

Orange Sky
ENTERTAINMENT GROUP



Golden Harvest

Orange Sky Golden Harvest Entertainment (Holdings) Limited

橙天嘉禾娛樂(集團)有限公司

(Incorporated in Bermuda with limited liability)

(於百慕達註冊成立之有限公司)

(Stock Code 股份代號: 1132)

2025

Interim Report

中期報告





SINGAPORE 新加坡
122 screens / 銀幕

Orange Sky Golden Harvest's Cinema Portfolio 橙天嘉禾影城組合

(As at 30 June 2025 於 2025 年 6 月 30 日)



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Corporate Information

EXECUTIVE DIRECTORS

WU Kebo (*Chairman*)

CHOW Sau Fong, Fiona

PENG Bolun

GO Tomohiro

(appointed on 16 September 2025)

KONG Minru

(appointed on 25 April 2025)

LI Pei Sen

(resigned on 25 April 2025)

GO Misaki

(resigned on 16 September 2025)

INDEPENDENT NON-EXECUTIVE DIRECTORS

LEUNG Man Kit

WONG Sze Wing

FUNG Chi Man, Henry

CHIEF EXECUTIVE OFFICER

CHOW Sau Fong, Fiona

MAO Yimin

COMPANY SECRETARY

CHEUNG Hei Ming

REGISTERED OFFICE

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

PRINCIPAL PLACE OF BUSINESS

Suite 3309, 33/F,

Tower 1, Times Square,

1 Matheson Street,

Causeway Bay,

Hong Kong

PRINCIPAL BANKERS

DBS Bank Ltd.

United Overseas Bank Limited

AUDITORS

KPMG

Public Interest Entity Auditor

registered in accordance with the
Financial Reporting Council Ordinance

8th Floor

Prince's Building

10 Chater Road

Central

Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Conyers Corporate Services (Bermuda)
Limited

Clarendon House

2 Church Street

Hamilton HM11

Bermuda

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited

17/F, Far East Finance Centre

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WEBSITE

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STOCK CODE

1132

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

Founded in 1970, Orange Sky Golden Harvest Group has been a world-class Chinese language film and entertainment company primarily engaged in film exhibition, film and TV programme production, and film distribution businesses.

The Group has played a vital role in the development of the Chinese language film industry. Since its inception, the Group has produced and financed over 600 movies and is currently a cinema chain that operates across Hong Kong and Singapore. To date, the Group owns a movie library of over 140 movies.

The pandemic has presented unprecedented challenges to the worldwide economy since 2020, and particularly the film and cinema industry has been one of the worst hit segments. Our industry has been suffering from growing popularity of streaming platforms and other forms of entertainment such as short video episodes that air on mobile platforms. A further blow to our industry is film supply disruption caused by Hollywood Actors and Writers Strikes that ended in late 2023 and the historic wildfires swept through Los Angeles earlier this year in January 2025. Various filming locations were damaged by the fire causing temporary halts to production. The recovery process for Hollywood and surrounding communities is ongoing and will take time and similarly our cinema business too will need help to get through the recovery period as film supplies get impacted once again.

With a lack of blockbusters in a thin release schedule resulted from the Hollywood Actors and Writers Strikes, similar to other cinema operators, we were expecting a decrease in box office, attendance and ultimately revenue. During the period, the Group's revenue from continuing operations has decreased by 2% to HK\$362.7 million (2024: HK\$369.2 million) due to lack of strong titles. While 2025 was a challenging year for film industry, the Group believes that the cinema industry worldwide is demonstrating resilience after the pandemic but with mixed results across different geographic markets.



The Group has been dedicating to expand cinemas from single use of movie viewing to an integrated entertainment hub featuring multiple lifestyle offerings such as live music concerts, e-sports events, collectibles, corporate events and food and beverages.

At the beginning of 2025, the Group operated 7 cinemas across various leased premises in Hong Kong. During the period, the Group had terminated the leases for all these cinemas and ceased its cinema operations in Hong Kong. As a result, by 30 June 2025, the Group no longer operated any cinemas in the region. Following the lease terminations during the period, the Group recorded a non-recurring gain of HK\$19.1 million, attributable to the reversal of reinstatement cost provisions, as well as a non-recurring gain of HK\$85.8 million arising from lease modifications.

As of 30 June 2025, the Group operated a network of 16 cinemas with a total of 122 screens in Singapore. In the first half of 2025 and 2024 from continuing operations, Singapore region contributed 79% and 81% to the Group's consolidated segment revenue, reaffirming its position as the Group's primary revenue driver. The Group will continue to focus on developing the Singapore market, given its significant contribution to the Group's revenue.

Film Exhibition

Film exhibition business remained as the key revenue driver of the Group, which accounted for 88% of the Group's total segment revenue for the period ended 30 June 2025.

As of 30 June 2025, the Group maintained its network of 16 cinemas and 122 screens in Singapore. During the period, the Group's Singapore Golden Village Cinemas remained as the undisputed market leader locally with 57% respective share in local box office.

Film exhibition revenues of Hong Kong and Singapore regions have decreased by 6% to HK\$336.8 million during the period. The decrease was primarily attributed to a 7% reduction in total admissions from 3.26 million in the same period last year to 3.04 million resulted from lack of strong titles released during the six months period ended 30 June 2025. Average ticket price for the regions has increased from HK\$68 to HK\$70 during the period.

The major Hollywood blockbusters released during the period ended 30 June 2025 were *Mission: Impossible — The Final Reckoning* (職業特工隊：最終清算), *Captain America: Brave New World* (美國隊長4：勇敢新世界), *Minecraft Movie, A* (*Minecraft*：我的世界大電影), *Thunderbolts** (雷霆特攻隊*), *Lilo & Stitch* (史迪仔), *How To Train Your Dragon (2025)* (馴龍記(2025)) and *F1* (F1電影). The major Chinese language blockbusters for the year were *Nezha 2* (哪吒之魔童鬧海) from Mainland China and *I Want To Be Boss* (AI拼才會贏) from Singapore.

Hong Kong

Operating Statistics of the Group's Cinemas in Hong Kong

(For the six months ended 30 June 2025)

	2025	2024
Number of cinemas*	0	8
Number of screens*	0	33
Admissions (million)	0.8	0.9
Net average ticket price (HK\$)	53	64
Box office receipts (HK\$ million)	43	58

* at 30 June

As at 30 June 2025, the Group no longer operated any cinemas in Hong Kong.

The Hong Kong cinema industry has struggled significantly due to a combination of factors, including a lack of strong Hollywood blockbuster titles, a disappointing post-pandemic economic recovery in Hong Kong, outwards migration of Hong Kong's younger population and the changed spending habits that people spend more money abroad or cross-border rather than locally. The weak economy has made consumers more reluctant to spend, which has directly affected cinema attendance and revenue. Specifically, the Hong Kong exhibition business experienced a decline in admissions, dropping from 0.9 million in the first half of 2024 to 0.8 million in the same period of 2025. Resulting from fewer admissions, box office receipts showed a steep decrease of 26% to HK\$42.8 million from HK\$57.9 million during the six months period ended 30 June 2025. The average ticket price has also decreased to HK\$53 (2024: HK\$64) where such decrease of average ticket price was to attract patrons to return to cinemas. Despite the decline in box office receipts in Hong Kong, the Group's Hong Kong segmental results still reported a profit of HK\$3.2 million (2024: loss of HK\$16.4 million) during the six months ended 30 June 2025. The profit was mainly attributable to significant temporary rental support from the landlords, which was only available up to the end of June 2025. With the benefit of this rental relief, premises costs for the Hong Kong exhibition segment dropped significantly, from HK\$41.0 million in the first half of 2024 to HK\$11.7 million in the same period of 2025.

