Star Plus Legend Holdings Limited
巨星傳奇集團有限公司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 6683)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2026 AND SUPPLEMENTAL INFORMATION TO THE ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2025

FINANCIAL HIGHLIGHTS

During the Reporting Period, the Group recorded:

- revenue of RMB217.9 million (1H2025: RMB354.5 million), representing a decrease of approximately 38.5% as compared to 1H2025
- gross profit of RMB71.6 million (1H2025: RMB155.8 million), representing a decrease of approximately 54.0% from 1H2025
- net profit of RMB8.5 million (1H2025: RMB8.1 million), representing an increase of approximately 4.9% as compared to 1H2025

The board (the "**Board**") of directors (the "**Directors**") of Star Plus Legend Holdings Limited (the "**Company**") is pleased to present the unaudited interim results of the Company and its subsidiaries (collectively the "**Group**") for the six months ended 30 June 2026 (the "**Reporting Period**" or "**1H2026**") together with comparative figures for the six months ended 30 June 2025 ("**1H2025**") or as at 31 December 2025 as follows:

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 30 JUNE 2026

		Six months ended 30 June	
		2026	2025
	Note	***RMB'000***	*RMB'000*
		(Unaudited)	(Unaudited)
Revenue	5	**217,876**	354,476
Cost of revenue		**(146,289)**	(198,641)
Gross profit		**71,587**	155,835
Selling and marketing expenses		**(51,506)**	(69,816)
General and administrative expenses		**(49,667)**	(46,948)
Provision for impairment losses on financial assets		**(2,948)**	(6,382)
Other income		**523**	1,427
Other gains/(losses), net		**35,173**	(18,754)
Operating profit		**3,162**	15,362
Finance income, net		**2,434**	365
Profit before income tax		**5,596**	15,727
Income tax credit/(expense)	6	**2,919**	(7,656)
Profit for the period		**8,515**	8,071
Profit attributable to:			
Owners of the Company		**7,050**	10,266
Non-controlling interests		**1,465**	(2,195)
		8,515	8,071

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (CONTINUED)

FOR THE SIX MONTHS ENDED 30 JUNE 2026

		Six months ended 30 June	
		2026	2025
	Note	***RMB'000***	*RMB'000*
		(Unaudited)	(Unaudited)
Profit for the period		**8,515**	8,071
Other comprehensive loss:			
Items that may be subsequently reclassified to profit or loss			
Currency translation differences		**(40,000)**	(3,671)
Other comprehensive loss for the period		**(40,000)**	(3,671)
Total comprehensive (loss)/income for the period		**(31,485)**	4,400
Total comprehensive (loss)/income attributable to:			
– Owners of the Company		**(33,558)**	5,976
– Non-controlling interests		**2,073**	(1,576)
		(31,485)	4,400
Earnings per share for profit attributable to owners of the Company *(expressed in RMB per share)***:**			
– Basic and diluted	7	**0.01**	0.01

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2026

	Note	**As at 30 June 2026 RMB'000 (Unaudited)**	As at 31 December 2025 RMB'000 (Audited)
ASSETS			
Non-current assets			
Property, plant and equipment		**121,946**	124,682
Investment properties		**10,714**	11,429
Right-of-use assets		**52,154**	17,190
Intangible assets		**19,553**	15,746
Investments accounted for using the equity method		**5,000**	5,000
Financial assets at fair value through profit or loss		**103,411**	99,618
Deferred income tax assets		**32,285**	26,519
Other non-current assets		**13,029**	7,226
		358,092	307,410
Current assets			
Inventories		**47,551**	45,826
Film and TV programme rights	8	**259,024**	231,543
Trade and other receivables	9	**392,586**	433,827
Prepayment and other current assets		**158,007**	146,754
Financial assets at fair value through profit or loss		**109,325**	194,059
Restricted bank deposits		**70,340**	79,824
Cash and cash equivalents		**457,621**	437,217
		1,494,454	1,569,050
Total assets		**1,852,546**	1,876,460
EQUITY AND LIABILITIES			
Equity attributable to owners of the Company			
Share capital	10	**68**	68
Share premium and reserves		**1,290,668**	1,330,129
Retained earnings		**243,745**	237,842
		1,534,481	1,568,039
Non-controlling interests		**(743)**	(7,795)
Total equity		**1,533,738**	1,560,244

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 30 JUNE 2026

	Note	**As at 30 June 2026** ***RMB'000*** **(Unaudited)**	As at 31 December 2025 *RMB'000* (Audited)
LIABILITIES			
Non-current liabilities			
Borrowings	13	**8,500**	–
Lease liabilities		**38,078**	9,565
		46,578	9,565
Current liabilities			
Trade and other payables	12	**118,280**	124,030
Borrowings	13	**56,000**	65,842
Lease liabilities		**18,243**	9,290
Contract liabilities		**21,334**	48,707
Current income tax liabilities		**58,373**	58,782
		272,230	306,651
Total liabilities		**318,808**	316,216
Total equity and liabilities		**1,852,546**	1,876,460
Net current assets		**1,222,224**	1,262,399
Total assets less current liabilities		**1,580,316**	1,569,809

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

1 GENERAL INFORMATION

Star Plus Legend Holdings Limited (the "**Company**") was incorporated in the Cayman Islands on 3 January 2020 as an exempted company with limited liability under the Companies Act, Cap.22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. The address of its registered office is P. O. Box 31119 Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1-1205 Cayman Islands. The issued shares of the Company are listed on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") (Stock Code: 6683).

The Company is an investment holding company. The Company and its subsidiaries (together, the "**Group**") are principally engaged in new retail business and IP creation and operation business in the People's Republic of China (the "**PRC**").

This condensed consolidated interim financial information is presented in thousands of units of Renminbi (RMB'000), unless otherwise stated. This condensed consolidated interim financial information has been approved for issue by the Board on 31 August 2026.

This condensed consolidated interim financial information has not been audited. This condensed consolidated interim financial information has been reviewed by the Company's audit committee.

2 BASIS OF PREPARATION

The condensed consolidated interim financial information for the six months ended 30 June 2026 has been prepared in accordance with Hong Kong Accounting Standard ("**HKAS**") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**"). In addition, the condensed consolidated interim financial information has been prepared in accordance with the applicable disclosure requirements of Appendix D2 to the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**").

The functional currency of the Company is Hong Kong dollars ("**HK$**") while this condensed consolidated interim financial information is presented in Renminbi ("**RMB**"), unless otherwise stated. Exchange differences relating to the translation of the assets and liabilities of the subsidiaries with the same functional currency with the Company (i.e. HK$) to the presentation currency of the Group (i.e. RMB) are recognised directly in other comprehensive income and translation reserve. Such exchange differences accumulated in the translation reserve are not reclassified to profit or loss subsequently.

The interim condensed consolidated financial information does not include all the notes of the type normally included in an annual consolidated financial statements. Accordingly, this interim condensed consolidated financial information is to be read in conjunction with the annual financial statements for the year ended 31 December 2025 and any public announcements made by the Company during the interim reporting period.

3 ACCOUNTING POLICIES

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, except for the adoption of amended standards and interpretation as set out below.

