

2024  
INTERIM REPORT



SHAW BROTHERS HOLDINGS LIMITED  
邵氏兄弟控股有限公司

Incorporated in the Cayman Islands with limited liability  
Stock Code 00953



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## CORPORATE INFORMATION

### BOARD OF DIRECTORS

#### CHAIRMAN AND NON-EXECUTIVE DIRECTOR

Mr. Li Ruigang

#### EXECUTIVE DIRECTOR

Miss Lok Yee Ling Virginia

#### NON-EXECUTIVE DIRECTOR

Mr. Hui To Thomas

#### INDEPENDENT NON-EXECUTIVE DIRECTORS

Mr. Pang Hong

Mr. Poon Kwok Hing Albert

Miss Szeto Wai Ling Virginia

### BOARD COMMITTEES

#### EXECUTIVE COMMITTEE

Miss Lok Yee Ling Virginia (Committee Chairlady)

Mr. Hui To Thomas

#### AUDIT COMMITTEE

Mr. Poon Kwok Hing Albert (Committee Chairman)

Mr. Pang Hong

Miss Szeto Wai Ling Virginia

#### REMUNERATION COMMITTEE

Miss Szeto Wai Ling Virginia (Committee Chairlady)

Mr. Pang Hong

Mr. Poon Kwok Hing Albert

#### NOMINATION COMMITTEE

Mr. Pang Hong (Committee Chairman)

Mr. Poon Kwok Hing Albert

Miss Szeto Wai Ling Virginia

### COMPANY SECRETARY

Miss Leung Tsz Kwan

### AUTHORISED REPRESENTATIVES

Miss Lok Yee Ling Virginia

Miss Leung Tsz Kwan

### REGISTERED OFFICE

Cricket Square, Hutchins Drive  
P.O. Box 2681, Grand Cayman KY1-1111  
Cayman Islands

### PRINCIPAL PLACE OF BUSINESS IN HONG KONG

19/F., Leighton Centre  
77 Leighton Road  
Causeway Bay  
Hong Kong

### STOCK CODE

00953

### CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR AND TRANSFER AGENT

Suntera (Cayman) Limited  
Suite 3204, Unit 2A, Block 3, Building D  
P.O. Box 1586, Gardenia Court  
Camana Bay, Grand Cayman  
KY1-1100, 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

### AUDITOR

SHINEWING (HK) CPA Limited

### LEGAL ADVISER TO CAYMAN ISLANDS

Conyers Dill & Pearman, Cayman

### PRINCIPAL BANKERS

Shanghai Commercial Bank Limited  
The Hongkong and Shanghai Banking Corporation Limited

### WEBSITE

[www.shawbrotherspictures.com](http://www.shawbrotherspictures.com)



邵氏製作 Shaw Production

監製 樂易玲 導演 黃國強 編劇 譚廣源 呂冠南

# 執法者們

PRISMBREAKER



NE TAKE

蔡潔

JACKY CAI



焦點 FOCUSED ARTIST

黃宗澤

BOSCONI WONG



胡定欣

NANCY WU



關楚耀

KELVIN KWAN



王敏德

MICHAEL WONG

陳澧



JAMES NG



吳業坤

LAWRENCE

吳啟華



HUBERT WU



胡鴻鈞

ROSINA LAM 林夏薇



陳山聰

JOEL CHAN



阮浩棕

NICHOLAS YUEN



關嘉敏

CARMAN KWAN



康華

AKINA HONG



李爾晨

KYLE LEE



梁競徽

LEUNG



區明妙



福斯智



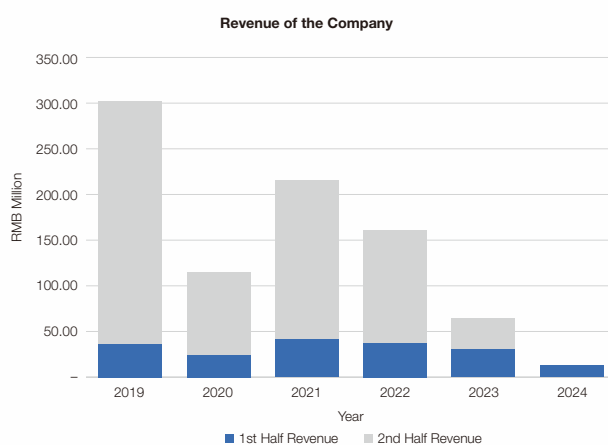
# FINANCIAL HIGHLIGHTS

## FINANCIAL PERFORMANCE

	Six months ended 30 June		Change
	2024 RMB (Unaudited)	2023 RMB (Unaudited)	
<b>Revenue</b>			
Films, drama and non-drama ('000)	2,269	10,787	-79.0%
Artiste and event management ('000)	10,477	19,265	-45.6%
<b>Total ('000)</b>	<b>12,746</b>	<b>30,052</b>	<b>-57.6%</b>
<b>Segment (loss) profit</b>			
Films, drama and non-drama ('000)	(3,611)	(4,494)	-19.6%
Artiste and event management ('000)	2,778	5,402	-48.6%
<b>Total ('000)</b>	<b>(833)</b>	<b>908</b>	<b>-191.7%</b>

## Performance

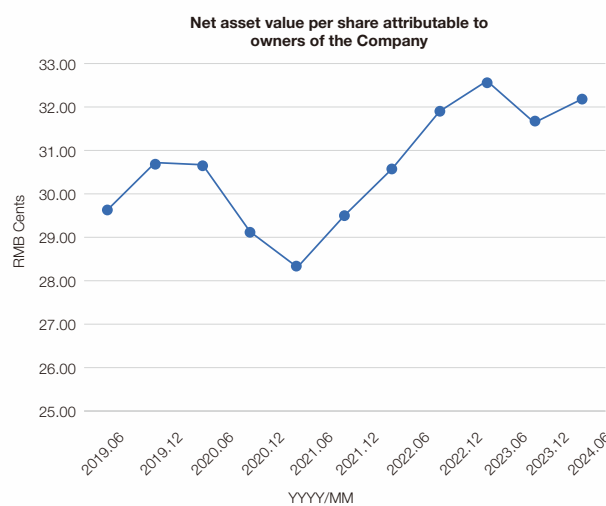
Loss attributable to owners of the Company ('000)	(110)	(735)	-85.0%
Loss per share (RMB cents) <sup>(1)</sup>	(0.008)	(0.052)	-84.6%



	30 June 2024 RMB (Unaudited)	31 December 2023 RMB (Audited)	Change
Total assets ('000)	559,421	491,534	13.8%
Total liabilities ('000)	124,294	61,484	102.2%
Total equity ('000)	435,127	430,050	1.2%
Number of issued shares ('000)	1,419,610	1,419,610	-
<b>Ratios</b>			
Current ratio <sup>(2)</sup>	4.3	7.8	N/A
Gearing ratio <sup>(3)</sup>	0.84%	0.93%	N/A
<b>Net asset value per share attributable to owners of the Company (RMB cents)<sup>(4)</sup></b>	<b>32.18</b>	<b>31.64</b>	<b>1.7%</b>

Notes:

- Loss per share was calculated by dividing the loss for the period attributable to owners of the Company by the number of the issued shares as at the respective dates.
- Current ratio was calculated by dividing the total current assets by the total current liabilities as at the respective dates.
- Gearing ratio was calculated by dividing the total debt by total assets as at the respective dates.
- Net asset value per share attributable to owners of the Company was calculated by dividing equity attributable to owners of the Company by the number of the issued shares as at the respective dates.



# MANAGEMENT DISCUSSION AND ANALYSIS

## INDUSTRY REVIEW

Hong Kong's film industry is gradually rebounding from the impact of the COVID-19 pandemic, with 46 local movies released in 2023, up from 27 in 2022. However, the total box office revenue in 2023 amounted to only HK\$14.3 billion, a 25% increase from 2022. Due to the limited size of Hong Kong market, the film industry relies on the Asian markets, particularly mainland China. To support the film industry, in the 2023 Policy Address, the Hong Kong Government proposed injecting HK\$4.3 billion into the Film Development Fund and the CreateSmart Initiative, to promote film production in Hong Kong and investment projects in the mainland China and overseas markets.

