DIGITAL HOLLYWOOD INTERACTIVE LIMITED
遊萊互動集團有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2022)

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

FINANCIAL HIGHLIGHTS

- Revenue for the six months ended June 30, 2026 (the "**Reporting Period**") amounted to approximately US$5.0 million, representing an increase of approximately 9.8% from approximately US$4.6 million for the corresponding period in 2025.
- Gross profit for the Reporting Period amounted to approximately US$2.3 million, representing an increase of approximately 4.2% from approximately US$2.2 million for the corresponding period in 2025.
- Loss attributable to owners of the Company for the Reporting Period amounted to approximately US$2.5 million, representing an increase of approximately 258.6% from approximately US$0.7 million for the corresponding period in 2025.
- Non-IFRS Accounting Standards adjusted loss attributable to owners of the Company(1) for the Reporting Period amounted to approximately US$2.5 million, representing an increase of approximately 258.6% from approximately US$0.7 million for the corresponding period in 2025.

In this announcement, "**we**", "**us**" and "**our**" refer to Digital Hollywood Interactive Limited (the "**Company**", together with its subsidiaries, the "**Group**").

(1) Non-IFRS Accounting Standards adjusted loss attributable to owners of the Company was derived from the loss attributable to the owners of the Company for the period, excluding share-based compensation.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW AND FUTURE PROSPECTS

The Company has continued to implement the "H5 + mobile platforms" lightweight product matrix strategy, launching a total of 17 brand-new H5 and mobile games during the Reporting Period, which reflects a significantly accelerated pace of game releases as compared with the second half of the previous year. The Company continuously introduces premium games with high-quality content and differentiated themes, steadily enhancing its market supply capabilities and maintaining a momentum of steady development for its overall business.

In terms of the deep integration of the H5 and mobile game ecosystems, the Company has integrated the membership data of H5 and mobile games and completed the iterative upgrade of the omni-channel membership system, which effectively drove user cross-platform retention rates and activity levels. At the same time, the global payment channel network continued to expand. Multiple regional localized payment service providers were newly added to build a localized payment network covering multiple regions, effectively lowering the payment threshold for users in different regions and driving synchronous improvements in user payment experience and conversion efficiency.

Technological empowerment yielded significant results. The Company has constructed an AI content generation workflow capable of empowering all launched game products, covering aspects such as the production of game graphic and textual materials, as well as video content. This workflow has been widely applied in social media promotion and game derivative content distribution scenarios. The AI content generation workflow has significantly enhanced the operational efficiency of game social media, while enriching user reach channels and interactive forms, further enhancing user loyalty.

Currently, competition in the global mobile game market is becoming increasingly fierce. Over the past twelve months, the monthly release volume of new games in the United States market for both the App Store and Google Play has increased significantly. Facing an environment with continuously intensifying industry competition, the Company will further expand its presence in Europe, a high-quality market with high growth potential, develop exclusive standalone game versions tailored to the preferences of European users, precisely match regional user habits, and seize growth opportunities in the regional market.

At the technological level, the Company will continue to deeply explore the value of the AI content generation workflow and expand IP collaboration scenarios. Centred on the organic integration of its proprietary game products with IP-native story content, the Company will generate in-game and out-of-game synergistic short videos and various derivative content driven by AI. This explores the dual interaction gameplay of "game + content" extends user interactive scenarios, and enhances user loyalty. At the same time, the Company will leverage AI big data analysis capabilities to optimize user management, thereby achieving more precise content push and refined stratified user operations.

FINANCIAL REVIEW

Overview

Loss attributable to owners of the Company for the Reporting Period amounted to approximately US$2.5 million, representing an increase of approximately US$1.8 million or 258.6% from approximately US$0.7 million for the corresponding period in 2025. Non-IFRS Accounting Standards adjusted loss attributable to owners of the Company for the Reporting Period amounted to approximately US$2.5 million, representing an increase of approximately US$1.8 million or 258.6% as compared with approximately US$0.7 million for the corresponding period in 2025.

