Homeland Interactive Technology Ltd.
家 鄉 互 動 科 技 有 限 公 司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 3798)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2026

FINANCIAL HIGHLIGHTS

	For the six months ended 30 June		Year-on-Year Change*
	2026	2025	(%)
	(RMB in thousands, except for percentages)		
Revenue	**621,838**	726,044	(14.4)
Gross profit	**391,615**	318,352	23.0
Profit for the period	**48,328**	53,469	(9.6)
Non-IFRS adjusted net profit attributable to the owners of the Company	**97,154**	74,902	29.7

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

REVENUE BY TYPES OF VIRTUAL PRODUCTS

	For the six months ended 30 June				Year-on-year Change*
	2026		2025		(%)
	RMB in thousands	***Percentage of total revenue***	*RMB in thousands*	*Percentage of total revenue*	
Revenue from:					
— Self-developed mobile games	**493,867**	**79.4%**	505,256	69.6	(2.3)
— Third-party mobile games	**73,606**	**11.9%**	196,141	27.0	(62.5)
	567,473	**91.3%**	701,397	96.6	(19.1)
Advertising revenue**	**54,365**	**8.7%**	24,647	3.4	120.6
Total	**621,838**	**100.0%**	726,044	100.0	(14.4)

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

** Advertising revenue represents revenue generated from in-game advertisement slots the Group inserted in its mini-programs, typically measured by user clicks.

OPERATIONAL HIGHLIGHTS

The following table sets forth the major operating data of the Group.

	As at or for the six months ended 30 June 2026	As at or for the six months ended 30 June 2025	As at or for the year ended 31 December 2025
All games (including casual games)			
Daily active users ("**DAUs**")* (as at period end)	**10,991,631**	12,306,675	12,099,828
Paying players**	**7,006,203**	9,089,428	11,352,994
Average monthly active users ("**MAUs**")***	**62,157,080**	59,781,933	57,300,177

* DAUs, in any given period, refer to the number of daily active players as at the last calendar day of such period.

** Paying players, in any given period, refer to players who pay money to play any of the Company's mobile game products or to purchase virtual tokens offered by the Company in its mobile game products at least once; a player who pays more than once in such period is counted only once.

*** MAUs, in any given month or period, refer to the number of active players in a given month or the average of MAUs in the given period.

The board of directors (the "**Board**") of Homeland Interactive Technology Ltd. (the "**Company**") is pleased to announce the unaudited consolidated results (the "**Interim Results**") of the Company and its subsidiaries (together the "**Group**") for the six months ended 30 June 2026 (the "**Reporting Period**") together with the comparative figures for the previous corresponding period.

BUSINESS OVERVIEW AND OUTLOOK

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 users[1] increased from 18.0% in the same period last year to 24.7%; and the number of high quality users[2] 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

In terms of overseas markets, during the first half of 2026, on 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 them 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 current 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.

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
Game Publishing	Customer service model, advertising placement, and research and analysis model

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.

MANAGEMENT DISCUSSION AND ANALYSIS

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 hedging policy for foreign currencies in place. 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 5 to the condensed consolidated financial statements of the Company in this announcement.

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.

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 "**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 Share Award Scheme and the 2025 Share Scheme will be set out in the interim report of the Company for the six months ended 30 June 2026.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2026

	Notes	Six months ended 30 June	
		2026	2025
		RMB'000	*RMB'000*
		(unaudited)	(unaudited)
Revenue	*3*	**621,838**	726,044
Cost of sales		**(230,223)**	(407,692)
Gross profit		**391,615**	318,352
Other income		**14,894**	13,837
Other gains and losses		**(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	*5*	**(28,237)**	(9,309)
Profit and total comprehensive income for the period	*6*	**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)	*7*		
— 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		**145,335**	148,974
Right-of-use assets		**12,844**	15,892
Intangible assets		**6,753**	7,967
Investments in associates	*8*	**62,310**	57,707
Investments in joint ventures		**23,734**	24,108
Financial assets at fair value through profit or loss ("FVTPL")	*9*	**71,877**	69,815
Equity instruments at fair value through other comprehensive income ("FVTOCI")		**45,402**	45,402
Prepayments, other receivables and deposits	*11*	**6,389**	4,810
Deferred tax assets		**86,496**	66,697
Receivables for disposal of associates		**54,144**	54,120
Loans receivables		**15,321**	20,102
		530,605	515,594
Current assets			
Trade receivables	*10*	**99,785**	90,246
Financial assets at FVTPL	*9*	**473,404**	352,739
Prepayments, other receivables and deposits	*11*	**219,141**	125,847
Receivables for disposal of subsidiaries		**—**	2,664
Receivables for disposal of associates		**18,088**	30,460
Loans receivables		**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	*12*	**48,750**	93,409
Deferred revenue		**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

