超媒体

Meta Media Holdings Limited
Annual Report 2025
超媒體控股有限公司 2025 年年報

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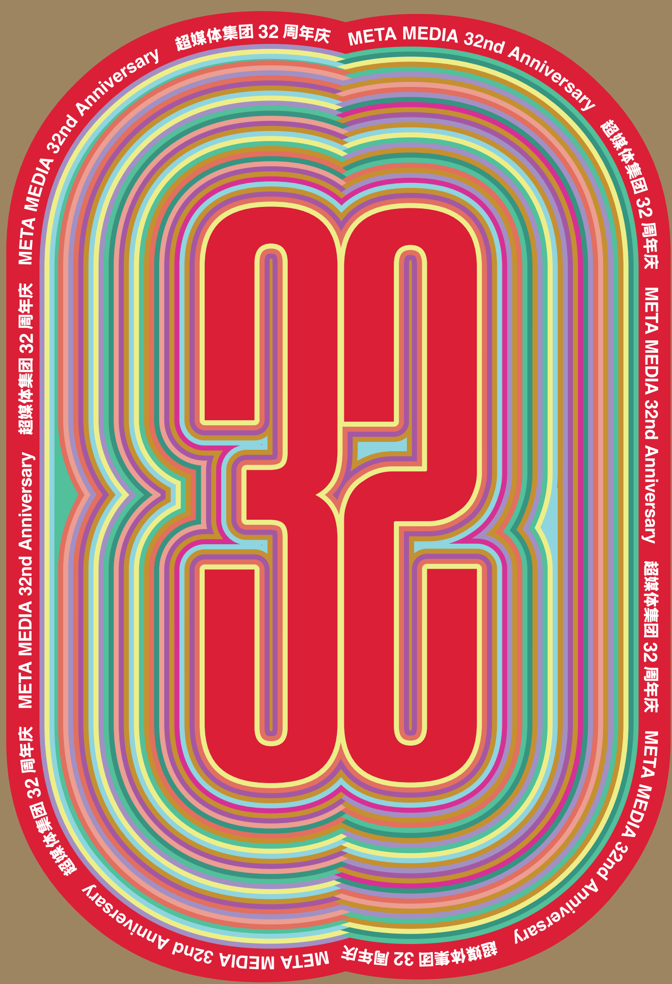


ABOUT META MEDIA GROUP

Meta Media Holdings Limited (the "Company" or "Meta Media") and its subsidiaries (collectively, the "Group" or "Meta Media Group" or "Meta Media Holdings Group" or "we") are an innovative cultural communication organisation rooted in China with a global perspective. Guided by the concept of "super-culture" and leveraging technology and art as its two wings, the Group has been continuously exploring the future form of media in this rapidly changing era, drawing on over thirty years of professional expertise and a diverse portfolio of media brands alongside a forward-looking ecosystem. It is not merely a transmitter of information, but also a shaper of culture, an enabler of value, and a co builder of the future. Upholding the corporate genes of "internationalisation, style, refined taste and social responsibility", the Group has steadily grown from a local original cultural communication group into a digital cultural ecosystem builder with both global vision and local depth, and moreover, a leading, innovative and internationalised high-end cultural media group in China.

In 2022, the name of the Company was changed from "Modern Media Holdings Limited" to "Meta Media Holdings Limited". The new name "Meta Media" has a great sense of future and acts as a symbol of the spirit of the times, representing the Group's strategic upgrade from "Modern" to "Ultra Modern", and further indicating that the Group will break through the boundaries of traditional media to comprehensively evolve into a composite media form integrating Professional Generated Content (PGC), User Generated Content (UGC) and Artificial Intelligence Generated Content (AIGC). Riding the waves for 32 years and always staying at the forefront of the times, the Group has deepened its cultivation from print publication to digital platform expansion, and then to the in-depth exploration of the integration of art and technology, leading lifestyle trends and cultural fashion.

Today, the Group has built a diversified and innovative content matrix covering business, culture, art, fashion, and lifestyle, and has created a multimedia integration strategic development platform combining print media, digital technology, space operations, and AI technology. In terms of global presence, the Group has maintained in-depth cooperation for many years with numerous renowned publishing groups and other leading international media agencies and organisations. It has consolidated its global content foundation by acquiring the controlling equity interest of NOWNESS, a global youth creative and cultural video platform formerly owned by Louis Vuitton, and ArtReview, an authoritative international art media with a history of over 75 years.

In 2025, the Group further expanded its international art territory by officially acquiring a stake in Tokyo Gendai. This step further consolidated the Group's global art ecological network covering Asia, marking our evolution from a local media group in China to a platform with comprehensive global art influence.

The business model of Meta Media Group is to create IP, build circles, connect the ecosystem, innovate experiences, and generate value. "Reshaping the future of business with art and technology, and reconstructing value with IP and ecology" is the core strategic direction of the Group. We uphold the development principle of "no IP, no business; no AI, no entrepreneurship", and aim to construct a new framework with innovative concepts, leverage cutting-edge technology and take proactive steps to stride into a new era. Under the wave of the AI era, the Group continues to increase its strategic investment in the field of AI, integrates the world's top art and technology resources, and comprehensively reconstructs the content industry chain, promoting the leapfrog transition of the industry from "paper media" to "intelligent media". In 2025, several core technological achievements of the Group were implemented: launched the global website and social platforms for the AI art platform MC2. Art, which focuses on AI moving image art, initiating an in-depth dialogue among artists, audiences and machines; launched the self-developed "shao. ai" and "Meta Media AI" applications, using the Group's 32 years of media experience refined from 1.5 million words as a thinking engine, to realise the crucial transformation from PGC to UGC and then to AIGC, becoming a new AI carrier "connecting Eastern and Western wisdom"; launched "weart", a global professional artwork trading platform, using technology and data to promote the digitalisation of the art market and connect the full-link resources of the art industry. At the same time, the "Meta Eye" platform, built with academic support from MC2. Art, integrates AIGC and cutting-edge intelligent hardware technology, taking "AI + Visual Creation" as the carrier, to construct a comprehensive ecosystem deeply integrating technology, art, culture and lifestyle.

While developing business, Meta Media Group has always been committed to social public welfare. For the past sixteen years, we have been assisting the development of special education in China. In Songzi, Hubei Province, we helped to build a "Modern Media Special Education School" which won numerous government awards and honors in China. Moreover, we established the "Modern Media Special Education Foundation" as a charitable organisation to further expand the support and development for special education. Social responsibility has always been the DNA of Meta Media Group, in which, we hope to make more efforts and contributions.

超媒體大平台
META MEDIA PLATFORM

藝術 Art

數碼 Digital

科技 AI

THREE BUSINESS SECTORS OF META MEDIA GROUP

1. AI – LEADING THE FUTURE

Meta Media Group is always at the forefront of the times. Capitalising on the success of print publication, digital platform, and art marketing, the Group formally changed its name from “Modern Media” to “Meta Media” in 2022, which marked the beginning of a new era of development.

Reshaping the future of business with art and technology is the strategic direction of the Group. In 2025, we joined hands with the world’s top art and technology resources to comprehensively reconstruct the content industry chain, promoting the leapfrog transition of the industry form from “paper media” to “intelligent media”.

In the AI wave led by DeepSeek at the beginning of 2025, the integration of Meta Media Group’s 32 years of media heritage with cutting-edge technology gave birth to “Meta Media AI”. Powered by the Group’s 1.5 million words of media experience as its thinking engine, it carries forward the Group’s glorious history and its mission to “connect Eastern and Western wisdom”. Meta Media AI can not only swiftly retrieve facts but also excels at cross-disciplinary association – discerning business trends through artistic aesthetics, interpreting social psychology through cultural phenomena, and explaining news events with literary flair. Through the deep integration of technology and the humanities, it is reshaping how knowledge is acquired, content is created, and value is transmitted – transforming 30+ years of media expertise into the guiding light illuminating each user’s path forward. In the future, the Group looks forward to collaborating with explorers to co-create a new chapter of intelligent media. With the official launch of the Meta Media AI application, the Group has achieved a critical transformation from PGC (Professional Generated Content) to UGC (User Generated Content), and now to AIGC (Artificial Intelligence Generated Content).

Going forward, the Group will deeply cultivate the integrated ecosystem of “art, technology, business and trends”, with AI as the core driving force, to create a digital culture platform where the virtual and the real coexist. Through AIGC content production, the Yuanbang Ideal City, commercialization of art IPs, and a global cultural network deployment, we will drive the intelligentization of creativity, the digitization of assets, and the immersion of experiences – building a global cultural technology ecosystem that invites participation from all and fosters shared value.

2. ART PLATFORM – LEADING THE SPIRIT OF THE ERA

Meta Media Group's art platform consists of multiple dimensions: art marketing, print publishing, and space magazines. Leveraging extensive art world resources and the production of art and high-end lifestyle content, the Group integrates leading creativity into its products, which are widely welcomed by readers, users, art enthusiasts, and premium clients.

Art Marketing

Meta Media Group has been deeply involved in exhibitions in China for over a decade. In 2010, we published the new international edition of "LEAP"; in 2014, we co-founded "PHOTOFAIRS | Shanghai"; in 2018, we established a strategic partnership with the world-renowned art and design museum, Victoria & Albert Museum ("**V&A Museum**"); in 2019, we further acquired a majority shareholding of "ArtReview", an internationally authoritative art media platform with a history of over 75 years. In 2022, the Group launched "ArtReview China"; and in 2023, "The Art – Journal" was launched; and in 2024, "Collection/Auction" magazine was added to the Group's art media matrix, bringing with it a whole new range of columns and content.

In 2025, the Group acquired an equity stake in "Tokyo Gendai", a contemporary art fair in Japan scheduled to take place in September 2026. Japan boasts some of Asia's premier art institutions and a longstanding tradition of contemporary art collecting, having been one of the earliest art markets to emerge in the region. By participating in this world-class international contemporary art fair, the Group will effectively expand its global visibility and influence, further solidifying its art ecosystem network that spans across Asia.

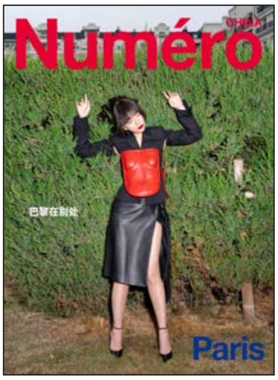
In June 2026, we will officially launch "DAZED China". This is not just a new magazine – it is the culmination of three decades of experience and an invitation to the future. It pays tribute to the classics: preserving the rigour and texture of high-end fashion magazines. And it explores the future: decoding today's trends through the lens of Gen Z, even leveraging AI technology to assist creation and break down the dimensional wall.

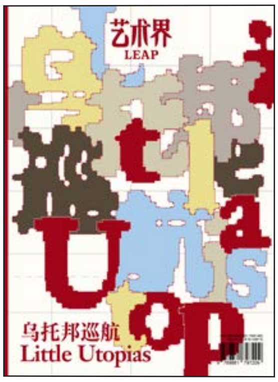
We have evolved from a local Chinese media group into a platform with a full-fledged global art influence. Our new art media matrix is designed to provide brands with diversified art marketing solutions.

Looking at the world from an artistic perspective and using the value of art to illuminate society, the Group believes that the art platform will continue to be an indispensable source of income and profit center in the future, driven by rising income of Chinese consumers and diversification of consumer demand, especially a strong growth in demand for spiritual and experiential consumption such as culture and art.

藝術平台 – 平面出版

ART PLATFORM – PRINT PUBLISHING





Print Publishing

Over the years, Meta Media Group has cooperated extensively with influential international communication agencies, such as co-publishing “Bloomberg Businessweek/Chinese Edition”, “InStyle 優家畫報”, “IDEAT 理想家”, “NUMÉRO China” and other magazines. At the same time, we have established more than ten original magazines in mainland China and Hong Kong, including “Modern Weekly”, “Life Magazine”, “City Magazine”, etc., inheriting the spirit of “Aspiration Expression (言志)”, leading and reflecting the needs of the times everywhere, and becoming the spiritual enlightenment and life vane of generations.

The flagship magazine “Modern Weekly” remained No.1 in weekly market revenue, maintaining An irreplaceable position in the minds of print media brand advertisers. “Bloomberg Businessweek/ Chinese Edition” has always demonstrated its authoritative influence through the organisation of various financial market events and forums.

“InStyle 優家畫報” continues to be one of the most popular women’s magazines in the mainland China’s market and a popular choice for luxury brand advertisers. The elite women’s club “You Jia Hui 優家薈” under it has held a series of activities in various cities in China and is more popular among elite women, and the club membership fees also bring stable income to the Group.

Meta Media Group is no longer as simple as a leading traditional media group, nor is it a group that just follows the trend to transform from traditional magazines to digital media, but a group that regards magazine as an expression of cultural aspirations and aims to communicate with, align, connect to and reshape the international culture.

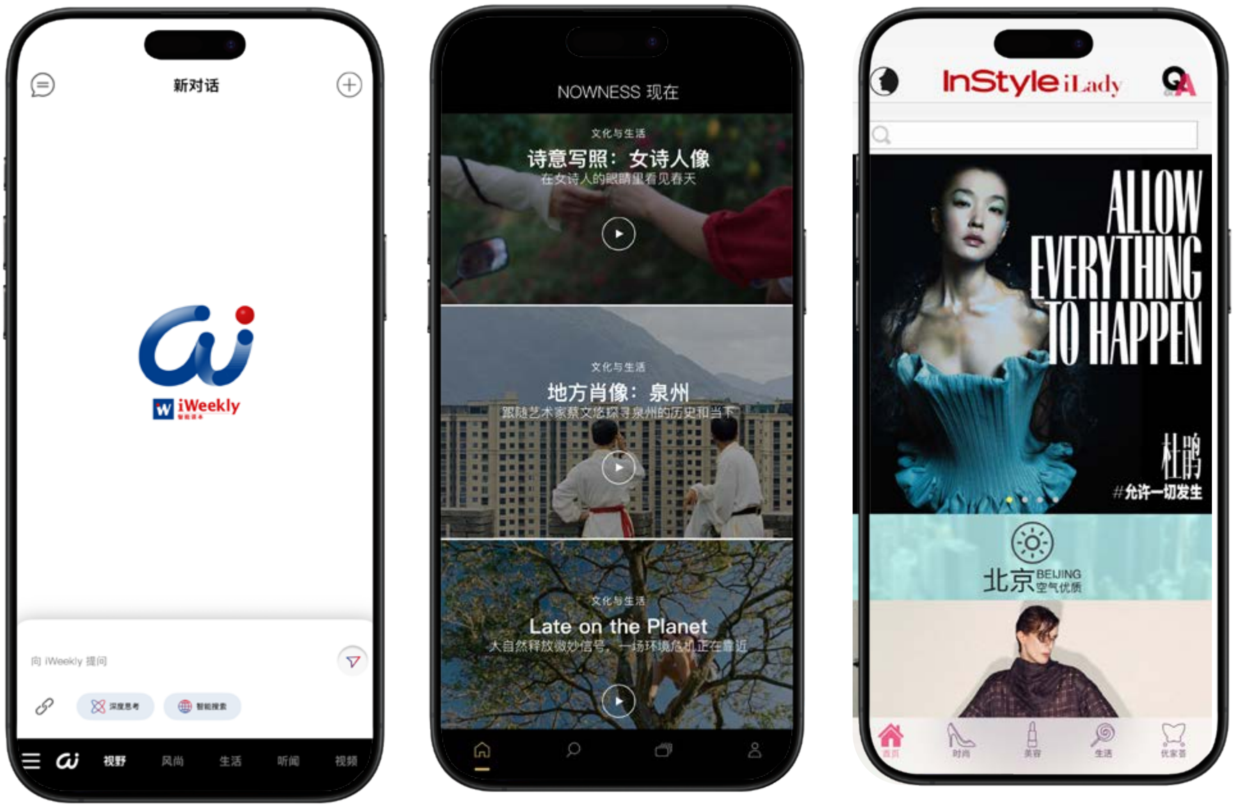





Space Magazine

Looking to the future, Meta Media Group has jumped out of the traditional paper and digital media framework, and created a new form of "space magazine", with ZiWU as one of its key representatives. From art to design, from fashion to culture, from media to space… As a hyper-dimensional, multi-layered magazine that extends from physical space to the realm of the spirit, ZiWU has consistently been guided by Meta Media Group's "ABCD Spirit" - Attitude, Belief, Creativity, and Dream. With a distinct attitude, it sustains a sharp edge of exploration; with profound belief, it ensures the depth of its discourse; and with a warm dream, it maintains a desire for deep connection with a broader world. Let the spirit endure, and let action take place.

Through continuing to introduce high-quality themed exhibitions and events on art, design, fashion, music, etc., ZiWU, positioned as "a new paradise for urban culture omnivores", has instantly become one of the most frequent gathering places for elites from all walks of life, attracting designers, artists, cultural figures, film and television stars and senior executives to visit successively, and holding a number of appealing exhibitions, including exhibitions of new works by masters such as Chen Danqing, Zhang Huan and Wu Jianan.



3. DIGITAL PLATFORM – TECHNOLOGICAL PIONEER INNOVATION

The Group's digital platforms boast a diversified, mature and stable digital media matrix, including short film production platform "NOWNESS" which gains recognition from diverse global brands with outstanding creativity and content quality, self-developed AI application Meta Media AI, iWeekly, a pioneer Chinese mobile digital media with over 15 million accumulated users, high-end female lifestyle platform InStyle iLady, as well as iBloomberg, a high-end business information platform jointly launched by the Group and Bloomberg L. P..

Revenue of digital platforms has maintained steady growth since establishment. "NOWNESS", the Group's core youth cultural and creative platform, has demonstrated strong financial resilience and development potential. With distinctive programme planning, the "NOWNESS" application has become a hub of inspiration and influence, covering art, design, fashion, beauty, music, food and travel. As at the end of the reporting period, its cumulative downloads exceeded 13 million. As a global platform driving short film development and continuously discovering emerging directors, "NOWNESS" has long served as a crucial creative base for young artists.

In the post-pandemic era, amid sustained pressure on the global economy and an increasingly cautious market environment, "NOWNESS" has achieved steady and solid development by virtue of its unique cultural perspective and high-quality content, further consolidating its leading position in the high-end digital media sector. Since its inception, "NOWNESS" has demonstrated strong financial growth momentum. The platform has not only steadily expanded its brand client base across multiple sectors, but has also achieved a double-digit compound annual growth rate in operating revenue over the past five years. This reflects that its business model has entered a mature stage of operation, realising diversified content monetisation (including brand partnerships, customised content and advertising), while maintaining strong cash flow generation capabilities.

CHAIRMAN’S STATEMENT

Chairman' s Statement

The future is here, only those who innovate and transform endure

Shao Zhong

Looking back from the end of 2025, the year was far from calm. We have gone through a pivotal period marked by a challenging external environment and a deepening phase of internal transformation. For a media group with a 32-year history, the pressures of survival coexist with the vitality of its ecosystem. This compels us to adopt a more resolute stance, translating our vision of "Technology, Art, Business and Trends" and our core principles of "No IP, No Business; No AI, No Entrepreneurship" into concrete daily practice. This year marks a critical turning point in Meta Media Group' s transformation from a "media group" into a "digital lifeform". We have not only withstood market challenges, but have also taken solid steps forward in the integration of art and technology.

In 2025, we successfully transformed the concept of "Technology, Art, Business and Trends" from a white paper into tangible business practice. This is not merely a strategic upgrade, but a "dual genetic restructuring of cognition and organisation". Over the past year marked a pivotal moment for the Meta Media Group's transformation - from a "media company" into a "digital organism". Not only did we withstand market challenges, but we also made significant strides in integrating art and technology.

On the strategic front, we established the core engine of our "Technology, Art, Business and Trends" ecosystem. Our AI strategy has fully taken shape, with the official launch of Shao.ai. It serves not only as a digital embodiment of my 32 years of experience and the Group's legacy, but also as a concrete realization of our philosophy of "high-tech, high-touch", becoming an intelligent companion that connects with users. At the same time, we collaborated with ArtReview and NOWNESS to launch the MC2. Art platform. This AI-driven art platform is redefining the future of image creation and establishing our authority in the AIGC art space.

In terms of content formats, we have evolved from "paper media" to "intelligent media", and further into "AI magazines" and "metaverse magazines". The work A Very Straight Neck by the NOWNESS China team won the Golden Leopard Award for Best Short Film at the Locarno Film Festival, demonstrating our ability to tell local stories with global vision.

Our global footprint continues to expand, marking a transition from a "China perspective" to a "global stage". Through the acquisition of ArtReview and NOWNESS, as well as a strategic stake in the Tokyo Gendai, we have built a comprehensive international art ecosystem. This signifies that we are no longer merely a Chinese media company, but a "meta-cultural" platform with global cultural assets and influence. Meanwhile, we are establishing an "Asia-Pacific Art Triangle" across Tokyo, Shanghai, and Seoul, continuously promoting Eastern aesthetics to the world and advancing the global reach of "Eastern techno-aesthetics".

In advancing cross-dimensional innovation, we are actively breaking down the boundaries between media, technology, art, business, and space. Leveraging our "Technology, Art, Business and Trends" integration, we are exploring higher-dimensional business models. For example, by digitally deconstructing artistic IP, we are developing cultural products that combine aesthetic value with commercial value, enabling art to reach broader audiences in new forms.

The business model of Meta Media Group is to create IP, build circles, connect the ecosystem, innovate experiences, and generate value.

1. Create IP (Fusion Core of Content): This is the starting point of all value. IP is not merely content; it is a cultural symbol infused with the DNA of "Technology, Art, Business and Trends". It serves as both a vehicle for technology and an expression of art, while also acting as a barometer of the zeitgeist.

2. Build Circles (Gravitational Field of Community): The value of IP lies in its ability to connect. IP allows us to filter and bring together people who share the same values and aesthetic inclinations, forming highly cohesive circles. This serves as the "moat" that anchors commercial value.

3. Connect the Ecosystem (Amplifier of Value): Once circles are formed, they possess a powerful power of attraction. They can connect brands, capital, technology, and channels, amplifying the value of a single IP into a multi-dimensional, multi-touchpoint ecosystem.

4. Innovate Experiences (Recreation of Value): Within the ecosystem, technology and art are constantly harnessed to create new consumption experiences for users. This is not only a means of monetisation, but also an extension of the IP's vitality.

5. Generate Value (Completion of the Virtuous Cycle): Ultimately, all the above steps converge on the creation of value – user value, commercial value, and cultural value. This is a virtuous cycle, where the creation of value feeds back into the IP, making it even stronger.

This is a classic exponential growth model of "from 0 to 1, and then from 1 to N". Within this model, IP represents the "Tao" (core), Circles represent the "Dharma" (organisation), Ecosystem represents the "Methodology" (means), Experience represents the "Instrument" (product), and Value represents the "Fruit" (goal).

In the year ahead, the dialectic between risk and opportunity will become even more pronounced. Our core task is to fully activate the operating system we have built and translate strategic momentum into tangible ecosystem value and commercial outcomes. Our objectives will be advanced in a structured manner across multiple dimensions. We will comprehensively deepen the closed-loop operation of the "CPUIPAI" system. This includes strengthening the decision-making and curatorial capabilities of the CPU ("cultural brain"), continuously feeding market insights and technological practices back into the Group's strategic core, and forming a virtuous cycle of "data, information, knowledge, and wisdom," ensuring that every step we take is grounded in attitude, belief, ideas and vision. At the same time, we will accelerate the AI-enablement and assetization of IP, transforming all content assets and user data across our brands into AI-driven, value-extractable data assets. This will enable us to build a proprietary "data flywheel," where every interaction enhances our services and sharpens our ability to anticipate future trends. In addition, we will scale the release of AI value, positioning intelligent agents such as "Meta Media AI" as everyday tools that serve users and empower creativity. Across art, fashion, and commercial space, we aim to develop a series of flagship "AI + IP" products, making "technology as aesthetics" a tangible and immersive experience.

In 2025, we completed a critical restructuring at ideological and strategic levels, equipping ourselves with a new compass and engine to navigate through cycles. 2026 will mark the inaugural year for testing the vitality of this operational system. The path ahead will not be smooth. Yet, as we have learned over the past 32 years, true value is always forged in overcoming challenges and persisting with innovation. Let us maintain steady resolve, stay focused on breakthrough execution, and through systematic practices, propel Meta Media Holdings Group toward the new future we collectively curate – one that integrates technology, art, business and trends.

In 2025, we proved that the integration of "Technology, Art, Business and Trends" is no utopia. In 2026, we will demonstrate that the "Meta Wave" can sweep across the globe. In 2026, let us continue to find joy in pursuing our "Aspiration Expression" amidst the "hardest of endeavors", and keep creating a digital oasis where "whimsy, taste, and meaning" coexist for the "Citizens of the New World". In 2026, let us move from "believing" to "seeing," and onward to "defining."

COMPANY NEWS

Opening of the V&A Photography Center donated by Meta Media Group and the Shao Foundation

The new photography centre of the Victoria and Albert Museum (V&A) was officially opened to the public, and the existing exhibition space was doubled. The Modern Media Gallery will be included in the new collection of galleries, which will become a “window” of “cultural studies” around the development of media. Martin Barnes, a senior curator of the museum’s photography department, said, “this is why we call it a photography center”. In October 2018, the photography center was unveiled by Kate Middleton, the Duchess of Cambridge and also the patron of the museum. This opening marks the completion of the first phase of the ￡3 million project, which was jointly supported by Meta Media Group, the Shao Foundation and the Bern Schwartz Family Foundation.

SOCIAL RESPONSIBILITY AND COMMON GOOD OF THE ENTERPRISE

Sixteen Years of Public Welfare Warm the Hearts of Special Education School

Internationalisation, refined taste, style and social responsibility are the corporate genes that Meta Media Group has adhered to for many years. While achieving successful commercial and creative development, the Group has always been committed to social public welfare and contributed to the common good of society. 16 years ago, the Group was already involved in special education, and was the first to assist in the construction of “Modern Media Special Education School” in Songzi County, Hubei Province, which won numerous government awards and honors in China. Moreover, the Group established the “Modern Media Special Education Foundation” as a charity organization to expand the support and development for special education. The social responsibility has always been the corporate genes of Meta Media Group, in which, the Group hopes to make more efforts and contributions in the future.

For the past sixteen years, we have acted with unwavering resolve to consistently care for and support the growth of this school. From campus construction and improvements to the teaching environment, to backing teaching staff and enhancing the children’s learning and living conditions, we have always chosen a long-term, steady and responsible approach, directing our goodwill to where it matters most and is most in need of attention.

Regarding the original intention of establishing the Shao Zhong Special Education Fund Award, Mr. Shao Zhong stated that, “through many years of public welfare activities, I have felt the hardship and greatness of special education. In order to draw more attention to special education, enhance the attraction of special education and strengthen the sense of success of special educators, I set up the "Zhong Special Education Fund Award." With love and spreading true feelings, the Group let the light of hope to shine on special groups that are often overlooked, and using the best care to awaken special children’s longing for the future.

In light of this background, in addition to being awarded the "Golden Pine Education Award" by the Songzi Municipal Committee and the municipal government of Hubei Province in September 2020 to recognise his contributions in the field of education, Mr. Shao was also appointed as the honorary principal of the Modern Media Special Education School in Songzi County in 2021.

He remarked out of personal feeling, "as an entrepreneur, I always believe that the goal of a company is not just to make money, but to contribute to society in a corporate way. The essence of business is to express goodwill to society in a market-oriented way, in order to continuously improve the well-being of the people and promote the comprehensive development of humanity."

For sixteen years, Meta Media Group has provided funding support to this school, embarking on a long journey measured by compassion. Sixteen years is far more than a simple accumulation of numbers. It represents the Group's translation of corporate social responsibility into concrete actions, and humanistic care into lasting positive change. Every donation helps bridge the gap in educational resources, and every act of kindness conveys the educational philosophy that no child should be left behind. Through sixteen years of unwavering commitment, Meta Media Group has proven that true charity is not a momentary impulse, but a long-term pledge; not one-sided giving, but mutual growth. Over these sixteen years, the Group has granted tangible futures to children with special needs, empowered special education teachers to persevere in their mission, and enabled the enterprise itself to achieve a profound sublimation of social value.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Mr. Shao Zhong *(Chairman of the Board and Chief Executive Officer)*
Ms. Yang Ying
Mr. Li Jian

Independent Non-executive Directors

Ms. Wei Wei
Mr. Wan Jie
Mr. Yick Wing Fat Simon

AUDIT COMMITTEE

Mr. Yick Wing Fat Simon *(Chairman)*
Ms. Wei Wei
Mr. Wan Jie

REMUNERATION COMMITTEE

Mr. Yick Wing Fat Simon *(Chairman)*
Ms. Wei Wei
Mr. Wan Jie

NOMINATION COMMITTEE

Ms. Wei Wei *(Chairman)*
Mr. Wan Jie
Mr. Yick Wing Fat Simon

ENVIRONMENTAL, SOCIAL AND GOVERNANCE COMMITTEE

Mr. Shao Zhong *(Chairman)*
Mr. Wan Jie
Ms. Yeh Shaway

COMPANY SECRETARY

Ms. Chan Sze Ting *(FCG, HKFCG)*

AUTHORISED REPRESENTATIVES

Mr. Shao Zhong
Ms. Chan Sze Ting

AUDITORS

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Certified Public Accountants
23/F, Tower 2, Enterprise Square Five
38 Wang Chiu Road
Kowloon Bay
Kowloon, Hong Kong

LEGAL ADVISER AS TO HONG KONG LAW

Chiu & Partners
40th Floor, Jardine House
1 Connaught Place
Central, Hong Kong

PRINCIPAL PLACE OF BUSINESS IN THE PRC

Units 213
2/F, Block 2, Exhibition Centre
No. 1 Software Park Road, Zhuhai City
Guangdong Province, the PRC

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS IN HONG KONG

7/F, Global Trade Square
No. 21 Wong Chuk Hang Road
Aberdeen, Hong Kong

PRINCIPAL BANKERS IN HONG KONG

Bank of China (HK) Limited
Wing Lung Bank Limited

CORPORATE INFORMATION *(continued)*

PRINCIPAL BANKERS IN THE PRC

China Merchants Bank
(Shanghai Branch, Xujiahui Sub-branch)
Industrial Bank Co., Limited
(Guangzhou Branch, Haizhu Sub-branch)
China MinSheng Banking Corporation
(Beijing Guangan Men Sub-branch)

REGISTERED OFFICE

Vistra (Cayman) Limited
P.O. Box 31119 Grand Pavilion
Hibiscus Way, 802 West Bay Road, Grand Cayman
KY1-1205
Cayman Islands

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Vistra (Cayman) Limited
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Hibiscus Way, 802 West Bay Road, Grand Cayman
KY1-1205
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

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

STOCK CODE

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WEBSITE

www.metamediahldg.com

MANAGEMENT DISCUSSION AND ANALYSIS

RESULTS SUMMARY

The Group reported the results of each segment for the year ended 31 December 2025 (the "Year") are as follows:

	Art platform *RMB'000*	Digital platform *RMB'000*	Total *RMB'000*
2025			
Revenue from reportable segment	**184,809**	**178,199**	**363,008**
(Loss)/profit for reportable segment	**(37,869)**	**14,157**	**(23,712)**
Segment EBITDA	**(25,489)**	**26,052**	**563**
2024			
Revenue from reportable segment	187,727	175,056	362,783
(Loss)/profit for reportable segment	(29,105)	20,637	(8,468)
Segment EBITDA	(12,149)	36,611	24,462

Amidst persistent global economic pressures arising from multiple challenges including geopolitical conflicts and monetary policy tightening during the Year, the Group maintained a positive overall EBITDA and sustained stable operations, driven by the dual engines of business model innovation and cost control.

Despite external pressures faced during the period, the Group continued to increase its strategic investments in the field of artificial intelligence (AI), concentrating high-quality human, material, and research and development resources. These forward-looking deployments and resulting leading advantages have gradually been transformed into a solid foundation for development, laying a robust groundwork for optimizing the business structure and enhancing profitability. Bolstered by ample momentum for future performance growth, the Group's results are expected to improve steadily.

MANAGEMENT DISCUSSION AND ANALYSIS *(continued)*

(A) BUSINESS REVIEW

The Group is always at the forefront of the times. Capitalising on the stable operation of print publication, digital platform, and art marketing, the Group formally changed its name from "Modern Media" to "Meta Media" in 2022, which marked the beginning of a new era of development.

2025 marked a pivotal period for the Group, characterized by a challenging external environment and the progression of its internal transformation into uncharted, critical territory. For a media group with a 32-year history, the pressure to survive coexists with the vitality of its ecosystem. This compelling reality has mandated a more resolute approach, translating the vision of "Technology, Art, Business, and Trends" and the core principle of "no IP (Intellectual Property), no business, and no AI, no entrepreneurship" into tangible daily practices. The Year represents a crucial phase in the Group's metamorphosis from a "media group" into a "digital lifeform". We have not only weathered market tests but have also taken solid strides in the integration of art and technology.

For its domestic operation, the Group has embarked on more commercial activities and launched multi-dimensional cooperation with its brand clients, deeply integrating art, fashion and business. In line with the Group's business philosophy of "no IP, no business", the Group has leveraged on its strengths in creative thinking and capabilities to strengthen its existing IPs, while endeavouring to develop more sustainable and commercially viable IPs.

On the international front, the Group is no longer satisfied with focusing only on Chinese contemporary and fashion in the Chinese-speaking world, but has expanded its vision to include international contemporary society, culture and arts. In order to enhance its influence in the international art market and to meet the art needs of high-consumption groups globally, the Group has re-examined its development strategy for "Art Review" in Europe and Asia. The platform planned to invest more resources to strengthen the brand's presence, such as establishing an English website called "The Art Journal" and further leverage its strong customer base to achieve steady and orderly growth.

Reshaping the future of business with art and technology serves as the strategic direction of the Group. In 2025, we collaborated with world-leading resources in both art and technology to comprehensively reinvent the content industry chain, driving the evolution from "print media" to "intelligent media". With the official launch of our Meta Media AI application, the Group has achieved a critical transformation from PGC (Professional Generated Content) to UGC (User Generated Content), and now to AIGC (Artificial Intelligence Generated Content).

From Paper Zine to Mobile Zine, then to Meta Zine, and now to AI Zine, this progression represents not only a shift in medium but a fundamental reimagining of the essence of media. What we are creating is not merely a tool, but a digital entity capable of sustaining value creation, participating in shaping the era, and attaining what we call “the fullness of being” within the future ecosystem.

In the AI wave led by DeepSeek in the PRC at the beginning of 2025, the collision and integration of 32 years of media heritage and cutting-edge technology gave birth to “Meta Media AI” – a crystallisation of wisdom engraved with the glorious history of Modern Media and the Meta Media Group, and a thinking engine refined by 1.5 million words of media experience. When users pose questions, “Meta Media AI” not only swiftly retrieves facts but also excels at simulating cross-disciplinary associative thinking: discerning business trends through artistic aesthetics, interpreting social psychology through cultural phenomena, and explaining news events with literary flair. “Meta Media AI” is not merely a tool; it is the AI-era continuation of the Group’s mission to “connect Eastern and Western wisdom”. Through the deep integration of technological innovation and humanistic spirit, it is reshaping the ways knowledge is acquired, content is created, and value is transmitted – transforming 32 years of media expertise into the guiding light illuminating each user’s path forward. In the future, the Group looks forward to collaborating with more explorers to co-create the new chapter of media in the intelligent era.

In July 2025, MC2’s global website MC2 • Art and social media platform officially launched, and MC2 is an AI art platform jointly launched by the Group’s “Art Review” and “NOWNESS” platforms at the end of 2024. Its launch marks the Group’s full-scale entry into the intelligent AI era. Through MC2, “Art Review” and “NOWNESS” will jointly initiate an ongoing dialogue between artists, audiences, and machines. The launch of this platform marks the beginning of a new content practice: using digital media as a canvas and catalyst for the forefront of contemporary culture, driving the continuous expansion and reshaping of cultural expression and cognitive boundaries.

Additionally, in 2025, the Group officially launched “weart”, a global professional art trading platform (www.weart.com.cn), dedicated to connecting art enthusiasts, collectors, galleries, museums, and artists. The platform aims to drive the digitalisation of the art market through technology and data, enabling more people to discover and collect art. This platform will serve not only as an art trading hub, but also as a bridge connecting the global art community, offering more digital and open possibilities for the art industry. This initiative represents a breakthrough for the Group in the convergence of culture and technology. The platform transcends temporal and spatial limitations, aggregating global artistic resources and committing to granting every art enthusiast the right to discovery and collection. By empowering the art market through technology, the Group has not only established a robustly operated new art commerce ecosystem but has also fulfilled its social mission of bringing art into everyday life.

Digital platform

The Group's digital platform encompasses a diversified, mature, and stable digital media matrix. This portfolio includes: "NOWNESS", a short-form video production platform that has won the favor of a wide array of global brands through its creativity and quality; the proprietary AI application, "Meta Media AI"; "iWeekly", a pioneering Chinese-language mobile digital media outlet with an accumulated user base exceeding 15 million; "InStyle iLady", a premium lifestyle platform for women; and "iBloomberg", a high-end business information platform co-created by the Group and Bloomberg L. P..

The digital platform has recorded a steady increase in revenue since its inception. "NOWNESS", its core youth culture and creativity platform, has demonstrated considerable financial resilience and development potential. "NOWNESS" has become a place for inspiration and influence with its unique programme planning. Its contents cover art, design, fashion, beauty, music, food and travel. As at the end of the Year, the cumulative number of downloads was over 13 million. As a platform for the development of short films in the global arena and the ongoing discovery of new directors, "NOWNESS" has long been an important innovation base for young artists.

In the post-pandemic era, amidst continued global economic pressure and a cautious market environment, "NOWNESS" has achieved steady and solid development which capitalises on its unique cultural perspective and high-quality content, further solidifying its leading position in the high-end digital media sector. "NOWNESS" exhibits impressive financial growth from its inception. The platform has not only steadily expanded its brand client base across multiple sectors but also achieved a double-digit compound annual growth rate in revenue over the past five years. This reflects the maturity of its business model, demonstrating diversified content monetisation (including brand collaborations, customised content, and advertising) and strong cash flow generation capabilities. Revenue contributed by "NOWNESS" for the year 2025 recorded a year-on-year increase of 21%.

In August 2025, a short film "A Very Straight Neck" produced by the NOWNESS China team won the Golden Leopard Award for Best Short Film at the Locarno Film Festival. As one of Europe's longest-running film festivals, Locarno's prestige speaks for itself. This achievement reaffirms our positioning of "Global Vision, Local Culture". Through the participation of international talents such as Sakura Andō (安藤櫻) and the creative leadership of a China-based team, we have successfully elevated local narratives to a global context, achieving cross-cultural resonance.

In February 2026, "The Apple Doesn't Fall...", another short film produced by "NOWNESS" won the Tiger Short Award in the Tiger Short Competition at the 55th Rotterdam International Film Festival. Such high-level international recognition not only enhances NOWNESS's brand value but also strengthens the platform's bargaining power in the market, attracting more high-end brand clients and cross-industry collaboration opportunities.

The above award signified that the Group has expanded beyond traditional media boundaries. By acquiring international platforms like NOWNESS, the Group has built an integrated media matrix spanning print, digital, spatial, video, and metaverse domains. As we state, "Meta Media is media that constantly transcends its own boundaries".

Furthermore, since 2019, seven sessions of NOWNESS China New Talent Awards have been successfully held. This programme aims to discover outstanding Chinese new-generation filmmakers, stimulate their creativity, and display their video works with international platform resources. The Group has discovered a group of creative and talented young film creators and created a series of short videos with the characteristics of the times. Similar to blaze, they were expressing different ideas of this era, and redefining the perception of this era.

Art platform

With the continuous development and upgrade of modern consumption, the spiritual and material pursuits of consumer groups have continuously diversified. While traditional media focuses on the digital channels, the Group has walked out of the traditional paper and digital media framework to focus on the development of the art platform. Through the use of art marketing, along with the combination of brand and art, the Group locates the contact points between brands and high-end consumers, and at the same time enhances the brand's taste and spiritual values, cultivates potential consumers and improves the competitiveness of enterprises. Looking back at the development trajectory of the Group's art platform, it has never ceased its forward momentum, consistently advancing steadily and pursuing continuous innovation.

At the beginning of 2025, Art Basel Hong Kong officially announced a media partnership with our Group. Two parties joined together, to present an unparalleled art extravaganza for global art enthusiasts. Leveraging our toptier art and cultural media platforms spanning Beijing, Shanghai, Hong Kong, and London, the Group provided comprehensive communication support for the event, delivering a series of special publications and offline activities. This collaboration offered our partners unique opportunities to engage with the world's premier art fair and its global audience.

China is the second largest art market in terms of modern image art, which is attracting increasing attention from international artists, curators, and collectors. At the same time, emerging domestic artistic forces are thriving here, creating a unique ecosystem where tradition and avant-garde converge.

