**SHAW BROTHERS HOLDINGS LIMITED**
**邵氏兄弟控股有限公司**
(Incorporated in the Cayman Islands with limited liability)
**(Stock code: 00953)**

# ANNOUNCEMENT OF THE UNAUDITED INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2026

## 2026 INTERIM RESULTS HIGHLIGHTS

- A 22-episode family drama titled "Behind the Queens" ("風華背後"), starring Liza Wang (汪明荃), Ada Choi (蔡少芬), Athena Chu (朱茵), Bosco Wong (黃宗澤), Shaun Tam (譚俊彥), John Chiang (姜大衛), Yumiko Cheng (鄭希怡) and Jacky Cai (蔡潔), completed shooting in December 2025 and is currently in post-production. The drama is expected to be released on the Tencent Video platform in 2026.

- The Group participated in the drama project "Themis" ("正義女神"), produced by TVB group. The drama was successfully released on the Youku platform in mainland China in March 2026.

- Revenue from the films, drama and non-drama segment significantly decreased by 87.5% from RMB95,343,000 for the Previous Period to RMB11,885,000 for the Review Period. The decline was mainly attributable to a decrease in number of films, drama and non-drama projects released for the Review Period.

- Revenue from the artiste and event management segment decreased by 40.4% from RMB11,037,000 for Previous Period to RMB6,578,000 for the Review Period. This decline was mainly due to a reduction of number of concerts performed by the artistes under the Group's management for the Review Period compared to the Previous Period.

- Loss attributable to the owners of the Company was RMB9,326,000 for the Review Period, in contrast to a profit of RMB7,040,000 for the Previous Period.

- Loss per share for the Review Period was RMB0.6569 cents (Previous Period: earnings of RMB0.4959 cents).

- Bank balances and cash, net of bank borrowings, amounted to RMB247,054,000 as at 30 June 2026 (31 December 2025: RMB262,388,000).

- Net assets value per share attributable to the owners of the Company as at 30 June 2026 was RMB26.70 cents (31 December 2025: RMB28.16 cents).

- The Board did not recommend the payment of interim dividend for the Review Period.

## FINANCIAL HIGHLIGHTS

| | **Six months ended 30 June** | | |
|---|---|---|---|
| | **2026** | 2025 | **Change** |
| | ***RMB*** | *RMB* | |
| | **(Unaudited)** | (Unaudited) | |
| **Revenue** | | | |
| Films, drama and non-drama *('000)* | **11,885** | 95,343 | -87.5% |
| Artiste and event management *('000)* | **6,578** | 11,037 | -40.4% |
| **Total *('000)*** | **18,463** | 106,380 | -82.6% |
| **Segment profit** | | | |
| Films, drama and non-drama *('000)* | **568** | 7,167 | -92.1% |
| Artiste and event management *('000)* | **1,997** | 3,927 | -49.1% |
| **Total *('000)*** | **2,565** | 11,094 | -76.9% |
| **Performance** | | | |
| (Loss) profit attributable to owners of the Company *('000)* | **(9,326)** | 7,040 | -232.5% |
| (Loss) earnings per share *(RMB cents)*[(1)] | **(0.6569)** | 0.4959 | -232.5% |

| | 30 June 2026 RMB | 31 December 2025 RMB | Change |
|---|---|---|---|
| Total assets *('000)* | **418,045** | 444,367 | -5.9% |
| Total liabilities *('000)* | **65,211** | 69,632 | -6.3% |
| Equity attributable to owners of the Company *('000)* | **378,998** | 399,710 | -5.2% |
| Number of issued shares *('000)* | **1,419,610** | 1,419,610 | – |
| **Ratios** | | | |
| Current ratio(2) | **6.8** | 6.8 | N/A |
| Gearing ratio(3) | **Nil** | 1.01% | N/A |
| **Net asset value per share attributable to owners of the Company *(RMB cents)*(4)** | **26.70** | 28.16 | -5.2% |

*Notes:*

(1) (Loss) earnings per share was calculated by dividing the (loss) profit for the period attributable to owners of the Company by the number of the issued shares as at the respective dates.

(2) Current ratio was calculated by dividing the total current assets by the total current liabilities as at the respective dates.

(3) Gearing ratio was calculated by dividing the total debt by the total assets at the respective dates.

(4) Net asset value per share attributable to owners of the Company was calculated by dividing equity attributable to owners of the Company by the number of the issued shares as at the respective dates.

The board (the "**Board**") of directors (the "**Directors**") of Shaw Brothers Holdings Limited (the "**Company**") is pleased to announce the unaudited consolidated interim results of the Company and its subsidiaries (collectively, the "**Group**") for the six months ended 30 June 2026 (the "**Review Period**") together with the comparative figures for the corresponding period in 2025 as follows:

## CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

*For the six months ended 30 June 2026*

| | | Six months ended 30 June | |
|---|---|---|---|
| | | **2026** | 2025 |
| | *NOTES* | ***RMB'000*** | *RMB'000* |
| | | **(Unaudited)** | (Unaudited) |
| Revenue | *3* | **18,463** | 106,380 |
| Cost of sales | | **(11,681)** | (79,224) |
| Gross profit | | **6,782** | 27,156 |
| Other income, gains and losses, net | | **3,304** | 5,663 |
| Selling and distribution expenses | | **(121)** | (198) |
| Administrative expenses | | **(12,064)** | (11,769) |
| Impairment loss of investments in films, drama and non-drama | | **–** | (9,908) |
| Impairment loss of films, drama and non-drama production in progress | | **–** | (2,031) |
| Reversal of impairment loss (impairment loss) of trade receivables | | **137** | (24) |
| Other expenses | *7* | **(7,390)** | – |
| Share of loss of an associate | | **(1)** | (1) |
| Finance costs | *5* | **(196)** | (160) |
| (Loss) profit before tax | | **(9,549)** | 8,728 |
| Income tax expenses | *6* | **(20)** | (1,995) |
| (Loss) profit for the period | *7* | **(9,569)** | 6,733 |
| (Loss) profit for the period attributable to: | | | |
| – Owners of the Company | | **(9,326)** | 7,040 |
| – Non-controlling interests | | **(243)** | (307) |
| (Loss) profit for the period | | **(9,569)** | 6,733 |
| (Loss) earnings per share | | | |
| – Basic and diluted *(RMB cents)* | *8* | **(0.6569)** | 0.4959 |

## CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

*For the six months ended 30 June 2026*

| | Six months ended 30 June | |
|---|---|---|
| | **2026** | 2025 |
| | ***RMB'000*** | *RMB'000* |
| | **(Unaudited)** | (Unaudited) |
| (Loss) profit for the period | **(9,569)** | 6,733 |
| **Other comprehensive expenses for the period** | | |
| *Items that will not be reclassified subsequently to profit or loss:* | | |
| Exchange difference arising on translation of financial statements from functional currency to presentation currency | **(12,332)** | (11,861) |
| | **(12,332)** | (11,861) |
| Total comprehensive expenses for the period | **(21,901)** | (5,128) |
| Total comprehensive expenses for the period attributable to | | |
| – Owners of the Company | **(20,712)** | (4,333) |
| – Non-controlling interests | **(1,189)** | (795) |
| | **(21,901)** | (5,128) |

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

*As at 30 June 2026*

| | NOTES | 30 June 2026 RMB'000 (Unaudited) | 31 December 2025 RMB'000 (Audited) |
|---|---|---|---|
| **Non-current assets** | | | |
| Plant and equipment | | **2,738** | 3,327 |
| Equity instruments at fair value through other comprehensive income | | **–** | – |
| Right-of-use assets | | **5,470** | 6,309 |
| Deferred tax assets | | **42** | 46 |
| Television programme rights | | **–** | – |
| Interest in an associate | | **50** | 51 |
| | | **8,300** | 9,733 |
| **Current assets** | | | |
| Investments in films, drama and non-drama | *10* | **54,835** | 67,473 |
| Films, drama and non-drama productions in progress | *10* | **57,809** | 57,714 |
| Trade and other receivables | *11* | **17,764** | 20,720 |
| Amounts due from related parties | | **32,283** | 21,845 |
| Bank balances and cash | | **247,054** | 266,882 |
| | | **409,745** | 434,634 |
| **Current liabilities** | | | |
| Trade and other payables | *12* | **25,400** | 30,951 |
| Contract liabilities | *12* | **20,091** | 20,028 |
| Income tax payables | | **391** | 405 |
| Lease liabilities | | **1,056** | 1,041 |
| Amounts due to related parties | | **13,612** | 7,170 |
| Bank borrowing | | **–** | 4,494 |
| | | **60,550** | 64,089 |
| **Net current assets** | | **349,195** | 370,545 |
| **Total assets less current liabilities** | | **357,495** | 380,278 |

| | 30 June 2026 RMB'000 (Unaudited) | 31 December 2025 RMB'000 (Audited) |
|---|---|---|
| **Non-current liabilities** | | |
| Lease liabilities | **4,661** | 5,543 |
| **Net assets** | **352,834** | 374,735 |
| **Capital and reserves** | | |
| Share capital | **12,322** | 12,322 |
| Reserves | **366,676** | 387,388 |
| Equity attributable to owners of the Company | **378,998** | 399,710 |
| Non-controlling interests | **(26,164)** | (24,975) |
| **Total equity** | **352,834** | 374,735 |

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

*For the six months ended 30 June 2026*

### 1. GENERAL INFORMATION AND BASIS OF PREPARATION

The Company was incorporated in the Cayman Islands, under the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands as an exempted company with limited liability on 25 June 2009 and its shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on 1 February 2010. The substantial shareholder of the Company is Mr. Li Ruigang ("**Mr. Li**").

The Group is principally engaged in investment in films, drama and non-drama and productions in progress and artiste and event management. The Company acts as an investment holding company.

The condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard ("**HKAS**") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**") as well as with the applicable disclosure requirements of Appendix D2 to the Rules Governing the Listing of Securities on the Stock Exchange.

The functional currency of the Company is Hong Kong dollars ("**HK$**"). Subsidiaries of the Company have their functional currencies other than HK$, mainly Renminbi ("**RMB**"). The directors of the Company adopted RMB as presentation currency for the convenience of the financial statements users.

### 2. ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair values.

The accounting policies used in the condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2025.

#### APPLICATION OF AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

In the current interim period, the Group has applied, for the first time, the following amendments to HKFRS Accounting Standards issued by the HKICPA which are effective for the Group's financial year beginning 1 January 2026:

| | |
|---|---|
| Amendments to HKFRS 9 and HKFRS 7 | Amendments to the Classification and Measurement of Financial Instruments |
| Amendments to HKFRS Accounting Standards | Annual Improvements to HKFRS Accounting Standards – Volume 11 |
| Amendments to HKFRS 9 and HKFRS 7 | Contracts Referencing Nature-dependent Electricity |

The application of the amendments to HKFRS Accounting Standards in the current interim period has had no material impact on the Group's financial performance and positions for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

## 3. REVENUE

An analysis of the Group's revenue for the period is as follows:

| | Six months ended 30 June | |
|---|---|---|
| | **2026** | 2025 |
| | ***RMB'000*** | *RMB'000* |
| | **(Unaudited)** | (Unaudited) |
| Films, drama and non-drama productions | **60** | 87,019 |
| Investments in films, drama and non-drama | **11,825** | 8,324 |
| Artiste management services income | **6,508** | 6,801 |
| Event management services income | **70** | 4,236 |
| | **18,463** | 106,380 |

The Group's revenue is recognised at a point in time.