Singapore

Operating Statistics of the Group's Cinemas in Singapore

(For the six months ended 30 June 2025)

	2025	2024
Number of cinemas*	16	16
Number of screens*	122	122
Admissions (million)	2.24	2.36
Net average ticket price (S\$)	12.8	12.1
Net box office receipts (S\$ million)	29	29

* at 30 June

Singapore has been the main revenue contributor to the Group, attributing to 79% and 81% of the Group's consolidated segment revenue in first half of 2025 and 2024 from continuing operations. The Group's Singapore operations under the Golden Village brand remained the undisputed market leader locally operating a network of 16 cinemas and 122 screens, attributing to 51% of total installed screens in the country, but represented 57% of the country's total box office during the period. The high market share by box office has shown that Golden Village is the cinema of choice in Singapore and the absolute market leader locally.

During the period, Golden Village reported net box office receipts of S\$28.7 million (2024: S\$28.5 million), representing a 0.7% increase compared with 2024. The increase arose primarily from the net effect of (1) increase in net average ticket price by 6% to S\$12.8 in 2025 from S\$12.1 in 2024; and (2) lack of strong blockbusters releases during the period which resulted in 5% lower admissions amounting to 2.24 million (2024: 2.36 million). Golden Village concessions income also increased by 4% from S\$12.4 million in 2024 to S\$12.9 million in 2025 along with the 10% increase in spend per patron. Singapore operations recorded a segmental profit of HK\$5.4 million (2024: HK\$20.0 million) for the period ended 30 June 2025.

Golden Village has been dedicating efforts in expanding cinemas from a single-use movie-viewing theatre to become an integrated entertainment hub featuring other lifestyle offerings such as live music, e-sports, collectibles, and food and beverages. Furthermore, Golden Village is gradually expanding its Gold Class premium cinemas and dining options in response to the increasing demand for space and privacy, such expansion is to cater to consumers' evolving preferences after the pandemic.

To mitigate the risk of any further delay in Hollywood blockbuster release, Golden Village is committed to introduce more alternative contents, live streaming, and special movie screenings. Golden Village also offered movie vouchers and gift cards, unique merchandise items, promotions in partnership with landlords, and launched e-commerce websites to add in more variety of our revenues. In the meantime, Golden Village continued to source quality independent movies for distributions in Singapore to position the chain for exclusive screenings.

Golden Village is a household name in Singapore with a considerable larger scale of operations compared with local competitors. We remain confident in Golden Village business prospects, and will continue to expand Golden Village market leadership in Singapore going forward.

Film & TV Programme Distribution and Production

The Group's film library carried perpetual distribution rights for over 140 self-owned titles, which contributed steady licensing income to the Group. One of the Group's key initiatives is to work with external studios for redevelopment of the Group's existing classical Chinese movies intellectual property into online movies, and film derivative arts.

Riding on the Group's leading position and long history in film distribution and production, the Group is one of the largest independent film distributors in Singapore. On an aggregated basis the Group's film distribution and production business recorded revenue of HK\$43.6 million (30 June 2024: HK\$43.2 million), representing a slight increase of 0.9% compared to same period last year. Key titles distributed by the Group included *I Want To Be Boss* (AI拼才會贏) and *Blood Brothers: Bara Naga — Malay* (鐵血同盟：蛇血兄弟) in Singapore.

For the production sector, the Group continued to remain prudent in investment decisions in film productions but is keen to work with external studios for redevelopment of the Group's classical Chinese film library into online moves and other film derivative arts. The Group remained active in seeking opportunities to work with local and overseas studios to produce movies and TV programmes of high quality.

FINANCIAL REVIEW

Profit and Loss

The Group's consolidated revenue from continuing operations decreased by 2% to HK\$362.7 million (2024: HK\$369.2 million) along with 7% lower total admission during the period. However, gross profit from continuing operations increased by 1%, rising from HK\$241.5 million in 2024 to HK\$242.9 million in 2025, which was mainly attributable to higher film royalty income during the period, which carries a higher profit margin.

Other revenue from continuing operations of HK\$114.6 million represents primarily a non-recurring net gain of HK\$19.1 million from reversal of reinstatement cost provisions and a non-recurring net gain of HK\$85.8 million from lease modifications which resulted from termination of certain cinemas' leases of the Group.

The Group's finance costs from continuing operations consisted of interest expense on bank loans and interest on lease liabilities. Interest expense on bank loans amounted to HK\$3.7 million, compared with HK\$14.4 million in last period. This decrease was mainly attributable to both a reduction in the outstanding loan balance and lower interest rates during the period.

Selling and distribution costs and general and administrative expenses from continuing operations decreased to HK\$224.5 million for the six months ended 30 June 2025, compared to HK\$240.2 million in the same period last year. Depreciation expense decreased to HK\$59.6 million (2024: HK\$68.8 million) during the period.

The Group's income tax from continuing operations recorded a credit of HK\$31.6 million (2024: expense of HK\$6.9 million) during the six months ended 30 June 2025 due to an income tax credit of HK\$32.6 million arising from the reversal of deferred tax liabilities in connection with the disposal of a property in Singapore.

The Group recorded a non-recurring net gain from discontinued operations of HK\$294.3 million from the disposal of its interest in a joint venture during the six months ended 30 June 2024. No such gain was recognised for the six months ended 30 June 2025.

The Group recognised an impairment loss from discontinued operations of HK\$313.3 million on non-financial assets during the six months ended 30 June 2024, whereas no such impairment was recorded in 2025.

As a result, profit attributable to equity holders increased during the period, turning around from a loss of HK\$81.0 million in 2024 to a profit of HK\$136.7 million in 2025.

FINANCIAL RESOURCES AND LIQUIDITY

The Group's financial position remained healthy with net assets of HK\$1,405.4 million as of 30 June 2025 (31 December 2024: HK\$1,169.8 million).

As of 30 June 2025, the Group has total cash and bank balances amounted to HK\$152.2 million (31 December 2024: HK\$133.6 million). From a net cash or net debt perspective (total bank borrowing less total cash and bank balances), the Group's net debt has remained at a similar level from HK\$36.4 million as of 31 December 2024 to HK\$37.2 million as of 30 June 2025.

On 2 June 2025, the Group entered into a sale and purchase agreement with Lion (Singapore) Pte. Limited, an independent third party, to dispose of the property located at 51 Yishun Central 1 #02-01 in Singapore for a consideration of S\$48,000,000 (the "Disposal"). The Disposal was completed on 8 August 2025, with the net proceeds partially used to repay all outstanding bank borrowings. As a result, the carrying amount of the property, amounting to HK\$271.4 million, was classified as a non-current asset held for sale as of 30 June 2025, and the bank loans of HK\$189.4 million were reclassified as current liabilities at the end of the reporting period.

The Group's gearing ratio, calculated on the basis of bank borrowings over total assets stood at a healthy level of 9.0% (31 December 2024: 8.0%). Net gearing ratio calculated on the basis of net debt over total assets stood at a healthy level of 1.8% (31 December 2024: 1.7%) and the Group's cash to bank borrowings ratio at 80.4% (31 December 2024: 78.6%). The Group currently maintains a reasonable level of financial leverage and the Group believes that its current cash holding along with its available financial facilities shall provide sufficient resources for its working capital requirements.

The Group's assets and liabilities are principally denominated in United States dollars, Hong Kong dollars, Renminbi and Singapore dollars. The Group's bank borrowings are denominated in Singapore dollars, which is in line with the Group's main operating currencies. Each of the Group's overseas operations were operating in their local currencies and are subject to minimal exchange risk. The Group will continue to assess the exchange risk exposure, and will consider possible hedging measures in order to minimise the risk at reasonable cost. The Group did not have any significant contingent liabilities or off-balance sheet obligations as of 30 June 2025 (31 December 2024: Nil).

