

2026 INTERIM REPORT



家乡互动科技有限公司

Homeland Interactive Technology Ltd.

(Incorporated in the Cayman Islands with limited liability)

STOCK CODE : 3798



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Corporate Information

BOARD OF DIRECTORS

Executive Directors

Mr. WU Chengze (*Chairman*)
Mr. SU Bo
Mr. DING Chunlong

Independent Non-Executive Directors

Mr. ZHANG Yuguo
Mr. HU Yangyang
Ms. GUO Ying

AUDIT COMMITTEE

Mr. HU Yangyang (*Chairman*)
Mr. ZHANG Yuguo
Ms. GUO Ying

REMUNERATION COMMITTEE

Mr. HU Yangyang (*Chairman*)
Mr. ZHANG Yuguo
Ms. GUO Ying

NOMINATION COMMITTEE

Mr. WU Chengze (*Chairman*)
Mr. HU Yangyang
Ms. GUO Ying

JOINT COMPANY SECRETARIES

Mr. WU Jieran
Mr. CHAN Yik Pun (appointed on 28 February 2026)
Ms. NG Ka Man (resigned on 28 February 2026)

HONG KONG SHARE REGISTRAR

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

REGISTERED OFFICE IN THE CAYMAN ISLANDS

PO Box 309
Ugland House
Grand Cayman
KY1-1104
Cayman Islands

AUTHORIZED REPRESENTATIVES

Mr. SU Bo
Mr. CHAN Yik Pun (appointed on 28 February 2026)
Ms. NG Ka Man (resigned on 28 February 2026)

AUDITOR

Deloitte Touche Tohmatsu
Registered Public Interest Entity Auditor
35/F One Pacific Place
88 Queensway
Hong Kong

COMPANY'S WEBSITE

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STOCK CODE

3798

HEADQUARTERS IN THE PRC

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PRC

CAYMAN ISLANDS PRINCIPAL SHARE REGISTRAR AND TRANSFER AGENT

Maples Fund Services (Cayman) Limited
PO Box 1093, Boundary Hall, Cricket Square
Grand Cayman KY1-1102
Cayman Islands

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

LM8, 5/F, Lee & Man Commercial Center
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PRINCIPAL BANKS

Jilin Jiutai Rural Commercial Bank, Tongzhi
Street Branch
Bank of China, Xiamen Taiwan Road Branch
Hua Xia Bank, Xiamen Branch

Business Overview and Outlook

The board of directors (the “**Board**”) of Homeland Interactive Technology Ltd. (the “**Company**”) is pleased to present the unaudited consolidated results (the “**Interim Results**”) of the Company and its subsidiaries (collectively referred to as the “**Group**”) for the six months ended 30 June 2026 (the “**Reporting Period**”). The Interim Results have been reviewed by Deloitte Touche Tohmatsu, the auditor of the Company, and the audit committee of the Company (the “**Audit Committee**”).

BUSINESS REVIEW AND OUTLOOK

Stable Operations of the Casual Card and Board Game Business with Continued Development of Player Ecosystem

During the Reporting Period, the Group continued to adhere to its ecosystem-based operational strategy by maintaining its customer-demand-driven approach, advancing in-depth localized operations and developing social scenarios. In terms of gameplay, while retaining city standards for its core gameplays, the Group also expanded a suite of lightweight gameplay variants, striking a dynamic balance between preserving long-time players’ gameplay habits and mitigating gameplay fatigue; refined its dual-scenario system of “City Showdowns” (stranger matchmaking) and “Private Social Room” (acquaintance-based social play). It also leveraged the increased social network effect with local user community, coupled with the social value-added contents with special effects such as “blessing” and “praying to the gods”, to enhance the gameplay’s fun and appeal. The Group remained steadfast on its operational philosophy of refining basic user experience and ensuring competitive fairness. During the Reporting Period, the Group further optimized the matchmaking algorithms, enhanced device compatibility and intelligent anti-cheating system, thereby solidifying long-term user trust and supporting the long-term product operations.

Given the strong regional characteristics of the Company’s core card and board game products, the Group implemented refined operations tailored to the gameplay habits and user preferences across different regions. Through preliminary regional research, city-specific promotion, localized content configuration and social fission events, the Group continued to enhance market penetration and user engagement in key regions. While pursuing refined operations, the Group further improved the quality metrics for “effective users”, comprehensively evaluating user retention, engagement and long-term value. During the Reporting Period, the Group’s related operational initiatives brought in over 2 million new users, further strengthening the Company’s user base and regional operational capabilities in the local card and board game market. For the fishing game business, in the face of intensifying market competition, the Company focused on advancing IP collaborations, festive events and the optimization of sharing features to further develop its content ecosystem and explore content-driven operations. Leveraging influencers to attract organic traffic and expand beyond existing fishing game players, the Company revitalized the incremental market and enhanced user retention and product monetization capabilities through refined influencer operations and event collaborations.

As of 30 June 2026, the Group recorded approximately 11.0 million DAUs, representing a 10.7% and 9.2% decrease compared to the same period last year and the end of 2025 respectively. During the Reporting Period, the Average Monthly Active Users (MAUs) were approximately 62.2 million, representing a 4.0% and 8.5% increase compared to the same period last year and the end of 2025 respectively. The movements were primarily attributable to the Company's proactive optimization of its user acquisition strategy, with a greater focus on user quality and long-term value. As the proportion of low frequency users adjusted, the user engagement structure changed accordingly. By adjusting certain event mechanisms and the in-game economic system, the Group has guided the user ecosystem towards a long-term, high-value development. As a result, the scale of low-active and low-contribution users declined, leading to a temporary decrease in the total number of paying users. During the Reporting Period, the Company recorded approximately 7.0 million paying users, representing a 22.9% decrease compared to the same period last year. At the same time, the contribution from the Company's core paying users continued to increase, with the proportion of high-frequency paying users¹ increased from 18.0% in the same period last year to 24.7%; and the number of high quality users² increased by 5.9% on a year-on-year basis, reflecting the effectiveness of the Company's strategy to cultivate high-quality core players in previous periods. For users with lower willingness to pay, the Company strengthened its advertising content supply and advertising monetization mechanism, guiding these users to gradually convert into ad-contributing users. While maintaining overall player engagement and the game's ecosystem health, the Company explored diversified pathways of user value realization. During the Reporting Period, the Group's advertising revenue increased by RMB29.7 million as compared to the same period last year, representing a 120.6% increase on a year-on-year basis, which effectively complemented the in-game purchase business and jointly supported the Group's steady overall revenue performance. During the Reporting Period, the Group recorded revenue of RMB621.8 million, representing a 14.4% decrease as compared to the revenue of RMB726.0 million for the same period in 2025. For further details on the Group's revenue structure and changes, please refer to the relevant sections in the Management Discussion and Analysis.

Planning and Diversification of Overseas Business

The Group continued to advance its business diversification while maintaining steady operations of its established businesses, building a player ecosystem and optimizing its user structure. During the Reporting Period, the Group explored new directions for business growth through game publishing overseas, research and development of new products, as well as the application and research and development of artificial intelligence technologies.

¹ Average monthly payment frequency exceeding once during the corresponding period

² Average monthly top-up exceeding RMB300 during the corresponding period

Business Overview and Outlook

In terms of overseas markets, during the first half of 2026, on the one hand, the Group continued to operate its overseas fishing games and effectively enhanced user retention by optimizing the player growth system, introducing new characters and expanding the progression-based game rules. On the other hand, the Group commenced the preliminary preparation work for the launch of several new regionally distinctive card and board games in the second half of the year. By analyzing user preferences and local card and board game cultures in various target markets, including Japan, Taiwan region of China, South Asia and the Middle East, the Group has completed the corresponding positioning of the product lines, developed core game rules, conducted research and development for version updates and formulated localized publishing plans: products targeting the Japanese and Taiwan region (China) markets will mainly feature Japanese Mahjong and Taiwanese Mahjong as dual core gameplays, while products targeting South Asia and the Middle East markets will be customized based on distinctive local poker rules. Multi-dimensional preparations for localization have also been completed simultaneously, covering multilingual adaptation, customized local character images and artistic styles, pricing strategy for regional differentiation and commercialization, and planning of localized marketing campaigns. At the same time, the Group pushed ahead with a full suite of ancillary publishing works, such as version adaptation, production of placement materials and online testing plans. These thorough and detailed preliminary preparations have laid an important foundation for the steady and sustainable development of the Group's overseas business.

In addition to the overseas publishing of its proprietary games, the Group's overseas publishing business for independent games also saw substantial development during the Reporting Period. In the first half of 2026, the Group continued to enhance its global publishing and comprehensive servicing capabilities with a focus on content-driven games. As of 30 June 2026, the cumulative sales of PC games published by the Group exceeded 10 million copies, among which four games recorded sales exceeding one million copies and dozens of other games recorded sales over 100,000 copies, demonstrating the effectiveness of its product matrix and long-term operation strategies. The mobile game "Backpack Battles", for which the Group acts as the exclusive agent, topped the iOS Paid Games List in Japan for two consecutive weeks and achieved high rankings on the list in the U.S. In terms of building of the developer ecosystem, the business has established a global project discovery and developer network. Each year, it screens and adds approximately 2,000 games to its pipeline and engages in substantive discussions with hundreds of developer teams worldwide, thereby laying the foundation for continuous acquisition of high-quality content, enriched product portfolio and the building of a developer ecosystem for content-driven games.

One of the Group's diversified overseas expansion initiatives is Welucky, an AI-native interactive drama platform targeting a broad audience, which is currently under development. The platform will establish a content ecosystem which enables content creation, AI production, platform distribution, and user consumption in an interactive manner. To align with the Group's development plan in AI content production tools, the platform aims to achieve commercialization by offering users role-playing, plot selection, and story branching/multi-ending viewing experiences. At the same time, it aims to attract and retain content creators with different creation tools, traffic distribution, revenue sharing, and data feedback mechanisms. By continuous interaction and accumulation of consumption data, the platform provides users with richer content and more precise recommendations, which in turn benefits content creators, thereby making the platform the organizers of the content ecosystem and creating a virtuous cycle. The Group has signed contracts with scriptwriting teams for its first batch of 10 custom-made short dramas. The first batch of filler episodes is expected to be completed in September and the dramas will be officially launched in the fourth quarter.

While steadily advancing its overseas operations, the Group continues to ramp up its new product portfolio by building up its inventory of products with diverse variety that meet different markets' needs. The Group has developed a new product item that features dinosaurs and gigantic beasts with highly authentic recreations of prehistoric ecosystems, which has garnered significant market attention. The Group will prudently advance the research and development (“R&D”) and distribution of this product item. If its product testing and subsequent commercial performance meet our criteria, it is expected that it will be added to and further enhance the Company's product portfolio, expanding our presence in the casual entertainment content sector both domestically and internationally, and opening up new avenues for our medium- to long-term growth.

Seven Hegemony is a third-party game the Group has been licensed with and will be a key product for us in the second half of the year. Leveraging the IP's long presence and large player base, the game retains the strategic core of the Warring States period theme while optimizing the progression pace. The game's target player profile highly aligns with that of the Group's existing user base. Furthermore, having a strategic focus on the card and board game sector for years, the Group has established a mature system for user segmentation and operations, brand marketing, organic traffic acquisition, and regular event iterations. All of these are highly supplementary and complementary to this retro game.

Committed to AI Long-term Strategies, Exploring the Development of Content Ecosystem

With AI as a long-term strategic focus of the Company, the Company has started to explore different areas such as game R&D processes, content generation, and publication and operation since 2023. The Company has gradually applied the related technological capabilities in its internal business scenarios, which helps improve the efficiency of products' R&D and operational capabilities. With continuous accumulation of internal data, adaptation of external tools and accumulation of proprietary modelling capabilities, the Group is exploring the construction of an interactive entertainment ecosystem integrated with AI technological capabilities, a content creator ecosystem and a publication system. By lowering the thresholds of content generation with AI tools and leveraging the publication capabilities of the Company, the Group aims to help developers and content creators to achieve commercialization.

In order to realize this strategic vision, in April 2026, our multimodal AI content production and coordinated management platform targeting corporate users — “Joyscene AI” began internal testing. Through united integration of image, video and audio generation models, and with our node-based creative canvas, as well as our corporate assets management, project collaboration and compliance management capabilities, “Joyscene AI” provides a one-stop digital content generation solution for scenarios such as film and television, gaming, and interactive content. As of the end of the Reporting Period, “Joyscene AI” has completed a three-month internal testing with over a thousand of active users, during which the content generated by and Token usage of the platform increased rapidly, reflecting continuously increasing recognition and loyalty of the users to platform's tools and functions.

Business Overview and Outlook

Meanwhile, building on prior groundwork and driven by daily business needs, the Company has preliminarily established a matrix of self-developed vertical models covering visual presentation, distribution, and R&D pipeline planning. Among these, the UI layering, video super-resolution, and customer service model have begun internal use and are undergoing continuous training, iteration, and functional optimization. In the area of 3D model generation, the Company has completed the development of an MVP spanning from model deployment, generation process validation to game engine adaptation, and has initiated model optimization training based on industry data; in the area of 2D animation generation, the Company has completed the establishment of the data system, technical framework, and evaluation system, and is continuing to advance algorithm validation and model capability enhancement. During the Reporting Period, building on the earlier intelligent middle platform, the Company completed the development of an intelligent agent for advertising placement, integrated key workflows, and achieved an upgrade from the use of standalone AI-assisted tools to the systematic integration and process automation of advertising placement. This placement system integrated the Company's game business data with advertising platform data. By uniformly invoking various foundational models, it supported a full-stack suite of functions including placement strategy configuration, marketing creative generation, advertising campaign operations, data monitoring and analysis, and placement adjustments driven by continuous feedback. The system has established mechanisms for human-machine collaboration and hierarchical authority controls, and entered the phase of real business validation, functional optimization, and preparation for enterprise-level commercialization.

Visual Presentation	UI layering, 3D model generation, 2D animation (spine) generation, 3D action generation, 3D material generation, video super-resolution
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Game Publishing	Customer service model, advertising placement, and research and analysis model
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During the Reporting Period, the Group continued to advance the application of artificial intelligence technology across business operations such as game development, content production, and publishing and operations, gradually establishing a technical framework comprising an enterprise-level AI platform, self-developed vertical models, and intelligent agent. At this stage, these capabilities primarily served to enhance the R&D and operational efficiency of the Group's internal enterprises and teams, while also laying the foundation for the Company to further expand its digital content production services and interactive entertainment business.