In May 2025, the first Shanghai International Contemporary Photo Festival (SICPF), hosted by the Group, took place with the theme of "The Age of Visual Voices" and the positioning of "Hyper-Visual City". In collaboration with PHOTOFAIRS Shanghai, the festival gathered high-quality art resources from both domestic and international sources, connecting with nearly 20 art institutions and cultural spaces. Through the universal language of visual art, the festival reflected the vibrant cultural landscape of Shanghai, launching an international visual extravaganza that spans the entire city, bridging art, culture, and urban life. The SICPF unfolded through a dual-track structure of "art fair + exhibition", breaking down artistic boundaries with a "one city, multiple domains" exhibition model. It outlined a visual map through "1 art fair + 12 themed exhibitions + 15 parallel exhibitions", from exhibition centers to urban corners, integrating visual art into every urban heart in Shanghai.

In May 2025, the "Horst: Photographer of Style", which had previously been held at Shanghai Taikoo Li Qiantan and Beijing Taikoo Li Sanlitun, made its debut in South China and made a stunning appearance in Macau in July 2025. This exhibition being a collaborative effort between the Group and London's Victoria and Albert Museum (V&A Museum), garnered widespread acclaim, successfully bringing photographic art to a broader audience. It showcased meticulously reproduced versions of treasured photographs from the V&A Museum and the Horst Estate, offering a deep dive into the creative process behind these iconic images. Among the highlights were some of the most celebrated masterpieces in the history of fashion photography.

To enhance the Group's international visibility and influence, expand its global high-net-worth clientele, and promote its brand value, the Group joined forces with Standard Chartered Bank in 2025 to launch the landmark "Art RESONATE Global Chinese Art Project". This initiative successfully rolled out across Shanghai, Hong Kong, London, and Dubai, where multiple art events were held. Using art as a bridge, we created a premium platform for Standard Chartered Bank to connect with high-net-worth individuals globally. This endeavor represents a significant practice for the Group within the cultural finance sector and serves as a key strategic link to engage a global high-end clientele and build brand trust. It has effectively enhanced the Group's international brand influence and successfully translated cultural value into commercial value.

Amid the ever-changing tides of commerce, the Group actively explores new opportunities, launches innovative ventures, and dedicates itself to creating groundbreaking business models that deeply integrate with commercial spaces. Since the end of 2024, the Group has partnered with Zhangyuan in Shanghai to further explore the fusion of commerce and art, opening new possibilities for business operations. Shanghai Zhangyuan, once Shanghai's most renowned entertainment and leisure venue, was known as the "Best Garden in Shanghai". By revitalizing Zhangyuan's role as a public space, the Group breathed new life into these century-old buildings, reconnecting the public with their rich history, the memories they hold, and the philosophical reflections they inspire. As a cutting-edge intellectual and artistic space, guided by the concept of "Chinese Modern" and inspired by the spirit of "Challenging Oneself, Defining New Norms", the project introduces a fresh cultural lifestyle through the innovative Space Zine concept. Visitors are invited to navigate a dynamic interplay between reality and virtuality, tradition and modernity, East and West, immersing themselves in a multi-dimensional exploration of culture, aesthetics, and the meaning of life. This experience fosters the creation of new scenarios that reflect the future of living. The collaboration between the Group and Shanghai Zhangyuan represents a groundbreaking model of synergy between cultural enterprises and commercial spaces. By integrating diverse resources and leveraging its robust editorial and creative capabilities, the Group empowers commercial spaces with cultural vitality, injecting new energy into their operations. This project is poised to rapidly evolve into a flagship IP, driving significant revenue growth for the Group, and has the potential to become a significant contributor to the Group's revenue.

In addition, the Group has continuously released POWER 100 at the end of each year, which is an authoritative ranking of the most influential people in the international contemporary art world published by the magazine, Art Review. The review committee comprises writers, artists, curators and critics. They select information from global media, including the BBC, Figaro, Die Welt, Guardian, The Times, Financial Times, Wall Street Journal, Los Angeles Times, Moscow Times and Art News, as well as art and cultural blogs around the world, in order to determine the list of ranking.

(B) BUSINESS OUTLOOK

Reshaping the future of business with art and technology and reconstructing value with IP and ecology is our vision. We aim to construct a new framework with innovative concepts, leverage cutting-edge technology and take proactive steps to stride into a new era. There are four meanings of Meta Media. The first is hyperadvanced media, the second is hyper media, the third is hyper-boundary media, and the fourth is hyper-experience media, which is a composite media of PGC, UGC and AIGC.

Looking ahead, the Group will focus on cultivating a converged ecosystem of "Technology, Art, Business, and Trends". With AI as its core driving force, it aims to build a digital culture platform where the virtual and physical realms coexist. Through initiatives including AIGC content production, the Metaverse Ideal City project, the commercialization of art IP, and the strategic deployment of a global cultural network, the Group will promote the intelligentization of creativity, the digitalization of assets, and the immersiveness of experiences. The ultimate goal is to construct a global cultural technology ecosystem characterized by universal participation and shared value.

The Group has entered into a comprehensive collaboration with Dazed Media, which will culminate in the official launch of "Dazed China" in 2026. This publication will focus on fashion, art, music, and digital culture pertinent to Generation Z, adopting a perspective that combines a global outlook with local narratives to establish a platform for the creative expression of China's new generation. This collaboration marks an upgrade of the strategic partnership between the two parties following the "NOWNESS" series over nearly a decade. It will further enrich the Group's portfolio of high-end cultural media, reinforce its three-dimensional ecosystem strategy of "from print to screen to venue", and significantly enhance the Group's influence and brand power within the global youth culture domain, thereby injecting strong momentum into its long-term development.

On the international front, the Group will strengthen its co-operation with the Montgomery Group and plans to organize Tokyo Gendai in September 2026. Tokyo has one of Asia's leading art institutions and a tradition of collecting contemporary art, and it was the first art market launched in Asia. Participation in world-class international contemporary art exhibitions will effectively expand the Group's international brand recognition and influence.

Meanwhile, the Group is no longer content with merely covering contemporary China in the Chinese-speaking world. Rather, it is widening its horizons to cover the international contemporary community. In the aftermath of the COVID-19 pandemic, the Asia-Pacific art circle has been revitalised by means of various art events and exhibitions. Taking this opportunity, the Group plans to actively explore the Japanese market and further enhance its presence in Japan through the platforms "Art Review" and "NOWNESS".

Looking ahead, the management of the Group believes that further implementing the strategy of expanding the new media platform and innovating business models and transitioning to a new digital life platform will bring new opportunities and growth momentum to the Group. Aiming to become a world's leading content empowerment company, the Group will reshape the future of business with art and technology. We believe that as a high-profile media group with a history of 30 years in China and one of the most influential, well-known and high-end media groups with a leading position in areas such as fashion, culture, art, commerce and metaverse in the Chinese market, which is the world's second largest economy, we will always take the Company's core values of attitude, belief, ideas and vision as the driving force, always aim at high standards, quality and efficiency, and create more outstanding achievements with passion.

Today, we find ourselves in an era of tremendous transformation, where the understanding of every industry is rapidly evolving, and cross-disciplinary approaches are becoming increasingly common. Meta Media represents a constant pursuit of surpassing oneself as a medium. We never perceive ourselves as a traditional media brand, instead, and we believe that we are currently in an iterative process at the intersection of art, fashion, media and technology. Whether we refer to it as a new media brand or a cultural brand, it is a hypercultural hybrid – known as Meta Media.

(C) FINAL DIVIDEND

To preserve more financial resources in response to the market stagnancy, the directors of the Company (the "Directors") do not recommend the payment of any final dividend for the Year (2024: Nil).

(D) EVENTS SINCE 31 DECEMBER 2025 AND UP TO THE DATE OF THIS REPORT

Save as disclosed in this report, there have been no other important events affecting the Group since 31 December 2025 and up to the date of this report.

LIQUIDITY AND FINANCIAL RESOURCES

Net cash flows

During the Year, the Group recorded a net cash outflow in operating activities of approximately RMB8,449,000 (2024: net cash inflow of RMB28,716,000). The Group recorded a net cash outflow in investing activities of approximately RMB7,652,000 (2024: net cash inflow of RMB25,587,000). The net cash inflow of the Group from financing activities amounted to approximately RMB16,243,000 (2024: net cash outflow of RMB51,455,000).

MANAGEMENT DISCUSSION AND ANALYSIS *(continued)*

Borrowings and gearing ratio

As at 31 December 2025, the Group's outstanding borrowings was approximately RMB175,717,000 (2024: RMB161,997,000). The total borrowings comprised secured bank borrowings of approximately RMB158,524,000 (2024: RMB135,334,000), unsecured bank borrowings of approximately RMB7,900,000 (2024: RMB13,541,000), secured other borrowings of approximately RMB1,752,000 (2024: RMB2,137,000), and lease liabilities of approximately RMB7,541,000 (2024: RMB10,985,000). The gearing ratio as at 31 December 2025 was 38% (2024: 31.7%), which was calculated based on the net debt divided by total capital at the end of the year and multiplied by 100%. Net debt is calculated as total borrowings less cash and cash equivalents and pledged bank deposits. Total borrowings include borrowings and lease liabilities. Total capital is calculated as "equity" as shown in the consolidated financial statements plus net debt.

CAPITAL EXPENDITURE AND COMMITMENT

Capital expenditure of the Group for the Year included expenditure on maintenance of leased properties, and prepayments for property, plant, equipment and intangible assets of approximately RMB2,781,000 (2024: RMB2,528,000).

The Group do not have a capital commitment of purchasing of property, plant and equipment as at 31 December 2025 (2024: Nil).

SIGNIFICANT INVESTMENTS HELD, MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES, AND FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

On 23 December 2025, e-Starship Limited ("e-Starship") (a direct wholly-owned subsidiary of the Company) as the purchaser, Hong Kong Septwolves Invest-Holding Limited (香港七匹狼投資控股有限公司) ("Septwolves Invest") as the vendor and the Company entered in a conditional sale and purchase agreement, pursuant to which e-Starship has conditionally agreed to acquire 42,857 shares in Modern Digital Holdings Limited ("MDHL") at the consideration of initially RMB11.6 million to be paid in cash. Upon completion of the acquisition on 23 January 2026, the Company's interest in MDHL's issued share capital increased from approximately 77% to 80%, and MDHL becomes an approximately 80% owned subsidiary of the Company. The financial results of MDHL continue to be consolidated in the financial statements of the Group.

For more details, please refer to the announcements of the Company dated 23 December 2025, 15 January 2026, 16 January 2026 and 23 January 2026.

Save as disclosed, there were no significant investments held, no material acquisitions or disposals of subsidiaries, associates and joint ventures, nor was there any plan authorized by the board of Directors (the "Board") for other material investments or additions of capital assets during the Year.

CAPITAL STRUCTURE

During the Year, there has been no change in capital structure of the Company. The capital of the Company comprises ordinary shares and capital reserves. The Group finances its working capital requirements through a combination of funds generated from operations and bank borrowings.

MANAGEMENT DISCUSSION AND ANALYSIS *(continued)*

CONTINGENT LIABILITIES AND PLEDGE OF ASSETS

Save for the corporate guarantee given to banks and the Group's major printing supplier to secure the banking facilities and printing credit line respectively, as at 31 December 2025 and 2024, the Group did not have any material contingent liabilities or guarantees other than those disclosed below.

As at 31 December 2025, borrowings were secured by certain properties of the Group with aggregate carrying amount of approximately RMB172,138,000 (including in investment properties of approximately RMB75,940,000 and property, plant and equipment of approximately RMB96,198,000) (2024: approximately RMB157,305,000 (including in investment properties of approximately RMB77,960,000 and property, plant and equipment of approximately RMB79,345,000)), and by certain properties provided by Mr. Shao and his close family members, and/or are guaranteed by Mr. Shao/Mr. Shao's spouse/Mr. Shao's son/the Company/the subsidiaries of the Company.

FOREIGN CURRENCY RISK

The Group mainly operates in the PRC, Hong Kong and the UK and majority of the transactions are denominated and settled in Renminbi, Hong Kong dollars or Great British Pounds, being the functional currency of the entities of the Group to which the transactions relate. Currency risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the functional currency of the relevant group entity. As at 31 December 2025 and 2024, the Group did not have significant foreign currency risk from its operations.

EMPLOYEES

As at 31 December 2025, the Group had a total of 373 staff (2024: 379 staff), total staff costs (including Directors' remuneration) for the Year recognised in profit or loss were approximately RMB115,301,000 (2024: RMB113,306,000). The emoluments of the Directors and senior management are reviewed by the remuneration committee of the Company.

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

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares (the "Treasury Shares") within the meaning under the Rules (the "Listing Rules") Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Stock Exchange")) during the Year. As at 31 December 2025, the Company did not hold any Treasury Shares.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's memorandum and articles of association or the laws in Cayman Islands which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders of the Company (the "Shareholders").

CORPORATE GOVERNANCE REPORT

The Company is committed to ensuring high standards of corporate governance in the interests of the Shareholders and devotes considerable efforts to identifying and formalising best practices.

CORPORATE GOVERNANCE REPORT

The Company has adopted the principles and code provisions set out in Part 2 of Corporate Governance Code (the “CG Code”) contained in Appendix C1 to the Listing Rules. This report discloses how the Company has applied the principles of the CG Code for the Year.

Other than disclosed below in the paragraphs headed “Chairman and Chief Executive”, the Directors are of the opinion that the Company has compiled with the code provisions set out in the CG Code throughout the Year. The Group also adheres to the recommended best practices of the CG Code insofar as they are relevant and practicable.

DIRECTORS’ SECURITIES TRANSACTIONS

The Company has adopted the code of conduct regarding Directors’ securities transactions on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Companies set out in Appendix C3 to the Listing Rules (the “Model Code”). The Company has made specific enquiries of all Directors and all Directors have confirmed with the Company that they have complied with the required standard set out in the Model Code and the Company’s code of conduct regarding Directors’ securities transactions during the Year and up to the date of the report.

THE BOARD OF DIRECTORS

The Board recognises its responsibility to act in the interests of the Company and its Shareholders as a whole. As at 31 December 2025, the Board has six Directors: three executive Directors and three independent non-executive Directors. Independent non-executive Directors represent more than one-third of the Board.

During the year ended 31 December 2025 and up to the date of this report, the Directors are:

Executive Directors:
Mr. Shao Zhong *(Chairman of the Board, Chief Executive Officer and chairman of the Environmental, Social and Governance (ESG) Committee)*
Ms. Yang Ying
Mr. Li Jian

Independent non-executive Directors:
Mr. Yick Wing Fat Simon *(chairman of the Audit Committee and Remuneration Committee and member of the Nomination Committee)*
Ms. Wei Wei *(chairman of the Nomination Committee and member of the Audit Committee and Remuneration Committee)*
Mr. Wan Jie *(member of the Audit Committee, Remuneration Committee, Nomination Committee and ESG Committee)*

The biographies of all the Directors, including their relationships (if any), are set out on pages 70 to 72 of this annual report. Mr. Shao is the Chairman of the Board and the Chief Executive Officer of the Group, who oversees the daily operation and management and has also actively involved in the Group's restructuring, business transformation, development of art business and other development of the Group's business. He provides leadership to and oversee the management of the Board, and focuses on overall corporate strategies, policy-formulating, instilling corporate philosophy as well as strategic planning, development and expansion of the Group's new media businesses. Each Director brings a wide range and years of business experience to the Board. The Directors' combined knowledge, expertise and experience are extremely valuable in overseeing the Group's business. The Board sets the strategic direction and oversees the performance of the Group's business and management. The following key matters must be approved by the Board before decisions are made on behalf of the Company:

- Strategic direction
- Budgets
- Interim and annual financial results
- Interim and annual financial reports
- Significant investments
- Major acquisitions and disposals
- Major financings, borrowings and guarantees
- Material contracts
- Risk management

In addition, the Board discusses major operating issues, evaluates opportunities and business risks, and considers corporate communications and human resources issues. Decisions and conduct of matters other than those specifically reserved to the Board are delegated to management.

The Board will review the arrangements between the responsibilities of the Board and the matters delegated to management from time to time to ensure that they remain appropriate to the needs of the Group and its business.

Board Proceedings

The Board holds regular meetings quarterly, and also meets at such other times as are necessary. Agenda of Board meetings are presented to the Directors for comments and approval and notices of regular Board meetings are sent at least 14 days before the meetings. The Board is provided with adequate, timely and reliable information about the Group's business and developments before each Board meeting at which the Directors actively participate and hold informed discussions. All Directors are asked to review and comment on the Board minutes within a reasonable time after the meetings to maintain accurate records of Board discussions and decisions. The number of Board meetings held and meetings attended by each of the Directors during the Year were as follows:

Name of Director	Meetings attended	Meetings held during the term of office during 2025
Executive Directors:		
Mr. Shao Zhong	4	4
Ms. Yang Ying	4	4
Mr. Li Jian	4	4
Independent non-executive Directors:		
Mr. Yick Wing Fat Simon	4	4
Ms. Wei Wei	4	4
Mr. Wan Jie	4	4

Apart from the abovementioned Board meetings, the Chairman also held a meeting with the independent non-executive Directors without presence of other Directors during the Year.

Notes:

1. On 3 December 2009, the Board resolved that, for transactions falling under Chapter 14 of the Listing Rules but with the amount involved less than HK$20 million and that all relevant percentage ratios not exceeding 5%, the same may be approved by any two executive Directors, provided that within 5 working days from the date of signing of the agreement(s) for the transaction, a copy of such agreement(s) must be circulated to all Directors (including independent non-executive Directors). Out of the above Board meetings held, none falls within such category of meeting.

2. During the Year, the Company convened one general meeting. The annual general meeting of the Company for the year ended 31 December 2024 was held on 27 June 2025. Ms. Wei Wei, an independent non-executive Director, was unable to attend the annual general meeting due to other business arrangements. Save as disclosed above, all the other Directors attended the said annual general meeting.

All the Directors have access to the advice and services of the company secretary of the Company ("Company Secretary") to ensure all board procedures are followed. There are also written procedures for the Directors to obtain independent professional advice at the Company's expense.

Appointment, Re-election and Removal of Directors

Each of the executive Directors has entered into a service contract with the Company for a term of three years. Furthermore, the Board confirms the term of appointment and functions of all independent non-executive Directors and Board committee members with formal letters of appointment. Each of the independent non-executive Directors is appointed for an initial term of two years.

Directors who are appointed to fill vacancies are subject to re-election at the first annual general meeting of the Company after his or her appointment. In addition, every Director, including every independent non-executive Director, shall retire from office by rotation at least once every three years. One-third of the Directors are required to retire by rotation from office at every annual general meeting under the Company's articles of association (the "Articles"). A retiring Director is eligible for re-election.

Induction and Continuing Development of Directors

The Directors keep abreast of responsibilities as a director of the Company and of the conduct, business activities and development of the Company. The training records of each Director for the Year were as follows:

Name of Director	Perusing materials relevant to the Company's business or to their duties and responsibilities	Attending training courses on the topics related to corporate governance or regulations
Executive Directors:		
Mr. Shao Zhong	✓	✓
Ms. Yang Ying	✓	✓
Mr. Li Jian	✓	✓
Independent non-executive Directors:		
Mr. Yick Wing Fat Simon	✓	✓
Ms. Wei Wei	✓	✓
Mr. Wan Jie	✓	✓

During the Year, all Directors received regular updates on the Group's business, operations, risk management and corporate governance matters. Materials on new or changes to salient laws and regulations applicable to the Group were provided to the Directors. They also attended regulatory update sessions and seminars on relevant topics. All Directors were requested to provide the Company with their respective training record pursuant to the CG Code.

Remuneration of Directors and Senior Management

The Directors' fees and all other reimbursements and emoluments paid or payable to the Directors during the Year are set out, on an individual and named basis, in note 13 to the consolidated financial statements of this annual report on page 158. The remuneration policy of the Group is set out on page 67 of this annual report.

Pursuant to code provision E.1.5 of the CG Code, the annual remuneration of the members of the senior management (other than the Directors whose particulars are contained in the section headed "Biographical Details of Directors & Senior Management" in this annual report) by band is set out below:

	Number of individuals	
	2025	**2024**
Less than HK$1,000,000	2	3
HK$1,000,001 – HK$1,500,000	1	1
HK$1,500,001 – HK$2,000,000	0	0
HK$2,000,001 – HK$2,500,000	1	1

Independence of Independent non-executive Directors

The Company recognizes independent non-executive Directors to be independent of the management and free of any relationship that could materially interfere with the exercise of their independent judgments as of the date of this report, and therefore the Company is of the view that the independent non-executive directors comply with the independence requirements set out in Rule 3.13 of the Listing Rules.

The Board is of the view that all independent non-executive Directors are independent and is grateful for the contribution and independent advice and guidance that they have been giving to the Board and the Board committees.

Other matters relating to the Board

In relation to financial reporting, all Directors acknowledge their responsibilities for preparing the accounts of the Group. The Group has appropriate insurance in place to cover the liabilities of the Directors and senior executives of the Group.

CORPORATE GOVERNANCE REPORT *(continued)*

CHAIRMAN AND CHIEF EXECUTIVE

Code provision C.2.1 of the CG Code stipulates that the roles of Chairman and Chief Executive Officer should be separate and should not be performed by the same individual.

During the year ended 31 December 2025, Mr. Shao is the Chairman of the Board and the Chief Executive Officer of the Group. The Board believes that with the support of the management, vesting the roles of both the Chairman and Chief Executive Officer in Mr. Shao, the founder of the Group, can facilitate the execution of the Group's business strategies and boost effectiveness of its operation. The Board therefore considers that this structure will not impair the balance of power and authority between the Board and the management of the Company.

The balance of power and authority is also ensured by the operations of the Board, which comprises experienced and high caliber individuals and meets regularly to discuss issues affecting operations of the Company. There is a strong independent element in the composition of the Board. Among the six Board members, three are independent non-executive Directors. The Board believes that the structure was conducive to strong and consistent leadership, enabling the Company to make and implement decisions promptly and efficiently and the interests of the Shareholders will be adequately and fairly represented. The Board believes that the appointment of Mr. Shao as Chairman and the Chief Executive Officer is beneficial to the business prospects and management of the Company.

Board Independence Evaluation

The Company has established a board independence evaluation mechanism (the "Board Independence Evaluation Mechanism") during the Year which sets out the processes and procedures to ensure a strong independent element on the Board, which allows the Board effectively exercises independent judgment to better safeguard Shareholders' interests.

The objectives of the evaluation are to improve Board effectiveness, maximise strengths, and identify the areas that need improvement or further development. The evaluation process also clarifies what actions of the Company need to be taken to maintain and improve the Board performance, for instance, addressing individual training and development needs of each Director.

Pursuant to the Board Independence Evaluation Mechanism, the Board will conduct annual review on its independence. The Board independence evaluation report (the "Independence Evaluation Report") will be presented to the Board which will collectively discuss the results and the action plan for improvement, if appropriate.

During the year ended 31 December 2025, all Directors have completed the independence evaluation in the form of a questionnaire individually. The Board Independence Evaluation Report was presented to the Board and the evaluation results were satisfactory.

During the year ended 31 December 2025, the Board reviewed the implementation and effectiveness of the Board Independence Evaluation Mechanism and the results were satisfactory.

BOARD COMMITTEES

The Board has established the Audit, Remuneration, Nomination and ESG Committees with written terms of reference to deal with certain corporate governance aspects of the Group. The terms of reference of these committees are published on the Company's website (www.metamediahldg.com) and the Stock Exchange's website (www.hkexnews.hk). From time to time, the Board also establishes other board committees to deal with specific aspects of its business. Each committee is appointed with written terms of reference and each member of the committee has a formal letter of appointment setting out key terms and conditions relating to his/her appointment. Each committee meets as frequently as required by business developments and the operation of the Group. Committee members are provided with adequate and timely information before each meeting or discussion. All committee members are asked to review and comment on the minutes of their meetings within a reasonable time after the meetings. The procedures and arrangements relating to the meetings of the Board apply to meetings of the Board committees wherever appropriate.

AUDIT COMMITTEE

The Company has established the Audit Committee in 2009 with written terms of reference. As at 31 December 2025, the Audit Committee comprises three independent non-executive Directors, namely Mr. Yick Wing Fat Simon (Chairman), Ms. Wei Wei and Mr. Wan Jie.

The Audit Committee members have professional qualifications and experience in financial matters that enable the Audit Committee to exercise its powers effectively and provide the Board with independent views and recommendations in relation to financial matters.

The primary duties of the Audit Committee are to review and supervise the financial reporting process, risk management and the internal control procedures of the Group. The terms of reference of the Audit Committee are aligned with the recommendations as set out in "A Guide for Effective Audit Committees" issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"). The main duties of the Audit Committee are as follows:

(a) to consider the appointment of the external auditors and any question of resignation or dismissal;

(b) to discuss with the external auditors before the audit commences, the nature and scope of the audit;

(c) to review the half-yearly and annual financial statements before submission to the Board, focusing particularly on:

  (i) any changes in the accounting policies and practices adopted by the Group;

  (ii) major accounting estimates and judgmental areas;

  (iii) significant adjustments following the audit;

  (iv) the going concern assumption;

  (v) compliance with accounting standards; and

  (vi) compliance with the requirements of the Stock Exchange and related legal requirements;

(d) to discuss problems and reservations arising from the audits, and any matters the external auditors may wish to discuss (in the absence of management where necessary);

(e) to review the audit program of the internal audit function (if applicable); and

(f) to oversee the Company's financial reporting system and internal control system, and in particular the risk management system.

The Audit Committee holds two regular meetings annually and also meets at such other times as are necessary. Any Audit Committee member may convene a meeting of the committee. The external auditors may also request the Chairman of the Audit Committee to convene a meeting of the Audit Committee. The Audit Committee may invite the external auditors and/or members of management to attend any of the meetings. Special meetings may be called at the discretion of the Chairman of the Audit Committee or at the request of management to review significant internal control or financial issues. The Chairman of Audit Committee reports to the Board at least twice a year on the Audit Committee's activities and highlights any significant issues. The number of meetings of the Audit Committee held and attended by each of the Audit Committee members during the Year were as follows:

Name of Director	Meeting(s) attended	Meeting(s) held during the term of office in 2025
Mr. Yick Wing Fat Simon *(Chairman)*	2	2
Ms. Wei Wei	2	2
Mr. Wan Jie	2	2

The following is a summary of the works performed by the Audit Committee during the year ended 31 December 2025:

(a) reviewed the external auditors' independence and objectivity and the effectiveness of the audit process in accordance with applicable standards;

(b) discussed with the external auditors regarding the nature and scope of the 2025 audit;

(c) reviewed the half-yearly and annual financial statements of the Group before the submission to the Board for the approval;

(d) reviewed the Group's financial reporting, internal controls and risk management processes; and

(e) met the external auditors without the presence of the executive Directors.

The Board has not taken any view that is different from that of the Audit Committee nor rejected any recommendation presented by the Audit Committee in 2025.

The external auditors were invited to attend the Audit Committee meetings held during the Year to discuss with the Audit Committee members on issues arising from the audit and financial reporting matters. The Chairman of the Audit Committee provided the Board with a briefing on the significant issues after each Audit Committee meeting. There was no disagreement between the Board and the Audit Committee on the selection and appointment of the external auditors during the year ended 31 December 2025.

REMUNERATION COMMITTEE

The Company has established the Remuneration Committee in 2009 with written terms of reference. As at 31 December 2025, the Remuneration Committee comprises three independent non-executive Directors, namely Mr. Yick Wing Fat Simon (Chairman), Ms. Wei Wei and Mr. Wan Jie. The primary duties of the Remuneration Committee are to make recommendations to the Board on, among other things, the Company's policy and structure for the remuneration of all Directors and senior management of the Company by making reference to market rates, their duties and responsibility to determine on behalf of the Board (with the authorization of the Board) the specific remuneration packages and conditions of employment for all the executive Directors and senior management of the Company.

The duties of the Remuneration Committee, as set out in its terms of reference, adhere to the relevant CG Code. The Remuneration Committee usually meets once a year and at such other time as is necessary. Any Remuneration Committee member may convene a meeting of the Remuneration Committee. The number of meetings of the Remuneration Committee held and attended by each of the Remuneration Committee members during the Year were as follows:

Name of Director	**Meeting(s) attended**	**Meeting(s) held during the term of office in 2025**
Mr. Yick Wing Fat Simon *(Chairman)*	1	1
Ms. Wei Wei	1	1
Mr. Wan Jie	1	1

During the year ended 31 December 2025, the Remuneration Committee has performed the following works:

(a) reviewed, discussed and determined the remuneration policy of the Group and the remuneration packages of the Directors and the senior management members;

(b) reviewed the remuneration of the executive Directors; and

(c) assessed performance of the executive Directors.

Details of the remuneration of each Director and the remuneration of the members of the senior management of the Group by band for the year ended 31 December 2025 are set out in note 13 to the consolidated financial statements and the paragraph headed "CORPORATE GOVERNANCE REPORT – Remuneration of Directors and Senior Management" in this annual report, respectively.

NOMINATION COMMITTEE

The Company has established the Nomination Committee in 2012 with written terms of reference. As at 31 December 2025, the Nomination Committee comprises three independent non-executive Directors, namely Ms. Wei Wei (Chairman), Mr. Yick Wing Fat Simon and Mr. Wan Jie. The primary duties of the Nomination Committee are reviewing the structure, size and composition of the Board annually, making recommendation on any proposed changes to the Board and the appointment or re-appointment of Directors having regard to the balance of skills and experience appropriate to the Group's business and the Board diversity as well as support the Company to regularly evaluate the performance of the Board.

The duties of the Nomination Committee, as set out in its terms of reference, adhere to the relevant CG Code. The Nomination Committee usually meets once a year and at such other time as is necessary. Any Nomination Committee member may convene a meeting of the Nomination Committee. The number of meetings of the Nomination Committee held and attended by each of the Nomination Committee members during the Year were as follows:

Name of Director	Meeting(s) attended	Meeting(s) held during the term of office in 2025
Ms. Wei Wei *(Chairman)*	1	1
Mr. Yick Wing Fat Simon	1	1
Mr. Wan Jie	1	1

When making recommendations regarding the appointment of any proposed candidate to the Board or re-appointment of any existing member(s) of the Board, the Nomination Committee shall consider a variety of factors including but not limited to the following in assessing the suitability of the proposed candidate:

(a) the needs of the Board and the respective committees of the Board and the current size and composition of the Board;

(b) the proposed candidate's character, experience and integrity;

(c) the proposed candidate's accomplishment and reputation in the business and other relevant sectors relating to the Group's business or development;

(d) the proposed candidate's commitment in respect of sufficient time and attention to the Company's business;

(e) in accordance with the Board diversity policy (the "Board Diversity Policy") stated in the paragraph headed "BOARD DIVERSITY POLICY" below, diversity in all aspects, including but not limited to skills, experience, knowledge, expertise, culture, independence, age and gender;

(f) the proposed candidate's ability to assist and support management and make significant contributions to the Company's success;

(g) the proposed candidate's understanding of the fiduciary responsibilities that is required of a director and the commitment of time and energy necessary to diligently carry out those responsibilities; and

(h) any other factors as the Nomination Committee may deem fit to consider in the best interests of the Company and Shareholders.

Once the Nomination Committee determines that an additional or replacement director is required, the Nomination Committee may take such measures that it considers appropriate in connection with its evaluation of a candidate, including candidate interviews, inquiry of the person or persons making the recommendation or nomination, engagement of an outside search firm to gather additional information, or reliance on the knowledge of the members of the Nomination Committee, the Board or management.

During the year ended 31 December 2025, the Nomination Committee performed the following works:

(a) reviewed and discussed the structure and composition of the Board;

(b) reviewed and discussed the policy for the nomination of Directors; and

(c) assessed the independence of the independent non-executive Directors.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE COMMITTEE

The Company has established the ESG Committee in 2016 with written terms of reference. For the year ended 31 December 2025, the ESG Committee comprises one executive Director, namely Mr. Shao (Chairman), an independent non-executive Director, namely Mr. Wan Jie, a senior management member, namely Ms. Zhong Yuan Hong (resigned on 30 June 2025) and an advisor, namely Ms. Yeh Shaway (appointed on 30 June 2025). The primary duties of the ESG Committee are (i) to formulate and implement the ESG policies and strategies; (ii) to set-up the key performance indicators and monitor the progresses and the end-results; and (iii) to review and revise the ESG policies to ensure the effectiveness of its implementation.

The duties of the ESG Committee, as set out in its terms of reference, adhere to the relevant CG Code. The ESG Committee did not hold any meetings during the Year.

BOARD DIVERSITY POLICY

On 15 August 2013, the Company adopted the Board Diversity Policy in accordance with the requirement set out in code provision of the CG Code. The Company recognises and embraces the benefits of having a diverse Board, and sees diversity at Board level as essential in achieving a sustainable and balanced development of the Group.

The Board has considered measurable objectives based on the following focus areas: (i) professional skills, experience, knowledge and expertise; (ii) gender; (iii) age; and (iv) culture and ethnicity. Such objectives will be reviewed from time to time to ensure their appropriateness and the progress made towards achieving those objectives will be ascertained. The Nomination Committee will review the Board Diversity Policy, as appropriate, to ensure its continued effectiveness from time to time.

As at 31 December 2025, the Board comprises six Directors. Three of them are independent non-executive Directors, thereby promoting critical review and control of the management process. The Board is also characterised by significant diversity, in particular, in terms of professional expertise and experience, age, culture and ethnicity. In addition, the Board has two female members, namely Ms. Yang Ying and Ms. Wei Wei, which brings diversity to the Board and the Board will continue to maintain the current level.

An analysis of the Board's current composition based on the measurable objectives is set out below:

Gender
Male: 4 Directors
Female: 2 Directors

Designation
Executive Directors: 3 Directors
Independent Non-executive Directors: 3 Directors

Nationality
Chinese: 5 Directors
Canadian: 1 Director

Age Group
41-50: 2 Directors
51-60: 1 Director
61-70: 3 Directors

Educational Background
Business Administration: 2 Directors
Accounting & Finance: 1 Director
Other: 3 Directors

Business Experience
Accounting & Finance: 1 Director
Experience Related to the Company's Business: 5 Directors

The Nomination Committee and the Board are of the view that the current composition of the Board has achieved the objectives set in the Board Diversity Policy.

Appropriate emphasis on maintaining gender diversity has been placed in the reviews of board composition, board diversity and succession planning. All appointments of Directors will take into account the measurable objectives set out in the Board Diversity Policy and the benefits of diversity on the Board, so as to maintain a pipeline of potential successors to the Board to maintain gender diversity.

The Nomination Committee will review the Board Diversity Policy, as appropriate, to ensure its effectiveness.

GENDER DIVERSITY

The Company values gender diversity across all levels of the Group. The following table sets out the gender ratio in the workforce of the Group, including the Board and senior management as at the date of this Annual Report:

	Female	Male
Board	33.3% (2)	66.7% (4)
Senior management	66.7% (2)	33.3% (1)
Other employees	76.7% (279)	23.3% (85)
Overall workforce	75.9% (283)	24.1% (90)

The Board had targeted to achieve and had achieved at least 33.3% (2) of female Directors, 66.7% (2) of female senior management and 76.7% (279) of female employees of the Group and considers that the above current gender diversity is satisfactory.

Details on the gender ratio of the Group together with relevant data can be found in the Environmental, Social and Governance Report on page 100 of this annual report.

CORPORATE GOVERNANCE FUNCTIONS

The Board is responsible for performing the functions set out in the code provision A.2.1 of the CG Code.

For the year ended 31 December 2025, the Board held one meeting to:

(a) review the Company's policies and practices on corporate governance and make recommendations to the Board;

(b) review and monitor the training and continuous professional development of the Directors and senior management;

(c) review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;

(d) review and monitor the Company's code of conduct regarding Directors' securities transactions and compliance of the Model Code; and

(e) review the Company's compliance with the CG Code and disclosure in this corporate governance report.

INTERNAL CONTROLS

The Group has established internal controls in all material aspects of its business including financial, operational, compliance and risk management functions. These internal controls are intended to safeguard the Shareholders' investments and the Group's assets. To the extent relevant, the Group's internal control framework uses aspects from the internal control and risk management framework proposed by the HKICPA.

The responsibilities for maintaining the Group's internal controls are divided between the Board and management. The Board is responsible for setting and reviewing internal control policies to monitor the Group's internal control systems. The Board delegates the implementation of these policies to management. Management is responsible for identifying, evaluating and managing the risks faced by the Group and for designing, operating and monitoring an effective internal control system which implements the policies adopted by the Board. The Company has set up its own internal audit department to perform an internal audit function in 2010. Audit plans, risk assessments and internal audit reports are presented to and reviewed by the Audit Committee and the Board. The Board acknowledges that it is responsible for the Group's risk management and systems of internal control and for reviewing their effectiveness. Preliminary reviews of the Group's financial controls, internal control and risk management systems prior to formal reviews by the Board have been delegated to the Audit Committee in accordance with its terms of reference. The Audit Committee reviews the Group's financial controls, internal control and risk management systems at its regular Audit Committee meetings. It should be noted, however, that while a sound and well-designed system of internal control helps to provide reasonable safeguards to assist the Group in achieving its business objectives, the system itself cannot provide protection with certainty against the Group failing to meet its business objectives or against all material errors, losses, fraud or breaches of laws or regulations. Such systems are designed to manage rather than eliminate the risk of failure to achieve objectives. For this reason, the Board's review of the internal controls can only provide reasonable but not absolute assurance that one of the risks mentioned above would not materialise. Directors review the adequacy and effectiveness of the Group's risk management and internal control systems at least once a year through the Audit Committee, and rectify any deficiencies or weaknesses (if any) identified. The Board reviewed the effectiveness of the Group's material controls, including financial, operational and compliance controls and risk management functions as well as the adequacy of resources, qualifications and experience of staff of its accounting and financial reporting function and their training programs and budget during the Year and considered the Group's risk management and system of internal controls to be effective and adequate.

Regarding the procedure and internal control over handling and dissemination of the inside information, the Group has established monitoring measures to ensure that the potential inside information could be promptly recognized, assessed and then provided to the Board for their decision that whether a disclosure is required.

DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE CONSOLIDATED FINANCIAL STATEMENTS

The Board is responsible for presenting a balanced, clear and understandable assessment of annual and interim reports, inside information announcements and other disclosures required under the Listing Rules and other regulatory requirements. The management has provided such explanation and information to the Board as necessary to enable the Board to make an informed assessment of the financial information and position of the Group put forward to the Board for approval.

The Directors have acknowledged their responsibilities for preparing the consolidated financial statements of the Group for the year ended 31 December 2025.

MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

The Directors draw attention to Note 2 in the consolidated financial statements of the Group for the year ended 31 December 2025, which indicates that the Group incurred a loss attributable to owners of the Company of approximately RMB36,388,000 for the year ended 31 December 2025 and as at 31 December 2025, the Group had net current liabilities of approximately RMB5,013,000. These conditions indicate the existence of a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern. Therefore, the Group may be unable to realise its assets and discharge its liabilities in the normal course of business.

The Directors have been undertaking a number of plans and measures to improve the Group's liquidity and financial position, and believe that the Group has sufficient working capital to support the continuous operation of the business:

(a) the Directors have reviewed the Group's cash flow projection prepared by management, which covered a period of not less than twelve months from 31 December 2025. In the opinion of the Directors, the Group will have sufficient working capital to meet its financial obligations as and when they fall due and carry on its business without a significant curtailment of operations not less than twelve months from 31 December 2025;

(b) Mr. Shao, the ultimate controlling shareholder confirmed to provide a financial support to the Group as it is necessary to ensure its continuing operation for a period of at least fifteen months from 31 December 2025;

(c) the Group has taken various cost control measures to tighten the costs of operations;

(d) the Group is actively negotiating with external parties and banks to obtain new sources of or renew financing to finance the Group's working capital and improve the Group's liquidity position; and

(e) the Group will continue to maintain its relationship with the parties providing facilities to the Group and comply with any covenant requirements.

Based on the cash flow projection of the Group and having taken into account the available financial resources of the Group and the above measures, the Directors consider that the Group will have sufficient working capital to finance its operations and meet its financial obligations as and when they fall due in the foreseeable future, and accordingly, are satisfied that it is appropriate to prepare the consolidated financial statements on a going concern basis.

Should the Group be unable to continue as a going concern, adjustments would have to be made to restate the values of assets to their recoverable amounts, to provide for any further liabilities which might arise and to classify non-current assets and liabilities as current assets and liabilities respectively. The effects of these potential adjustments have not been reflected in the consolidated financial statements of the Group for the year ended 31 December 2025.

EXTERNAL AUDITORS

ZHONGHUI ANDA CPA Limited ("ZHONGHUI ANDA") was first appointed as the external auditors of the Group in 2020.

During the year ended 31 December 2025, ZHONGHUI ANDA provided the following audit and non-audit services to the Group:

	RMB'000
Audit services	1,130
Other non-audit services	150
Total	1,280

The non-audit services are the review of condensed consolidated financial statements of the Group for the six months ended 30 June 2025. ZHONGHUI ANDA will retire and offer themselves for re-appointment at the forthcoming annual general meeting of the Company.

