



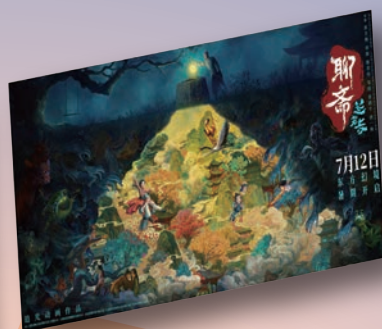
儒意控股  
RUYI HOLDINGS

CHINA RUYI HOLDINGS LIMITED

中國儒意控股有限公司

(a company incorporated in Bermuda with limited liability)

(Stock Code: 136)



2025  
Interim Report

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# Corporate Information

## DIRECTORS

### Executive Directors

Mr. Ke Liming (*Chairman*)  
Mr. Zhang Qiang

### Non-executive Director

Mr. Yang Ming

### Independent Non-executive Directors

Mr. Chau Shing Yim, David  
Mr. Nie Zhixin  
Mr. Chen Haiquan  
Professor Shi Zhuomin

## AUDIT COMMITTEE

Mr. Chau Shing Yim, David (*Chairman*)  
Mr. Nie Zhixin  
Mr. Chen Haiquan

## REMUNERATION COMMITTEE

Mr. Chau Shing Yim, David (*Chairman*)  
Mr. Ke Liming  
Mr. Nie Zhixin

## NOMINATION COMMITTEE

Mr. Ke Liming (*Chairman*)  
Mr. Nie Zhixin  
Mr. Chen Haiquan

## COMPANY SECRETARY

Mr. Fong Kar Chun, Jimmy

## REGISTERED OFFICE

Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

## PRINCIPAL PLACE OF BUSINESS IN HONG KONG

Room 3701, 37/F  
Lee Garden One  
33 Hysan Avenue  
Causeway Bay  
Hong Kong

## PRINCIPAL PLACE OF BUSINESS IN THE PRC

CN03  
Laijin Culture Creative Industrial Park  
Chaoyang District  
Beijing  
The People's Republic of China

## SHARE REGISTRARS

### Bermuda

Conyers Corporate Services (Bermuda) Limited  
Clarendon House  
2 Church Street  
Hamilton HM11  
Bermuda

### Hong Kong

Tricor Investor Services Limited  
17/F, Far East Finance Centre  
16 Harcourt Road  
Hong Kong

## PRINCIPAL BANKERS

Industrial and Commercial Bank of China (Asia) Limited  
Bank of Hangzhou Co., Ltd.  
Agricultural Bank of China Limited

## AUDITOR

PricewaterhouseCoopers  
Certified Public Accountants  
Registered Public Interest Entity Auditor

## WEBSITE ADDRESS

<http://www.ryholdings.com>

## DATE OF REPORT

25 August 2025

# Management Discussion and Analysis

Dear Shareholders,

I am pleased to present the results of China Ruyi Holdings Limited (the “**Company**” or “**China Ruyi**”), its subsidiaries and its controlled entities (the “**Group**”) for the six months ended 30 June 2025 (the “**Reporting Period**”).

## FINANCIAL PERFORMANCE SUMMARY

The Group recorded a profit attributable to equity holders of the Company of approximately RMB1,235 million for the six months ended 30 June 2025, as compared to a loss attributable to equity holders of the Company of approximately RMB115 million for the six months ended 30 June 2024. The basic and diluted earning per share were RMB8.14 cents and RMB8.12 cents for the six months ended 30 June 2025 respectively as compared to the basic and diluted loss per share of RMB0.98 cents and RMB0.98 cents respectively for the six months ended 30 June 2024.

The Group’s turnover increased to approximately RMB2,206 million during the six months ended 30 June 2025, as compared to the turnover of approximately RMB1,840 million during the six months ended 30 June 2024. Its revenue from content production, online streaming and online gaming businesses, among others, was approximately RMB2,186 million for the six months ended 30 June 2025 and was approximately RMB20 million for other businesses.

For the six months ended 30 June 2025, the adjusted net profit of the Company was approximately RMB1,303 million, while the adjusted net profit as at 30 June 2024 was approximately RMB544 million.

## BUSINESS REVIEW AND OUTLOOK

### Business Review and Outlook

In the first half of 2025, benefiting from the stable growth of overall business and synergy among core segments, the advantages of our industry layout were evident. This not only effectively enhanced monetization efficiency but also drove revenue and profit growth, demonstrating robust overall operating performance. For the six months ended 30 June 2025, the Group achieved revenue of RMB2.206 billion, representing a year-on-year increase of 20%. Net profit reached RMB1.228 billion, turning around from a net loss of RMB123 million as compared with the same period of the last year, making substantial improvement in profitability. Meanwhile, during the Reporting Period, the Group’s adjusted net profit was RMB1.303 billion, representing a year-on-year increase of 140%, reflecting significant achievements in cost control, resource utilization efficiency and profit structure optimization, which laid a solid foundation for sustainable growth of core businesses.



## Management Discussion and Analysis (Continued)

### I. Content production business: Premium content strategy leading the way to build core barriers for sustainable development

#### 1. *Film investment, production, and distribution business*

In the first half of 2025, the industry showed steady recovery. Driven by blockbusters such as “Nezha 2” (《哪吒之魔童鬧海》) and “Detective Chinatown 1900” (《唐探1900》) during the Spring Festival, the national box office reached RMB29.231 billion as of 30 June 2025, representing a year-on-year increase of 22.91%, and cinema attendance reached 641 million, representing a year-on-year increase of 16.89%.

During the Reporting Period, adhering to the development strategy centered on high-quality content, the Company ranked among industry leaders in both film quantity and box office performance. Several films broke into the top ranks of various seasons, among which the suspense crime film “Octopus with Broken Arms” (《誤殺3》) and the romantic comedy “Honey Money Phony” (《騙騙喜歡你》), in which the Company participated in production, were both nominated for the “Weibo Users Most Anticipated Films of 2024” list (“2024微博網友年度期待影片”榜單), ranking first and third in the New Year’s Day box office, respectively. The co-produced “Detective Chinatown 1900” (《唐探1900》) ranked second in the Spring Festival box office with over RMB3.6 billion, and won the “Weibo Movie Night 2025 Awards • Film of the Year” (“2025微博電影之夜 • 年度影片”) and “17th Time Honors • Top 10 Anticipated Films” (“第十七屆時光大賞 • 十大期待電影”) awards. Another co-produced family animation “Boonie Bears: Future Reborn” (《熊出沒 • 重啟未來》) also performed remarkably at the box office of RMB821 million.

Since the start of the summer season, several films co-produced by the Company have demonstrated strong performance: the war-themed film “Dead to Rights” (《南京照相館》) directed by Shen Ao and starred by Liu Haoran, Wang Chuanjun, Gao Ye and Wang Xiao topped the summer box office; the oriental fantasy adaptation “Curious Tales of a Temple” (《聊齋：蘭若寺》) won “Weibo Movie Night 2025 Awards • Annual Focus Films” (“2025微博電影之夜 • 年度關注影片”); the historical suspense adaptation “The Lychee Road” (《長安的荔枝》) received “Weibo Movie Night 2025 Awards • Annual Anticipated Film” (“2025微博電影之夜 • 年度矚目影片”); and the social suspense film “Malice” (《惡意》) also performed well, demonstrating the Company’s capability in content development and premium production.

The Company continued to strengthen production and distribution capabilities while maintaining diversified content development. For upcoming projects, the romantic fantasy film “Gift from a Cloud” (《有朵雲像你》) starred by Qu Chuxiao and Wang Ziwen and directed by Yao Tingting, is scheduled for release on 29 August; the sci-fi drama “Echoes of Encounter” (《我們生活在南京》), directed by Lu Yang and adapted from the Chinese Science Fiction Galaxy Award-winning novel, is actively under preparation; heavyweight films including “Wild Land” (《蠻荒禁地》), “Cold War 1994” (《寒戰1994》), “Once Upon A Time in the Middle East” (《歡迎來龍餐館》), and “War of Light” (《轉念花開》), as well as animated films co-produced with Light Chaser Animation, are progressing steadily.

## Management Discussion and Analysis (Continued)

### 2. *Investment, production and distribution of television dramas*

The Company focuses on core segments of film and television content production, continuously enhancing end-to-end drama production capabilities, with emphasis on premium IP development and high-quality content production, actively collaborating with domestic streaming platforms while expanding overseas markets.

During the Reporting Period, the Company achieved significant results in television dramas: the crime sequel “SAN CHA JI 2” (《三叉戟2》) was aired in the first half with enthusiastic market response; the martial arts romance “Shadow Love” (《與晉長安》), adapted from an original novel and starred by Song Yi and Cheng Lei, was aired. Additionally, the Company produced a number of dramas with diversified genres, including the suspense drama “Light to the Night” (《黑夜告白》) starred by Pan Yueming and Wang Hedi, the legal drama “Prosecutor and Boy” (《檢察官與少年》) starred by Zhang Xiaofei and Yu Jiacheng, and the urban romantic comedy “Sparks Don’t Ask Permission” (《遇人不熟》) starred by Cai Wenjing, expanding narrative genres while establishing collaborations with multiple platforms. These dramas have completed post-production and are expected to be released in the fourth quarter of 2025.

In terms of drama production, the historical fantasy “All Hail the Sect Leader” (《萬古最強宗》) starred by Peng Yuchang and Wan Peng wrapped in July; the new-school martial arts drama “A Little Noble Spirit” (《一點浩然氣》) starred by Ao Ruipeng and Dai Luwa completed filming in August; and the workplace inspirational drama “Dazzling” (《耀眼》) starred by Guan Xiaotong and Li Yunrui commenced shooting in the first half of the year.

Moving forward, the Company will continue to uphold the development philosophy of “upholding the integrity, taking the righteous path, embracing the innovation, and delivering premium content”, deepening diversified drama production while maintaining premium content creation, providing audiences with high-quality content and creating long-term value and profit growth for the Company.

### II. Streaming business: Deepening personalized services and driving user experience upgrades with AI innovation

As the Group’s long-form online streaming platform, Pumpkin Films consistently adheres to the philosophy of “empowering content distribution with technology”. By deeply analyzing user behavior data and leveraging on intelligent recommendation algorithms, the platform provides highly personalized content services to users. Simultaneously, as one of China’s largest agency and distribution platforms, Pumpkin Films continues to introduce premium films and top-tier new dramas and deeply explores the commercial value of copyrights, which has contributed significant revenue and profit to the Company during the Reporting Period.

#### *Enhancing smart interaction scenarios and strengthening user demand responsiveness*

During the Reporting Period, the platform achieved breakthroughs in smart user interaction, and completed in-depth iterations of AI large-model technology. This model boasts three core advantages: firstly, multi-dimensional user profiling enables “one-thousand faces for one-thousand users” precision in content recommendations; secondly, integrated real-time AI interactive services allow users to obtain personalized services such as content explanations and viewing suggestions through natural language interactions; thirdly, by continuously learning from user feedback data, the model dynamically optimizes recommendation logic, enhancing service quality across content discovery and interactive experiences, thereby strengthening user stickiness. The newly added dialogue service seamlessly switches between Mandarin, Cantonese, and Sichuan dialect based on user language preferences, with more regional dialects to be incorporated into the AI dialogue system in the future. Currently, the newly developed AI smart recommendation assistant has entered a testing phase for selected users.

## Management Discussion and Analysis (Continued)

### *AI technology empowers content creation innovation and expands creative boundaries*

The Company highly recognizes the application potential of AI technology in the film and television industry and has consistently invested in AI fields with tangible returns. Following the launch of the DreamShapers platform last year, the platform further improves its operational ease and content-matching capabilities through continuous R&D and optimization. Leveraging on AI model capabilities, the platform comprehensively enhances content production and operational efficiency. It continues to deliver strong performance in scriptwriting, providing inspiration and creativity for screenwriters. Additionally, the DreamShapers platform has developed capabilities such as “video commentary” and “key content recognition” based on its in-depth understanding of film and television content and the three dimensions of “cost, efficiency, and personalization”. In the second half of the year, the Company will begin releasing AI-generated video commentary clips on Pumpkin Films and various short-video platforms to serve audiences.

### *Multi-channel synergistic traffic acquisition to enhance user reach*

During the Reporting Period, the Company actively expands its promotion matrix of new media platforms and established partnerships with several new media platforms and succeeded in creating a leading account cluster for film and drama contents. Collaborating influencers within the cluster (including exclusive and non-exclusive cooperation) have cumulatively reached over 250 million total users. Long-form videos were adapted to short-form formats for cross-platform distribution. By doing so, on the one hand, the Company can obtain revenue from copyright authorization; and on the other hand, it promotes the long-form video to reach a larger number of users, forming a large-scale traffic entrance, thereby effectively improving the conversion rate and retention rate of users, and boosting the number of the paid members.

In the future, the Company will continue deepening the integration of AI technology into content creation, user services, and channel operations, leveraging on technological innovation to enhance the differentiated competitiveness of its streaming business, thus to further solidify its industry leadership.

## III. Gaming business: Innovation as the engine to build a global IP ecosystem and diversified product matrix

The Group’s core gaming brand, “景秀 JINGXIU”, achieved revenue of RMB1.21 billion in the first half of 2025, representing a year-on-year increase of 40%, maintaining high-level growth.

### *Dedicated to premium game development and innovation-driven growth*

The Company remains focused on high-quality game development and operation, refines product cores with craftsmanship, and drives content iteration through innovation. By enriching game ecosystems, it extends product lifecycles. During the Reporting Period, classic products maintained stable popularity, including “Ragnarok Origin” (《仙境傳說：愛如初見》), “Civilization: Eras & Allies” (《世界啟元》) and “HAIKYU!! FLY HIGH” (《排球少年：新的征程》) with user activity and revenue consistently ranking at the forefront of their respective segments. Since the launch of “Red Alert Online” (《紅警OL》), gross revenue of over RMB6 billion has been generated, fully validating the effectiveness of its evergreen product strategy.

Newly launched products have rapidly captured market share with differentiated positioning. Notably, “Age of Stellarian” (《群星紀元》) ranked among the Top 10 of iOS bestseller list with the first-month revenue exceeding RMB100 million. The product won the “Best Science Fiction Game” of the 3rd Science Fiction Planet Awards at the 2025 China Science Fiction Convention due to the “sci-fi themes + innovative gameplay” combination, becoming the first domestically developed SLG game to receive this honor, endorsed by industry figures including Liu Cixin, Wang Jinkang, and Chao Xia. “The War of Dragon Stones” (《龍石戰爭》) also performed strongly at launch, with Beijing Jingxiu forming a strategic partnership with Universal Products & Experiences to deeply integrate “How to Train Your Dragon” (《馴龍高手》)’s iconic character Toothless (‘沒牙仔’) into the game, pioneering cross-media IP collaborations.

## Management Discussion and Analysis (Continued)

### *Continuously deepening film-game linkage and collaborating with Beijing Yonghang to create female-oriented growth*

The Company has established a deep collaboration with Beijing Yonghang on the “QQ Dance” (《QQ炫舞》) series to jointly develop interactive film-game products from a female perspective. In the second half of 2025, we will integrate QQ Dance IP resources (including the virtual idol Xing Tong, “星瞳”) with the Group’s film artists and copyright assets to create immersive music-dance social experiences. This initiative will expand into short-form dramas, monetizing through game sales, DLCs (downloadable content), and branded integrations, while boosting user scale and revenue for the QQ Dance IP. Ultimately, we aim to build a “film-game + short drama + gaming” ecosystem, injecting new momentum into the Group’s growth.

### *Strengthening IP commercialization and actively building a diversified product matrix*

Leveraging on IP acquisition and operational capabilities, the Group continues to expand category boundaries and constructs a diversified product matrix to enhance competitiveness and market coverage. In terms of SLG core segment, the Company continues to reinforce its leadership with upcoming games like Three Kingdoms RTS Mobile Game “Yanwu” (《優武》). As for diversified expansion, the Group actively explores sports, MMORPG, music and dance fields. In April 2025, Beijing Jingxiu entered into a comprehensive collaboration with the NBA China for businesses including operational basketball products, simulation management basketball products, and licensed derivatives, with the game “NBAGO” expected to launch in 2026. Concurrently, the Company has partnered with leading international developers such as Ubisoft and EA to secure the development and distribution rights within China for classic IPs including “Heroes of Might & Magic” and “Command & Conquer”. It plans to leverage a “classic IP + innovative gameplay” model to reactivate existing user engagement. In addition, the Company has collaborated with China Literature to launch the game adaptation of “Guardians of the Dafeng” (《大奉打更人》), along with other major products including “Ragnarok Abyss” (《仙境傳說：初心》), “CookieRun: Tower of Adventures” (《餅乾人聯盟》), “Football Craft” (《代號：足球重啟》), “Command & ConquerTM: Legions” (《紅警：榮耀》), “Celestial Realm Grandmaster” (《仙界大掌門》), and “Asylum No.4: Behind the Red Door” (《千萬別打開那扇門》).