At the 2024 Hong Kong International Film & TV Market (FILMART), Alibaba Digital Media and Entertainment Group, in collaboration with multiple Hong Kong cultural and entertainment companies, launched the "Hong Kong Cultural and Art Industry Revitalisation Program" and announced a total investment of not less than HK\$5 billion (USD640 million) over the next 5 years in film production, TV series production, performance and youth talent development. Under the "Hong Kong Cultural and Art Industry Revitalisation Program", Youku, a subsidiary of Alibaba Digital Media and Entertainment Group and the Group are planning to launch a 25-episode disciplined forces drama titled "Prism Breakers" ("執法者們"), and also plan to launch other projects in the future.

## BUSINESS REVIEW

During the six months ended 30 June 2024 (the "Review Period"), Shaw Brothers Holdings Limited (the "Company", which together with its subsidiaries, collectively the "Group"), recorded revenue of RMB12,746,000, a decrease by 57.6% as compared to the revenue of RMB30,052,000 for the six months ended 30 June 2023 (the "Previous Period"), resulting from less production of film, drama and non-drama projects, and a reduction in commercial engagements and participation in film or drama projects for the artistes under the Group's management. Films, drama and non-drama and artiste and event management are the two business segments of the Group. Below is an analysis of the Group's revenue by business segment.

	Six months ended 30 June	
	2024	2023
	RMB'000	RMB'000
	(Unaudited)	(Unaudited)
Films, drama and non-drama	2,269	10,787
Artiste and event management	10,477	19,265
	12,746	30,052

## FILMS, DRAMA AND NON-DRAMA

### Released productions

The Group released a variety of non-drama on various Chinese portals and online platforms and also produced a certain of promotion short videos during the Review Period.

### Productions in progress

A 25-episode disciplined forces drama "Prism Breakers" ("執法者們") has commenced and completed the shooting in February 2024 and May 2024 respectively. The drama stars Bosco Wong (黃宗澤), Moses Chan (陳豪), Kenneth Ma (馬國明), Jessica Hester Hsuan (宣萱), Lawrence Ng (吳啟華), Hin Law (羅子溢), Jeannie Chan (陳滢), Jacky Cai (蔡潔), Oscar Leung (梁競徽), Moon Lau (劉佩玥) and Regina Ho (何依婷). The drama is in the post-production stage and is expected to be released on the Youku platform in 2025.



## MANAGEMENT DISCUSSION AND ANALYSIS

### ***Investments in films, drama and non-drama***

The Group collaborated with its business partners to invest and co-produce in new drama projects in mainland China and Hong Kong in 2023 and anticipated that a certain of co-operation projects to be launched in second half of 2024 or 2025.

The Group continues to collaborate with business partners to produce, invest in, or distribute films and drama series featuring high-quality content. In addition, the Group aims to strengthen the synergy between its business of film and drama production and that of artiste and event management by integrating artistes under the Group's management into the cast of its films and drama productions and investments.

### **ARTISTE AND EVENT MANAGEMENT**

As at 30 June 2024, 57 artistes were under the Group's management. Artistes managed by the wholly-owned subsidiaries included famous artistes such as Bosco Wong (黃宗澤), Joel Chan (陳山聰), Lawrence Ng (吳啟華), Nancy Wu (胡定欣), Rosina Lam (林夏薇) and Jeannie Chan (陳滢); and popular singers such as Hubert Wu (胡鴻鈞) and James Ng (吳業坤). Artistes managed by the subsidiary Tailor Made Production Limited included famous artistes such as Wong Cho Lam (王祖藍), Roger Kwok (郭晉安) and Eliza Sam (岑麗香), as well as popular singer Teresa Carpio (杜麗莎).

### **PROSPECT**

With the easing of pandemic restrictions and proposed government support, the film industry is expected to rebound. Filmmakers and producers can resume normal operations, creating new content and attracting funding from both local and international investors. This will instill more confidence in investment in films.

Building upon the success of action crime drama series like "Flying Tiger" ("飛虎"), "Mission Run" ("廉政狙擊") and "Line Walker Series" ("使徒行者"), the Group has commenced the production of a 25-episode disciplined forces drama "Prism Breakers" ("執法者們") and continues its efforts to forge collaborations with business partners and investors, especially in mainland China, to jointly develop high-quality films and dramas.

By featuring its own actors and actresses in movie and drama productions, the Company aims to increase their exposure and enhance their fame. This integrated approach between film and drama production and artiste and event management will create synergies and maximize the potential of the Group's talent resources.

With its production expertise, established strategic partnerships and rich talent resources, the Group is well-positioned to capitalize on a post-pandemic recovery and support from government policy in the existing markets and to develop new markets under its strategy of investing in film and drama production with high-quality content. It will leverage its rich resources such as a seasoned production team and a rich pool of top artistes to tap the great potential of the markets of the Greater Bay Area and the Chinese communities all over the world as it aspires to be one of the leading content producers and curators in Asia Pacific.

# MANAGEMENT DISCUSSION AND ANALYSIS

## FINANCIAL REVIEW

Revenue of the Group decreased from RMB30,052,000 for the Previous Period to RMB12,746,000 for the Review Period, representing a decrease of RMB17,306,000 or by 57.6%. It was mainly due to the decreased revenue contribution from both films, drama and non-drama segment and artiste and event management segment during the Review Period.

### FILMS, DRAMA AND NON-DRAMA

	Six months ended 30 June		Change	
	2024 RMB'000 (Unaudited)	2023 RMB'000 (Unaudited)	RMB'000	%
Revenue	<b>2,269</b>	10,787	-8,518	-79.0
Segment loss	<b>(3,611)</b>	(4,494)	883	-19.6
Segment profit margin	<b>N/A</b>	N/A		

Revenue from the films, drama and non-drama segment decreased from RMB10,787,000 for the Previous Period to RMB2,269,000 for the Review Period, a decrease by 79.0% was mainly due to the decrease in the number of films, drama and non-drama released for the Review Period compared to the Previous Period. The decrease in the reportable segment loss of the films, drama and non-drama segment was mainly due to the decrease in impairment loss of investments in films, drama and non-drama for the Review Period.

### ARTISTE AND EVENT MANAGEMENT

	Six months ended 30 June		Change	
	2024 RMB'000 (Unaudited)	2023 RMB'000 (Unaudited)	RMB'000	%
Revenue	<b>10,477</b>	19,265	-8,788	-45.6
Segment profit	<b>2,778</b>	5,402	-2,624	-48.6
Segment profit margin	<b>26.5%</b>	28.0%		

Revenue from the artiste and event management segment decreased by 45.6% from RMB19,265,000 for Previous Period to RMB10,477,000 for the Review Period, was mainly due to (1) decline in revenue generated from the livestream commerce operations by the artistes under the Group's management; and (2) decrease in number of participation in film or drama projects for the artistes under the Group's management. The lower profit margin at the artiste and event management segment was due to more absorption of selling and distribution expenses during the Review Period.

# MANAGEMENT DISCUSSION AND ANALYSIS

## **COST OF SALES**

Cost of sales decreased by 64.0% from RMB8,114,000 for the Previous Period to RMB2,921,000 for the Review Period due to lower absorption of films, drama and non-drama production costs during the Review Period.

## **OTHER INCOME, GAINS AND LOSSES, NET**

Other income, gains and losses decreased from RMB7,370,000 for the Previous Period to RMB7,119,000 for the Review Period, a decrease by 3.4% due to one-off write back of cost provisions and insurance claim received for its film productions in Previous Period, compensated by increase in interest income on bank deposits resulted from high interest rates during the Review Period.

## **SELLING AND DISTRIBUTION EXPENSES**

Selling and distribution expenses increased from RMB861,000 for the Previous Period to RMB1,316,000 for the Review Period, an increase of 52.8% due to more advertising and promotional activities related to artiste and event management business during the Review Period.

## **ADMINISTRATIVE EXPENSES**

Administrative expenses decreased from RMB18,028,000 for the Previous Period to RMB15,217,000 for the Review Period, a decrease of 15.6% due to (1) decrease in staff headcount cost; (2) decrease in legal and professional fees in respect of corporate matters; and (3) decrease in other operating expenses during the Review Period.

## **IMPAIRMENT LOSSES**

### ***Impairment loss of investments in films, drama and non-drama***

Impairment loss of investments in films, drama and non-drama of RMB3,937,000 recognised for the Review Period (six months ended 30 June 2023: RMB7,861,000). The impairment loss of investments in films, drama and non-drama was made based on the management's estimation of the recoverable amount against the carrying amount of the investments in films, drama and non-drama. The impairment loss was determined based on the present value of expected future revenues and related cash flows arising from the investments in films, drama and non-drama.