## 4. SEGMENT INFORMATION

Information reported to the executive directors, being the chief operating decision makers ("**CODM**"), for the purposes of resource allocation and assessment of segment performance focuses on types of products or services delivered or provided.

**Segment revenues and results**

The directors of the Company have chosen to organise the Group around differences in products and services. The Group is principally engaged in films, drama and non-drama and artiste and event management.

(i) Films, drama and non-drama – investments, productions and distribution of films, drama and non-drama; and

(ii) Artiste and event management – the provision of artiste and event management services.

The Group's reportable segments are strategic business units that offer different products or services. They are managed separately because each business requires different expertise and marketing strategies.

The following is an analysis of the Group's revenue and results by reportable and operating segments:

| | Films, drama and non-drama | | Artiste and event management | | Total | |
|---|---|---|---|---|---|---|
| | Six months ended 30 June | | | | | |
| | **2026** | 2025 | **2026** | 2025 | **2026** | 2025 |
| | ***RMB'000*** | *RMB'000* | ***RMB'000*** | *RMB'000* | ***RMB'000*** | *RMB'000* |
| | **(Unaudited)** | (Unaudited) | **(Unaudited)** | (Unaudited) | **(Unaudited)** | (Unaudited) |
| Segment revenue | **11,885** | 95,343 | **6,578** | 11,037 | **18,463** | 106,380 |
| Segment profit | **568** | 7,167 | **1,997** | 3,927 | **2,565** | 11,094 |
| Unallocated income | | | | | **3,072** | 5,612 |
| Unallocated expenses | | | | | **(15,186)** | (7,978) |
| (Loss) profit before tax | | | | | **(9,549)** | 8,728 |

The accounting policies of the operating segments are the same as the Group's accounting policies. Segment profit represents the profit incurred by each segment without allocation of interest income, finance costs, other expenses and certain administrative expenses and other income, gains and losses. This is the measure reported to the CODM of the Group for the purposes of resource allocation and performance assessment.

**Segment assets and liabilities**

The following is an analysis of the Group's assets and liabilities by reportable and operating segments:

| | **30 June 2026** | 31 December 2025 |
|---|---|---|
| | ***RMB'000*** | *RMB'000* |
| | **(Unaudited)** | (Audited) |
| **SEGMENT ASSETS** | | |
| Films, drama and non-drama | **149,826** | 151,672 |
| Artiste and event management | **11,245** | 13,663 |
| Total segment assets | **161,071** | 165,335 |
| Unallocated assets | **256,974** | 279,032 |
| | **418,045** | 444,367 |
| **SEGMENT LIABILITIES** | | |
| Films, drama and non-drama | **19,141** | 24,902 |
| Artiste and event management | **23,856** | 35,862 |
| Total segment liabilities | **42,997** | 60,764 |
| Unallocated liabilities | **22,214** | 8,868 |
| | **65,211** | 69,632 |

For the purposes of monitoring segment performance and allocating resources between segments:

- all assets are allocated to operating segments other than plant and equipment, equity instruments at fair value through other comprehensive income, right-of-use assets, deferred tax assets, certain amounts due from related parties, bank balances and cash and certain other receivables and prepayments as these assets are managed on a group basis; and

- all liabilities are allocated to operating segments other than lease liabilities and certain accruals, other payables and certain amounts due to related parties as these liabilities are managed on a group basis.

## 5. FINANCE COSTS

| | Six months ended 30 June | |
|---|---|---|
| | **2026** | 2025 |
| | ***RMB'000*** | *RMB'000* |
| | **(Unaudited)** | (Unaudited) |
| Interests on: | | |
| Bank borrowing | **108** | 142 |
| Lease liabilities | **88** | 18 |
| | **196** | 160 |

## 6. INCOME TAX EXPENSES

| | Six months ended 30 June | |
|---|---|---|
| | **2026** | 2025 |
| | ***RMB'000*** | *RMB'000* |
| | **(Unaudited)** | (Unaudited) |
| Current tax: | | |
| Hong Kong Profits Tax | **–** | 1,914 |
| People's Republic of China ("**PRC**") Enterprise Income Tax ("**EIT**") | **17** | 22 |
| | **17** | 1,936 |
| Overprovision in prior years: | | |
| Hong Kong Profits Tax | **–** | (45) |
| | **17** | 1,891 |
| Deferred tax charge | **3** | 104 |
| | **20** | 1,995 |

(i) Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands ("**BVI**"), the Group is not subject to any income tax in the Cayman Islands and the BVI.

(ii) Under the two-tiered profits tax rates regime, the first HK$2 million of profits of qualifying corporation will be taxed at 8.25%, and profits above HK$2 million will be taxed at 16.5%. Hong Kong profits tax of the quality entity of the Group is calculated in accordance with the two-tiered profits tax rates regime. The profits of other group entities in Hong Kong not qualifying for the two-tiered profits tax rates regime will continue to be taxed at the flat rate of 16.5%.

(iii) Under the Law of the PRC on EIT (the "**EIT Law**") and implementation regulations of the EIT Law, the tax rate of the PRC subsidiaries is 25% for both the six months ended 30 June 2026 and 2025.

