 2025 and 2024 have the following expiry date and exercise prices:

Notes to the Consolidated Financial Statements

30 SHARE INCENTIVE PLAN (continued)

ESOP Plan of the Company (continued)

(b) Post-IPO Share Option Scheme (continued)

Grant Date	Expiry Date	Exercise price per share (HKD)	Share options as at		Vesting period
			December 31, 2025	2024	
May 10, 2019	Ten years from the date of grant	14.7600	1,269,590	1,305,445	(ii)
May 10, 2019	Ten years from the date of grant	14.7600	138,795	138,795	(i)
April 29, 2020	Ten years from the date of grant	10.5000	1,039,646	1,039,646	(i)
April 29, 2020	Ten years from the date of grant	10.5000	–	250,000	(ii)
January 19, 2021	Ten years from the date of grant	13.1360	2,374,558	6,141,058	(i)
May 16, 2025	Ten years from the date of grant	6.7000	10,000,000	–	(i)
			14,822,589	8,874,944	

- (i) 25% of the options granted shall be vested upon each anniversary of the Grant Date during a four-year term.
- (ii) 50% of the options granted shall be vested upon the second anniversary of the Grant Date, and the remaining shall be equally vested upon the third and fourth anniversary of the Grant Date.
- (iii) The weighted average remaining contract life for outstanding share options was 8.43 years and 5.67 years as of December 31, 2025 and 2024, respectively

Notes to the Consolidated Financial Statements

30 SHARE INCENTIVE PLAN (continued)

ESOP Plan of the Company (continued)

(b) Post-IPO Share Option Scheme (continued)

Fair value of options

The Group has used the binomial lattice model to determine the fair value of the options at the grant date during the year ended December 31, 2025. The weighted average fair value of share options granted by Maoyan Entertainment during the year ended December 31, 2025 was RMB3.09 per share option. Significant judgement on parameters, such as risk-free rate, dividend yield and expected volatility, are required to be made by the directors in applying the valuation model, which are summarized as below.

	Year ended December 31, 2025
Risk-free rate	3.1%
Dividend yield	2.0%
Expected volatility	55.0%

The expected volatility, measured as the standard deviation of expected share price returns, is determined based on the average daily trading price volatility of the shares of the comparable companies.

Expected retention rate

The Group has to estimate the expected yearly percentage of grantees that will stay within the Group at the end of the vesting periods of the share options (the “Expected Retention Rate”) in order to determine the amount of share-based compensation expenses charged to the consolidated statement of comprehensive income. As at December 31, 2025, such retention rate was assessed to be close to 99.1% (December 31, 2024: 99.3%).

Notes to the Consolidated Financial Statements

30 SHARE INCENTIVE PLAN (continued)

ESOP Plan of the Company (continued)

(c) Post-IPO RSU Scheme

On May 6, 2025, the Board of the Company resolved to grant a total of 400,000 restricted share units under RSU Scheme to employees of the Group. A total of 200,000, 100,000 and 100,000 of the restricted shares will vest on May 6, 2027, May 6, 2028 and May 6, 2029 respectively, subject to the accomplishment of certain service conditions. The fair value of the restricted shares amounted to approximately RMB2,475,000 and was determined with reference to the share price of the Company on May 6, 2025 of HKD6.66 (equivalent to approximately RMB6.19).

Details of RSUs are as follows:

Grant date	Number of RSUs	Vesting condition
May 6, 2025	400,000	50% are to be vested 24 months from the Grant Date 25% are to be vested 36 months from the Grant Date 25% are to be vested 48 months from the Grant Date

The consideration is nil per share. Movements of the Post-IPO RSU granted are as follows:

	Fair value	Number of shares (after Subdivision)
Outstanding balance as at January 1, 2024	RMB9.3844	11,233,975
Granted	RMB8.9230	410,100
Vested	RMB9.8065	(3,871,692)
Forfeited	RMB8.2942	(752,700)
Outstanding balance as at December 31, 2024	RMB9.2415	7,019,683
Granted	RMB6.1873	400,000
Vested	RMB6.5597	(2,388,716)
Forfeited	RMB9.6091	(322,500)
Outstanding balance as at December 31, 2025	RMB10.3174	4,708,467

Notes to the Consolidated Financial Statements

30 SHARE INCENTIVE PLAN (continued)

ESOP Plan of the Company (continued)

(c) Post-IPO RSU Scheme (continued)

Expected retention rate

The Group has to estimate the expected percentage of grantees that will stay within the Group at the end of the vesting periods in order to determine the amount of share-based compensation expenses charged to the consolidated statement of comprehensive income. As at December 31, 2025, the Expected Retention Rate was assessed to be 98.6% (December 31, 2024: 98.4%).

Post-IPO RSU outstanding at the end of the period ended December 31, 2025 and 2024 have the following expiry date:

Grant Date	Expiry Date	RSU as at December 31,		Vesting period
		2025	2024	
November 26, 2021	Eight years from the date of grant	–	167,500	(i)
November 26, 2021	Eight years from the date of grant	–	151,250	(ii)
May 1, 2022	Eight years from the date of grant	–	100,000	(ii)
May 4, 2023	Eight years from the date of grant	82,317	164,633	(ii)
September 20, 2023	Eight years from the date of grant	3,810,000	5,970,000	(i)
November 1, 2023	Eight years from the date of grant	50,150	100,300	(ii)
May 6, 2024	Eight years from the date of grant	366,000	366,000	(ii)
May 6, 2025	Eight years from the date of grant	400,000	–	(ii)
		4,708,467	7,019,683	

- (i) 25% of the RSU granted shall be vested upon each anniversary of the Grant Date during a four-year term.
- (ii) 50% of the RSU granted shall be vested upon the second anniversary of the Grant Date, and the remaining shall be equally vested upon the third and fourth anniversary of the Grant Date.

Notes to the Consolidated Financial Statements

31 NOTE TO CONSOLIDATED STATEMENT OF CASH FLOWS

(a) Cash generated from operations

	Year ended December 31,	
	2025 RMB'000	2024 RMB'000
Profit before income tax	774,784	301,325
Adjustments for:		
– Share options and RSUs granted to directors and employees (<i>Note 9</i>)	25,135	38,960
– Depreciation of property, plant and equipment (<i>Note 14</i>)	12,872	15,642
– Amortization of intangible assets (<i>Note 16</i>)	91,260	92,661
– Depreciation of right-of-use assets (<i>Note 15</i>)	7,128	18,425
– Unwinding of interests on lease liabilities (<i>Note 15</i>)	143	1,429
– Losses on disposals of property, plant and equipment (<i>Note 8</i>)	893	10
– Loss on disposals of right of use assets (<i>Note 8</i>)	–	3,575
– Share of results of investments accounted for using the equity method (<i>Note 17</i>)	(446)	1,662
– Interest income (<i>Note 10</i>)	(62,105)	(121,429)
– Interest expense on bank borrowings (<i>Note 10</i>)	9,943	8,125
– Net impairment losses on financial assets (<i>Note 3.1(b)</i>)	72,017	129,564
– Net impairment (reversals)/provisions on prepayment (<i>Note 23</i>)	(63,098)	151,358
– Impairment losses on investments accounted for using the equity method (<i>Note 17</i>)	2,059	4,768
– Fair value changes on financial assets at fair value through profit or loss (<i>Notes 3.3</i>)	(238,286)	(21,864)
Cash generated from operations before changes in working capital	632,299	624,211
Changes in working capital:		
– Restricted cash	(30,453)	(6,979)
– Inventories	18,928	5,436
– Accounts receivable	190,331	(204,840)
– Prepayments, film rights, deposits and other receivables	177,078	(779,592)
– Accounts payable	43,076	(127,779)
– Other payables, accruals and other liabilities	225,765	(86,991)
	1,257,024	(576,534)

Notes to the Consolidated Financial Statements

31 NOTE TO CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

(b) Reconciliation of liabilities arising from financing activities

	Borrowings	Lease liabilities	Total
	RMB'000	RMB'000	RMB'000
As at January 1, 2024	250,000	28,471	278,471
Proceeds from borrowings	470,442	–	470,442
Repayment of borrowings	(250,000)	–	(250,000)
Principal elements of lease payments	–	(23,846)	(23,846)
Interest expenses on lease liabilities	–	1,429	1,429
Addition of lease liabilities	–	76,219	76,219
Reduction of lease liabilities	–	(71,500)	(71,500)
As at December 31, 2024	470,442	10,773	481,215
As at January 1, 2025	470,442	10,773	481,215
Proceeds from borrowings	94,409	–	94,409
Interest expenses on borrowings	130	–	130
Repayment of borrowings	(470,442)	–	(470,442)
Principal elements of lease payments	–	(8,061)	(8,061)
Interest expenses on lease liabilities	–	143	143
Addition of lease liabilities	–	10,852	10,852
Reduction of lease liabilities	–	(3,444)	(3,444)
As at December 31, 2025	94,539	10,263	104,802

(c) Major non-cash transactions

During the year ended December 31, 2025, some entertainment event originally scheduled to take place were cancelled due to unforeseen circumstances. Consequently, the investment amount of RMB111,213,000 (previously classified as FVPL) was reclassified to receivables from investments in movies, TV series and entertainment events. As of December 31, 2025, the majority of the outstanding balance had been recovered.



Notes to the Consolidated Financial Statements

32 CAPITAL AND OTHER COMMITMENTS

As at December 31, 2025, capital expenditure contracted for but not yet incurred by the Group amounted to approximately RMB707,299,000 (December 31, 2024: RMB533,674,000) mainly with respect to investments and productions in certain movies, TV series and entertainment events.

33 SIGNIFICANT RELATED PARTY TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, control the other party or exercise significant influence over the other party in making financial and operation decisions. Parties are also considered to be related if they are subject to common control. Members of key management and their close family members of the Group are also considered as related parties.

Name of the related parties	Nature of relationship
Meituan and its subsidiaries (collectively "Meituan Group")	One of the Company's shareholders
Enlight Holdings Limited and Beijing Enlight Media Co., Ltd and their subsidiaries (collectively "Enlight Group")	One of the Company's shareholders
Tencent Holdings Limited and its subsidiaries (collectively "Tencent Group")	One of the Company's shareholders

Save as disclosed elsewhere in the consolidated financial statements, the following significant transactions were carried out between the Group and its related parties during years ended December 31, 2025. In the opinion of the Company's directors, the following related party transactions were carried out in the normal course of business and at terms negotiated between the Group and the respective related parties.

Notes to the Consolidated Financial Statements

33 SIGNIFICANT RELATED PARTY TRANSACTIONS *(continued)***(a) Revenue from transactions with related parties**

	Year ended December 31,	
	2025 RMB'000	2024 RMB'000
Enlight Group	150,962	93,591
Meituan Group	10,777	7,272
Tencent Group	6,406	37,604
	168,145	138,467

(b) Purchase of management and infrastructure services

	Year ended December 31,	
	2025 RMB'000	2024 RMB'000
Meituan Group	377,709	271,882
Tencent Group	301,007	228,615
Enlight Group	19	31
	678,735	500,528

(c) Movie cards consideration received on behalf of the Group

	Year ended December 31,	
	2025 RMB'000	2024 RMB'000
Enlight Group	748	1,723

Notes to the Consolidated Financial Statements

33 SIGNIFICANT RELATED PARTY TRANSACTIONS (continued)

(d) Content distribution costs

	Year ended December 31,	
	2025	2024
	RMB'000	RMB'000
Enlight Group	36,562	—

(e) Balances with related parties

	As at December 31,	
	2025	2024
	RMB'000	RMB'000
Accounts receivable		
Enlight Group	34,256	9,826
Tencent Group	31,006	25,113
Meituan Group	740	422
Beijing Yaoying	256	256
	66,258	35,617
Less: allowance for impairment	(17,943)	(13,479)
	48,315	22,138
Deposits and other receivables		
Meituan Group	160,865	117,786
Tencent Group	24,924	9,677
Enlight Group	20	20
Associates of the Group	19,717	19,717
	205,526	147,200
Less: allowance for impairment	(19,748)	(19,808)
	185,778	127,392
Financial assets at fair value through profit or loss		
Enlight Group	123,134	—

Notes to the Consolidated Financial Statements

33 SIGNIFICANT RELATED PARTY TRANSACTIONS (continued)

(e) Balances with related parties (continued)

	As at December 31,	
	2025 RMB'000	2024 RMB'000
Accounts payable		
Tencent Group	36,292	7,952
Meituan Group	27,430	13,938
Enlight Group	22	—
	63,744	21,890
Other payables, accruals and other liabilities		
Tencent Group	96,072	43,510
Meituan Group	67,944	21,772
Enlight Group	53,714	14,637
	217,730	79,919

The receivables and payables due from/to related parties are unsecured, interest-free and are repayable on demand.

(f) Key management compensation

	Year ended December 31,	
	2025 RMB'000	2024 RMB'000
Wages, salaries and bonuses	5,264	4,169
Share-based compensation expenses	3,818	—
	9,082	4,169

34 CONTINGENCIES

The Group had no material contingent liabilities outstanding as at December 31, 2025 and 2024.

Notes to the Consolidated Financial Statements

35 STATEMENT OF FINANCIAL POSITION AND EQUITY MOVEMENT OF THE COMPANY

		As at December 31,	
	Note	2025 RMB'000	2024 RMB'000
ASSETS			
Non-current asset			
Investment in a subsidiary	(a)	9,952,968	10,386,476
Other financial assets measured at amortised cost		283,704	291,211
Financial assets at FVOCI		97,780	166,919
		10,334,452	10,844,606
Current assets			
Prepayments, film rights, deposits and other receivables		1,560,274	1,105,252
Cash and cash equivalents		191,750	224,496
Term deposits with the maturity over three months		–	1,175,270
		1,752,024	2,505,018
Total assets		12,086,476	13,349,624
EQUITY			
Share capital		157	155
Treasury shares		(1)	(1)
Reserves	(b)	24,096,885	24,431,008
Accumulated losses		(12,437,719)	(12,479,648)
Total equity		11,659,322	11,951,514
LIABILITIES			
Current liabilities			
Other payables, accruals and other liabilities		427,154	1,398,110
Total liabilities		427,154	1,398,110
Total equity and liabilities		12,086,476	13,349,624

The financial position of the Company was approved for issue by the Board of Directors on March 26, 2026 and were signed on its behalf.

Zheng Zhihao
Executive Director and Chief Executive Officer

Miao Boshu
Financial Director

Notes to the Consolidated Financial Statements

35 STATEMENT OF FINANCIAL POSITION AND EQUITY MOVEMENT OF THE COMPANY*(continued)***(a) Investment in a subsidiary**

	As at December 31,	
	2025 RMB'000	2024 RMB'000
Investment in a subsidiary (i)	22,200,000	22,200,000
Deemed investments arising from share-based compensation expenses (ii)	473,811	449,078
Less: allowance for impairment of investment in a subsidiary (i)	(12,720,843)	(12,262,602)
	9,952,968	10,386,476

- (i) As at December 31, 2025, the Company recognised impairment provision of approximately RMB12,720,843,000 (2024: RMB12,262,602,000) on investment in a subsidiary according to the valuation on the recoverable amount of the investment in a subsidiary. The recoverable amount was determined based on value-in-use calculations which use cash flow projections based on financial budgets.
- (ii) The amount represents share-based compensation expenses arising from the grant of share options and RSU of the Company to employees of the subsidiaries (Note 30) in exchange for their services provided to these subsidiaries, which were deemed to be investments made by the Company into these subsidiaries.

Notes to the Consolidated Financial Statements

35 STATEMENT OF FINANCIAL POSITION AND EQUITY MOVEMENT OF THE COMPANY

(continued)

(b) Reserve movement of the Company

	Share premium RMB'000	FVOCI RMB'000	Currency translation differences RMB'000	Other reserves RMB'000	Total RMB'000
As at January 1, 2024	2,469,761	(199,519)	131,482	22,127,734	24,529,458
Issuance of new shares under share option scheme	107	–	–	(106)	1
Issuance of new shares under RSU scheme	37,967	–	–	(37,968)	(1)
Share-based compensation expenses	–	–	–	38,960	38,960
Changes in the fair value of equity investments at FVOCI, net of tax	–	(117,247)	–	–	(117,247)
Cancellation of shares	(45,595)	–	–	–	(45,595)
Currency translation differences	–	–	25,432	–	25,432
As at December 31, 2024	2,462,240	(316,766)	156,914	22,128,620	24,431,008
As at January 1, 2025	2,462,240	(316,766)	156,914	22,128,620	24,431,008
Issuance of new shares under share option scheme	87	–	–	(79)	8
Transfer of vested restricted share units from treasury shares	23,959	–	–	(23,959)	–
Share-based compensation expenses	–	–	–	25,135	25,135
Changes in the fair value of equity investments at FVOCI, net of tax	–	(66,077)	–	–	(66,077)
Dividends declared	(334,135)	–	–	–	(334,135)
Scrip dividend	71,473	–	–	–	71,473
Currency translation differences	–	–	(30,527)	–	(30,527)
As at December 31, 2025	2,223,624	(382,843)	126,387	22,129,717	24,096,885

Notes to the Consolidated Financial Statements

36 SUBSIDIARIES

The Company's major subsidiaries (including controlled and structured entities) as at December 31, 2025 and 2024 are set out below. Unless otherwise stated, they have capital consisting solely of ordinary shares that are held directly by the Group. The place of establishment/incorporation is also their principal place of business.