In summary, looking ahead, the Group will continue to consolidate the foundation of our existing core businesses. Through refined operations, the Group will continue to optimise its user mix, enhance user quality, lifetime value and monetisation efficiency, and foster a healthy and sustainable player ecosystem. In terms of business diversification, leveraging its product development capabilities and global publishing capabilities, the Group will continue to expand its presence in overseas markets, enrich its portfolio of pan-entertainment products and broaden the boundaries for business growth.

Going forward, while continuing to strengthen the foundation of our gaming business, the Company will also remain committed to advancing the implementation of its long-term AI strategy. The Company will continue to iterate and enhance its enterprise-grade AI tool platform and vertical technology capabilities, further integrate artificial intelligence across the entire value chain of content production, research and development and operations, foster synergies with the creator ecosystem, explore new business models in interactive entertainment, expand the scope of its services for enterprise customers, thereby cultivating new growth drivers for the Group's medium- to long-term development.

FINANCIAL REVIEW

Revenue

The Group's revenue consists three major components: (i) revenue from self-developed mobile games; (ii) revenue from third-party mobile games; and (iii) advertising revenue. For self-developed mobile games, the Group's revenue is primarily derived from the sales of virtual tokens. Virtual tokens can be used by the customers to play mobile games of the Group or for purchasing virtual products. For third-party mobile games, the Group provides mobile game publishing service to third-party game development companies. The third-party mobile games are hosted, maintained, operated and updated independently by the relevant game developers. The Group recognizes its revenue, net of the portion of proceeds to be shared with the third-party mobile game developers. Advertising revenue is derived principally from online advertising arrangements. The Group inserts certain in-game advertisement slots into its mini-programs and shares the proceeds with those mini-program platform operators.

For the six months ended 30 June 2026, the Group's revenue amounted to approximately RMB621.8 million. This represents a decrease of 14.4% compared to RMB726.0 million recorded in the same period in 2025. For the six months ended 30 June 2026, revenue generated from the Group's self-developed mobile games, distribution of third-party mobile games and advertising accounted for approximately 79.4%, 11.9% and 8.7% of the Group's total revenue, respectively, as compared with approximately 69.6%, 27.0% and 3.4%, respectively, for the six months ended 30 June 2025.

During the Reporting Period, revenue from the Group's self-developed mobile games amounted to RMB493.9 million, representing a slight decrease of 2.3% from RMB505.3 million recorded in the same period last year. This decline in revenue was primarily attributable to an increase in deferred revenue. During the Reporting Period, the turnover of topping up from the users of the Group's self-developed games increased compared to the same period last year. However, due to adjustments in game operations strategies, the related revenue does not reach the revenue recognition requirements but will be gradually recognized in subsequent periods. To prioritize the publication of self-developed games and maintain the lifespan of our core games, the Company proactively adjusted its traffic allocation strategy. As a result of the Group's proactive business control, revenue from distribution of third-party mobile games declined from RMB196.1 million in the same period last year to RMB73.6 million. At the same time, the Company strengthened its advertising content supply and monetization mechanisms, guiding users with lower willingness to pay to gradually convert into those who would contribute to advertising revenue. As a result, advertising revenue increased by 120.6% on a year-on-year basis from RMB24.6 million in the same period last year to RMB54.4 million.

Cost of sales

The Group's cost of sales primarily includes (i) employee benefit expenses; (ii) commissions charged by platforms and third-party payment service vendors; (iii) co-operation commissions charged by new media institutions; (iv) commissions charged by game operators and developers; (v) server related and technical support fees; and (vi) depreciation and amortization. The Group's cost of sales decreased by approximately 43.5% to approximately RMB230.2 million in the six months ended 30 June 2026 from approximately RMB407.7 million in the six months ended 30 June 2025. The significant decrease in cost of sales was primarily due to: (1) significant decrease in co-operation commissions paid to new media entities by the Group during the Reporting Period as a result of the gradual development of the Group's content ecosystem and its higher proportion of organic traffic; and (2) lower commissions charged by game developers as compared to the same period last year as a result of the Group's proactive control of its third-party mobile game distribution business. As at 30 June 2026, the Group does not have any trade payables.

Gross profit and gross profit margin

As a result of the foregoing, the Group's gross profit increased by 23.0% to approximately RMB391.6 million for the six months ended 30 June 2026 from approximately RMB318.4 million for the six months ended 30 June 2025, and the Group's gross profit margin increased to 63.0% for the six months ended 30 June 2026 from 43.8% for the corresponding period in 2025. Although the Group's revenue declined during the Reporting Period, the Group's gross profit saw an increase with significant improvement in gross profit margin as the decrease in the abovementioned cost of sales far exceeded the decline in revenue.

Other income

Other income increased by approximately 7.6% from approximately RMB13.8 million for the six months ended 30 June 2025 to approximately RMB14.9 million for the six months ended 30 June 2026, representing a modest increase compared with the same period last year.

Other gains and losses

The net loss recorded under other gains and losses increased by RMB29.2 million from a loss of approximately RMB3.3 million for the six months ended 30 June 2025 to a loss of approximately RMB32.5 million for the six months ended 30 June 2026. Changes in other gains and losses were primarily attributable to fluctuations in the fair value of the Group's financial assets at fair value through profit or loss during the Reporting Period, and the related unrealized fair value loss for the Reporting Period amounted to approximately RMB33.0 million.

Foreign exchange losses, net

Foreign exchange losses of approximately RMB8.1 million were recorded for the six months ended 30 June 2026 while foreign exchange losses of approximately RMB2.2 million were recorded for the six months ended 30 June 2025. This was primarily due to an increase in the Company's foreign exchange positions during the Reporting Period for its business expansion, combined with the continued appreciation of the RMB against the U.S. dollar and the Hong Kong dollar during the Reporting Period, these two factors together led to a significant year-over-year increase in foreign exchange losses.

The Group currently does not have any dedicated hedging policy or enter into financial instruments specifically designated for hedging purposes. Certain investments may provide a degree of currency diversification but not intended to constitute formal foreign currency hedging instruments. However, the Board will remain alert to any relevant risks and, if necessary, consider whether to hedge any material potential foreign exchange risk.

Selling and marketing expenses

During the Reporting Period, the Group's selling and marketing expenses amounted to RMB127.3 million, representing a decrease of approximately 1.0% from approximately RMB128.6 million for the six months ended 30 June 2025, broadly unchanged from the same period last year.

Administrative and other expenses

The Group's administrative and other expenses increased by approximately RMB38.3 million from approximately RMB60.4 million for the six months ended 30 June 2025 to approximately RMB98.7 million for the six months ended 30 June 2026, representing an increase of 63.3%. During the Reporting Period, the increase in administrative and other expenses was due to higher share-based payments, depreciation and amortization, and other professional service fees of the Group.

Research and Development Expenses

Research and development expenses decreased by 11.1% from approximately RMB35.2 million for the six months ended 30 June 2025 to approximately RMB31.3 million for the six months ended 30 June 2026. This was mainly due to the transfer of part of the Group's R&D work entrusted to external organizations to internal R&D teams during the Reporting Period, resulting in a decrease in R&D related professional service fees, and a corresponding increase in salary expenses of R&D personnel, which offset each other and led to a net decrease in total R&D expenses.

Profit Before Income Tax

The Group's profit before income tax increased by approximately 22.0% from approximately RMB62.8 million for the six months ended 30 June 2025 to approximately RMB76.6 million in the corresponding period this year. The Group's profit before income tax as a percentage of total revenue increased from 8.6% for the six months ended 30 June 2025 to 12.3% for the six months ended 30 June 2026. Despite the significant increase in gross profit and gross profit margin, the impact of the improvement in gross profit was partially offset by the increase in administrative and other expenses, losses under other gains and losses, and foreign exchange losses, resulting in a smaller increase in profit before income tax than in gross profit.

Income Tax Expenses

Income tax expenses increased by approximately 203.3% from RMB9.3 million for the six months ended 30 June 2025 to RMB28.2 million in the corresponding period in 2026. The Group's effective tax rates were 14.8% and 36.9% for the six months ended 30 June 2025 and 2026, respectively. The increase in the Group's income tax expenses was mainly due to the increase in underprovision in prior years as compared to the corresponding period last year. For further details, please refer to note 7 to the condensed consolidated financial statements of the Company in this report.

Profit attributable to owners of the Company

Profit attributable to owners of the Company increased by approximately 5.3% from approximately RMB37.4 million for the six months ended 30 June 2025 to approximately RMB39.4 million in the corresponding period in 2026.

Non-IFRS Measures — Adjusted Net Profit

To supplement the Group's consolidated financial statements which are presented in accordance with International Financial Reporting Standards ("IFRS"), the Company also used unaudited non-IFRS adjusted net profit as an additional financial measure in order to evaluate our financial performance by eliminating the impact of certain non-recurring and non-cash items that we do not consider indicative of the performance of our business. The Company's management believes that the presentation of non-IFRS measures, in conjunction with the corresponding IFRS measures, provides useful information to investors relating to the Group's financial condition and results of operations. The term "adjusted net profit" is not defined under IFRS. Other companies in the industry which the Group operates in may calculate such non-IFRS item differently from the Group. The use of adjusted net profit has material limitations as an analytical tool, as adjusted net profit does not include all items that impact the Group's net profit for the Reporting Period and should not be considered in isolation or as a substitute for analysis of the Group's results as reported under IFRS.

Management Discussion and Analysis

The following table sets out the calculation of adjusted net profit attributable to the owners of the Company for the periods indicated:

	For the six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
Profit for the period attributable to the owners of the Company	39,384	37,395
Add:		
Share-based payment expenses	26,930	3,646
Share of losses of associates and joint ventures	12,211	5,027
Impairment losses recognized under the expected credit loss model (net of income tax)	18,629	28,834
Adjusted net profit attributable to the owners of the Company	97,154	74,902

The adjusted profit attributable to the owners of the Company for the six months ended 30 June 2026 was approximately RMB97.2 million, representing a 29.7% increase as compared to the corresponding period last year. This figure has excluded the impact of the following non-cash items: (1) share-based payment expenses; (2) the share of losses of associates and joint ventures; and (3) impairment losses recognized under the expected credit loss model (net of income tax).

LIQUIDITY AND CAPITAL RESOURCES

For the six months ended 30 June 2026, the Group financed its operations primarily through cash generated from the operating activities. The Group intends to finance its expansion and business operations with internal resources and through organic and sustainable growth.

The Group has adopted a prudent financial management approach towards its treasury policy. The Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities, and other commitments can meet its funding requirements from time to time.

Cash and cash equivalents

The Group primarily operates its business in the PRC and its transactions and revenue were primarily denominated in Renminbi. The Group has certain cash and cash equivalents and trade receivables denominated mostly in Renminbi and is exposed to foreign exchange risk arising from exchange rate fluctuation of RMB against HK dollars and US dollars. As at 30 June 2026, the Group had cash and cash equivalents of approximately RMB629.0 million (31 December 2025: approximately RMB790.7 million), which primarily consisted of cash at bank and fixed bank deposits with maturity less than three months.

Indebtedness

During the six months ended 30 June 2026, the Group did not have any short-term or long-term bank borrowings and had no outstanding bank and other borrowings and other indebtedness apart from lease liabilities for the relevant lease terms amounting to RMB13.9 million in aggregate (31 December 2025: RMB16.8 million).

Gearing ratio

The gearing ratio was zero as the Group had no bank or other borrowings as of 30 June 2026 (31 December 2025: zero). The Group's gearing ratio represented the percentage of the sum of non-current and current borrowings over total assets.

Charge on assets

As at 30 June 2026, the Group did not pledge any of its assets (31 December 2025: Nil).

Capital expenditures

For the six months ended 30 June 2026, the Group's capital expenditure amounted to approximately RMB181.3 million (for the six months ended 30 June 2025: approximately RMB58.3 million), which mainly comprised expenditures on the purchase of office furniture and equipment, motor vehicles, leasehold improvements, the purchase of the copyright of game software and computer software, the purchase of equity instruments at fair value through other comprehensive income and financial assets at fair value through profit or loss as well as investment in joint ventures and associates. The Group funded its capital expenditure by using the cash flow generated from its operations. The Group's capital expenditure for the period ended 30 June 2026 increased by approximately RMB123.0 million compared with the corresponding period in 2025, mainly attributable to an increase of RMB101.3 million in financial assets at fair value through profit or loss purchased by the Group during the Reporting Period as compared with the corresponding period last year.

Contingent liabilities and guarantees

As at 30 June 2026, the Group did not have any significant unrecorded contingent liabilities, guarantees or any litigation against the Group.

Material acquisitions, disposals and future plans for significant investment

During the Reporting Period, the Group did not have any material acquisitions or disposals of subsidiaries, joint ventures, associates or financial assets, or any future plan for significant investment or capital assets.

Employees and Staff Costs

Employees and staff costs of the Group include directors' emoluments, salaries and other benefits in kind, retirement benefit costs, and share-based payments expenses. As at 30 June 2026, the Group had a total of 355 full time employees, mainly located in mainland China. In particular, 152 employees are responsible for the Group's research and development, 21 for technical support, 115 for marketing and 67 for operations and general administration. The total staff cost incurred by the Group for the six months ended 30 June 2026 was approximately RMB101.9 million compared to approximately RMB67.3 million in the corresponding period in 2025. During the Reporting Period, whilst the payroll costs decreased as a result of the reduction in the number of the Group's employees, the total staff costs rose by approximately 51.4% compared with the corresponding period last year, due to payments of termination benefits and an increase in share-based payment expenses during the Reporting Period.

The Group provides orientation and training to new recruits as well as ongoing in-house training for junior employees, which the Group believes can enhance the skills and productivity of its employees. The Group compensates employees with base salaries and performance-based bonuses. The remuneration policies and employee training programs of the Company remained the same as those set out in the 2025 annual report of the Company published on 28 April 2026. The Company also adopted a share award scheme (the “**2019 Share Award Scheme**”) and a share scheme (the “**2025 Share Scheme**”) on 6 June 2019 and 17 June 2025 respectively to incentivize employees and senior management and to align their interests with that of the Company.

Further details of the 2019 Share Award Scheme and the 2025 Share Scheme are set out in the section of “Other Information” of this interim report.

INVESTMENT POLICIES

The Group has adopted a comprehensive “Investment and Wealth Management Policy” (the “**Policy**”) to govern its treasury management and investment activities. The Policy is designed to optimize capital allocation through a prudent, tiered approach, prioritizing principal preservation and liquidity while seeking reasonable returns. Set out below are details of the infrastructure of the Group’s investments:

Investment objectives and purpose

The Policy establishes a dual-tier framework for the Group’s investment activities: (a) the primary objectives are to manage the Group’s surplus cash reserves efficiently and to preserve principal and maintain high liquidity to meet the Group’s operational needs and dividend distributions; and (b) subject to the satisfaction of the primary objectives, the Group seeks to capture long-term industry growth and capital appreciation through a diversified portfolio. This includes diversifying the Group’s investment exposure with a view to mitigating certain macroeconomic risks, including inflation and currency fluctuations, and fostering strategic synergies with the Group’s core gaming business.

