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Duiba Group
兑吧集团

DUIBA GROUP LIMITED
兑吧集团有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1753)

ANNOUNCEMENT OF THE INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2026

Financial Information Highlights for the Six Months ended 30 June 2026

Financial Information Highlights

	For the six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	RMB'000	*RMB'000*
Revenue		
User management SaaS platform business	**51,503**	89,574
Internet advertising business	**123,365**	230,251
AI short drama business	**222,629**	–
Others	**37,224**	29,798
Total	**434,721**	349,623

For the six months ended 30 June 2026, our revenue increased by approximately 24.3% as compared with the same period of 2025.

Non-HKFRS Measure

To supplement our condensed consolidated financial statements which are presented in accordance with Hong Kong Financial Reporting Standards ("**HKFRS(s)**"), we also use a non-HKFRS measure, adjusted loss for the period, as an additional financial measure, which is not required by, or presented in accordance with, HKFRSs. We believe that such non-HKFRS measure facilitates comparisons of operating performance from period to period and company to company by eliminating potential impacts of items that we do not consider to be indicative of our operating performance. We believe that such measure provides useful information to investors and others in understanding and evaluating our consolidated results of operations in the same manner as they help our management.

The following table reconciles our adjusted loss for the periods presented to the most directly comparable financial measure calculated and presented in accordance with HKFRSs:

	For the six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	RMB'000	*RMB'000*
Loss for the period	**(25,326)**	(26,728)
Add:		
Share-based payment	**(170)**	2,206
Adjusted loss for the period[(1)]	**(25,496)**	(24,522)

(1) We define "adjusted loss for the period" as loss for the period, adding back share-based payment. Adjusted loss for the period is not a measure required by or presented in accordance with HKFRSs. The use of adjusted loss for the period has limitations as an analytical tool, and you should not consider it in isolation from, or as a substitute for analysis of, our results of operations or financial condition as reported under HKFRSs.

The board (the "**Board**") of directors (the "**Director(s)**") of Duiba Group Limited (the "**Company**") hereby announces the unaudited interim condensed consolidated results of the Company and its subsidiaries (collectively, the "**Group**") for the six months ended 30 June 2026 ("**1H2026**" or the "**Period**") together with the comparative figures for the six months ended 30 June 2025 ("**1H2025**"):

UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2026

	Notes	2026 (Unaudited) *RMB'000*	2025 (Unaudited) *RMB'000*
REVENUE	5	**434,721**	349,623
Cost of sales		**(360,181)**	(292,373)
Gross profit		**74,540**	57,250
Other income and gains	5	**51,804**	35,927
Selling and distribution expenses		**(60,618)**	(46,547)
Administrative expenses		**(72,818)**	(49,916)
Impairment losses on financial assets, net		**(4,537)**	(10,581)
Other expenses		**(2,581)**	(1,398)
Finance costs		**(9,452)**	(9,644)
Share of losses of associates, net of tax		**(1,160)**	(1,439)
LOSS BEFORE TAX	6	**(24,822)**	(26,348)
Income tax expense	7	**(504)**	(380)
LOSS FOR THE PERIOD		**(25,326)**	(26,728)
Attributable to:			
Owners of the parent		**(25,326)**	(26,728)

UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)

For the six months ended 30 June 2026

	Notes	2026 (Unaudited) RMB'000	2025 (Unaudited) RMB'000
OTHER COMPREHENSIVE LOSS			
Other comprehensive loss that may be reclassified to profit or loss in subsequent periods:			
Exchange differences:			
Exchange differences on translation of foreign operations		**(10,426)**	(2,094)
OTHER COMPREHENSIVE LOSS FOR THE PERIOD, NET OF TAX		**(10,426)**	(2,094)
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD		**(35,752)**	(28,822)
Attributable to:			
Owners of the parent		**(35,752)**	(28,822)
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT			
Basic and diluted (RMB)	9	**(2.4) cents**	(2.5) cents

UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

30 June 2026

	Notes	30 June 2026 (Unaudited) *RMB'000*	31 December 2025 (Audited) *RMB'000*
NON-CURRENT ASSETS			
Property, plant and equipment	10	**13,960**	12,531
Intangible assets		**236**	370
Right-of-use assets		**13,329**	11,105
Investment in an associate	11	**229,478**	230,638
Deferred tax assets		**11,219**	10,285
Time deposits		**520**	516
Prepayments, other receivables and other assets		**16,997**	7,897
Total non-current assets		**285,739**	273,342
CURRENT ASSETS			
Trade receivables	12	**805,440**	576,977
Note receivables		**–**	964
Prepayments, other receivables and other assets		**345,487**	383,984
Financial assets at fair value through profit or loss		**30,167**	30,034
Restricted cash		**12,690**	18,505
Pledged deposits		**394,484**	672,643
Time deposits		**34,568**	92,913
Cash and cash equivalents		**343,645**	420,126
Total current assets		**1,966,481**	2,196,146
CURRENT LIABILITIES			
Trade payables	13	**99,601**	62,695
Financial liability at fair value through profit or loss		**2,638**	923
Other payables and accruals		**184,744**	224,770
Tax payable		**4,417**	7,529
Contract liabilities		**3,873**	3,395
Interest-bearing bank borrowings		**767,955**	937,183
Lease liabilities		**7,020**	5,551
Total current liabilities		**1,070,248**	1,242,046

UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)
30 June 2026

	Notes	30 June 2026 (Unaudited) *RMB'000*	31 December 2025 (Audited) *RMB'000*
NET CURRENT ASSETS		**896,233**	954,100
TOTAL ASSETS LESS CURRENT LIABILITIES		**1,181,972**	1,227,442
NON-CURRENT LIABILITIES			
Lease liabilities		**6,493**	5,739
Interest-bearing bank borrowings		**–**	10,043
Deferred tax liabilities		**499**	758
Total non-current liabilities		**6,992**	16,540
Total net assets		**1,174,980**	1,210,902
EQUITY			
Equity attributable to owners of the parent			
Share capital	14	**70**	70
Reserves		**1,174,910**	1,210,832
Total equity		**1,174,980**	1,210,902

UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
For the six months ended 30 June 2026

	Notes	**2026 (Unaudited) *RMB'000***	2025 (Unaudited) *RMB'000*
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before tax		**(24,822)**	(26,348)
Adjustments for:			
Share of losses of associates, net of tax		**1,160**	1,439
Interest income	5	**(6,476)**	(7,392)
Investment income from financial assets at fair value through profit or loss	5	**(1,746)**	(7,239)
Foreign exchange differences, net	6	**513**	(509)
Gain on disposals of items of property, plant and equipment	5	**(1)**	(11)
Gain on lease termination	5	**–**	(153)
Depreciation of property, plant and equipment	10	**1,157**	327
Fair value loss, net:			
Financial assets at fair value through profit or loss	6	**1,582**	234
Amortisation of intangible assets		**134**	123
Equity-settled share award and option expense		**(170)**	2,206
Finance costs		**9,452**	9,644
Depreciation of right-of-use assets		**3,050**	107
Gain on disposal of an associate	5	**–**	(43)
Impairment of financial assets, net		**4,537**	10,581
		(11,630)	(17,034)
Decrease/(increase) in restricted cash		**8,393**	(283)
Increase in trade receivables		**(234,859)**	(92,047)
Decrease in note receivables		**964**	186
Decrease in prepayments, other receivables and other assets		**27,236**	195,046
Increase in trade payables		**36,902**	8,342
Decrease in other payables and accruals		**(40,026)**	(5,894)
Decrease in contract liabilities		**478**	(3,427)
Cash (used in)/generated from operations		**(212,542)**	84,889
Interest received		**238**	1,319
Income tax paid		**(4,810)**	(208)
Net cash flows (used in)/generated from operating activities		**(217,114)**	86,000

UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)

For the six months ended 30 June 2026

	2026	2025
	(Unaudited)	(Unaudited)
	RMB'000	*RMB'000*
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposals of items of property, plant and equipment	**5**	178
Purchases of items of property, plant and equipment	**(2,591)**	(3,131)
Purchases of intangible assets	**–**	(393)
Purchases of financial assets at fair value through profit or loss	**(4,000)**	(4,050)
Proceeds from disposals of financial assets at fair value through profit or loss	**4,000**	40,665
Repayment from loans receivable	**7,590**	16,600
Advances of loans receivable	**(3,348)**	(4,010)
Increase in restricted cash	**(2,578)**	–
Purchases of time deposits	**–**	(21,476)
Repayment of time deposits	**58,341**	–
Purchases of pledged deposits	**(342,516)**	(280,551)
Repayment of pledged deposits	**632,119**	158,172
Interest received	**7,778**	4,690
Proceeds from disposal of an associate	**–**	3,427
Purchase of a shareholding in an associate	**–**	(4,275)
Net cash flows generated from/(used in) investing activities	**354,800**	(94,154)

UNAUDITED INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)
For the six months ended 30 June 2026

	2026	2025
	(Unaudited)	(Unaudited)
	RMB'000	*RMB'000*
CASH FLOWS FROM FINANCING ACTIVITIES		
Principal portion of lease payments	**(3,066)**	(277)
Interest paid for lease liabilities	**(210)**	(6)
Purchases of pledged deposits	**(28,574)**	(47,130)
Repayment of pledged deposits	**17,130**	29,971
New bank borrowings	**186,490**	655,100
Repayment of bank borrowings	**(367,020)**	(465,750)
Interest paid for bank borrowings	**(7,982)**	(10,337)
Borrowings from employees	**–**	6,870
Repayment of employee borrowings	**–**	(6,870)
Net cash flows (used in)/generated from financing activities	**(203,232)**	161,571
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	**(65,546)**	153,417
Effect of foreign exchange rate changes, net	**(10,935)**	(774)
Cash and cash equivalents at beginning of period	**420,126**	280,750
CASH AND CASH EQUIVALENTS AT END OF PERIOD	**343,645**	433,393
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS		
Cash and cash equivalents as stated in the condensed consolidated statement of cash flows	**343,645**	433,393

NOTES TO THE UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

30 June 2026

1. CORPORATE INFORMATION

Duiba Group Limited (the "**Company**") is a limited liability company incorporated in the Cayman Islands on 26 February 2018. The registered address of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands. On 7 May 2019, the shares of the Company were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**").

