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eSun Holdings Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 571)

Announcement of Final Results for the Year Ended 31 July 2026

RESULTS

The board of directors (“**Board**” and “**Directors**”, respectively) of eSun Holdings Limited (“**Company**”) announces the consolidated results of the Company and its subsidiaries (“**Group**”) for the year ended 31 July 2026 together with the comparative figures for the previous financial year as follows:

CONSOLIDATED INCOME STATEMENT

Year ended 31 July 2026

	Notes	2026 HK\$'000	2025 HK\$'000
TURNOVER	4	1,038,112	779,608
Cost of sales		(607,067)	(401,854)
Gross profit		431,045	377,754
Other revenue		37,228	34,498
Selling and marketing expenses		(20,359)	(8,522)
Administrative expenses		(194,646)	(223,121)
Other operating gains		121,987	144,345
Other operating expenses		(321,184)	(288,973)
PROFIT FROM OPERATING ACTIVITIES		54,071	35,981
Finance costs	5	(27,863)	(42,651)
Share of profits and losses of joint ventures		1,860	(6,408)
PROFIT/(LOSS) BEFORE TAX	6	28,068	(13,078)
Tax	7	(8,903)	(1,432)
PROFIT/(LOSS) FOR THE YEAR		19,165	(14,510)
Attributable to:			
Owners of the Company		16,233	(12,800)
Non-controlling interests		2,932	(1,710)
		19,165	(14,510)
EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY	8		
Basic and diluted		HK\$0.009	(HK\$0.007)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME*Year ended 31 July 2026*

	2026 HK\$'000	2025 HK\$'000
PROFIT/(LOSS) FOR THE YEAR	<u>19,165</u>	<u>(14,510)</u>
OTHER COMPREHENSIVE INCOME/(LOSS), NET OF TAX		
<i>Items that may be subsequently reclassified to the income statement:</i>		
Exchange realignment on translation of foreign operations	1,467	(1,216)
Share of other comprehensive income of joint ventures	178	26
Release of exchange reserve upon deregistration of subsidiaries	<u>(3,065)</u>	<u>2,719</u>
OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR, NET OF TAX	<u>(1,420)</u>	<u>1,529</u>
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR	<u><u>17,745</u></u>	<u><u>(12,981)</u></u>
Attributable to:		
Owners of the Company	15,092	(11,221)
Non-controlling interests	<u>2,653</u>	<u>(1,760)</u>
	<u><u>17,745</u></u>	<u><u>(12,981)</u></u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 July 2026

	Notes	2026 HK\$'000	2025 HK\$'000
NON-CURRENT ASSETS			
Property, plant and equipment		102,925	106,188
Right-of-use assets		164,747	169,552
Film rights		16,699	19,144
Film and TV program products		60,584	60,784
Music catalogs		—	—
Investments in joint ventures		60,817	67,318
Financial assets at fair value through profit or loss		7,632	29,113
Deposits, prepayments, other receivables and other assets		62,766	83,486
Deferred tax assets		258	241
Total non-current assets		476,428	535,826
CURRENT ASSETS			
Films and TV programs under production and film investments		104,760	344,024
Inventories		1,815	3,389
Debtors	9	74,143	97,207
Financial assets at fair value through profit or loss		86,473	65,399
Deposits, prepayments, other receivables and other assets		147,497	103,228
Prepaid tax		—	21
Cash and cash equivalents		620,488	482,525
Total current assets		1,035,176	1,095,793
CURRENT LIABILITIES			
Creditors and accruals	10	542,654	526,683
Deposits received and contract liabilities	11	191,680	184,406
Lease liabilities		173,196	154,753
Other borrowings		251,530	245,829
Loan from a fellow subsidiary		—	30,000
Tax payable		17,294	9,766
Total current liabilities		1,176,354	1,151,437
NET CURRENT LIABILITIES		(141,178)	(55,644)
TOTAL ASSETS LESS CURRENT LIABILITIES		335,250	480,182

CONSOLIDATED STATEMENT OF FINANCIAL POSITION *(continued)*
31 July 2026

	<i>Notes</i>	2026 HK\$'000	2025 HK\$'000
NON-CURRENT LIABILITIES			
Creditors and accruals	10	8,730	8,291
Lease liabilities		273,667	436,779
Deferred tax liabilities		11	15
Total non-current liabilities		282,408	445,085
Net assets		52,842	35,097
EQUITY			
Equity attributable to owners of the Company			
Issued capital		877,938	877,938
Reserves		(795,853)	(810,537)
		82,085	67,401
Non-controlling interests		(29,243)	(32,304)
Total equity		52,842	35,097

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

31 July 2026

1. BASIS OF PREPARATION

The financial information has been prepared in accordance with HKFRS Accounting Standards (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations) as issued by the Hong Kong Institute of Certified Public Accountants and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for certain financial assets which have been measured at fair value. The financial information is presented in Hong Kong dollars (“HK\$”) and all values are rounded to the nearest thousand except when otherwise indicated.