Company name	Place of incorporation and kind of legal entity	Principal activities	Date of establishment/incorporation	Particulars of registered capital/issued capital	Ownership interest held by the Group	
					As at December 31,	2024
					2025	
Maoyan Entertainment (BVI) Ltd.	BVI, limited liability company	Investment holding	December 12, 2017	USD50,000	100%	100%
Maoyan Entertainment HK	Hong Kong, limited liability company	Investment holding	January 4, 2018	HKD10,000	100%	100%
Hong Kong Maoyan Live Entertainment Limited (香港貓眼現場娛樂有限公司)	Hong Kong, limited liability company	Movie ticketing services, Performance ticketing services	June 18, 2019	HKD10,000	100%	100%
Tianjin Maoyan Weying (天津貓眼微影文化傳媒有限公司)	PRC, limited liability company	Movie ticketing services, Film investment and distribution	May 27, 2015	RMB86,457,811	100%	100%
Beijing Maoyan (北京貓眼文化傳媒有限公司)	PRC, limited liability company	Online ticketing platform services, Film investment and distribution	November 12, 2015	RMB10,000,000	100%	100%
Xinjiang Maoyan Network Technology Co. Ltd. (新疆貓眼網絡科技有限公司)	PRC, limited liability company	Movie ticketing services	November 10, 2016	RMB10,000,000	100%	100%
Tianjin Maoyan Pictures Co., Ltd. (天津貓眼影業有限公司)	PRC, limited liability company	TV series investment and distribution	June 8, 2015	RMB50,000,000	100%	100%
Ganyu Enterprise (天津甘雨企業管理諮詢有限公司)	PRC, limited liability company	Economic and trade consultation, Strategic investment	March 1, 2017	RMB1,000,000	100%	100%
Beijing Weige Shidai (北京微格時代娛樂科技有限公司)	PRC, limited liability company	Movie ticketing services, Performance ticketing services	March 9, 2016	RMB5,000,000	100%	100%
Tianjin Maoyan Weying Technology Co., Ltd. (天津貓眼微影科技有限公司)	PRC, limited liability company	Computer technology research, development, advisory; Ticket agency; Film project technology advisory etc.	February 5, 2018	USD200,000,000	100%	100%



Notes to the Consolidated Financial Statements

36 SUBSIDIARIES (continued)

Company name	Place of incorporation and kind of legal entity	Principal activities	Date of establishment/ incorporation	Particulars of registered capital/ issued capital	Ownership interest held by the Group	
					As at December 31, 2025	2024
Maoyan Live JV (天津貓眼現場科技有限公司)	PRC, limited liability company	Computer technology research, development, advisory, Performance ticketing services etc.	June 19, 2018	RMB5,000,000	100%	100%
Beijing Maoyan Weying Technology Co., Ltd. (北京貓眼微影科技有限公司)	PRC, limited liability company	Computer technology research, development, advisory; Ticket agency; Film project technology advisory etc.	April 29, 2019	RMB5,000,000	100%	100%
Shanghai Maoyan Pictures Co., Ltd. (上海貓眼影業有限公司)	PRC, limited liability company	Film investment and distribution	May 15, 2019	RMB50,000,000	100%	100%
Hangzhou Soushi Network Technology Co., Ltd. (杭州梭視網絡有限公司)	PRC, limited liability company	Network technology service, development, advisory; Ticket agency; e-Business etc.	April 23, 2008	RMB10,000,000	100%	100%
Shanghai Maoyan Network Technology Co., Ltd. (上海貓眼網絡科技有限公司)	PRC, limited liability company	Computer technology research, development, advisory, Performance ticketing services etc.	February 13, 2019	RMB1,000,000	100%	100%
Shenzhen Maoyan Weying Technology Co., Ltd. (深圳貓眼微影科技有限公司)	PRC, limited liability company	Computer technology research, development, advisory etc.	July 24, 2019	RMB230,000,000	100%	100%
Hangzhou Maoyan Time Machine Co., Ltd. (杭州貓眼時光機影業有限公司)	PRC, limited liability company	Movie ticketing services, Film investment and distribution	January 13, 2023	RMB10,000,000	100%	100%
Guangzhou Maoyan Pictures Co., Ltd. (廣州貓眼影業有限公司)	PRC, limited liability company	Movie ticketing services, Film investment and distribution	January 8, 2024	RMB1,000,000	100%	100%
Tianjin Ganyu Information Technology Co., Ltd. (天津甘雨信息技術有限公司)	PRC, limited liability company	Movie ticketing services, Film investment and distribution	June 5, 2024	RMB1,000,000	100%	100%
Tianjin Yunchuan Cultural Media Co., Ltd. (天津雲川文化傳媒有限公司)	PRC, limited liability company	Movie ticketing services, Film investment and distribution	June 19, 2024	RMB1,000,000	100%	100%

Notes to the Consolidated Financial Statements

36 SUBSIDIARIES *(continued)*

Business combinations

During the year ended 31 December 2025, the Group completed the acquisition of 50% equity interest of a media content studio at a cash consideration of RMB15,000,000, which was accounted for as a subsidiary of the Group upon the completion of the transaction.

The fair value of total identifiable net assets (including identifiable intangible assets) was approximately RMB18,719,000.

Goodwill of approximately RMB5,641,000 was recognised as a result of the transaction. It was mainly attributable to the operating synergies and economies of scale expected to be derived from combining the operations. None of the goodwill was expected to be deductible for income tax purpose.

The Group's revenue and results for the year ended 31 December 2025 would not be materially different should the acquisition had occurred on January 1, 2025.

The related transaction costs of the transaction recognised in the Group's consolidated income statement were not material.

Notes to the Consolidated Financial Statements

37 DIRECTORS' REMUNERATION

The remuneration of each director for the year ended December 31, 2025 and 2024 are set out as follows:

	Director's fee RMB'000	Salaries and wages RMB'000	Bonuses RMB'000	Pension costs-defined contribution plan RMB'000	Other employee benefits RMB'000	Share-based compensation RMB'000	Total RMB'000
Year ended December 31, 2025							
Executive director							
- Mr. ZHENG Zhihao	-	4,000	-	-	-	3,818	7,818
Non-executive directors							
- Mr. TANG Lichun	-	-	-	-	-	-	-
- Mr. WANG Changtian	-	-	-	-	-	-	-
- Mr. Sun Zhonghui	-	-	-	-	-	-	-
- Ms. LI Xiaoping	-	-	-	-	-	-	-
- Ms. WANG Jian	-	-	-	-	-	-	-
- Mr. CHEN Shaohui	-	-	-	-	-	-	-
Independent non-executive directors							
- Mr. WANG Hua	316	-	-	-	-	-	316
- Mr. CHAN Charles Sheung Wai	316	-	-	-	-	-	316
- Ms. LIU Lin	316	-	-	-	-	-	316
- Mr. YIN Hong	316	-	-	-	-	-	316
	1,264	4,000	-	-	-	3,818	9,082

Notes to the Consolidated Financial Statements

37 DIRECTORS' REMUNERATION (continued)

	Director's fee RMB'000	Salaries and wages RMB'000	Bonuses RMB'000	Pension costs-defined contribution plan RMB'000	Other employee benefits RMB'000	Share-based compensation RMB'000	Total RMB'000
Year ended December 31, 2024							
Executive director							
- Mr. ZHENG Zhihao	-	2,153	720	-	-	-	2,873
Non-executive directors							
- Mr. TANG Lichun	-	-	-	-	-	-	-
- Mr. WANG Changtian	-	-	-	-	-	-	-
- Mr. Sun Zhonghuai	-	-	-	-	-	-	-
- Ms. LI Xiaoping	-	-	-	-	-	-	-
- Ms. WANG Jian	-	-	-	-	-	-	-
- Mr. CHEN Shaohui	-	-	-	-	-	-	-
Independent non-executive directors							
- Mr. WANG Hua	324	-	-	-	-	-	324
- Mr. CHAN Charles Sheung Wai	324	-	-	-	-	-	324
- Ms. LIU Lin	324	-	-	-	-	-	324
- Mr. YIN Hong	324	-	-	-	-	-	324
	1,296	2,153	720	-	-	-	4,169

Notes to the Consolidated Financial Statements

37 DIRECTORS' REMUNERATION *(continued)*

(a) Directors' remuneration

During the years ended December 31, 2025 and 2024, no directors received any emolument from the Group as an inducement to join or leave the Group or compensation for loss of office; no directors and senior management waived or has agreed to waive any emoluments.

(b) Directors' retirement benefit

During the years ended December 31, 2025 and 2024, no retirement benefits paid to the directors of the Company by a defined benefit pension plan operated by the Group in respect of the director's services as a director of the Company and its subsidiaries or other services in connection with the management of the affairs of the Company or its subsidiary undertaking.

(c) Directors' termination benefit

During the years ended December 31, 2025 and 2024, no payments to the directors of the Company as compensation for the early termination of the appointment.

(d) Consideration provided to third parties for making available directors' services

During the years ended December 31, 2025 and 2024, the Company did not provide to any third party for making available director's services.

(e) Information about loans, quasi-loans and other dealings in favour of directors, controlled bodies corporate by and connected entities with such directors

During the years ended December 31, 2025 and 2024, no loans, quasi-loans or other dealings in favour of directors of the Company, controlled bodies corporate by and connected entities with such directors.

(f) Directors' material interests in transactions, arrangements or contracts

No significant transactions, arrangements and contracts in relation to the Group's business to which the Company was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the years ended December 31, 2025 and 2024.

Notes to the Consolidated Financial Statements

38 FROZEN EQUITY INTERESTS OF TIANJIN MAOYAN WEYING CULTURAL MEDIA CO., LTD.

As disclosed in Note 2.2.7, Tianjin Maoyan Weying is a PRC subsidiary controlled by the Group through contractual arrangements. Beijing Shiji Weying Culture Development Co., Ltd. (“Beijing Shiji Weying”) is a registered shareholder of Tianjin Maoyan Weying and holds approximately 26.9% equity interests (the “Equity interests”) of Tianjin Maoyan Weying. As at December 31, 2025, the Equity Interests were frozen due to the following cases:

(a) Frozen case 480

Beijing Weying Shidai Technology Co., Ltd. (“Beijing Weying Shidai”), an affiliated company of Beijing Shiji Weying, which transferred the Equity Interests to Beijing Shiji Weying in 2018 for preparation the listing of the Company on the Main Board of The Stock Exchange of Hong Kong Limited (the “Transfer”). Prior to the Transfer, Beijing Weying Shidai originally entered into contractual agreements with the WFOE, Tianjin Maoyan Weying and its registered shareholders in July 2018. Subsequent to the Transfer, Beijing Shiji Weying signed the contractual agreements in August 2018 as part of the contractual arrangements as disclosed in Note 2.2.7.

Since Beijing Weying Shidai was involved in certain debt disputes involving approximately USD6,058,000 (equivalent to approximately RMB40.2 million, the “Debt”) with a creditor who initiated lawsuits against Beijing Weying Shidai as defendant, a court in the PRC issued a civil paper (Document 2021 Jing 04 Zhi 480) (“Civil Paper 480”), pursuant to which the Equity Interests were frozen for the purpose of cancelling the Transfer and transferring the Equity Interests back to Beijing Weying Shidai.

In May 2022, Beijing Shiji Weying and Beijing Weying Shidai have entered into settlement agreement with the debtor and agreed to repay the amounts by instalments before March 30, 2024. As at the approval date of this financial statements, Beijing Shiji Weying and Beijing Weying Shidai has repaid RMB20.1 million out of the total RMB40.2 million but failed to repay the remaining instalments of RMB20.1 million as agreed in the settlement agreement.

(b) Frozen case 1258

Beijing Weying Shidai was involved in another debt disputes involving a principal of approximately RMB75 million and relevant interest calculated at an interest rate of 12% per annum with a shareholder of Beijing Weying Shidai who initiated an arbitration against Beijing Weying Shidai as respondent, a court in the PRC issues a civil paper (Document 2022 Jing 01 Zhi 1258) (“Civil Paper 1258”), pursuant to which the Equity Interests were frozen due to above mentioned debt.

Notes to the Consolidated Financial Statements

38 FROZEN EQUITY INTERESTS OF TIANJIN MAOYAN WEYING CULTURAL MEDIA CO., LTD. *(continued)*

(b) Frozen case 1258 *(continued)*

Beijing Shiji Weying and Beijing Weying Shidai are still in the process of negotiating with the creditors on the settlement of the debt in dispute. As at December 31, 2025 and the date of approval of the financial statement, the Equity Interests are remained frozen and cannot be changed due to above cases.

In response to the above cases, Beijing Shiji Weying and Beijing Weying Shidai co-issued a letter of confirmation (the “Confirmation”) to Tianjin Maoyan Weying and WFOE, pursuant to which they agreed to comply and fulfil all the terms and conditions, responsibilities and obligations under the contractual agreements including but not limited to fully cooperating when WFOE exercises its irrevocable and exclusive right to purchase the Equity Interests, or transfer the Equity Interests to WFOE's assignee at WFOE's request.

The directors of the Company, based on the advice of its PRC legal advisors, considered that the Contractual Arrangements disclosed in the Note 2.2.7 and the Confirmation are in compliance with relevant PRC laws and regulations and are legally binding and enforceable. The Company considers the risk of the Equity Interests been disposed due to above two cases is remote. There is no significant change for these contractual arrangements and the consolidation of Tianjin Maoyan Weying.

Financial Summary

RESULTS

	For the Year ended December 31,				
	2021 RMB'000	2022 RMB'000	2023 RMB'000	2024 RMB'000	2025 RMB'000
Continuing operations					
Revenue	3,323,415	2,319,477	4,757,369	4,082,178	4,631,482
Gross profits	1,842,231	1,019,970	2,384,865	1,625,002	2,004,079
Profits before income tax	534,844	181,291	1,153,679	301,325	774,784
Income tax expenses	(166,342)	(76,479)	(245,842)	(119,420)	(211,685)
Profits for the year from continuing operations	368,502	104,812	907,837	181,905	563,099
Profits attributable to:					
Owners of the Company	368,502	105,190	910,412	181,905	563,649
Non-controlling interests	–	(378)	(2,575)	–	(550)

ASSETS AND LIABILITIES

	As at December 31,				
	2021 RMB'000	2022 RMB'000	2023 RMB'000	2024 RMB'000	2025 RMB'000
Total assets	11,028,335	10,258,018	12,540,096	12,505,595	12,724,503
Total liabilities	(3,040,663)	(2,084,243)	(3,501,819)	(3,457,283)	(3,431,866)
Total equity	7,987,672	8,173,775	9,038,277	9,048,312	9,292,637
Non-controlling interests	–	1,415	(2,911)	–	8,809
Equity attributable to equity holders of the Company	7,987,672	8,172,360	9,041,188	9,048,312	9,283,828

Environmental, Social and Governance Report

I. ABOUT THE REPORT

This report is aimed at disclosing the performance and results in respect of environmental, social and governance (“ESG”) of Maoyan Entertainment (the “Company or “We”) to all the stakeholders in 2025. It is prepared in accordance with the Appendix C2 *Environmental, Social and Governance Reporting Code* (the *ESG Reporting Code*) of the *Listing Rules* of the Main Board of the Stock Exchange of Hong Kong Limited and in compliance with the requirements of principles of “materiality”, “quantitative”, “balance” and “consistency” set out in the Code.

- (1) **Materiality:** The Company has conducted a materiality assessment of ESG issues by inviting internal and external stakeholders to participate in identifying, assessing and prioritizing the materiality of such ESG-related issues, and disclosed the process and results of the materiality assessment in this report. The Board has completed reviewing the results of the materiality assessment of the ESG issues.
- (2) **Quantitative:** This report disclosed relevant quantitative environmental and social data of the Company, and explained the standards and methods used for their statistics and calculations.
- (3) **Balance:** This report objectively disclosed positive and negative information to ensure the balance of its contents.
- (4) **Consistency:** The data disclosed in this report adopted the same statistical methodology and reporting scope as previous years to ensure the comparability of its contents.

This report covers the period from January 1, 2025 to December 31, 2025, with some data being retrospect to previous years. The information disclosed in this report is mainly derived from the statistical data and related documents of the Company. The Company confirms that this report does not contain any false records and misleading statements, and the Company is responsible for the authenticity, accuracy and completeness of its content.

Unless otherwise stated, based on materiality considerations, the scope of disclosure in this report includes the Company and its subsidiaries in China, and covers the same scope as that in the annual report.

This report is issued together with the annual report of the Company. For the content of corporate governance, readers are reminded to read this report in conjunction with the section headed *Corporate Governance Report* in the annual report.

Environmental, Social and Governance Report

II. BOARD STATEMENT

The Company has always regarded ESG governance as a materiality issue in the course of corporate management and operations, and has continuously explored ESG-specific governance practices, with a view to elevating the ESG management capabilities, and integrating the concept of sustainable development into the Company's overall strategy. As the highest decision-making body of ESG matters that is responsible for formulating and implementing the Company's overall ESG strategy, the Board of Directors of the Company takes responsibility for identifying, assessing, monitoring, and managing the ESG risks, reviewing the assessment results of the ESG materiality issues, as well as promoting the implementation of ESG strategies, policies, goals and key tasks. In addition, the Board of Directors regularly examines the progress made in its ESG goals. The ESG taskforce is composed of the audit department, legal affairs department, human resources, administration, and other departments of the Company, and is responsible for assisting the Board in promoting the execution of the specific ESG work, as well as making regular reports to the Board of Directors on ESG risk assessment, key issues of concern, progress made in the goals, and other ESG-related work. Such practice will ensure that the Company will carry out all ESG-related tasks in a steady and orderly manner. Each business department, in conjunction with the actual work, identifies relevant ESG issues within the respective business areas, collaborates in the implementation of ESG management strategies and working plans, and provides feedback to the ESG taskforce on the progress of related work.

Environmental, Social and Governance Report

III. ESG MANAGEMENT PHILOSOPHY AND STRATEGY

The Company places great emphasis on environmental, social and governance matters. A three-tier ESG governance structure has been established, comprising the Board, the ESG taskforce, and various business departments. The Board serves as the highest decision-making body, responsible for overseeing and reviewing the Company's overall ESG strategies and material issues. The ESG taskforce, composed of the Company's senior management and heads of functional departments, is collectively responsible for the planning, coordination, implementation of measures, compliance management, and risk control of ESG-related work. Business departments, as the execution level, implement specific ESG measures and action plans based on their respective operational circumstances. Each level operates with clear role definitions and collaborative synergy, thereby providing robust support for the Company's sustainable development. The Company continues to strengthen its ESG management capacity. During the year, one ESG training session was held for the Directors, with a duration of 0.5 hours. The training covered topics including evolving trends in ESG issues, reinforcement and implementation of ESG management measures, and definition of planning objectives at various stages. In light of regulatory and market developments, this training has effectively enhanced the ESG accountability and competency of the management personnel for the coming years.

Table: ESG Governance Structure

Board of Directors (Decision-making Level)	- To approve the overall ESG strategies, goals, and core tasks; - To coordinate the identification, assessment, and supervision of ESG-related risks; - To review ESG progress reports regularly to facilitate the implementation of the overall directions and strategies.
ESG Taskforce (Management Level)	- Responsible for the specific planning, coordination, and execution of ESG-related work; - To organize ESG risk assessments and information disclosure; - To report to the Board on risk identification, progress of key matters, and achievement of goals on a regular basis.
Business Departments (Execution Level)	- To identify and implement ESG management measures and action plans within their respective business areas based on business realities; - To provide feedback to the ESG taskforce on implementation progress and improvements on a regular basis; - To promote the integration of ESG requirements into daily operations and management processes.

