



2026
INTERIM REPORT

360 LUDASHI HOLDINGS LIMITED
魯大師控股有限公司

(Incorporated in the Cayman Islands with limited liability)
Stock code : 3601



鲁大师无线数据线
Ludashi Wireless Data Cable

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CORPORATE INFORMATION

THE BOARD OF DIRECTORS

Executive Directors

Mr. Tian Ye (*Chairman*)

Ms. Jian Lu

Non-executive Directors

Mr. Li Xin

Mr. Zhao Dan

Mr. Huang Jian (appointed on 16 January 2026)

Mr. Liu Wei (resigned on 16 January 2026)

Independent non-executive Directors

Mr. Li Yang

Mr. Wang Xinyu

Ms. Hu Qin

AUDIT COMMITTEE

Ms. Hu Qin (*Chairperson*)

Mr. Li Yang

Mr. Wang Xinyu

NOMINATION COMMITTEE

Mr. Tian Ye (*Chairman*)

Mr. Wang Xinyu

Ms. Hu Qin

REMUNERATION COMMITTEE

Mr. Wang Xinyu (*Chairman*)

Mr. Tian Ye

Mr. Li Yang

COMPANY SECRETARY

Ms. Oh Sim Yee (appointed on 28 August 2026)

Mr. Cheng Ching Kit (resigned on 28 August 2026)

AUTHORIZED REPRESENTATIVES

Mr. Tian Ye

Ms. Oh Sim Yee (appointed on 28 August 2026)

Mr. Cheng Ching Kit (resigned on 28 August 2026)

AUDITOR

ZHONGHUI ANDA CPA Limited

Certified Public Accountants

Registered Public Interest Entity Auditor

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Hong Kong

REGISTERED OFFICE

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Hutchins Drive

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Grand Cayman KY1-1111

Cayman Islands

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in Association with

Commerce & Finance Law Offices

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As to PRC laws:

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Conyers Dill & Pearman

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Tricor Investor Services Limited

17/F, Far East Finance Centre

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PRINCIPAL BANKER

China Merchants Bank Chengdu Tianfu Avenue

Sub-Branch

STOCK CODE

3601

COMPANY WEBSITE

www.ludashi.com



MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW AND OUTLOOK

Business Review

In the first half of 2026, the macroeconomy operated within a reasonable range, with domestic demand showing a moderate recovery and the rebound in consumption exhibiting structural divergence. The internet sector as a whole continued to face competition among existing market players, with profit growth rate slowing. AI-native applications and Agents are accelerating the restructuring of online traffic operation models, with advertisers' budgets becoming increasingly concentrated on super-platforms. The potential for monetizing online traffic from traditional utility software continued to face pressure, resulting in divergent performance across the Group's various business segments. The Group's online advertising services business continued to record growth, which was primarily driven by the Group's in-depth application of AI technology to enhance targeting efficiency and precision; we will continue to explore new models to improve profitability. Meanwhile, the Group has continued to optimize its overseas mobile utility software business, driving improvements in its profitability; going forward, we will focus on expanding the scale of this business with the aim of achieving simultaneous growth in user base and commercialisation levels. Furthermore, the industry resources of the online game market were increasingly concentrated among leading developers possessing AAA-quality production capabilities and overseas expansion capabilities. The Group's online game products were unable to fully capture this round of opportunities. Coupled with the fact that its flagship online game products have entered a decline phase and new products remain in the R&D reserve process, this resulted in temporary fluctuations in profitability during the first half of 2026. Moving forward, the Group will actively adapt to industry shifts, expand the application scenarios and formats for online traffic, and make every effort to consolidate its growth momentum.

Looking ahead, a new wave of technological innovation is reshaping the industry landscape, with the transformative impact of AI technology becoming increasingly significant. Building on its inherent resource strengths, the Group will resolutely advance the expansion of its business scale and structural optimization, thereby accumulating momentum for future high-quality development. In terms of research and development, we will continue to strengthen the development of our AI capabilities and solidify our underlying technological foundation; in terms of product strategy, we will drive upgrades to product formats and online traffic monetization models, accelerate the scaling up of high-quality businesses, and cultivate new growth engines for online traffic monetization; in terms of day-to-day operations, we will utilize AI tools to optimize key operational processes and enhance overall operational efficiency. However, uncertainty persists in the global economic environment; while the domestic consumer confidence index has shown a moderate recovery but sentiment remains cautious, and the recovery in consumption exhibits structural divergence. In response, the Group will adhere to a prudent and pragmatic strategy, focusing on structural opportunities and profoundly developing its presence in proven areas of strength, while steadily enhancing user value under the premise of controlling expenditure. Through structural adjustments and the consolidation of capabilities, the Group will lay a solid foundation for its long-term, high-quality development.

In the first half of 2026, the Group continued to prioritize the development of online traffic monetization businesses. In the online advertising services business, we continued to advance product updates, research and development and the launch of new products, while continuously exploring new business directions. Among these, e-commerce business for mobile devices continued to expand their presence in overseas markets. In the online game business, including online game platforms and operation of exclusive licensed online game business, we have acquired new online game players and enhanced business visibility through marketing and promotional activities. We also actively advanced the development of new online games, with a view to continuously launching new online games, consolidating our existing online game player base and reaching new online game players.

We developed a series of computer and mobile device utility software, which we offered to users free of charge in exchange for online traffic, thereby monetizing through the Group's online advertising services business and online game business. In particular, our utility software, "Ludashi Software", a well-known brand and software in China and elsewhere in the world specializing in PC/smartphone hardware and system benchmarking and monitoring, had accumulated a large user base through providing free download and installation. However, due to a decline in overall PC hardware market shipments and the current situation of the exclusive licensed online game business of the Group (as described below), the number of active users of the PC version of "Ludashi Software" and our online games fell in the first half of 2026. Therefore, as of 30 June 2026, the number of MAUs of all our computer and mobile device utility software and online games software was approximately 77.6 million.

In the first half of 2026, faced with the rapid evolution of large-scale AI model technology and the continuing divergence of PC user needs, the PC version of "Ludashi Software" continued to adhere to its established development strategy. While consolidating its core tool products, the Group accelerated its response to emerging user needs and methodically advanced the development of AI capabilities and the restructuring of its commercial operations. In terms of product evolution, during the first half of 2026, the Group successively completed the development and launch of tool products such as disk compression and file format conversion, thereby filling gaps in its product portfolio in the areas of file processing and system maintenance, and catering to a broader range of user scenarios. During the Reporting Period, the Group carried out targeted optimizations in response to user feedback regarding the experience of paid subscribers, implementing a range of measures and utilizing various technical approaches to enhance the stability and reliability of its paid services. Furthermore, the Group has begun planning a new-generation integrated "Ludashi Software" product, which is currently in the design phase. With regard to AI capability development, the Group has established a token-based payment service system for users and initiated the development of an AI-powered desktop intelligent assistant to meet user needs in scenarios such as smart office solutions and learning support.

In the first half of 2026, the Group's PC-based utility software business focused on the deep integration of AI technology with user scenarios, prioritizing the development of its intelligent assistant product ecosystem. The Group innovatively launched the "LFClaw" product, positioned as an all-round computer AI assistant, dedicated to providing users with an intelligent system management experience that is truly capable of performing tasks effectively. At the same time, the Group continued to expand its PC-based utility software product portfolio across diverse scenarios such as office productivity, reading assistance, document management and new media creation. During the Reporting Period, it launched a series of high-quality utility software products, further enriching the range of functionalities covered and meeting users' needs for improved efficiency across multiple scenarios. Looking ahead to the second half of 2026, the Group will continue to prioritize the in-depth optimization of the user experience, while making sustained efforts in terms of breadth, depth and refinement.

In the first half of 2026, the Group's overseas mobile utility software business continued to advance structural optimization; the effects of adjustments to the product portfolio and cost control strategies were gradually becoming apparent, and the business's gross profit increased compared with the same period last year. In terms of product iteration, the Group continued to deepen the integration of AI capabilities with tool-based scenarios, exploring multi-dimensional AI functions centred on users' core needs. Initial results have been achieved in enhancing efficiency and optimizing the user experience, building up a technical foundation to establish differentiated competitive advantages for our products. Looking ahead to the second half of 2026, the Group will continue to focus on practical AI applications, accelerate the launch, validation and rapid iteration of mature features, explore diverse growth pathways, and make every effort to stabilize and revitalize the business.



The “Ludashi Wireless Data Cable”, jointly launched by the Group, is a smart device characterized by its integration of hardware and software, dedicated to providing users with a convenient and efficient data management experience. The Group continued to adopt a business model combining “hardware sales and value-added services”, achieving commercialization through the sale of hardware alongside the provision of related value-added services. In the first half of 2026, on the software front, the Group continued to advance version updates and functional optimizations for its mobile applications, focusing on enhancing product stability and user experience. On the hardware front, while continuing to manufacture and sell the standard edition, the Group launched the “Bingwu Limited Edition” and further expanded the product’s target audience based on market feedback regarding compatibility with different computer interfaces. In terms of channel expansion and commercialization, the Group further deepened its e-commerce channel strategy, achieving comprehensive coverage of major domestic e-commerce platforms. Furthermore, a new model, which has already been granted a design patent, has entered the final preparatory stage prior to mass production and is expected to be officially launched by the end of 2026. Looking ahead, the Group will launch further models in due course based on market feedback, while continuing to optimize product functionality and explore new models of value-added services, with a view to further enhancing product competitiveness and expanding opportunities for business growth.

The Group continued to deepen the strategic layout and development of its e-commerce business for mobile devices. Drawing on our extensive experience in online advertising, we provided precise and efficient traffic placement and diversion services for content formats such as live streaming and short videos on mainstream domestic mobile e-commerce platforms (“**E-commerce Platforms**”), thereby generating stable revenue from online advertising. In the first half of 2026, the Group continued to expand into overseas e-commerce markets for mobile devices and has achieved initial success. Looking ahead, we will further focus on refining and intelligently upgrading our advertising strategies. By continuously optimizing the precision of our advertising placements and operational efficiency, we will strive to enhance overall profitability and market competitiveness.

In the first half of 2026, the Group’s online game platforms continued to deepen their strategy of focusing on high-quality operations, prioritizing refined operations and improvements in service quality. In terms of operational support, the Group continued to enhance the capabilities of its data middle platform, introducing an AI-driven data monitoring and analysis system during the Reporting Period to enable real-time output of operational data and anomaly alerts, thereby providing timely and effective guidance for operational decision-making. With regard to the supply of online games, the Group was committed to identifying high-quality products on the market and pursuing partnership opportunities. However, as no online games with favourable market reception have yet been identified, and given that other business partners’ online games that were previously launched on the Group’s online game platforms are now at the latter stages of their life cycles, the Group is currently in a phase of adjusting its product portfolio. Consequently, profits from the online game platforms declined in the first half of 2026; moving forward, the Group will actively advance the development of new products and the long-term operation of existing products.