As at 31 July 2026, the current liabilities of the Group exceeded its current assets by HK\$141,178,000. As at 31 July 2026, the Group’s current liabilities of HK\$1,176,354,000 included other borrowings of HK\$251,530,000 and other current liabilities of HK\$924,824,000; while its cash and cash equivalents amounted to HK\$620,488,000. The Group recorded a net profit of HK\$19,165,000 for the year ended 31 July 2026.

In view of the above circumstances, the Directors have given careful consideration to the Group’s future liquidity requirements, operating performance and available sources of financing in assessing the Group’s ability to continue operating as a going concern. The following plans and measures are formulated to manage the working capital and improve the financial position of the Group:

- (a) the Group will continue to implement cost-saving measures and negotiate with landlords for rent relief or rent restructuring;
- (b) the Group will consider to dispose of certain non-core assets of the Group;
- (c) the Group will streamline/enhance existing operations to reduce operating costs and take active measures to control administrative costs; and
- (d) the Group will continue to maintain containment of capital expenditures.

In addition, the Group’s outstanding other borrowings (a principal amount of HK\$112,938,000 and all accrued interests due or to be due) are repayable on demand as at 31 July 2026. The Group has obtained a legal opinion from an external solicitor that there is unlikely any demand for repayment of the other borrowings for the period up to 31 October 2027.

The Directors have reviewed the Group’s cash flow forecast, covering a period of at least 12 months from the reporting date, prepared by the management. They are of the opinion that, taking into account of the above-mentioned plans and measures, and the legal opinion from the external solicitor, the Group will have sufficient working capital to finance its operations and meet its financial obligations as and when they fall due within the next 12 months from 31 July 2026. Accordingly, the Directors are satisfied that it is appropriate to prepare the consolidated financial statements for the year ended 31 July 2026 on a going concern basis.

2. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted amendments to HKAS 21 *Lack of Exchangeability* which are applicable to the Group for the first time for the current year’s financial statements. The adoption of the amended HKFRS Accounting Standards has had no material impact on the financial performance or financial position of the Group. The Group has not early adopted any other standard or amendment that has been issued but is not yet effective.

3. OPERATING SEGMENT INFORMATION

Segment revenue/results:

	Media and entertainment		Film and TV program		Cinema operation		Corporate and others		Consolidated	
	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Segment revenue:										
Sales to external customers	342,166	287,897	225,412	46,566	470,534	445,145	—	—	1,038,112	779,608
Intersegment sales	100	—	12,984	21,241	4,000	5,135	1,422	1,692	18,506	28,068
Other revenue	14,840	2,023	2,219	1,989	13,478	22,109	3,160	3,201	33,697	29,322
Total	<u>357,106</u>	<u>289,920</u>	<u>240,615</u>	<u>69,796</u>	<u>488,012</u>	<u>472,389</u>	<u>4,582</u>	<u>4,893</u>	<u>1,090,315</u>	<u>836,998</u>
Elimination of intersegment sales									(18,506)	(28,068)
Total revenue									<u>1,071,809</u>	<u>808,930</u>
Segment results	<u>61,182</u>	<u>43,172</u>	<u>(93,676)</u>	<u>(51,998)</u>	<u>139,559</u>	<u>116,966</u>	<u>(56,525)</u>	<u>(77,335)</u>	<u>50,540</u>	<u>30,805</u>
Unallocated interest income									<u>3,531</u>	<u>5,176</u>
Profit from operating activities									<u>54,071</u>	<u>35,981</u>
Finance costs									<u>(27,863)</u>	<u>(42,651)</u>
Share of profits and losses of joint ventures	2,021	1,854	—	—	(161)	(8,262)	—	—	<u>1,860</u>	<u>(6,408)</u>
Profit/(loss) before tax									<u>28,068</u>	<u>(13,078)</u>
Tax									<u>(8,903)</u>	<u>(1,432)</u>
Profit/(loss) for the year									<u>19,165</u>	<u>(14,510)</u>

3. OPERATING SEGMENT INFORMATION *(continued)*

Segment assets/liabilities:

	Media and entertainment		Film and TV program		Cinema operation		Corporate and others		Consolidated	
	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Segment assets	260,957	193,620	420,653	708,360	402,127	399,604	366,792	262,455	1,450,529	1,564,039
Investments in joint ventures	36,961	37,094	—	—	14,485	22,060	9,371	8,164	60,817	67,318
Unallocated assets									258	262
Total assets									<u>1,511,604</u>	<u>1,631,619</u>
Segment liabilities	256,237	113,895	266,426	438,026	549,984	668,197	117,280	90,794	1,189,927	1,310,912
Unallocated liabilities									268,835	285,610
Total liabilities									<u>1,458,762</u>	<u>1,596,522</u>