### ***Reversal of impairment loss (impairment loss) of trade receivables***

Reversal of impairment loss of trade receivables of RMB765,000 recognised for the Review Period in contrast to an impairment of trade receivables of RMB2,917,000 for the Previous Period. The decrease in provision for impairment of trade receivables was mainly due to the expected credit loss ("ECL") resulting from the increase in recoverability of long outstanding trade receivables and the Group's prudent practice of adopting the ECL model.

## **INCOME TAX EXPENSES**

Income tax expenses decreased from RMB278,000 for the Previous Period to RMB153,000 for the Review Period, which was mainly due to the decrease in profitability from the major subsidiaries in Hong Kong.

## **LOSS FOR THE PERIOD AND LOSS ATTRIBUTABLE TO THE OWNERS OF THE COMPANY**

Loss for the period increased from RMB1,112,000 for the Previous Period to RMB3,254,000 for the Review Period. Loss attributable to the owners of the Company for the Review Period amounted to RMB110,000, a decrease of RMB625,000 or 85% from RMB735,000 for the Previous Period. The decrease in loss attributable to the owners of the Company was due to the decrease in provision of impairment losses of investments in films, drama and non-drama and reversal of impairment loss of trade receivables for the Review Period.

## MANAGEMENT DISCUSSION AND ANALYSIS

### INVESTMENTS IN FILMS, DRAMA AND NON-DRAMA

Investments in films, drama and non-drama decreased from RMB85,373,000 as at 31 December 2023 to RMB83,288,000 as at 30 June 2024. It was mainly attributable to the provision for impairment loss of investments in films, drama and non-drama, compensated by the depreciation of Renminbi (“RMB”) against Hong Kong dollars (“HK\$”) during the Review Period.

### FILMS, DRAMA AND NON-DRAMA PRODUCTIONS IN PROGRESS

Films, drama and non-drama productions in progress increased from RMB4,294,000 as at 31 December 2023 to RMB65,198,000 as at 30 June 2024. It was mainly attributable to the additional production costs of a disciplined forces drama “Prism Breakers” (“執法者們”) incurred during the Review Period.

### TRADE RECEIVABLES

Trade receivables from third parties, net of loss allowance, significantly decreased from RMB16,550,000 as at 31 December 2023 to RMB7,261,000 as at 30 June 2024, mainly due to the receipt of payments from customers during the Review Period. The management reviews the aging trade receivables regularly and follows up with the respective general managers and/or customers on the collection of such trade receivables. Details of the trade and other receivables as at 30 June 2024 are set out in Note 14 to the condensed consolidated financial statements in this interim report.

### TRADE AND OTHER PAYABLES

Trade and other payables increased from RMB39,353,000 as at 31 December 2023 to RMB61,390,000 as at 30 June 2024, mainly due to the production cost payables of drama “Prism Breakers” (“執法者們”) and the receipt in advance payments for commercial engagements for the artistes under the Group’s management. The Group has financial risk management policies in place to ensure that all payables are settled within the credit timeframe. Details of the trade and other payables as at 30 June 2024 are set out in the Note 16 to the condensed consolidated financial statements in this interim report.

### CONTRACT LIABILITIES

Contract liabilities significantly increased from RMB6,827,000 as at 31 December 2023 to RMB52,274,000 as at 30 June 2024, which was mainly attributable to the receipt in advance from drama production and the artiste and event management.

### AMOUNTS DUE TO RELATED PARTIES

Amounts due to related parties decreased from RMB4,199,000 as at 31 December 2023 to RMB1,901,000 as at 30 June 2024. It was mainly due to the settlement of the payment for certain artiste engagements during the Review Period.

### LIQUIDITY AND FINANCIAL RESOURCES

The Group financed its operations with internal resources and bank borrowing, whenever necessary. As at 30 June 2024, the Group holds RMB324,609,000 in bank balances, deposits and cash (31 December 2023: RMB306,198,000), indicating that a healthy and sound financial position was maintained. The Group’s bank balances, deposits and cash were denominated in HK\$, RMB and United States dollars (“USD”).

### PLEDGE OF ASSETS

As at 30 June 2024, the Group did not have any pledge of assets (31 December 2023: nil).

### CAPITAL STRUCTURE

As at 30 June 2024, the Group’s equity attributable to owners of the Company slightly increased by 1.7% to RMB456,889,000 (31 December 2023: RMB449,214,000). Net asset value per share attributable to owners of the Company increased to RMB32.18 cents (31 December 2023: RMB31.64 cents). Current ratio was 4.3 (31 December 2023: 7.8). As at 30 June 2024 and 31 December 2023, the number of total issued shares of the Company was 1,419,610,000.

# MANAGEMENT DISCUSSION AND ANALYSIS

## **CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES**

As at 30 June 2024, the Group had a capital commitment of RMB1,000,000 in the form of the unpaid registered capital of an associate (31 December 2023: RMB1,000,000).

## **FOREIGN EXCHANGE RISK**

The Group mainly operates in Hong Kong and mainland China with most of its transactions settled in HK\$ and RMB. Bank balances, deposits and cash held by the Group were denominated mainly in HK\$, RMB and USD.

During the Review Period, the Group did not hedge any exposure in foreign currency risk. Any substantial exchange rate fluctuation of foreign currencies against RMB may cause financial impacts on the Group. The Group closely monitors its foreign exchange exposures and uses suitable hedging arrangements, where necessary.

## **BANK BORROWING AND GEARING RATIO**

The Group's interest-bearing bank borrowing denominated in HK\$ increased from RMB4,557,000 as at 31 December 2023 to RMB4,674,000 as at 30 June 2024 due to the depreciation of RMB against HKD during the Review Period. The gearing ratio of the Group, calculated on the basis of interest-bearing debts over total assets, was 0.84% as at 30 June 2024 (31 December 2023: 0.93%).

## **HUMAN RESOURCES**

As at 30 June 2024, the Group had a total of 53 employees (excluding directors) (31 December 2023: 58 employees). The basic remunerations of the employees are determined with reference to the industry's remuneration benchmark, the employees' experience and their performance, and equal opportunities will be offered to all staff. Salaries of employees are maintained at a competitive level and are reviewed annually, with close reference to the relevant labour market and economic situation. Directors' remuneration is determined based on a variety of factors such as market conditions and responsibilities assumed by each Director. Apart from the basic remuneration and statutory benefits required by laws, the Group also provides discretionary bonuses based upon the Group's results and the individual performance of the staff. The Group maintains a good relationship with its employees. The Group adopted a share option scheme as incentive for its employees, further details of which are set out in the paragraph headed "Share Option Scheme" of "Other Information" section below.

## OTHER INFORMATION

### INTERIM DIVIDEND

The board (the “**Board**”) of directors (the “**Directors**”) of Shaw Brothers Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) did not recommend the payment of interim dividend for the six months ended 30 June 2024 (the “**Review Period**”) (six months ended 30 June 2023: Nil).

### CORPORATE GOVERNANCE

The Company was in compliance with the code provisions of the Corporate Governance Codes as set out in Appendix C1 of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) during the Review Period.

### MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 of the Listing Rules (the “**Model Code**”) as the required standard for securities transactions by Directors. The Company has made specific enquiries of all Directors; and all Directors confirmed that they have complied with the required standards set out in the Model Code and its code of conduct regarding Directors’ securities transactions throughout the Review Period.

### DIRECTORS’ AND CHIEF EXECUTIVE’S INTERESTS OR SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND THE ASSOCIATED CORPORATION

As at 30 June 2024, the interests and short positions of the Directors or chief executive of the Company in the shares, underlying shares and debentures of the Company or any of the associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance (the “**SFO**”), as recorded in the register required to be kept by the Company under Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code, are set out below:

#### LONG POSITION IN THE SHARES OF THE COMPANY

Name of Director	Nature	No. of shares held	Approximately percentage of shareholding (Note 1)
Mr. Li Ruigang	Interest of controlled corporation	425,000,000 <sup>#</sup> (Note 2)	29.94%

Notes:

Duplication of shareholdings occurred between parties<sup>#</sup> shown in the table here and below under the sub-heading of “Substantial Shareholders’ and Other Persons’ Interests and Short Positions in Shares and Underlying Shares and Debentures”.

Share(s) is/are the ordinary share(s) of the Company.

