星空華文控股有限公司
STAR CM Holdings Limited

(Incorporated in the Cayman Islands with limited liability)
Stock Code: 6698

2026
INTERIM REPORT

Contents

Corporate Information

BOARD OF DIRECTORS

Executive Directors

Mr. Tian Ming *(Chairman and Chief Executive Officer)*
Mr. Jin Lei
Mr. Xu Xiangdong
Mr. Lu Wei
Ms. Wang Yan
Ms. Shen Ning

Independent Non-executive Directors

Mr. Li Liangrong
Mr. Chen Rehao
Mr. Sheng Wenhao

AUDIT COMMITTEE

Mr. Chen Rehao *(Chairman)*
Mr. Li Liangrong
Mr. Sheng Wenhao

REMUNERATION COMMITTEE

Mr. Li Liangrong *(Chairman)*
Mr. Jin Lei
Mr. Chen Rehao

NOMINATION COMMITTEE

Mr. Tian Ming *(Chairman)*
Mr. Li Liangrong
Ms. Shen Ning

COMPANY SECRETARY

Ms. Cheng Lai (resigned on June 18, 2026)
Ms. Wu Di (appointed on June 18, 2026)

AUTHORIZED REPRESENTATIVES

Ms. Wang Yan
Ms. Wu Di

AUDITOR

Crowe (HK) CPA Limited
Registered Public Interest Entity Auditor
9/F, Leighton Centre
77 Leighton Road
Causeway Bay
Hong Kong

REGISTERED OFFICE

P.O. Box 309, Ugland House
Grand Cayman KY1-1104
Cayman Islands

HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

23M/F, Canxing Building
No. 158 Longqi Road
Shanghai, PRC

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

4/F, Jardine House
1 Connaught Place
Central, Hong Kong

LEGAL ADVISORS

As to Hong Kong law

Zhong Lun Law Firm LLP
4/F, Jardine House
1 Connaught Place
Central, Hong Kong

As to Cayman Islands law

Maples and Calder (Hong Kong) LLP
26th Floor, Central Plaza
18 Harbour Road
Wan Chai, Hong Kong

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Maples Fund Services (Cayman) Limited
P.O. Box 1093, Boundary Hall
Cricket Square
Grand Cayman KY1-1102
Cayman Islands

HONG KONG SHARE REGISTRAR

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

PRINCIPAL BANKS

China CITIC Bank Shanghai Wanping
Road Sub Branch
203 Wanping South Road
Shanghai
PRC

The Hongkong and Shanghai Banking
Corporation Limited
1 Queen's Road Central
Hong Kong

China Merchants Bank Shanghai Branch
No. 1092 Hualing Road
Baoshan District, Shanghai
PRC

STOCK CODE

6698

COMPANY WEBSITE

www.starcmgroup.com

Management Discussion and Analysis

BUSINESS OVERVIEW AND PROSPECTS

Business Analysis by Business Segment

(i) Variety Program IP Production, Operation and Licensing

As always, the programs produced by our Group have earned the trust of major broadcasting platforms and popularity among audience for the high-quality production contents.

For the six months ended June 30, 2026, our Group provided directing and post-production services for two pilot episodes of the archaeological reality show "The Silk Road Archaeological Quest" (絲路考古大探秘). These pilot episodes have already been broadcast on Dragon TV. The recording of multiple regular episodes of The Silk Road Archaeological Quest is expected to commence in the second half of 2026. Our Group also undertook directing services for live performances of AI music in the first half of 2026, with two completed engagements during the period and the contract is in the course of performance. Following post-production, these performances are also expected to be broadcast as variety programs on television platforms.

The revenue, gross profit and gross profit margin of our variety programs are affected by multiple factors, including but not limited to (i) the cooperation model we adopted for programs, (ii) our negotiations with investing media platforms, (iii) overall economic environment, and (iv) shifts in audience preferences. As a result, our financial performance may fluctuate from year to year due to the inherent risk in the business model of our variety program IP production, operation and licensing. For details, see the section headed "Financial Review" in this interim report.

(ii) Music IP Operation and Licensing

As at June 30, 2026, our Group had a music library of 10,013 IPs, consisting of 3,765 live music recordings produced during the creation of our music variety programs, 3,891 songs produced for our managed artists, and 2,357 lyrics and music compositions licensed and acquired.

(iii) Film and Drama Series IP Operation and Licensing

Our Group has taken the opportunity of our extensive film library, experienced in-house professional teams and long-term cooperative relationships with media platforms, actively making inroads into the fields of film licensing and drama series production and licencing. As at June 30, 2026, our Group owned and operated a large library consisting of 757 Chinese film IPs and one drama series "Reading class (閱讀課)" produced by our Group. Together with our collaborative partners, we will expand our offerings into short-form contents, including short dramas, comic series and interactive film-games, which are expected to be launched in the second half of 2026.

Our Group generally licenses our films to domestic and overseas TV networks and online video platforms for reruns in exchange for a fixed licensing fee during a specified term. The licensing fee is usually determined on factors including the number of films licenced and the length of the licensing period.

(iv) Other IP-related Business

Our Group's other IP-related business primarily includes (i) artist management; (ii) concert organization and production; (iii) art education and training; (iv) mobile apps; (v) consumer products; and (vi) themed attractions. As at June 30, 2026, we had a total number of 46 managed artists.

PROSPECTS AND FUTURE DEVELOPMENT

Looking ahead, our Group is dedicated to leveraging our strengths and experience to create more cultural and entertainment IPs that respond nimbly to fast-changing market demands and audience preferences. Notwithstanding the challenging operating environment reflected in our first-half 2026 results, we remain committed to executing our strategic initiatives to drive long-term value creation. Our development initiatives include:

- Strengthening our IP creation and operation capacities: We will continue to operate and expand our music and film IP libraries, while enhancing our content production capabilities across variety programs, music, films and drama series, and enriching the genres and themes of our IPs.

  We recognize that AI is exerting a significant impact on the entertainment industry, with the potential to fundamentally reshape the industry landscape. In response, we have adopted a proactive strategy and continuously explore the effective integration of AI technologies with our core content assets. Currently, we are collaborating with partners to advance the application of AI in content creation, and are in the process of developing our first interactive film-game and our first AI-powered comic series, with initial outcomes expected by subject to development progress. In addition, as previously announced, we established a joint venture with a partner focusing on AI-driven music at the end of 2025, further strengthening our presence in the music sector.

  At the same time, we believe that regardless of how AI evolves, IP, along with the core creativity and content it embodies, will remain a source of enduring value that technology cannot replicate. We will continue to enrich our IP portfolio and remain committed to becoming a creator and operator of high-quality IP, driving long-term growth through premium content.

- Expanding our audience outreach, brand influence and monetization capabilities: We will continue to establish and expand distribution channels to reach a wider audience, increasing the number of our partner television platforms, online video platforms, and music service providers, while diversifying our distribution channels. Music and songs produced for our artists have also been released on numerous overseas streaming platforms. At the same time, we will prudently develop IP-centered experience centers, electronic music hubs, and street dance centers to offer immersive offline experiences. We will continue to attract talented artists from around the world to further enhance the influence and value of our cultural and entertainment IPs in the global market.

- Expanding our business through acquisitions and setting up joint ventures: We will closely monitor and continuously evaluate high-quality acquisition targets and equity partners that are complementary to our business and aligned with our strategy. We are particularly focused on targets in the areas of digital content production, AI-powered content tools, and international distribution platforms that can complement our existing IP portfolio. Our goal is to effectively integrate premium industry resources along the upstream and downstream of the entertainment value chain, thereby accelerating our Group's business expansion. The Group intends to fund these initiatives through a combination of internal cash resources, the remaining net proceeds from the Global Offering, and, where appropriate, debt or equity financing.

- Attracting and retaining talent: We provide excellent training, highly competitive compensation, and incentive plans for our employees. We plan to attract top talents in IP production, operation, and management through continuous improvements to our talent acquisition and retention system.

We believe that, despite certain challenges in the market environment, the overall prospects of China's cultural and entertainment IP industry, as well as the business environment in which the Group operates, remain underpinned by solid growth potential. The Group is confident that, leveraging our vision in the entertainment industry and our experienced management team, we will continue to strengthen our competitive position in the variety program segment and deliver high-quality content to our audiences.

FINANCIAL REVIEW

Overview

During the six months ended June 30, 2026, we recorded a revenue of RMB45.9 million and a gross profit of RMB10.2 million. Our net loss amounted to RMB40.8 million for the six months ended June 30, 2026, as compared with a net loss of RMB11.1 million for the same period last year. The increase in net loss was mainly due to (i) our Group recorded a reduction in the number of variety programs compared with the corresponding period of the previous year, resulting in a decrease in gross profit generated from production of variety programs; and (ii) our Group recorded a reduction in fair value of financial assets at fair value through profit or loss, primarily due to fluctuations in the stock prices of listed companies in which the Company invested.

Revenue by Business Segment

During the six months ended June 30, 2026 and 2025, we generated our revenues primarily from (i) variety program IP production, operation and licensing, (ii) music IP operation and licensing, (iii) film and drama series IP operation and licensing, and (iv) other IP-related business. The table below sets forth a breakdown of our revenues by business segments for the six months ended June 30, 2026 and 2025:

	For the six months ended June 30,	
	2026	2025
	(RMB in millions)	
Variety program IP production, operation and licensing	**3.1**	13.6
Music IP operation and licensing	**4.7**	6.4
Film and drama series IP operation and licensing	**17.8**	25.4
Other IP-related business	**20.3**	13.6
Total	**45.9**	59.0

(i) Variety Program IP Production, Operation and Licensing

Our revenue generated from variety program IP production, operation and licensing consists primarily of (i) revenue from advertising sales; (ii) commission received from producing variety programs; (iii) licensing fees received from licensing the broadcasting rights of our variety programs; and (iv) licensing fees received from licensing the right to host offline entertainment events.

Our Group's revenue generated from variety program IP production, operation and licensing decreased by 77.2% from RMB13.6 million for the six months ended June 30, 2025 to RMB3.1 million for the six months ended June 30, 2026, primarily due to a reduction in the number of variety programs as compared with the corresponding period of last year.

(ii) Music IP Operation and Licensing

Our revenue generated from music IP operation and licensing consists primarily of the royalties or licensing fees received from licensing the music IPs we produced to music service providers such as (i) online music platforms, (ii) media companies and (iii) karaoke operators. Revenue generated from music IP operation and licensing decreased by 26.6% from RMB6.4 million for the six months ended June 30, 2025 to RMB4.7 million for the six months ended June 30, 2026, primarily due to a mild decrease in the number of songs delivered for production.

(iii) Film and Drama Series IP Operation and Licensing

Our revenue generated from film and drama series IP operation and licensing consists primarily of the licensing fees received from licensing the broadcasting rights of the films in our film IP library. Revenue generated from film and drama series IP operation and licensing decreased by 29.9% from approximately RMB25.4 million for the six months ended June 30, 2025 to approximately RMB17.8 million for the six months ended June 30, 2026, primarily due to a decrease in revenue generated from film IPs licensing.

(iv) Other IP-related Business

Our revenue generated from other IP-related business consists primarily of (i) service fees received from customers who engaged our artists for concerts, tours, in-person appearances and endorsement deals, and (ii) ticket sales from the concerts that we organized. Revenue generated from other IP-related business increased by 49.3% from approximately RMB13.6 million for the six months ended June 30, 2025 to approximately RMB20.3 million for the six months ended June 30, 2026, which is primarily due to an increase in the revenue generated from commercial performances due to the increase in number of offline events of our managed artists.