3. OPERATING SEGMENT INFORMATION *(continued)*

Other segment information:

	Media and entertainment		Film and TV program		Cinema operation		Corporate and others		Consolidated	
	2026	2025	2026	2025	2026	2025	2026	2025	2026	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Depreciation of property, plant and equipment	14	194	30	3	20,206	17,272	3,102	3,763	23,352	21,232
Depreciation of right-of-use assets	385	800	23	873	44,515	58,095	3,963	2,453	48,886	62,221
Impairment of property, plant and equipment	—	1,031	40	12	—	4,692	—	4,375	40	10,110
Reversal of impairment of property, plant and equipment	—	—	—	—	(18,292)	(23,847)	—	—	(18,292)	(23,847)
Impairment of right-of-use assets	305	1,260	—	2,199	—	20,634	1,343	4,131	1,648	28,224
Reversal of impairment of right-of-use assets	—	—	—	—	(59,729)	(45,998)	—	—	(59,729)	(45,998)
Impairment of films and TV programs under production	—	—	14,624	27,785	—	—	—	—	14,624	27,785
Amortisation of film rights	—	—	2,445	2,948	—	—	—	—	2,445	2,948
Amortisation of film and TV program products	—	—	22	5,553	—	—	—	—	22	5,553
Impairment of advances and other receivables	2,001	4,896	7,300	1,980	—	4,379	—	—	9,301	11,255
Impairment of amounts due from joint ventures	524	1,277	—	—	—	1,116	—	—	524	2,393
Write-back of impairment of amounts due from joint ventures	(1,065)	(4,156)	—	—	(5)	—	—	—	(1,070)	(4,156)
Gain on modification of leases	—	—	—	—	(23,509)	(75,978)	—	—	(23,509)	(75,978)
Gain on termination of leases	—	(71)	—	(2,229)	—	—	—	(535)	—	(2,835)
Fair value losses/(gains) on financial assets at fair value through profit or loss	—	—	24,273	(4)	—	—	(11,675)	(2,935)	12,598	(2,939)
Gain on disposal of financial assets at fair value through profit or loss	—	—	—	—	—	—	(851)	(3,175)	(851)	(3,175)
Fair value changes from film investments	—	—	54,553	1,258	—	—	—	—	54,553	1,258
Fair value changes from entertainment events organised by co-investors	(7,931)	(6,227)	—	—	—	—	—	—	(7,931)	(6,227)
Additions of property, plant and equipment	40	1,214	193	15	1,168	237	21	4,838	1,422	6,304
Additions of films and TV programs under production and film investments, net	—	—	64,901	120,779	—	—	—	—	64,901	120,779
Additions of right-of-use assets	—	2,089	—	1,701	—	—	—	5,326	—	9,116

3. OPERATING SEGMENT INFORMATION *(continued)*

Geographical information:

	Hong Kong		Chinese Mainland and Macau		Others		Consolidated	
	2026	2025	2026	2025	2026	2025	2026	2025
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Revenue:								
Sales to external customers	<u>764,146</u>	<u>593,900</u>	<u>252,850</u>	<u>157,621</u>	<u>21,116</u>	<u>28,087</u>	<u>1,038,112</u>	<u>779,608</u>
Non-current assets:								
Segment assets	365,911	374,775	7,237	9,940	—	—	373,148	384,715
Financial instruments							103,022	150,870
Unallocated assets							<u>258</u>	<u>241</u>
Total							<u>476,428</u>	<u>535,826</u>

The revenue information above is based on the locations of the customers. The non-current segment asset information above is based on the locations of the assets and excludes financial instruments and deferred tax assets.

Information about major customers:

Revenue from one customer which accounted for revenue exceeding 10% of the Group's total revenue amounted to approximately HK\$133,754,000 for the year ended 31 July 2026. No customer of the Group has individually accounted for over 10% of the Group's total revenue during the year ended 31 July 2025.