- The percentage was calculated based on the total number of Shares in issue as at 30 June 2024, which was 1,419,610,000.
- Mr. Li Ruigang was interested in such 425,000,000 Shares through certain corporations controlled directly or indirectly by him. Shine Investment Limited (“**Shine Investment**”), Shine Holdings Cayman Limited (“**Shine Holdings**”), CMC Shine Acquisition Limited (“**CMC Shine Acquisition**”), CMC Shine Holdings Limited (“**CMC Shine Holdings**”), CMC Inc., GLRG Holdings Limited (“**GLRG Holdings**”), Gold Pioneer Worldwide Limited (“**Gold Pioneer**”) and Brilliant Spark Holdings Limited (“**Brilliant Spark**”) were the substantial shareholders of the Company. Shine Investment was interested in such 425,000,000 Shares. Shine Investment was 85% owned by Shine Holdings which was wholly-owned by CMC Shine Acquisition. CMC Shine Acquisition was wholly-owned by CMC Shine Holdings which was wholly-owned by CMC Inc. CMC Inc. was a non wholly-owned subsidiary of Gold Pioneer. Gold Pioneer held the interest in CMC Inc. directly and also held through its wholly-owned subsidiary, GLRG Holdings. Gold Pioneer was wholly-owned by Brilliant Spark. Each of Shine Holdings, CMC Shine Acquisition, CMC Shine Holdings, CMC Inc., GLRG Holdings, Gold Pioneer and Brilliant Spark was deemed to be interested in such 425,000,000 Shares held by Shine Investment. Brilliant Spark was wholly-owned and controlled by Mr. Li Ruigang.

## OTHER INFORMATION

Save as disclosed above, none of the Directors and chief executive of the Company or any of their spouses or children under 18 years of age, has interests or short positions in the shares, underlying shares or debentures of the Company, or any of the associated corporation (within the meaning of Part XV of the SFO), as recorded in the register required to be kept by the Company under Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

### SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES AND DEBENTURES

As at 30 June 2024, the interests or short positions of the persons (other than the Directors or chief executive of the Company), in the shares and underlying shares of the Company, as recorded in the register required to be kept by the Company under Section 336 of the SFO, are set out below:

#### LONG POSITION IN THE SHARES OF THE COMPANY

Name of Persons/Entities	Nature	No. of shares held	Approximately percentage of shareholding (Note 1)
Brilliant Spark	Interest of controlled corporation	425,000,000# (Note 2)	29.94%
Gold Pioneer	Interest of controlled corporation	425,000,000# (Note 2)	29.94%
GLRG Holdings	Interest of controlled corporation	425,000,000# (Note 2)	29.94%
CMC Inc.	Interest of controlled corporation	425,000,000# (Note 2)	29.94%
CMC Shine Holdings	Interest of controlled corporation	425,000,000# (Note 2)	29.94%
CMC Shine Acquisition	Interest of controlled corporation	425,000,000# (Note 2)	29.94%
Shine Holdings	Interest of controlled corporation	425,000,000# (Notes 2 and 4)	29.94%
Shine Investment	Beneficial owner	425,000,000# (Notes 2 and 4)	29.94%
Television Broadcasts Limited (“TVB”)	Deemed interest	425,000,000# (Notes 3 and 4)	29.94%
Mr. Xie Qing Yu	Beneficial owner	88,052,000	6.20%

Notes:

Duplication of shareholdings occurred between parties<sup>a</sup> shown in the table here and above under the sub-heading of “Directors’ and Chief Executive’s Interests or short positions in Shares, Underlying Shares and Debentures of the Company and the Associated Corporation”.

- The percentage was calculated based on the total number of Shares in issue as at 30 June 2024, which was 1,419,610,000.
- Shine Investment, Shine Holdings, CMC Shine Acquisition, CMC Shine Holdings, CMC Inc., GLRG Holdings, Gold Pioneer and Brilliant Spark were the substantial shareholders of the Company. Shine Investment was interested in such 425,000,000 Shares. Shine Investment was 85% owned by Shine Holdings which was wholly-owned by CMC Shine Acquisition. CMC Shine Acquisition was wholly-owned by CMC Shine Holdings which was wholly-owned by CMC Inc. CMC Inc. was a non wholly-owned subsidiary of Gold Pioneer. Gold Pioneer held the interest in CMC Inc. directly and also held through its wholly-owned subsidiary, GLRG Holdings. Gold Pioneer was wholly-owned by Brilliant Spark. Each of Shine Holdings, CMC Shine Acquisition, CMC Shine Holdings, CMC Inc., GLRG Holdings, Gold Pioneer and Brilliant Spark was deemed to be interested in such 425,000,000 Shares held by Shine Investment. Brilliant Spark was wholly-owned and controlled by Mr. Li Ruigang. Mr. Li Ruigang was interested in such 425,000,000 Shares through the above corporations controlled directly or indirectly by him (also see Note 4 below).
- TVB was deemed to be interested in such 425,000,000 Shares through its interest in Shine Investment (also see Note 4 below).
- Shine Investment, Shine Holdings and TVB were parties of the agreement (the “**Agreement**”) to hold the interest in such 425,000,000 Shares. The Agreement was the one to which section 317 of the SFO applied.

## OTHER INFORMATION

Save as disclosed above, as at 30 June 2024, the Company had not been notified by any persons (other than Directors or chief executive of the Company) who had interests or short positions in the shares or underlying shares of the Company, as recorded in the register required to be kept by the Company under Section 336 of the SFO.

### SHARE OPTION SCHEME

A new share option scheme of the Company (the “**2022 Share Option Scheme**”) has been approved by the shareholders of the Company and at the annual general meeting on 2 June 2022 and the 2022 Share Option Scheme became effective on 2 June 2022.

A summary of the 2022 Share Option Scheme disclosed in accordance with the Listing Rules is as follows:

Purpose of the 2022 Share Option Schemes	To attract and retain the best available Participants and to provide additional incentive to Participants, to promote the success of the business of the Group and for such other purposes as the Board may approve from time to time
Total number of shares available for issue under the 2022 Share Option Scheme and percentage of the issued shares as at the date of this report	The total number of shares available for subscription upon further grant of share options under the 2022 Share Option Scheme is 141,961,000 Shares, representing approximately 10% of the Company’s total number of issued shares as at the date of this report
Maximum entitlement of each participant under the 2022 Share Option Schemes	Unless approved by shareholders of the Company, the total number of shares issued and to be issued upon exercise of the share options granted to each eligible participant (including both exercised and outstanding options) in any 12-month period must not exceed 1% of the total number of shares of the Company in issue
The period within which the shares must be taken up under an option	At any time during a period as specified by the directors, however in any event the share options must be exercised within 10 years from the date of grant
The minimum period for which an option must be held before it can be exercised	Any period as determined by the directors
The amount payable on application or acceptance of the option and the period within which payments or calls must or may be made or loans for such purposes must be paid	HK\$1 is to be paid as consideration for the grant of option within 28 days from the date of offer



The basis of determining the exercise price	<p>The Exercise Price in respect of each Share issued pursuant to the exercise of Options granted under the 2022 Share Option Scheme shall be a price determined by the Board and notified to a Participant and shall be at least the highest of:</p> <ul style="list-style-type: none"><li>(a) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date on which an Option is granted, which date must be a Business Day;</li><li>(b) a price being the average of the closing prices of the Shares as stated in the Stock Exchange's daily quotations sheets for the five Business Days immediately preceding the date on which an Option is granted; and</li><li>(c) the nominal or par value of a Share</li></ul>
Participants of the 2022 Share Option Scheme	<p>Any executive or non-executive directors (other than the independent non-executive directors) of the Group (or any persons proposed to be appointed as such) or any employees of the Group, any consultant, advisor, or any substantial shareholder of the Group, or any distributor, contractor, supplier, agent, customer, business partner or service provider of the Group, as absolutely determined by the Board</p>
The remaining life of the 2022 Share Option Schemes	<p>The 2022 Share Option Scheme shall be valid and effective for a period of 10 years from the date of adoption, i.e. 2 June 2022</p>

During the Review Period, no share option of the Company has been granted under the 2022 Share Option Scheme. During the Review Period, no option has been granted, exercised, cancelled nor lapsed.

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

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities during the Review Period.

### **REVIEW OF INTERIM RESULTS**

The condensed consolidated financial information for the Review Period has not been audited, but has been reviewed by the external auditor of the Company. The Audit Committee of the Company has reviewed with management the accounting principles and practices adopted by the Group and discussed financial reporting matters, including a review of the unaudited condensed consolidated financial information and this interim report for the Review Period.