Cost of Sales

The following table sets forth our cost of sales by business segment for the six months ended June 30, 2026 and 2025:

	For the six months ended June 30,	
	2026	2025
	(RMB in millions)	
Variety program IP production, operation and licensing	**9.5**	10.4
Music IP operation and licensing	**1.4**	3.4
Film and drama series IP operation and licensing	**9.4**	10.2
Other IP-related business	**15.4**	13.0
Total	**35.7**	37.0

(i) Variety Program IP Production, Operation and Licensing

Cost of sales associated with variety program IP production, operation and licensing decreased by 8.7% from RMB10.4 million for the six months ended June 30, 2025 to RMB9.5 million for the six months ended June 30, 2026, which is in line with the decrease in revenue driven by a reduction in the number of variety programs compared to the same period last year.

(ii) Music IP Operation and Licensing

Cost of sales associated with music IP operation and licensing decreased by 58.8% from RMB3.4 million for the six months ended June 30, 2025 to RMB1.4 million for the six months ended June 30, 2026, which is in line with the decrease in revenue for the same business segment.

(iii) Film and Drama Series IP Operation and Licensing

Cost of sales associated with film and drama series IP operation and licensing decreased by 7.8% from RMB10.2 million for the six months ended June 30, 2025 to RMB9.4 million for the six months ended June 30, 2026, which is in line with the decrease in revenue for the same business segment.

(iv) Other IP-related Business

Cost of sales associated with other IP-related business increased by 18.5% from RMB13.0 million for the six months ended June 30, 2025 to RMB15.4 million for the six months ended June 30, 2026, which is in line with the increase in revenue for the same business segment.

Gross (Loss)/Profit and Gross (Loss)/Profit Margin

The following table sets forth our gross (loss)/profit and gross (loss)/profit margin by each business segment for the six months ended June 30, 2026 and 2025:

	For the six months ended June 30,			
	2026		2025	
	Gross (Loss)/ Profit	**Gross (Loss)/ Profit Margin**	Gross (Loss)/ Profit	Gross (Loss)/ Profit Margin
	(RMB in millions except in percentage)			
Variety program IP production, operation and licensing	**(6.4)**	**(206.5%)**	3.2	23.5%
Music IP operation and licensing	**3.3**	**70.2%**	3.0	46.9%
Film and drama series IP operation and licensing	**8.4**	**47.2%**	15.2	59.8%
Other IP-related business	**4.9**	**24.1%**	0.6	4.4%
Total	**10.2**	**22.2%**	22.0	37.3%

As a result of the foregoing, our gross profit decreased by 53.6% from RMB22.0 million for the six months ended June 30, 2025 to RMB10.2 million for the six months ended June 30, 2026.

(i) Variety Program IP Production, Operation and Licensing

Our Group recorded a gross loss for variety program IP production, operation and licensing of RMB6.4 million for the six months ended June 30, 2026, as compared to gross profit of RMB3.2 million for the six months ended June 30, 2025. The turnaround from gross profit to gross loss was primarily due to a reduction in the number of variety programs as compared with the corresponding period of last year while there was no material change in the size of our production team. Accordingly, our Group recorded a gross loss margin of 206.5% for this segment for the six months ended June 30, 2026, as compared to a gross profit margin of 23.5% for the same period last year.

(ii) Music IP Operation and Licensing

Our gross profit for music IP operation and licensing increased by 10.0% from RMB3.0 million for the six months ended June 30, 2025 to RMB3.3 million for the same period this year. Our gross profit margin also increased from 46.9% for the six months ended June 30, 2025 to 70.2% for the six months ended June 30, 2026, primarily due to an increase in the proportion of revenue generated from one-off licensing of music catalogue for past programmes which has higher gross profit margin.

(iii) Film and Drama Series IP Operation and Licensing

Our gross profit for film and drama series IP operation and licensing decreased by 44.7% from RMB15.2 million for the six months ended June 30, 2025 to RMB8.4 million for the same period this year. Our gross profit margin decreased to 47.2% for the six months ended June 30, 2026 from 59.8% for the six months ended June 30, 2025. The decrease in our gross profit and gross profit margin for this segment is in line with the decrease in revenue for the Reporting Period.

(iv) Other IP-related Business

Our gross profit for other IP-related business increased by 716.7% from RMB0.6 million for the six months ended June 30, 2025 to RMB4.9 million for the same period this year. Our gross profit margin increased from 4.4% for the six months ended June 30, 2025 to 24.1% for the same period this year. The increase in our gross profit and gross profit margin for this segment is in line with the increase in revenue for the Reporting Period.

Other Income and Gains

Our other income and gains decreased by 27.4% from RMB8.4 million for the six months ended June 30, 2025 to RMB6.1 million for the same period this year, primarily due to a reduction in interest income generated from bank deposits.

Selling and Distribution Expenses

Our selling and distribution expenses decreased by 25.3% from RMB8.3 million for the six months ended June 30, 2025 to RMB6.2 million for the same period this year, primarily due to the decrease in sales commissions.

Administrative Expenses

Our administrative expenses remained relatively stable at RMB21.7 million and RMB22.2 million for the six months ended June 30, 2025 and 2026, respectively.

Impairment Losses on Financial Assets, Net

We recognized impairment losses on financial assets of RMB2.9 million for the six months ended June 30, 2026, primary due to the significant increase in credit risk for certain customers.

Changes in Fair Value of Financial Assets at Fair Value Through Profit or Loss

We recorded a loss in changes in fair value of financial assets at fair value through profit or loss of RMB13.4 million for the six months ended June 30, 2026, compared to a gain in changes in fair value of financial assets at fair value through profit or loss of RMB12.9 million for the six months ended June 30, 2025, primarily due to fluctuations in the stock prices of listed companies in which we invested.

Other Expenses

Our other expense increased by 63.0% from RMB2.7 million for the six months ended June 30, 2025 to RMB4.4 million for the six months ended June 30, 2026, primarily due to an increase in exchange losses.

Share of Losses of Joint Ventures and Associates

Our share of losses of joint ventures decreased to RMB5.4 million for the six months ended June 30, 2026 from RMB8.5 million for the same period last year, primarily because of the reduction in operating losses of Mengxiang Qi'an, a joint venture of our Group. Our share of losses from associates for the six months ended June 30, 2026 decreased to RMB1.5 million from RMB15.3 million for the same period last year, primarily due to the decrease in operating losses of Shaanxi Shuolan and Shaanxi Yuanlv, associates of our Group.

Income Tax Expenses

Our income tax expenses remained relatively stable at RMB1.2 million and RMB0.8 million for the six months ended June 30, 2026 and 2025 respectively.

Loss for the Period

As a result of the above, we recorded a net loss of RMB40.8 million for the six months ended June 30, 2026 as compared with a net loss of RMB11.1 million for the same period last year.

FINANCIAL POSITION

Property, Plant and Equipment

Property, plant and equipment amounted to RMB218.0 million as at June 30, 2026, compared with RMB179.5 million as at December 31, 2025. The movement was primarily due to the increased investments in the construction of our "Songjiang Star Variety Program, Film and Drama Series Production Base".

Goodwill

Our goodwill remained relatively stable at RMB248.4 million and RMB241.4 million as at December 31, 2025 and June 30, 2026, respectively.

The carrying amounts of goodwill allocated to each of the cash-generating units are as follows:

	As at	
	June 30, 2026	December 31, 2025
	(RMB in millions)	
MXQY Unit	**21.0**	21.0
FSML Unit	**220.4**	227.4
	241.4	248.4

Interests in Associates

Interests in associates remained stable at RMB876.2 million as at December 31, 2025 and RMB874.7 million as at June 30, 2026.

The following table sets forth our interests in associates as at June 30, 2026 and December 31, 2025:

	June 30, 2026	December 31, 2025
	(RMB in millions)	
Cost of investment plus share of post-acquisition profits or loss and other comprehensive income, net of dividend received	**614.1**	615.6
Loans to an associate*	**260.6**	260.6
Total	**874.7**	876.2

* The loans to an associate were advanced to Shanghai Binqiao. The loans are unsecured of which RMB250,811,000 is interest-free and without fixed terms of repayment; and the remaining balances bear interest at the rate of 6% per annum and repayable in three years from the date of drawdown of the respective loans. In the opinion of the Directors, the loans are not expected to be settled within the next twelve months from the end of the Reporting Period.

Interests in Joint Ventures

Our interests in joint ventures remained relatively stable at RMB493.0 million as at December 31, 2025 and RMB487.6 million as at June 30, 2026.

The following table sets forth our interests in joint ventures as at June 30, 2026 and December 31, 2025:

	June 30, 2026	December 31, 2025
	(RMB in millions)	
Cost of investment plus share of post-acquisition profits or loss and other comprehensive income, net of dividend received	**362.1**	367.5
Loan to a joint venture*	**125.5**	125.5
Total	**487.6**	493.0

* The loan to a joint venture was advanced to Mengxiang Qi'an. The loan is unsecured, interest-free and without fixed terms of repayment. In the opinion of the Directors, the loan is not expected to be settled within the next twelve months from the end of the Reporting Period.

Significant Investments

Save as disclosed in this interim report, we did not make or hold any significant investments (including any investment in an investee company with a value of 5.0 percent or more of our Company's total assets) during the Reporting Period.

Amounts Due from Related Parties

Amounts due from related parties remained the same at RMB0.5 million as at December 31, 2025 and June 30, 2026, respectively.

Other Intangible Assets

Our other intangible assets decreased by RMB10.6 million or 9.8% from RMB107.8 million as at December 31, 2025 to RMB97.2 million as at June 30, 2026, primarily due to the normal amortization of films IP licensing.

Financial Assets at Fair Value Through Profit or Loss

Our financial assets at fair value through profit or loss amounted to RMB8.3 million as at June 30, 2026, representing a decrease of RMB14.6 million or 63.8% from RMB22.9 million as at December 31, 2025, primarily due to (i) the fluctuations in the stock prices of the remaining shares held, and (ii) the disposal of listed shares.

Restricted Deposits

Our restricted deposits amounted to RMB2.3 million as at June 30, 2026, representing a decrease of RMB12.3 million or 84.2% from RMB14.6 million as at December 31, 2025, which was primarily due to the release of previously provisions as certain litigation cases were resolved.

Inventories

Our inventories remained relatively stable at RMB56.6 million as at June 30, 2026 and RMB53.5 million as at December 31, 2025, respectively.

Trade and Bill Receivables

Our trade and bill receivables amounted to RMB28.7 million as at June 30, 2026, representing a decrease of RMB41.0 million or 58.8% from RMB69.7 million as at December 31, 2025. The decrease was primarily due to the collection of receivables from previous years which lead to a reduction in trade receivables.

Prepayments, Other Receivables and Other Assets

Our prepayment, other receivables and other assets remained relatively stable at RMB86.3 million as at June 30, 2026 and RMB84.7 million as at December 31, 2025, respectively.

Trade Payables

Our trade payables remained relatively stable at RMB72.6 million as at June 30, 2026 and RMB73.9 million as at December 31, 2025, respectively.

Other Payables and Accruals

Our other payables and accruals amounted to RMB75.0 million as at June 30, 2026, representing an increase of RMB36.2 million or 93.3% from RMB38.8 million as at December 31, 2025, primarily due to an increase in the balance of other payables.

Contract liabilities

Our contract liabilities amounted to RMB20.2 million as at June 30, 2026, representing an increase of RMB7.5 million or 59.1% from RMB12.7 million as at December 31, 2025, which was primarily due to an increase in contract liabilities pending recognition.