(a) New amendments and interpretations adopted by the Group

The Group has applied the following amendments and interpretations for the first time for their annual reporting period commencing 1 January 2026:

HKFRS 9 and HKFRS 7 (Amendments)	Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
HKFRS 9 and HKFRS7 (Amendments)	Contracts Referencing Nature-dependent Electricity	1 January 2026
Annual Improvements to HKFRS Accounting Standards – Volume 11	Clarifications, simplifications, corrections, and changes intended to improve consistency in: • HKFRS 1, First-time Adoption of International Financial Reporting Standards; • HKFRS 7, Financial Instruments: Disclosures and Guidance on implementing HKFRS 7; • HKFRS 9, Financial Instruments; • HKFRS 10, Consolidated Financial Statements; and • HKAS 7, Statement of Cash Flows.	1 January 2026

(b) New amendments and interpretations not yet adopted

Certain new amendments and interpretations have been published but not yet effective for this reporting period and have not been early adopted by the Group:

		Effective for accounting periods beginning on or after
HKFRS 18 and HK Interpretation 5	Presentation and Disclosure in Financial Statements Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause	1 January 2027
HKFRS 19	Subsidiaries without Public Accountability: Disclosures	1 January 2027
HKAS 21 (Amendments)	Translation to a Hyperinflationary Presentation Currency	1 January 2027
HKFRS 10 and HKAS 28 (Amendments)	Sales or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

The Group will adopt the above new standards and amendments to standards when they become effective. The adoption of HKFRS 19, Amendments to HKAS 21, HKFRS 10 and HKAS 28 would not have any material impact on the Group.

Management is currently assessing the detailed implications of applying the HKFRS 18 and HK Interpretation 5 new standard on the Group's consolidated financial statements. From the high-level preliminary assessment performed, the following potential impacts have been identified:

- Although the adoption of HKFRS 18 will have no impact on the Group's net profit, the Group expects that grouping items of income and expenses in the statement of profit or loss into the new categories will impact how operating profit is calculated and reported. From the high-level impact assessment that the group has performed, the following items might potentially impact operating profit:

  – Foreign exchange differences currently aggregated in the line item "other gains, net" in operating profit might need to be disaggregated, with some foreign exchange gains or losses presented below operating profit.

- The line items presented on the primary financial statements might change as a result of the application of the concept of 'useful structured summary' and the enhanced principles on aggregation and disaggregation.

- The Group does not expect there to be a significant change in the information that is currently disclosed in the notes because the requirement to disclose material information remains unchanged; however, the way in which the information is grouped might change as a result of the aggregation/disaggregation principles. In addition, there will be significant new disclosures required for:

  – management-defined performance measures;

  – a break-down of the nature of expenses for line items presented by function in the operating category of the statement of profit or loss – this break-down is only required for certain nature expenses; and

  – for the first annual period of application of HKFRS 18, a reconciliation for each line item in the statement of profit or loss between the restated amounts presented by applying HKFRS 18 and the amounts previously presented applying HKAS 1.

- From a cash flow statement perspective, there will be changes to how interest received and interest paid are presented. Interest paid will be presented as financing cash flows and interest received as investing cash flows, which is a change from current presentation as part of operating cash flows.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of the interim condensed consolidated financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. In preparing this interim condensed consolidated financial information, the critical accounting estimates and judgements applied were consistent with those described in the annual consolidated financial statements for the year ended 31 December 2025.

5 REVENUE AND SEGMENT INFORMATION

The chief operating decision-maker has been identified as the Board of Directors of the Company. Management has determined the operating segments based on the information reviewed by the Board of Directors of the Company for the purposes of allocating resources and assessing performance.

The Board of Directors of the Company considers the business from perspective of types of goods or services delivered or provided. During the six months ended 30 June 2026, the Group's operating and reportable segments are as follows:

– New retail: Retail of health management, skincare and other products in the PRC ("**New retail**"); and

– IP creation and operation: IP creations, media content creation, event planning, celebrity IP management and sales of IP related products ("**IP creation and operation**").

There were no separate segment assets and segment liabilities information provided to the Board of Directors as Board of Directors does not use this information to allocate resources to or evaluate the performance of the operating segments.

(a) Segment revenue and results

For the six months ended 30 June 2026

	New retail *RMB'000* (Unaudited)	IP creation and operation *RMB'000* (Unaudited)	Total *RMB'000* (Unaudited)
Segment revenue			
– recognised at a point in time	136,547	73,432	209,979
– recognised over time	–	7,897	7,897
	136,547	81,329	217,876
Segment results	47,319	24,268	71,587
Unallocated			
Selling and marketing expenses			(51,506)
General and administrative expenses			(49,667)
Provision for impairment losses on financial assets			(2,948)
Other income			523
Other gains, net			35,173
Finance income, net			2,434
Profit before income tax			5,596

For the six months ended 30 June 2025

	New retail *RMB'000* (Unaudited)	IP creation and operation *RMB'000* (Unaudited)	Total *RMB'000* (Unaudited)
Segment revenue			
– recognised at a point in time	210,732	72,274	283,006
– recognised over time	–	71,470	71,470
	210,732	143,744	354,476
Segment results	100,465	55,370	155,835
Unallocated			
Selling and marketing expenses			(69,816)
General and administrative expenses			(46,948)
Provision for impairment losses on financial assets			(6,382)
Other income			1,427
Other losses, net			(18,754)
Finance income, net			365
Profit before income tax			15,727

Segment results represent the gross profit generated by each segment. This is the measure reported to the Board of Directors of the Company for the purpose of resource allocation and performance assessments.

(b) Geographical information

Most of the Group's segment revenues are derived from the PRC except certain revenue from the IP creation and operation segment. The amount of the Group's revenue from external customers broken down by geographical locations and revenue presented based on the location of the operations of the relevant business units are detailed below:

	Six months ended 30 June	
	2026 ***RMB'000*** **(Unaudited)**	2025 *RMB'000* (Unaudited)
Revenue		
Mainland China	**211,880**	353,609
Others	**5,996**	867
	217,876	354,476

(c) Disaggregation of revenue

Disaggregation of revenue from contracts with customers by major products or service is as follows:

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Sales of health management products and skincare products	**134,422**	206,866
Revenue from production of TV programme	**–**	70,391
Revenue from production and licensing of entertainment videos	**4,404**	18,727
Revenue from IP project and event planning and management	**318**	27,441
Revenue from celebrity IP management	**42,465**	18,795
Licensing and royalty income	**7,765**	5,424
Rental income	**796**	381
Sales of IP and other products	**27,706**	6,451
	217,876	354,476

6 INCOME TAX (CREDIT)/EXPENSE

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Current income tax		
– PRC corporate income tax	**1,617**	8,588
– Hong Kong profits tax	**1,309**	11,392
	2,926	19,980
Deferred income tax		
– PRC corporate income tax	**(5,640)**	(12,324)
– Hong Kong profits tax	**(205)**	–
	(5,845)	(12,324)
Income tax (credit)/expense	**(2,919)**	7,656

The tax on the Group's profit before income tax differs from the theoretical amount that would arise using the standard tax rate applicable to profit of the respective companies of the Group as follows:

(a) Cayman Islands

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

(b) Hong Kong

The Group's entities incorporated in Hong Kong are subject to Hong Kong profits tax of 8.25% for the first HK$2 million of the estimated assessable profits for one of the Group's Hong Kong subsidiaries for the year and 16.5% on the remaining estimated assessable profits during the six months ended 30 June 2026 (six months ended 30 June 2025: same).

(c) PRC Corporate Income Tax ("PRC CIT")

PRC 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 allowance. The general PRC CIT rate is 25% during the six months ended 30 June 2026 (six months ended 30 June 2025: same).

(d) PRC withholding tax

Pursuant to the Detailed Implementation Regulations for Implementation of the Corporate Income Tax Law issued on 6 December 2007, dividends distributed from the profits generated by the PRC companies after 1 January 2008 to their foreign investors shall be subject to a withholding income tax of 5% or 10%. For the Group, the applicable rate is 10%. The Group is therefore liable for withholding taxes on dividends distributed by those foreign invested subsidiaries established in the PRC.