Environmental, Social and Governance Report

As a leading integrated service platform of “Technology + Pan-Entertainment” in China, we always adhere to the concept of sustainable development, and integrate ESG governance into the Company’s overall strategic planning and daily operations. We continuously optimize the ESG governance mechanism, regularly examine the effectiveness of ESG management efforts, identify risks and opportunities in operations, and actively explore ways to enhance ESG performance, to ensure the full realization of sustainable development goals. At the same time, we continue to invest in technological innovation, content distribution, user experience, and other areas, promoting a healthy industry ecosystem through responsible corporate practices, and creating sustainable, comprehensive value for our shareholders, users, employees, and society.

Given our ESG management philosophy, we propose the following ESG management strategies:

- **Environmental protection:** to implement the notion of green office practices, by carrying out low-carbon, energy-saving, and environmental measures to promote the green business development, and actively responding to climate change challenges to promote and strengthen the climate resilience.
- **Talent management:** to optimize the talent development and management system, strive to safeguard employee health and safety, and grow together with employees.
- **Consumer protection:** to protect intellectual property rights, pursue responsible marketing practices, create a high-quality and healthy content ecosystem, strengthen data security and privacy protection, strengthen communication with customers to protect the consumer interests and rights.
- **Community care:** to actively engage in community charity as our joint efforts to build a harmonious community ecosystem.

Environmental, Social and Governance Report

IV. ACTIVELY RESPOND TO THE SUSTAINABLE DEVELOPMENT GOALS

The Sustainable Development Goals ("SDGs") of the United Nations are the core of the *2030 Agenda for Sustainable Development*, aiming to promote the global sustainable development by comprehensively and completely resolving the key development issues in society, economy and environment from 2015 to 2030. In active response to the SDGs, by taking into account the characteristics of its business operations, the Company assesses the correlation between its own sustainable development and the SDGs, identifies key SDGs issues of concern, and incorporates the concept of sustainable development into its business operations. Furthermore, the Company continues to disclose its actions and progress in implementing the SDGs issues, as part of its endeavor to drive the achievement of the sustainable development goals.

Chapter	Respond to the Sustainable Development Goals	Sustainable Development Actions
Green Ecology and Low-carbon Operations	 	- Actively promote the use of water-saving devices, establish a regular maintenance system, and guide employees to promptly report water leaks for repair, use environmentally friendly detergents, and eliminate wasteful practices. - Implement a drinking water reject water recovery project to use filtered reject water for cleaning and other purposes, thereby improving water resource utilization efficiency. - Establish a climate change governance framework to ensure that climate-related risks and opportunities are identified, managed, and acted upon effectively in a top-down manner. - Advocate green office practices, continuously promote the concepts of resource conservation and environmental protection, raise employees' environmental awareness, and promote waste reduction and improvement of resource utilization efficiency.

Environmental, Social and Governance Report

Chapter	Respond to the Sustainable Development Goals	Sustainable Development Actions
Talent Development and Social Responsibility		• Improve fire safety management measures and first aid equipment, and carry out diversified cultural and sports activities while providing psychological counseling support, to ensure a safe working environment and physical and mental well-being development for employees. • The Company conducts diversified awareness campaigns to ensure that female employees have fair opportunities for promotion and career development, as well as access to differentiated benefits. • The Company adheres to diversified recruitment practices, a position-based compensation system, and a scientific performance evaluation mechanism, ensuring that employees' efforts and contributions are recognized. • Remain committed to fairness and justice throughout the employment process, providing equal employment opportunities for all types of talent. • Actively contribute to public welfare by supporting rural revitalization through a combination of film and television IPs, while carrying out public welfare projects such as assisting children with disabilities, to create a healthier social environment for vulnerable groups.

Environmental, Social and Governance Report

Chapter	Respond to the Sustainable Development Goals	Sustainable Development Actions
Content Value and User Co-creation	 	Build a “Technology + Pan-Entertainment” service platform, with a comprehensive presence across entertainment content services, online entertainment ticketing services, and advertising services, continuously expand the business boundaries, and deliver high-quality, positive, and diversified service content.
Platform Responsibility and Business Foundation	 	- Build a responsible platform and safeguard the legitimate rights and interests of customers by implementing a robust and systematic information security protection framework, along with comprehensive privacy protection measures. - Forge long-term and stable partnerships with suppliers, grounded in shared responsibility and a commitment to mutual benefit. - Create a corporate culture of honesty, integrity and fairness, by organizing and delivering business ethics related training to strengthen employees’ compliance awareness and uphold professional ethics. - Enhance the whistleblowing management mechanism for business ethics, by establishing clear reporting channels and handling procedures, while also strengthening protective measures for whistleblowers, thereby reinforcing business ethics management.

Environmental, Social and Governance Report

V. STAKEHOLDERS RESEARCH AND COMMUNICATION AND MATERIALITY ASSESSMENT

The Company continues to strengthen communication with its stakeholders by establishing a diverse and systematic communication mechanism. It proactively engages with key stakeholders, including government and regulatory authorities, shareholders and investors, customers, employees, suppliers, communities, the media and non-governmental organizations, honoring its commitments to them in a responsible manner. Based on its value chain footprint and operational realities, the Company facilitates ongoing dialogue on ESG concepts and practices, enabling it to promptly understand and respond to stakeholder expectations and concerns regarding sustainable development. By maintaining an open approach, the Company seeks in depth collaboration with its stakeholders and continuously enhances the effectiveness of its sustainability management.

Stakeholders	Major ESG topics of concern	Major communication channels
Government and regulatory authorities	Employment Supply chain management Product responsibility Anti-corruption	Written documents or reports Official website of the Company On-site communication
Shareholders and investors	Employment Product responsibility Anti-corruption Climate change	General meeting of Shareholders Periodic reports Results announcements Investor presentations Official website of the Company Investor relations mailbox
Customers	Product responsibility	Periodic reports Customer hotline and email Premiere events, exhibitions, and other activities Routine operation and communication

Environmental, Social and Governance Report

Stakeholders	Major ESG topics of concern	Major communication channels
Employees	Employment Health and safety Development and training Labor standard	Internal announcement/email/ office system Internal meetings Training programs Team building activities Daily communication and feedback
Suppliers	Supply chain management Anti-corruption	Supplier evaluation and examination Public tenders for suppliers Supplier cooperation agreement Daily meetings and discussions
Communities	Community investment	Charity events Volunteer work Social media Community visit and communication
Media and non-governmental organizations	Employment Product responsibility Community investment Supply chain management Emissions Use of resources Climate change	Social media Company official websites Press conferences Communication meetings

Environmental, Social and Governance Report

In accordance with the *ESG Reporting Code* of the Stock Exchange of Hong Kong, and with reference to internationally recognized initiatives and standards, the Company takes into account its value chain, actual business operations, and industry development trends when collecting and integrating stakeholder concerns and feedback to carry out regular materiality assessments. We have identified 15 issues, including climate change, development and training, corporate governance, data security and privacy protection, etc., and assessed and prioritized the materiality of each issue. The results of the ESG materiality assessment for the Year have been considered and approved by the Board.

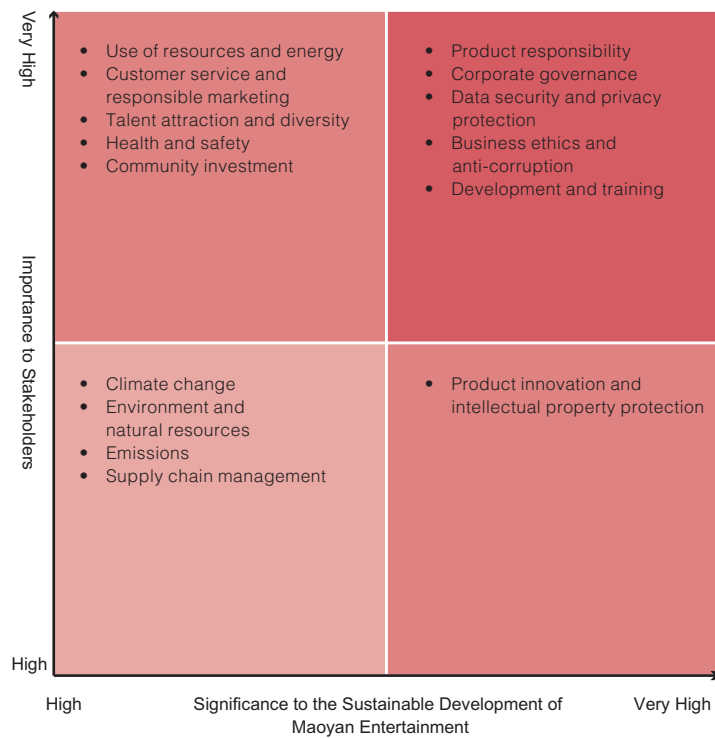


Figure: 2025 Materiality Matrix

Environmental, Social and Governance Report

VI. GREEN ECOLOGY AND LOW-CARBON OPERATIONS

As a key player in the cultural and entertainment consumption sector, the Company actively supports the national “Dual Carbon” goals by integrating environmental management into its corporate strategy and daily operations, thereby systematically advancing the construction of its environmental governance system. The Company continuously enhances its environmental management systems, promotes resource conservation and energy efficiency, and actively explores pathways to align low carbon operations with business innovation, demonstrating its commitment to fulfilling environmental responsibilities while delivering commercial value.

1. The Environment and Natural Resources

The Company strictly complies with the *Environmental Protection Law of the People's Republic of China* and other laws and regulations, and has formulated and improved its systems, including the *Environmental Management System in Office Areas*, thereby building an environmental management framework. Committed to the concept of sustainable development, the Company carefully assesses the potential impact of its business activities on the environment and natural resources, and proactively implements energy saving and emission reduction initiatives to minimize the negative impact of its operations on the environment. As the Company's core operations, namely entertainment content services, online ticketing services, and advertising business, do not involve large scale manufacturing, their direct impact on the environment and natural resources is limited. Nevertheless, we remain dedicated to deepening our green operational practices and exploring more environmentally friendly business models, thereby contributing to the sustainable development of both the industry and the society.

In the performance business segment, the Company actively responded to the national call for energy conservation and emission reduction, and systematically advanced the green transformation of its business operations. In 2025, we fully promoted electronic ticketing products. This led to a cumulative reduction of over 17.86 million paper tickets, significantly lowering paper consumption and its associated environmental impact.

In terms of hardware equipment management, we adhere to green procurement principles and prioritize the selection of ticket validator, ticket dispenser, and other equipment that comply with environmental and quality management system certifications. The Company's new generation of equipment has achieved improvements in both energy efficiency and material use, significantly reducing energy consumption. During the equipment recycling stage, we require partner suppliers to hold green recycling qualifications and to adopt disposal methods that meet environmental standards, ensuring that environmental responsibility is upheld throughout the equipment's entire lifecycle.

Environmental, Social and Governance Report

To reduce the carbon footprint in operations, we optimized a nationwide warehousing and logistics system in 2025, with four regional warehouses located in Langfang, Chengdu, Shanghai, and Guangzhou. By optimising warehouse layouts and logistics routes, we effectively reduced equipment transportation distances, achieving a cumulative saving of approximately 111,200 kilometers in transportation mileage throughout the year. This provided necessary infrastructure for realizing low-carbon operations.

In addition to embedding green concepts into our core businesses and operations, we also extend environmental protection into employee care and corporate culture by actively exploring innovative ways to reduce resource consumption through the optimisation of our internal welfare distribution model.

Case: Green Benefits

To put into practice the concept of a circular economy, we have made “green” optimisations to our employee holiday benefits. For packaging materials, the Dragon Boat Festival gift boxes use environmentally friendly DuPont paper. This material combines recyclability with durability, significantly reducing raw material consumption compared to traditional packaging. In terms of model innovation, we introduced digital benefit distribution plans for the Spring Festival and the Mid Autumn Festival, replacing physical customised gift boxes with electronic “Maoxiang Cards (貓享卡)”. This eliminates the production, transportation, and disposal of packaging materials at the source. Through this innovative approach that integrates the “use of eco friendly materials” with the “digitalisation of benefit models”, we are advancing new practices for environmentally responsible corporate culture.

2. Use of Resources and Energy

The Company strictly complies with the *Energy Conservation Law of the People's Republic of China* and other relevant regulatory requirements. It has incorporated provisions on energy conservation and energy efficiency improvement into the *Employee Manual*, and advances these efforts through institutionalised management, employee awareness-raising, and technological optimisation. The Company has put in place an energy management system covering key areas such as electricity and water usage, and strengthens company-wide energy conservation awareness through thematic campaigns and daily reminders, thereby ensuring the effective implementation of all relevant measures.

Environmental, Social and Governance Report

2.1 *Electricity Management*

In terms of electricity management, the Company integrates energy-saving requirements into its internal rules and continuously reduces energy consumption through technological optimisation. The Company's administrative management policies explicitly require employees to switch off lighting, air conditioning, and equipment power when leaving the office area, promoting the timely shutdown of non-essential power sources. In addition, the Company prioritizes the procurement of high-efficiency equipment, promotes LED energy-saving lighting, and sets air conditioning temperatures appropriately, thereby reducing operational energy consumption and carbon emissions through technological upgrades, while actively fulfilling its environmental responsibilities.

2.2 *Water Management*

In terms of water management, we adopt a combination of hardware measures and behavioural guidance to continuously improve our water management system. We actively promote water-saving devices, maintain a regular inspection and maintenance mechanism, and encourage employees to promptly report leaks, use environmentally friendly detergents, and avoid wasteful practices. To enhance water utilization efficiency, we have implemented a reject water recovery project for drinking water, using the treated reject water for cleaning purposes. This initiative saves over 50 tonnes of water annually.

Environmental, Social and Governance Report

2.3 Packaging Material Management

The Company's core businesses, namely online ticketing and entertainment content services, operate under an asset light internet platform model. As its operating activities do not involve physical production or manufacturing processes, there is no associated consumption of packaging materials.

Table: Company's Energy and Resource Usage

Indicators	Unit	2024 Figures	2025 Figures
Energy¹			
Purchased electricity	MWh	841.41	1,005.04
Total energy consumption ²	MWh	841.41	1,005.04
Total energy consumption per capita ³	MWh/capita	1.08	1.06
Water resources			
Water consumption	tonnes	5,709.63	5,092.00
Water consumption per capita	tonnes/capita	7.34	5.36

¹ As the Company is not engaged in physical production or manufacturing, does not own any conventional fuel powered vehicles, and does not purchase heat or steam, its energy consumption consists primarily of purchased electricity.

² Total energy consumption is calculated based on the consumption of electricity, and the conversion factors provided in the national standard of the People's Republic of China, i.e. the *General Principles for Calculation of Total Production Energy Consumption (GB/T 2589-2020)*.

³ The total energy consumption per capita, water consumption per capita, and waste production per capita of the Company and other per capita data are based on the total number of all employees of 950 (including full-time employees and part-time employees). In this report, the data for the previous year are based on the total number of employees in major office areas such as Beijing and Shanghai, while the data for this year comprehensively covers all office areas.

Environmental, Social and Governance Report

3. Emissions Management

The Company's daily operations do not involve exhaust gas emissions or discharges into water and land, and therefore have a limited direct environmental impact. We are always committed to minimizing the environmental footprint in our operations, and continue to fulfill environmental responsibilities in areas such as waste reduction and sorting, compliant disposal, and resource conservation by improving systems, strengthening management, and promoting active engagement.

3.1 Waste Reduction and Sorting

To effectively reduce resource consumption and promote recycling, we implement waste reduction and sorting management measures. We promote digitalised office operations and paperless approval processes, set up paper recycling bins, encourage double-sided printing and paper reuse, and strive to reduce paper usage and the associated waste generation.

In terms of sorting management, we actively respond to national waste sorting policies, place categorized waste bins in office areas, and continuously provide environmental awareness education and behavioral guidance to employees through the posting of instructional posters. This ensures that our sorting measures are fully implemented and continuously improved.

3.2 Compliant Disposal of Waste

We strictly comply with relevant national and local regulations as well as standardized disposal requirements to conduct standardized management of waste.

Hazardous Waste

For obsolete electronic devices, we have established recycling partnerships with their suppliers, incorporating them into a closed-loop product lifecycle management system. For hazardous consumables such as used toner cartridges and ink cartridges, we select qualified third parties for collection and professional disposal.

Non-hazardous Waste

The Company's non-hazardous waste consists primarily of office and domestic waste. We engage property management service providers to transport it to designated waste recycling stations to ensure compliant disposal of waste.

Environmental, Social and Governance Report

Case: Fulfilling Environmental Responsibility – Starting with the Recycling of “a Single Battery”

To properly manage used batteries and prevent environmental pollution, we have placed battery recycling bins in the office area, making it convenient for employees to deposit waste batteries and ensuring their subsequent environmentally sound recycling and treatment. This initiative aims to foster employee habits around the sorting and recycling of electronic waste, while strengthening the internal collection network for hazardous waste.



Figure: Battery Recycling Bins

We continuously optimize our waste management system, striving to improve waste recycling rate and resource recovery level. Through systematic sorting, recycling, and compliant disposal practices, we effectively reduce the environmental impact of our operations.

Environmental, Social and Governance Report

Table: Company's Waste Emissions

	Indicators	Unit	2024 Figures	2025 Figures
Hazardous waste	Total hazardous waste production ⁴	kg	8.00	20.44
	Hazardous waste production per capita	kg/capita	0.01	0.02
Non-hazardous waste	Total non-hazardous waste production ⁵	tonnes	42.95	54.19
	Non-hazardous waste production per capita	tonnes/capita	0.06	0.06

4. Responses to Climate Change

To address climate change and enhance climate resilience and sustainability, the Company continuously enhances its climate governance framework, and systematically identifies, assesses, and manages climate-related risks and opportunities.

4.1 Governance

To effectively address climate change, the Company has established a three-tier governance framework consisting of the Board, the ESG taskforce, and the business departments, ensuring the top-down integration of climate-related risk and opportunity identification, management, and action. The Board, as the governance level, is responsible for approving climate strategies, overseeing key risks, and regularly reviewing progress. The ESG taskforce, at the management level, plans and coordinates climate actions, organizes risk assessments, and handles information disclosure. At the operational level, each business department implements relevant measures based on its specific operations, embedding climate management into daily processes and building a systematic response capability.

⁴ Hazardous wastes involved in the operation of the Company primarily include waste toner cartridges and waste toners of printing devices.