Provisions

Our provisions amounted to RMB3.1 million as at June 30, 2026, representing a decrease of RMB2.2 million or 41.5% from RMB5.3 million as at December 31, 2025, which was primarily attributable to the payment of the litigation provisions.

Lease Liabilities

Our lease liabilities amounted to RMB0.9 million as at June 30, 2026, representing a decrease of RMB2.2 million or 71.0% from RMB3.1 million as at December 31, 2025, respectively, which was primarily attributable to the expiry of certain lease agreements which lead to a decrease in the balance.

Liquidity and Capital Resources

As at June 30, 2026, we funded our cash requirements primarily from cash flows mainly through equity financing and the retained earnings of our Company. We had cash and cash equivalents of RMB454.6 million and RMB427.4 million as at June 30, 2026 and December 31, 2025, respectively.

Our principal uses of cash have been for our business operations and expansion plans which require a significant amount of capital, including costs for variety program production, costs for music IPs production, and other working capital requirements. In the foreseeable future, our Company believes that our liquidity requirements will be satisfied by a combination of cash flow generated from our operating activities, the net proceeds received from our Company's Global Offering, and other funds raised from capital markets from time to time.

Gearing Ratio

As at June 30, 2026, our gearing ratio, calculated as total borrowings divided by total equity, was 0.04% (December 31, 2025: 0.12%).

Material Acquisitions and Disposals

On June 2, 2026, Mengxiang Qiangyin, our indirect wholly-owned subsidiary of the Company entered into a restructuring agreement (the "**Restructuring Agreement**") with, among others, Binjiang Group, Lianke Shenhuo, as the shareholders of Shanghai Binqiao, Shanghai Binqiao and SH Xingkongshui'an as the target companies, pursuant to which Mengxiang Qiangyin has conditionally agreed to sell its 17.59% equity interest in Shanghai Binqiao for a total consideration of approximately RMB193,460,000 which to be settled (i) by way of transfer of the entire equity interest in SH Xingkongshui'an valued at approximately RMB193,697,000, and (ii) in a cash settlement for the difference between the valuation amounts, being approximately RMB237,000, on completion. In addition to the share swap arrangement, the shareholder's loan to Shanghai Binqiao from Mengxiang Qiangyin in the total sum of approximately RMB266,592,000 will be transferred to and assumed by SH Xingkongshui'an, and as the consideration of the debt assumption, (i) Shanghai Binqiao's loan receivable from SH Xingkongshui'an in the total sum of approximately RMB266,126,000 will be set off against the Assumed Debt and (ii) the remaining balance of approximately RMB466,000 will be settled in cash. The transactions contemplated under the Restructuring Agreement constituted a very substantial acquisition and a very substantial disposal and hence were subject to the shareholders' approval requirements under Chapter 14 of the Listing Rules. An extraordinary general meeting was held on July 29, 2026, and the resolution for approving the Restructuring Agreement and the transactions contemplated thereunder was passed. The completion was taken place on August 12, 2026, and thereafter SH Xingkongshui'an becomes our wholly owned subsidiary and Shanghai Binqiao ceased to be our associate. For further details, please refer to the announcements of our Company dated June 2, 2026, July 29, 2026 and August 13, 2026 and the circular of our Company dated July 14, 2026.

Save as disclosed above, we did not have any material acquisitions or disposals of subsidiaries, consolidated affiliated entities or associated companies during the six months ended June 30, 2026.

Pledge of Assets

As at June 30, 2026, pledged time deposit amounting to RMB2.3 million was pledged for litigation.

Contingent Liabilities

As at June 30, 2026, except for the lawsuits set out in note 16 under "Notes to Interim Condensed Consolidated Financial Information" as stated above, our Group had no other significant contingent liabilities.

Foreign Exchange Exposure

Our Group's businesses are principally conducted in RMB. We have transactional currency exposures. Such exposures arise from sales or purchases by operating units in currencies other than the units' functional currencies. As at June 30, 2026, major non-RMB assets are cash and cash equivalents which denominated in HK$ or US$. Fluctuation of the exchange rate of RMB against HK$ or US$ could affect our Group's results of operations. Our Group does not intend to hedge its exposure to foreign exchange fluctuations. We will constantly monitor the economic situation and our Group's foreign exchange risk profile and will consider appropriate hedging measures in the future should the need arise.

FUTURE PLANS FOR MATERIAL INVESTMENTS

Our Company has no other plans for material investments or capital assets, except the intended use of proceeds as disclosed in our Prospectus.

EMPLOYEE AND REMUNERATION POLICY

As at June 30, 2026, our Group had 81 employees. Total staff remuneration expenses including Directors' remuneration in the first half of 2026 amounted to RMB18.7 million. Remuneration is determined in accordance with prevailing industry practice and employees' educational backgrounds, experiences and performance. The remuneration policies of our Group are determined based on prevailing market levels and performance of the respective Group companies and individual employees. These policies are reviewed on a regular basis. Our Group strongly believes that our staff is an invaluable asset to our Group and is significant to our Group's business. Therefore, our Group recognizes the importance of maintaining a good relationship with employees. In addition to salary, our Group also offers to its employees other fringe benefits, including year-end bonus, discretionary bonus, allowances and benefits in kind and pension scheme contributions.

MATERIAL LITIGATIONS

During the Reporting Period, Hebei Satellite Television Media Co., Ltd.* (河北衛視傳媒有限公司) (the "**Claimant**") commenced legal proceedings against Shanghai CanXing Culture & Media Co., Ltd.* (上海燦星文化傳媒股份有限公司) ("**CanXing Culture**"), our wholly-owned subsidiary, in relation to an entrustment agreement for program production and related services.

The Claimant claims repayment of production fees of RMB10.0 million, together with liquidated damages calculated by reference to the loan prime rate and the costs of the proceedings. CanXing Culture disputes the claim and relies, among other things, on a settlement agreement entered into between the parties in April 2018, pursuant to which the parties agreed on the settlement amount for the relevant programs and terminated the original entrustment agreement.

As at the date of this interim report, the proceedings were pending before the Shijiazhuang Yuhua District People's Court at the first-instance stage. Based on a thorough review of the underlying contractual documents, the Directors consider that CanXing Culture has valid grounds to defend the claim and that no obligation to repay the production fees exits. Accordingly, no provision has been recognised in respect of the proceedings as at June 30, 2026.

Save as disclosed above, neither the Company nor any member of the Group was involved in any material litigation or arbitration during the Reporting Period, and the Directors were not aware of any material litigation, arbitration or claim pending or threatened against the Group as at the date of this interim report.

DISCLOSURE OF INTERESTS

Directors' and Chief Executives' Interests and Short Positions in Shares, Underlying Shares and Debentures of our Company or Any of Its Associated Corporations

As at June 30, 2026, the interests and short positions of the Directors and chief executives of the Company in the Shares, underlying Shares and debentures of the Company or any associated corporations (within the meaning of Part XV of the SFO) which were required (a) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); (b) to be recorded in the register required to be kept pursuant to section 352 of the SFO; or (c) to be notified to the Company and the Stock Exchange pursuant to the Model Code were as follows:

Interest in our Company

Name of Director	Capacity/Nature of interest	Number of ordinary Shares	Approximate percentage of holding[3]	Long position/ Short position
Mr. Tian Ming	Interest in controlled corporations; interest held jointly with other persons[1][2]	273,471,477	68.62%	Long position
Mr. Jin Lei	Interest in controlled corporations; interest held jointly with other persons[1][2]	273,471,477	68.62%	Long position
Mr. Xu Xiangdong	Interest in controlled corporations; interest held jointly with other persons[1][2]	273,471,477	68.62%	Long position

Notes:

(1) As at June 30, 2026, the ultimate controlling shareholders of the Company were Mr. Tian Ming, Mr. Jin Lei and Mr. Xu Xiangdong (together, the "**Ultimate Controlling Shareholders**").

(2) As at June 30, 2026, Unionstars was owned as to 7.53%, 17.64%, 34.18% and 40.65% by East Brothers, Goldenbroad, Beamingstars and Harvest Sky, respectively. East Brothers was owned as to 81.76%, 6.22% and 12.02% by Mr. Tian Ming, Mr. Jin Lei and Mr. Xu Xiangdong, respectively. Goldenbroad was wholly owned by Mr. Jin Lei. Beamingstars was owned as to 51.99% and 48.01% by SH Zhihua and Harvest Sky, respectively, and Harvest Sky was wholly owned by Mr. Tian Ming. Pursuant to the supplemental agreement dated December 22, 2025 to the joint control agreement dated August 3, 2021, CMC (Shanghai), CMC (Tianjin), SH Zhihua and Beamingstars had been formally released from the joint control agreement and were no longer bound by any of its rights or obligations. The joint control agreement remained in force among Mr. Tian Ming, Mr. Jin Lei, Mr. Xu Xiangdong, East Brothers, Goldenbroad, Harvest Sky and Unionstars (together, the "**Controlling Group Entities**"). Accordingly, each of the Controlling Group Entities was deemed to be interested in an aggregate of 273,471,477 Shares, comprising 213,961,796 Shares held by Unionstars and 59,509,681 Shares held by Harvest Sky, under the SFO.

(3) The calculation is based on a total of 398,538,168 Shares in issue as at June 30, 2026, including 486,600 treasury shares held by the Company.

Interest in our associated corporations

Name of Director	Capacity/Nature of interest	Associated Corporations	Approximate Percentage of Shareholding[1]	Long position/ Short position
Mr. Tian Ming	Interest in a controlled corporation	Shaanxi Star Shuolan Real Estate Co., Ltd	100.0%[2]	Long position
	Interest in a controlled corporation	Shaanxi Star Yuanlv Real Estate Co., Ltd.	100.0%[3]	Long position
	Beneficial interest	Canxing Culture	1.77%	Long position
	Interest in a controlled corporation		23.09%[4]	Long position
	Interest in a controlled corporation; interest held jointly with other persons		73.71%[5]	Long position
Mr. Jin Lei	Interest in a controlled corporation; interest held jointly with other persons	Canxing Culture	73.71%[5]	Long position
Mr. Xu Xiangdong	Interest in a controlled corporation; interest held jointly with other persons	Canxing Culture	73.71%[5]	Long position

Notes:

(1) To the best knowledge of the Company, as at June 30, 2026 and based on publicly available information.

(2) As of June 30, 2026, Shaanxi Star Shuolan Real Estate Co., Ltd. was owned as to 60% by SH Zhouxing Investment Co., Ltd., a company wholly-owned by Mr. Tian Ming and 40% by Qinhan New City Star Chinese Culture Media Co., Ltd., a wholly-owned subsidiary of our Company in which Mr. Tian Ming controlled more than one-third of voting power, respectively. Therefore Mr. Tian Ming is deemed to be interested in the Shares in Shaanxi Star Shuolan Real Estate Co., Ltd. held by SH Zhouxing Investment Co., Ltd. and the Shares in Qinhan New City Star Chinese Culture Media Co., Ltd. held by our Company under the SFO.

(3) As of June 30, 2026, Shaanxi Star Yuanlv Real Estate Co., Ltd. was owned as to 60% by SH Zhouxing Investment Co., Ltd., a company wholly-owned by Mr. Tian Ming and 40% by Qinhan New City Star Chinese Culture Media Co., Ltd., a wholly-owned subsidiary of our Company in which Mr. Tian Ming controlled more than one-third of voting power, respectively. Therefore Mr. Tian Ming is deemed to be interested in the shares in Shaanxi Star Yuanlv Real Estate Co., Ltd. held by SH Zhouxing Investment Co., Ltd. and the shares in Qinhan New City Star Chinese Culture Media Co., Ltd. held by our Company under the SFO.

