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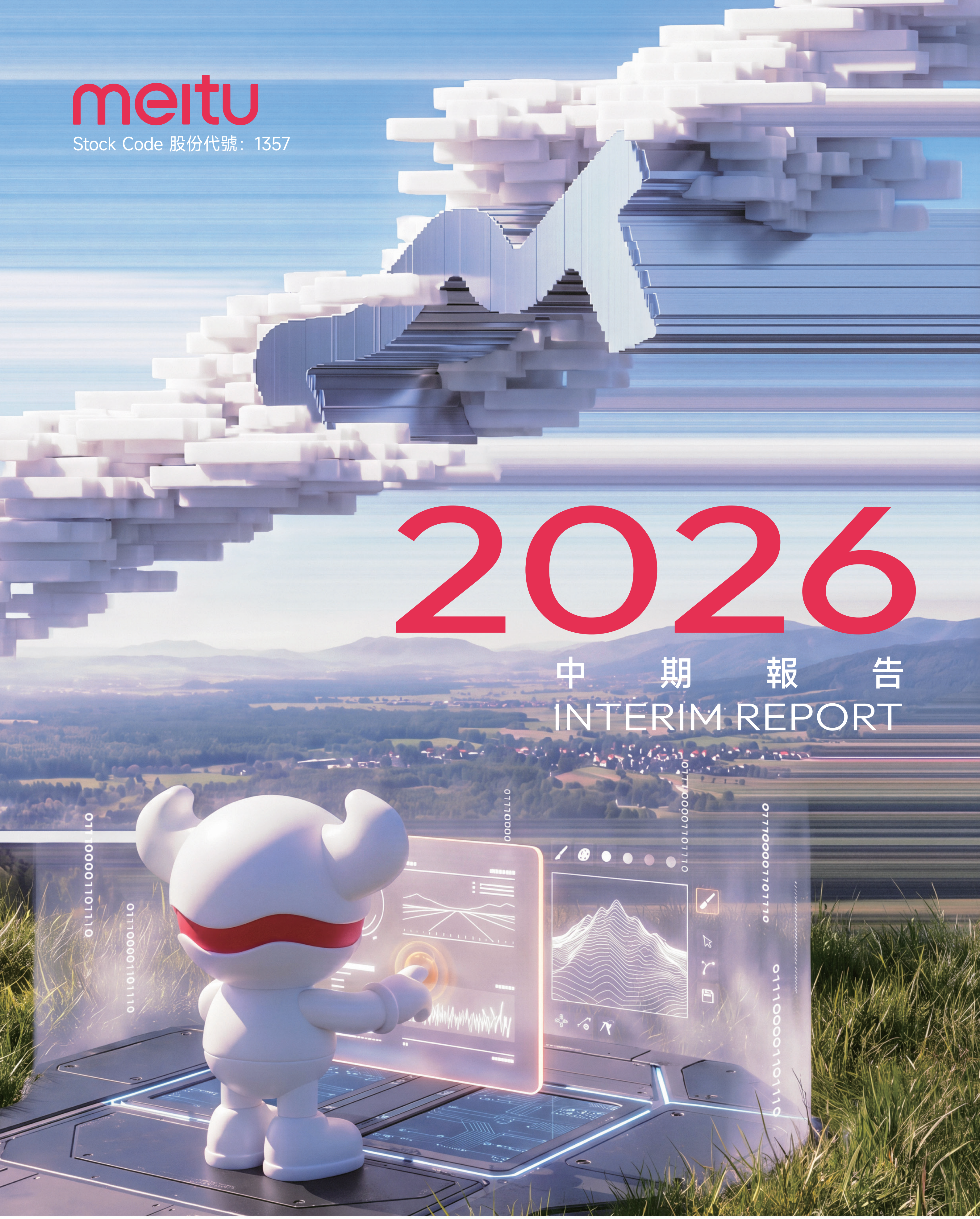

2026
中期報告
INTERIM REPORT

於開曼群島註冊成立的有限公司，並以「美圖之家」名稱於香港經營業務
Incorporated in the Cayman Islands with limited liability and carrying on business in Hong Kong as "美圖之家"

2026 INTERIM REPORT

CONTENTS

Corporate Information

BOARD OF DIRECTORS

Executive Director
Mr. WU Zeyuan *(Chairman of the Board and Chief Executive Officer)*
(also known as: Mr. WU Xinhong)

Non-Executive Directors
Mr. CHEN Jiarong
Mr. HONG Yupeng
Mr. JIN Qin *(appointed on August 26, 2026)*

Independent Non-Executive Directors
Mr. ZHOU Hao
Mr. LAI Xiaoling
Ms. POON Philana Wai Yin

AUDIT COMMITTEE
Mr. ZHOU Hao *(Chairman)*
Mr. LAI Xiaoling
Mr. HONG Yupeng

REMUNERATION COMMITTEE
Mr. LAI Xiaoling *(Chairman)*
Mr. ZHOU Hao
Ms. POON Philana Wai Yin

NOMINATION COMMITTEE
Mr. WU Zeyuan *(Chairman)*
Mr. ZHOU Hao
Ms. POON Philana Wai Yin

