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Zengame Technology Holding Limited
禪遊科技控股有限公司

(incorporated in the Cayman Islands with limited liability)
(Stock Code: 2660)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2026

The board of directors of Zengame Technology Holding Limited is pleased to announce the interim results and the interim condensed consolidated financial statements of the Company and its subsidiaries for the six months ended 30 June 2026, together with the comparative figures for the six months ended 30 June 2025. These interim results have been reviewed by Ernst & Young, the auditor of the Company, in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" and by the Audit Committee.

FINANCIAL HIGHLIGHTS

	For the six months ended 30 June		Year-on-Year
	2026	2025	Change*
	(RMB'000)	*(RMB'000)*	%
	(Unaudited)	(Unaudited)	
Revenue	**804,471**	709,141	13.4
Gross profit	**425,743**	364,065	16.9
Gross profit margin (%)	**52.9**	51.3	—
Profit for the period	**168,597**	182,763	(7.8)
Net profit margin (%)	**21.0**	25.8	—
Non-HKFRS adjusted net profit**	**175,219**	204,900	(14.5)
Earnings per Share (expressed in RMB per Share)	**0.17**	0.18	(5.6)

* Year-on-Year Change % represents a comparison between the current reporting period and the corresponding period of last year.

** Non-HKFRS adjusted net profit was derived from the unaudited profit for the period excluding Share-based compensation.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

In the first half of 2026, the Company focused on the iteration and enhancement of its card and board games and casual game products, continuously improving product quality and user experience. Through refined operations of the Group's flagship games, it further consolidated the foundation for the steady development of its innovative domestic card and board games. The Group's evergreen games continued to deliver solid performance, while its overseas business also achieved phased progress through the continuous refinement of its overseas game products. In addition, the Group further explored the deep integration of artificial intelligence ("**AI**") with its business and continued to deepen the deployment and application of AI technologies across the entire process of game research and development, operations and user management, thereby enhancing product quality and operational efficiency.

Further consolidating the competitive advantages of our flagship products through continued gameplay iteration and upgrades. The Group's flagship game, "Fingertip Sichuan Mahjong" (指尖四川麻將), continued to maintain its leading position in the card and board game sector, ranking among the top-grossing iOS board games in China and providing stable contributions to the Group's revenue and profit. During the six months ended 30 June 2026, the Group continued to implement its strategy of gameplay iteration and upgrades and successively completed two major feature updates, namely "Kung Fu Mahjong — Qi Gathering Impact" (功夫麻將 — 聚氣衝擊) and "Kung Fu Mahjong — Potential" (功夫麻將 — 潛能). The Group also comprehensively upgraded the visual effects for scoring combinations during gameplay. By enriching gameplay mechanisms and optimizing the visual experience during matches, the Group significantly enhanced user stickiness. On the operations front, the Group continued to roll out a series of themed events in line with its annual operating schedule, including events for the Chinese New Year, April-themed events, Labour Day and the summer period, thereby continuously reactivating existing users and supporting the stable long-term operation of the product.

Continuous content iteration and performance optimization of "Fishing Master", with phased progress achieved in overseas markets. During the first half of 2026, the Group's other core game, Fishing Master (捕魚神手), continued to optimize game performance and underwent multiple rounds of content iteration based on player needs and with a view to further enhancing game quality. The Group launched an optimized high-reward combat version, iterated the deep-sea scenes and BOSS fish gameplay, and adjusted and upgraded the selection of divine generals, props and cannons. The Group also optimized visual presentation and device compatibility, thereby enhancing the overall user experience in various aspects. In respect of the Group's overseas business, during the six months ended 30 June 2026, the revenue generated from two of the Group's self-developed games, "Jackpot Dreams" and "Jackpot Crazy", recorded a certain degree of growth. Leveraging the continuously enhanced product capabilities of the Group's overseas games and a diversified matrix of operational activities, the Group continued to roll out distinctive festival-themed events and accelerated the pace of updates and iterations of in-game machine content. User activity, paying-user conversion and rankings on the iOS casino top-grossing chart in the United States all improved.

Deepening the application of AI technologies to enhance business efficiency across multiple dimensions. In recent years, the Group has continued to increase the application of AI technologies and promote its deeper integration into various business scenarios. During the six months ended 30 June 2026, AI maintained a high level of participation across business processes including research and development and algorithms. On the one hand, the Company leveraged AI tools to connect the entire game production process and enhance internal operating efficiency. Through cross-project collaboration, the Group established an integrated production system for game art resources, effectively accelerating the production of art assets. On the other hand, the Company continued to iterate its self-developed distributed reinforcement learning framework, achieving a tenfold improvement in inference efficiency and a threefold improvement in training efficiency. Based on this technological foundation, the Company established an automated numerical evaluation and intelligent optimization system and implemented a user churn prediction model to facilitate refined user operations. Through the practical application of the above AI technologies, the Company further enhanced the turnaround efficiency of game production, its numerical balancing and adjustment capabilities, and its refined user operation capabilities, thereby establishing a solid technological foundation for the long-term operation and continuous quality enhancement of its products.