(4) As of June 30, 2026, SH Zhouxing Investment Co., Ltd. was wholly-owned by Mr. Tian Ming. Therefore Mr. Tian Ming is deemed to be interested in the shares in Canxing Culture held by SH Zhouxing Investment Co., Ltd. under the SFO.

(5) Each of Mr. Tian Ming, Mr. Jin Lei, and Mr. Xu Xiangdong is a party to the Canxing JCA. See "History, Reorganization and Corporate Structure – Reorganization" of the Prospectus. In light of the Canxing JCA, each of Mr. Tian Ming, Mr. Jin Lei and Mr. Xu Xiangdong is deemed to be interested in the shares in Canxing Culture held by SH Xingtou under the SFO. For further details, see "History, Reorganization and Corporate Structure – Our History and Corporate Development – Entering into the Canxing JCA and Joint-stock Reform" of the Prospectus.

Save as disclosed above, as at June 30, 2026, none of the Directors or chief executives of the Company had or was deemed to have any interests or short positions in the Shares, underlying Shares or debentures of the Company or any of its associated corporations which were required to be disclosed under the SFO or the Model Code.

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

As at June 30, 2026, so far as the Directors were aware, the following persons, other than the Directors or chief executives of the Company, had interests or short positions in the Shares or underlying Shares of the Company as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO:

Name of Shareholder	Capacity/Nature of interest	Number of ordinary Shares	Approximate percentage of holding[5]	Long position/ Short position
Unionstars[1][2]	Beneficial interest	213,961,796	53.69%	Long position
	Interest held jointly with other persons	59,509,681	14.93%	Long position
Harvest Sky[1][2]	Beneficial interest	59,509,681	14.93%	Long position
	Interest in a controlled corporation; interest held jointly with other persons	213,961,796	53.69%	Long position
Mr. Tian Ming[1][2]	Interest in a controlled corporation; interest held jointly with other persons	273,471,477	68.62%	Long position

Name of Shareholder	Capacity/Nature of interest	Number of ordinary Shares	Approximate percentage of holding[5]	Long position/ Short position
East Brothers[1][2]	Interest in a controlled corporation; interest held jointly with other persons	273,471,477	68.62%	Long position
Goldenbroad[1][2]	Interest in a controlled corporation; interest held jointly with other persons	273,471,477	68.62%	Long position
Beamingstars[2]	Interest in a controlled corporation	213,961,796	53.69%	Long position
Mr. Jin Lei[1][2]	Interest in a controlled corporation; interest held jointly with other persons	273,471,477	68.62%	Long position
Mr. Xu Xiangdong[1][2]	Interest in a controlled corporation; interest held jointly with other persons	273,471,477	68.62%	Long position
SH Zhihua[2]	Interest in a controlled corporation	213,961,796	53.69%	Long position
CMC (Shanghai)[2]	Interest in a controlled corporation	213,961,796	53.69%	Long position
CMC (Tianjin)[2]	Interest in a controlled corporation	213,961,796	53.69%	Long position
Tibet Yuanhe Enterprise Management Co., Ltd.[3][4]	Beneficial interest	21,839,563	5.48%	Long position
Zhefu Group[3][4]	Interest in a controlled corporation	21,839,563	5.48%	Long position

Notes:

(1) As at June 30, 2026, the ultimate controlling shareholders of the Company were Mr. Tian Ming, Mr. Jin Lei and Mr. Xu Xiangdong.

(2) As at June 30, 2026, Unionstars was owned as to 7.53%, 17.64%, 34.18% and 40.65% by East Brothers, Goldenbroad, Beamingstars and Harvest Sky, respectively. East Brothers was owned as to 81.76%, 6.22% and 12.02% by Mr. Tian Ming, Mr. Jin Lei and Mr. Xu Xiangdong, respectively. Goldenbroad was wholly owned by Mr. Jin Lei. Beamingstars was owned as to 51.99% and 48.01% by SH Zhihua and Harvest Sky, respectively, and Harvest Sky was wholly owned by Mr. Tian Ming. Pursuant to the supplemental agreement dated December 22, 2025 to the joint control agreement dated August 3, 2021, CMC (Shanghai), CMC (Tianjin), SH Zhihua and Beamingstars had been formally released from the joint control agreement and were no longer bound by any of its rights or obligations. The joint control agreement remained in force among Mr. Tian Ming, Mr. Jin Lei, Mr. Xu Xiangdong, East Brothers, Goldenbroad, Harvest Sky and Unionstars (together, the "**Controlling Group Entities**"). Accordingly, each of the Controlling Group Entities was deemed to be interested in an aggregate of 273,471,477 Shares, comprising 213,961,796 Shares held by Unionstars and 59,509,681 Shares held by Harvest Sky, under the SFO.

(3) Tibet Yuanhe Enterprise Management Co., Ltd. (西藏源合企業管理有限公司) ("**Tibet Yuanhe**"), a company established in the PRC on August 31, 2015 and one of our pre-IPO investors. For further details, see "History, Reorganization and Corporate Structure – Reorganization – Pre-IPO Investments – Information about the Pre-IPO Investors" of the Prospectus.

(4) As at June 30, 2026, Tibet Yuanhe was wholly-owned by Zhefu Holding Group Co., Ltd. (浙富控股集團股份有限公司) ("**Zhefu Group**"). Therefore, Zhefu Group is deemed to be interested in the Shares held by Tibet Yuanhe under the SFO.

(5) The calculation of the approximate percentages is based on a total of 398,538,168 Shares in issue as at June 30, 2026, including 486,600 treasury shares held by the Company. Accordingly, the approximate percentages shown for Tibet Yuanhe and Zhefu Group have been recalculated by reference to such total.

Save as disclosed above, as at June 30, 2026, no other person, other than the Directors or chief executives of the Company, had an interest or short position in the Shares or underlying Shares of the Company which was required to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO or recorded in the register required to be kept under section 336 of the SFO.

DIRECTORS' INTERESTS IN ASSETS, CONTRACTS OR ARRANGEMENTS

No Director had a material interest in any asset acquired or disposed of by, leased to, or proposed to be acquired or disposed of by or leased to, any member of the Group since December 31, 2025, or in any contract or arrangement significant to the Group's business.

SHARE AWARD SCHEME

On July 29, 2024 (the "**Adoption Date**"), the Share Award Scheme was approved and adopted by the Company. Further details are set out in the announcement of the Company dated July 29, 2024.

A summary of the principal terms of the Share Award Scheme is set out below:

1. Purposes of the Share Award Scheme

The purposes of the Share Award Scheme are to provide the Selected Participants (as defined below) with an opportunity to acquire a proprietary interest in our Company, to encourage and retain such individuals to work with our Group, to provide additional incentives for them to achieve performance goals, to attract suitable personnel for further development of our Group, and to motivate the Selected Participants to maximize the value of our Company for the benefits of both the Selected Participants and our Company.

2. Participants in the Share Award Scheme

Participants of the Share Award Scheme (the "**Participant(s)**") include the following:

(1) directors and employees of our Company or any of its subsidiaries (including persons who are granted Awards under the Share Award Scheme as an inducement to enter into employment contracts with these companies);

(2) directors and employees of the holding companies, fellow subsidiaries, or associated companies of our Company; and

(3) persons who provide services to our Group on a continuing or recurring basis in its ordinary and usual course of business which are in the interests of the long-term growth of our Group (excluding placing agents, financial advisers, professional service providers such as auditors and valuers).

3. Total number of Shares under the Share Award Scheme

At no time shall the maximum number of Shares which may be awarded, or the total number of Shares held by the trustee, exceed 10% of the issued Shares of the Company as at the Adoption Date, being 39,853,816 Shares.

4. Maximum entitlement of each Selected Participant

The maximum number of Award Shares which may be granted to a Selected Participant at any one time or in aggregate may not exceed 1% of the issued Share of our Company as at the Adoption Date (i.e. 3,985,381 Shares).

5. Grant and acceptance of Awards

The Board or an administration committee of the Board may, at any time during the scheme period in its sole and absolute discretion, select any Participant to be a selected participant (the "**Selected Participant(s)**") and make an Award to such Selected Participant on and subject to any terms and conditions that the Board or an administration committee of the Board may impose.

After the Board or an administration committee of the Board has determined a Selected Participant, the number of the Award Shares to be granted, the purchase price and other terms and conditions of the Award, it shall notify the trustee and the Selected Participant on the grant date in writing (which may also be made through the designated online portal facilities) (the "**Grant Letter**"), setting out, among other things, the terms, conditions and amount, if any, payable on acceptance of such Award.

Upon receipt of the Grant Letter, the Selected Participant is required to confirm his/her acceptance of the Award within five Business Days after the grant date (the "**Acceptance Period**") by returning the notice of acceptance and completing any other required steps to confirm his/her acceptance of the Award within the Acceptance Period to our Company. For any failure to confirm his/her acceptance within the Acceptance Period, the Award shall automatically lapse forthwith and the Shares pursuant to the Award shall become unaccepted Shares.

No award has been granted or agreed to be granted under the Share Award Scheme since its adoption.

6. Vesting of Award Shares

Any Award Shares granted to a grantee pursuant to the Share Award Scheme shall vest in such grantee in accordance with the vesting conditions as set out in the Grant Letter. If the Board or an administration committee of the Board is satisfied that a grantee has satisfied the vesting conditions (save for the receipt of the purchase price, if any), the Board or an administration committee of the Board shall send to the grantee (or his/her representative or lawful successor as the case may be) a vesting notice (which may also be made through the designated online portal facilities) (the "**Vesting Notice**") at least 10 Business Days before the vesting date notifying the grantee of the intended vesting of the Award Shares. The Board or an administration committee shall have the sole and absolute discretion in determining whether the Award Shares shall be satisfied by Shares or cash of the equivalent value of such Award Shares at the vesting date. The vesting period of the Awarded Shares shall generally be no less than 12 months, provided that the Board may, in its discretion, apply a shorter vesting period to Awards granted to Employee Participants under the specific circumstances set out in the Share Award Scheme.

Upon receipt of the vesting notice, the grantee is required to return to our Company a reply slip duly executed by him/her substantially at least five Business Days before the vesting date. If the Board or an administration committee of the Board specifies in the Vesting Notice that actual Award Shares will be transferred to a nominee account upon vesting, the grantee shall complete the payment of the purchase price (if any) within the specified period set out in the Vesting Notice.

As soon as practicable after the Award Shares have vested in a grantee in accordance with the Share Award Scheme, the Board or an administration committee of the Board shall issue to the trustee a confirmation letter that the vesting conditions have been fulfilled to effect the transfer of the relevant vested Award Shares to a nominee account or, if so determined and instructed by the Board or an administration committee of the Board, direct and procure the trustee to pay to the grantee in cash the amount of equivalent value of such Award Shares after deducting the purchase price (if any) thereof and/or the amount to be withheld or deducted in accordance with the Share Award Scheme.

7. Basis of determining the purchase price of the Award Shares

The purchase price of the Award Shares under the Share Award Scheme shall be determined at the sole discretion of the Board or an administration committee of the Board, and stipulated in the Grant Letter.

