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## **CHINA STAR ENTERTAINMENT LIMITED**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 326)**

### **FINAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31ST DECEMBER 2025**

#### **FINAL RESULTS**

The board of directors (the “Board”) of China Star Entertainment Limited (the “Company”) presents the audited consolidated results of the Company and its subsidiaries (the “Group”) for the year ended 31st December 2025 together with the comparative figure for 2024 as follows:

#### **CONSOLIDATED INCOME STATEMENT**

*For the year ended 31st December 2025*

	<i>Notes</i>	<b>2025</b> <b>HK\$'000</b>	2024 HK\$'000
Revenue	5	<b>404,919</b>	728,216
Cost of sales		<b>(290,608)</b>	(601,265)
<b>Gross profit</b>		<b>114,311</b>	126,951
Other revenue and other income	6	<b>12,500</b>	21,913
Administrative expenses		<b>(174,338)</b>	(147,094)
Marketing, selling and distribution expenses		<b>(65,099)</b>	(101,043)
Loss arising on change in fair value of financial assets at fair value through profit or loss (“FVTPL”)		<b>(815)</b>	(79,366)
(Loss)/gain arising on change in fair value of investment property		<b>(5,479)</b>	7,405
Other operating expenses		<b>(315,610)</b>	(43,261)

## CONSOLIDATED INCOME STATEMENT (CONTINUED)

For the year ended 31st December 2025

	<i>Notes</i>	<b>2025</b> <i>HK\$'000</i>	2024 <i>HK\$'000</i>
<b>Loss from operations</b>		<b>(434,530)</b>	(214,495)
Finance costs	7	<u>(100,154)</u>	<u>(134,827)</u>
<b>Loss before tax</b>	8	<b>(534,684)</b>	(349,322)
Income tax credit/(expense)	9	<u>1,081</u>	<u>(1,307)</u>
Loss for the year		<u><b>(533,603)</b></u>	<u>(350,629)</u>
<b>(Loss)/profit for the year attributable to:</b>			
Owners of the Company		<b>(443,759)</b>	(351,930)
Non-controlling interests		<u>(89,844)</u>	<u>1,301</u>
		<u><b>(533,603)</b></u>	<u>(350,629)</u>
		<i>HK cents</i>	<i>HK cents</i>
<b>Loss per share</b>	11		
Basic and diluted		<u><b>(18.27)</b></u>	<u>(14.48)</u>

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31st December 2025

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
<b>Loss for the year</b>	<b>(533,603)</b>	<b>(350,629)</b>
<b>Other comprehensive income</b>		
<i>Item that may be reclassified subsequently to profit or loss:</i>		
Exchange differences arising on translation of foreign operations	<u>(3,884)</u>	<u>1,291</u>
<b>Total comprehensive loss for the year</b>	<b><u>(537,487)</u></b>	<b><u>(349,338)</u></b>
<b>Total comprehensive (loss)/income for the year attributable to:</b>		
Owners of the Company	<b>(447,643)</b>	<b>(350,639)</b>
Non-controlling interests	<b><u>(89,844)</u></b>	<b><u>1,301</u></b>
	<b><u>(537,487)</u></b>	<b><u>(349,338)</u></b>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

*At 31st December 2025*

	<i>Notes</i>	<b>2025</b> <i>HK\$'000</i>	2024 <i>HK\$'000</i>
<b>Non-current assets</b>			
Property, plant and equipment		<b>335,862</b>	358,420
Investment property		<b>152,465</b>	150,297
Intangible assets		<b>139</b>	310
Prepayment		<b>37,442</b>	37,442
		<u><b>525,908</b></u>	<u>546,469</u>
<b>Current assets</b>			
Inventories		<b>843</b>	3,534
Stock of properties		<b>3,207,328</b>	3,081,340
Film rights		–	3,215
Investment in films		<b>25,590</b>	26,112
Trade receivables	12	<b>1,316</b>	1,922
Deposits, prepayment and other receivables		<b>469,417</b>	404,639
Financial assets at fair value through profit or loss		<b>9,199</b>	11,802
Amount due from non-controlling interest		<b>5</b>	53
Time deposits		<b>5,171</b>	168
Cash and bank balances and restricted cash		<b>181,018</b>	126,257
		<u><b>3,899,887</b></u>	<u>3,659,042</u>
<b>Total assets</b>		<u><b>4,425,795</b></u>	<u>4,205,511</u>
<b>Capital and reserves</b>			
Share capital		<b>24,288</b>	24,278
Reserves		<b>1,581,887</b>	2,029,540
<b>Equity attributable to owners of the Company</b>			
Non-controlling interests		<b>(89,310)</b>	582
<b>Total equity</b>		<u><b>1,516,865</b></u>	<u>2,054,400</u>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

*At 31st December 2025*

	<i>Notes</i>	<b>2025</b> <i>HK\$'000</i>	2024 <i>HK\$'000</i>
<b>Non-current liabilities</b>			
Lease liabilities		7,789	11,277
Bank and other borrowings		17,167	1,340,986
Deferred tax liabilities		2,281	2,970
		<u>27,237</u>	<u>1,355,233</u>
<b>Current liabilities</b>			
Trade payables	13	84,974	76,729
Deposits received, accruals and other payables		524,892	91,312
Receipts in advance		37,281	69,306
Lease liabilities		6,374	6,909
Bank and other borrowings		1,945,732	270,144
Amounts due to non-controlling interests		282,440	281,478
		<u>2,881,693</u>	<u>795,878</u>
<b>Total liabilities</b>		<u>2,908,930</u>	<u>2,151,111</u>
<b>Total equity and liabilities</b>		<u>4,425,795</u>	<u>4,205,511</u>
<b>Net current assets</b>		<u>1,018,194</u>	<u>2,863,164</u>
<b>Total assets less current liabilities</b>		<u>1,544,102</u>	<u>3,409,633</u>

## **NOTES:**

### **1. GENERAL**

China Star Entertainment Limited (the “Company”) is incorporated in Bermuda as an exempted company with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). The addresses of the registered office and principal place of business of the Company are Victoria Place, 5th Floor, 31 Victoria Street, Hamilton HM10, Bermuda and Unit 3409, Shun Tak Centre, West Tower, 168-200 Connaught Road Central, Hong Kong respectively.