## 7. (LOSS) PROFIT FOR THE PERIOD

(Loss) profit for the period has been arrived at after charging (crediting):

| | Six months ended 30 June | |
|---|---|---|
| | **2026** | 2025 |
| | ***RMB'000*** | *RMB'000* |
| | **(Unaudited)** | (Unaudited) |
| Directors' emoluments: | | |
| Fees | **1,294** | 1,159 |
| Staff costs: | | |
| Salaries and allowances | **5,798** | 6,900 |
| Contributions to retirement benefits scheme | **400** | 465 |
| | **6,198** | 7,365 |
| Total staff costs (including directors' emoluments) | **7,492** | 8,524 |
| Amortisation of television programme rights | **–** | 567 |
| Depreciation of plant and equipment | **490** | 358 |
| Depreciation of right-of-use assets | **640** | 276 |
| (Reversal of impairment loss) impairment loss of trade receivables | **(137)** | 24 |
| Impairment loss of investments in films, drama and non-drama | **–** | 9,908 |
| Impairment loss of films, drama and non-drama production in progress | **–** | 2,031 |
| Other expenses *(Note)* | **7,390** | – |
| Net exchange gain | **(64)** | (281) |
| Interest income | **(2,787)** | (4,672) |

*Note:* The amounts represent legal and professional fees incurred in respect of the proposed transaction announced on 21 January 2026.

## 8. (LOSS) EARNINGS PER SHARE

The calculation of basic and diluted (loss) earnings per share attributable to owners of the Company is based on the following data:

| | Six months ended 30 June | |
|---|---|---|
| | **2026** | 2025 |
| | ***RMB'000*** | *RMB'000* |
| | **(Unaudited)** | (Unaudited) |
| (Loss) earnings for the purpose of basic and diluted (loss) earnings per share | | |
| (Loss) earnings for the period attributable to owners of the Company | **(9,326)** | 7,040 |

| | **2026** | 2025 |
|---|---|---|
| | ***'000*** | *'000* |
| **Number of shares** | | |
| Number of ordinary shares for the purpose of basic and diluted (loss) earnings per share | **1,419,610** | 1,419,610 |

The diluted (loss) earnings per share is equal to the basic (loss) earnings per share as there were no dilutive potential ordinary shares outstanding during the six months ended 30 June 2026 and 2025.

## 9. DIVIDENDS

No dividend was paid or proposed during the six months ended 30 June 2026 and 2025, nor has any dividend been proposed since the end of the reporting period.

## 10. INVESTMENTS IN FILMS, DRAMA AND NON-DRAMA/FILMS, DRAMA AND NON-DRAMA PRODUCTIONS IN PROGRESS

| | **30 June 2026** | 31 December 2025 |
|---|---|---|
| | ***RMB'000*** | *RMB'000* |
| | **(Unaudited)** | (Audited) |
| Investments in films, drama and non-drama | **125,030** | 139,941 |
| Less: accumulated impairment | **(70,195)** | (72,468) |
| | **54,835** | 67,473 |

The amount represents investments in films, drama and non-drama. The investments are governed by the relevant agreements whereby the Group is entitled to benefits generated from the distribution of these films, drama and non-drama on the percentage of capital contribution in the films, drama and non-drama projects.

| | **30 June 2026** | 31 December 2025 |
|---|---|---|
| | ***RMB'000*** | *RMB'000* |
| | **(Unaudited)** | (Audited) |
| Films, drama and non-drama productions in progress | **61,695** | 61,741 |
| Less: accumulated impairment | **(3,886)** | (4,027) |
| | **57,809** | 57,714 |

Films, drama and non-drama productions in progress represents the production costs, costs of services, direct labour costs, facilities and raw materials consumed under production. It is accounted for on a project-by-project basis. Films, drama and non-drama productions in progress is stated at cost incurred to date, less any identified impairment losses.

## 11. TRADE AND OTHER RECEIVABLES

| | **30 June 2026** | 31 December 2025 |
|---|---|---|
| | ***RMB'000*** | *RMB'000* |
| | **(Unaudited)** | (Audited) |
| Trade receivables | **23,247** | 23,877 |
| Less: allowance for impairment of trade receivables | **(13,882)** | (14,254) |
| | **9,365** | 9,623 |
| Other receivables and deposits | **1,368** | 1,928 |
| Prepayments | **7,031** | 9,169 |
| Trade and other receivables | **17,764** | 20,720 |

As at 30 June 2026, the gross amount of trade receivables arising from contracts with customers amounted to approximately RMB23,247,000 (31 December 2025: RMB23,877,000).

The Group generally allows an average credit period ranging from 30 days to 270 days from the receipt of products or services by or invoices to its customers. At the end of the reporting period, the aged analysis of trade receivables, net of impairment loss recognised presented based on the invoice dates, which approximated the respective revenue recognition dates, are as follows:

| | **30 June 2026** | 31 December 2025 |
|---|---|---|
| | ***RMB'000*** | *RMB'000* |
| | **(Unaudited)** | (Audited) |
| Within 90 days | **2,304** | 7,967 |
| 91 to 180 days | **1,021** | 663 |
| 181 to 365 days | **5,913** | 488 |
| Over 365 days | **127** | 505 |
| | **9,365** | 9,623 |

The movement in the impairment loss of trade and other receivables is as follows:

| | **Impairment loss of trade receivables** | **Impairment loss of other receivables** | **Total** |
|---|---|---|---|
| | *RMB'000* | *RMB'000* | *RMB'000* |
| Balance as at 1 January 2025 (Audited) | 14,030 | 27 | 14,057 |
| Loss allowance recognised | 246 | – | 246 |
| Exchange realignment | (22) | – | (22) |
| Balance as at 31 December 2025 and 1 January 2026 (Audited) | **14,254** | **27** | **14,281** |
| Reversal of impairment loss of trade receivables | **(137)** | **–** | **(137)** |
| Amount written off during the period | **(218)** | **–** | **(218)** |
| Exchange realignment | **(17)** | **–** | **(17)** |
| Balance as at 30 June 2026 (Unaudited) | **13,882** | **27** | **13,909** |

## 12. TRADE AND OTHER PAYABLES/CONTRACT LIABILITIES

| | 30 June 2026 RMB'000 (Unaudited) | 31 December 2025 RMB'000 (Audited) |
|---|---|---|
| Trade payables | **13,513** | 18,013 |
| Other payables | **6,207** | 6,660 |
| Accrued payroll and accruals | **5,680** | 6,278 |
| | **11,887** | 12,938 |
| Trade and other payables | **25,400** | 30,951 |
| Contract liabilities | **20,091** | 20,028 |

The following is an aged analysis of trade payables presented based on the invoice dates at the end of the reporting period.

| | 30 June 2026 RMB'000 (Unaudited) | 31 December 2025 RMB'000 (Audited) |
|---|---|---|
| Within 90 days | **6,824** | 11,479 |
| 91 to 180 days | **2,010** | 1,766 |
| 181 – 365 days | **2,892** | 3,183 |
| Over 365 days | **1,787** | 1,585 |
| Total | **13,513** | 18,013 |

The credit period is ranged from 60 days to 180 days. The Group has financial risk management policies in place to ensure that all payables are settled within the credit timeframe.