### *AI technology empowered R&D efficiency and user experience upgrades*

The Group attaches great importance to the core driving role of AI technology for our gaming business. We continuously invest in and deepen AI application across the entire game development and operation lifecycle, and have now achieved significant phased results.

In terms of R&D efficiency enhancement, by applying computer vision technology and motion transfer algorithms, the Group has successfully achieved the efficient and precise conversion of 2D real-match footage into dynamic animations for 3D game characters. The practical application of this technology has increased the core animation modeling efficiency for sports games by approximately 70%, providing crucial technical support for creating highly realistic court experiences in NBA-related products.

For user experience optimization, the intelligent strategy engine, built on reinforcement learning algorithms, has achieved personalized and dynamically adaptive tactical recommendations through deep learning and analysis of massive real-world match data. This is projected to significantly enhance user engagement and stickiness for strategy. Supported by Natural Language Processing (NLP) and affective computing models, the in-game AI commentary system has attained 98% contextual accuracy and emotional alignment in its commentary content, effectively boosting users’ immersion in the matches.

AI technology has deeply penetrated the entire game development process, demonstrating powerful empowered effects in areas such as boosting R&D efficiency, enriching content innovation dimensions, and optimizing user experience. Moving forward, the Company will continue to strengthen its “R&Doperation integration” capabilities and proactively seize market opportunities to provide sustained momentum for the Group’s performance growth.



## Management Discussion and Analysis (Continued)

### IV. Investment & M&A: Focusing on core segments to enhance industrial synergies and value realization

#### 1. *Partnership with Wanda Film to strengthen full-industry chain synergy*

The Company invested in Wanda Film in 2023. As a leading enterprise in China's cinema exhibition industry, Wanda Film possesses a dominant market position and extensive offline channels in the film screening sector. This acquisition has laid a core foundation for the Company's film-game industry chain layout, with its strategic synergies gradually translating into tangible performance growth drivers.

From the perspective of industrial chain integration, the investment has enabled the Company to achieve end-to-end integration from content creation and production to film screening. On the one hand, the Company has deeply synergized its internal film and television production and gaming resources with Wanda Film's nationwide theater network, significantly enhancing the conversion efficiency from content to commercialization, thereby supporting revenue growth. On the other hand, leveraging on the massive audience data and consumer behavior insights accumulated by Wanda Film as China's leading theater platform, the Group employs big data analytics to empower content creation and project decision-making, precisely targeting market demand while dynamically optimizing film positioning and marketing strategies, effectively improving return rates of project investments and mitigating market risks.

Furthermore, Wanda Film's tens-of-millions member system and cinema traffic flow offer a natural channel advantage for the deployment of the Company's film and television IP derivatives. The synergy between the cinema environment and the IP derivative business can not only expand monetization pathways for non-box office revenue, but also facilitate deeper exploration of IP values, injecting diversified momentum into the Company's performance growth.

#### 2. *Strategic investment in 52TOYS to expand IP derivative business*

To deepen the IP value chain, the Group proactively invested in high-growth derivative markets such as trendy toys and figurines. During the Reporting Period, the Company made a strategic investment in Beijing Lezi Tiancheng Cultural Development Co., Ltd.\* (北京樂自天成文化發展股份有限公司), whose renowned brand 52TOYS possesses abundant proprietary IP resources and has established collaborative licensing relationships with numerous internationally renowned IPs. This investment holds multiple strategic significance. On the one hand, the Company can share in the potential capital appreciation driven by the brand growth and market expansion of 52TOYS. On the other hand, the deep synergy of the Group's strong film and television IP content advantages with 52TOYS's product design, development, and channel capabilities will jointly drive the commercialization innovation of film and television IPs, create market-competitive hit derivatives, diversify revenue sources, and significantly enhance IP monetization capabilities and overall profitability.

#### 3. *Acquisition of 30% equity in Kuaiqian to deepen "Culture + Technology + Finance" strategic layout*

In July 2025, the Group initiated the acquisition of a 30% equity stake in Kuaiqian Financial Services (Shanghai) Co., Ltd. ("**Kuaiqian**") for RMB240 million (the formal completion of this transaction is subject to the satisfaction of certain pre-conditions, including approval from the People's Bank of China). This acquisition is a key initiative by the Group to deepen its "Culture + Technology + Finance" strategic layout, aiming to strengthen strategic control over the financial payment link within the closed loop of the digital content ecosystem, thereby enhancing the Group's platform-based operational capability and industrial synergy effects. From the perspective of the target's core value, Kuaiqian holds a nationally issued third-party payment license, primarily providing comprehensive payment solutions for large and medium-sized enterprises. It has actively expanded into overseas markets with a deep strategic presence in digital currency applications and cross-border payments, having established a diversified system for cross-border payment products and solutions. This acquisition will facilitate the Group's expansion into fintech business, generating long-term strategic synergy benefits and potential growth opportunities by integrating with the Group's film, streaming media, gaming, and cinema exhibition businesses.

\* For identification purposes only

## Management Discussion and Analysis (Continued)

### ADJUSTED NET PROFIT

To supplement our consolidated financial statements which are presented in accordance with Hong Kong Financial Reporting Standards (“**HKFRS**”), we also use adjusted net profit as additional financial measures, which are not required by, or presented in accordance with HKFRS. We believe that these non-HKFRS measures, which have excluded certain items, facilitate comparisons of operating performance from period to period and company to company by eliminating potential impacts of items that our management does not consider to be indicative of our operating performance. We believe that these measures provide useful information to investors and others in understanding and evaluating our consolidated results of operations in the same manner as they help management. However, our presentation of the adjusted net profit may not be comparable to similarly titled measures presented by other companies. The use of these non-HKFRS measures has limitations as an analytical tool, and you should not consider them in isolation from, or as substitute for analysis of, our results of operations or financial condition as reported under HKFRS. The following tables reconcile our adjusted net profit for the periods presented to the most directly comparable financial measures calculated and presented in accordance with HKFRS:

	<b>Six months ended</b>	
	<b>30 June 2025</b>	30 June 2024
	<b>RMB'000</b>	RMB'000
<b>Reconciliation of net profit/(loss) to adjusted net profit</b>		
Net profit/(loss) for the period	<b>1,227,634</b>	(122,658)
<b>Add:</b>		
Share-based compensation expenses	<b>26,775</b>	34,463
Interests expenses on convertible bonds	<b>23,721</b>	—
Imputed interest expenses	<b>24,470</b>	41,377
Fair value change in contingent consideration payable	<b>—</b>	590,439
<b>Adjusted net profit</b>	<b>1,302,600</b>	543,621

### LIQUIDITY, CAPITAL RESOURCES, BORROWINGS AND GEARING RATIO

The Group maintains a prudent treasury policy. The Group primarily financed its operations through shareholder's equity, borrowings and cash generated from operations. During the six months ended 30 June 2025, the liquidity of the Group was closely monitored by the board (the “**Board**”) of directors (the “**Directors**”) of the Company and the Group reviews its working capital and finance requirements on a regular basis.

#### Liquidity

As at 30 June 2025, the Group maintained cash and bank balance of approximately RMB5,528.3 million (as at 31 December 2024: approximately RMB3,493.6 million). The increase in cash and bank balance was mainly due to the receipt of financing proceeds and the growth in operating performance.

## Management Discussion and Analysis (Continued)

### Borrowings and Gearing Ratio

The Group maintained a sound financial position, and its borrowing demand was not seasonal. As at 30 June 2025, the Group had borrowings of approximately RMB1,076.7 million (as at 31 December 2024: approximately RMB1,700.9 million), with borrowings at fixed interest rates accounting for 30.2%. Such borrowings will be due within 28 months.

As at 30 June 2025, the Group's net equity amounted to approximately RMB20,361.7 million (as at 31 December 2024: approximately RMB16,345.2 million) with total assets amounting to approximately RMB27,451.6 million (as at 31 December 2024: approximately RMB21,670.7 million). Net current assets were approximately RMB11,217.0 million (as at 31 December 2024: approximately RMB6,660.4 million) and the current ratio was 3.5 times (as at 31 December 2024: 2.5 times). Gearing ratio calculated on the basis of the Group's total debts (interest-bearing borrowings, convertible bonds and lease liabilities) over shareholders' funds was 11.3% (as at 31 December 2024: 2.0%).

### Charge of Assets

As at 30 June 2025, the Group did not have any charges on assets (as at 31 December 2024: nil).

### Commitment

As at 30 June 2025, the Group had no capital commitment (as at 31 December 2024: nil).

### Contingent Liabilities

The Company and the Group did not provide corporate guarantee to its subsidiaries or other parties and did not have other significant contingent liabilities as at 30 June 2025 (as at 31 December 2024: nil).

## CURRENCY RISK MANAGEMENT

The Group had significant amount of assets and liabilities denominated in Renminbi (RMB) as at 30 June 2025. The content production, online streaming and gaming businesses are mainly carried out in RMB in Mainland China. Therefore, the Group is exposed to the risk of significant fluctuation in RMB exchange rates. During the six months ended 30 June 2025, the Group closely monitored the fluctuation and does not expect any material fluctuation of exchange rates in the near future, but will continue to monitor it.

## INTERIM DIVIDEND

The Board does not recommend the payment of any interim dividend for the six months ended 30 June 2025 (six months ended 30 June 2024: nil).

## Management Discussion and Analysis (Continued)

### MATERIAL ACQUISITION AND DISPOSAL

On 13 January 2025, (i) Beijing Ruyijingxiu Network Technology Co., Ltd.\* (“**Beijing Jingxiu**”, 北京儒意景秀網絡科技有限公司) and Virtual Cinema Entertainment Limited (“**Virtual Cinema**”) (as purchasers) (collectively, the “**Beijing Yonghang Purchasers**”); (ii) Tencent Digital (Shenzhen) Company Limited\* (騰訊數碼(深圳)有限公司), Tencent Mobility Limited (“**Tencent Hong Kong**”), Guangxi Tencent Venture Capital Co., Ltd.\* (廣西騰訊創業投資有限公司) and Tibet Yonghang Enterprise Management Partnership (Limited Partnership)\* (西藏永航企業管理合夥企業(有限合夥)) (as vendors) (collectively, the “**Beijing Yonghang Vendors**”); (iii) Beijing Yonghang Technology Company Limited\* (“**Beijing Yonghang**”); and (iv) the Company (as the guarantor of the Beijing Yonghang Purchasers) entered into an equity transfer agreement (the “**Beijing Yonghang Equity Transfer Agreement**”), pursuant to which the Beijing Yonghang Vendors had conditionally agreed to sell, and the Beijing Yonghang Purchasers had conditionally agreed to acquire a total of 30% equity interest in Beijing Yonghang at a total consideration of RMB825 million, including (i) RMB742.5 million in cash, and (ii) 36,666,667 new shares (the “**Consideration Shares**”) to be allotted and issued by the Company to Tencent Hong Kong or its designated parties at the price of HK\$2.432 per Consideration Share.

Beijing Jingxiu is a controlled structured entity in which the Company has 100% beneficial interest, and Virtual Cinema is an indirect wholly-owned subsidiary of the Company. Each of the Beijing Yonghang Vendors is a wholly-owned subsidiary of Tencent Holdings Limited (“**Tencent Holdings**”). The core assets of Beijing Yonghang encompass “QQ Dance” (《QQ炫舞》), “QQ Dance II” (《QQ炫舞2》), “QQ Dance Mobile” (《QQ炫舞手遊》), and other games.

On 10 April 2025, the Consideration Shares were allotted and issued to Tencent Hong Kong pursuant to the specific mandate sought from the shareholders of the Company other than Water Lily Investment Limited (the “**Water Lily**”), Mr. Yang Ming and their respective associates at the special general meeting of the Company convened on 26 March 2025.

For further details of the acquisition of 30% equity interest in Beijing Yonghang and issue of Consideration Shares under specific mandate, please refer to the announcement of the Company dated 13 January 2025, the circular of the Company dated 7 March 2025 and the next day disclosure return of the Company dated 10 April 2025.

Save as disclosed above, during the six months ended 30 June 2025, there was no other material acquisition or disposal by the Company or any of its subsidiaries.

\* For identification purposes only

### SIGNIFICANT INVESTMENTS

Save as otherwise disclosed in this report, the Group did not have any significant investments for the six months ended 30 June 2025, and there was no plan authorised by the Board for other material investments or additions of capital assets as at the date of this report.

## Management Discussion and Analysis (Continued)

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

#### (1) Subscription of new shares pursuant to the subscription agreements under general mandate and (2) placing of new shares pursuant to the placing agreement under general mandate

On 27 January 2025 (after trading hours), the Company (as the issuer) entered into two separate subscription agreements (the **"2025 Subscription Agreements"**) with each of Sunshine Life Insurance Corporation Limited (陽光人壽保險股份有限公司) and TFI Investment Fund SPC (**"TFI Investment"**) (collectively, the **"Subscribers"**), pursuant to which the Subscribers had conditionally agreed to subscribe for, and the Company had conditionally agreed to allot and issue, an aggregate of 1,144,514,767 subscription shares at the subscription price of HK\$2.37 per subscription share, upon the respective terms and subject to the respective conditions set out in the respective 2025 Subscription Agreements (the **"2025 Share Subscriptions"**). The subscription shares had an aggregate nominal value of HK\$22,890,295.34 based on a nominal value of HK\$0.02 per Share. The gross proceeds from the 2025 Share Subscriptions amounted to approximately HK\$2,712,499,998 (equivalent to approximately US\$350,000,000), while the net proceeds from the 2025 Share Subscriptions, after deducting the related expenses, were estimated to be approximately HK\$2,712,499,998. The net subscription price per subscription share, after deduction of relevant costs and expenses, is estimated to be approximately HK\$2.37 per subscription share.

On 27 January 2025 (after trading hours), the Company (as the issuer) entered into a placing agreement (the **"2025 Placing Agreement"**) with TFI Securities and Futures Limited (as the placing agent, the **"Placing Agent"**), pursuant to which the Placing Agent had conditionally agreed to act as agent of the Company to procure, on a best effort basis, not less than six placees who and whose ultimate beneficial owners shall be independent third parties to subscribe for up to 490,506,329 placing shares at the placing price of HK\$2.37 per placing share, upon the terms and subject to the conditions set out in the 2025 Placing Agreement (the **"2025 Placing"**). The placing shares had an aggregate nominal value of HK\$9,810,126.58 based on a nominal value of HK\$0.02 per Share. The gross proceeds from the 2025 Placing amounted to approximately HK\$1,162,500,000 (equivalent to approximately US\$150,000,000) and the net proceeds from the 2025 Placing (after deducting the placing commission for the 2025 Placing and other relevant expenses) were approximately HK\$1,157,850,000.

#### Use of proceeds from the Share Subscriptions

The gross proceeds of the 2025 Share Subscriptions and the 2025 Placing, in aggregate, amounted to approximately HK\$3,874,999,998 (equivalent to approximately US\$500,000,000). The aggregate net proceeds of the 2025 Share Subscriptions and the 2025 Placing, after the deduction of related fees and expenses for the 2025 Share Subscriptions and the 2025 Placing and placing commission for the 2025 Placing, amounted to approximately HK\$3,870,349,998. The Company intends to apply the net proceeds from the 2025 Share Subscriptions and the 2025 Placing in the following manner: (a) approximately HK\$3,483,314,998 (or approximately 90%) for the growth and expansion of the business of the Group, including content production, purchase of drama script and copyright and purchase of copyright of films and TV programs, and integrating upstream and downstream resources of the Group's businesses; and (b) approximately HK\$387,035,000 (or approximately 10%) for the Group's general working capital purposes.

As TFI Investment required additional time to mobilize the funds, the Company and TFI Investment entered into a supplemental agreement on 25 April 2025, pursuant to which the Company and TFI Investment agreed to extend the subscription closing date and the long stop date under the subscription agreement entered into between the Company and TFI Investment to 28 July 2025 (or such other date as the parties may agree in writing).



## Management Discussion and Analysis (Continued)

In respect of the 2025 Placing, 160,280,000 placing shares and 330,226,329 placing shares were issued to the Placing Agent on 14 February 2025 and 18 February 2025 respectively, pursuant to the terms and conditions of the 2025 Placing Agreement and under the general mandate granted by the shareholders of the Company at the annual general meeting of the Company held on 18 June 2024 (the “**2024 General Mandate**”).

In respect of the 2025 Share Subscriptions, 654,008,438 subscription shares were allotted and issued to Sunshine Life Insurance Corporation Limited under the 2024 General Mandate on 27 February 2025; and 327,004,000 and 163,502,329 subscription shares were allotted and issued to TFI Investment on 8 July 2025 and 24 July 2025, respectively.