# REPORT ON REVIEW OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS



SHINEWING (HK) CPA Limited  
17/F, Chubb Tower, Windsor House,  
311 Gloucester Road,  
Causeway Bay, Hong Kong

信永中和(香港)會計師事務所有限公司  
香港銅鑼灣告士打道311號  
皇室大廈安達人壽大樓17樓

## TO THE BOARD OF DIRECTORS OF SHAW BROTHERS HOLDINGS LIMITED

邵氏兄弟控股有限公司

*(Incorporated in the Cayman Islands with limited liability)*

## INTRODUCTION

We have reviewed the condensed consolidated financial statements of Shaw Brothers Holdings Limited (the “**Company**”) and its subsidiaries set out on pages 17 to 36, which comprise the condensed consolidated statement of financial position as of 30 June 2024 and the related condensed consolidated statement of profit or loss, the condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended, and other explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard (“**HKAS**”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”). The directors of the Company are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with HKAS 34. Our responsibility is to express a conclusion on these condensed consolidated financial statements based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

## SCOPE OF REVIEW

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

## CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the condensed consolidated financial statements are not prepared, in all material respects, in accordance with HKAS 34.

### SHINEWING (HK) CPA Limited

*Certified Public Accountants*

Kwan Chi Fung

Practising Certificate Number: P06614

Hong Kong

20 August 2024

# CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2024

	Notes	Six months ended 30 June	
		2024 RMB'000 (Unaudited)	2023 RMB'000 (Unaudited)
Revenue	3	<b>12,746</b>	30,052
Cost of sales		<b>(2,921)</b>	(8,114)
Gross profit		<b>9,825</b>	21,938
Other income, gains and losses, net		<b>7,119</b>	7,370
Selling and distribution expenses		<b>(1,316)</b>	(861)
Administrative expenses		<b>(15,217)</b>	(18,028)
Impairment loss of investments in films, drama and non-drama		<b>(3,937)</b>	(7,861)
Reversal of impairment loss (Impairment loss) of trade receivables		<b>765</b>	(2,917)
Share of loss of an associate		<b>(1)</b>	(78)
Finance costs	5	<b>(339)</b>	(397)
Loss before tax		<b>(3,101)</b>	(834)
Income tax expenses	6	<b>(153)</b>	(278)
Loss for the period	7	<b>(3,254)</b>	(1,112)
Loss for the period attributable to:			
– Owners of the Company		<b>(110)</b>	(735)
– Non-controlling interests		<b>(3,144)</b>	(377)
Loss for the period		<b>(3,254)</b>	(1,112)
Loss per share			
– Basic and diluted (RMB cents)	8	<b>(0.008)</b>	(0.052)

## CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2024

	Six months ended 30 June	
	2024 RMB'000 (Unaudited)	2023 RMB'000 (Unaudited)
Loss for the period	(3,254)	(1,112)
<b>Other comprehensive income (expenses) for the period</b>		
<i>Items that will not be reclassified subsequently to profit or loss:</i>		
Exchange difference arising on translation of financial statements from functional currency to presentation currency	10,274	12,775
Fair value loss on investments in equity instruments at fair value through other comprehensive income	(1,943)	(1,443)
	<b>8,331</b>	11,332
Total comprehensive income for the period	<b>5,077</b>	10,220
Total comprehensive income (expenses) for the period attributable to		
– Owners of the Company	<b>7,675</b>	9,942
– Non-controlling interests	<b>(2,598)</b>	278
	<b>5,077</b>	10,220

# CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2024

	Notes	30 June 2024 RMB'000 (Unaudited)	31 December 2023 RMB'000 (Audited)
<b>Non-current assets</b>			
Plant and equipment	10	1,357	1,608
Equity instruments at fair value through other comprehensive income	11	23,658	24,960
Right-of-use assets	12	3,245	5,701
Deferred tax assets		130	141
Television programme rights		1,711	2,224
Interest in an associate		76	77
		<b>30,177</b>	34,711
<b>Current assets</b>			
Investments in films, drama and non-drama	13	83,288	85,373
Films, drama and non-drama productions in progress	13	65,198	4,294
Trade and other receivables	14	26,675	35,609
Amounts due from related parties	17	29,474	25,349
Bank balances, deposits and cash	15	324,609	306,198
		<b>529,244</b>	456,823
<b>Current liabilities</b>			
Trade and other payables	16	61,390	39,353
Contract liabilities	16	52,274	6,827
Income tax payables		290	282
Lease liabilities	12	2,015	3,256
Amounts due to related parties	17	1,901	4,199
Bank borrowing	18	4,674	4,557
		<b>122,544</b>	58,474
<b>Net current assets</b>		<b>406,700</b>	398,349
<b>Total assets less current liabilities</b>		<b>436,877</b>	433,060
<b>Non-current liabilities</b>			
Lease liabilities	12	1,750	3,010
<b>Net assets</b>		<b>435,127</b>	430,050
<b>Capital and reserves</b>			
Share capital		12,322	12,322
Reserves		444,567	436,892
Equity attributable to owners of the Company		456,889	449,214
Non-controlling interests		(21,762)	(19,164)
<b>Total equity</b>		<b>435,127</b>	430,050

# CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2024

	Attributable to the owners of the Company								
	Share Capital RMB'000	Share premium RMB'000	Financial assets at fair value through other comprehensive income reserve RMB'000	Translation reserve RMB'000	Other reserves RMB'000	Accumulated losses RMB'000	Total RMB'000	Non- controlling interests RMB'000	Total RMB'000
At 1 January 2024 (Audited)	12,322	750,821	(7,585)	5,092	141,549	(452,985)	449,214	(19,164)	430,050
Loss for the period	-	-	-	-	-	(110)	(110)	(3,144)	(3,254)
Other comprehensive income (expense) for the period:									
Exchange difference arising on translation of financial statements from functional currency to presentation currency	-	-	-	9,728	-	-	9,728	546	10,274
Fair value loss on investments in equity instruments at fair value through other comprehensive income	-	-	(1,943)	-	-	-	(1,943)	-	(1,943)
Total comprehensive income (expenses) for the period	-	-	(1,943)	9,728	-	(110)	7,675	(2,598)	5,077
At 30 June 2024 (Unaudited)	12,322	750,821	(9,528)	14,820	141,549	(453,095)	456,889	(21,762)	435,127
At 1 January 2023 (Audited)	12,322	750,821	743	(2,565)	141,559	(450,087)	452,793	(14,761)	438,032
Loss for the period	-	-	-	-	-	(735)	(735)	(377)	(1,112)
Other comprehensive income (expense) for the period:									
Exchange difference arising on translation of financial statements from functional currency to presentation currency	-	-	-	12,120	-	-	12,120	655	12,775
Fair value loss on investments in equity instruments at fair value through other comprehensive income	-	-	(1,443)	-	-	-	(1,443)	-	(1,443)
Total comprehensive income (expenses) for the period	-	-	(1,443)	12,120	-	(735)	9,942	278	10,220
Changes in ownership interest in a subsidiary	-	-	-	-	(10)	-	(10)	10	-
At 30 June 2023 (Unaudited)	12,322	750,821	(700)	9,555	141,549	(450,822)	462,725	(14,473)	448,252

# CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2024

	Six months ended 30 June	
	2024 RMB'000 (Unaudited)	2023 RMB'000 (Unaudited)
<b>NET CASH FROM (USED IN) OPERATING ACTIVITIES</b>	<b>7,796</b>	<b>(20,339)</b>
<b>INVESTING ACTIVITIES</b>		
Placement of bank deposits	(169,275)	–
Release of bank deposits	81,303	–
Purchase of plant and equipment	(124)	(70)
Interest received	4,819	3,651
<b>NET CASH (USED IN) FROM INVESTING ACTIVITIES</b>	<b>(83,277)</b>	<b>3,581</b>
<b>FINANCING ACTIVITIES</b>		
Repayments of principal element of lease liabilities	(1,143)	(760)
Interests paid	(339)	(397)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>(1,482)</b>	<b>(1,157)</b>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(76,963)</b>	<b>(17,915)</b>
<b>CASH AND CASH EQUIVALENTS AT 1 JANUARY</b>	<b>226,023</b>	<b>322,828</b>
Effect of foreign exchange rate changes	4,771	10,773
<b>CASH AND CASH EQUIVALENTS AT 30 JUNE</b>	<b>153,831</b>	<b>315,686</b>

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2024

## 1. GENERAL INFORMATION AND BASIS OF PREPARATION

Shaw Brothers Holdings Limited (the “**Company**”) was incorporated in the Cayman Islands, under the Companies Law, Chapter 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands as an exempted company with limited liability on 25 June 2009 and its shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 1 February 2010. The substantial shareholder of the Company is Mr. Li Ruigang. The addresses of the registered office and principal place of business of the Company are disclosed in the corporate information to the interim report.