A statement by ZHONGHUI ANDA about their reporting responsibilities on the consolidated financial statements of the Group is set out in the Independent Auditor's Report section of this annual report on pages 114 to 117.

COMPANY SECRETARY

Ms. Chan Sze Ting ("Ms. Chan") has been engaged and appointed by the Company as the Company Secretary in the capacity of an external service provider. The Company has designated Mr. Shao, an executive Director and the Chairman of the Board, to be the primary corporate contact person of Ms. Chan pursuant to code provision C.6.1 of the CG Code as set out in Appendix C1 to the Listing Rules. Ms. Chan has attained no less than 15 hours of relevant professional training during the Year. Her biographical details are set out in page 72 of this annual report.

INVESTOR RELATIONS AND SHAREHOLDERS' RIGHTS

All of the Company's shares are ordinary shares carrying equal voting rights. As at the date of this annual report, sufficient shares of the Company were on public float as required by the Listing Rules. The Board and management recognise their responsibility to act in the best interests of the Company and its Shareholders as a whole. Shareholder relations play an integral part in corporate governance. The Group keeps Shareholders informed of its performance, operations and significant business developments by adopting a transparent and timely corporate disclosure policy which complies with the Listing Rules and provides all Shareholders equal access to such information. The Company reports on financial and operating performance to Shareholders twice each year through annual and interim reports. The Company gives Shareholders the opportunity to raise concerns or propose recommendations to the Board at the Company's annual general meetings. A representative of the Company's external auditors is requested to attend the annual general meetings to answer questions about the external audit and the audit report. Shareholders may visit our website: www.metamediahldg.com for up-to-date financial and other information about the Group and its activities.

The Company promotes fair disclosure of information to all investors and care is taken to ensure that analyst briefings and other disclosures made by the Company comply with the Listing Rules' prohibition against selective disclosure of inside information. Shareholders have specific rights to convene extraordinary general meetings under the Articles.

1. Procedure for Shareholders to convene an extraordinary general meeting

1.1 The following procedures for Shareholders to convene an extraordinary general meeting (the "EGM") of the Company are prepared in accordance with Article 64 of the Articles:

(1) One or more Shareholders (the "Requisitionist(s)") holding, at the date of the deposit of the requisition, not less than one tenth of the paid up capital of the Company having the right of voting at general meetings shall have the right, by written notice (the "Requisition"), to require an EGM to be called by the Directors for the transaction of any business specified therein.

(2) Such Requisition shall be made in writing to the Board or the Company Secretary via email at the email address of the Company at hk@metamedia.com.hk.

(3) The EGM shall be held within two months after the deposit of such Requisition.

(4) If the Directors fail to proceed to convene such meeting within 21 days of the deposit of such Requisition, the Requisitionist(s) himself/herself (themselves) may do so in the same manner, and all reasonable expenses incurred by the Requisitionist(s) as a result of the failure of the Directors shall be reimbursed to the Requisitionist(s) by the Company.

2. Procedure for raising enquiries

To ensure effective communication between the Board and the Shareholders, the Company has adopted the Shareholder Communication Policy on 29 February 2012.

2.1 Shareholders should direct their questions about their shareholdings, share transfer, registration and payment of dividend to the Company's branch share registrar, TRICOR INVESTOR SERVICES LIMITED, via send email to is-enquiries@vistra.com or call its hotline at (852) 2980 1333, or go in person to its public counter at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong.

2.2 Shareholders may at any time raise any enquiry in respect of the Company via email at the email address of the Company at hk@metamedia.com.hk, fax: (852) 2891 9719 or mail to 7/F, Global Trade Square, 21 Wong Chuk Hang, Aberdeen, Hong Kong. Shareholders may call the Company at (852) 2250 9188 for any assistance.

3. Procedure and contact details for putting forward proposals at Shareholders' meetings

3.1 To put forward proposals at a general meeting of the Company, Shareholders should lodge a written notice of his/her/its proposal (the "Proposal") with his/her/its detailed contact information via email at the email address of the Company at hk@metamedia.com.hk.

3.2 The identity of the Shareholder and his/her/its request will be verified by the Company's branch share register in Hong Kong and upon confirmation by the branch share registrar that the request is proper and in order and made by a Shareholder, the Board will determine in its sole discretion whether the Proposal may be included in the agenda for the general meeting to be set out in the notice of meeting.

3.3 The notice period to be given to all the Shareholders for consideration of the Proposal raised by the Shareholder concerned at the general meeting varies according to the nature of the Proposal as follows:

(1) Notice of not less than 21 clear days in writing if the Proposal requires approval by way of an ordinary resolution in an annual general meeting or a special resolution of the Company;

(2) Notice of not less than 14 clear days in writing if the Proposal requires approval in meeting other than an annual general meeting.

Up to the date of this annual report, no Shareholder has requested the Company to convene an EGM.

The Company has reviewed the implementation and effectiveness of its Shareholders' communication policy during the Year. Having regard to the measures and procedures implemented, it considers such policy as effective.

The Company's next annual general meeting will be held on 26 June 2026. For details, please refer to the notice of the annual general meeting to be published on the Company's and the Stock Exchange's websites.

CONSTITUTIONAL DOCUMENTS

The memorandum of association of the Company and the Articles were amended according to a special resolution approved on 30 June 2022. The latest Articles is available on the Stock Exchange's and Company's websites. During the Year, there were no changes in the Articles.

CONCLUSION

The Company strongly believes that good corporate governance can safeguard the effective allocation of resources and protect Shareholders' interest and the management tries to maintain, strengthen and improve the standard and quality of the Group's corporate governance.

DIRECTORS' REPORT

The Directors are pleased to submit their report together with the audited consolidated financial statements of the Group for the year ended 31 December 2025.

BUSINESS REVIEW

Key financial and business performance indicators

The key financial and business performance indicators comprise profitability growth, return on equity, dividend growth and gearing ratio. Details of profitability analysis are set out in "Management Discussion and Analysis" section of this annual report. Amid ongoing global economic pressures arising from geopolitical conflicts and monetary policy tightening, the Group's return on equity, based on loss for the year to net assets, decreased in 2025 as compared to 2024, decreasing from -7.2% to -15.4%. The Directors do not recommend the payment of any final dividend for the year ended 31 December 2025 to preserve more financial resources in response to the market stagnancy. The Group's gearing ratio as at 31 December 2025 was 38% (31 December 2024: 31.7%), which was calculated based on the net debt divided by total capital at the end of the year and multiplied by 100%. The Group will continue to safeguard its capital adequacy position, whilst to maintain a balance between business growth and risk management.

Environmental, social and governance

The Group is committed to contributing to the sustainability of the environment and maintaining a high standard of corporate social governance essential for creating a framework for motivating staff, and contributes to the community in which we conduct our businesses and creates a sustainable return to the Group.

In 2016, the Board established the ESG Committee to formulate the policies and implement the procedures to deal with environmental, social and governance affairs of the Group. Please refer to the ESG Report on pages 73 to 113 of this annual report.

Environmental protection

The Group has implemented internal recycling program on a continuous basis for consumable goods such as toner cartridges and paper in order to minimise the impact on the environment and natural resources being caused by the Group's operations. Recycled papers have also been used as the Group's key printing materials. The Group also implemented energy saving practices in offices and branch premises where applicable. The Group also plans to complete the upgrade of air-conditioning and electricity systems to achieve the energy saving and provision of clear air to workplace where possible.

Workplace quality

The Group is an equal opportunity employer and encourages diversity regardless of age, gender, marital status and race. The Board Diversity Policy, with the aim of enhancing the Board's performance by diversity, was adopted in August 2013.

The Group believes that employees are the most important and valuable assets of the Group and regards human resources as its corporate wealth. The Group is people-focused, we attract and retain key personnel and talents with appropriate skills, experience and competence which would complement and meet the corporate and business objectives of the Group.

We provide on-the-job training and development opportunities to promote staff self-actualisation and enhance our employees' career progression. We also encourage staff participation of external seminars and lectures to keep abreast of changes and updates on areas of legal, compliance, financial accounting and tax knowledge. It is believed that staff knowledge and skills are aligned and enhanced through relevant, systematic and planned trainings which in return can improve the efficiency and productivity of the Group.

The Group encourages continuous professional development training for the Directors and senior management to develop and refresh their knowledge and skills which includes updates on regulatory requirements and development and corporate governance practices through seminars and workshops.

The Group provides competitive remuneration package to attract, retain and motivate the employees. It offers competitive remuneration, medical benefits, insurance and leave entitlement commensurate to market standards, and we regularly review the remuneration package of employees and make necessary adjustments to conform to the market standards. We establish and implement policies that promote a harmonious and productive workplace.

Compliance with laws and regulations

The Group has compliance and risk management policies and procedures, and members of the senior management are delegated with the continuing responsibility to monitor adherence and compliance with all significant legal and regulatory requirements. These policies and procedures are reviewed regularly. As far as the Company is aware, it has complied in material aspects with the relevant laws and regulations that have significant impacts on the business and operation of the Company and its subsidiaries.

Relationships with key stakeholders

The Group's success also depends on the support from key stakeholders which comprises employees, customers, service vendors, regulators and Shareholders.

Employees

Employees are regarded as the most important and valuable assets of the Group. The objective of the Group's human resource management is to reward and recognise our staff by providing a competitive remuneration package and implementing a sound performance appraisal system with appropriate incentives, and to promote career development and progression by providing appropriate trainings and opportunities within the Group for career advancement.

Customers

The Group's principal customers are from 4A advertising companies and branded customers which place their advertisements on our print and digital media products. The Group has the mission to provide excellent and creative customer services whilst maintaining our long-term profitability, business and assets growth. Various means have been established to strengthen the communication between the customers and the Group in order to provide excellent customer services, which in turn achieves further market penetration and expansion.

Service vendors

Sound relationships with key service vendors of the Group are important in supply chain which can generate cost effectiveness and foster long-term business benefits. The key service vendors comprise the printing vendors, overseas and local licensors, contents providers, photos suppliers and other business partners which provide value-added services to the Group.

DIRECTORS' REPORT *(continued)*

Regulators

The Group operates in advertising sector which is regulated by the Stock Exchange, the Securities and Futures Commission of Hong Kong, the News and Publication Bureau (新聞出版局) and the Industrial and Communication Department (工業和信息化部) in the PRC and other relevant authorities. It is the Group's desire to keep up-to-date and ensure the compliance with new rules and regulations.

Shareholders

One of the corporate goals of the Group is to enhance corporate value to the Shareholders. The Group is poised to foster business developments for achieving sustainable earnings growth and rewarding the Shareholders by stable dividend payouts taking into account the capital adequacy levels, liquidity positions and business expansion needs of the Group.

Principal risks and uncertainties

The Board is ultimately responsible for ensuring that the risk management practices of the Group are sufficient to mitigate the risks present in our businesses and operations as efficiently and effectively as possible. The Board delegates some of this responsibility to various operational departments.

The Group's principal business activities comprise publication of magazines and periodicals in Hong Kong, the PRC and the United Kingdom, provision of advertising agency services, digital publishing business, art work trading and auction, art exhibition and related education and restaurant operations. It will be exposed to a variety of key risks including foreign currency risk, credit risk, liquidity risk and interest rate risk. Details of the aforesaid key risks and risk mitigation measures are elaborated in note 6 to the consolidated financial statements of this annual report.

The Group's business and profitability growth in the Year under review is affected by the volatility and uncertainty of macro-economic conditions in the PRC and Hong Kong. The PRC government had continued on with its anti-corruption crack down which severely impacted the sentiment of the retail market, especially in luxury consumption. The brand advertisers cut down their budget which was reflected in the downward trend of the advertising spending in recent years. The long-term business and profitability growth of the Group is expected to continue to be affected by the changes in macro-economic variables including real GDP growth, consumer price index, credit demand, unemployment rate, etc. of the PRC and Hong Kong.

Future business development

In the coming future, we will continue to foster the implementation of vertical industry chain integration, upgrade and optimise the existing assisted purchase feature on e-commerce, enhance online and offline activity and develop the integrated marketing brand consultancy service. Also, we will further develop the art sector business and metaverse business by leveraging on our existing strengths of our art and commercial media platforms through the organisation of art exhibitions or activities and the provision of art consultation services.

Despite the foregoing, the Group will continue to seek sustainable business expansion and market penetration, and to pursue profitability growth by diversification of our income streams, improvement of cost efficiency and control of bad debts. The Group will also adopt prudent capital management and liquidity risk management to preserve adequate buffer to meet the challenges ahead.

On 10 March 2017, the Company entered into an investment agreement (the "Investment Agreement") with Septwolves Invest, pursuant to which each of the Company and Septwolves Invest have agreed to subscribe for certain shares of MDHL, a wholly-owned subsidiary of the Company. The Company is of the view that, apart from providing an immediate funding and increasing the liquidity of the Group, introducing Septwolves Invest, whose ultimate controlling shareholders have the expertise, rich resources and networking, as a strategic shareholder of MDHL would optimise sales network of MDHL, and assist MDHL in developing and strengthening its long-term business development by leveraging on the financial strength and extensive business networks of Septwolves Invest (and its associated corporations). For further details of the investment, please refer to the announcement of the Company dated 10 March 2017, 22 March 2017, 4 August 2017 and 13 July 2019, respectively. Pursuant to the Investment Agreement, the Company has undertaken to Septwolves Invest that the expected revenue after tax of MDHL and its subsidiaries (collectively, "MDHL Group") for each of the three years ended 31 December 2017, 2018 and 2019 will be no less than HK$140 million, HK$162 million, and HK$186 million, respectively. If MDHL fails to achieve the above expected annual performance, Septwolves Invest shall be entitled, on or before 30 April 2020, to require the Company to acquire all shares in MDHL then held by Septwolves Invest. Based on the audited consolidated financial statements of MDHL Group, its revenue after tax for the year ended 31 December 2019 amounted to approximately RMB183.1 million (equivalent to approximately HK$207.7 million). As the revenue after tax of MDHL Group for the year ended 31 December 2019 was in excess of HK$186 million, the expected annual performance for such year as provided under the Investment Agreement was fulfilled.

On 22 August 2023, e-Starship, the Company and Septwolves Invest entered into a conditional sale and purchase agreement in relation to the acquisition of 100,000 shares in MDHL (representing 7% of MDHL's issued share capital). The acquisition was completed on 20 October 2023.

On 23 December 2025, e-Starship entered into a conditional sale and purchase agreement with the Company and Septwolves Invest for the acquisition of 42,857 shares of MDHL (approximately 3% of MDHL's issued share capital). The above-mentioned acquisition was completed on 23 January 2026. Please refer to the paragraph headed "Connected Transactions" below for details.

Pursuant to an investment agreement entered into between the Group, 上海尚照電子商務有限公司(Shanghai Shangzhao Co., Ltd.*) ("Shanghai Shangzhao") (an independent third party) and the shareholders of Shanghai Shangzhao (independent third parties) on 8 April 2019, the Group agreed to subscribe for RMB2,365,500 in the registered capital of Shanghai Shangzhao, representing 51% of its enlarged registered capital, at a consideration of RMB15,000,000 (the "Acquisition"). Shanghai Shangzhao and its subsidiary, 上海眾社文化發展有限公司(Shanghai Zhongshe Cultural Development Co., Ltd.*), were established in the PRC with limited liability and are principally engaged in the operation of galleries and cafes, organisation of photography exhibitions, operation of online shop and physical stores for sales of photography artworks in the PRC, all under the "BROWNIE Art Photography" brand in the PRC. The Acquisition was completed on 30 June 2019. Details of the Acquisition were disclosed in the Company's announcements dated 8 and 18 April 2019 respectively.

According to the Investment Agreement entered into by the Group, Art Review (an independent third party) and ART VIEW LTD (an independent third party) on 10 June 2019, the Group agreed to subscribe for 85% of the registered capital of Art Review at a price of GBP800,000. Art Review was established as a limited liability company in the United Kingdom. It mainly publishes and sells ArtReview, the world's top art magazine with a history of 70 years, and ArtReview Asia, the only contemporary art review magazine in Asia with a history of nearly 20 years. It provides services such as exhibition and event planning and implementation. The said acquisition was completed on 30 June 2019.

The aforementioned acquisitions were was made to broaden the income base of the Group to facilitate the development of the Group's business.

DIRECTORS' REPORT *(continued)*

PRINCIPAL ACTIVITIES AND SEGMENT INFORMATION

The Company is principally engaged in investment holding. The particulars and activities of the Company's subsidiaries are set out in note 38 to the consolidated financial statements of this annual report. An analysis of the Group's performance for the Year by business segments is set out in note 7 to the consolidated financial statements of this annual report.

FINANCIAL RESULTS AND DISTRIBUTABLE RESERVES

The Group's financial performance for the year ended 31 December 2025 and the financial position of the Company and the Group as at 31 December 2025 are set out in the consolidated financial statements on pages 118 to 120 and page 179 of this annual report.

Movements in the reserves of the Company and amounts available for distribution to the Shareholders are disclosed in note 32(b) to the consolidated financial statements of this annual report. Movements in the reserves of the Group are disclosed in the consolidated statement of changes in equity on page 121 of this annual report.

DIVIDEND POLICY

The Group adopted a dividend policy (the "Dividend Policy") on 22 March 2019. The Directors consider the main objectives of the Dividend Policy are to provide sustainable returns and a stable dividend payment to the Shareholders. The basic policy is to pay interim and final dividends in each financial year.

Pursuant to the applicable laws of the Cayman Islands and the Articles, all of the Shareholders have equal rights to dividends and distributions. The Board determines the interim dividend and recommends the final dividend which requires the approval of the Shareholders. In addition to cash, dividends may be distributed in the form of shares. Any distribution in the form of shares also requires the approval of the Shareholders.

Retained surplus is used to achieve further gains in corporate value. For this purpose, the Board makes effective use of retained surplus to strengthen the operating base and fund growth of established businesses and the development of new businesses.

The Board takes into account the following factors when considering the declaration and payment of dividends:

- liquidity position of the Company;
- financial results;
- Shareholders' interests;
- general business conditions and strategies;
- capital requirements;
- contractual restrictions on the payment of dividends by the Company to the Shareholders or by the subsidiaries to the Company, if any;
- taxation considerations;

- possible effects on the creditworthiness;
- statutory and regulatory restrictions; and
- any other factors the Board may deem relevant.

The Company will not declare any dividend(s) where:

- there are reasonable grounds for believing that the Company is or would be, after a dividend payment, unable to pay its liabilities or discharge its obligations as and when they become due;
- pursuant to dividend decision date, the Company is insolvent or bankrupt or where, as a result of paying dividends, the Company would be rendered insolvent or bankrupt; or
- there is any other case set forth by any law.

DIVIDEND

The Directors do not recommend the payment of a final dividend for the year ended 31 December 2025 (2024: Nil).

SHARE CAPITAL

There was no movement in the Company's share capital during the Year.

PROPERTY, PLANT AND EQUIPMENT

Movements in the property, plant and equipment of the Group are set out in note 16 to the consolidated financial statements of this annual report.

MAJOR SUPPLIERS AND CUSTOMERS

The top five suppliers in aggregate and the single largest supplier of the Group accounted for approximately 12.45% and 3.22% of the Group's total purchases for the year ended 31 December 2025 respectively.

The top five customers in aggregate and the single largest customer of the Group accounted for approximately 26.15% and 8.46% of the Group's total sales for the year ended 31 December 2025 respectively.

As far as the Directors are aware, neither the Directors, their close associates, nor Shareholders (which to the knowledge of the Directors own more than 5% of the Company's number of issued shares as at 31 December 2025) had any interest in any of the five largest suppliers and customers disclosed above.

PARTICULARS OF PROPERTIES HELD BY THE GROUP FOR INVESTMENT

Details of properties held by the Group for investment as at 31 December 2025 are as follows:

Location	Use	Lease term	Group's interest
401, 4/F, and 501, 5/F, No. A2, Workers' Stadium East Road, Chaoyang District, Beijing, the PRC	Commercial	Long-term	100%

FIVE YEAR FINANCIAL SUMMARY

The summary of the results and of the assets and liabilities of the Group for the last five years is set out on page 188 of this annual report.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Articles or the laws in the Cayman Islands which would oblige the Company to offer new shares on a pro-rata basis to existing Shareholders.

DIRECTORS

The Directors who held office during the Year and as at the date of this Directors' Report were:

Executive Directors
Mr. Shao Zhong *(Chairman of the Board and Chief Executive Officer)*
Ms. Yang Ying
Mr. Li Jian

Independent non-executive Directors
Mr. Yick Wing Fat Simon
Ms. Wei Wei
Mr. Wan Jie

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 December 2025, the Directors and chief executive of the Company had the following interests or short positions in shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) as recorded in the register required to be kept under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code:

Long positions in the Company

Name of Director	Capacity/Nature of interest	Number of ordinary shares of the Company held	Approximate % of the total number of issued ordinary shares of the Company*
Mr. Shao Zhong	Beneficial owner	327,870,000	74.80%
Ms. Yang Ying	Beneficial owner	110,000	0.03%

* As at 31 December 2025

Long positions in the associated corporations of the Company

Name of Director	Name of associated corporation	Capacity/Nature of interest	Approximate % of equity interest
Mr. Shao	北京現代雅格廣告有限公司(Beijing Modern Yage Advertising Co., Ltd.*, "Beijing Yage")	Interest of controlled corporations *(Note 1)*	100%
Mr. Shao	北京雅格致美廣告傳播有限公司(Beijing Yage Zhimei Advertising Media Co., Ltd.*, "Beijing Yage Zhimei")	Interest of controlled corporations *(Note 2)*	100%
Mr. Shao	廣州現代資訊傳播有限公司(Guangzhou Modern Information Media Co., Ltd.*, "Guangzhou Modern Information")	Beneficial owner	100%
Mr. Shao	廣州現代圖書有限公司(Guangzhou Modern Books Co., Ltd.*, "Guangzhou Modern Books")	Beneficial owner	90%
Mr. Shao	Guangzhou Modern Books	Interest of controlled corporations *(Note 3)*	10%
Mr. Shao	上海格致廣告有限公司(Shanghai Gezhi Advertising Co., Ltd.*, "Shanghai Gezhi")	Interest of controlled corporations *(Note 4)*	100%
Mr. Shao	上海雅格廣告有限公司(Shanghai Yage Advertising Co., Ltd.*, "Shanghai Yage")	Interest of controlled corporations *(Note 5)*	100%
Mr. Shao	深圳市雅格致美資訊傳播有限公司(Shenzhen Yage Zhimei Information Media Co., Ltd.*, "Shenzhen Yage Zhimei")	Interest of controlled corporations *(Note 6)*	100%
Mr. Shao	珠海超媒文化有限公司(Zhuhai Meta Media Culture Co., Ltd.*, "Zhuhai Meta Media Culture") (previously known as 珠海現代致美文化傳播有限公司(Zhuhai Modern Zhimei Culture Media Co., Ltd.*))	Interest of controlled corporations *(Note 7)*	100%
Mr. Shao	珠海銀弧廣告有限公司(Zhuhai Yinhu Advertising Co., Ltd.*, "Zhuhai Yinhu")	Beneficial owner	90%
Mr. Shao	Zhuhai Yinhu	Interest of controlled corporations *(Note 8)*	10%
Mr. Shao	廣州超媒影業有限公司(Guangzhou Meta Media Films Co., Ltd.*, "Guangzhou Meta Media Films") (previously known as 摩登傳媒影業（廣州）有限公司(Modern Media Films (Guangzhou) Co., Ltd.*))	Interest of controlled corporations *(Note 9)*	100%
Mr. Shao	廣州現代移動數碼傳播有限公司(Guangzhou Xiandai Yidong Shuma Chuanbo Company Limited.*, "Guangzhou Xiandai")	Interest of controlled corporations *(Note 10)*	100%
Mr. Shao	上海森音信息技術有限公司(Shanghai Senyin Information Technology Co., Ltd.*, "Shanghai Senyin")	Beneficial owner *(Note 11)*	100%

* denotes English translation of the name of a Chinese company or entity and is provided for identification purposes only

Notes:

1. Beijing Yage is held as to 80% by Guangzhou Modern Information and as to 20% by Guangzhou Modern Books. Mr. Shao is accordingly deemed by the SFO to be interested in the equity interest in Beijing Yage held by Guangzhou Modern Information and Guangzhou Modern Books, both of which are Mr. Shao's controlled corporations.

2. Beijing Yage Zhimei is held as to 100% by Zhuhai Meta Media Culture, the equity interest of which is wholly held by Zhuhai Yinhu, which in turn is held as to 90% by Mr. Shao and as to 10% by Guangzhou Modern Information. Mr. Shao is accordingly deemed by the SFO to be interested in the equity interest in Beijing Yage Zhimei held by Zhuhai Meta Media Culture which is Mr. Shao's indirectly controlled corporation.

3. Guangzhou Modern Books is held as to 90% by Mr. Shao and as to 10% by Guangzhou Modern Information. Mr. Shao is accordingly deemed by the SFO to be interested in the equity interest in Guangzhou Modern Books held by Guangzhou Modern Information, which is Mr. Shao's controlled corporation.

4. Shanghai Gezhi is held as to 100% by Zhuhai Meta Media Culture, the equity interest of which is wholly held by Zhuhai Yinhu, which in turn is held as to 90% by Mr. Shao and as to 10% by Guangzhou Modern Information. Mr. Shao is accordingly deemed by the SFO to be interested in the equity interest in Shanghai Gezhi held by Zhuhai Meta Media Culture, which is Mr. Shao's indirectly controlled corporation.

5. Shanghai Yage is held as to 90% by Guangzhou Modern Information and as to 10% by Guangzhou Modern Books. Mr. Shao is accordingly deemed by the SFO to be interested in the equity interest in Shanghai Yage held by Guangzhou Modern Information and Guangzhou Modern Books, both of which are Mr. Shao's controlled corporation.

6. Shenzhen Yage Zhimei is held as to 100% by Zhuhai Meta Media Culture, the equity interest of which is wholly held by Zhuhai Yinhu, which in turn is held as to 90% by Mr. Shao and as to 10% by Guangzhou Modern Information. Mr. Shao is accordingly deemed by the SFO to be interested in the equity interest in Shenzhen Yage Zhimei held by Zhuhai Meta Media Culture, which is Mr. Shao's indirectly controlled corporation.

7. Zhuhai Meta Media Culture is held as to 100% by Zhuhai Yinhu, the equity interest of which is held as to 90% by Mr. Shao and as to 10% by Guangzhou Modern Information. Mr. Shao is accordingly deemed by the SFO to be interested in the equity interest in Zhuhai Meta Media Culture held by Guangzhou Modern Information, which is Mr. Shao's controlled corporation.

8. Zhuhai Yinhu is held as to 90% by Mr. Shao and as to 10% by Guangzhou Modern Information. Mr. Shao is accordingly deemed by the SFO to be interested in the equity interest in Zhuhai Yinhu held by Guangzhou Modern Information which is Mr. Shao's controlled corporation.

9. Guangzhou Meta Media Films is held as to 100% by Guangzhou Xiandai. Mr. Shao is accordingly deemed by the SFO to be interested in the equity interest in Guangzhou Meta Media Films held by Guangzhou Xiandai which is Mr. Shao's controlled corporation.

10. Guangzhou Xiandai is held as to 95% by Mr. Shao and as to 5% by Shanghai Senyin. Mr. Shao is accordingly deemed by the SFO to be interested in the 5% equity interest in Guangzhou Xiandai held by Shanghai Senyin which is Mr. Shao's controlled corporation.

11. Shanghai Senyin is held as to 95% by Mr. Shao and 5% by an employee of the Group, on trust for Mr. Shao.

Save as disclosed above, as at 31 December 2025, none of the Directors or chief executive of the Company had interests or short positions in the shares, underlying shares or debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

SUBSTANTIAL SHAREHOLDERS AND PERSONS WHO HAVE AN INTEREST OR SHORT POSITIONS DISCLOSABLE UNDER DIVISIONS 2 AND 3 OF PART XV OF THE SFO

The register of interests or short positions in shares and underlying shares of the Company required to be kept under section 336 of the SFO shows that as at 31 December 2025, the Company had been notified of the following Shareholders other than the Directors or chief executive of the Company having interests in the shares representing 5% or more of the Company's issued shares:

Name of Shareholder	Capacity/Nature of interest	Number of ordinary shares of the Company held	Approximate % of the total number of issued ordinary shares of the Company*
Madam Zhou Shao-min *(Note 1)*	Interest of spouse	327,870,000	74.80%

* as at 31 December 2025

Note:

1. Madam Zhou Shao-min is the spouse of Mr. Shao. She is deemed to be interested in the Shares held by Mr. Shao under the SFO.

Save as disclosed above, as at 31 December 2025, the Directors were not aware that there were any persons (not being the Directors or chief executive of the Company) who had an interest or short position in the shares or underlying shares of the Company which were recorded in the register required to be kept by the Company under section 336 of the SFO.

SHARE SCHEME

The share option scheme (the "Expired Scheme") was conditionally adopted by a resolution in writing passed by the then sole Shareholder on 24 August 2009. The Expired Scheme has expired on the tenth anniversary of such adoption date. Under the Expired Scheme, the Directors may grant options to subscribe for the Shares to eligible participants, including without limitation employees of the Group, Directors and its subsidiaries. No share option was granted, exercised, cancelled or had lapsed under the Expired Scheme during the Year. No share option was outstanding under the Expired Scheme as at 31 December 2025. Following the expiry of the Expired Scheme, no further share option may be or has been granted thereunder.

During the Year, the Group did not implement any share incentive scheme or share scheme under Chapter 17 of the Listing Rules.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

None of the Directors (including their spouses and children below 18 years of age) had been granted by the Company or had exercised any rights to subscribe for shares or debentures of the Company during the year ended 31 December 2025.

DIRECTORS' INTERESTS IN COMPETING BUSINESS

Investment in online search services held by Mr. Shao

As at 31 December 2020, Mr. Shao, an executive Director and the controlling Shareholder, held about 6.4% equity interest in a company (the "Online Search Company") incorporated in Beijing, the PRC. As at 31 December 2025, Mr. Shao held less than 5% equity interest in the Online Search Company. The Online Search Company has been principally engaged in the business of operating an internet platform of open community in the form of a network of community members asking and answering questions with high-quality contents generated by users and shared across multiple knowledge domains. He is not in control of such company. Mr. Shao made investments in the said business before the Group's commencement of the digital media business.

As the Group's digital media business currently focuses on online advertising and publication of multiple digital media products, the Directors believe that the business of the Online Search Company currently does not compete with the Group's business. If there is any change in the future, the Company would discuss with (if necessary) Mr. Shao on his ceasing to hold or disposing of such investment.

Save as disclosed above, none of the Directors has any interest in a business which competes or is likely to compete with the business of the Group during the Year.

The independent non-executive Directors have reviewed the compliance with and enforcement of the terms of the non-competition undertakings by Mr. Shao. Based on, among other matters, the annual confirmation from Mr. Shao to the Company on compliance with the terms of the above non-competition undertaking, the Directors (including the independent non-executive Directors) consider that the above non-competition undertakings were complied with and enforced during the Year.

CONTROLLING SHAREHOLDER'S INTERESTS IN CONTRACTS

Save as disclosed in the paragraph headed "Connected Transactions" and "Continuing Connected Transactions" below and elsewhere in this annual report, no transaction, arrangement or contract of significance subsisted during or at the end of the Year in which a controlling shareholder or an entity connected with a controlling shareholder is or was materially interested, either directly or indirectly.

DIRECTORS' INTERESTS IN CONTRACTS

Save as disclosed in the paragraph headed "Connected Transactions" and "Continuing Connected Transactions" below and elsewhere in this annual report, no transaction, arrangement or contract of significance subsisted during or at the end of the Year in which a Director or an entity connected with a Director is or was materially interested, either directly or indirectly.

DIRECTORS' SERVICE CONTRACTS

No Director proposed to be re-elected at the forthcoming annual general meeting of the Company has an unexpired service contract with the Group, which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

PERMITTED INDEMNITY PROVISION

Pursuant to Article 188 of the Articles, every Director is entitled to be indemnified and secured harmless out of the assets of the Company from and against all actions, costs, charges, losses, damages and expenses which he may incur or sustain by reason of any act done, concurred in or omitted in or about the execution of the duties of his office or otherwise in relation thereto (except such is incurred or sustained through his own fraud or dishonesty). Such provision is currently in force and was in force throughout the year ended 31 December 2025.

The Company has taken out and maintained directors' liability insurance throughout the year ended 31 December 2025, which provides appropriate cover for the Directors.

MANAGEMENT CONTRACTS

No contract concerning the management and administration of the whole or any substantial part of the business of the Company was entered into or existing during the Year.

CONNECTED TRANSACTIONS

Certain connected transactions took place during the year ended 31 December 2025 and/or subsisted as at 31 December 2025:

Contractual Arrangements

2009 Arrangements

Certain transactions entered into by us constituted non-exempt continuing connected transactions under the Listing Rules but they have been the subject of waiver granted to the Company by the Stock Exchange subject to compliance of certain conditions. Such series of contracts entered into by, among others, 現代傳播(珠海)科技有限公司(Modern Media (Zhuhai) Technology Co., Ltd. ("Zhuhai Technology")), Mr. Shao and the PRC Operational Entities (as defined in the prospectus of the Company dated 28 August 2009 (the "Prospectus")) (the "Contractual Arrangements") serve the purpose of providing the Group with effective control over the PRC Operational Entities to which the Group does not have direct shareholding, and to effectively transfer the economic benefits and pass the risks associated therewith of the PRC Operational Entities to the Company. The 2009 Arrangements include:

(a) management and consultation services agreements dated 24 August 2009 and entered into between Zhuhai Technology and (i) Guangzhou Modern Information, Guangzhou Modern Books, Zhuhai Yinhu and Zhuhai Meta Media Culture (collectively the "Publishing and Investment Holding Entities"); (ii) Shanghai Gezhi, Beijing Yage Zhimei, Shenzhen Yage Zhimei and Guangzhou Yage (collectively the "Sales Entities"); (iii) Shanghai Yage and Beijing Yage (collectively the "Production Entities"), pursuant to which the PRC Operational Entities have engaged Zhuhai Technology on an exclusive basis to provide consultation services in the management, sales and marketing, enterprise management and other supporting services in connection with the PRC Operational Entities' business. In return, each of the PRC Operational Entities agrees to pay fees to Zhuhai Technology fees at the end of each year. Fees payable to Zhuhai Technology by the PRC Operational Entities are equivalent to the total revenue less all the related costs, expenses and taxes of the respective PRC Operational Entities, as audited by such certified public accountants of the PRC. Such management and consultation services agreements became effective when it was executed on 24 August 2009 and would remain effective for a perpetual term;

(b) equity pledge agreements dated 24 August 2009 and entered into between Zhuhai Technology and (i) Mr. Shao; (ii) Mr. Shao and Guangzhou Modern Information; (iii) Zhuhai Yinhu; (iv) Zhuhai Meta Media Culture; (v) Guangzhou Modern Information and Guangzhou Modern Books, the payment of consultations services fees to Zhuhai Technology under the above management and consultation services agreements is secured in that Zhuhai Technology is entitled to exercise its rights to sell the pledged equity interests on occurrence of any non-payment of such fees. Furthermore, Zhuhai Technology is entitled to all dividends derived from the pledged equity interests in the PRC Operational Entities. The Equity Pledge Agreements become effective when it was executed on 24 August 2009;

(c) business operation agreements dated 24 August 2009 entered into between Zhuhai Technology and (i) Mr. Shao and the Publishing and Investment Holding Entities; (ii) Zhuhai Meta Media Culture and the Sales Entities; (iii) Guangzhou Modern Information, Guangzhou Modern Books and the Production Entities, under which no material business transaction can be entered into by the PRC Operational Entities without the prior written consent of Zhuhai Technology. Furthermore, the PRC Operational Entities shall appoint individuals as nominated by Zhuhai Technology to be their directors and key management as and when Zhuhai Technology sees fit. Zhuhai Technology or its nominees is entitled to exercise their rights as if they were the Shareholder of the PRC Operational Entities. Any dividend and/or capital gain derived from the equity interests in the PRC Operational Entities shall also be paid to Zhuhai Technology. The business operation agreements became effective when it was executed on 24 August 2009 and will remain effective for a perpetual term;

(d) option agreements dated 24 August 2009 entered into between Modern Media (HK) and (i) Mr. Shao and the Publishing and Investment Holding Entities; (ii) Zhuhai Meta Media Culture and the Sales Entities; (iii) Guangzhou Modern Information, Guangzhou Modern Books and the Production Entities, pursuant to which Modern Media (HK) was granted options to acquire the entire equity interest in the PRC Operational Entities at nil consideration or the minimum amount as permitted by the applicable PRC laws. Such option agreements became effective when it was executed on 24 August 2009 and will expire on the date on which all the equity interests in the PRC Operational Entities are transferred to Modern Media (HK) and/or its nominees;

(e) proxy agreements dated 24 August 2009 entered into between Zhuhai Technology and (i) Mr. Shao and Guangzhou Modern Information; (ii) Mr. Shao and Zhuhai Meta Media Culture; (iii) Mr. Shao, Guangzhou Modern Information and Guangzhou Modern Books, which authorise the Group to exercise its rights in the PRC Operational Entities as if it were the ultimate beneficial owner of the PRC Operational Entities. Such proxy agreements become effective when it was executed on 24 August 2009 and will remain effective during the term of the business operation agreements set out above; and

(f) trademark transfer agreement dated 24 August 2009 entered into between Zhuhai Technology and Guangzhou Modern Information to grant an option to Zhuhai Technology to acquire certain trademarks in relation to the PRC Magazines and its business at a nominal consideration or such minimum amount required by the PRC law. The trademark transfer agreement became effective when it was executed on 24 August 2009 and will remain effective for a perpetual term.

2011 Arrangements

The following connected transaction (the "2011 Arrangements", collectively with the 2009 Arrangements, the "Contractual Arrangements") was entered into by the Group in September 2011. For more details, please refer to the announcement of the Company dated 21 September 2011 (the "2011 Announcement").

On 20 September 2011, the Group, through its wholly owned subsidiaries, entered into the 2011 Contractual Agreements (as shown below) with Mr. Shao (a Director and substantial Shareholder of the Company), the Target Company (as defined below) and other relevant parties, pursuant to the arrangements contemplated under such 2011 Contractual Agreements, the Group would effectively obtain the control over the financial and operational policies and decisions of the Target Companies at a consideration of RMB18,000,000 (approximately HK$21,600,000). The 2011 Arrangements include:

(a) the equity pledge agreements dated 20 September 2011 and entered into between (among others) Mr. Shao, 雅致美資訊諮詢（深圳）有限公司(Yazhimei Information Consultation (Shenzhen) Co., Ltd.* ("Yazhimei")), 上海森音信息技術有限公司(Shanghai Senyin Information Technology Co., Ltd.* ("SH Senyin", which was beneficially wholly owned by Mr. Shao), for guaranteeing the payment of the service fees under the management and consultation services agreements (as defined in (d) below);

(b) the option agreements dated 20 September 2011 and entered into between (among others) Mr. Shao, SH Senyin,廣州現代移動數碼傳播有限公司(Guangzhou Xiandai Yidong Shuma Chuanbo Company Limited* ("Guangzhou Xiandai", which was beneficially owned as to 95% by Mr. Shao, GZ Xiandai together with SH Senyin are collectively referred to as "Target Companies")) and Modern Mobile Digital Media Company Limited ("MM Mobile Digital"), pursuant to which MM Mobile Digital has been granted options to acquire, directly or through one or more nominees, the entire equity interest in the Target Companies at nil consideration or the minimum amount as permitted by the applicable PRC laws;

(c) business operation agreements dated 20 September 2011 and entered into between (among others) Yazhimei, GZ Xiandai, Mr. Shao and SH Senyin, pursuant to which the Target Companies have undertaken not to enter into any material business transaction without the prior written consent of Yazhimei and to appoint individuals as nominated by Yazhimei to be the directors and key management of the Target Companies;

(d) the management and consultation services agreements dated 20 September 2011 and entered into between (among others) Yazhimei, GZ Xiandai and SH Senyin, pursuant to which the Target Companies will engage Yazhimei on an exclusive basis to provide enterprise management consultation services and other services in connection with the business services of the Target Companies; and

(e) the proxy agreements dated 20 September 2011 entered into between (among others) Yazhimei, Mr. Shao and SH Senyin, pursuant to which Mr. Shao is authorised to exercise the Shareholders' rights in each of the Target Companies including attending Shareholders' meeting and exercising voting rights (as long as Mr. Shao remains as the Chairman of Yazhimei).