Its immediate and ultimate holding company is Heung Wah Keung Family Endowment Limited which is equally owned by Mr. Heung Wah Keung (“Mr. Heung”) and Ms. Chen Ming Yin, Tiffany (“Ms. Chen”), spouse of Mr. Heung.

The consolidated financial statements are presented in HK\$, which is also the functional currency of the Company and all values are rounded to the nearest thousand (HK\$’000) except otherwise indicated.

The principal activities of the Group are investment, production, distribution and licensing of films, television drama series, short dramas and online movies, provision of artist management services, properties development and investment, building management services, and development, promotion and operation in multi-channel network e-commerce platform and development and sales of private label products.

### **2. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS**

The accounting policies adopted in these consolidated financial statements for the year ended 31st December 2025 are consistent with those followed in the preparation of the Group’s consolidated financial statements for the year ended 31st December 2024 except as described below.

#### **(a) Amendments to an HKFRS Accounting Standard that are mandatorily effective for the current year**

In the current year, the Group has applied the following amendments to an HKFRS Accounting Standard as issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) for the first time, including those which are mandatorily effective for the annual period beginning on or after 1st January 2025 for the preparation of these consolidated financial statements:

Amendments to HKAS 21	Lack of Exchangeability
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The application of the amendments to an HKFRS Accounting Standard in the current year has had no material impact on the Group’s financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

## 2. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS (CONTINUED)

### (b) New and amendments to HKFRS Accounting Standards in issue but not yet effective

The Group has not early adopted the following new and amendments to HKFRS Accounting Standards that have been issued but are not yet effective.

Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments <sup>2</sup>
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity <sup>2</sup>
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>1</sup>
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards – Volume 11 <sup>2</sup>
HKFRS 18	Presentation and Disclosure in Financial Statements <sup>3</sup>

<sup>1</sup> Effective for annual periods beginning on or after a date to be determined.

<sup>2</sup> Effective for annual periods beginning on or after 1st January 2026.

<sup>3</sup> Effective for annual periods beginning on or after 1st January 2027.

The directors of the Company anticipate that the application of all other new and amendments to HKFRS Accounting Standards will have no material impact on the consolidated financial statements in the foreseeable future.

### 3. BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards issued by the HKICPA. For the purpose of presentation of the consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”) and by the disclosure requirements of the Hong Kong Companies Ordinance.

### 4. SEGMENT INFORMATION

The Group determines its operating segments based on the reports reviewed by the directors of the Company, being the chief operating decision maker (the “CODM”), for the purpose of monitoring segment performance and allocating resources between segments and that are used to make strategic decisions.

The Group has three reportable segments – film related business operations, property development and investment operations and multi-media and entertainment business operations. The segmentations are based on the information about the operations of the Group that management uses to make decisions.

The Group’s reportable segments are strategic business units that operate different activities. They are managed separately because each business has different markets and requires different marketing strategies.

Particulars of the Group’s reportable segments are summarised as follows:

Film related business operations	–	Investment, production, distribution and licensing of films, television drama series, short dramas and online movies, and provision of other film related services including artist management services
Property development and investment operations	–	Investment and development of properties and building management services
Multi-media and entertainment business operations	–	Development, promotion and operation in multi-channel network e-commerce platform and development and sales of private label products

#### 4. SEGMENT INFORMATION (CONTINUED)

Segment information about these operations is presented as below:

##### (a) An analysis of the Group's revenue and results by operating segments

	Segment revenue		Segment results	
	2025	2024	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Film related business operations	619	2,188	(2,483)	(85,465)
Property development and investment operations	224,490	675,240	(418,543)	(121,106)
Multi-media and entertainment business operations	179,810	50,788	(18,247)	(55,780)
	<u>404,919</u>	<u>728,216</u>	<u>(439,273)</u>	<u>(262,351)</u>
<b>Reconciliation from segment results to loss before tax</b>				
Unallocated corporate income			7,311	19,291
Loss arising on change in fair value of financial assets at FVTPL			(800)	(9,933)
Unallocated corporate expenses			<u>(101,922)</u>	<u>(96,329)</u>
Loss before tax			<u>(534,684)</u>	<u>(349,322)</u>

Segment revenue reported above represents revenue generated from external customers. There were no inter-segment sales for both years.

Segment results represent the loss suffered by each segment without allocation of central administrative expenses, partial finance costs, and partial other operating expenses under the heading of "unallocated corporate expenses", partial other revenue and other income under the heading of "unallocated corporate income" and partial loss arising on change in fair value of financial assets at FVTPL. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

#### 4. SEGMENT INFORMATION (CONTINUED)

##### (b) An analysis of the Group's financial position by operating segments

	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
<b>ASSETS</b>		
Segment assets		
– Film related business operations	274,216	278,591
– Property development and investment operations	3,970,046	3,663,314
– Multi-media and entertainment business operations	52,651	147,429
	<u>4,296,913</u>	<u>4,089,334</u>
Total segment assets	4,296,913	4,089,334
Unallocated assets	128,882	116,177
	<u>4,425,795</u>	<u>4,205,511</u>
<b>LIABILITIES</b>		
Segment liabilities		
– Film related business operations	9,303	7,304
– Property development and investment operations	2,579,121	1,831,575
– Multi-media and entertainment business operations	53,255	80,064
	<u>2,641,679</u>	<u>1,918,943</u>
Total segment liabilities	2,641,679	1,918,943
Unallocated liabilities	267,251	232,168
	<u>2,908,930</u>	<u>2,151,111</u>

For the purpose of resource allocation and performance assessment between segments:

- all assets are allocated to reportable segments, other than inventories, partial deposits, prepayment and other receivables, partial financial assets at FVTPL, amount due from non-controlling interest, partial cash and bank balances and partial property, plant and equipment for central administrative purposes; and
- all liabilities are allocated to reportable segments, other than other borrowing, partial deposits received, accruals and other payables and partial lease liabilities.