OUTLOOK

Asian economies will have to handle high levels of unpredictability in the trade outlook with much of the uncertainty coming from US tariffs, along with interest rates hikes, reduced consumer confidence, heightened uncertainties in global environment and worsened market sentiment amidst the Russia-Ukraine war, Israeli-Palestinian conflict and trade tensions. The trade barriers will have a ripple effect along entire supply chains and further destabilize international markets and may introduce risk of recession. Moreover, our industry may still have to suffer from lack of blockbusters in a thin release schedule.

The Group will therefore take a conservative approach on its future operation and expansion plans. In this rapidly evolving entertainment landscape with the rise of streaming platforms and social media, the Group believes that although cinemas remains a unique form of entertainment experience for moviegoers, we have to continue to introduce wide variety of diversified contents and high quality services to develop our cinemas into integrated lifestyle hubs as an entertainment destination for consumers. Looking ahead, the Group will prudently seek for suitable investment opportunities that can potentially achieve synergies to the Group's existing businesses and/or add values to the shareholders.

EMPLOYEES AND REMUNERATION POLICIES

As at 30 June 2025, the Group employed 204 (31 December 2024: 244) permanent employees. The Group remunerates its employees mainly by reference to industry practice. In addition to salaries, commissions and discretionary bonuses, share options will be granted to employees based on individual performance and contribution to the Group. The Group also operates a defined contribution retirement benefit scheme under the Mandatory Provident Fund Schemes Ordinance and, as at 30 June 2025, there was no forfeited contribution arising from employees leaving the retirement benefit scheme.

Review Report to the Board of Directors



Review report to the Board of Directors of Orange Sky Golden Harvest Entertainment (Holdings) Limited *(Incorporated in Bermuda with limited liability)*

INTRODUCTION

We have reviewed the interim financial report set out on pages 13 to 46 which comprises the consolidated statement of financial position of Orange Sky Golden Harvest Entertainment (Holdings) Limited (the “Company”) and its subsidiaries (collectively, the “Group”) as of 30 June 2025 and the related consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six month period then ended and, explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of an interim financial report 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 directors are responsible for the preparation and presentation of this interim financial report in accordance with Hong Kong Accounting Standard 34.

Our responsibility is to express a conclusion, based on our review, on this interim financial report 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 Hong Kong Institute of Certified Public Accountants. A review of interim financial report 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.

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial report as at 30 June 2025 is not prepared, in all material respects, in accordance with Hong Kong Accounting Standard 34, *Interim financial reporting*.

Certified Public Accountants

8th Floor, Prince's Building
10 Chater Road
Central, Hong Kong

27 August 2025

Consolidated Income Statement

for the six months ended 30 June 2025 — Unaudited

	Note	Six months ended 30 June 2025 HK\$'000	Six months ended 30 June 2024 HK\$'000 (Restated – note 21)
Continuing operations			
Revenue	3	362,684	369,249
Cost of sales		(119,790)	(127,741)
Gross profit		242,894	241,508
Other revenue	4	114,618	21,376
Other net loss		(13,493)	(9,855)
Selling and distribution costs		(199,099)	(213,906)
General and administrative expenses		(25,403)	(26,336)
Other operating expenses		(4,072)	(3,960)
Profit from operations		115,445	8,827
Finance costs	5(a)	(10,360)	(19,558)
Profit/(loss) before taxation	5	105,085	(10,731)
Income tax credit/(expense)	6	31,627	(6,947)
Profit/(loss) for the period from continuing operations		136,712	(17,678)
Discontinued operations			
Gain on disposal of interest in a joint venture		–	285,575
Exchange reserve realised upon disposal		–	8,723
Loss for the period from discontinued operations		–	(357,668)
		–	(63,370)
Profit/(loss) for the period		136,712	(81,048)

Consolidated Income Statement *(continued)*

for the six months ended 30 June 2025 — Unaudited

	Note	Six months ended 30 June 2025 HK\$'000	Six months ended 30 June 2024 HK\$'000 (Restated – note 21)
Attributable to:			
Equity holders of the Company			
— Continuing operations		136,712	(17,678)
— Discontinued operations		–	(63,370)
		136,712	(81,048)
Earnings/(loss) per share (HK cent)	7		
Basic and diluted			
— Continuing operations		4.88	(0.63)
— Discontinued operations		–	(2.26)
		4.88	(2.89)

The notes on pages 23 to 46 form part of this interim financial report.

Consolidated Statement of Comprehensive Income

for the six months ended 30 June 2025 — Unaudited

	Six months ended 30 June 2025 HK\$'000	Six months ended 30 June 2024 HK\$'000 (Restated – note 21)
Profit/(loss) for the period	136,712	(81,048)
Other comprehensive income for the period		
<i>Item that may be reclassified subsequently to profit or loss:</i>		
Exchange differences on translation of financial statements of:		
— subsidiaries outside Hong Kong	98,884	(33,356)
Total comprehensive income for the period	235,596	(114,404)
Total comprehensive income attributable to:		
Equity holders of the Company		
— Continuing operations	235,596	(58,795)
— Discontinued operations	–	(55,643)
	235,596	(114,438)
Non-controlling interests	–	34
Total comprehensive income for the period	235,596	(114,404)

Note: There is no tax effect relating to the above components of the comprehensive income.

The notes on pages 23 to 46 form part of this interim financial report.

Consolidated Statement of Financial Position

as at 30 June 2025

	Note	As at 30 June 2025 HK\$'000 (Unaudited)	As at 31 December 2024 HK\$'000 (Audited)
Non-current assets			
Right-of-use assets	9	390,815	726,127
Other property, plant and equipment	9	115,198	157,653
Other financial asset		506,013	883,780
Other receivables, deposits and prepayments		62	62
Intangible assets	11	12,865	16,245
Goodwill		470,050	436,610
		612,726	568,959
		1,601,716	1,905,656
Current assets			
Inventories		3,333	3,262
Film rights	10	14,845	15,095
Trade receivables	12	13,542	16,783
Other receivables, deposits and prepayments		40,117	43,084
Deposits and cash	13	152,205	133,568
Non-current asset held for sale	8	271,398	–
		495,440	211,792

Consolidated Statement of Financial Position *(continued)*

as at 30 June 2025

	Note	As at 30 June 2025 HK\$'000 (Unaudited)	As at 31 December 2024 HK\$'000 (Audited)
Current liabilities			
Bank loans	14	189,396	13,965
Trade payables	15	66,589	61,889
Other payables and accrued charges		94,517	123,320
Deferred income		19,022	44,407
Lease liabilities		67,601	105,529
Taxation payable		6,183	9,747
		443,308	358,857
Net current assets/(liabilities)		52,132	(147,065)
Total assets less current liabilities		1,653,848	1,758,591
Non-current liabilities			
Bank loans		—	156,016
Lease liabilities		129,923	293,297
Deferred tax liabilities		116,861	138,981
Derivative financial liabilities		1,678	507
		248,462	588,801
NET ASSETS		1,405,386	1,169,790

Consolidated Statement of Financial Position *(continued)*

as at 30 June 2025

	Note	As at 30 June 2025 HK\$'000 (Unaudited)	As at 31 December 2024 HK\$'000 (Audited)
Capital and reserves			
Share capital	16	279,967	279,967
Reserves		1,125,419	889,823
TOTAL EQUITY		1,405,386	1,169,790

The notes on pages 23 to 46 form part of this interim financial report.