4. TURNOVER

An analysis of the Group's turnover is as follows:

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Turnover from contracts with customers		
Entertainment event income	262,876	182,259
Distribution commission income, licence income from and sales of film and TV program products and film rights	220,986	41,411
Album sales, licence income and distribution commission income from music publishing and licensing	71,138	60,355
Box-office takings, concessionary income and related income from cinemas	470,534	445,145
Artiste management fee income	8,152	9,010
Advertising income	4,426	5,155
Sale of game products	—	36,273
Total	1,038,112	779,608
Timing of revenue recognition		
At a point in time	1,013,516	755,528
Over time	24,596	24,080
Total turnover from contracts with customers	1,038,112	779,608

5. FINANCE COSTS

An analysis of the Group's finance costs is as follows:

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Interest on:		
Lease liabilities	20,627	34,980
Other borrowings	5,701	6,134
Loan from a fellow subsidiary	1,092	179
Other finance costs	443	1,358
Total finance costs	27,863	42,651

6. PROFIT/(LOSS) BEFORE TAX

The Group's profit/(loss) before tax is arrived at after charging/(crediting):

	2026 HK\$'000	2025 HK\$'000
Cost of film rights, licence rights and film and TV program products	189,408	59,997
Cost of artiste management services and services for entertainment events provided	242,834	146,397
Cost of theatrical releasing and concessionary sales	174,825	159,760
Cost of inventories sold	—	35,700
Total cost of sales	<u>607,067</u>	<u>401,854</u>
Depreciation of property, plant and equipment [^]	23,352	21,232
Depreciation of right-of-use assets [^]	48,886	62,221
Amortisation of film rights [#]	2,445	2,948
Amortisation of film and TV program products [#]	22	5,553
Impairment of property, plant and equipment [*]	40	5,418
Reversal of impairment of property, plant and equipment, net ^{@ **}	(18,292)	(19,155)
Impairment of right-of-use assets [*]	1,648	7,590
Reversal of impairment of right-of-use assets, net ^{@ &}	(59,729)	(25,364)
Impairment of films and TV programs under production [#]	14,624	27,785
Fair value changes from film investments [*]	54,553	1,258
Fair value changes from entertainment events organised by co-investors [@]	(7,931)	(6,227)
Share of net gain/(loss) from entertainment events organised by the Group to co-investors ^{*/@}	2,991	(121)
Impairment of advances and other receivables [*]	9,301	11,255
Impairment of amounts due from joint ventures [*]	524	2,393
Write-back of impairment of amounts due from joint ventures [@]	(1,070)	(4,156)
Loss/(gain) on deregistration of subsidiaries ^{*/@}	(3,065)	2,719
Fair value losses/(gains) on financial assets at fair value through profit or loss ^{*/@}	12,598	(2,939)
Gain on disposal of financial assets at fair value through profit or loss [@]	(851)	(3,175)
Gain on modification of leases [@]	(23,509)	(75,978)
Gain on termination of leases [@]	—	(2,835)
Foreign exchange differences, net [@]	<u>(4,647)</u>	<u>(2,398)</u>

[^] Depreciation charge of HK\$64,721,000 (2025: HK\$75,367,000) related to cinema operation is included in "Other operating expenses" on the face of the consolidated income statement.

[#] These items are included in "Cost of sales" on the face of the consolidated income statement.

^{*} These items are included in "Other operating expenses" on the face of the consolidated income statement.

[@] These items are included in "Other operating gains" on the face of the consolidated income statement.

^{**} For the year ended 31 July 2025, the item includes reversal of impairment of HK\$23,847,000 net of impairment losses of HK\$4,692,000 related to cinema operation.

[&] For the year ended 31 July 2025, the item includes reversal of impairment of HK\$45,998,000 net of impairment losses of HK\$20,634,000 related to cinema operation.

7. TAX

Hong Kong profits tax has been provided at the rate of 16.5% (2025: 16.5%) on the estimated assessable profits arising in Hong Kong during the year. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the jurisdictions in which the Group operates, based on existing legislation, interpretations and practices in respect thereof.

	2026 HK\$'000	2025 HK\$'000
Current		
— Hong Kong		
Charge for the year	11	8
Overprovision in prior years	(3)	(1)
	8	7
— Chinese Mainland		
Charge for the year	1,391	1,421
— Elsewhere		
Charge for the year	7,525	—
Subtotal	8,924	1,428
Deferred tax	(21)	4
Total	8,903	1,432

8. EARNINGS/(LOSS) PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

The calculation of the basic earnings/(loss) per share amount is based on the profit/(loss) for the year attributable to owners of the Company and the weighted average number of ordinary shares of 1,755,876,866 (2025: 1,755,876,866) outstanding during the year.

No adjustment had been made to the basic earnings/(loss) per share amounts presented for the years ended 31 July 2026 and 2025 in respect of a dilution as the impact of share options of the Company had no dilutive effect on the basic earnings per share amounts presented for the year ended 31 July 2026 (2025: anti-dilutive effect on the basic loss per share amounts).