8. Remaining life

Unless terminated earlier by our Company in accordance with the rules of the Share Award Scheme, the Share Award Scheme is valid and effective for a term of 10 years commencing from the Adoption Date. The Share Award Scheme may be terminated by ordinary resolution of the general meeting or by resolution of the Board. Upon termination, (i) no further grant of Award Shares may be made under the Share Award Scheme; and (ii) the Awards granted prior to such termination shall continue to be valid.

As at the date of this interim report, the remaining life of the Share Award Scheme was approximately seven years and 10 months.

CORPORATE GOVERNANCE PRACTICES

Our Board is committed to achieving corporate governance standards.

Our Board believes that high corporate governance standards are essential in providing a framework for our Group to safeguard the interests of Shareholders, enhance corporate value, formulate its business strategies and policies, and enhance its transparency and accountability.

The Company has adopted the principles and code provisions of the CG Code contained in Appendix C1 to the Listing Rules as the basis of its corporate governance practices. The Company applied the principles of the CG Code to its governance structure and operations and complied with all applicable code provisions throughout the Reporting Period, except for the deviation from code provision C.2.1 disclosed below. The Company will continue to review its corporate governance practices and make appropriate enhancements having regard to the circumstances of the Group and applicable regulatory requirements.

Code provision C.2.1 of the CG Code recommends that the roles of chairman and chief executive officer be separate and not be performed by the same individual. Our Company deviates from this provision as Mr. Tian Ming performs both the roles of chairman of our Board and the chief executive officer of our Company. As Mr. Tian Ming has been managing our Group's business and overall strategic planning for several years, our Directors consider that vesting the roles of chairman and chief executive officer in Mr. Tian Ming is beneficial to the business prospects and management of our Group by ensuring consistent leadership within our Group. Taking into account all the corporate governance measures that our Group implemented, our Board considers that the balance of power and authority for the present arrangement will not be impaired and this structure will enable our Company to make and implement decisions promptly and effectively. Accordingly, our Company had not segregated the roles of its chairman and chief executive officer. Our Board will continue to review and consider splitting the roles of chairman of our Board and the chief executive officer of our Company at an appropriate time if necessary, taking into account the circumstances of our Group as a whole.

Save as disclosed above, to the best knowledge, information and belief of the Directors, having made all reasonable enquiries, the Company complied with all applicable code provisions of the CG Code throughout the Reporting Period.

CHANGE IN INFORMATION OF DIRECTORS

Save as disclosed in this interim report, there was no change in the information of the Directors required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules during the Reporting Period and up to the date of this interim report.

MODEL CODE FOR SECURITIES DEALINGS BY DIRECTORS

Our Company has adopted the Model Code as its own code of conduct regarding Directors' securities transactions.

Specific enquiry has been made of all of our Directors and our Directors have confirmed that they have complied with the Model Code during the Reporting Period.

Our Company has also established written guidelines (the "**Employees Written Guidelines**") no less exacting than the Model Code for securities transactions by employees who, because of such office or employment, are likely to possess inside information in relation to our Company or our securities. The Employees Written Guidelines stipulate that insiders should not deal with the securities of our Company or should report his/her securities transactions in advance. No incident of non-compliance of the Employees Written Guidelines by the employees was noted by our Company.

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

During the six months ended June 30, 2026, our Company repurchased a total of 486,600 Shares (the "**Repurchased Shares**") on the Stock Exchange at an aggregate consideration (including transaction cost) of HK$379,342.48. All Repurchased Shares are held as treasury shares of our Company.

Details of the repurchases of shares were as follows:

Month of repurchase	Number of Repurchased Shares	Price per Share Highest	Price per Share Lowest	Aggregate consideration (including transaction cost)
		HK$	HK$	HK$
June 2026	**486,600**	**0.86**	**0.75**	**379,342.48**

The repurchase of shares was made by the Directors, pursuant to the general mandate granted by the Shareholders at the annual general meetings held on June 19, 2025 and June 18, 2026 with a view to benefiting shareholders as a whole by enhancing the net asset value per share and earnings per share. Save as disclosed above, neither the Company, nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities (including sale of treasury shares) during the six months ended June 30, 2026.

USE OF NET PROCEEDS FROM GLOBAL OFFERING

Our Company's Shares were listed on the Stock Exchange on December 29, 2022. The net proceeds from the Global Offering (including the partial exercise of the over-allotment option) amounted to approximately HK$328.3 million (equivalent to approximately RMB293.0 million), after deducting the underwriting commissions, fees and expenses payable by us in connection with the Listing. The net proceeds have been and will be utilized in accordance with the purposes set out in the section headed "Future Plans and Use of Proceeds" in the Prospectus. As at June 30, 2026, approximately HK$71.4 million (equivalent to approximately RMB63.9 million) of the net proceeds remained unutilized.

After careful consideration and a detailed evaluation of our Group's operations and the business strategies, our Board has resolved to extend the timeline for utilizing of the remaining net proceeds from the Global Offering, with full utilization now expected by December 2027. For further information, please refer to our announcement dated August 22, 2025.

Set out below is the status of use of proceeds from the Global Offering by our Group:

Purpose	% of proceeds	Allocated net proceeds (HK$ million)	Unutilized as at Dec. 31, 2025 (HK$ million)	Utilized during Reporting Period (HK$ million)	Unutilized as at Jun. 30, 2026 (HK$ million)	Expected timeline
(1) To fund our Company's IP production and operations	80.0	262.6	14.0	1.6	12.4	December 2027
(i) To fund our Company's variety program IP creation and operation;	70.0	229.8	–	–	–	–
(ii) To fund our Company's music IP production and operation;	4.0	13.1	–	–	–	–
(iii) To fund our Company's film and drama series IP production and operation;	4.0	13.1	11.3	1.6	9.7	December 2027
(iv) To fund the purchase and upgrade of equipment, hardware and software for our Company's technical team, production team and short-video team.	2.0	6.6	2.7	–	2.7	December 2027
(2) To expand our Company's audience reach to provide better customer service and build our Company's established entertainment IP Industry value chain.	20.0	65.7	59.0	–	59.0	December 2027
Total	100.0	328.3	73.0	1.6	71.4	

From the Listing Date up to the Latest Practicable Date, there was no change in the intended use of net proceeds as disclosed in the Prospectus. The expected timeline of full utilization set out above is based on our Directors' best estimation barring unforeseen circumstances, and is subject to change in light of future development of market conditions. Should there be any change in the use of proceeds, further announcement(s) will be made by our Company as soon as practicable.

INTERIM DIVIDEND

The Board does not recommend the payment of an interim dividend for the six months ended June 30, 2026.

EVENTS AFTER THE REPORTING PERIOD

Save for the entry into the Restructuring Agreement as disclosed in the paragraph headed "Material Acquisitions and Disposals" above, the completion of which took place after Reporting Period, as at the date of this interim report, there were no significant events that might affect our Group since June 30, 2026.

AUDIT COMMITTEE

We have established an audit committee with written terms of reference in compliance with Rule 3.21 of the Listing Rules and the Corporate Governance Code. The audit committee comprises three members, namely Mr. Chen Rehao, Mr. Li Liangrong and Mr. Sheng Wenhao, with Mr. Chen Rehao (being our independent non-executive Director with the appropriate professional qualifications) as chairman of the audit committee.

REVIEW OF INTERIM RESULTS BY THE AUDIT COMMITTEE

The Audit Committee has reviewed with our Company's management, the accounting principles and practices adopted by our Group, has discussed internal control and financial reporting matters and has reviewed the unaudited condensed consolidated financial information of our Group for the Reporting Period.

The Audit Committee is satisfied that the unaudited condensed consolidated financial information of our Group for the Reporting Period were prepared in accordance with the applicable accounting standards and fairly present our Group's financial position and results for the Reporting Period.

Unaudited Interim Condensed Consolidated Statement of Profit or Loss

For the six months ended June 30, 2026

	Notes	2026 (Unaudited) RMB'000	2025 (Unaudited) RMB'000
Revenue	*5*	**45,897**	59,035
Cost of sales		**(35,660)**	(37,065)
Gross profit		**10,237**	21,970
Other income and gains		**6,128**	8,373
Selling and distribution expenses		**(6,249)**	(8,338)
Administrative expenses		**(22,198)**	(21,705)
(Impairment losses)/reversal of impairment losses on trade receivables, net		**(2,789)**	1,403
Impairment losses on other receivables		**(135)**	(259)
Reversal of impairment loss on loans to a joint venture		**–**	1,838
Other expenses		**(4,360)**	(2,651)
Changes in fair value of financial assets at fair value through profit or loss		**(13,403)**	12,878
Finance costs		**(42)**	(113)
Share of losses of:			
Joint ventures		**(5,365)**	(8,478)
Associates		**(1,472)**	(15,316)
LOSS BEFORE TAX	*6*	**(39,648)**	(10,398)
Income tax expense	*7*	**(1,174)**	(751)
LOSS FOR THE PERIOD		**(40,822)**	(11,149)
Attributable to:			
Owners of the Company		**(40,481)**	(11,002)
Non-controlling interests		**(341)**	(147)
		(40,822)	(11,149)
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT		**RMB**	RMB
Basic and diluted	*9*	**(0.10)**	(0.03)

Unaudited Interim Condensed Consolidated Statement of Comprehensive Income

For the six months ended June 30, 2026

	2026 (Unaudited) RMB'000	2025 (Unaudited) RMB'000
LOSS FOR THE PERIOD	**(40,822)**	(11,149)
OTHER COMPREHENSIVE LOSS		
Item that may be subsequently reclassified to profit or loss:		
Exchange differences on translation of foreign operations	**(14,653)**	(1,381)
OTHER COMPREHENSIVE LOSS FOR THE PERIOD, NET OF TAX	**(14,653)**	(1,381)
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD	**(55,475)**	(12,530)
Attributable to:		
Owners of the Company	**(55,134)**	(12,383)
Non-controlling interests	**(341)**	(147)
	(55,475)	(12,530)

Unaudited Interim Condensed Consolidated Statement of Financial Position

June 30, 2026

	Notes	**At June 30, 2026 (Unaudited) RMB'000**	At December 31, 2025 (Audited) RMB'000
NON-CURRENT ASSETS			
Property, plant and equipment		**217,958**	179,484
Other intangible assets		**97,242**	107,762
Right-of-use assets		**90,020**	91,509
Goodwill		**241,364**	248,414
Interests in a joint venture	*10*	**487,595**	492,960
Interests in associates	*11*	**874,687**	876,159
Financial assets at fair value through profit or loss	*12*	**8,295**	22,907
Restricted deposits		**2,329**	14,609
Deferred tax assets		**30,737**	31,847
Total non-current assets		**2,050,227**	2,065,651
CURRENT ASSETS			
Inventories		**56,625**	53,463
Program copyrights		**135**	605
Trade and bill receivables	*13*	**28,673**	69,678
Prepayments, other receivables and other assets		**86,276**	84,654
Due from related parties	*18*	**500**	500
Cash and cash equivalents		**454,612**	427,385
Total current assets		**626,821**	636,285
CURRENT LIABILITIES			
Trade payables	*14*	**72,628**	73,863
Other payables and accruals		**68,405**	32,012
Contract liabilities		**15,284**	6,961
Provisions	*16*	**3,122**	5,281
Tax payable		**40,825**	47,822
Lease liabilities		**919**	2,590
Total current liabilities		**201,183**	168,529
NET CURRENT ASSETS		**425,638**	467,756
TOTAL ASSETS LESS CURRENT LIABILITIES		**2,475,865**	2,533,407

continued/…

	Notes	At June 30, 2026 (Unaudited) RMB'000	At December 31, 2025 (Audited) RMB'000
NON-CURRENT LIABILITIES			
Lease liabilities		**–**	479
Deferred tax liabilities		**3,319**	3,627
Other payables and accruals		**6,630**	6,784
Contract liabilities		**4,954**	5,751
Total non-current liabilities		**14,903**	16,641
Net assets		**2,460,962**	2,516,766
EQUITY			
Share capital	*15*	**3**	3
Reserves		**2,471,790**	2,527,253
Equity attributable to owners of the Company		**2,471,793**	2,527,256
Non-controlling interests		**(10,831)**	(10,490)
Total equity		**2,460,962**	2,516,766