The following table sets forth the key operational highlights of the Group for the periods/year indicated:

	For the six months ended 30 June		For the year ended 31 December
	2026	2025	2025
	('000)	*('000)*	*('000)*
MAU	**18,332**	20,756	19,927
DAU	**3,400**	3,814	3,701
MPU (Virtual items)	**461**	450	460
ARPPU of virtual items *(RMB)*	**276**	253	272

As at 30 June 2026, the Group operated 53 games, comprising 48 self-developed games and five third-party games, of which 42 were board and card games and 11 were casual games. The Group's ARPPU for virtual items increased from approximately RMB253 for the six months ended 30 June 2025 to approximately RMB276 for the six months ended 30 June 2026.

From a regulatory perspective, the Company has consistently complied with applicable industry policies and regulatory requirements and places strong emphasis on compliance management in game operations. Through the continuous enhancement of the Group's internal content compliance and risk-control systems and the implementation of various compliance measures, the Group strives to safeguard user rights and strictly mitigate operational risks. The Company has established and rigorously enforced comprehensive management policies and system settings in areas including user real-name authentication, protection of user rights and interests, personal data and privacy protection, protection of minors, anti-addiction measures and consumption limits. The Group remains committed to providing users with a clean, healthy and responsible gaming environment.

FUTURE PROSPECTS

In the second half of 2026, the Group will mainly focus on the following strategies to expand its business and growth:

1. Continue to pursue a strategy of developing innovative, high-quality games, with frequent iterations and optimizations to support long-term operations;

2. Further strengthen the Group's presence in the domestic market, consolidate its leading position in the card and board game sector, and continuously enhance user experience;

3. Continue to expand the Group's presence in overseas markets, with a view to increasing the Group's overseas market share; and

4. Increase investment in AI technologies, cultivate more outstanding talent in the AI field, and capture innovation opportunities arising in the AI era.

FINANCIAL REVIEW

Revenue

For the six months ended 30 June 2026, the Group operated self-developed games and third-party games. All of the games used a Free-to-Play model, and the Group generated revenue through the sales of virtual items and in-game information service.

Sales proceeds of virtual items were initially recorded as contract liabilities on the Group's interim condensed consolidated statement of financial position and were then recognized as revenue in accordance with the Group's revenue recognition policies. Revenue collected from the paying players of third-party games and the in-game information service are shared between the Group and the third-party game developers and platforms based on a pre-determined rate in accordance with the relevant agreements. The revenue generated from the sale of virtual items from third-party games and the in-game information service are both recognized on a net basis when the relevant services are provided.

The following table sets forth a breakdown of the Group's revenue by business model for the periods indicated:

	For the six months ended 30 June				Year-on-Year Change
	2026		2025		
	RMB'000	***%***	*RMB'000*	*%*	*%*
	(Unaudited)		(Unaudited)		
Sales of virtual items	**769,697**	**95.7**	676,048	95.3	13.9
— Self-developed games	**769,223**	**95.6**	673,282	94.9	14.2
— Third-party games	**474**	**0.1**	2,766	0.4	(82.9)
In-game information service	**34,774**	**4.3**	33,093	4.7	5.1
Total	**804,471**	**100.0**	709,141	100.0	13.4

The following table sets forth a breakdown of the Group's revenue by game category for the periods indicated:

	For the six months ended 30 June				Year-on-Year Change
	2026		2025		
	RMB'000	**%**	*RMB'000*	%	%
	(Unaudited)		(Unaudited)		
Board and card games	**681,950**	**84.8**	606,316	85.5	12.5
Casual and other games	**122,521**	**15.2**	102,825	14.2	19.2
Total	**804,471**	**100.0**	709,141	100.0	13.4

For the six months ended 30 June 2026, the Group's total revenue was approximately RMB804.5 million, representing an increase of approximately 13.4% as compared with approximately RMB709.1 million for the six months ended 30 June 2025. This increase was primarily due to an increase in the number of paying users of card and board games and an increase in ARPPU. The Group's revenue derived from the sales of virtue items increased by 13.9% from approximately RMB676.0 million for the six months ended 30 June 2025 to approximately RMB769.7 million for the six months ended 30 June 2026. The Group's revenue derived from in-game information service increased by 5.1% from approximately RMB33.1 million for the six months ended 30 June 2025 to approximately RMB34.8 million for the six months ended 30 June 2026. The increase in revenue from casual and other games was primarily attributable to the combined effect of a decrease in revenue from fishing games and an increase in revenue from overseas games.

Cost of Sales

The following table sets forth a breakdown of the Group's cost of sales by nature for the periods indicated:

	For the six months ended 30 June		Year-on-Year Change
	2026	2025	
	(RMB'000)	*(RMB'000)*	%
	(Unaudited)	(Unaudited)	
Channel costs	**184,066**	165,187	11.4
Information service costs	**132,707**	111,937	18.6
New media costs	**52,072**	59,676	(12.7)
Others	**9,883**	8,276	19.4
Total	**378,728**	345,076	9.8

The cost of sales increased by 9.8% from approximately RMB345.1 million for the six months ended 30 June 2025 to approximately RMB378.7 million for the six months ended 30 June 2026. The increase in the cost of sales was mainly attributable to an increase in channel costs and information service costs in line with the growth in revenue.

Gross Profit and Gross Profit Margin

Gross profit increased by 16.9% from approximately RMB364.1 million for the six months ended 30 June 2025 to approximately RMB425.7 million for the six months ended 30 June 2026. The gross profit margin increased from 51.3% for the six months ended 30 June 2025 to 52.9% for the six months ended 30 June 2026.