The Company is an investment holding company. The Company's subsidiaries were principally involved in the user management Software-as-a-Service ("**SaaS**") platform business, internet advertising business and AI short drama business.

2. BASIS OF PREPARATION

The unaudited interim condensed consolidated financial information for the six months ended 30 June 2026 has been prepared in accordance with Hong Kong Accounting Standard ("**HKAS**") 34 *Interim Financial Reporting*.

The unaudited 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.

The unaudited interim condensed consolidated financial information has been prepared under the historical cost convention, except for investments in financial products and unlisted equity investment, which have been measured at fair value. These financial statements are presented in Renminbi ("**RMB**") and all values are rounded to the nearest thousand except when otherwise indicated.

3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies adopted in the preparation of the unaudited 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

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 ("**ESG**") 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 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.

4. OPERATING SEGMENT INFORMATION

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

Geographical information

During the reporting period, the Group operated within one geographical area as all of the Group's revenue was generated from customers located in China. All of the non-current assets of the Group were located in China.

Information about major customers

Revenue from each major customer which accounted for 10% or more of the Group's revenue during the reporting period is set out below:

	For the six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	RMB'000	*RMB'000*
Customer 1	**217,280**	N/A*
Customer 2	**44,851**	59,484

* The corresponding revenue of the customer is not disclosed as the revenue did not individually account for 10% or more of the Group's revenue for the reporting period.

5. REVENUE, OTHER INCOME AND GAINS

An analysis of revenue is as follows:

	For the six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	RMB'000	*RMB'000*
Revenue from contracts with customers		
User management SaaS platform business	**51,503**	89,574
Internet advertising business	**123,365**	230,251
AI short drama business	**222,629**	–
Others	**37,224**	29,798
	434,721	349,623

Disaggregated revenue information for revenue from contracts with customers

The Group derives revenue from the transfer of goods and services over time and at a point in time in the following major product lines:

	For the six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	RMB'000	*RMB'000*
Timing of revenue recognition		
Over time		
– SaaS services included in user management SaaS platform business	**2,795**	4,276
At a point in time		
– Other services included in user management SaaS platform business	**48,708**	85,298
– Internet advertising business	**123,365**	230,251
– AI short drama business	**222,629**	–
– Others	**37,224**	29,798
	431,926	345,347
Total	**434,721**	349,623

	For the six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	RMB'000	*RMB'000*
Other income and gains		
Interest income	**6,476**	7,392
Government grants	**43,367**	20,134
Investment income from financial assets at fair value through profit or loss	**1,746**	7,239
Gain on disposal of an associate	**–**	43
Fair value gain, net:		
Financial assets at fair value through profit or loss	**147**	–
Gain on disposals of items of property, plant and equipment	**1**	11
Gain on lease termination	**–**	153
Others	**67**	955
	51,804	35,927

6. LOSS BEFORE TAX

The Group's loss before tax is arrived at after charging:

		For the six months ended 30 June	
	Notes	**2026**	2025
		(Unaudited)	(Unaudited)
		RMB'000	*RMB'000*
Cost of inventories sold		**34,430**	58,646
Cost of services provided		**325,751**	233,727
Depreciation of property, plant and equipment	10	**1,157**	327
Depreciation of right-of-use assets		**3,050**	107
Amortisation of intangible assets*		**134**	123
Interest income	5	**(6,476)**	(7,392)
Foreign exchange differences, net		**513**	(509)
Gain on disposals of items of property, plant and equipment		**(1)**	(11)
Impairment of financial assets, net		**4,537**	10,581
Fair value loss**, net:			
Financial assets at fair value through profit or loss	5	**1,582**	234
Investment income from financial assets at fair value through profit or loss	5	**(1,746)**	(7,239)
Research and development costs		**18,461**	22,892
Auditor's remuneration		**300**	300
Employee benefit expense (excluding directors' and chief executive's remuneration):			
Wages and salaries		**47,301**	46,821
Equity-settled share award and option expense		**(171)**	1,761
Pension scheme contributions***		**3,322**	2,806
Staff welfare expense		**15,258**	15,383
		65,710	66,771

* The amortisation of intangible assets for the six months ended 30 June 2026 is included in "Administrative expenses" in unaudited interim condensed consolidated statement of profit or loss and other comprehensive income.

** The fair value loss of financial assets at fair value through profit or loss, net is included in "Other expenses" in unaudited interim condensed consolidated statement of profit or loss and other comprehensive income.

*** There are no forfeited contributions that may be used by the Group as the employer to reduce the existing level of contributions.