Consolidated Statement of Changes In Equity

for the six months ended 30 June 2025 — Unaudited

	Attributable to equity shareholders of the Company							
	Share capital HK\$'000	Share premium HK\$'000	Capital redemption reserve HK\$'000	Contributed surplus HK\$'000	Reserve funds HK\$'000	Exchange reserve HK\$'000	Retained profits HK\$'000	Total equity HK\$'000
Balance at 1 January 2025	279,967	771,749	15,886	80,000	3,134	1,107	17,947	1,169,790
Changes in equity for the six months ended 30 June 2025:								
Profit for the period	-	-	-	-	-	-	136,712	136,712
Other comprehensive income	-	-	-	-	-	98,884	-	98,884
Total comprehensive income	-	-	-	-	-	98,884	136,712	235,596
Balance at 30 June 2025	279,967	771,749	15,886	80,000	3,134	99,991	154,659	1,405,386

Consolidated Statement of Changes In Equity *(continued)*

for the six months ended 30 June 2025 — Unaudited

	Attributable to equity shareholders of the Company							
	Share capital HK\$'000	Share premium HK\$'000	Share redemption reserve HK\$'000	Contributed surplus HK\$'000	Reserve funds HK\$'000	Exchange reserve HK\$'000	Retained profits HK\$'000	Total equity HK\$'000
Balance at 1 January 2024	279,967	771,749	15,886	80,000	3,134	50,026	261,790	1,462,552
Changes in equity for the six months ended from 1 January 2024 and 30 June 2024:								1,461,306
Loss for the period	-	-	-	-	-	-	(81,048)	(81,048)
Other comprehensive income	-	-	-	-	-	(33,390)	-	(33,390)
Total comprehensive income	-	-	-	-	-	(33,390)	(81,048)	(114,438)
Disposal of a joint venture	-	-	-	-	-	(8,723)	-	(8,723)
Balance at 30 June 2024	279,967	771,749	15,886	80,000	3,134	7,913	180,742	1,338,179
Changes in equity for the six months ended from 1 July 2024 and 31 December 2024:								
Loss for the period	-	-	-	-	-	-	(161,594)	(161,594)
Other comprehensive income	-	-	-	-	-	(2,219)	-	(2,219)
Total comprehensive income	-	-	-	-	-	(2,219)	(161,594)	(163,813)
Disposal of subsidiaries	-	-	-	-	-	(4,587)	(1,201)	(5,788)
Balance at 31 December 2024	279,967	771,749	15,886	80,000	3,134	1,107	17,947	1,169,790

The notes on pages 23 to 46 form part of this interim financial report.

Condensed Consolidated Statement of Cash Flows

for the six months ended 30 June 2025 — Unaudited

	Six months ended 30 June 2025 HK\$'000	Six months ended 30 June 2024 HK\$'000
Operating activities		
Profit/(loss) before taxation		
From continuing operations	105,085	(63,372)
From discontinued operations	–	(10,731)
Adjustments for:		
Gain on lease modifications	(85,849)	(11,717)
Gain on disposal of joint venture	–	(285,575)
Impairment losses on non-financial assets:		
— property, plant and equipment	–	225,978
— film rights	–	87,355
Reversal of reinstatement cost provisions	(19,100)	–
Changes in working capital	(29,450)	13,638
Others	80,056	140,645
Net cash generated from operating activities	50,742	96,221
Investing activities		
Proceeds of disposal of property, plant and equipment	3,010	–
Payment for the purchase of property, plant and equipment	(1,298)	(5,848)
Payment for the purchase of film rights	(150)	(3,324)
Proceeds from disposal of a joint venture	–	294,250
Decrease in pledged bank deposits	–	2,846
Net cash generated from investing activities	1,562	287,924

Condensed Consolidated Statement of Cash Flows

(continued)

for the six months ended 30 June 2025 — Unaudited

	Six months ended 30 June 2025 HK\$'000	Six months ended 30 June 2024 HK\$'000
Financing activities		
Proceeds from new bank loans	11,840	—
Repayment of bank loans	(5,920)	(51,580)
Capital element of lease rentals paid	(39,175)	(56,685)
Interest element of lease rentals paid	(6,531)	(9,053)
Net cash used in financing activities	(39,786)	(117,318)
Net increase in cash and cash equivalents	12,518	266,827
Cash and cash equivalents at 1 January	133,568	124,773
Effect of foreign exchange rates changes	6,119	(2,613)
Cash and cash equivalents at 30 June	152,205	388,987

The notes on pages 23 to 46 form part of this interim financial report.

Notes to the Unaudited Interim Financial Report

(Expressed in Hong Kong dollars unless otherwise indicated)

1 BASIS OF PREPARATION

This interim financial report has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, including compliance with Hong Kong Accounting Standard (“HKAS”) 34, *Interim financial reporting*, issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). It was authorised for issue on 27 August 2025.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2024 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2025 annual financial statements. Details of any changes in accounting policies are set out in note 2.

The preparation of an interim financial report in conformity with HKAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

This interim financial report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of Orange Sky Golden Harvest Entertainment (Holdings) Limited and its subsidiaries (together the “Group”) since the 2024 annual financial statements. The condensed consolidated interim financial statements and notes thereon do not include all of the information required for a full set of financial statements prepared in accordance with HKFRS Accounting Standards.

The interim financial report is unaudited, but has been reviewed by KPMG 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 HKICPA. KPMG’s independent review report to the Board of Directors is included on pages 11 to 12.

2 CHANGES IN ACCOUNTING POLICIES

The Group has applied the amendments to HKAS 21, The effects of changes in foreign exchange rates — Lack of exchangeability issued by the HKICPA to this interim financial report for the current accounting period. The amendments do not have a material impact on this interim report as the group has not entered into any foreign currency transactions in which the foreign currency is not exchangeable into another currency.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

3 REVENUE AND SEGMENT REPORTING

Revenue, which are from contracts with customers within the scope of HKFRS 15, represents income from the sale of film, video and television rights, film and television drama distribution, theatre operations, promotion and advertising services, agency services and film royalty.

The Group manages its businesses by geography. In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resources allocation and performance assessment, the Group has presented the following reportable segments. No operating segments have been aggregated to form the reportable segments, which are as follows:

- Hong Kong
- Mainland China
- Singapore

The results of the Group's revenue from external customers for entities located in Hong Kong, Mainland China and Singapore are set out in the table below.

3 REVENUE AND SEGMENT REPORTING *(continued)*

For the purposes of assessing segment performance and allocating resources between segments, the Group's senior executive management monitors the revenue and results attributable to each reportable segment on the following basis:

Segment revenue and results

Revenue is allocated to the reportable segments based on the local entities' location of external customers. Expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those geographical locations or which otherwise arise from the depreciation and amortisation of assets attributable to those segments.

The measure used for reporting segment results are adjusted operating results after taxation where net finance costs, exchange differences and extraordinary items (including impairment losses, gain/loss on disposal of non-financial assets and financial impact arising from early termination of leases) are excluded, and the effect of HKFRS 16, *Leases*, is adjusted as if the rentals had been recognised under HKAS 17, *Leases*. To arrive at adjusted operating results after taxation, the Group's results are further adjusted for items not specifically attributable to individual segments, such as directors' and auditors' remuneration and head office or corporate administration costs.

In addition to receiving segment information concerning operating results after taxation, management is provided with segment information concerning revenue.

Management evaluates performance primarily based on operating results including the share of results of a joint venture of each segment. Intra-segment pricing is generally determined on an arm's length basis.