#### 4. SEGMENT INFORMATION (CONTINUED)

##### (c) Other segment information

	Film related business operations		Property development and investment operations		Multi-media and entertainment business operations		Unallocated		Consolidated	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
<b>Amounts included in the measure of segment results or segment assets:</b>										
Amortisation of intangible assets	-	-	-	-	179	181	-	-	179	181
Depreciation of property, plant and equipment	-	7	8,638	8,424	9,562	10,016	10,805	9,174	29,005	27,621
Reversal of allowance for ECL on trade receivables (included in other operating expenses)	-	(42)	-	-	-	-	-	-	-	(42)
Allowance/(reversal of allowance) for ECL on deposits and other receivables, net (included in other operating expenses)	201	(4,213)	1,452	(542)	(1,118)	2,011	-	-	535	(2,744)
Loss arising on change in fair value of financial assets at FVTPL	-	69,433	15	-	-	-	800	9,933	815	79,366
Loss/(gain) arising on change in fair value of investment property	-	-	5,479	(7,405)	-	-	-	-	5,479	(7,405)
Impairment loss recognised in respect of films in progress (included in other operating expenses)	-	9,625	-	-	-	-	-	-	-	9,625
Impairment loss recognised in respect of film rights (included in other operating expenses)	3,215	4,800	-	-	-	-	-	-	3,215	4,800
Additions to property, plant and equipment (include transfer from stock of properties)	-	10	80	274,371	-	233	11,189	23,871	11,269	298,485
Write-down of stock of properties (included in other operating expenses)	-	-	307,769	28,481	-	-	-	-	307,769	28,481
<b>Amounts regularly provided to the CODM but not included in the measure of segment results or segment assets:</b>										
Bank interest income	2	15	1,161	1,117	14	29	10	1	1,187	1,162
Loan interest income	-	-	-	-	-	-	-	13,446	-	13,446
Finance costs	-	-	68,624	116,241	612	1,592	30,918	16,994	100,154	134,827
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

##### (d) Information about major customers

No revenues from transactions with external customers accounted for 10% or more of the Group's total revenue for the years ended 31st December 2025 and 2024.

#### 4. SEGMENT INFORMATION (CONTINUED)

##### (e) Geographical information

The following table sets out information about geographical location of (i) revenue from external customers and (ii) non-current assets. The geographical location of customers is based on the location at which the services were provided or the goods delivered. The geographical location of non-current assets is based on the physical location of the assets.

	Revenue from external customers		Non-current assets	
	2025	2024	2025	2024
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Hong Kong	39	192	48,017	45,410
Macau	224,490	675,240	315,420	327,706
Taiwan	–	–	152,475	150,322
The People's Republic of China (the "PRC") excluded				
Hong Kong, Macau and Taiwan	<u>180,390</u>	<u>52,784</u>	<u>9,996</u>	<u>23,031</u>
	<u>404,919</u>	<u>728,216</u>	<u>525,908</u>	<u>546,469</u>

#### 5. REVENUE

Set out below is the reconciliation of the revenue from contracts with customers with the amounts disclosed in the segment information.

	2025	2024
	HK\$'000	HK\$'000
<b>Disaggregation of revenue from contracts with customers</b>		
Distribution fee income	39	192
Artist management service income	580	1,996
Sales of properties	223,179	674,308
Building management service fee income	1,311	932
Multi-media sales and commission income	<u>179,810</u>	<u>50,788</u>
<b>Revenue from contracts with customers</b>	<u>404,919</u>	<u>728,216</u>
<b>Revenue from contracts with customers</b>		
Timing of revenue recognition		
A point in time	403,608	727,284
Over time	<u>1,311</u>	<u>932</u>
<b>Revenue from contracts with customers</b>	<u>404,919</u>	<u>728,216</u>

## 6. OTHER REVENUE AND OTHER INCOME

	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
Dividend income	7	3
Bank interest income	1,187	1,162
Loan interest income	–	13,446
Gain on disposal of property, plant and equipment	455	–
Gain on termination of lease	1,023	–
Catering operations	6,392	4,974
Retail sales	774	670
Rental income	964	–
Sundry income	1,698	1,658
	<u>12,500</u>	<u>21,913</u>

## 7. FINANCE COSTS

	2025	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
Interests on bank borrowings	66,043	116,063
Interests on other borrowing	109,632	41,478
Interest on amount due to a director and an associate	–	1,305
Interest on amount due to non-controlling interests	4,500	3,339
Interests on lease liabilities	1,791	1,928
	<u>181,966</u>	<u>164,113</u>
Interest capitalised to stock of properties	<u>(81,812)</u>	<u>(29,286)</u>
	<u>100,154</u>	<u>134,827</u>

## 8. LOSS BEFORE TAX

Loss before tax has been arrived at after charging/(crediting):

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Amortisation of intangible assets (included in marketing, selling and distribution expenses)	179	181
Auditors' remuneration and other services:		
Auditors of the Company		
– audit services	950	950
– non-audit services	150	150
	<b>1,100</b>	1,100
Cost of sales:		
– Cost of properties sold	194,439	583,404
– Cost of multi-media and entertainment business	96,169	17,861
	<b>290,608</b>	601,265
Depreciation of property, plant and equipment	29,005	27,621
Employee benefit expenses	83,841	90,799
Expense relating to short-term leases	3,431	1,650
Expense relating to leases of low-value assets, excluding short-term leases of low-value assets	13	164
Loss/(gain) arising on change in fair value of investment property	5,479	(7,405)
Other operating expenses:		
– Reversal of allowance for ECL on trade receivables	–	(42)
– Allowance/(reversal of allowance) for ECL on deposits and other receivables, net	535	(2,744)
– Other cost of sales	4,091	3,141
– Impairment loss recognised in respect of films in progress	–	9,625
– Impairment loss recognised in respect of film rights	3,215	4,800
– Write-down of stock of properties	307,769	28,481
	<b>315,610</b>	43,261
Loss arising on change in fair value of financial assets at FVTPL:		
– listed equity securities	800	9,933
– debt instrument	15	–
– investment in films	–	69,433
	<b>815</b>	79,366
Net foreign exchange (gain)/loss	<b>(395)</b>	6,791

**9. INCOME TAX CREDIT/(EXPENSE)**

	<b>2025</b>	2024
	<b><i>HK\$'000</i></b>	<i>HK\$'000</i>
Deferred tax	<b><u>1,081</u></b>	<u>(1,307)</u>

Under the two-tiered profits tax rates regime of Hong Kong Profits Tax, the first HK\$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%.