The following table sets forth the Group's gross profit and gross profit margin by business model for the periods indicated:

	For the six months ended 30 June			
	2026		2025	
	Gross Profit	**Gross Profit Margin**	Gross Profit	Gross Profit Margin
	RMB'000	**%**	*RMB'000*	%
	(Unaudited)		(Unaudited)	
Sales of virtual items	**397,401**	**51.6**	335,476	49.6
— Self-developed games	**396,927**	**51.6**	332,710	49.4
— Third-party games	**474**	**100.0**	2,766	100.0
In-game information service	**28,342**	**81.5**	28,589	86.4
Total	**425,743**	**52.9**	364,065	51.3

Other Income

Other income decreased by 29.2% from approximately RMB56.9 million for the six months ended 30 June 2025 to approximately RMB40.3 million for the six months ended 30 June 2026. The decrease was primarily due to a decrease in foreign exchange gains, wealth management income and bank interest income.

Selling and Distribution Expenses

Selling and distribution expenses increased by 64.9% from approximately RMB73.0 million for the six months ended 30 June 2025 to approximately RMB120.4 million for the six months ended 30 June 2026. This increase was primarily attributable to an increase in advertising and promotion expenses.

Administrative Expenses

Administrative expenses decreased by 5.4% from approximately RMB51.6 million for the six months ended 30 June 2025 to approximately RMB48.8 million for the six months ended 30 June 2026. This decrease was primarily due to a decrease in office expenses and share-based payments.

Research and Development Expenses

Research and development expenses decreased by 14.4% from approximately RMB66.3 million for the six months ended 30 June 2025 to approximately RMB56.8 million for the six months ended 30 June 2026. The decrease was primarily due to a decrease in salary expenses for research and development personnel and share-based payments.

Other Expenses and Impairment Losses

Other expenses and impairment losses increased from approximately RMB2.6 million for the six months ended 30 June 2025 to approximately RMB29.0 million for the six months ended 30 June 2026. The increase was primarily due to the recognition of impairment losses on the Group's investments in two associates of approximately RMB18.3 million, as well as expected credit losses recognised on certain amounts due from a associate of approximately RMB5.3 million and certain business-related prepayments of approximately RMB4.7 million. During the six months ended 30 June 2026, the development progress and business performance of the two associates were below expectations. Based on the Group's assessment of the recoverability of the carrying amounts of such investments and following the principle of prudence, the Group recognised impairment losses on the remaining carrying amounts of such investments in full during the period.

Finance Costs

Finance costs decreased by 21.2% from approximately RMB0.5 million for the six months ended 30 June 2025 to RMB0.4 million for the six months ended 30 June 2026. The decrease was primarily due to a decrease in office lease liabilities.

Income Tax Expense

The income tax expense increased by 1.8% from approximately RMB41.0 million for the six months ended 30 June 2025 to approximately RMB41.8 million for the six months ended 30 June 2026.

Profit for the six months ended 30 June 2026

As a result of the above factors, the net profit of the Group was approximately RMB168.6 million for the six months ended 30 June 2026, representing a decrease of approximately 7.8% as compared with RMB182.8 million for the six months ended 30 June 2025. This decrease was mainly attributable to the increase in selling and distribution expenses and income tax expense.

Non-HKFRS Measures — Adjusted Net Profit

The adjusted net profit for the six months ended 30 June 2026, adjusted by excluding the Share-based compensation, was approximately RMB175.2 million, decreasing by 14.5% as compared to approximately RMB204.9 million for the six months ended 30 June 2025.

The following table sets out the adjusted net profit and the calculation process based on non-HKFRS for the periods indicated:

	For the six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Profit for the period	**168,597**	182,763
Add:		
Share-based compensation	**6,622**	22,137
Adjusted net profit	**175,219**	204,900

Liquidity and Capital Resources

As at 30 June 2026, the Group's total cash and time deposits with original maturity of over three months amounted to approximately RMB1.54 billion, which was broadly flat compared to approximately RMB1.5 billion as at 31 December 2025. The Group's cash and cash equivalents decreased from approximately RMB618.6 million as at 31 December 2025 to approximately RMB586.4 million as at 30 June 2026. The decrease in cash and cash equivalents was mainly attributable to the reallocation of a portion of the Group's funds to time deposits with maturities of less than one year and the purchase of low-risk, liquid wealth management products.

As at 30 June 2026, current assets of the Group amounted to approximately RMB2.65 billion, primarily consisting of financial assets held for trading of approximately RMB946.6 million and time deposits with a maturity of over three months of approximately RMB948.8 million. Current liabilities of the Group amounted to approximately RMB168.0 million, primarily consisting of contract liabilities of approximately RMB71.2 million and other payables and accruals of approximately RMB50.7 million. As at 30 June 2026, the current ratio (the current assets to current liabilities ratio) of the Group was 15.8, as compared with 11.9 as at 31 December 2025.

As at 30 June 2026, the Group had no borrowings (31 December 2025: RMB0.3 million short-term borrowings). The gearing ratio is calculated by dividing total debt (being interest-bearing bank borrowings) by total equity. As at 30 June 2026, the gearing ratio was nil (31 December 2025: 0.01%).