For further details of the 2025 Share Subscriptions and the 2025 Placing, please refer to the announcements of the Company dated 28 January 2025 and 14 February 2025 and the next day disclosure returns of the Company dated 14 February 2025, 18 February 2025, 27 February 2025, 8 July 2025 and 24 July 2025.

Details of the planned application and utilisation of the net proceeds as at 30 June 2025 are set out below:

<b>Proposed use of proceeds as disclosed in the announcement of the Company dated 28 January 2025</b>	<b>Allocated amount of net proceeds</b> (Approximately HK\$ million)	<b>Percentage of total net proceeds</b> (%)	<b>Utilised amount as at 30 June 2025</b> (HK\$ million)	<b>Unutilised amount as at 30 June 2025</b> (HK\$ million)	<b>Expected timeframe for utilising the remaining unused net proceeds</b>
<b>The growth and expansion of the business of the Group, including but not limited to:</b>	3,483	90	1,050	2,433	before 31 December 2026
(i) content production	968	25	180	788	before 31 December 2026
(ii) purchase of drama script and copyright	387	10	280	107	before 31 December 2026
(iii) purchase of copyright of films and TV programs	387	10	148	238	before 31 December 2026
(iv) others (such as development of online game business)	1,741	45	441	1,300	before 31 December 2026
<b>General working capital purposes (mainly including payment of (i) advertising and promotion costs; (ii) staff costs; (iii) technical and development services fee; and (iv) rental costs)</b>	387	10	350	37	before 31 December 2026
<b>Total</b>	<b>3,870</b>	<b>100</b>	<b>1,400</b>	<b>2,470</b>	<b>N/A</b>

## Management Discussion and Analysis (Continued)

### Issue of HK\$2,341 million 3.95% convertible bonds due 2030 under General Mandate (“Bonds”)

On 14 April 2025 (after trading hours), the Company and the CLSA Limited, Deutsche Bank AG, Hong Kong Branch, Goldman Sachs (Asia) L.L.C., Macquarie Capital Limited and Merrill Lynch (Asia Pacific) Limited (together as joint lead managers for the Bonds, the “**Managers**”) entered into a conditional subscription agreement (the “**Subscription Agreement**”), under which, among other things, the Managers have severally (and not jointly) agreed to subscribe and pay for, or to procure to subscribe and pay for, the Bonds to be issued by the Company in an aggregate principal amount of HK\$2,341 million, subject to the terms and conditions as set out in the Subscription Agreement.

The Bonds may be converted into conversion shares pursuant to the conditions at an initial conversion price of HK\$2.704 per conversion share (subject to adjustments pursuant to the terms and conditions of the Bonds).

The conversion shares to be allotted and issued upon conversion of the Bonds shall rank *pari passu* in all respects with the Shares then in issue on the relevant conversion date.

### Use of proceeds from the Bonds

The aggregate gross proceeds from the issue of the Bonds were HK\$2,341 million. The aggregate net proceeds from the issue of the Bonds, after deduction of fees, commissions and other related expenses, were estimated to be approximately HK\$2,304 million, representing a net issue price of approximately HK\$2.662 per conversion share based on the initial conversion price. The Company intends to apply the net proceeds from the Bonds in the following manner: (i) approximately HK\$2,074 million (approximately 90%) for the growth and expansion of the business of the Group, including but not limited to content production, purchase of drama script and copyright and purchase of copyright of films and TV programs; and (ii) approximately HK\$230 million (approximately 10%) for the Group’s general working capital purposes.

The issue of the Bonds in an aggregate principal amount of HK\$2,341 million was completed on 22 April 2025 and the listing of and permission to deal in the Bonds on the Stock Exchange became effective on 23 April 2025.

For further details of the issue of the Bonds, please refer to the announcements of the Company dated 15 April 2025 and 22 April 2025 and the offering circular of the Company dated 14 April 2025.

## Management Discussion and Analysis (Continued)

Details of the planned application and utilisation of the net proceeds as at 30 June 2025 are set out below:

Proposed use of proceeds as disclosed in the announcements of the Company dated 15 April 2025 and 22 April 2025	Allocated amount of net proceeds (Approximately HK\$ million)	Percentage of total net proceeds (%)	Utilised amount as at 30 June 2025 (HK\$ million)	Unutilised amount as at 30 June 2025 (HK\$ million)	Expected timeframe for utilising the remaining unused net proceeds
<b>The growth and expansion of the business of the Group, including but not limited to:</b>	2,074	90	—	2,074	Before 31 December 2027
(i) content production	829	36	—	829	Before 31 December 2027
(ii) purchase of drama script and copyright	230	10	—	230	Before 31 December 2027
(iii) purchase of copyright of films and TV programs	230	10	—	230	Before 31 December 2027
(iv) others (such as development of online game business)	785	34	—	785	Before 31 December 2027
<b>General working capital purposes (mainly including payment of (i) advertising and promotion costs; (ii) staff costs; (iii) technical and development services fee; and (iv) rental costs)</b>	230	10	—	230	Before 31 December 2027
<b>Total</b>	<b>2,304</b>	<b>100</b>	<b>—</b>	<b>2,304</b>	<b>N/A</b>

Save as disclosed above, during the six months ended 30 June 2025, neither the Company nor its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

### Issue of Shares pursuant to the exercise of warrants

On 20 January 2021, the Group completed its acquisition of (1) the entire issued share capital of Virtual Cinema Entertainment Limited and (2) all amounts (including all interests due and payable, if any) owing by Virtual Cinema Entertainment Limited, Virtual Cinema Culture Limited and Shanghai Muzhou Network Technology Co., Ltd.\* (上海沐洲網絡科技有限公司) to Mr. Ke Liming and Pumpkin Films Limited and the relevant loan agreements on or at any time prior to 20 January 2021, being the completion date of the acquisition. Part of the consideration of such acquisition was settled by way of allotment and issue at maximum 1,834,279,307 warrants (after share consolidation) at the warrant exercise price of HK\$0.96 (after share consolidation) per warrant share. The Company issued an aggregate of 1,834,279,307 Shares on 27 December 2024 and 31 December 2024 pursuant to the exercise of warrants in accordance with the warrant instrument of the Company dated 20 January 2021. For details, please refer to the announcements of the Company dated 26 October 2020, 27 October 2020, 18 January 2021 and 20 January 2021; the circular of the Company dated 31 December 2020; and the next day disclosure returns of the Company dated 30 December 2024 and 31 December 2024.

## Management Discussion and Analysis (Continued)

The net proceeds raised from the aforementioned issue of new shares upon exercise of warrants were approximately HK\$1,760,908,000. It is intended that the entire amount of these net proceeds be used for general corporate purposes as disclosed in the circular of the Company dated 31 December 2020.

Details of the planned application and utilisation of the net proceeds as at 30 June 2025 are set out below:

Proposed use of proceeds as disclosed in the circular of the Company dated 31 December 2020	Allocated amount of net proceeds (Approximately HK\$ million)	Percentage of total net proceeds (%)	Utilised amount as at 30 June 2025 (HK\$ million)	Unutilised amount as at 30 June 2025 (HK\$ million)	Expected timeframe for utilising the remaining unused net proceeds
General working capital purposes (mainly including payment of (i) advertising and promotion costs; (ii) staff costs; (iii) technical and development services fee; and (iv) rental costs)	1,761	100	1,761	—	—
<b>Total</b>	<b>1,761</b>	<b>100</b>	<b>1,761</b>	<b>—</b>	<b>N/A</b>

## SHARE-BASED PAYMENTS

### 2013 Share Option Scheme

The Company's former share option scheme (the "2013 Share Option Scheme") adopted pursuant to a resolution passed by the shareholders on 31 October 2013 was terminated by a resolution passed in the annual general meeting of the Company held on 28 June 2023 (the "2023 AGM"). The purpose of the 2013 Share Option Scheme was to provide incentives to eligible participants.

No further options shall be granted under the 2013 Share Option Scheme upon termination but in all other respects, the provision of the 2013 Share Option Scheme shall remain in force to the extent necessary to give effect to the exercise of any options granted prior thereto or otherwise as may be required in accordance with the provisions of the 2013 Share Option Scheme and the options granted prior to the termination shall continue to be valid and exercisable in accordance with 2013 Share Option Scheme.

## Management Discussion and Analysis (Continued)

On 26 November 2021, the Company granted 181,917,000 share options pursuant to the 2013 Share Option Scheme and no further share options were granted pursuant to the 2013 Share Option Scheme up to the termination of the 2013 Share Option Scheme. For the six months ended 30 June 2025, (1) 181,228,000 share options granted under the 2013 Share Option Scheme had not been exercised; and (2) no share option granted under the 2013 Share Option Scheme had been lapsed or cancelled (as at 31 December 2024: 689,000).

Details of movements of share options granted to the Directors under the 2013 Share Option Scheme during the Reporting Period are as follows:

Grantee	Date of grant	Number of Share Options (thousands)					Outstanding as at 30 June 2025	Exercise period	Exercise price per share (HK\$)
		Outstanding as at 1 January 2025	Vested during the Reporting Period	Granted during the Reporting Period	Exercised during the Reporting Period	Lapsed/ cancelled during the Reporting Period			
Mr. Zhang Qiang	26 November 2021	500	—	—	—	—	500	26 November 2022– 25 November 2027	3.43
	26 November 2021	1,000	—	—	—	—	1,000	26 November 2023– 25 November 2028	3.43
	26 November 2021	1,500	—	—	—	—	1,500	26 November 2024– 25 November 2029	3.43
	26 November 2021	3,000	—	—	—	—	3,000	26 November 2025– 25 November 2030	3.43
	26 November 2021	4,000	—	—	—	—	4,000	26 November 2026– 25 November 2031	3.43
<b>Total:</b>		<b>10,000</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>10,000</b>		

Notes:

1. The vesting period for the share options granted on 26 November 2021 is from 26 November 2022 to 25 November 2031.
2. The closing price immediately before the date on which the share options were granted on 26 November 2021 was HKD3.43 per share.



## Management Discussion and Analysis (Continued)

Details of movements of share options granted to senior management and employees of the Group (apart from Directors) under the 2013 Share Option Scheme during the Reporting Period are as follows:

Date of grant	Number of Share Options (thousands)					Outstanding as at 30 June 2025	Exercise period	Exercise price (HK\$)
	Outstanding as at 1 January 2025	Vested during the Reporting Period	Granted during the Reporting Period	Exercised during the Reporting Period	Lapsed/ cancelled during the Year			
26 November 2021	6,161.55	—	—	—	—	6,161.55	26 November 2022– 25 November 2027	3.43
26 November 2021	12,323.10	—	—	—	—	12,323.10	26 November 2023– 25 November 2028	3.43
26 November 2021	18,484.65	—	—	—	—	18,484.65	26 November 2024– 25 November 2029	3.43
26 November 2021	36,968.30	—	—	—	—	36,968.30	26 November 2025– 25 November 2030	3.43
26 November 2021	49,290.40	—	—	—	—	49,290.40	26 November 2026– 25 November 2031	3.43
<b>Total:</b>	<b>123,228</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>123,228</b>		

Notes:

1. The vesting period for the share options granted on 26 November 2021 is from 26 November 2022 to 25 November 2031.
2. The closing price immediately before the date on which the share options were granted on 26 November 2021 was HK\$3.43 per share.

### 2023 Share Option Scheme

The Company's existing share option scheme (the "2023 Share Option Scheme") was adopted pursuant to a resolution passed on 28 June 2023 at the 2023 AGM, for the primary purpose of enabling the Company to grant options to eligible participants as incentives or rewards for their contribution or potential contribution to the Group, and which will expire 10 years after the date of adoption (i.e. 27 June 2033).

Eligible participants under the 2023 Share Option Scheme ("Eligible Participants") include:

- employee participants: the directors (including independent non-executive directors), officers (who are also directors and/or employees) and employees (whether full-time or part-time) of any member of the Group (including persons who are granted options under the 2023 Share Option Scheme as inducement to enter into employment contracts with any member of the Group);
- Related entity participants: any director, chief executive (who are also directors and/or employees) and employee of the holding companies, fellow subsidiaries or associated companies of the Company; and

## Management Discussion and Analysis (Continued)

- Service providers (“**Service Providers**”): any person providing services to the Group on a continuing and recurring basis in its ordinary and usual course of business of the Group, the grant of options to whom is in the interests of the long-term growth of the Group as determined by the Board, namely:
  - (i) suppliers of products or services, including suppliers, artistes, advisors, consultants, agents or other professional firms with expertise in production, development, marketing, promotion and/or distribution of film and television dramas, online streaming and games and other business activity(ies) that may be carried out by the Group from time to time; and
  - (ii) business partners, including distributors, joint venture partners or other contractual parties, which may be entities in the film and television drama production, online streaming and game industries and other business industries in which the Group operates from time to time that collaborate with the Group on continuing or discrete projects; but, for the avoidance of doubt,

excluding (i) placing agents or financial advisers providing advisory services for fundraising, mergers or acquisitions of the Company or its subsidiaries, and (ii) professional service providers such as the auditors or valuers who provide assurance or are required to perform their services with impartiality and objectivity.

The Board may, at its discretion, grant options to any Eligible Participant to subscribe for shares in the Company at the subscription price of (i) the closing price of the shares on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on the date of grant of the option, which must be a trading day; (ii) the average of the closing prices of the shares on the Stock Exchange on the five trading days immediately preceding the date of grant of the options; or (iii) the nominal value of the shares, whichever is the highest.

The maximum number of Shares in respect of which options may be granted to each participant (excluding any options and awards lapsed in accordance with the terms of the relevant schemes) in any 12-month period shall not exceed 1% of the total number of the issued share of the Company. Upon acceptance of option, the grantee shall pay HK\$1 to the Company by way of consideration of the grant. To the extent that the offer to grant an option is not accepted within 30 days from the date upon which it is made, it shall be deemed to have been irrevocably declined and lapsed automatically.

Subject to the exceptions as set out under the 2023 Share Option Scheme, an option granted under the 2023 Share Option Scheme have to be held for at least 12 months before it can be exercised. Save as determined by the Board and provided in the offer letter of the grant of an option, there is no performance target for the 2023 Share Option Scheme. The expiry date of the option is 10 years after the grant.

The total number of options available for grant under the scheme mandate of the 2023 Share Option Scheme at the beginning of the Reporting Period and the end of the Reporting Period was 1,000,464,754 and 1,000,464,754, respectively. The total number of options available for grant under the Service Provider sub-limit of the 2023 Share Option Scheme at the beginning of the Report Period and the end of the Report Period was 500,232,377 and 500,232,377, respectively.

Since the adoption of the 2023 Share Option Scheme and up to the date of this report, the Company has not granted any share option under the 2023 Share Option Scheme or adopted any other share scheme. As at 30 June 2025, there were no outstanding options under the 2023 Share Option Scheme.

The total number of Shares available for issue under the 2023 Share Option Scheme is 1,000,464,754, representing approximately 6.10% of the issued Shares as at the date of this report.

## Management Discussion and Analysis (Continued)

### DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 June 2025, the interest and short positions of the Directors of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) (the “SFO”)) as required to be kept and recorded in the register maintained by the Company pursuant to Section 352 of the SFO or otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by directors of the Listed Issuers (the “Model Code”) set out in Appendix C3 to the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”) as adopted by the Company, was as follows:

Long positions in shares of the Company:

Name of Director	Nature of interest	Beneficial interest in Shares	Approximate % of interest
Mr. Ke Liming (Note 1)	Controlled corporation	2,120,671,294	13.66%
	Other (Note 2)	506,709,956	3.26%
Mr. Zhang Qiang (Note 3)	Beneficial owner	10,000,000	0.06%
Mr. Yang Ming (Note 4)	Beneficial owner	1,080,000	0.01%

Notes:

- (1) Pumpkin Films Limited is wholly-owned by Mr. Ke Liming. The 2,627,381,250 shares of the Company were indirectly held by Mr. Ke Liming, through Pumpkin Films Limited.
- (2) Solely to facilitate on-lending to holders and/or prospective holders of the Bonds proposed to be issued by the Company to conduct hedging transactions, Pumpkin Films Limited entered into stock borrowing and lending agreements with Merrill Lynch International and Goldman Sachs International on 14 April 2025 and delivered the shares on the same date.
- (3) The interests in shares (as defined in Part XV of the SFO) held by Mr. Zhang Qiang represent the underlying shares of the options granted to Mr. Zhang Qiang under the 2013 Share Option Scheme.
- (4) Mr. Yang Ming was directly interested in 1,080,000 Shares.

Save as disclosed above, as at 30 June 2025, none of the Directors, the chief executives of the Company nor their associates had any interests or short position in the shares, underlying shares or debentures of the Company and any of its associated corporations that were required to be kept under Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Listing Rules. During the Reporting Period, no individual has held the position of chief executive of the Company.