2015 Arrangements

On 10 July 2015, the Group, through its wholly owned subsidiaries, entered into the 2015 Agreements (as shown below), collectively with the 2009 Arrangements and the 2011 Arrangements (the "Contractual Arrangements"), with Mr. Shao (a Director and substantial Shareholder), Guangzhou Xiandai, Linkchic (Beijing) Network Technology Co., Ltd* (每城美客（北京）網科技有限公司) ("Linkchic") and Guangzhou Modern Video Media Co., Ltd* (廣州摩登視頻傳媒有限公司) ("Guangzhou Modern Video") (Linkchic and Guangzhou Modern Video, collectively, the "Target Subsidiaries", as defined in the 2015 Annual Report dated 14 March 2016 (the "2015 Annual Report")). The 2015 Arrangements include:

(a) the equity pledge agreements dated 10 July 2015 and entered into between Yazhimei and Guangzhou Xiandai for guaranteeing the payment of the service fees under the management and consultation services agreements (as defined in (d) below);

(b) the option agreements dated 10 July 2015 and entered into between MM Mobile Digital, Guangzhou Xiandai and the Target Subsidiaries, respectively, pursuant to which MM Mobile Digital has been granted options to acquire, directly or through one or more nominees, the entire equity interest in the Target Subsidiaries at nil consideration or the minimum amount as permitted by the applicable PRC laws;

(c) business operation agreements dated 10 July 2015 and entered into between Yazhimei, Guangzhou Xiandai and the Target Subsidiaries, pursuant to which the Target Subsidiaries have undertaken not to enter into any material business transaction without the prior written consent of Yazhimei and to appoint individuals as nominated by Yazhimei to be the directors and key management of the Target Subsidiaries;

(d) the management and consultation services agreements dated 10 July 2015 and entered into between Yazhimei and the Target Subsidiaries, pursuant to which the Target Subsidiaries will engage Yazhimei on an exclusive basis to provide enterprise management consultation services and other services in connection with the business services of the Target Subsidiaries; and

(e) the proxy agreements dated 10 July 2015 entered into between Yazhimei, Mr. Shao and Guangzhou Xiandai, pursuant to which Mr. Shao is authorised to exercise the Shareholders' rights in each of the Target Subsidiaries including attending Shareholders' meeting and exercising voting rights (as long as Mr. Shao remains as the Chairman of Yazhimei) ((a) to (e), collectively the "2015 Arrangements").

The Target Subsidiaries are wholly-owned subsidiaries of Guangzhou Xiandai and their economic benefits as well as the risks associated therewith have already been transferred to the Company under the 2011 Arrangements (or, as the case maybe, since being acquired by Guangzhou Xiandai). The 2015 Arrangements have similar terms in substance with those stated in the 2011 Arrangements. Our PRC legal adviser is of the view that entering into the 2015 Arrangements would further strengthen the Group's management control over the Target Subsidiaries.

As at 31 December 2025, there were in total 16 operating companies established in the PRC ("OPCOs" and each an "OPCO"), including (i) 10 companies (the "Art Media OPCOs") which carried on the art media business, and (ii) 6 companies (the "Digital Media OPCOs") which carried on the digital media business.

The Art Media OPCOs

The Art Media OPCOs comprise the following members of the Group: Guangzhou Modern Information, Guangzhou Modern Books, Zhuhai Yinhu, Zhuhai Meta Media Culture, Shanghai Yage, Beijing Yage, Shanghai Gezhi, Beijing Yage Zhimei, Shanghai Xinxuefen Culture Media Co., Ltd. and Shenzhen Yage Zhimei.

The Art Media OPCOs carry on the printed media business of the Group, which includes (i) design, production and agency services of various advertisements; (ii) wholesale and retail sale of the books, newspapers, periodicals edited and published in the PRC; (iii) planning of literary arts activities and exhibitions; and (iv) consultation services for books information, project planning, enterprise investment and economic information.

The Digital Media OPCOs

The Digital Media OPCOs comprise the following members of the Group: Shanghai Senyin, Guangzhou Xiandai, Zhuhai Chaojie Technology Co., Ltd., Shanghai Chaojie Technology Co., Ltd., Shanghai Futuo Cultural Communication Co., Ltd. and Guangzhou Meta Media Films.

The Digital Media OPCOs carry on the digital media business of the Group, which includes (i) information technology business; (ii) holding of a digital publishing license issued by the PRC Government; (iii) holding of a television programme production permit issued by the PRC Government; and (iv) design and production of advertisements, planning of cultural events and exhibition.

Except for Shanghai Xinxuefen Culture Media Co., Ltd., Zhuhai Chaojie Technology Co., Ltd., Shanghai Chaojie Technology Co., Ltd., Shanghai Futuo Cultural Communication Co., Ltd., which are subsidiaries of Guangzhou Modern Information and Guangzhou Xiandai, each of the above-mentioned OPCOs was a party to the Contractual Arrangements.

OPCO's significance and financial contribution to the Group

By means of the Contractual Arrangements, the Group is permitted to engage in the art media business and the digital media business in the PRC as set out above which foreign ownership in such PRC entities is restricted. The following table sets out the respective financial contribution of the (i) Art Media OPCOs and (ii) Digital Media OPCOs to the Group:

	Significance and contribution to the Group		
	Revenue for the year ended 31 December 2025	**Net loss for the year ended 31 December 2025**	**Total assets as at 31 December 2025**
Art Media OPCOs	3.14%	103.42%	63.97%
Digital Media OPCOs	19.94%	8.27%	12.71%

Revenue and assets subject to the Contractual Arrangements

The table below sets out the OPCOs' (i) revenue; and (ii) total assets which are consolidated into the accounts of the Group pursuant to the Contractual Arrangements:

	Revenue For the year ended 31 December 2025 *RMB'000*	Total assets As at 31 December 2025 *RMB'000*
Art Media OPCOs	11,413.70	364,424.70
Digital Media OPCOs	72,367.23	72,383.39

Reasons for using and risks associated with the Contractual Arrangements

Under the prevailing laws and regulations in the PRC, companies with foreign ownership are restricted from engaging in the publishing business and digital media business in the PRC. As such, the Company relies on the OPCOs to conduct certain parts of the Group's businesses in the PRC. The Company manages to maintain an effective control over the financial and operational policies of the OPCOs through the Contractual Arrangements which effectively transfer the economic benefits and pass the risks associated therewith of the OPCOs to the Company, and as a result, the OPCOs have been consolidated as subsidiaries of the Group.

The Board wishes to emphasise that the Group relies on the Contractual Arrangements to control and obtain the economic benefits from the OPCOs, which may not be as effective in providing operational control as direct ownership. The Company may have to rely on the PRC legal system to enforce the Contractual Arrangements, which remedies may be less effective than those in other developed jurisdictions. Any conflicts of interest or deterioration of the relationship between the registered holders of the equity interest in the OPCOs and our Group may materially and adversely affect the overall business operations of the Group. The pricing arrangement under the Contractual Arrangements may be challenged by the PRC tax authority. If the Group chooses to exercise the option to acquire all or part of the equity interests in any of the OPCOs under the respective option agreements under the Contractual Arrangements, substantial amount of costs and time may be involved in transferring the ownership of the relevant OPCO held by its registered holder(s) to the subsidiaries equity-owned by the Company. There can be no assurance that the interpretation of the Contractual Arrangements by the PRC legal advisers to the Company is in line with the interpretation of the PRC governmental authorities and that the Contractual Arrangements will not be considered by such PRC governmental authorities and courts to be in violation of the PRC laws. In addition, the PRC governmental authorities may in the future interpret or issue laws, regulations or policies that result in the Contractual Arrangements being deemed to be in violation of the then prevailing PRC laws.

Despite the above, as advised by the PRC legal advisers to the Company, the Contractual Arrangements are in compliance with and, to the extent governed by the PRC laws currently in force, are enforceable under, the current PRC laws. The Company will monitor the relevant PRC laws and regulations relevant to the Contractual Arrangements and will take all necessary actions to protect the Company's interest in the OPCOs.

Material changes

Save as disclosed above, there has not been any material change in the Contractual Arrangements and/or the circumstances under which they were adopted for the year ended 31 December 2025.

For any potential changes to the Contractual Arrangements, please refer to the paragraph headed "Deviation from the guidance letter issued by the Stock Exchange (HKEx-GL77–14) (the "Guidance Letter") (last update in May 2025)" below.

Unwinding of the Contractual Arrangements

As of 31 December 2025, there has not been any unwinding of any Contractual Arrangements, nor has there been any failure to unwind any Contractual Arrangements when the restrictions that led to the adoption of the Contractual Arrangements are removed.

Deviation from the guidance letter issued by the Stock Exchange (HKEx-GL77–14) (the "Guidance Letter") (last update in May 2025)

The Company noted that the Stock Exchange has issued the updated Guidance Letter in August 2015 and April 2018 to provide further guidance to listed issuers using contract-based arrangements to indirectly own and control any part of their business. Pursuant to the Guidance Letter, a listed issuer should ensure that where OPCO's shareholders are officers or directors of the issuer, the power of attorney under the contractual arrangement in relation to the exercise all shareholders' rights of OPCO should be granted in favour of other unrelated officers or directors of the issuer so as to avoid any potential conflicts of interests.

Under the Contractual Arrangements, Mr. Shao, being the registered equity holder of the OPCOs and an executive Director, is authorised to exercise the shareholders' rights in each of the OPCOs. The existing Contractual Arrangements have yet to sufficiently address the said requirement newly in place. Accordingly, the Company engaged its legal advisers as to the PRC laws to review the existing Contractual Arrangements and the Company may enter into supplemental agreements upon receiving advise from its legal advisers as to PRC laws and make further disclosure(s) as to any changes to the existing Contractual Arrangements.

The Contractual Arrangements allow the Company to consolidate the financial results of the OPCOs into the Group's consolidated financial statements as if they were the Group's wholly-owned subsidiaries. The Directors consider that the Contract Arrangements are fundamental to the Group's legal structure and business operations and are on normal commercial terms or terms more favorable to the Group and are fair and reasonable or to the advantage of the Group and are in the interests of the Shareholders as a whole.

The independent non-executive Directors have reviewed the Contractual Arrangements and confirmed that (i) the transactions carried out from the date when the Contractual Arrangements became effective up to 31 December 2025 have been entered into in accordance with the relevant provisions of the Contractual Arrangements, have been operated so that the revenue generated by the OPCOs has been substantially retained by the relevant subsidiary of the Group; (ii) no dividends or other distributions have been made by the OPCOs to the holders of their respective equity interests which are not otherwise subsequently assigned or transferred to the Group; (iii) the terms of the transactions are on normal commercial terms and in the ordinary and usual course of business; and (iv) any new contracts entered into, renewed or reproduced between the Group and the OPCOs during the relevant financial period are fair and reasonable, or advantageous, so far as the Group is concerned and in the interests of the Shareholders as a whole.

Acquisition of Approximately 3% of Modern Digital's Issued Share Capital

On 23 December 2025, e-Starship entered into a conditional sale and purchase agreement with the Company and Septwolves Invest for the acquisition of 42,857 shares of MDHL (representing approximately 3% of MDHL's issued share capital). The Consideration initially amounted to RMB11.6 million, which shall be satisfied by payment in cash by the Purchaser to Septwolves in accordance with the terms and conditions of the SP Agreement. In the event that the Consideration was not settled in full by 31 December 2025, e-Starship shall pay to the Septwolves interest accrued (on a simple interest basis) on the outstanding Consideration during the period from 1 January 2026 to 30 June 2026 at the interest rate of 5% per annum.

The Board considered that the Acquisition would allow the Group to have more control of the operations of Modern Digital, so as to ensure the efficiency and management of its digital media business and enhance the Group's influence in the diversified creative business. The Acquisition would also increase the profit attributable to the equity shareholders of the Company (as a result of the increase in e-Starship's interest in Modern Digital's issued share capital from approximately 77% to 80%).

The Group has always been at the forefront of the times and is committed to maintaining its position as a leading, high-profile media group in the PRC, and to promote the continuous high-quality development of the Group in different types of innovative content including business, culture, art, fashion, lifestyle, and multimedia integration strategic platforms that integrate digital technology. The Group has established a diversified and multi-dimensional digital matrix and earned a strong reputation and brand image within the industry, as well as significant recognition in the international market. The Group holds great confidence in the future development of its digital platforms. As the business operations of the Target Group in the digital media industry are in line with the overall development objectives of the Group's businesses, the Board was of the view that the Acquisition would strategically enhance synergies by combining digital and art, and would support the revenue and profit of the Group in the future.

As at 23 December 2025, Septwolves held approximately 23% of Modern Digital's issued share capital (which is a non-wholly owned subsidiary of the Company), and is hence a substantial shareholder of a subsidiary of the Company, and a connected person of the Company at the subsidiary level. Accordingly, the Acquisition also constituted a connected transaction of the Company under Chapter 14A of the Listing Rules. As one or more of the applicable percentage ratio(s) (as defined in the Listing Rules) in respect of the Acquisition exceeded 5% but all of them were less than 25%, the Acquisition constituted a discloseable transaction of the Company and was therefore subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

The above-mentioned Acquisition was completed on 23 January 2026. For details, please refer to the announcements published by the Company on 23 December 2025, 15 January 2026, 16 January 2026, and 23 January 2026 on the websites of the Stock Exchange and the Company.

Other Connected Transactions during the Year

During the Year, the Group has entered into certain related party transactions as disclosed in Note 35 to the consolidated financial statements of this annual report. Save as disclosed in the paragraph "Connected Transactions" and "Continuing Connected Transactions" in this report, such transactions do not fall under the definition of "connected transaction" or "continuing connected transaction" under Chapter 14A of the Listing Rules. In relation to any related party transactions or continuing related party transactions falling under the definition of "connected transaction" or "continuing connected transaction" in Chapter 14A of the Listing Rules mentioned in this annual report, the Company has complied with the disclosure requirements of Chapter 14A of the Listing Rules.

CONTINUING CONNECTED TRANSACTIONS

The Company disclosed in its Prospectus, the 2011 Announcement and 2015 Annual Report that the Group entered into and will continue to carry out between members of the Group certain continuing connected transactions in respect of the Contractual Arrangements (the "Continuing Connected Transactions").

Transactions carried out under the 2009 Arrangements, the 2011 Arrangements and the 2015 Arrangements falls under the definition of "continuing connected transaction" under Chapter 14A of the Listing Rules and have complied with the reporting and announcement requirements during the Year. The Continuing Connected Transactions have been reviewed by the independent non-executive Directors, who have confirmed that the transactions have been entered into in the ordinary and usual course of business of the Group; on normal commercial terms or better; and according to the agreement governing them on terms that are fair and reasonable and in the interest of the Shareholders as a whole. The independent non-executive Directors have confirmed that no dividend or other distribution has been made by the PRC Operational Entities to the holders of their respective equity interests which are not otherwise subsequently assigned/transferred to our Group pursuant to the Continuing Connected Transactions entered into under the relevant Contractual Arrangements.

In accordance with Rule 14A.56 of the Listing Rules, the Board engaged the auditor of the Company to perform procedures on the above Continuing Connected Transactions in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised) "Assurance Engagements other than Audits or Reviews of Historical Financial Information" and with reference to Practice Note 740 "Auditor's Letter on Continuing Connected Transactions under the Hong Kong Listing Rules" issued by the HKICPA.

The auditor has confirmed that:

a. nothing has come to the auditor's attention that causes the auditor to believe that the disclosed Continuing Connected Transactions have not been approved by the Board.

b. for transactions involving the provision of goods or services by the Group to the PRC Operational Entities (as defined in the Prospectus), the Target Companies (as defined in the 2011 Announcement) and the Target Subsidiaries (as defined in the 2015 Annual Report), nothing has come to the auditor's attention that causes the auditor to believe that the transactions were not, in all material respects, in accordance with the relevant terms of Contractual Arrangements as set out in the Prospectus, the 2011 Announcement and the 2015 Annual Report.

c. nothing has come to the auditor's attention that causes the auditor to believe that dividends or other distributions have been made by the PRC Operational Entities, the Target Companies and the Target Subsidiaries to the holders of their respective equity interests which are not otherwise subsequently assigned/transferred to the Group.

In relation to any transactions falling under the definition of "continuing connected transaction" in Chapter 14A conducted during the Year, the Company confirmed that it has followed the relevant pricing policies when determining the price and terms of the relevant transactions.

EMPLOYEES AND EMOLUMENT POLICY

As at 31 December 2025, the Group had around 373 employees (2024: 379 employees). The pay scale of the Group's employees is maintained at a competitive level and employees are rewarded on a performance-related basis within the general framework of the Group's salary and bonus system. Other employee benefits include provident fund, insurance and medical cover.

The Directors' and senior management's emoluments are determined by the Remuneration Committee, with reference to their duties, responsibilities and performance and the results of the Group and comparable market statistics, including the prevailing market rate for executives of similar position. The remuneration policy for our senior management is based on their experience, level of responsibility, length of service and performance.

Details of the Directors' and chief executives' remuneration and individuals with the highest emoluments in the Group are set out in note 13 of the consolidated financial statements of this annual report.

PENSION SCHEME

The employees of the Group in the PRC participate in various social security plans enacted in China, which cover pension, medical and other welfare benefits. The Group is required to make contributions to the plans calculated based on a percentage of the monthly compensation of employees, subject to a certain ceiling, and are paid to the respective labour and social welfare authorities in accordance with the applicable PRC rules and regulations. The local government is responsible for the planning, management and supervision of the scheme, including collecting and investing the contributions, and paying out the pension to the retired employees.

The Group operates a defined contribution retirement benefit plan under the Mandatory Provident Fund Schemes Ordinance, for all of its employees who are eligible to participate in the MPF Scheme. Contributions are made based on a percentage of the employees' basic salaries.

The other employees are covered by other defined-contribution pension plans sponsored by local government.

There was no forfeited contribution under the scheme available for deduction of future contribution to be made by the Group. Accordingly, no forfeited contribution was utilised in the course of the year ended 31 December 2025, and as at 31 December 2025, there was no forfeited contribution available and no forfeited contributions may be used by the Group to reduce the Group's existing level of contributions to the scheme. The Group's contributions to retirement benefit schemes charged to profit or loss for the year ended 31 December 2025 were approximately RMB20,783,000. Details of the retirement benefits are set out in note 12 of the consolidated financial statements of this annual report.

The Group has no other material obligation for the payment of retirement benefits associated with the schemes beyond the contribution described above.

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

During the year ended 31 December 2025, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares (the "Treasury Shares") within the meaning under the Listing Rules). As at 31 December 2025, the Company did not hold any Treasury Shares.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's articles of association, or the laws of the Cayman Islands, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

CORPORATE GOVERNANCE

Throughout the year ended 31 December 2025, the Company continued to apply the principles set out in the CG Code as contained in Appendix C1 to the Listing Rules.

The Company is committed to maintaining a high standard of corporate governance. Details of the Company's corporate governance practices are set out in the "Corporate Governance Report" section of this annual report on pages 29 to 46.

AUDIT COMMITTEE

The Company established the Audit Committee with terms of reference on 24 August 2009 in compliance with the CG Code set out in Appendix C1 to the Listing Rules. The Board has, on 25 December 2015, amended the terms of reference of the Audit Committee to be in line with the provisions of the CG Code, a copy of which is posted on the website of the Company and the Stock Exchange. As at 31 December 2025, the Audit Committee comprises three independent non-executive Directors, namely Mr. Yick Wing Fat Simon (Chairman), Ms. Wei Wei and Mr. Wan Jie.

During the Year, the Audit Committee met from time to time to review the Company's draft interim and annual report and provided advice and comments thereon to the Company's Board of Directors, met with external auditors to discuss audit matters of governance interest that arise from the annual audit of the Company's financial statements. The Audit Committee has also reviewed the interim and annual results of the Group for the year ended 31 December 2025. Starting from 2015, the Audit Committee has also performed the duties as stated in the amended terms of reference of the Audit Committee, including reviewing the risk management system of the Group.

DIRECTORS' REPORT *(continued)*

TAX RELIEF

The Company is not aware of any relief from taxation available to the Shareholders by reason of their holding of the Shares.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, the Directors confirm that the Company has maintained throughout the year ended 31 December 2025, the amount of public float as required under the Listing Rules.

CONFIRMATION OF INDEPENDENCE

The appointment of the independent non-executive Directors was made in strict compliance with the guidelines for assessing independence as set out in Rule 3.13 of the Listing Rules. Pursuant to Rule 3.13 of the Listing Rules, the Company considers that all of the independent non-executive Directors are independent.

AUDITORS

The consolidated financial statements for the year ended 31 December 2025 have been audited by ZHONGHUI ANDA, which will retire and be eligible for reappointment. At the forthcoming annual general meeting, the Company will propose a resolution to re-appoint ZHONGHUI ANDA as its auditors.

There have been no changes in the Company's auditors for the three years preceding the date of this annual report.

On behalf of the Board

Shao Zhong
Chairman

Hong Kong, 18 March 2026

BIOGRAPHICAL DETAILS OF DIRECTORS & SENIOR MANAGEMENT

EXECUTIVE DIRECTORS

Mr. SHAO Zhong (邵忠), aged 65, the Chairman of the Board, the Chief Executive Officer of the Company and the Chief Content Officer of the Group, who is also the founder of the Group. Mr. Shao is the chairman of the environmental, social and governance committee of the Company. Mr. Shao was initially appointed as a Director in March 2007, and was subsequently designated as the Chairman of the Board and an executive Director in July 2009. Mr. Shao was the Chief Executive Officer of the Company from September 2015 to November 2016, and he was again appointed as the Chief Executive Officer with effect from October 2017. He was re-designated as a Co-Chairman of the Board on 16 February 2023 and re-designated as the Chairman of the Board on 5 October 2023. Mr. Shao is responsible for the overall corporate strategies, policy-formulating, instilling corporate philosophy as well as strategic planning, development and expansion of the Group's new media businesses. Prior to founding the Group, Mr. Shao was formerly a PRC government official before 1989. Then, he also undertook senior positions in other publishing and media enterprises including a listed printing company in Hong Kong until 1999. Mr. Shao holds an EMBA degree from Tsinghua University of Beijing. His in-depth experience in the media and publication industries in the PRC earned him the nomination as one of Top 10 Media Leading Icon at China Media Forum in 2010.

Ms. YANG Ying (楊瑩), aged 50, was appointed as an executive Director from September 2015. Ms. Yang graduated from Shanghai Foreign Trade College (上海對外貿易學院) in July 1999, majored in Foreign Trade Economy and obtained her EMBA degree from a course jointly provided by Shanghai Jiao Tong University and Euromed Management Marseille in Shanghai in November 2013. Ms. Yang has more than 22 years' working experience in the Advertising, Marketing and Public Relationship. Ms. Yang worked for Swatch Group and The Wharf Holdings Limited after graduation. In 2000, Ms. Yang joined the Group as Marketing Director of its Shanghai Office and was further promoted as the Deputy General Manager. To broaden her publishing experience, Ms. Yang joined Vogue Magazine, China as Associate Publisher and Advertising Director from May 2005 to July 2009. In August 2009, Ms. Yang rejoined the Group as Shanghai Office General Manager to manage the sales and marketing and assisting the business development of the Group.

Mr. LI Jian (李劍), aged 50, was appointed as an executive Director from September 2015. Mr. Li joined the Group in September 2011 as the Deputy Publisher for "Bloomberg Businessweek/Chinese Edition" and Deputy General Manager of the Group's operations in the Beijing region. He was promoted, in September 2012 and in February 2013 respectively, to the General Manager of the Beijing region and the Publisher for "Bloomberg Businessweek/Chinese Edition. Prior to joining the Group, he had served in two international media companies and held various senior positions, such as the publisher for a number of media. Mr. Li was a pioneer in the digital publication and visual media industries and has accumulated 19 years of working experience in the media field. In the earlier years, Mr. Li had worked for internationally well-known consulting agencies. Mr. Li has gained extensive experience in cross-media operations from international media groups over the years, which will facilitate the Group in exploring and integrating cross-media platforms that will contribute to the development of business. He graduated from John Molson Business School, Concordia University of Canada with a bachelor's degree in Business in 2000.

BIOGRAPHICAL DETAILS OF DIRECTORS & SENIOR MANAGEMENT *(continued)*

INDEPENDENT NON-EXECUTIVE DIRECTORS

Ms. WEI Wei (魏蔚), aged 56, was appointed as an independent non-executive Director in December 2020. Ms. Wei is the chairman of the nomination committee of the Company and a member of each of the audit committee and remuneration committee of the Company. Ms. Wei is a partner and the chairperson of Levy Gorvy Asia since October 2020. Prior to joining Levy Gorvy Asia, Ms. Wei served as the president and chairperson of Christie's Asia from May 2012 to January 2020. Prior to joining Christie's Asia, Ms. Wei worked with the consulting firm McKinsey & Company from September 1999 to January 2010, achieving the distinction of becoming their first female partner in Greater China. In 2017, she was named one of the Top 25 Power Women by "Tatler" Hong Kong Magazine.

Mr. WAN Jie (萬捷), aged 63, was appointed as an independent non-executive Director in May 2021. Mr. Wan is a member of each of the audit committee, remuneration committee, nomination committee and the environmental, social and governance committee of the Company. Mr. Wan has engaged in the business model innovation and practice of cultural industry for a long time, committed to the inheritance, protection and promotion of the Chinese culture, and actively promoted the introduction and dissemination of worldclass splendid culture and arts. In 1993, Mr. Wan founded Artron (Culture) Group ("Artron"), and pioneered the business model of "covering the entire art industry chain with art data as the core and IT technology as the means" to build products and services covering the entire art industry chain, which has expanded from high-end art printing to internet art information service, art data service, art video and art education, making Artron the premier comprehensive cultural and art service institution in China and unique one all over the world.

Mr. YICK Wing Fat Simon (易永發), aged 67, was appointed as an independent non-executive Director in October 2019. Mr. Yick is the chairman of each of the audit committee and remuneration committee of the Company and a member of the nomination committee of the Company. Mr. Yick holds a bachelor's degree in Business Administration from the Chinese University of Hong Kong, majoring in Accounting. He is a fellow member of the Hong Kong Institute of Certified Public Accountants and the Chartered Association of Certified Accountants in England. Mr. Yick has over 42 years of experience in audit, direct investment, investment banking and corporate advisory services. In addition, Mr. Yick is an independent non-executive director and chairman of the audit committee of Shenzhen Neptunus Interlong Bio-technique Company Limited (Stock Code: 8329), Shanghai International Shanghai Growth Investment Limited (Stock Code: 770) and China Shuifa Singyes Energy Holdings Limited (Stock Code: 750) (all of which are listed on the Stock Exchange). He also served as an independent non-executive director, the chairman of the remuneration and nomination committee and a member of the audit and compliance committee of Nexteer Automotive Group Limited (the shares of which are listed on the Main Board of Stock Exchange, Stock Code: 1316) from August 2017 to June 2022, and served as an independent non-executive director, convenor of the remuneration and appraisal committee and a member of the strategy committee of Chengdu Xingrong Environment Co., Ltd. (the shares of which are listed on the Shenzhen Stock Exchange, Stock Code: 000598.SZ) from August 2015 to August 2020. These companies are independent third parties of the Company and its connected persons.

SENIOR MANAGEMENT

Mr. Henry NGAI Wai Tung (倪偉東), aged 48, joined our Group on 1 June 2021 and is currently the Chief Financial Officer of the Group, responsible for the management of the entire financial system of the Group. Prior to joining the Group, he served as the Chief Financial Officer and vice president of Banyan Tree China and as a tax partner at KPMG China. With nearly 22 years of experience in financial management, Mr. Ngai is familiar with the business and cultural environments of Hong Kong and mainland China. In the past tenure, he has provided effective tax and business consulting for enterprises, and provided important suggestions and solutions for company development, tax planning, and investment and M&A projects.

Ms. MA Li (馬驪), aged 43, joined our Group in November 2009 and now is the Deputy Chief Financial Officer of the Group, responsible for the financial planning and analysis of the Group and all media business units. Apart from financial management, she is also responsible for internal controls and policy management for the Group. Prior to joining the Group, she had worked for PricewaterhouseCoopers as a senior auditor for over 5 years. She obtained her bachelor of management and bachelor of finance from Shanghai University of Finance and Economics. She is the member of The Institute of Internal Auditors and has over 17 years experience in finance and control management.

Ms. ZHANG Kui (張葵), aged 53, the Deputy Chief Financial Officer of the Group, Ms. Zhang joined our Group in March 2005, she is responsible for establishing the Group's financial management accounting system, formulating the financial system, financial accounting for the Group, and the formulation and implementation of tax planning. Before joining the Group, Ms. Zhang worked for domestic large state-owned enterprises, responsible for the financial work in the state-owned enterprises for more than 10 years. She has rich experience in finance management and tax planning. Ms. Zhang graduated from Jinan university with a bachelor's degree in management. She is a senior accountant, certified tax agent and obtained management institute of occupational qualification registered in China. She has more than 22 years of experience in the financial and tax management.

COMPANY SECRETARY

Ms. CHAN Sze Ting (陳詩婷) *(FCG, HKFCG)*, has been appointed as the Company Secretary of the Company on 1 April 2020. Ms. Chan is a director of the corporate services division of Tricor Services Limited, a global professional services provider specialising in comprehensive commercial, corporate and investor services. Ms. Chan has over 20 years of experience in the corporate secretarial field and has been providing professional corporate services to Hong Kong listed companies as well as multi-national, private and offshore companies. Ms. Chan is a Chartered Secretary (CS), a Chartered Governance Professional (CGP) and a fellow of both The Hong Kong Chartered Governance Institute (HKCGI) and The Chartered Governance Institute (CGI) in the United Kingdom. Ms. Chan holds a bachelor of arts degree from the Hong Kong Polytechnic University and a bachelor of laws degree from the University of London.

2025 ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT

ABOUT THE ESG REPORT

The ESG Report is the tenth environmental, social and governance report (the "Report") published by the Group to help various stakeholders to understand the policies, measures and effectiveness of the Group in respect of the environment, social and governance issues. The Report is prepared in Chinese and English, in case of any discrepancy between the English and Chinese versions, the Chinese version shall prevail. The electronic version of the Report has been uploaded to the website of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") and the Group's website (https://group.modernmedia.com.cn).

SCOPE OF THE ESG REPORT

The ESG Report presents the performance of the Group in terms of environmental, social and governance aspects during the fiscal year from 1 January 2025 to 31 December 2025 (the "Year") and continues to focus on the two segments of digital media and print media platform. The scope of the performance information disclosed in this year covers operating locations in Hong Kong, Shanghai and Guangzhou. The Group will regularly review the scope of the Report in accordance with the principle of materiality to ensure that investors and other stakeholders are provided with comprehensive and accurate information disclosure reporting standards.

The ESG Report is in compliance with the "comply or explain" provisions in Appendix C2 – "Environmental, Social and Governance Reporting Guide" (the "Guide") of the Listing Rules issued by the Stock Exchange. The Report has been prepared on the basis of four reporting principles set out in the Guide – Materiality, Quantitative, Balance and Consistency. A complete content index is appended in the last chapter hereof for easy comprehension of the Report according to the Guide.

Reporting Principles	Definition	Response
Materiality	Focusing on environmental, social and governance issues which have significant impact on the Group and various stakeholders.	The members of the Board of Directors have identified material environmental, social and governance issues based on factors such as the nature of the Group's business and the expectations of stakeholders.

Reporting Principles	Definition	Response
Quantitative	Key performance indicators (KPI) in respect of historical data need to be measurable. The issuers should set targets to reduce a particular impact. In this way, the effectiveness of environmental, social and governance policies and management systems can be evaluated and validated. Quantitative information should be accompanied by a narrative explaining its purpose, impacts, and giving comparative data where appropriate.	The key performance indicators of the "social" component of the Group are sourced from the statistics of relevant departments. Moreover, in order to ensure the accuracy of the environmental Key Performance Indicators, the Group has commissioned a professional consultation company to conduct relevant calculations in accordance with the Guide issued by the Stock Exchange and the Appendix 2: Guidelines on Reporting of Environmental Key Performance Indicators (EKPIs) and Appendix 3: Guidelines on Reporting of Social Key Performance Indicators (SKPIs), respectively. Where applicable, the Group includes forward looking statements in this Report, and the quantitative information is accompanied by descriptions and adopted standards, methods, assumptions and/or calculation tools.
Balance	The issuer shall present its performance impartially, and avoid the selection, omission or presentation format that may unduly influence the decision making or judgment of the readers of the Report.	The Group fully demonstrates the environmental, social and governance performance in the Report to avoid giving biased information.
Consistency	Consistent disclosure and statistical method shall be adopted by the issuer, in order to make the environmental, social and governance data available for meaningful comparison in the future.	The Group has prepared this Report in the same way as in previous years, and has ensured that the future environmental, social and governance data will be collected in a consistent way for comparison between the Year and previous years.

STATEMENT OF THE BOARD OF DIRECTORS

The Board of Directors of the Group is the highest responsible and decision-making body for ESG matters (including but not limited to the identification, assessment and management of climate-related risks and opportunities). It is ultimately responsible for the ESG strategy and reporting of the Company and monitors ESG-related matters that may affect the company's operations, shareholders, and other stakeholders. The Environmental, Social and Governance Committee under the Board is responsible for formulating and implementing ESG-related policies, setting key performance indicators and monitoring progress, and reporting to the Board and reviewing on the progress of the fulfillment of relevant ESG goals. For details, please refer to the section headed "Risk Management" in the Report.

The Group emphasizes the suggestions and opinions of various stakeholders and ensures sufficient channels to communicate with key stakeholders to discuss and identify important ESG issues and possible ESG risks facing the Group, and to continuously improve ESG-related strategies and policies. In 2025, although a materiality assessment was not conducted, the Board of Directors has reviewed the material ESG issues for the year, and has approved a proposal to adjust the level of importance of each ESG issue to ensure the timing and legitimacy of the material issues matrix.

The Group has established an ESG target management system in respect of carbon emission, energy use, water resource management and waste indicators, which the Board annually reviews the target progress and examines any necessary adjustments or improvements to ensure that the Group continues to make progress in achieving its ESG targets.

The Board and all Directors guarantee that there are no false entries, misleading statements or material omissions in the contents of the Report and accept responsibility for the truthfulness, accuracy and completeness of the Report. The Report, which discloses in detail the progress and effectiveness of the ESG work of the Group in 2025, was considered and approved by the Board of Directors at its meeting held on 18 March 2026.

CORPORATE AWARDS

Category	Level	Organization	Award	Project
News Award	Authority Level	Hang Seng University of Hong Kong	Best Business News Series	Green Smart City Series
News Award	Authority Level	Hang Seng University of Hong Kong	Gold Award for Best "Environmental, Social, Governance" News	The Unmovable Green Business
News Award	Authority Level	Hang Seng University of Hong Kong	Gold Award for Best Business News Report	The Next "Life Cycle" of Hong Kong Tourism
News Award	Authority Level	Hang Seng University of Hong Kong	Silver Award for Best "Environmental, Social, Governance" News	Urban "Five Elements" Coping with Unpredictable Weather

FEEDBACK

The Group values the opinions of stakeholders. If you have any questions or suggestions about the content or reporting form of this Report, you are welcome to contact Ms. Zhong, the person-in-charge of the environmental, social and governance working group of the Group through the following methods:

Address: 7th Floor, Global Trade Square, 21 Wong Chuk Hang Road, Aberdeen, Hong Kong
Email: hk@metamedia.com.hk
Tel：(852) 2250 9188
Fax：(852) 2891 9719

2025 ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT *(continued)*

SUSTAINABILITY GOVERNANCE

The Group fully recognizes that establishing an effective sustainable development governance system is of paramount importance for enhancing ESG performance, thereby achieving long-term success. Accordingly, we have developed the following sustainability governance framework to deliver our sustainability strategy within the Company with a top-down approach:

Regulatory Functions	Regulatory Content
Board of Directors	To set up and monitor the ESG risk management and internal control system, and to oversee the sustainable development of the Group. To regularly review and monitor the ESG performance and progress in achieving the goals, to approve the ESG management policies, strategies, plans, goals and annual work of the Group, and to approve the contents of the annual ESG report. • Bear ultimate oversight responsibility for the Group's ESG and climate-related matters; and • Oversee the entire process of identification, assessment and response to climate-related risks and opportunities, and review the Group's climate-related management strategies and disclosures.
Environmental, Social and Governance Committee	To formulate and implement ESG-relevant policies, strategies, plans, annual work and goals, set key performance indicators and monitors the progress and final results, and review and amend relevant policies to ensure the implementation effectiveness. The Committee currently comprises Mr. Shao Zhong, the Executive Director (Chairman of the Committee), Mr. Wan Jie, the Independent Non-executive Director, and Ms. Yeh Shaway, the advisor, and at least one meeting is convened every year, and • Assist the Board in conducting compliance reviews and risk oversight of climate-related matters.

Regulatory Functions	Regulatory Content
ESG Working Group	To identify and assess the risks faced by the Group, and design, apply and monitor effective internal control system meeting minutes. The working group consists of management personnel from the finance department, administration department and human resource department, and at least one meeting is convened every year.
Respective Functional Departments	To practice the Company's ESG policy and system, and regularly provide feedback to the ESG working group. To organize, promote and execute ESG related work in accordance with the ESG management policy, strategy, planning, annual work and goal arrangement, requirements and labor distribution of the Group.

RISK MANAGEMENT

The Group regards risk management as the core of our long-term operational capability. With compliance as the basis of risk management, we have established a comprehensive internal control system to manage the key areas such as finance, operations, compliance and risk management. Management is responsible for identifying and evaluating the various risks facing the Group and continuously designing, implementing and monitoring effective internal controls.

The Group categorizes and exercises priority control over risks according to their impact on operating profit, cash flow and social reputation, and holds quarterly Board meetings to review the quarterly operation and make adjustments once deviations from the actual operations and established objectives are found.

LAWFUL OPERATION

The Group maintains compliance with the law as the foundation of its ongoing operations in all regions. We are fully aware that any illegal activities may lead to enforcement actions by regulatory authorities. To this end, the Group provides clear guidance to employees through regular reviews and compliance monitoring. The operations of the Group are subject to various laws and regulations, including those listed in the table below, but not limited to them. We fully recognize that any violation of relevant laws and regulations could significantly harm the Group's reputation and have a material adverse impact on the Group's business, operational performance, or financial condition.

Level	The relevant laws and regulations that have a material impact on the Group	Management approach and compliance status
Emissions	The Environmental Protection Law of the People's Republic of China The Water Pollution Prevention Law of the People's Republic of China The Air Pollution Prevention Law of the People's Republic of China The Air Pollution Control Ordinance The Waste Disposal Ordinance The Water Pollution Control Ordinance The Motor Vehicle Idling (Fixed Penalty) Ordinance	The Group has formulated the Energy Conservation and Environmental Protection Management System of Companies to guide the management of environmental footprint. During the Year, the Group did not violate the relevant laws and regulations that have a material impact on the Group.
Employment and Labor Standard	The Labor Law of the People' s Republic of China The Labor Contract Law of the People's Republic of China The Law of the People's Republic of China on the Protection of Women's Rights and Interests The Law of the People's Republic of China on the Protection of Minors The Employment Ordinance The Minimum Wage Ordinance The Employees' Compensation Ordinance	The measures and guidelines specified in the Employee Handbook of the Group ensure that employees are aware of the policies on remuneration and dismissal, recruitment and promotion, working hours, holidays and other benefits and welfares. Moreover, the Group formulated the Policy Statement on Employment and Labor Practice to set out its commitment to employment standards. During the Year, the Group did not violate the relevant laws and regulations that have material impact on the Group.
Health and Safety	The Production Safety Law of the People's Republic of China The Occupational Disease Prevention Law of the People's Republic of China The Fire Prevention Law of the People's Republic of China The Occupational Safety and Health Ordinance	The Group provides guidance in the Employee Handbook for office safety, office fire safety and personal safety of employees. During the Year, the Group did not violate the relevant laws and regulations that have a material impact on the Group.

Level	The relevant laws and regulations that have a material impact on the Group	Management approach and compliance status
Product Responsibility	The Product Quality Law of the People's Republic of China The Copyright Law of the People's Republic of China The Regulation on Internet Information Service of the People's Republic of China The Law of the People's Republic of China on Protection of Consumer Rights and Interests The Interim Measures for the Administration of Internet Advertising The Cybersecurity Law of the People's Republic of China The Advertising Law of the People's Republic of China The Trade Descriptions Ordinance	The Group has formulated the Policy Statement on Product Responsibility, which makes corresponding commitments in product service quality, advertising management and marketing, consumer rights protection and privacy protection. During the Year, the Group did not violate the relevant laws and regulations that have a material impact on the Group.
Anti-corruption	The Anti-Unfair Competition Law of the People's Republic of China The Anti-Money Laundering Law of the People's Republic of China The Prevention of Bribery Ordinance	The Employee Handbook of the Group stipulates the relevant policies and guidelines to prevent bribery, extortion, fraud and money laundering to ensure that employees are aware of the relevant principles and requirements. During the Year, the Group did not receive any corruption lawsuits against the Group or its employees, nor did it violate the relevant laws and regulations that have a material impact on the Group.

BUSINESS ETHICS

Business ethics and integrity are essential for the Group and its long-term relationship with its business partners. The Group has stipulated relevant policies on preventing bribery, extortion, fraud and money laundering, guidelines on accepting gifts and other occupational codes of conducts in the Employee Handbook to ensure that employees are aware of relevant principles and requirements.

To encourage employees to report dishonest behaviors, the Group has also set up whistle-blowing procedures, in which employees can report suspected cases directly to the top management. The Group will adhere to the principle of ethical operation to prevent and promptly stop corrupt activities. In addition, the Group has always maintained close communication with business partners and suppliers to avoid improper and illegal activities.