7. INCOME TAX

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

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual taxable profits. The major components of income tax expense in the unaudited interim condensed consolidated statement of profit or loss and other comprehensive income are:

	For the six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
	RMB'000	*RMB'000*
Current tax	**1,698**	(1,089)
Deferred tax	**(1,194)**	1,469
Total tax expense for the period	**504**	380

8. DIVIDEND

The Board did not recommend the declaration of any interim dividend for the reporting period (six months ended 30 June 2025: Nil).

9. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic loss per share amount is based on the loss for the period attributable to ordinary equity holders of the parent of RMB25,326,000 (loss for the six months ended 30 June 2025: RMB26,728,000) and the weighted average number of ordinary shares of 1,065,514,750 (six months ended 30 June 2025: 1,067,437,500) shares in issue during the period. The number of shares for the current period has been arrived at after eliminating the shares of the Company held under the restricted stock units and restricted stock unit options.

	For the six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
Loss		
Loss attributable to ordinary equity holders of the parent, used in the basic and diluted loss per share calculation *(RMB)*	**(25,326,000)**	(26,728,000)
Shares		
Weighted average number of ordinary shares in issue during the period used in the basic loss per share calculation	**1,065,514,750**	1,067,437,500

10. PROPERTY, PLANT AND EQUIPMENT

	30 June 2026 (Unaudited) ***RMB'000***	31 December 2025 (Audited) *RMB'000*
Carrying amount at beginning of period/year	**12,531**	2,171
Additions	**2,590**	11,458
Depreciation provided during the period/year	**(1,157)**	(912)
Disposals	**(4)**	(186)
Carrying amount at end of period/year	**13,960**	12,531

11. INVESTMENT IN ASSOCIATES

	30 June 2026 (Unaudited) ***RMB'000***	31 December 2025 (Audited) *RMB'000*
Investment in associates	**229,478**	230,638

Particulars of the associates are as follows:

Name	**Particulars of issued shares held**	**Place of incorporation/ registration and business**	**Percentage of ownership interest attributable to the Group**	**Principal activities**
Zhejiang Gushang Intelligent Technology Co., Ltd.	Ordinary shares	PRC/Mainland China	19%	Project operation
Tongling Huayun Zhidui Information Technology Co., Ltd.	Ordinary shares	PRC/Mainland China	25%	Provision of Instant discount vouchers

The Group's shareholdings in these two associates comprise equity shares held through wholly-owned subsidiaries of the Company.

12. TRADE RECEIVABLES

	30 June 2026 (Unaudited) ***RMB'000***	31 December 2025 (Audited) *RMB'000*
Trade receivables	**893,951**	659,092
Less: Impairment of trade receivables	**(88,511)**	(82,115)
	805,440	576,977

Trade receivables are non-interest-bearing with credit terms mainly ranging from 30 to 90 days. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by senior management. The Group does not hold any collateral or other credit enhancements over its trade receivable balances.

An ageing analysis of the trade receivables as at the end of the reporting period, based on the transaction date and net of provisions, is as follows:

	30 June 2026 (Unaudited) *RMB'000*	31 December 2025 (Audited) *RMB'000*
0 to 30 days	**363,918**	349,269
31 to 90 days	**286,219**	92,940
91 to 180 days	**65,139**	14,859
181 to 365 days	**37,617**	90,616
1 to 2 years	**52,547**	29,293
	805,440	576,977

13. TRADE PAYABLES

	30 June 2026 (Unaudited) *RMB'000*	31 December 2025 (Audited) *RMB'000*
Trade payables	**99,601**	62,695

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

	30 June 2026 (Unaudited) *RMB'000*	31 December 2025 (Audited) *RMB'000*
0 to 180 days	**60,980**	48,849
181 to 365 days	**25,957**	2,566
1 to 2 years	**1,829**	1,055
2 to 3 years	**3,143**	4,577
Over 3 years	**7,692**	5,648
	99,601	62,695

Trade payables are non-interest-bearing and are normally settled on 60-day terms.

14. SHARE CAPITAL

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

	Number of shares in issue	**Share capital** *RMB'000*	**Share premium** *RMB'000*	**Total** *RMB'000*
At 31 December 2025, 1 January 2026 and 30 June 2026	**1,076,823,200**	**70**	**1,942,530**	**1,942,600**

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The Group was deeply engaged in the reward point/equity Software-as-a-Service ("**SAAS**") and interactive advertising sectors in its early days, serving over 16,000 enterprise customers. In 2026, it began its strategic transformation into AI short drama, and has since become a leading AI short drama enterprise in China.

1. User Management SaaS Platform Business

Since 2014, the Group's user management SaaS platform business has been committed to helping businesses attract and retain online users in a cost-effective manner by offering various fun and highly engaging user management tools (including reward point/membership management, e-commerce live streaming for bank credit cards, enterprise marketing tool via WeChat and financial industry live streaming). In 1H2026, the Group's user management SaaS platform business generated a revenue of RMB51.5 million, with a gross profit of approximately RMB15.6 million.