Revenue

For the Reporting Period, revenue of the Group amounted to approximately US$5.0 million, representing an increase of approximately US$0.4 million or 9.8% as compared with approximately US$4.6 million for the corresponding period in 2025. The revenue growth was mainly due to the increase in game revenue.

Cost of Revenue and Gross Profit Margin

For the Reporting Period, cost of revenue of the Group amounted to approximately US$2.8 million, representing an increase of approximately US$0.4 million or 14.8% as compared with approximately US$2.4 million for the corresponding period in 2025. The resulting gross profit margin decreased to 44.9% for the Reporting Period from 47.4% for the corresponding period in 2025.

Other (Losses)/Gains, Net

For the Reporting Period, other losses of the Group amounted to approximately US$0.4 million, as compared with other gains of the Group amounted to approximately US$0.4 million for the corresponding period in 2025. The other losses of the Group for the Reporting Period were primarily due to the net exchange losses resulting from exchange rate fluctuations in the Reporting Period.

Selling and Marketing Expenses

For the Reporting Period, selling and marketing expenses of the Group amounted to approximately US$1.7 million, representing an increase of approximately US$0.2 million or 14.4% from approximately US$1.5 million for the corresponding period in 2025, primarily due to the increase in advertising and promotion.

Administrative Expenses

For the Reporting Period, administrative expenses of the Group amounted to approximately US$1.9 million, representing an increase of approximately US$0.5 million or 40.5% from approximately US$1.4 million for the corresponding period in 2025, primarily due to higher IT and employee costs.

Research and Development Expenses

For the Reporting Period, research and development expenses of the Group amounted to approximately US$0.6 million, remained stable compared with approximately US$0.6 million for the corresponding period in 2025.

Income Tax Expense

For the Reporting Period, income tax expense of the Group amounted to approximately US$0.1 million, as compared with approximately US$0.1 million for the corresponding period in 2025.

Loss Attributable to Owners of the Company

As a result of the above, loss attributable to owners of the Company increased by approximately US$1.8 million or 258.6% from approximately US$0.7 million for the corresponding period in 2025 to approximately US$2.5 million for the Reporting Period.

Non-IFRS Accounting Standards Adjusted Loss Attributable to Owners of the Company

To supplement this interim results announcement which is presented in accordance with IFRS Accounting Standards, we also use unaudited non-IFRS Accounting Standards adjusted loss attributable to owners of the Company as an additional financial measure to evaluate our financial performance by eliminating the impact of items that we do not consider indicative of the performance of our business.

For the Reporting Period, non-IFRS Accounting Standards adjusted loss attributable to owners of the Company amounted to approximately US$2.5 million, representing an increase of approximately 258.6% from approximately US$0.7 million for the corresponding period in 2025. Our non-IFRS Accounting Standards adjusted loss attributable to owners of the Company for the Reporting Period and the corresponding period of 2025 was calculated according to the loss attributable to the owners of the Company for the period.

Liquidity, Treasury Policy and Source of Funding and Borrowing

As at June 30, 2026, the Group's total bank balances, cash and short-term deposits amounted to approximately US$11.9 million, representing a decrease of approximately 12.6% as compared with approximately US$13.6 million as at December 31, 2025. The decrease in total bank balances, cash and short-term deposits during the Reporting Period primarily resulted from the increase in the net cash flow used in operating activities.

As at June 30, 2026, current assets of the Group amounted to approximately US$23.3 million, including bank balances and cash of approximately US$11.9 million and other current assets of approximately US$11.4 million. Current liabilities of the Group amounted to approximately US$8.1 million, including trade payables and contract liabilities of approximately US$2.9 million and other current liabilities of approximately US$5.2 million. As at June 30, 2026, the current ratio (the current assets to current liabilities ratio) of the Group was 2.9, as compared with 3.2 as at December 31, 2025. The Group adopts a prudent treasury management policy to ensure that our Group maintains a healthy financial position.