In the future, the Group will sustainably maintain high ethical operating standards and further strengthen internal system controls. At the same time, the Group will regularly provide anti-corruption training and journalistic ethics training for directors and employees to enhance their awareness of integrity and deepen their understanding of relevant laws and regulations, especially the legal and regulatory requirements on the authenticity and impartiality of news reports, so as to ensure that all the Group's activities, including business operations and news reporting, strictly adhere to the principles of business ethics and integrity.

STAKEHOLDERS AND MATERIALITY ASSESSMENT

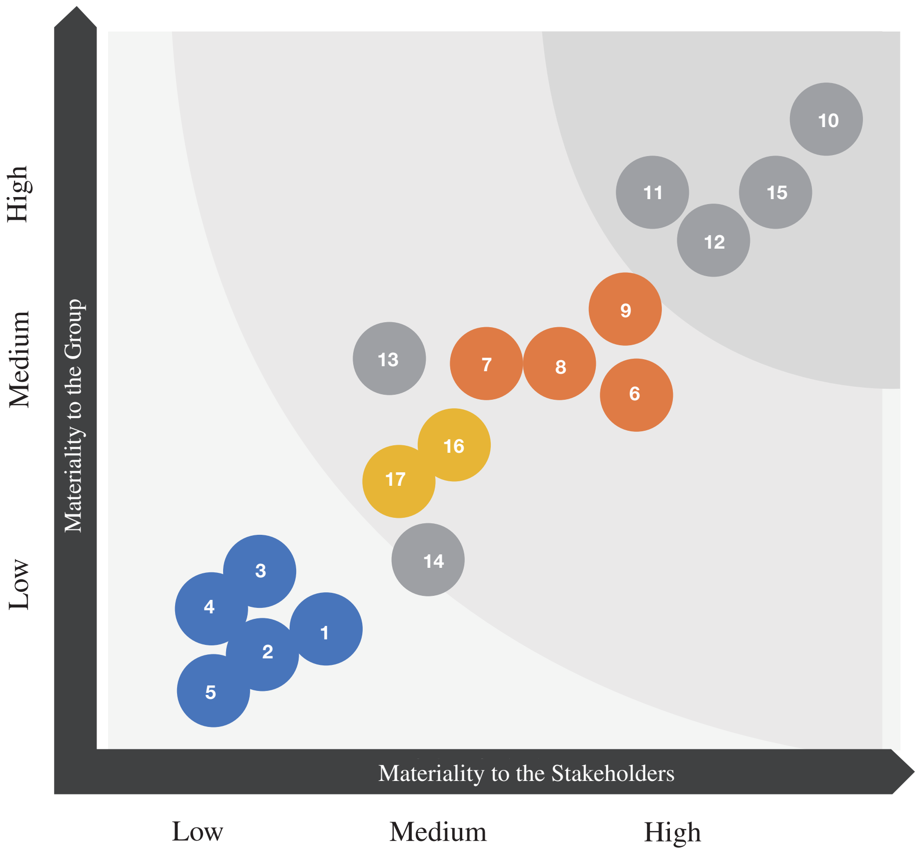
The sustainable development of an enterprise depends on the cooperation of all stakeholders. By heeding the needs of our stakeholders, the Group is able to incorporate their views into our sustainability strategies and policies, thereby facilitating long-term development. In the course of our daily operations, the Group conducts regular two-way dialogues with our stakeholders, which enables us to understand what matters most to them about our business.

Major Stakeholders	Communication Methods
Board of Directors, management personnel, executive personnel and general staff	• Internal communication system • Training courses • Irregular staff activities • Staff grievance procedures • Regular meetings and interviews
Shareholders, investors, banks and government departments	• General meeting • Annual/interim results announcements and reports • Announcements and circulars • Company website • Press release • E-mail and telephone

Major Stakeholders	Communication Methods
Suppliers	• Review and valuation • On-site visit • E-mail and telephone
Readers and customers	• Social media • E-mail and telephone • Community organization or other cooperative units • Community service

The Group conducted an ESG materiality assessment in accordance with relevant requirements and its actual operating conditions, identifying 17 ESG issues. Through soliciting views from stakeholders and collecting internal and external information from employees and professional consulting firms, the final materiality assessment results were determined following evaluation and review by management personnel and reporting to the Board of Directors.

In 2025, the Group did not perform a new materiality assessment. Considering that no material changes had occurred in the Group's business model, operating environment and key risks, management personnel reviewed and considered that the prior year's materiality assessment results and framework remain applicable for the current year. The existing materiality determination logic and criteria continue to be applied in actual operations such as operational decision-making and resource allocation, ensuring the steady and orderly progress of all businesses.



Environment	Employee
1. Emission management	6. Employee welfare
2. Waste management	7. Occupational health and safety
3. Energy use	8. Talent attraction and retention
4. Water conservation	9. Employee training
5. Climate change	

Products	Community
10. Product quality	16. Community contribution
11. Compliance operation	17. Public welfare investment
12. Intellectual property rights	
13. Supply chain management	
14. Anti-corruption	
15. Customer data protection	

ADHERENCE TO CONTENT RESPONSIBILITY

The Group strictly comply with applicable national laws and regulations on intellectual property rights, content auditing, marketing compliance, advertising management, consumer rights protection and privacy protection, and fulfill our product responsibilities and legal obligations in these areas.

ESTABLISHING BRAND TRUST

The Group aims to be the global leading content empowerment company, which uses art and technology to reorganize the future of business. Hypermedia encompasses five meanings: "ahead of the times, superiority, outperformance, super experience, and hypermedia". We aim to create a more influential creative platform for expression in the online space.

The Group strictly comply with national laws and regulations governing intellectual property rights, content auditing, marketing compliance, advertising management, consumer rights protection and privacy protection. It earnestly fulfills relevant product responsibilities and legal obligations, and has formulated a Product Responsibility Policy Statement to set out clear commitments across product and service quality, advertising and marketing management, consumer rights protection and privacy protection, steadily building brand trust.

CONTENT AND QUALITY

The Group is aware that the media has a far-reaching influence on the thoughts and behaviors of readers and the public. As a content provider, the Group adheres to the principles of accuracy and objectivity and is committed to delivering high-quality content. To ensure content quality, the Group has implemented standardized editing processes and comprehensive quality control procedures. It has formulated the Requirements on Level Revision and Checkout of Publications, which define clear control standards and quality management principles for all stages including revision, editing, design, and communication with advertising customer, for the purpose of ensuring accurate content. Meanwhile, the Group continuously reviews and optimizes its news reporting procedures, comprehensively sorts out and re-examines internal news reporting standards, and introduces more stringent, detailed and standardized operational processes in news content review, upholding the principle of journalistic authenticity and the bottom line of business ethics. During the review process, editors should not only focus on the orientation and ideological nature of content but also carefully verify details such as numbers, units of measurement, contact information, English norms, names translated in Chinese and technical terms to avoid misleading readers. In addition, the Group engages independent printers holding ISO 9000 qualification certificates or recognized in the printing industry to print publications in Hong Kong and Chinese Mainland with view to ensure printing quality.

Review	Edit	Design	Communication with Advertisement Customers
• Proofreading content to ensure the accuracy of published text content, including their grammar and information	• Implementing the three level review work of "editor's preliminary review – chief editor's second review – general editor's final review" • Ensuring the accuracy of the technical terms and figures of the content	• Designing and typesetting content and pictures to provide clear and easy-to-read typesetting for readers	• Communicating with advertisement customers and checking information and content

In 2025, the field of artificial intelligence experienced rapid development, and the wave of digital intelligence continued to advance. Leveraging cutting-edge technological tools to enhance productivity and stimulate creativity has become an inevitable choice for business operations. The Group keenly observed the trends of the times and proactively seized opportunities brought by technological transformation, comprehensively accelerating its AI transformation and content technology upgrading. Through multi-dimensional exploration, the Group uncovered diverse pathways for technology-driven business growth, while continuously advancing resource integration and restructuring to inject strong impetus into the expansion of innovative businesses.

In 2025, the Group achieved a number of important breakthroughs in the integration of technology and business. Its media "Art Review" and "NOWNESS" co-founded MC2. Art, an AI art platform inspired by the mass-energy equation of the theory of relativity ($E=mc^2$), which focuses on the integration of art and technology, with an emphasis on exploring artificial intelligence and future image production. With academic support from MC2, the Group developed Meta Eye, a platform integrating "imaging" and "art". Leveraging the cross-boundary convergence opportunities brought by AIGC and Apple Vision Pro, and taking "AI + visual creation" as the core carrier, Meta Eye is positioned as a professional and cinematic AI video production and distribution platform. It is committed to connecting the latest technological and artistic trends with emerging public lifestyles, building a comprehensive platform integrating technology, art, culture and lifestyle. Meanwhile, the Group made significant progress in technological cooperation. Building on its cooperation with Ernie Bot (Baidu), the Group has entered into in-depth partnerships with more cutting-edge technology companies, promoting the full application of advanced AI technologies in core business areas including fashion, art and media communication. The Group continues to strengthen its competitive advantages and steadily advances toward its goal of becoming a leading domestic digital content and creative enterprise.

In 2025, the Group fully integrated into the AI ecosystem with key initiatives including: the official launch of MC2. Art, an AI art platform focused on the deep integration of art and technology; the NOWNESS App, one of its flagship platforms, surpassing 13 million cumulative downloads, with its short films gaining wide exposure at international film festivals (including winning the Golden Leopard Award); and the official launch of Shao.ai, an AI thinking engine trained on 1.5 million words of media materials, embodying the direction of media intelligence. Furthermore, since pioneering its entry into the metaverse in 2022, the Group has consistently adhered to its core philosophy of "integrating art into life and reshaping society through technology," continuously seeking new growth opportunities and breakthroughs for the Group.

During the Year, the Group did not have any cases of product recall due to violation of relevant consumer protection laws and regulations.

COMPLIANT ADVERTISING SERVICES

In selecting advertising partners, the Group conducts comprehensive reviews with a rigorous and prudent approach to ensure all advertisers fully comply with the provisions of the Advertising Law of the People's Republic of China. We are committed to providing lawful, compliant and high-quality advertising services, thereby safeguarding the Group's sound reputation and upholding the trust and support of our customers.

To ensure the authenticity and legality of advertising content, the Group has established a stringent and comprehensive advertising review system. All advertising content must go through a multi-layered, full-scope review process before official publication, including content compliance review, legal risk review and creative presentation review. This ensures that the information conveyed by advertisements is accurate, lawful and compliant, and eliminates any non-compliant or illegal content.

EFFICIENT CUSTOMER SERVICES

The Group's service recipients fall into two major categories: advertisers and distributors. To further consolidate and enhance the Group's core competitiveness in China's advertising market and continuously deliver top-tier service experiences to advertisers, the Group has independently developed an advanced media management system. Serving as an integrated customer data management platform, the system is specifically designed to aggregate, organize and analyze detailed data on the Group's readership.

This media management system has not only effectively facilitated information transmission and resource sharing among various departments and sales teams within the Group, but also significantly enhanced the efficiency of business coordination and negotiation with advertising clients. Leveraging the system, we are able to gain more precise insights into readers' reading preferences and needs, thereby providing advertising clients with more targeted advertising placement proposals and helping them maximize advertising effectiveness.

We deeply recognize that communication is key to ensuring service quality, and therefore maintain close contact with customers at all time, effectively reducing the likelihood of potential complaints arising from information discrepancies or misunderstandings. At the same time, the Group has established convenient and efficient complaint channels. Customers can easily access the contact information of various branches and submit complaints by visiting the "Contact Us" section on the Company's official website.

The Group has a dedicated complaint handling team responsible for carefully verifying and thoroughly investigating customer complaints, and promptly implementing follow-up measures to resolve issues at their root and prevent recurrence of similar problems. During the Year, the Group did not receive any complaints regarding product quality or service standards. This is not only a full affirmation of our existing work performance, but also an important driving force for us to continuously optimize and pursue excellence. We will always adhere to the core principle of customer first, continuously optimize service processes and improve the quality of service to ensure that every customer can enjoy a satisfactory and efficient service experience.

MAINTAINING INTELLECTUAL PROPERTY RIGHTS AND PRIVACY PROTECTION

As a responsible media communication group, the Group attaches great importance to intellectual property protection and customer privacy security, and integrates them into its core management system. The Group's Employee Handbook clearly stipulates the code of conduct that employees must follow when handling confidential business data. The human resources department is responsible for providing systematic confidentiality training to new employees, ensuring that employees develop a strong sense of confidentiality from the beginning of their employment.

Employees in necessary positions of the Group are required to sign the Confidentiality and Non-competition Agreement to ensure that each employee fully understands and strictly abides by the Group's rules and regulations regarding the protection of the Company's confidential information and customer privacy. The head of each department shall carry out regular confidentiality education for its employees under their supervision and conduct irregular inspections on the implementation of confidentiality work to promptly identify and address potential risks. When any employees finds that the Company's confidential information has been leaked or is at risk of being leaked, he/she shall immediately take remedial measures and report to the President's Office without delay.

The Group has formulated the Product Responsibility Policy Statement and made clear and solemn commitments in all aspects of protecting customer privacy. During the entire process of collecting, storing, using and transmitting customers' personal data, the Group fully respects customers' statutory privacy rights, and takes comprehensive and high-standard security protection measures to properly keep customer personal data and ensures data security.

If an employee is found to have leaked the Company's secrets, the Group will immediately terminate his or her labor contract, and reserve the right to pursue his or her economic compensation and legal liabilities. At the same time, the joint liability of relevant department heads and responsible persons shall be investigated in accordance with the law. In addition, in the cooperation contracts signed with suppliers, the Group also explicitly stipulates that both parties shall respect each other's intellectual property rights, strictly abide by relevant national laws and regulations, and jointly build a lawful and compliant cooperation environment.

MANAGING SUSTAINABILITY OF SUPPLY CHAIN

The sustainable development of the Group depends on responsible suppliers. Therefore, the Group has specially established a series of rules, regulations and guidelines including the Supplier Management and Standards for Selection of Printing Factory Suppliers, which clearly define the core principles, screening criteria and rating mechanism for supplier management, providing a clear implementation basis for supplier management.

These policy documents specify six core evaluation indicators for supplier selection, namely: compliance with quality level, timeliness and efficiency of delivery, price level, back-up service, human resources management status, and past cooperation performance. Based on these six indicators and a rigorous selection process, the Group is able to select high-quality suppliers that meet all standards and are environmentally friendly, promoting the sustainable development of the supply chain.

The major suppliers of the Group include printing factory suppliers, logistics service providers, as well as other relevant partners such as consumables suppliers, travel agencies, marketing activities companies and labor intermediary service providers. During the Year, the Group cooperated with 2,027 suppliers (2024: 2,008) both from Hong Kong and Mainland China. All the suppliers were screened according to the Policy on Suppliers Management and the Standards for Selection of Printing Factory Suppliers to ensure standardization and reliability of cooperation.

The Group's publishing is positioned as international, fashionable and high-quality, demanding extremely high standards for printing and publishing quality, with a pursuit of exquisite craftsmanship and refined content presentation. Depending on the unique printing requirements of different publications, the Group will carefully select the most suitable printing service suppliers and conduct a comprehensive assessment of printing suppliers once every two years. The evaluation contents cover product quality, service level, printing quotation, production capacity and delivery completion time, etc., so as to ensure that printing services always meet the high standards of the Group's publications.

BUILDING AN IDEAL WORKPLACE

Employment Management and Standard

The Group is committed to attracting, motivating and retaining outstanding talents through sound employment management and standards. We understand that continuous communication with employees and establishment of a fair, mutual trust and respectful employment relationship are the key for enterprises to achieving sustainable development. The specific policies on remuneration and dismissal, recruitment and promotion, working hours, holidays and other benefits and welfares, etc. are detailed in the Employee Handbook of the Group, providing clear guidance for employment management. In order to improve the employment management and standards of the Group, the Group formulated the Policy Statement on Employment and Labor Practice to show its firm stance and solemn commitment to equal opportunities, diversity, anti-discrimination, child labor and forced labor.

Employment related policies and Company's response

Remuneration and Dismissal	The Group's employee compensation and welfare policies are formulated with reference to market standards. All employment terms, including remuneration standards, probation period arrangements and specific procedures for termination of employment contract, are clearly stipulated in the employment contract and the Employee Handbook to ensure that the rights and interests of both parties are fully protected.
Recruitment and Promotion	The Group has always adhered to the core principle of meritocracy, implemented a fair, impartial, and transparent recruitment and promotion system and adopted objective and reasonable evaluation criteria. Employees are evaluated annually for the decision of promotion. Each year, the Group conducts comprehensive performance evaluations of its employees and makes well-founded promotion decisions based on the results, thereby providing employees with equitable opportunities for career development.

Employment related policies and Company's response	
Working Hours and Holidays	The Group strictly complies with local laws and regulations to ensure that employees are provided with reasonable working hours and rest time. If employees need to work overtime due to business needs, they need to obtain the prior consent of the management. The Group will provide compensation arrangements such as compensation leave afterwards to safeguard employees' right to rest. In addition to statutory holidays, employees also enjoy paid annual leave, marriage leave, nursing leave and other holidays in accordance with their ranks and years of service. Furthermore, the Group provides employees with children with no more than two half-day paid holidays per semester to facilitate their participation in school parent-teacher conferences, demonstrating its commitment to supporting employees' families.
Avoiding Child Labor and Forced Labor	The Group is deeply aware of the serious exploitation of the human rights of workers and the serious damage to the public interests of society caused by child labor and forced labor. We maintain a zero-tolerance policy toward such practices and proactively prevent and resolutely eliminate them throughout the entire recruitment process and daily operations. The Group's Policy Statement on Employment and Labor Practice stipulates that the Group will not employ child labor. Candidates must provide authentic and valid identity documents for the Company to confirm that they have reached the age of 18. At the same time, the Group is committed to ensuring that all employment relationships are voluntary and will not employ forced labor, including guarantee (including debt guarantee) or contract labor, involuntary prison labor, abducted labor and slave labor. The Group does not accept any threats or cruel treatment of employees and is fully committed to protecting their basic rights and interests and human dignity. The Group reserves the right to determine the employment status of employees at its discretion based on actual circumstances and will not impose any unfair restrictions on the employment relationship between employees and the Group. We strictly adhere to employment contracts and relevant laws and regulations to establish standardized resignation procedures (including voluntary resignation and dismissal). When an employee submits a resignation, the Group conducts an exit interview to gain a thorough understanding of the reasons for leaving and proactively solicits suggestions for improving the company's development, thereby continuously optimizing our management and services. During the Year, the Group was not aware of any irregularities related to child labor or forced labor.
Equal Opportunities, Diversity, Anti-discrimination	The Group is firmly committed to upholding the equal rights of all employees. Regardless of the race, nationality, age, sex, marital status, religious belief, etc., the Group treats all employees fairly and equally. The Group's Policy Statement on Employment and Labor Practice states that the Group is fully committed to fostering a diverse, non-discriminatory, and harassment-free work environment internally, continuously raising awareness of equality among all employees, and respecting individual differences.

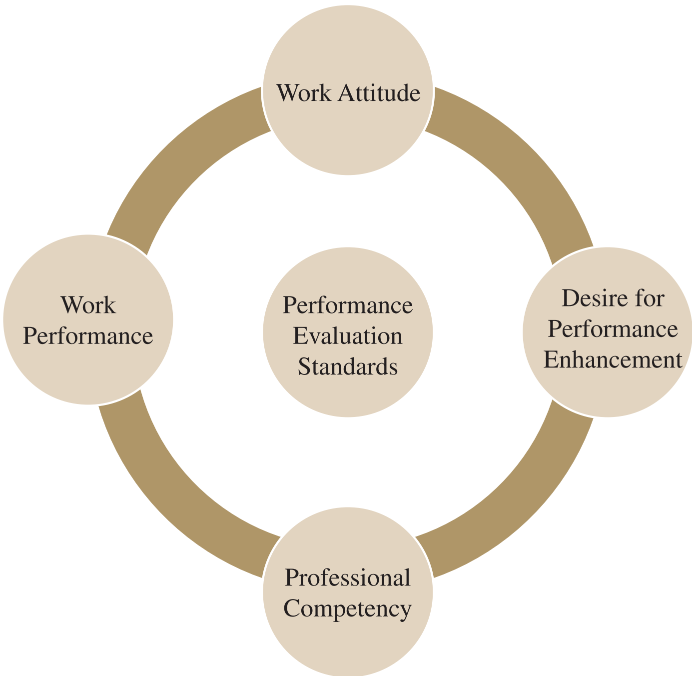
Employment related policies and Company's response	
Grievance Channels	To promote good communication and in-depth cooperation between employers and employees, the Group has meticulously established a comprehensive complaint and suggestion procedure, providing employees with a convenient and smooth channel to make complaints and comments. This ensures that employees' reasonable demands can be addressed and resolved in a timely, effective, and fair manner, thereby fostering harmonious labor-management relations.

Cultivating and Developing Talents

The continuous upgrading of the skills and knowledge of our employees is key to maintaining the Group's core competitiveness. The Group attaches great importance to talent development and provides abundant and sufficient training opportunities for employees to continuously improve their professional knowledge and skills required to perform their job duties. At the same time, the Group makes reasonable transfer or promotion arrangements for employees according to the actual needs of business development and employees' work performance, so as to better fit the career development path of employees and realize the common growth and a win-win relationship between employees and the Company.

The training programs offered by the Group are diverse, comprehensive and highly targeted, including not only meticulously designed onboarding training for new employees to help them quickly understand the company culture, policies, and workflows, and integrate into the work environment, but also customized professional training tailored for current employees, such as high-quality courses in content creation, design, and editing, which help employees enhance their professional skills in their respective fields and adapt to the demands of business development.

In order to grasp the employees' performance precisely and lead their growth effectively, the Group has conducted regular or irregular comprehensive evaluations on employees at different stages of their career, including various methods such as probation evaluation, regular evaluation and annual evaluation. The Group conducts an annual assessment of its employees every year, and the criteria include work performance, ability, professional ethics and other important factors. To ensure the fairness and transparency of the evaluation, the detailed performance evaluation standards have been listed in the Employee Handbook. In addition, all departments of the Group actively communicate with employees and jointly formulate specific, measurable, feasible performance targets that are related to the work plan and have clear timeframe. This ensures that employees clearly understand the Group's expectations, enabling them to work more purposefully and improve their performance.



Occupational Health and Safety

Although the Group's main workplace is an office, where occupational safety risks are relatively low compared to other industries, we always prioritize the health and workplace safety of our employees. We have implemented two core policies simultaneously: The first is to ensure the safety of the workplace, and the second is to cultivate workplace safety culture. The Employee Handbook of the Group specifically prescribes guidelines in the areas of office safety, fire protection and personal safety of employees, and comprehensive procedures for handling work accidents, so that employees could thoroughly understand the measures formulated by the Group for health and safety, and enhance their safety awareness and emergency response capabilities.

Scope	Major Measures
Office Security	• Visitors entering the Group's office area shall be accompanied by employees at all time to ensure the safety and order of the office area
Fire Safety	• Smoking is strictly prohibited in open offices
	• When using electrical equipment, avoid overloading electrical circuits to prevent electrical safety hazards
	• It is forbidden to store all kinds of inflammable and explosive articles in the office and rooms of the Company
	• No stocking up of goods in stairs, aisles and exits. Keep all passageways clear to ensure safe evacuation in case of an emergency.

The Group actively promotes the development of workplace safety culture. The Group has placed green plants in the office, which not only beautifies the office environment, but also creates a relaxed and comfortable office atmosphere for employees who face the computer screen and engage in text work for a long time, which is conducive to alleviating the visual fatigue and work pressure of employees. Furthermore, the Group actively encourages employees to take regular stretch breaks during work hours and reminds them to practice proper eye care to prevent excessive strain. These measures demonstrate the Group's genuine commitment to safeguarding employees' physical and mental well-being, thereby fostering a people-oriented work environment.

PRACTICING GREEN DEVELOPMENT

In the face of increasingly severe climate change and environmental challenges, the Group fully recognizes the significant responsibilities it bears in environmental protection. Taking into account the nature of the Group's business, the direct environmental and natural resource impacts arising from our operations are primarily reflected in two key areas: emissions and resource utilization. Despite the relatively limited impact at present, the Group remains committed to continuous improvement and strives to minimize the overall negative environmental impact of its operations.

In order to reduce the environmental impact caused by the publication and printing of magazines, the Group fully uses Forest Stewardship Council "FSC" certified papers in its printing operations to ensure that the papers used are not from endangered species or illegally cut trees, thereby taking concrete steps to support sustainable forest management.

Looking ahead, the Group will adopt a proactive and sustained approach to thoroughly explore and implement additional sustainability measures in both our magazine production processes and daily office operations. Through concrete actions, we will continue to minimize the environmental impact of our operations and our consumption of natural resources, thereby contributing to the long-term sustainability of our planet.

Respond to Climate Change

The Group attaches great importance to the potential impacts of climate change on its business ecosystem. In strict compliance with the "Climate-related Disclosures" requirements under Part D of the ESG Reporting Guide issued by the Hong Kong Stock Exchange, and with reference to the IFRS S2 – Climate-related Disclosures issued by the International Sustainability Standards Board (ISSB), the Group has systematically established a climate risk management framework structured around four core pillars: governance, strategy, risk management, and goals and targets.

Governance

The board of Directors, as the highest decision-making body of the Group's governance structure, assumes ultimate responsibility for climate-related matters. To ensure the effective implementation of ESG management, the Board has delegated authority to the Audit Committee to oversee and guide ESG strategies. Key responsibilities include, but are not limited to, the identification, assessment, and management of climate-related risks, as well as the ongoing monitoring and review of the formulation and achievement of climate-related targets. For details, please refer to the section "Sustainability Governance" in this Report.

During the the Year, the Group completed the planning for enhancing climate-related professional capabilities of the Board and senior management. Going forward, the Group will collaborate with qualified third-party professional institutions to provide tailored climate-related training for all directors and senior management. This will ensure that decision-makers remain up to date with the latest regulatory developments and professional knowledge, thereby continuously strengthening their capabilities in climate strategy formulation and risk management.

The Group has not yet formally incorporated climate-related performance indicators into the remuneration policies for senior management. This is primarily because the Group is currently in the process of refining its climate-related target system and data management framework. To ensure that performance indicators are scientific, quantifiable, and traceable, the Group has conducted benchmarking studies on industry remuneration incentive mechanisms and undertaken feasibility assessments of climate-related performance indicators during the reporting period. In the future, the Group will finalize and publish its climate-related performance evaluation system, clearly defining indicators linked to the Group's climate targets, weightings, evaluation processes, and incentive realization mechanisms. These will be formally integrated into annual remuneration and long-term incentive policies for senior management, establishing a strong linkage between climate performance and compensation, and facilitating the effective implementation of the Group's low-carbon transition strategy.

Strategy

The Group continuously monitors changes in the external environment and dynamically reviews and updates its climate strategy. We have identified a range of climate-related risks and opportunities with potential material financial impacts and have formulated targeted response measures to mitigate adverse effects. From short-term (within 3 years), medium-term (3–5 years), and long-term (over 5 years) perspectives, we have conducted in-depth assessments of their direct and indirect financial implications. At present, the Group has identified four climate-related risks (including two transition risks and two physical risks) and two climate-related opportunities, aiming to actively seize opportunities arising from the green transition and contribute to building more climate-resilient communities and societies.

Type of Risk	Risk Description	Potential Financial Impact	Time Horizon of Impact	Level of Financial Impact	Mitigation Measures
Physical Risk					
Acute Risk	**Immediate Risk:** Extreme weather incident	– Since employees are unable to safely come into the office, this may result in a suspension of operations and affect production and content delivery schedules. – If equipment or equipment room are affected by storms or flooding, this may result in repair costs and the loss of digital assets.	**Short-term**	**Medium**	– Take precautionary measures for staff during severe typhoons and rains, e.g. allowing remote working from home. – Monitor weather forecasts and take preemptive safety measures, such as issuing early warnings through the Company's internal communication systems and text messages, as well as conducting office safety inspections (e.g., reinforcing doors and windows, clearing drainage pipes, etc.).
Chronic Risk	**Long Term Risk:** Rising global temperatures and sea levels	– High temperatures increase energy costs in office environments and drive up the demand for air conditioning and server cooling. – High temperatures or humidity may increase equipment failure rates, leading to additional maintenance costs.	**Long-term**	**Medium**	– Provide employees with more cooling measures, such as installing adequately powered air conditioners and maintaining them regularly, equipping supplementary cooling devices (e.g., electric fans), and supplying heat-relief beverages and medications. – Monitor the air temperature in the office equipment room to prevent machine breakdowns due to high temperatures and avoid loss or damage to digital assets.

Type of Risk	Risk Description	Potential Financial Impact	Time Horizon of Impact	Level of Financial Impact	Mitigation Measures
Transition Risks					
Policy and Regulatory Risks:	**Tightening of Climate-related policies**	– Failure to comply with the latest disclosure requirements may result in fines and increased audit costs. – Inadequate ESG compliance can affect the Company's image in the capital markets and erode investor confidence, thereby increasing financing costs.	**Medium-term**	**High**	– Monitor regulatory trends to ensure compliance of the emissions of the Group with the latest legal requirements.
Reputational Risks:	**External perception of low carbon transition**	– Poor ESG performance will damage brand value, particularly since Meta Media positions itself primarily on culture, creativity, and refined taste; any damage to its image could directly impact client partnerships and advertising revenue. – Investors may exclude the company from their portfolios, thus affecting funding sources and market share.	**Medium to long-term**	**High**	– Enhance ESG-related information disclosure by regularly releasing detailed, comprehensive, and credible ESG reports. – Demonstrate to the public the Group's proactive initiatives and notable achievements in environmental, social, and governance aspects.

Type of Opportunity	Opportunity Description	Time Horizon of Impact	Level of Financial Impact	Our Actions
Technological Innovation Opportunity	The advancement of AI-generated content technologies helps improve operational efficiency and reduce reliance on traditional on-site filming.	**Medium-term**	**High**	Continue integrating AI tools to expand digital content applications
Cultural and internationalization Opportunity	Enhanced influence of international cultural platforms drives brand collaborations and overseas business expansion.	**Long-term**	**Medium**	Expand content coverage and deepen collaboration with international partners in the cultural sector.

During the Year, the Group was unable to fully provide certain disclosures under Part D "Strategy" – particularly those relating to strategy resilience supported by climate scenario analysis, as well as the quantified impacts of climate-related risks and opportunities on financial performance and cash flows. At the current stage, the Group is constrained by data availability and analytical capabilities, and has not yet obtained sufficient and consistent data or established comparable and robust quantitative models. This situation falls under the "reasonable information exemption" and "capability exemption" as outlined in the Implementation Guidelines of the Hong Kong Stock Exchange.

While full quantitative disclosure is not yet available, the Group has completed the preliminary identification and qualitative analysis of climate-related risks and opportunities, and has integrated relevant considerations into strategic discussions and risk management processes. Over the next two years, the Group will progressively establish scenario analysis methodologies, data collection processes, and financial mapping capabilities in accordance with the Implementation Guidance of The Hong Kong Stock Exchange. It plans to provide qualitative resilience assessments starting from 2026, and will gradually supplement quantitative financial impact information as capabilities mature, to enhance the completeness and transparency of disclosures. The Group commits to continuously improving the quality of climate-related data and, in line with the "comply or explain" principle, will update progress in each reporting period to ensure disclosures remain consistent with HKEX requirements.

Risk Management

The Group is deeply also aware that greenhouse gas emission is a contributing factor of climate change and has actively taken a series of measures to reduce carbon footprint during its operations.

We have integrated climate change response into the Group's risk management system and established a clear climate risk management process.

Risk Identification	The Company regularly conducts climate-related risk and opportunity identification, collaborates with external professional consultants to analyze macro policy trends and industry development trends, and combines internal communication to jointly formulate and update the climate-related risk and opportunity register.
Risk Assessment	For the identified risks and opportunities, the Company comprehensively assesses their likelihood of occurrence and the severity of potential impacts, determines the comprehensive risk rating, thereby clarifying the priority of climate change-related risks and highlighting material risks.
Risk Response	For the assessed material risks, the Company formulates targeted response strategies and action plans, effectively controls risks through elimination, mitigation, transfer and other means, while seizing relevant climate opportunities.
Risk Monitoring	Continuously track the dynamic changes of climate risks and opportunities, regularly review and update the risk and opportunity register, and establish a regular reporting mechanism to the management, ensuring that the Board of Directors and management are timely informed of climate-related information to support decision-making.

Indicators and Targets

The Group has always upheld the business philosophy of "low-carbon environmental protection and green office". In line with the phased enhanced climate-related disclosure requirements of The Stock Exchange of Hong Kong Limited (HKEX) effective from 2025, the Group has reviewed and updated its environmental management framework. Under the updated environmental management system, we take the Company's Energy Conservation and Environmental Protection Management System as the core action guideline, and strictly comply with the disclosure requirements of Part D of the ESG Guide to provide a detailed description of the Group's environmental indicators and climate-related targets.

Given that the Group's core business focuses on content creation, digital platforms and art and culture-related fields, and does not involve high-emission, high-energy-consumption and high-water-consumption business activities, the Group's environmental footprint is relatively limited.

In terms of emission reduction targets, the Group has made a clear commitment: taking 2021 as the base year, we strive to reduce the greenhouse gas (GHG) emission intensity by 5% by 2030. We will establish an annual follow-up mechanism, regularly review the Scope 1 and Scope 2 emission data, track the progress of target achievement, and assess the necessity of target adjustment based on actual operating conditions and industry changes. For the longer-term carbon neutrality vision, the Group will continue to closely follow the national "Dual Carbon" policy orientation and industry development path, and timely formulate and publicly announce a long-term carbon neutrality implementation strategy aligned with the national strategy.

Considering that the Group is in a low-emission service industry, the data related to Scope 3 emissions cannot be reasonably obtained at this stage. In this regard, the Group has strictly adopted the "comply or explain" principle in accordance with the provisions of Part D of the HKEX ESG Guide, and applied for "reasonable data exemption" and "capability exemption" pursuant to the Implementation Guidance. In the future, as the Group's environmental management capabilities continue to mature, we will gradually expand the scope and detail of Scope 3 emissions disclosure.

Environmental Targets	Unit	Progress in the Current Year	2030 Emission Reduction Target
Electricity Consumption Intensity	kWh/sq.m.	Electricity consumption intensity increased slightly by 0.9% compared to the previous year, with overall fluctuation remaining within a reasonable range.	Reduce by 5%
Waste Intensity	Tonnes/sq.m.	Waste generation intensity remained at a low level, with no significant consumption or fluctuation trend.	Reduce by 5%
Water Consumption Intensity	Cu.m/sq.m.	Water consumption intensity decreased by 10% compared to the previous year, demonstrating notable water conservation effectiveness.	Reduce by 5%
Carbon Dioxide Emission Intensity	Tonnes/sq.m.	Greenhouse gas emission intensity increased by 7% compared to the previous year. Moving forward, further efforts will be made to enhance energy efficiency, promote clean energy substitution, and optimize emission management, so as to gradually control emission intensity.	Reduce by 5%

During the Year, the Group did not incur any capital expenditures, financing or investments related to climate-related risks and opportunities, nor did it set an internal carbon price. For other cross-industry indicators, based on the principle of reasonable data exemption, the Group does not currently disclose the amount and corresponding percentage of assets and business activities exposed to climate-related risks and opportunities, and will gradually improve the disclosure as its disclosure capabilities are enhanced.

Greenhouse Gas Emission

The Group is deeply also aware that greenhouse gas emission is a contributing factor of climate change and has actively taken a series of measures to reduce carbon footprint during its operations.

In terms of transportation, the Group vigorously promotes the concept of green travel and encourages employees to prioritize public transport while ensuring work efficiency, so as to reduce the frequency of vehicle use. At the same time, the Group actively promotes the upgrading and replacement of vehicles, phasing out older fuel-powered cars. For the Company's existing vehicles, strict fuel refueling procedures are enforced to ensure all vehicles are refueled at authorized gas stations. Professional personnel are regularly arranged to conduct comprehensive inspections of the vehicles, promptly replacing worn or aging parts to maintain optimal performance and reduce energy consumption of vehicles. Additionally, if there is a need to purchase new vehicles, new energy vehicles will be the preferred choice, leveraging their advantages in reducing carbon emissions.

In an environmentally responsible manner, the Group closely monitors its greenhouse gas emission performance on an ongoing basis with a view to accurately capturing greenhouse gas emission ("**carbon emissions**") from the Group's operations in a quantitative manner. For details, please refer to the Key Performance Indicators section.

Compared with 2024, overall greenhouse gas emissions intensity rose by 7%. Similar changes in data are shown later in the Report, and the reasons for these changes are not reiterated. The Group will continue to evaluate and record emissions data and conduct regular reviews to judge the effectiveness of the environmental policies. In the future, the Group will further improve the environmental data system as the basis for formulating environmental policies and measures.

Resource Management

Consumption of resources of the Operating Spots of the Group is mainly concentrated in three areas: purchased electricity, water resources and paper use. In view of this, the Group has established a series of practical and feasible energy saving and consumption reduction measures for the offices to fully improve energy use efficiency and eliminate resource waste from the source.

Energy Management

The Group's major energy saving measures for office are as follows:

Energy Saving Measures for Office	
Power Consumption	• Maximum use of natural light for office work during daytime and reduce the use of artificial lighting equipment; • Actively encouraging employees to use LED bulbs and gradually phase out incandescent lighting fixtures; • Turning off all lighting equipment in a timely manner after meetings and when employees leave the office after work; • Paying attention to energy saving of computer equipment, e.g. turning off the computer main unit and the monitor after work and enabling sleep mode when not in use for a short period of time; • Reasonably adjusting the air conditioning temperature to avoid setting it too high or too low. The temperature of the air conditioning system should be kept at about 26 degrees Celsius in summer, and adjusted to about 20 degrees Celsius in autumn and winter; • Keeping doors and windows closed in a timely manner when using air conditioning to reduce unnecessary energy consumption.

In terms of energy consumption, compared with 2024, the total consumption of gasoline in direct energy in 2025 decreased by about 12.17%; The total consumption of indirect energy was basically the same as that in last year; The total energy consumption decreased by about 9.86%. In the future, the Group plans to complete the upgrade of air conditioning and power systems to achieve energy conservation and clean air in the working environment where feasible. For details, please refer to the Key Performance Indicators section.

Water Use Management

The water consumed by the Group in the offices are mainly for daily use, and the water supplies are managed by the property management companies at the various operating locations. At present, the Group has not encountered any difficulties in the supply of water resources required for business operations, whether in terms of ensuring water consumption or meeting water quality standards. Since water use has relatively limited impact on the business operations of the Group, no specific target has been set for water use efficiency. However, the Group has always emphasized minimizing the consumption of water resources on the basis of strictly complying with hygiene and epidemic prevention requirements, and has continuously encouraged staff to develop good habits of conserving water.

Pollution Prevention

Emission Management

The air pollutant emissions of the Group are all derived from vehicle emissions of nitrogen oxides, sulfur oxides and inhalable particulate matters. Diesel vehicles are not used in all the operating locations of the Group to reduce exhaust emissions. The Group will continuously work on reducing the air pollutants emitted by vehicles, and promote scientific vehicle maintenance and environmental protection driving habits.

As compared with 2024, the overall emissions of nitrogen oxides, sulfur oxides and inhalable particulate matters continued to improve and achieved significant reductions. For details, please refer to the Key Performance Indicators section.

Management of Waste

The hazardous wastes generated by the Group are mainly office consumables and waste equipment, such as waste batteries, waste fluorescent lamps and other items. Such hazardous wastes are collected by the Group in a unified manner and handed over to professional qualified contractors for standardized treatment. Harmless waste mainly consists of domestic garbage and waste paper. To promote green office, the Group actively implements the paperless office policy with specific measures as follows:

- Replace traditional high paper consumption processes with electronic systems, and replace fax machine communication with emails and other means to reduce paper consumption;
- Encourage employees to reuse waste paper and waste envelopes;
- Implement a waste paper sorting and recycling system in the office, which shall be uniformly handed over to professional waste paper treatment companies for recycling after collection.

To further reduce the generation of hazardous wastes, the Group has taken proactive measures to reduce the use of batteries and cease purchasing fluorescent lamps. As for harmless waste, the Group will further guide employees to make rational use of resources, and continuously promote the development of green office through various policies such as promoting paperless office, strengthening waste paper recycling and encouraging employees to bring their own tableware.

SUPPORTING COMMUNITY DEVELOPMENT

As an enterprise with a sense of social responsibility, Meta Media Holdings has long been engaged in social public welfare undertakings and practices the “social heart” of the enterprise with sincerity and enthusiasm. We firmly believe that community investment and business operations complement each other, and through stable and long-term social investment, we continue to consolidate the trust that people from all circles of life have in the Group. The Group adheres to strategic thinking to coordinate resources and capabilities, focuses on key areas for continuous investment, and ensures a sustainable and long-term stable positive impact on community development. The Group continuously implements the Policy Statement on Community Investment, steadily advances community support with education and arts as the core directions, insists on funding projects and activities with positive social benefits, encourages and organizes employees to participate in volunteerism and charitable activities, gives full play to the Group’s resource advantages, and continuously creates value for the communities in which we operate.