3 REVENUE AND SEGMENT REPORTING (continued)

(i) Segment revenue and results

Segment information regarding the Group's revenue and results by geographical market is presented below:

Six months ended 30 June																
	Continuing operations								Discontinued operations							
	Hong Kong		Mainland China		Singapore		Sub-total		Taiwan		360 Stage		Sub-total		Total	
	2025 HK\$'000	2024 HK\$'000	2025 HK\$'000	2024 HK\$'000 (Restated)	2025 HK\$'000	2024 HK\$'000	2025 HK\$'000 (Restated)	2024 HK\$'000 (Restated)	2025 HK\$'000	2024 HK\$'000	2025 HK\$'000 (Restated)	2024 HK\$'000 (Restated)	2025 HK\$'000 (Restated)	2024 HK\$'000 (Restated)	2025 HK\$'000	2024 HK\$'000
Segment revenue:																
Revenue																
— Exhibition	50,877	69,837	—	—	285,913	287,072	336,790	356,909	—	126,246	—	—	—	126,246	336,790	483,155
— Distribution and production	1,851	3,861	27,204	—	14,569	38,154	43,624	42,015	—	1,222	—	—	—	1,222	43,624	43,237
— 360 Stage	—	—	—	—	—	—	—	—	—	—	—	10,788	—	10,788	—	10,788
— Corporate	294	294	—	—	—	—	294	294	—	—	—	—	—	—	294	294
Reportable segment revenue	53,022	73,992	27,204	—	300,482	325,226	380,708	399,218	—	127,468	—	10,788	—	138,256	380,708	537,474
Reportable segment profit/ (loss) after taxation	3,160	(16,442)	26,014	(1,435)	5,378	20,041	34,552	2,164	—	(8,984)	—	(32,675)	—	(41,659)	34,552	(39,495)

3 REVENUE AND SEGMENT REPORTING *(continued)*

(ii) Reconciliations of reportable segment revenue and profit or loss

	Continuing operations Six months ended 30 June		Discontinued operations Six months ended 30 June	
	2025 HK\$'000	2024 HK\$'000 (Restated)	2025 HK\$'000	2024 HK\$'000 (Restated)
Revenue				
Reportable segment revenue	380,708	399,218	–	138,256
Share of revenue from a joint venture in Taiwan	–	–	–	(127,468)
Elimination of intra-segment revenue	(9,309)	(20,857)	–	–
Others	(8,715)	(9,112)	–	(2,473)
Consolidated revenue	362,684	369,249	–	8,315
Profit/(loss) before taxation				
Reportable profit/(loss) after taxation from external customers	34,552	2,164	–	(41,659)
Other operating income/ (expenses), net	102,160	(19,842)	–	(21,711)
Income tax (credit)/expense	(31,627)	6,947	–	(2)
Consolidated profit/(loss) before taxation	105,085	(10,731)	–	(63,372)

4 OTHER REVENUE

	Continuing operations Year ended 30 June		Discontinued operations Year ended 30 June	
	2025 HK\$'000	2024 HK\$'000 (restated)	2025 HK\$'000	2024 HK\$'000 (restated)
Interest income from bank deposits	495	501	–	7
Gain on lease modifications (note (i))	85,849	11,717	–	–
Reversal of reinstatement cost provisions (note (i))	19,100	–	–	–
Government subsidies	1,970	3,048	–	16,056
Others	7,204	6,110	–	1
	114,618	21,376	–	16,064

Note:

- (i) A non-recurring gain of HK\$19,100,000 and HK\$85,849,000 attributable to the reversal of reinstatement cost provisions and lease modifications respectively was recognised as a result of the early termination of cinema leases of the Group.

5 PROFIT/(LOSS) BEFORE TAXATION

Profit/(loss) before taxation is arrived at after charging/(crediting):

	Continuing operations		Discontinued operations	
	Six months ended 30 June		Six months ended 30 June	
	2025 HK\$'000	2024 HK\$'000 (restated)	2025 HK\$'000	2024 HK\$'000 (restated)
(a) Finance costs				
Interest on bank loans	3,656	14,406	–	58
Interest on lease liabilities	6,531	9,053	–	–
Other ancillary borrowing costs	173	1,351	–	–
	10,360	24,810	–	58
Less: finance costs capitalised into construction in progress (note (ii))	–	(5,252)	–	–
	10,360	19,558	–	58
(b) Staff costs (excluding directors' emoluments)				
Salaries, wages and other benefits	45,517	44,511	–	6,940
Contributions to defined contribution retirement plans	5,273	3,800	–	514
	50,790	48,311	–	7,454

5 PROFIT/(LOSS) BEFORE TAXATION (continued)

	Continuing operations Year ended 30 June		Discontinued operations Year ended 30 June	
	2025 HK\$'000	2024 HK\$'000 (restated)	2025 HK\$'000	2024 HK\$'000 (restated)
(c) Other items				
Cost of inventories	18,303	18,240	—	217
Cost of services provided	101,077	108,979	—	13,603
Depreciation charge				
— owned property, plant and equipment	15,550	19,352	—	8,071
— right-of-use assets	44,027	49,469	—	14,487
Amortisation of intangible assets (note (ii))	—	—	—	8,369
Amortisation of film rights (note (ii))	410	522	—	—
Loss on disposals of property, plant and equipment	10,482	2,146	—	—
Impairment losses on non-financial assets				
— 360 Stage-related fixed assets	—	—	—	225,978
— development costs of 360 Stage	—	—	—	87,355
Exchange loss, net	3,011	9,855	—	282

Notes:

- (i) No finance costs have been capitalised for the six months ended 30 June 2025. The finance costs have been capitalised at rates ranging from 6.3% to 6.8% per annum for the six months ended 30 June 2024.
- (ii) The amortisation of film rights and intangible assets are included in “Cost of sales” in the consolidated income statement.

6 INCOME TAX IN THE CONSOLIDATED INCOME STATEMENT

	Continuing operations		Discontinued operations	
	Year ended 30 June		Year ended 30 June	
	2025	2024	2025	2024
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
		(restated)		(restated)
<i>Current income tax</i>				
Provision for Hong Kong tax	–	–	–	–
Provision for overseas tax	1,879	4,688	–	–
Over provision in respect of prior years	(1,975)	–	–	(2)
	(96)	4,688	–	(2)
<i>Deferred tax — overseas</i>				
Origination and reversal of temporary differences	(31,531)	2,259	–	–
Actual tax (credit)/expense	(31,627)	6,947	–	(2)

No provision for Hong Kong Profits Tax has been made as the Group sustained a loss for Hong Kong Profits Tax for both periods.

No provision for Mainland China Corporate Income Tax has been made as the Group sustained a loss for Mainland China Corporate Income Tax for both periods.

The provision for Singapore Corporate Income Tax of the subsidiaries established in Singapore is calculated at 17% (2024: 17%) of the estimated taxable profits for the period.

7 EARNINGS/(LOSS) PER SHARE

(a) Basic earnings/(loss) per share

The calculation of basic earnings/loss per share has been based on the following profit/loss attributable to equity holders of the Company and the weighted average number of ordinary shares outstanding.

(i) Weighted average number of ordinary shares (basic)

	2025 Number of shares	2024 Number of shares
Issued ordinary shares and weighted average number of ordinary shares as at 30 June	2,799,669,050	2,799,669,050

(ii) Profit/(loss) attributable to equity holders

	Six months ended 30 June 2025 HK\$'000	Six months ended 30 June 2024 HK\$'000
Profit/(loss) attributable to equity holders		
— Continuing operations	136,712	(17,678)
— Discontinued operations	—	(63,370)
	136,712	(81,048)

(b) Diluted earnings/(loss) per share

The Company does not have any dilutive potential ordinary shares at 30 June 2024 and 2025. Diluted earnings/loss per share for the six months ended 30 June 2024 and 2025 is the same as the basic earnings/loss per share.

8 NON-CURRENT ASSET HELD FOR SALE

On 2 June 2025, the Group entered into the sale and purchase agreement with an independent third party, to dispose of the property located at 51 Yishun Central 1 #02-01 Singapore for a total consideration of S\$48,000,000 (the “Property Disposal”). The completion of the Property Disposal was subject to the passing of resolutions by shareholders at the special general meeting held on 7 August 2025. The resolution was passed at the special general meeting, and the Property Disposal was completed on 8 August 2025 (note 22).