Revenue recognised during the six months ended 30 June 2026 that was included in the contract liabilities at the beginning of the year was approximately RMB3,041,000 (six months ended 30 June 2025: RMB59,251,000). There was no revenue recognised in the current six months that related to performance obligations that were satisfied in a prior period.

## MANAGEMENT DISCUSSION AND ANALYSIS

## INDUSTRY OVERVIEW

Hong Kong's film industry boasts a long and rich history, evolving since the first film screening in Hong Kong in 1897 to become a major filmmaking hub in the Chinese Community and East Asia. With a highly experienced pool of professionals, Hong Kong has produced numerous iconic films and television dramas that have had a profound and lasting impact on both local and international audiences. Notwithstanding this solid foundation, the industry currently faces significant structural challenges, with traditional revenue streams and operational models under considerable pressure.

In recent years, Hong Kong's box office revenue has experienced a sustained decline. In 2025, total box office revenue fell to HK$1.131 billion from HK$1.344 billion in 2024, representing a 16% year on year decline. This trend reflects mounting pressures on cinema attendance and traditional theatrical distribution.

Given the limited scale of the local market, the Hong Kong film industry heavily relies on regional markets, especially mainland China. According to Gower Street Analytics, mainland China remained the world's second-largest film market in 2025, accounting for one-fifth of global box office revenue, second only to North America. As reported in PwC's Global Entertainment and Media Outlook 2025-2029, China's entertainment and media sector is projected to reach approximately USD561 billion by 2029, representing about 16% of the global market. Its compound annual growth rate (CAGR) between 2024 and 2029 is expected to be 4.46%, outpacing the global average of 3.66% and Hong Kong's 2.26%. These trends underscore the critical importance of cross-border collaboration and overseas market expansion as key strategies for the sustainable development of Hong Kong's film industry.

In 2026-27 Budget, the government indicated it has so far injected over HK$9 billion into the Film Development Fund and CreateSmart Initiative to promote the development of arts, culture and creative industries. The government is also committed to supporting investment in Hong Kong films looking to enter the mainland and international film markets through initiatives such as the Filming Financing Scheme for the Mainland Market.

With the rise of streaming media and the over-the-top ("**OTT**") platforms, the entertainment consumption landscape is undergoing profound transformation. The widespread availability of high-speed internet and smart devices has expanded access beyond traditional cinemas, creating new revenue streams. According to PwC's Global Entertainment and Media Outlook 2025-2029, Hong Kong's OTT market is expected to grow at a CAGR of 4.6% over years 2024-2029, driving steady growth in the entertainment and media industry.

In summary, despite challenges such as declining box office revenues, and changing audience behaviors, Hong Kong's film industry continues to hold broad development prospects and significant growth potential. Supported by government initiatives, regional market expansion, and opportunities arising from new media, the industry's future will rely heavily on cross-border collaborations and digital transformation to sustain and enhance its prosperity.

## PROSPECT

Building on the success of past productions such as "Flying Tiger" ("飛虎"), "Mission Run" ("廉政狙擊"), "Line Walker Series" ("使徒行者") and "Prism Breakers" ("執法者們"), the Group has established a reputable brand presence in Hong Kong's film and television market.

Looking ahead, the Group has completed the shooting of production of a 22-episode drama series titled "Behind the Queens" ("風華背後") in 2025 and expected to be released on the Tencent Video platform in 2026. The drama features a special appearance by Liza Wang(汪明荃), and stars Ada Choi(蔡少芬), Athena Chu(朱茵), Bosco Wong(黃宗澤), Shaun Tam(譚俊彥), John Chiang(姜大衛), Yumiko Cheng(鄭希怡)and Jacky Cai(蔡潔)in leading roles. At the same time, the Group is actively expanding collaborative opportunities with business partners and investors across mainland China and the Asia-Pacific region to jointly develop competitive film and television projects, driving business diversification and regional integration.

Furthermore, the Group places great emphasis on the strategic management of artiste resources, proactively positioning its roster of actors in various film and television projects to enhance their market exposure and public recognition. By integrating film and television production with artiste and event management, the Group maximizes talent potential and further consolidates its overall competitive advantage.

Amid ongoing challenges in the film industry, the Hong Kong government has injected over HK$9 billion into the Film Development Fund and CreateSmart Initiative to promote the development of arts, culture, and creative industries. The government remains committed to supporting investments in Hong Kong films targeting the mainland and international markets through initiatives such as the Filming Financing Scheme for the Mainland Market.

To provide more entertainment and media development opportunities, the Group signed a cooperation framework agreement in June 2025 with CMC Inc. and 華人文化有限責任公司 (English transliteration for identification purpose: Huaren Wenhua Limited Liability Company). By leveraging their extensive resources in film development, production, distribution, and marketing, along with robust networks in China and globally, this partnership enables the Group to participate in higher-budget projects, broaden its market presence, and strengthen brand recognition internationally.

