Feiyu Technology International Company Ltd.
飛魚科技國際有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1022)

PROFIT WARNING

This announcement is made by Feiyu Technology International Company Ltd. (the "**Company**", together with its subsidiaries, the "**Group**") pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the "**Board**") of directors (the "**Directors**") of the Company wishes to inform the shareholders of the Company (the "**Shareholders**") and its potential investors that, based on the preliminary assessment of the unaudited consolidated management accounts of the Group for the six months ended 30 June 2026 and the information currently available, it is anticipated that the Group may record a net loss after tax ranging from approximately RMB5.0 million to RMB15.0 million for the six months ended 30 June 2026 as compared to a net profit after tax of approximately RMB56.5 million for the six months ended 30 June 2025.

The expected net loss after tax is primarily attributable to the following factors:

1) increased operational investment in Yi Bu Liang Bu (一步兩步) in June 2026 in connection with its second-anniversary operations. The Group made more operational investment based on the title's positive operating performance and monetisation potential. As such operational investment occurred and was recognised as expenses during the reporting period while revenue contributed by the newly acquired and reactivated users is expected to be delivered progressively in subsequent periods over their lifecycle, the resulting time lag between the related investment and revenue contribution had an adverse impact on the Group's profitability for the first half of 2026;

2) the decrease in net revenue (net of related channel fees and distribution expenses) of Yi Bu Liang Bu (一步兩步), mainly driven by the game reaching its payback peak in the first half of 2025 following earlier operational investment, resulting in a relatively high comparison base, and transitioning to a mature phase of its life cycle in 2026; and

3) Ni Zhuan Hui He (逆轉回合), an HTML5 game launched in March 2026, remains in its early stage and requires strong operational investment. Following its launch, the Group progressively increased operational investment with reference to the game's user acquisition, engagement and monetisation performance. As such investment was incurred before acquired users generate revenue throughout their lifecycle, financial performance driven by these investments has yet to be fully reflected in the Group's results for the first half of 2026.

Despite near-term profitability pressure, the operating performance of relevant titles has been encouraging. Ni Zhuan Hui He (逆轉回合) has climbed to 27th on the Weixin Mini Game best-selling list in July 2026, while Yi Bu Liang Bu (一步兩步) has re-entered the list at 8th place in June 2026. These operating indicators provide early support for the continued monetisation potential of both titles. This "strategic upfront investment followed by long-term return" approach is firmly validated by the Company's track record in relation to Yi Bu Liang Bu (一步兩步), for which significant distribution spending had been made in late 2024 and substantial returns were delivered in early 2025.

In addition to the HTML5 game launched in the first half of 2026, several additional titles are currently under testing and scheduled for official release in the second half of 2026. This pipeline is expected to drive progressively stronger performance and establish a sustainable foundation for multi-stage growth of the Group. In light of this, the Board anticipates an improvement in the Group's operating results in the second half of 2026.

As at the date of this announcement, the Company is still gathering information to finalise the interim results of the Group for the six months ended 30 June 2026. Information contained in this announcement is only a preliminary assessment made by the Board with reference to the unaudited consolidated management accounts of the Group for the six months ended 30 June 2026 and the information currently available, which have not been reviewed or audited by the auditor of the Company or confirmed by the audit committee of the Board and may be subject to changes. Further information of the Group's financial information will be disclosed in the announcement on the unaudited interim results of the Group for the six months ended 30 June 2026, which is expected to be published by the end of August 2026.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board
Feiyu Technology International Company Ltd.
YAO Jianjun
Chairman, Chief Executive Officer and Executive Director

Hong Kong, 7 August 2026

As at the date of this announcement, the Board comprises Messrs. YAO Jianjun, CHEN Jianyu, BI Lin and LIN Zhibin, as executive Directors; and Ms. LIU Qianli, and Messrs. LAI Xiaoling and CAO Xi, as independent non-executive Directors.