Development of Education

Faced with the long-term challenges of climate and ecological environment, the Group persists in integrating the concept of sustainable development into educational practice and takes innovative education projects as the carrier to steadily promote the sustainable development of society.

"Seeds Project: Education Programs for a Sustainable Future"

The "Seeds Project: Education Programs for a Sustainable Future", jointly launched by The Art Journal and CHANEL, was officially commenced at the BY ART MATTERS Tianmuli Art Museum under the guiding theme of "Chronicle of Wanwu". This program aims to deepen interdisciplinary exchange and collaboration, building upon the positive outcomes of the "Xiangshan Academy" project conducted in partnership with the School of Intermedia Art at the China Academy of Art. This year, the program brought together outstanding talents from universities across China and internationally renowned experts in ecological thought, artistic practice, sustainable design, and ecology for an intensive three-day collaborative learning session. The program sought to explore the diversity and complexity of ecosystems in depth, laying a solid theoretical foundation for subsequent creative practices.

As the core of the "Chronicle of Wanwu" series, the thematic exhibition "Seeing Wanwu" was successfully held at the Residency Center of BY ART MATTERS in Hangzhou. The exhibition showcased 14 meticulously curated creative proposals developed during the "Xiangshan Academy". These proposals explored diverse ecosystems ranging from rice fields and forests to oceans with interdisciplinary research methodologies that blended artistic and scientific perspectives, vividly demonstrating profound insights into the value of life. Beyond generating widespread public engagement with ecological issues, the exhibition facilitated meaningful dialogue between art and science, providing substantial support for innovation and development in ecological art practices.

The Group adheres to the concept of "Spreading Love and Education" in the long term and continuously supports the development of education in mainland China through its special education foundation, laying a solid foundation for the growth of the next generation. The Foundation steadily carries out various educational public welfare activities, including donating funds to support educational programs, assisting in the improvement of school premises and teaching environments, organizing volunteer services, and donating teaching materials. It also focuses on the educational rights and interests of children with disabilities, providing equal learning opportunities for them through professional programs and helping them realize their self-worth.

Education is the core driving force for social progress and sustainable development. The Group will continue to invest steadily in the field of education, consolidate the effectiveness of existing projects, explore more innovative education models, and continuously inject impetus into educational philanthropy and long-term social development.

In the future, the Group will continue to focus on and invest steadily in the field of special education, and safeguard the right to education of children with special needs through concrete actions. Meanwhile, it will continue to optimize the management system for community participation and community investment, promote more systematic and long-term community development, and achieve the integration and co-prosperity of the Group and the communities.

SUMMARY OF KEY PERFORMANCE INDICATORS

Environmental Performance

Environmental Key Performance Indicators	Unit	Total 2025	Total 2024	Hong Kong 2025	Hong Kong 2024	Shanghai 2025	Shanghai 2024	Guangzhou 2025	Guangzhou 2024
Emissions category and related data									
Nitrogen oxides	kg	21.94	40.65	5.60	24.34	15.28	15.27	1.06	1.04
Sulfur oxides	kg	13.02	13.40	0.12	0.53	12.78	12.77	0.12	0.10
Inhalable suspended particles	kg	2.90	4.26	0.41	1.79	2.33	2.33	0.16	0.14
Emissions of greenhouse gas and density									
Scope 1	CO_2e	432.73	503.09	21.72	96.43	389.65	389.35	21.36	17.32
Scope 2	CO_2e	222.69	223.03	31.37	30.92	153.59	157.67	37.73	34.45
Scope 3	CO_2e	516.35	368.09	5.97	0.67	501.63	350.88	8.75	16.54
Total emissions of greenhouse gas	CO_2e	1,171.77	1,094.21	59.05	128.01	1,044.88	897.90	67.84	68.30
Greenhouse gas density (calculated per floor area)	CO_2e/sq. m	0.27	0.25	0.07	0.14	0.34	0.29	0.19	0.19
Total amount and density of hazardous wastes produced									
Total amount of hazardous waste generated	kg	2.32	2.38	0.00	0.00	2.32	2.38	0.00	0.00
Density of hazardous waste (calculated per floor area)	kg/sq. m	0.53	0.55	0.00	0.00	0.76	0.78	0.00	0.00
Total amount and density of harmless wastes produced									
Total amount of non-hazardous waste produced	Tonnes	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Density of non-hazardous waste (calculated per floor area	Tonnes/sq. m	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total direct/indirect energy consumption and density by type									
Petrol	MWh	1,856.47	2,113.66	78.88	351.89	1,700.00	1,698.68	77.59	63.09
Power	MWh	457.38	453.29	84.77	83.56	279.26	280.70	93.34	89.04
Total energy consumption	MWh	2,313.85	2,566.95	163.65	435.45	1,979.27	1,979.37	170.93	152.13
Density of energy (calculated per floor area)	MWh/sq. m	0.53	0.59	0.18	0.48	0.65	0.65	0.47	0.42
Water consumption in total and density									
Total water consumption	cu.m	398.00	443.79	60.00	58.00	338.00	385.79	0.00	0.00
Density of water consumption (calculated per floor area)	cu.m/sq. m	0.09	0.10	0.07	0.06	0.11	0.13	0.00	0.00

SOCIAL PERFORMANCE

Overview of Employees

		Unit	Total		Hong Kong		Shanghai		Guangzhou	
Social Key Performance Indicators		**Person**	**2025**	2024	**2025**	2024	**2025**	2024	**2025**	2024
Total [2]		Person	286	295	33	32	233	239	20	24
By employment category	Full time	Person	279	283	30	29	229	232	20	22
	Part time	Person	7	12	3	3	4	7	0	2
By gender	Male	Person	67	70	8	9	51	50	8	11
	Female	Person	219	225	25	23	182	189	12	13
By position	Chief executive officers	Person	1	7	0	0	1	7	0	0
	Senior management	Person	5	32	0	4	4	21	1	7
	Middle management	Person	47	50	4	2	37	41	6	7
	General staff	Person	233	206	29	26	191	170	13	10
By age group	Below 30	Person	65	53	9	18	56	35	0	0
	30–40	Person	122	77	10	8	112	65	0	4
	41–50	Person	70	141	8	4	52	128	10	9
	Over 50	Person	29	24	6	2	13	11	10	11
By region	Hong Kong	Person	33	32	33	32	0	0	0	0
	Mainland of China	Person	253	263	0	0	233	239	20	24
	Asia	Person	0	0	0	0	0	0	0	0
	Other areas	Person	0	0	0	0	0	0	0	0

[2] Include advisors and interns

Employee Turnover

Number of Employee Turnover		Unit	Total 2025	Total 2024	Hong Kong 2025	Hong Kong 2024	Shanghai 2025	Shanghai 2024	Guangzhou 2025	Guangzhou 2024
		Person								
Total number		Person	77	55	5	4	70	50	2	1
By employment category	Full time	Person	76	55	4	4	70	50	2	1
	Part time	Person	1	0	1	0	0	0	0	0
By gender	Male	Person	13	12	1	1	11	11	1	0
	Female	Person	64	43	4	3	59	39	1	1
By age group	Below 30	Person	26	12	2	0	24	12	0	0
	30–40	Person	38	35	1	3	36	31	1	1
	41–50	Person	9	5	1	0	8	5	0	0
	Over 50	Person	4	3	1	1	2	2	1	0

Rate of Employee Turnover		Unit	Total 2025	Total 2024	Hong Kong 2025	Hong Kong 2024	Shanghai 2025	Shanghai 2024	Guangzhou 2025	Guangzhou 2024
Rate of Employee Turnover[3]		%	27%	19%	15%	13%	30%	21%	9%	4%
By employment category[4]	Full time	%	27%	19%	13%	14%	31%	22%	10%	5%
	Part time	%	14%	0%	33%	0%	0%	0%	0%	0%
By gender	Male	%	19%	17%	13%	11%	22%	22%	13%	0%
	Female	%	29%	19%	16%	13%	32%	21%	8%	8%
By age group[5]	Below 30	%	40%	23%	22%	0%	43%	34%	0%	0%
	30–50	%	31%	45%	10%	38%	32%	48%	0%	25%
	41–50	%	13%	4%	13%	0%	15%	4%	0%	0%
	Over 50	%	14%	13%	17%	50%	15%	18%	10%	0%

3 Rate of employee turnover = (number of employees turnover/(number of employees at the end of the year + number of employees at the end of the preceding year)/2) × 100%

4 Turnover rate of each category of employees = (number of employees in that category turnover/number of employees in that category at the end of the current year) × 100%

5 During the Year, the 2024 data were corrected due to errors identified in the previous information during the review, and adjustments was made based on the latest correct figures.

Employees Training

Number of Employees Trained		Unit Person	Total 2025	Total 2024	Hong Kong 2025	Hong Kong 2024	Shanghai 2025	Shanghai 2024	Guangzhou 2025	Guangzhou 2024
Number of trainees		Person	232	228	25	20	189	193	18	15
By gender	Male	Person	90	56	9	6	75	45	6	5
	Female	Person	142	172	16	14	114	148	12	10
By position	Chief executive officers	Person	3	3	0	0	3	3	0	0
	Senior management	Person	5	11	0	2	4	9	1	0
	Middle management	Person	21	21	0	0	21	21	0	0
	General staff	Person	203	193	25	18	161	160	17	15

Rate of Trainees		Unit Person	Total 2025	Total 2024	Hong Kong 2025	Hong Kong 2024	Shanghai 2025	Shanghai 2024	Guangzhou 2025	Guangzhou 2024
Rate of trainees[6]		%	81%	77%	76%	63%	81%	81%	90%	63%
By gender	Male	%	39%	25%	36%	30%	40%	23%	33%	33%
	Female	%	61%	75%	64%	70%	60%	77%	67%	67%
By position	Chief executive officers	%	1%	1%	0%	0%	2%	2%	0%	0%
	Senior management	%	2%	5%	0%	10%	2%	5%	6%	0%
	Middle management	%	9%	9%	0%	0%	11%	11%	0%	0%
	General staff	%	88%	85%	100%	90%	85%	83%	94%	100%

6 Rate of total trainees = (total number of trainees/number of employees at the end of the Year) ×100%, rate of trainees in the category = (number of trainees in the category/number of total trainees) ×100%. 2022 data has been restated to allow for meaningful comparisons.

		Unit	Total		Hong Kong		Shanghai		Guangzhou	
Total Hours of Training		**Hour**	2025	2024	2025	2024	2025	2024	2025	2024
Total Hours of Training		Hour	464	456	50	40	378	386	36	30
By gender	Male	Hour	180	112	18	12	150	90	12	10
	Female	Hour	284	344	32	28	228	296	24	20
By position	Chief executive officers	Hour	6	6	0	0	6	6	0	0
	Senior management	Hour	10	22	0	4	8	18	2	0
	Middle management	Hour	42	42	0	0	42	42	0	0
	General staff	Hour	406	386	50	36	322	320	34	30

		Unit	Total		Hong Kong		Shanghai		Guangzhou	
Average Training Hours per Employee[7]		**Hour**	2025	2024	2025	2024	2025	2024	2025	2024
By gender	Male	Hour	0.39	0.25	0.36	0.30	0.40	0.23	0.33	0.33
	Female	Hour	0.61	0.75	0.64	0.70	0.60	0.77	0.67	0.67
By position	Chief executive officers	Hour	0.01	0.01	0.00	0	0.02	0.02	0.00	0.00
	Senior management	Hour	0.02	0.05	0.00	0.10	0.02	0.05	0.06	0.00
	Middle management	Hour	0.09	0.09	0.00	0	0.11	0.11	0.00	0.00
	General staff	Hour	0.88	0.85	1.00	0.90	0.85	0.83	0.94	1.00

[7] Average training hours per employee = total hours of training/number of employees at the end of the Year, training hours of employees in the category/number of employees in the category at the end of the Year

Health and Safety

	Unit	Total	Hong Kong	Shanghai	Guangzhou
Number of work-related fatalities in the past three years (including the reporting year)	Person	0	0	0	0
Rate of work-related fatalities in the past three years (including the reporting year)	%	0	0	0	0
Number of work-related injury	Person	0	0	0	0
Number of lost days due to work injury	Day	0	0	0	0

Suppliers

	Unit	Total	Hong Kong	Shanghai	Guangzhou
Number of Suppliers by Region		2,027	135	1,825	67
Hong Kong	Number	135	135	0	0
Mainland China	Number	1,892	0	1,825	67

Product Responsibility

	Unit	Total	Hong Kong	Shanghai	Guangzhou
Cases of product recall due to violation of relevant consumer protection laws and regulations	Case	0	0	0	0
Number of complaints about products or services	Case	0	0	0	0

INDEX TO THE ESG REPORTING GUIDE

Subject Areas	Description	Chapter Index
A1: Emissions		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to air and greenhouse gas emissions, discharges into water and land, generation of hazardous and non-hazardous waste.	Practicing Green Development
A1.1	The types of emissions and respective emissions data.	Overview of Key Performance Indicators – Environmental Performance
A1.2	Direct (Scope 1) and energy indirect (Scope 2) greenhouse gas emissions (in tonnes) and, where appropriate, intensity.	Overview of Key Performance Indicators – Environmental Performance
A1.3	Total hazardous waste produced (in tonnes) and, where appropriate, intensity.	Overview of Key Performance Indicators – Environmental Performance
A1.4	Total non-hazardous waste produced (in tonnes) and, where appropriate, intensity.	Overview of Key Performance Indicators – Environmental Performance
A1.5	Description of emission target(s) set and steps taken to achieve them.	Goal Setting Pollution Prevention and Control
A1.6	Description of how hazardous and non-hazardous wastes are handled, and a description of reduction target(s) set and steps taken to achieve them.	Waste Management

Subject Areas	Description	Chapter Index
A2: Use of Resources		
General Disclosure	Policies on the efficient use of resources, including energy, water and other raw materials	Practicing Green Development
A2.1	Direct and/or indirect energy consumption (kWh in ’000s) and intensity.	Overview of Key Performance Indicators – Environmental Performance
A2.2	Water consumption in total and intensity.	Overview of Key Performance Indicators – Environmental Performance
A2.3	Description of energy use efficiency target(s) set and steps taken to achieve them.	Goal Setting Energy Management
A2.4	Description of whether there is any issue in sourcing water that is fit for purpose, water efficiency target(s) set and steps taken to achieve them.	Water Use Management
A2.5	Total packaging material used for finished products in tonnes) and with reference to per unit produced.	No packaging material used due to the nature of the Group’s business
A3: The Environment and Natural Resources		
General Disclosure	Policies on minimising the issuer’s significant impact on the environment and natural resources.	Practicing Green Development
A3.1	Description of the significant impacts of activities on the environment and significant resources of natural resources and the actions taken to manage them.	Practicing Green Development

Subject Areas	Description	Chapter Index
B1: Employment		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to compensation and dismissal, recruitment and promotion, working hours, rest periods, equal opportunity, diversity, anti-discrimination, and other benefits and welfare.	Building an Ideal Workplace
B1.1	Total workforce by gender, employment type (such as full-time or part-time), age group and geographical region.	Overview of Key Performance Indicators – Social Performance
B1.2	Employee turnover rate by gender, age group and geographical region.	Overview of Key Performance Indicators – Social Performance
B2: Health and Safety		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to providing a safe working environment and protecting employees from occupational hazards.	Occupational Health and Safety
B2.1	Number and rate of work-related fatalities occurred in each of the past three years including the reporting year. Number and rate of work-related deaths.	Overview of Key Performance Indicators – Social Performance – Health and Safety
B2.2	Lost days due to work injury.	Overview of Key Performance Indicators – Social Performance – Health and Safety
B2.3	Description of occupational health and safety measures adopted, how they are implemented and monitored.	Occupational Health and Safety

Subject Areas	Description	Chapter Index
B3: Development and Training		
General Disclosure	Policies on improving employees' knowledge and skills for discharging duties at work. Description of training activities.	Cultivating and Developing Talents
B3.1	The percentage of employees trained by gender and employee category (e.g. senior management, middle management).	Overview of Key Performance Indicators – Social Performance – Employees Training
B3.2	The average training hours completed per employee by gender and employee category.	Overview of Key Performance Indicators – Social Performance – Employees Training
B4: Labor Standards		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to preventing child and forced labor.	Employment Management and Standard
B4.1	Description of measures to review employment practices to avoid child and forced labor.	Employment Management and Standard
B4.2	Description of the steps taken to eliminate violations when they are found.	Employment Management and Standard
B5: Supply Chain Management		
General Disclosure	Policies on managing environmental and social risks of the supply chain.	Managing Sustainability of Supply Chain
B5.1	Number of suppliers by region.	Overview of Key Performance Indicators – Social Performance – Suppliers
B5.2	Description of practices relating to engaging suppliers, number of suppliers where the practices are being implemented, how the practices are implemented and monitored.	Managing Sustainability of Supply Chain
B5.3	Description of practices used to identify environmental and social risks along the supply chain, and how they are implemented and monitored.	Managing Sustainability of Supply Chain
B5.4	Description of practices used to promote environmentally preferable products and services when selecting suppliers, and how they are implemented and monitored.	Managing Sustainability of Supply Chain

Subject Areas	Description	Chapter Index
B6: Product Responsibility		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to health and safety, advertising, labelling and privacy matters relating to products and services provided and methods of redress.	Adherence to Content Responsibility
B6.1	Percentage of total products sold or shipped subject to recalls for safety and health reasons.	Overview of Key Performance Indicators – Social Performance – Product Responsibility
B6.2	Number of products and service-related complaints received and how they are dealt with.	Overview of Key Performance Indicators – Social Performance – Product Responsibility
B6.3	Description of practices relating to observing and protecting intellectual property rights.	Maintaining Intellectual Property Rights and Privacy Protection
B6.4	Description of quality verification process and product recovery procedures.	Content and Quality
B6.5	Description of consumer data protection and privacy policies, how they are implemented and monitored.	Maintaining Intellectual Property Rights and Privacy Protection
B7: Anti-corruption		
General Disclosure	Information on: (a) the policies; and (b) compliance with relevant laws and regulations that have a significant impact on the issuer relating to bribery, extortion, fraud and money laundering, that have a significant impact on the issuer.	Business Ethics
B7.1	Number of concluded legal cases regarding corrupt practices brought against the issuer or its employees during the reporting period and the outcomes of the cases.	Lawful Operation
B7.2	Description of preventive measures and whistle-blowing procedures, how they are implemented and monitored.	Business Ethics
B7.3	Description of anti-corruption training provided to directors and staff.	Business Ethics

Subject Areas	Description	Chapter Index
B8: Community Investment		
General Disclosure	Policies on community engagement to understand the needs of the communities where the issuer operates and to ensure its activities take into consideration the communities' interests	Supporting Community Development
B8.1	Focus areas of contribution (e.g. education, environmental concerns, labor needs, health, culture, sport).	Supporting Community Development
B8.2	Resources contributed (e.g. money or time) to the focus area.	It was not easily quantifiable. The Group will strive to quantity resources contributed in the future

INDEX TO THE CONTENT OF PART D OF THE ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORTING CODE OF THE HONG KONG STOCK EXCHANGE

Category	Sub-category	Description	Location of Disclosure/Remark
Governance		The governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of climate-related risks and opportunities.	Practicing Green Development
Governance		Management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities.	Practicing Green Development
Strategy	Climate-related Risks and Opportunities	Describe climate-related risks and opportunities that could reasonably be expected to affect the issuer's cash flows, access to financing or cost of capital in the short, medium or long term; Explain, for each climate-related risk the issuer has identified, whether the issuer considers the risk to be a climate-related physical risk or climate-related transition risk; Specify, for each climate-related risk and opportunity the issuer has identified, over which time horizons – short, medium or long term – the effects of each climate-related risk and opportunity could reasonably be expected to occur; and Explain how the issuer defines 'short term', 'medium term' and 'long term' and how these definitions are linked to the planning horizons used by the issuer for strategic decision-making.	Respond to Climate Change
Strategy	Business Model and Value Chain	A description of the current and anticipated effects of climate-related risks and opportunities on the issuer's business model and value chain; A description of where in the issuer's business model and value chain climate-related risks and opportunities are concentrated (for example, geographical areas, facilities and types of assets).	Respond to Climate Change

Category	Sub-category	Description	Location of Disclosure/Remark
Strategy	Strategy and Decision-making	Information about how the issuer has responded to, and plans to respond to, climate-related risks and opportunities in its strategy and decision-making, including how the issuer plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation. Information about the issuer's current and future plans for how it will provide resources to actions taken to address material climate-related risks and opportunities in its strategy and decision-making, as already planned and as will be planned.	Respond to Climate Change
Strategy	Financial position, financial performance and cash flows – Current financial effect	How climate-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period. The climate-related risks and opportunities identified regarding how they affect the issuer's financial position, financial performance and cash flows during the reporting period, for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements.	Respond to Climate Change
Strategy	Financial position, financial performance and cash flows – Anticipated financial effect	How the issuer expects its financial position to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities, taking into consideration. How the issuer expects its financial performance and cash flow to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities.	Respond to Climate Change
Strategy	Climate resilience	The issuer shall disclose the issuer' s assessment of its climate resilience as at the reporting date. How and when the climate-related scenario analysis was carried out	Respond to Climate Change
Risk Management		The processes and related policies the issuer uses to identify, assess, prioritise and monitor climate-related risks and opportunities.	Respond to Climate Change
Risk Management		The processes the issuer uses to identify, assess, prioritise and monitor climate-related risks and opportunities (including information about whether and how the issuer uses climate-related scenario analysis to inform its identification of climate-related opportunities).	Respond to Climate Change

Category	Sub-category	Description	Location of Disclosure/Remark
Risk Management		The extent to which, and how, the processes for identifying, assessing, prioritising and monitoring climate-related risks and opportunities are integrated into the issuer's overall risk management process.	Respond to Climate Change
Metrics and Targets	Greenhouse gas emissions	An issuer shall disclose its absolute gross greenhouse gas emissions generated during the reporting period, expressed as metric tons of CO2 equivalent, classified as: Scope 1 greenhouse gas emissions; Scope 2 greenhouse gas emissions; Scope 3 greenhouse gas emissions.	Respond to Climate Change
Metrics and Targets	Climate-related transition risks	An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related transition risks.	Respond to Climate Change
Metrics and Targets	Climate-related physical risks	An issuer shall disclose the amount and percentage of assets or business activities vulnerable to climate-related physical risks.	Respond to Climate Change
Metrics and Targets	Climate-related opportunities	An issuer shall disclose the amount and percentage of assets or business activities aligned with climate-related opportunities.	Respond to Climate Change
Metrics and Targets	Capital deployment	An issuer shall disclose the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities.	Respond to Climate Change
Metrics and Targets	Internal carbon prices	An explanation of whether and how the issuer is applying a carbon price in decision-making (for example, investment decisions, transfer pricing, and scenario analysis). The price of each metric tonne of greenhouse gas emissions the issuer uses to assess the costs of its greenhouse gas emissions. Or an appropriate negative statement that the issuer does not apply a carbon price in decision-making	NA
Metrics and Targets	Remuneration	An issuer shall disclose whether and how climate-related considerations are factored into remuneration policy, or an appropriate negative statement.	Respond to Climate Change
Metrics and Targets	Industry-based metrics	An issuer is encouraged to disclose industry-based metrics that are associated with one or more particular business models, activities or other common features that characterise participation in an industry.	Respond to Climate Change
Metrics and Targets	Climate-related targets	An issuer shall disclose the qualitative and quantitative climate-related targets the issuer has set to monitor progress towards achieving its strategic goals; and any targets the issuer is required to meet by law or regulation, including any greenhouse gas emissions targets.	Respond to Climate Change

Independent Auditor's Report

中汇
ZHONGHUI

To The Shareholders of Meta Media Holdings Limited
(Incorporated in the Cayman Islands with limited liability)

OPINION

We have audited the consolidated financial statements of Meta Media Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 118 to 187, which comprise the consolidated statement of financial position as at 31 December 2025, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards issued by the International Accounting Standards Board ("IASB") and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

BASIS FOR OPINION

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSAs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the HKICPA's Code of Ethics for Professional Accountants (the "Code"), as applicable to audits of financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

MATERIAL UNCERTAINTY RELATED TO THE GOING CONCERN

We draw attention to Note 2 to the consolidated financial statements which states that the Group incurred a loss attributable to owners of the Company of approximately RMB36,388,000 for the year ended 31 December 2025 and as at 31 December 2025, the Group had net current liabilities of approximately RMB5,013,000. These conditions indicate a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matters described in the Material Uncertainty Related to Going Concern section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Impairment assessment on property, plant and equipment, right-of-use assets, intangible assets and goodwill

Refer to Note 16, Note 17, Note 19 and Note 20 to the consolidated financial statements

The Group tested the amount of property, plant and equipment, right-of-use assets, intangible assets and goodwill for impairment. This impairment test is significant to our audit because the balance of property, plant and equipment, right-of-use assets, intangible assets and goodwill of approximately RMB111,225,000, RMB7,203,000, RMB33,637,000 and RMB36,981,000 respectively as at 31 December 2025 are material to the consolidated financial statements. In addition, the Group's impairment test involves application of judgement and is based on assumptions and estimates.

Our audit procedures included, among others:

- Obtaining an understanding and evaluating the Group's impairment assessment;
- Assessing the identification of the related cash generating units;
- Assessing the arithmetical accuracy of the value-in-use calculations;
- Comparing the actual cash flows with the cash flow projections;
- Assessing the reasonableness of the key assumptions (including average annual growth rate, gross margins, discount rates and long term growth rate);
- Checking input data to supporting evidence; and
- Subjecting the key assumptions to sensitivity analysis.

We consider that the Group's impairment test for property, plant and equipment, right-of-use assets, intangible assets and goodwill is supported by the available evidence.

Expected Credit Losses (the "ECL") of trade and other receivables

Refer to Note 24 to the consolidated financial statements

The Group tested the amount of trade and other receivables for impairment. This impairment test is significant to our audit because the balance of trade and other receivables of approximately RMB155,014,000 as at 31 December 2025 is material to the consolidated financial statements. In addition, the Group's impairment test involves application of judgement and is based on estimates.

Our audit procedures included, among others:

– Obtaining an understanding of the Group's procedures on credit limits, credit periods given to customers, debt collection and estimate of ECL;

– Assessing the impairment methodology, the governance for the ECL models, inputs and assumptions used by the Group in calculating the ECL;

– Assessing the reasonableness of the Group's ECL models, including the model input and model design;

– Re-computing and testing the trade receivables ageing analysis, on a sample basis, to the source documents;

– Challenging the information used to determine the ECL by considering cash collection performance against historical trends;

– Evaluating the reasonableness of the forward-looking adjustments made to reflect the current and forecast general economic condition against public available information;

– Checking subsequent settlements from the customers and debtors; and

– Assessing the disclosure of the Group's exposure to credit risk in the consolidated financial statements.

We consider that the Group's impairment test for trade and other receivables is supported by the available evidence.

OTHER INFORMATION

The directors are responsible for the other information. The other information comprises all the information in the Company's annual report, but does not include the consolidated financial statements and our auditor's report thereon. The other information is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Independent Auditor's Report *(continued)*

RESPONSIBILITIES OF DIRECTORS FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards issued by the IASB and the disclosure requirements of the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We report our opinion solely to you, as a body, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

A further description of our responsibilities for the audit of the consolidated financial statements is located at the HKICPA's website at:
https://www.hkicpa.org.hk/en/Standards-setting/Standards/Our-views/auditre
This description forms part of our auditor's report.

ZHONGHUI ANDA CPA Limited
Certified Public Accountants
Pang Hon Chung
Audit Engagement Director
Practising Certificate Number P05988
Hong Kong, 18 March 2026

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2025

	Notes	2025 RMB'000	2024 RMB'000
Revenue	7	361,155	360,873
Cost of sales		(237,603)	(230,036)
Gross profit		123,552	130,837
Other income	8	1,923	3,693
Other (losses)/gains, net	9	(3,681)	5,963
Distribution expenses		(65,531)	(64,405)
Administrative expenses		(83,427)	(83,449)
Loss from operations		(27,164)	(7,361)
Finance expenses	10	(6,569)	(9,902)
Share of losses of a joint venture	21	(498)	(363)
Share of losses of an associate	21	(12)	–
Loss before tax	12	(34,243)	(17,626)
Income tax expenses	11	(810)	(1,528)
Loss for the year		(35,053)	(19,154)
Other comprehensive (expenses)/income, net of tax			
Items that may be subsequently reclassified to profit or loss:			
Exchange differences on translation of financial statements of overseas subsidiaries		(4,447)	1,125
Other comprehensive (expenses)/income for the year		(4,447)	1,125
Total comprehensive expenses for the year		(39,500)	(18,029)
(Loss)/profit for the year attributable to:			
Owners of the Company		(36,388)	(17,126)
Non-controlling interests		1,335	(2,028)
		(35,053)	(19,154)
Total comprehensive (expenses)/income for the year attributable to:			
Owners of the Company		(39,998)	(16,280)
Non-controlling interests		498	(1,749)
		(39,500)	(18,029)
Loss per share	15		
– Basic (RMB per share)		(0.0830)	(0.0396)
– Diluted (RMB per share)		(0.0830)	(0.0396)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2025

	Notes	2025 RMB'000	2024 RMB'000
Non-current assets			
Property, plant and equipment	16	111,225	119,673
Right-of-use assets	17	7,203	10,760
Investment properties	18	75,940	77,960
Intangible assets	19	33,637	31,667
Goodwill	20	36,981	36,648
Investments accounted for using the equity method	21	2,894	3,392
Software development in progress	22	850	428
Prepayments for property, plant and equipment, and intangible assets	24	565	–
		269,295	280,528
Current assets			
Inventories	23	93,376	91,665
Trade and other receivables	24	170,974	185,231
Cash and cash equivalents		36,043	37,820
		300,393	314,716
Current liabilities			
Trade and other payables	25	115,928	127,577
Contract liabilities	26	6,714	7,745
Borrowings	27	166,837	149,260
Lease liabilities	28	3,820	7,251
Current income tax liabilities		7,390	8,982
Amount due to a non-controlling shareholder of a subsidiary	29	4,717	–
		305,406	300,815
Net current (liabilities)/assets		(5,013)	13,901
Total assets less current liabilities		264,282	294,429
Non-current liabilities			
Other payables	25	14,772	–
Borrowings	27	1,339	1,752
Amount due to a non-controlling shareholder of a subsidiary	29	–	4,538
Lease liabilities	28	3,721	3,734
Deferred income tax liabilities	30	16,364	16,819
		36,196	26,843
NET ASSETS		228,086	267,586

CONSOLIDATED STATEMENT OF FINANCIAL POSITION *(continued)*

AS AT 31 DECEMBER 2025

	Notes	2025 RMB'000	2024 RMB'000
EQUITY			
Share capital	31	3,853	3,853
Reserves	33	161,293	201,291
Equity attributable to owners of the Company		165,146	205,144
Non-controlling interests		62,940	62,442
TOTAL EQUITY		228,086	267,586

The consolidated financial statements on pages 118 to 187 were approved and authorised for issue by the Board of Directors on 18 March 2026 and are signed on its behalf by:

Shao Zhong
Director

Yang Ying
Director

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2025

	Attributable to owners of the Company											
	Share capital RMB'000	Shares held for expired share award scheme RMB'000	Share premium RMB'000	Other reserves RMB'000	Statutory surplus reserves RMB'000	Property revaluation reserve RMB'000	Fair value reserve (non-recycling) RMB'000	Translation reserve RMB'000	Accumulated losses RMB'000	Sub-total RMB'000	Non-controlling interests RMB'000	Total equity RMB'000
At 1 January 2024	3,853	(6,983)	145,302	(8,030)	54,663	39,329	(6,569)	9,346	(10,763)	220,148	64,191	284,339
Loss for the year	–	–	–	–	–	–	–	–	(17,126)	(17,126)	(2,028)	(19,154)
Other comprehensive income for the year:												
– Exchange differences on translation of foreign operations	–	–	–	–	–	–	–	846	–	846	279	1,125
Total comprehensive income/(expenses) for the year	–	–	–	–	–	–	–	846	(17,126)	(16,280)	(1,749)	(18,029)
Transactions with owners												
Sales of shares held for expired share award scheme	–	6,983	(5,707)	–	–	–	–	–	–	1,276	–	1,276
At 31 December 2024	3,853	–	139,595	(8,030)	54,663	39,329	(6,569)	10,192	(27,889)	205,144	62,442	267,586
At 1 January 2025	3,853	–	139,595	(8,030)	54,663	39,329	(6,569)	10,192	(27,889)	205,144	62,442	267,586
(Loss)/profit for the year	–	–	–	–	–	–	–	–	(36,388)	(36,388)	1,335	(35,053)
Other comprehensive expenses for the year:												
– Exchange differences on translation of foreign operations	–	–	–	–	–	–	–	(3,610)	–	(3,610)	(837)	(4,447)
Total comprehensive (expenses)/income for the year	–	–	–	–	–	–	–	(3,610)	(36,388)	(39,998)	498	(39,500)
At 31 December 2025	3,853	–	139,595	(8,030)	54,663	39,329	(6,569)	6,582	(64,277)	165,146	62,940	228,086

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2025

	2025 RMB'000	2024 RMB'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before tax	(34,243)	(17,626)
Adjustments for:		
Depreciation of property, plant and equipment and right-of-use assets	14,717	20,416
Amortisation of intangible assets	2,989	2,612
Change in expected credit loss ("ECL") allowance for trade receivables	(1,747)	(419)
Interest income	(17)	(315)
Finance expenses	6,569	9,902
Net losses on disposal of property, plant and equipment	627	111
Impairment loss on intangible assets	61	37
Share of losses of a joint venture	498	363
Share of losses of an associate	12	–
Change in fair value of investment properties	2,020	1,920
Net gain on termination of leases	–	(8,139)
Operating cash flows before working capital changes	(8,514)	8,862
Change in trade and other receivables	18,773	5,485
Change in inventories	(3,192)	(2,131)
Change in trade and other payables	(11,572)	16,344
Change in contract liabilities	(1,031)	1,632
Cash (used in)/generated from operations	(5,536)	30,192
Income tax paid	(2,913)	(1,476)
Net cash (used in)/generated from operating activities	(8,449)	28,716
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	17	315
Purchase of intangible assets	(1,101)	(231)
Purchase of property, plant and equipment	(2,781)	(2,528)
Payments for software development in progress	(4,432)	(2,059)
Proceeds from disposal of property, plant and equipment	657	90
Change in pledged bank deposits	–	30,000
Payment for acquisition of an associate	(12)	–
Net cash (used in)/generated from investing activities	(7,652)	25,587

CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2025

	2025 RMB'000	2024 RMB'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from borrowings	115,247	114,896
Repayment of borrowings	(96,601)	(130,691)
Interest paid	(5,847)	(7,168)
Change in amount due from a joint venture	(299)	(1,981)
Change in amount due from an associate	(2,898)	–
Sales of shares held for expired share award scheme	–	1,276
Proceeds from a director	14,427	–
Repayment to non-controlling interests	–	(15,466)
Repayment of lease liabilities and interest	(7,786)	(12,321)
Net cash generated from/(used in) financing activities	16,243	(51,455)
Net increase in cash and cash equivalents	142	2,848
Effect of change in foreign exchange rate	(1,919)	(954)
Cash and cash equivalents at beginning of year	37,820	35,926
Cash and cash equivalents at end of year	36,043	37,820
ANALYSIS OF CASH AND CASH EQUIVALENTS		
Cash and cash equivalents	36,043	37,820

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2025

1. GENERAL INFORMATION

Meta Media Holdings Limited (the "Company") was incorporated in the Cayman Islands on 8 March 2007 and registered as an exempted company with limited liability under the Company Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. Its principal places of business in the People's Republic of China (the "PRC") and Hong Kong are at Units 213, 2/F, Block 2, Exhibition Centre, No. 1 Software Park Road, Zhuhai City, Guangdong Province, the PRC and 7/F, Global Trade Square, No. 21 Wong Chuk Hang Road, Aberdeen, Hong Kong respectively. Its registered office is at Vistra (Cayman) Limited, P.O. Box 31119 Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1-1205, Cayman Islands.

The shares of the Company have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange") since 9 September 2009.

The Company and its subsidiaries (hereinafter collectively referred to as the "Group") are principally engaged in publication of magazines and periodicals, the provision of advertising agency services, digital publishing business, artwork trading and auction, art exhibition and related education, and restaurant operations.

2. BASIS OF PREPARATION

Going Concern

The Group incurred a loss attributable to owners of the Company of approximately RMB36,388,000 for the year ended 31 December 2025 and as at 31 December 2025, the Group had net current liabilities of approximately RMB5,013,000. These conditions indicate the existence of a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern. Therefore, the Group may be unable to realise its assets and discharge its liabilities in the normal course of business.

The Directors have been undertaking a number of plans and measures to improve the Group's liquidity and financial position, including:

(a) The Directors have reviewed the Group's cash flow projection prepared by management, which covered a period of not less than twelve months from 31 December 2025. In the opinion of the Directors, the Group will have sufficient working capital to meet its financial obligations as and when they fall due and carry on its business without a significant curtailment of operations not less than twelve months from 31 December 2025. Accordingly, the consolidated financial statements have been prepared on a going concern basis;

(b) Mr. Shao, the ultimate controlling shareholder confirmed to provide a financial support to the Group as it is necessary to ensure its continuing operation for a period of at least fifteen months from 31 December 2025;

(c) The Group has taken various cost control measures to tighten the costs of operations;

(d) The Group is actively negotiating with external parties and banks to obtain new sources of or renew financing to finance the Group's working capital and improve the Group's liquidity position; and

(e) The Group will continue to maintain its relationship with the parties providing facilities to the Group and comply with any covenant requirements.

2. BASIS OF PREPARATION *(continued)*

Going Concern *(continued)*

Based on the cash flow projection of the Group and having taken into account the available financial resources of the Group and the above measures, the Directors consider that the Group will have sufficient working capital to finance its operations and meet its financial obligations as and when they fall due in the foreseeable future, and accordingly, are satisfied that it is appropriate to prepare the consolidated financial statements on a going concern basis.

Should the Group be unable to continue as a going concern, adjustments would have to be made to restate the values of assets to their recoverable amounts, to provide for any further liabilities which might arise and to classify non-current assets and liabilities as current assets and liabilities respectively. The effects of these potential adjustments have not been reflected in these consolidated financial statements.

3. ADOPTION OF NEW AND REVISED IFRS ACCOUNTING STANDARDS

In the current year, the Group has adopted all the new and revised IFRS Accounting Standards issued by the International Accounting Standards Board ("IASB") that are relevant to its operations and effective for its accounting year beginning on 1 January 2025. IFRS Accounting Standards comprise International Financial Reporting Standards ("IFRS"); International Accounting Standards ("IAS"); and Interpretations. The adoption of these new and revised IFRS Accounting Standards did not result in significant changes to the Group's accounting policies, presentation of the Group's consolidated financial statements and amounts reported for the current year and prior years.

The Group is in the process of making an assessment on the impact of these new standards and amendments to standards and preliminary results showed that their application is not expected to have material impact on the financial performance and the financial position of the Group except for the adoption of HKFRS 18 as mentioned below.

IFRS 18 Presentation and Disclosure in Financial Statements

IFRS 18 Presentation and Disclosure in Financial Statements, which sets out requirements on presentation and disclosures in financial statements, will replace IAS 1 Presentation of Financial Statements. This new IFRS Accounting Standard, while carrying forward many of the requirements in IAS 1, introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provide disclosures on management-defined performance measures in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. In addition, some IAS 1 paragraphs have been moved to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors (the title of which will be changed to Basis of Preparation of Financial Statements upon effective of IFRS 18) and IFRS 7. Minor amendments to IAS 7 Statement of Cash Flows and IAS 33 Earnings per Share are also made.

IFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. IFRS 18 requires retrospective application with specific transition provisions. The application of the new standard is not expected to have significant impact on the financial performance and positions of the Group in terms of recognition and measurement. However, it is expected to affect the structure and presentation of the consolidated statement of profit or loss.

4. MATERIAL ACCOUNTING POLICIES

These consolidated financial statements have been prepared in accordance with IFRS Accounting Standards, accounting principles generally accepted in Hong Kong and the applicable disclosures required by the Rules Governing the Listing of Securities (the "Listing Rules") on the Stock Exchange and by the Hong Kong Companies Ordinance.

These consolidated financial statements have been prepared under the historical cost convention, except for investment properties which are stated at fair values. These consolidated financial statements are presented in Renminbi (the "RMB") and all values are rounded to the nearest thousand ("RMB'000") except when otherwise indicated.

The preparation of the consolidated financial statements in conformity with IFRS Accounting Standards requires the use of certain key assumptions and estimates. It also requires the board of directors of the Group (the "Directors") to exercise their judgements in the process of applying the accounting policies. The areas involving critical judgements and areas where assumptions and estimates are significant to the consolidated financial statements, are further disclosed in note 5 to the consolidated financial statements.