In summary, despite facing industry challenges, the Group remains optimistic and proactive. Leveraging its solid production capabilities, rich talent resources, and strong strategic partnerships, the Group continues to invest in the production of high-quality film and television content. Committed to seizing the vast potential of the Greater Bay Area and the Chinese communities all over the world, the Group strives to become one of the leading content producers and curators in the Asia-Pacific region, achieving sustainable development and steady growth.

## BUSINESS REVIEW

During the Review Period, the Group recorded revenue of RMB18,463,000, a decrease by 82.6% as compared to the revenue of RMB106,380,000 for the six months ended 30 June 2025 (the "**Previous Period**"). This decline was mainly due to a decrease in the number of films, drama and non-drama projects released for the Review Period compared to Previous Period, and a reduction in number of concerts performed by the artistes under the Group's management. Films, drama and non-drama and artiste and event management are the two business segments of the Group. Below is an analysis of the Group's revenue by business segment.

| | Six months ended 30 June | |
|---|---|---|
| | **2026** | 2025 |
| | ***RMB'000*** | *RMB'000* |
| | **(Unaudited)** | (Unaudited) |
| Films, drama and non-drama | **11,885** | 95,343 |
| Artiste and event management | **6,578** | 11,037 |
| | **18,463** | 106,380 |

## FILMS, DRAMA AND NON-DRAMA

### Productions in progress

A 22-episode family drama titled "Behind the Queens" ("風華背後") tells the story about an affluent family being torn apart by an intense succession battle fought between two close sisters when their father is diagnosed with cancer. The drama features a special appearance by Liza Wang（汪明荃）, and stars Ada Choi（蔡少芬）, Athena Chu（朱茵）, Bosco Wong（黃宗澤）, Shaun Tam（譚俊彥）, John Chiang（姜大衛）, Yumiko Cheng（鄭希怡）and Jacky Cai（蔡潔）as the leading cast. The drama is in the post-production stage and is expected to be released on the Tencent Video platform in 2026.

### Investments in films, drama and non-drama

The Group participated in the drama project "Themis" ("正義女神"), produced by TVB group. The drama was successfully released on the Youku platform in mainland China in March 2026.

The Group continues to collaborate with business partners to produce, invest in, or distribute films and drama series featuring high-quality content, capitalizing on the opportunities within the Chinese market and Chinese communities all over the world. In addition, the Group aims to strengthen the synergy between its business of films and drama production and that of artiste and event management by integrating artistes under the Group's management into the cast of its films and drama productions and investments.

## ARTISTE AND EVENT MANAGEMENT

As at 30 June 2026, around 50 artistes were under the Group's management. Artistes managed by the wholly-owned subsidiaries included famous artistes such as Bosco Wong (黃宗澤), Joel Chan (陳山聰), Rosina Lam (林夏薇) and Jeannie Chan (陳瀅) and Jacky Cai (蔡潔); and popular singers such as Hubert Wu (胡鴻鈞) and James Ng (吳業坤). Artistes managed by the subsidiary Tailor Made Production Limited included famous artistes such as Wong Cho Lam (王祖藍), Roger Kwok (郭晉安), Leanne Li (李亞男) and Eliza Sam (岑麗香), as well as popular singer Teresa Carpio (杜麗莎).

## FINANCIAL REVIEW

Revenue of the Group decreased from RMB106,380,000 for the Previous Period to RMB18,463,000 for the Review Period, representing a decrease of RMB87,917,000, or by 82.6%. It was mainly due to the decreased revenue contribution from both films, drama and non-drama segment and artiste and event management segment during the Review Period.

## FILMS, DRAMA AND NON-DRAMA

| | **Six months ended 30 June** | | | |
|---|---|---|---|---|
| | **2026** | 2025 | **Change** | |
| | ***RMB'000*** | *RMB'000* | *RMB'000* | *%* |
| | **(Unaudited)** | (Unaudited) | | |
| Revenue | **11,885** | 95,343 | (83,458) | -87.5 |
| Segment profit | **568** | 7,167 | (6,599) | -92.1 |
| Segment profit margin | **4.8%** | 7.5% | | |

Revenue from the films, drama and non-drama segment significantly decreased by 87.5% from RMB95,343,000 for the Previous Period to RMB11,885,000 for the Review Period. The decline was mainly attributable to a decrease in number of films, drama and non-drama projects released for the Review Period compared to the Previous Period, as the Group had participated in several drama projects with TVB group in 2025, of which only "Themis" ("正義女神") was released in the Review Period. The decrease in the reportable segment profit of the films, drama and non-drama segment was mainly due to lower profit margin on the investment in films, drama and non-drama during the Review Period.

## ARTISTE AND EVENT MANAGEMENT

| | Six months ended 30 June | | | |
|---|---|---|---|---|
| | **2026** | 2025 | **Change** | |
| | ***RMB'000*** | *RMB'000* | *RMB'000* | *%* |
| | **(Unaudited)** | (Unaudited) | | |
| Revenue | **6,578** | 11,037 | (4,459) | -40.4 |
| Segment profit | **1,997** | 3,927 | (1,930) | -49.1 |
| Segment profit margin | **30.4%** | 35.6% | | |

Revenue from the artiste and event management segment decreased by 40.4% from RMB11,037,000 for Previous Period to RMB6,578,000 for the Review Period. This decline was mainly due to a reduction of number of concerts performed by the artistes under the Group's management for the Review Period compared to the Previous Period. The lower project margin in the artiste and event management segment was due to more absorption of administrative expenses during the Review Period.

## COST OF SALES

Cost of sales significantly decreased by 85.3% from RMB79,224,000 for the Previous Period to RMB11,681,000 for the Review Period, mainly due to lower absorption of films, drama and non-drama productions costs and reduced event management service costs arising from fewer concerts held during the Review Period.