In the first half of 2026, the Group’s exclusive licensed online game business remained true to its mission of “creating joy for players worldwide”, continuing to invest resources in the development and operation of new products. By successively launching new online games and intensifying promotional efforts for existing online games, we have steadily expanded our user base and deepened collaborative relationships with various business partners. The Group maintained close communication

with online game developers, distribution platforms, industry media and player communities, closely monitoring market trends and content updates. We remained committed to data-driven operations and building competitiveness through content, striving to become a reliable provider of high-quality online game content. Currently, the Group has a portfolio of several exclusive licensed online games, covering diverse genres such as simulation and management, role-playing, IP-licensed games, and idle card games. Some of these games were successively launched in major markets during the first half of 2026. The Group's online game "Kung Fu Panda: Dragon Warriors" (《功夫熊猫：神龍大俠》) has been officially launched in mainland China; but as revenue following its launch fell short of expectations, we are continuing to refine the game to better align with players' preferences. Moreover, as the Group's three best-performing online games have been on the market for several years and are now in the latter stages of their life cycles, with profitability gradually declining, profits from the exclusive licensed online game business fell in the first half of 2026. The Group will keep looking for attractive and market-competitive exclusive licensed online games to fill the revenue gap and ensure the long-term, healthy growth of our exclusive licensed online game business.

In the first half of 2026, Ludashi Smart Laboratory continued to develop and strengthen its testing capability system. In the field of mobile device evaluation, while maintaining its traditional strengths in areas such as smartphone responsiveness and ageing tests, the laboratory has introduced new AI-related testing solutions and launched a multi-modal testing solution for smartphones. It has also established partnerships with leading international chip manufacturers and is expected to formally launch a multi-modal testing solution based on a renowned large AI model by mid-year, thereby further enhancing the comprehensiveness and forward-looking nature of its evaluation system. In the field of intelligent evaluation for motor vehicles and electric two-wheelers, Ludashi Smart Laboratory continues to deepen its collaboration with original equipment manufacturers (OEMs), exploring new testing approaches. During the Reporting Period, it launched a Bluetooth connectivity testing solution, thereby enriching the evaluation dimensions for smart cockpits and vehicle-to-device connectivity scenarios. Ludashi Smart Laboratory remains committed to strengthening the professionalism and credibility of its testing, providing objective and reliable evaluation references for consumers and partners.

OUTLOOK

Looking ahead to the second half of 2026, the economy is expected to achieve steady growth driven by a series of economic stimulus policies rolled out by the PRC government. The Group is highly confident in the development prospects of its existing businesses and will continue to focus on expanding new businesses, including continuously enriching product matrix for domestic PCs and overseas mobile devices and expanding e-commerce business for mobile devices, so as to expand our market share. The Group will also actively seek suitable exclusive licensed online games to increase the number of our online games. At the same time, the Group will focus on consolidating the foundations of its existing businesses and steadily improving the quality of its operations in order to achieve long-term, healthy, sound and sustainable development of the Group.

The Group will further increase the user base and stickiness of our utility software and online game business through continuous efforts to actively improve our software products and enrich our product matrix. In the meantime, the Group will leverage its expertise in PC, mobile device hardware, system benchmarking and monitoring to develop innovative products so as to enhance our monetization capability. In addition, we will, through strengthening the relationship with our suppliers, customers and users, strive to increase our operating revenue and profitability and continue to create greater value for our Shareholders and investors.



In the second half of 2026, the Group will continue to implement the following strategies and strive to become a reliable hardware expert and a leading internet company:

- update and iterate the PC version of Ludashi Software on an on-going basis, and proactively improve our product features to adapt to meet the diverse needs of the users and enhance their experience;
- continuously research and develop utility software for PCs, building a product portfolio covering multiple scenarios to provide users with more convenient and practical tools;
- strengthen our online game product portfolio, continue to develop a wide range of online games, actively explore publishing and operational strategies for high-quality products, and simultaneously advance the publishing and operation of exclusive licensed online games in both the Chinese and overseas markets;
- maintain the current scale of promotion investment in online game business, combine the online game traffic direction business with online game distribution business, and keep improving our competitiveness;
- further refine the precise placement system of the e-commerce business for mobile devices, and improve the online traffic attracting efficiency and conversion rates, and actively expand overseas e-commerce markets for mobile devices;
- continue to enrich the overseas product portfolio for mobile devices, focusing on innovation and implementation in mobile AI application scenarios, and steadily expand the user base by developing and promoting more competitive utility products;
- further improve our product quality, maintain and expand our user base, and stabilize the overseas markets by strengthening our research and development capability, and enhance our brand image as a reliable hardware expert;
- accelerate the comprehensive implementation and deep integration of AI capabilities across all product lines. Effectively transform AI technology into the core driver of product feature innovation and enhanced user experience, leveraging intelligent solutions to empower business scenarios and continuously enhance product competitiveness; and
- continue to refine talent recruitment and development mechanisms to attract and retain specialist talent, while actively establishing strategic alliances with business partners and undertaking investments and acquisitions at appropriate times to drive the Group's long-term, healthy development.

MANAGEMENT DISCUSSION AND ANALYSIS

Revenue

We derived revenue from two business lines, namely online traffic monetization and electronic devices sales. The revenue of online traffic monetization is generated from online advertising services, online game platforms and the operation of exclusive licensed online game business. The revenue from electronic devices sales mainly includes revenue from sales of smart accessories.

Our revenue increased by approximately 51.8% from approximately RMB522.6 million for the six months ended 30 June 2025 to approximately RMB793.3 million for the six months ended 30 June 2026. The increase was mainly due to the Group further improving the portfolio of its paid PC-based utility software, whose features align with user needs and have led to a high willingness among users to top up their accounts, thereby driving revenue growth. It was also driven by substantial investment in the promotion of the Group's e-commerce business for mobile devices, resulting in higher traffic service fee charged to E-commerce Customers (as defined below), thereby generating higher revenue.

The following table sets forth our segment revenue by amount and as a percentage of our revenue for the six months ended 30 June 2025 and 2026, respectively:

	For the six months ended 30 June			
	2026		2025	
	RMB'000 (unaudited)	Proportion (%)	RMB'000 (unaudited)	Proportion (%)
Online traffic monetization				
Online advertising services	656,314	82.6	334,301	64.0
Online game platforms	10,853	1.4	15,787	3.0
Operation of exclusive licensed online game business	126,047	15.9	171,272	32.8
Electronic devices sales				
Smart accessories sales	78	0.1	1,232	0.2
Total	793,292	100.0	522,592	100.0

(i) Online traffic monetization

(a) Online advertising services

Our revenue from online advertising services increased by approximately 96.3% from approximately RMB334.3 million for the six months ended 30 June 2025 to approximately RMB656.3 million for the six months ended 30 June 2026. This is attributable to the Group further improving the portfolio of its paid PC-based utility software, whose features align with user needs and have led to a high willingness among users to top up their accounts, thereby driving revenue growth. It was also driven by substantial investment in the promotion of the Group's e-commerce business for mobile devices, resulting in higher traffic service fee charged to E-commerce Customers (as defined below), thereby generating higher revenue.



In respect of the e-commerce business for mobile devices operated during the first half of 2026, the Group acted as a service provider to provide advertising services to e-commerce store owners, who were the customers of the Group's e-commerce business for mobile devices (the "**E-commerce Customers**").

The E-commerce Customers opened, owned and managed stores (the "**E-commerce Stores**") on the E-commerce Platforms. End customers purchased products through the E-commerce Stores and settled payment on the E-commerce Platforms. After end customers' confirmation of receipt of products, the E-commerce Platforms, after deduction of the platform fees, transferred the remaining balance to the E-commerce Customers.

The Group contracted with the E-commerce Customers. By formulating traffic strategies and providing traffic services, the Group earned a traffic service fee from the E-commerce Customers, which was calculated at a fixed rate plus a percentage tied to return on investment, which was recognised as the revenue of the Group. The Group funded and executed promotional campaigns on E-commerce Platforms. Funds were transferred via bank payments to recognised agents (the "**Agents**"), which recharge the Group's advertising accounts. The Group made use of the Agents for traffic distribution and carried out promotional activities, which were recognised as the cost of the Group.

(b) Online game platforms

Our revenue from online game platforms decreased by approximately 31.3% from approximately RMB15.8 million for the six months ended 30 June 2025 to approximately RMB10.9 million for the six months ended 30 June 2026. Such decrease was mainly due to several online games of other business partners that were previously launched on the Group's online game platforms having entered the late stage of their game life-cycle during the Reporting Period.

(c) Operation of exclusive licensed online game business

Our revenue from operation of exclusive licensed online game business decreased by approximately 26.4% from approximately RMB171.3 million for the six months ended 30 June 2025 to approximately RMB126.0 million for the six months ended 30 June 2026. The decrease was mainly due to three main exclusive licensed online games operated by the Group having entered their third to fifth year of operation since launch, with their product lifecycles having reached mature or late stages, resulting in a declining trend in user activity levels and willingness to pay. Additionally, in the first half of 2026, the Group has not yet identified new online games with significant market influence and strong user feedback to offset the revenue shortfall caused by the declining life cycle of the aforementioned online game products. The online game "Kung Fu Panda: Dragon Warriors" (《功夫熊貓：神龍大俠》), released at the end of 2025, also performed poorly, with players' willingness to pay being relatively low.

(ii) Electronic devices sales

Our revenue from electronic devices sales decreased by approximately 93.7% from approximately RMB1.2 million for the six months ended 30 June 2025 to approximately RMB0.1 million for the six months ended 30 June 2026, which was mainly due to the decrease in income generated from the sales or loan of electronic hardware products.

Costs of sales and services

The following table sets forth a breakdown of our costs of sales and services by amount and as a percentage of total costs of sales and services for the six months ended 30 June 2025 and 2026, respectively:

	For the six months ended 30 June			
	2026		2025	
	RMB'000 (unaudited)	Proportion (%)	RMB'000 (unaudited)	Proportion (%)
Online traffic monetization				
Advertising and promoting	750,917	99.0	458,918	98.5
Server leasing	6,710	0.9	4,919	1.1
Electronic devices sales				
Smart accessories sales	884	0.1	2,064	0.4
Total	758,511	100.0	465,901	100.0

(i) Online traffic monetization

Cost of online traffic monetization business increased by approximately 63.3% from approximately RMB463.8 million for the six months ended 30 June 2025 to approximately RMB757.6 million for the six months ended 30 June 2026, which was mainly due to an increase in promotional expenses incurred to promote the Group's paid PC-based utility software, as well as an increase in advertising expenditure on e-commerce platforms for mobile devices.

(ii) Electronic devices sales

Cost of electronic devices sales decreased by approximately 57.2% from approximately RMB2.1 million for the six months ended 30 June 2025 to approximately RMB0.9 million for the six months ended 30 June 2026, which was mainly due to the decrease in cost of sales or lease of electronic hardware products.



Gross profit and gross profit margin

The following table sets forth our gross profit (loss) and gross profit (loss) margin by business line for the six months ended 30 June 2025 and 2026, respectively:

	For the six months ended 30 June			
	2026		2025	
	<i>RMB'000</i> <i>(unaudited)</i>	<i>Gross profit/</i> <i>(loss) margin</i> <i>(%)</i>	<i>RMB'000</i> <i>(unaudited)</i>	<i>Gross profit/</i> <i>(loss) margin</i> <i>(%)</i>
Online traffic monetization	35,587	4.5	57,523	11.0
Electronic devices sales	(806)	(1,033.3)	(832)	(67.5)
Total gross profit and gross profit margin	34,781	4.4	56,691	10.8

Our gross profit decreased by approximately 38.6% from approximately RMB56.7 million for the six months ended 30 June 2025 to approximately RMB34.8 million for the six months ended 30 June 2026, and the gross profit margin was approximately 10.8% and 4.4% for the six months ended 30 June 2025 and 2026, respectively. The decrease in gross profit margin was mainly due to the increase in the proportion of the e-commerce business for mobile devices, which had a lower gross margin to the Group's overall operations, while the online game business, which had a higher gross margin, continued to contract.