Unaudited Interim Condensed Consolidated Statement of Changes In Equity

For the six months ended June 30, 2026

	Attributable to owners of the parent									
	Share capital RMB'000 (note 15)	Capital reserve* RMB'000	Statutory surplus reserve* RMB'000	Exchange fluctuation reserve* RMB'000	Share Award Scheme reserve* RMB'000	Treasury shares* RMB'000	Accumulated losses* RMB'000	Total RMB'000	Non-controlling interests RMB'000	Total equity RMB'000
At December 31, 2025 (audited)	3	3,016,046	139,282	31,929	136,130	-	(796,134)	2,527,256	(10,490)	2,516,766
Loss for the period	-	-	-	-	-	-	(40,481)	(40,481)	(341)	(40,822)
Other comprehensive loss for the period:										
Exchange differences on translation of foreign operations	-	-	-	(14,653)	-	-	-	(14,653)	-	(14,653)
Total comprehensive loss for the period	-	-	-	(14,653)	-	-	(40,481)	(55,134)	(341)	(55,475)
Repurchase of shares	-	-	-	-	-	(329)	-	(329)	-	(329)
At June 30, 2026 (unaudited)	3	3,016,046	139,282	17,276	136,130	(329)	(836,615)	2,471,793	(10,831)	2,460,962

continued/…

	Attributable to owners of the parent								
	Share capital RMB'000 (note 15)	Capital reserve* RMB'000	Statutory surplus reserve* RMB'000	Exchange fluctuation reserve* RMB'000	Share Award Scheme reserve* RMB'000	Accumulated losses* RMB'000	Total RMB'000	Non-controlling interests RMB'000	Total equity RMB'000
At December 31, 2024 (audited)	3	3,016,046	139,282	42,769	136,130	(677,981)	2,656,249	(8,601)	2,647,648
Loss for the period	–	–	–	–	–	(11,002)	(11,002)	(147)	(11,149)
Other comprehensive loss for the period:									
Exchange differences on translation of foreign operations	–	–	–	(1,381)	–	–	(1,381)	–	(1,381)
Total comprehensive loss for the period	–	–	–	(1,381)	–	(11,002)	(12,383)	(147)	(12,530)
Deregistration of a subsidiary	–	–	–	–	–	–	–	181	181
At June 30, 2025 (unaudited)	3	3,016,046	139,282	41,388	136,130	(688,983)	2,643,866	(8,567)	2,635,299

* These reserve accounts comprise the consolidated reserves of RMB2,471,790,000 in the unaudited interim condensed consolidated statement of financial position as at June 30, 2026.

Unaudited Interim Condensed Consolidated Statement of Cash Flows

For the six months ended June 30, 2026

	Notes	2026 (Unaudited) RMB'000	2025 (Unaudited) RMB'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before tax		**(39,648)**	(10,398)
Adjustments for:			
Bank interest income		**(2,943)**	(6,139)
Finance costs		**42**	113
Depreciation of property, plant and equipment		**597**	972
Depreciation of right-of-use assets		**1,452**	607
Amortisation of other intangible assets		**9,294**	8,206
Share of losses of joint ventures		**5,365**	8,478
Share of losses of associates		**1,472**	16,193
Loss on deregistration of a subsidiary		**–**	181
Impairment losses/(reversal of impairment losses) on trade receivables	*6*	**2,789**	(1,403)
Impairment losses on other receivables	*6*	**135**	259
Reversal of impairment loss on loans to a joint venture	*6*	**–**	(1,838)
Trade receivables written off		**(4,318)**	(3,849)
Changes in fair value of financial assets at fair value through profit or loss		**13,403**	(12,878)
Interest income from loans to related parties		**–**	(775)
		(12,360)	(2,271)
Decrease in trade and notes receivables		**38,216**	35,211
Decrease in prepayments, other receivables and other assets		**2,561**	3,733
Increase in inventories		**(3,162)**	–
Decrease in program copyrights		**470**	22
Decrease in trade payables		**(1,235)**	(15,182)
Decrease in other payables and accruals		**(2,870)**	(9,948)
Increase in contract liabilities		**7,526**	3,358
Decrease in provisions		**(2,159)**	(28,800)
Decrease in restricted cash		**12,280**	40,018
Cash generated from operations		**39,267**	26,141
Interest received		**2,943**	6,139
Income tax paid		**(7,369)**	(4,876)
Net cash generated from operating activities		**34,841**	27,404

continued/…

For the six months ended June 30, 2026

	2026 (Unaudited) RMB'000	2025 (Unaudited) RMB'000
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of items of property, plant and equipment	–	(828)
Addition to other intangible assets	(1,868)	(3,322)
Repayment of loans from a related party	–	12,739
Repayment of loans from a joint venture	–	74,861
Proceeds from disposal of financial assets at fair value through profit or loss	1,209	–
Net cash flows (used in)/generated from investing activities	(659)	83,450
CASH FLOWS FROM FINANCING ACTIVITIES		
Payment for repurchase of shares	(329)	–
Repayment of the principal portion of lease liabilities	(2,150)	(2,103)
Dividend paid to non-controlling shareholders	–	(1,084)
Interest paid	(42)	(113)
Net cash flows used in financing activities	(2,521)	(3,300)
NET INCREASE IN CASH AND CASH EQUIVALENTS	31,661	107,554
Cash and cash equivalents at beginning of period	427,385	425,251
Effect of foreign exchange rate changes, net	(4,434)	79
CASH AND CASH EQUIVALENTS AT END OF PERIOD	454,612	532,884
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS		
Cash and cash equivalents as stated in the statement of financial position and the statement of cash flows	454,612	532,884

Notes to Interim Condensed Consolidated Financial Information

1. CORPORATE AND GROUP INFORMATION

The Company is a limited liability company incorporated in the Cayman Islands on March 29, 2021. The registered office address of the Company is PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands.

The shares of the Company were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") on December 29, 2022.

The Company is an investment holding company. The Company's subsidiaries were principally involved in variety program intellectual property ("IP") production, operation and licensing, music IP operation and licensing, drama series and film IP operation and licensing and other IP-related business.

In the opinion of the directors, the ultimate controlling shareholders of the Company are Mr. Tian Ming, Mr. Jin Lei and Mr. Xu Xiangdong ("Controlling Shareholders").

2. BASIS OF PREPARATION

The unaudited condensed consolidated interim financial statements for the six months ended June 30, 2026 have been prepared in accordance with the applicable disclosure requirements of Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "Listing Rules"), IFRS Accounting Standards and International Accounting Standard ("IAS") 34 "Interim Financial Reporting" issued by the International Accounting Standards Board ("IASB").

The unaudited condensed consolidated interim financial statements do not include all of the information required for a complete set of financial statements in accordance with IFRS Accounting Standards and should be read in conjunction with the Group's annual financial statements for the year ended December 31, 2025.

3. CHANGES IN ACCOUNTING POLICIES

The accounting policies and basis of preparation adopted in the preparation of the unaudited condensed consolidated interim financial statements are consistent with those used in the Group's annual financial statements for the year ended December 31, 2025, except as described below.

In the current interim period, the Group has applied the following amendments to IFRS Accounting Standards issued by the IASB, for the first time, which are mandatorily effective for the Group's annual period beginning on January 1, 2026 for the preparation of the Group's condensed consolidated financial statements:

Amendments to IFRS 9 and IFRS 7	*Amendments to the Classification and Measurement of Financial Instruments*
Amendments to IFRS 9 and IFRS 7	*Contracts Referencing Nature-dependent Electricity*
Annual Improvements to IFRS Accounting Standards – Volume 11	*Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7*

The application of the amendments to IFRS Accounting Standards in the current interim period has had no material impact on the Group's financial positions and performance for the current and prior periods and/or on the disclosures set out in the unaudited condensed consolidated interim financial statements. The Group has not applied any new standard or interpretation that is not yet effective for this current accounting period.

4. OPERATING SEGMENT INFORMATION

For management purposes, the Group is not organised into business units based on their products and services and only has one reportable operating segment. Management monitors the operating results of the Group's operating segment as a whole for the purpose of making decisions about resource allocation and performance assessment.

Geographical information

(a) Revenue from external customers

	For the six months ended June 30,	
	2026	2025
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Chinese Mainland	**26,906**	36,788
Other regions	**18,991**	22,247
Total	**45,897**	59,035

The revenue information above is based on the locations of the customers.

(b) Non-current assets

	At June 30, 2026	At December 31, 2025
	(Unaudited)	(Audited)
	RMB'000	RMB'000
Chinese Mainland	**1,676,481**	1,644,763
Other regions	**332,385**	351,525
Total	**2,008,866**	1,996,288

The non-current asset information above is based on the locations of the assets and excludes financial assets at fair value through profit or loss, restricted deposits and deferred tax assets.

5. REVENUE

An analysis of revenue is as follows:

	For the six months ended June 30, 2026 (Unaudited) RMB'000	2025 (Unaudited) RMB'000
Revenue from contracts with customers	**45,897**	59,035

Revenue from contracts with customers

(i) Disaggregated revenue information

	For the six months ended June 30, 2026 (Unaudited) RMB'000	2025 (Unaudited) RMB'000
Types of goods or services		
Variety program IP production, operation and licensing	**3,096**	13,557
Music IP operation and licensing	**4,663**	6,444
Drama series and film IP operation and licensing	**17,848**	25,434
Other IP-related business	**20,290**	13,600
Total revenue from contracts with customers	**45,897**	59,035
Geographical markets		
Chinese Mainland	**26,906**	36,788
Other regions	**18,991**	22,247
Total revenue from contracts with customers	**45,897**	59,035
Timing of revenue recognition		
At a point in time	**21,100**	28,751
Over time	**24,797**	30,284
Total revenue from contracts with customers	**45,897**	59,035

6. LOSS BEFORE TAX

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

	For the six months ended June 30,	
	2026	2025
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Cost of variety program IP production, operation and licensing	**9,482**	10,422
Cost of music IP operation and licensing	**1,431**	3,404
Cost of drama series and film IP operation and licensing	**9,444**	10,162
Cost of other IP-related business	**15,303**	13,077
Impairment losses/(reversal of impairment losses) on trade receivables, net	**2,789**	(1,403)
Impairment losses on other receivables	**135**	259
Reversal of impairment loss on loans to a joint venture	**–**	(1,838)

7. INCOME TAX

The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which members of the Group operate.

Pursuant to the rules and regulations of the Cayman Islands, the Company is not subject to any income tax in the Cayman Islands.

Pursuant to the relevant tax law of the Hong Kong Special Administrative Region, Hong Kong profits tax has been provided at the rate of 16.5% (2025: 16.5%) on the estimated assessable profits arising in Hong Kong during the period.

Pursuant to the relevant tax law of the Macau Special Administrative Region, Macau profits tax has been provided at the rate of 12% (2025: 12%) on the estimated assessable profits arising in Macau during the period.