9 OTHER PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS

(a) Right-of-use assets

During the six months ended 30 June 2025 and 2024, the Group did not enter into any new lease agreements for the use of properties and therefore no addition of right-of-use assets is recognised. During the six months ended 30 June 2025, the Group modified certain lease agreements which reduced the right-of-use assets by HK\$91,638,000 (six months ended 30 June 2024: HK\$12,717,000) and resulted in a gain on lease modification of HK\$85,849,000 (note 4). During the six months ended 30 June 2025, the Group also reclassified leasehold land of HK\$242,935,000 to non-current asset held for sale (note 8).

9 OTHER PROPERTY, PLANT AND EQUIPMENT AND RIGHT-OF-USE ASSETS *(continued)*

(a) Right-of-use assets *(continued)*

The leases of properties contain variable lease payment terms that are based on revenue generated from the cinemas and minimum annual lease payment terms that are fixed. These payment terms are common in cinemas in Hong Kong and Singapore where the Group operates. The amount of fixed and variable lease payments for the interim reporting period is summarised below:

	Six months ended 30 June 2025		
	Fixed	Variable	Total
	payments HK\$'000	payments HK\$'000	payments HK\$'000
Cinemas — Hong Kong	2,957	5,901	8,858
Cinemas — Singapore	41,577	3,582	45,159

	Six months ended 30 June 2024		
	Fixed	Variable	Total
	payments HK\$'000	payments HK\$'000	payments HK\$'000
Cinemas — Hong Kong	23,714	520	24,234
Cinemas — Singapore	40,852	3,126	43,978

(b) Acquisitions of owned assets

During the six months ended 30 June 2025, the Group acquired items of property, plant and equipment with a cost of HK\$1,298,000 (six months ended 30 June 2024: HK\$11,100,000). In addition, the Group reclassified building of HK\$28,463,000 to non-current asset held for sale (note 8).

10 FILM RIGHTS

During the period under review, the Group incurred additional costs for film rights of HK\$150,000 (six months ended 30 June 2024: HK\$621,000) and amortisation of film rights amounted to HK\$410,000 (six months ended 30 June 2024: HK\$522,000).

11 INTANGIBLE ASSETS

	As at 30 June 2025 HK\$'000	As at 31 December 2024 HK\$'000
Trademarks	468,160	434,720
Club memberships	1,890	1,890
	470,050	436,610

12 TRADE RECEIVABLES

The Group usually grants credit periods ranging from one to three months. Each customer has a credit limit and overdue balances are regularly reviewed by management.

As of the end of the reporting period, the ageing analysis of trade receivables, based on the invoice date and net of loss allowance, is as follows:

	As at 30 June 2025 HK\$'000	As at 31 December 2024 HK\$'000
Within 1 month	7,859	11,965
Over 1 month but within 2 months	2,092	2,304
Over 2 months but within 3 months	2,168	968
Over 3 months	1,423	1,546
	13,542	16,783

13 DEPOSITS AND CASH

	As at 30 June 2025 HK\$'000	As at 31 December 2024 HK\$'000
Deposits at banks	10,709	10,126
Cash at bank and in hand	141,496	123,442
Cash and cash equivalents in consolidated statement of cash flows	152,205	133,568

14 BANK LOANS

(a) The bank loans were repayable as follows:

	As at 30 June 2025 HK\$'000	As at 31 December 2024 HK\$'000
Within 1 year or on demand	189,396	13,965
After 1 year but within 2 years	–	16,825
After 2 year but within 5 years	–	139,191
	189,396	169,981

All bank loans bear interest at floating interest rates which approximate market interest rates.

(b) At 30 June 2025, the bank loan was secured by two (2024: two) properties of a subsidiary located in Singapore (see note 22), and was guaranteed by corporate guarantees from the Company.

14 BANK LOANS *(continued)*

- (c) Certain of the Group's banking facilities are subject to the fulfilment of covenants relating to certain ratios of the Group's financial performance on company basis, as are commonly found in lending arrangements with financial institutions. If the Group were to breach the covenants, the drawn down facilities would become payable on demand upon demanded by the lender.

The Group regularly monitors its compliance with these covenants. As at 30 June 2025 and 31 December 2024, none of the covenants had been breached.

15 TRADE PAYABLES

As of the end of the reporting period, the ageing analysis of trade payables, based on the invoice date, is as follows:

	As at 30 June 2025 HK\$'000	As at 31 December 2024 HK\$'000
Within 3 months	55,596	50,166
4 to 6 months	133	137
7 to 12 months	243	1,274
Over 1 year	10,617	10,312
	66,589	61,889

16 SHARE CAPITAL

Note	As at 30 June 2025		As at 31 December 2024	
	No. of shares	Amount HK\$'000	No. of shares	Amount HK\$'000
Authorised:				
Ordinary shares of HK\$0.1 each	6,000,000,000	600,000	6,000,000,000	600,000
Ordinary shares, issued and fully paid:				
At 1 January 2024/31 December 2024/ 1 January 2025/30 June 2025	2,799,669,050	279,967	2,799,669,050	279,967

Notes:

(i) Share option scheme

The Company operates a share option scheme (the "Scheme") for the purpose of providing incentives and rewards to eligible participants who contribute to the success of the Group's operations. Eligible participants of the Scheme include the Company's directors and other employees of the Group, shareholders of the Company, suppliers of goods or services to the Group and customers of the Group. Details of the Scheme are set out in the 2024 annual financial statements.

(ii) Dividend

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

(iii) Capital management

The Group's primary objectives when managing capital are to safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, by pricing products and services commensurately with the level of risk and by securing access to finance at a reasonable cost.

The Group actively and regularly reviews and manages its capital structure to maintain a balance between the higher shareholder returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position, and makes adjustments to the capital structure in light of changes in economic conditions.

The Group monitors its capital structure on the basis of an adjusted net debt-to-capital ratio. For this purpose, adjusted net debt is defined as total debt (which includes interest-bearing loans and borrowings, and lease liabilities) less cash and cash equivalents. Adjusted capital comprises all components of equity and redeemable preference shares, other than amounts recognised in equity relating to cash flow hedges, less unaccrued proposed dividends.

17 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

(a) Financial assets and liabilities measured at fair value

(i) Fair value hierarchy

The following table presents the fair value of the Group's financial instruments measured at the end of the reporting period on a recurring basis, categorised into the three-level fair value hierarchy as defined in HKFRS 13, *Fair value measurement*. The level into which a fair value measurement is classified is determined with reference to the observability and significance of the inputs used in the valuation technique as follows:

- Level 1 valuations: Fair value measured using only Level 1 inputs i.e. unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date
- Level 2 valuations: Fair value measured using Level 2 inputs i.e. observable inputs which fail to meet Level 1, and not using significant unobservable inputs. Unobservable inputs are inputs for which market data are not available
- Level 3 valuations: Fair value measured using significant unobservable inputs

The following table presents the Group's financial assets that were measured at fair value at 30 June 2025 and 31 December 2024.

	Fair value measurements as at 30 June 2025 categorised into			
	Fair value at 30 June 2025 HK\$'000	Level 1 HK\$'000	Level 2 HK\$'000	Level 3 HK\$'000
Financial liabilities measured at fair value				
— Interest rate swaps	1,678	—	1,678	—

17 FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS *(continued)*
(a) Financial assets and liabilities measured at fair value *(continued)*
(i) Fair value hierarchy *(continued)*

Fair value at 31 December 2024 HK\$'000	Fair value measurements as at 31 December 2024 categorised into		
	Level 1 HK\$'000	Level 2 HK\$'000	Level 3 HK\$'000

**Financial liabilities
measured at fair value**

— Interest rate swaps	507	—	507	—
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During the six months ended 30 June 2025 and 2024, there were no transfers between Level 1 and Level 2, or transfers into or out of Level 3. The Group's policy is to recognise transfers between levels of fair value hierarchy as at the end of the reporting period in which they occur.