Gearing ratio is calculated on the basis of total borrowings (net of cash and cash equivalents) over the Group's total equity. The Group does not have any bank borrowings and other debt financing obligations (excluding lease liabilities) as at June 30, 2026 and the resulting gearing ratio is nil (December 31, 2025: nil). The Group intends to finance the expansion, investments and business operations with internal resources.

Significant Investments

The Group did not have any material investments for the Reporting Period.

Material Acquisitions

The Group did not have any material acquisitions of subsidiaries, associates and joint ventures for the Reporting Period.

Material Disposals

The Group did not have any material disposals of subsidiaries, associates and joint ventures for the Reporting Period.

Pledge of Assets

As at June 30, 2026, none of the Group's assets was pledged (as at December 31, 2025: nil).

Contingent Liabilities

The Group had no material contingent liabilities as at June 30, 2026 (as at December 31, 2025: nil).

Foreign Exchange Exposure

As at June 30, 2026, the Group mainly operated in the global market and the majority of its transactions were settled in United States Dollars (the "**USD**"), being the functional currency of the group entities to which the transactions relate. We currently do not hedge transactions undertaken in foreign currencies but manage our exposure through constant monitoring to limit as much as possible the amount of our foreign currencies exposures. Foreign exchange risk arises when future commercial transactions and recognized assets and liabilities are denominated in a currency that is not the entity's functional currency. The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to Renminbi ("**RMB**"), Euro ("**EUR**") and Hong Kong Dollars ("**HKD**"). Currency exposure arising from the net assets of our foreign operations is not significant. As at June 30, 2026, the Group did not have significant foreign currency exposure from its operations.

HUMAN RESOURCES

As at June 30, 2026, the Group had 98 employees (as at December 31, 2025: 90), 41 of which were responsible for game development and maintenance, 29 for game operation and offline events organization, and 28 for general administration and corporate management. The total remuneration expenses, excluding share-based compensation expense, for the Reporting Period were approximately US$1.4 million, representing an increase of approximately 3.0% as compared with the corresponding period in 2025. The Group enters into employment contracts with its employees to cover matters such as position, term of employment, wage, employee benefits and liabilities for breaches and grounds for termination.

Remuneration of the Group's employees includes basic salaries, allowances, bonuses, share options and other employee benefits, and is determined with reference to their experience, qualifications and general market conditions. The emolument policy for the employees of the Group is set up by the Company's board (the "**Board**") of directors (the "**Directors**") on the basis of their merit, qualification and competence. We provide regular training to our employees in order to improve their skills and knowledge. The training courses include, among others, further educational studies, skills training and professional development courses for management personnel.

INTERIM DIVIDEND

The Board has resolved not to declare any interim dividend for the Reporting Period (For the six months ended June 30, 2025: nil).

MATERIAL LEGAL PROCEEDINGS

The Group was not involved in any material legal proceedings during the Reporting Period.

SIGNIFICANT EVENTS OCCURRED SINCE THE END OF THE REPORTING PERIOD

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

CORPORATE GOVERNANCE PRACTICES

The Company recognizes the importance of good corporate governance for enhancing the management of the Company as well as preserving the interests of the Shareholders as a whole. The Company has adopted the principles and code provisions as set out in the Corporate Governance Code (the "**Corporate Governance Code**") as contained in Appendix C1 to the Rules Governing the Listing of Securities (the "**Listing Rules**") on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") as its own code of corporate governance practices.

In the opinion of the Directors, the Company has complied with the relevant code provisions contained in the Corporate Governance Code during the Reporting Period, save for the deviation from code provision C.2.1 of Part 2 of the Corporate Governance Code as disclosed below.