⁵ Non-hazardous wastes involved in the operation of the Company primarily include office waste and disposed office supplies.

Environmental, Social and Governance Report

4.2 Strategy

The Company integrates climate-related impacts and opportunities into its corporate strategy, actively monitoring physical risks such as extreme weather and global warming, as well as transition risks including government regulation, market competition, and brand and reputation. We implement climate change response measures, embed preventive actions into daily operations and business decisions, and enhance climate resilience. At the same time, we focus on the potential impacts and market opportunities arising from market changes and brand building, actively seize green consumption trends, and continuously explore ways to promote environmentally friendly products and service models in the cultural and entertainment consumption sector. We strive to reduce our operational carbon footprint, driving sustainable development through business innovation, and actively contributing to global efforts to address climate change.

Table: Identification and Response to Climate Change-Related Risks and Opportunities

Risk Categories	Risk Factors		Timeframe ⁶	Level of Impact	Financial Impact	Risk Description	Corresponding Measures
Physical Risk	Acute risks	Extreme weather	Short-and mid-term	Low	Cost increase, revenue decrease	Extreme weather events and natural disasters (e.g., extreme rainfall) may disrupt the normal shooting and production schedules of film and television entertainment projects developed or co-invested by the Company, lead to the cancellation or postponement of partner performance projects, and even result in property damage or casualties.	Include corresponding provisions in project contracts regarding force majeure to clarify the rights and responsibilities of all parties. In the event of extreme weather, the business manager shall immediately activate the emergency plan based on the actual situation to minimize the impact of such events on project progress, property safety, and personnel safety. Regularly conduct disaster prevention safety training and awareness campaigns, continuously strengthening employees' risk awareness and emergency response capabilities, with the goal of ensuring orderly response and safety assurance under unexpected circumstances.

⁶

Short-term: 1 to 3 years; Mid-term: 3 to 10 years; Long-term: 10 years or above



Environmental, Social and Governance Report

Risk			Level of		Financial	Risk Description	Corresponding Measures
Categories	Risk Factors		Timeframe ⁶	Impact	Impact		
Physical Risk	Chronic risks	Global warming	Long-term	Low	Cost increase	Global warming may have long-term impacts on consumer habits, venue operations, and the content creation environment in the cultural and entertainment industry. For example, rising temperatures may shorten outdoor performance and filming seasons, alter the ecology of certain filming locations, and increase energy and equipment cooling costs. This can affect project cycles and operational efficiency, indirectly impacting content supply and market responsiveness.	Gradually incorporate climate adaptation considerations into the project planning stage, explore alternative solutions such as indoor and virtual sets, and enhance the flexibility of project arrangements. Continuously implement energy-saving and consumption-reducing measures, gradually introduce green equipment and low-carbon technologies, and control operational carbon emissions and associated costs.
Transformation Risk	Government Regulatory risks		Short-, mid-, and long-term	Medium	Cost increase	The nation's policy system for environmental protection and low-carbon development is continuously improving, and regulatory requirements are becoming increasingly stringent. If the Company fails to keep pace with policy changes and establish an effective compliance management system in a timely manner, it may face challenges including regulatory penalties, project approval delays, and higher compliance costs, which could affect business operations and the sustainable development progress.	Establish a policy monitoring and analysis mechanism to regularly track and study laws, regulations, and regulatory developments in the areas of climate change, energy conservation, and environmental protection. Based on the Company's business and operational characteristics, promptly assess the potential compliance impacts and business risks arising from relevant changes, and effectively communicate key information to responsible departments so that they can develop targeted compliance strategies and response measures, ensuring that business operations remain aligned with policy guidance and run smoothly.

Environmental, Social and Governance Report

Risk Categories	Risk Factors	Timeframe ⁶	Level of Impact	Financial Impact	Risk Description	Corresponding Measures
Transformation Risk	Market competition risks	Mid-and long-term	Low	Revenue decrease, cost increase	As green consumption and sustainable development concepts gain widespread traction, a growing number of consumers are increasingly drawn to low-carbon, environmentally friendly cultural and entertainment products and services. If the Company fails to act on this market trend and proactively optimize its product design, content delivery, or operational models, it may find itself at a competitive disadvantage, undermining brand appeal and market share, which could have a lasting impact on its overall business performance.	Conduct user surveys to gain deep insights into consumer preferences and needs regarding low-carbon and environmentally friendly practices. Collaborate with content producers, distributors, cinemas, and other industry partners to co-develop products that incorporate environmental principles, and actively explore service innovations built on low-carbon models, thereby enhancing the sustainability of the cultural and entertainment consumption experience.
Transformation Risk	Brand and reputational risks	Long-term	Medium	Revenue decrease, cost increase	As public and stakeholder focus on climate issues and sustainable development grows, corporate efforts in environmental performance and low-carbon transition are coming under increasing scrutiny. If the Company fails to effectively manage its environmental footprint in its operations or is perceived as lagging in environmental practices, it may face negative feedback and public pressure from the public, consumers, and partners, which could affect brand reputation and market trust.	Proactively engage with social and industry oversight, regularly identify and assess potential risks to brand reputation, and respond promptly to public concerns, thereby continuously strengthening the Company's environmental credibility and brand image.



Environmental, Social and Governance Report

Opportunity Category	Timeframe ⁶	Level of Impact	Financial Impact	Opportunity Description	Opportunity Response
Opportunities from market competition	Mid-and long-term	Medium	Cost decrease	As green consumption concepts gain wider acceptance and policy guidance deepens, the cultural and entertainment industry is presented with market opportunities arising from the low-carbon transition. Growing consumer demand for environmentally themed content, green viewing experiences, and sustainable cultural products offers the Company a significant opportunity to introduce innovative business models and pursue differentiated growth paths.	Promote low-carbon practices in daily operations, lowering operating costs and improving resource efficiency through optimized resource use and energy-saving measures. Strengthen the Company's sustainable development image by actively developing low-carbon film and television products, promoting green viewing services, and creating environmentally friendly co-branded content.

4.3 Risk Management

The Company integrates climate change responses into its overall corporate risk management system. We have established a closed-loop management process of “risk assessment – risk response – monitoring and review”, seamlessly embedding the identification, response, and monitoring of climate risks into daily operations. We are committed to continuously improving our adaptability and response capabilities to climate change, ensuring the long-term resilience of the Company’s strategy and business.

Environmental, Social and Governance Report

Table: Risk Management Process

Risk Assessment	• Risk identification: Identify potential uncertainties brought by climate change across business processes to develop a preliminary risk checklist. • Risk analysis: Analyze the risks in the checklist, assess their potential impact and likelihood, and use this assessment to determine risk levels and priorities. • Risk evaluation: Synthesize the risk analysis results to form the Company's overall climate change risk assessment report, clearly identifying key risk areas.
Risk Response	• Strategy formulation and execution: Based on the risk assessment report, develop an enterprise level overall response strategy. Accordingly, each business and functional department develops and executes specific response plans. • Process reporting: Each department regularly reports on the implementation progress and status of risk response measures.
Monitoring and Review	• Regularly review and evaluate the overall execution of climate change risk management. • Summarize effectiveness and shortcomings, and propose recommendations to continuously optimize and enhance the management process.

4.4 Metrics and Targets

The Company treats greenhouse gas (GHG) emissions as a key indicator for measuring climate change and continues to advance GHG emission reduction efforts to lower its operational carbon footprint. Given that the Company plans to relocate its office in 2026, the size, layout, and facility configurations of the current office area will be adjusted accordingly, and the energy mix may undergo phased changes. To ensure the scientific basis and practicality of its carbon targets, the Company intends to systematically establish carbon reduction goals aligned with its development needs once the relocation has been completed and operations have stabilized.

Environmental, Social and Governance Report

Table: Company's GHG Emissions

Indicators	Unit	2024 Figures	2025 Figures
Total GHG emissions (scope 2) ⁷	tonnes CO ₂ e	451.50	533.28
Intensity of GHG emissions	tonnes CO ₂ e per capita	0.58	0.56
Scope 3 GHG emissions – Business travel ⁸	tonnes CO ₂ e	/	788.89
Scope 3 GHG emissions – Upstream leased assets ⁹	tonnes CO ₂ e	/	15.61

VII. TALENT DEVELOPMENT AND SOCIAL RESPONSIBILITY

The Company believes that every employee has unlimited potential and creativity. Upholding the cultural values of “Integrity, Excellence, Collaboration, and Happiness”, the Company is committed to enhancing its employee management and talent development systems while creating a fair, inclusive, and vibrant workplace.

1. Talent Management

The Company strictly complies with the *Labor Law of the People's Republic of China*, the *Labor Contract Law of the People's Republic of China*, the *Social Insurance Law of the People's Republic of China*, and other relevant laws and regulations. It adheres to the principles of equality and diversity throughout the entire employment process, maintains a scientific and rational compensation and benefits system, and has established a human resources development mechanism centered on learning and development, continuously improving employee satisfaction and engagement.

1.1 Talent Attraction and Diversity

Through diverse recruitment channels and an open talent philosophy, the Company safeguards employee rights and actively fosters a sustainable workplace environment.

⁷ As the Company is not engaged in physical production or manufacturing, and does not own any conventional fuel powered vehicles, it does not generate Scope 1 direct emissions. The Company also does not purchase heat or steam, therefore its GHG emissions consist primarily of indirect emissions associated with purchased electricity under Scope 2. GHG emissions are presented in carbon dioxide equivalents and calculated based on the *Notice on the Release of CO₂ Emission Factors for Electricity in 2023* issued by the Ministry of Ecology and Environment of the People's Republic of China and the *2006 IPCC Guidelines for National Greenhouse Gas Inventories (2019 revision)* issued by the Intergovernmental Panel on Climate Change (IPCC).

⁸ Scope 3 GHG emissions – Business travel: data is derived from the third-party travel platform cooperating with the Company. Such data has been collected and included in this table since 2025.

⁹ Scope 3 GHG emissions – Upstream leased assets: data is derived from the actual energy consumption of warehouses leased by the Company for its performance business. Such data has been collected and included in this table since 2025.

Environmental, Social and Governance Report

Employee Employment

Centered on the management philosophy that talent is the primary driver, the Company aligns with its long-term strategic planning by continuously recruiting external talent and developing internal talent, while systematically advancing employee hiring and talent development efforts. In response to the Company's business development needs, regular organizational workforce reviews and forecasts are conducted to identify talent requirements and formulate recruitment plans. The Company continues to optimize and diversify its recruitment channels, leveraging diverse channels such as recruitment platforms, campus recruitment, internal referrals, and headhunters to attract talent. The Company places particular emphasis on its "Campus Recruitment Program", which offers targeted internship opportunities to current students. Through one-on-one mentoring and cross-departmental collaboration, the program helps convert interns into a key source of future talent for the Company. In addition, the Company actively promotes and supports an internal referral mechanism, under which current employees may recommend external candidates for recruitment and selection, and those who make successful referrals receive incentives. During the Reporting Period, the Company hired 184 employees, providing stable talent support for its business development and organizational capability building.

Table: New Hires in 2025

Categories		2025 Data
By gender	Male	85
	Female	99
By age groups	Aged 30 or below	118
	Aged 31 to 50	65
	Aged over 50	1
By regions	Beijing	104
	Shanghai	42
	Other regions	38



Environmental, Social and Governance Report

In terms of internal talent cultivation and development, the Company continues to establish and enhance its internal transfer and promotion-by-competition mechanisms, improving internal role matching efficiency through horizontal job mobility and vertical career development pathways. During this year, 24% of vacant positions were successfully filled through internal transfers and competitive selection.

In 2025, the Company had a total of 950 employees, comprising 927 full-time employees and 23 part-time employees.

Table: Employee Employment Data in 2025

Categories		2025 Data
Number of employees by employment type	Full-time	927
	Part-time	23
Number of full-time employees by gender	Male	430
	Female	497
Number of full-time employees by age groups	Aged 30 or below	356
	Aged 31 to 50	566
	Aged over 50	5
Number of full-time employees by regions	Beijing	514
	Shanghai	166
	Other regions	247

Environmental, Social and Governance Report

Table: Employee Turnover Rate in 2025

Categories		2025 Data
Employee turnover rate		9.58%
By gender	Male	9.46%
	Female	9.69%
By regions	Beijing	10.20%
	Shanghai	10.83%
	Other regions	7.47%
By age groups	Aged 30 or below	16.44%
	Aged 31 to 50	5.63%
	Aged over 50	0.00%

Employee Rights and Diversity

The Company is committed to building a diverse talent team and places great importance on diversity and talent protection. The Company strictly prohibits any form of illegal employment. During the recruitment process, it verifies candidates' identity documents, graduation certificates, and other relevant materials to confirm their age and identity, effectively preventing the risk of employing minors. When assigning tasks, the Company fully considers and respects employees' skills, qualifications, and work preferences, maintaining a scientific and standardized division of labor and work processes. The Company has a zero-tolerance policy toward any form of forced labor. Any violations will be dealt with strictly in accordance with laws and regulations. In 2025, the Company recorded no cases of minor employment or forced labor. The Company also strictly complies with all legal and regulatory provisions regarding working hours and leave entitlements. Through the *Employee Manual* and policies on human resources management, the Company clearly sets forth the fundamental principles of respect, fair treatment, and inclusion, ensuring that employees do not suffer unfair treatment based on age, race, color, religion, ethnicity, gender, region, nationality, sexual orientation, or disability. The Company opposes all forms of discrimination, harassment, offensive conduct, or disparagement. Employees can provide feedback through whistleblowing channels for violations; if substantiated, the Company will take serious action.

Environmental, Social and Governance Report

Guided by these principles, the Company continuously advocates and creates a diverse and friendly workplace atmosphere and offers a range of benefits to address the professional needs of its diverse workforce, continuously energizing corporate development. Currently, female employees represent over 54% of the Company's total workforce, over 51% of management positions, 52% of junior management roles, 63% of revenue-generating roles, and 24% of STEM-related positions.

1.2 *Employee Development*

The Company has established a comprehensive compensation and benefits and performance evaluation mechanism, systematically promotes employee development and training centered on employee career development and capability enhancement, and builds employee career development paths to achieve two-way empowerment of the enterprise and talent.

Compensation, Benefits, and Performance

The Company determines salaries based on a comprehensive consideration of position value, performance outcomes, and individual capabilities, while striking a balance between internal pay equity and external market competitiveness. The Company offers an employee share ownership plan and a special reward mechanism for core employees, thereby enhancing the range and effectiveness of employee incentives.

The Company operates a dynamic performance evaluation mechanism, conducting regular performance evaluation for all employees through a closed-loop performance management system that includes goal setting, self-assessment, supervisor evaluation, and personal development plan creation, with varying evaluation cycles tailored to the needs of different roles. Evaluation results are directly applied to salary adjustments, bonus payouts, and talent development. The Company values transparency in the performance process, maintaining two-way communication throughout the performance management cycle, and supports employee development through result discussions and improvement coaching. In addition, the Company has put a performance appeal mechanism in place to safeguard the fairness and transparency of the performance management process.

The Company continuously enhances career development pathways and capability enhancement support, maintaining a diverse portfolio of talent development initiatives. It operates a dual-track promotion system featuring parallel management and professional career tracks, with assessments and feedback provided through a review process conducted by a review committee composed of cross-departmental experts.

Environmental, Social and Governance Report

Employee Learning and Development

The Company prioritizes employee growth and personal development, promoting lifelong learning. Beyond self-directed learning, the Company offers a range of learning opportunities and resources tailored to business needs, job requirements, and individual characteristics to support employee development. These include, but are not limited to: classroom training, online learning resources, on-the-job coaching, job-specific skills training, and the assignment of challenging projects.

Table: Learning Channel Construction

Internal learning platforms	Through optimizing internal learning platforms, the Company has added over 50 new courses covering topics such as technology, business, and professional practice, encouraging employees to build and share knowledge.
External expert sharing	The Company invites cross-industry experts, partners, entrepreneurs, and other external speakers to deliver thematic lectures, which reached over 150 trainees during the Reporting Period.
External learning and exchange	The Company selects employee representatives to attend external technical conferences and then shares the latest knowledge and industry dynamics internally.



Environmental, Social and Governance Report

The Company recognizes that continuous employee learning is a key driver of both organizational capability building and business sustainability. To this end, the Company has developed training and learning programs tailored to different employee groups and their needs, including:

Types	Content
Induction training and learning	Training programs for fresh graduates focus on topics such as the transition from campus to the workplace, organizational integration, and innovation, utilizing online learning, practice project, and face-to-face training.
	Training programs for experienced external hires focus on corporate culture and internal rules and regulations, utilizing online learning and face-to-face training.
Professional skills training and learning	Trainings based on current role responsibilities and skill requirements enhances individual capabilities across the organization through professional training systems aligned with different career tracks. Examples include learning programs offered by the Company's professional technical committee and the product design committee's learning and growth programs. These trainings are delivered through online learning, face-to-face training, lectures, and other formats.
	Professional development and requirements based on recognized qualifications sets requirements for professional employees across different business functions. Through group learning and preparation for professional qualification exams, the Company helps employees achieve professional recognition. Examples include the Professional Certification for Network Audio-Visual Program Reviewers and the Performance Broker Qualification Certificate.

Environmental, Social and Governance Report

Types	Content
Leadership training and learning	- Employee development driven by personal leadership mainly focuses on building and enhancing general competencies such as communication, collaboration, problem analysis, and resolution. Using approaches that reflect how employees learn in today's environment, the Company facilitates employee development and growth throughout all stages of human resources management. For example, through the performance management process, "learning and development" is established as a key and independent module for goal setting and outcome evaluation, positioning employees as the "first responsible persons" of their own learning and development, and encouraging proactive and continuous learning. The Company also provides face-to-face training and lecture sharing by professional experts, fostering shared exchange and learning, and continuously strengthening employees' general skills and professionalism. - Leadership training based on role-specific leadership models offers targeted development and solutions for managers at different levels. Examples include business leadership-focused advanced leadership programs and management skills training for front-line managers.

Maoyan Entertainment supports employee capability enhancement by sponsoring degree programs and professional qualification exams. This includes the improvement of leadership and business capabilities for management personnel, as well as professional capability enhancement and professional qualification exams for professional personnel. During the Reporting Period, the Company sponsored 1 senior executive to pursue an EMBA degree, and over 20 employees obtained core business qualifications, including the Performance Broker Qualification Certificate.