The Company and its subsidiaries (collectively referred to as the “**Group**”) are principally engaged in investment in films, drama and non-drama and productions in progress and artiste and event management. The Company acts as an investment holding company.

The condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard (“**HKAS**”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”) as well as with the applicable disclosure requirements of Appendix D2 to the Rules Governing the Listing of Securities on the Stock Exchange.

The functional currency of the Company is Hong Kong dollars (“**HK\$**”). Subsidiaries of the Company have their functional currencies other than HK\$, mainly Renminbi (“**RMB**”). The directors of the Company adopted RMB as presentation currency for the convenience of the financial statements users.

## 2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair values.

The accounting policies used in the condensed consolidated financial statements are consistent with those followed in the preparation of the Group’s annual consolidated financial statements for the year ended 31 December 2023.

### APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“**HKFRSs**”)

In the current interim period, the Group has applied, for the first time, the following amendments to HKFRSs issued by the HKICPA which are effective for the Group’s financial year beginning 1 January 2024:

Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and the related amendments to Hong Kong Interpretation 5(2020) Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause
Amendments to HKAS 1	Non-current Liabilities with Covenants
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements

The application of the amendments to HKFRSs in the current interim period has had no material impact on the Group’s financial performance and positions for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.



# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2024

## 3. REVENUE

An analysis of the Group's revenue for the period is as follows:

	Six months ended 30 June	
	2024 RMB'000 (Unaudited)	2023 RMB'000 (Unaudited)
Films, drama and non-drama productions	2,269	8,458
Artiste management services income	10,477	17,754
Investments in films, drama and non-drama	-	2,329
Event management services income	-	1,511
	<b>12,746</b>	<b>30,052</b>

The Group's revenue is recognised at a point in time.

## 4. SEGMENT INFORMATION

Information reported to the executive director, being the chief operating decision maker ("CODM"), for the purposes of resource allocation and assessment of segment performance focuses on types of products or services delivered or provided.

### SEGMENT REVENUES AND RESULTS

The directors of the Company have chosen to organise the Group around differences in products and services. The Group is principally engaged in films, drama and non-drama and artiste and event management.

- (i) Films, drama and non-drama – investments, productions and distribution of films, drama and non-drama; and
- (ii) Artiste and event management – the provision of artiste and event management services.

The Group's reportable segments are strategic business units that offer different products or services. They are managed separately because each business requires different expertise and marketing strategies.

The following is an analysis of the Group's revenue and results by reportable and operating segments:

	Films, drama and non-drama		Artiste and event management		Total	
			Six months ended 30 June			
	2024 RMB'000 (Unaudited)	2023 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)	2023 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)	2023 RMB'000 (Unaudited)
Segment revenue	2,269	10,787	10,477	19,265	12,746	30,052
Segment (loss) profit	(3,611)	(4,494)	2,778	5,402	(833)	908
Unallocated income					6,573	4,589
Unallocated expenses					(8,841)	(6,331)
Loss before tax					(3,101)	(834)

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2024

## 4. SEGMENT INFORMATION *(continued)*

### SEGMENT REVENUES AND RESULTS *(continued)*

The accounting policies of the operating segments are the same as the Group's accounting policies. Segment (loss) profit represents the (loss) profit incurred by each segment without allocation of interest income, finance costs and certain administrative expenses and other expenses, and other income, gains and losses. This is the measure reported to the CODM of the Group for the purposes of resource allocation and performance assessment.

### SEGMENT ASSETS AND LIABILITIES

The following is an analysis of the Group's assets and liabilities by reportable and operating segment:

	30 June 2024 RMB'000 (Unaudited)	31 December 2023 RMB'000 (Audited)
<b>SEGMENT ASSETS</b>		
Films, drama and non-drama	168,194	93,701
Artiste and event management	33,431	31,738
<b>Total segment assets</b>	<b>201,625</b>	125,439
Unallocated assets	357,796	366,095
	<b>559,421</b>	491,534
<b>SEGMENT LIABILITIES</b>		
Films, drama and non-drama	58,091	7,394
Artiste and event management	60,877	45,397
<b>Total segment liabilities</b>	<b>118,968</b>	52,791
Unallocated liabilities	5,326	8,693
	<b>124,294</b>	61,484

For the purposes of monitoring segment performance and allocating resources between segments:

- all assets are allocated to operating segments other than plant and equipment, equity instruments at fair value through other comprehensive income ("FVTOCI"), right-of-use assets, deferred tax assets, amounts due from related parties, bank balances, deposits and cash and certain other receivables and prepayments as these assets are managed on a group basis; and
- all liabilities are allocated to operating segments other than lease liabilities and certain accruals and other payables as these liabilities are managed on a group basis.

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2024

## 5. FINANCE COSTS

	Six months ended 30 June	
	2024 RMB'000 (Unaudited)	2023 RMB'000 (Unaudited)
Interests on:		
Bank borrowing	172	137
Lease liabilities	167	260
	<b>339</b>	397

## 6. INCOME TAX EXPENSES

	Six months ended 30 June	
	2024 RMB'000 (Unaudited)	2023 RMB'000 (Unaudited)
Current tax:		
Hong Kong Profits Tax	–	288
People's Republic of China ("PRC") Enterprise Income Tax ("EIT")	142	46
	<b>142</b>	334
Overprovision in prior years:		
EIT	–	(56)
	<b>142</b>	278
Deferred tax	11	–
	<b>153</b>	278

- (i) Pursuant to the rule and regulations of the Cayman Islands and the British Virgin Islands ("BVI"), the Group is not subject to any income tax in the Cayman Islands and the BVI.
- (ii) On 21 March 2018, the Hong Kong Legislative Council passed The Inland Revenue (Amendment) (No. 7) Bill 2017 (the "Bill") which introduces the two-tiered profits tax rates regime. The Bill was signed into law on 28 March 2018 and was gazetted on the following day. Under the two-tiered profits tax rates regime, the first HK\$2 million of profits of qualifying corporation will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%.
- (iii) Under the Law of the PRC on EIT (the "EIT Law") and implementation regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% for both the six months ended 30 June 2024 and 2023.

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2024

## 7. LOSS FOR THE PERIOD

Loss for the period has been arrived at after charging (crediting):

	Six months ended 30 June	
	2024 RMB'000 (Unaudited)	2023 RMB'000 (Unaudited)
Directors' emoluments:		
Fees	950	911
Staff costs:		
Salaries and allowances	8,583	9,272
Contributions to retirement benefits scheme	794	943
	9,377	10,215
Total staff costs (including directors' emoluments)	10,327	11,126
Amortisation of television programme rights	565	542
Depreciation of plant and equipment	380	310
Depreciation of right-of-use assets	1,132	1,302
(Reversal of impairment loss) impairment loss of trade receivables	(765)	2,917
Impairment loss of investments in films, drama and non-drama	3,937	7,861
Net exchange loss	174	201
Interest income	(6,697)	(4,253)

## 8. LOSS PER SHARE

The calculation of basic and diluted loss per share attributable to the owners of the Company is based on the following data:

	Six months ended 30 June	
	2024 RMB'000 (Unaudited)	2023 RMB'000 (Unaudited)
Loss for the purpose of basic and diluted loss per share		
Loss for the period attributable to the owners of the Company	(110)	(735)

	30 June	
	2024 '000 (Unaudited)	2023 '000 (Unaudited)
<b>Number of shares</b>		
Number of ordinary shares for the purpose of basic and diluted loss per share	1,419,610	1,419,610

The diluted loss per share is equal to the basic loss per share as there were no dilutive potential ordinary shares outstanding during the six months ended 30 June 2024 and 2023.

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2024

## 9. DIVIDENDS

No dividend was paid or proposed during the six months ended 30 June 2024 and 2023, nor has any dividend been proposed since the end of the reporting period.

## 10. MOVEMENT IN PLANT AND EQUIPMENT

During the six months ended 30 June 2024, the Group paid approximately RMB124,000 on addition of plant and equipment (six months ended 30 June 2023: RMB70,000).