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both years.

No provision for Hong Kong Profits Tax has been made for the year ended 31st December 2025 and 2024 as the Group has no assessable profits arising in Hong Kong or taxable profits were wholly absorbed by estimated tax losses brought forward.

The PRC subsidiaries are subject to the PRC Enterprise Income Tax at 25% for both years. Macau subsidiaries are subject to Macau Complementary Tax at the maximum progressive rate of 12% on the estimated assessable profit for both years. Taiwan subsidiary is subject to Taiwan corporate tax, the first NT\$120,000 taxable income of Taiwan subsidiary is exempted from corporate tax and taxable income above NT\$120,000 is taxed at 20%.

## 10. DIVIDEND

No final dividend was paid or proposed during the year, nor any dividend has been proposed by the board of directors subsequent to the end of the reporting period (2024: nil).

## 11. LOSS PER SHARE

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

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
<b>Loss</b>		
Loss for the year attributable to owners of the Company for the purposes of basic and diluted loss per share	<u>(443,759)</u>	<u>(351,930)</u>
	2025 <i>'000</i>	2024 <i>'000</i>
<b>Number of shares</b>		
Weighted average number of ordinary shares for the purposes of basic and diluted loss per share	<u>2,428,911</u>	<u>2,430,305</u>

Pursuant to the deed polls of the Bonus CBs, the Bonus CBs conferred the holders with the same economic interests attached to the shareholders of the Company. Accordingly, 5,000 (2024: 1,060,317) fully paid ordinary shares of HK\$0.01 each which shall be convertible from an aggregated amount of approximately HK\$1,000 (2024: HK\$265,000) outstanding Bonus CBs are included in the weighted average number of ordinary shares for calculating the basic loss per share.

No diluted loss per share was presented as there was no potential ordinary shares in issue for both years.

## 12. TRADE RECEIVABLES

The following is an aging analysis of trade receivables, presented based on the invoice dates and net of allowance for ECL:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
0 to 30 days	398	1,922
31 to 60 days	157	–
61 to 90 days	188	–
Over 90 days	573	–
	<u>1,316</u>	<u>1,922</u>

The average credit period granted to customers ranges from 30 to 90 days.

## 13. TRADE PAYABLES

The following is an aging analysis of trade payables, presented based on the invoice dates:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
0 to 30 days	8,233	4,460
31 to 60 days	5,273	2,705
61 to 90 days	16,201	2,462
Over 90 days	55,267	67,102
	<u>84,974</u>	<u>76,729</u>

The average credit period granted by suppliers ranges from 30 to 90 days.

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **FINANCIAL REVIEW**

For the year ended 31st December 2025, the Group recorded revenue of HK\$404,919,000 as compared to HK\$728,216,000 for the year ended 31st December 2024, a decrease of 44%. The decrease in revenue mainly caused by property development and investment operations contributed revenue of HK\$224,490,000 as compared to HK\$675,240,000 for the year ended 31st December 2024. Gross profit was HK\$114,311,000 as compared to HK\$126,951,000 for the year ended 31st December 2024, a comparatively mild decrease of 10%.

Loss for the year amounted to HK\$533,603,000, representing an increase of 52% from HK\$350,629,000 for the year ended 31st December 2024. The increase in loss mainly included write-down of stock of properties in aggregate amounts of HK\$307,769,000 (2024: HK\$28,481,000) which represented write-down of Tiffany House amounted to HK\$27,561,000 (2024: HK\$28,481,000) and write-down of the Property C7 amounted to HK\$280,208,000 (2024: nil) caused by the downward property prices in Macau.

Loss attributable to owners of the Company for the year ended 31st December 2025 amounted to HK\$443,759,000, representing increase of 26% from HK\$351,930,000 in the previous year.

### **DIVIDEND**

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

### **BUSINESS REVIEW**

The Group has three reportable segments – (1) film related business operations; (2) property development and investment operations; and (3) multi-media and entertainment business operations.

Of the total revenue for the year, HK\$619,000 or 0% was generated from film related business operations, HK\$224,490,000 or 56% was generated from property development and investment operations, and HK\$179,810,000 or 44% was generated from multi-media and entertainment business operations.

## **Film Related Business Operations**

Film related business operations included investment, production, distribution and licensing of films, television drama series, short dramas and online movies, and provision of other film related services including artist management services.

In year 2025, revenue from film related business operations amounted to HK\$619,000 (2024: HK\$2,188,000) and its segment loss amounted to HK\$2,483,000 (2024: HK\$85,465,000). The Group currently has no film or television drama series in production stage and this year's revenue was mainly sub-distribution fees and artist management service fees. The segment loss mainly included impairment loss recognized in respect of film rights of HK\$3,215,000 (2024: HK\$4,800,000) and the segment loss in last year also included loss arising on change in fair value of investment in films of HK\$69,433,000 which mainly represented investment in a film released in year 2024 with poor box office and revenue.

In recent years, the film market has been undergoing continuous transformation and upgrading. With our extensive experience and network in the film industry, the Group considers that we have comparative advantage in this segment. The Group has started investment in short dramas and online movies which are now very popular in the entertainment market. Short dramas are lower cost, faster, safer, more profitable, and higher cash flow than traditional film production. They fit the current market trend and are more rational choice for long-term business stability and growth.

## **Property Development and Investment Operations**

Property development and investment operations included investing and development of properties and property management services of Tiffany House. The Group mainly has two projects in Macau, namely (i) Lot C7 do Plano de Urbanizacao da Baia de Praia Grande, located in the Nam Van Lakes Zone, at Avenida Doutor Stanley Ho, registered with the Macau Land and Real Estate Registry under no. 23070 (the "Property C7"); and (ii) Tiffany House located at Rua De Luis Gonzaga Gomes and Rua De Xiamen, Macau.