Other income

Other income decreased by approximately 66.1% from approximately RMB8.3 million for the six months ended 30 June 2025 to approximately RMB2.8 million for the six months ended 30 June 2026, which was mainly due to a decrease in government grants.

Other gains and losses

Other gains and losses increased by over 100.0% from losses of approximately RMB0.4 million for the six months ended 30 June 2025 to losses of approximately RMB4.3 million for the six months ended 30 June 2026, which was mainly due to the continued appreciation of the RMB against the US dollar, which had led to an increase in net foreign exchange losses.

Administrative expenses

Administrative expenses decreased by approximately 3.0% from approximately RMB19.1 million for the six months ended 30 June 2025 to approximately RMB18.5 million for the six months ended 30 June 2026. The decrease in administrative expenses was due to lower consultancy fees during the first half of 2026.

Research and development expenses

Research and development expenses increased by approximately 1.1% from approximately RMB17.5 million for the six months ended 30 June 2025 to approximately RMB17.7 million for the six months ended 30 June 2026. The increase in research and development expenses was mainly due to the increase in AI computing costs incurred by the research and development personnel.

Selling and distribution expenses

Selling and distribution expenses decreased by approximately 0.8% from approximately RMB10.2 million for the six months ended 30 June 2025 to approximately RMB10.1 million for the six months ended 30 June 2026. The selling and distribution expenses remained basically the same during these two periods.

Taxation

Taxation decreased by approximately 94.5% from approximately RMB4.6 million for the six months ended 30 June 2025 to approximately RMB0.3 million for the six months ended 30 June 2026. The decrease in taxation was mainly due to a significant decline in profit before taxation.

(Loss)/profit and total comprehensive income for the period

The profit and total comprehensive income for the period of the Group decreased by approximately 216.9% from profit of approximately RMB11.9 million for the six months ended 30 June 2025 to loss of approximately RMB14.0 million for the six months ended 30 June 2026.

The main reasons for the loss of the Group during the Reporting Period are as follows:

1. The exclusive licensed online game business operated by the Group, being a profit contributor, did not perform as expected during the Reporting Period: 1) such business mainly relies on three exclusive licensed online game products developed based on well-known intellectual properties. These online games have entered their third to fifth year of operation since launch, with their product lifecycles having reached the mature or late stages. As a result, user activity levels and willingness to make in-game purchases have further declined, leading to a significant decrease in the profit contribution from the operation of exclusive licensed online game business; and 2) the Group has been actively seeking new online game products with market influence to offset the revenue gap arising from the declining lifecycles of its existing online game products. The Group officially launched “Kung Fu Panda: Dragon Warriors” in the mainland China market at the end of 2025. However, as the depth of the game content and the richness of gameplay did not fully meet user expectations, players’ willingness to pay was relatively low, and the overall revenue performance following its launch fell short of expectations. In addition, the prepaid copyright fees and intellectual property licensing fees relating to this online game were amortized during the Reporting Period, with the relevant costs recognized in the profit or loss for the Reporting Period, resulting in significant losses from this game during the Reporting Period; and
2. During the Reporting Period, the RMB continued to appreciate against the USD, resulting in significant foreign exchange losses on the USD-denominated monetary assets held by the Group, which further affected the net profit performance during the Reporting Period.

LIQUIDITY, FINANCIAL RESOURCES AND GEARING RATIO

Since Listing, we have financed our cash requirements through a combination of cash generated from operating activities and the proceeds from Listing. In the future, we expect to continue to rely on cash flows generated from operations and other debt and equity financing to fund our working capital needs and finance part of our business expansion.

As at 31 December 2025 and 30 June 2026, our bank balances and cash amounted to approximately RMB429.3 million and approximately RMB325.3 million, respectively.



The Group mainly operates in China and its functional currency is RMB. However, we are exposed to foreign currency risks due to certain bank balances, trade receivables and certain payables denominated in foreign currencies held by us. We will continue to monitor the movements in exchange rates and will take measures to mitigate the impacts brought by movements in exchange rates if necessary.

As of 30 June 2026, we did not have any bank borrowings. Accordingly, no gearing ratio is presented.

CAPITAL EXPENDITURES

The following table sets forth our capital expenditures for the year ended 31 December 2025 and for the six months ended 30 June 2026:

	For the six months ended 30 June 2026 RMB'000 (unaudited)	For the year ended 31 December 2025 RMB'000 (audited)
Purchase of property and equipment	809	303

Our capital expenditures primarily include expenditures for purchase of property and equipment such as laboratories, servers and computers.

SIGNIFICANT INVESTMENTS HELD

In order to effectively utilize the Group's idle funds and generate better returns, the Group has from time to time subscribed for principal-guaranteed structured deposit products issued by reputable commercial banks with its idle funds.

These structured deposit products subscribed by the Group (the "**Structured Deposit Products**") were fully principal-guaranteed with minimal risks involved and their returns are relatively high as compared with the deposit interest rates generally offered by commercial banks in the PRC. The Structured Deposit Products were funded by the Group's idle funds with a relatively short term which would not affect the operational liquidity of the Group.

In order to assess whether the annualized interest rate is favourable, the Company has collected data on deposit interest rates from three PRC commercial banks with which the Group has an ongoing business relationship. As at the date of subscription to these structured deposit products, the returns on the structured deposit products were relatively higher than the deposit interest rates generally offered by PRC commercial banks.

During the Reporting Period, the Group subscribed 3 Structured Deposit Products offered by China Merchants Bank, details of which are as follows:

i. The Structured Deposit Product Agreement XLIX

Date:	19 January 2026
Product:	Gold-linked Series Bullish Two-tier 59-days Structured Deposit of China Merchants Bank* (招商銀行點金系列看漲兩層區間59天結構性存款)
Parties:	Chengdu Mijiayou and China Merchants Bank
Amount of the deposit:	RMB50 million
Type:	Principal-guaranteed with floating interest rate
Linked subject and deposit interest:	The interest on such deposit is linked to the price of gold. Deposit interest is determined based on the performance of the linked gold price
Expected maturity interest rate per annum:	1.00% or 1.76%
Method of determination of the maturity interest rate:	The maturity interest rate per annum is determined based on the linked gold price level as follows:

Range of ending price (E)	Maturity interest rate
E < the starting price – 449 US dollars	1.00%
E ≥ the starting price – 449 US dollars	1.76%

Where: The starting price is the central parity spot of XAU/USD as shown on BFIX Bloomberg “XAU Curncy BFIX” at 2:00 p.m. (Beijing time) on 20 January 2026; The ending price (E) is the closing price in US dollars as shown on BFIX Bloomberg “GOLDLNPM Index” published by the London Bullion Market Association on 18 March 2026

Term of the deposit:	59 days
Value date:	20 January 2026
Expiry date:	20 March 2026
Risk rating of the product (the risk rating made by the bank):	R1 (cautious)
Termination and redemption:	In principle, Chengdu Mijiayou has no right of early termination and redemption of the product



ii. The Structured Deposit Product Agreement L

Date:	25 March 2026
Product:	Gold-linked Series Bullish Two-tier 61-days Structured Deposit of China Merchants Bank* (招商銀行點金系列看漲兩層區間61天結構性存款)
Parties:	Chengdu Mijiayou and China Merchants Bank
Amount of the deposit:	RMB47 million
Type:	Principal-guaranteed with floating interest rate
Linked subject and deposit interest:	The interest on such deposit is linked to the price of gold. Deposit interest is determined based on the performance of the linked gold price
Expected maturity interest rate per annum:	1.00% or 1.66%
Method of determination of the maturity interest rate:	The maturity interest rate per annum is determined based on the linked gold price level as follows:

Range of ending price (E)	Maturity interest rate
E < the starting price – 785 US dollars	1.00%
E ≥ the starting price – 785 US dollars	1.66%

Where: The starting price is the central parity spot of XAU/USD as shown on BFIX Bloomberg “XAU Curncy BFIX” at 2:00 p.m. (Beijing time) on 26 March 2026; The ending price (E) is the closing price in US dollars as shown on BFIX Bloomberg “GOLDLNPM Index” published by the London Bullion Market Association on 21 May 2026

Term of the deposit:	61 days
Value date:	26 March 2026
Expiry date:	26 May 2026
Risk rating of the product (the risk rating made by the bank):	R1 (cautious)
Termination and redemption:	In principle, Chengdu Mijiayou has no right of early termination and redemption of the product

iii. The Structured Deposit Product Agreement LI

Date:	28 May 2026
Product:	Gold-linked Series Bullish Two-tier 61-days Structured Deposit of China Merchants Bank* (招商銀行點金系列看漲兩層區間61天結構性存款)
Parties:	Chengdu Mijiayou and China Merchants Bank
Amount of the deposit:	RMB47 million
Type:	Principal-guaranteed with floating interest rate
Linked subject and deposit interest:	The interest on such deposit is linked to the price of gold. Deposit interest is determined based on the performance of the linked gold price
Expected maturity interest rate per annum:	1.00% or 1.56%
Method of determination of the maturity interest rate:	The maturity interest rate per annum is determined based on the linked gold price level as follows:

Range of ending price (E)	Maturity interest rate
$E < \text{the starting price} - 546 \text{ US dollars}$	1.00%
$E \geq \text{the starting price} - 546 \text{ US dollars}$	1.56%

Where: The starting price is the central parity spot of XAU/USD as shown on BFIX Bloomberg "XAU Curncy BFIX" at 2:00 p.m. (Beijing time) on 29 May 2026; The ending price (E) is the closing price in US dollars as shown on BFIX Bloomberg "GOLDLNPM Index" published by the London Bullion Market Association on 27 July 2026

Term of the deposit:	61 days
Value date:	29 May 2026
Expiry date:	29 July 2026
Risk rating of the product (the risk rating made by the bank):	R1 (cautious)
Termination and redemption:	In principle, Chengdu Mijiayou has no right of early termination and redemption of the product



As at 30 June 2026, the Structured Deposit Product Agreement XLIX and Structured Deposit Product Agreement L had expired and the total amount of the actual interest received from these matured Structured Deposit Products was RMB142,246.58 and RMB130,389.59, respectively.

As at 30 June 2026, the outstanding Structured Deposit Products amounted to RMB47 million. Save as disclosed in this report, the Group did not hold other significant investments during the Reporting Period.

MATERIAL ACQUISITIONS AND DISPOSALS

The Group did not have any significant acquisitions and disposals during the Reporting Period.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

As of 30 June 2026, the Group had no future plans for material investments or capital assets.

EMPLOYEE AND REMUNERATION POLICY

As of 30 June 2026, we had 202 full-time employees, all of whom are located in the PRC. Specifically, such full-time employees included 2 senior management members, 78 employees who are responsible for sales and marketing, 91 employees who are responsible for research and development and 31 administrative employees. Staff costs for the six months ended 30 June 2026 are set out in note 7 to the Condensed Consolidated Financial Statements of this interim report.