2. Internet Advertising Business

In 2015, the Group pioneered and launched its internet advertising business, which aggregated the traffic of different App scenarios, systematically managed content activities, and achieved large-scale monetization through advertisements, thereby achieving a win-win situation for each of the advertising customers, media providers and users. We generally charge advertising customers on a CPC (cost per click) model based on the performance of advertisements. In 1H2026, the Group's internet advertising business generated a revenue of RMB123.4 million, with a gross profit of approximately RMB24.9 million.

3. AI Short Drama Business

In January 2026, drawing on the long-term experience in traffic distribution, data and technological capabilities, the Group launched the AI short drama business. Since its launch, the AI short drama business of the Group has demonstrated strong growth momentum and has scaled rapidly and established a leading position. As a pioneer in achieving full-link AI industrial production and large-scale monetization in China – from AI-led scriptwriting and AI-driven production to AI-enabled distribution – the Group is turning its AI short drama business into an industrialized, asset-light and AI technology-driven high-growth business with compressed production cycles and radically improved unit economics, already monetized across platforms and channels. In 1H2026, the Group's AI short drama business generated a revenue of RMB222.6 million, accounting for approximately 51.2% of the Group's total revenue.

The Group's AI short drama business link comprises the following three main processes:

AI-led scriptwriting – intelligently analyzing high-potential themes across the entire market, and procedurally generating high-quality scripts through human-in-the-loop collaboration;

AI-driven production – intelligently interpreting scripts, automatically configuring storyboards and IP assets, and employing self-developed Agent to assist throughout the entire process, including video generation, editing and quality control of finished productions, thereby enabling large-scale delivery of high-quality content; and

AI-enabled distribution – leveraging the mature technology foundation of the advertising system, self-developed omnichannel distribution system and intelligent delivery engine, achieving core distribution capabilities such as cross-platform one-click publishing and AI-driven dynamic optimization of ad accounts.

The table below sets forth the business performance of the Group's AI short drama business during the period from January to June 2026:

Cumulative views across all platforms	Over 5 billion views
Business revenue	RMB223 million (representing approximately 51.2% of the Group's total revenue)
Month-on-month growth rate of business revenue in June	Over 100%
Number of hit dramas with over 100 million views	13
Number of hit dramas with peak monthly incremental views of over 100 million	6
Number of hit dramas with over 10 million views	74
Number of hit dramas with peak monthly incremental views of over 10 million	37
Hit rate of dramas with over 100 million views	3%
Highest views for a single drama	1.04 billion views

4. Research and Development

In 1H2026, the Group continued to optimize the structure of its research and development organization and deepen the application of AI technology in the research and development process. The number of research and development personnel was adjusted from 133 as of 30 June 2025 to 117 as of 30 June 2026, while research and development expenses decreased by approximately 19.2% from RMB22.9 million in 1H2025 to RMB18.5 million.

The aforementioned changes were primarily driven by the optimization of research and development resources in the Group's mature businesses and the improvement in research and development efficiency brought by AI technology. The Group applies AI technology to code development, testing, and other fundamental research and development processes, using AI-assisted and automated tools to replace certain repetitive manual tasks, thereby enhancing the output efficiency per research and development employee while maintaining research and development capabilities.

The Group's technology investment is gradually shifting from a traditional, labor-intensive research and development model to a highly efficient research and development model supported by AI tools, model capabilities, and an automated research and development system. Both the structure of research and development investment and output efficiency are being continuously optimized.

FINANCIAL REVIEW

In 1H2026, the AI short drama business became a new growth engine for the Group. Meanwhile, the Group continued to optimize its business structure and apply AI technology to reduce costs and enhance efficiency, resulting in significant growth in both total revenue and gross profit, as well as a slight improvement in profitability.

Revenue

For the six months ended 30 June 2026, the Group recorded a total revenue of RMB434.7 million, representing an increase of approximately 24.3% as compared with RMB349.6 million in 1H2025. The increase was mainly attributable to the rapid expansion of the AI short drama business.

Leveraging the Group's extensive experience accumulated over the years in data and technological capabilities, the AI short drama business has demonstrated strong growth momentum since its launch in January 2026. For the six months ended 30 June 2026, the AI short drama business generated a revenue of RMB222.6 million, accounting for approximately 51.2% of the Group's total revenue.

Gross Profit

For the six months ended 30 June 2026, the Group recorded a gross profit of RMB74.5 million, representing an increase of approximately 30.0% as compared with RMB57.3 million in 1H2025. The gross profit margin was approximately 17.1% (1H2025: approximately 16.4%). The increase in gross profit was mainly due to the rapid growth in revenue scale of the AI short drama business and the enhancement of traffic acquisition efficiency driven by AI technology.

Selling and Distribution Expenses

For the six months ended 30 June 2026, the Group recorded selling and distribution expenses of RMB60.6 million, representing an increase of approximately 30.2% as compared with RMB46.5 million in 1H2025. Meanwhile, selling and distribution expenses as a percentage of the total revenue of the Group increased to approximately 13.9% (1H2025: approximately 13.3%), mainly due to the increase in the number of related employees.