The provision for current income tax in Chinese Mainland is based on a statutory tax rate of 25% (2025: 25%) of the assessable profits of the PRC subsidiaries of the Group as determined in accordance with the PRC Corporate Income Tax Law.

Shanghai CanXing Culture & Media Co., Ltd. is qualified as High and New Technology Enterprises and was entitled to a preferential income tax rate of 15% on December 12, 2023 for three consecutive years and there after the statutory tax rate of 25% applied.

7. INCOME TAX (CONTINUED)

The major components of income tax expense of the Group during the period are analysed as follows:

	For the six months ended June 30,	
	2026	2025
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Current – Charge for the period	**262**	72
Overprovision in prior year	**1**	2,809
Deferred tax	**911**	(2,130)
Income tax expense	**1,174**	751

8. DIVIDENDS

The Board did not declare any interim dividend for the six months ended June 30, 2026 (six months ended June 30, 2025: Nil).

9. LOSS PER SHARE

The calculation of the basic loss per share amounts is based on the loss for the period ended June 30, 2026 attributable to ordinary equity shareholders of the Company and the weighted average number of ordinary shares of 398,514,126 (six months ended on June 30, 2025: 398,538,168) in issue for the period ended June 30, 2026. The Company does not have any potentially dilutive ordinary shares in issue during the period ended June 30, 2026 and 2025.

The calculations of basic and diluted loss per share are based on:

	For the six months ended June 30,	
	2026	2025
	(Unaudited)	(Unaudited)
	RMB'000	RMB'000
Loss		
Loss attributable to ordinary equity shareholders of the Company, used in the basic loss per share calculation	**(40,481)**	(11,002)

9. LOSS PER SHARE (CONTINUED)

	Number of Shares For the six months ended June 30, 2026	2025
Shares		
Weighted average number of ordinary shares in issue during the period	**398,514,126**	398,538,168

10. INTERESTS IN A JOINT VENTURE

	At June 30, 2026 (Unaudited) RMB'000	At December 31, 2025 (Audited) RMB'000
Share of net assets	**362,079**	367,444

The Group's loan receivable balances due from a joint venture are disclosed in note 18 to the financial statements.

Particulars of the Group's material joint venture are as follows:

Name	Particular of issued shares held	Place of registration and business	Percentage of ownership interest/ profit sharing	Voting power	Principal activities
Mengxiang Qi'an Culture Development (Shanghai) Co., Ltd. ("Mengxiang Qi'an") 夢響啟岸文化發展(上海)有限公司	Ordinary shares	PRC/Mainland China	70%	50%	Real estate development

The Group holds 70% equity interests in Mengxiang Qi'an, however, unanimous consent from all investors required for the relevant activities of Mengxiang Qi'an. As a result, Mengxiang Qi'an is accounted for as a joint venture of the Group. The Group's equity interests in this joint venture is held through a wholly-owned subsidiary of the Company.

10. INTERESTS IN A JOINT VENTURE (CONTINUED)

The following table illustrates the summarised financial information in respect of Mengxiang Qi'an adjusted for any differences in accounting policies and reconciled to the carrying amount in the interim condensed consolidated financial information:

	At June 30, 2026 (Unaudited) RMB'000	At December 31, 2025 (Audited) RMB'000
Current assets	**86,651**	91,764
Non-current assets	**1,414,679**	1,435,922
Current liabilities	**(211,163)**	(276,124)
Non-current liabilities	**(772,911)**	(726,642)
Net assets	**517,256**	524,920
Reconciliation to the Group's interest in the joint venture:		
Proportion of the Group's ownership	**70%**	70%
Group's share of net assets of the joint venture	**362,079**	367,444
Revenue	**35,002**	61,233
Loss for the period/year	**(7,664)**	(23,260)
Total comprehensive loss for the period/year	**(7,664)**	(23,260)

11. INTERESTS IN ASSOCIATES

	At June 30, 2026 (Unaudited) RMB'000	At December 31, 2025 (Audited) RMB'000
Share of net assets	**614,114**	615,586

The Group's prepayments and loans to associates are disclosed in note 18 to the financial statements.

Particulars of the Group's material associates as at June 30, 2026 are as follows:

Name	Particulars of issued shares held	Place of registration and business	Percentage of ownership interest/ profit sharing	Voting power	Principal activities
Shaanxi Star Shuolan Real Estate Co., Ltd. ("Shuolan") 陝西星空碩藍置業有限公司	Ordinary shares	PRC/Mainland China	40.00%	40.00%	Real estate development and operation
Shaanxi Star Yuanlv Real Estate Co., Ltd. ("Yuanlv") 陝西星空原綠置業有限公司	Ordinary shares	PRC/Mainland China	40.00%	40.00%	Real estate development and operation
Shanghai Binqiao Enterprise management Co., Ltd.* ("Shanghai Binqiao") 上海濱橋企業管理有限公司	Ordinary shares	PRC/Mainland China	17.59%	17.59%	Real estate development and operation
Beijing Haomiao Ludong Cultural Technology Co., Ltd. ("Haomiao") 北京浩渺律動文化科技有限公司	Ordinary shares	PRC/Mainland China	32.00%	32.00%	AI music production

* The Group has significant influence even though it holds less than 20 percent of the equity interest of Shanghai Binqiao as it serves as a member of the key management personnel of Shanghai Binqiao by serving one-fifth of the Board's composition, hence the Company has significant influence over its management, including participation in the financial, operating policy and strategic investment decisions.

The Group's equity interests in the above associates are held through a wholly-owned subsidiary of the Company.

11. INTERESTS IN ASSOCIATES (CONTINUED)

The following table illustrates the summarised financial information in respect of Shuolan adjusted for any differences in accounting policies and reconciled to the carrying amount in the interim condensed consolidated financial information:

	At June 30, 2026 (Unaudited) RMB'000	At December 31, 2025 (Audited) RMB'000
Current assets	**80**	80
Non-current assets	**95,791**	97,148
Current liabilities	**(16,476)**	(16,232)
Net assets	**79,395**	80,996
Reconciliation to the Group's interest in the associate:		
Proportion of the Group's ownership	**40%**	40%
Group's share of net assets of the associate	**31,758**	32,398
Revenue	**–**	–
Loss for the period/year	**(1,601)**	(27,439)
Total comprehensive loss for the period/year	**(1,601)**	(27,439)

11. INTERESTS IN ASSOCIATES (CONTINUED)

The following table illustrates the summarised financial information in respect of Yuanlv adjusted for any differences in accounting policies and reconciled to the carrying amount in the interim condensed consolidated financial information:

	At June 30, 2026 (Unaudited) RMB'000	At December 31, 2025 (Audited) RMB'000
Current assets	**726,373**	726,287
Current liabilities	**(15,401)**	(13,955)
Non-current liabilities	**(16,982)**	(16,982)
Net assets	**693,990**	695,350
Reconciliation to the Group's interest in the associate:		
Proportion of the Group's ownership	**40%**	40%
Group's share of net assets of the associate	**277,596**	278,140
Revenue	**–**	–
Loss for the period/year	**(1,359)**	(228,145)
Total comprehensive loss for the period/year	**(1,359)**	(228,145)

11. INTERESTS IN ASSOCIATES (CONTINUED)

The following table illustrates the summarised financial information in respect of Shanghai Binqiao adjusted for any differences in accounting policies and reconciled to the carrying amount in the interim condensed consolidated financial information:

	At June 30, 2026 (Unaudited) RMB'000	At December 31, 2025 (Audited) RMB'000
Current assets	**4,000,851**	3,757,186
Non-current assets	**17**	21
Current liabilities	**(1,455,113)**	(1,495,296)
Non-current liabilities	**(1,466,798)**	(1,183,176)
Net assets	**1,078,957**	1,078,735
Reconciliation to the Group's interest in the associate:		
Proportion of the Group's ownership	**17.59%**	17.59%
Group's share of net assets of the associate	**189,789**	189,749
Revenue	**–**	66
Profit/(loss) for the period/year	**222**	(4,768)
Total comprehensive income/(loss) for the period/year	**222**	(4,768)

11. INTERESTS IN ASSOCIATES (CONTINUED)

The following tables illustrate the summarised financial information in respect of Haomiao adjusted for any differences in accounting policies and reconciled to the carrying amounts in the interim condensed consolidated financial information:

	At June 30, 2026 (Unaudited) RMB'000	At December 31, 2025 (Audited) RMB'000
Current assets	**115,592**	115,684
Current liabilities	**–**	(350)
Net assets	**115,592**	115,334
Reconciliation the Group's interest in the associate:		
Proportion of the Group's ownership	**32%**	32%
Group's share of net assets of the associate	**114,972**	114,889
Revenue	**–**	–
Profit/(loss) for the period/year	**258**	(346)
Total comprehensive income/(loss) for the period/year	**258**	(346)

The following table illustrates the aggregate financial information of the Group's associates that are not individually material:

	At June 30, 2026 (Unaudited) RMB'000	At December 31, 2025 (Audited) RMB'000
Share of the associates' profits and losses for the period/year	**(410)**	(331)
Share of the associates' total comprehensive loss for the period/year	**(410)**	(331)
Aggregate carrying amount of the Group's investment in the associates	**–**	410

12. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	At June 30, 2026 (Unaudited) RMB'000	At December 31, 2025 (Audited) RMB'000
A listed equity investment, at fair value		
Tencent Music Entertainment Group	**8,295**	17,972
Other stock investments	**–**	4,935
Total	**8,295**	22,907

13. TRADE AND BILL RECEIVABLES

	At June 30, 2026 (Unaudited) RMB'000	At December 31, 2025 (Audited) RMB'000
Trade receivables	**357,207**	390,998
Bill receivables	**–**	4,512
Less: Impairment loss	**(328,534)**	(325,832)
Total	**28,673**	69,678

The Group's trading terms with its customers are mainly on credit. The credit period is generally 30 days depending on the specific payment terms in each contract. Each customer has a maximum credit limit. Overdue balances are reviewed regularly by senior management. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing.

13. TRADE AND BILL RECEIVABLES (CONTINUED)

An ageing analysis of the trade receivables as at the end of each reporting period, based on the transaction dates and net of loss allowance, is as follows:

	At June 30, 2026 (Unaudited) RMB'000	At December 31, 2025 (Audited) RMB'000
Within 3 months	**23,129**	27,807
3 to 6 months	**308**	383
6 to 12 months	**2,198**	1,301
1 to 2 years	**1,289**	2,201
2 to 3 years	**–**	32,526
Over 3 years	**1,749**	948
Total	**28,673**	65,166

Included in the Group's trade receivables were amounts due from the Group's related parties of RMB4,000 (December 31, 2025: RMB4,000), which were repayable on credit terms similar to those offered to the major customers of the Group.

14. TRADE PAYABLES

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

	At June 30, 2026 (Unaudited) RMB'000	At December 31, 2025 (Audited) RMB'000
Within 1 year	**19,712**	17,384
1 to 2 years	**2,699**	7,564
2 to 3 years	**6,485**	27,002
Over 3 years	**43,732**	21,913
Total	**72,628**	73,863

14. TRADE PAYABLES (CONTINUED)

The trade payables are non-interest-bearing and are normally settled on 90 to 180 days' terms.