7 EARNINGS PER SHARE

(a) Basic earnings per share

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the six months ended 30 June 2026 (six months ended 30 June 2025: same).

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
Profit attributable to equity owners of the Company *(RMB'000)*	**7,050**	10,266
Weighted average number of ordinary shares in issue	**951,738,477**	845,763,453
Basic earnings per share *(in RMB/share)*	**0.01**	0.01

(b) Diluted earnings per share

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding assuming the conversion of all dilutive potential ordinary shares. The effect of the outstanding share options under 2020 share incentive plan was included in the computation of diluted earnings per share as they were dilutive. Diluted earnings per share for the six months ended 30 June 2026 and 2025 are the same as the basic earnings per share.

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
Profit used to determine diluted earnings per share *(RMB'000)*	**7,050**	10,266
Weighted average number of ordinary shares issued	**951,738,477**	845,763,453
Adjustment for share options under 2020 share incentive plan	**5,055,028**	4,530,739
Diluted earnings per share *(in RMB/share)*	**0.01**	0.01

8 FILM AND TV PROGRAMME RIGHTS

As at 30 June 2026 and 31 December 2025, the TV programme rights mainly represented the production cost of J-Style Trip 4 (「周遊記」第四季) and Jverse Concert (JVerse 演樂會).

TV programme rights are stated at the lower of cost and net realisable value. Cost of the TV programme rights under production includes all direct costs associated with the production of TV programme rights, and are transferred to "TV programme rights completed" upon completion of production. Net realisable value is the estimated selling price in the ordinary course of business, less the applicable variable selling expense.

The Directors assessed the net realisable amount of the TV programme rights as at each balance sheet date in order to determine whether any impairment provision is required to be made. The net realisable amount is estimated by reference to the advertising and other related income to be generated from the broadcast of the TV programme based on confirmed order and/or letter of intent received by the Group less cost of completion of the TV programmes. Based on the Directors' best estimate, as at 30 June 2026 and 31 December 2025, the TV programme rights are profit generating with income exceeding related production cost, indicating that the net realisable amount should exceed the carrying value of the relevant rights. Accordingly, no provision for impairment has been made.

9 TRADE AND OTHER RECEIVABLES

	30 June 2026 RMB'000 (Unaudited)	31 December 2025 RMB'000 (Audited)
Trade receivables *(Note (a))*		
– related parties	**60,594**	71,634
– third parties	**248,623**	259,391
	309,217	331,025
Less: provision for impairment of trade receivables	**(27,680)**	(24,086)
Trade receivables – net	**281,537**	306,939
Other receivables		
– Loan to third parties *(Note (b))*	**13,748**	5,691
– Loan to related parties *(Note (c))*	**36,313**	36,313
– Amounts due from third parties *(Note (d))*	**79,567**	107,382
– Deposits	**9,649**	15,115
– Other receivables in respect of the celebrity IP management business *(Note (e))*	**–**	163
– Amounts due from related parties	**20,675**	11,058
– Staff advances	**702**	1,422
– Others	**9**	4
	160,663	177,148
Less: provision for impairment of other receivables	**(49,614)**	(50,260)
	111,049	126,888
Trade and other receivables	**392,586**	433,827

Notes:

(a) Trade receivables

Trade receivables primarily arise from the Group's new retail business products directly sold to distributors and IP management business. The normal credit period granted to these customers are generally ranging from 30 to 365 days.

The following is an ageing analysis of trade receivables based on revenue recognition date:

	30 June 2026 *RMB'000* **(Unaudited)**	31 December 2025 *RMB'000* (Audited)
Within 30 days	**127,641**	145,990
31–90 days	**23,198**	13,571
91–120 days	**14,206**	3,206
121–365 days	**57,339**	139,605
Over 365 days	**86,833**	28,653
	309,217	331,025

(b) On 20 January 2024, the Group lent RMB5,000,000 to Beijing Fuxing An'xin Cultural Development Company Limited with two-year term, which bears an interest at 3.45% per annum. In January 2026, the Group then agreed to extend the maturity date to December 2026.

In January and May 2026, the Group lent RMB3,000,000 and RMB5,000,000 respectively to Beijing Fuxing An'xin Cultural Development Company Limited, with both loans maturing in December 2026 and bearing interest at 5.00% per annum.

(c) The Group entered into loan agreements with Zhejiang Ruxing Brand Management Co., Ltd. ("**Zhejiang Ruxing**"), a limited liability company incorporated in the PRC, in 2024. Pursuant to the loan agreements, the Group agreed to provide Zhejiang Ruxing with loans amounting to RMB36,000,000 at interest rate range from 3.10%–3.35%, the loans were originally repayable in 2025, and subsequently the repayment date was extended to 31 August 2026. The loan is secured by the shareholder of Zhejiang Ruxing at the time. The Group acquired a 40% equity interest in Zhejiang Ruxing on 1 July 2025, thereby making it an associate of the Group. Consequently, from that date onward, these loans were disclosed as "Loans to a related party". As at 30 June 2026 and 31 December 2025, the Group had made full provision against the carrying amount of the loans.

(d) The amounts due from third parties primarily represented receivables relating to products and services purchased by the Group on behalf of other third parties for promotion of health management products and skincare products or amounts to be refunded by suppliers upon settlement of Film and TV programme rights.

(e) The amount primarily represented receivables of promotion income on behalf of certain celebrities where the Group takes an agency role in arranging the services delivered by these celebrities in mainland China.

(f) As at 30 June 2026, the carrying values of the trade and other receivables approximated to their fair values (31 December 2025: same).

10 SHARE CAPITAL

	Number of ordinary shares	Nominal value of ordinary shares *USD*	Share capital *RMB'000*	Share premium *RMB'000*	Total *RMB'000*
Ordinary shares of US$0.00001 each					
Authorised:					
At 1 January 2025, 30 June 2025, 1 January 2026 and 30 June 2026	5,000,000,000	50,000			
Issued:					
At 1 January 2025	833,338,500	8,333	59	612,454	612,513
Issuance of shares upon the exercise of share options (b)	26,377,505	264	2	41,500	41,502
At 30 June 2025	859,716,005	8,597	61	653,954	654,015
At 1 January 2026	951,738,477	9,517	68	1,286,068	1,286,136
At 30 June 2026	951,738,477	9,517	68	1,286,068	1,286,136

(a) Pursuant to Section 34 of the Cayman Companies Act (2021 Revision) and the Articles of Association of the Company, share premium of the Company is available for distribution to shareholders subject to a solvency test on the Company and the provision of the Articles of Association of the Company. Details of the dividend declared are set out in Note 11.

(b) During the year ended 31 December 2025, 26,377,505 share options with exercise price of HK$1.43 per share were exercised, with the incentive recipients contributing a monetary amount of HK$37,720,000 (equivalent to RMB34,275,000). This exercise results in an increase in the Company's share capital by HK$2,057 (equivalent to RMB2,000), an increase in share premium by RMB41,500,000 and a decrease in share-based payment reserves by RMB7,227,000.

11 DIVIDEND

The Board has resolved not to declare the payment of an interim dividend for the six months ended 30 June 2026 (six months ended 30 June 2025: nil).