9. DEBTORS

	2026 HK\$'000	2025 <i>HK\$'000</i>
Trade debtors	104,712	127,861
Impairment	(30,569)	(30,654)
	<u>74,143</u>	<u>97,207</u>
Net carrying amount	<u>74,143</u>	<u>97,207</u>

The trading terms of the Group with its customers are mainly on credit. Invoices are normally payable within 30 to 90 days of issuance, except for certain well-established customers, where the terms are extended to 120 days. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables and has a credit control policy to minimise its credit risk. Overdue balances are regularly reviewed by senior management. Since the Group trades only with recognised and creditworthy third parties, there is no requirement for collateral. Concentrations of credit risk are managed by customer/counterparty, by geographical region and by industry sector. There are no significant concentrations of credit risk within the Group as the customer bases of the Group's debtors are widely dispersed in different sectors and industries. The Group's debtors are non-interest-bearing.

The Group does not hold any collateral or other credit enhancements over these balances.

An ageing analysis of the trade debtors, net of loss allowance, based on the payment due date, as at the end of the reporting period, is as follows:

	2026 HK\$'000	2025 <i>HK\$'000</i>
Trade debtors:		
Unbilled or neither past due nor impaired	22,155	49,180
1 to 90 days past due	47,010	36,480
Over 90 days past due	4,978	11,547
	<u>74,143</u>	<u>97,207</u>
Total	<u>74,143</u>	<u>97,207</u>

10. CREDITORS AND ACCRUALS

An ageing analysis of the trade creditors, prepared based on the date of receipt of the goods and services purchased, as at the end of the reporting period, is as follows:

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Trade creditors:		
Less than 30 days	26,904	76,387
31 to 60 days	8,018	6,587
61 to 90 days	10,999	983
Over 90 days	1,429	3,039
Subtotal	47,350	86,996
Other creditors and accruals	504,034	447,978
Total	551,384	534,974
Less: Portion classified as current	(542,654)	(526,683)
Non-current portion	8,730	8,291

11. DEPOSITS RECEIVED AND CONTRACT LIABILITIES

An analysis of the deposits received and contract liabilities is as follows:

	2026 <i>HK\$'000</i>	2025 <i>HK\$'000</i>
Deposits received	5,756	4,480
Contract liabilities	185,924	179,926
Total	191,680	184,406

12. FINAL DIVIDEND

The Board does not recommend the payment of dividend for the year ended 31 July 2026 (2025: Nil).

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW AND OUTLOOK

Hong Kong's economy continued to grow at a healthy pace over the year under review, although momentum moderated as the period closed. Real GDP grew 5.9% year-on-year in the first quarter of 2026 and 4.3% in the second, bringing first-half growth to 5.1%, the strongest half-yearly performance in nearly five years. In light of that outturn, the Government revised its full-year growth forecast upward to a range of 3.5% to 4.5% on 14 August 2026, from 2.5% to 3.5% previously. The expansion was driven by external trade, which largely reflects goods passing through Hong Kong rather than goods produced here, and by resilient domestic demand. Private consumption expenditure grew 2.8% in the second quarter while residents' spending abroad declined, suggesting some reallocation of household spending back towards the domestic economy after several years in which northbound travel diverted local consumption. The tourism recovery also continued, with 26.71 million visitor arrivals in the first half of 2026, up 13% year-on-year. Arrivals continued to increase after the period end, reaching 36.67 million in the first eight months of 2026, up 11%, although short-haul arrivals declined over the same period.

Although Hong Kong's overall economy has improved, the cinema exhibition industry has been hindered by weak consumer sentiment and a lack of strong blockbusters. Cinema operators are still burdened by high rents, labour costs and revenue-sharing terms, while streaming platforms and digital entertainment erode habitual cinema-going. As at 31 July 2026, the Group operated a total of fifteen cinemas in Hong Kong and Chinese Mainland, offering total of 89 screens with 12,965 seats.

Nonetheless, there are some bright spots in local production. During the period from December 2025 to 2026 Lunar New Year, local films such as "*Back to the Past*" and "*Night King*" achieved strong box office results. While these performances have provided some momentum, the overall Hong Kong film market in 2026 remains fragile and heavily dependent on quality films. Government support is undergoing recalibration: the Film Development Fund is being reviewed to shift support toward projects with stronger commercial and market value, rather than simply providing production employment. Sustainable improvement requires a steadier pipeline of commercially viable films, lower production costs and renewed cinema-going habits.

During the year under review, the Group managed to achieve a moderate revenue increase in cinema operation despite the challenging operating environment. The Group will continue to monitor closely market conditions and improve overall operating efficiency, as well as actively engage in cost optimisation measures and adopt a prudent approach in evaluating future opportunities for cinema operation.

Media Asia Group Holdings Limited (an indirect wholly-owned subsidiary of the Company), being the media and entertainment arm of the Group, will continue to produce high-quality and commercially viable products.