15. SHARE CAPITAL

	As at June 30, 2026	As at December 31, 2025
	USD	USD
Authorised:		
50,000,000,000 (2025: 50,000,000,000) ordinary shares of USD0.000001 (2025: USD0.000001) each	**50,000**	50,000
Issued and fully paid:		
398,538,168 (2025: 398,538,168) ordinary shares of USD0.000001 (2025: USD0.000001) each	**399**	399

A summary of movements in the Company's share capital is as follows:

	Number of shares in issue	**Share capital**
		RMB'000
At December 31, 2025, January 1, 2026 and June 30, 2026	**398,538,168**	**3**

16. PROVISIONS

During the period, some subsidiaries of the Group were defendants in lawsuits. The Group has accrued the probable liabilities for these lawsuits. The movements of the provisions are as follows:

For the six months ended June 30, 2026 (unaudited)

	At January 1, 2026 RMB'000	**Additional provisions made RMB'000**	**Reversals RMB'000**	**Provisions utilised RMB'000**	**At June 30, 2026 RMB'000**
Entity D	**2,628**	**–**	**–**	**(2,628)**	**–**
Entity E	**1,590**	**–**	**–**	**–**	**1,590**
Others	**1,063**	**1,532**	**–**	**(1,063)**	**1,532**
Total	**5,281**	**1,532**	**–**	**(3,691)**	**3,122**

For the year ended December 31, 2025 (audited)

	At January 1, 2025 RMB'000	Additional provisions made RMB'000	Reversals RMB'000	Provisions utilised RMB'000	At December 31, 2025 RMB'000
MBC-Guess the Singer! 2016	24,371	109	–	(24,480)	–
Entity A	1,435	–	(1,435)	–	–
Entity B	4,257	32	–	(4,289)	–
Entity C	4,165	–	(2,165)	(2,000)	–
Entity D	–	2,628	–	–	2,628
Entity E	–	1,590	–	–	1,590
Others	1,195	40	–	(172)	1,063
Total	35,423	4,399	(3,600)	(30,941)	5,281

17. COMMITMENTS

The Group had the following capital commitments at the end of the reporting period:

	At June 30, 2026 (Unaudited) RMB'000	At December 31, 2025 (Audited) RMB'000
Leasehold land and construction in progress	**359,559**	778,231

18. RELATED PARTY TRANSACTIONS

Details of the Company's related parties are as follows:

Name	Relationship with the Company
Shanghai Xingkongshui'an Enterprise Development Co., Ltd. ("SH Xingkongshui'an")	A subsidiary of an associate
Mengxiang Qi'an Culture Development (Shanghai) Co., Ltd. ("Mengxiang Qi'an")	A joint venture
Star China Media Ltd. ("SCML")	A subsidiary of CMC Asia

Outstanding balances with related parties:

	Note	**June 30, 2026 (Unaudited) RMB'000**	December 31, 2025 (Audited) RMB'000
Due from related parties (non-trade):			
Xingkong Shui'an	*(i)*	**500**	500
Trade receivables:			
SCML		**4**	4
Other receivables:			
Mengxiang Qi'an		**1,059**	1,386

Note:

(i) The amounts were unsecured, interest-free and repayable on demand.

19. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

Fair value hierarchy

The following tables illustrate the fair value measurement hierarchy of the Group's financial instruments:

Financial assets measured at fair value:

As at June 30, 2026 (unaudited)

	Fair value measurement using			
	Quoted prices in active markets (Level 1) RMB'000	**Significant observable (Level 2) RMB'000**	**Significant unobservable (Level 3) RMB'000**	**Total RMB'000**
Financial assets at fair value through profit or loss	**8,295**	**–**	**–**	**8,295**

As at December 31, 2025 (audited)

	Fair value measurement using			
	Quoted prices in active markets (Level 1) RMB'000	Significant observable (Level 2) RMB'000	Significant unobservable (Level 3) RMB'000	Total RMB'000
Financial assets at fair value through profit or loss	22,907	–	–	22,907

The Group did not have any financial liabilities measured at fair value as at June 30, 2026 and December 31, 2025.

During the year ended December 31, 2025 and six months ended June 30, 2026, there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 for financial assets.

Management has assessed that the fair values of cash and cash equivalents, trade receivables, trade payables, financial assets included in prepayments, other receivables and other assets, financial liabilities included in other payables and accruals and amounts due from related parties approximate to their carrying amounts largely due to the short-term maturities of these instruments.

19. FAIR VALUE AND FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS (CONTINUED)

Fair value hierarchy (Continued)

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

The fair value of the restricted cash has been calculated by discounting the expected future cash flows using rates currently available for instruments with similar terms, credit risk and remaining maturities. The carrying amount of the restricted cash is the same as its fair value.

The fair values of listed equity investments are based on quoted market prices.

Definitions

"Articles of Association"	the articles of association of our Company adopted on December 9, 2022 with effect from the Listing Date (as amended from time to time);
"Audit Committee"	the audit committee of our Board;
"Award"	an award granted by the Board or an administration committee of the Board to a grantee of a conditional right for such grantee to receive such number of Award Shares, subject to the satisfaction of vesting conditions and such other terms and conditions, as the Board or an administration committee of the Board may in its absolute discretion determine;
"Award Share(s)"	in respect of a grantee, such number of Share(s) underlying the Award(s) as determined by the Board or the administration committee of the Board, and as may be acquired through on-market or off-market purchases of Shares, in accordance with the terms of the Share Award Scheme;
"Beamingstars"	Beamingstars Investment Holdings Limited, a business company incorporated under the laws of the BVI on March 16, 2021 and owned as to 51.99% by SH Zhihua and 48.01% by Harvest Sky;
"Binjiang Group"	Shanghai Yangpu Binjiang Investment and Development (Group) Co., Ltd. (上海楊浦濱江投資開發(集團)有限公司), a limited liability company incorporated in the PRC;
"Board"	the board of Directors of our Company;
"Business Day(s)"	a day on which banks in Hong Kong are open for normal banking business (excluding Saturdays, Sundays and public holidays);
"BVI"	the British Virgin Islands;
"Canxing Culture"	Shanghai CanXing Culture & Media Co., Ltd. (上海燦星文化傳媒股份有限公司), a limited liability company established in the PRC on March 24, 2006 and is one of the Consolidated Affiliated Entities;
"Canxing JCA"	has the meaning ascribed to it in the Prospectus;
"CG Code"	the Corporate Governance Code as set out in Appendix C1 to the Listing Rules;
"China" or the "PRC"	the People's Republic of China, but for the purpose of this interim report and for geographical reference only, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan, China;

"Chinese Culture"	CMC (Shanghai) and CMC (Tianjin);
"CMC (Shanghai)"	Chinese Culture (Shanghai) Equity Investment Center (L.P.) (華人文化產業股權投資(上海)中心(有限合夥)), a limited partnership incorporated in the PRC on December 31, 2009;
"CMC (Tianjin)"	Chinese Culture (Tianjin) Investment Management Co., Ltd. (華人文化(天津)投資管理有限公司), a company incorporated in the PRC on November 11, 2008 and the general partner of CMC (Shanghai);
"Company"	STAR CM Holdings Limited, an exempted company with limited liability incorporated in the Cayman Islands on March 29, 2021;
"Director(s)"	the director(s) of our Company;
"East Brothers"	East Brothers Investment Holdings Limited, a business company incorporated under the laws of the BVI on March 10, 2021 and owned as to 81.76% by Mr. Tian Ming, 6.22% by Mr. Jin Lei and 12.02% by Mr. Xu Xiangdong, being one of our controlling shareholders under the Listing Rules;
"FSML"	Fortune Star Media Limited;
"Global Offering"	has the meaning ascribed to it in the Prospectus;
"Goldenbroad"	Goldenbroad Investment Holdings Limited, a business company incorporated under the laws of the BVI on March 10, 2021 and wholly owned by Mr. Jin Lei, being one of our controlling shareholders under the Listing Rules;
"Group", "Our Group", "the Group", "we", "us", or "our"	our Company and our subsidiaries and Consolidated Affiliated Entities at the relevant time or, where the context so requires, in respect of the period before our Company became the holding company of our present subsidiaries or the Consolidated Affiliated Entities, the business operated by such subsidiaries or the Consolidated Affiliated Entities or their predecessors (as the case may be);
"Harvest Sky"	Harvest Sky Investment Holdings Limited, a business company incorporated under the laws of the BVI on March 10, 2021 and wholly owned by Mr. Tian Ming, being one of our controlling shareholders under the Listing Rules;
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong;

"Hong Kong"	the Hong Kong Special Administrative Region of the PRC;
"IFRS"	International Financial Reporting Standards, as issued from time to time by the International Accounting Standards Board;
"IP(s)"	intellectual properties such as existing variety programs, music works, films, drama series or other literary or artistic works, concepts, stories and expressions that can be used or considered, entirely or partially, to create and/or produce new variety programs, music works, drama series or films;
"Latest Practicable Date"	September 14, 2026, being the latest practicable date for ascertaining certain information in this interim report before its publication;
"Lianke Shenhuo"	Shanghai Lianke Shenhuo Network Technology Co., Ltd. (上海聯可深活網絡科技有限公司), a limited liability company incorporated in the PRC;
"Listing"	the listing of our Shares on the Main Board of the Stock Exchange;
"Listing Date"	December 29, 2022, the date on which our Shares were listed and on which dealings in our Shares were first permitted to take place on the Stock Exchange;
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time;
"Mengxiang Qi'an"	Mengxiang Qi'an Culture Development (Shanghai) Co., Ltd. (夢響啟岸文化發展(上海)有限公司);
"Mengxiang Qiangyin" or "MXQY"	Mengxiang Qiangyin Culture Broadcast (Shanghai) Company Ltd. (夢響強音文化傳播(上海)有限公司), a limited liability company incorporated in the PRC and an indirect wholly-owned subsidiary of our Company;
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Listing Rules;
"Prospectus"	our Company's prospectus dated December 15, 2022, a copy of which is available on the Stock Exchange's website at www.hkexnews.hk;
"Reporting Period"	the six months ended June 30, 2026;
"RMB"	Renminbi yuan, the lawful currency of the PRC;

Definitions

"SFO"	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time;
"Shaanxi Shuolan"	Shaanxi Star Shuolan Real Estate Co., Ltd. (陝西星空碩藍置業有限公司), a limited liability company incorporated in the PRC;
"Shaanxi Yuanlv"	Shaanxi Star Yuanlv Real Estate Co., Ltd. (陝西星空原綠置業有限公司), a limited liability company incorporated in the PRC;
"Shanghai Binqiao"	Shanghai Binqiao Enterprise Management Co., Ltd. (上海濱橋企業管理有限公司), a limited liability company incorporated in the PRC;
"Share Award Scheme"	the Share Award Scheme adopted by the Company on July 29, 2024;
"Shareholder(s)"	holder(s) of our Company's Share(s);
"Shares"	ordinary share(s) in the share capital of our Company with a par value of US$0.000001 each;
"SH Xingkongshui'an"	Shanghai Xingkongshui'an Enterprise Development Co., Ltd. (上海星空水岸企業發展有限公司), a limited liability company incorporated in the PRC;
"SH Zhihua"	Shanghai Zhihua Enterprise Management Partnership (Limited Partnership) (上海至驊企業管理合夥企業(有限合夥)), a limited partnership incorporated in the PRC on March 23, 2021 and wholly-owned by CMC (Shanghai);
"Stock Exchange"	The Stock Exchange of Hong Kong Limited;
"Unionstars"	Unionstars Investment Holdings Limited, a business company incorporated under the laws of the BVI on March 26, 2021 and owned as to 7.53%, 17.64%, 34.18% and 40.65% by East Brothers, Goldenbroad, Beamingstars and Harvest Sky, respectively; and
"US$"	United States dollars, the lawful currency for the time being of the United States.