## 11. EQUITY INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	30 June 2024 RMB'000 (Unaudited)	31 December 2023 RMB'000 (Audited)
Unlisted investments:		
Equity securities	<b>23,658</b>	24,960

The above unlisted equity investments represented the Group's equity interest in private entities. The directors of the Company have elected to designate these investments in equity instruments at FVTOCI as they believe that they are not held for trading and are held for long-term investment purpose. Details of the fair value measurement are set out in Note 20.

## 12. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

During the six months ended 30 June 2024, the Group early terminated a lease contract, the respective right-of-use assets and lease liabilities of approximately RMB1,324,000 and RMB1,359,000 respectively were derecognised resulting in a gain on early termination of lease of approximately RMB35,000 recognised in profit or loss.

## 13. INVESTMENTS IN FILMS, DRAMA AND NON-DRAMA/FILMS, DRAMA AND NON-DRAMA PRODUCTIONS IN PROGRESS

	30 June 2024 RMB'000 (Unaudited)	31 December 2023 RMB'000 (Audited)
Investments in films, drama and non-drama	<b>124,320</b>	121,549
Less: accumulated impairment	<b>(41,032)</b>	(36,176)
	<b>83,288</b>	85,373

The amount represents investments in films, drama and non-drama. The investments are governed by the relevant agreements whereby the Group is entitled to benefits generated from the distribution of these films, drama and non-drama based on the percentage of capital contribution in the films, drama and non-drama projects.

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2024

### 13. INVESTMENTS IN FILMS, DRAMA AND NON-DRAMA/FILMS, DRAMA AND NON-DRAMA PRODUCTIONS IN PROGRESS *(continued)*

	30 June 2024 RMB'000 (Unaudited)	31 December 2023 RMB'000 (Audited)
Films, drama and non-drama productions in progress	<b>65,198</b>	4,294

Films, drama and non-drama productions in progress represents the production costs, costs of services, direct labour costs, facilities and raw materials consumed under production. It is accounted for on a project-by-project basis. Films, drama and non-drama productions in progress is stated at cost incurred to date, less any identified impairment losses.

### 14. TRADE AND OTHER RECEIVABLES

	30 June 2024 RMB'000 (Unaudited)	31 December 2023 RMB'000 (Audited)
Trade receivables	<b>21,369</b>	31,410
Less: allowance for impairment of trade receivables	<b>(14,108)</b>	(14,860)
	<b>7,261</b>	16,550
Other receivables and deposits	<b>4,974</b>	3,355
Prepayments	<b>14,440</b>	15,704
Trade and other receivables	<b>26,675</b>	35,609

As at 30 June 2024, the gross amount of trade receivables arising from contracts with customers amounted to approximately RMB21,369,000 (31 December 2023: RMB31,410,000).

The Group generally allows an average credit period ranging from 30 days to 270 days from the receipt of products or services by or invoices to its customers. At the end of the reporting period, the aged analysis of trade receivables, net of impairment loss recognised presented based on the invoice dates, which approximated the respective revenue recognition dates, are as follows:

	30 June 2024 RMB'000 (Unaudited)	31 December 2023 RMB'000 (Audited)
Within 90 days	<b>4,055</b>	12,646
91 to 180 days	<b>323</b>	393
181 to 365 days	<b>492</b>	2,386
Over 365 days	<b>2,391</b>	1,125
Total	<b>7,261</b>	16,550

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2024

## 14. TRADE AND OTHER RECEIVABLES (continued)

The movement in the impairment loss of trade and other receivables is as follows:

	Impairment loss of trade receivables RMB'000	Impairment loss of other receivables RMB'000	Total RMB'000
Balance as at 1 January 2023 (Audited)	9,316	27	9,343
Loss allowance recognised	5,518	–	5,518
Exchange realignment	26	–	26
Balance as at 31 December 2023 and 1 January 2024 (Audited)	<b>14,860</b>	<b>27</b>	<b>14,887</b>
Reversal of loss allowance	(765)	–	(765)
Exchange realignment	13	–	13
Balance as at 30 June 2024 (Unaudited)	<b>14,108</b>	<b>27</b>	<b>14,135</b>

## 15. BANK BALANCES, DEPOSITS AND CASH

	30 June 2024 RMB'000 (Unaudited)	31 December 2023 RMB'000 (Audited)
Bank balances and cash	<b>34,487</b>	38,926
Term deposits with maturity date less than three months	<b>119,344</b>	187,097
Cash and cash equivalents	<b>153,831</b>	226,023
Term deposits with maturity date over three months	<b>170,778</b>	80,175
	<b>324,609</b>	306,198

Bank balances and term deposits carry interest at market rates ranging as follows per annum:

	30 June 2024 (Unaudited)	31 December 2023 (Audited)
Bank balances	<b>0.001% – 0.875%</b>	0.001% – 0.875%
Term deposits	<b>1.15% – 4.65%</b>	1.25% – 5.50%

The carrying amounts of the Group's bank balances and cash denominated in currencies other than functional currencies of the relevant group entities at the end of the reporting period are as follows:

	30 June 2024 RMB'000 (Unaudited)	31 December 2023 RMB'000 (Audited)
RMB	<b>2,423</b>	10,751
USD	<b>262</b>	470

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2024

## 16. TRADE AND OTHER PAYABLES/CONTRACT LIABILITIES

	30 June 2024 RMB'000 (Unaudited)	31 December 2023 RMB'000 (Audited)
Trade payables	<b>30,278</b>	29,086
Other payables	<b>29,415</b>	7,574
Accrued payroll and accruals	<b>1,697</b>	2,693
	<b>31,112</b>	10,267
Trade and other payables	<b>61,390</b>	39,353
Contract liabilities	<b>52,274</b>	6,827

The following is an aged analysis of trade payables presented based on the invoice dates at the end of the reporting period.

	30 June 2024 RMB'000 (Unaudited)	31 December 2023 RMB'000 (Audited)
Within 90 days	<b>15,379</b>	14,636
91 to 180 days	<b>1,714</b>	5,360
181–365 days	<b>5,880</b>	6,311
Over 365 days	<b>7,305</b>	2,779
Total	<b>30,278</b>	29,086

The credit period is ranged from 60 days to 180 days. The Group has financial risk management policies in place to ensure that all payables are settled within the credit timeframe.

As at 30 June 2024, contract liabilities increased mainly due to the receipt in advance from the artiste management and films, drama and non-drama productions. In general, the Group receives certain percentage of the contract sum in stages depends on the negotiation with individual customers. These deposits are recognised as contract liabilities until the products or services are transferred or rendered.

Revenue recognised during the six months ended 30 June 2024 that was included in the contract liabilities at the beginning of the year was approximately RMB3,843,000 (six months ended 30 June 2023: RMB1,451,000). There was no revenue recognised in the current six months that related to performance obligations that were satisfied in a prior period.



# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2024

## 17. BALANCES WITH RELATED PARTIES

### (A) AMOUNTS DUE FROM RELATED PARTIES

	30 June 2024 RMB'000 (Unaudited)	31 December 2023 RMB'000 (Audited)
Amounts due from:		
<i>Trade nature</i>		
– Television Broadcasts Limited (“TVB”) (Note i)	14,074	16,026
– TVB Music Group Limited (Note v)	84	–
– TVB Publications Limited (Note v)	48	59
– 廣州埋堆堆科技有限公司 (Note v)	–	924
– 廣州齊齊整整傳媒有限公司 (Note v)	223	618
– 上海翡翠東方網絡信息技術有限公司 (Note v)	–	2,570
– MyTV Super Limited (Note v)	–	9
<i>Others</i>		
– Mr. Wong Cho Lam (Notes ii and iv)	11,838	4,012
– Ms. Li Yanan Leanne (Notes iii and iv)	3,154	–
– TVB (Notes i and iv)	53	–
– 廣東采星坊演藝諮詢服務有限公司 (Notes iv and v)	–	1,131
	<b>29,474</b>	25,349

Amounts due from related parties amounting to approximately RMB15,045,000 (2023: RMB5,143,000) are unsecured, interest-free and repayable on demand. The remaining balance of amounts due from related companies are trade nature, and which the Group generally allows an average credit period ranging from 30 days to 270 days from the receipt of products and services to these related parties. The following is an aged analysis of amounts due from related parties which are trade nature, net of impairment loss recognised presented based on the invoice dates, which approximated the respective revenue recognition dates, are as follows:

	30 June 2024 RMB'000 (Unaudited)	31 December 2023 RMB'000 (Audited)
Within 90 days	10,089	12,432
91 to 180 days	–	2,238
181 to 365 days	88	5,536
Over 365 days	4,252	–
Total	<b>14,429</b>	20,206

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2024

## 17. BALANCES WITH RELATED PARTIES *(continued)*

### (A) AMOUNTS DUE FROM RELATED PARTIES *(continued)*

As at 30 June 2024 and 31 December 2023, in determining the expected credit losses for the amounts due from related parties, the directors of the Company have taken into account the financial position of its related parties, and also considering various external sources of actual and forecast economic information, as appropriate, in estimating the probability of default from its related parties. During the six months ended 30 June 2024 and year ended 31 December 2023, no impairment allowance was provided for amounts due from related parties as the amount of expected credit loss is insignificant.