We offer employees competitive remuneration, performance-based bonuses and incentives. Our employees' performance is reviewed every year on the basis of, among other criteria, their ability to achieve stipulated performance targets. We place great emphasis on the training and development of our employees. We have developed a series of personalized training conferences based on our industry experience over the years. We invest in continuing education and training programs for our management personnel and other employees with a view to constantly upgrading their skills and knowledge. We also arrange internal and external professional training programs to develop our employees' skills and knowledge. These programs include further education, basic economic and financial knowledge and skills training, as well as professional development courses for our management personnel. New employees are required to attend induction meetings to ensure they have understanding of the Group and the necessary skills to perform their duties. In accordance with the applicable PRC laws and regulations, we have made contributions to social insurance funds, including pension plans, medical insurance, work-related injury insurance, unemployment insurance, maternity insurance, and housing provident funds for our employees.

PLEDGE OF ASSETS

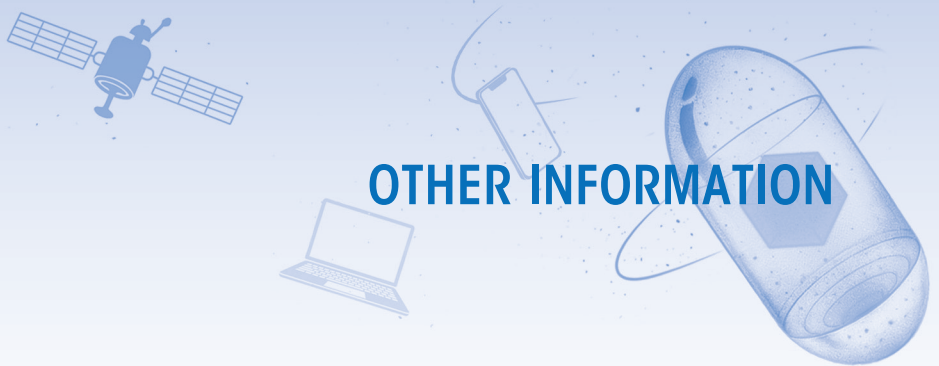
As at 30 June 2026, the Group did not have any pledge of assets.

CONTINGENT LIABILITIES AND GUARANTEES

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

EVENTS AFTER THE REPORTING PERIOD

In order to fully utilize the Group's idle funds and generate better returns, on 7 August 2026, Anyixun Technology, a subsidiary of the Company, entered into the ICBC structured deposit product agreement with ICBC, pursuant to which, Anyixun Technology agreed to subscribe for the ICBC structured deposit product of RMB42 million from ICBC, details of which are disclosed in the announcement of the Company dated 7 August 2026. Save as disclosed in this report, the Group had no material events for disclosure subsequent to 30 June 2026 and up to the date of this report.



OTHER INFORMATION

INTERIM DIVIDEND

The Board has resolved not to pay the interim dividend for the six months ended 30 June 2026.

COMPLIANCE WITH THE CG CODE

The Company is committed to maintaining and ensuring a high standard of corporate governance practices and the corporate governance principles adopted by the Company are in the interests of the Company and its Shareholders.

Pursuant to code provision C.2.1 of the CG Code, companies listed on the Stock Exchange are expected to comply with, but may choose to deviate from the requirement that the responsibilities between the chairman and the chief executive officer should be segregated and should not be performed by the same individual. We do not have a separate chairman and chief executive officer and Mr. Tian Ye currently performs these two roles concurrently. The Board believes that vesting the roles of both the chairman and chief executive officer in the same person has the benefit of ensuring consistent leadership within the Group for more effective and efficient overall strategic planning for the Group. The Board considers that the balance of power and authority within the Group will not be impaired by the present arrangement and the current structure will enable the Company to make and implement decisions more promptly and effectively. The Board will from time to time review and consider splitting the roles of chairman of the Board and the chief executive officer of the Company to ensure appropriate and timely arrangements are in place to meet changing circumstances.

During the Reporting Period, save as disclosed above, the Company has complied with all the code provisions under the CG Code as set forth in Appendix C1 to the Listing Rules.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code as set out in Appendix C3 to the Listing Rules as the code of conduct regarding the Directors' dealings in the securities of the Company. Having made specific enquiries, all the Directors confirmed that they have strictly complied with the required standards as set out in the Model Code throughout the Reporting Period.

PURCHASE, SALE OR REDEMPTION OF THE LISTED SECURITIES

During the Reporting Period, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's securities listed on the Stock Exchange (including sale or transfer of treasury shares).

The Company did not hold any treasury shares as at 30 June 2026.



CHANGE IN DIRECTORS' INFORMATION

Changes in Directors' biographical details since the last published annual report of the Company, which are required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules, are set out below:

- Mr. Huang Jian (黃劍), has been appointed as a director of 360 (a company listed on the Shanghai Stock Exchange, stock code: 601360.SH) since 21 May 2026.
- Mr. Zhao Dan (趙丹), has resigned as a director of Qfin Holdings, Inc. (a company listed on the Stock Exchange (stock code: 3660) and the NASDAQ (stock code: QFIN)) since 3 June 2026.
- Mr. Li Yang (李洋), has served as an independent director of Xintianli Technology Co., Ltd.* (新天力科技股份有限公司) since 11 July 2022. The company was listed on the Beijing Stock Exchange (stock code: 920218.BJ) on 29 May 2026.

Save as disclosed above, upon specific enquiry made by the Company and following confirmations from Directors, there is no change in the information of the Directors required to be disclosed pursuant to Rule 13.51B(1) of the Listing Rules since the Company's last published annual report.

CONTRACTUAL ARRANGEMENTS

Foreign investment activities in the PRC are mainly governed by the Special Administrative Measures (Negative List) for the Access of Foreign Investment* (外商投資准入特別管理措施(負面清單)) and the Catalogue of Industries for Encouraging Foreign Investment* (鼓勵外商投資產業目錄) (collectively, the "Catalogues"), which were promulgated and are amended from time to time jointly by the Ministry of Commerce and the National Development and Reform Commission of the PRC. The Catalogues divide industries into three categories in terms of foreign investment, namely "encouraged," "restricted" and "prohibited", and all industries not listed under any of these categories are deemed to be "permitted". The Group is engaged in online monetization in the form of online advertising and online game business, and the online game business operations are subject to the foreign investment restrictions according to the relevant PRC laws and regulations. As such, the Group operates its online game business through the PRC Operating Entities (i.e., Chengdu Qilu and its subsidiaries, established under the PRC laws). The Group does not directly own any equity interest in Chengdu Qilu, which is held by the Relevant Shareholders, namely (i) Qihu Technology (41.6667%); (ii) Mr. Tian Ye (28.1155%); (iii) Dongfangwang Digital Technology (23.8095%); and (iv) Qilu Haochen (6.4083%).



In order to comply with the PRC laws and regulations and to maintain effective control over the operations of the PRC Operating Entities, WFOE entered into the Contractual Arrangements with Chengdu Qilu and the Relevant Shareholders (being the registered shareholders of Chengdu Qilu) (where applicable). Under the Contractual Arrangements, WFOE has acquired effective control over the financial and operational policies of the PRC Operating Entities and is entitled to all the economic benefits derived from their operations, as the Contractual Arrangements allow the results of operations and assets and liabilities of Chengdu Qilu and its subsidiaries to be consolidated into our results of operations and assets and liabilities under HKFRSs as if they were wholly-owned subsidiaries of the Group.

Foreign investment in telecommunications businesses is governed by the State Council of the PRC's Administrative Rules for Foreign Investment in Telecommunications Enterprises ("**Foreign Investment Telecommunications Rules**"), or the Foreign Investment Telecommunications Rules, which was recently amended on 29 March 2022 and became effective on 1 May 2022. According to the amended Foreign Investment Telecommunications Rules, a foreign investor's beneficial equity ownership in an entity providing value-added telecommunications services in China is generally not permitted to exceed 50% unless otherwise allowed by the competent PRC governmental authorities. Although the revised Foreign Investment Telecommunications Rules no longer require major foreign investors holding equity in enterprises providing value-added telecommunications services in China to have a good track record and operational experience in providing these services, the PRC governmental authorities have not promulgated the relevant implementation rules. Accordingly, there are uncertainties as to whether foreign investors without a good track record and operational experience in providing these services may qualify as major foreign investors in value-added telecommunications enterprises. Based on the Notice regarding the Strengthening of Ongoing and Post Supervision of Foreign Invested Telecommunication Enterprises issued by the Ministry of Industry and Information Technology of the PRC ("**MIIT**") in October 2020, foreign invested telecommunications enterprises are no longer subject to the requirement for prior MIIT approval. Nonetheless, these enterprises still need to submit the relevant materials to the MIIT to apply for new telecommunications operating permits or amended permits. Although the Negative List allows foreign investors to hold more than 50% equity interests in a value-added telecommunications service provider engaging in e-commerce, domestic multi-party communications, or storage-and-forward and call center businesses, other requirements provided by the amended Foreign Investment Telecommunications Rules shall still apply.

With reference to past and current effective regulations, as of the date of this report, the Company still takes all reasonable steps to satisfy the track record requirements for foreign investment in telecommunications businesses. The Company will continue to communicate with the relevant governmental authorities and provide updates where necessary. We will unwind and terminate the Contractual Arrangements wholly or partially once our business is no longer prohibited or restricted from foreign investment.



Business Overview of the PRC Operating Entities

Both of Chengdu Qilu and its subsidiaries are principally engaged in the online game operation business.

The PRC Operating Entities hold certain licenses and permits required for the operation of abovementioned business, referred to as the “Internet Content Provider License”. Our WFOE, namely Anyixun Technology, entered into the Contractual Arrangements with the PRC Operating Entities and the Relevant Shareholders, where applicable, in order to conduct the business of online game operation and to assert management control over the operations of, and enjoy all economic benefits from, each of the PRC Operating Entities. Pursuant to the Contractual Arrangements, all substantial and material business decisions of the PRC Operating Entities will be instructed and supervised by the Group, through Chengdu Qilu, and all risks arising from the business of the PRC Operating Entities are also effectively borne by Chengdu Qilu.

Risks Relating to the Contractual Arrangements and Measures Taken by the Company to Mitigate Risks

Risks Relating to the Contractual Arrangements

- In order to comply with the PRC laws and regulations limiting foreign ownership of internet businesses, we conduct our business through our PRC Operating Entities by way of Contractual Arrangements. If the PRC Government determines that these Contractual Arrangements do not comply with applicable regulations, our business could be materially and adversely affected.
- Substantial uncertainties exist with respect to the interpretation and implementation of the Foreign Investment Law of the PRC and its implementation rules and how it may impact the viability of our current corporate structure, corporate governance and business operations.
- The Contractual Arrangements may not be as effective in providing operational control as direct ownership and Chengdu Qilu or its shareholders may fail to perform their obligations under the Contractual Arrangements.
- We may lose the ability to use and enjoy assets and licenses held by Chengdu Qilu and its subsidiaries that are material to the operation of our business if Chengdu Qilu or its subsidiaries declare bankruptcy or become subject to a dissolution or liquidation proceeding.
- The Contractual Arrangements may be subject to scrutiny by the PRC tax authorities and additional taxes may be imposed. A finding that we owe additional taxes could substantially reduce our consolidated net income and the value of investment of the Shareholders.
- Shareholders of Chengdu Qilu may potentially have a conflict of interest with us, and they may breach their contracts with us or cause such contracts to be amended in a manner contrary to our interests.