Capital Expenditures

For the six months ended 30 June 2026, the capital expenditures of the Group amounted to approximately RMB1.0 million, which were primarily used for investments.

Contingent Liabilities

The Group had no material contingent liabilities as at 30 June 2026.

Pledge of Assets

As at 30 June 2026, the Group did not pledge any assets.

Future Plan for Material Investments and Capital Assets

The Group did not have other plans for material investments and capital assets.

Significant Investments, Acquisitions and Disposals

Save as disclosed in this announcement, there were no significant investments held, no material acquisitions or disposals of subsidiaries, associates and joint ventures, nor was there any plan authorized by the Board for other material investments or additions of capital assets during the six months ended 30 June 2026.

Foreign Exchange Risk Management

The functional currency of the Group is RMB. The majority of the Group's revenue and expenditures are denominated in RMB. The Group also has certain cash and bank balances denominated in United States dollars and Hong Kong dollars, which would expose the Group to foreign exchange risk. The Group currently does not have any foreign currency hedging policies. The management will continue to monitor the Group's foreign exchange risk exposure and consider adopting prudent measures as appropriate.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2026

	Notes	2026 RMB'000 (Unaudited)	2025 RMB'000 (Unaudited)
REVENUE	4	**804,471**	709,141
Cost of sales		**(378,728)**	(345,076)
Gross profit		**425,743**	364,065
Other income and gains		**40,269**	56,898
Selling and distribution expenses		**(120,376)**	(73,016)
Administrative expenses		**(48,790)**	(51,587)
Research and development costs		**(56,773)**	(66,347)
Other expenses		**(19,013)**	(2,521)
Impairment losses on financial and contract assets		**(10,036)**	(71)
Finance costs		**(420)**	(533)
Share of profits and losses of:			
Joint ventures		**154**	(85)
Associates		**(408)**	(3,019)
PROFIT BEFORE TAX	5	**210,350**	223,784
Income tax expense	6	**(41,753)**	(41,021)
PROFIT FOR THE PERIOD		**168,597**	182,763
Attributable to:			
Owners of the parent		**168,597**	182,763
EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT			
Basic		**RMB16.62 cents**	RMB18.12 cents
Diluted		**RMB16.43 cents**	RMB17.86 cents

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2026

	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
PROFIT FOR THE PERIOD	**168,597**	182,763
OTHER COMPREHENSIVE INCOME		
Other comprehensive income that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	**(51,995)**	(18,264)
Net other comprehensive income to be reclassified to profit or loss in subsequent periods	**(51,995)**	(18,264)
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods		
Change in fair value of equity investments designated at fair value through other comprehensive income, net of tax:	**(5,037)**	326
OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX	**(57,032)**	(17,938)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**111,595**	164,825
Attributable to:		
Owners of the parent	**111,595**	164,825

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 June 2026

	Notes	**As at 30 June 2026** *RMB'000* **(Unaudited)**	As at 31 December 2025 *RMB'000* (Audited)
NON-CURRENT ASSETS			
Property and equipment		**25,300**	28,507
Right-of-use asset		**15,673**	17,237
Intangible assets		**1,722**	581
Investments in associates		**8,680**	27,417
Investments in joint ventures		**2,591**	2,437
Equity investments designated at fair value through other comprehensive income		**12,602**	18,901
Long-term prepayments, deposits and other receivables		**6,664**	7,026
Deferred tax assets		**9,651**	5,575
Time deposits		**—**	249,850
Total non-current assets		**82,883**	357,531
CURRENT ASSETS			
Trade receivables	*9*	**122,884**	129,464
Contract costs		**19,973**	23,105
Financial assets at fair value through profit or loss	*10*	**946,557**	792,298
Prepayments, deposits and other receivables		**28,898**	48,845
Time deposits with original maturity of over three months		**948,812**	870,258
Cash and cash equivalents		**586,423**	618,646
Total current assets		**2,653,547**	2,482,616

	Notes	As at 30 June 2026 RMB'000 (Unaudited)	As at 31 December 2025 RMB'000 (Audited)
CURRENT LIABILITIES			
Trade payables	*11*	**22,490**	16,212
Contract liabilities		**71,242**	82,474
Other payables and accruals		**50,697**	81,438
Interest-bearing bank borrowings		**—**	300
Lease liabilities		**6,074**	5,786
Tax payable		**17,502**	21,678
Total current liabilities		**168,005**	207,888
NET CURRENT ASSETS		**2,485,542**	2,274,728
TOTAL ASSETS LESS CURRENT LIABILITIES		**2,568,425**	2,632,259
NON-CURRENT LIABILITIES			
Lease liabilities		**10,994**	12,732
Deferred tax liabilities		**27,290**	29,171
Deferred income		**8,641**	8,868
Total non-current liabilities		**46,925**	50,771
Net assets		**2,521,500**	2,581,488
EQUITY			
Equity attributable to owners of the parent			
Share capital	*12*	**9,122**	9,111
Treasury shares		**(20,054)**	(20,054)
Reserves		**2,532,432**	2,592,431
Total equity		**2,521,500**	2,581,488

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2026

1. BASIS OF PREPARATION

The interim condensed consolidated financial information for the six months ended 30 June 2026 has been prepared in accordance with HKAS 34 *Interim Financial Reporting*. The interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2025.

2. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those applied in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2025, except for the adoption of the following amended HKFRS Accounting Standards for the first time for the current period's financial information.

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

The nature and impact of the amended HKFRS Accounting Standards are described below:

(a) Amendments to HKFRS 9 and HKFRS 7 Amendments to the Classification and Measurement of Financial Instruments clarify that a financial asset is derecognised when the entity's rights to the contractual cash flows expire or are transferred, while a financial liability is derecognised on the settlement date. The amendments introduce an accounting policy option to derecognise a financial liability that is settled through an electronic payment system before the settlement date if specified criteria are met. The amendments clarify how to assess the contractual cash flow characteristics of financial assets with environmental, social and governance and other similar contingent features. Moreover, the amendments clarify the requirements for classifying financial assets with non-recourse features and contractually linked instruments. The amendments also include additional disclosures for investments in equity instruments designated at fair value through other comprehensive income and financial instruments with contingent features. Since the Group's accounting policy for the derecognition of financial assets and liabilities in prior years aligned with the amendments and the Group did not have the financial assets that were addressed by the amendments, the amendments did not have any impact on the interim condensed consolidated financial information. The Group will provide additional disclosures for its equity investments designated at fair value through other comprehensive income in the Group's consolidated financial statements for the year ending 31 December 2026.

(b) Amendments to HKFRS 9 and HKFRS 7 Contracts Referencing Nature-dependent Electricity clarify the application of the "own-use" requirements for in-scope contracts and amend the designation requirements for a hedged item in a cash flow hedging relationship for in-scope contracts. The amendments also include additional disclosures that enable users of financial statements to understand the effects these contracts have on an entity's financial performance and future cash flows. As the Group did not have any contracts that are in the scope of the amendments, the amendments did not have any impact on the interim condensed consolidated financial information.

(c) Annual Improvements to HKFRS Accounting Standards — Volume 11 set out narrow scope amendments to HKFRS 1, HKFRS 7 (and the accompanying Guidance on implementing HKFRS 7), HKFRS 9, HKFRS 10 and HKAS 7. The amendments include clarifications, simplifications, corrections or changes to improve consistency in the corresponding HKFRS Accounting Standards. The amendments did not have any impact on the interim condensed consolidated financial information.

3. OPERATING SEGMENT INFORMATION

The Group is principally engaged in developing and operating mobile games.

HKFRS 8 *Operating Segments* requires operating segments to be identified on the basis of internal reporting about components of the Group that are regularly reviewed by the chief operating decision-maker in order to allocate resources to segments and to assess their performance. The information reported to the directors of the Company, who are the chief operating decision-makers, for the purpose of resource allocation and assessment of performance does not contain discrete operating segment financial information and the directors reviewed the financial results of the Group as a whole. Therefore, no further information about the operating segment is presented.

Geographical information

During the reporting periods, the Group operated within one geographical segment because most of its revenue was generated in the Chinese mainland and most of its long-term assets/capital expenditure were located/incurred in the Chinese mainland. Accordingly, no geographical segment information is presented.

Information about major customers

There is no individual customer with revenue individually account for 10% or more of the Group's revenue for the six months ended 30 June 2026 (none for 30 June 2025).

4. REVENUE

Revenue from contracts with customers

(a) Disaggregated revenue information

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Revenue:		
Types of goods or services		
Self-developed games	**769,223**	673,282
Third-party games	**474**	2,766
In-game information service	**34,774**	33,093
Total	**804,471**	709,141
Timing of revenue recognition		
Services transferred at a point in time	**35,248**	35,859
Services transferred over time	**769,223**	673,282
Total	**804,471**	709,141

The following table shows the amounts of revenue recognised in the current reporting period that was included in the contract liabilities at the beginning of the reporting period and recognised from performance obligations satisfied in previous periods:

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Revenue recognised that was included in contract liabilities at the beginning of the reporting period:		
Self-developed games	**82,474**	69,341

(b) Performance obligations

Information about the Group's performance obligations is summarised below:

Virtual items in self-developed games

The performance obligation of the operation of self-developed games is satisfied over the estimated average playing period ("**Player Relation Period**") of the Players purchased the Group's in-game virtual items ("**Paying Player**") as the customer simultaneously receives and consumes in-game virtual items provided by the entity's performance as the entity performs.

The distribution platforms collect the payment from the Paying Players and remit the cash to the Group net of commission charges which are pre-determined according to the relevant terms of the agreements entered into between the Group and distribution platforms or third-party payment vendors. The payment is generally due within 30 to 90 days from the date of collecting the payment from the Paying Players.

Publishing service for third party games

The performance obligation is recognised at a point in time when the third-party game's developer receives publishing services provided by the entity. The payment is generally due within 30 to 90 days from the date of billing.

In-game information service

The performance obligation is recognised at a point in time when the advertisements placed by third-party platforms are displayed in the game interface. The payment is generally due within 30 to 90 days from the date of billing.

The amounts of transaction prices allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 30 June 2026 and 31 December 2025 are as follows:

	As at 30 June 2026	As at 31 December 2025
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Within one year	**71,242**	82,474

All the amounts of transaction prices allocated to the remaining performance obligations are expected to be recognised as revenue within one year. The amounts disclosed above do not include variable consideration which is constrained.