Administrative Expenses

For the six months ended 30 June 2026, the Group recorded administrative expenses of RMB72.8 million, representing an increase of approximately 45.9% as compared with RMB49.9 million in 1H2025, mainly due to the increase in the number of related employees of the Company and the related expenses resulting from business growth in 1H2026. The Group recorded research and development expenses of RMB18.5 million (1H2025: RMB22.9 million) and share-based payment of RMB-0.2 million (1H2025: RMB2.2 million), respectively. Administrative expenses as a percentage of the total revenue of the Group increased to approximately 16.8% (1H2025: approximately 14.3%), mainly due to the increase in administrative expenses during the Period.

Loss for the Period

For the six months ended 30 June 2026, loss attributable to shareholders of the Company (the "**Shareholder(s)**") was RMB25.3 million (1H2025: loss attributable to the Shareholders of RMB26.7 million). Basic loss per share of the Company was RMB2.4 cents (1H2025: basic loss per share of the Company of RMB2.5 cents). This was primarily due to the early-stage development of the AI short drama business and the Group's continuous investments in AI production infrastructure and business expansion. However, as the Group's self-developed AI technology continues to advance and further reduce production costs, it is expected that the operational efficiency and marketing effectiveness of the AI short drama business will continue to improve.

Adjusted Loss for the Period

Due to the combined effect of the foregoing, the Group's adjusted loss for the Period was RMB25.5 million (1H2025: adjusted loss for the period of RMB24.5 million), and share-based payment was RMB-0.2 million (1H2025: share-based payment of RMB2.2 million).

Gearing Ratio

The Group monitors capital using a gearing ratio, which is calculated by net debt divided by total capital and net debt. Net debt includes interest-bearing bank borrowings, trade payables and other payables and accruals, less cash and cash equivalents.

As at 30 June 2026, the Group's gearing ratio was approximately 37.6%, while it was approximately 37.9% as at 30 June 2025, which was mainly due to the decrease in the interest-bearing bank borrowings of Group for the Period.

Liquidity and Capital Structure

During the Period, the daily working capital of the Group was primarily derived from internally generated cash flow from operating activities and bank borrowings. As at 30 June 2026, the Group had cash and cash equivalents of approximately RMB343.6 million (as at 30 June 2025: approximately RMB433.4 million). As at 30 June 2026, the Group had interest-bearing bank borrowings of RMB768.0 million that were made in Renminbi.

Capital Commitments

As of 30 June 2026, the Group did not have any significant capital commitments.

Foreign Exchange Risk Management

The Group has transactional currency exposures. Such exposures arise from the issue of shares in currencies different from the operating units' functional currencies. At present, the Group does not intend to hedge its exposure to foreign exchange fluctuations. However, the Company's senior management constantly monitors the economic situation and the Group's foreign exchange risk profile and will consider appropriate hedging measures in the future should the need arise.

Trade Receivables

As at 30 June 2026, the trade receivables balance of the Group amounted to RMB805.4 million, representing an increase of approximately 39.6% as compared to RMB577.0 million as at 31 December 2025. This was mainly attributable to the rapid scale growth of the AI short drama business and the increase in receivables from existing banking clients. As at 30 June 2026, the Group's trade receivables balance remained primarily comprised of banking clients, who are reputable, and the possibility of actual bad debts arising is extremely low. The Group will continue to strengthen the management of trade receivables, shorten the collection cycle, and enhance the turnover efficiency of business operations.

Prepayments, Other Receivables and Other Assets

As at 30 June 2026, the balance of prepayments, other receivables and other assets of the Group amounted to RMB345.5 million, representing a decrease of approximately 10.0% as compared to RMB384.0 million as at 31 December 2025. This was mainly attributable to the improvement in turnover efficiency on the procurement side. The Group's prepayments were primarily paid for the procurement of equity-based products. Such prepayments were mainly deposited in the merchant backends of the suppliers. If such prepayments are not utilized, the Group can refund the amounts back to the corporate accounts of their own accord.

Material Acquisitions, Disposals of Subsidiaries, Associates and Joint Ventures and Significant Investment

As of 30 June 2026, the Group held a total of 19.0% equity interest in Zhejiang Gushang Intelligent Technology Co., Ltd.* (浙江谷尚智能科技有限公司) ("**Gushang Intelligent Technology**") through a wholly-owned subsidiary of the Company, namely Hangzhou Keze Network Technology Co., Ltd.* (杭州可澤網絡科技有限公司), with an aggregate carrying value of RMB229.5 million. The principal activities of Gushang Intelligent Technology include the construction of buildings and parking lots on a land parcel located in the Hangzhou Zijingang Science and Technology Town which has been topped out in December 2023. As of 30 June 2026, the carrying amount of the investment in Gushang Intelligent Technology represented approximately 10.2% of the total assets of the Group. For details, please refer to the announcements of the Company dated 19 June 2020 and 24 June 2020, respectively. As at the date of this announcement, Gushang Intelligent Technology is an associate of the Group. The Group did not receive any dividend for the six months ended 30 June 2026. Save as disclosed in this announcement, there were no (i) material acquisitions, disposals of subsidiaries, associates and joint ventures; and (ii) significant investment of the Group for the six months ended 30 June 2026.