Pursuant to code provision C.2.1 of Part 2 of the Corporate Governance Code, the roles of the chairman and chief executive officer should be separate and should not be performed by the same individual. However, the Company does not have a separate role of chairman and chief executive officer and Mr. LU Yuanfeng currently performs these two roles. With extensive experience in the internet industry, Mr. LU Yuanfeng is responsible for the overall strategic planning and general management of the Group and his leadership is instrumental to the Company's growth and business expansion since its establishment on November 24, 2014. The Board considers that vesting the roles of chairman and chief executive officer in the same person is beneficial to the management of the Group. The balance of power and authority is ensured by the operation of the Group by the senior management and the Board, which comprises experienced individuals. The Board currently comprises four executive Directors (including Mr. LU Yuanfeng) and three independent non-executive Directors and therefore has a fairly strong independence element in its composition.

Save as disclosed above, the Company is in compliance with the requirements under all code provisions of the Corporate Governance Code. The Board will continue to review and monitor the practices of the Company with an aim to maintain a high standard of corporate governance.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") set out in Appendix C3 to the Listing Rules as its own code of conduct regarding dealings in the securities of the Company by the Directors and the Group's senior management who, because of his/her office or employment, is likely to possess inside information in relation to the Company or its securities.

Having made specific enquiry, all Directors confirmed that they have complied with the Model Code during the Reporting Period. In addition, the Company is not aware of any non-compliance of the Model Code by the senior management of the Group during the Reporting Period.

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

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares) during the Reporting Period.

REVIEW OF FINANCIAL INFORMATION

Audit Committee

The audit committee of the Board, comprising Professor CHAU Chi Wai, Wilton (chairman), Mr. LI Yi Wen and Mr. LU Qibo, has discussed with the management and reviewed the unaudited interim condensed consolidated financial information of the Group 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.

The Board is pleased to announce the unaudited interim condensed consolidated financial results of the Group for the Reporting Period, together with the comparative figures for the corresponding period in 2025:

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

For the six months ended June 30, 2026

	Note	**Six months ended June 30, 2026 USD (Unaudited)**	2025 USD (Unaudited)
Revenue	*4*	**5,034,137**	4,585,679
Cost of revenue		**(2,772,051)**	(2,414,218)
Gross profit		**2,262,086**	2,171,461
Selling and marketing expenses		**(1,680,139)**	(1,468,992)
Administrative expenses		**(1,901,388)**	(1,353,369)
Research and development expenses		**(619,243)**	(625,906)
Other (losses)/gains, net	*8*	**(384,774)**	428,218
Operating loss		**(2,323,458)**	(848,588)
Finance income		**251**	278,983
Finance costs		**(110,173)**	(16,562)
Share of profits of associates		**18,476**	15,228
Loss before income tax		**(2,414,904)**	(570,939)
Income tax expense	*9*	**(106,213)**	(132,198)
Loss for the period		**(2,521,117)**	(703,137)
Other comprehensive income/(expense):			
Item that may be reclassified to profit or loss			
– Exchange differences on translating foreign operations		**331,158**	(36,583)
Item that will not be reclassified to profit or loss			
– Changes in fair value of equity investments at fair value through other comprehensive income		**(58,512)**	65,755
Other comprehensive income for the period, net of income tax		**272,646**	29,172
Total comprehensive expense for the period		**(2,248,471)**	(673,965)
Loss for the period attributable to:			
Owners of the Company		**(2,521,117)**	(703,137)

	Note	Six months ended June 30, 2026 USD (Unaudited)	2025 USD (Unaudited)
Total comprehensive expense for the period attributable to:			
Owners of the Company		**(2,248,471)**	(673,965)
Loss per share (expressed in USD cents per share)	*10*		
– Basic		**(0.14)**	(0.04)
– Diluted		**(0.14)**	(0.04)
Dividends	*11*	**–**	–