5. PROFIT BEFORE TAX

The Group's profit before tax from continuing operations is arrived at after charging:

		Six months ended 30 June	
		2026	2025
	Note	***RMB'000***	*RMB'000*
		(Unaudited)	(Unaudited)
Services fee charged by distribution platforms and payment vendors		**184,066**	165,187
Information service costs		**132,707**	111,937
New media costs		**52,072**	59,676
Promotion expenses (excluding employee benefit expense)		**104,577**	48,166
Depreciation of property and equipment	*10*	**3,075**	2,825
Depreciation of right-of-use assets		**2,135**	3,355
Amortisation of intangible assets		**559**	275
Research and development costs (excluding employee benefit expense)		**1,255**	2,218
Employee benefit expense (excluding directors' and chief executive's remuneration):			
Wages and salaries		**92,886**	96,807
Pension scheme contributions (defined contribution scheme)		**3,188**	3,123
Equity-settled share-based payment expenses		**1,695**	11,448
Subtotal		**97,769**	111,378
Foreign exchange differences, net		**(153)**	(6,032)

		Six months ended 30 June	
		2026	2025
	Note	***RMB'000***	*RMB'000*
		(Unaudited)	(Unaudited)
Impairment losses on financial and contract assets:			
Impairment of trade receivables		**37**	71
Impairment of financial assets included in prepayments, other receivables and other assets		**9,999**	—
Subtotal		**10,036**	71
Impairment of investments in associates		**18,328**	—

6. INCOME TAX

The Group is subject to income tax on an entity basis on profit arising in or derived from the jurisdictions in which members of the Group are domiciled and operated.

The Company was incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law of the Cayman Islands and accordingly is not subject to income tax.

The Group's subsidiary Shenzhen Zen-Game Technology Co. Ltd. (hereafter, "**Zen-Game Shenzhen**") was registered in the Shenzhen-Hong Kong modern service industry cooperation zone in Qianhai, Shenzhen. According to the applicable regulations promulgated by the State Council and relevant authorities, the applicable tax rate for Zen-Game Shenzhen was 15% for the six months ended 30 June 2026.

The Group's subsidiary Shenzhen Tiantianlaiwan Technology Co., Ltd. (hereafter, "**Tiantianlaiwan**") was qualified as "High and New Technology Enterprises" under the Chinese mainland Corporate Income Tax ("**CIT**") Law in year 2025. This qualification is subject to review by the Industry and Information Technology Bureau of Shenzhen every three years. The Company's applicable tax rate was 15% for the six months ended 30 June 2026.

The Group's subsidiary Hainan Tiantianlaiwan Technology Co., Ltd. (hereafter, "**Hainan Tiantianlaiwan**") was established in the Hainan Free Trade Port. According to the applicable regulations promulgated by the State Council and relevant authorities, the applicable tax rate for Hainan Tiantianlaiwan was 15% for the six months ended 30 June 2026.

The Group's subsidiary Shenzhen Metaverse Technology Co., Ltd. (hereafter, "**Metaverse**") was qualified as "High and New Technology Enterprises" under the Chinese mainland CIT Law since year 2023. This qualification is subject to review by the Industry and Information Technology Bureau of Shenzhen every three years. The Company expected the applicable tax rate to be 15% for the six months ended 30 June 2026.

Pursuant to the CIT Law and the respective regulations, the other Chinese mainland subsidiaries are subject to income tax at a statutory rate of 25% for the reporting periods.

Hong Kong profits tax has been provided at the rate of 16.5% on the Group's assembled profits derived from Hong Kong. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries in which the Group operates.

The major components of the income tax expense for the period are as follows:

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Current tax		
Charge for the period	**46,448**	49,352
Deferred tax	**(4,695)**	(8,331)
Total tax charge for the period	**41,753**	41,021

7. DIVIDENDS

	Six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
2026 interim dividend — Nil (2025: HK$0.20 per ordinary share)	**—**	206,767

8. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of basic earnings per share is based on the profit for the period attributable to ordinary equity holders of the parent, and the weighted average number of ordinary shares in issue during the six months ended 30 June 2026 and 2025.

The calculation of the diluted earnings per share amounts is based on the profit for the period attributable to ordinary equity holders of the parent. The weighted average number of ordinary shares used in the calculation is the number of ordinary shares in issue during the period, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed conversion of all dilutive potential ordinary shares into ordinary shares.

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

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Earnings		
Profit attributable to ordinary equity holders of the Company, used in the basic and diluted earnings per share calculation	**168,597**	182,763
Shares		
Weighted average number of ordinary shares outstanding during the period used in the basic earnings per share calculation	**1,014,636,759***	1,008,521,586*
Effect of dilution — weighted average number of ordinary shares:		
Share Option Scheme	**2,187,332**	2,646,241
Share Award Scheme	**9,619,883**	12,291,062
	1,026,443,974	1,023,458,889

* The weighted average number of shares was after taking into account the effect of treasury shares held.

9. TRADE RECEIVABLES

The Group's trade receivables primarily consist of those due from third-party distribution platforms and payment vendors who collect payment from the paying players on behalf of the Group. The Group seeks to maintain strict control over its outstanding receivables to minimize credit risk. Overdue balances are reviewed regularly by senior management. The Group does not hold any collateral or other credit enhancements over its trade receivable balances. Trade receivables are non-interest-bearing and are generally on terms within 90 days.