12 TRADE AND OTHER PAYABLES

	30 June 2026 *RMB'000* **(Unaudited)**	31 December 2025 *RMB'000* (Audited)
Trade payables *(Note (a))*		
– related parties	**3,334**	4,918
– third parties	**28,878**	36,185
	32,212	41,103
Notes Payables	**10,000**	5,000
Other payables		
– Amounts due to related parties	**20,511**	17,738
– Payable relating to celebrity IP management business	**18,484**	15,021
– Salaries and staff welfare payable	**8,341**	11,315
– Other taxes payables	**15,630**	20,638
– Accrued expenses	**605**	1,425
– Deposits from customers	**8,017**	7,050
– Others	**4,480**	4,740
	76,068	77,927
	118,280	124,030

Note:

(a) Ageing analysis of the trade payables based on invoice date at the end of each reporting dates is as follows:

	30 June 2026 *RMB'000* **(Unaudited)**	31 December 2025 *RMB'000* (Audited)
Within 60 days	**18,289**	31,716
61–120 days	**6,232**	3,138
121–365 days	**3,414**	2,532
Over 365 days	**4,277**	3,717
	32,212	41,103

13 BORROWINGS

	30 June 2026 *RMB'000* **(Unaudited)**	31 December 2025 *RMB'000* (Audited)
Non-current		
Non-current portion of a long-term bank borrowing, secured	**8,500**	–
Current		
Current portion of bank borrowings, secured	**56,000**	65,842
Total borrowing	**64,500**	65,842

Notes:

(a) The short-term bank borrowings are denominated in RMB and secured by the Group's restricted bank deposits and are to be settled within one year. As at 30 June 2026, the short-term bank borrowings carry interest at fixed rate from 2.7% to 3.6% per annum. The long-term bank borrowing is denominated in RMB and to be settled within two years and carry interest at a floating rate of 2.8% in the first year.

(b) The amounts of repayment installments of the borrowings are as follows:

	30 June 2026 *RMB'000* **(Unaudited)**	31 December 2025 *RMB'000* (Audited)
Within 1 year	**56,000**	65,842
1 year to 2 years	**8,500**	–
	64,500	65,842

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review

In the first half of 2026, the IP consumption market in the PRC maintained its structural growth momentum, having moved as a whole from a period of explosive growth into a phase characterized by differentiation and platform-based development. On the one hand, the monetization potential of high-quality IPs in direct-to-consumer scenarios continued to be validated, with trendy toys, celebrity merchandise, and IP derivative consumer categories maintaining robust activity. Meanwhile, the flourishing offline performing arts economy provided richer carriers and traffic gateways for bringing IPs into real-world scenarios. On the other hand, with the industry competition intensifying further, and market players accelerating their strategic positioning, the market placed higher demands on the content depth, product innovation, and channel operational efficiency of IPs.

Against this backdrop, the industry has witnessed a profound reshaping of its development logic: firstly, the driving model has shifted from being traffic-driven to content-driven; secondly, the commercial form has evolved from the sale of individual products to the operation of a full-lifecycle ecosystem; thirdly, the market boundaries have expanded from the domestic market to a global footprint; and fourthly, the consumption motivation has evolved from traditional functional consumption to a comprehensive pursuit of emotional value and experiential consumption.

Within this context, the Group resolutely advanced its "IP × AI" dual-engine strategy. We regarded the in-depth cultivation and asset-based operation of our core celebrity IPs as the cornerstone of our development, while continuously unlocking the commercial value of top-tier IPs. Meanwhile, we actively embraced artificial intelligence (AI) as a key means to empower IP content production and scenario-based interactions. On this basis, the Group extended into the upstream and downstream segments of the industrial chain through timely strategic investments and acquisitions, progressively establishing a complete end-to-end ecosystem spanning content incubation, product retail, and offline entertainment experiences.

During the Reporting Period for the core IP CHOUCHOU (周同學), the Group is continuously unlocking its commercial value across various scenarios. In the first half of 2026, following the footsteps of the Jay Chou CARNIVAL World Tour, the Group launched Finding CHOUCHOU (尋找周同學) themed events across four cities, namely Hangzhou, Nanning, Wenzhou, and Beijing. The Beijing leg of the event was particularly extensive, where the Group not only achieved deep synergy between the IP and the city's landmarks, but also extensively deployed multiple official pop-up stores and themed spaces in the city's core business districts. This initiative successfully converted the fleeting traffic generated by the concerts into a lasting boost for urban cultural tourism consumption, further validating the value of the "IP + City" panoramic commercial model. In terms of long-form video content, the filming and production of J-Style Trip 4 (《周遊記》第四季) is in full swing, and is expected to be released in the second half of 2026, which is anticipated to inject a new wave of content buzz and traffic support into the Group's IP ecosystem.

Based on his distinct label as a "healthy lifestyle advocate", Mr. Liu Keng-hung officially launched a brand-new IP, "Train for 5km with Liu Keng-hung" (畊練五公里) during the Reporting Period. Focusing on the parent-child hybrid fitness competition concept, this new IP further expanded its coverage in family sports and parent-child interactive scenarios. Meanwhile, Mr. Liu Keng-hung officially participated in the popular variety show Call Me by Fire (披荊斬棘的哥哥) on Hunan TV in August 2026, which is expected to significantly elevate his personal exposure and topicality.

The Group has strategically positioned itself in the AI and embodied intelligence sector to address the industry-wide pain point of lacking application scenarios for implementing AI technologies on the consumer end. The Group's consumer-grade quadruped robot ("**Robot Dog**") project, undertaken in collaboration with Hangzhou Yushu Technology Co., Ltd. (杭州宇樹科技股份有限公司), represents a crucial step in the Group's exploration of "IP + embodied intelligence" interactive scenarios. To further refine the design and production process of the Robot Dog and to ensure product quality and user experience, the timetable for this project has been adjusted. As of the end of August 2026, raw material preparation for the first batch of the Robot Dog has been completed. Relevant work for mass production is currently in progress, and it is expected to gradually enter the mass production phase from September to October 2026.

The Group continued to advance channel penetration for its IP products. As of 31 August 2026, the total number of the Group's robot shops exceeded 380, demonstrating outstanding sales efficiency per unit in concert scenarios. The robot shops in the Hong Kong market also continued to contribute stable revenue. The world's first "CHOUCHOU&FRIENDS" flagship store, originally scheduled to open in the first half of the year, is expected to officially debut on East Nanjing Road in Shanghai at the end of September 2026.

In the first half of 2026, the Group continued to deepen its focus on product matrix and channel layout in the new retail segment. In terms of product innovation, the Group launched two new products, "Flaxseed" and "Reborn Coffee" (新生咖啡) in February and June respectively, targeting core user groups to meet the needs of specific consumer segments. Sales of these two products in the first half of the year amounted to approximately RMB5.2 million and RMB3.6 million, respectively. Meanwhile, as strategic standalone products targeting public traffic, the MODONG Magic coffee series continued its strong market performance, with the Magic Sicilian flavored coffee achieving sales of approximately RMB28.0 million in the first half of the year. The continuous launch of new products, coupled with a complementary layout across public and private traffic channels, has further consolidated the market competitiveness of the Group's product portfolio.

Business Outlook

Looking into the second half of 2026, in close alignment with the strategic main line of "IP × AI", the Group will focus on the following core directions to accelerate the transformation from a single IP operation into a platform-based ecosystem group.

In terms of product matrix, the Group will continue to enrich its IP product lines and build a diversified IP product ecosystem. Moving forward, the Group will not only continue to launch diversified derivative products of CHOUCHOU (周同學), but also actively introduce other celebrity IP products into offline flagship stores, creating a comprehensive IP consumption matrix with richness and appeal.

In terms of channel development, the Group will continue to advance the layout of the offline retail network. In terms of robot shops, the Group is steadily progressing towards the target of 1,000 units in the next six months, with a focus on covering high-traffic scenarios such as concerts and cultural tourism. Meanwhile, "CHOUCHOU&FRIENDS" is the Group's first celebrity IP offline immersive experience space. In particular, the world's first flagship store located on East Nanjing Road in Shanghai is set to open shortly. Looking ahead, the Group will adhere to the "one city, one store" (一城一店) strategy, with plans to open 5 stores in core areas of first-tier cities nationwide within the year (including Changsha and Chengdu stores, etc.), creating city-level IP experience landmarks with high popularity and strong topicality. To further expand channel, the Group will actively advance the strategic integration of high-quality resources across the upstream and downstream segments of the industrial chain, aiming to develop broader and deeper offline traffic gateways and achieve synergistic development among business segments.