## OTHER INCOME, GAINS AND LOSSES, NET

Other income, gains and losses decreased by 41.7% from RMB5,663,000 for the Previous Period to RMB3,304,000 for the Review Period. This decline was mainly due to lower interest income from bank deposits resulted from reducing interest rates and a decrease in time deposit placement during the Review Period.

## SELLING AND DISTRIBUTION EXPENSES

Selling and distribution expenses decreased from RMB198,000 for the Previous Period to RMB121,000 for the Review Period, a decrease of 38.9% due to a decrease in advertising and promotional activities related to artiste and event management business during the Review Period.

## ADMINISTRATIVE EXPENSES

Administrative expenses slightly increased from RMB11,769,000 for the Previous Period to RMB12,064,000 for the Review Period, an increase of 2.5% mainly due to an increase in depreciation of right-of-use assets, depreciation of plant and equipment, as well as increased office premises-related expenses following the office relocation in July 2025, which involved entering into a new tenancy agreement and acquiring additional plant and equipment. These increases were partially offset by a decrease in staff costs, driven by a reduction in average staff headcount during the Review Period compared to the Previous Period.

## REVERSAL OF IMPAIRMENT LOSS OF TRADE RECEIVABLES

Reversal of impairment loss of trade receivables of RMB137,000 recognised for the Review Period, in contrast to an impairment loss of trade receivables of RMB24,000 for the Previous Period. The decrease in provision for impairment of trade receivables was mainly due to the expected credit loss ("**ECL**") resulting from the increase in recoverability of long outstanding trade receivables and the Group's prudent practice of adopting the ECL model.

## OTHER EXPENSES

The Company recorded other expenses of RMB7,390,000 for the Review Period, which comprised legal and professional fees incurred in connection with the potential extreme and connected transaction relating to the acquisition of the entire issued share capital of CMC Moon Holdings Limited. These are one-off expenses.

## INCOME TAX EXPENSES

Income tax expenses decreased from RMB1,995,000 for the Previous Period to RMB20,000 for the Review Period, which was mainly due to the decrease in profitability from the major subsidiaries in Hong Kong.

## LOSS FOR THE PERIOD AND LOSS ATTRIBUTABLE TO OWNERS OF THE COMPANY

The Group recorded loss of RMB9,569,000 for the Review Period, in contrast to profit of RMB6,733,000 for the Previous Period. Loss attributable to owners of the Company for the Review Period amounted to RMB9,326,000, in contrast to profit attributable to owners of the Company for the Previous Period amounted to RMB7,040,000. The change was mainly caused by (1) fewer films, drama and non-drama projects released for the Review Period; and (2) the acquisition-related legal and professional fees incurred for the Review Period.

## INVESTMENTS IN FILMS, DRAMA AND NON-DRAMA

Investments in films, drama and non-drama decreased from RMB67,473,000 as at 31 December 2025 to RMB54,835,000 as at 30 June 2026. It was mainly attributable to (1) the recognition of investment cost of the co-production in a drama as cost of sales, which resulted from the broadcast of the co-production in drama; and (2) partially offset by the appreciation of RMB against HK$ during the Review Period.

## FILMS, DRAMA AND NON-DRAMA PRODUCTIONS IN PROGRESS

Films, drama and non-drama productions in progress slightly increased from RMB57,714,000 as at 31 December 2025 to RMB57,809,000 as at 30 June 2026. It was mainly attributable to (1) the additional production costs incurred for the drama "Behind the Queens" ("風華背後"); (2) the additional scriptwriting fees for certain new drama developments; and (3) partially offset by the appreciation of RMB against HK$ during the Review Period.

## TRADE RECEIVABLES

Trade receivables from third parties, net of loss allowance, slightly decreased from RMB9,623,000 as at 31 December 2025 to RMB9,365,000 as at 30 June 2026. The management reviews the aging trade receivables regularly and follows up with the respective general managers and/or customers on the collection of such trade receivables. Details of the trade and other receivables as at 30 June 2026 are set out in Note 11 to the condensed consolidated financial statements in this announcement.

## AMOUNTS DUE FROM RELATED PARTIES

Amounts due from related parties significantly increased from RMB21,845,000 as at 31 December 2025 to RMB32,283,000 as at 30 June 2026. It was mainly due to the receivables from a related party for the release of investment in a co-production in drama during the Review Period.

## TRADE AND OTHER PAYABLES

Trade and other payables decreased from RMB30,951,000 as at 31 December 2025 to RMB25,400,000 as at 30 June 2026. It was mainly due to the settlement of payments related to artiste fees, drama production costs and provision for administrative expenses, partially offset by provisions for acquisition-related legal and professional fees during the Review Period. The Group has financial risk management policies in place to ensure that all payables are settled within the credit timeframe. Details of the trade and other payables as at 30 June 2026 are set out in the Note 12 to the condensed consolidated financial statements in this announcement.

## CONTRACT LIABILITIES

Contract liabilities amounted to RMB20,091,000 as at 30 June 2026, which was broadly in line with RMB20,028,000 as at 31 December 2025, which comprised the receipt in advance from drama production, and several unperformed artiste and event engagements.

## AMOUNTS DUE TO RELATED PARTIES

Amounts due to related parties increased from RMB7,170,000 as at 31 December 2025 to RMB13,612,000 as at 30 June 2026. It was mainly due to the advance payment received from the related parties during the Review Period.

## LIQUIDITY AND FINANCIAL RESOURCES

The Group financed its operations with internal resources and bank borrowing, whenever necessary. As at 30 June 2026, the Group holds RMB247,054,000 in bank balances and cash (31 December 2025: RMB266,882,000), indicating that a healthy and sound financial position was maintained. The Group's bank balances and cash were denominated mainly in HK$ and RMB.

## PLEDGE OF ASSETS

As at 30 June 2026, the Group did not have any pledge of assets (31 December 2025: nil).