An ageing analysis of the trade receivables as at the end of each of the reporting periods, based on the recognition date of gross trade receivables and net of loss allowance, is as follows:

	As at 30 June 2026	As at 31 December 2025
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Within 90 days	**122,261**	128,858
91 to 180 days	**116**	180
181 days to 1 year	**165**	184
Over 1 year	**342**	242
Total	**122,884**	129,464

10. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	As at 30 June 2026	As at 31 December 2025
	RMB'000	*RMB'000*
	(Unaudited)	(Audited)
Wealth management products issued by licensed banks, at fair value	**927,675**	784,865
Listed equity investments, at fair value	**18,882**	7,433
	946,557	792,298

Wealth management products were denominated in RMB, with an expected rate of return ranging from 1.00% to 4.00% and 1.00% to 5.00% per annum for the six months ended 30 June 2026 and year ended 31 December 2025, respectively. The return on all of these wealth management products is not guaranteed, and hence their contractual cash flows do not qualify for solely payments of principal and interest. Therefore, they are measured at fair value through profit or loss. None of these investments are past due. The fair values are based on cash flows discounted using the expected return based on management judgement and are categorised within Level 2 of the fair value hierarchy.

11. TRADE PAYABLES

An ageing analysis of the trade payables as at the end of each of the reporting periods, based on the transaction date, is as follows:

	As at 30 June 2026 *RMB'000* **(Unaudited)**	As at 31 December 2025 *RMB'000* (Audited)
Within 3 months	**22,359**	16,072
3 to 6 months	**1**	5
6 months to 1 year	**6**	—
Over 1 year	**124**	135
Total	**22,490**	16,212

The trade payables are non-interest-bearing and are normally settled on 180-day terms.

12. SHARE CAPITAL

Shares

	As at 30 June 2026 *RMB'000* (Unaudited)	As at 31 December 2025 *RMB'000* (Audited)
Authorised:		
50,000,000,000 ordinary shares of HK$0.01 each	**440,000**	440,000
Issued and fully paid:		
1,036,196,687 ordinary shares as at 30 June 2026 (31 December 2025: 1,034,975,187 ordinary shares)	**9,122**	9,111

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

	Note	Number of shares in issue	Share capital *RMB'000*
At 1 January 2026		1,034,975,187	9,111
Share options exercised	*(a)*	1,221,500	11
At 30 June 2026 (Unaudited)		1,036,196,687	9,122

(a) The subscription rights attaching to 1,221,500 share options were exercised at the subscription price of HK$1.29 per share, resulting in the issue of 1,221,500 shares for a total cash consideration, before expenses, of HK$1,575,000 (equivalent to RMB1,376,000). An amount of RMB503,000 was transferred from the share option reserve to share capital upon the exercise of the share options.

EVENT AFTER THE REPORTING PERIOD

Save as disclosed in this announcement, the Group did not have any significant events after 30 June 2026 and up to the date of this announcement.

EMPLOYEE REMUNERATION AND RELATIONS

As at 30 June 2026, the Group had approximately 434 employees (454 as at 31 December 2025). As required by the PRC laws and regulations, the Group participates in various employee social security plans for our employees that are administered by local governments, including housing, pension, medical insurance, maternity insurance and unemployment insurance. Remuneration of the Group's employees includes basic salaries, allowances, bonus, share options and other employee benefits, and is determined with reference to their experience, qualifications and general market conditions. The emolument policy for the employees of the Group is set up by the Board on the basis of their merit, qualification and competence.

The Group believes that we maintain a good working relationship with our employees, and we have not experienced any material labor disputes during the six months ended 30 June 2026.

INTERIM DIVIDEND

The Board does not recommend payment of any interim dividend for the six months ended 30 June 2026 (for the six months ended 30 June 2025: approximately HK$206.8 million).

At the Board meeting held on 25 March 2026, the Board proposed the payment of a final dividend of HK$0.20 per Share for the year ended 31 December 2025. The aforesaid final dividend was approved by the Shareholders at the annual general meeting of the Company held on 22 May 2026 and was paid on 25 June 2026.

DIVIDEND POLICY

On 25 March 2026, the Company has approved and adopted an updated dividend policy (the "**Dividend Policy**"), pursuant to which the Company may declare and distribute dividends to the Shareholders to allow Shareholders to share the Company's profits and for the Company to retain adequate reserves for future growth. The declaration, distribution and amount of dividend is subject to the absolute discretion of the Board, after taking into account, inter alia, the Group's operations, business and future development plans, liquidity position, our future operations and earnings, capital requirements and surplus, financial condition, working capital requirements and other factors that the Board consider relevant.

The distribution of final dividend of a financial year will be subject to the approval of the Shareholders, but the amount of dividend shall not exceed the recommendation of the Board. Subject to the aforesaid factors, the Board plans to maintain distributing not less than 30% of the profit for the year of the relevant financial year of the Group as dividend. Declaration, recommendation or distribution of any dividend is subject to all relevant applicable laws and regulation of Cayman Islands and the Articles of Association. The Board will continually review the Dividend Policy and reserve the right in its sole and absolute discretion to update, amend and/or modify the Dividend Policy at any time. The Dividend Policy shall in no way constitute a legally binding commitment by the Company that dividends will be paid in any particular amount and/or in no way obligate the Company to declare a dividend at any time or from time to time.