The material accounting policies applied in the preparation of the consolidated financial statements are set out below.

Consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to 31 December. Subsidiaries are entities over which the Group has control. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The Group has power over an entity when the Group has existing rights that give it the current ability to direct the relevant activities, i.e. activities that significantly affect the entity's returns.

When assessing control, the Group considers its potential voting rights as well as potential voting rights held by other parties, to determine whether it has control. A potential voting right is considered only if the holder has the practical ability to exercise that right.

Subsidiaries are consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date the control ceases.

The gain or loss on the disposal of a subsidiary that results in a loss of control represents the difference between (i) the fair value of the consideration of the sale plus the fair value of any investment retained in that subsidiary and (ii) the Company's share of the net assets of that subsidiary plus any remaining goodwill relating to that subsidiary and any related accumulated foreign currency translation reserve.

Intragroup transactions, balances and unrealised profits are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

4. MATERIAL ACCOUNTING POLICIES *(continued)*

Consolidation *(continued)*

Non-controlling interests represent the equity in subsidiaries not attributable, directly or indirectly, to the Company. Non-controlling interests are presented in the consolidated statement of financial position and consolidated statement of changes in equity within equity. Non-controlling interests are presented in the consolidated statement of profit or loss and other comprehensive income as an allocation of profit or loss and total comprehensive expenses for the year between the non-controlling shareholders and owners of the Company.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling shareholders even if this results in the non-controlling interests having a deficit balance.

Business combination and goodwill

The acquisition method is used to account for the acquisition of a subsidiary in a business combination. The cost of acquisition is measured at the acquisition-date fair value of the assets given, equity instruments issued, liabilities incurred and contingent consideration. Acquisition-related costs are recognised as expenses in the periods in which the costs are incurred and the services are received. Identifiable assets and liabilities of the subsidiary in the acquisition are measured at their acquisition-date fair values.

The excess of the cost of acquisition over the Company's share of the net fair value of the subsidiary's identifiable assets and liabilities is recorded as goodwill. Any excess of the Company's share of the net fair value of the identifiable assets and liabilities over the cost of acquisition is recognised in consolidated profit or loss as a gain on bargain purchase which is attributed to the Company.

In a business combination achieved in stages, the previously held equity interest in the subsidiary is remeasured at its acquisition-date fair value and the resulting gain or loss is recognised in consolidated profit or loss. The fair value is added to the cost of acquisition to calculate the goodwill.

If the changes in the value of the previously held equity interest in the subsidiary were recognised in other comprehensive income (for example, equity investments at fair value through other comprehensive income), the amount that was recognised in other comprehensive income is recognised on the same basis as would be required if the previously held equity interest were disposed of.

Goodwill is tested annually for impairment or more frequently if events or changes in circumstances indicate that it might be impaired. Goodwill is measured at cost less accumulated impairment losses. The method of measuring impairment losses of goodwill is the same as that of other assets as stated in the accounting policy below. Impairment losses of goodwill are recognised in consolidated profit or loss and are not subsequently reversed. Goodwill is allocated to cash-generating units that are expected to benefit from the synergies of the acquisition for the purpose of impairment testing.

The non-controlling interests in the subsidiary are initially measured at the non-controlling shareholders' proportionate share of the net fair value of the subsidiary's identifiable assets and liabilities at the acquisition date.

4. MATERIAL ACCOUNTING POLICIES *(continued)*

Associates

Associates are entities over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of an entity but is not control or joint control over those policies. The existence and effect of potential voting rights that are currently exercisable or convertible, including potential voting rights held by other entities, are considered when assessing whether the Group has significant influence. In assessing whether a potential voting right contributes to significant influence, the holder's intention and financial ability to exercise or convert that right is not considered.

Investment in an associate is accounted for in the consolidated financial statements by the equity method and is initially recognised at cost. Identifiable assets and liabilities of the associate in an acquisition are measured at their fair values at the acquisition date. The excess of the cost of acquisition over the Group's share of the net fair value of the associate's identifiable assets and liabilities is recorded as goodwill. The goodwill is included in the carrying amount of the investment and is tested for impairment together with the investment at the end of each reporting period when there is objective evidence that the investment is impaired. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of acquisition is recognised in consolidated profit or loss.

The Group's share of an associate's post-acquisition profits or losses is recognised in consolidated profit or loss, and its share of the post-acquisition movements in reserves is recognised in the consolidated reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate. If the associate subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The gain or loss on the disposal of an associate that results in a loss of significant influence represents the difference between (i) the fair value of the consideration of the sale plus the fair value of any investment retained in that associate and (ii) the Group's share of the net assets of that associate plus any remaining goodwill relating to that associate and any related accumulated foreign currency translation reserve. If an investment in an associate becomes an investment in a joint venture, the Group continues to apply the equity method and does not remeasure the retained interest.

Unrealised profits on transactions between the Group and its associates are eliminated to the extent of the Group's interests in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

Joint arrangements

A joint arrangement is an arrangement of which two or more parties have joint control. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control. Relevant activities are activities that significantly affect the returns of the arrangement. When assessing joint control, the Group considers its potential voting rights as well as potential voting rights held by other parties, to determine whether it has joint control. A potential voting right is considered only if the holder has the practical ability to exercise that right.

4. MATERIAL ACCOUNTING POLICIES *(continued)*

Joint arrangements *(continued)*

A joint arrangement is either a joint operation or a joint venture. A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement.

Investment in a joint venture is accounted for in the consolidated financial statements by the equity method and is initially recognised at cost. Identifiable assets and liabilities of the joint venture in an acquisition are measured at their fair values at the acquisition date. The excess of the cost of acquisition over the Group's share of the net fair value of the joint venture's identifiable assets and liabilities is recorded as goodwill. The goodwill is included in the carrying amount of the investment and is tested for impairment together with the investment at the end of each reporting period when there is objective evidence that the investment is impaired. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of acquisition is recognised in consolidated profit or loss.

The Group's share of a joint venture's post-acquisition profits or losses is recognised in consolidated profit or loss, and its share of the post-acquisition movements in reserves is recognised in the consolidated reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in a joint venture equals or exceeds its interest in the joint venture, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint venture. If the joint venture subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The gain or loss on the disposal of a joint venture that results in a loss of joint control represents the difference between (i) the fair value of the consideration of the sale plus the fair value of any investment retained in that joint venture and (ii) the Group's share of the net assets of that joint venture plus any remaining goodwill relating to that joint venture and any related accumulated foreign currency translation reserve. If an investment in a joint venture becomes an investment in an associate, the Group continues to apply the equity method and does not remeasure the retained interest.

Unrealised profits on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interests in the joint ventures. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of joint ventures have been changed where necessary to ensure consistency with the policies adopted by the Group.

Foreign currency translation

a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The Company's functional currency is Hong Kong Dollars (the "HK$"). The Company's primary subsidiaries were incorporated in the PRC and these subsidiaries considered RMB as their functional currency. As the development and operation of the Group during the years are within the PRC, the Group determined to present the consolidated financial statements in RMB, unless otherwise stated.

4. MATERIAL ACCOUNTING POLICIES *(continued)*

Foreign currency translation *(continued)*

b) Transactions and balances in each entity's financial statements

Transactions in foreign currencies are translated into the functional currency on initial recognition using the exchange rates prevailing on the transaction dates. Monetary assets and liabilities in foreign currencies are translated at the exchange rates at the end of each reporting period. Gains and losses resulting from this translation policy are recognised in profit or loss.

Non-monetary items that are measured at fair values in foreign currencies are translated using the exchange rates at the dates when the fair values are determined.

When a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is recognised in other comprehensive income. When a gain or loss on a non-monetary item is recognised in profit or loss, any exchange component of that gain or loss is recognised in profit or loss.

c) Translation on consolidation

The results and financial position of all the Group entities that have a functional currency different from the Company's presentation currency are translated into the Company's presentation currency as follows:

– Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;

– Income and expenses are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the exchange rates on the transaction dates); and

– All resulting exchange differences are recognised in the foreign currency translation reserve.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities and of borrowings are recognised in the foreign currency translation reserve. When a foreign operation is sold, such exchange differences are recognised in consolidated profit or loss as part of the gain or loss on disposal.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

FOR THE YEAR ENDED 31 DECEMBER 2025

4. MATERIAL ACCOUNTING POLICIES *(continued)*

Property, plant and equipment

All property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are recognised in consolidated profit or loss during the period in which they are incurred.

Depreciation of property, plant and equipment is calculated at rates sufficient to write off their cost less their residual values over the estimated useful lives on a straight-line basis. The principal useful lives are as follows:

Buildings held for own use	40 – 50 years
Office equipment	3 – 5 years
Furniture and fixtures	3 – 10 years
Motor vehicles	4 – 10 years

The residual values, useful lives and depreciation method are reviewed and adjusted, if appropriate, at the end of each reporting period.

The gain or loss on disposal of property, plant and equipment is the difference between the net sales proceeds and the carrying amount of the relevant asset and is recognised in consolidated profit or loss.

Investment properties

Investment properties are buildings held to earn rentals and/or for capital appreciation. An investment property is measured initially at its cost including all direct costs attributable to the property.

After initial recognition, the investment property is stated at its fair value based on valuation by an external independent valuer. Gains or losses arising from changes in fair value of the investment property are recognised in profit or loss for the period in which they arise.

If an item of property, plant and equipment becomes an investment property because its use has changed, any difference between the carrying amount and the fair value of this item at the date of transfer is recognised as a revaluation of property, plant and equipment.

The gain or loss on disposal of an investment property is the difference between the net sales proceeds and the carrying amount of the property, and is recognised in profit or loss.

4. MATERIAL ACCOUNTING POLICIES *(continued)*

Leases

The Group as lessee

Leases are recognised as right-of-use assets and corresponding lease liabilities when the leased assets are available for use by the Group. Right-of-use assets are stated at cost less accumulated depreciation and impairment losses. Depreciation of right-of-use assets is calculated at rates to write off their cost over the shorter of the asset's useful life and the lease term on a straight-line basis. The principal annual rates are as follows:

Land and buildings	2 – 5 years

Right-of-use assets are measured at cost comprising the amount of the initial measurement of the lease liabilities, lease payments prepaid, initial direct costs and the restoration costs. Lease liabilities include the net present value of the lease payments discounted using the interest rate implicit in the lease if that rate can be determined, or otherwise the Group's incremental borrowing rate. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to consolidated profit or loss over the lease term so as to produce a constant periodic rate of interest on the remaining balance of the lease liability.

Payments associated with short-term leases and leases of low-value assets are recognised as expenses in consolidated profit or loss on a straight-line basis over the lease terms. Short-term leases are leases with an initial lease term of 12 months or less. Low-value assets are assets of value below US$ 5,000.

Intangible assets

(a) Software and mobile applications

Costs associated with maintaining software and mobile applications are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets when the following criteria are met:

- It is technically feasible to complete the software product so that it will be available for use;
- Management intends to complete the software product and use or sell it;
- There is an ability to use or sell the software product;
- It can be demonstrated how the software product will generate probable future economic benefits;
- Adequate technical, financial and other resources to complete the development and to use or sell the software product are available; and
- The expenditure attributable to the software product during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software product include the software development employee costs and an appropriate portion of relevant overheads.

4. MATERIAL ACCOUNTING POLICIES *(continued)*

Intangible assets *(continued)*

(a) Software and mobile applications *(continued)*

Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Software and mobile applications development costs recognised as assets are amortised over their estimated useful lives.

(b) Other intangible assets

Other intangible assets mainly include publishing rights, customer relationships, trademarks, domains and IT platforms and film distribution right. Intangible assets with a finite useful lives are carried at cost less accumulated amortisation and any impairment losses. Intangible assets with indefinite useful lives including trademark and digital assets are carried at cost less any subsequent accumulated impairment losses.

(c) Amortisation

Amortisation commences when the intangible assets are available for use. Amortisation for intangible assets with finite useful lives is provided on straight-line basis over their estimated useful lives, as follows:

Digital assets	Indefinite useful life
Publishing rights	6 to 7 years or indefinite useful life
Customer relationships	3 to 5 years
Trademarks	Indefinite useful life
Domains and IT platforms	3 to 10 years or indefinite useful life
Software, website and mobile applications	3 to 5 years
Others	10 to 20 years

Inventories

Inventories are artworks intended for sale and goods held in a retail store of the Group and stated at the lower of cost and net realisable value. Cost for artworks includes expenditures that is directly attributable to the acquisition of the items. Cost for goods held in a retail store is determined using the weighted average method. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

4. MATERIAL ACCOUNTING POLICIES *(continued)*

Recognition and derecognition of financial instruments

Financial assets and financial liabilities are recognised in the consolidated statement of financial position when the Group becomes a party to the contractual provisions of the instruments.

Financial assets are derecognised when the contractual rights to receive cash flows from the assets expire; the Group transfers substantially all the risks and rewards of ownership of the assets; or the Group neither transfers nor retains substantially all the risks and rewards of ownership of the assets but has not retained control on the assets. On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received is recognised in profit or loss.

Financial liabilities are derecognised when the obligation specified in the relevant contract is discharged, cancelled or expires. The difference between the carrying amount of the financial liability derecognised and the consideration paid is recognised in profit or loss.

Financial assets

Financial assets are recognised and derecognised on a trade date basis where the purchase or sale of an asset is under a contract whose terms require delivery of the asset within the timeframe established by the market concerned, and are initially recognised at fair value, plus directly attributable transaction costs except in the case of investments at fair value through profit or loss. Transaction costs directly attributable to the acquisition of investments at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets of the Group are classified under financial assets at amortised cost.

Financial assets at amortised cost

Financial assets (including trade and other receivables) are classified under this category if they satisfy both of the following conditions:

– the assets are held within a business model whose objective is to hold assets in order to collect contractual cash flows; and

– the contractual terms of the assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

They are subsequently measured at amortised cost using the effective interest method less loss allowance for expected credit losses.

4. MATERIAL ACCOUNTING POLICIES *(continued)*

Loss allowances for expected credit losses

The Group recognises loss allowances for expected credit losses on financial assets at amortised cost. Expected credit losses are the weighted average of credit losses with the respective risks of a default occurring as the weights.

At the end of each reporting period, the Group measures the loss allowance for a financial instrument at an amount equal to the expected credit losses that result from all possible default events over the expected life of that financial instrument ("lifetime expected credit losses") for trade receivables, or if the credit risk on that financial instrument has increased significantly since initial recognition.

If, at the end of the reporting period, the credit risk on a financial instrument (other than trade receivables) has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to the portion of lifetime expected credit losses that represents the expected credit losses that result from default events on that financial instrument that are possible within 12 months after the reporting period.

The amount of expected credit losses or reversal to adjust the loss allowance at the end of the reporting period to the required amount is recognised in profit or loss as an impairment gain or loss.

Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents represent cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term highly liquid investments which are readily convertible into known amounts of cash and subject to an insignificant risk of change in value.

Financial liabilities and equity instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument under IFRS Accounting Standards. An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. The accounting policies adopted for specific financial liabilities and equity instruments are set out below.

Borrowing

Borrowings are recognised initially at fair value, net of transaction costs incurred, and subsequently measured at amortised cost using the effective interest method.

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

Other financial liabilities

Trade and other payables are stated initially at their fair value and subsequently measured at amortised cost using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost.

4. MATERIAL ACCOUNTING POLICIES *(continued)*

Equity instruments

Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Revenue recognition

Revenue is measured based on the consideration specified in a contract with a customer with reference to the customary business practices and excludes amounts collected on behalf of third parties. For a contract where the period between the payment by the customer and the transfer of the promised product or service exceeds one year, the consideration is adjusted for the effect of a significant financing component.

The Group recognises revenue when it satisfies a performance obligation by transferring control over a product or service to a customer. Depending on the terms of a contract and the laws that apply to that contract, a performance obligation can be satisfied over time or at a point in time. A performance obligation is satisfied over time if:

– the customer simultaneously receives and consumes the benefits provided by the Group's performance;

– the Group's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or

– the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

If a performance obligation is satisfied over time, revenue is recognised by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the customer obtains control of the product or service.

Other revenue

Interest income is recognised using the effective interest method.

Employee benefits

a) Employee leave entitlements

Employee entitlements to annual leave and long service leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave and long service leave as a result of services rendered by employees up to the end of the reporting period.

Employee entitlements to sick leave and maternity leave are not recognised until the time of leave.

4. MATERIAL ACCOUNTING POLICIES *(continued)*

Employee benefits *(continued)*

b) Pension obligations

The Group contributes to defined contribution retirement schemes which are available to all employees. Contributions to the schemes by the Group and employees are calculated as a percentage of employees' basic salaries. The retirement benefit scheme cost charged to profit or loss represents contributions payable by the Group to the funds.

c) Termination benefits

Termination benefits are recognised at the earlier of the dates when the Group can no longer withdraw the offer of those benefits and when the Group recognises restructuring costs and involves the payment of termination benefits.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

To the extent that funds are borrowed generally and used for the purpose of obtaining a qualifying asset, the amount of borrowing costs eligible for capitalisation is determined by applying a capitalisation rate to the expenditures on that asset. The capitalisation rate is the weighted average of the borrowing costs applicable to the borrowings of the Group that are outstanding during the period, other than borrowings made specifically for the purpose of obtaining a qualifying asset.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Government grants

A government grant is recognised when there is reasonable assurance that the Group will comply with the conditions attaching to it and that the grant will be received.

Government grants relating to income are deferred and recognised in profit or loss over the period to match them with the costs they are intended to compensate.

4. MATERIAL ACCOUNTING POLICIES *(continued)*

Taxation

Income tax represents the sum of the current tax and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit recognised in profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences, unused tax losses or unused tax credits can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint arrangements, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised, based on tax rates that have been enacted or substantively enacted by the end of the reporting period. Deferred tax is recognised in profit or loss, except when it relates to items recognised in other comprehensive income or directly in equity, in which case the deferred tax is also recognised in other comprehensive income or directly in equity.

The measurement of deferred tax assets and liabilities reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

For the purposes of measuring deferred tax for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model of the Group whose business objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale. If the presumption is rebutted, deferred tax for such investment properties are measured based on the expected manner as to how the properties will be recovered.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

4. MATERIAL ACCOUNTING POLICIES *(continued)*

Related parties

A related party is a person or entity that is related to the Group.

(A) A person or a close member of that person's family is related to the Group if that person:

(i) has control or joint control over the Group;

(ii) has significant influence over the Group; or

(iii) is a member of the key management personnel of the Company or of a parent of the Company.

(B) An entity is related to the Group if any of the following conditions applies:

(i) The entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);

(ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);

(iii) Both entities are joint ventures of the same third party;

(iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity;

(v) The entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group. If the Group is itself such a plan, the sponsoring employers are also related to the Group;

(vi) The entity is controlled or jointly controlled by a person identified in (A);

(vii) A person identified in (A)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); or

(viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the Company or to a parent of the Company.

Segment reporting

Operating segments, and the amounts of each segment item reported in the consolidated financial statements, are identified from the financial information provided regularly to the Group's most senior executive management for the purposes of allocating resources to, and assessing the performance of, the Group's various lines of business and geographical locations.

Individually material operating segments are not aggregated for financial reporting purposes unless the segments have similar economic characteristics and are similar in respect of the nature of products and services, the nature of production processes, the type or class of customers, the methods used to distribute the products or provide the services, and the nature of the regulatory environment. Operating segments which are not individually material may be aggregated if they share a majority of these criteria.

4. MATERIAL ACCOUNTING POLICIES *(continued)*

Impairment of non-financial assets

At the end of each reporting period, the Group reviews the carrying amounts of its non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of any impairment loss. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount. An impairment loss is recognised immediately in consolidated profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset or cash-generating unit is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset or cash-generating unit in prior years. A reversal of an impairment loss is recognised immediately in consolidated profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Provisions and contingent liabilities

Provisions are recognised for liabilities of uncertain timing or amount when the Group has a present legal or constructive obligation arising as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made. Where the time value of money is material, provisions are stated at the present value of the expenditures expected to settle the obligation.

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow is remote.

Events after the reporting period

Events after the reporting period that provide additional information about the Group's position at the end of the reporting period or those that indicate the going concern assumption is not appropriate are adjusting events and are reflected in the consolidated financial statements. Events after the reporting period that are not adjusting events are disclosed in the notes to the consolidated financial statements when material.

5. CRITICAL JUDGEMENTS AND KEY ESTIMATES

Critical judgements in applying accounting policies

In the process of applying the accounting policies, the Directors have made the following judgements that have the most significant effect on the amounts recognised in the consolidated financial statements (apart from those involving estimations, which are dealt with below).

a) Going concern basis

These consolidated financial statements have been prepared on a going concern basis. Details are explained in note 2 to the consolidated financial statements.

b) Deferred tax for investment properties

For the purposes of measuring deferred tax for investment properties that are measured using the fair value model, the Director has reviewed the Group's investment properties portfolios and concluded that the Group's investment properties are held under a business model whose objective is to consume substantially all of the economic benefits embodied in the investment properties over time, rather than through sale. Therefore, in determining the Group's deferred tax for investment properties, the Director has rebutted the presumption that investment properties measured using the fair value model are recovered through sale.

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

a) Impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating unit to which goodwill has been allocated. The value in use calculation requires the Group to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate the present value. The carrying amount of goodwill at the end of the reporting period was approximately RMB36,981,000 (2024: RMB36,648,000) after no impairment loss was recognised during the year ended 31 December 2025 (2024: nil). Details of the impairment loss calculation are provided in note 20 to consolidated financial statements.

b) Impairment of property, plant and equipment, intangible assets and right-of-use assets

Determining whether property, plant and equipment, intangible assets and right-of-use assets are impaired requires an estimation of their recoverable amount. The recoverable amount is determined as the higher of the asset's fair value less costs of disposal and its value in use. The value in use calculation requires the Group to estimate the future cash flows expected to arise from the relevant cash-generating unit and to apply a suitable discount rate in order to calculate the present value. No impairment loss was recognised in respect of these assets during the year ended 31 December 2025 (2024: nil).

5. CRITICAL JUDGEMENTS AND KEY ESTIMATES *(continued)*

Key sources of estimation uncertainty *(continued)*

c) Provision for ECL for trade and other receivables

The Group's management determines the provision for ECL of trade and other receivables on a forward-looking basis and the ECL are recognised from initial recognition of the assets. The provision matrix is determined based on the Group's historical observed default rates over the expected life of the trade receivables with similar credit risk characteristics and is adjusted for forward-looking estimates. Other receivables is considered 12-month ECL. In making the judgment, management considers available reasonable and supportive forward-looking information such as actual or expected significant changes in the operating results of customers, actual or expected significant adverse changes in business and customers' financial position. At every reporting date the historical observed default rates are updated and changes in the forward-looking estimates are analysed by the Group's management. When the actual future cash flows are different from expected, such difference will impact the carrying amount of trade and other receivables within the scope of ECL under IFRS 9 and credit losses in the periods in which such estimate has been changed.

d) Property, plant and equipment and depreciation

The Group determines the estimated useful lives, residual values and related depreciation charges for the Group's property, plant and equipment. This estimate is based on the historical experience of the actual useful lives and residual values of property, plant and equipment of similar nature and functions. The Group will revise the depreciation charge where useful lives and residual values are different to those previously estimated, or it will write-off or write-down technically obsolete or non-strategic assets that have been abandoned or sold.

e) Intangible assets and amortisation

The Group determines the estimated useful lives, residual values and related amortisation charges for the Group's intangible assets. This estimate is based on the historical experience of the actual useful lives and residual values of intangible assets of similar nature and functions. The Group will revise the amortisation charge where useful lives and residual values are different to those previously estimated, or it will write-off or write-down technically obsolete or non-strategic assets that have been abandoned or sold.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

FOR THE YEAR ENDED 31 DECEMBER 2025

6. FINANCIAL RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks: foreign currency risk, credit risk, liquidity risk and interest rate risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

a) Foreign currency risk

The Group has minimal exposure to foreign currency risk as most of its business transactions, assets and liabilities are principally denominated in the functional currencies of the Group entities.

The Group currently does not have a foreign currency hedging policy in respect of foreign currency transactions, assets and liabilities. The Group will monitor its foreign currency exposure closely and will consider hedging significant foreign currency exposure should the need arise.

b) Credit risk

The Group's maximum exposure to credit risk in the event that counterparties fail to perform their obligations at 31 December 2025 in relation to each class of recognised financial assets is the carrying amounts of those assets as stated in the consolidated statement of financial position. The Group's credit risk is primarily attributable to its trade and other receivables, and cash and cash equivalents. In order to minimise credit risk, the Directors have delegated a team to be responsible for the determination of credit limits, credit approvals and other monitoring procedures. In addition, the Directors review the recoverable amount of each individual trade debt regularly to ensure that adequate impairment losses are recognised for irrecoverable debts. The credit risk on cash at bank and on hand are limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies. In this regard, the Directors consider that the Group's credit risk is significantly reduced.

The Group has no significant concentration of credit risk, with exposure spread over a number of counterparties and customers.

The Group considers whether there has been a significant increase in credit risk of financial assets on an ongoing basis throughout each reporting period by comparing the risk of a default occurring as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information. Especially the following information is used:

– internal credit rating;

– actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the customer's ability to meet its obligations;

– actual or expected significant changes in the operating results of the customer;

– significant changes in the expected performance and behaviour of the customer, including changes in the payment status of customers.

6. FINANCIAL RISK MANAGEMENT *(continued)*

b) Credit risk *(continued)*

A significant increase in credit risk is presumed if a debtor is more than 30 days past due in making a contractual payment. A default on a financial asset is when the counterparty fails to make contractual payments within 60 days of when they fall due.

Financial assets are written off when there is no reasonable expectation of recovery, such as a customer failing to engage in a repayment plan with the Group. The Group normally categorises a loan or receivable for write off when a debtor fails to make contractual payments greater than 3 years past due. Where loans or receivables have been written off, the Group, if practicable and economical, continues to engage in enforcement activity to attempt to recover the receivable due.

The Group uses two categories for non-trade receivables which reflect their credit risk and how the loan loss provision is determined for each of the categories. In calculating the expected credit loss rates, the Group considers historical loss rates for each category and adjusts for forward looking data.

Category	Definition	Loss provision
Performing	Low risk of default and strong capacity to pay	12 month expected losses
Non-performing	Significant increase in credit risk	Lifetime expected losses

6. FINANCIAL RISK MANAGEMENT *(continued)*

c) Liquidity risk

The Group's policy is to regularly monitor current and expected liquidity requirements to ensure that it maintains sufficient reserves of cash to meet its liquidity requirements in the short and longer term.

The maturity analysis of the Group's financial liabilities is as follows:

	Within 1 year or on demand RMB'000	More than 1 year but less than 2 years RMB'000	More than 2 years but less than 5 years RMB'000	Total contractual undiscounted cash flows RMB'000	Carrying amount RMB'000
At 31 December 2025					
Trade and other payables	106,552	539	15,079	122,170	120,785
Amount due to a non-controlling shareholder of a subsidiary	4,717	–	–	–	4,717
Borrowings	170,943	522	957	172,422	168,176
	282,212	1,061	16,036	294,592	293,678

	Within 1 year or on demand RMB'000	More than 1 year but less than 2 years RMB'000	More than 2 years but less than 5 years RMB'000	Total contractual undiscounted cash flows RMB'000	Carrying amount RMB'000
At 31 December 2024					
Trade and other payables	120,378	–	–	120,378	120,378
Amount due to a non-controlling shareholder of a subsidiary	–	4,538	–	4,538	4,538
Borrowings	154,709	522	1,480	156,711	151,012
	275,087	5,060	1,480	281,627	275,928

Borrowings of approximately RMB166,837,000 (2024: RMB149,260,000) with a repayment on demand clause are included in the "within 1 year or on demand" time band in the above maturity analysis. Taking into account the Group's financial position, the management does not consider that it is probable that the lenders will exercise their discretionary rights to demand immediate repayment. The management believes that the term loans will be repaid in accordance with the scheduled repayment dates set out in the loan agreements.

6. FINANCIAL RISK MANAGEMENT *(continued)*

c) Liquidity risk *(continued)*

The maturity analysis of the Group's borrowings by expected repayment dates is summarised as follows. The amounts include interest payments computed using contractual rates.

	Within 1 year or on demand RMB'000	More than 1 year but less than 2 years RMB'000	More than 2 years but less than 5 years RMB'000	More than 5 years RMB'000	Total contractual undiscounted cash flows RMB'000
At 31 December 2025					
Borrowings	104,410	29,828	36,096	5,901	176,235
At 31 December 2024					
Borrowings	101,946	13,300	34,878	9,527	159,651

d) Interest rate risk

The Group's exposure to fair value interest rate risk arises primarily from the Group's bank borrowings which carry interest at fixed rates.

The Group's exposure to interest-rate risk arises from Group's bank borrowings. These borrowings bear interests at variable rates varied with the then prevailing market condition. The Group's cash flow interest rate risk is mainly concentrated on the fluctuation of the Hong Kong Interbank Offered Rate and Prime Rate arising from the Group's Hong Kong dolloars denominated borrowing, and PRC Loan Prime Rate arising from the Group's RMB denominated borrowing.

At 31 December 2025, if the interest rates had been 100 basis points lower with all other variables held constant, post-tax loss for the year would have been RMB812,000 (2024: RMB761,000) lower, arising mainly as a result of lower interest expense on bank borrowings. If interest rates had been 100 basis points higher, with all other variables held constant, post-tax loss for the year would have been RMB812,000 (2024: RMB761,000) higher, arising mainly as a result of higher interest expense on bank borrowings.

e) Categories of financial instruments at 31 December

	2025 RMB'000	2024 RMB'000
Financial assets:		
Financial assets at amortised cost (including cash and cash equivalents)	191,057	205,153
Financial liabilities:		
Financial liabilities at amortised cost	293,678	275,928

6. FINANCIAL RISK MANAGEMENT *(continued)*

f) Fair value

The carrying amounts of the Group's financial assets and financial liabilities as reflected in the consolidated statement of financial position approximate their respective fair values.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The following disclosures of fair value measurements use a fair value hierarchy that categorises into three levels the inputs to valuation techniques used to measure fair value:

Level 1 inputs: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.

Level 2 inputs: inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs: unobservable inputs for the asset or liability.

The Group's policy is to recognise transfers into and transfers out of any of the three levels as of the date of the event or change in circumstances that caused the transfer.

(a) Disclosures of level in fair value hierarchy:

	Fair value measurements using			
Description	**Level 1**	**Level 2**	**Level 3**	**Total**
	RMB'000	RMB'000	RMB'000	RMB'000
At 31 December 2025				
Investment properties				
– Commercial units – PRC	**–**	**–**	**75,940**	**75,940**
At 31 December 2024				
Investment properties				
– Commercial units – PRC	–	–	77,960	77,960

6. FINANCIAL RISK MANAGEMENT *(continued)*

f) Fair value *(continued)*

(b) Reconciliation of assets measured at fair value based on level 3:

	2025 Investment properties RMB'000
At 1 January	77,960
Total losses recognised in profit or loss #	(2,020)
At 31 December	75,940
#Include losses for assets held at end of reporting period	(2,020)

	2024 Investment properties RMB'000
At 1 January	79,880
Total losses recognised in profit or loss #	(1,920)
At 31 December	77,960
#Include losses for assets held at end of reporting period	(1,920)

6. FINANCIAL RISK MANAGEMENT *(continued)*

f) Fair value *(continued)*

(c) Disclosures of valuation process used by the Group and valuation techniques and inputs used in fair value measurements at 31 December 2025 and 2024:

The Director is responsible for the fair value measurements of assets and liabilities required for financial reporting purposes, including level 3 fair value measurements.

For level 3 fair value measurements, the Group will normally engage external valuation experts with the recognised professional qualifications and recent experience to perform the valuations.

The Group's investment properties are revalued at 31 December 2025 and 2024 by independent professionally qualified valuer, Cushman & Wakefield Shenzhen Valuation Co., Ltd., who has the recent experience in the location and category of properties being valued. The fair value measurement is based on the properties' highest and best use, which does not differ from their actual use.

Key unobservable inputs used in level 3 fair value measurements are mainly:

Description	Valuation techniques	Significant unobservable inputs	Range As at 31 December		Effect on fair value for increase of inputs
			2025	2024	
Investment properties	Direct capitalisation method	Market monthly rental rate taking into account of individual factors such as location, environment, age, accessibility, floor, size, etc. (RMB/sq.m)	190-224	202-224	Increase
		Capitalisation rate of reversionary income	6.00%	6.50%	Decrease
	Market comparison approach	Price per square metre (RMB/sq.m)	34,062-36,632	35,524-37,529	Increase

During the years ended 31 December 2025 and 2024, there were no changes in the valuation techniques used.

During the years ended 31 December 2025 and 2024, there was no transfer between Level 1, Level 2 or transfer into or out of Level 3.

7. REVENUE AND SEGMENT INFORMATION

The chief operating decision-makers mainly include senior executive management of the Company. They review the Group's internal reports in order to determine the operating segments, assess performance and allocate resources based on these reports.

Senior executive management considers the business from a business perspective, and assesses the performance of the business segment based on revenue and adjusted earnings before interest, taxes, depreciation, and amortization (the "EBITDA") without allocation of depreciation, amortisation, finance expenses, change in fair value of investment properties, impairment loss on intangible assets, share of losses of a joint venture, share of losses of an associate, and other unallocated head office and corporate expenses.

The amount provided to senior executive management with respect to total assets is measured in a manner consistent with that of the consolidated financial statements. These assets are allocated based on the operations of segment. Investment properties, certain other receivables, investment in a joint venture, cash and cash equivalents and corporate and unallocated assets are not considered to be segment assets but rather are managed by the treasury function.

Information about segment liabilities are not regularly reviewed by chief operating decision-makers. Accordingly, segment liabilities information is not presented.

The Group has two (2024: two) reportable segments as described below, which are the Group's strategic business units. The chief operating decision-makers assess the performance of the operating segments mainly based on segment revenue and profit/loss of each operating segment. Segment information below is presented in a manner consistent with the way in which information is reported internally for the purposes of resource allocation and performance assessment. The following describes the operations in each of the Group's reportable segments:

- Art platform: this segment engages in publication of magazines and periodicals, the provision of advertising agency services, artwork trading and auction, art exhibition and related education, and restaurant operations.

- Digital platform: this segment is a digital media platform in which the Group engages in the digital publishing business. The Group publishes multiple digital media products, and engages in the provision of advertising agency services and the production of customised contents for brand advertisers.

7. REVENUE AND SEGMENT INFORMATION *(continued)*

(a) Revenue

The Group derives revenue from the transfer of goods and services over time and at a point in time from external customers in the following major product lines:

	2025 RMB'000	2024 RMB'000
Reportable segment:		
– Art platform	184,809	187,727
– Digital platform	178,199	175,056
	363,008	362,783
Less: sales taxes and other surcharges	(1,853)	(1,910)
	361,155	360,873
Types of goods or services:		
– Advertising income	219,013	214,670
– Production, event and service income	129,312	131,691
– Circulation and subscription income	12,027	12,812
– Revenue from restaurant operation	803	1,700
	361,155	360,873
Timing of revenue recognition under IFRS 15:		
– At a point in time	359,192	358,573
– Over time	1,963	2,300
Revenue from contract with customers	361,155	360,873

7. REVENUE AND SEGMENT INFORMATION *(continued)*

(b) Adjusted EBITDA

The adjusted EBITDA of the Group for the years ended 31 December 2025 and 2024 were set out as follows:

	2025 RMB'000	2024 RMB'000
Reportable segment results:		
– Art platform	(25,489)	(12,149)
– Digital platform	26,052	36,611
	563	24,462
Depreciation	(14,717)	(20,416)
Amortisation	(2,989)	(2,612)
Finance expenses	(6,569)	(9,902)
Impairment loss on intangible assets	(61)	(37)
Share of losses of a joint venture and an associate	(510)	(363)
Change in fair value of investment properties	(2,020)	(1,920)
Unallocated head office and corporate expenses	(7,940)	(6,838)
Loss before tax	(34,243)	(17,626)

	Depreciation RMB'000	**Amortisation** RMB'000	**Finance expenses** RMB'000
Year ended 31 December 2025			
Reportable segment:			
– Art platform	6,993	1,420	3,967
– Digital platform	7,724	1,569	2,602
	14,717	2,989	6,569
Year ended 31 December 2024			
Reportable segment:			
– Art platform	10,513	1,345	5,098
– Digital platform	9,903	1,267	4,804
	20,416	2,612	9,902

7. REVENUE AND SEGMENT INFORMATION *(continued)*

(c) Total assets

	2025 RMB'000	2024 RMB'000
Reportable segment:		
– Art platform	223,426	235,727
– Digital platform	199,159	207,935
	422,585	443,662
Corporate and unallocated assets	9,032	9,260
Investment properties	75,940	77,960
Other receivables	23,194	23,150
Investment in a joint venture	2,894	3,392
Cash and cash equivalents	36,043	37,820
Total assets	569,688	595,244

Additions to non-current segment assets during the year were as follows:

	2025 RMB'000	2024 RMB'000
Reportable segment:		
– Art platform	6,501	4,944
– Digital platform	5,530	5,281
	12,031	10,225

(d) Geographic information

The geographical location of the Group's property, plant and equipment, right-of-use assets, investment properties, intangible assets, goodwill, investment in a joint venture, software development in progress, prepayments for property, plant and equipment and intangible assets ("specified non-current assets") are mainly in the PRC, Hong Kong and the United Kingdom (the "UK") as at 31 December 2025 and 2024.

The geographical location of the specified non-current assets is based on (i) the physical location of the asset, in the case of property, plant and equipment, right-of-use assets and investment properties; and (ii) the location of the operation to which they are allocated, in the case of intangible assets, goodwill, investment in a joint venture and software development in progress.

7. REVENUE AND SEGMENT INFORMATION *(continued)*

(d) Geographic information *(continued)*

Specified non-current assets by geographical location as at 31 December 2025 and 2024 are as follows:

	2025 RMB'000	2024 RMB'000
The PRC, excluding Hong Kong	172,937	179,814
Hong Kong, the PRC	72,842	77,206
The UK	23,516	23,508
	269,295	280,528

Revenue by geographical location for the years ended 31 December 2025 and 2024 were as follows:

	2025 RMB'000	2024 RMB'000
The PRC, excluding Hong Kong	286,356	300,025
Hong Kong, the PRC	54,071	36,375
The UK	20,728	24,473
	361,155	360,873

There was no revenue from customers contributing 10% or more of total revenue for the years ended 31 December 2025 and 2024.

8. OTHER INCOME

		2025 RMB'000	2024 RMB'000
PRC government subsidies	*Note a*	1,518	2,960
Bank interest income		17	315
Others		388	418
		1,923	3,693

Note a: PRC government subsidies represented unconditional subsidies received from local governmental authorities by several subsidiaries of the Group.

9. OTHER (LOSSES)/GAINS, NET

	2025 RMB'000	2024 RMB'000
Change in fair value of investment properties	(2,020)	(1,920)
Net losses on disposal of property, plant and equipment	(627)	(111)
Exchange differences	(1,034)	(145)
Net gain on termination of leases	–	8,139
	(3,681)	5,963

10. FINANCE EXPENSES

	2025 RMB'000	2024 RMB'000
Lease interests	377	1,761
Interest expenses on:		
– Bank borrowings	5,710	7,143
– Other payables to a non-controlling shareholder of a subsidiary	–	973
– Other payables to a director	345	–
– Other borrowings	137	25
	6,569	9,902

11. INCOME TAX EXPENSES

Income tax has been recognised in consolidated profit or loss as following:

	2025 RMB'000	2024 RMB'000
Current income tax – Hong Kong Profits Tax		
Provision for the year	435	477
(Over)/under-provision in prior years	(321)	53
Current income tax – PRC Corporate Income Tax		
Provision for the year	1,201	1,478
Deferred income tax	(505)	(480)
	810	1,528

11. INCOME TAX EXPENSES *(continued)*

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profits for the years ended 31 December 2025 and 2024. No provision for PRC Corporate Income Tax has been made since the Group has sufficient tax losses brought forward to set off against assessable profits or did not generate any assessable profits for the years ended 31 December 2025 and 2024. No provision for UK Corporation Tax has been made since the Group did not generate any assessable profits for the years ended 31 December 2025 and 2024. During the year ended 31 December 2025, current income tax included a payment of approximately RMB1,201,000 (2024: RMB1,478,000) in respect of withholding income tax on services income charged to the Group's PRC subsidiaries.