Permissible investments

Under the Policy, the Company may invest in:

- (a) cash management instruments (low risk), including capital-protected structured deposits, time deposits, and high-quality money market funds (“**MMFs**”). As of 30 June 2026, approximately 26.6% of the Group’s total financial assets consisted of USD Money Market Funds and bank structured deposits, serving as low-risk tools strictly for yield enhancement on idle cash;
- (b) strategic and equity portfolio (medium to long term), including high-liquidity Indices and exchange traded funds (the “**ETFs**”) utilized for hedging purposes and global asset allocation, long-term industrial investments in the information technology, fintech, biotech, energy and resources, etc. sector; and
- (c) tactical individual equities (opportunistic). The Policy retains the flexibility to invest a minor portion of funds into specific individual equities as “tactical individual equities”. Such investments are authorized only when the management identifies a high degree of certainty in short-term returns driven by favorable market cycles or specific corporate value disconnects. This strategy allows the Group to capture potential asset appreciation during specific market windows-such as investing in blue-chip tech leaders during cyclical troughs-while ensuring the overall exposure remains immaterial relative to the Group’s total assets.

Prohibited investments

The Policy explicitly prohibits high-leverage margin trading and naked short selling.

Board's assessment on shareholder value enhancement

The Board has critically evaluated the Policy and believes that it optimizes shareholder returns and enhances shareholder value through a three-pronged capital efficiency mechanism:

- (i) **Maximizing Yield on Idle Capital (Capital Efficiency):** The Board recognizes that holding excessive uninvested cash in standard demand deposits is inefficient and dilutive to shareholder value in real terms due to inflation. By prudently deploying a targeted allocation of our surplus capital into principal-protected structured deposits and money market funds, the Group generates stable, recurring finance income that significantly exceeds standard bank deposit rates. This strategy directly bolsters the Group's net profit and Earnings Per Share (EPS) without diverting resources from the core business, effectively monetizing the "time value" of the Group's working capital before it is utilized for operations or distributed as dividends.
- (ii) **Portfolio Diversification and Asset Preservation:** The inclusion of high-liquidity ETFs, stocks and USD-denominated funds in the investment scope is intended to enhance portfolio diversification and provide a degree of protection against certain inflation and currency risks. These investments may themselves be subject to market and foreign exchange risks. Given the Group's operational focus, the Board considers that, when managed prudently, such investments may help preserve the purchasing power of the Group's surplus funds over the longer term and mitigate the impact of macroeconomic volatility on the Group's net assets.
- (iii) **Capturing Cyclical Alpha for Future Allocation:** Regarding the tactical equity investments, the Board views this as a disciplined method to enhance the Group's total surplus. By retaining the flexibility to invest a strictly limited portion of capital into high-conviction, undervalued blue-chip assets during market troughs, the Group aims to achieve capital appreciation that outperforms the general market. These investment gains, once realized, contribute to the Group's distributable reserves, thereby strengthening the Company's ability to sustain stable dividends or fund future strategic acquisitions without the need for expensive external financing, ultimately maximizing long-term shareholder value.

RISK MANAGEMENT AND CONTROL MEASURES

Defined risk limits and exit mechanisms

The Group enforces a rigorous investment discipline to preserve principal and optimize returns. The Board has established a "dual-exit" mechanism applicable to both equity and fund investments:

First, the Group enforces a fixed stop-loss policy to establish a hard floor for every position. If an asset price hits a pre-defined maximum loss threshold (Typically a drawdown of 10%–15% depending on the asset class volatility), a sell order is strictly executed to cut losses immediately. This ensures that no single investment can cause material damage to the Group's principal.

Second, to optimize shareholder returns, we utilize a Trailing Stop-Loss (Moving Stop) strategy for performing assets. As the asset price rises, the stop-loss trigger moves upward dynamically. This mechanism allows the Group to ride upward trends to capture maximum upside while ensuring that profits are systematically locked in should the trend reverse.

High-quality asset selection strategy (market risk control)

For the strategic and equity portfolio, the Group enforces a disciplined selection criterion that focuses strictly on market leaders and “Blue-Chip” Stocks. We prioritize companies with large market capitalizations and high liquidity to minimize business and liquidity risks. This strategy is reflected in our current portfolio, which predominantly consists of constituents of major indices and industry leaders. By avoiding speculative small-cap stocks, the Group ensures that positions remain liquid and can be exited efficiently even under adverse market conditions.

Counterparty risk management

To mitigate credit and operational risks, the Group enforces stringent pre-investment screening and counterparty due diligence:

- (a) treasury transactions are strictly limited to top-tier state-owned banks and reputable financial institutions with strong credit ratings; and
- (b) for fund investments, the Group selects managers based on rigorous track record requirements. Selected managers must possess a minimum of 5 years of investment experience, having demonstrated resilience through complete market cycles (bull and bear), and must have managed the target strategy for at least 3 years to ensure performance traceability and stability.

Liquidity management

The Group maintains a reasonable liquidity buffer in cash and cash equivalents to meet working capital requirements. To ensure funds are available when needed for operations or dividend distributions and eliminate solvency risk, the maturity profiles of all financial products are strictly matched against the Group’s rolling operational cash flow forecasts.

INVESTMENT DECISION MAKING PROCESS AND APPROVAL AND OVERSIGHT MECHANISMS

The investment decisions of the Group are made through a multi-layered governance structure. The Board retains ultimate responsibility for investment oversight. The Board is responsible for defining the risk appetite statement and approving the annual investment cap for new investment and subject to all applicable regulatory requirements and approvals (ordinarily limited to 20% of net assets). The Board delegates specific operational authorities to the investment decision committee (“**IDC**”), which serves as the central gatekeeper. The IDC shall comprise at least five members, including the chairman of the Group, the chief executive officer, the chief financial officer, the investment director (the “**Investment Director**”), and the compliance officer (the “**Compliance Officer**”). A distinctive feature of our governance is the “unilateral compliance veto” held by the Compliance Officer. This mechanism empowers the Compliance Officer to unilaterally reject any investment proposal that violates the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) (the “**Listing Rules**”), internal risk control policies, or compliance standards, regardless of the projected commercial returns or majority approval from other committee members.

The Group executes investments through a rigorous “Three-Stage” closed-loop process where compliance serves as a mandatory prerequisite at critical checkpoints:

Stage 1: Preliminary Screening

The process begins with preliminary screening, where proposed investments are checked against a “negative list” (i.e., prohibited investments listed in “**Prohibited investments**”) by the investment managers. Based on the negative list check, the Investment Director will further conduct a comprehensive analysis on the target assets.

Stage 2: Compliance Review

Before entering the commercial approval stage, every proposed investment must be subject to a compliance review. At this stage, the Compliance Officer verifies the transaction against the Listing Rules (e.g., performing size tests and connected transactions analysis); if any non-compliance risk is identified, the veto power is exercised to halt the process immediately.

Stage 3: Tiered Approval

The approval path is determined by the investment’s size. Crucially, internal approval is conditional upon satisfying all applicable external regulatory requirements.

As to internal authority limits, investments not exceeding 1% of net assets of the Group are approved by the Investment Director; those ranging between 1%–5% require a 2/3 supermajority approval from the IDC; and any investment exceeding 5% or involving new strategies must be escalated to the Board for deliberation.

As to external regulatory requirements, regardless of the internal authority limits, if an investment constitutes a notifiable transaction or a non-fully exempt connected transaction under the Listing Rules based on the size tests and analysis performed in Stage 2, the Group will strictly adhere to the requisite approval and disclosure requirements in accordance with the Listing Rules. Additionally, the Company will disclose information regarding significant investments in the Company’s interim and annual reports in accordance with the requirements under the Listing Rules. This ensures transparency for both Shareholders and regulatory authorities.

EXPERTISE OF INVESTMENT TEAM

The Group avoids “key man risk” by relying on a professional matrix structure that combines front-office execution with independent middle-office risk control. The investment function is led by the Investment Director, who is required to possess over 5 years of experience in secondary markets and a deep understanding of listed company governance, responsible for formulating high-level strategy. Supporting the Investment Director is an execution team of two investment managers, who are responsible for fundamental analysis, valuation modeling, and trade execution while being strictly free from conflicts of interest. Certain staff involved in the Company’s investment trading and investment activities passed the fund practitioner qualification examination organized by the Asset Management Association of China and is a member of the Chinese Institute of Certified Public Accountants.

Independent oversight is provided by the middle office, centered on the Compliance Officer. This role is filled by a senior professional with a legal or compliance background, responsible for managing disclosure obligations under the Listing Rules and exercising the aforementioned veto power over non-compliant transactions. Furthermore, while the Group retains independent decision-making authority, it leverages external intelligence from reputable research institutions (e.g., Northeast Securities Research Institute) to validate internal research, ensuring a robust and objective decision-making environment.

STRATEGIES TO ENHANCE SHAREHOLDERS' VALUE AND CAPITAL ALLOCATION FRAMEWORK

Dividend Policy and Capital Management Strategy

The Company places the highest priority on enhancing shareholder value; however, given the dynamic nature of the global gaming industry and the Group's strategic focus, we do not adhere to a pre-determined annual payout ratio. Instead, the Company adopts a flexible dividend policy driven by the practical constraints of our capital structure. Specifically, as the Group's offshore foreign currency reserves are finite, our primary objective is to ensure sufficient liquidity to fund the expansion of our overseas gaming product. Consequently, the allocation of capital for enhancing shareholder value, whether through cash dividends or share repurchases, is strictly derived from the surplus offshore liquidity remaining after the Group's operational necessities and international expansion requirements are fully satisfied.

Distinct Allocation for Onshore and Offshore Funds

To maximize capital efficiency under these constraints, the Group implements a distinct strategy tailored to the fund sources. For offshore funds, we follow a "business first" hierarchy: priority is given to reserving foreign currency for organic growth and strategic M&A. Only when these needs are met is surplus capital deployed for Share Repurchases or allocated to the ESOP Trust for secondary market purchases, thereby supporting the share price and aligning employee interests with those of Shareholders. Conversely, regarding onshore funds, the Board wishes to clarify that the majority of the wealth management products are funded by the Group's onshore idle capital. Due to strict foreign exchange control policies in the PRC, repatriating these funds for dividend distribution involves complex approval procedures and unavoidable time lags. To prevent shareholder value dilution during this period, the Company subscribed to principal-protected wealth management products locally. This strategy ensures that onshore idle capital generates finance income — often exceeding standard deposit rates — rather than remaining idle while pending regulatory clearance.

Holistic Value Enhancement Measures

Beyond direct capital distribution, the Group is committed to enhancing shareholder value through a holistic approach. We anchor all capital allocation decisions—from R&D to strategic investments—on long-term growth rather than short-term speculation. We safeguard company assets through strong corporate governance, strictly enforcing the rigorous risk control frameworks and "dual-exit" mechanism detailed in "Risk management and control measures". Furthermore, we will prioritize regular communication by proactively disclosing investment strategies and performance metrics in our interim and annual reports, ensuring that Shareholders are fully informed of how their capital is being utilized to generate sustainable returns.

INVESTMENTS IN OTHER FINANCIAL ASSETS

The table below sets out the details of the Group's financial assets at fair value through profit or loss as of 30 June 2026. As of 30 June 2026, the Group did not hold any individual financial asset investment that accounted for 5% or more of the Group's total assets as of 30 June 2026. All such financial asset investments were funded by the Group's internal resources, and did not involve any proceeds from listing or external interest-bearing borrowings.

Name		Fair Value as at 30 June 2026 (RMB'000)	Percentage
Non-current unlisted securities			
— Investment in partnership	Hefei Challengers Gemini Venture Capital Investment Partnership (Limited Partnership)	71,877	13.18%
Current listed securities held for trading	30 blue-chips and ETFs including Ping An	188,472	34.56%
Current financial assets held for trading			
— Private funds	20 private funds with underlying assets including equities, bonds, other alternative investments, etc.	140,110	25.70%
— Money market funds	GaoTeng WeFund	52,947	9.71%
	Others	20,052	3.68%
— Structured deposits	Li Duo Duo Corporate Stable Profit 26JG3194 (1-Month Early Bird) RMB-denominated Corporate Structured Deposit	50,000	9.17%
	Others	21,823	4.00%
Total		545,281	100.00%

Note: For information about how the fair values of these financial assets are determined (in particular, the valuation technique(s) and inputs used), please refer to Note 20 to the Financial Statements in this interim report.