The Group invested in producing original, high-quality films centered on Chinese themes and targeted at Chinese-speaking audiences. During the year, the Group released “*It’s My Time*”, “*A Man and a Woman*”, and “*The Volunteers: Peace at Last*”. “*Twilight of the Warriors: The Final Chapter*”, the highly anticipated sequel to “*Twilight of the Warriors: Walled In*”, remained a key project within the Group’s film production pipeline. The film is in the post-production stage and expected to be released in 2027. The Group anticipates that the film will further strengthen its film portfolio and contribute to the continuing development of its original Chinese-language film productions.

The drama series “*Case X Decoded*” streamlined on Alibaba’s Youku and broadcasted on TVB during the year has generated satisfactory viewership. Building on this success, the Group will continue to produce high-quality drama series to meet the demand for premium content from television broadcasters and online video platforms in Chinese Mainland and Southeast Asia.

The recent concerts, namely “*Leon Lai ROBBABA Concert 2026*”, “*Sammi You & Mi 2026 – Kuala Lumpur*” and “*Grasshopper Three In Love Concert 2026*”, achieved good box office and public praises. The Group will continue to work with prominent local and Asian artistes for concert promotion. The upcoming events include concerts by Sammi Cheng in 2027 and Grasshopper in Macau, with several more in the pipeline.

The licencing of music content with Tencent Music Entertainment (Shenzhen) Co., Ltd. and Warner Music continue to provide stable income to the Group. In addition, the Group will re-issue a number of classic playlists from its music library in commemorative edition albums.

Looking ahead, we believe that the Group’s integrated media platform comprising movies, TV programs, music, artiste management and live entertainment put us in a strong position to capture the opportunities of entertainment market by a balanced and synergetic approach and we will continue to explore cooperation and investment opportunities to enrich our portfolio, broaden our income stream and maximise value for our shareholders.

Other Business Updates

As at 31 July 2026, the Group’s consolidated cash and bank deposits amounted to HK\$620.5 million (31 July 2025: HK\$482.5 million). After netting off total borrowings of HK\$251.5 million as at 31 July 2026 (31 July 2025: HK\$275.8 million), the Group had net cash of HK\$369.0 million as at 31 July 2026 (31 July 2025: net cash of HK\$206.7 million). The Group is in net cash position, therefore gearing ratio of the Group, being the net borrowings (total borrowings minus cash and bank deposits) to net assets attributable to the owners of the Company, is not applicable. The Group will continue its prudent and flexible approach in managing its financial position.

OVERVIEW OF ANNUAL RESULTS

The Group's operations include the production and distribution of films and TV programs, music production and publishing, management and production of concerts, artiste management and cinema operation.

For the year ended 31 July 2026, the Group recorded a turnover of HK\$1,038.1 million (2025: HK\$779.6 million), representing a significant growth in revenue of approximately 33.2%. The increase was primarily driven by revenue from film and TV program, media and entertainment and cinema operation during the year under review as compared to last financial year.

Revenue from film and TV program recorded a substantial increase by approximately 384.1% as compared to last financial year. The increase was principally attributable to the release during the year under review of two TV programs, namely "*About Love*" and "*Case X Decoded*", which drove increases in distribution commission, licence fee income and sales of TV program products. Notably, the drama series "*Case X Decoded*" streamlined on Alibaba's Youku and broadcasted on TVB during the year has generated satisfactory viewership.

Moreover, revenue from media and entertainment business increased by approximately 18.9% as compared to last financial year. The growth was primarily driven by the increase in organisation and scale in events and concerts featuring our local and Asian renowned artistes by the Group, as well as growth in the album sales, licence income and distribution commission income from music publishing and licensing.

Furthermore, revenue from cinema operation recorded a moderate increase of approximately 5.7% as compared to last financial year, which was primarily due to the performance of limited blockbuster titles, such as "*Back To The Past*", "*Night King*", "*Zootopia 2*" and "*Toy Story 5*". The Group is actively engaging in cost optimisation measures for the cinema operation.

The gross profit of the Group increased by approximately 14.1% to HK\$431.0 million for the year ended 31 July 2026 (2025: HK\$377.8 million). The increase was primarily driven by growth in revenue during the year under review.

The amount attributable to owners of the Company significantly increased from a net loss of HK\$12.8 million for the year ended 31 July 2025 to a net profit of HK\$16.2 million for the year ended 31 July 2026. The turnaround from loss to profit was primarily attributed to growth in revenue and the administrative cost control measures implemented by the Group, partially offset by the increase in other operating expenses during the year under review. Net earnings per share attributable to owners of the Company was HK\$0.009 (2025: net loss of HK\$0.007 per share).

Equity attributable to owners of the Company as at 31 July 2026 amounted to HK\$82.1 million (31 July 2025: HK\$67.4 million). Net asset value per share attributable to owners of the Company as at 31 July 2026 was HK\$0.047 per share (31 July 2025: HK\$0.038 per share).