Environmental, Social and Governance Report

Table: Training Performance in 2025

Categories		2025 Data
Total number of employees trained		612 employees
Average training investment		RMB642.42
Percentage of trained employees by gender	Male	73.02%
	Female	59.96%
Percentage of trained employees by level	Management employees	63.37%
	Non-management employees	66.62%
Average training hours by gender	Male	4.92 hours
	Female	3.88 hours
Average training hours by level	Management employees	6.94 hours
	Non-management employees	3.78 hours

1.3 Employee Care and Support

The Company systematically enhances employee satisfaction and cohesion through initiatives such as welfare protection, cultural activities, and communication mechanisms.

Employee Benefits

The Company has built a multi-level protection system that includes both statutory and supplementary benefits. It pays social insurance and housing fund in full according to law, and provides supplementary commercial medical insurance, annual physical examination, and accident insurance for all employees. In terms of leave policies, the Company strictly adheres to national regulations and fully implements maternity leave, paternity leave, parental leave, and paid annual leave, thereby further strengthening institutional support for employees' family responsibilities.

In addition, the Company implements a flexible work policy to help alleviate commuting stress and improve work efficiency by allowing flexible start and end times. Based on the work characteristics of different positions, the Company also introduces alternative work hour arrangement, including irregular hours, consolidated hours, and shift work, to effectively support employees' work-life balance.

Environmental, Social and Governance Report

The Company focuses on differentiated care by offering lactation rooms for female employees, enhancing specialized health check-up plans, and including secondary maternity-related medical expenses in its supplementary medical insurance coverage. In addition, the Company maintains a dedicated employee care and support fund and allocates monthly funds for departmental team-building activities, ensuring that these care initiatives are effectively implemented and support employees' physical and mental well-being.

Employee Activities

The Company embodies the value of “happiness” by strengthening employees' sense of belonging through regular departmental team-building activities, birthday celebrations, and the distribution of movie vouchers during traditional holidays. During the Reporting Period, the Company held company-wide anniversary events that deeply integrated corporate culture with employee participation, enhancing team cohesion and sense of identification with the Company.

Employee Communications

The Company has established a multi-channel communication system to ensure that information is shared transparently and in a timely manner. At the policy level, a formal employee grievance process has been put in place, and strict confidentiality management is implemented for grievance related information. The Company focuses on the closed-loop processing of communication feedback, taking employee opinions as an important basis for optimizing management processes and improving the working environment, thereby forming a management mechanism for continuous improvement.

Table: Employee Communication Channels and Measures

Daily communication	Maoyan Entertainment establishes employee communication platforms, official accounts, and feedback mechanisms through online channels, with relevant departments responsible for compiling, following up, and providing feedback, incorporating reasonable suggestions into management optimization processes.
Departmental communication	Various departments of the Company hold departmental communication meetings to deepen employees' understanding of and identification with team goals and corporate development.
Whistleblowing and feedback	The Company maintains public and clear whistleblowing channels for reporting violations of rules or discipline. It strictly implements information confidentiality and standardized handling procedures, and no organization or individual may retaliate against or discriminate against whistleblowers.



Environmental, Social and Governance Report

1.4 Health and Safety

The Company attaches great importance to the physical and mental health of employees, and strictly complies with relevant laws and regulations such as the *Labour Law of the People's Republic of China*, the *Production Safety Law of the People's Republic of China*, and the *Fire Control Law of the People's Republic of China*. Based on its actual operational needs, the Company formulates and implements internal management systems such as the *Employee Code of Conduct*, continuously strengthening safety protection in office premises through safety management measures.

Table: Measures to Improve Working Environment Safety

Fire safety management	Strictly prohibit any obstruction or misuse of fire protection facilities or the piling up of miscellaneous objects in fire exits, and increase the frequency of fire exit inspections.
	Guide employees to become familiar with emergency evacuation routes and safety doors in office areas by posting evacuation signs and playing promotional videos.
	Regularly organize fire drills and emergency training sessions to ensure employees master safety skills.
First aid equipment	To improve the response efficiency of a medical emergency, the Company has installed automated external defibrillator (AED) equipment in its office areas in Beijing and Shanghai, and has established a regular inspection mechanism to keep the equipment in good working condition.

Table: Work-related Injury Data

Indicators	2023 Data	2024 Data	2025 Data
Total number of work-related fatalities (employee(s))	0	0	0
Rate of work-related fatalities (%)	0	0	0
Number of work-related injuries (employee(s))	1	2	0
Lost days due to work-related injuries (days)	41	58	0

Environmental, Social and Governance Report

Table: Initiatives to Focus on Employee Physical and Mental Health

- Designate smoking areas in non-office areas, and strictly prohibit employees and visitors from smoking or using e-cigarettes on office premises, thereby reducing the impact of second-hand smoke on others' health and ensuring a healthy and safe office environment.
- Provide a fully-facilitated gymnasium, and encourage employees to establish, participate in, and operate various cultural and sports clubs to enhance employees' physical fitness and promote physical and mental health through diversified cultural and sports activities.
- Focus on employee mental health through a combination of online and offline methods. Online, the Company regularly distributes mental health newsletter, reaching a total of 3,652 employees, raising employees' awareness of EAP (Employee Assistance Program) counseling services, and provides a 24/7 professional psychological counseling hotline for all-day support. Offline, the Company organizes offline stress relief workshops, helping employees master stress management and emotional regulation methods through guided discussions, stress relief interaction, and physical training.

2. Social Charity

Leveraging the extensive influence of film and television cultural projects, the Company integrates social value creation into business practices. Through multiple paths such as focusing on assisting vulnerable groups, promoting rural revitalization, advocating for social issues, and fostering traditional culture, the Company uses cultural products as carriers to practically respond to social concerns, playing a positive role in supporting local development, enhancing social inclusion, and preserving cultural heritage. During the Reporting Period, the Company invested approximately RMB160,000 in various types of community activities.

Environmental, Social and Governance Report

2.1 Support for Vulnerable Groups

The Company incorporates social care into its operations, continuously focusing on and supporting vulnerable social groups such as disabled children and autistic groups. Through concrete actions, the Company effectively responds to the practical needs of special groups and contributes to the building of a more inclusive social environment.

Case: Supporting an Art Rehabilitation Service Institution for Disabled Children

In 2025, the Company provided targeted philanthropic support for children with disabilities by supplying teaching aids and materials to an art rehabilitation service institution, and by facilitating access to sports venues to support their physical activities. These efforts help ensure that children's basic needs in artistic engagement and physical exercise are met.



Figure: Donating Educational Painting Materials, Leasing Sports Venues for Children

Case: Autism Care and Charitable Donation Initiative

In 2025, the film *RUNNING IN THE RAIN* (千金不换), of which the Company involved in the production, focuses on autistic children, transforming on-screen awareness into tangible action. During World Autism Awareness Day, the film's main cast donated teaching and daily living materials to a special education school engaged with during the filming process, with the aim of improving the learning and living environment of these "children of the stars". Leveraging the influence of the film, the initiative called for greater social inclusion and understanding towards autistic groups, reflecting the Company's commitment to fulfilling its social responsibility by practically supporting vulnerable groups through cultural products.

Environmental, Social and Governance Report

2.2 Rural Revitalization

The Company actively explores the linkage model of “Film and television IP + Local Industry”, deeply integrating cultural communication with regional economic development. Through film-location linkage practices, we assist in building brands for characteristic agricultural products, support rural revitalization, and fulfill the corporate responsibility of supporting local economic and social development. In 2025, the Company donated RMB120,000 in the “Three Movements to the Countryside” (Culture, Technology, and Hygiene) - Excellent Films into Campus Film Screening Equipment Donation Activity, with the aim of promoting cultural development in grassroots schools, continuously meeting the spiritual and cultural needs of the general public - especially young people - and expanding channels for quality education, thereby injecting new vitality and vibrancy into campus culture.

Case: Film Assisting Brand Promotion and Rural Revitalization

In 2025, the film *The Litchi Road* (長安的荔枝), for which the Company involved in the production and acted as a lead distributor, was promoted in conjunction with the summer release season, deeply practicing “film-location linkage”. At key events such as press conferences of the film and international film festivals, the Company prominently presented Maoming litchi as a cultural and agricultural product through on-site promotion and direct-from-origin displays, effectively enhancing the brand awareness of the agricultural product by leveraging the influence of the film and television IP. This initiative combines cultural spreading with local industry promotion, providing a new path for empowering rural revitalization through cultural means.



Figure: On-site Promotion Event of *The Litchi Road*

Environmental, Social and Governance Report

2.3 Advocacy for Social Issues

The Company consistently focuses on socially relevant issues and actively participates in the discussion and guidance of public issues through the content influence and communication reach of its film and television productions. In areas of public concern such as school bullying and women's safety, the Company collaborates with professional institutions to carry out knowledge dissemination and awareness advocacy initiatives, thereby enhancing public understanding and fostering broader social consensus.

Case: *A Place Called Silence* (默殺) CCTV Viewing Group Discussing School Bullying

In 2025, the film *A Place Called Silence*, for which the Company involved in the production and acted as a lead distributor, focuses on the issue of school bullying, triggering social attention after being reported by central media platforms. Through the realistic subject matter of the film, the event invited relevant stakeholders, together with lawyers, psychologists, and minor protection experts, to conduct targeted knowledge popularization for different social roles on how to respond to school bullying, enhancing public awareness of issues related to the protection of minors' rights and interests.



Figure: *A Place Called Silence* CCTV Viewing Group Providing Professional Advice on School Bullying

Environmental, Social and Governance Report

Case: Advocacy for Social Issues in the Film *The River of Fury* (怒水西流)

In 2025, during the promotion and distribution of the Company's crime-themed film *The River of Fury*, focus was placed on real-world issues such as women's safety, domestic violence, and acquaintance-based crimes. By collaborating with content creators specializing in social issues, the Company provided professional interpretations of plots in the film, including emotional manipulation and the escalation of violence. These efforts enhanced the public's ability to identify concealed social risks, while also demonstrating the Company's commitment to leveraging film and television works to contribute to social consensus-building and promote positive values.



Figure: Advocating Public Attention to Women's Safety

Environmental, Social and Governance Report

2.4 Promotion of Traditional Culture

The Company integrates cultural heritage into the entire process of project planning and execution. By focusing on traditional opera arts and ethnic culture, and leveraging screen narratives, we deeply explore the diversified values of Chinese culture. Under the premise of placing equal emphasis on preservation and dissemination, the Company enables traditional arts and ethnic culture to radiate new vitality in the contemporary context.

Case: *The Stage* (戲台) Promotes Traditional Chinese Culture

In 2025, the film *The Stage* (戲台) mirrored the contemporary survival story of the endangered opera troupe “Wuqing Troupe”(五慶班), profoundly exploring the dilemma of heritage and innovation of traditional culture amidst the tide of the times. Beyond cinematic storytelling, the film served as a platform for broader cultural engagement. The Company collaborated with professional opera academies to organize special screenings, focusing on “how traditional arts can engage in dialogue with contemporary society”. These events encouraged younger audiences to move beyond superficial curiosity and develop a deeper understanding of the intrinsic value and cultural significance of traditional opera. At the same time, to enrich the cultural and recreational life of audiences aged 60 and above and improve cinema attendance during off-peak hours, the Company launched a “Silver-Haired Session” benefit viewing event. The initiative engaged over 3,000 cinemas nationwide, with 262,306 senior admissions recorded. In addition, the social benefits of cultural products are extended into real-world contexts, helping traditional Chinese arts to revitalize and thrive in the contemporary era.



Environmental, Social and Governance Report

Case: The Film *Panda Plan: The Magical Tribe* (熊貓計劃之部落奇遇記) Assisting Wa Ethnic Culture Heritage

In 2025, the film *Panda Plan: The Magical Tribe*, produced by the Company, was shot in Wengding Village, Cangyuan Wa Autonomous County, Yunnan Province, widely known as “China’s last primitive tribe”. Leveraging the village’s well-preserved traditional Wa ethnic architecture and folk culture, the film integrates distinctive Wa cultural elements into the storyline, profoundly presenting the unique charm of ethnic culture. During the filming process, the film crew strictly adhered to cultural preservation principles to avoid any adverse impact on the traditional village. At the same time, through the medium of film and television, the film helped promote Wa folk customs to the public, providing an audio-visual vehicle for the protection and transmission of ethnic culture. This demonstrates the Company’s responsible practice in supporting the dissemination of ethnic culture through cultural products.



Figure: Filming Location of *Panda Plan: The Magical Tribe*

Environmental, Social and Governance Report

VIII. CONTENT VALUE AND USER CO-CREATION

The Company consistently places content at the core of its operations and is driven by product innovation, actively exploring and expanding into IP derivative businesses. We strictly comply with laws and regulations such as the *Film Industry Promotion Law of the People's Republic of China* and the *Copyright Law of the People's Republic of China*, effectively carrying out content management work. Guided by responsible marketing, we continuously improve the content compliance system and intellectual property protection mechanism, fully supporting the creation and dissemination of high-quality content, and promoting a virtuous synergy between commercial practice and cultural value.

1. Content Diversification

As a leading “Technology + Pan-Entertainment” service platform in China, the Company has established a comprehensive presence across entertainment content services, online entertainment ticketing services, and advertising services, while continuously expanding its business boundaries through product innovation. As a responsible platform, the Company attaches great importance to content output, fulfilling the platform's social responsibility through diversified content and positive advocacy.

1.1 Content Culture

The Company remains committed to delivering high-quality works that enrich the public's spiritual life and express voice of the people. We are deeply involved in the production, investment, promotion and distribution of films, series and other content. By using the rich cultural connotations embodied in films as the core foundation for communication and thoroughly exploring the cultural value within film content, we achieve an organic integration of cultural dissemination and market effectiveness. During the year, the Company closely focused on social issues such as school bullying, patriotism, sporting spirit and female empowerment. Through the provision of diversified film genres, we aim to foster “cultural confidence” among audiences and support the development of a diverse cultural ecosystem.

Environmental, Social and Governance Report

Case: *The Volunteers: Peace at Last* (志願軍：浴血和平) Showcases Patriotism

In October 2025, during the theatrical release of the patriotic war-themed film *The Volunteers: Peace at Last*, the Company and relevant film parties jointly carried out the “Lights of Ten Thousand Homes in Tribute to Heroes” campaign, capturing images of today’s peaceful and prosperous society, cherishing the hard-won peace, and carrying forward the spirit of the Volunteers.



Figure: Ten Thousand Homes' Lights Photo Area

Environmental, Social and Governance Report

Case: Documentary *Limitless* (永無止境) Highlights Sporting Spirit and Female Empowerment

The documentary *Limitless* follows the fighting career of Zhang Weili (張偉麗) as its narrative thread, moving beyond the single narrative of “victory defines a hero” to instead portray resilience in continuing forward after setbacks. It conveys the core spirit of perseverance and interprets the true essence of sporting spirit. Meanwhile, the documentary presents diverse expressions of female empowerment, encouraging individuals to face life’s challenges with courage and to become complete and independent versions of themselves.



Figure: Promotional Poster for Documentary *Limitless*

To promote the creative transformation and innovative development of fine traditional Chinese culture, the Company integrates cinematic art with modern aesthetics, and explores the beauty of intangible cultural heritage in depth. At the same time, we actively promote the integration of film with local cultural tourism by embedding film content into cultural consumption scenarios such as classical architecture and historic districts, facilitating the Company’s transformation and upgrade from a single “box office economy” to a new cross-sector consumption model of “film+”. During the year, the Company, in collaboration with the Film Bureau of the Publicity Department of the CPC Central Committee and China UnionPay, jointly launched the “savoring food through movies” (跟著電影品美食) ticket stub map, which effectively stimulated related consumption growth.

Environmental, Social and Governance Report

Case: The Film *Nobody* (流浪山小妖怪) Showcases the Essence of Fine Traditional Chinese Culture

The film *Nobody* is rooted in Eastern aesthetics, deeply integrating traditional Chinese artistic elements with contemporary audio-visual language. By drawing inspiration from the essence of ancient Shanxi architecture and incorporating techniques such as negative space and ink wash diffusion from traditional Chinese painting, the film combines Chinese aesthetics with modern cinematic technology. At the same time, the film reconstructs classic narratives from the perspective of “ordinary people”, conveying values of kindness and courage, and highlighting the essence of fine traditional Chinese culture.



Figure: Traditional Architecture in *Nobody*

1.2 IP Business Innovation

The Company formulated the “Universal Appeal • New Dimensions”(萬有引趣 • 次元新生) strategy, focusing on two key directions: IP incubation and cultivation, and IP channel expansion and branding, to build a one-stop super IP cluster, and promote the upgrade of IP value from content resonance to brand-oriented operations.

In terms of proprietary IP incubation, the Company successfully created the “Panda Huhu” series of original IP. From conceptualization and character design to omni-channel promotion, the entire process is led by the Company’s core team, which is a representative achievement of the Company’s deep integration of original content capabilities and traditional Chinese cultural elements.

Environmental, Social and Governance Report

With respect to external IP acquisition and cultivation, the Company continued to deepen its strategic deployment in long-form content IP, while actively expanding into short-form content IP businesses. Through diversified cooperation models, systematic investment and innovative initiatives, the Company enhanced the richness and market adaptability of the IP matrix, achieving a synergistic improvement in commercial value and social influence.

At the same time, the Company is promoting the upgrade of its IP derivative business from single merchandise licensing to a brand-oriented operation model, and has launched IP derivative brands such as “MmmGoods” (MmmGoods 吃谷子), offering consumers diversified consumption scenarios.

The Company is committed to the expansion of omni-domain IP channels, facilitating the integrated development of online and offline channels for IP derivative business. Offline, the Company reached cooperation with over a thousand cinemas, providing scalable entry points for the offline exhibition and sales of IP derivative products. Online, the Company precisely reaches the target user groups through the dual-wheel drive of “social e-commerce + online IP community e-commerce”, laying a solid foundation for enhancing the competitiveness of the Company’s IP brands.

To build a one-stop multi-scenario super IP cluster, the Company has established a three-tier closed-loop IP operation system covering content, culture, and consumption, effectively advancing the diversified ecological model. In 2025, the Company carried out a number of innovative integrated marketing campaigns centred on the IP ecosystem through the method of “online content + offline experience”. Online, we encouraged fan participation in secondary creation and promotion to enhance content dissemination. Offline, we created consumption scenarios through activities such as special screenings, themed cinemas, pop-up exhibitions and cross-sector co-branded products, effectively advancing the commercialization of IP.