	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	*13*	**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

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 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* *(Note i)*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*	*RMB'000*
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 Scheme	—	—	—	—	—	—	3,646	—	—	3,646	—	3,646
Vesting of award shares under the 2025 Share Award Scheme	—	—	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 Scheme	**—**	**—**	**—**	**—**	**—**	**—**	**26,930**	**—**	**—**	**26,930**	**—**	**26,930**
Vesting of award shares under the 2025 Share Award Scheme	**—**	**—**	**29,090**	**(10,777)**	**—**	**—**	**(18,313)**	**—**	**—**	**—**	**—**	**—**
Repurchase of shares *(Note ii)*	**—**	**(8,228)**	**(404)**	**—**	**—**	**—**	**—**	**—**	**—**	**(8,632)**	**—**	**(8,632)**
Forfeiture of award shares under the 2026 Share Award Scheme	**—**	**—**	**—**	**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.

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 Highest	Price per share Lowest	Aggregate consideration paid
		HK$	*HK$*	*HK$'000*
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 Highest	Price per share Lowest	Aggregate consideration paid
		HK$	*HK$*	*HK$'000*
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)

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(unaudited)	(unaudited)
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)
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.

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. 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.

5. INCOME TAX EXPENSE

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

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
	(unaudited)	(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.

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 assessable profits for both interim periods.

6. 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

7. 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.

8. INVESTMENTS IN ASSOCIATES

	As at 30 June 2026	As at 31 December 2025
	RMB'000	*RMB'000*
	(unaudited)	(audited)
Cost of investment in associates *(Note)*	**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.

9. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	As at 30 June 2026	As at 31 December 2025
	RMB'000	*RMB'000*
	(unaudited)	(audited)
Non-current unlisted securities		
— Investment in partnership	**71,877**	69,815
Current listed securities held for trading		
— Equity securities listed in Shanghai Stock Exchange (the "**SSE**")	**188,472**	5,058
Current unlisted securities held for trading		
— Private funds	**140,110**	200,651
— Money market fund	**72,999**	73,215
— Structured deposit	**71,823**	73,815
	545,281	422,554

10. TRADE RECEIVABLES

	As at 30 June 2026	As at 31 December 2025
	RMB'000	*RMB'000*
	(unaudited)	(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	As at 31 December 2025
	RMB'000	*RMB'000*
	(unaudited)	(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.

11. 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

12. 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 *(note)*	**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.

13. 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

OTHER INFORMATION

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

As of 30 June 2026, Futu Securities International (Hong Kong) Limited, an independent trustee for the Share Award Scheme, purchased 352,000 shares of the Company (the "**Shares**") with total consideration of RMB403,836 (equivalent to HK$464,300) through the Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") for the purpose of future grants under the Share Award Scheme of the Company.

During the Reporting Period, 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 as of 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	1.45	1.28	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 of the Company, 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 Reporting Period.

EVENTS AFTER THE REPORTING PERIOD

During the period from 15 July 2026 to 27 July 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 announcement.

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 Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (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 for Securities Transactions by Directors of Listed Issuers" (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.

AUDIT COMMITTEE

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 of the date of this announcement, 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 the Company's unaudited consolidated interim results 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.

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.

INTERIM DIVIDEND

After careful consideration, the Board has determined not to declare an interim dividend payment for the six months ended 30 June 2026, in order to preserve capital for strategic business development (six months ended 30 June 2025: nil).

PUBLICATION OF INTERIM RESULTS AND INTERIM REPORT

This announcement is published on the website of the Stock Exchange (http://www.hkexnews.hk) and that of the Company (http://www.jiaxianghudong.com). The interim report of the Company for the six months ended 30 June 2026 will be available on the websites of the Stock Exchange and that of the Company in due course.

By order of the Board of Directors
Homeland Interactive Technology Ltd.
Wu Chengze
Chairman

Hong Kong, 28 August 2026

As at the date of this announcement, the Board comprises Mr. Wu Chengze, Mr. Su Bo and Mr. Ding Chunlong as executive directors of the Company and Mr. Zhang Yuguo, Mr. Hu Yangyang and Ms. Guo Ying as independent non-executive directors of the Company.

* *For identification purpose only*