## Management Discussion and Analysis (Continued)

### DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed in this report, at no time during the Reporting Period was the Company or any of its subsidiaries a party to any arrangements to enable the Directors to acquire benefits by means of the acquisition of shares in, or debt securities (including debentures) of, the Company or any other body corporate, and none of the Directors, or their spouses or children under the age of eighteen, had any right to subscribe for the securities of the Company, or had exercised any such rights during the Reporting Period.

### INTERESTS AND SHORT POSITIONS OF SHAREHOLDERS DISCLOSEABLE UNDER THE SFO

#### Positions as at 30 June 2025

As at 30 June 2025, Shareholders who had interests or short positions in the shares or underlying shares of the Company of 5% or more which fell to be disclosed to the Company under Part XV of the SFO, or which were recorded in the register to be kept by the Company under Section 336 of the SFO, were as follows:

Interest in the shares and underlying shares — long positions:

Name of Shareholder	Number of ordinary shares held	Deemed interests in number of Shares	Total	Capacity	Approximate percentage of issued share capital of the Company
Mr. Ke Liming (Note 1)	0	2,120,671,294	2,120,671,294	Interest of a controlled corporation	13.66%
	0	506,709,956	506,709,956	Other (Note 2)	3.26%
Pumpkin Films Limited (Note 1)	2,120,671,294	0	2,120,671,294	Beneficial owner	13.66%
	506,709,956	0	506,709,956	Other (Note 2)	3.26%
Tencent Holdings (Note 3)	0	2,582,401,232	2,582,401,232	Interest of a controlled corporation	16.64%
Water Lily (Note 3)	2,545,734,565	0	2,545,734,565	Beneficial owner	16.40%
Sunshine Life Insurance Corporation Limited	1,141,508,438	0	1,141,508,438	Beneficial owner	7.36%

Notes:

- (1) Pumpkin Films Limited is wholly-owned by Mr. Ke Liming. The 2,627,381,250 shares of the Company were indirectly held by Mr. Ke Liming, through Pumpkin Films Limited.
- (2) Solely to facilitate on-lending to holders and/or prospective holders of the Bonds proposed to be issued by the Company to conduct hedging transactions, Pumpkin Films Limited entered into stock borrowing and lending agreements with Merrill Lynch International and Goldman Sachs International on 14 April 2025 and delivered the shares on the same date.
- (3) Tencent Holdings was indirectly interested in 2,582,401,232 Shares of which 2,545,734,565 Shares were directly held by Water Lily, an indirect wholly-owned subsidiary of Tencent Holdings and 36,666,667 Shares were directly held by Tencent Hong Kong, a wholly-owned subsidiary of Tencent Holdings.

## Management Discussion and Analysis (Continued)

Save as disclosed above, as at 30 June 2025, the Company had not been notified by any person who had interests or short positions in the shares and underlying shares of the Company which fell to be disclosed to the Company under Part XV of the SFO or which were recorded in the register required to be kept by Company under Section 336 of the SFO.

### Position as at 25 August 2025

As at the date of this report, being 25 August 2025, Shareholders who had interests or short positions in the shares or underlying shares of the Company of 5% or more which fell to be disclosed to the Company under Part XV of the SFO, or which were recorded in the register to be kept by the Company under Section 336 of the SFO, were as follows:

Interest in the shares and underlying shares — long positions:

Name of Shareholder	Number of ordinary shares held	Deemed interests in number of shares	Total	Capacity	Approximate percentage of issued share capital of the Company
Mr. Ke Liming (Note 1)	0	2,120,671,294	2,120,671,294	Interest of a controlled corporation	12.93%
	0	506,709,956	506,709,956	Other (Note 2)	3.09%
Pumpkin Films Limited (Note 1)	2,120,671,294	0	2,120,671,294	Beneficial owner	12.93%
	506,709,956	0	506,709,956	Other (Note 2)	3.09%
Tencent Holdings (Note 3)	0	2,582,401,232	2,582,401,232	Interest of a controlled corporation	15.75%
Water Lily (Note 3)	2,545,734,565	0	2,545,734,565	Beneficial owner	15.52%
Sunshine Life Insurance Corporation Limited	1,141,508,438	0	1,141,508,438	Beneficial owner	6.96%

Notes:

- (1) Pumpkin Films Limited is wholly-owned by Mr. Ke Liming. The 2,627,381,250 shares of the Company were indirectly held by Mr. Ke Liming, through Pumpkin Films Limited.
- (2) Solely to facilitate on-lending to holders and/or prospective holders of the Bonds proposed to be issued by the Company to conduct hedging transactions, Pumpkin Films Limited entered into stock borrowing and lending agreements with Merrill Lynch International and Goldman Sachs International on 14 April 2025 and delivered the shares on the same date.
- (3) Tencent Holdings was indirectly interested in 2,582,401,232 Shares of which 2,545,734,565 Shares were directly held by Water Lily, an indirect wholly-owned subsidiary of Tencent Holdings and 36,666,667 Shares were directly held by Tencent Hong Kong, a wholly-owned subsidiary of Tencent Holdings.

Save as disclosed above, as at the date of this report, being 25 August 2025, the Company had not been notified by any person who had interests or short positions in the shares and underlying shares of the Company which fell to be disclosed to the Company under Part XV of the SFO or which were recorded in the register required to be kept by Company under Section 336 of the SFO.



## Management Discussion and Analysis (Continued)

### DISCLOSURE OF DIRECTORS' INFORMATION UNDER RULE 13.51B(1) OF THE LISTING RULES

During the Reporting Period and up to the date of this report, the Directors are as follows:

#### Executive Directors

Mr. Ke Liming (*Chairman*)  
Mr. Zhang Qiang

#### Non-executive Director

Mr. Yang Ming

#### Independent Non-executive Directors

Mr. Chau Shing Yim, David  
Mr. Nie Zhixin  
Mr. Chen Haiquan  
Professor Shi Zhuomin

### NUMBER OF EMPLOYEES AND REMUNERATION POLICY

As at 30 June 2025, the Group employed 583 employees. The remuneration policy of the Group is to reward its employees with reference to their qualifications, experience and work performance as well as to market benchmarks. Employee benefits include medical insurance coverage, mandatory provident fund and others. Total staff costs for the six months ended 30 June 2025, including directors' emoluments, amounted to approximately RMB161.3 million (for the six months ended 30 June 2024: approximately RMB133.2 million).

### SIGNIFICANT EVENTS AFTER THE END OF THE REPORTING PERIOD

On 8 July 2025 and 24 July 2025, 327,004,000 and 163,502,329 subscription shares were allotted and issued to TFI Investment, respectively, pursuant to a subscription agreement dated 27 January 2025 and a supplemental agreement dated 25 April 2025 entered into between the Company and TFI Investment. For further details, please refer to the section headed "Purchase, Sale or Redemption of the Company's Listed Securities".

On 31 July 2025 (after trading hours), the Company entered into a subscription agreement with Infini Capital Management Limited (the "**Subscriber**"), pursuant to which the Subscriber conditionally agreed to subscribe, and the Company conditionally agreed to issue and allot a total of 1,300,000,000 subscription shares at a subscription price of HK\$3.00 (the "**Subscription Price**") per subscription share (the "**Subscription**"). On 1 August 2025 (before trading hours), the Company entered into a placing agreement with CLSA Limited (the "**Placing Agent**") in relation to the Subscription, pursuant to which the Placing Agent conditionally agreed, on a bestefforts basis, to procure the Subscriber to enter into the subscription agreement (the "**Subscription Agreement**") with the Company for the Subscription.

## Management Discussion and Analysis (Continued)

All conditions precedent under the Subscription Agreement for the subscription by the Subscriber and the allotment and issue by the Company of 390,000,000 Subscription Shares (the **“First Tranche Subscription Shares”**) have been fulfilled or waived (where applicable), and the subscription of the First Tranche Subscription Shares by the Subscriber and the allotment and issue thereof by the Company were completed on 18 August 2025 pursuant to the terms of the Subscription Agreement. All conditions under the Placing Agreement have been satisfied, and the placing of the First Tranche Subscription Shares under the Placing Agreement was completed on 18 August 2025 in accordance with its terms. Pursuant to the terms and conditions of the Subscription Agreement, a total of 390,000,000 Subscription Shares have been subscribed at the Subscription Price of HK\$3.00 per Subscription Share. For further details, please refer to the Company’s announcements dated 1 August 2025 and 18 August 2025.

Save as disclosed above, the Group has no event after the end of the Reporting Period that needs to be brought to the attention of the shareholders of the Company.

### CONTINUING DISCLOSURE OBLIGATIONS PURSUANT TO THE LISTING RULES

The Company does not have any other disclosure obligations under Rules 13.20, 13.21 and 13.22 of the Listing Rules.

### REVIEW OF INTERIM RESULTS

The interim financial information of the Company for the six months ended 30 June 2025 has been reviewed by the audit committee of the Company (the **“Audit Committee”**), which comprises the three independent non-executive Directors of the Company.

The unaudited condensed consolidated financial information of the Group for the six months ended 30 June 2025 has been reviewed by PricewaterhouseCoopers in accordance with Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by the Hong Kong Institute of Certified Public Accountants.

### CORPORATE GOVERNANCE

The Board considers that good corporate governance practices are crucial to the smooth and effective operation of the Group and the safeguarding of the interests of the shareholders and other stakeholders of the Company. The Company has put in place internal policies to ensure the compliance and has adopted and complied with the code provisions set out in the Corporate Governance Code (the **“Code”**) contained in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the **“Listing Rules”**) during the six months ended 30 June 2025 except for the following deviation from the Code provision:

- Code provision C.2.1 stipulated that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. During the six months ended 30 June 2025, the Company has no such title as chief executive officer. The overall responsibility of supervising and ensuring that the Group functions in line with the order of the Board in terms of day-to-day operation and execution is vested in the Board itself. The Board believes that the current structure is conducive to strong and consistent leadership and oversight enabling the Group to operate efficiently.

## Management Discussion and Analysis (Continued)

### COMPLIANCE WITH THE MODEL CODE

The Company adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) set out in Appendix C3 to the Listing Rules as the code of conduct regarding securities transactions by the Directors. The Company, having made specific and cautious enquiries, confirmed that all Directors had complied with the Model Code for the six months ended 30 June 2025.

### FORWARD LOOKING STATEMENTS

**There can be no assurance that any forward-looking statements regarding the Group set out in this report or any of the matters set out therein are attainable, will actually occur or will be realised or are complete or accurate. Shareholders and/or potential investors of the Company are advised to exercise caution when dealing in the securities of the Company and not to place undue reliance on the information disclosed herein. Any holder of securities or potential investor of the Company who is in doubt is advised to seek advice from professional advisors.**

### APPRECIATION

I would like to take this opportunity to thank our Shareholders, investors and business parties for their continuing support to the Group, and to my colleagues for their valuable contribution during the Reporting Period.

By order of the Board  
**China Ruyi Holdings Limited**  
**Mr. Ke Liming**  
*Chairman*

Hong Kong, 25 August 2025

# Independent Auditor's Review Report



羅兵咸永道

**Report on Review of Interim Financial Information**  
**To the Board of Directors of China Ruyi Holdings Limited**  
*(incorporated in Bermuda with limited liability)*

## INTRODUCTION

We have reviewed the interim financial information set out on pages 28 to 78, which comprises the interim condensed consolidated statement of financial position of China Ruyi Holdings Limited (the “Company”) and its subsidiaries (together, the “Group”) as at 30 June 2025, the interim condensed consolidated statement of profit or loss and other comprehensive income, the interim condensed consolidated statement of changes in equity and the interim condensed consolidated statement of cash flows for the six-month period then ended, and selected explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 “Interim Financial Reporting” as issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”). The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting” as issued by the HKICPA. Our responsibility is to express a conclusion on this interim financial information based on our review and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

## SCOPE OF REVIEW

We conducted our review in accordance with Hong Kong Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” as issued by the HKICPA. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hong Kong Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

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## Independent Auditor's Review Report (Continued)

### CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information of the Group is not prepared, in all material respects, in accordance with Hong Kong Accounting Standard 34 "Interim Financial Reporting" as issued by the HKICPA.

**PricewaterhouseCoopers**

*Certified Public Accountants*

Hong Kong, 25 August 2025



# Interim Condensed Consolidated Statement of Financial Position

		30 June 2025 (Unaudited) RMB'000	31 December 2024 (Audited) RMB'000
	Notes		
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	7	86,431	92,177
Right-of-use assets	7	62,544	63,613
Goodwill	7	4,443,665	4,443,665
Film and television programmes rights	11	1,962,999	1,939,333
Other intangible assets	7	712,332	715,570
Deferred tax assets		40,643	40,424
Prepayments and other non-financial assets	9	20,532	195,773
Deposits	10	6,470	6,106
Investments accounted for using the equity method	8	953,458	33,799
Financial assets at fair value through other comprehensive income		519	516
Financial assets at fair value through profit or loss	13	3,434,169	3,117,420
		<b>11,723,762</b>	<b>10,648,396</b>
<b>Current assets</b>			
Film and television programmes rights	11	1,986,918	1,809,113
Inventories		2,319	2,874
Prepayments and other non-financial assets	9	427,162	276,891
Trade receivables	12	3,140,476	2,956,914
Other receivables and deposits	10	1,706,494	1,611,573
Financial assets at fair value through profit or loss	13	2,936,209	871,310
Cash and cash equivalents		5,528,269	3,493,642
		<b>15,727,847</b>	<b>11,022,317</b>
<b>Total assets</b>		<b>27,451,609</b>	<b>21,670,713</b>
<b>Equity</b>			
<b>Equity attributable to equity holders of the Company</b>			
Share capital	14	295,236	273,444
Share premium	14	19,631,215	17,069,660
Other reserves	15	247,815	49,736
Retain earnings/(accumulated losses)		187,475	(1,047,625)
		<b>20,361,741</b>	<b>16,345,215</b>
Non-controlling interests		(20,074)	(12,608)
<b>Total equity</b>		<b>20,341,667</b>	<b>16,332,607</b>

# Interim Condensed Consolidated Statement of Financial Position (Continued)

	Notes	30 June 2025 (Unaudited) RMB'000	31 December 2024 (Audited) RMB'000
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Borrowings	16	226,045	479,821
Lease liabilities		27,929	37,311
Deferred tax liabilities		489,670	459,022
Convertible bonds	20	1,855,487	—
		<b>2,599,131</b>	976,154
<b>Current liabilities</b>			
Trade payables	17	371,407	835,888
Other payables and accruals	19	1,875,791	832,924
Contract liabilities		15,785	18,232
Current income tax liabilities		594,493	682,124
Borrowings	16	850,662	1,221,043
Lease liabilities		29,468	28,366
Film and television programmes investment funds from investors	18	709,019	743,375
Convertible bonds	20	64,186	—
		<b>4,510,811</b>	4,361,952
<b>Total liabilities</b>		<b>7,109,942</b>	5,338,106
<b>Total equity and liabilities</b>		<b>27,451,609</b>	21,670,713

The above condensed consolidated statement of financial position should be read in conjunction with the accompanying notes.