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at June 30, 2026

	Note	**As at June 30, 2026 *USD* (Unaudited)**	As at December 31, 2025 *USD* (Audited)
Assets			
Non-current assets			
Property, plant and equipment		**7,187**	2,508
Intangible assets		**20,833**	–
Interests in associates		**108,633**	87,294
Equity investments at fair value through other comprehensive income		**216,041**	274,553
Prepayments and other receivables		**3,773,017**	4,239,577
		4,125,711	4,603,932
Current assets			
Trade receivables	*5*	**1,020,330**	959,534
Contract costs		**754,827**	733,690
Prepayments and other receivables		**9,599,192**	9,437,534
Bank and cash balances		**11,910,853**	13,625,766
		23,285,202	24,756,524
Total assets		**27,410,913**	29,360,456
EQUITY AND LIABILITIES			
Equity			
Share capital	*6*	**2,000,000**	2,000,000
Reserves		**17,340,410**	19,588,881
Total equity		**19,340,410**	21,588,881

	Note	As at June 30, 2026 USD (Unaudited)	As at December 31, 2025 USD (Audited)
Liabilities			
Current liabilities			
Trade payables	*7*	**914,360**	688,767
Contract liabilities		**2,001,197**	1,990,918
Other payables and accruals		**4,881,343**	4,612,621
Lease liabilities		**113,562**	301,861
Current tax liabilities		**152,092**	146,322
		8,062,554	7,740,489
Non-current liabilities			
Lease liabilities		**7,949**	31,086
Total liabilities		**8,070,503**	7,771,575
Total equity and liabilities		**27,410,913**	29,360,456

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

1 GENERAL INFORMATION

Digital Hollywood Interactive Limited (the "**Company**") was incorporated in the Cayman Islands on November 24, 2014 as an exempted company with limited liability. The address of the Company's registered office is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands.

The Company is an investment holding company. The Company and its subsidiaries (together, the "**Group**") are principally engaged in the development, operations and publishing of web-based games and mobile games business ("**Game Business**") in North America, Europe, the People's Republic of China (the "**PRC**") and other regions.

The interim condensed consolidated financial information is presented in the United States Dollars ("**USD**"), unless otherwise stated, and have been approved for issue by the Company's Board of Directors on August 28, 2026.

2 BASIS OF PREPARATION

This interim condensed consolidated financial information for the six months ended June 30, 2026 has been prepared in accordance with International Accounting Standard ("**IAS**") 34, "Interim Financial Reporting". The interim condensed consolidated financial information should be read in conjunction with the annual consolidated financial statements for the year ended December 31, 2025, which have been prepared in accordance with IFRS Accounting Standards.

3 ADOPTION OF NEW AND REVISED IFRS ACCOUNTING STANDARDS

In the current period, the Group has adopted all the new and revised IFRS Accounting Standards issued by International Accounting Standards Board ("**IASB**") that are relevant to its operations and effective for its accounting period beginning on 1 January 2026. IFRS Accounting Standards comprise International Financial Reporting Standards ("**IFRS**"); International Accounting Standards; and Interpretations. The adoption of these new and revised IFRS Accounting Standards did not result in significant changes to the Group's accounting policies, presentation of the Group's consolidated financial statements and amounts reported for the current period and prior years.

The Group has not applied the new and revised IFRS Accounting Standards that have been issued but are not yet effective. The Group has already commenced an assessment of the impact of these new and revised IFRS Accounting Standards but is not yet in a position to state whether these new and revised IFRS Accounting Standards would have a material impact on its results of operations and financial position.

4 REVENUE AND SEGMENT INFORMATION

	Six months ended June 30,	
	2026	2025
	USD	*USD*
	(Unaudited)	(Unaudited)
Online game revenue	**5,032,140**	4,585,677
Advertising revenue	**1,997**	2
	5,034,137	4,585,679
Disaggregation of revenue from contracts with customers:		
Timing of revenue recognition		
Over time	**5,034,137**	4,585,679

Segment information

For management purpose, the executive directors of the Company consider that the Group generates revenue primarily from the provision of online game services. The executive directors of the Company review the operating results of the business as one segment to make strategic decisions about resources to be allocated. Therefore, the executive directors of the Company consider that there is only one segment of the Group and no further analysis is presented.