Management Discussion and Analysis

To provide a clear overview of the Group's prudent decision-making process regarding treasury management and strategic investments, the Company hereby sets out further details of individual investment products that each accounted for more than 5% of the total financial assets at fair value through profit or loss and current listed securities of the Company held for trading for Shareholders' information:

Category	Name/Product	Manager/Issuer	Book value of the investment cost as of 30 June 2026 RMB'000	Fair value as of 30 June 2026 RMB'000	Tenor/ redemption	Nature of return	Realised/ unrealised gain/(loss) during 2026H1 RMB'000
Non-current unlisted securities — Investment in partnership	Hefei Challengers Gemini Venture Capital Investment Partnership (Limited Partnership) ^{note 1}	Beijing Chuangxinyizhou Investment Management Co., Ltd.	70,000	71,877	Duration of 7 years	Capital appreciation and potential exit returns	1,877
Current listed securities held for trading	30 blue-chips and industry ETFs including Ping An ^{note 2}	Held by the Company	205,302	188,472	No fixed term	Capital appreciation and Dividend	-16,830
Current financial assets held for trading — Money market fund	GaoTeng WeFund ^{note 3}	GaoTeng Global Asset Management Limited	54,108	52,947	No fixed term	Capital appreciation	-1,161
Current financial assets held for trading — Structured deposit	Li Duo Duo Corporate Stable Profit 26JG3194 (1-Month Early Bird) RMB-denominated Corporate Structured Deposit	Shanghai Pudong Development Bank Co., LTD.	50,000	50,000	31 days	interest income	—

Notes:

- As of 30 June 2026, Hefei Challengers Gemini Venture Capital Investment Partnership (Limited Partnership) had cumulatively invested in a total of 20 projects, focusing on the pan-consumption, enterprise services, and cultural & entertainment sectors, primarily covering projects in early-to-mid, growth, and mature stages. The Manager, Beijing Chuangxinyizhou Investment Management Co., Ltd., was established in 2014 and is registered with the Asset Management Association of China ("AMAC") under the manager registration number P1064430. The total assets under management of Chuangxinyizhou are approximately RMB10 billion.
- During the Reporting Period, the secondary market equity investments of the Group spanned industries such as financial service, non-ferrous metals, information technology, biopharmaceuticals and media. The relevant investments included 30 industry representative enterprises or industry ETFs with a certain market size and liquidity, including Ping An, Zijin Mining, Tencent Holdings, SMIC, WuXi AppTec, etc. When making investment decisions, the Group considered the macro-economic environment, industry outlook, corporate governance, financial performance, valuation level and securities liquidity as a whole. Through appropriate diversification in deployment across sectors, continuous review of investment portfolio and timely adjustment of position, the Group managed its market, business and liquidity risks, striving to realize prudent medium- and long-term capital appreciation while maintaining the marketability of its portfolio.
- GaoTeng Global Asset Management Limited was established in 2015 with its company headquarters located in Hong Kong. It has obtained Type 1 (Dealing in Securities), Type 4 (Advising on Securities) and Type 9 (Asset Management) licenses issued by the Securities and Futures Commission (SFC) of Hong Kong. It also possesses a QFII/RQFII qualification for qualified foreign investors granted by the CSRC and is registered as a Hong Kong Shares Investment Advisory Institution with the Asset Management Association of China. GaoTeng Asian Income Fund adopts a balanced strategy and diversified deployment. It focuses on high-credit level Asian investment-grade bonds with a small emphasis on quality Asian high-yield bonds to expand its yield potential with flexibility. On the other hand, GaoTeng China RMB Bond Fund mainly focuses on the domestic RMB bond market in China with a "Fixed Income Plus" strategy. Taking investment-grade pure bonds as its base position, the fund maintains a flexible deployment of convertible bonds to enrich its potential of long-term yield.



TO THE BOARD OF DIRECTORS OF HOMELAND INTERACTIVE TECHNOLOGY LTD.

(incorporated in Cayman Islands with limited liability)

INTRODUCTION

We have reviewed the condensed consolidated financial statements of Homeland Interactive Technology Ltd. (the “**Company**”) and its subsidiaries (collectively referred to as the “**Group**”) set out on pages 22 to 49, which comprise the condensed consolidated statement of financial position as of 30 June 2026 and the related condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended, and notes to the condensed consolidated financial statements. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and International Accounting Standard 34 “Interim Financial Reporting” (“**IAS 34**”) as issued by the International Accounting Standards Board. The directors of the Company are responsible for the preparation and presentation of these condensed consolidated financial statements in accordance with IAS 34. Our responsibility is to express a conclusion on these condensed consolidated financial statements based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

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

CONCLUSION

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

Deloitte Touche Tohmatsu

Certified Public Accountants

Hong Kong

28 August 2026

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 30 June 2026

		Six months ended 30 June	
	NOTES	2026 RMB'000 (unaudited)	2025 RMB'000 (unaudited)
Revenue	3	621,838	726,044
Cost of sales		(230,223)	(407,692)
Gross profit		391,615	318,352
Other income	4	14,894	13,837
Other gains and losses	5	(32,454)	(3,263)
Foreign exchange losses, net		(8,121)	(2,198)
Selling and marketing expenses		(127,317)	(128,556)
Administrative expenses and other expenses		(98,675)	(60,424)
Research and development expenses		(31,320)	(35,224)
Impairment losses under expected credit loss model, net of reversal		(19,495)	(34,275)
Share of results of associates		(6,972)	(310)
Share of results of joint ventures		(5,239)	(4,717)
Interest on lease liabilities		(351)	(444)
Profit before income tax		76,565	62,778
Income tax expense	7	(28,237)	(9,309)
Profit and total comprehensive income for the period	8	48,328	53,469
Profit and total comprehensive income for the period attributable to:			
Owners of the Company		39,384	37,395
Non-controlling interests		8,944	16,074
		48,328	53,469
Earnings per share (in RMB cents)	9		
— Basic		3.30	3.05
— Diluted		3.30	3.05

Condensed Consolidated Statement of Financial Position

As at 30 June 2026

	NOTES	As at 30 June 2026 RMB'000 (unaudited)	As at 31 December 2025 RMB'000 (audited)
Non-current assets			
Property, plant and equipment	10	145,335	148,974
Right-of-use assets	10	12,844	15,892
Intangible assets	10	6,753	7,967
Investments in associates	11	62,310	57,707
Investments in joint ventures		23,734	24,108
Financial assets at fair value through profit or loss ("FVTPL")	12	71,877	69,815
Equity instruments at fair value through other comprehensive income ("FVTOCI")		45,402	45,402
Prepayments, other receivables and deposits	14	6,389	4,810
Deferred tax assets		86,496	66,697
Receivables for disposal of associates	11	54,144	54,120
Loans receivables	15	15,321	20,102
		530,605	515,594
Current assets			
Trade receivables	13	99,785	90,246
Financial assets at FVTPL	12	473,404	352,739
Prepayments, other receivables and deposits	14	219,141	125,847
Receivables for disposal of subsidiaries		—	2,664
Receivables for disposal of associates	11	18,088	30,460
Loans receivables	15	113,458	122,152
Short-term bank deposits		162,811	153,029
Cash and cash equivalents		628,967	790,735
		1,715,654	1,667,872
Current liabilities			
Other payables	16	48,750	93,409
Deferred revenue	17	155,084	102,963
Tax payable		31,835	37,490
Lease liabilities		5,914	6,049
		241,583	239,911
Net current assets		1,474,071	1,427,961
Total assets less current liabilities		2,004,676	1,943,555

Condensed Consolidated Statement of Financial Position

As at 30 June 2026

	NOTES	As at 30 June 2026 RMB'000 (unaudited)	As at 31 December 2025 RMB'000 (audited)
Non-current liabilities			
Lease liabilities		7,999	10,798
Deferred tax liabilities		864	1,626
		8,863	12,424
Net assets		1,995,813	1,931,131
Capital and reserves			
Share capital	18	42	42
Reserves		1,935,965	1,878,283
Equity attributable to owners of the Company		1,936,007	1,878,325
Non-controlling interests		59,806	52,806
Total equity		1,995,813	1,931,131

The condensed consolidated financial statements on pages 22 to 49 were approved by the board of directors on 28 August 2026, and were signed on its behalf:

Su Bo
DIRECTOR

Ding Chunlong
DIRECTOR

Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2026

	Attributable to owners of the Company											
	Share capital	Treasury shares	Shares held for 2019 Share Award Scheme	Share premium	Statutory reserve	Other reserve	Share-based payments reserve	FVTOCI reserve	Retained earnings	Sub-total	Non-controlling interests	Total equity
	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
	(Note i)											
As at 1 January 2025 (audited)	42	—	(94,323)	46,305	15,027	99,636	—	(11,845)	1,827,218	1,882,060	34,092	1,916,152
Profit and total comprehensive income for the period	—	—	—	—	—	—	—	—	37,395	37,395	16,074	53,469
Recognition of share-based payment expenses under the 2025 Share Award (defined in Note 19)	—	—	—	—	—	—	3,646	—	—	3,646	—	3,646
Vesting of award shares under the 2025 Share Award	—	—	6,386	(2,740)	—	—	(3,646)	—	—	—	—	—
Repurchase of shares (Note ii)	—	—	(2,044)	—	—	—	—	—	—	(2,044)	—	(2,044)
Cancellation of dividend to non-controlling interest	—	—	—	—	—	—	—	—	—	—	4,800	4,800
As at 30 June 2025 (unaudited)	42	—	(89,981)	43,565	15,027	99,636	—	(11,845)	1,864,613	1,921,057	54,966	1,976,023
As at 1 January 2026 (audited)	42	—	(163,088)	40,231	15,027	99,636	—	120	1,886,357	1,878,325	52,806	1,931,131
Profit and total comprehensive income for the period	—	—	—	—	—	—	—	—	39,384	39,384	8,944	48,328
Recognition of share-based payment expenses under the 2026 Share Award (defined in Note 19)	—	—	—	—	—	—	26,930	—	—	26,930	—	26,930
Vesting of award shares under the 2025 Share Award	—	—	29,090	(10,777)	—	—	(18,313)	—	—	—	—	—
Repurchase of shares (Note ii)	—	(8,228)	(404)	—	—	—	—	—	—	(8,632)	—	(8,632)
Lapse of award shares under the 2026 Share Award	—	—	—	8,617	—	—	(8,617)	—	—	—	—	—
Partial disposal of investments in subsidiaries	—	—	—	—	—	—	—	—	—	—	56	56
Dividends paid to non-controlling interest	—	—	—	—	—	—	—	—	—	—	(2,000)	(2,000)
As at 30 June 2026 (unaudited)	42	(8,228)	(134,402)	38,071	15,027	99,636	—	120	1,925,741	1,936,007	59,806	1,995,813

Note i: The other reserve mainly represents (i) the difference between the consideration paid and share of the subsidiary's net assets acquired from the non-controlling interests in prior years, (ii) the effect of group reorganization on 24 September 2018, pursuant to which Xiamen Kexin Network Technology Company Limited ("Homeland PRC"), Jiaxiang Interactive (Xiamen) Network Technology Company Limited ("Jiaxiang Interactive") and Jilin Yutai Network Technology Company Limited ("Jilin Yutai", which is controlled by Mr. Wu Chengze ("Mr. Wu")) entered into a series of contractual arrangements which enable the Group to have control over the assets, liabilities and operating profits from Jiaxiang Interactive and its subsidiaries.

Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2026

Note ii: During the six months ended 30 June 2026, the Company repurchased 7,184,000 (six months ended 30 June 2025: 1,786,000) of shares with total consideration approximately to RMB8,632,000 (equivalent to Hong Kong Dollars ("HK\$") 9,861,000) (six months ended 30 June 2025: RMB2,044,000 (equivalent to HK\$2,229,000)) from the open market at a price of HK\$1.250 to HK\$1.450 (six months ended 30 June 2025: HK\$1.103 to HK\$1.494) through Futu Securities International (Hong Kong) Limited. The repurchased 352,000 shares (six months ended 30 June 2025: 1,786,000) are for the purpose of future share award schemes, and the remaining repurchased 6,832,000 shares (six months ended 30 June 2025: nil) are held by the Group as treasury shares. As of 30 June 2026, the treasury shares have not yet been cancelled. Details are as follows:

For the six months ended 30 June 2026

Month of repurchase	No of ordinary shares	Price per share		Aggregate consideration paid HK\$'000
		Highest HK\$	Lowest HK\$	
January	1,010,000	1.450	1.360	1,414
February	140,000	1.400	1.380	194
April	1,324,000	1.390	1.280	1,785
May	246,000	1.350	1.250	327
June	4,464,000	1.440	1.270	6,141
Total	7,184,000			9,861

For the six months ended 30 June 2025

Month of repurchase	No of ordinary shares	Price per share		Aggregate consideration paid HK\$'000
		Highest HK\$	Lowest HK\$	
January	580,000	1.494	1.363	836
May	680,000	1.176	1.103	769
June	526,000	1.288	1.122	624
Total	1,786,000			2,229

Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2026

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Operating activities		
Cash from operating activities	85,288	219,190
Income tax paid	(54,453)	(8,988)
Net cash from operating activities	30,835	210,202
Investing activities		
Investments in financial assets at FVTPL	(490,261)	(388,947)
Placement of short-term bank deposits	(162,782)	(305,000)
Loans advanced	(18,640)	(51,131)
Acquisition of investments in associates	(11,975)	(850)
Loans provided to employees	(6,490)	—
Purchase of property, plant and equipment	(5,831)	(3,708)
Acquisition of investments in joint ventures	(5,000)	(5,000)
Purchase of intangible assets	(2,850)	(591)
Payment for rental deposits	(670)	—
Net cash outflow from disposal of a subsidiary	(347)	(157)
Proceeds from disposal of subsidiaries	—	9,996
Withdrawal of restricted bank deposits	—	50,000
Proceeds from disposal of property, plant and equipment	—	11
Proceeds from disposal of financial assets at FVTPL	334,570	340,782
Withdrawal of short-term bank deposits	153,000	208,000
Loans repaid	17,935	600
Repayment for rental deposits	—	577
Repayment on receivables for disposal of associates	14,900	—
Interest received	4,625	6,840
Dividend received from associates and joint ventures	818	—
Loans repayment from employees	540	6,980
Net cash used in investing activities	(178,458)	(131,598)
Financing activities		
Payment on repurchase of shares	(8,632)	(2,044)
Repayment of lease liabilities	(3,380)	(3,623)
Dividends paid to non-controlling interest	(2,000)	—
Interest paid on lease liabilities	(351)	(444)
Net cash used in financing activities	(14,363)	(6,111)

Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2026

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Net (decrease) increase in cash and cash equivalents	(161,986)	72,493
Cash and cash equivalents at the beginning of the period	790,735	755,032
Effect of foreign exchange rate changes	218	151
Cash and cash equivalents at the end of the period, represented by cash and cash equivalents	628,967	827,676

Notes to the Condensed Consolidated Financial Statements

For the six months ended 30 June 2026

1. GENERAL INFORMATION AND BASIS OF PREPARATION

General information

Homeland Interactive Technology Ltd. (the “**Company**”) is an exempted company with limited liability incorporated in the Cayman Islands on 7 May 2018. The registered office of the Company is Maples Corporate Services Limited, PO Box 309, Ugland House, Grand Cayman, KY1-1104, Grand Cayman Islands. The address of principal place of business of the Company is 17/F, Qianhai Shimao Finance Centre II, No. 3040, Xinghai Avenue, Nanshan Street, Qianhai Shenzhen-Hong Kong Cooperation Zone, Shenzhen, the People’s Republic of China (the “**PRC**”). The Company is controlled by Mr. Wu Chengze, Mr. Jiang Mingkuan and Mr. Su Bo (collectively referred to as the “**Founders**”).

The Company is an investment holding company. The Company and its subsidiaries (collectively referred to as the “**Group**”) are primarily engaged in the development, publication and operation of mobile games in the PRC.

The shares of the Company have been listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) with effect from 4 July 2019 (the “**Listing Date**”).

The condensed consolidated financial statements are presented in Renminbi (“**RMB**”), which is the same as the functional currency of the Group.

Basis of preparation

The condensed consolidated financial statements have been prepared in accordance with International Accounting Standard 34 “Interim Financial Reporting” issued by the International Accounting Standards Board (the “**IASB**”) as well as with the applicable disclosure requirements of the Rules Governing the Listing of Securities on the Stock Exchange.