**Ke Liming**  
Director

**Zhang Qiang**  
Director

# Interim Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

	Notes	Six months ended	
		30 June 2025 (Unaudited) RMB'000	30 June 2024 (Unaudited) RMB'000
Revenue	6	2,206,249	1,839,559
Cost of revenue	21	(1,083,467)	(575,467)
<b>Gross profit</b>		<b>1,122,782</b>	1,264,092
Selling and marketing costs	21	(140,964)	(98,345)
Administrative expenses	21	(121,046)	(142,082)
Net impairment losses on financial assets	5.2(b)	(11,931)	(58,137)
Other income		7,666	254
Other gain/(loss) — net	24	479,927	(903,214)
<b>Operating profit</b>		<b>1,336,434</b>	62,568
Finance cost	22	(57,207)	(51,950)
Finance income	22	104,255	48,526
Finance income/(cost) — net	22	47,048	(3,424)
Share of profit of associates accounted for using the equity method	8	94,659	890
<b>Profit before income tax</b>		<b>1,478,141</b>	60,034
Income tax expenses	23	(250,507)	(182,692)
<b>Profit/(loss) for the period</b>		<b>1,227,634</b>	(122,658)
<b>Other comprehensive losses</b>			
<i>Items that may be reclassified to profit or loss:</i>			
Changes at fair value through other comprehensive income/(loss)		11	(9)
Currency translation differences		(2,254)	(7,151)
<i>Items that may not be reclassified to profit or loss:</i>			
Currency translation differences		(22,368)	(2,501)
<b>Other comprehensive losses for the period, net of tax</b>		<b>(24,611)</b>	(9,661)
<b>Total comprehensive income/(loss) for the period</b>		<b>1,203,023</b>	(132,319)

## Interim Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income (Continued)

	Notes	Six months ended	
		30 June 2025 (Unaudited) RMB'000	30 June 2024 (Unaudited) RMB'000
<b>Profit/(loss) for the period attributable to:</b>			
— Equity holders of the Company		1,235,100	(114,653)
— Non-controlling interests		(7,466)	(8,005)
		<b>1,227,634</b>	<b>(122,658)</b>
<b>Total comprehensive income/(loss) for the period attributable to:</b>			
— Equity holders of the Company		1,210,489	(124,314)
— Non-controlling interests		(7,466)	(8,005)
		<b>1,203,023</b>	<b>(132,319)</b>
<b>Earning/(loss) per share for profit/(loss) for the period attributable to the equity holders of the Company: (expressed in RMB cents per share)</b>			
— Basic earning/(loss) per share	25	8.14	(0.98)
— Diluted earning/(loss) per share	25	8.12	(0.98)

The above condensed consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

# Interim Condensed Consolidated Statement of Changes in Equity

	Unaudited						
	Attributable to equity holders of the Company					Non-controlling interests	Total equity
	Share capital	Share premium	Other reserves	Accumulated losses	Total		
	RMB'000 (Note 14)	RMB'000 (Note 14)	RMB'000 (Note 15)	RMB'000	RMB'000	RMB'000	RMB'000
<b>Balance as at 1 January 2024</b>	222,761	11,664,209	7,662	(857,092)	11,037,540	(1,556)	11,035,984
<b>Comprehensive loss</b>							
Loss for the period	—	—	—	(114,653)	(114,653)	(8,005)	(122,658)
<b>Other comprehensive loss</b>							
Changes at fair value through other comprehensive income	—	—	(9)	—	(9)	—	(9)
Currency translation differences	—	—	(9,652)	—	(9,652)	—	(9,652)
<b>Total comprehensive loss</b>	—	—	(9,661)	(114,653)	(124,314)	(8,005)	(132,319)
<b>Transactions with equity holders</b>							
Issuance of ordinary shares (Note 14(a))	16,720	1,319,526	—	—	1,336,246	—	1,336,246
Disposal of subsidiaries	—	—	—	—	—	4,992	4,992
Share-based compensation expenses	—	—	34,463	—	34,463	—	34,463
<b>Total transactions with equity holders</b>	16,720	1,319,526	34,463	—	1,370,709	4,992	1,375,701
<b>Balance as at 30 June 2024</b>	239,481	12,983,735	32,464	(971,745)	12,283,935	(4,569)	12,279,366

## Interim Condensed Consolidated Statement of Changes in Equity (Continued)

	Unaudited						
	Attributable to equity holders of the Company						
	Share capital	Share premium	Other reserves	(Accumulated losses)/ Retain earnings	Total	Non-controlling interests	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	(Note 14)	(Note 14)	(Note 15)				
Balance as at 1 January 2025	273,444	17,069,660	49,736	(1,047,625)	16,345,215	(12,608)	16,332,607
Comprehensive income							
Profit for the period	—	—	—	1,235,100	1,235,100	(7,466)	1,227,634
Other comprehensive loss							
Changes at fair value through other comprehensive loss	—	—	11	—	11	—	11
Currency translation differences	—	—	(24,622)	—	(24,622)	—	(24,622)
Total comprehensive income	—	—	(24,611)	1,235,100	1,210,489	(7,466)	1,203,023
Transactions with equity holders							
Issuance of ordinary shares (Note 14(b))	21,792	2,561,555	—	—	2,583,347	—	2,583,347
Share-based compensation expenses	—	—	26,775	—	26,775	—	26,775
Issuance of convertible bonds (Note 20)	—	—	195,915	—	195,915	—	195,915
Total transactions with equity holders	21,792	2,561,555	222,690	—	2,806,037	—	2,806,037
Balance as at 30 June 2025	295,236	19,631,215	247,815	187,475	20,361,741	(20,074)	20,341,667

The above condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes.



# Interim Condensed Consolidated Statement of Cash Flows

	<b>Six months ended</b>	
	<b>30 June 2025</b>	<b>30 June 2024</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
	<b>RMB'000</b>	<b>RMB'000</b>
<hr/>		
<b>Cash flows from operating activities</b>		
Cash generated from operations	165,873	288,773
Interest paid	(5,917)	(4,184)
Interest received	53,542	6,361
Income tax paid	(307,709)	(91,726)
<hr/>		
<b>Net cash (used in)/generated from operating activities</b>	<b>(94,211)</b>	<b>199,224</b>
<hr/>		
<b>Cash flows from investing activities</b>		
Purchases of property, plant and equipment	(5,378)	(12,470)
Purchases of intangible assets	—	(21,652)
Purchases of financial assets at fair value through profit or loss	(1,722,906)	(85,055)
Prepayment for an intangible asset	—	(8,000)
Purchases of investments accounted for using the equity method	(82,535)	—
Proceeds from disposal of property, plant and equipment	—	34
Proceeds from disposal of financial assets at fair value through profit or loss	69,813	4,340
Advance of receivables from investments in films and television programmes rights	(15,000)	(10,000)
Repayment of receivables from investments in films and television programmes rights	10,500	30,000
Advance of loans to third parties	(303,500)	(360,000)
Proceeds from loans to third parties	217,000	1,160,000
Advance of loans to related parties	—	(69,375)
Proceeds from loans to related parties	—	30,000
Investment in acquisition of a subsidiary	—	(51,800)
<hr/>		
<b>Net cash (used in)/generated from investing activities</b>	<b>(1,832,006)</b>	<b>606,022</b>

## Interim Condensed Consolidated Statement of Cash Flows (Continued)

	<b>Six months ended</b>	
	<b>30 June 2025</b>	30 June 2024
	<b>(Unaudited)</b>	(Unaudited)
	<b>RMB'000</b>	RMB'000
<b>Cash flows from financing activities</b>		
Proceeds from issuance of ordinary shares	2,541,627	1,336,246
Proceeds from issuance of convertible bonds	2,126,998	—
Proceeds from bank borrowings	140,600	85,110
Repayments of principal and interests for bank and other borrowings	(769,042)	(23,392)
Repayments of principal elements of leases	(18,371)	(14,825)
<b>Net cash generated from financing activities</b>	<b>4,021,812</b>	1,383,139
<b>Net increase in cash and cash equivalents</b>	<b>2,095,595</b>	2,188,385
Cash and cash equivalents at beginning of period	3,493,642	569,902
Effect of exchange rate changes on cash and cash equivalent	(60,968)	6,639
<b>Cash and cash equivalents at end of period</b>	<b>5,528,269</b>	2,764,926

The above condensed consolidated statement of cash flows should be read in conjunction with the accompanying notes.

# Notes to the Condensed Consolidated Interim Financial Information

## 1 GENERAL INFORMATION

China Ruyi Holdings Limited (the “Company”) was incorporated in Bermuda with limited liability and is engaged in investment holding. The address of its registered office is Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda.

The Company and its subsidiaries (the “Group”) are principally engaged in content production, online streaming services, online gaming services and manufacturing and sales of accessories.

The Company had its listing on the Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

This condensed consolidated interim financial information is presented in thousands of Renminbi (“RMB”), unless otherwise stated. This interim financial information has been approved for issue by the board of directors of the Company on 25 August 2025.

This interim financial information has not been audited.

## 2 BASIS OF PREPARATION

This interim financial information for the six months ended 30 June 2025 (“Interim Financial Information”) 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”).

## 3 ACCOUNTING POLICIES

The Interim Financial Information does not include all the notes of the type normally included in an annual financial report. Accordingly, the Interim Financial Information is to be read in conjunction with the annual consolidated financial statements of the Group for the year ended 31 December 2024, which have been prepared in accordance with HKFRS Financial Reporting Standards (“HKFRS”), and any public announcements made by the Group during the interim reporting period.

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 the accounting policies of convertible bonds as set out in Note 4.

### (a) Amendments adopted by the Group

The following amendments to standards are mandatory for the Group’s financial year beginning on 1 January 2025:

Amendments to HKAS 21	Lack of Exchangeability (amendments)
-----------------------	--------------------------------------

The adoption of the above amendments did not have any significant impact on the Group’s accounting policies and did not require retrospective adjustments.

# Notes to the Condensed Consolidated Interim Financial Information (Continued)

## 3 ACCOUNTING POLICIES (Continued)

- (b) New and amended standards and interpretations that have been issued but are not effective for the financial year beginning on 1 January 2025 and have not been early adopted by the Group

		Effective for annual periods beginning on or after
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
HKFRS 18	Presentation and Disclosure in Financial Statements	1 January 2027
HK Interpretation 5	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

The Group has already commenced an assessment of the impact of these new and amended standards and interpretations. According to the preliminary assessment made by the directors, no significant impact on the financial performance and position of the Group is expected when they become effective.

## 4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENT

The preparation of the interim 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 expense. Actual results may differ from these estimates.

Save as the following new significant judgement made by the management in preparing this interim financial information, other significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the Group's consolidated financial statements for the year ended 31 December 2024.

### Convertible bonds

The fair value of the liability portion of a convertible bond is determined using a market interest rate for a non-convertible bond with similar terms. This amount is recorded as a liability on an amortised cost basis until conversion or maturity of the bonds. The remaining of the proceeds is allocated to the conversion option. Any directly attributable transaction costs are allocated to the liability and equity or derivative liability component in proportion to their initial carrying amounts.

Subsequent to initial recognition, the liability component of a convertible bond is measured at amortised cost using the effective interest method. The equity component of a convertible bond is not re-measured subsequent to initial recognition except on conversion or expiry.

The convertible bonds are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liabilities for at least 12 months after the end of the reporting period.

# Notes to the Condensed Consolidated Interim Financial Information (Continued)

## 5 FINANCIAL RISK MANAGEMENT

### 5.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, price risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management procedures focus on the unpredictability of financial markets and seek to minimise potential adverse effects on the Group's financial performance.

The interim financial information does not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual financial statements as at 31 December 2024.

There have been no changes in the Group's risk management policies since 31 December 2024.

### 5.2 Credit risk

The Group is exposed to credit risk in relation to its financial assets at fair value through other comprehensive income ("FVOCI"), trade and other receivables and cash and cash equivalents.

The carrying amounts of financial asset at FVOCI, trade and other receivables and cash and cash equivalents represent the Group's maximum exposure to credit risk in relation to financial assets.

#### (a) Risk management

As at 30 June 2025 and 31 December 2024, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties is arising from the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position.

As at 30 June 2025 and 31 December 2024, 69% and 56% of the total trade receivables was due from the Group's five largest customers. The directors of the Company consider these counterparties with good credit worthiness based on their past repayment history. The directors closely monitor the subsequent settlement of the customers. The Group does not grant long credit period to the counterparties.

In order to minimise the credit risk, management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade receivables at the end of the reporting period to ensure that adequate impairment losses are made for irrecoverable amounts.

Substantially all of the Group's bank deposits are deposited with major financial institutions incorporated in mainland China and Hong Kong, which management believes are of high credit quality without significant credit risk.

# Notes to the Condensed Consolidated Interim Financial Information (Continued)

## 5 FINANCIAL RISK MANAGEMENT (Continued)

### 5.2 Credit risk (Continued)

#### (b) Impairment of financial assets

The Group has the following types of financial asset that is subject to the expected credit loss models:

- Cash and cash equivalents
- Financial assets at FVOCI
- Trade receivables
- Other receivables and deposits

While cash and cash equivalents and financial assets at FVOCI were also subject to the impairment requirements of HKFRS 9, the identified impairment loss was immaterial.

#### *Trade receivables*

The Group applies the HKFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade receivables. The Group measures the expected credit losses on a combination of both individual and collective basis.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics.

#### *Measurement of expected credit loss on individual basis*

Trade receivables with known insolvencies are assessed individually for impairment allowances and are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group, and a failure to make contractual payments. As at 30 June 2025, the balance of loss allowance in respect of these individually assessed receivables was approximately RMB62,616,000 (as at 31 December 2024: RMB62,616,000).

#### *Measurement of expected credit loss on collective basis*

Expected credit losses are also estimated by grouping the remaining receivables based on shared credit risk characteristics and collectively assessed for likelihood of recovery, taking into account the nature of the customer, its geographical location and its ageing category, and applying the expected credit loss rates to the respective gross carrying amounts of the receivables.

The Group applies the HKFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.



# Notes to the Condensed Consolidated Interim Financial Information (Continued)

## 5 FINANCIAL RISK MANAGEMENT (Continued)

### 5.2 Credit risk (Continued)

#### (b) Impairment of financial assets (Continued)

##### *Measurement of expected credit loss on collective basis (Continued)*

To measure the expected credit losses, trade receivables have been grouped into below groups based on shared credit risk characteristics:

- State-owned companies and listed companies  
For trade receivables from state-owned companies and/or listed companies and their subsidiaries, the management uses modelling approach that incorporated key parameters and assumptions, including probability of default, loss given default, exposure at default, with reference to external information from reputable external agencies such as Moody's.
- Other customers  
For trade receivables from other customers being private companies that are neither state-owned or listed, the expected loss rates are based on the corresponding historical credit losses experienced, industry credit loss rates and aging profiles of trade receivables over a period before 30 June 2025 or 1 January 2025 respectively within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified the GDP and urban per capita disposable income of the PRC in which the Group sells its goods and services to be the most relevant factor, and accordingly adjusts the historical loss rates based on expected changes in this factor.

As at 30 June 2025, the amount of loss allowance in respect of these collectively assessed receivables was approximately RMB233,123,000(as at 31 December 2024: RMB234,188,000).

Impairment losses on trade receivables are presented as 'net impairment losses on financial assets' in the consolidated statement of profit or loss and other comprehensive income.

##### *Other receivables and deposits*

For other receivables and deposits, the expected credit loss is based on 12 months expected loss. It is the portion of lifetime expected credit loss that results from default events on a financial instrument that are possible within 12 months after the reporting date. However, when there has been a significant increase in credit risk since origination, the allowance will be based on the lifetime expected credit loss.

The Directors consider the probability of default upon initial recognition of assets and whether there has been significant increase in credit risk on an ongoing basis. To assess whether there is a significant increase in credit risk, the Group compares risk of a default occurring on the assets as at the reporting date with the risk of default as at the date of initial recognition.

# Notes to the Condensed Consolidated Interim Financial Information (Continued)

## 5 FINANCIAL RISK MANAGEMENT (Continued)

### 5.2 Credit risk (Continued)

#### (b) Impairment of financial assets (Continued)

##### *Other receivables and deposits (Continued)*

Especially the following indicators are incorporated:

- external credit rating;
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the customer's ability to meet its obligations; and
- significant changes in the expected performance and behaviour of the borrower, including changes in the payment status of borrowers and changes in the operating results of the borrower.

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 30 days past due in making a contractual payment. Under such case, the other receivables are classified as stage 2 and subject to lifetime expected losses provision. When the other receivables became past due for more than 90 days, they are treated as credit-impaired and therefore classified as stage 3.

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

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

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

Category	The Group's definition of category	Basis for recognition of expected credit loss provision
Stage 1	Other receivables whose credit risk is in line with original expectations.	12 month expected losses. Where the expected lifetime of an asset is less than 12 months, expected losses are measured at its expected lifetime
Stage 2	Other receivables for which a significant increase has occurred compared to original expectations; a significant increase in credit risk is presumed if interest and/or principal repayments are contractually past due less than 90 days.	Lifetime expected losses
Stage 3	Interest and/or principal repayments are more than 90 days contractually past due or it becomes probable that a customer will enter bankruptcy.	Lifetime expected losses

# Notes to the Condensed Consolidated Interim Financial Information (Continued)

## 5 FINANCIAL RISK MANAGEMENT (Continued)

### 5.2 Credit risk (Continued)

(b) Impairment of financial assets (Continued)

In calculating the expected credit loss rates, the Group considers historical loss rates for each category of debtors and adjusts for forward-looking macroeconomic data.