The Group will seize the traffic window of core variety shows and artist IPs in the second half of the year, and coordinate the planning of IP content marketing and product synergies, thereby maximizing the driving effect of content on the consumer end. For instance, the Group plans to successively launch new sessions of offline activities such as "Train for 5km with Liu Keng-hung" (畊練五公里) in the second half of the year. Meanwhile, the Group will continue to advance the standardized incubation and exploration of commercialization paths for celebrity IPs, through innovative forms such as digital humans and AI-enabled short dramas, creating a systematic asset appreciation model for IPs.

The Group will continue to advance the accelerated mass production and delivery of consumer-grade quadruped robots, and avail this opportunity to explore the commercial application of "IP + embodied intelligence" in scenarios such as new entertainment interaction and family companionship. Meanwhile, the Group will also launch AI-enabled companion and interactive lightweight products in due course, further enriching the IP intelligent consumption matrix. While maintaining sharp insights into cutting-edge technologies and underlying innovations, the Group will actively embrace new technology trends capable of empowering IP experiences, and strive to seize opportunities amidst technological transformations, thereby establishing forward-looking footprints in the business upgrade and ecosystem expansion of future IP products.

Meanwhile, the Group is actively pursuing its global footprint expansion as a key direction for broadening its business horizons. At the end of August this year, the Galaxy Robot Park built by Galaxy Corporation, Co., Ltd in South Korea officially opened in Seoul, South Korea. The implementation of this project not only kicked off the promotion of the robot cultural and entertainment interactive experience industry by the Group and Yushu Technology, but also successfully validated the commercial feasibility of cutting-edge technologies empowering new entertainment scenarios. Moving forward, the Group will avail this opportunity to continuously collaborate with partners in different regions globally, accelerating the exploration and implementation of more new robot entertainment consumption scenarios; meanwhile, the Group will also rely on leading overseas industrial resources, represented by Galaxy Corporation, Co., Ltd, to seek business synergy in areas such as celebrity IP expansion, content production, and derivative product development, injecting new momentum with a global perspective into the Group's long-term development. We expect that through these strategic initiatives, we will gradually break through geographical growth barriers and inject new momentum with a global perspective into the Group's long-term development.

The Group is currently at a critical stage in the implementation of its strategic upgrade. We are well aware that the steady advancement of the aforementioned strategies will inevitably be comprehensively affected by multiple factors such as the macro market environment, the iteration progress of cutting-edge technologies, and the implementation of external cooperation. Faced with these uncertainties, while maintaining strategic resolve, the Group will dynamically adjust resource allocation and execution pace based on internal and external changes, and ensure the steady implementation of the "IP × AI" dual-engine strategy to continuously create long-term value for shareholders.

Financial Review

Revenue

The business operations of the Group consist of two major segments, namely (i) the IP creation and operation segment, where the Group creates and/or manages celebrity IPs, provides planning and management services to the production of media contents and events and licenses its celebrity IPs and sells related products; and (ii) the new retail segment, where the Group primarily develops and sells health management and skincare products through various online and offline channels.

The Group recorded a revenue of RMB217.9 million for the Reporting Period (1H2025: RMB354.5 million), representing a decrease of approximately 38.5% as compared to the revenue of the Group for the corresponding period in 2025. The decrease in revenue was mainly attributable to (i) the decrease in revenue generated from the new retail business from RMB210.7 million in 1H2025 to RMB136.5 million in 1H2026; and (ii) the decrease in revenue generated from the IP creation and operation business from RMB143.7 million in 1H2025 to RMB81.3 million in 1H2026. Set out below is a breakdown of the Group's revenue attributable to the two business segments during the Reporting Period:

	For the six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
IP creation and operation business	**81,329**	143,744
New retail business	**136,547**	210,732
Total	**217,876**	354,476

IP creation and operation business

The IP creation and operation business of the Group mainly involve (i) the creation of media content, which involve the organization, planning and management of production of IP programmes; (ii) event planning and management, where the Group provides event planning services and/or invests in music concerts and other events; (iii) celebrity IP management, which involve the development of IPs of celebrities and Key Opinion Leaders; and (iv) IP licensing and sales of related products, which involve the creation and licensing of celebrity IPs and the creation and sale of related products.

During 1H2026, the Group recorded a revenue of RMB81.3 million from its IP creation and operation segment, representing a decrease of approximately 43.4% from RMB143.7 million for 1H2025. Such decrease was primarily attributable to the decrease in revenue generated from the production of TV programme following the completion of the broadcast of J-Style Trip 3 (周遊記3) in 2025 and the fact that J-Style Trip 4 (周遊記4) was still in the preparatory and production planning state during the Reporting Period and had not yet generated revenue. Notwithstanding the foregoing, the segment's revenue mix experienced positive changes, with notable growth recorded in businesses including celebrity IP management, licensing and sale of IP products.

New retail business

The new retail business of the Group primarily focuses on the development and sale of health management products and skincare products, which are distributed through various channels including a network of distributors and sub-distributors, as well as e-commerce channels such as online stores operated on social media platforms.

During the Reporting Period, revenue from the Group's new retail business amounted to RMB136.5 million (1H2025: RMB210.7 million), representing a decrease of approximately 35.2% as compared to the corresponding period in 2025. Such decrease was mainly attributable to fluctuations in macro consumer environment, together with adjustments to the pace of the Company's business operations.

Cost of revenue

The cost of revenue of the Group mainly includes (i) cost of goods sold, primarily represent the cost paid to third-party manufacturers and other suppliers for the production of products; (ii) cost of event planning and management services, including cost paid to performers, artist agencies and/or other suppliers in relation to the provision of event planning and management services; and (iii) cost of TV programme rights, being the TV programme rights which were recognized as costs during the period the relevant programmes are released.

The Group recorded a cost of revenue of RMB146.3 million for 1H2026 (1H2025: RMB198.6 million), representing a decrease of approximately 26.3% as compared to that of 1H2025. Such decrease was primarily attributable to (i) the decrease in the cost of TV programme rights from RMB47.8 million in 1H2025 to nil in 1H2026; and (ii) the decrease in cost of goods sold from RMB105.3 million in 1H2025 to RMB83.5 million in 1H2026, which are in line with the decrease in the revenue of the respective business segment.

Gross profit and gross profit margin

The Group recorded gross profit of RMB71.6 million for 1H2026 (1H2025: RMB155.8 million), representing a decrease of approximately 54.0% from the corresponding period in 2025, which was mainly due to the decrease in revenue generated from the two business segments. As a result of the foregoing, our gross profit margin also recorded a decrease from 44.0% in 1H2025 to 32.9% in 1H2026.

Selling and marketing expenses

During the Reporting Period, the Group recorded selling and marketing expenses of RMB51.5 million (1H2025: RMB69.8 million), representing a decrease of approximately 26.2% as compared to 1H2025. Such decrease is mainly due to decrease in sales revenue during the Reporting Period, which resulted in a lower sales-related expenses.

General and administrative expenses

During the Reporting Period, the Group recorded general and administrative expenses of RMB49.7 million (1H2025: RMB46.9 million), representing an increase of approximately 6.0% from the corresponding period in 2025. The increase was primarily attributable to an increase in the depreciation expenses of right-of-use assets recognised during the period.