Cinema Operation

For the year ended 31 July 2026, this segment recorded a turnover of HK\$470.5 million (2025: HK\$445.1 million) and segment results of a profit of HK\$139.6 million (2025: a profit of HK\$117.0 million). As at the date of this results announcement, the Group operates fourteen cinemas in Hong Kong and one cinema in Chinese Mainland. Details on the number of screens and seats of each existing cinema are disclosed in below table. Besides, the Group has extended its cinema network through two 50%-owned joint ventures with Emperor Cinemas Group, namely Emperor Cinemas Plus+ (The Wai) and Emperor Cinemas Plus+ (The Southside), which are managed by Emperor Cinemas Group.

Cinema (managed by the Group)	No. of screens	No. of seats
Chinese Mainland		
Suzhou Grand Cinema City	10	1,440
Subtotal	10	1,440
Hong Kong		
K11 Art House (including IMAX theatre)	12	1,708
Movie Town (including MX4D theatre)	7	1,702
Festival Grand Cinema	8	1,196
MCL AIRSIDE Cinema	7	944
MCL The ONE Cinema	6	831
MCL Cyberport Cinema	4	818
MCL Telford Cinema (including MX4D theatre)	6	789
MCL Metro City Cinema	6	690
MCL Citygate Cinema	4	673
STAR Cinema	6	622
MCL Amoy Cinema	3	603
MCL Cheung Sha Wan Cinema	4	418
MCL Green Code Cinema	3	285
Grand Windsor Cinema	3	246
Subtotal	79	11,525
Total	89	12,965

Media and Entertainment

For the year ended 31 July 2026, this segment recorded a turnover of HK\$342.2 million (2025: HK\$287.9 million) and segment results of an increased profit to HK\$61.2 million from that of HK\$43.2 million in last financial year.

Events Management

During the year under review, the Group organised and invested in 49 (2025: 45) shows by popular local and Asian renowned artistes, including Leon Lai, Sammi Cheng, Grasshopper, Ekin Cheng, Jay Fung, Stephy Tang, Cloud Wan, On Chan, Big Four, Mayday, Tsai Chin and Crowd Lu.

Music Production, Distribution and Publishing

During the year under review, the Group released 25 (2025: 19) albums, including titles by Anita Mui, Leslie Cheung, Eason Chan, Sammi Cheng, Miriam Yeung, Grasshopper, Jay Fung, Cloud Wan, On Chan, Big Four, Amy Lo, Feanna Wong and Nowhere Boys. The Group expects to continue to increase its music licensing revenue from the exploitation of the music library through new media distribution, as well as black vinyl collector's editions.

Artiste Management

The Group has a strong artiste management team and a sizeable number of talents and will continue to expand its profile and in tandem with our growing TV drama production and film production businesses. The Group currently has 17 artistes under its management.

Film and TV Program Production and Distribution

For the year ended 31 July 2026, this segment recorded a turnover of HK\$225.4 million (2025: HK\$46.6 million) and segment results of a loss of HK\$93.7 million (2025: loss of HK\$52.0 million).

During the year under review, a total of 4 (2025: 7) films and 2 (2025: nil) TV programs produced/invested by the Group were theatrically released, namely “*The Volunteers: Peace at Last*”, “*A Man and A Woman*”, “*It’s My Time*”, “*Dream Demon Spirit Snake Record*”, “*About Love*” and “*Case X Decoded*”. The Group also distributed 44 (2025: 46) films with high profile titles including “*Back To The Past*”, “*Dear You*”, “*Colony*” and “*The Snowball on a Sunny Day*”.

LIQUIDITY, FINANCIAL RESOURCES AND GEARING

Cash and Bank Balances

As at 31 July 2026, cash and bank balances held by the Group amounted to HK\$620.5 million (2025: HK\$482.5 million) of which around 70.4% was denominated in Hong Kong dollars (“**HKD**”) and around 19.5% was denominated in Renminbi (“**RMB**”). The conversion of RMB denominated cash and bank balances into foreign currencies and the remittance of such foreign currencies denominated balances out of Chinese Mainland are subject to the relevant rules and regulations of foreign exchange control promulgated by the government authorities concerned. The Group does not have any derivative financial instruments or hedging instruments outstanding.

Borrowings

As at 31 July 2026, the Group had outstanding consolidated total borrowings in the amount of HK\$251.5 million. The Group had unsecured other borrowings due to the late Mr. Lim Por Yen in the principal amount of HK\$113.0 million which is interest-bearing at the HSBC prime rate per annum. The Group's recorded interest accruals were HK\$138.5 million for the said unsecured other borrowings as at 31 July 2026. As at 31 July 2026, the other borrowings of the Group were denominated in HKD and repayable on demand.