- We conduct our business operation in the PRC through Chengdu Qilu and its subsidiaries by way of Contractual Arrangements, but certain of the terms of the Contractual Arrangements may not be enforceable under the PRC laws.
- If we exercise the option to acquire equity ownership of Chengdu Qilu, the ownership transfer may subject us to certain limitations and substantial costs.

Further details of these risks are set out in the section headed “Risk Factors – Risks Relating to Our Contractual Arrangements” on pages 63 to 70 of the Prospectus.

Measures Taken by the Company to Mitigate Risks

The Group has adopted the following measures to ensure the effective operation of the Group with the implementation of the Contractual Arrangements and our compliance with the Contractual Arrangements:

- (a) major issues arising from the implementation and compliance with the Contractual Arrangements or any regulatory enquiries from government authorities will be submitted to the Board, if necessary, for review and discussion on an occurrence basis;
- (b) the Board will review the overall performance of and compliance with the Contractual Arrangements at least once a year;
- (c) the Company will annually disclose the overall performance of and compliance with the Contractual Arrangements in its annual reports; and
- (d) the Company will engage external legal advisers or other professional advisers, if necessary, to assist the Board with reviewing the implementation of the Contractual Arrangements, and review the legal compliance of WFOE and the PRC Operating Entities to deal with specific issues or matters arising from the Contractual Arrangements.

AUDIT COMMITTEE

The Company has established the Audit Committee, the primary duties of which are to make recommendations to the Board on the appointment and dismissal of the external auditor, monitor and review the financial statements and information, oversee the financial reporting system, risk management and internal control systems of the Company and perform corporate governance procedures of the Company. The Audit Committee consists of three members, namely Ms. Hu Qin, Mr. Li Yang and Mr. Wang Xinyu. The chairperson of the Audit Committee is Ms. Hu Qin.

The Audit Committee has reviewed the unaudited interim results of the Group for the six months ended 30 June 2026, including the accounting principles and practices adopted by the Group, and the Group’s internal control functions.

In addition, the external auditor of the Company has reviewed the condensed consolidated financial statements of the Group for the six months ended 30 June 2026 in accordance with Hong Kong Standard on Review Engagements 2410 “Review of Interim Financial Information Performed by the Independent Auditor of the Entity” issued by HKICPA.



SHARE OPTION SCHEME

The Company conditionally adopted the Share Option Scheme on 9 September 2019 which took effect upon Listing, under which selected employees (including, among others, Directors and full-time employees) may be granted options to subscribe for the Shares to motivate them to optimize their future contributions to the Group. For more details, please refer to the section headed “Directors’ Report” of the 2025 Annual Report.

The number of options available for grant and the number of Shares available for issue under the Share Option Scheme as at 1 January 2026 and 30 June 2026 was 26,000,000. As of 1 January 2026 and 30 June 2026, the number of Shares in respect of options which had been granted and remained outstanding under the Share Option Scheme was nil. During the six months ended 30 June 2026 and up to the date of this report, no share options had been granted, exercised, cancelled or lapsed, nor were any options outstanding under the Share Option Scheme. Therefore, the number of Shares available for issue under the options granted under the Share Option Scheme divided by the weighted average number of Shares in issue during the Reporting Period was nil.

SHARE AWARD SCHEME

The Company has not adopted any share award scheme.

DIRECTORS’ AND CHIEF EXECUTIVE’S INTERESTS AND SHORT POSITIONS IN SECURITIES

As at 30 June 2026, the interests and short positions of the Directors and chief executive of the Company in the Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which (a) were required, pursuant to Section 352 of the SFO, to be recorded in the register referred to therein; or (b) were required to be notified to the Company and the Stock Exchange pursuant to the Model Code, were as follows:

Interest in the Shares

Name of Directors/ Chief Executive	Capacity	Nature of Interests	Number of Shares	Approximate Percentage of the Issued Share Capital of the Company (%)
Mr. Tian Ye ¹	Interest in controlled corporations	Long position	91,415,057	33.98

Note:

1. Dashi Technology Holdings and True Thrive hold approximately 17.07% and 16.91% of the issued share capital of the Company, respectively. Pursuant to the Entrustment Arrangements under the Company Shareholder Rights Entrustment Agreement and the Chengdu Qilu Shareholder Rights Entrustment Agreement, True Thrive has entrusted its shareholder rights including its voting power at general meetings with respect to its shareholding in the Company to Dashi Technology Holdings. Dashi Technology Holdings is deemed to be interested in all the Shares and voting rights held by True Thrive. Dashi Technology Holdings is directly and wholly owned by Mr. Tian Ye who is therefore deemed to be interested in all the Shares held by Dashi Technology Holdings.



Save as disclosed above, as at 30 June 2026, neither the Directors nor chief executive of the Company (including their spouses and children under 18 years of age) had any interests or short positions in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under Section 352 of the SFO or otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

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

As at 30 June 2026, to the best knowledge of the Directors or chief executive of the Company, the substantial Shareholders, other than the Directors or chief executive of the Company, who had interests or short positions in the Shares or underlying Shares as recorded in the register required to be kept by the Company under Section 336 of the SFO, were as follows:

Name of Substantial Shareholders	Capacity	Nature of Interest	Number of Shares	Approximate Percentage of the Issued Share Capital of the Company (%)
Dashi Technology Holdings (Notes 1 and 3)	Beneficial owner	Long position	91,415,057	33.98
True Thrive (Notes 2 and 3)	Beneficial owner	Long position	45,496,082	16.91
360 Technology (Notes 2 and 3)	Interest in a controlled corporation	Long position	45,496,082	16.91
360 (Notes 2 and 3)	Interest in a controlled corporation	Long position	45,496,082	16.91
Qixin Zhicheng (Notes 2 and 3)	Interest in a controlled corporation	Long position	45,496,082	16.91
Zhou Hongyi (周鴻禕) (Notes 2 and 3)	Interest in a controlled corporation	Long position	45,496,082	16.91
Songchang International (Note 4)	Beneficial owner	Long position	47,282,819	17.58
Songyuan International (Note 4)	Interest in a controlled corporation	Long position	47,282,819	17.58
Shanghai Gaoxin (Note 4)	Interest in a controlled corporation	Long position	47,282,819	17.58
Dongfangwang Digital Technology (Note 4)	Interest in a controlled corporation	Long position	47,282,819	17.58
Shanghai Dongfangwang (Note 4)	Interest in a controlled corporation	Long position	47,282,819	17.58

OTHER INFORMATION



Notes:

1. Dashi Technology Holdings is directly and wholly owned by Mr. Tian Ye. Mr. Tian Ye is therefore deemed to be interested in all the Shares held by Dashi Technology Holdings.
2. True Thrive is wholly owned by 360 Technology, which is wholly owned by 360, which is ultimately held by Mr. Zhou Hongyi and Qixin Zhicheng. Each of 360 Technology, 360, Mr. Zhou Hongyi and Qixin Zhicheng is therefore deemed to be interested in all the Shares held by True Thrive.
3. Pursuant to the Entrustment Arrangements, True Thrive has entrusted its shareholder rights including its voting power at general meetings with respect to its shareholding in the Company to Dashi Technology Holdings. Dashi Technology Holdings is deemed to be interested in all the Shares and voting rights held by True Thrive.
4. Songchang International is directly and wholly owned by Songyuan International, which is in turn directly and wholly owned by Shanghai Gaoxin, which is in turn directly and wholly owned by Dongfangwang Digital Technology, which is in turn controlled by Shanghai Dongfangwang. Each of Songyuan International, Shanghai Gaoxin, Dongfangwang Digital Technology and Shanghai Dongfangwang is therefore deemed to be interested in all the Shares held by Songchang International. Shanghai Dongfangwang is the controlling shareholder of Dongfangwang Digital Technology, and directly and through its subsidiary, Shanghai Dongfangwang Investment Company Limited* (上海東方網投資有限公司), holds in aggregate approximately 34.3077% of Dongfangwang Digital Technology. Shanghai Dongfangwang is in turn controlled by Shanghai United Media Group.

Save as disclosed above, so far as known to the Directors, as at 30 June 2026, no other persons (other than the Directors or chief executive) had interests or short positions in the Shares and underlying Shares as recorded in the register required to be kept by the Company under Section 336 of the SFO.



REPORT ON REVIEW OF CONDENSED CONSOLIDATED FINANCIAL STATEMENTS



TO THE SHAREHOLDERS OF 360 LUDASHI HOLDINGS LIMITED
(incorporated in Cayman Islands with limited liability)

Introduction

We have reviewed the condensed consolidated financial statements of 360 Ludashi Holdings Limited (the “**Company**”) and its subsidiaries (collectively referred to as the “**Group**”) set out on pages 28 to 46 which comprises the condensed consolidated statement of financial position as at 30 June 2026 and the related condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the six-month period then ended, and notes to the condensed consolidated financial statements. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 “Interim Financial Reporting” (“**HKAS 34**”) issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”). The directors are responsible for the preparation and presentation of this interim financial information in accordance with HKAS 34. Our responsibility is to express a conclusion on this interim financial information based on our review and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Scope of Review

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

Conclusion

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

ZHONGHUI ANDA CPA Limited

Certified Public Accountants

Lee Chi Sum

Practising Certificate Number P08391

Hong Kong, 28 August 2026

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the Six Months Ended 30 June 2026

		Six months ended 30 June	
	Notes	2026 RMB'000 (unaudited)	2025 RMB'000 (unaudited)
Revenue	3	793,292	522,592
Costs of sales and services		(758,511)	(465,901)
Gross profit		34,781	56,691
Other income	4	2,806	8,288
Other gains and losses	5	(4,260)	(446)
Selling and distribution expenses		(10,131)	(10,217)
Administrative expenses		(18,549)	(19,130)
Research and development expenses		(17,655)	(17,468)
Share of results of associates		(650)	(1,144)
Finance costs		(39)	(71)
(Loss)/profit before taxation		(13,697)	16,503
Taxation	6	(253)	(4,571)
(Loss)/profit and total comprehensive (loss)/income for the period	7	(13,950)	11,932
(Loss)/profit and total comprehensive (loss)/income for the period attributable to:			
Owners of the Company		(12,619)	13,612
Non-controlling interests		(1,331)	(1,680)
		(13,950)	11,932
(Loss)/earnings per share			
Basic and diluted (in RMB cents)	9	(4.69)	5.06

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2026

	Notes	30 June 2026 RMB'000 (unaudited)	31 December 2025 RMB'000 (audited)
Non-current assets			
Property, plant and equipment	10	3,414	3,906
Goodwill		989	989
Other intangible assets		1,618	1,815
Interests in associates	11	14,493	15,143
Financial assets at fair value through profit or loss ("FVTPL")	12	9,754	9,727
Deferred tax assets		8,509	8,283
Prepayments	14	–	4,958
		38,777	44,821
Current assets			
Trade receivables	13	246,486	161,744
Other receivables, deposits and prepayments	14	70,893	68,482
Inventories		72	72
Tax recoverable		–	490
Financial assets at FVTPL	12	47,000	50,000
Cash and cash equivalents		325,271	429,260
		689,722	710,048
Current liabilities			
Trade and other payables	15	48,245	57,078
Contract liabilities		14,629	17,421
Lease liabilities		1,211	1,667
Income tax payable		2,758	3,191
		66,843	79,357
Net current assets		622,879	630,691
Total assets less current liabilities		661,656	675,512
Capital and reserves			
Share capital	16	2,425	2,425
Reserves		662,526	675,145
Equity attributable to owners of the Company		664,951	677,570
Non-controlling interests		(3,463)	(2,132)
Total equity		661,488	675,438
Non-current liability			
Lease liabilities		168	74
		661,656	675,512