2. ACCOUNTING POLICIES

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

The accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2026 are the same as those presented in the Group’s annual financial statements for the year ended 31 December 2025.

2. ACCOUNTING POLICIES (Continued)

Application of amendments to IFRS Accounting Standards

In the current interim period, the Group has applied the following amendments to an IFRS Accounting Standard issued by the IASB, for the first time, which are mandatorily effective for the Group's annual period beginning on 1 January 2026 for the preparation of the Group's condensed consolidated financial statements:

Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments
Amendments to IFRS 9 and IFRS 7	Contracts Referencing Nature-dependent Electricity
Amendments to IFRS Accounting Standards	Annual Improvements to IFRS Accounting Standards — Volume 11

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

3. REVENUE AND SEGMENT INFORMATION

Revenue represents (1) income from sales of virtual tokens on the Group's self-developed mobile games; (2) service income from third-party mobile games; and (3) advertising revenue. The Group's operating activities are attributable to a single operating segment focusing on development and operation of mobile games in the PRC as well as other Asian Countries. This operating segment has been identified on the basis of internal management reports, prepared in accordance with the relevant accounting principles and financial regulations applicable in the PRC which materially conform with IFRS Accounting Standards, that are regularly reviewed by the chief operating decision maker ("CODM") of the Group, for the purpose of allocating resources and assessing its performance. The CODM reviews the financial results of the Group as a whole for performance assessments. No analysis of segment assets or segment liabilities is presented as they are not regularly provided to the CODM.

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Revenue from:		
— Self-developed mobile games	493,867	505,256
— Third-party mobile games	73,606	196,141
	567,473	701,397
Advertising revenue	54,365	24,647
Total	621,838	726,044

The Group has a large number of customers, and no revenue from any individual customer exceeded 10% or more of the Group's revenue during both periods.

4. OTHER INCOME

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Interest income	6,512	10,581
Government subsidies (<i>note</i>)	7,436	2,026
Sundry income	946	1,230
Total	14,894	13,837

Note: Government subsidies mainly represent various industry-specific subsidies granted by the government authorities to subsidize the research and development costs already incurred by the Group during the course of its business, as well as government incentives to reward the Group's effort for the technological innovation and support to the local economy with no future related costs to be incurred. There are no unfulfilled conditions relating to such government subsidies recognized.

5. OTHER GAINS AND LOSSES

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(unaudited)	(unaudited)
(Loss) gain from changes in fair value of financial assets at FVTPL	(32,964)	5,682
(Loss) gain on disposal of subsidiaries and associates	(212)	1,502
Loss on derecognition of receivables for disposal of an associate (<i>Note 11</i>)	—	(10,351)
Loss on disposal of property, plant and equipment	(77)	(868)
Gain (loss) on early termination of leases	134	(14)
Others	665	786
Total	(32,454)	(3,263)

6. DIVIDENDS

No dividends were paid, declared or proposed for both interim periods. The directors of the Company have determined that no dividend will be paid in respect of the interim period.

7. INCOME TAX EXPENSE

The income tax expense of the Group is analyzed as follows:

	Six months ended 30 June 2026 RMB'000 (unaudited)	2025 RMB'000 (unaudited)
Current tax — PRC Corporate Income Tax (“ CIT ”)	29,974	19,542
Under provision in prior years	18,824	1,574
	48,798	21,116
Deferred tax	(20,561)	(11,807)
Total	28,237	9,309

The Company and a subsidiary incorporated in the British Virgin Islands (“**BVI**”) are not subject to income tax in the Cayman Islands or the BVI.

No provision for Hong Kong Profits Tax has been made since the entity operating in Hong Kong had no assessable profits for both periods.

PRC CIT

The income tax provision of the subsidiaries operating in the PRC has been calculated at the tax rate of 25% on the estimated assessable profits for both interim periods, based on the existing legislation, interpretations and practices in respect thereof.

Jiaxiang Interactive was qualified as “High and New Technology Enterprises” (“**HNTE**”) under the Corporate Income Tax Law (“**CIT Law**”) since 2021 with a valid period of three years and such qualification has been renewed in 2024 with a valid period of three years. As a result, Jiaxiang Interactive is entitled to a preferential income tax rate at 15% for both interim periods.

For the year ended 31 December 2022, Yaotang (Xiamen) Network Technology Co., Ltd (“**Yaotang Xiamen**”) qualified as a “Double Soft Enterprise” (“**DSE**”) under the CIT Law. According to relevant tax regulations, Yaotang Xiamen is exempted from CIT for two years, followed by a 50% reduction in the applicable tax rates for the next three years if the criteria of DSE are met each year, commencing from 2022, the first profitable year. Therefore, Yaotang Xiamen was entitled for a 50% reduction in the applicable tax rates for both interim periods.

For the year ended 31 December 2023, Yaotang (Shenzhen) Network Technology Co., Ltd (“**Yaotang Shenzhen**”) and Jilin Haiqi Network Technology Co., Ltd (“**Jilin Haiqi**”) qualified as a DSE under the CIT Law. According to relevant tax regulations, Yaotang (Shenzhen) and Jilin Haiqi are exempted from CIT for two years, followed by a 50% reduction in the applicable tax rates for the next three years if the criteria of DSE are met each year, commencing from 2023, the first profitable year. Therefore, Yaotang Shenzhen and Jilin Haiqi were entitled for a 50% reduction in the applicable tax rates for both interim periods.

7. INCOME TAX EXPENSE (Continued)

According to a policy promulgated by the State Tax Bureau of the PRC and effective from the year 2018 onwards, enterprises engaged in research and development activities are entitled to claim 175% of the research and development expenses incurred in a year as tax deductible expenses in determining the taxable income for that year (“**Super Deduction**”). The State Tax Bureau of the PRC adjusted the Super Deduction to 200% of the research and development expenses incurred in a year and the new policy was effective on 1 January 2023. Jiaxiang Interactive and Jilin Xinze Network Technology Company Limited (“**Jilin Xinze**”) have claimed such Super Deduction in ascertaining its tax assessable profits for both interim periods.

8. PROFIT FOR THE PERIOD

Profit for the period has been arrived at after charging the following items:

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Depreciation of property, plant and equipment	9,393	12,611
Depreciation of right-of-use assets	3,628	3,603
Amortization of intangible assets (included in cost of sales and administrative and other expenses)	4,064	16,133
Impairment losses under expected credit loss model, net of reversal, recognized on		
— trade receivables	—	3
— other receivables	2,651	—
— loans receivables	14,180	34,272
— receivables for disposal of subsidiaries	2,664	—
Directors' emoluments	5,280	5,092
Other staff costs:		
— Salaries and other benefits in kind	67,885	57,309
— Retirement benefit costs	3,941	2,270
— Share-based payments	24,776	2,639
Total staff costs	101,882	67,310

9. EARNINGS PER SHARE

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

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Earnings		
Earnings for the purpose of basic and diluted earnings per share:		
— Profit for the period attributable to owners of the Company	39,384	37,395
	Number of shares	
	2026	2025
	(unaudited)	(unaudited)
Number of shares		
Weighted average number of ordinary shares for the purpose of basic and diluted earnings per share	1,193,095,657	1,226,335,488

There was no effect on diluted earnings per share in respect of the share awards for the current and preceding interim period.

10. PROPERTY, PLANT AND EQUIPMENT, INTANGIBLE ASSETS AND RIGHT-OF-USE ASSETS

During the current interim period, the Group acquired and paid RMB2,139,000 (six months ended 30 June 2025: RMB591,000), RMB472,000 (six months ended 30 June 2025: nil) and RMB239,000 (six months ended 30 June 2025: nil) for game publishing right, copyright of game software and computer software, respectively.

During the current interim period, the Group acquired and paid RMB5,831,000 (six months ended 30 June 2025: RMB3,708,000) for furniture, equipment and leasehold improvements.

During the current interim period, the Group disposed of certain equipment with an aggregate carrying amount of RMB77,000 (six months ended 30 June 2025: RMB879,000) for proceeds of nil (six months ended 30 June 2025: RMB11,000), resulting in a loss on disposal of RMB77,000 (six months ended 30 June 2025: loss on disposal of RMB868,000).

During the current interim period, the Group renewed several lease agreements and recognized right-of-use assets and lease liabilities of RMB3,504,000 (six months ended 30 June 2025: RMB1,254,000). On the other hand, the Group early terminated a lease agreement with right-of-use assets of RMB2,924,000 (six months ended 30 June 2025: RMB1,203,000) and lease liabilities of RMB3,058,000 (six months ended 30 June 2025: RMB1,189,000) derecognized and resulted a gain on the termination amounted to RMB134,000 (loss for the six months ended 30 June 2025: RMB14,000).

11. INVESTMENTS IN ASSOCIATES

	As at 30 June 2026 RMB'000 (unaudited)	As at 31 December 2025 RMB'000 (audited)
Cost of investment in associates (<i>Note</i>)	91,185	79,210
Share of post-acquisition results, net of dividends received	(28,875)	(21,503)
Total	62,310	57,707

Note: During the current interim period, the Group invested in three (six months ended 30 June 2025: two) new associates that mainly operated in game development, AI agent development and sales of pop toy IP products with a total consideration of RMB11,975,000 (six months ended 30 June 2025: RMB850,000).

On 30 June 2023, the Group disposed all its interest in Jilin Xinyue Network Technology Limited ("Jilin Xinyue") and Jilin Anrui Network Technology Co., Ltd to entities controlled by Mr. Luo Wei, an independent third party, for consideration of RMB99,900,000 and RMB35,100,000 respectively. The total consideration amounted to RMB135,000,000 (the "**Original Consideration**") was settled on 31 May 2025. The fair value of the total consideration was RMB116,372,000, determined by discounting the contractual consideration using a discount rate of 8.05% per annum. This transaction has resulted in the Group recognizing a loss of RMB16,781,000 during the year ended 31 December 2023.

On 1 June 2025, the Group signed a supplementary contract with the entity controlled by Mr. Luo Wei to revise the payment date of the outstanding consideration amounting to RMB99,900,000. According to the supplementary contract, RMB20,000,000 will be settled each year from 2025 to 2028 and RMB19,900,000 will be settled in 2029, which constituted derecognition of receivables for disposal of an associate. The fair value of the outstanding total consideration amounting to RMB89,549,000 at the derecognition date is determined by discounting the consideration using the discount rate of 5.25% per annum and is recognized as new receivables and the difference amounting to RMB10,351,000 was recognized in other gains and losses for the six months ended 30 June 2025 as the loss on derecognition of receivables for disposal of an associate.

Subsequent to the agreement signed on 1 June 2025, the Group further entered into a supplementary agreement in December 2025 with the same counterparty, which revised the repayment schedule for the 2025 and 2026 installments. The 2025 repayment amount was reduced to RMB5,100,000 and being fully repaid during the second half of the year ended 31 December 2025 while the remaining balances of RMB14,900,000 was deferred and will be settled during year ended 31 December 2026, which constituted non-substantial modification of receivables for disposal of an associate. The difference amounting to RMB2,984,000 was recognized in other gains and losses as the loss on non-substantial modification of receivables for disposal of an associate during the six months ended 31 December 2025.

During the current interim period, the remaining balance of RMB14,900,000, which was deferred in 2025, has been early repaid in January and April 2026.

During the current interim period, an interest income of RMB1,887,000 (six months ended 30 June 2025: RMB2,911,000) was recognized in other income.

As at 30 June 2026, the receivables for disposal of associates of RMB54,144,000 (31 December 2025: RMB54,120,000) were presented under non-current assets and of RMB18,088,000 (31 December 2025: RMB30,460,000) were presented under current assets on the condensed consolidated statement of financial position.

12. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	As at 30 June 2026 RMB'000 (unaudited)	As at 31 December 2025 RMB'000 (audited)
Non-current unlisted securities		
— Investment in partnership (<i>note i</i>)	71,877	69,815
Current listed securities held for trading (<i>note ii</i>)	188,472	5,058
Current unlisted securities held for trading		
— Private funds (<i>note iii</i>)	140,110	200,651
— Money market fund (<i>note iv</i>)	72,999	73,215
— Structured deposit (<i>note v</i>)	71,823	73,815
	545,281	422,554

Notes:

- (i) The fair value of the investment in partnership is based on the fair value of the equity and equity-related investments estimated by the partnership management team.
- (ii) The investment is held for trading and its fair value is based on the quoted market price.
- (iii) The investment is held for trading and its fair value is based on the fund's net asset value estimated by the private funds management companies.
- (iv) The investment is held for trading and its fair value is based on the fund's net asset value estimated by the money market funds management companies.
- (v) The investment is held for trading and its fair value is based on the recent transaction prices.

Further details of the fair value measurements of the above investments are set out in Note 20.

13. TRADE RECEIVABLES

	As at 30 June 2026 RMB'000 (unaudited)	As at 31 December 2025 RMB'000 (audited)
Trade receivables	99,797	90,258
Less: allowance for credit losses	(12)	(12)
Total	99,785	90,246

Trade receivables comprise receivables from distribution channels, payment vendors and advertisement agents. The credit terms of trade receivables granted to them are usually 0 to 60 days (31 December 2025: 0 to 60 days). Ageing analysis of trade receivables presented based on date of invoices is as follows:

	As at 30 June 2026 RMB'000 (unaudited)	As at 31 December 2025 RMB'000 (audited)
0–30 days	82,659	68,083
31–60 days	10,767	18,934
61–90 days	3,146	997
91–180 days	2,006	31
Over 180 days	1,207	2,201
Total	99,785	90,246

In determining the recoverability of the trade receivables, the Group considers any change in the credit quality of the trade receivables from the date on which the credit was initially granted up to the reporting date. As at 30 June 2026, included in the Group's trade receivables balance are debtors with aggregate carrying amount of RMB8,039,000 (31 December 2025: RMB4,120,000) which are past due. Out of the past due balances, RMB2,764,000 (31 December 2025: RMB2,201,000) has been past due 90 days or more and is not considered as in default due to the history of cooperation and the sound collection history of the debtors.