Environmental, Social and Governance Report

Case: *Demon Slayer* (鬼滅之刃) IP Integrated Operation Model

Centering on the *Demon Slayer* IP, the Company successfully built an integrated operation model of “brand promotion – merchandise – pop-up”. For the first time, a “themed city takeover” concept was introduced to create an offline pop-up scenario integrating film culture dissemination with immersive merchandise experiences. The campaign covered multiple cities including Beijing and Shanghai, achieving efficient synergy among brand exposure, deep user engagement and sales conversion through large-scale coordination. It represents a key initiative by the Company in promoting innovation in cultural scenarios and upgrading offline consumption experiences.



Figure: On-site Queueing Scene at the Chinese Mainland Premiere Gala and Nationwide Debut Immersive and Limited-time Exhibition of *Demon Slayer*

Environmental, Social and Governance Report

Case: Diversified Business Formats Supporting the Promotion of *The Legend of Hei 2* (羅小黑戰記 2)

On July 11, 2025, the Beijing premiere of the domestic animated film *The Legend of Hei 2*, together with the launch ceremony of the Company's flagship IP-themed pop-up store "Meet Hei" (遇見小黑), was grandly held in Chaoyang District. The event broke away from traditional premiere formats by creatively integrating multiple business formats, including themed pop-up stores, immersive themed exhibitions, open-air screenings, a balloon drop ceremony and a cultural and creative market, thereby creating an immersive animation IP experience space for fans. During the pop-up operation period, the event attracted substantial foot traffic and generated significant cross-over appeal, effectively enhancing the value and efficiency of derivative business.



Figure: *The Legend of Hei 2* Premiere and "Meet Hei" Themed Pop-up Store Launch Ceremony

Environmental, Social and Governance Report

2. Intellectual Property Rights Protection

The Company attaches great importance to intellectual property protection, and strictly complies with national laws and regulations such as the *Copyright Law of the People's Republic of China*, the *Trademark Law of the People's Republic of China*, the *Patent Law of the People's Republic of China*, the *Implementing Regulations of the Trademark Law of the People's Republic of China*, the *Implementing Regulations of the Copyright Law of the People's Republic of China*, and the *Implementing Regulations of the Patent Law of the People's Republic of China*. We standardize the application and approval procedures for intellectual property rights, copyright management, and procurement processes, and continuously advance the construction of the intellectual property management system. While focusing on the protection of our own intellectual property rights, we also actively maintain the intellectual property rights of others, committed to creating a healthy and sustainable innovation environment.

The Company's intellectual property mainly includes categories such as trademarks, domain names, copyrights, and patents. In terms of intellectual property protection, we have established a robust intellectual property protection mechanism, explicitly stipulating key matters in the application, registration, and record processes of intellectual property rights, and continuously track the valid period of intellectual property to ensure timely renewal before expiration, thereby effectively safeguarding the legitimate rights and interests of the Company. The Company strictly combats intellectual property infringement acts, and entrusts professional institutions to continuously monitor the infringement risks of film and television projects in online dissemination. Once illegal and non-compliant acts are identified, we will take necessary protection measures through legal channels to effectively safeguard the legitimate rights and interests of creators and investors. In business cooperation, to avoid infringing on the intellectual property rights of others, we effectively regulate the use of third-party intellectual property content such as fonts and images through professional retrieval, risk analysis, and signing agreements with suppliers, reducing the Company's infringement risk.

Table: Acquisition of Intellectual Property Rights in 2025

Category of Intellectual Property Rights		Category of Intellectual Property Rights	
	Number		Number
Trademarks	81	Copyrights (Software)	8
Domain Names	4	Copyrights (Works)	2

Environmental, Social and Governance Report

To effectively prevent the occurrence of intellectual property infringement events, we implement process management for authorized use, and implement controls over purchased copyrights within the office network. At the same time, we regularly carry out intellectual property training and promotion activities to popularize intellectual property-related legal knowledge among employees and enhance their awareness of intellectual property protection. In 2025, we engaged an external professional legal team to conduct special compliance training focusing on the IP business. The training covered dimensions such as the acquisition of intellectual property rights, compliance points for derivative development, dispute resolution, and rights protection strategies, effectively enhancing employees' ability to identify and respond to intellectual property infringement events concerning trademarks, patents, copyrights, domain names, etc., and improving the Company's overall intellectual property protection effectiveness.

Case: IP Compliance Training by External Professional Team

In November 2025, targeting the Company's legal department and IP operation department, we engaged an external law firm to deliver a special training seminar titled "Legal Compliance Guidelines for IP Operation Business of Film and Television Companies". The training focused on explaining the risk precautions of IP introduction, compliance points during derivative product development, and methods for handling disputes and infringement, providing strong legal support and safeguards for the future business development of the Company's IP operation department.

3. Content Review

To fulfil its platform responsibilities and foster a clean and healthy online environment, the Company strictly complies with relevant laws and regulations, including the *Cybersecurity Law of the People's Republic of China* and the *Administrative Measures for Internet Information Services*. A clear content review mechanism is stipulated in the *Maoyan User Service Agreement*, with the aim of providing consumers with compliant, healthy, and high-quality information.

The Company has established a systematic content review system and a content inspection platform to conduct comprehensive reviews of user-uploaded text reviews and video content, focusing on identifying and filtering information such as extreme and inappropriate remarks, platform advertisements, and undesirable promotions. The Company has set up a dual review defense line of "automated filtering + manual assessment". All content is first screened by digital technology and then reviewed by a professional team to ensure the comprehensiveness and accuracy of the review. For films involving special themes or high public attention, we implement multiple daily screenings and early monitoring and warning measures. During peak release periods – such as the New Year, Spring Festival, Labour Day, and summer holiday seasons – screening intensity is dynamically enhanced for selected films. During the year, the Company reviewed over 2.68 million pieces of content and handled over 2,700 pieces of non-compliant content.

Environmental, Social and Governance Report

The Company also engages multiple third-party review teams to conduct cross-reviews of content across platforms such as the Maoyan APP and the Maoyan mini-program. The review process leverages compliance identification, user behavior review, and keyword interception technologies, effectively avoiding omissions and misjudgments. At the same time, we have introduced high-response, high-stability, and quality-controllable third-party algorithms, adopting a multi-algorithm cross-validation method for special scenarios to significantly improve review accuracy. A quality feedback mechanism is also in place to timely optimize review strategies and ensure overall content security.

To establish a robust reporting and response mechanism for content-related issues, the Company has set up both a business reporting channel and a customer complaint hotline. The reporting function is located in the user comment section of project detail pages. Upon receiving a report, the platform system automatically initiates automated review procedures to identify and assess potentially non-compliant content. If flagged as non-compliant, the content is immediately hidden. Content that passes automated review is forwarded for manual review for secondary verification. Through this dual “automated review + manual review” mechanism, the platform ensures that all user reports are handled promptly and accurately. Meanwhile, a dedicated customer complaint hotline is available, with specialized staff responsible for accepting, handling, and providing feedback on user reporting information, ensuring an efficient and smooth reporting process.

During the year, in response to special rectification requirements and urgent content review tasks, the Company organized multiple rounds of emergency practical training. The training was closely aligned with real operational scenarios, focusing on areas such as malicious account bans, coordinated fake reviews removal, and the review of special short comments. Adopting a “rectification + training + practice” approach, the programme strengthened the integration of training with actual work. A total of four specialized training sessions were conducted throughout the year, covering approximately 120 participants. These efforts significantly enhanced reviewers' response speed, identification accuracy, and compliance operation capabilities in complex scenarios, thereby significantly enhancing the risk response capabilities of the content review team.

4. Customer Services

The Company adheres to the “customer-centric” service concept and has established a comprehensive customer service quality system. Equipped with a professional customer service team and intelligent platform, we optimize the customer complaint handling process. At the same time, by integrating big data with its service platform, the Company strengthens customer reliance on the platform with precise services. These initiatives effectively improve customer stickiness, ensure smooth and effective communication channels with customers, and provide customers with high-quality and reliable services.



Environmental, Social and Governance Report

4.1 Customer Service System

The Company has established a robust customer service management mechanism covering the pre-sales, in-sales, and after-sales stages. It defines service response standards, work order handling processes, and assessment indicators to ensure timely response to and handling of various product quality-related matters. We formulate differentiated service strategies and service models tailored to the film and performance segments.

Film Segment	Performance Segment
- Customer service strategy: While meeting the business requirements of cost reduction and efficiency enhancement, we continuously strengthen the flexibility of its human resources operations, and improve the service experience through process optimization. - Service model: A coordinated model combining a “full-time team to ensure baseline service capacity + cloud-based part-time workforce to meet flexible demand” is adopted to ensure service stability. - Order customer service volume calibration system: We adopt a strategy of “historical trend review + multi-dimensional dynamic forecasting of films” to improve order forecasting accuracy, and calibrate order customer service arrangements in real time. In 2025, the overall order forecasting deviation rate of the business decreased by 5.2 percentage points.	- Customer service strategy: The Company focuses on promoting front-end problem prevention to reduce the occurrence of problems. Based on the characteristics of the performance business, it enhances the standardization and execution of delivery operations to mitigate business risks caused by human operational errors. - Service model: A “year-round smooth workforce allocation” strategy is implemented to ensure service capacity during peak periods through balanced staffing. During peak periods in the film business, cross-segment support is provided to effectively alleviate workload pressure and enable efficient resource coordination. - Optimize customer experience: Through customer research and frequent customer service feedback, the Company promotes the optimization of key information display such as refund policies, seat allocation and delivery progress, and entry methods. The Company iterates mechanisms for handling entry method changes, obstructed-view seats, and other abnormal scenarios, thereby improving resolution efficiency.

Environmental, Social and Governance Report

Meanwhile, the Company continues to expand the diversification of its service channels. We have successfully connected to online customer service functions on platforms such as Douyin, Xiaohongshu, Weibo, and Bilibili, and added online consultation entry points within the user ticket wallet interface, significantly improving issue resolution efficiency and customer service experience. In 2025, the telephone customer service connection rate reached 97%, with a 100% issue resolution rate.

4.2 Customer Complaint Management

We focus on both in-sale and after-sales stages. By combining keyword search with manual quality inspection, we ensure service direction accuracy, enhance service precision, and improve issue resolution rates. The platform actively complies with the regulatory requirements of competent authorities by establishing a precise diversion mechanism for non-local work orders. Particularly for film and performance-related complaints, we implement rapid localized dispatching to achieve “accurate matching and efficient coordination”, effectively improving the response and handling efficiency of customer appeals. Regarding ticketing complaints, we have established a cross-departmental full-process tracking mechanism, strengthening internal coordination and closed-loop feedback until the problem is properly resolved, effectively safeguarding user rights and interests. Customers can complain and report through customer complaint channels such as online customer service and telephone customer service, and the platform assigns dedicated personnel to handle them. Meanwhile, we conduct special reviews of high-frequency and high-risk customer complaint cases, formulate rectification plans, and promote closed-loop issue resolution and process optimization.

In 2025, we received a total of 2,673¹⁰ customer complaints regarding products or feedback, with a 100.00% customer complaint resolution rate. We also handle customer complaint issues through third-party platforms such as Black Cat Complaints (黑貓投訴) and Xiaofeibao Complaints (消費保投訴), and responded to all cases in a timely and appropriate manner. The response rates for Black Cat Complaints and Xiaofeibao Complaints were both 100%.

4.3 Customer Satisfaction Survey

To enhance after-sales service, we continued to adopt the method of inviting reviews via SMS after the service ends to conduct customer satisfaction surveys, so as to continuously improve customer satisfaction. At the same time, we strictly prohibited customer service staff from guiding customers to leave positive reviews, ensuring that user evaluations are authentic and objective.

¹⁰

The statistical scope of the number of customer complaints is the data of complaints received by the Company from the Administration for Industry and Commerce, 12315 and 12345 hotlines in 2025.

Environmental, Social and Governance Report

4.4 Service Capability Enhancement

We continuously optimize the customer service quality assessment indicator system and establish a tiered performance management system. For customer service personnel, we set employee assessment indicators covering service efficiency (Call Per Day), customer satisfaction (manual negative review rate), compliance performance (blue card violation pass rate), service outcomes (issue resolution rate), etc., and gradually raise the assessment standards based on the time on the job. For management personnel, we set management indicators such as overall team performance completion status, customer service turnover rate, and production task non-compliance rate, to support the continuous development of their professional and management capabilities. At the same time, we regularly compile key data on complaint volume, complaint rate, resolution rate, satisfaction, government complaint volume, and connection rate, and summarize and analyze the statistical results to prepare weekly, monthly, and annual reports.

5. Responsible Marketing

The Company attaches great importance to the legality and compliance of the dissemination of marketing content. Strictly complying with national laws and regulations such as the *Advertising Law of the People's Republic of China* and the *Measures for the Administration of Internet Advertising*, as well as market regulatory requirements, we formulated internal management policies such as the *Maoyan Advertisement Review Standards*, the *Maoyan Advertisement Resource Application Standards*, the *Platform Resource Position and Commercial Material Review Standards*, and the *Performance Project Commercial Resource Position Launch and Review Process Standards*. Through these measures, we have established a robust commercial operation management system, clearly defining the review standards and processes for marketing activities such as commercial promotion, advertising placement, and platform promotion and distribution, to ensure the transmission of accurate and positive information.

We have established a combined commercial compliance review mechanism consisting of “pre-approval, in-process management, and post-review”, effectively preventing marketing risks arising from false or misleading advertising and illegal or non-compliant statements, thereby supporting the stable development of the Company's commercial business.

Environmental, Social and Governance Report

Table: Commercial Advertising and Marketing Promotion Review Process

Pre-approval	Carry out pre-compliance review, focusing on the authenticity of the content, standardization of expressions, and whether it involves illegal or non-compliant matters, to prevent and control risks from the source.
In-process Management	Continuously monitor key projects and critical stages, effectively embedding compliance requirements into processes such as resource onboarding, allocation, and placement, ensuring that the entire project execution process complies with laws, regulations and platform rules.
Post-review	- Achieve completeness and traceability of full-process records through standardized and institutionalized management of operational processes. - Establish a post-review mechanism, driving the optimization and upgrade of review standards and processes by evaluating the execution performance.

For the Company's commercial advertising and marketing promotion materials, we carry out compliance review, focusing on promotional materials and external promotional terms in high-risk industries such as finance, pharmaceuticals, healthcare products, and real estate, to avoid misleading consumers with advertising content and marketing terms. The current review process covers both the Company's existing online platform placements and offline promotional scenarios, effectively ensuring the compliance of the dissemination of advertising content and marketing promotion materials. In 2025, the Company had no incidents of non-compliance involving marketing communications.

The Company's main businesses do not involve product quality and safety risks. We strictly control product quality by establishing a quality inspection and control system and a product recall mechanism to ensure that actions can be taken in a prompt and transparent manner when potential problems occur, thereby maximizing the protection of customer rights and interests. During the Reporting Period, the Company did not experience any recall incidents caused by product health issues.

Environmental, Social and Governance Report

IX. PLATFORM RESPONSIBILITY AND BUSINESS FOUNDATION

The Company is committed to building a safe, reliable, and efficient service system, always prioritizing user rights and interests and information security in its development. The Company establishes long-term, stable, responsibility-sharing, and win-win partnerships with suppliers. Furthermore, by establishing a standardized business ethics management framework, we continuously strengthen business ethics supervision to create a clean and upright business environment.

1. Information Security

Building a trustworthy and controllable responsible platform is the key to ensuring the secure and stable operation of the Company's business. Through strict and systematic information security protection mechanism and comprehensive privacy protection measures, the Company safeguards the legitimate rights and interests of customers and promotes the continuous upgrade of service experience and trust framework. The Company strictly complies with relevant laws and regulations such as the *Cyber Security Law of the People's Republic of China* and the *Data Security Law of the People's Republic of China*, establishes a comprehensive information security management system, sets up robust information security prevention and control processes, and makes every effort to guarantee network security.

1.1 Information Security Management System

The Company continuously improves the company-level information security system through actively aligning itself with industry regulatory requirements and special action guidelines. In accordance with laws and regulations and business realities, the Company formulates policies such as the *Information Security and Confidentiality Regulations* and the *Data Security Management Regulations* applicable to all employees and relevant business units and subsidiaries, clearly defining information security strategies, division of responsibilities, and management processes, and systematically regulating information collection, storage, use, and processing activities, thus providing a solid institutional guarantee for overall information security control.

Environmental, Social and Governance Report

The Company continuously improves the information security governance system and establishes the Data Security Management Committee to be responsible for the supervision and overall coordination of information security work. The Data Security Management Committee is supervised by the Board of Directors with members covering the head of the enterprise information center and the executives in charge of relevant departments, ensuring that information security strategies are implemented in alignment with business development. The operations and maintenance department serves as the executive body for information security work, specifically implementing the various plans and control requirements of the Data Security Management Committee.

1.2 Information Security Audit

The Company has established and continuously improved a normalized information security audit and assessment system. We regularly carry out a combination of internal and external security audits every year, systematically reviewing, verifying, and continuously improving the Company's overall information security defense capabilities through institutionalized assessment mechanism.

Internal audit	The Company has established a normalized annual security audit mechanism covering multiple dimensions such as network communications, server and terminal security, application and data security, and security management system, with a view to comprehensively assessing the compliance and effectiveness of the security system.
External audit	The Company always upholds high standards and strict requirements, promoting the alignment of the information security management system with industry best practices and international standards. In 2025, we conducted an information security protection level assessment, with a result of "Good". The Company's business systems rely on Tencent Cloud infrastructure, and the cloud platform has comprehensively passed various security system certifications such as ISO 27001 and ISO 27701. In addition, the Company has officially initiated Privacy Impact Assessment (PIA) and ISO 27001 certification work, planning to complete the assessment and certification by mid-2026, so as to further enhance the international standardization and compliance level of security management.

Environmental, Social and Governance Report

1.3 Data Leakage Prevention and Emergency System

The Company has established and continuously improved a closed-loop management system for data leakage prevention and emergency response covering the entire “prevention – response – handling” process, aiming to reduce data security risks and guarantee business continuity and user rights and interests through anticipatory protection, proactive monitoring, and standardized handling. During the Reporting Period, the Company had no material data leakage incidents.