The Property C7 is a lot of land with site area of 4,669 square meters and is developing into a thirteen storey building and one basement and will have a gross floor area of (a) residential – 25,832 square meters, (b) commercial – 215 square meters and (c) parking – 3,930 square meters. The Group has entered into an operation entrustment agreement and a main sale agreement with a well-known Macau property developer and entrust it to assist for design, development and construction, sales and finance arrangement of the Property C7. The Group considered that this professional arrangement for the Property C7 can speed up the construction process and assist the later sales. The construction work of the Property C7 commenced on 14th December 2023. The Property C7 is formally named as "Lake Yoho" and will provide 312 residential units with 15 villas, one commercial unit, and 144 carparks and 30 motorcycle parks at the underground level. Its topping out was on 24th January 2025 and its pre-sale permit was obtained on 13th January 2025. The occupation permit is expected to obtain in mid-year 2026. The

pre-sale of Lake Yoho started in end of June 2025 and more than 220 residential units has entered into pre-sale contracts with sales consideration over HK\$1,300 million up to 31st December 2025. The Group normally received 10% deposit upon signing the pre-sale contract, 20% deposit within one month from signing the pre-sale contract and the remaining 70% upon one month after the issue of occupational permit. The deposits received by the Group can used to finance the construction costs of the Property C7 and expenses directly related to sales of the Property C7.

Tiffany House is located adjacent to Macao Polytechnic Institute and next to Golden Lotus Square, and is a couple of blocks away from Macao Fisherman's Wharf and Sands Casino. Tiffany House has a gross floor area of (a) residential – 31,192 square meters, including 3,819 square meters for clubhouse, (b) commercial – 3,716 square meters and (c) parking – 11,250 square meters. It provides 230 residential units in two towers, with units ranging from studio flats to four-bedroom apartments as well as special units and 272 carparks and 75 motorcycle parks in three underground levels. A prestigious clubhouse decided by Mr. William Chang, a famous art director and star designer in Hong Kong which provides a wide range of facilities including swimming pool, gym room, well equipped kitchen, yoga and dance room, etc. Tiffany House obtained its occupational permit in December 2019 and started sales in October 2022. Tower 1 of Tiffany House has 115 residential units and gross floor area of approximately 161,000 square feet and Tower 2 which facing Golden Lotus Square and Guia Hill has 115 residential units and gross floor area of approximately 175,000 square feet. During the year, sales of 10 residential units with gross floor area of approximately 16,000 square feet in Tower 1, 16 residential units with gross floor area of approximately 19,000 square feet in Tower 2, 7 carparks and 2 motorcycle parks were completed with aggregate consideration of HK\$223,179,000. As at 31st December 2025, there were 100 residential units with gross floor area of approximately 183,000 square feet, 236 carparks and 68 motorcycle parks unsold, of which 2 residential units with gross floor area of approximately 3,000 square feet and 1 carpark have signed provisional agreements with aggregate consideration of HK\$17,518,000.

In year 2025, revenue from property development and investment operations amounted to HK\$224,490,000 (2024: HK\$675,240,000) and its segment loss amounted to HK\$418,543,000 (2024: HK\$121,106,000). All revenue in both years came from sales in Tiffany House and building management service fees income. The segment loss was mainly included finance costs for the bank loan of Tiffany House (the "Term Loan") amounted to HK\$63,353,000 (2024: HK\$113,474,000) and the write-down of stock of properties in aggregate amounts of HK\$307,769,000 (2024: HK\$28,481,000) which represented write-down of Tiffany House amounted to HK\$27,561,000 (2024: HK\$28,481,000) and write-down of the Property C7 amounted to HK\$280,208,000 (2024: nil) caused by the downward property prices in Macau.

Macau's residential property market softened in 2025 with total transactions fell by 9% as compared to year 2024, to 2,775 units, while prices dropped sharply. Developers cut prices to boost demand and average prices hit multi-year lows. Policy easing (stamp duty exemptions, looser mortgages) aimed to stabilize the market have limited short-term impact. Pre-sale rose 45% and the Property C7 is one of the main contributors for the increase due to its unique and superior location and no other residential supply can be located in this area. Against the backdrop of the continued subdued operating environment in the Macau property market, characterised by sluggish transaction activity, constrained market liquidity and heightened uncertainty over short-term price recovery, the Group has adopted a prudent sales strategy involving appropriate downward adjustment of property selling prices. Therefore, the Property C7 has recognised write-down of stock of properties in this year. The measure is strategically necessary to accelerate inventory turnover and strengthen the Group's cash inflow and overall liquidity position. By prioritising cash flow generation over short-term profitability, the Group aims to mitigate the risks arising from prolonged asset holding, reduce financing and carrying costs, and enhance its financial resilience in a challenging market. This tactical pricing initiative supports the Group's objective of maintaining healthy operational flexibility and sustainable business development amid prevailing market headwinds.

### **Multi-media and Entertainment Business Operations**

Multi-media and entertainment business operations included development, promotion and operation of livestreaming e-commerce in multi-channel network e-commerce platform and development and sales of private label products. With increasing competition in livestreaming e-commerce industry, the commission margin and income from traditional livestreaming is unavoidable influenced.

In year 2025, our total GMV (after sales return) was RMB426,836,000 (2024: RMB378,357,000). Revenue from multi-media and entertainment business operations amounted to HK\$179,810,000 (2024: HK\$50,788,000) and its segment loss amounted to HK\$18,247,000 (2024: HK\$55,780,000). The loss mainly included administrative, marketing and operation expenses. After experiencing growth in the beginning of year 2025, sales of private label products stabilized and gradually declined in the second half of the year. The Group has put more effort to expand its revenue base such as advertising income and marketing service income and to lower its operation costs in order to increase profit margin. The achievement in revenue growth and the decrease of its segment loss proved that we are on the right track, the Group will continue to review and position this business segment and its development.

Private label products' cost structure is completely different. It needs to stock inventory and much capital required for research and development, production, warehousing, logistics, quality control, after-sales service, and returns. The gross profit looks high, but the net profit is actually lower. After two year's exploration of private label products, the Group has positioned to develop high value healthy product which can reduce unnecessary staff costs and keep its profit margin. The Group has cooperated with a global famous nutrition research and development company and launched our first healthcare product in probiotics and prebiotics branded as "ivywell" in July 2025. Besides, the production of other healthy products will continue. Driven by market promotion, customer adoption, and the revenue recognition cycle, the operating results and financial performance contributed by "ivywell" are expected to be gradually reflected in year 2026.