Future Plans for Material Investment or Capital Assets

Save as disclosed in this announcement, as of 30 June 2026, the Group had no concrete plans to make any material investment or acquire capital assets other than in the Group's ordinary course of business.

Contingent Liabilities

Hengfei Holding Limited (the "**Plaintiff**") has commenced proceedings against the Company and Mr. Chen Xiaoliang (a Shareholder and executive Director) in respect of allegations that the Company and Mr. Chen Xiaoliang have wrongfully retained, delayed in returning and failed or refused to return the Plaintiff's share certificate of shares in the Company, resulting in losses.

On 26 August 2025, the judgement was handed down by the Court of First Instance of the High Court of Hong Kong (the "**1st Judgement**"). Pursuant to the 1st Judgement, it was ruled in favour of the Plaintiff and held that, among others, (i) the Company was ordered to pay damages with its assessment referred for separate determination; (ii) a costs order nisi was made that costs of the proceedings be paid by the Company to the Plaintiff; and (iii) the Plaintiff's claim against Mr. Chen Xiaoliang was dismissed.

The Company has made an appeal to the Court of Appeal of the High Court of Hong Kong on 26 September 2025 and was notified that the hearing will be conducted on 15 December 2026. The Company is actively preparing the requisite materials for the hearing to ensure adequate preparation. As of 30 June 2026, based on the available evidence, the 1st Judgement and information and the view of the Group's litigation counsel, the Directors believed that the Company had valid defences against the claim and there are reasonable grounds to argue that the judgement against the Company should be set aside on appeal.

As of 30 June 2026, a reliable estimate of the potential financial effect of the claim, if any, cannot be made because the final quantum, if any, is subject to the outcome of the separate damages assessment and the pending appeal. Legal and other costs incurred in relation to the proceedings have been expensed as incurred.

Charge on Assets

As at 30 June 2026, the Group recorded pledged deposits of RMB394.5 million, which were used as margins for interest-bearing bank borrowings (as at 31 December 2025: RMB672.6 million).

SUBSEQUENT EVENT

Subsequent to 30 June 2026, there were no material events that require additional disclosure or adjustment.

ORGANIZATION AND TALENT RETENTION

As at 30 June 2026, the number of the Group's employees was 851 (31 December 2025: 506), including 412 AI short drama employees and 439 employees in other businesses. Salary costs and employees' benefit expenses were approximately RMB68.4 million for the six months ended 30 June 2026 (1H2025: approximately RMB68.8 million). The Group will remain continuously committed to self-developed AI technologies to enhance staff efficiency, while also prioritizing the development of high potential talents as a key mission for the management of the Company. Moreover, the Group may provide incentives to talents by granting them share options and share awards of the Company. The remuneration of employees was determined based on their performance, skills, knowledge, experience and market trend. The Group reviews the remuneration policies and packages on a regular basis and will make necessary adjustments commensurate with the pay level in the industry. The Group provided trainings to staff based on their job duties and functions.

SOCIAL RESPONSIBILITY

During the Period, the Group adhered to the philosophy of "serving the people and giving back to the society" and actively sought opportunities to contribute to the society in order to create a better living environment for the local community. The Company is deeply engaged in the West Lake District Government's community co-construction initiatives and collaborative projects with local universities in Hangzhou. By active engagement in primary-level governance and talent cultivation, the Company turns corporate social responsibility into tangible and localized actions.

FUTURE OUTLOOK

In 1H2026, the Group's total revenue increased by approximately 24.3% year-on-year to RMB434.7 million (1H2025: RMB349.6 million). The Group recorded a gross profit of RMB74.5 million, representing a year-on-year increase of approximately 30.0% (1H2025: RMB57.3 million), while the gross profit margin also increased to approximately 17.1% (1H2025: approximately 16.4%). This strong momentum was primarily driven by the Group's strategic layout into the AI short drama business starting from the second half of 2025, which gained rapid market validation and demonstrated continuous rapid growth in 1H2026.

As a domestic pioneer in achieving full-chain AI industrialized production and large-scale monetization covering from AI scriptwriting and AI production to AI distribution, the Group is upgrading its AI short drama business into an industrialized, asset-light and AI technology-driven high-growth business. This model significantly shortens production cycles and optimizes unit economic efficiency, with related series have already been successfully monetized across multiple platforms and channels. Leveraging the Company's long-term experience in traffic distribution, data and technological capabilities, the AI short drama business has demonstrated strong growth momentum since its launch and has risen to the forefront of the industry. In July 2026, the cumulative views of the Group's AI short drama series ranked second in native views on Douyin, and the business has achieved a fully closed commercial loop in distribution and monetization.