Gearing

After netting off total borrowings, the Group had net cash of HK\$369 million as at 31 July 2026. The Group is in net cash position, therefore gearing ratio of the Group, being the net borrowings (total borrowings minus cash and bank deposits) to net assets attributable to the owners of the Company, is not applicable.

Taking into account the amount of cash being held as at the end of the reporting period and the recurring cash flows from the Group's operating activities, the Group believes that it would have sufficient liquidity for its present requirements to finance its existing operations and projects underway.

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

During the year ended 31 July 2026, neither the Company nor any of its subsidiaries had purchased, sold or redeemed the Company's listed securities (including sale of treasury shares, if any).

CORPORATE GOVERNANCE

The Company is committed to achieving and maintaining high standards of corporate governance and has established policies and procedures for compliance with the principles and code provisions set out from time to time in the Corporate Governance Code ("CG Code") contained in Part 2 of Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The Company has complied with all applicable code provisions set out in the CG Code for the year ended 31 July 2026.

EMPLOYEES AND REMUNERATION POLICIES

As at 31 July 2026, the Group employed a total of around 370 full-time employees (31 July 2025: 390) and around 290 part-time employees (31 July 2025: 330). The Group recognises the importance of maintaining a stable staff force in its continued success. Under the Group's existing policies, employee pay rates are maintained at competitive levels whilst promotion and salary increments are assessed on a performance-related basis. Discretionary bonuses are granted to employees based on their merit and in accordance with industry practice. Other benefits including share option scheme, mandatory provident fund scheme, free hospitalisation insurance plan, subsidised medical care and sponsorship for external education and training programs are offered to eligible employees.

INVESTOR RELATIONS

To ensure our investors have a better understanding of the Company, our management engages with investors on a regular basis. Our Executive Directors and Investor Relations Department communicate with research analysts and institutional investors throughout the year.

The Group maintains dialogues with the investment community and provides them with updates on the Group's operations, financial performance and outlook. During the year under review, the Company has engaged with a range of stakeholders via physical/online meetings and conference calls.

The Company welcomes suggestions from investors, stakeholders and the public who may contact the Investor Relations Department by phone on (852) 2853 6106, by fax at (852) 2853 6651 or by e-mail at ir@esun.com.

REVIEW OF ANNUAL RESULTS

The audit committee of the Company ("**Audit Committee**") currently comprises three Independent Non-executive Directors, namely Messrs. Poon Kwok Hing, Albert (Chairman), Low Chee Keong and Alfred Donald Yap. The Audit Committee has reviewed the consolidated financial statements of the Company for the year ended 31 July 2026 including the accounting principles and practices adopted by the Company as well as the risk management, internal control and financial reporting matters.

REVIEW OF PRELIMINARY RESULTS ANNOUNCEMENT BY INDEPENDENT AUDITOR

The figures in respect of the Group's consolidated statement of financial position, consolidated income statement, consolidated statement of comprehensive income and the related notes thereto for the year ended 31 July 2026 as set out in the preliminary results announcement have been agreed by the Company's auditor, Ernst & Young, Certified Public Accountants ("**Ernst & Young**"), to the amounts set out in the Group's consolidated financial statements for the year. The work performed by Ernst & Young in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Ernst & Young on the preliminary results announcement.

ANNUAL GENERAL MEETING

The forthcoming annual general meeting of the Company will be held on Friday, 18 December 2026 ("**2026 AGM**"). Notice of the 2026 AGM together with the Company's Annual Report for the year ended 31 July 2026 will be published on the respective websites of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk and the Company at www.esun.com and the printed copies will be despatched to shareholders of the Company in mid-November 2026.

RECORD DATE FOR ATTENDING AND VOTING AT 2026 AGM

To ascertain the entitlements to attend, speak and vote at the 2026 AGM, all relevant transfer document(s) and share certificate(s) must be lodged with the office of the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong no later than 4:30 p.m. on Monday, 14 December 2026 for registration. The record date for attending, speaking and voting at the 2026 AGM is Monday, 14 December 2026.

By order of the Board
eSun Holdings Limited
Low Chee Keong
Chairman

Hong Kong, 20 October 2026

As at the date of this announcement, the Board comprises three Executive Directors, namely Messrs. Yang Yiu Chong, Ronald Jeffrey (Chief Executive Officer), Cheung Sum, Sam (Group Chief Financial Officer) and Lam Hau Yin, Lester (also alternate to Madam U Po Chu); one Non-executive Director, namely Madam U Po Chu; and four Independent Non-executive Directors, namely Messrs. Low Chee Keong (Chairman), Lo Kwok Kwei, David, Poon Kwok Hing, Albert and Alfred Donald Yap.