### **Other Business Operations**

For the commercial mall in Tiffany House, the Group intends to develop it into shopping mall which can provide restaurants, shops and daily necessities to the tenants in Tiffany House and the nearby residents. The Group has opened a restaurant, a café and a convenient store in year 2024. During the year 2025, the convenient store was closed down due to its continuous loss. The revenue from the restaurant amounted to HK\$6,392,000 (2024: HK\$4,974,000). The performance of the restaurant is encouraging and attract positive feedback from its customers. They will continue to improve their customers base and consumption per customer in order to achieve a balance between income and expenditure.

### **Geographical Segments**

For the geographical segments, revenue of HK\$39,000 or 0% (2024: HK\$192,000 or 0%) was sourced from Hong Kong, revenue of HK\$224,490,000 or 55% (2024: HK\$675,240,000 or 93%) was sourced from Macau and revenue of HK\$180,390,000 or 45% (2024: HK\$52,784,000 or 7%) was sourced from China. Revenue from Macau mainly represented property sales of Tiffany House and revenue from China mainly represented income from multi-media and entertainment business operations.

### **Administrative Expenses**

For the year ended 31st December 2025, administrative expenses amounted to HK\$174,338,000 (2024: HK\$147,094,000), representing an increase of 19%. The increase mainly included administrative expenses incurred in our multi-media and entertainment business operations such as product development and license fees and consultancy fees and expenses incurred for the catering operations. During the year, although headcount decreased, employee benefit expenses classified as administrative expenses amounted to HK\$67,123,000 as compared to HK\$62,178,000, increased by 8%.

## **Marketing, Selling and Distribution Expenses**

For the year ended 31st December 2025, marketing, selling and distribution expenses amounted to HK\$65,099,000 (2024: HK\$101,043,000), representing a decrease of 36%. Marketing and selling expenses mainly represented engagement of consultancy parties and agency commission of Tiffany House and marketing expenses incurred in multi-media and entertainment business operations which included advertising expenses in maintaining the publicity of the livestreaming channels such as the Douyin accounts and the number of followers. The decrease is in line with the decrease in revenue from sales of Tiffany House.

## **Finance Costs**

For the year ended 31st December 2025, finance costs amounted to HK\$100,154,000 (2024: HK\$134,827,000) were charged to the consolidated income statement which mainly included interests financing construction costs of Tiffany House amounted to HK\$63,353,000 (2024: HK\$113,474,000). The decrease was caused by decrease in principal amount of the Term Loan. Finance costs on the Construction Loan (defined as below) and the Additional Loan (defined as below) financing construction costs of the Property C7 amounted to HK\$81,812,000 (2024: HK\$29,286,000) were capitalized to stock of properties.

## **LIQUIDITY AND FINANCIAL RESOURCES AND CAPITAL STRUCTURE**

As at 31st December 2025, the Group had total assets of HK\$4,425,795,000 (2024: HK\$4,205,511,000) and net current assets of HK\$1,018,194,000 (2024: HK\$2,863,164,000), representing a current ratio of 1.4 (2024: 4.6). The Group had cash and bank balances, time deposits and restricted cash in aggregate balance of HK\$186,189,000 (2024: HK\$126,425,000).

As at 31st December 2025, the Group had total borrowing of HK\$1,977,062,000 (2024: HK\$1,629,316,000) which comprised the Term Loan of HK\$861,364,000 (2024: HK\$1,057,829,000), a secured bank loan (the “Secured Loan”) of HK\$82,104,000 (2024: HK\$80,986,000), a secured term loan from a finance company (the “Short Term Loan”) of HK\$170,000,000 (2024: HK\$165,000,000), an unsecured loan from a related company (the “Director Loan”) of HK\$35,000,000 (2024: HK\$35,000,000), a secured property loan (the “Construction Loan”) and its accrued interests in aggregate of HK\$647,594,000 (2024: HK\$272,315,000) and its additional loan (the “Additional Loan”) and its accrued interests in aggregate of HK\$151,837,000 (2024: nil), other short term borrowings in aggregate amount of HK\$15,000,000 (2024: nil) and lease liabilities of HK\$14,163,000 (2024: HK\$18,186,000).

The purpose of the Term Loan is to finance the construction costs and any other soft costs in relation to Tiffany House and secured by first legal mortgage over properties of Tiffany House with carrying amount as properties, stock of properties and restricted cash in aggregate amount of HK\$1,473,899,000 (2024: HK\$1,460,572,000), interest bearing at Hong Kong Interbank Offered Rate (“HIBOR”) for three or six month period selected by the borrower plus margin of 2.85% (2024: 2.85%) per annum for each interest period and its minimum repayment schedules are as follows:

<b>Instalments</b>	<b>Repayment Date (counting from 13th December 2022)</b>	<b>Minimum Repayment Amount (HK\$)</b>
1	12 months	50,000,000
2	18 months	160,000,000
3	24 months	160,000,000
4	30 months	160,000,000
5	36 months	160,000,000
6	42 months	160,000,000
7	48 months (final maturity)	850,000,000

There is a clause in the Term Loan that mandatory prepayment in an amount of 90% of the net sales proceeds from Tiffany House (net deduction of direct expenses to be accepted by the lender) or dispositions of any properties or assets of Tiffany House unless otherwise approved by the lender. The remaining sales proceeds from Tiffany House after the repayment shall be deposited into charge accounts, and can only be used for the payment of interest of the Term Loan. The original Term Loan facility was HK\$1,700,000,000, after an aggregate repayment of HK\$838,636,000, the outstanding balance is HK\$861,364,000 which has fulfilled the minimum repayment requirement in the first 36 months. During the year ended 31st December 2025, the Group repaid principal of HK\$196,465,000 and the Term Loan will mature within the next 12 months. The Group intends for an application for restructure of the Term Loan for the unsold units and commercial mall in Tiffany House. According to the loan agreement of the Term Loan, the ratio of the Term Loan to the market value of unsold units of Tiffany House (“LTV”) has to keep at 50% or below. As the LTV of the Term Loan is comparative low, the Group is confident that it will come up to a restructure of the Term Loan with the bank in year 2026.