14. PREPAYMENTS, OTHER RECEIVABLES AND DEPOSITS

	As at 30 June 2026 RMB'000 (unaudited)	As at 31 December 2025 RMB'000 (audited)
Prepayment for co-operation commissions	14,123	8,416
Prepayment for research and development fees	26,740	19,338
Prepayment for advertisement and promotion fees	74,885	19,351
Prepayment to game developers	6,024	6,198
Prepayment for game and server-related fees	20,741	12,121
Loans to employees	22,771	16,821
Rental and other deposits	8,877	8,689
Value-added tax and other taxes recoverable	17,937	19,531
Advances to employees	3,491	2,956
Others	29,941	22,110
	225,530	135,531
Less: Allowance for credit losses	—	(4,874)
Total	225,530	130,657
Represented by:		
— Non-current assets	6,389	4,810
— Current assets	219,141	125,847
Total	225,530	130,657

15. LOANS RECEIVABLES

	As at 30 June 2026 RMB'000 (unaudited)	As at 31 December 2025 RMB'000 (audited)
Fixed-rate loan receivables		
— Loans to third parties (<i>Note</i>)	135,877	145,877
— Loans to associates	111,335	100,630
— Loans to joint ventures	3,030	3,030
	250,242	249,537
Less: Allowance for credit losses	(121,463)	(107,283)
Total	128,779	142,254

Note: This balance mainly comprises of:

- (1) A short-term loan granted to an international IP-oriented game operator, which is listed at the Hong Kong Stock Exchange (the “**Listed Game Operator**”). During the first half year of 2024, the Group entered into a strategic corporation framework agreement with the Listed Game Operator on future business collaboration on game research and development and paid them a refundable earnest money amounting RMB50,000,000. Such corporation framework agreement was subsequently terminated and both parties agreed to turn the earnest money into a short loan, which is interest bearing at 3% per annum, repayable before 30 June 2025 and secured by a personal guarantee of the major shareholder of the Listed Game Operator. Part of the short-term loan amounting to RMB20,000,000 and its relevant interest were settled during the year ended 31 December 2025.

On 1 August 2025, the Company and the Listed Game Operator signed a supplementary contract to revise the repayment term of the outstanding amount. According to the supplementary contract, RMB30,000,000 will be settled during the year ending 31 December 2026 with interest rate of 3% per annum.

During the current interim period, part of the short-term loan amounting to RMB3,000,000 were settled.

- (2) Loans amounting RMB82,972,000 (31 December 2025: RMB82,972,000) are granted to Chengdu Weiying Interactive Culture Media Co., Ltd (“**Chengdu Weiying**”) and an additional allowance for credit losses amounting to RMB3,000,000 was recognized during the six months ended 30 June 2026 (six months ended 30 June 2025: RMB21,300,000) due to significant financial difficulty faced by Chengdu Weiying, and RMB1,000,000 were settled during the six months ended 30 June 2026 (six months ended 30 June 2025: nil). As of 30 June 2026, the loans receivable from Chengdu Weiying has been fully impaired.

15. LOANS RECEIVABLES (Continued)

The exposure of the Group's fixed-rate loan receivables to interest rate risks and their contractual maturity dates are as follows:

	As at 30 June 2026 RMB'000	As at 31 December 2025 RMB'000
Fixed-rate loan receivables:		
Within one year	113,458	122,152
More than one year but not more than two years	15,321	20,102
Total	128,779	142,254

The ranges of effective interest rates (which are equal to contractual interest rates) on the Group's loan receivables are as follows:

	As at 30 June 2026	As at 31 December 2025
Effective interest rate:		
Fixed-rate loan receivables	1.0% to 3.5%	1.0% to 3.5%

16. OTHER PAYABLES

	As at 30 June 2026 RMB'000 (unaudited)	As at 31 December 2025 RMB'000 (audited)
Salaries and staff welfare payables	18,723	38,905
Selling and marketing expenses accruals	11,487	7,641
Payable to game developers (<i>note</i>)	8,790	30,838
Payable for co-operation commissions	1,481	2,385
Payable for customer service and technical support fee	998	1,513
Other taxes payable	4,076	7,176
Others	3,195	4,951
Total	48,750	93,409

Note: As at 30 June 2026 and 31 December 2025, the balance represents sale proceeds received from game players for which the Group acts as a distributor to be reimbursed to game developers, after deducting the commission income entitled by the Group calculated at a pre-determined rate, and refundable deposits received from game developers.

17. DEFERRED REVENUE

Deferred revenue represented service fees prepaid by the customers for the Group's self-developed mobile games in the forms of prepaid virtual tokens, for which the related services had not been rendered as at the end of the reporting period. As the unsatisfied performance obligations will be recognized as revenue within one year, therefore, the deferred revenue is recognized as current liabilities.

	Virtual tokens	
	2026	2025
	RMB'000	RMB'000
	(unaudited)	(unaudited)
As at 1 January	102,963	147,105
Sales proceeds, net of tax	545,988	469,960
Revenue recognized during the period	(493,867)	(505,256)
As at 30 June	155,084	111,809

18. SHARE CAPITAL

	Number of shares	Nominal amount	Shown in the condensed consolidated financial statements
		US\$	RMB'000
Authorized			
At 1 January 2025, 30 June 2025, 1 January 2026 and 30 June 2026			
— Ordinary shares of US\$0.000005 each	10,000,000,000	50,000	
Issued and fully paid			
At 1 January 2025, 30 June 2025, 1 January 2026 and 30 June 2026			
— Ordinary shares of US\$0.000005 each	1,283,403,500	6,417	42

19. SHARE-BASED PAYMENT TRANSACTIONS

(a) Share Option

A share option scheme was approved and adopted by the Company on 5 June 2019 (the “**Share Option Scheme**”). The Board (including any committee or delegate of the Board appointed by the Board to perform any of its functions pursuant to the rules of the Share Option Scheme) may, at its absolute discretion, offer to grant an option to subscribe for such number of shares as the Board may determine to an employee (whether full time or part-time) or a director of a member of the Group or associated companies of the Company (the “**Eligible Persons**”).

The purpose of the Share Option Scheme is to incentivize and reward the Eligible Persons for their contribution to the Group and to align their interests with that of the Company so as to encourage them to work towards enhancing the value of the Company.

The maximum number of shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other share option schemes (the “**Other Schemes**”) of the Company must not in aggregate exceed 10% of the total number of shares in issue as at the Listing Date, being 125,600,000 shares, or such higher limit as the Stock Exchange may allow pursuant to a waiver granted at the Stock Exchange’s discretion (the “**Scheme Mandate Limit**”). Options lapsed in accordance with the terms of the Share Option Scheme and any Other Scheme of the Company will not be counted for the purpose of calculating the Scheme Mandate Limit.

The Share Option Scheme shall be valid and effective for a period of ten years commencing on the Listing Date, after which period no further options will be granted but the provisions of the Share Option Scheme shall remain in full force and effect to the extent necessary to give effect to the exercise of any options granted prior thereto which are at that time or become thereafter capable of exercise under the Share Option Scheme, or otherwise to the extent as may be required in accordance with the provisions of the Share Option Scheme.

No dividends (including distributions made upon the liquidation of the Company) will be payable and no voting rights will be exercisable in relation to an option that has not been exercised. The shares allotted and issued on the exercise of an option will rank equally in all respects with the shares in issue on the date of allotment. They will not rank for any rights attaching to shares by reference to a record date preceding the date of allotment.

If an option-holder ceases to be an Eligible Person by reason of (i) his employer terminating his contract of employment in accordance with its terms or any right conferred on his employer by law, or (ii) his contract of employment, being a contract for a fixed term, expiring and not being renewed, or (iii) his employer terminating his contract for serious or gross misconduct, then any outstanding offer of an option and all options, vested or unvested, will lapse on the date the option-holder ceases to be an Eligible Person.

19. SHARE-BASED PAYMENT TRANSACTIONS (Continued)

(a) Share Option (Continued)

On 14 November 2019, the Company granted share options (the “**Share Options**”) under the Share Option Scheme to 58 eligible employees to subscribe for a total of 62,360,000 ordinary shares of US\$0.000005 each in the Company. The estimated fair value of the options granted was HK\$47,452,000 (equivalent to RMB42,508,000). The exercise price was HK\$2.09 per share and the vesting terms of the Share Options for each grantee is as below:

- (1) 30% of the total number of Share Options shall be vested on 14 November 2020;
- (2) 40% of the total number of Share Options shall be vested on 14 November 2021; and
- (3) 30% of the total number of Share Options shall be vested on 14 November 2022.

The exercise price is determined by the directors of the Company, and will not be less than the highest of: (i) the closing price of HK\$2.07 per share as stated in the daily quotation sheets issued by the Stock Exchange on the date of grant of the Share Options, i.e. 14 November 2019, (ii) the average closing price of HK\$2.09 per share as stated in the daily quotation sheets issued by the Stock Exchange for the five business days immediately preceding the date of grant of the Share Options; and (iii) the nominal value of US\$0.000005 per share.

Up to 30 September 2021, 1,600,000 Share Options granted to two option grantees were lapsed due to the termination of their employment with the Company and 60,760,000 Share Options remained outstanding (the “**Outstanding Existing Options**”). None of the Share Options were exercised by the option grantees as at 30 September 2021. The Board resolved to cancel the Outstanding Existing Options with effect from 30 September 2021.

On 2 April 2025, the Board determined to terminate the Share Option Scheme.

(b) 2025 Share Award

On 2 April 2025 and 12 September 2025, the Board resolved to grant a total of 3,624,487 and 4,233,967 share awards to 6 and 1 grantees, respectively pursuant to the 2019 Share Award Scheme (the “**2025 Share Award**”) to recognize their contributions to the growth of the Group and to incentivize them to remain with the Group and to motivate them to strive for the future development and expansion of the Group. The awarded shares are vested on the grant date, the fair value of the awarded shares on the grant date was RMB3,645,000 and RMB3,745,000 using the market price of HK\$1.09 as at 2 April 2025 and HK\$0.97 as at 12 September 2025 per share respectively. During the six months ended 30 June 2025, the Group recognized the share-based payment expenses of RMB3,646,000 in relation to the 2025 Share Award.

The above 7,858,454 awarded shares in total relating to 2025 Share Award granted during the year ended 31 December 2025 was settled by the shares repurchased by the Company on the open market through Futu Securities and shares donated by shareholders and transferred to Futu Securities. As at 31 December 2025, 95,372,353 shares were held by Futu Securities and deemed as treasury shares.

19. SHARE-BASED PAYMENT TRANSACTIONS (Continued)

(c) 2026 Share Award

On 31 March 2026, the Board resolved to grant a total of 25,000,000 share awards to 8 grantees, respectively pursuant to the 2019 Share Award Scheme (the “**2026 Share Award**”) to recognize their contributions to the growth of the Group and to incentivize them to remain with the Group and to motivate them to strive for the future development and expansion of the Group. The awarded shares, amounting to 5,000,000 and 12,000,000, were vested on the 31 March 2026 and 1 April 2026, respectively, and the remaining 8,000,000 awarded shares were lapsed. The fair value of the awarded shares on the grant date was RMB26,930,000 using the market price of HK\$1.22 per share as at 31 March 2026. During the six months ended 30 June 2026, the Group recognized the share-based payment expenses of RMB26,930,000 in relation to the 2026 Share Award.

The above 17,000,000 awarded shares in total relating to 2026 Share Award granted during the six months ended 30 June 2026 was settled by the shares repurchased by the Company on the open market through Futu Securities (as detailed in note ii to the condensed consolidated statement of changes in equity) and shares donated by shareholders and transferred to Futu Securities. As at 30 June 2026, 78,724,353 shares were held by Futu Securities and deemed as treasury shares.

20. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

Fair value measurements and valuation processes

In estimating the fair value, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group will designate the finance team to determine the appropriate valuation techniques and inputs for fair value measurements or engage third party qualified valuers to perform the valuation. The Group works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model.

The fair values of the financial instruments are determined (in particular, the valuation techniques and inputs used), as well as the level of the fair value hierarchy into which the fair value measurements are categorized (Level 1 to 3) based on the degree to which the inputs to the fair value measurements is observable.

- Level 1 fair value measurements are based on quoted prices (unadjusted) in active market for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 fair value measurement are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

20. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (Continued)

Fair value of the Group's financial assets that are measured at fair value on a recurring basis

Financial assets	Fair value as at 30/06/2026	Fair value hierarchy	Valuation technique and key inputs	Significant unobservable input
Equity instruments at FVTOCI	14 percent equity interest in Chengdu Cangmo Information Technology Co., Ltd engaged in research and development of online games — RMB10,394,000 (31/12/2025: RMB10,394,000)	Level 2 (31/12/2025: Level 2)	Recent transaction approach (31/12/2025: Recent transaction approach)	N/A (31/12/2025: N/A)
	5 percent equity interest in Youhu Technologies (Shanghai) Co. engaged in research and development of online games — RMB24,100,000 (31/12/2025: RMB24,100,000)	Level 3 (31/12/2025: Level 3)	Market approach (31/12/2025: Market approach)	Enterprise value-to-sales: 32.72 and liquidity discount ratio: 35.51% (31/12/2025: Enterprise value-to-sales: 32.72 and liquidity discount ratio: 35.51%)
	5 percent equity interest in Spirejoy Pte. Ltd. engaged in game publishing — RMB10,908,000 (31/12/2025: RMB10,908,000)	Level 3 (31/12/2025: Level 3)	Net asset value (31/12/2025: Net asset value)	N/A (31/12/2025: N/A)
Financial assets at FVTPL	Equity securities listed in SSE — RMB188,472,000 (31/12/2025: RMB5,058,000)	Level 1 (31/12/2025: Level 1)	Quoted market price (31/12/2025: Quoted market price)	N/A (31/12/2025: N/A)
	Money market fund — RMB72,999,000 (31/12/2025: RMB73,215,000)	Level 2 (31/12/2025: Level 2)	Price provided by the financial institutions (31/12/2025: Price provided by the financial institutions)	N/A (31/12/2025: N/A)
	Structured deposits — RMB71,823,000 (31/12/2025: RMB73,815,000)	Level 2 (31/12/2025: Level 2)	Recent transaction prices (31/12/2025: Recent transaction prices)	N/A (31/12/2025: N/A)
	Private fund investing in listed equity instruments — RMB126,762,000 (31/12/2025: RMB177,465,000)	Level 2 (31/12/2025: Level 2)	Price provided by the fund management company (31/12/2025: Price provided by the fund management company)	N/A (31/12/2025: N/A)

20. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (CONTINUED)**Fair value of the Group's financial assets that are measured at fair value on a recurring basis (Continued)**

Financial assets	Fair value as at 30/06/2026	Fair value hierarchy	Valuation technique and key inputs	Significant unobservable input
	Private fund investing in unlisted equity instruments and other assets — RMB13,348,000 (31/12/2025: RMB23,186,000)	Level 3 (31/12/2025: Level 3)	Asset-based approach (31/12/2025: Asset-based approach)	Recent transaction price of the underlying assets of the fund (31/12/2025: Recent transaction price of the underlying assets of the fund)
	10 percent interest in a partnership engaged in investments on the consumer industry, corporate services and entertainment sectors — RMB71,877,000 (31/12/2025: RMB69,815,000)	Level 3 (31/12/2025: Level 3)	Asset-based approach (31/12/2025: Asset-based approach)	Recent transaction price of the underlying assets of the partnership (31/12/2025: Recent transaction price of the underlying assets of the partnership)

Reconciliation of Level 3 fair value measurements

	Financial assets at FVTPL	
	2026 RMB'000 (unaudited)	2025 RMB'000 (unaudited)
At 1 January	93,001	56,046
Loss from changes in fair value in profit or loss	(7,776)	(1,145)
At 30 June	85,225	54,901

	Equity instruments at FVTOCI	
	2026 RMB'000 (unaudited)	2025 RMB'000 (audited)
At 1 January and 30 June	35,008	20,329

During the current interim period, loss of RMB7,776,000 (six months ended 30 June 2025: loss of RMB1,145,000) relates to private fund and 10 percent interest in a partnership at the end of the current interim period. Fair value gains or losses on private fund and 10 percent interest in a partnership are included in "other gains and losses".