5 TRADE RECEIVABLES

The ageing analysis of trade receivables, based on recognition date of trade receivables, and net of allowance, is as follows:

	As at June 30, 2026 *USD* **(Unaudited)**	As at December 31, 2025 *USD* (Audited)
0-30 days	**585,845**	456,662
31-90 days	**237,916**	292,274
91-180 days	**62,177**	99,660
Over 180 days	**134,392**	110,938
	1,020,330	959,534

6 SHARE CAPITAL AND SHARES HELD FOR THE SHARE OPTION SCHEME

	Number of ordinary shares	**Amount** *USD*
Authorized:		
Ordinary shares of USD0.001 (2025: USD0.001) each		
At 1 January 2025, 31 December 2025 (audited), 1 January 2026 and 30 June 2026 (unaudited)	4,000,000,000	4,000,000

A summary of the Company's share capital and shares held for the Share Option Scheme are as follows:

	Number of shares in issue	**Share capital** *USD*	**Shares held for the Share Option Scheme** *USD*
As at June 30, 2026 (unaudited)	**2,000,000,000**	**2,000,000**	**(138,978)**
As at December 31, 2025 (audited)	2,000,000,000	2,000,000	(138,978)

7 TRADE PAYABLES

The aging analysis of trade payables based on invoice date is as follows:

	As at June 30, 2026	As at December 31, 2025
	USD	*USD*
	(Unaudited)	(Audited)
0-90 days	**365,947**	328,607
91-180 days	**204,666**	141,863
181-365 days	**112,578**	3,361
Over 365 days	**231,169**	214,936
	914,360	688,767

8 OTHER (LOSSES)/GAINS, NET

	Six months ended June 30,	
	2026	2025
	USD	*USD*
	(Unaudited)	(Unaudited)
Net foreign exchange (losses)/gains	**(378,213)**	421,741
Donations	**(7,300)**	–
Government grants	**–**	7,399
Others	**739**	(922)
	(384,774)	428,218

9 INCOME TAX EXPENSE

	Six months ended June 30,	
	2026	2025
	USD	*USD*
	(Unaudited)	(Unaudited)
Current tax		
– Overseas withholding income tax	**106,213**	132,198

10 LOSS PER SHARE

The calculation of the basic and diluted loss per share is based on the following:

	Six months ended June 30,	
	2026	2025
	USD	*USD*
	(Unaudited)	(Unaudited)
Loss		
Loss for the purpose of calculating basic and diluted loss per share	**(2,521,117)**	(703,137)

	Six months ended June 30,	
	2026	2025
	’000	*’000*
	(Unaudited)	(Unaudited)
Number of shares		
Weighted average number of ordinary shares in issue less shares held for the Share Option Scheme for the purpose of calculating basic and diluted loss per share	**1,861,022**	1,861,022

The effects of all potential shares are anti-dilutive for the six months ended 30 June 2026 and 2025.

11 DIVIDEND

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

PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

This interim results announcement is published on the websites of the Stock Exchange at *www.hkexnews.hk* and of the Company at *www.gamehollywood.com/company/* respectively. The interim report of the Company containing all the information required by the Listing Rules will be despatched (if necessary) to the Shareholders and published on the above websites respectively in due course.

APPRECIATION

On behalf of the Board, I would like to thank all our colleagues for their diligence, dedication, loyalty and integrity. I would also like to thank all our Shareholders, customers, bankers and other business associates for their trust and support.

By Order of the Board
Digital Hollywood Interactive Limited
LU Yuanfeng
Chairman and Chief Executive Officer

Hong Kong, August 28, 2026

As at the date of this announcement, the executive Directors are Mr. LU Yuanfeng, Mr. HUANG Guozhan, Mr. HUANG Deqiang and Ms. LUO Simin, and the independent non-executive Directors are Professor CHAU Chi Wai, Wilton, Mr. LI Yi Wen and Mr. LU Qibo.

* *For identification purpose only*