Pre-event prevention: deploying active defense and access control	The Company is committed to building active and in-depth security defense lines. At the technical level, by integrating security intelligence and situational awareness systems, we conduct real-time monitoring and active interception of high-risk network addresses, abnormal protocols, and potential malicious software. At the management level, we strictly follow the data classification and grading system and implement refined access control. For the acquisition of sensitive information, we have introduced a strict approval process. If it is necessary to access sensitive information across departments, approval must be given by at least two heads or officer-in-charge of first-level departments. We ensure that data is securely used under the principle of “minimum necessary”, controlling leakage risks from the source. We conduct attack and defense drills every year to actively identify weaknesses in technology and management by simulating real attack scenarios. Technical reinforcement, system improvement, and personnel training is accordingly carried out to continuously drive the closed-loop improvement and capability iteration of the security protection system.
In-event response: implementing dynamic monitoring and risk mitigation	During data transmission and business operation, the Company leverages a range of security products and services provided by its cloud platform to conduct continuous security scanning and real-time analysis of data flows, ensuring the timely detection of abnormal activities and potential threats. Once a risk or vulnerability is identified, an assessment will be immediately initiated in accordance with the <i>Standards for Security Vulnerability Rating and Response Processing</i>, and corresponding technical measures will be taken for isolation, blocking, or restoration, preventing the escalation of security incidents or further data leakage.

Environmental, Social and Governance Report

Post-event handling: initiating standardized emergency response and review	The Company has formulated the <i>Network and Information Security Emergency Response Plan</i> and the <i>Information Security Emergency Handling Framework Document</i> , and established an emergency response leadership team. When a user information security incident occurs, we will strictly follow the requirements of laws and regulations, and promptly notify affected users of the basic situation of the incident, potential impacts, mitigation measures taken or planned to be taken, recommended precautionary actions that users can independently adopt, and remedial plans provided by us. Notifications will be made through relevant channels such as push notifications, emails, written correspondence, and SMS. Where individual notification is not feasible, the Company will issue announcements through reasonable and effective means. At the same time, relevant information will be reported to management in accordance with internal procedures and submitted to regulators or disclosed externally as required by regulatory requirements.

Through an end-to-end and closed-loop management system, we strive to place data security risks under continuous and effective monitoring and governance, thereby providing a strong safeguard for the Company's steady operations and users' privacy security.

1.4 Employee Training on Information Security

The Company has established a normalized privacy and data security training system covering all employees (including part-time and outsourced employees). We set up mandatory modules for information security and confidentiality regulations in new employee induction training, ensuring that all employees develop basic security awareness upon joining. In daily work, the Company regularly pushes information security knowledge, policy interpretations, and risk warnings to all employees through internal communication tools. During the Reporting Period, we cumulatively completed 11 relevant thematic pushes. In addition, through organizing practical training such as attack and defense drills, the Company continuously strengthens employees' practical capabilities in risk prevention and privacy protection under real scenarios. To consolidate training effectiveness, the Company requires all employees to pass the annual information security assessment, achieving a 100% training coverage rate and assessment pass rate, thereby effectively build a solid line of defense for security among all staff.

Environmental, Social and Governance Report

2. Privacy Protection

The Company attaches great importance to the protection of user privacy rights and interests, and strictly complies with laws, regulations, and industry regulatory requirements such as the *Personal Information Protection Law of the People's Republic of China*, the *Measures for Determining the Illegal Collection and Use of Personal Information through Apps* (《App違法違規收集使用個人信息行為認定方法》), and the *Regulation of Necessary Personal Information Scope by Common Mobile Internet Application* (《常見類型移動互聯網應用程序必要個人信息範圍規定》). The Company has established a systematic privacy protection management system. We formulated and continuously improved specific systems such as the *Privacy Policy* and the *Sensitive Information Definition Standards and Approval Process of Sensitive Information Acquisition*, covering all products of the Company and explicitly defining the full-life-cycle management rules and operating specifications for personal information processing. We are committed to comprehensively safeguarding users' rights to be informed, decide, and control their personal information while providing high-quality services.

2.1 Safeguarding Users' Control over Personal Information

The Company regards safeguarding users' independent control over their personal information as one of the core measures of privacy protection. We explicitly grant and safeguard users' rights to access, correct, and delete their personal information as well as the right to cancel their accounts in the *Maoyan Platform Basic Function Privacy Agreement*. Clear and convenient access points and guidance are provided within the App to ensure that users can fully understand and effectively exercise their rights.

In practice, we adhere to the "minimum necessary" principle, strictly limiting information collection and use to the minimum scope necessary to achieve product functions and service delivery. Throughout the entire of information processing, the Company upholds the principles of transparency and controllability:

- **Access:** Before collecting personal information, we proactively and clearly inform users of the purpose, method, scope, and storage period of collection through pop-ups, agreements and other means, and only process it after obtaining users' valid consent.
- **Correct:** We provide convenient online functions for registered users, enabling them to access, correct, and update the personal information they submitted at any time.

Environmental, Social and Governance Report

- **Delete:** When users exercise the right to delete or decide to cancel their accounts on the Maoyan app, we will, upon the user's operation is completed, initiate and complete the backend deletion of personal information within 24 hours in strict accordance with internal procedures, ensuring that relevant information cannot be recovered, and effectively safeguarding users' privacy rights and interests. When users exercise the right to delete or decide to cancel their accounts on the Meituan app or Wallet mini-program, users' assets will not be cleared. If users re-register, a new account will be created, which is not associated with data from the previous account.

2.2 Supplier and Third-Party Data Management

To safeguard the security of user data in the cooperative ecosystem, the Company has established a data protection management system covering suppliers and business partners. We ensure that the entire cooperation process complies with data security and privacy protection requirements through a combination of institutional constraints, technical alignment, and qualification reviews.

In collaborations with suppliers and business partners, we require them to sign the *Confidentiality Agreement*, and explicitly incorporate key terms such as data security responsibilities, scope of use, confidentiality obligations, and liabilities for breach into cooperation contracts. During the cooperation execution process, by implementing unified security development standards and terminal prevention and control requirements, we conduct technical alignment and process supervision over key data processing activities. In addition, the Company reviews and continuously assesses the relevant security qualifications and protection capabilities of partners to ensure they possess a level of information security guarantee commensurate with business risks.

We adhere to the principles of lawfulness, legitimacy, and necessity, undertaking not to rent, sell, or illegally provide users' personal information. Personal information will only be disclosed in accordance with legal authorization and subject to strict internal approval procedures, including cooperation with lawful requests from competent authorities. We are committed to building a secure and trustworthy data processing environment together with partners to effectively safeguard user data security and privacy rights and interests.



Environmental, Social and Governance Report

2.3 Technologies and Measures for Enhancing Privacy

To safeguard user privacy and data security, the Company has deeply integrated data protection measures into the entire life cycle of products and services. Through institutional guarantees, code security, security testing, and training and advocacy, we build a comprehensive, proactive, and compliant data security protection system while realizing business functions.

Table: Technologies and Measures for Enhancing Privacy

Institutional guarantees	Formulate internal policies such as the <i>Information Security and Confidentiality Regulations</i> and the <i>Data Security Management Regulations</i> , explicitly requiring the strict implementation of privacy compliance standards in various processes such as product design, development, and launch.
Code security	Promote secure development specifications and secure coding practices to improve code quality and security from the source, thereby preventing data leakage risks caused by coding defects.
Security testing	Before products are officially released, deploy and use automated testing tools and systems to conduct comprehensive security scanning and compliance assessments, ensuring all applications meet security standards.
Training and advocacy	Regularly conduct special privacy protection and compliance training for product, R&D, testing, and operations and maintenance teams, continuously improving the security awareness and risk prevention capabilities of all employees.

Environmental, Social and Governance Report

3. Supply Chain Management

The Company insists on integrating sustainability requirements into the full life cycle management of suppliers, systematically identifying and controlling relevant risks across various processes from development and admission, evaluation and grading, to exit. We take suppliers' performance in environmental protection, labor rights, and business ethics as important considerations, and are committed to establishing long-term, stable, responsibility-sharing, and win-win partnerships with suppliers.

3.1 Full-Process Supplier Management

The Company strictly complies with the requirements of laws and regulations such as the *Law of the People's Republic of China on Bid Invitation and Bidding* and the *Implementation Regulations of the People's Republic of China on Bid Invitation and Bidding*. Combined with business reality, we formulated a series of internal administrative rules such as the *Supplier Information Form*, *Supplier Data Form*, *Business Ethics Commitment Letter*, *Supplier Management Rules*, and *Supplier Procurement Practices*. In accordance with the *Supplier Management Rules*, we established a full life cycle management system covering the three major processes of "admission – evaluation – exit". Through standardized and process-oriented mechanism, we provide a solid resource guarantee for the Company's business operations.



Environmental, Social and Governance Report

Table: Full-Process Supplier Management Practices

Admission and development	• The Company has established a strict supplier admission process. When onboarding new suppliers, comprehensive assessments are conducted across multiple dimensions such as information searches, business negotiation, on-site inspection, and qualification review. • Factors such as quotation reasonableness, product and service quality, technical support capability, and delivery timeliness are evaluated, alongside a thorough review of their financial health, market reputation, and sustainable development performance.
Evaluation and grading	• The Company implements a supplier evaluation and classification system, conducting comprehensive scoring from 4 dimensions: fault response, stability, after-sales service, and technical support. Existing suppliers are subject to regular assessments. For suppliers who fail to meet agreed performance standards, improvement guidance or cooperation adjustment procedures will be initiated.
Exit and optimization	• The Company has established a clear exit mechanism. Suppliers who consistently fail to meet performance standards, commit serious breaches of contract, or still fail to meet the Company's requirements after rectification will be eliminated. At the same time, by continuously introducing high-quality new suppliers, we promote healthy competition and dynamic optimization of the overall supply chain.

Environmental, Social and Governance Report

Table: Supplier Distribution

Indicators	Unit	2024 Figures	2025 Figures
		(Suppliers in the supplier pool)	(Active registered suppliers) ¹¹
Total number of suppliers	number	1,347	426
Number of suppliers in Chinese Mainland	number	1,272	398
Number of suppliers in Hong Kong, Macau and Taiwan	number	64	25
Number of suppliers in overseas regions	number	11	3

3.2 Sustainable Supply Chain

The Company has established a systematic supplier risk management mechanism, integrating environmental, social, and governance (ESG) factors into the full life cycle of supplier management. We have developed and continuously maintain a supplier database, regularly update and back up supplier qualifications, list, and archival data, and standardize their storage and update processes, guaranteeing supply chain stability and business continuity. Working together with our partners, we are committed to building a transparent, integrity-driven, and sustainable industrial ecosystem, creating long-term value collectively.

¹¹

To more accurately reflect the Company's actual supply chain management and scale of cooperation, the definition of "suppliers" has been adjusted from the Reporting Period onward. In previous years, the "total number of suppliers" referred to the number of "suppliers in the supplier pool" (i.e. potential partners that had passed qualification review and been included in the supplier list). Starting from this reporting year, the number of suppliers disclosed has been standardized to refer to "active registered suppliers", being the total number of suppliers that had actual contractual relationships and business transactions with the Company during the Reporting Period.



Environmental, Social and Governance Report

Table: Supplier ESG Management

Dimension	Management Concepts and Core Initiatives
Environment (E)	Promote green procurement: Priority is given to products and services with high energy efficiency ratings, environmentally friendly materials, and that are recyclable or easy to disassemble and dispose of in procurement decisions. We actively guide suppliers to adopt cleaner production processes and packaging solutions. Collaborative carbon reduction: We encourage and support suppliers to set their own energy conservation and emission reduction targets, and explore jointly advancing the carbon emission reduction process of the entire value chain through technology sharing and best practice exchanges.
Social (S)	Safeguard labor rights: We explicitly require relevant suppliers to ensure a healthy and safe working environment, pay salaries on time, etc. Promote diversity and inclusion: We encourage suppliers to create a diverse, equal, and inclusive workplace, and oppose any form of discrimination and harassment.
Governance (G)	Integrity and anti-corruption: When signing contracts, all suppliers must simultaneously sign an <i>Integrity Cooperation Agreement</i> and confirm the <i>Anti-Commercial Bribery and Anti-Corruption Declaration</i>. We explicitly require suppliers and their employees to abide by the principles of honesty, trustworthiness, integrity, and self-discipline, and resolutely resist any form of bribery, fraud, and misconduct. Transparent oversight mechanism: We clearly communicates our whistleblowing channels (whistleblowing email: wubijubao@maoyan.com, whistleblowing hotline: 010-84759715) to all suppliers. During the course of cooperation, if suppliers identify any conduct that violates business ethics or principles of fairness, they may report such matters through the official whistleblowing channel.

Environmental, Social and Governance Report

4. Business Ethics

The Company is committed to creating a clean and upright business environment by building a standardized business ethics management framework and continuously strengthening business ethics supervision. Meanwhile, we continuously improve the establishment of the business ethics policy and system, and conduct training related to business ethics policies to provide efficient guidelines for employee compliance management. Regular audits on business ethics-related matters are also conducted to ensure that all business activities comply with laws, regulations, and ethical standards, assisting the steady development of the enterprise.

4.1 Business Ethics Management

The Company has established a robust business ethics management structure. The Audit Committee under the Board of Directors is fully responsible for the supervision and guidance of the Company's business ethics management. Business departments, in conjunction with functional departments such as legal affairs, finance, human resources, and administration, build a standardized process system for business ethics, effectively safeguarding the daily management of business ethical behaviors. The internal audit and supervision department audits and supervises the daily management of the Company's business ethics to ensure that the management mechanism is compliant and effective, and regularly reports the progress of relevant work to the Audit Committee.

The Company strictly follows laws and regulations such as the *Anti-Unfair Competition Law of the People's Republic of China* and the *Interim Provisions on Prohibition of Commercial Bribery*. Taking into account its business characteristics, the Company formulated rules and regulations such as the *Maoyan Entertainment Anti-Corruption Policy*¹² to define standards for commercial conduct.

¹²https://filecache.investorroom.com/mr5irasia_maoyan/369/Maoyan%20Entertainment%20Anti-Corruption%20Policy.pdf

Environmental, Social and Governance Report

We explicitly require all employees to strictly comply with anti-corruption-related content in the *Employee Manual*. At the same time, we ensure that new employees acknowledge, sign, and comply with the code of business ethics, and we prepare an English version of the *Staff Code of Conduct* for overseas employees to facilitate their understanding of and compliance with our business ethics provisions. We encourage close attention to and strict self-discipline in their conduct, thereby promoting the Company's stable and compliant operations.

The Company continuously optimizes and improves the anti-corruption management system, resolutely resisting any behaviors that violate business ethics such as corruption, bribery, malpractice, extortion, fraud, and money laundering. It is committed to fostering an upright, open, and transparent working atmosphere, building an operating ecosystem of integrity and honesty, so as to ensure the effective implementation of systems related to business ethics. In 2025, there were no concluded corruption-related litigation cases against the Company or its employees.

4.2 Business Ethics Audit

During the Reporting Period, based on business ethics codes such as the *Maoyan Entertainment Anti-Corruption Policy*, the Company carried out internal compliance audit work, focusing on reviewing the effectiveness of policy implementation and process compliance, and made improvement recommendations to address identified weaknesses, thereby reinforcing a governance culture of integrity and transparency. The Company formulates the annual audit plan at the beginning of each year, comprehensively assessing the coverage and implementation effectiveness of audit projects in previous years, and defining the audit priorities for the current year, aiming to achieve full coverage of the Company's core businesses through a three-year audit cycle planning framework. In 2025, the Company's audit work focused on main business segments such as the performance business unit and the film business unit. Regular audits were conducted on a quarterly basis, with one special audit carried out on average per quarter. The audit scope primarily covered areas involving business ethics such as employee compliance and corruption risks, strictly enforcing red-line requirements such as anti-corruption, anti-fraud, employee conduct management, and unfair competition, thereby continuously strengthening the Company's ethical governance and internal control effectiveness.

Environmental, Social and Governance Report

At the same time, employees are required to conduct a declaration of interests before joining, which is submitted to the Company for timely review, to guarantee the effective isolation of conflict-of-interest risks.

Furthermore, the Company conducts comprehensive audits and assessments across four major dimensions – external environment risks, business operation risks, internal management risks, and financial risks – covering 16 key risk scenarios, thus developing a holistic risk landscape map. Leveraging internal control process optimization and the advancing of other related initiatives, the Company achieves systematic audit and continuous monitoring of key risks.

4.3 Whistleblower Protection

The Company maintains a zero-tolerance attitude toward any acts that violate business ethics, and strictly complies with internal management policies such as the *Maoyan Entertainment Whistleblowing Policy*. We continuously improve the whistleblowing management mechanism by standardizing whistleblowing channels, handling procedures, and whistleblower protection measures to safeguard the legitimate rights and interests of whistleblowers.

To ensure that reported matters are handled in a standardized and efficient manner, we have established a clear whistleblowing management process, covering stages such as registration, grading, investigation and accountability. The internal audit and supervision department assigns dedicated personnel to track and record the entire process. Reported matters are classified and managed according to a tiered grading system, with corresponding investigation approaches adopted based on their classification. Upon completion of investigations, disciplinary actions are imposed based on the severity of violations, and suspected illegal activities are referred to relevant authorities in accordance with the law. The internal audit and supervision department regularly summarizes report handling, investigation progress, and outcomes, and reports to the Audit Committee to form a closed-loop management.

Environmental, Social and Governance Report

Whistleblower protection provisions are clearly stipulated in the *Employee Handbook*. During the whistleblowing handling process, access to whistleblowing information is strictly restricted, and the identity of whistleblowers must not be disclosed without their written consent, maximizing the protection of whistleblower information security to prevent any form of retaliation such as obstruction, threats, intimidation, and harm.

We provide multiple transparent whistleblowing channels, including an email address for reporting clues for fraud on the official website, a whistleblowing hotline, and corporate official account, encouraging real-name or anonymous reporting of various non-compliance or disciplinary violations.

4.4 Business Ethics Training

The Company has established an integrity management system centred on business ethics policies. The code of business ethics and related policies of the Company are incorporated into mandatory onboarding training for new employees. Regular business ethics and compliance training sessions are conducted annually for new hires, existing employees, and directors. Training content covers topics such as the impact of integrity on individuals and the Company, relevant policies and systems and related interpretation, case studies of duty-related crimes, industry anti-corruption dynamics, and business risk scenarios, so as to foster a strong culture of business ethics.