The reconciliation between the income tax expenses and the product of loss before tax multiplied by the applicable tax rates is as follows:

	2025 RMB'000	2024 RMB'000
Loss before tax	(34,243)	(17,626)
Tax calculated at statutory tax rate of 25%	(8,561)	(4,407)
Tax effect of		
– effect of differential tax rate on income	(628)	(273)
– temporary differences not recognised	(298)	(99)
– non-deductible expenses	1,371	680
– non-taxable income	(380)	(3,248)
– utilisation of previously unrecognised tax losses	(876)	(1,131)
– tax losses not recognised	9,174	8,384
– income tax on service charge	1,201	1,478
– adjustment in respect of prior years	(321)	53
– tax effect on share of losses of a joint venture and an associate	128	91
Income tax expenses	810	1,528

12. LOSS BEFORE TAX

The Group's loss before tax is stated after charging/(crediting) the following:

	2025 RMB'000	2024 RMB'000
Cost of restaurant operation	400	414
Staff costs (including Directors' emoluments)		
– Salaries, wages and other benefits	94,518	93,958
– Pension costs-defined contribution plans	20,783	19,348
	115,301	113,306
Impairment loss on intangible assets	61	37
Amortisation of intangible assets	2,989	2,612
Depreciation of property, plant and equipment and right-of-use assets	14,717	20,416
Auditors' remuneration		
– Audit services	1,130	1,230
– Non-audit services	150	150
Change in ECL allowance for trade receivables	(1,747)	(419)
Expenses related to short-term leases	6,383	5,235

13. BENEFITS AND INTERESTS OF DIRECTORS AND EMPLOYEES

(a) Directors' emoluments

The remuneration of each Director is as follows:

		Year ended 31 December 2025 Emoluments paid or receivable in respect of a person's services as a Director whether of the Company or its subsidiary undertaking			
		Directors' fees RMB'000	Salaries RMB'000	Retirement scheme contributions RMB'000	Total RMB'000
Executive Directors					
Mr. Shao Zhong	*(note (a))*	–	3,955	–	3,955
Ms. Yang Ying		–	1,845	146	1,991
Mr. Li Jian		–	1,245	114	1,359
		–	7,045	260	7,305
Independent non-executive Directors					
Ms. Wei Wei		132	–	–	132
Mr. Yick Wing Fat Simon		220	–	–	220
Mr. Wan Jie		132	–	–	132
		484	–	–	484
		484	7,045	260	7,789

13. BENEFITS AND INTERESTS OF DIRECTORS AND EMPLOYEES *(continued)*

(a) Directors' emoluments *(continued)*

		Year ended 31 December 2024 Emoluments paid or receivable in respect of a person's services as a Director whether of the Company or its subsidiary undertaking			
		Directors' fees RMB'000	Salaries RMB'000	Retirement scheme contributions RMB'000	Total RMB'000
Executive Directors					
Mr. Shao Zhong	*(note (a))*	–	3,946	–	3,946
Ms. Yang Ying		–	2,000	145	2,145
Mr. Li Jian		–	1,250	111	1,361
		–	7,196	256	7,452
Independent non-executive Directors					
Ms. Wei Wei		132	–	–	132
Mr. Yick Wing Fat Simon		219	–	–	219
Mr. Wan Jie		132	–	–	132
		483	–	–	483
		483	7,196	256	7,935

Notes:

(a) Mr. Shao Zhong is also the chief executive officer of the Company.

There was no arrangement under which a director waived or agreed to waive any emoluments during the year.

13. BENEFITS AND INTERESTS OF DIRECTORS AND EMPLOYEES *(continued)*

(b) Directors' material interests in transactions, arrangements or contracts

As at 31 December 2025 and 2024, Mr. Shao Zhong ("Mr. Shao") is entrusted as registered shareholder of certain investments in subsidiaries on behalf of the Group. Saved as disclosed in elsewhere in the consolidated financial statements, there were no other significant transactions, arrangements and contracts in relation to the Group's business to which the Company was a party and in which a director of the Company and the director's connected party had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

(c) Five highest paid individuals

The five highest paid individuals in the Group during the year included three (2024: three) Directors whose emoluments are reflected in the analysis presented above. The emoluments of the remaining two (2024: two) individual are set out below:

	2025 RMB'000	2024 RMB'000
Salaries and other emoluments	3,416	3,390
Retirement scheme contributions	28	28
	3,444	3,418

The emoluments fell within the following band:

	Number of individuals	
	2025	2024
HK$1,000,001 – HK$1,500,000	1	1
HK$2,000,001 – HK$2,500,000	1	1
	2	2

During the year, no emoluments were paid by the Group to any of the Directors or the highest paid individuals as an inducement to join or upon joining the Group or as compensation for loss of office.

14. DIVIDENDS

The Board of Directors does not recommend the payment of any dividend for the years ended 31 December 2025 and 2024.

15. LOSS PER SHARE

The calculation of the basic and diluted loss per share attributable to the owners of the Company is based on the following:

	2025 RMB'000	2024 RMB'000
Loss		
Loss for the year for the purpose of calculating basic and diluted loss per share	(36,388)	(17,126)
	'000	'000
Number of shares		
Weighted average number of ordinary shares for the purpose of calculating basic and diluted loss per share	438,353	432,810

The basic and diluted loss per share for the years ended 31 December 2025 and 2024 were the same as the Company had no dilutive potential ordinary shares in issue during both years.

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16. PROPERTY, PLANT AND EQUIPMENT

	Buildings held for own use RMB'000	Leasehold improvements RMB'000	Office equipment RMB'000	Furniture and fixtures RMB'000	Motor vehicles RMB'000	Total RMB'000
At 1 January 2024						
Cost	135,664	86,909	30,398	16,218	13,862	283,051
Accumulated depreciation	(26,848)	(79,116)	(28,624)	(14,139)	(12,138)	(160,865)
Net carrying amount	108,816	7,793	1,774	2,079	1,724	122,186
Year ended 31 December 2024						
Opening net carrying amount	108,816	7,793	1,774	2,079	1,724	122,186
Additions	–	495	540	353	3,338	4,726
Disposals	–	–	(78)	(24)	(99)	(201)
Depreciation charge	(2,732)	(3,753)	(404)	(1,424)	(482)	(8,795)
Currency translation differences	1,634	134	(6)	(5)	–	1,757
Closing net carrying amount	107,718	4,669	1,826	979	4,481	119,673
At 31 December 2024 and 1 January 2025						
Cost	137,742	87,543	29,395	16,538	15,221	286,439
Accumulated depreciation	(30,024)	(82,874)	(27,569)	(15,559)	(10,740)	(166,766)
Net carrying amount	107,718	4,669	1,826	979	4,481	119,673
Year ended 31 December 2025						
Opening net carrying amount	107,718	4,669	1,826	979	4,481	119,673
Additions	–	417	1,390	202	207	2,216
Disposals	–	(989)	(23)	(117)	(155)	(1,284)
Depreciation charge	(2,755)	(2,254)	(760)	(170)	(1,294)	(7,233)
Currency translation differences	(1,851)	(136)	(187)	27	–	(2,147)
Closing net carrying amount	103,112	1,707	2,246	921	3,239	111,225
At 31 December 2025						
Cost	135,349	82,709	27,249	15,704	13,882	274,893
Accumulated depreciation	(32,237)	(81,002)	(25,003)	(14,783)	(10,643)	(163,668)
Net carrying amount	103,112	1,707	2,246	921	3,239	111,225

As at 31 December 2025, certain properties in the PRC and Hong Kong and a motor vehicle in the PRC with carrying amounts of approximately RMB96,198,000 (2024: RMB79,345,000) have been pledged as collaterals for the Group's borrowings, amounting to approximately RMB67,954,000 (2024: RMB63,961,000).

17. LEASES AND RIGHT-OF-USE ASSETS

Disclosures of lease-related items:

	2025 RMB'000	2024 RMB'000
At 31 December:		
Right-of-use assets		
– Land and buildings	7,203	10,760
Lease commitments of short-term leases	432	237
The maturity analysis based on undiscounted cash flows, of the Group's lease liabilities is as follows:		
– Less than 1 year	4,063	7,612
– Between 1 and 2 years	3,383	1,946
– Between 2 and 5 years	449	1,990
	7,895	11,548

	2025 RMB'000	2024 RMB'000
Year ended 31 December:		
Depreciation charge of right-of-use assets		
– Land and buildings	7,484	11,621
Lease interests	377	1,761
Expenses related to short-term leases	6,383	5,235
With operating activities	6,383	5,235
With financing activities	7,786	12,321
Total cash outflow for leases	14,169	17,556
Additions to right-of-use assets	3,806	3,209

The Group leases various land and buildings. Lease agreements are typically made for fixed periods of 2 to 5 years. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants and the leased assets may not be used as security for borrowing purposes.

18. INVESTMENT PROPERTIES

	2025 RMB'000	2024 RMB'000
At 1 January	77,960	79,880
Changes in fair value of investment properties recognised in profit or loss	(2,020)	(1,920)
At 31 December	75,940	77,960

The Group has used presumption that the carrying amount of the investment properties would be recovered through use which is held within a business model to hold for rental, provision for deferred tax is made on revaluation of investment properties using income tax rate.

As at 31 December 2025, the investment properties in the PRC with carrying amounts of approximately RMB75,940,000 (2024: RMB77,960,000) have been pledged as collaterals for the Group's bank borrowings, amounting to approximately RMB49,600,000 (2024: RMB50,000,000).

19. INTANGIBLE ASSETS

	Digital assets RMB'000	Publishing rights RMB'000	Customer relationships RMB'000	Trademarks, domains and IT platforms RMB'000	Software, website and mobile applications RMB'000	Others RMB'000	Total RMB'000
At 1 January 2024							
Cost	1,610	9,614	10,382	24,738	98,119	8,804	153,267
Accumulated amortisation and impairment loss	(1,378)	(3,000)	(10,382)	(5,966)	(93,458)	(6,832)	(121,016)
Net book amount	232	6,614	–	18,772	4,661	1,972	32,251
Year ended 31 December 2024							
Opening net book amount	232	6,614	–	18,772	4,661	1,972	32,251
Transferred from software development in progress	–	–		–	1,683	–	1,683
Additions	–	–	–	–	231	–	231
Amortisation charge	–	–	–	–	(2,392)	(220)	(2,612)
Impairment loss	(37)	–	–	–	–	–	(37)
Currency translation differences	5	57	–	79	–	10	151
Closing net book amount	200	6,671	–	18,851	4,183	1,762	31,667
At 31 December 2024 and 1 January 2025							
Cost	1,646	9,671	10,382	24,844	99,607	8,865	155,015
Accumulated amortisation and impairment loss	(1,446)	(3,000)	(10,382)	(5,993)	(95,424)	(7,103)	(123,348)
Net book amount	200	6,671	–	18,851	4,183	1,762	31,667
Year ended 31 December 2025							
Opening net book amount	200	6,671	–	18,851	4,183	1,762	31,667
Transferred from software development in progress	–	–	–	–	3,956	–	3,956
Additions	–	–	–	–	1,101	–	1,101
Amortisation charge	–	–	–	–	(2,778)	(211)	(2,989)
Impairment loss	(61)	–	–	–	–	–	(61)
Currency translation differences	(35)	262	–	(162)	(93)	(9)	(37)
Closing net book amount	104	6,933	–	18,689	6,369	1,542	33,637
At 31 December 2025							
Cost	1,605	9,933	10,382	24,685	102,181	8,795	157,581
Accumulated amortisation and impairment loss	(1,501)	(3,000)	(10,382)	(5,996)	(95,812)	(7,253)	(123,944)
Net book amount	104	6,933	–	18,689	6,369	1,542	33,637

19. INTANGIBLE ASSETS *(continued)*

Since the Group has the legal rights to renew the trademarks upon expiration of every validity period, the trademarks have an indefinite useful life amounting to approximately RMB18,023,000 (2024: RMB18,185,000) at 31 December 2025. Since the Group has the rights to renew the domains upon expiration of every contract period, the domains have an indefinite useful life amounting to approximately RMB666,000 (2024: RMB666,000) at 31 December 2025. Since there is no expiration period for the publish right and digital assets owned by the Group, the publishing right and digital assets have an indefinite useful life amounting to approximately RMB6,933,000 (2024: RMB6,671,000) and RMB104,000 (2024: RMB200,000) at 31 December 2025, respectively.

The remaining useful life of software, website and mobile applications is 1 to 60 months (2024: 1 to 60 months).

The cost and accumulated amortisation of internally generated intangible assets are amounting to approximately RMB76,641,000 (2024: RMB72,686,000) and RMB71,409,000 (2024: RMB70,639,000) respectively.

20. GOODWILL

Goodwill is allocated to the Group's CGU identified according to country of operation and operating segment. A segment level summary of goodwill is presented below:

	Digital platform – the UK	Digital platform – the PRC	Art platform – the PRC		
	Digital media business RMB'000	Digital media business RMB'000	Art photography business RMB'000	Art kitchen business RMB'000	Total RMB'000
Cost					
At 1 January 2024	8,412	28,203	11,850	2,009	50,474
Currency translation differences	33	–	–	–	33
At 31 December 2024 and 1 January 2025	8,445	28,203	11,850	2,009	50,507
Currency translation differences	333	–	–	–	333
At 31 December 2025	8,778	28,203	11,850	2,009	50,840
Impairment losses					
At 1 January 2024, 31 December 2024, 1 January 2025 and 31 December 2025	–	–	11,850	2,009	13,859
Carrying amount					
At 31 December 2025	8,778	28,203	–	–	36,981
At 31 December 2024	8,445	28,203	–	–	36,648

20. GOODWILL *(continued)*

The recoverable amounts of goodwill are determined based on value in use calculations. These calculations used pre-tax cash flow projections based on financial budgets approved by management covering a five-year period. The Group expected cash flow beyond the five-year period would be similar to that of the fifth year based on existing scale of operation. Cash flows beyond the five-year period are extrapolated using 2% growth rates.

The key assumptions used for value in use calculations as at 31 December 2025 and 2024 are as follows:

	Digital media business
As at 31 December 2025	
Average annual growth rate of revenue during the next five-year period	5%
Gross margin (% of revenue)	35%-39%
Discount rate	14.5%
Long term growth rate	2%
As at 31 December 2024	
Average annual growth rate of revenue during the next five-year period	12%
Gross margin (% of revenue)	45%-51%
Discount rate	16.8%
Long term growth rate	2%

Management determines budgeted gross margin based on past performance and its expectations of market development. The discount rates used are pre-tax and reflect specific risks relating to the relevant business.

21. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	2025 RMB'000	2024 RMB'000
Unlisted investments in PRC:		
– An associate	–	–
– A joint venture	2,894	3,392
Share of net assets	2,894	3,392

21. INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD *(continued)*

Investment in a joint venture and an associate are accounted for using the equity method.

	2025 RMB'000	2024 RMB'000
At 1 January	3,392	3,755
Acquisition	12	–
Share of post-tax losses	(510)	(363)
At 31 December	2,894	3,392

The particulars of the investments of the Group, which is unlisted, as at 31 December 2025 and 2024, are as follows:

Company name	Place of business/ country of incorporation	Particulars of paid up registered capital	Proportion of ownership interest held by the Group 2025	2024	Principal activities
Zhuhai Yuanbang Technology Co., Ltd. ("Zhuhai Yuanbang")* 珠海元邦科技有限公司	the PRC	RMB10,000,000	60%	60%	Internet culture management and software development
Tokyo Gendai Godo-Kaisha	Japan	JPY1,000,000	25%	–	Organizing and managing exhibitions and other events

* The English translation of the Company name is for reference only. The official name of the company established in the PRC is in Chinese.

The jonit venture is jointly controlled by the Group and a joint venturer under an investment agreement and a shareholder agreement.

The financial information of Zhuhai Yuanbang and Tokyo Gendai Godo-Kaisha, which are not material to the Group.

22. SOFTWARE DEVELOPMENT IN PROGRESS

	RMB'000
At 1 January 2024	52
Expenditure incurred on software development	2,059
Transfer to intangible assets	(1,683)
At 31 December 2024 and 1 January 2025	428
Expenditure incurred on software development	4,432
Transfer to intangible assets	(3,956)
Currency translation differences	(54)
At 31 December 2025	850

23. INVENTORIES

	2025 RMB'000	2024 RMB'000
Artworks	91,708	90,111
Other goods	1,668	1,554
	93,376	91,665

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24. TRADE AND OTHER RECEIVABLES

	2025 RMB'000	2024 RMB'000
Trade receivables	135,181	150,247
Less: ECL allowance of trade receivables	(2,050)	(3,817)
Trade receivables, net	133,131	146,430
Other receivables:		
Value-added tax recoverable	8,327	8,699
Prepayments	8,154	9,094
Printing deposits	12,032	12,260
Rental, utility and other deposits	2,022	2,803
Advances and loans to employees *(note)*	347	520
Amount due from a joint venture *(note)*	3,043	2,744
Amount due from an associate *(note)*	2,898	–
Tax recoverable	44	105
Others	1,541	2,576
	171,539	185,231
Less: non-current portion:		
Prepayments for property, plant and equipment, and intangible assets	(565)	–
Current portion	170,974	185,231

Note: The amounts due are unsecured, interest-free and repayable on demand.

24. TRADE AND OTHER RECEIVABLES *(continued)*

The ageing analysis of trade receivables, based on invoice dates, before ECL allowance, was as follows:

	2025 RMB'000	2024 RMB'000
Trade receivables, gross		
Within 30 days	45,727	51,231
Over 30 days and within 90 days	48,667	47,080
Over 90 days and within 180 days	18,056	29,920
Over 180 days and within 1 year	12,684	13,778
Over 1 year and within 2 years	6,612	3,059
Over 2 years and within 3 years	594	1,461
Over 3 years	2,841	3,718
	135,181	150,247

The credit period granted to advertising and circulation customers is between 30 to 180 days (with a certain limited number customers granted a credit period of 270 days). No interest is charged on the outstanding trade receivables.

All of the trade receivables are expected to be recovered within one year.

The Group applies simplified approach to estimate ECL prescribed in IFRS 9. Movements in ECL allowance of trade receivables were as follows:

	2025 RMB'000	2024 RMB'000
At 1 January	3,817	4,215
Change in ECL allowance	(1,747)	(419)
Exchange difference	(20)	21
At 31 December	2,050	3,817

The Group applies the simplified approach under IFRS 9 to provide for expected credit losses using the lifetime expected loss provision for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected credit losses also incorporate forward looking information.

The expected loss rates are based on the payment profiles of sales over a period of 36 months before 31 December 2025 or 31 December 2024 respectively and the corresponding historical credit losses experienced within the period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. At each reporting date, the historical default rates are updated and changes in the forward-looking estimates are analysed.

24. TRADE AND OTHER RECEIVABLES *(continued)*

On that basis, the loss allowance as at 31 December 2025 and 2024 is determined as follows for trade receivables:

	Expected loss rate	Gross carrying amount RMB'000	Lifetime ECL allowance RMB'000	Net carrying amount RMB'000
At 31 December 2025				
Collective assessment				
– Not yet past due	0.2%	94,227	186	94,041
– Within 1 year past due	0.2%	31,927	64	31,863
– Between 1 and 2 years past due	0.3%	5,365	16	5,349
– Between 2 and 3 years past due	1.3%	1,903	25	1,878
– Over 3 years past due	100.0%	1,570	1,570	–
Individual assessment	100.0%	189	189	–
		135,181	2,050	133,131
At 31 December 2024				
Collective assessment				
– Not yet past due	0.9%	96,597	869	95,728
– Within 1 year past due	1.1%	46,946	517	46,429
– Between 1 and 2 years past due	1.8%	2,762	50	2,712
– Between 2 and 3 years past due	6.5%	1,669	108	1,561
– Over 3 years past due	100.0%	1,510	1,510	–
Individual assessment	100.0%	763	763	–
		150,247	3,817	146,430

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group, and a failure to make contractual payments for a period of greater than 3 years past due.

25. TRADE AND OTHER PAYABLES

	2025 RMB'000	2024 RMB'000
Trade payables	85,476	98,483
Other payables:		
Accrued taxes other than income tax *(note a)*	9,915	7,199
Other payables *(note b)*	11,824	13,828
Salaries, wages, bonus and benefits payable	5,372	5,247
Amount due to a director *(note c)*	15,668	1,195
Other liabilities	2,445	1,625
	130,700	127,577
Analysed as:		
Current liabilities	115,928	127,577
Non-current liabilities	14,772	–
	130,700	127,577

The ageing analysis of the trade payables of the Group, based on the invoice dates, is as follows:

	2025 RMB'000	2024 RMB'000
Within 30 days	43,130	51,697
Over 30 days and within 90 days	12,582	17,373
Over 90 days and within 180 days	14,021	14,390
Over 180 days	15,743	15,023
	85,476	98,483

Note a:

Accrued taxes other than income tax mainly consist of value-added tax payables, surtax payables and related surcharges, and individual income tax payables.

Note b:

Other payables mainly represents advertising production expenses, office expenses and marketing and promotion expenses.

Note c:

The amounts due to a director are unsecured. An outstanding balance of approximately RMB14,772,000 (31 December 2024: Nil) bears interest at 4-5% per annum (31 December 2024: Nil) and is repayable within 3-5 years from the drawdown date. The remaining balances are non-interest bearing and repayment on demand.

26. CONTRACT LIABILITIES

	As at 31 December 2025 RMB'000	As at 31 December 2024 RMB'000	As at 1 January 2024 RMB'000
Total contract liabilities from advertising income	6,714	7,745	6,113

Transaction prices allocated to performance obligations unsatisfied at end of year and expected to be recognised as revenue in:

	2025 RMB'000	2024 RMB'000
-2025	N/A	7,745
-2026	6,714	–

Year ended 31 December	2025 RMB'000	2024 RMB'000
Revenue recognised in the year that was included in contract liabilities at beginning of year	7,745	6,113

A contract liability represents the Group's obligation to transfer products or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

27. BORROWINGS

The analysis of the carrying amount of borrowings is as follows:

	2025 RMB'000	2024 RMB'000
Secured bank borrowings	158,524	135,334
Unsecured bank borrowings	7,900	13,541
Secured other borrowings	1,752	2,137
	168,176	151,012
The borrowings are repayable as follows:		
Within one year or on demand	166,837	149,260
In the second year	443	413
In the third to fifth years, inclusive	896	1,339
	168,176	151,012
Less: Amount due for settlement within 12 months (shown under current liabilities)	(166,837)	(149,260)
Amount due for settlement after 12 months	1,339	1,752

The average interest rates at 31 December were as follows:

	2025	2024
Secured bank borrowings	2.4% – 6.1%	3.05% – 7.53%
Unsecured bank borrowings	2.6%	2.95% – 4.93%
Secured other borrowings	6.99%	6.99%

Borrowings of approximately RMB66,352,000 (2024: RMB56,578,000) are arranged at fixed interest rates and expose the Group to fair value interest rate risk. Other borrowings are arranged at floating rates, thus exposing the Group to cash flow interest rate risk.

As at 31 December 2025, borrowings were secured by certain properties of the Group with aggregate carrying amount of approximately RMB172,138,000 (including in investment properties of approximately RMB75,940,000 and property, plant and equipment of approximately RMB96,198,000) (2024: approximately RMB157,305,000 (including in investment properties of approximately RMB77,960,000 and property, plant and equipment of approximately RMB79,345,000)),and by certain properties provided by Mr. Shao and his close family members, and/or are guaranteed by Mr. Shao/Mr. Shao's spouse/Mr. Shao's son/the Company/the subsidiaries of the Company.

During the year, the Group has violated several covenants attached to the interest-bearing borrowings. Breaches in meeting the covenants would permit the bank to immediately call borrowings.

28. LEASE LIABILITIES

	Lease payments 2025 RMB'000	Present value of lease payments 2025 RMB'000	Lease payments 2024 RMB'000	Present value of lease payments 2024 RMB'000
Within one year	4,063	3,820	7,612	7,251
In the second to fifth years, inclusive	3,832	3,721	3,936	3,734
	7,895	7,541	11,548	10,985
Less: Future finance charges	(354)		(563)	
Present value of lease liabilities	7,541		10,985	
Less: Amount due for settlement within 12 months (shown under current liabilities)		(3,820)		(7,251)
Amount due for settlement after 12 months		3,721		3,734

At 31 December 2025 and 2024, the effective interest rate was 5.22%. Interest rates are fixed at the contract dates and thus expose the Group to fair value interest rate risk.

29. AMOUNT DUE TO A NON-CONTROLLING SHAREHOLDER OF A SUBSIDIARY

The amount due is unsecured, interest free and repayable on demand.

30. DEFERRED INCOME TAX LIABILITIES

Deferred income tax liabilities	Revaluation of investment properties RMB'000	Fair value adjustment on business combination RMB'000	Total RMB'000
At 1 January 2024	12,838	4,456	17,294
Credited to profit or loss	(480)	–	(480)
Currency translation differences	–	5	5
At 31 December 2024 and 1 January 2025	12,358	4,461	16,819
Credited to profit or loss	(505)	–	(505)
Currency translation differences	–	50	50
At 31 December 2025	11,853	4,511	16,364

As at 31 December 2025, subject to agreement by tax authorities, the Group had estimated tax losses of approximately RMB6,508,000 (2024: RMB4,610,000) in Hong Kong which are available for offsetting against future taxable profits of the companies in which the losses arose. The tax losses do not expire under the current Hong Kong tax legislation; the Group had estimated tax losses of approximately RMB19,357,000 (2024: RMB15,421,000) in United Kingdom which are available for offsetting against future taxable profits of the companies in which the losses arose. The tax losses do not expire under the current United Kingdom tax legislation. Tax losses of approximately RMB143,737,000 (2024: RMB145,739,000) in the PRC are available for offsetting against future profits that may be carried forward for five years for PRC Corporate Income Tax purpose. No deferred income tax assets have been recognised as it is not probable that future taxable profits against which the losses can be utilised will be available for the companies in which the losses arose for the year ended 31 December 2025 and 2024.

As at 31 December 2025, the Group has deductible temporary difference in relation to ECL allowance for trade receivables of approximately RMB1,861,000 (2024: RMB3,054,000). No deferred tax asset has been recognised in relation to such deductible temporary difference as it is not probable that taxable profit will be available against which the temporary difference can be utilised.

As at 31 December 2025, deferred tax liabilities of approximately RMB2,753,000 (2024: RMB3,035,000) have not been recognised in respect of the tax that would be payable on the distribution of these retained profits as the Company controls the dividend policy of these subsidiaries and it has been determined that it is probable that profits will be reinvested in their operation rather than remitting them to the Company in the foreseeable future.

The Group's investment properties are depreciable and are held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment properties over time, rather than through sales. The Group has measured the deferred tax relating to the temporary differences of these investment properties using the tax rates enacted or substantively enacted at the end of the reporting periods.

31. SHARE CAPITAL

	Number of ordinary shares of HK$0.01 per share '000	HK$'000
Authorised		
At 1 January 2024, 31 December 2024, 1 January 2025 and 31 December 2025	8,000,000	80,000

	'000	RMB'000
Issued and fully paid		
At 1 January 2024, 31 December 2024, 1 January 2025 and 31 December 2025	438,353	3,853

Capital management

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

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

The Group also monitors capital on basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings less cash and cash equivalents. Total borrowings include borrowings and lease liabilities. Total capital is calculated as "equity" as shown in the consolidated financial statements plus net debt.

The gearing ratios as at 31 December 2025 and 2024 are as follows:

	2025 RMB'000	2024 RMB'000
Total borrowings	175,717	161,997
Less: Cash and cash equivalents	(36,043)	(37,820)
Net debt	139,674	124,177
Total equity	228,086	267,586
Total capital	367,760	391,763
Gearing ratio	38.0%	31.7%

The gearing ratio increased mainly due to the increase of total borrowings and decrease in total equity.

32. STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY

(a) Statement of financial position of the Company

	2025 RMB'000	2024 RMB'000
Non-current assets		
Intangible assets	134	200
Investments in subsidiaries	8,805	8,805
	8,939	9,005
Current assets		
Other receivables	7	7
Amounts due from subsidiaries	130,377	134,621
Cash and cash equivalents	248	162
	130,632	134,790
Current liabilities		
Other payables	1,508	1,893
Amounts due to subsidiaries	11,995	11,995
	13,503	13,888
Net current assets	117,129	120,902
Total assets less current liabilities	126,068	129,907
NET ASSETS	126,068	129,907
Capital and reserves		
Share capital	3,853	3,853
Reserves	122,215	126,054
TOTAL EQUITY	126,068	129,907

32. STATEMENT OF FINANCIAL POSITION AND RESERVE MOVEMENT OF THE COMPANY (continued)

(b) Reserve movement of the Company

	Share premium RMB'000	Translation reserve RMB'000	Accumulated losses RMB'000	Total RMB'000
At 1 January 2024	145,302	(3,083)	(18,530)	123,689
Loss for the year	–	–	(198)	(198)
Other comprehensive income	–	2,563	–	2,563
Total comprehensive income/ (expenses)	–	2,563	(198)	2,365
At 31 December 2024 and 1 January 2025	145,302	(520)	(18,728)	126,054
Loss for the year	–	–	(647)	(647)
Other comprehensive income	–	(3,192)	–	(3,192)
Total comprehensive expenses	–	(3,192)	(647)	(3,839)
At 31 December 2025	**145,302**	**(3,712)**	**(19,375)**	**122,215**

33. RESERVES

(a) Group

The reconciliation between the opening and closing balances of each component of the Group's consolidated equity is set out in the consolidated statement of changes in equity.

(b) Nature and purpose of reserves on the consolidated statement of changes in equity

(i) Share premium

The application of the share premium account is governed by the Companies Law of the Cayman Islands (the "Companies Law"). Under the Companies Law, the funds in the share premium account of the Company are distributable to the shareholders of the Company provided that immediately following the date on which the dividend is proposed to be distributed; the Company will be in a position to pay off its debts as they fall due in the ordinary course of the business.

33. RESERVES *(continued)*

(b) Nature and purpose of reserves on the consolidated statement of changes in equity (continued)

(ii) Statutory surplus reserves

In accordance with the relevant laws and regulations in the PRC and the Articles of Association of the companies incorporated in the PRC of the Group (the "PRC Subsidiaries"), it is required to appropriate 10% of the annual statutory net profits of the PRC Subsidiaries, after offsetting any prior years' losses as determined under the PRC accounting standards, to the statutory surplus reserve before distributing the net profit. When the balance of the statutory surplus reserve reaches 50% of the share capital of the PRC Subsidiaries, any further appropriation is at the discretion of shareholders. The statutory surplus reserve can be used to make up for the loss or increase the paid-in capital after approval from the appropriate authorities. For the year ended 31 December 2025, nil (2024:nil) were appropriated to the statutory surplus reserve from net profits of certain PRC subsidiaries.

(iii) Translation reserve

Translation reserve comprises all foreign exchange differences arising from the translation of the financial statements of operations outside the PRC which are dealt with in accordance with the accounting policy as set out in Note 4.

(iv) Other reserves

Other reserves comprise (i) the aggregate amount of paid-in capital of the PRC Operational Entities after elimination of investments in subsidiaries; and (ii) the difference between the consideration paid/received for the acquisition/dilution of non-controlling interests and the carrying amount of non-controlling interests at the transaction date, less the foreign exchange movements on translation of those subsidiaries attributable to the non-controlling interests.

(v) Property revaluation reserve

Revaluation reserve arises from transfer of owner-occupied properties to investment properties. The property revaluation reserve of the Group is not distributable.

(vi) Fair value reserve (non-recycling)

The Group has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the "fair value reserve (non-recycling)" within equity. The Group transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS *(continued)*

FOR THE YEAR ENDED 31 DECEMBER 2025

34. NOTES TO THE CONSOLIDATED STATEMENT OF CASH FLOWS

The following table shows the Group's changes in liabilities arising from financing activities during the year:

	Amount due to a director RMB'000	Borrowings RMB'000	Lease liabilities RMB'000	Total liabilities from financing activities RMB'000
At 1 January 2024	–	163,265	62,725	225,990
Changes in cash flows	–	(22,963)	(12,321)	(35,284)
Non-cash changes				
– interest accrued	–	7,168	1,761	8,929
– purchase of property, plant and equipment	–	2,198	–	2,198
– additions to lease liabilities	–	–	3,209	3,209
– termination of lease	–	–	(44,392)	(44,392)
– currency translation differences	–	1,344	3	1,347
At 31 December 2024 and 1 January 2025	–	151,012	10,985	161,997
Changes in cash flows	14,427	12,799	(7,786)	19,440
Non-cash changes				
– interest accrued	345	5,847	377	6,569
– additions to lease liabilities	–	–	3,806	3,806
– currency translation differences	–	(1,482)	159	(1,323)
At 31 December 2025	**14,772**	**168,176**	**7,541**	**190,489**

35. RELATED PARTY TRANSACTIONS

The Group has entered into the following material related party transactions during the reporting period:

(a) Transactions with related parties

In addition to those related party transactions and balances disclosed elsewhere in the consolidated financial statements, the Group had the following transactions with its related parties during the years ended 31 December 2025 and 2024:

	2025 RMB'000	2024 RMB'000
Sales to a joint venture	266	453

35. RELATED PARTY TRANSACTIONS *(continued)*

(b) Key management personnel remuneration

Remuneration for key management personnel including amounts paid to the Company's Directors and all of the highest paid employees as disclosed in note 13, is as follows:

	2025 RMB'000	2024 RMB'000
Salaries and allowances	10,945	11,069
Retirement scheme contributions	288	284
	11,233	11,353

36. OTHER COMMITMENTS

At 31 December 2025 and 2024, the Group entered into licensing agreements with the publishing partners to obtain the exclusive rights for the sale of advertising spaces in and the distribution of the magazines. The total future minimum payments under non-cancellable licensing agreements are as follows:

	2025 RMB'000	2024 RMB'000
Within 1 year	16,218	16,618
After 1 year but within 5 years	49,006	50,675
Over 5 years	4,244	15,473
	69,468	82,766

37. EVENTS AFTER THE REPORTING PERIOD

On 23 January 2026, the Group completed the acquisition of an additional 3% equity interest in its then 77%-owned subsidiary, Modern Digital Holdings Limited, from a non-controlling shareholder, for a cash consideration of RMB11.6 million. Upon completion, the Group's interest in the subsidiary increased from approximately 77% to 80%.

38. PARTICULARS OF SUBSIDIARIES

(a) The following list contains only the particulars of subsidiaries which principally affect the results, assets or liabilities of the Group. The Company has interests in the following subsidiaries, all of which are private companies with limited liability, particulars of which as at 31 December 2025 are set out below:

Name of subsidiaries	Notes	Place of incorporation/ business	Issued and paid up capital	Percentage of ownership interest/voting power/profit sharing Direct	Indirect	Principal activities
E-Starship Limited		BVI	US$1	100%	–	Investment holding
Modern Digital Holdings Limited		Cayman Islands	HK$14,286	–	77%	Investment holding
Zhuhai Modern Media Co., Ltd.# 珠海現代文化傳播有限公司	(i)	PRC	HK$68,000,000	–	100%	Research and development, provision of advertising and consultancy service
Yazhimei Digital Communication (Shenzhen) Co., Ltd.# 雅致美數字傳播(深圳)有限公司	(i)	PRC	HK$2,000,000	–	77%	Provision of management and consultation services
Shenzhen Yage Zhimei Information Media Co., Ltd.# 深圳市雅格致美資訊傳播有限公司	(i), (ii)	PRC	RMB2,000,000	–	100%	Holding company of investment properties and advertisement production
Guangzhou Xiandai Yidong Shuma Chuanbo Co., Ltd.# 廣州現代移動數碼傳播有限公司	(ii)	PRC	RMB10,000,000	–	100%	Provision of digital publishing business
Guangzhou Modern Information Media Co., Ltd.# 廣州現代資訊傳播有限公司	(ii)	PRC	RMB60,000,000	–	100%	Publication of magazines in the PRC, provision of advertising agencies, retail sales of imported books and planning of literary arts activities and exhibitions
Guangzhou Modern Books Co., Ltd.# 廣州現代圖書有限公司	(ii)	PRC	RMB5,010,000	–	100%	Publication of magazines in the PRC, design and selling of advertising spaces

38. PARTICULARS OF SUBSIDIARIES *(continued)*

(a) The following list contains only the particulars of subsidiaries which principally affect the results, assets or liabilities of the Group. The Company has interests in the following subsidiaries, all of which are private companies with limited liability, particulars of which as at 31 December 2025 are set out below: *(continued)*

Name of subsidiaries	Notes	Place of incorporation/ business	Issued and paid up capital	Percentage of ownership interest/voting power/profit sharing Direct	Indirect	Principal activities
Shanghai Senyin Information Technology Co., Ltd.# 上海森音信息技術有限公司	(ii)	PRC	RMB1,000,000	–	100%	Provision of website development business
Shanghai Yizhi Advertising Co., Ltd.# 上海意致廣告有限公司		PRC	RMB1,000,000	–	77%	Provision of advertising agency services
Shanghai Xinxuefen Culture Media Co., Ltd.# 上海心學分文化傳播有限公司	(ii)	PRC	RMB10,000,000	–	65%	Publication of magazines in the PRC, provision of advertising agencies and event management services
Guangzhou Meta Media Films Co., Ltd.# 廣州超媒影業有限公司	(ii)	PRC	RMB3,100,000	–	100%	Film investment
City Howwhy Limited		Hong Kong	HK$2	–	100%	Publication of magazines in Hong Kong
Modern Media Company Limited		Hong Kong	HK$1,000,000	–	100%	Provision of advertising agency services
Meta Media Digital Group Limited		Hong Kong	HK$2	–	77%	Provision of digital publishing business
Art Collection Auction Company Limited		Hong Kong	HK$1,000,000	–	100%	Artwork trading
Shanghai Shangzhao E-Commerce Co., Ltd.# 上海尚照電子商務有限公司		PRC	RMB4,638,230	–	51%	Operation of galleries and cafe shops

38. PARTICULARS OF SUBSIDIARIES *(continued)*

(a) The following list contains only the particulars of subsidiaries which principally affect the results, assets or liabilities of the Group. The Company has interests in the following subsidiaries, all of which are private companies with limited liability, particulars of which as at 31 December 2025 are set out below: *(continued)*

Name of subsidiaries	Notes	Place of incorporation/ business	Issued and paid up capital	Percentage of ownership interest/voting power/profit sharing Direct	Indirect	Principal activities
Shanghai Zhongshe Cultural Development Co., Ltd.# 上海眾社文化發展有限公司		PRC	RMB500,000	–	51%	Operation of galleries and cafes, organization of photography exhibitions, operation of online shop and physical stores for sales of photography artworks
Art Review Ltd.		UK	£125,667	–	85%	Provision of print and digital publishing business
Shanghai Zhiwu Culture Media Co., Ltd.# 上海誌屋文化傳播有限責任公司		PRC	RMB100,000	–	100%	Provision of artwork trading, auction, and holding of art exhibition

(i) These companies are established in the PRC as wholly foreign-owned enterprises.

(ii) The equity interests of these entities are held by PRC nationals and/or entities on behalf of the Group.

(iii) Historically, PRC rules and regulations restricted foreign ownership of companies in certain industries. The Group has been conducting its operations in these industries through subsidiaries controlled by contractual agreements which are ultimately wholly-owned by Mr. Shao.

\# The company name in English is not the official name but a translation for reference only.

38. PARTICULARS OF SUBSIDIARIES *(continued)*

(b) Details of non-wholly owned subsidiary that have material non-controlling interests ("NCI")

The following table shows information of the subsidiary that has NCI material to the Group. The summarised financial information represents amounts before inter-company eliminations.

Name	**Modern Digital Holdings Limited**	
Principal place of business/country of incorporation	**Hong Kong/Cayman Islands**	
	2025	2024
% of ownership interest/voting rights held by NCI	**23.00%**	23.00%
	RMB'000	RMB'000
As 31 December:		
Non-current assets	**42,356**	40,935
Current assets	**429,095**	406,264
Non-current liabilities	**(6,304)**	(1,752)
Current liabilities	**(202,385)**	(193,509)
Net assets	**262,762**	251,938
Carrying amount of NCI	**60,435**	57,946
Year ended 31 December:		
Revenue	**192,905**	171,317
Profit/(loss) for the year	**13,675**	(2,390)
Total comprehensive income/(expenses) for the year	**10,824**	(971)
Profit/(loss) allocated to NCI	**3,145**	(550)
Net cash flows used in operating activities	**(5,460)**	(7,372)
Net cash flows used in investing activities	**(4,446)**	(877)
Net cash flows generated from financing activities	**17,101**	14,420
Net increase in cash and cash equivalents	**7,195**	6,171

39. APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements are approved and authorised for issue by the Board of Directors on 18 March 2026.

Five Year Financial Summary

Results

	Year ended 31 December				
	2025 RMB'000	2024 RMB'000	2023 RMB'000	2022 RMB'000	2021 RMB'000
Revenue	361,155	360,873	381,415	370,891	422,895
(Loss)/profit before tax	(34,243)	(17,626)	(31,396)	(70,223)	2,894
Income tax (expense)/credit	(810)	(1,528)	(3,139)	(2,010)	1,480
(Loss)/profit for the year	(35,053)	(19,154)	(34,535)	(72,233)	4,374

Assets and liabilities

	As at 31 December				
	2025 RMB'000	2024 RMB'000	2023 RMB'000	2022 RMB'000	2021 RMB'000
Total assets	569,688	595,244	677,468	716,680	705,107
Total liabilities	(341,602)	(327,658)	(393,129)	(400,081)	(326,266)
Total equity	228,086	267,586	284,339	316,599	378,841

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