The Secured Loan is in original currency of New Taiwan Dollar (“NTD”) 342,000,000, secured by investment property in carrying amount of HK\$152,465,000, interest bearing at floating rate of 2-year New Taiwan Dollar deposit at Chungwa Post Co., Ltd plus margin 1.43% per annum (i.e. 3.15% as at 31st December 2025) which will mature on 12th March 2028. During the year ended 31st December 2025, a undertaking letter was signed as requested by the bank and required the Group to repay the Secured Loan by instalments before 13th April 2028. The repayment instalments are NTD12,000,000 (equivalent to HK\$2,986,000) each on 13th December 2025 and 13th April 2026, NTD237,000,000 (equivalent to HK\$58,966,000) on 13th July 2026 and NTD11,500,000 (equivalent to HK\$2,861,000) per quarter from 13th October 2026 until 13th April 2028 for seven quarters. After repayment of NTD12,000,000 on 13th December 2025, the outstanding balance is NTD330,000,000 (equivalent to HK\$82,104,000) as at 31st December 2025.

The Short Term Loan is secured by the Group’s property in carrying amount of HK\$40,600,000 (2024: HK\$42,799,000), personal guarantee provided by Mr. Heung Wah Keung and Ms. Chen Ming Yin Tiffany, being directors and controlling shareholders of the Company, interest bearing at 13.5% per annum, payable monthly and originally matured on 20th November 2025. On 19th November 2025, a supplemental loan agreement was signed for the amendments to increase principal of the Short Term Loan to HK\$170,000,000, interest payable quarterly and to extend its maturity date to 23rd November 2026.

The Director Loan is unsecured, interest bearing at 13.5% per annum and originally matured on 20th November 2025. On 19th November 2025, a supplemental loan agreement was signed to amend the interest payable monthly to quarterly and to extend the maturity date to 23rd November 2026. The source of fund for the Director Loan was same as the Short Term Loan. The repayment of the Director Loan is deferred after the Short Term Loan.

The purpose of the Construction Loan is to finance the construction costs, design and sales expenses of the Property C7. The facility amount of the Construction Loan is HK\$550,000,000, secured by first legal mortgage over the leasehold land and properties to be erected on Property C7 with carrying amount as stock of properties and restricted cash in aggregate amount of HK\$2,115,285,000 (2024: HK\$1,670,860,000) and will mature twenty-eight months after the date of drawdown, i.e. 2nd November 2026. Sales proceeds from Property C7 shall be deposited into charge accounts in a bank and can only be used for the payment of construction costs, marketing expenses and direct expenses of the Property C7. Interest is accrued annually at the rate of 18% per annum and payable upon maturity. On 25th November 2025, a loan agreement was signed to increase the facility amount by HK\$150,000,000 and the loan was drawn as the Additional Loan. The Additional Loan is interest bearing at the rate of 16% per annum, payable upon maturity and will mature on 25th November 2026.

Other short term borrowings are unsecured, interest bearing from 0% to 8% per annum and will mature within six months from date of drawdown.

As at 31st December 2025, the Group had bank and other credit facilities amounted to HK\$2,482,104,000 which were fully utilized. As at 31st December 2025, the gearing ratio calculated as a percentage of total borrowings over equity attributable to owners of the Company was 123% (2024: 79%).

As at the date of approving these annual results and as at 31st December 2025, the fair value of the Group's equity securities listed in Hong Kong held at 31st December 2025 was HK\$7,758,000 and HK\$8,457,000 respectively. During the year ended 31st December 2025, the Group did not acquired or disposed any equity securities listed in Hong Kong. The loss arising on change in fair value of financial assets at fair value through profit and loss of HK\$800,000 was resulted from change in fair values of equity securities listed in Hong Kong between the year ended 31st December 2025 and 31st December 2024. As at 31st December 2025, no single equity security's fair value held by the Group accounted for 5% or more of the total assets of the Group.

During the year ended 31st December 2025, no share options/awards of the Company were outstanding, granted, exercised, lapsed, expired or cancelled.

### **CHARGES OF ASSETS**

As at 31st December 2025, properties, stock of properties and certain bank accounts in aggregate carrying amount of HK\$1,473,899,000 and quota capital of China Star Creative Development Limited, a wholly owned subsidiary of the Company which is engaged in the business of property development and investment has been pledged for banking facilities of HK\$1,700,000,000 granted to the Group; stock of properties and certain bank accounts in aggregate carrying amounts of HK\$2,115,285,000 has been pledged for other credit facilities of HK\$700,000,000 granted to the Group; time deposit in amount of HK\$168,000 has been pledged as guarantee to Macau government for deposits in the development of stock of properties in Macau; the Group's property in carrying amount of HK\$40,600,000 has been pledged for the Short Term Loan facility; and investment property in carrying amount of HK\$152,465,000 has been pledged for the Secured Loan facility.

### **EXCHANGE RISK AND HEDGING**

Majority of the Group's transactions, assets and liabilities are denominated in Hong Kong Dollar, Macau Pataca, United States Dollar, New Taiwan Dollar and Renminbi. The exposure to fluctuation in exchange rates in Renminbi mainly arises from multi-media and entertainment business operations in China and receipts and expenditure incurred in film investment, production and distribution. The Group has closely monitors its exposure to this fluctuation and consider appropriate hedging activities if necessary. The exposure to fluctuation in other currencies is consider to be minimal and no hedge activity is considered necessary.

## **COMMITMENTS**

As at 31st December 2025, outstanding commitments by the Group amounted to HK\$518,422,000, of which HK\$485,106,000 for development expenditure of stock of properties in Macau, HK\$16,046,000 for development expenditure of catering operations in Macau and HK\$17,270,000 for film rights, films in progress and film deposits.

## **CONTINGENT LIABILITIES**

On 18th June 2025, a civil claim was brought by a decoration company (the “Plaintiff”) against China Star Creative Development Limited (“CSCDL”), a wholly-owned subsidiary of the Company, in regard of a renovation project of a restaurant located in Tiffany House for an unsettled renovation costs of MOP10,797,000 and retention of MOP777,000 and interest for overdue payment of MOP1,354,000. On 10th July 2025, the Plaintiff and CSCDL entered into a settlement agreement pursuant to which CSCDL agreed to settle MOP4,000,000 on the date of the settlement agreement and the balance of MOP7,574,000 (the “Balancing Claim”) before 31st December 2025 (excluding overdue interest). The case was closed upon settlement of the Balancing Claim.