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the Six Months Ended 30 June 2026

	Attributable to owners of the Company						Non-controlling interests	Total
	Share capital	Share premium	Statutory surplus reserve	Other reserve	Accumulated profits	Subtotal		
	RMB'000	RMB'000	RMB'000 (Note (i))	RMB'000	RMB'000	RMB'000	RMB'000 (Note (ii))	RMB'000
At 1 January 2025 (audited)	2,425	159,482	38,416	(9)	475,797	676,111	646	676,757
Profit/(loss) and total comprehensive income/(loss) for the period	-	-	-	-	13,612	13,612	(1,680)	11,932
Dividends recognised as distribution (Note 8)	-	(24,645)	-	-	-	(24,645)	-	(24,645)
At 30 June 2025 (unaudited)	2,425	134,837	38,416	(9)	489,409	665,078	(1,034)	664,044
At 1 January 2026 (audited)	2,425	134,837	42,913	(9)	497,404	677,570	(2,132)	675,438
Loss and total comprehensive loss for the period	-	-	-	-	(12,619)	(12,619)	(1,331)	(13,950)
At 30 June 2026 (unaudited)	2,425	134,837	42,913	(9)	484,785	664,951	(3,463)	661,488

Notes:

- (i) In accordance with the Articles of Association of all subsidiaries established in the People's Republic of China (the "PRC"), the PRC subsidiaries are required to set aside 10% of their profit after tax as per statutory financial statements determined under the PRC laws and regulations for the statutory surplus reserve fund until the reserve reach 50% of their registered capital. Transfer to this reserve must be made before distributing dividends to equity owners of the subsidiaries. The statutory surplus reserve can be used to make up previous years' losses, expand the existing operations or convert into additional capital of the respective subsidiaries.
- (ii) At 30 June 2026, the non-controlling interest is the equity interest in 天津六六遊科技有限公司 (Tianjin Liu Liuyou Technology Co., Ltd.*), held by a third party other than the Company.

* English name for reference only.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the Six Months Ended 30 June 2026

	Six months ended 30 June	
	2026 RMB'000 (unaudited)	2025 RMB'000 (unaudited)
Net cash used in operating activities	(103,048)	(15,497)
Investing activities		
Withdrawal of financial assets at FVTPL	147,000	138,000
Interest received from financial assets at FVTPL	363	502
Purchase of financial assets at FVTPL	(144,000)	(95,000)
Investment in an associate	–	(3,000)
Proceeds from disposal of property, plant and equipment	145	–
Purchase of property, plant and equipment	(809)	(123)
Net cash generated from investing activities	2,699	40,379
Financing activities		
Dividends paid	–	(24,645)
Repayments of lease liabilities	(1,017)	(1,502)
Interest paid	(39)	(71)
Net cash used in financing activities	(1,056)	(26,218)
Net decrease in cash and cash equivalents	(101,405)	(1,336)
Cash and cash equivalents at beginning of the period	429,260	442,336
Effect of foreign exchange rate changes	(2,584)	106
Cash and cash equivalents at end of the period, represented by bank balances and cash	325,271	441,106



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the Six Months Ended 30 June 2026

1. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 (“**HKAS 34**”) “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”) as well as the applicable disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The condensed consolidated financial statements do not include all the information and disclosures required in a full set of financial statements, and should be read in conjunction with the Group’s annual consolidated financial statements for the year ended 31 December 2025 (“**2025 Annual Report**”).

2. MATERIAL 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 value, as appropriate.

Other than additional accounting policies resulting from application of amendments to HKFRS Accounting Standards, 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 2025 Annual Report.

Application of new and revised HKFRS Accounting Standards

In the current period, the Group has adopted all the new and revised HKFRS Accounting Standards issued by the HKICPA that are relevant to its operations and effective for its accounting period beginning on 1 January 2026. HKFRS Accounting Standards comprise Hong Kong Financial Reporting Standards (“**HKFRS**”); Hong Kong Accounting Standards (“**HKAS**”); and Interpretations. The adoption of these new and revised HKFRS Accounting Standards did not result in significant changes to the Group’s accounting policies, presentation of the Group’s financial statements and amounts reported for the current period and prior period.

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

3. REVENUE AND SEGMENT INFORMATION

The Group is principally engaged in the provision of online advertising services, online game platforms, operation of exclusive licensed online game business and smart accessories sales in the PRC.

Included in revenue from provision of online advertising services, the Group has developed the e-commerce business for mobile devices since 2024. The Group provides online traffic placement and attraction services for live streaming and short videos on renowned domestic e-commerce platforms for mobile devices to earn revenue from online traffic placement. The Group is principally engaged for formulating advertising plans and promotion strategies, and for providing performance enhancement services throughout the online traffic placement service. Accordingly, the Group considered itself as a principal to provide online traffic placement and attraction services, and the performance obligation is satisfied at a point in time at which the service is provided.

3. REVENUE AND SEGMENT INFORMATION (CONTINUED)

Revenue represents services and sales income comprising the business mentioned above.

Segment information

The Group's chief operating decision maker has been identified as chief executive officer who reviews revenue analysis by business lines when making decisions about allocating resources and assessing performance of the Group.

As there is no other discrete financial information available for assessment of performance of different business lines, only entity-wide disclosures and geographic information are presented.

The revenue attributable to the Group's business lines are as follows:

	Six months ended 30 June	
	2026 RMB'000 (unaudited)	2025 RMB'000 (unaudited)
Online traffic monetisation		
– Online advertising services	656,314	334,301
– Online game platforms	10,853	15,787
– Operation of exclusive licensed online game business	126,047	171,272
Electronic devices sales		
– Smart accessories sales	78	1,232
Total	793,292	522,592

Geographical information

	Six months ended 30 June	
	2026 RMB'000 (unaudited)	2025 RMB'000 (unaudited)
PRC	631,206	409,574
Overseas	162,086	113,018
Total	793,292	522,592

For the Six Months Ended 30 June 2026

3. REVENUE AND SEGMENT INFORMATION (CONTINUED)**Timing of revenue recognition**

	Six months ended 30 June	
	2026 RMB'000 (unaudited)	2025 RMB'000 (unaudited)
A point in time	634,338	320,343
Over time	158,954	202,249
Total	793,292	522,592

4. OTHER INCOME

	Six months ended 30 June	
	2026 RMB'000 (unaudited)	2025 RMB'000 (unaudited)
Government grants (Note)	270	5,304
Interest income		
– bank deposits	2,013	2,248
– financial assets at FVTPL	363	502
Others	160	234
	2,806	8,288

Note: The Government grants mainly represented the high-tech and innovative development subsidies received from local government authorities. In the opinion of the directors of the Company, the Group has fulfilled all conditions attached to the subsidies.

5. OTHER GAINS AND LOSSES

	Six months ended 30 June	
	2026 RMB'000 (unaudited)	2025 RMB'000 (unaudited)
Fair value gains in financial assets at FVTPL	27	23
Impairment loss under expected credit loss model, net of reversal	(95)	(245)
Net foreign exchange losses	(3,664)	(120)
Others	(528)	(104)
	(4,260)	(446)

For the Six Months Ended 30 June 2026

6. TAXATION

	Six months ended 30 June	
	2026 RMB'000 (unaudited)	2025 RMB'000 (unaudited)
Tax expense comprises:		
Current tax		
- PRC Enterprise Income Tax	479	1,119
- Hong Kong	-	69
- Singapore	-	204
Dividend withholding tax (Note)	-	2,900
Deferred tax	(226)	279
Total	253	4,571

Note: Pursuant to Enterprise Income Law of PRC and the Detailed Implementation Rules, distribution of the profits earned by the subsidiaries in the PRC is subject to the PRC withholding tax at the applicable tax rates of 10%. Pursuant to a double tax arrangement between the PRC and Hong Kong, Hong Kong tax resident companies could enjoy a lower withholding tax rate of 5%. Certain of the Group's investment holding subsidiaries in Hong Kong, which holds subsidiaries in the PRC has successfully obtained Hong Kong tax resident companies. Accordingly withholding tax was provided for dividends of certain subsidiaries in the PRC at a rate of 5% for the six months ended 30 June 2025.

7. (LOSS)/PROFIT FOR THE PERIOD

(Loss)/profit for the period has been arrived at after charging:

	Six months ended 30 June	
	2026 RMB'000 (unaudited)	2025 RMB'000 (unaudited)
Directors' and chief executive's remuneration	1,670	1,639
Other staff costs		
- Salaries and other benefits	29,373	29,698
- Retirement benefit scheme contributions	2,048	2,008
Total staff costs	33,091	33,345
Depreciation of property, plant and equipment including right-of-use assets (included in "administrative expenses, selling and distribution expenses and research and development expenses")	1,811	2,115
Amortisation of intangible assets (included in "costs of sales and services, administrative expenses and research and development expenses")	197	197
Total depreciation and amortisation	2,008	2,312
Cost of inventories sold	884	2,064

For the Six Months Ended 30 June 2026

8. DIVIDENDS

No dividends were paid or proposed during the six months ended 30 June 2026.

During the six months period ended 30 June 2025, a final dividend of HK\$10 cents per share, in an aggregate amount of approximately HK\$26,900,000 (equivalent to approximately RMB24,645,000), in respect of the year ended 31 December 2024 was declared and paid to owners of the Company.

9. (LOSS)/EARNINGS PER SHARE

The calculation of the basic and diluted (loss)/earnings per share attributable to owners of the Company is based on the following data:

	Six months ended 30 June	
	2026 RMB'000 (unaudited)	2025 RMB'000 (unaudited)
(Loss)/earnings		
(Loss)/earnings for the purpose of calculating basic and diluted (loss)/earnings per share ((loss)/profit for the period attributable to owners of the Company)	(12,619)	13,612

	Six months ended 30 June	
	2026 '000 (unaudited)	2025 '000 (unaudited)
Number of ordinary shares		
Weighted average number of ordinary shares for the purpose of calculating basic and diluted earnings per share	269,000	269,000

No diluted earnings per share for both periods was presented as there was no potential ordinary shares in issue for both periods.

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

During the six months ended 30 June 2026, the Group incurred RMB732,000 (six months ended 30 June 2025: nil) for expenditure on motor vehicle, RMB69,000 (six months ended 30 June 2025: RMB82,000) for expenditure on electronic equipment and RMB8,000 (six months ended 30 June 2025: RMB41,000) on furniture and fixtures and equipment.

During the six months ended 30 June 2026, the Group entered into a new lease agreement with lease term of 2 years (six months ended 30 June 2025: nil). On date of lease commencement, the Group recognised right-of-use assets of RMB655,000 and lease liabilities of RMB655,000. The Group is required to make fixed monthly payments during the contract period.