Other gains and losses

During the Reporting Period, the Group has recorded other gains (net) of RMB35.2 million (1H2025: other losses of RMB18.8 million) primarily attributable to gains from fair value changes in financial assets at fair value through profit or loss.

Profit for the period

As a result of the foregoing, the Group recorded profit of RMB8.5 million (1H2025: RMB8.1 million) and a net profit margin of approximately 3.9% (1H2025: 2.3%) for 1H2026.

Capital structure, liquidity and financial resources

As at 30 June 2026, the total number of issued shares in the share capital of the Company (the "**Shares**") was 951,738,477 Shares (31 December 2025: 951,738,477 Shares) with a par value of US dollar 0.00001 each.

As at 30 June 2026, the Group had cash and cash equivalents of RMB457.6 million (31 December 2025: RMB437.2 million), which was mainly denominated in Renminbi and Hong Kong dollars. The management of the Group would continuously monitor the cash and financial resources available to the Group in order to support its operations.

As at 30 June 2026, the Group had outstanding borrowings in the amount of RMB64.5 million (31 December 2025: RMB65.8 million), which was arising from certain borrowings obtained by the Group for its business operation.

As at 30 June 2026, the Group had a current ratio of 5.5 times (31 December 2025: 5.1 times). The gearing ratio, calculated based on the total borrowings (including bank borrowings and lease liabilities) divided by total equity, as at 30 June 2026 was 0.08 times (as at 31 December 2025: 0.05 times).

Contingent liabilities

As at 30 June 2026, the Group did not have any significant contingent liabilities.

Significant investments held

As at 30 June 2026, the Group did not have any significant investment with a value of 5% or more of the total assets of the Group (30 June 2025: same).

Material acquisitions and disposals of assets, subsidiaries, associates and joint ventures

Save as disclosed in this announcement, during the Reporting Period, the Group did not have any material acquisitions and disposals of assets, subsidiaries, associates or joint ventures.

Charges on the Group's assets

As at 30 June 2026, certain interest-bearing bank borrowings of the Group were secured by restricted bank deposits of RMB70.3 million (31 December 2025: RMB79.8 million).

Foreign exchange risk

The Group mainly operates in the People's Republic of China (the "**PRC**") with most of the transactions settled in Renminbi. The management of the Group considers that the business is not exposed to any significant foreign exchange risk as it has no significant financial assets or liabilities that are denominated in currencies other than the respective functional currencies of its operating entities. The Group did not hedge against any fluctuation in exchange rates of foreign currency during the Reporting Period.

During the Reporting Period, the Group recorded foreign exchange gains of RMB1.9 million (1H2025: foreign exchange losses of RMB2.1 million), which was mainly arising from the appreciation of the Renminbi during the Reporting Period.

Subsequent events after the Reporting Period

On 31 July 2026, the Board resolved to grant an aggregate of 32,265,000 share options under a share option scheme adopted by the Company on 19 June 2023, at an exercise price of HK$4.28 per Share. For details, please refer to the announcement of the Company dated 31 July 2026.

On 6 August 2026, the Company allotted and issued 6,640,004 Shares upon the exercise of share options granted to a Director under the Pre-IPO stock incentive plan adopted by the Company on 3 August 2020.

Save as disclosed in this announcement, there was no material event affecting the Group since 30 June 2026 and up to the date of this announcement.

EMPLOYEES AND REMUNERATION POLICY

As at 30 June 2026, the Group had 346 employees (31 December 2025: 306 employees), a majority of whom are located in the PRC. As required by the laws and regulations in the PRC, the Group participates in various government statutory employee benefit schemes, including social insurance funds and housing provident funds. The Group is required under the PRC laws to contribute to employee benefit schemes at specified percentages of the salaries, bonuses and certain allowances of our employees up to a maximum amount specified by the local government from time to time.

During the Reporting Period, the Group incurred employee benefit expense of RMB42.9 million (1H2025: RMB48.7 million). The Group's remuneration policy rewards employees and Directors based on individual's performance, demonstrated capabilities, involvement, market comparable information and the performance of the Group. The Group has also adopted a share option scheme and may grant options thereunder to, among others, its Directors, officers and employees. In addition, the Group provides regular internal training programmes to its employees, which covers topics on its business operations, corporate culture, products and the industry trends etc., which will allow the employees to envision their career paths and growth potential with the Group.

USE OF PROCEEDS

Use of net proceeds from the 2024 Placing

On 16 April 2024, the Company entered into a placing agreement with CMBC Securities Company Limited, pursuant to which the CMBC Securities Company Limited, as the placing agent, agreed to place, on a best effort basis, up to 31,522,000 new Shares to not less than six placees (the "**2024 Placing**"). The 2024 Placing was completed on 2 May 2024 and a total of 31,451,000 new Shares were issued and allotted at the placing price of HK$7.1 per placing Share. The net proceeds raised from the 2024 Placing, after deducting all relevant fees, costs and expenses to be borned or incurred by the Company, were approximately HK$222.1 million. Please refer to the announcements of the Company dated 16 April, 2 May 2024, 5 August 2025 and 13 November 2025 for further details of the 2024 Placing and the subsequent updates on the use of its net proceeds.

The following table sets forth details of the use of the net proceeds from the 2024 Placing up to 30 June 2026:

	Amount of net proceeds	Net proceeds unutilised as at 1 January 2026	Net proceeds utilised during 1H2026	Net proceed unutilised as at 30 June 2026
		(HK$ million)		
To invest in and/or plan physical concerts of artists which the Group cooperates with	79.8	–	–	–
To increase the Company's efforts to enter the "metaverse" (元宇宙) ecosystem	60.5	–	–	–
Potential investments related to the Company's principal business activities	60.0	60.0	–	60.0
General working capital and for general corporate purposes	21.8	–	–	–
Total	**222.1**	**60.0**	**–**	**60.0**

The Company expects that the net proceeds from the 2024 Placing will be fully utilised by 31 December 2026. During the Reporting Period, the proceeds raised by the Company from the 2024 Placing were utilized, or were proposed to be utilized, in accordance with the intentions previously disclosed by the Company, and there was no material change or delay in the use of proceeds.

Use of proceeds from the 2025 1st Top-up Subscription

On 25 July 2025, the Company and Mr. Lai Kwok Fai Franki ("**Mr. Lai**"), an executive Director, entered into a placing and subscription agreement (the "**2025 1st Placing and Subscription Agreement**") with CMBC Securities Company Limited ("**CMBC**") and Huafu International Securities Limited (i.e. the "**2025 August Placing Agents**"), pursuant to which (a) Mr. Lai agreed to appoint the 2025 August Placing Agents as placing agents, and the 2025 August Placing Agents agreed to procure, on a best effort basis, purchasers to purchase 37,524,500 Shares at the placing price of HK$9.13 per placing share; and (b) Mr. Lai conditionally agreed to subscribe for, and the Company conditionally agreed to allot and issue to Mr. Lai, 37,524,500 Shares at the subscription price of HK$9.13 (together, the "**2025 1st Top-up Subscription**"). Completion of the placing and the subscription took place on 30 July 2025 and 5 August 2025, respectively. A total of 37,524,500 Shares were allotted and issued to Mr. Lai. The net proceeds raised from the 2025 1st Top-up Subscription were approximately HK$324.1 million.