21. RELATED PARTY TRANSACTIONS

The Group has following transactions with related parties:

(a) Services received from associates and joint ventures

	Six months ended 30 June	
	2026	2025
	RMB'000	RMB'000
	(unaudited)	(unaudited)
Advertising and promotion services	46,762	57,404
Co-operation commissions charged by new media institution	15,995	21,977
Revenue sharing with game developers	768	446
Research and development services	4,717	35,293
Customer service	392	134
Total	68,634	115,254

(b) Amounts due from associates and joint ventures

	As at 30 June 2026	As at 31 December 2025
	RMB'000	RMB'000
	(unaudited)	(audited)
Loans to associates	111,335	100,630
Loans to joint ventures	3,030	3,030
Prepayment for advertisement and promotion fees	55,059	18,033
Prepayment for research and development	23,631	18,254
Others	3,303	1,003
Total	196,358	140,950

21. RELATED PARTY TRANSACTIONS (Continued)

(c) Amounts due to associates and joint ventures

	As at 30 June 2026 RMB'000 (unaudited)	As at 31 December 2025 RMB'000 (audited)
Payable to game developers	—	5,843
Selling and marketing expenses accruals	4,299	4,367
Payable for customer service fee	358	262
Others	106	506
Total	4,763	10,978

(d) Key management personnel compensations

The compensations paid or payable to key management personnel (including directors, chief executive officers and other senior executives) are shown below:

	Six months ended 30 June 2026 RMB'000 (unaudited)	2025 RMB'000 (unaudited)
Salaries, bonuses, allowances and benefits in kind	5,844	5,514
Share-based payments	26,930	3,646
Total	32,774	9,160

(e) The share awards to key management personnel

25,000,000 share awards of the 2026 Share Award (defined in Note 19(c)) were granted to eight key management personnel of the Group (including directors, chief executive officer and other senior executives) during the six months ended 30 June 2026 with share-based payment expenses amounting to RMB26,930,000 (included in Note 21(d) above).

3,624,487 share awards of the 2025 Share Award (defined in Note 19(b)) were granted to six key management personnel of the Group (including directors, chief executive officer and other senior executives) during the six months ended 30 June 2025 with share-based payment expenses amounting to RMB3,646,000 (included in Note 21(d) above).

22. COMMITMENT

	As at 30 June 2026 RMB'000 (unaudited)	As at 31 December 2025 RMB'000 (audited)
Commitments to contribute funds to		
— financial assets at FVTPL	30,000	30,000
— investments in associates	2,212	3,073
Total	32,212	33,073

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

As at 30 June 2026, the interests and short positions of the directors of the Company (the “**Directors**”) or the chief executive of the Company in the Shares, underlying Shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the “**SFO**”)) as recorded in the register required to be kept by the Company pursuant to section 352 of the SFO or as notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) were as follows:

(i) Interests of Directors and Chief Executive of the Company

Name of Director/ Chief Executive	Nature of interest	Number of underlying Shares ⁽¹⁾	Approximate percentage of shareholding interest
Mr. Wu Chengze (“ Mr. Wu ”) ⁽²⁾	Interest in controlled corporation	60,490,000	4.71%
	Founder of a discretionary trust who can influence how the trustee exercises his discretion	383,736,000	29.90%
Mr. Su Bo (“ Mr. Su ”) ⁽³⁾	Interest in controlled corporation	67,414,500	5.25%
	Beneficial owner	698,338	0.05%
Mr. Ding Chunlong (“ Mr. Ding ”) ⁽⁴⁾	Interest in controlled corporation	46,179,457	3.60%
	Beneficial owner	35,838,681	2.79%

Notes:

(1) All interests stated are long positions.

(2) Mr. Wu holds the entire share capital of Wu Chengze Network Limited, which in turn directly holds 50,106,000 Shares; Mr. Wu controls one-third or more of the voting power at general meetings of the Company and is taken to have an interest in a total of 10,384,000 treasury shares of the Company; Mr. Wu is the founder of a trust, Trident Trust Company (Cayman) Limited is the trustee, and he holds 383,736,000 Shares through Evergreen Homeland Holdings Limited, a subsidiary of Lumiere Vision Holdings Limited. Accordingly, Mr. Wu is deemed to be interested in a total of 444,226,000 Shares held by Wu Chengze Network Limited, the Company and Evergreen Homeland Holdings Limited.

(3) Mr. Su holds the entire share capital of Su Bo Network Limited. As at 30 June 2026, Su Bo Network Limited directly held 67,414,500 Shares. Accordingly, Mr. Su was deemed to be interested in the 67,414,500 Shares held by Su Bo Network Limited. On 22 July 2026, Mr. Su transferred 698,338 shares directly held by him to Su Bo Network Limited. Following the transfer, Su Bo Network Limited directly holds 68,112,838 shares. Accordingly, as at the date of this report, Mr. Su is deemed to have an interest in the 68,112,838 shares held by Su Bo Network Limited.

(4) Mr. Ding holds the entire share capital of Ding Chun Long Network Limited, which in turn directly holds 46,179,457 Shares. Accordingly, Mr. Ding is deemed to be interested in the 46,179,457 Shares held by Ding Chun Long Network Limited.

(ii) Interest in the Company's subsidiary, Jiaxiang Interactive (Xiamen) Network Technology Company Limited

Name of Director/ Chief Executive	Nature of Interest	Registered capital	Percentage of interest
Mr. Wu ⁽¹⁾	Interest in controlled corporation	RMB10,000,000	100%
Mr. Su ⁽¹⁾	Other	RMB10,000,000	18.4%

Note:

- (1) Jilin Yutai Network Technology Company Limited holds the entire registered capital of RMB10,000,000 in Jiaxiang Interactive (Xiamen) Network Technology Company Limited. Jilin Yutai Network Technology Company Limited is held as to 92% by Mr. Wu and 8% by Mr. Guo Shunshun. Accordingly, Mr. Wu is deemed to be interested in the RMB10,000,000 registered capital in Jiaxiang Interactive (Xiamen) Network Technology Company Limited. 55.2% of Jilin Yutai Network Technology Company Limited was held by Mr. Wu as beneficial owner, 18.4% held by Mr. Wu as nominee for Mr. Jiang Mingkuan and 18.4% was held by Mr. Wu as nominee for Mr. Su.

(iii) Interests in Other Members of the Group

So far as the Directors are aware, as at 30 June 2026, the following persons (excluding the Company) are directly or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group:

Name of subsidiary	Name of shareholder	Registered capital	Percentage of interest
Jiaxiang Interactive (Xiamen) Network Technology Company Limited	Jilin Yutai Network Technology Company Limited	RMB10,000,000	100%

Save as disclosed above, as at 30 June 2026, none of the Directors nor the chief executive of the Company had any interests or short positions in any of the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept by the Company pursuant to section 352 of the SFO or as notified to the Company and the Stock Exchange pursuant to the Model Code.

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 30 June 2026, so far as is known to the Directors, the following persons, not being a Director or chief executive of the Company, had interests or short positions in the Shares or underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which would be recorded in the register required to be kept under Section 336 of the SFO:

Name	Nature of interest	Number of underlying Shares ⁽¹⁾	Approximate percentage of shareholding interest
Futu Trustee Limited	Trustee	84,245,703	6.56%
	Custodian (other than an exempt custodian interest)	13,487,200	1.05%
Co-challengers Growth Limited ⁽²⁾	Beneficial owner	70,840,000	5.52%
Xiamen Challenger Venture Capital Partnership (Limited Partnership) (廈門挑戰者創業投資合夥企業 (有限合夥)) ("Xiamen Challenger") ⁽²⁾	Interest in controlled corporation	70,840,000	5.52%
Xiamen Yizhou Xingchen Investment Limited (廈門壹舟星辰投資有限公司) ("Xingchen Investment") ⁽²⁾	Interest in controlled corporation	70,840,000	5.52%
Beijing Yizhou Yunting Private Equity Fund Management Co., Ltd. (北京壹舟云亭私募基金管理有限公司) ("Yizhou Investment Management") ⁽²⁾	Interest in controlled corporation	70,840,000	5.52%
Beijing Challenger Technology Co., Ltd. (北京挑戰者科技有限公司)	Interest in controlled corporation	70,840,000	5.52%
Mr. Tang Binsen ⁽²⁾	Interest in controlled corporation	70,840,000	5.52%
Jiang Ming Kuan Network Limited ⁽³⁾	Beneficial owner	96,671,201	7.53%
Mr. Jiang Mingkuan ("Mr. Jiang") ⁽³⁾	Interest in controlled corporation	96,671,201	7.53%
Su Bo Network Limited ⁽⁴⁾	Beneficial owner	67,414,500	5.25%
Evergreen Homeland Holdings Limited ⁽⁵⁾	Beneficial owner	383,736,000	29.90%
Lumiere Vision Holdings Limited ⁽⁵⁾	Interest in controlled corporation	383,736,000	29.90%
Trident Trust Company (Cayman) Limited ⁽⁵⁾	Trustee	383,736,000	29.90%

Notes:

- (1) All interests stated are long positions.
- (2) Co-challengers Growth Limited is wholly owned by Xiamen Challenger (a limited partnership), which is ultimately controlled by Mr. Tang Binsen. Mr. Tang holds 98.4% of the equity interest in Beijing Challenger Technology Co., Ltd., which holds approximately 82.7% interest in Yizhou Investment Management. Yizhou Investment Management in turn holds approximately 90% interest in Xingchen Investment, the sole general partner of Xiamen Challenger. Accordingly, Xiamen Challenger, Mr. Tang, Beijing Challenger Technology Co., Ltd., Yizhou Investment Management and Xingchen Investment are each deemed to have an interest in the shares held by Co-challengers Growth Limited.
- (3) Mr. Jiang holds the entire share capital of Jiang Ming Kuan Network Limited, which in turn directly holds 96,671,201 Shares. Accordingly, Mr. Jiang is deemed to be interested in the 96,671,201 Shares held by Jiang Ming Kuan Network Limited.
- (4) Mr. Su holds the entire issued share capital of Su Bo Network Limited. As at 30 June 2026, Su Bo Network Limited directly held 67,414,500 Shares. Accordingly, Mr. Su was deemed to be interested in the 67,414,500 Shares held by Su Bo Network Limited. On 22 July 2026, Mr. Su transferred 698,338 shares directly held by him to Su Bo Network Limited. Following the transfer, Su Bo Network Limited directly holds 68,112,838 shares. Accordingly, as at the date of this report, Mr. Su is deemed to have an interest in the 68,112,838 shares held by Su Bo Network Limited.
- (5) Evergreen Homeland Holdings Limited is owned as to 99% by Lumiere Vision Holdings Limited which is wholly-owned by Trident Trust Company (Cayman) Limited (as trustee of the trust). Accordingly, each of Lumiere Vision Holdings Limited and Trident Trust Company (Cayman) Limited is deemed to be interested in the 383,736,000 Shares held by Evergreen Homeland Holdings Limited.

Save as disclosed above, as at 30 June 2026, the Directors were not aware of any other persons who had any interests or short positions in the Shares or underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which would be recorded in the register required to be kept under Section 336 of the SFO.

2019 SHARE AWARD SCHEME

The 2019 Share Award Scheme was approved and adopted by the Board on 6 June 2019, under which the Board may, from time to time at its absolute discretion select any individual who is an employee, officer, agent or consultant of the Company or any of its subsidiaries (the “**Subsidiaries**” and for the avoidance of doubt, including Jiaxiang Interactive (Xiamen) Network Technology Company Limited and its subsidiaries) who is not a connected person (as defined or deemed to be the case under the Listing Rules) of the Company; and if the Board or any committee of the Board delegated with the power and authority to administer the 2019 Share Award Scheme so determines in its absolute discretion, any director (including executive and non-executive director) of the Company or any Subsidiary to be a selected participant and grant Share Awards to such selected participant.

The purpose of the 2019 Share Award Scheme is to (i) encourage or facilitate the holding of Shares by the participants selected by the Board in accordance with the terms of and entitled to receive a grant of share awards (the “**Share Awards**”) under the 2019 Share Award Scheme (the “**Selected Participant**”); (ii) encourage and retain such individuals to work with the Group; and (iii) provide additional incentive for them to achieve performance goals. The 2019 Share Award Scheme shall be valid for ten years commencing from the adoption date.

The maximum number of new Shares that can be allotted and issued for the purpose of the 2019 Share Award Scheme in any financial year is 3% of the total number of issued Shares at the relevant time (the “**New Share Limit**”); and the maximum number of new Shares that can be allotted and issued to a Selected Participant in any 12-month period is 1% of the total number of issued Shares at the relevant time. There is no limit on (i) the number of Shares that can be purchased pursuant to the 2019 Share Award Scheme or (ii) the amount paid to the trustee for the purpose of making such a purchase.

On 3 June 2024, the Board resolved that the 2019 Share Award Scheme will be funded solely by the existing Shares and will not be funded by any new Shares. For details, please refer to the Company's announcement dated 3 June 2024.

The Board may from time to time while the 2019 Share Award Scheme is in force determine any vesting criteria or conditions for any Share Awards to be vested or credited. Such vesting criteria may be based on the passage of time after the grant of Share Awards, the satisfaction of specified performance criteria relating generally to the Company or particularly to a Selected Participant or the satisfaction of any other conditions as the Board may in its discretion determine for any Selected Participant and as set out in the relevant grant letter or agreement for and with the relevant Selected Participant.