11. INTERESTS IN ASSOCIATES

	30 June 2026 RMB'000 (unaudited)	31 December 2025 RMB'000 (audited)
Cost of investment in associates	43,050	43,050
Share of post-acquisition losses and other comprehensive expenses	(9,785)	(9,135)
Impairment loss recognised	(18,772)	(18,772)
	14,493	15,143

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the Six Months Ended 30 June 2026

11. INTERESTS IN ASSOCIATES (CONTINUED)

Details of the Group's associates at the end of the reporting period are as follows:

Name of entities	Country of registration	Principal place of business	Proportion of ownership interest held by the Group		Proportion of voting rights held by the group		Principal activities	Investment costs	
			30 June 2026	31 December 2025	30 June 2026	31 December 2025		30 June 2026 RMB'000 (unaudited)	31 December 2025 RMB'000 (audited)
Beijing Sihai Chuangwei Technology Co., Ltd.* (北京四海創維科技有限公司) ("Sihai Chuangwei")	PRC	PRC	20%	20%	20%	20%	Online advertising	8,800	8,800
Shanghai Kaizhan Information Technology Co., Ltd.* (上海凱戰網絡科技有限公司)	PRC	PRC	8%	8%	33%	33%	Live streaming service	8,000	8,000
Tianjin Youbenzhiqian Technology Co., Ltd.* (天津有本之泉科技有限公司)	PRC	PRC	40%	40%	40%	40%	Technical service	500	500
Chengdu Yunyou Tianxia Technology Co., Ltd.* (成都雲游天下科技有限公司) ("Chengdu Yunyou") (Note (i))	PRC	PRC	15%	15%	15%	15%	Online business	9,750	9,750
Hangzhou Jingqiqu Network Technology Co., Ltd.* (杭州競其趣網絡科技有限公司) ("Hangzhou Jingqiqu") (Note (i))	PRC	PRC	15%	15%	15%	15%	Gaming hotel reservation management	6,000	6,000
Beijing Micro Power Technology Co., Ltd. (北京微力量科技有限公司) ("Beijing Micro Power") (Note (ii))	PRC	PRC	12.5%	12.5%	12.5%	12.5%	Technical Service	5,000	5,000
Chengdu Qiwu Hui Technology Co., Ltd.* (成都奇悟互娛科技有限公司) ("Chengdu Qiwu")	PRC	PRC	30%	30%	30%	30%	Technical Service	5,000	5,000
								43,050	43,050

* English name for reference only.

Notes:

- (i) The Group has 15% interests in each of Chengdu Yunyou and Hangzhou Jingqiqu respectively and has the rights to appoint one of the three directors of Chengdu Yunyou and Hangzhou Jingqiqu, respectively. According to the articles of associations, the boards of directors of Chengdu Yunyou and Hangzhou Jingqiqu are responsible to approve the decision to direct the operation and financing activities of Chengdu Yunyou and Hangzhou Jingqiqu and the directors of the Company consider that the Group has significant influence over Chengdu Yunyou and Hangzhou Jingqiqu respectively and they are therefore classified as associates of the Group.
- (ii) The Group has the right to appoint one of the three directors of Beijing Micro Power. According to the articles of associations, the board of directors of Beijing Micro Power is responsible to approve the decision to direct the operation and financing activities, and the directors of the Company consider that the Group has significant influence over Beijing Micro Power and it is therefore classified as an associate of the Group.

12. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS ("FVTPL")

Financial assets designated at FVTPL:

	30 June 2026 RMB'000 (unaudited)	31 December 2025 RMB'000 (audited)
Unlisted equity investments:		
- Chengdu Jingtanhao Technology Co., Ltd.* (成都驚歎號科技有限公司)	1,600	1,600
- Tianjin Gaoxing Yuanhang Management Consulting Centre (Limited Partnership)* (天津高行遠航管理諮詢中心(有限合夥)) ("Gaoxing Yuanhang")	8,000	8,000
- Chengdu Lijiaer Technology Co., Ltd.* (Limited Partnership) ("Chengdu Lijiaer") (成都利加爾科技有限公司)	154	127
	9,754	9,727
Structured bank deposits (Note)	47,000	50,000
	56,754	59,727
Analysed for reporting purposes as:		
- Non-current assets	9,754	9,727
- Current assets	47,000	50,000
	56,754	59,727

Note: During the six months ended 30 June 2026 and the year ended 31 December 2025, the Group entered into structured bank deposits agreements with banks in the PRC. The banks guaranteed 100% of the invested principal amount and floating interest rate of 1.00% to 1.76% per annum (2025: 1.00% to 2.31%) with maturity periods ranging from 59 days to 61 days (2025: 60 days to 63 days) as specified in the agreement.

* English name for reference only.

For the Six Months Ended 30 June 2026

13. TRADE RECEIVABLES

	30 June 2026 RMB'000 (unaudited)	31 December 2025 RMB'000 (audited)
Trade receivables		
– related parties	6,764	7,923
– third parties	247,562	161,566
Less: allowance for credit losses	(7,840)	(7,745)
	246,486	161,744

Details of amounts due from related parties included in trade receivables are as follows:

Related parties	Relationship	30 June 2026 RMB'000 (unaudited)	31 December 2025 RMB'000 (audited)
360 Technology Group Co., Ltd.* (三六零科技集團有限公司) ("360 Technology")	The holding company of the shareholder of the Company	836	5,079
Beijing 360 Shuzhi Technology Co., Ltd.* (北京三六零數智科技有限公司) ("Beijing 360 Shuzhi")	Subsidiary of shareholder of 360 Technology	1,414	2,650
Beijing Qifutong Technology Co., Ltd.* (北京奇付通科技有限公司) ("Beijing Qifutong")	360 Technology's subsidiary	4,509	189
Sihai chuangwei	Associate of the Group	5	5
Total		6,764	7,923

* English name for reference only.

13. TRADE RECEIVABLES (CONTINUED)

The following is an aging analysis of trade receivables net of allowance for credit losses presented based on the dates of delivery of goods/dates of rendering of services.

	30 June 2026 RMB'000 (unaudited)	31 December 2025 RMB'000 (audited)
0 – 90 days	233,590	117,780
91 – 180 days	12,262	42,407
Over 180 days	634	1,557
	246,486	161,744

The Group performs impairment assessment in respect of trade receivables under expected credit loss model. The basis of determining the inputs and assumptions and the estimation techniques used in the condensed consolidated financial statements for the six months ended 30 June 2026 are the same as those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2025.

The Group had significant concentration of credit risk to its trade receivables as 80% (31 December 2025: 69%) and 82% (31 December 2025: 76%) of the total trade receivables was due from the single largest customer and the five largest customers of the Group respectively as at 30 June 2026.

14. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	30 June 2026 RMB'000 (unaudited)	31 December 2025 RMB'000 (audited)
Included in non-current assets:		
Prepayment for game development and license (Note (i))	–	4,958
Included in current assets:		
Other receivables and deposits	11,154	10,434
Less: allowance for credit losses	(6,905)	(6,905)
Deductible value-added tax	7,874	8,285
Prepayments and deferred expenses (Note (i) & (ii))	40,823	36,897
Amount due from an associate (Note (iii))	14,933	16,726
Online payment platforms (Note (iv))	2,936	2,887
Interest receivables	78	158
	70,893	68,482
Total	70,893	73,440

For the Six Months Ended 30 June 2026

14. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS (CONTINUED)

Notes:

- (i) Following the launch of the online game "Kung Fu Panda: Dragon Warriors" in late December 2025, the game development and license fees of totaling RMB14,873,000 has been utilised during the six months ended 30 June 2026.
- (ii) Included in prepayments and deferred expenses are prepayments of RMB31,933,000 (31 December 2025: RMB16,009,000) paid to third party agents for online traffic placement service. The prepayments for online traffic placement are frequently utilised and generally utilised within one month.
- (iii) The amount is unsecured, interest-free and repayable based on the future profit sharing for an exclusively licensed online game developed by the associate.
- (iv) The amount is unsecured, interest-free and repayable on demand and it represents receivables from third party payment platforms in respect of the Group's online advertising services and online game platforms.

15. TRADE AND OTHER PAYABLES

	30 June 2026 RMB'000 (unaudited)	31 December 2025 RMB'000 (audited)
Trade payables		
– related parties	3	22
– third parties	33,904	35,605
Other payables	1,053	3,388
Payables arisen from online game platforms business (Note)	1,348	1,588
Payroll payable	7,872	14,047
Other tax payable	4,065	2,428
	48,245	57,078

Note: The amounts are unsecured, interest-free and repayable on a monthly basis and represents payables to online game developers and operators for prepayments collected by the Group from third party game players.

15. TRADE AND OTHER PAYABLES (CONTINUED)

Details of amounts due to related parties included in trade payables are as follows:

Related party	Relationship	30 June 2026 RMB'000 (unaudited)	31 December 2025 RMB'000 (audited)
Beijing Qihu Technology Co., Ltd.* (北京奇虎科技有限公司) ("Beijing Qihu")	Subsidiary of shareholder of 360 Technology	–	1
Shanghai Dongfangwang Digital Technology Company Limited* (上海東方網數字科技股份有限公司) ("Dongfangwang Digital Technology")	Shareholder of the Company	3	21
		3	22

* English name for reference only.

The credit period granted by trade creditors is normally within three months. The following is an aging analysis of trade payables presented based on the dates of delivery of goods/dates of rendering of services:

	30 June 2026 RMB'000 (unaudited)	31 December 2025 RMB'000 (audited)
0 – 90 days	21,936	25,015
91 – 180 days	11,378	7,615
Over 180 days	593	2,997
Total	33,907	35,627

16. SHARE CAPITAL

	Number of shares	Share Capital	
		HK\$'000	RMB'000
Ordinary shares of HK\$0.01 each			
Authorised:			
At 1 January 2025, 30 June 2025, 1 January 2026 and 30 June 2026	10,000,000,000	100,000	90,321
Issued and fully paid			
At 1 January 2025, 30 June 2025, 1 January 2026 and 30 June 2026	269,000,000	2,690	2,425

For the Six Months Ended 30 June 2026

17. RELATED PARTY TRANSACTIONS

Other than as disclosed elsewhere in the condensed consolidated financial statements, the Group entered into the following transactions with related parties:

i Transactions with related parties

Related parties	Relationship	Six months ended 30 June	
		2026 RMB'000 (unaudited)	2025 RMB'000 (unaudited)
Revenue from 360 Technology	The holding company of the shareholder of the Company	2,260	13,606
Revenue from Beijing Star World Technology Co., Ltd.* ("Beijing Star World")	Subsidiary of shareholder of 360 Technology	–	12,003
Revenue from Beijing Qifutong	360 Technology's subsidiary	11,895	464
Revenue from Dongfangwang Digital Technology	Shareholder of the Company	–	19
Revenue from Beijing 360 Shuzhi	Subsidiary of shareholder of 360 Technology	12,106	6,189
Revenue from Tianjin Shanhu Information and Technology Co., Ltd. ("Tianjin Shanhu")	Controlled by Tian Ye	9,179	–
Cost to 360 Technology	The holding company of the shareholder of the Company	19	–
Cost to Beijing Star World	Subsidiary of shareholder of 360 Technology	–	9,441
Cost to Beijing Qihu	Subsidiary of shareholder of 360 Technology	1	3
Cost to Beijing Qiyan Technology Co., Ltd.*	Subsidiary of shareholder of 360 Technology	–	189
Cost to Dongfangwang Digital Technology	Shareholder of the Company	33	160
Cost to Beijing 360 Zhiling Technology Co., Ltd.* (北京三六零智领科技有限公司)	Subsidiary of shareholder of 360 Technology	–	288
Cost to Beijing 360 Shuzhi	Subsidiary of shareholder of 360 Technology	9,062	4,060

* English name for reference only.