The following table sets forth details of the use of the net proceeds from the 2025 1st Top-up Subscription up to 30 June 2026:

		Amount of net proceeds	Net proceeds unutilised as at 1 January 2026	Net proceeds utilised during 1H2026	Net proceeds unutilised as at 30 June 2026	Expected timeline for use of the unutilised net proceeds
			(HK$ million)			
(i)	The expansion of network of our retail channels	123.9	114.6	14.3	100.3	June 2028
(ii)	The expansion of our IP physical stores including the opening of three *CHOUCHOU* physical stores and co-branded stores with top tier IPs	40.2	40.2	4.6	35.6	June 2028
(iii)	IP traffic distribution expenses (including but not limited to cooperation with selected key opinion leaders ("**KOLs**") and/placement of advertisement in KOL's e-commerce livestreaming sessions and IP programs	60.0	–	–	–	–
(iv)	Investment in cultural, entertainment and sports facilities with regards to future collaborations	22.0	–	–	–	–
(v)	IP exhibitions in the theme of ChouChou and selected top-tier IPs	45.6	20.2	7.0	13.2	June 2028
(vi)	General working capital and other general corporate purposes	32.4	25.8	2.5	23.3	December 2026
		324.1	**200.8**	**28.4**	**172.4**	

During the Reporting Period, the proceeds raised by the Company from the 2025 1st Top-up Subscription were utilized, or were proposed to be utilized, in accordance with the intentions previously disclosed by the Company, and there was no material change or delay in the use of proceeds. For further details of the use of net proceeds from the 2025 1st Top-up Subscription, please refer to the announcements of the Company dated 25 July 2025, 5 August 2025 and 13 November 2025.

Use of proceeds from the 2025 2nd Top-up Subscription

On 13 November 2025, the Company, Mr. Lai, an executive Director (the "**Top-up Seller**"), and Magic Express Enterprises Limited ("**Magic Express**", together with the Top-up Seller, the "**Sellers**") entered into the 2025 2nd Placing and Subscription Agreement with CMBC and Guotai Junan Securities (Hong Kong) Limited (i.e. the "**2025 November Placing Agents**"), pursuant to which (a) the Sellers agreed to appoint the 2025 November Placing Agents as placing agents, and the 2025 November Placing Agents agreed to procure, on a best effort basis, purchasers to purchase up to 75,000,000 Shares comprising of up to 54,497,972 Shares beneficially owned by the Top-up Seller and up to 20,502,028 Shares beneficially owned by Magic Express at the placing price of HK$7.20 per Share; and (b) the Top-up Seller conditionally agreed to subscribe for, and the Company conditionally agreed to allot and issue to the Top-up Seller up to 54,497,972 Shares at the subscription price equivalent to the placing price (the "**2025 2nd Top-up Subscription**"). Completion of the 2025 2nd Top-up Subscription took place on 27 November 2025 and a total of 54,497,972 Shares were allotted and issued to the Top-up Seller. The net proceeds raised from the 2025 2nd Top-up Subscription were approximately HK$369.3 million.

The following table sets forth details of the use of the net proceeds from the 2025 2nd Top-up Subscription up to 30 June 2026:

	Amount of net proceeds	Net proceeds unutilised as at 1 January 2026	Net proceeds utilised during 1H2026	Net proceeds unutilised as at 30 June 2026	Expected timeline for use of the unutilised net proceeds
		(HK$ million)			
(i) Costs for hosting not less than five sessions of concerts and exhibitions collaborating with international famous artists in tier one cities in China, including:					
Initial planning stage	50.0	50.0	–	50.0	Before February 2027
Pre-event execution and event execution	200.0	200.0	–	200.0	Before August 2028

		Amount of net proceeds	Net proceeds unutilised as at 1 January 2026	Net proceeds utilised during 1H2026	Net proceeds unutilised as at 30 June 2026	Expected timeline for use of the unutilised net proceeds
				(HK$ million)		
(ii)	Costs for developing celebrity IP with celebrities' portraits and related content, or developing exclusive IP products designed by them, including but not limited to signing partnerships with innovative IPs of international influence, and production costs for celebrity IPs and associate IP contents in relation to film and TV programme rights including but not limited to *J-Style Trip* 4 (「周遊記」第四季), and other music-themed and/or sport-themed variety shows featuring our cooperating celebrities)	30.0	14.8	10.4	4.4	Before December 2026 *(Note)*
		15.0	15.0	–	15.0	Before May 2027
		15.0	15.0	–	15.0	Before August 2028
(iii)	Costs for research, development, and procurement of food & beverage products, and including but not limited to new products under the new product line of "*Modong* Magic" and Dr. INYOU (盈養博士)	11.2	–	–	–	–
		11.2	11.2	7.4	3.8	Before August 2028
(iv)	General working capital and other general corporate purposes (including but not limited to employee benefits expenses and other operating expenses)	18.5	–	–	–	–
		18.4	18.4	4.1	14.3	Before August 2027
		369.3	**324.4**	**21.9**	**302.5**	

Note: The expected timeline for the utilisation of the net proceeds has been revised from before June 2026 to before December 2026, primarily as a result of the Company's cost control policy and adjustment to the production schedule for IP related content.

Save as disclosed in this announcement, during the Reporting Period, the proceeds raised by the Company from the 2025 2nd Top-up Subscription were utilized, or were proposed to be utilized, in accordance with the intentions previously disclosed by the Company, and there was no material change or delay in the use of proceeds. For further details of the use of proceeds from the 2025 2nd Top-up Subscription, please refer to the announcements of the Company dated 13 November 2025 and 27 November 2025.

DIVIDEND

The Board has resolved not to declare an interim dividend for 1H2026 (1H2025: Nil).

CORPORATE GOVERNANCE

The Company has complied with all the applicable code provisions as set out in the Corporate Governance Code contained in Part 2 of Appendix C1 (the "**CG Code**") of the Rules Governing the Listing of Securities (the "**Listing Rules**") on the Stock Exchange during the Reporting Period.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 of the Listing Rules as the codes of conduct regarding securities transactions by the Directors and by relevant employees of the Group. All Directors have confirmed, following specific enquiries by the Company, that they fully complied with the Model Code and its code of conduct regarding directors' securities transactions during the Reporting Period.

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

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

AUDIT COMMITTEE

The Company has established the audit committee of the Board (the "**Audit Committee**") with written terms of reference in compliance with the Listing Rules and the CG Code. The Audit Committee consists of three independent non-executive Directors, namely Dr. Xue, Jun, Mr. Yang, Dave De and Ms. Chung, Elizabeth Ching Yee.

The Audit Committee has reviewed the Group's unaudited consolidated results for the Reporting Period and discussed with the management on the accounting principles and practices, financial reporting process, internal control adopted by the Group with no disagreement by the audit committee of the Company.

PUBLICATION OF RESULTS ANNOUNCEMENT AND INTERIM REPORT

This results announcement will be published on the website of the Stock Exchange at www.hkexnews.hk and the Company's website at http://www.splegend.com. The interim report of the Company for the six months ended 30 June 2026 will be dispatched to the shareholders of the Company as per the Company's corporate communications arrangement and made available on the websites of the Stock Exchange and the Company in due course.

SUPPLEMENTAL INFORMATION TO THE ANNUAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2025

Reference is made to the annual report for the year ended 31 December 2025 published by the Company on 28 April 2026 (the "**2025 Annual Report**").

The Company hereby provides the supplemental information regarding (i) its acquisition of 40% of the equity interests in Zhejiang Ruxing Brand Management Company Limited* (浙江汝星品牌管理有限公司) ("**Zhejiang Ruxing**") and the financial assistance provided by the Group to Zhejiang Ruxing; and (ii) its Robot Dog products.

Transactions related to Zhejiang Ruxing

The VIVICYCLE Project

VIVICYCLE is a sports brand the Group launched in 2023 to capitalise on the growing popularity of Liu Keng-hung and his wife, Vivi Wang, and to tap into the emerging sports economy in the PRC. The brand was designed to monetise their profile and IPs through sports-related products.