CORPORATE GOVERNANCE CODE

The Company is committed to the establishment of good corporate governance practices and procedures with a view to being a transparent and responsible organization which is open and accountable to the Shareholders. The Company has adopted the code provisions as set out in the Corporate Governance Code as contained in Appendix C1 to the Listing Rules on the Stock Exchange as its own code of corporate governance practices.

In the opinion of the Directors, the Company has complied with the relevant code provisions contained in the Corporate Governance Code during the six months ended 30 June 2026, save for deviation from code provision C.2.1 of the Corporate Governance Code. The Board will continue to review and monitor the practices of the Company with an aim of maintaining a high standard of corporate governance.

Mr. Ye Sheng is both the chairman of the Board and the chief executive officer of the Group. The Board believes that vesting the roles of both chairman of the Board and chief executive officer in the same person has the benefit of ensuring consistent leadership and efficient discharge of executive functions within the Group. The Group considers that the balance of power and authority of the present arrangement will not be impaired as the Board comprises five other experienced and high-calibre individuals including another two executive Directors and three independent non-executive Directors who would be able to offer advice from various perspectives. In addition, for major decisions of the Group, the Board will make consultations with appropriate Board committees and senior management. Therefore, the Directors consider that the present arrangement is beneficial to and in the interest of the Company and the Shareholders as a whole and the deviation from code provision C.2.1 of the Corporate Governance Code is appropriate in such circumstance.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS

The Company has also adopted the Model Code as set out in Appendix C3 to the Listing Rules as its code of conduct regarding securities transactions by the Directors.

Having made specific enquiry with all Directors, all Directors confirmed that they have complied with the required standard set out in the Model Code throughout the six months ended 30 June 2026.

AUDIT COMMITTEE

The Company established the Audit Committee with written terms of reference in compliance with the Listing Rules. The Audit Committee comprises three members, namely, Mr. Jin Shuhui, Mr. Mao Zhonghua and Mr. Yang Yi, all of whom are independent non-executive Directors. Mr. Jin Shuhui is the chairman of the Audit Committee.

The Audit Committee has reviewed the Company's unaudited condensed consolidated interim results for the six months ended 30 June 2026 and confirms that the applicable accounting principles, standards and requirements have been complied with, and that adequate disclosures have been made.

The interim results for the six months ended 30 June 2026 is unaudited, but has been reviewed by Ernst & Young, the auditor of the Company, in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity".

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

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities (including the sale of treasury shares (as defined under the Listing Rules), if any) for the six months ended 30 June 2026. As at 30 June 2026, the Company did not hold any treasury shares (as defined under the Listing Rules).

PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

This interim results announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.zen-game.com). The interim report for the six months ended 30 June 2026 containing all the information required by Appendix D2 to the Listing Rules will be published on the same websites in due course, and will be despatched to the Shareholders who have already provided instructions indicating their preference to receive hard copies in due course.

DEFINITIONS

In this announcement, the following expressions shall have the following meanings unless the context requires otherwise:

"ARPPU"	monthly average revenue per paying user, which represents the revenue for the period divided by the number of paying players in such period, and then divided by the number of months in such period
"Audit Committee"	the audit committee of the Board
"Board"	the board of Directors of the Company
"China" or "PRC"	the People's Republic of China excluding for the purpose of this announcement, Hong Kong, Macau and Taiwan
"Company"	Zengame Technology Holding Limited (禪遊科技控股有限公司), an exempted company incorporated in the Cayman Islands with limited liability on 28 August 2018

"Corporate Governance Code"	code on corporate governance practices contained in Appendix C1 to the Listing Rules
"DAU"	daily active users
"Director(s)"	the director(s) of the Company
"Free-to-Play"	a business model which players can play games for free, but may need to pay for virtual items sold in games to enhance their game experience
"Group"	collectively, the Company and its subsidiaries
"HK$", "HKD" and "cents"	Hong Kong dollars and cents respectively, the lawful currency of Hong Kong
"Hong Kong" or "HK"	the Hong Kong Special Administrative Region of the PRC
"HKFRS"	Hong Kong Financial Reporting Standards
"Listing"	the listing of the Shares on the Main Board of the Stock Exchange
"Listing Rules"	The Rules Governing the Listing of Securities on the Main Board of the Stock Exchange
"MAU"	monthly active users
"Model Code"	the model code for securities transactions by directors of listed issuers as set out in Appendix C3 to the Listing Rules
"MPU"	monthly paying users
"RMB"	Renminbi, the lawful currency of the PRC
"Share(s)"	ordinary share(s) of HK$0.01 each in the share capital of the Company
"Shareholder(s)"	the shareholder(s) of the Company

"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"subsidiary(ies)"	has the meaning ascribed to it under the Listing Rules
"%"	per cent

* *The English translation of Chinese entity is for identification purpose only.*

By Order of the Board
Zengame Technology Holding Limited
Ye Sheng
Chairman

Hong Kong, 26 August 2026

As at the date of this announcement, the executive Directors are Mr. Ye Sheng, Mr. Yang Min and Ms. Xiong Mi, and the independent non-executive Directors are Mr. Jin Shuhui, Mr. Mao Zhonghua and Mr. Yang Yi.