For the Six Months Ended 30 June 2026

17. RELATED PARTY TRANSACTIONS (CONTINUED)**ii Compensation of key management personnel**

The remuneration of directors and other members of key management of the Group were as follows:

	Six months ended 30 June	
	2026 RMB'000 (unaudited)	2025 RMB'000 (unaudited)
Salaries and allowances	1,490	1,417
Retirement benefit scheme contributions	37	36
	1,527	1,453

18. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

Fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

For the Six Months Ended 30 June 2026

18. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS (CONTINUED)

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

Financial assets	Fair value as at	Fair value hierarchy	Valuation techniques and key inputs	Significant unobservable inputs	Relationship unobservable inputs to fair value
Unlisted equity investment classified at financial assets at FVTPL	30 June 2026 – RMB9,754,000 31 December 2025 – RMB9,727,000	Level 3	Market multiple approach based on the recent transaction price	Multiples used in the recent transaction price	The higher the multiples used in the recent transaction price, the higher the fair value; the lower the multiples used in the recent transaction price, the lower the fair value
Structured bank deposits	30 June 2026 – RMB47,000,000 31 December 2025 – RMB50,000,000	Level 3	Discount cash flow models	Discount rate/ estimated return	The higher the discount rate, the lower the fair value; the lower the estimated return, the lower the fair value

The management of the Group considers that the carrying amounts of other financial assets and financial liabilities recorded at amortised costs in the condensed consolidated financial statements approximate to their fair values. The fair value of other financial assets and financial liabilities is determined in accordance with generally accepted pricing model based on discounted cash flow analysis.

Reconciliation of financial assets measured at fair value based on level 3:

	2026 RMB'000 (unaudited)	2025 RMB'000 (unaudited)
At 1 January	59,727	52,623
Purchases	144,000	95,000
Net gains recognised in profit or loss (#)	27	23
Withdrawals	(147,000)	(138,000)
At 30 June	56,754	9,646
(#) Included gains for assets held at end of reporting period	27	23

The total gains or losses recognised in profit or loss are presented in other gains and losses in the statement of profit or loss and other comprehensive income.

19. EVENTS AFTER THE END OF THE REPORTING PERIOD

The Group had no material events for disclosure subsequent to 30 June 2026 and up to the date of approval of these condensed consolidated financial statements.



DEFINITION AND GLOSSARY

"360"	360 Security Technology Inc. (三六零安全科技股份有限公司) (formerly known as Jiangnan Jiajie Elevator Stock Company Limited* (江南嘉捷电梯股份有限公司)), a joint stock company with limited liability incorporated in the PRC and ultimately controlled by Mr. Zhou Hongyi, one of our substantial shareholders, whose shares are listed and traded on the Shanghai Stock Exchange (上海證券交易所) (stock code: 601360.SH), and one of our substantial Shareholders
"360 Technology"	360 Technology Group Co., Ltd.* (三六零科技集團有限公司) (formerly known as Tianjin Qisi Technology Company Limited* (天津奇思科技有限公司), 360 Technology Inc.* (三六零科技股份有限公司) and 360 Technology Co., Ltd.* (三六零科技有限公司)), a limited liability company established in the PRC on 15 September 2011 and directly wholly owned by 360, one of our substantial Shareholders, and one of our substantial Shareholders
"AI"	Artificial Intelligence, intelligence demonstrated by machines
"Anyixun Technology" or "WFOE"	Chengdu Anyixun Technology Company Limited* (成都安易迅科技有限公司), a limited liability company established in the PRC on 20 October 2015 and a wholly-owned subsidiary of the Group
"Audit Committee"	the audit committee of the Board
"Board"	the board of Directors of the Company
"CG Code"	the Corporate Governance Code as set out in Appendix C1 to the Listing Rules
"Chengdu Mijiayou"	Chengdu Mijiayou Technology Company Limited* (成都米加遊科技有限公司), a limited liability company established in the PRC on 9 July 2021 and a wholly-owned subsidiary of Liu Liuyou Technology
"Chengdu Qilu"	Chengdu Qilu Technology Company Limited* (成都奇魯科技有限公司), a limited liability company established in the PRC on 25 November 2014 which is deemed to be a wholly-owned subsidiary of the Company pursuant to the Contractual Arrangements



"Chengdu Qilu Shareholder Rights Entrustment Agreement"	the agreement dated 15 January 2018 and taking effect from 29 December 2016 entered into among Mr. Tian Ye, Qihu Technology and Chengdu Qilu, pursuant to which Mr. Tian Ye is entrusted by Qihu Technology to exercise all of Qihu Technology's rights as a shareholder of Chengdu Qilu (including but not limited to Qihu Technology's voting power at general meetings of Chengdu Qilu)
"China" or the "PRC"	the People's Republic of China, for the purpose of this report only, excluding Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
"China Merchants Bank"	China Merchants Bank Co., Ltd., a joint stock company established in the PRC with limited liability and the shares of which are listed on the Shanghai Stock Exchange (stock code: 600036) and the Main Board of the Stock Exchange (stock code: 3968). It is primarily engaged in providing customers with a variety of wholesale and retail banking products and services, and also conducts proprietary and client-based treasury businesses
"Company"	360 LUDASHI HOLDINGS LIMITED (360魯大師控股有限公司), an exempted company with limited liability incorporated in the Cayman Islands, whose shares are listed on the Main Board of the Stock Exchange (stock code: 3601)
"Company Shareholder Rights Entrustment Agreement"	the agreement dated and taking effect on 4 September 2018 between Dashi Technology Holdings and True Thrive, pursuant to which Dashi Technology Holdings is entrusted by True Thrive to exercise all of True Thrive's rights as a Shareholder (including but not limited to True Thrive's voting power at general meetings of the Company)
"Contractual Arrangements"	a series of contractual arrangements entered into among WFOE, Chengdu Qilu and Relevant Shareholders, details of which are set forth in the section under "Contractual Arrangements" in the Prospectus



"Dashi Technology Holdings"	Dashi Technology Holdings Limited (大師控股有限公司), a company incorporated in the British Virgin Islands with limited liability on 31 January 2018 and directly wholly owned by Mr. Tian Ye, one of our controlling shareholders
"Director(s)"	director(s) of the Company
"Dongfangwang Digital Technology"	Shanghai Dongfangwang Digital Technology Company Limited* (上海東方網數字科技股份有限公司) (formerly known as Shanghai Songheng Network Technology Company Limited* (上海嵩恒網絡科技股份有限公司)), which completed its name change on 30 April 2024, a limited liability company established in the PRC on 18 March 2014 and owned by independent third parties, and one of the Relevant Shareholders and a substantial Shareholder of the Company
"Entrustment Arrangements"	the entrustment arrangements under the Company Shareholder Rights Entrustment Agreement and the Chengdu Qilu Shareholder Rights Entrustment Agreement in relation to the shareholder rights of True Thrive in the Company in favor of Dashi Technology Holdings and the shareholder rights of Qihu Technology in Chengdu Qilu in favor of Mr. Tian Ye, respectively, details of which are set out in the section headed "History, Reorganization and Corporate Structure – Entrustment Arrangements" in the Prospectus
"Group", "we", "us" and "our", "Ludashi" or "360 Ludashi"	the Company, its subsidiaries and the PRC Operating Entities
"HK\$"	Hong Kong dollars, the lawful currency of Hong Kong
"HKAS(s)"	Hong Kong Accounting Standards
"HKFRS(s)"	Hong Kong Financial Reporting Standards
"HKICPA"	the Hong Kong Institute of Certified Public Accountants
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC



"ICBC"	Industrial and Commercial Bank of China Limited, a joint stock commercial bank established under the laws of the PRC, the shares of which are listed on the Shanghai Stock Exchange (stock code: 601398) and on the Stock Exchange (stock code: 1398)
"Listing"	the listing of the Shares on the Main Board of the Stock Exchange
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Liu Liuyou Technology"	Tianjin Liu Liuyou Technology Company Limited* (天津六六遊科技有限公司), a limited liability company established in the PRC on 17 April 2017 and a non-wholly owned subsidiary of Chengdu Qilu
"Ludashi Software"	hardware and system benchmarking and monitoring software and App
"MAU(s)"	monthly active user(s), a key performance indicator for software, Apps and online games. Monthly active users are calculated by counting the number of unique devices that activate the software, Apps or online games for at least once during a calendar month
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules
"PC(s)"	personal computers
"PRC Operating Entities"	collectively, Chengdu Qilu and its subsidiary (and the " PRC Operating Entity " means any one of them), the financial results of which have been consolidated and accounted for as the subsidiaries of the Company by virtue of the Contractual Arrangements



"Prospectus"	the prospectus of the Company dated 26 September 2019
"Qihu Technology"	Beijing Qihu Technology Company Limited* (北京奇虎科技有限公司), a limited liability company incorporated in the PRC on 13 August 2007, one of the Relevant Shareholders and directly wholly owned by 360 Technology, one of our substantial Shareholders
"Qilu Haochen"	Chengdu Qilu Haochen Enterprise Management Consulting Company Limited* (成都奇魯昊宸企業管理諮詢有限公司), a limited liability company incorporated in the PRC on 7 February 2018, and one of the Relevant Shareholders, wholly owned by independent third parties
"Qixin Zhicheng"	Tianjin Qixin Zhicheng Technology Company Limited* (天津奇信志成科技有限公司), a limited liability company established in the PRC on 2 December 2015 and one of our substantial Shareholders, ultimately controlled by Mr. Zhou Hongyi, one of our substantial Shareholders for the purpose of the Listing Rules
"Relevant Shareholder(s)"	Qihu Technology, Mr. Tian Ye, Dongfangwang Digital Technology and Qilu Haochen, being the registered shareholders of Chengdu Qilu
"Renminbi" or "RMB"	Renminbi, the lawful currency of the PRC
"Reporting Period"	the six months ended 30 June 2026
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Shanghai Dongfangwang"	Shanghai Dongfangwang Stock Company Limited* (上海東方網股份有限公司), a limited liability company established in the PRC on 5 July 2000



"Shanghai Gaoxin"	Shanghai Gaoxin Computer System Company Limited* (上海高欣計算機系統有限公司), a limited liability company established in the PRC on 4 January 2013 and wholly owned by Dongfangwang Digital Technology, one of our Relevant Shareholders and a substantial Shareholder of the Company
"Share(s)"	ordinary share(s) with nominal value of HK\$0.01 each in the share capital of the Company
"Share Option Scheme"	the share option scheme conditionally adopted by the Company on 9 September 2019, a summary of the principal terms and conditions of which are set forth in "Appendix IV – Statutory and General Information – D. Share Option Scheme" in the Prospectus
"Shareholder(s)"	holder(s) of the Share(s)
"Songchang International"	Songchang International Limited, a limited liability company incorporated in the British Virgin Islands on 9 May 2018, wholly owned by Songyuan International, a substantial Shareholder of the Company, and a substantial Shareholder of the Company
"Songyuan International"	Hong Kong Songyuan International Limited (香港嵩遠國際有限公司), a limited liability company incorporated in Hong Kong on 1 December 2017, indirectly wholly owned by Dongfangwang Digital Technology, one of the Relevant Shareholders and a substantial Shareholder of the Company, and a substantial Shareholder of the Company
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"True Thrive"	True Thrive Limited (誠盛有限公司), a limited liability company incorporated in the Cayman Islands on 12 October 2015, wholly owned by 360 Technology, one of our substantial Shareholders, and one of our substantial Shareholders
"%"	per cent

* For identification purpose only