Collaboration with Zhejiang Ruxing

The Group's core business is IP creation and operation, and it had limited in-house experience in apparel brand management. The Company therefore considered it appropriate to partner with an established operator. Through introductions, the Group was connected with Zhejiang Ruxing's management team.

The Board was impressed by the capabilities of Zhejiang Ruxing's management team. The team had operated popular fashion brands in the PRC, maintained over 60 offline stores, and built an integrated online and offline sales network. Cooperation on both CHOUCHOU and VIVICYCLE was also under consideration.

Initial Assumptions for the VIVICYCLE Project

The VIVICYCLE Project was based on the assumptions that two directly-operated flagship stores by July 2025 and a third by August 2026; 26 affiliate stores by December 2025 and 29 affiliate stores to be opened by December 2026; and ongoing online operations.

Funding Structure

The Group's original intention was to inject capital at the offshore level once that structure was in place. But since Zhejiang Ruxing had not yet established an offshore structure, direct capital injection was impossible, hence the Group structured its funding as loans (the "**Loans**") to support the VIVICYCLE Project. The Loans are aimed at accelerating the project's launch and to advance both parties' strategic and financial interests. The Loans were structured as follows:

(a) Loans of RMB18 million advanced in August 2024 with an original term of 90 days, subsequently modified in October 2024 to a one-year term maturing in August 2025;

(b) A loan of RMB9 million advanced in October 2024 with a one-year term maturing in October 2025; and

(c) A loan of RMB9 million advanced in November 2024 with a one-year term maturing in November 2025.

Initially, no interest rates were specified in respect of the Loans because the parties had not yet settled on benchmark lending rates. In October 2024, the parties formally documented interest rates and applied them retrospectively from the date of the original loan agreement. The first RMB18 million carried interest at 3.35% per annum; subsequent borrowings totalling RMB18 million carried interest at 3.1% per annum.

Wang Teng, a key member of Zhejiang Ruxing's management, and Hangzhou Chenshi Enterprise Management Co., Ltd.* (杭州辰時企業管理有限公司), a company owned as to 92% by Wang Teng, provided a joint and several guarantee securing Zhejiang Ruxing's obligations under the Loans. The guarantors also pledged four properties in the PRC as security.

The Loans will be applied towards capital injection once Zhejiang Ruxing had demonstrated satisfactory performance.

Acquisition of Zhejiang Ruxing's equity interest

On 1 July 2025, Talent Planet (HK) Limited, a subsidiary of the Company, completed the acquisition of 40% equity interest in Zhejiang Ruxing at nil consideration, following which Zhejiang Ruxing was classified as an associate of the Group.

The nil consideration reflected Zhejiang Ruxing's net liability position at that date. But this did not in itself mean the Loans were fully impaired or that Zhejiang Ruxing was insolvent at acquisition; at that time, it was considered a going concern with reasonable grounds to expect an improvement in Zhejiang Ruxing's operating results. In particular, Zhejiang Ruxing was expected to launch new products in late 2025 in collaboration with the various IPs, artists and/or KOLs, which represented a credible pathway to revenue growth and improved profitability.

At the time of the equity acquisition, there was no indication of the subsequent underperformance described below.

Underperformance of the VIVICYCLE Project

The VIVICYCLE Project significantly underperformed in 2025. Consumer demand grew more slowly than anticipated. From September 2025 onwards, the first flagship store's sales fell short of expectations, with sustained monthly operating losses through to year-end. The store was closed by the end of 2025.

Only two affiliate stores opened in April 2025 and one further store in September 2025, which were far fewer than originally planned. Sales at these stores fell well below expectations, and all closed due to operational difficulties by December 2025. Offline store expansion was delayed, and the project reverted to an online-only model.

The Board first became aware of Zhejiang Ruxing's underperformance in September 2025, when the flagship store's sales performance began to decline and store openings were delayed. By November 2025, the Board recognised Zhejiang Ruxing's difficulties and anticipated increased impairment risk.

Zhejiang Ruxing's underperformance was attributed to over-expansion of product lines, a mismatch between sales execution and procurement planning, excess stock, slow inventory turnover, increased holding costs and high fixed costs. Most importantly, Zhejiang Ruxing was unable to meet the stringent inventory requirements of leading KOLs, which prevented it from accessing prime KOL promotion windows and adversely affected sales.

As a result of the above factors, Zhejiang Ruxing's sales revenue in 2025 only represented approximately 30% of the initial assumption.

Zhejiang Ruxing failed to repay the Loans as they fall due during August to November 2025. In December 2025, the Group agreed to extend all repayment deadlines to 31 August 2026 on the basis that this was considered to be the most prudent course since immediate enforcement would likely have triggered insolvency proceedings and diminished recovery prospects. Continuing operations of Zhejiang Ruxing was considered to be a better option to maximum the Loans' recoverability.

Impairment Assessment of loans provided to Zhejiang Ruxing

Based on unaudited management accounts as at 31 December 2025, Zhejiang Ruxing had a net liability position of approximately RMB18.0 million, and a net loss of approximately RMB14.3 million in 2025.

The Company's management internally assessed the Loans' recoverability, taking into account all relevant facts and circumstances known at the time. The assessment applied the HKFRS 9 simplified approach for measuring expected credit losses. Credit risk was individually assessed to determine whether it had significantly increased since initial recognition. The assessment took into account the underperformance of the VIVICYCLE Project, Zhejiang Ruxing's liquidity difficulties and worsening financial condition, significant doubt about Zhejiang Ruxing's ability to continue as a going concern, and Zhejiang Ruxing's failure to repay any portion of the Loans which originally expired on 31 December 2025. Having holistically considered all facts, the Company's management concluded that the recoverable amount was negligible. Accordingly, full impairment of the outstanding loan receivable of approximately RMB36 million was recognised.

Upcoming business plans for Zhejiang Ruxing

The Group has taken steps to support Zhejiang Ruxing's recovery, including assisting it in identifying potential business partners and fund providers, and licensing the Group's IPs for Zhejiang Ruxing's benefit. As at the date of this announcement, plans for Zhejiang Ruxing to launch its socks business with a trendy socks producer based in the PRC is underway. These efforts are aimed at strengthening Zhejiang Ruxing's financial position and improving its prospects of meeting its repayment obligations.

The extension of the repayment deadline for the Loans to 31 August 2026 was intended to give Zhejiang Ruxing additional time to execute its revised business plan. This includes launching new products in collaboration with the Company's intellectual properties and preserving Zhejiang Ruxing as a going concern.

The Group's Quadruped Robot Dog Products

The Group's quadruped Robot Dog product, as a brand-new offering, is expected to commence mass production in the third to fourth quarter of 2026. To further refine the design and production process of the Robot Dog and to ensure product quality and user experience, the timetable for this project has been adjusted. As of the end of August 2026, raw material preparation for the first batch of the Robot Dog has been completed. Relevant work for mass production is currently in progress, and it is expected to gradually enter the mass production phase from September to October 2026.

The Company confirms that the delay in the production time did not and will not affect the distributor contracts entered into as the Group retains the flexibility to negotiate with the counterparty to adjust the overall timetable.

By Order of the Board
Star Plus Legend Holdings Limited
Ma, Hsin-Ting
Chairperson and Executive Director

Hong Kong, 31 August 2026

As at the date of this announcement, the Board comprises three executive Directors, namely Ms. Ma, Hsin-Ting, Dr. Qian, Sam Zhongshan and Mr. Lai, Kwok Fai Franki; two non-executive Directors, namely Mr. Yang, Chun-Jung and Mr. Chen, Chung and three independent non-executive Directors, namely Dr. Xue, Jun, Mr. Yang, Dave De and Ms. Chung, Elizabeth Ching Yee.

* *For identification purposes only*