### (B) AMOUNTS DUE TO RELATED PARTIES

	30 June 2024 RMB'000 (Unaudited)	31 December 2023 RMB'000 (Audited)
Amounts due to:		
<i>Trade nature</i>		
– TVB <i>(Note i)</i>	1,508	1,434
– 上海翡翠東方傳播有限公司 <i>(Note v)</i>	–	2,269
– Good Servant Production Limited <i>(Note ii)</i>	37	38
– Esther Communications Limited <i>(Notes iii and vii)</i>	225	–
– Ms. Li Yanan Leanne <i>(Note iii)</i>	–	48
<i>Others</i>		
– TVB <i>(Notes i and iv)</i>	11	41
– Mr. Wong Cho Lam <i>(Notes ii and iv)</i>	120	120
– 華人文化有限責任公司 <i>(Notes iv and vi)</i>	–	249
	<b>1,901</b>	4,199

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2024

## 17. BALANCES WITH RELATED PARTIES (continued)

### (B) AMOUNTS DUE TO RELATED PARTIES (continued)

Amounts due to related parties amounting to approximately RMB131,000 (2023: RMB410,000) are unsecured, interest-free and repayable on demand. The remaining balance of amounts due to related parties are trade nature, and which the credit period with these related parties for purchase of products and services ranges from 60 days to 180 days. The following is an aged analysis of amounts due to related parties which are trade nature, presented based on the invoice dates at the end of the reporting period:

	30 June 2024 RMB'000 (Unaudited)	31 December 2023 RMB'000 (Audited)
Within 90 days	269	2,355
91 to 180 days	–	–
181 to 365 days	23	–
Over 365 days	1,478	1,434
<b>Total</b>	<b>1,770</b>	<b>3,789</b>

Notes:

- TVB held indirect equity interest in the Company, and Mr. Li Ruigang, the chairman, director and substantial shareholder of the Company also held beneficial interests and directorship in TVB.
- Mr. Wong Cho Lam, who is a director and a non-controlling shareholder of Tailor Made, held 100% equity interests of Good Servant Production Limited.
- Ms. Li Yanan Leanne, who is the spouse of Mr. Wong Cho Lam, is deemed to be interested in Tailor Made in which Mr. Wong Cho Lam is interested.
- The amounts are unsecured, interest-free and repayable on demand.
- These companies are subsidiaries of TVB.
- Mr. Li Ruigang, the chairman, director and substantial shareholder of the Company held beneficial interests and directorship in 華人文化有限責任公司.
- Ms. Li Yanan Leanne is a director and a shareholder of Esther Communications Limited.

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2024

## 18. BANK BORROWING

	30 June 2024 RMB'000 (Unaudited)	31 December 2023 RMB'000 (Audited)
Bank borrowing contains a repayable on demand clause:		
Unsecured	<b>4,674</b>	4,557

As at 30 June 2024 and 31 December 2023, the Group's bank borrowing carried floating rate at Hong Kong Interbank Offered Rate ("HIBOR") plus 2.8% per annum.

As at 30 June 2024 and 31 December 2023, banking facilities were secured by the unlimited personal guarantee provided by a director and a non-controlling shareholder of Tailor Made.

## 19. RELATED PARTIES TRANSACTIONS

Save as disclosed in elsewhere of the condensed consolidated financial statements, the Group also had the following transactions with its related parties in trade nature and under normal commercial terms during the interim period:

### (A) TRANSACTIONS

Name of related parties	Notes	Nature of transaction	Six months ended 30 June	
			2024 RMB'000 (Unaudited)	2023 RMB'000 (Unaudited)
TVB and its subsidiaries ("TVB Group")	i, ii	Films, drama and non-drama production income	519	8,226
		Artiste management service income	450	1,909
		Service income	-	9
		License income	-	2,329
		Management fee income	-	626
		Project income	-	163
		Rental expenses under short-term leases	(226)	(211)
		Consultancy fee	(122)	(112)
		Talent fee	(203)	-
		Service fee	(605)	(608)
Mr. Wong Cho Lam and Good Servant Production Limited	iii	Artiste management service income*	<b>5,310</b>	11,777
Ms. Li Yanan Leanne and Esther Communications Limited	iv, v	Artiste management service income*	<b>56</b>	2

\* These are regarded as continuing connected transactions as defined under Listing Rules.

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2024

## 19. RELATED PARTIES TRANSACTIONS (continued)

### (A) TRANSACTIONS (continued)

Notes:

- (i) TVB had equity interest in the Company, and Mr. Li Ruigang, the chairman, director and substantial shareholder of the Company also held beneficial interests and directorship in TVB.
- (ii) The income was received from (fees paid to) TVB Group, including TVB, TVB Publications Limited, MyTV Super Limited, TVB Music Group Limited, 廣州齊齊整整傳媒有限公司, 上海翡翠東方傳播有限公司, 上海翡翠東方網絡信息技術有限公司 and 廣東采星坊演藝諮詢服務有限公司 during the period.
- (iii) Mr. Wong Cho Lam, who is a director and a non-controlling shareholder of Tailor Made held 100% equity interests of Good Servant Production Limited.
- (iv) Ms. Li Yanan Leanne, who is the spouse of Mr. Wong Cho Lam, is deemed to be interested in Tailor Made in which Mr. Wong Cho Lam is interested.
- (v) Ms. Li Yanan Leanne is a director and a shareholder of Esther Communications Limited.

### (B) COMPENSATION OF KEY MANAGEMENT PERSONNEL

The remuneration of directors and other members of key management during the six months were as follows:

	Six months ended 30 June	
	2024 RMB'000 (Unaudited)	2023 RMB'000 (Unaudited)
Short-term benefits	2,869	2,707
Post-employment benefits	33	32
	<b>2,902</b>	2,739

# NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the six months ended 30 June 2024

## 20. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

### (A) FINANCIAL INSTRUMENTS CARRIED AT FAIR VALUE

The Group measures its following financial instrument at fair value on a recurring basis:

Financial asset	Fair value as at		Fair value hierarchy	Valuation technique and key input	Significant unobservable input(s)	Sensitivity
	30 June 2024	31 December 2023				
Private equity investments at FVTOCI	23,658	24,960	Level 3	Income approach – under this approach, the discounted cash flow method was used to capture the present value of the expected future economic benefits to be derived from the ownership of this investee, based on an appropriate discount rate.	<ol style="list-style-type: none"> <li>1. Long-term revenue growth rates, taking into account management's experience and knowledge of market conditions of the specific industries at 2.5% (31 December 2023: 2.5%).</li> <li>2. Discount rate, taking into account of weighted average cost of capital (WACC) determined using a Capital Asset Pricing Model at 22% (31 December 2023: 21.9%).</li> <li>3. Discount for lack of marketability at 20.5% (31 December 2023: 20.5%).</li> </ol>	<ol style="list-style-type: none"> <li>1. The higher the long term growth rate, the higher the fair value, vice versa.</li> <li>2. The higher the discount rate, the lower the fair value, vice versa.</li> <li>3. The higher the discount rate, the lower the fair value, vice versa.</li> </ol>

### (B) RECONCILIATION OF LEVEL 3 FAIR VALUE MEASUREMENTS

	Private equity investments at FVTOCI RMB'000
At 1 January 2023 (Audited)	32,629
Fair value loss	(8,328)
Exchange realignment	659
At 31 December 2023 and 1 January 2024 (Audited)	24,960
Fair value loss	(1,943)
Exchange realignment	641
At 30 June 2024 (Unaudited)	23,658