The loss allowance for trade and other receivables as at 30 June 2025 and 31 December 2024 reconcile to the opening loss allowance as follows:

	Trade receivables RMB'000	Other receivables and deposits RMB'000	Total RMB'000
Balance as at 1 January 2024	162,727	72,630	235,357
Impairment provision	134,472	10,053	144,525
Exchange differences	(395)	252	(143)
Balance as at 31 December 2024 (Audited)	296,804	82,935	379,739
Balance as at 1 January 2025	<b>296,804</b>	<b>82,935</b>	<b>379,739</b>
(Reversal of)/provision for impairment loss	<b>(1,049)</b>	<b>12,980</b>	<b>11,931</b>
Exchange differences	<b>(16)</b>	<b>(172)</b>	<b>(188)</b>
Balance as at 30 June 2025 (Unaudited)	<b>295,739</b>	<b>95,743</b>	<b>391,482</b>

# Notes to the Condensed Consolidated Interim Financial Information (Continued)

## 5 FINANCIAL RISK MANAGEMENT (Continued)

### 5.2 Credit risk (Continued)

#### (b) Impairment of financial assets (Continued)

On such basis, the loss allowance as at 30 June 2025 and 31 December 2024 was determined as follows for trade receivables:

	Up to 3 months past due RMB'000	3 to 6 months past due RMB'000	6 to 12 months past due RMB'000	Over 1 year past due RMB'000	Total RMB'000
--	--	---	--	---------------------------------------	------------------

#### As at 30 June 2025 (Unaudited)

##### On collective basis

Expected loss rate	1.36%	0.16%	4.55%	25.55%	6.91%
Gross carrying amount	1,873,419	271,001	508,913	720,266	3,373,599
Loss allowance provision	25,471	440	23,160	184,052	233,123

##### On individual basis

Expected loss rate	—	—	—	100.00%	100.00%
Gross carrying amount	—	—	—	62,616	62,616
Loss allowance provision	—	—	—	62,616	62,616

##### Total

Expected loss rate	1.36%	0.16%	4.55%	31.51%	8.61%
Gross carrying amount	1,873,419	271,001	508,913	782,882	3,436,215
Loss allowance provision	25,471	440	23,160	246,668	295,739

#### As at 31 December 2024 (Audited)

##### On collective basis

Expected loss rate	1.34%	0.89%	1.87%	22.95%	7.34%
Gross carrying amount	1,471,437	95,301	755,185	869,179	3,191,102
Loss allowance provision	19,694	848	14,131	199,515	234,188

##### On individual basis

Expected loss rate	—	—	—	100.00%	100.00%
Gross carrying amount	—	—	—	62,616	62,616
Loss allowance provision	—	—	—	62,616	62,616

##### Total

Expected loss rate	1.34%	0.89%	1.87%	28.13%	9.12%
Gross carrying amount	1,471,437	95,301	755,185	931,795	3,253,718
Loss allowance provision	19,694	848	14,131	262,131	296,804

# Notes to the Condensed Consolidated Interim Financial Information (Continued)

## 5 FINANCIAL RISK MANAGEMENT (Continued)

### 5.2 Credit risk (Continued)

(b) Impairment of financial assets (Continued)

On such basis, the loss allowance as at 30 June 2025 and 31 December 2024 was determined as follows for other receivables:

	Stage 1 RMB'000	Stage 2 RMB'000	Stage 3 RMB'000	Total RMB'000
<b>As at 30 June 2025 (Unaudited)</b>				
<b>Gross carrying amount</b>				
Receivables from investment in film and television programmes rights	1,036,403	—	53,694	1,090,097
Refundable deposits for acquisition of unlisted equity	199,911	—	—	199,911
Loans to third parties	335,126	—	—	335,126
Amounts due from related parties	26,688	—	—	26,688
Others	135,626	—	21,259	156,885
	1,733,754	—	74,953	1,808,707
<b>Loss allowance</b>				
Receivables from investment in film and television programmes rights	16,665	—	53,694	70,359
Refundable deposits for acquisition of unlisted equity	669	—	—	669
Loans to third parties	1,644	—	—	1,644
Amounts due from related parties	445	—	—	445
Others	1,367	—	21,259	22,626
	20,790	—	74,953	95,743
Expected credit loss rate	1.20%	—	100.00%	5.29%

# Notes to the Condensed Consolidated Interim Financial Information (Continued)

## 5 FINANCIAL RISK MANAGEMENT (Continued)

### 5.2 Credit risk (Continued)

#### (b) Impairment of financial assets (Continued)

	Stage 1 RMB'000	Stage 2 RMB'000	Stage 3 RMB'000	Total RMB'000
<b>As at 31 December 2024 (Audited)</b>				
<b>Gross carrying amount</b>				
Receivables from investments in film and television programmes rights	1,010,450	4,488	49,206	1,064,144
Loans to third parties	436,857	—	—	436,857
Amounts due from related parties	57,083	—	—	57,083
Others	126,351	—	16,179	142,530
	1,630,741	4,488	65,385	1,700,614
<b>Loss allowance</b>				
Receivables from investments in film and television programmes rights	12,116	1,140	49,206	62,462
Loans to third parties	1,719	—	—	1,719
Amounts due from related parties	455	—	—	455
Others	2,120	—	16,179	18,299
	16,410	1,140	65,385	82,935
Expected credit loss rate	1.01%	25.40%	100.00%	4.88%

### 5.3 Capital risk management

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

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for equity owners and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

Consistent with others in the industry, the Group monitors capital on the basis of the gearing ratio. This ratio is calculated as total borrowings divided by total assets, as shown in the consolidated statements of financial position. Total borrowings include borrowings, lease liabilities and convertible bonds.



# Notes to the Condensed Consolidated Interim Financial Information (Continued)

## 5 FINANCIAL RISK MANAGEMENT (Continued)

### 5.3 Capital risk management (Continued)

The gearing ratios as at 30 June 2025 and 31 December 2024 were as follows:

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Total borrowings, lease liabilities and convertible bonds	3,053,777	1,766,541
Total assets	27,451,609	21,670,713
Gearing ratio	11.1%	8.2%

Increase in gearing ratio as at 30 June 2025 compared to 31 December 2024 was primarily attributable to the issuance of convertible bonds in April 2025

### 5.4 Fair value estimation

#### (a) Fair value hierarchy

The following table presents the Group's financial assets and liability measured and recognised at fair value as at 30 June 2025 and 31 December 2024 on a recurring basis:

	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
<b>As at 30 June 2025 (Unaudited)</b>				
<b>Financial assets</b>				
Financial assets at fair value through profit or loss ("FVPL") (Note 13)				
— Film rights investments	—	—	103,380	103,380
— Investments in listed equity securities	17,177	—	—	17,177
— Investments in unlisted funds	—	369,222	3,064,097	3,433,319
— Investments in unlisted companies	—	2,399,535	385,555	2,785,090
— Investments in unlisted bonds	—	31,412	—	31,412
	17,177	2,800,169	3,553,032	6,370,378
Financial assets at FVOCI				
— Listed fund	519	—	—	519
	17,696	2,800,169	3,553,032	6,370,897

# Notes to the Condensed Consolidated Interim Financial Information (Continued)

## 5 FINANCIAL RISK MANAGEMENT (Continued)

### 5.4 Fair value estimate (Continued)

#### (a) Fair value hierarchy (Continued)

	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
<b>As at 31 December 2024 (Audited)</b>				
<b>Financial assets</b>				
Financial assets at FVPL (Note 13)				
— Film rights investments	—	—	120,265	120,265
— Investments in listed equity securities	28,592	—	—	28,592
— Investments in unlisted funds	—	348,462	859,156	1,207,618
— Investments in unlisted companies	—	2,540,804	55,510	2,596,314
— Investments in unlisted bonds	—	35,941	—	35,941
	28,592	2,925,207	1,034,931	3,988,730
Financial assets at FVOCI				
— Listed fund	516	—	—	516
	29,108	2,925,207	1,034,931	3,989,246

The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period. The Group did not measure any financial assets or financial liabilities at fair value on a non-recurring basis as at 30 June 2025 and 31 December 2024.

Financial instruments that are measured in the condensed consolidated statement of financial position at fair value are disclosed by level of the following fair value measurement hierarchy:

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the group is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities and for instruments where climate risk gives rise to a significant unobservable adjustment.

# Notes to the Condensed Consolidated Interim Financial Information (Continued)

## 6 SEGMENT INFORMATION

### (a) Description of segments and principal activities

The chief operating decision-makers (the “CODM”) of the Group has been identified as the executive directors of the Company who is responsible for reviewing the Group’s internal reporting in order to assess performance and allocate resources. Management has determined the operating segments based on these reports.

The directors of the Company assess the performance of the operating segments based on a measure of segment results. Certain corporate expenses, other gain/(loss) — net and finance costs — net are not included in the results for each operating segment.

The Group’s three reportable segments now comprised (1) Content production business; (2) Online streaming and online gaming businesses; and (3) Other businesses.

### (b) Segment profit/(loss)

The segment results and other segment items included in the interim condensed consolidated statement of profit or loss and other comprehensive income for the six months ended 30 June 2025 are as follows:

	Content Production business RMB'000 (Unaudited)	Online streaming and online gaming businesses RMB'000 (Unaudited)	Other businesses RMB'000 (Unaudited)	Inter segment transactions RMB'000 (Unaudited)	Consolidated RMB'000 (Unaudited)
Revenue					
Timing of revenue recognition					
— At a point	569,898	348,585	20,290	—	938,773
— Over time	—	1,359,476	—	(92,000)	1,267,476
	569,898	1,708,061	20,290	(92,000)	2,206,249
Segment profit	647,299	823,417	2,002	—	1,472,718
Unallocated corporate expenses					(40,074)
Unallocated other gains — net					57,950
Unallocated finance cost — net					(12,453)
Profit before income tax					1,478,141
Depreciation of property, plant and equipment	7,451	3,569	106	—	11,126
Depreciation of right-of-use assets	6,362	5,968	3,697	—	16,027
Amortisation of other intangible assets	3	3,235	—	—	3,238
Amortisation of film and television programmes rights	344,061	382,165	—	—	726,226
Share of loss/(profit) of associates accounted for using the equity method	381	(95,040)	—	—	(94,659)

# Notes to the Condensed Consolidated Interim Financial Information (Continued)

## 6 SEGMENT INFORMATION (Continued)

### (b) Segment profit/(loss) (Continued)

The segment results and other segment items included in the interim condensed consolidated statement of profit or loss and other comprehensive income for the six months ended 30 June 2024 are as follows:

	Content production business RMB'000 (Unaudited)	Online streaming and online gaming businesses RMB'000 (Unaudited)	Other businesses RMB'000 (Unaudited)	Consolidated RMB'000 (Unaudited)
Revenue				
Timing of revenue recognition				
— At a point	48,081	849,895	18,379	916,355
— Over time	—	923,204	—	923,204
	48,081	1,773,099	18,379	1,839,559
Segment profit/(loss)	(309,766)	1,127,265	(1,032)	816,467
Unallocated corporate expenses				(49,294)
Unallocated other losses — net				(685,679)
Unallocated finance cost — net				(21,460)
Profit before income tax				60,034
Depreciation of property, plant and equipment	3,352	918	121	4,391
Depreciation of right-of-use assets	13,512	3,230	1,090	17,832
Amortisation of other intangible assets	3	3,542	—	3,545
Amortisation of film and television programmes rights	57,548	238,855	—	296,403
Share of profit of associates accounted for using the equity method	(890)	—	—	(890)

# Notes to the Condensed Consolidated Interim Financial Information (Continued)

## 6 SEGMENT INFORMATION (Continued)

### (c) Segment assets and liabilities

Segment assets and liabilities as at 30 June 2025 are as follows:

	Content production business RMB'000 (Unaudited)	Online streaming and online gaming businesses RMB'000 (Unaudited)	Other businesses RMB'000 (Unaudited)	Consolidated RMB'000 (Unaudited)
<b>Assets</b>				
Segment assets	9,093,768	5,630,072	18,574	14,742,414
Unallocated property, plant and equipment				1,724
Unallocated right-of-use assets				4,160
Unallocated prepayments, other receivables and deposits				763,502
Financial assets at FVPL				6,370,378
Financial assets at FVOCI				519
Deferred tax assets				40,643
Cash and cash equivalents				5,528,269
Consolidated total assets				27,451,609
<b>Liabilities</b>				
Segment liabilities	(2,206,652)	(1,123,169)	(16,415)	(3,346,236)
Unallocated other payables				(4,006)
Unallocated lease liabilities				(4,584)
Unallocated borrowings				(751,280)
Convertible bonds				(1,919,673)
Current income tax liabilities				(594,493)
Deferred tax liabilities				(489,670)
Consolidated total liabilities				(7,109,942)

# Notes to the Condensed Consolidated Interim Financial Information (Continued)

## 6 SEGMENT INFORMATION (Continued)

### (c) Segment assets and liabilities (Continued)

Segment assets and liabilities as at 31 December 2024 are as follows:

	Content production business RMB'000 (Audited)	Online streaming and online gaming businesses RMB'000 (Audited)	Other businesses RMB'000 (Audited)	Consolidated RMB'000 (Audited)
<b>Assets</b>				
Segment assets	7,769,095	5,561,489	27,273	13,357,857
Unallocated property, plant and equipment				1,238
Unallocated right-of-use assets				5,376
Unallocated prepayments, other receivables, and deposits				782,930
Financial assets at FVPL				3,988,730
Financial assets at FVOCI				516
Deferred tax assets				40,424
Cash and cash equivalents				3,493,642
Consolidated total assets				21,670,713
<b>Liabilities</b>				
Segment liabilities	(1,577,392)	(1,150,187)	(18,167)	(2,745,746)
Unallocated trade and other payables				(12,561)
Unallocated lease liabilities				(5,866)
Unallocated borrowings				(1,432,787)
Current income tax liabilities				(682,124)
Deferred tax liabilities				(459,022)
Consolidated total liabilities				(5,338,106)

# Notes to the Condensed Consolidated Interim Financial Information (Continued)

## 6 SEGMENT INFORMATION (Continued)

### (c) Segment assets and liabilities (Continued)

For the purpose of monitoring segment performances and allocating resources between segments:

- all assets are allocated to reportable and operating segments, other than certain property, plant and equipment, prepayments, other receivables and deposits, right-of-use assets, financial assets at FVPL, financial assets at FVOCI, deferred tax assets and cash and cash equivalents; and
- all liabilities are allocated to reportable and operating segments, other than certain other payables, lease liabilities, borrowings, convertible bonds, current income tax liabilities and deferred tax liabilities.

### (d) Disaggregation of revenue from contracts with customers

Revenue of the Group is analysed as follows:

	<b>Six months ended</b>	
	<b>30 June</b>	30 June
	<b>2025</b>	2024
	<b>RMB'000</b>	RMB'000
	<b>(Unaudited)</b>	(Unaudited)
Content production	<b>569,898</b>	48,081
Online streaming services	<b>405,630</b>	908,025
Online gaming services	<b>1,210,431</b>	865,074
Sales of goods	<b>20,290</b>	18,379
	<b>2,206,249</b>	1,839,559

### (e) Geographical information

The Group's operations are located in the mainland China and Hong Kong for the six months ended 30 June 2025 and 2024.

Information about the Group's revenue from external customers is presented based on the location at which the goods or services are delivered or provided.



# Notes to the Condensed Consolidated Interim Financial Information (Continued)

## 6 SEGMENT INFORMATION (Continued)

### (e) Geographical information (Continued)

The Group's total revenue from sales of goods and provision of services by geographical location is detailed below:

	Six months ended	
	30 June 2025 RMB'000 (Unaudited)	30 June 2024 RMB'000 (Unaudited)
Mainland China	2,187,180	1,822,752
Europe	8,542	5,947
Hong Kong	5,054	7,143
Others	5,473	3,717
	<b>2,206,249</b>	<b>1,839,559</b>

The Group's non-current assets excluding financial instruments and deferred tax assets by geographical location of the assets are detailed below:

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Mainland China	8,231,643	7,482,381
Hong Kong	16,788	7,655
	<b>8,248,431</b>	<b>7,490,036</b>

# Notes to the Condensed Consolidated Interim Financial Information (Continued)

## 7 PROPERTY, PLANT AND EQUIPMENT, RIGHT-OF-USE ASSETS, OTHER INTANGIBLE ASSETS AND GOODWILL

	Property, plant and equipment RMB'000	Right-of- use assets RMB'000	Other intangible assets RMB'000	Goodwill RMB'000
<b>Six months ended 30 June 2024</b>				
Opening net book amount as at 1 January 2024	44,145	89,394	679,849	4,214,619
Additions	12,470	43,735	21,652	—
Currency translation differences	2	—	—	—
Disposal	(34)	(12,844)	—	—
Depreciation and amortisation charges (Note 21)	(4,391)	(17,832)	(3,545)	—
Closing net book amount as at 30 June 2024 (Unaudited)	52,192	102,453	697,956	4,214,619
<b>Six months ended 30 June 2025</b>				
Opening net book amount as at 1 January 2025	92,177	63,613	715,570	4,443,665
Additions	5,378	16,194	—	—
Currency translation differences	2	(70)	—	—
Disposal	—	(1,166)	—	—
Depreciation and amortisation charges (Note 21)	(11,126)	(16,027)	(3,238)	—
Closing net book amount as at 30 June 2025 (Unaudited)	86,431	62,544	712,332	4,443,665

# Notes to the Condensed Consolidated Interim Financial Information (Continued)

## 8 INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	Six months ended	
	30 June 2025 RMB'000 (Unaudited)	30 June 2024 RMB'000 (Unaudited)
At the beginning of the period	33,799	34,014
Additions	825,000	—
Share of profit of associates accounted for using the equity method	94,659	890
At the end of the period	953,458	34,904

In April 2025, the Group completed its acquisition of 30% equity interest of Beijing Yonghang Technology Co., Ltd. ("Beijing Yonghang"), which mainly engaged in the development of mobile games, for a total consideration of approximately RMB825,000,000, comprising (i) cash consideration of RMB742,500,000; and (ii) equity consideration of approximately HK\$89,173,000 (equivalent to approximately RMB82,500,000) from the issuance of 36,666,667 shares of the Company at the price of HK\$2.432 per share.