18 CONTINGENT LIABILITIES

At 30 June 2025, the Company has issued guarantees to banks in respect of banking facilities granted to certain subsidiaries amounting to HK\$209,440,000 (2024: HK\$454,450,000) and banking facilities of HK\$190,960,000 (2024: HK\$418,210,000) had been utilised by the subsidiaries.

Certain subsidiaries of the Group are involved in litigation arising in the ordinary course of their respective businesses. Having reviewed outstanding claims and taken into account legal advice received, the directors are of the opinion that even if the claims are found to be valid, there will be no material adverse effect on the financial position of the Group.

19 DISPOSAL OF SUBSIDIARIES — REMAINING CONSIDERATION AND CONTINGENT LIABILITIES

On 25 January 2017, Giant Harvest Limited (“Giant Harvest”), an indirect wholly owned subsidiary of the Company, entered into a sale and purchase agreement (the “Sale and Purchase Agreement”) with True Vision Limited (“True Vision”), pursuant to which Giant Harvest conditionally agreed to sell and True Vision conditionally agreed to purchase, the entire equity interest of City Entertainment Corporation Limited (“CECL”) at a consideration of RMB3.286 billion (the “Disposal”). Orange Sky Golden Harvest Cinema (China) Company Limited, the entity operating the Group’s film exhibition business in Mainland China, was 92.59% owned by CECL and 7.41% owned by Jiaxing Credit Prosperity Investment Enterprise (Limited Partnership). The Disposal was completed on 28 July 2017.

The initial consideration of RMB3.286 billion was subsequently adjusted to RMB3.290 billion. Pursuant to the Sale and Purchase Agreement, the consideration is subject to further adjustments based on the difference between the net debt value of the disposal group as at 31 December 2016 and that derived from the completion accounts (the “Net Debt Adjustment”). In 2018, the completion accounts were circulated among the Group and Nan Hai Corporation Limited (“Nan Hai”, the holding company and guarantor of True Vision). However, the Net Debt Adjustment is yet to be agreed between the two parties up to the date of approval of this interim financial report.

Other than the Net Debt Adjustment, the consideration is subject to a refund of an amount up to RMB380 million to Nan Hai, depending on the results of lease renewal or negotiation of new leases of certain cinema premises as detailed in the Sale and Purchase Agreement. The amount of refund is determined with reference to the terms and outcome of the lease renewal and the economic value of the renewed leases, subject to agreement with Nan Hai. The amount of refund, if any, is yet to be agreed between the two parties up to the date of approval of this interim financial report.

In 2017, the Group received an amount of RMB2,990,257,000 (equivalent to HK\$3,455,908,000) in connection with the Disposal. The remaining consideration of RMB300,000,000 is held in escrow and the recoverability of which is dependent on the Net Debt Adjustment and the refund, if any, determined based on the results of lease renewal or negotiation of new leases of certain cinema premises, which are subject to further negotiations and agreement between the Group and Nan Hai. The directors assessed that the fair value of the consideration for the Disposal, based on the then latest available information, to be RMB2.990 billion, being the cash consideration received by the Group, which was used to determine the profit on the Disposal. Any difference between the final consideration received and the fair value of the consideration as assessed by the directors will result in adjustment to the gain on disposal of subsidiaries and will be recognised in profit or loss upon finalisation of the consideration.

19 DISPOSAL OF SUBSIDIARIES — REMAINING CONSIDERATION AND CONTINGENT LIABILITIES *(continued)*

Pursuant to the completion accounts of the disposal group, Giant Harvest calculated the remaining consideration for the Disposal to be RMB252,207,000 (equivalent to US\$37,384,000). As True Vision did not execute the joint written instructions to the escrow agent for settlement of the remaining consideration to the Group while Nan Hai, the guarantor of True Vision, failed to perform such payment obligation, the Group commenced legal proceedings against True Vision and Nan Hai in September 2018 claiming a sum of US\$37,384,000, being the remaining consideration for the Disposal, and seeking other remedies, including interest and costs.

Subsequently, Nan Hai made various allegations against the Company and Giant Harvest and counter-claimed for the loss arising from the breach of Sale and Purchase Agreement by Giant Harvest. In October and November 2018, Nan Hai issued writs of summons against the Company and Giant Harvest claiming amounts of RMB380,000,000 and RMB82,146,000 respectively and other remedies, including interest and costs (the “Said Claims”).

The directors of Company disagree with the Said Claims made by Nan Hai. Further details of the legal proceedings are set out in the Company’s announcements dated 4 September 2018, 10 September 2018, 2 November 2018 and 9 November 2018.

Based on the available evidence and the advice received from the Company’s legal advisor, the directors of the Company have assessed the likelihood of the Group incurring a liability as a result of the Said Claims as remote. No provision has therefore been made in respect of the Said Claims as at 30 June 2025. In view of the ongoing legal proceedings, the Group has not recognised the remaining consideration claimed against True Vision and Nan Hai of RMB252,207,000 referred to above.

20 MATERIAL RELATED PARTY TRANSACTIONS

(a) Key management personnel remuneration

	Six months ended 30 June 2025 HK\$'000	Six months ended 30 June 2024 HK\$'000
Short-term employee benefits	3,154	7,813
Post-employment benefits	104	160
	3,258	7,973

(b) Material related party transactions

In addition to the transactions and balances disclosed elsewhere in the interim financial report, the Group entered into the following material related party transactions.

	Note	Six months ended 30 June 2025 HK\$'000	Six months ended 30 June 2024 HK\$'000
Rental and management fees expenses	(i)	–	1,209

Note:

- (i) This represents the rental and management fees for the lease with a related company. The rental payments were charged on normal commercial terms.

21 DISCONTINUED OPERATIONS

On 21 June 2024, the Group entered into a share purchase agreement with an independent third party to dispose of interest in a joint venture in Taiwan for a total consideration of NT\$1,249,835,000 (the “VS Disposal”).

On 20 December 2024, the Group entered into a sale and purchase agreement with the controlling shareholder to dispose of its interests in subsidiaries which operate the 360 stage operations (the “360 Disposal”).

Upon completion of the VS Disposal and the 360 Disposal, the Group no longer engages in these operations. Accordingly, the results of these operations were classified as discontinued operations and the Group has restated the comparative information for the six months ended 30 June 2024.

21 DISCONTINUED OPERATIONS *(continued)*

The results of the discontinued operations for the six months ended 30 June 2025 and 2024 are set out below:

	Six months ended 30 June	
	2025 HK\$'000	2024 HK\$'000
Revenue	–	8,315
Cost of sales	–	(22,189)
Gross loss	–	(13,874)
Other revenue	–	16,064
Other net loss	–	(282)
Selling and distribution costs	–	(30,481)
General and administrative expenses	–	(4,381)
Other operating expenses	–	(313,333)
Loss from operations	–	(346,287)
Finance costs	–	(58)
Share of loss of a joint venture	–	(11,325)
Gain on disposal of interest in discontinued operations	–	285,575
Exchange reserve realised upon disposal	–	8,723
Loss before taxation	–	(63,372)
Income tax credit	–	2
Loss for the year from discontinued operations	–	(63,370)
Attributable to:		
Equity shareholders of the Company	–	(63,370)
Non-controlling interests	–	–
	–	(63,370)

21 DISCONTINUED OPERATIONS *(continued)*

	Six months ended 30 June	
	2025 HK\$'000	2024 HK\$'000
Cash flow		
Cash flows used in operating activities	–	(17,246)
Cash flows generated from investing activities	–	280,136
Net increase in cash and cash equivalents from discontinued operations	–	262,890

22 EVENT AFTER THE REPORTING PERIOD

The Property Disposal was approved by the Group's shareholders through a special general meeting held on 7 August 2025 and the Property Disposal was completed on 8 August 2025. Subsequently, all the outstanding bank loans of the Group as at 30 June 2025 was fully repaid from the proceeds of the Property Disposal.