As at 31st December 2025, the Group had no material contingent liability.

## **SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITIONS AND DISPOSALS**

There were no significant investments, material acquisitions or disposals during the year.

## **EMPLOYEES AND REMUNERATION POLICY**

As at 31st December 2025, the Group employed 149 staff (2024: 237 staff) with employee benefit expenses (included directors’ remuneration) of HK\$83,841,000 (2024: HK\$90,799,000), of which HK\$67,123,000 (2024: HK\$62,178,000) classified as administrative expenses and HK\$16,718,000 (2024: HK\$28,621,000) classified as marketing, selling and distribution expenses, an overall decrease of 8%. The decrease mainly included decrease in headcount who are responsible for private label products in multi-media and entertainment business operations in China which the Group has repositioned to high end healthy products that required less manpower. The directors believe that the quality of its employees is the single most important factor in sustaining the Group’s reputation and improving its profitability. The staff are remunerated based on their work performance, professional experience and prevailing industry practices. Apart from basic salaries, pension fund, housing allowances, meal allowances, medical schemes and discretionary bonuses, share options and share awards are awarded to certain staff according to the assessment of individual performance.

## **EVENT AFTER THE REPORTING DATE**

There is no significant event took place subsequent to end of the reporting date.

## **PROSPECT**

Macau's property market embraces a steady and healthy prosperity driven by supportive policies, economic recovery and regional integration in the beginning of year 2026. Favorable housing policies ease purchase burdens and effectively activate market demand, bringing vitality back to both primary and secondary residential markets. The continuous recovery of tourism and gaming industries boosts overall market confidence, while abundant liquidity provides solid financial support for real estate transactions. Prime residential projects, like the Property C7 and Tiffany House in core areas are expected to perform prominently with stable prices and active transactions. Deepened cooperation between Macau and the Greater Bay Area further unlocks long-term development potential, attracting talents and capital continuously. Upon obtaining the occupation permit of the Property C7 by mid-year 2026, the Group will recognize corresponding cash inflows, which will significantly improve the Group's cash flow position. The Group will keep its tactical pricing initiative to support the Group's objective of maintaining healthy operational flexibility and sustainable business development amid prevailing market headwinds.

In year 2026, the global multi-media and entertainment business operation industry will enter a stable, mature and rational development stage. With the gradual improvement of industry regulations, the popularization of digital content and the steady application of intelligent technology, multi-media and entertainment business operations expect to maintain moderate growth and sound operation instead of radical expansion. The Group expects live-streaming e-commerce will have stable growth as supported by standardized content creation and professional operation with the application of artificial intelligence tools in improving operational efficiency. The Group will fully deploy artificial intelligence technologies in its e-commerce business to enhance operational efficiency, optimize user experience, and drive sustainable business growth. As the public pays increasing attention to health and the average life expectancy continues to rise, the Group believes that the development of high-value health products boasts long-term development value and market potential, which will be one of the key directions for the Group's future business development of its private label products.

Given the promising outlook of the short drama market and our extensive experience and network in the film industry, the Group plans to launch its short drama in the second half of the year. For content development, the Group will adhere to elements of Hong Kong style movie with refinement and differentiation strategy, aiming to foster new profit growth drivers and contribute to the Group's future development.

Looking forward, the Group will continue to grasp favorable opportunities brought by existing business operations and will strive to achieve high quality development and successfully monetizing the value of its Macau properties.

## **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 during the year ended 31st December 2025.

## **COMPLIANCE WITH THE CORPORATE GOVERNANCE**

The Company is committed to maintain a high standard of corporate governance. The Company has complied with all the code provisions set out in Appendix C1 to the Listing Rules for the year ended 31st December 2025.

## **AUDIT COMMITTEE AND REVIEW OF ACCOUNTS**

As at the date of this announcement, the audit committee of the Company comprises Messrs. Hung Cho Sing, Ho Wai Chi, Paul and Tai Kwok Leung, Alexander, all being independent non-executive directors. Mr. Ho Wai Chi, Paul is the chairman of the audit committee.

The audit committee of the Company has reviewed with the management the accounting principles and practices adopted by the Group and discussed auditing, internal control, risk management and financial reporting matters including the review of the Group's consolidated financial statements for the year ended 31st December 2025.

## **ADOPTION OF THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS**

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuer (the "Model Code") as set out in Appendix C3 to the Listing Rules for securities transactions by directors of the Company. All directors of the Company have confirmed, following specific enquiry by the Company, that they have complied with the required standard set out in the Model Code throughout the year ended 31st December 2025. The Model Code also applies to other specified senior management of the Group.

## **SCOPE OF WORK OF AUDITORS**

The figures in respect of the Group's consolidated results for the year ended 31st December 2025 as set out in this announcement have been agreed by the Company's auditor, HLB Hodgson Impey Cheng Limited, to the amounts set out in the Company's audited consolidated financial statements for the year ended 31st December 2025. The work performed by HLB Hodgson Impey Cheng Limited in this respect did not constitute an assurance engagement performed in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no opinion or assurance conclusion has been expressed by HLB Hodgson Impey Cheng Limited on this announcement.

## **PUBLICATION OF ANNUAL REPORT**

The Company's 2025 annual report will be despatched to the shareholders of the Company on or before 30th April 2026 and will be published on the website of Stock ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company's website ([www.chinastar.com.hk](http://www.chinastar.com.hk) or [www.irasia.com/listco/hk/chinastar](http://www.irasia.com/listco/hk/chinastar)).

By Order of the Board  
**China Star Entertainment Limited**  
**Heung Wah Keung**  
*Chairman*

Hong Kong, 30th March 2026

*As at the date of this announcement, the executive directors of the Company are Mr. Heung Wah Keung, Ms. Chen Ming Yin, Tiffany and Ms. Li Yuk Sheung; the independent non-executive directors of the Company are Mr. Hung Cho Sing, Mr. Ho Wai Chi, Paul and Mr. Tai Kwok Leung, Alexander.*