## CAPITAL STRUCTURE

As at 30 June 2026, the Group's equity attributable to owners of the Company decreased by 5.2% to RMB378,998,000 (31 December 2025: RMB399,710,000). Net asset value per share attributable to owners of the Company decreased to RMB26.70 cents (31 December 2025: RMB28.16 cents). As at 30 June 2026, current ratio was 6.8 (31 December 2025: 6.8). As at 30 June 2026 and 31 December 2025, the number of total issued shares of the Company was 1,419,610,000.

## CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

As at 30 June 2026, the Group had a capital commitment of RMB1,000,000 in the form of the unpaid registered capital of an associate (31 December 2025: RMB1,000,000).

## FOREIGN EXCHANGE RISK

The Group mainly operates in Hong Kong and mainland China with most of its transactions settled in HK$ and RMB. Bank balances and cash held by the Group were denominated mainly in HK$ and RMB.

During the Review Period, the Group did not hedge any exposure in foreign currency risk. Any substantial exchange rate fluctuation of foreign currencies against RMB may cause financial impacts on the Group. The Group closely monitors its foreign exchange exposures and uses suitable hedging arrangements, where necessary.

## BANK BORROWING AND GEARING RATIO

On 15 June 2026, the Group has repaid the interest-bearing bank borrowing of HK$5,000,000 (equivalent to approximately RMB4,378,000). As at 30 June 2026, the Group did not have liabilities in respect of debt instruments nor bank borrowings (31 December 2025: RMB4,494,000). The gearing ratio of the Group, calculated on the basis of interest-bearing debts over total assets, was nil as at 30 June 2026 (31 December 2025: 1.01%).

## HUMAN RESOURCES

As at 30 June 2026, the Group had a total of 33 employees (excluded directors) (31 December 2025: 32 employees). The basic remunerations of the employees are determined with reference to the industry's remuneration benchmark, the employees' experience and their performance, and equal opportunities will be offered to all staff. Salaries of employees are maintained at a competitive level and are reviewed annually, with close reference to the relevant labour market and economic situation. Directors' remuneration is determined based on a variety of factors such as market conditions and responsibilities assumed by each Director. Apart from the basic remuneration and statutory benefits required by laws, the Group also provides discretionary bonuses based upon the Group's results and the individual performance of the staff. The Group maintains a good relationship with its employees. The Group adopted a share option scheme as incentive for its employees, further details of which are set out in the paragraph headed "Share Option Scheme" of "Other Information" section below.

## POTENTIAL EXTREME AND CONNECTED TRANSACTION IN RELATION TO AN ACQUISITION OF THE ENTIRE ISSUED SHARE CAPITAL OF CMC MOON HOLDINGS LIMITED

On 21 January 2026, the Company and CMC Inc. ("**CMC**", which is a substantial shareholder of the Company), entered into a sale and purchase agreement, pursuant to which the Company has conditionally agreed to acquire, and CMC has conditionally agreed to sell (through its wholly-owned subsidiary), the entire issued share capital of CMC Moon Holdings Limited (the "**Sale Shares**"). The purchase price for the Sale Shares is RMB4,576.50 million (equivalent to approximately HK$5,097.52 million, based on the exchange rate agreed by the Company and CMC), which will be settled by the Company allotting and issuing the consideration shares (being an aggregate of 15,929,741,365 shares of the Company (each a "**Share**"), representing approximately 91.82% of the issued share capital of the Company as enlarged by the issue of the consideration shares at closing) to certain recipients at the issue price of HK$0.320 per Share. Further details are disclosed in the Company's announcements dated 21 January 2026, 11 February 2026, 11 March 2026, 10 April 2026, 8 May 2026, 8 June 2026, 30 June 2026, 30 July 2026 and 28 August 2026.

## INTERIM DIVIDEND

The Board did not recommend the payment of interim dividend for the Review Period (six months ended 30 June 2025: Nil).

## PURCHASE, SALES OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the Review Period.

## CORPORATE GOVERNANCE

The Company was in compliance with the code provisions of the Corporate Governance Code as set out in Appendix C1 of the Rules Governing the Listing of Securities (the "**Listing Rules**") on the Stock Exchange during the Review Period.

## MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 of the Listing Rules (the "**Model Code**") as the required standard for securities transactions by Directors. The Company has made specific enquiries of all Directors; and all Directors confirmed that they have complied with the required standards set out in the Model Code and its code of conduct regarding Directors' securities transactions throughout the Review Period.

## REVIEW OF INTERIM RESULTS

The condensed consolidated financial information for the Review Period has not been audited, but has been reviewed by the external auditor of the Company. The Audit Committee of the Company has reviewed with Management the accounting principles and practices adopted by the Group and discussed financial reporting matters, including a review of the unaudited condensed consolidated financial information and the interim report for the Review Period.

## PUBLICATION OF THE RESULTS ANNOUNCEMENT AND THE INTERIM REPORT

This announcement is published on the website of the Stock Exchange for listed issuers information at www.hkexnews.hk (the "**Exchange's Website**") and the website of the Company at www.shawbrotherspictures.com (the "**Company's Website**"). The interim report of the Group for the Review Period will be despatched to shareholders at the appropriate time and will be available on the Exchange's Website and the Company's Website in due course.

By Order of the Board
**Shaw Brothers Holdings Limited**
**Li Ruigang**
*Chairman*

Hong Kong, 28 August 2026

As at the date of this announcement, the Board of the Company comprises:

**Chairman and Non-executive Director**
Mr. Li Ruigang

**Executive Directors**
Miss Lok Yee Ling Virginia
Mr. Gu Jiong

**Non-executive Director**
Mr. Hui To Thomas, *JP*

**Independent Non-executive Directors**
Mr. Pang Hong
Mr. Poon Kwok Hing Albert
Mr. Ge Jun