Board Composition

As at the date of this interim report, the composition of the Board of the Company was as follows:

Executive Directors

Wu Kebo (*Chairman*)
Chow Sau Fong, Fiona
Go Misaki
Peng Bolun
Kong Minru

Independent Non-executive Directors

Leung Man Kit
Wong Sze Wing
Fung Chi Man, Henry

Purchase, Sale or Redemption of Listed Securities

The Company did not redeem any of its listed securities during the period ended 30 June 2025. Neither the Company nor any of its subsidiaries has repurchased or sold any of the Company's listed securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") during the period.

Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares or Debentures

As at 30 June 2025, the interests and short positions of the directors of the Company (the "Director(s)") and chief executive of the Company in shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) as recorded in the register required to be kept by the Company pursuant to Section 352 of Part XV of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") contained in Appendix 10 to the Listing Rules were as follows:

INTERESTS IN SHARES OF HK\$0.10 EACH IN THE ISSUED SHARE CAPITAL OF THE COMPANY (THE "SHARES"), UNDERLYING SHARES AND DEBENTURES OF THE COMPANY

Name of Director/ Chief Executive	Capacity	Class of Shares	Note	Number of Shares	Number of underlying Shares	* Approximate percentage of Shares and underlying Shares in the issued share capital of the Company	
						Total number of Shares and underlying Shares	
Wu Kebo	Interest of controlled corporations	Ordinary	1	1,998,578,497 (L)	–	1,998,578,497 (L)	71.39%
Leung Man Kit	Beneficial owner	Ordinary		370,000 (L)	–	370,000 (L)	0.01%
Wong Sze Wing	Beneficial owner	Ordinary		170,000 (L)	–	170,000 (L)	0.01%

* These percentages are computed based on the total number of Shares in issue (i.e. 2,799,669,050 Shares) as at 30 June 2025.

Note:

1. By virtue of the SFO, Mr. Wu was deemed to be interested in a total of 1,998,578,497 Shares, of which (i) 1,432,858,549 Shares were held by Mainway Enterprises Limited (a company wholly owned by Mr. Wu); and (ii) 565,719,948 Shares were held by Orange Sky Entertainment Group (International) Holding Company Limited (a company which is 80% owned by Mr. Wu).

Abbreviation:

“L” stands for long position

Save as disclosed above and save for the disclosure referred to under “Share Options” as at 30 June 2025, none of the Directors and chief executive of the Company had any interests or short positions in Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), as recorded in the register required to be kept by the Company under Section 352 of Part XV of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

Share Options

The Company adopted its existing share option scheme on 19 June 2020 (the “Share Option Scheme”), which enables the Company to grant options to eligible participants as incentives or rewards for their contribution to the growth of the Group and provides the Group with a more flexible means to reward, remunerate, compensate and/or provide benefits to the eligible participants.

During the six months ended 30 June 2025, no share option under the Share Option Scheme has been granted by the Company nor share option outstanding under the Share Option Scheme.

As of 1 January 2025 and 30 June 2025, the number of share option available for grant under the Share Option Scheme is 279,966,905 shares.

Share options granted or to be granted under the Share Option Scheme do not confer rights on the holders to dividends or to vote at the shareholders’ meetings.

Substantial Shareholders' and Other Persons' Interests and Short Positions in Shares and Underlying Shares

So far as is known to the Directors, as at 30 June 2025, the following persons, other than a Director or chief executive of the Company, had the following interests or short positions in the Shares or underlying Shares as recorded in the register required to be kept by the Company under Section 336 of Part XV of the SFO:

Name of shareholder	Capacity	Class of Shares	Note	Number of Shares	Number of underlying Shares	*Approximate percentage of Shares and underlying Shares in the issued share capital of the Company	
						Total number of Shares and underlying Shares	
Wu Kebo	Interest of controlled corporations	Ordinary	1	1,998,578,497 (L)	– 1,998,578,497 (L)		71.39%
Mainway Enterprises Limited ("Mainway")	Beneficial owner	Ordinary	2	1,432,858,549 (L)	– 1,432,858,549 (L)		51.18%
Orange Sky Entertainment Group (International) Holding Company Limited ("OSEG")	Beneficial owner	Ordinary	3	565,719,948 (L)	– 565,719,948 (L)		20.21%

* These percentages are computed based on the total number of Shares in issue (i.e. 2,799,669,050 Shares) as at 30 June 2025.

Notes:

- (1) By virtue of the SFO, Mr. Wu was deemed to have interest in a total of 1,998,578,497 Shares, of which (i) 1,432,858,549 Shares were held by Mainway; and (ii) 565,719,948 Shares were held by OSEG.
- (2) Mainway is a company wholly owned by Mr. Wu, who is also a director of Mainway.
- (3) OSEG (a company 80% owned by Mr. Wu) was interested in 565,719,948 Shares. Mr. Wu is a director of OSEG.

Abbreviations:

"L" stands for long position

Save as disclosed above, as at 30 June 2025, no other person had an interest or a short position in Shares or underlying Shares as recorded in the register required to be kept by the Company under Section 336 of Part XV of the SFO.

Review by Audit Committee

The Audit Committee has reviewed the accounting principles and practices adopted by the Group and discussed financial reporting matters including a review of the Group's interim financial report for the six months ended 30 June 2025. The Audit Committee has no disagreement with the accounting treatment adopted by the Company.

Interim Dividend

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

Compliance with Corporate Governance Code

The Board recognises the importance of good corporate governance to maintain the Group's competitiveness and lead to its healthy growth. The Company has taken steps not only to comply with code provisions as set out in the Corporate Governance Code (the "CG Code") under Appendix C1 to the Listing Rules but also to aim at enhancing corporate governance practices of the Group as a whole.

For the period ended 30 June 2025, the Company has complied with the code provisions of CG Code, with the exception of code provision C1.6 and F2.2.

The code provision C.1.6 of the Corporate Governance Code stipulates that independent non-executive directors and non-executive directors should attend general meetings to gain and develop a balanced understanding of the views of shareholders. Ms. Wong Sze Wing, independent non-executive Director, were unable to attend the annual general meeting of the Company held on 26 June 2025 (the "AGM") and the special general meeting of the Company held on 7 August 2025 (the "SGM") due to other work commitment.

Code provision F.2.2 requires the chairman of the Board to attend the AGM. Mr. Wu Kebo, the Chairman of the Board, was unable to attend the AGM on 26 June 2025 due to other business commitment. Ms. Chow Sau Fong, Fiona, who took the chair of the AGM, together with other members of the Board who attended the AGM were of sufficient calibre and knowledge for answering questions at the AGM.

Compliance with Model Code

The Company has adopted its own code on terms no less exacting than those set out in the Model Code for Securities Transactions by Directors of Listed Issuers in Appendix C3 of the Listing Rules (the “Model Code”). The Company has made specific enquiries with all the Directors and all of them have confirmed that they had complied with the requirements set out in the Model Code and the Company’s Code for the period ended 30 June 2025.

Appreciation

Finally, the Board would like to take this opportunity to express their gratitude to the diligence and contribution of the management and all our employees of the Group and trust and support from the shareholders, customers and business partners to the Group’s development.

On behalf of the Board

WU Kebo

Chairman

Hong Kong, 27 August 2025

Orange Sky
ENTERTAINMENT GROUP



嘉禾



Golden Harvest

**Orange Sky Golden Harvest
Entertainment (Holdings) Limited**
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