Subject to any termination as may be determined by the Board pursuant to the 2019 Share Award Scheme Rules, the 2019 Share Award Scheme shall be valid and effective for a period of ten (10) years commencing on 6 June 2019. Accordingly, as at 30 June 2026, the remaining life of the 2019 Share Award Scheme is approximately 3 years.

Details of the Share Awards granted under the 2019 Share Award Scheme

In May 2019, the Company appointed The Core Trust Company Limited as a trustee for the purpose of the 2019 Share Award Scheme pursuant to the 2019 Share Award Scheme Rules. In November 2021, the Company appointed Futu Trustee Limited ("**Futu Trustee**", together with The Core Trust Company Limited, the "**Trustees**") as another trustee for the purpose of the 2019 Share Award Scheme pursuant to the 2019 Share Award Scheme Rules. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Trustees and their ultimate beneficial owners are third parties independent of the Company and the connected persons of the Company. The Company had entered into separate trust deeds with the two Trustees in relation to their respective appointment as the trustee of the 2019 Share Award Scheme (the "**Trust Deeds**"). The Trustees shall administer the 2019 Share Award Scheme in accordance with the 2019 Share Award Scheme Rules and the respective Trust Deeds.

Rule 17.07(3) of the Listing Rules was not applicable to the 2019 Share Award Scheme for the Reporting Period as the Company did not grant any Share Options or Share Awards to be satisfied through the issue of new Shares by the Company for the six months ended 30 June 2026.

Details of the Share Awards granted to the grantees pursuant to the 2019 Share Award Scheme are set out below:

					Number of Share Awards					
					Unvested as at 1 January 2026	Granted During the Reporting Period	Vested During the Reporting Period	Lapsed During the Reporting Period	Canceled During the Reporting Period	Unvested as at 30 June 2026
Category of Participants	Award Date	Number of Share Awards	Purchase Price	Vesting Period						
Share Awards settled through the issuance of new shares by the Company to the grantees										
Mr. TANG Yinghao (then Executive Director, resigned as an Executive Director on 6 June 2024)	30 September 2021	1,000,000	US\$0.000005 per Share Award	30 April 2022 to 30 April 2024	—	—	—	—	—	—
Employees	30 September 2021	600,000	US\$0.000005 per Share Award	30 April 2022 to 30 April 2024	—	—	—	—	—	—
Employees	30 September 2021	25,803,500	US\$0.000005 per Share Award	30 April 2022 to 30 April 2024	—	—	—	—	—	—
Share Awards settled through shares purchased by the trustee on the open market										
Five highest paid Individuals of 2022 (not being directors of the Company)	31 March 2022	3,624,490	Nil	1 April 2022	—	—	—	—	—	—
Five highest paid Individuals of 2022 (not being directors of the Company)	8 July 2022	12,000,000	Nil	8 July 2022	—	—	—	—	—	—
Other employees	31 March 2022	6,317,459	Nil	1 April 2022	—	—	—	—	—	—
Mr. TANG Yinghao (then Executive Director, resigned as an Executive Director on 6 June 2024)	9 May 2023	100,658	Nil	9 May 2023	—	—	—	—	—	—
Mr. DING Chunlong (Executive Director)	9 May 2023	12,000,000	Nil	9 May 2023	—	—	—	—	—	—
	10 October 2023	19,000,000	Nil	10 October 2023	—	—	—	—	—	—
	10 November 2023	1,250,000	Nil	10 November 2023	—	—	—	—	—	—
Mr. GUO Shunshun (then Executive Director, resigned on 1 June 2023)	9 May 2023	1,000,000	Nil	9 May 2023	—	—	—	—	—	—
Five highest paid Individuals of 2023 (not being directors of the Company)	9 May 2023	3,184,916	Nil	9 May 2023	—	—	—	—	—	—
Other employees	9 May 2023	3,026,101	Nil	9 May 2023	—	—	—	—	—	—

Other Information

Category of Participants	Award Date	Number of Share Awards	Purchase Price	Vesting Period	Number of Share Awards					Unvested as at 30 June 2026
					Unvested as at 1 January 2026	Granted During the Reporting Period	Vested During the Reporting Period	Lapsed During the Reporting Period	Canceled During the Reporting Period	
Mr. DING Chunlong (Executive Director)	2 April 2024	698,338	Nil	2 April 2024	—	—	—	—	—	—
Mr. SU Bo (Executive Director)	2 April 2024	698,338	Nil	2 April 2024	—	—	—	—	—	—
Ms. CUI Wei (Chief Executive Officer, resigned on 10 April 2026)	2 April 2024	1,000,000	Nil	2 April 2024	—	—	—	—	—	—
Other employees	2 April 2024	2,435,865	Nil	2 April 2024	—	—	—	—	—	—
Five highest paid Individuals of 2024 (not being directors of the Company)	3 June 2024	2,173,913	Nil	3 June 2024	—	—	—	—	—	—
Five highest paid Individuals of 2024 (not being directors of the Company)	10 September 2024	10,660,000	Nil	10 September 2024	—	—	—	—	—	—
Other employees	10 September 2024	11,786,201	Nil	10 September 2024	—	—	—	—	—	—
Ms. CUI Wei (Chief Executive Officer, resigned on 10 April 2026)	2 April 2025	1,000,000	Nil	2 April 2025	—	—	—	—	—	—
Five highest paid Individuals of 2025 (not being directors of the Company)	2 April 2025	500,000	Nil	2 April 2025	—	—	—	—	—	—
Other Employees	2 April 2025	2,124,487	Nil	2 April 2025	—	—	—	—	—	—
Five highest paid Individuals of 2025 (not being directors of the Company)	12 September 2025	4,233,967	Nil	12 September 2025	—	—	—	—	—	—
Mr. Ding Chunlong (Executive Director)	31 March 2026	2,000,000	Nil	1 April 2026	—	2,000,000	2,000,000	—	—	—
Other employees	31 March 2026	23,000,000	Nil	31 March 2026/ 1 April 2026	—	23,000,000	15,000,000	8,000,000	—	—
Total		151,218,233			—	25,000,000	17,000,000	8,000,000	—	—

Notes:

1. For details of the above Share Awards (including the vesting conditions, if any), please refer to note 19 to the financial statements.
2. For the Share Awards granted on 31 March 2026, the closing price of the shares on 30 March 2026, which was the trading day immediately preceding the relevant date of grant, was HK\$1.30. The fair value of the relevant Share Awards of HK\$30,500,000 (equivalent to RMB26,929,975) was determined based on the market price on the date of grant of HK\$1.22 per share. The Share Awards were not subject to any specific conditions, performance targets or lock-up restrictions and were vested on 31 March 2026 and 1 April 2026. The weighted average closing prices of such shares on 30 March 2026 and 31 March 2026, being the trading days immediately preceding the date of vesting, were HK\$1.30 and HK\$1.22 per share respectively.
3. As disclosed above, the Board resolved on 3 June 2024 that the 2019 Share Award Scheme would only apply to the existing shares and would not involve the issuance of any new shares thereafter. Accordingly, there were no Share Awards available for issuance under the 2019 Share Award Scheme as at 1 January 2026 and 30 June 2026, respectively.
4. The share price was obtained from Futu.

2025 SHARE SCHEME

The Company adopted the 2025 Share Scheme at the annual general meeting of the Company held on 17 June 2025 (the “**Adoption Date**”), which complies with the requirements of Chapter 17 of the Listing Rules. The purpose of the 2025 Share Scheme is to encourage or facilitate the holding of Shares by certain eligible participants (“**Eligible Participants**”), to encourage and retain such individuals to work with the Group, and to provide additional incentive for them to achieve performance goals, with a view to achieving the objectives of increasing the value of the Company and aligning the interests of certain Eligible Participants with the shareholders of the Company through ownership of Shares.

The Board shall be responsible and have full authority for administering the 2025 Share Scheme and the authority to administer the 2025 Share Scheme may be delegated by the Board to the administration committee. The awards under the 2025 Share Scheme may take the form of (i) a Share option, which vests in the form of the right to subscribe for such number of Shares as the Board may determine, or (ii) a Share award, which vests in the form of (a) existing Shares; and/or (b) the right to subscribe for and/or be issued such number of new Shares as the Board may determine.

As at 30 June 2026, no trustee has been appointed to administer and implement the 2025 Share Scheme. If a trustee is appointed by the Company in the future, such trustee will be independent of the Company and its connected persons in accordance with the Listing Rules and shall comply with the requirements regarding voting arrangements as set out under Rule 17.05A of the Listing Rules.

The maximum number of Shares issuable pursuant to the 2025 Share Scheme and any other schemes of the Company (if any) in aggregate will be 128,340,350 Shares, being 10% of the total number of Shares in issue (excluding the Treasury Shares (if any)) as at the Adoption Date (the “**2025 Scheme Mandate Limit**”). Within the 2025 Scheme Mandate Limit, the maximum number of Shares issuable to the Service Provider Participants pursuant to the 2025 Share Scheme and any other schemes of the Company (if any) in aggregate will be 12,834,035 Shares, representing no more than approximately 1% of the total number of Shares in issue (excluding the Treasury Shares (if any)) as at the Adoption Date (the “**Service Provider Sublimit**”). There is no limit on (i) the number of Shares that can be purchased pursuant to the 2025 Share Scheme or (ii) the amount paid to the trustee for the purpose of making such a purchase. The Company may refresh either of the 2025 Scheme Mandate Limit and/or the Service Provider Sublimit in accordance with the 2025 Scheme Rules and the Listing Rules, as further approved by Shareholders at general meeting.

Based on the 2025 Scheme Mandate Limit, the total number of Shares available for grant under the 2025 Share Scheme was 128,340,350 as at both 1 January 2026 and 30 June 2026; based on the Service Provider Sublimit, the total number of Shares available for grant to the Service Provider Participants under the 2025 Share Scheme was 12,834,035 as at both 1 January 2026 and 30 June 2026.

Subject to any early termination of the terms of the 2025 Share Scheme, the 2025 Share Scheme shall be valid and effective for a period of ten (10) years commencing on the Adoption Date. Accordingly, as at 30 June 2026, the remaining life of the 2025 Share Scheme is approximately 9 years.

The principal terms of the 2025 Share Scheme are set forth in the circular made by the Company dated 26 May 2025.

During the six months ended 30 June 2026, no share awards or share options were granted, vested or exercised, cancelled or lapsed under the 2025 Share Scheme. No share options were outstanding and no share awards were unvested under the 2025 Share Scheme as at 1 January 2026 and 30 June 2026, respectively.

Rule 17.07(3) of the Listing Rules was not applicable to the 2025 Share Scheme for the Reporting Period as the Company did not grant any share options or share awards to be satisfied through the issue of new Shares by the Company for the six months ended 30 June 2026.

Save as disclosed above, there has been no outstanding options granted or unvested share awards granted under the Share Option Scheme, the 2019 Share Award Scheme or 2025 Share Scheme as of 30 June 2026.

INTERIM DIVIDEND

The Board did not declare the payment of any interim dividend for the six months ended 30 June 2026 (six months ended 30 June 2025: nil).

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

During the six months ended 30 June 2026, the independent trustee for the 2019 Share Award Scheme, Futu Trustee Limited through Futu Securities International (Hong Kong) Limited, purchased 352,000 Shares with total consideration of RMB403,836 (equivalent to HK\$464,300) on the open market for the purpose of future grant under the 2019 Share Award Scheme.

During the six months ended 30 June 2026, the Company has repurchased 6,832,000 Shares on the Stock Exchange with total consideration of HK\$9,396,900, which were held as treasury shares. Details of the Shares repurchased on the Stock Exchange during the six months ended 30 June 2026 are as follows:

Month of Repurchase	No. of Shares Repurchased	Highest Price Paid Per Share (HK\$)	Lowest Price Paid Per Share (HK\$)	Aggregate Consideration (HK\$)
January 2026	1,010,000	1.45	1.36	1,414,360
February 2026	140,000	1.40	1.38	194,080
April 2026	1,324,000	1.39	1.28	1,784,620
June 2026	4,358,000	1.44	1.30	6,003,840
Total	6,832,000			9,396,900

The Directors of the Company believe that the above repurchases are in the best interests of the Company and its Shareholders and that such repurchases would lead to an enhancement of the Company's net asset value per share and/or earnings per share. As at 30 June 2026, there were 10,384,000 treasury shares held by the Company. The Board is of the view that the Company's repurchases and holding of Shares as treasury shares provides enhanced flexibility to either dispose of such treasury shares on the market at market prices to raise funds for the Company, or transfer or use for other purposes, subject to compliance with the Articles of Association, the Listing Rules, and the laws of the Cayman Islands.

Save as disclosed above, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any listed securities (including sale of treasury shares) of the Company during the six months ended 30 June 2026.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

During the six months ended 30 June 2026, the Company has complied with the applicable code provisions as set forth in the corporate governance code (the **"Corporate Governance Code"**) contained in Appendix C1 to the Listing Rules.

The Board will continue to review and monitor the practices of the Company for the purpose of complying with the Corporate Governance Code and maintaining a high standard of corporate governance practices of the Company.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as set out in Appendix C3 to the Listing Rules as its code of conduct regarding directors' securities transactions. All directors have confirmed, following specific enquiry by the Company, that they have complied with the Model Code for the Reporting Period.

REVIEW OF INTERIM RESULTS

The Company has established the Audit Committee with written terms of reference in compliance with Rule 3.21 of the Listing Rules and the Corporate Governance Code. As at the date of this report, the Audit Committee comprises three independent non-executive directors of the Company, namely, Mr. Hu Yangyang, Mr. Zhang Yuguo and Ms. Guo Ying. Mr. Hu Yangyang is the chairman of the Audit Committee.

The Audit Committee has reviewed this interim report, including the unaudited consolidated interim results of the Company for the Reporting Period, and confirms that the applicable accounting principles, standards and requirements have been complied with, and that adequate disclosures have been made.

In addition, the unaudited condensed consolidated financial statements of the Group for the six months ended 30 June 2026 have been reviewed by our auditor, Deloitte Touche Tohmatsu, Certified Public Accountants, in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants.

CHANGE IN DIRECTORS' BIOGRAPHICAL DETAILS UNDER RULE 13.51B(1) OF THE LISTING RULES

There has been no change in the Directors' biographical details which are required to be disclosed pursuant to rule 13.51B(1) of the Listing Rules.

EVENTS AFTER THE REPORTING PERIOD

During the period from 15 July 2026 to 28 August 2026, the Company has repurchased 11,388,000 Shares on the Stock Exchange with total consideration of HK\$12,642,700, which have been held as treasury shares. Further details are set out in the Next Day Disclosure Returns published by the Company during such period. Save as disclosed above, there was no important event affecting the Group which occurred after the end of the Reporting Period and up to the date of this report.