During the six months ended 30 June 2025, the aforementioned issuance of shares was completed with share issuance costs of approximately RMB35,000 (Note 14 (b)), and approximately RMB82,500,000 of the aforementioned cash consideration was settled with the remaining cash consideration of approximately RMB660,000,000 (Note 19) remained payable as at 30 June 2025.

## 9 PREPAYMENTS AND OTHER NON-FINANCIAL ASSETS

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Current portion		
Prepayments for:		
— Film and television programmes rights	169,525	161,607
— Gaming production, distribution and promotion fees	194,279	68,084
— Film directors' fees	—	4,000
— Prepayments to related parties (Note 26(d))	29,131	1,411
Deductible value-added tax	23,189	32,365
Others	11,038	9,424
	427,162	276,891
Non-current portion		
Prepayments for:		
— Licensed film and television programmes rights	20,532	195,773
Total	447,694	472,664

# Notes to the Condensed Consolidated Interim Financial Information (Continued)

## 10 OTHER RECEIVABLES AND DEPOSITS

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Amounts due from related parties (Note 26(d))	26,688	57,083
Receivables from investments in film and television programmes rights (a)	1,090,097	1,064,144
Refundable deposits for acquisition of unlisted equity	199,911	—
Loans to third parties (b)	335,126	436,857
Others	156,885	142,530
	<b>1,808,707</b>	1,700,614
Less: Impairment for other receivables and deposits (Note 5.2(b))	<b>(95,743)</b>	(82,935)
	<b>1,712,964</b>	1,617,679
Less: non-current portion	<b>(6,470)</b>	(6,106)
	<b>1,706,494</b>	1,611,573

- (a) The balances are unsecured, interest-bearing at fixed rates between 5% to 15%, and repayable within 12 months.
- (b) As at 30 June 2025 and 31 December 2024, the balances are interest-bearing at fixed rates between 3.1% to 8% and repayable on demand commencing from the date of the loans. As at 30 June 2025, balances of RMB283,000,000 (as at 31 December 2024: RMB390,000,000) are secured with certain equity or assets and the remaining are unsecured.

# Notes to the Condensed Consolidated Interim Financial Information (Continued)

## 11 FILM AND TELEVISION PROGRAMMES RIGHTS

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Film and television programmes rights completed	1,218,200	790,785
Film and television programmes rights under production	2,052,506	2,163,047
Licensed film and television programmes rights	679,211	794,614
	3,949,917	3,748,446
Less: Current portion	(1,986,918)	(1,809,113)
	1,962,999	1,939,333

	Film and television programmes rights completed RMB'000	Film and television programmes rights under production RMB'000	Licensed film and television programmes rights RMB'000	Total RMB'000
<b>As at 1 January 2025</b>	790,785	2,163,047	794,614	3,748,446
Additions	128,217	180,963	356,061	665,241
Transfer from prepayment	85,755	—	176,701	262,456
Transfer	291,504	(291,504)	—	—
Amortisation (Note 21)	(78,061)	—	(648,165)	(726,226)
<b>As at 30 June 2025 (Unaudited)</b>	1,218,200	2,052,506	679,211	3,949,917
<b>As at 1 January 2024</b>	503,432	1,787,553	439,320	2,730,305
Additions	88,509	298,852	339,520	726,881
Transfer from prepayment	—	—	4,053	4,053
Amortisation (Note 21)	(57,548)	—	(238,855)	(296,403)
Transfer	65,345	(65,345)	—	—
<b>As at 30 June 2024 (Unaudited)</b>	599,738	2,021,060	544,038	3,164,836

# Notes to the Condensed Consolidated Interim Financial Information (Continued)

## 12 TRADE RECEIVABLES

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Trade receivables from related parties (Note 26(d))	1,327,263	1,293,821
Trade receivables from third parties	2,108,952	1,959,897
	3,436,215	3,253,718
Less: allowance for impairment of trade receivables (Note 5.2(b))	(295,739)	(296,804)
	3,140,476	2,956,914

- (a) Trade receivables mainly arose from the provision of content production, online gaming and online streaming services. The following is an ageing analysis of trade receivables net of allowance for impairment, based on the recognition date at the end of the reporting period.

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Within 90 days	1,847,948	1,451,743
91 days to 180 days	270,561	94,453
181 days to 365 days	485,753	741,054
1 year to 2 years	322,774	441,263
Over 2 years	213,440	228,401
	3,140,476	2,956,914

# Notes to the Condensed Consolidated Interim Financial Information (Continued)

## 13 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
<b>Non-current assets</b>		
Investments in unlisted funds	649,079	512,318
Investments in unlisted companies	2,785,090	2,596,314
Investments in listed equity securities	—	8,788
	<b>3,434,169</b>	<b>3,117,420</b>
<b>Current assets</b>		
Film rights investments	103,380	120,265
Investments in listed equity securities	17,177	19,804
Investments in unlisted bonds	31,412	35,941
Investment in unlisted funds	2,784,240	695,300
	<b>2,936,209</b>	<b>871,310</b>
<b>Total</b>	<b>6,370,378</b>	<b>3,988,730</b>

Movement in the Group's financial assets of fair value through profit or loss were as follows:

	Six months ended 30 June 2025 RMB'000 (Unaudited)	30 June 2024 RMB'000 (Unaudited)
At the beginning of the period	3,988,730	3,514,380
Additions (a)	1,973,323	73,055
Disposals	(69,813)	(4,340)
Fair value changes (Note 24)	487,502	(311,792)
Currency translation differences	(9,364)	2,723
<b>At the end of the period</b>	<b>6,370,378</b>	<b>3,274,026</b>

- (a) Additions in financial assets of fair value through profit or loss amounting to approximately RMB1,973,323,000 during the six months ended 30 June 2025 were primarily comprised addition in investments in unlisted funds and unlisted companies.

# Notes to the Condensed Consolidated Interim Financial Information (Continued)

## 14 SHARE CAPITAL AND SHARE PREMIUM

Ordinary shares, issued and fully paid:

	Number of ordinary shares	Share capital RMB'000	Share premium RMB'000
<b>As at 1 January 2024 (Audited)</b>	11,585,897,545	222,761	11,664,209
Issuance of ordinary shares (a)	918,750,000	16,720	1,319,526
<b>As at 30 June 2024 (Unaudited)</b>	12,504,647,545	239,481	12,983,735
<b>As at 31 December 2024 and 1 January 2025 (Audited)</b>	14,338,926,852	273,444	17,069,660
Issuance of ordinary shares (b)			
— Share placing	1,144,514,767	21,110	2,479,772
— Acquisition of Beijing Yonghang	36,666,667	682	81,783
	1,181,181,434	21,792	2,561,555
<b>As at 30 June 2025 (Unaudited)</b>	15,520,108,286	295,236	19,631,215

- (a) During the six months ended 30 June 2024, the Company issued a total of 918,750,000 placing shares at the subscription prices of HK\$1.6 per share with gross proceeds of approximately HK\$1,470,000,000 (equivalent to approximately RMB1,337,627,000). After netting off these gross proceeds with share issuance costs, the respective share capital amount was approximately RMB16,720,000 and share premium arisen from the issuance was approximately RMB1,319,526,000. The share issuance costs mainly included lawyers' fees and other related costs, which were incremental costs directly attributable to the issuance of the new shares and therefore treated as a deduction against the share premium arising from the issuance.
- (b) In January 2025, the Company entered into subscription agreements with the expiry date of 28 July 2025, pursuant to which a maximum of 1,635,021,096 placing shares could be issued at the subscription prices of HK\$2.37 per share, and a total of 1,144,514,767 placing shares were issued during the six months ended 30 June 2025 with gross proceeds of approximately HK\$2,712,500,000 (equivalent to approximately RMB2,501,583,000). After netting off these gross proceeds with share issuance costs, the respective share capital amount was approximately RMB21,110,000 and share premium arisen from the issuance was approximately RMB2,479,772,000. The share issuance costs mainly included lawyers' fees and other related costs, which were incremental costs directly attributable to the issuance of the new shares. These share issuance costs were treated as a deduction against the share premium arising from the issuance.



# Notes to the Condensed Consolidated Interim Financial Information (Continued)

## 14 SHARE CAPITAL AND SHARE PREMIUM (Continued)

(b) (Continued)

In April 2025, the Company issued 36,666,667 shares at the subscription prices of HK\$2.432 per share as part of the consideration for the acquisition of Beijing Yonghang (Note 8). The respective share capital amount was approximately RMB682,000 and share premium arisen from the issuance was approximately RMB81,783,000. The share issuance costs mainly included lawyers' fees and other related costs, which were incremental costs directly attributable to the issuance of the new shares and therefore treated as a deduction against the share premium arising from the issuance.

The directors do not recommend the payment of interim dividend for the six months ended 30 June 2025 (2024: Nil).

## 15 OTHER RESERVES

	Financial assets at FVOCI RMB'000	Special reserve RMB'000	Capital Surplus RMB'000	Translation reserve RMB'000	Statutory reserve (Note (a)) RMB'000	Share option reserve RMB'000	Reserve fund RMB'000	Enterprise expansion reserve RMB'000	Total RMB'000
<b>Six months ended 30 June 2024</b>									
Balance as at 1 January 2024	(338)	18,888	9,471	(211,210)	6,368	182,178	1,153	1,152	7,662
Changes in the fair value of debt instruments at									
FVOCI	(9)	—	—	—	—	—	—	—	(9)
Currency translation differences	4	—	—	(9,656)	—	—	—	—	(9,652)
Employees share option scheme:									
— share-based compensation expenses (Note (b))	—	—	—	—	—	34,463	—	—	34,463
<b>Balance as at 30 June 2024 (Unaudited)</b>	<b>(343)</b>	<b>18,888</b>	<b>9,471</b>	<b>(220,866)</b>	<b>6,368</b>	<b>216,641</b>	<b>1,153</b>	<b>1,152</b>	<b>32,464</b>

# Notes to the Condensed Consolidated Interim Financial Information (Continued)

## 15 OTHER RESERVES (Continued)

	Financial assets at FVOCI RMB'000	Special reserve RMB'000	Capital Surplus RMB'000	Translation reserve RMB'000	Statutory reserve (Note (a)) RMB'000	Share option reserve RMB'000	Reserve fund RMB'000	Enterprise expansion reserve RMB'000	Convertible bonds reserve RMB'000	Total RMB'000
<b>Six months ended</b>										
<b>30 June 2025</b>										
Balance as at										
1 January 2025	(334)	18,888	9,471	(236,412)	6,368	249,450	1,153	1,152	—	49,736
Changes in the fair value of debt instruments at FVOCI	11	—	—	—	—	—	—	—	—	11
Currency translation differences	(8)	—	—	(24,614)	—	—	—	—	—	(24,622)
Employees share option scheme:										
— share-based compensation expenses (Note (b))	—	—	—	—	—	26,775	—	—	—	26,775
Issuance of convertible bonds (Note 20)	—	—	—	—	—	—	—	—	195,915	195,915
<b>Balance as at 30 June 2025</b>										
<b>(Unaudited)</b>	<b>(331)</b>	<b>18,888</b>	<b>9,471</b>	<b>(261,026)</b>	<b>6,368</b>	<b>276,225</b>	<b>1,153</b>	<b>1,152</b>	<b>195,915</b>	<b>247,815</b>

- (a) Pursuant to the relevant laws and regulations in the PRC and the provision of the articles of association of the Group's subsidiaries, the Group's subsidiaries which are registered in the PRC shall appropriate 10% of its profit after tax (after offsetting any accumulated losses brought forward from prior years), as determined in accordance with Accounting Standards for Business Enterprises and other applicable regulations, to the statutory surplus reserve until such reserve reaches 50% of its registered capital. Depending on the natures, the reserve fund can be used to set off accumulated losses of the subsidiaries or distribute to owners in form of bonus issue.
- (b) The share option reserve represents the fair value of the number of unexercised share options granted to employees of the Company recognised.

# Notes to the Condensed Consolidated Interim Financial Information (Continued)

## 16 BORROWINGS

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
<b>Non-current other borrowings:</b>		
— Unsecured with guarantee (Note (a))	67,507	65,647
— Unsecured without guarantee (Note (b))	158,538	414,174
	226,045	479,821
<b>Current bank and other borrowings:</b>		
— Unsecured with guarantee — other borrowing	22,520	22,520
— Unsecured without guarantee — other borrowing (Note (b))	592,742	1,018,613
— Unsecured with guarantee — bank borrowing (Note (c))	65,000	5,000
— Secured bank borrowings (Note(d))	170,400	174,910
	850,662	1,221,043
<b>Total borrowings</b>	<b>1,076,707</b>	<b>1,700,864</b>

- (a) As at 30 June 2025 and 31 December 2024, the borrowing was denominated in RMB with fixed interest rate of 7.5% per annum and guaranteed by Mr. Ke, a director of the Company. The repayment date of the borrowing is October 2027 .
- (b) As at 30 June 2025 and 31 December 2024, the borrowing was denominated in HK\$ and non-interest bearing. The entire borrowing was originally repayable in August 2026. In December 2024, the lender agreed to reduce the principal amount in exchange for an accelerated payment schedules, with certain installments amounting to a total of approximately RMB592,742,000 now repayable in one year.
- (c) As at 30 June 2025 and 31 December 2024, the borrowing was denominated in RMB with fixed interest rate of 2.90% per annum and repayable within 1 year.

# Notes to the Condensed Consolidated Interim Financial Information (Continued)

## 16 BORROWINGS (Continued)

- (d) As at 30 June 2025, the borrowings were denominated in RMB80,600,000 and RMB89,800,000 with fixed interest rates from 2.80% to 2.95% (as at 31 December 2024: 2.95% to 3.25%) per annum. The borrowings were secured by certain trade receivables, and repayable within 1 year.

The Group's borrowings were repayable as follows:

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Within 1 year	850,662	1,221,043
Between 1 and 3 years	226,045	479,821
	<b>1,076,707</b>	<b>1,700,864</b>

## 17 TRADE PAYABLES

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Trade payables to:		
— Third parties	326,884	769,099
— Related parties (Note 26(d))	44,523	66,789
	<b>371,407</b>	<b>835,888</b>

The ageing analysis of trade payables of the Group based on invoice date are as follows:

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Within 60 days	210,090	194,854
61 days to 150 days	14,619	490,215
Over 151 days	146,698	150,819
	<b>371,407</b>	<b>835,888</b>

The carrying amounts of trade payables approximated their fair values as at 30 June 2025 and 31 December 2024.

# Notes to the Condensed Consolidated Interim Financial Information (Continued)

## 18 FILM AND TELEVISION PROGRAMMES INVESTMENT FUNDS FROM INVESTORS

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Film and television programmes investment funds from investors		
— Third parties	537,851	573,255
— Related parties (Note 26(d))	171,168	170,120
	<b>709,019</b>	<b>743,375</b>

The amounts represent investments made by certain investors in respect of film and television programmes rights held by the Group. In accordance with the terms of the respective investment agreements, the investors are entitled to recoup their investment amounts as appropriate by the predetermined percentage of income to be generated from the films and television programmes.

The carrying amounts of film and television programmes investment funds from investors approximate their fair values and denominated in RMB.

## 19 OTHER PAYABLES AND ACCRUALS

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Other payables and accrued expenses	43,774	72,454
Payables to gaming developers	4,172	4,230
Advance receipt of film issuance and production	603,927	425,745
Provisions for other taxes	117,450	135,278
Payable for investments in unlisted funds	244,392	—
Amounts due to related parties in relation to (Note 26(d)):		
— gaming distribution channels	61,635	74,888
— a gaming developer	121,021	91,811
— an investor for film issuance and production	19,415	28,513
— consideration payable for investments in an associate (Note 8)	660,000	—
— others	5	5
	<b>1,875,791</b>	<b>832,924</b>

# Notes to the Condensed Consolidated Interim Financial Information (Continued)

## 19 OTHER PAYABLES AND ACCRUALS (Continued)

Other payables and accruals were denominated in the following currencies:

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
— RMB	1,625,663	820,194
— HK\$	250,128	12,730
	<b>1,875,791</b>	832,924

The carrying amounts of other payables approximate their fair values as at 30 June 2025 and 31 December 2024.