Although the Group has yet to achieve overall profitability in 1H2026, initial results have emerged from driving high growth and profit improvement through AI technology, with the loss for 1H2026 narrowing by approximately 5.2% year-on-year to RMB25.3 million. As the economies of scale of the AI short drama business gradually materialize, and the continuous advancement of the Group's self-developed AI technology continues to enhance efficiency and reduce costs, it is anticipated that the revenue and gross profit of the AI short drama business will continue to rise, thereby further improving the Group's profitability.

Looking ahead to the second half of 2026, we will continue to fully advance the full-chain AI industrialized production and highly efficient commercial monetization of the AI short drama business. We aim to further expand our business scale and establish a competitive edge, thereby achieving overall profitability for the domestic AI short drama business through economies of scale.

At the same time, we will focus on two areas with high potential: first, we will steadily expand into the overseas AI short drama market. Leveraging our advanced AI content production and monetization capabilities, we begin by producing and distributing original short dramas overseas, gradually and steadily scaling up our business operations. We believe the overseas market will also present a highly promising opportunity for growth; second, we will establish our own distributed short drama alliance platform by integrating short drama sections into various applications to boost user engagement and commercial monetization. Given that the Group has accumulated over 10,000 application developer clients through our SaaS and advertising alliance businesses in the past, we are highly confident in developing the short drama alliance business into a new growth model for the industry.

INTERIM DIVIDEND

The Board did not recommend the declaration of any interim dividend for the Period (1H2025: nil).

CORPORATE GOVERNANCE PRACTICES

The Company is committed to maintaining high standards of corporate governance to safeguard the interests of the Shareholders and to enhance corporate value and accountability. The Company has adopted the Corporate Governance Code (the "**CG Code**") as set out in Appendix C1 to the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**") as its own code of corporate governance.

Under code provision C.2.1 of the CG Code, the roles of chairman and chief executive should be separate and should be performed by different individuals.

At present, the roles of the chairman of the Board and the chief executive officer of the Company are performed by Mr. Chen Xiaoliang. The Board believes that Mr. Chen Xiaoliang should continue to assume the responsibilities of the chairman of the Board and the chief executive officer of the Company as this arrangement will improve the efficiency of our decision-making and execution process given his familiarity with the Group.

During the daily operations of the Company, all material decisions are approved by the Board and the relevant Board committees, as well as the senior management team of the Company. In addition, the Directors proactively participate in all Board meetings and all relevant Board committee meetings, and the chairman of the Board and relevant chairman of the Board committees ensure all the Directors are duly informed of all the matters to be approved at the meetings. In addition, the senior management team of the Company provides the Board with sufficient, clear, complete and reliable company information on a regular basis and from time to time. The Board also regularly meets and reviews the operations of the Company under the leadership of Mr. Chen Xiaoliang on a quarterly basis.

The Board is therefore of the view that there is an adequate balance of power and that appropriate safeguards are in place. The dual roles of Mr. Chen Xiaoliang have no negative effect on the balance of power and authority between the Board and the Company's senior management team. The Board will continue to regularly monitor and review the Company's current corporate governance structure and to make necessary changes when appropriate.

Save as disclosed above, the Company has complied with all applicable code provisions of the CG Code for the six months ended 30 June 2026. The Company will continue to review and monitor its corporate governance practices to ensure compliance with the CG Code.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules (the "**Model Code**") as its own code of conduct regarding Directors' securities transactions. Having made specific enquiries of all Directors, each of the Directors has confirmed that he/she has complied with the required standards as set out in the Model Code for the six months ended 30 June 2026.

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

During the Period, neither the Company nor any of its subsidiaries or consolidated affiliated entities has purchased, sold or redeemed any of the Company's listed securities (including sale or transfer of treasury shares (as defined in Rule 1.01 of the Listing Rules), if any). As of 30 June 2026, the Company did not hold any treasury shares.

AUDIT COMMITTEE

The audit committee of the Board, together with the management of the Company, has reviewed the unaudited interim results of the Group for the six months ended 30 June 2026.

PUBLICATION OF THE INTERIM RESULTS AND 2026 INTERIM REPORT ON THE WEBSITES OF THE STOCK EXCHANGE AND THE COMPANY

This interim results announcement is published on the websites of the Stock Exchange (https://www.hkexnews.hk) and the Company (http://www.duiba.cn), respectively, and the 2026 Interim Report containing all the information required by the Listing Rules will be dispatched to the Shareholders and published on the respective websites of the Stock Exchange and the Company in due course.

By order of the Board
DUIBA GROUP LIMITED
Chen Xiaoliang
Chairman

Hangzhou, China, 31 August 2026

As at the date of this announcement, the Board comprises Mr. Chen Xiaoliang and Mr. Zhu Jiangbo as executive Directors, Ms. Yang Jiaqing and Ms. Zhang Shuhua as non-executive Directors, and Mr. Kam Wai Man, Dr. Gao Fuping and Dr. Shi Jianxun as independent non-executive Directors.

* *The English transliteration of the Chinese names in this announcement, where indicated, is included for information only, and should not be regarded as the official English names of such Chinese names.*