Environmental, Social and Governance Report

We continuously strengthen integrity awareness among all employees. Through online and offline training platforms, we regularly push integrity-themed content to strengthen the promotion of integrity culture to all employees. During the year, we published 3 integrity articles through the corporate office platform. To assist employees in understanding the Company's code of business ethics as soon as possible, training content and case studies are dynamically tailored to different business lines to help employees accurately identify fraud and bribery risks in specific business scenarios, thereby enhancing the Company's overall capabilities in risk prevention and response related to business ethics. Meanwhile, we disseminate the notice of the *Information Declaration Regarding Non-Conflict of Interest Statement*, reminding employees to proactively report potential conflicts of interest and actively report non-compliant behaviors, continuously strengthening the integrity awareness of all employees.

In addition, initiatives such as integrity questionnaire surveys and anti-fraud awareness booths are organized to embed the concepts of honesty and integrity into employees' daily work, promoting their deep understanding of business ethics and behavioral norms to strengthen the foundation of a compliance-driven corporate culture.

In 2025, we conducted two business ethics training sessions for directors, featuring integrity training sharing, with 9 directors participating. We conducted 4 business ethics training sessions for new employees, covering 153 newly externally recruited employees and 27 newly recruited campus graduates. The training content included anti-corruption and malpractice awareness, declaration of interests, and code of conduct, etc., with an average training duration of 0.5 hours per person and a pass rate of 100% in assessments.

Definitions and Glossary

In this annual report, the following expressions have the meanings set out below unless the context requires otherwise:

“AGM”	the Annual General Meeting of the Company to be held on June 23, 2026
“Articles of Association”	the second amended and restated memorandum and articles of association of the Company adopted on June 28, 2023
“Audit Committee”	the audit committee of the Company
“Beijing Maoyan”	Beijing Maoyan Cultural Media Co., Ltd. (北京貓眼文化傳媒有限公司), a company incorporated under the laws of the PRC on November 12, 2015 with limited liability and a Consolidated Affiliated Entity
“Beijing Menggu”	Beijing Menggu Cultural Media Co., Ltd. (北京萌谷文化傳媒有限公司), a company incorporated under the laws of the PRC on July 16, 2025 with limited liability and a Consolidated Affiliated Entity
“Beijing Weige Shidai”	Beijing Weige Shidai Entertainment Technology Co., Ltd. (北京微格時代娛樂科技有限公司), a company incorporated under the laws of the PRC on March 9, 2016 with limited liability and a Consolidated Affiliated Entity
“Board”	the Board of Directors of the Company
“BVI”	the British Virgin Islands
“Cayman Companies Act” or “Companies Act”	the Companies Act of the Cayman Islands, as amended, supplemented or otherwise modified from time to time
“Chengdu Kandao”	Chengdu Kandao Culture Media Co., Ltd. (成都看道文化傳播有限公司), a company incorporated under the laws of the PRC on May 23, 2024 with limited liability and a Consolidated Affiliated Entity
“Chengdu Pictures”	Chengdu Maoyan Pictures Co., Ltd. (成都貓眼影業有限公司), a company incorporated under the laws of the PRC on October 24, 2024 with limited liability and a Consolidated Affiliated Entity
“China Literature”	China Literature Limited (閱文集團), an exempted company incorporated in the Cayman Islands with limited liability, whose shares are listed on the Stock Exchange (stock code: 772)

Definitions and Glossary

“China Literature Group”	China Literature Limited, its subsidiaries and its consolidated affiliated entities from time to time
“Chongqing Pictures”	Chongqing Maoyan Pictures Co., Ltd. (重慶貓眼影業有限公司), a company incorporated under the laws of the PRC on September 2, 2025 with limited liability and a Consolidated Affiliated Entity
“Company” or “our Company”	Maoyan Entertainment, an exempted company incorporated in the Cayman Islands with limited liability and whose Shares are listed on the Main Board of the Stock Exchange (Stock Code: 1896)
“Confirmation Letter”	In response to the lawsuits in which Weying acted as defendants and the equity interests held by Weying Culture in Tianjin Maoyan Weying were therefore frozen as disclosed in this report, the confirmation letter co-issued by Weying Technology and Weying Culture to Tianjin Maoyan Weying and WFOE, pursuant to which Weying undertook to comply with and fulfil the terms and conditions, responsibilities and obligations under the Contractual Arrangements including but not limited to fully cooperating with the WFOE's instructions when the WFOE exercises its irrevocable and exclusive right to purchase the frozen equity interests, or transfer the frozen equity interests to the WFOE's assignee at the WFOE's request
“Consolidated Affiliated Entities”	entities whose financials have been consolidated and accounted for as subsidiaries of the Company by virtue of the Contractual Arrangements, including the Operating Entity, Maoyan Enterprise, Maoyan Network, Beijing Maoyan, Beijing Weige Shidai, Maoyan Pictures, Chengdu Pictures, Maoyan Live JV, Shanghai Maoyan Network, Tianjin Media, Tianjin Yunchuan, Jiangsu Maoyan, Time Machine, Soushi Network, Haoying Network, Shanghai Maoyan Pictures, Guangzhou Pictures, Miaojuju, Beijing Menggu, Chongqing Pictures and Chengdu Kandao as of December 31, 2025
“Contractual Arrangements”	the series of contractual arrangements entered into by, among others, the WFOE, the Operating Entity and the Registered Shareholders
“Corporate Governance Code” or “CG Code”	the Corporate Governance Code as set out in Appendix C1 to the Listing Rules
“Director(s)”	the director(s) of the Company

Definitions and Glossary

“Enlight”	for illustration purpose, means Mr. Wang Changtian, himself and his controlled entities, including Enlight Holdings and Enlight Media, for the purpose of investment in our Company
“Enlight Holdings”	Enlight Holdings Limited
“Enlight Media”	Beijing Enlight Media Co., Ltd. (北京光線傳媒股份有限公司), a company listed on the Shenzhen Stock Exchange (Stock Code: 300251), our substantial shareholder
“Global Offering” or “Initial Public Offering”	the offering by the Company of its Shares for subscription by the public in Hong Kong and the offering of Shares by the international underwriters outside the United States in offshore transactions in accordance with Regulation S under the U.S. Securities Act and in the United States to QIBs only in accordance with Rule 144A or any other available exemption from the registration requirement under the U.S. Securities Act in January to February 2019
“gross box office”	box office and the service fees paid for online movie ticketing services
“Group”, “our Group”, “we” or “us”	the Company, its subsidiaries and the Consolidated Affiliated Entities
“Guangzhou Pictures”	Guangzhou Maoyan Pictures Co., Ltd. (廣州貓眼影業有限公司), a company incorporated under the laws of the PRC on January 8, 2024 with limited liability and a Consolidated Affiliated Entity
“Haoying Network”	Zhejiang Haoying Network Technology Co., Ltd. (浙江浩影網絡有限公司), a company incorporated with limited liability under the laws of the PRC on June 24, 2004, and a Consolidated Affiliated Entity
“Historical ESOP Platforms”	Tianjin Caiyi, Tianjin Caixuan, Tianjin Caiying, Tianjin Caichuang and Tianjin Guanghong
“HK\$” or “HKD”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

Definitions and Glossary

“IFRS”	International Financial Reporting Standards, which include standards, amendments and interpretations promulgated by the International Accounting Standards Board and the International Accounting Standards and interpretation issued by the International Accounting Standards Committee
“Jiangsu Maoyan”	Jiangsu Maoyan Culture Media Co., Ltd. (江蘇貓眼文化傳媒有限公司), a company incorporated with limited liability under the laws of the PRC on March 27, 2020, and a Consolidated Affiliated Entity
“Linzhi Lixin”	Linzhi Lixin Information Technology Co., Ltd. (林芝利新信息技術有限公司), a company incorporated under the laws of the PRC on October 26, 2015 with limited liability and one of our Registered Shareholders
“Listing”	listing of the Shares on the Main Board of the Stock Exchange
“Listing Date”	February 4, 2019, the date on which the Shares became listed on the Main Board of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Maoyan Enterprise”	Tianjin Ganyu Enterprise Management and Consulting Co., Ltd. (天津甘雨企業管理諮詢有限公司), formerly known as Tianjin Maoyan Enterprise Management Consulting Co., Ltd. (天津貓眼企業管理諮詢有限公司), a company incorporated under the laws of the PRC on March 1, 2017 with limited liability and a Consolidated Affiliated Entity. Maoyan Enterprise is an investment holding company which holds, directly or indirectly, minority equity investments, amounted to approximately RMB2.9 million, in certain companies (“Investee Companies”) which engage in businesses subject to foreign investment prohibition or restriction, including value-added telecommunication service, radio and television program production and internet audio-visual programs. Most of the investments are passive. As advised by our PRC legal advisor, foreign investors are either prohibited or restricted from holding equity interest in companies conducting such businesses. The financial results of the Investee Companies are not consolidated into our financial statements and do not form part of our Group, and our minority investment interests in the Investee Companies are immaterial to our financial and operational results.

Definitions and Glossary

“Maoyan Live JV”	Tianjin Maoyan Live Technology Co., Ltd. (天津貓眼現場科技有限公司), a company incorporated under the laws of the PRC on June 19, 2018 with limited liability and a joint venture held by the WFOE and Tianjin Ganyu as to 49% and 51% of its equity interests, respectively, and a Consolidated Affiliated Entity
“Maoyan Network”	Xinjiang Maoyan Network Technology Co., Ltd. (新疆貓眼網絡科技有限公司), a company incorporated under the laws of the PRC on November 10, 2016 with limited liability and a wholly-owned subsidiary of Beijing Maoyan, and a Consolidated Affiliated Entity
“Maoyan Pictures”	Tianjin Maoyan Pictures Co., Ltd. (天津貓眼影業有限公司), a company incorporated under the laws of the PRC on June 8, 2015 with limited liability and a Consolidated Affiliated Entity
“Maoyan Technology/WFOE”	Tianjin Maoyan Weying Technology Co., Ltd. (天津貓眼微影科技有限公司), a company incorporated under the laws of the PRC on February 5, 2018 with limited liability and a wholly owned subsidiary of our Company
“Meituan”	Meituan (美團) (SEHK Stock Code: 3690), an exempted company with limited liability incorporated under the laws of the Cayman Islands on September 15, 2015, or Meituan and its subsidiaries and consolidated affiliated entities, as the case may be
“Miaojuju”	Xiamen Miaojuju Media Co., Ltd. (廈門喵劇劇傳媒有限公司), a company incorporated with limited liability under the laws of the PRC on April 2, 2021, and a Consolidated Affiliated Entity
“Model Code”	Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules
“MOFCOM”	the Ministry of Commerce of the PRC (中華人民共和國商務部)
“NASDAQ”	National Association of Securities Dealers Automated Quotations
“NDRC”	the National Development and Reform Commission of the PRC (中華人民共和國國家發展和改革委員會)
“Nomination Committee”	the nomination committee of the Company

Definitions and Glossary

“Operating Entity(ies)”	Tianjin Maoyan Weying and Tianjin Ganyu, the holding companies of the other Consolidated Affiliated Entities of our Group
“Post-IPO Share Option Scheme”	the post-IPO share option scheme of our Company as adopted by the Company on July 23, 2018 and amended by way of an ordinary resolution passed by the Shareholders at the general meeting held on June 28, 2023, aiming to provide incentives and rewards to individuals and/or entities for their contribution
“Post-IPO Share Options”	options granted under the Post-IPO Share Option Scheme
“PRC” or “China”	the People's Republic of China, which, for the purpose of this Annual Report only, excludes Hong Kong, the Macau Special Administrative Region of the PRC and the Taiwan region of the PRC
“Pre-IPO Share Option Scheme”	the pre-IPO share option scheme of our Company as approved on July 23, 2018, which was adopted by the Company as a continuation and restructuring of the employee share incentive scheme originally adopted by Tianjin Maoyan Weying on November 8, 2016
“Pre-IPO Share Options”	options granted under the Pre-IPO Share Option Scheme
“Prospectus”	the prospectus of the Company dated January 23, 2019
“Registered Shareholders”	Enlight Holdings, Enlight Media, Shanghai Sankuai Technology, Weying Culture, Linzhi Lixin, the Historical ESOP Platforms and Tianjin Yunqi
“Relevant Businesses”	the businesses of value-added telecommunication services business, movie distribution and radio and television program production, etc.
“Remuneration Committee”	the remuneration committee of the Company
“Reorganization”	the offshore and onshore reorganization as set out in section headed “History and Reorganization – Reorganization” of the Prospectus
“Reporting Period”	period from January 1, 2025 to December 31, 2025

Definitions and Glossary

“Restricted Share Agreement”	the restricted share agreement entered into among the Company, Mr. Zheng Zhihao and Rhythm Brilliant Limited (a company wholly-owned by Mr. Zheng Zhihao) on July 23, 2018 to recognise and reward the contribution of Mr. Zheng Zhihao to the Group
“RMB”	Renminbi, the lawful currency of the PRC
“RSU Scheme”	The RSU Scheme of our Company as adopted by the Company on July 23, 2018 and amended by way of an ordinary resolution passed by the Shareholders at the general meeting held on June 28, 2023, aiming to reward participants for their contribution to the Group and attract best available personnel
“Securities and Futures Ordinance” or “SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“SGD”	Singapore Dollar, the lawful currency of Singapore
“Shanghai Maoyan Pictures”	Shanghai Maoyan Pictures Co., Ltd. (上海貓眼影業有限公司), a company incorporated with limited liability under the laws of the PRC on May 15, 2019, and a Consolidated Affiliated Entity
“Shanghai Maoyan Network”	Shanghai Maoyan Network Technology Co., Ltd. (上海貓演網絡科技有限公司), a company incorporated under the laws of the PRC on February 13, 2019 with limited liability, a wholly-owned subsidiary of Maoyan Live JV
“Shanghai Sankuai Technology”	Shanghai Sankuai Technology Co., Ltd. (上海三快科技有限公司), a company incorporated under the laws of the PRC on December 19, 2012 with limited liability, an operating entity of Meituan and one of our Registered Shareholders
“Share(s)”	ordinary share(s) in the share capital of the Company with a par value of US\$0.00002
“Shareholder(s)”	holder(s) of the Share(s)
“Shenzhen Stock Exchange” or “SSE”	Shenzhen Stock Exchange (深圳證券交易所)
“Soushi Network”	Hangzhou Soushi Network Technology Co., Ltd. (杭州搜視網絡有限公司), a company incorporated with limited liability under the laws of the PRC on April 23, 2008, and a Consolidated Affiliated Entity

Definitions and Glossary

“Stock Exchange” or “SEHK”	the Stock Exchange of Hong Kong Limited
“Subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules
“Tencent”	Tencent Holdings Limited (SEHK Stock Code: 700), or Tencent Holdings Limited and/or its subsidiaries, as the case may be
“Tencent Computer”	Shenzhen Tencent Computer Systems Company Limited (深圳市騰訊計算機系統有限公司), a company established in the PRC on November 11, 1998 and a wholly-owned subsidiary of Tencent
“Tencent Group”	Tencent and its subsidiaries from time to time
“Tianjin Caichuang”	Tianjin Caichuang Enterprise Management and Consultation Partnership (Limited Partnership) (天津彩創企業管理諮詢合夥企業(有限合夥)), a limited partnership incorporated under the laws of the PRC on May 6, 2016 and one of our Historical ESOP Platforms
“Tianjin Caixuan”	Tianjin Caixuan Enterprise Management and Consultation Partnership (Limited Partnership) (天津彩綢企業管理諮詢合夥企業(有限合夥)), a limited partnership incorporated under the laws of the PRC on May 6, 2016 and one of our Historical ESOP Platforms
“Tianjin Caiyi”	Tianjin Caiyi Enterprise Management and Consultation Partnership (Limited Partnership) (天津彩溢企業管理諮詢合夥企業(有限合夥)), a limited partnership incorporated under the laws of the PRC on May 5, 2016 and one of our Historical ESOP Platforms
“Tianjin Caiying”	Tianjin Caiying Enterprise Management and Consultation Partnership (Limited Partnership) (天津彩盈企業管理諮詢合夥企業(有限合夥)), a limited partnership incorporated under the laws of the PRC on May 6, 2016 and one of our Historical ESOP Platforms
“Tianjin Guanghong”	Tianjin Guanghong Enterprise Management and Consultation Partnership (Limited Partnership) (天津光鴻企業管理諮詢合夥企業(有限合夥)), a limited partnership incorporated under the laws of the PRC on May 6, 2016 and one of our Historical ESOP Platforms

Definitions and Glossary

“Tianjin Ganyu”	Tianjin Ganyu Information Technology Co., Ltd. (天津甘雨信息科技有限公司), a company incorporated under the laws of the PRC on June 5, 2024 with limited liability and one of the Operating Entities
“Tianjin Maoyan Weying”	Tianjin Maoyan Weying Cultural Media Co., Ltd. (天津貓眼微影文化傳媒有限公司), formerly known as Tianjin Maoyan Cultural Media Co., Ltd. (天津貓眼文化傳媒有限公司), a company incorporated under the laws of the PRC on May 27, 2015 with limited liability and a Consolidated Affiliated Entity as well as one of the Operating Entities
“Tianjin Media”	Tianjin Maoyan Cultural Media Co., Ltd. (天津貓眼文化傳媒有限公司), a company incorporated under the laws of the PRC on July 23, 2024, with limited liability and a Consolidated Affiliated Entity
“Tianjin Yunchuan”	Tianjin Yunchuan Cultural Media Co., Ltd. (天津雲川文化傳媒有限公司), a company incorporated under the laws of the PRC on June 19, 2024, with limited liability and a Consolidated Affiliated Entity
“Tianjin Yunqi”	Tianjin Yunqi Information Technology Co., Ltd. (天津雲起信息科技有限公司), a company incorporated under the laws of the PRC on June 3, 2024, with limited liability and one of our Registered Shareholders
“Time Machine”	Hangzhou Maoyan Time Machine Pictures Ltd. (杭州貓眼時光機影業有限公司), a company incorporated with limited liability under the laws of the PRC on January 13, 2023, and a Consolidated Affiliated Entity
“treasury share(s)”	has the same meaning ascribed thereto under the Listing Rules
“US\$” or “US dollars” or “USD”	U.S. dollars, the lawful currency of the United States of America
“Weying”	Weying Culture and Weying Technology
“Weying Culture”	Beijing Shiji Weying Culture Development Co., Ltd. (北京世紀微影文化發展有限公司), a company incorporated under the laws of the PRC on July 22, 2016, with limited liability and one of our Registered Shareholders
“Weying Technology”	Beijing Weying Shidai Technology Co., Ltd. (北京微影時代科技有限公司), a company established under the laws of the PRC with limited liability, and/or its subsidiaries, as the case may be
“Year”	the year ended December 31, 2025
“%”	per cent



Maoyan Entertainment