## 20 CONVERTIBLE BONDS

On 22 April 2025, the Company issued convertible bonds (the “Convertible Bonds”) with an aggregate principal amount of HKD2,341 million (approximately RMB2,200 million). The Convertible Bonds bear an interest of 3.95% per annum payable semi-annually and will mature on 22 April 2030.

Upon the occurrence of certain events specified in the agreement, the bondholders will have the right to require the Company to redeem all or some of such holder’s bonds on 28 April 2028 at their principal amount, together with unpaid default interest thereon (if any).

Bondholders may convert their bonds into ordinary shares at any time on or after 2 June 2025 up to 10 trading days prior to 22 April 2030. The conversion shares will be issued upon full conversion of the convertible bonds based on the contracted conversion price of HKD2.704 per share.

The Convertible Bonds were recognised as a compound instrument comprising liability component and equity component as follows:

- The initial value of the liability component was calculated using a market interest rate for an equivalent non-convertible bond of the Group. Embedded financial derivatives were comprised of the fair value of the holders of the Convertible Bonds to require the Company to redeem the Convertible Bonds and the fair value of the Company’s option to redeem the Convertible Bonds. These embedded redemption options are closely related to the host debt as the redemption amount is principal amount together with accrued but unpaid interest, and therefore they do not need to be accounted for separately.

The initial value of the liability component and the fair value of the embedded redemption options were recognised as a single liability component, and is subsequently carried at amortised cost using the effective interest method; and

- Equity component, being the conversion option of the Convertible Bonds, was initially recognised at the residual amount after deducting the value of the aforesaid liability component from the initial net proceeds.

# Notes to the Condensed Consolidated Interim Financial Information (Continued)

## 20 CONVERTIBLE BONDS (Continued)

As at the date of issue, the fair value of the liability component and the equity component of the Convertible bonds were set out as below:

	RMB'000
Principal amount	2,174,087
Less: transaction costs	(47,089)
Net proceeds	2,126,998
Liability component	1,931,083
Equity component	195,915
	2,126,998

Interest expense is calculated by applying the effective interest rate of 6.56% per annum to the liability component. The equity component will remain in “convertible bonds reserve” until the embedded conversion option is exercised or the Convertible bonds reach their maturities.

The movement of the liability component and the equity component of the Convertible Bonds for the six months ended 30 June 2025 is set out below:

	Liability component RMB'000	Equity component RMB'000	Total RMB'000
<b>As at 1 January 2025</b>	—	—	—
Issuance	1,931,083	195,915	2,126,998
Interest charged	23,721	—	23,721
Exchange differences	(35,131)	—	(35,131)
<b>As at 30 June 2025</b>	1,919,673	195,915	2,115,588

As at 30 June 2025, no conversion shares had been issued under the convertible bonds. If bonds were fully converted as of 30 June 2025, 865,754,437 shares ordinary shares would have been issued.

# Notes to the Condensed Consolidated Interim Financial Information (Continued)

## 21 EXPENSES BY NATURE

Major expenses included in cost of revenue, selling and marketing costs and administrative expenses are analysed as follows:

	Six months ended	
	30 June 2025 RMB'000 (Unaudited)	30 June 2024 RMB'000 (Unaudited)
Employees benefit expenses (including directors' emoluments)	134,506	98,758
Share-based compensation expenses	26,775	34,463
Costs of gaming development, content revenue-sharing, distribution and promotion and payment handling fees	251,662	194,236
Cost of inventories sold	10,312	9,592
Depreciation		
— Property, plant and equipment (Note 7)	11,126	4,391
— Right-of-use assets (Note 7)	16,027	17,832
Amortisation		
— Film and television programmes rights (Note 11)	726,226	296,403
— Other intangible assets (Note 7)	3,238	3,545
Bandwidth and server custody fees	14,077	18,102
Short-term rental expenses	650	2,066
Advertising and promotion costs	135,185	93,094
Others	15,693	43,412
	<b>1,345,477</b>	<b>815,894</b>



# Notes to the Condensed Consolidated Interim Financial Information (Continued)

## 22 FINANCE INCOME/(COST) — NET

	Six months ended	
	30 June 2025 RMB'000 (Unaudited)	30 June 2024 RMB'000 (Unaudited)
Finance cost:		
— Interests expenses on borrowings	(6,460)	(5,761)
— Interests expenses on film and television programmes investment funds from investors	(1,239)	(3,228)
— Interests expenses on convertible bonds	(23,721)	—
— Interests expenses on lease liabilities	(1,317)	(1,584)
— Imputed interest expenses	(24,470)	(41,377)
	(57,207)	(51,950)
Finance income:		
— Interest income on saving deposits	68,340	6,361
— Interest income on receivables from investments in film and television programmes rights, loans to third parties and other receivables from related parties	35,915	42,165
	104,255	48,526
Finance income/(cost) — net	47,048	(3,424)

## 23 INCOME TAX EXPENSES

	Six months ended	
	30 June 2025 RMB'000 (Unaudited)	30 June 2024 RMB'000 (Unaudited)
Current income tax		
— PRC corporate income tax	220,078	253,075
Deferred income tax	30,429	(70,383)
Income tax expenses	250,507	182,692

# Notes to the Condensed Consolidated Interim Financial Information (Continued)

## 23 INCOME TAX EXPENSES (Continued)

### Bermuda corporate tax

The Company is incorporated in the Bermuda under the Companies Act 1981 of Bermuda and, accordingly, are exempted from the Bermuda corporate tax.

### Hong Kong profits tax

Under the two-tiered profits tax rates regime for the six months ended 30 June 2025 and 2024, the profits tax rate for the first HK\$2,000,000 of assessable profits is lowered to 8.25% (half of the rate specified in Schedule 8 to the Inland Revenue Ordinance). Assessable profits above HK\$2,000,000 continue to be subject to the rate of 16.5%. There is no assessable income for the year under Hong Kong profits tax.

### PRC corporate income tax

The income tax provision of the Group in respect of operations in the PRC has been calculated at the applicable tax rate of 25%, except for a subsidiary of the Group which are entitled to preferential tax rate applicable to advanced and new technology enterprises of 15% in the six months ended 30 June 2025 and 2024 on the estimated assessable profit for the year, based on the existing legislation, interpretations and practices in respect thereof.

## 24 OTHER GAIN/(LOSS) – NET

	Six months ended	
	30 June	30 June
	2025	2024
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Fair value change in contingent consideration payable (Note (a))	—	(590,439)
Fair value change in financial assets at FVPL (Note 13)	487,502	(311,792)
Others	(7,575)	(983)
Other gain/(loss) — net	479,927	(903,214)

- (a) In December 2024, warrants issued by the Company for the acquisition of Virtual Cinema Entertainment Limited in 2021, were fully exercised. Thus, the contingent consideration payable was derecognised.

# Notes to the Condensed Consolidated Interim Financial Information (Continued)

## 25 EARNING/(LOSS) PER SHARE

### (a) Basic

Basic earning/(loss) per share is calculated by dividing the profit/(loss) attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the period.

	<b>Six months ended</b>	
	<b>30 June 2025 (Unaudited)</b>	30 June 2024 (Unaudited)
Profit/(loss) attributable to equity holders of the Company (RMB'000)	<b>1,235,100</b>	(114,653)
Weighted average number of ordinary shares in issue (thousands)	<b>15,165,599</b>	11,742,246
Basic earning/(loss) per share (RMB cents per share)	<b>8.14</b>	(0.98)

### (b) Diluted

Diluted earnings/(loss) per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company has three categories of dilutive potential ordinary share being (1) share options; (2) 490,506,329 placing shares that were not yet issued and the Company's share price as at 30 June 2025 exceeds the placing price (Note 14(b)); and (3) convertible bonds.

For the six months ended 30 June 2025, the aforementioned share options and placing shares were excluded from the computation of diluted earnings per share as they were anti-dilutive.

The conversion shares would have been issued assuming the full conversion of the convertible bonds based on the contracted conversion price of HKD2.704 per share. The resulting number of shares issued is included in the weighted average number of ordinary shares as the denominator for calculating diluted earnings per share.

As the Group incurred losses for the six months ended 30 June 2024, the potential ordinary shares were not included in the calculation of the diluted losses per share as their inclusion would be anti-dilutive. Accordingly, diluted losses per share for the six months ended 30 June 2024 were the same as basic losses per share.

# Notes to the Condensed Consolidated Interim Financial Information (Continued)

## 25 EARNING/(LOSS) PER SHARE (Continued)

### (b) Diluted (Continued)

	Six months ended	
	30 June 2025 (Unaudited)	30 June 2024 (Unaudited)
Weighted average number of ordinary shares in issue (thousands)	15,165,599	11,742,246
Adjustment for:		
— Convertible bonds	331,873	—
Weighted average number of ordinary shares for diluted earning/(loss) per share (thousands)	15,497,472	11,742,246
Profit/(loss) attributable to equity holders of the Company (RMB'000)	1,235,100	(114,653)
Add: interest savings on convertible bonds	23,721	—
Profit/(loss) attributable to equity holders of the Company used in calculating diluted earning/(loss) per share (RMB'000)	1,258,821	(114,653)
Diluted earning/(loss) per share (RMB cents per share) for the period	8.12	(0.98)

# Notes to the Condensed Consolidated Interim Financial Information (Continued)

## 26 RELATED PARTY BALANCES AND TRANSACTIONS

Parties are considered to be related if one party has the ability, directly or indirectly, control the other party or exercise significant influence over the other party in making financial and operation decisions.

Parties are also considered to be related if they are subject to common control. Members of key management and their close family members of the Group are also considered as related parties.

In addition to those disclosed elsewhere in the financial statements, the Group had the following significant transactions and balances with related parties, which were carried out in the normal course of the Group's businesses.

### (a) Name and relationship with related parties

Name	Relationship
Mr. Ke	Director and the Chairman of the board of the Company
Pumpkin Films Limited	A company controlled by Mr. Ke
Tencent Holdings Limited and its subsidiaries (Collectively "Tencent Group")	Tencent Group as a shareholder of the Company with the right to nominate an individual to represent Tencent Group as a director of the Company
Beijing Zhumeng Qiming Culture & Arts Co., Ltd.	A company controlled by Mr. Ke
Beijing Ruyi Xingrong Culture Media Co., Ltd.	A company controlled by Mr. Ke's family
Beijing Ruyi Xinxin Film Investment Co., Ltd.	A company controlled by Mr. Ke
Shanghai Ruyi Investment Management Co., Ltd.	A company controlled by Mr. Ke
Beijing Chuangwai Film and Television Culture Media Co., Ltd.	An associate of the Group
Sichuan Wenyoudao Film and Television Culture Co., Ltd.	An associate of the Group
Wanda Film Holdings and its subsidiaries (Collectively "Wanda Film Group")	A group controlled by Mr. Ke

# Notes to the Condensed Consolidated Interim Financial Information (Continued)

## 26 RELATED PARTY BALANCES AND TRANSACTIONS (Continued)

### (b) Transactions with related parties

During the six months ended 30 June 2025 and 2024, the Group had the following significant transactions with related parties:

	<b>Six months ended</b>	
	<b>30 June</b>	30 June
	<b>2025</b>	2024
	<b>RMB'000</b>	RMB'000
	<b>(Unaudited)</b>	(Unaudited)
Rental expenses:		
— Beijing Ruyi Xinxin Film Investment Co., Ltd.	<b>218</b>	1,097
— Shanghai Ruyi Investment Management Co., Ltd.	<b>804</b>	804
	<b>1,022</b>	1,901
Online gaming and online streaming and advertising and gaming services:		
— Tencent Group	<b>947,042</b>	600,185
Gaming promotion and other expenses:		
— Tencent Group	<b>56,962</b>	—
— Wanda Film Group	<b>1,039</b>	4,856
	<b>58,001</b>	4,856

# Notes to the Condensed Consolidated Interim Financial Information (Continued)

## 26 RELATED PARTY BALANCES AND TRANSACTIONS (Continued)

### (b) Transactions with related parties (Continued)

	Six months ended	
	30 June 2025 RMB'000 (Unaudited)	30 June 2024 RMB'000 (Unaudited)
Internet and content delivery network cost:		
— Tencent Group	3,983	2,719
Gaming distribution channel fees:		
— Tencent Group	68,350	45,659
Interest income:		
— Sichuan Wenyoudao Film and Television Culture Co., Ltd.	—	1,084
Receipt of film investment funds from a related party:		
— Wanda Film Group	2,675	—
Investment in films of a related party:		
— Wanda Film Group	1,800	—
Purchase of film and television programmes rights:		
— Tencent Group	9,238	—
— Wanda Film Group	71,400	—
	80,638	—
Acquisition of Beijing Yonghang:		
— Tencent Group	825,000	—

# Notes to the Condensed Consolidated Interim Financial Information (Continued)

## 26 RELATED PARTY BALANCES AND TRANSACTIONS (Continued)

### (c) Key management compensation

	Six months ended	
	30 June 2025 RMB'000 (Unaudited)	30 June 2024 RMB'000 (Unaudited)
Key management compensation:		
— Salaries and other benefits	5,837	5,299
— Share-based payments	1,477	2,498
	<b>7,314</b>	<b>7,797</b>

### (d) Balances with related parties

As at 30 June 2025 and 31 December 2024, the Group had the following significant balances with related parties:

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Trade receivable from related parties:		
— Tencent Group (i)	1,212,654	1,293,821
— Wanda Film Group	114,609	—
	<b>1,327,263</b>	<b>1,293,821</b>
Other receivables from related parties:		
— Pumpkin Films Limited	—	40,745
— Beijing Ruyi Xingrong Culture Media Co., Ltd. (i)	800	800
— Beijing Ruyi Xinxin Film Investment Co., Ltd. (i)	8,218	8,218
— Beijing Zhumeng Qiming Culture & Arts Co., Ltd. (i)	1,300	1,300
— Sichuan Wenyoudao Film and Television Culture Co., Ltd. (i)	4,620	6,020
— Wanda Film Group	11,750	—
	<b>26,688</b>	<b>57,083</b>



# Notes to the Condensed Consolidated Interim Financial Information (Continued)

## 26 RELATED PARTY BALANCES AND TRANSACTIONS (Continued)

### (d) Balances with related parties (Continued)

	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)
Prepayments to related parties:		
— Beijing Chuangwai Film and Television Culture Media Co., Ltd.	1,000	1,000
— Wanda Film Group	—	411
— Tencent Group (iii)	28,131	—
	29,131	1,411
Trade payables to related parties:		
— Tencent Group (ii)	43,775	50,749
— Wanda Film Group (ii)	—	15,367
— Beijing Ruyi Xinxin Film Investment Co., Ltd. (ii)	748	673
	44,523	66,789
Other payables to related parties:		
— Tencent Group (ii)	842,656	166,699
— Wanda Film Group (ii)	19,415	28,513
— Beijing Ruyi Xinxin Film Investment Co., Ltd. (ii)	5	5
	862,076	195,217
Film and television programmes investment funds from related parties:		
— Tencent Group	149,000	149,000
— Wanda Film Group	22,168	21,120
	171,168	170,120
Film investment in related parties		
— Wanda Film Group	34,202	65,767

# Notes to the Condensed Consolidated Interim Financial Information (Continued)

## 26 RELATED PARTY BALANCES AND TRANSACTIONS (Continued)

### (d) Balances with related parties (Continued)

Personal guarantee provided by a director:

As at 30 June 2025 and 31 December 2024, one of the Group's borrowings was secured by personal guarantee from Mr. Ke as set out in Note 16(a).

- (i) Amounts mainly represented trade receivables and the payment of expenses on behalf of the related parties, which are unsecured, interest-free and receivable on demand.
- (ii) Amounts are unsecured, interest-free and repayable on demand or based on payment terms as stipulated in relevant agreements.
- (iii) Amounts mainly represented prepayments for gaming production, distribution and promotion fees.

## 27 SUBSEQUENT EVENTS AFTER THE REPORTING PERIOD

- (a) In July 2025, the Group entered into an equity transfer agreement with Shanghai Wanda Network Finance Services Company Limited, pursuant to which the Group has conditionally agreed to acquire 30% equity interest in Kuai Qian Financial Services (Shanghai) Co., Ltd. ("Kuaiqian"), at a total cash consideration of RMB240,000,000, among which refundable deposits amounting to approximately RMB190,000,000 (Note 10) were settled via transfer from loans to third parties of the equivalent amount. Kuaiqian primarily provides comprehensive cross-border payment solutions and this acquisition is subject to the fulfillment of a number of conditions, including but not limited to the approval of the People's Bank of China.
- (b) In August 2025, the Company entered into certain subscription agreements, pursuant to which the Company has conditionally agreed to issue an aggregate of 1,300,000,000 shares at the price of HK\$3.00 per share with the gross proceeds amounting to approximately HK\$3,900 million.