COMPANY SECRETARY
Mr. NGAN King Leung Gary

AUTHORISED REPRESENTATIVES
Mr. WU Zeyuan
Mr. NGAN King Leung Gary

AUDITOR
PricewaterhouseCoopers
Certified Public Accountants
Registered Public Interest Entity Auditor

REGISTERED OFFICE
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PO Box 2681
Grand Cayman, KY1-1111
Cayman Islands

Corporate Information

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The People's Republic of China

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Kowloon
Hong Kong

LEGAL ADVISORS
As to Hong Kong law
Woo Kwan Lee & Lo

As to PRC law
Jingtian & Gongcheng

As to Cayman Islands law *(in alphabetical order)*
Appleby
Conyers Dill & Pearman

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE
Conyers Trust Company (Cayman) Limited
Cricket Square, Hutchins Drive
PO Box 2681
Grand Cayman, KY1-1111
Cayman Islands

HONG KONG SHARE REGISTRAR
Computershare Hong Kong Investor Services Limited
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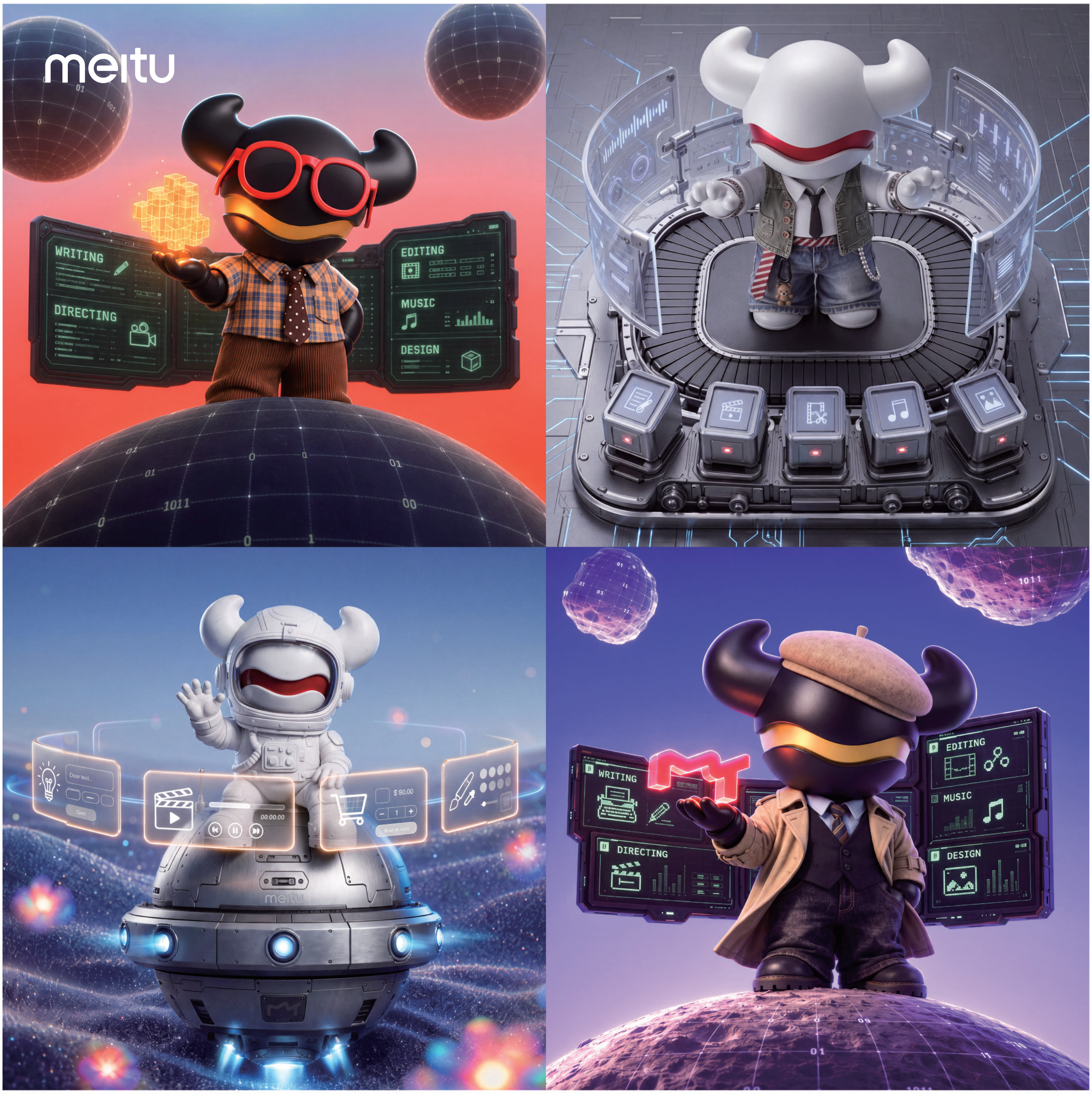
Hopewell Centre
183 Queen's Road East
Wanchai
Hong Kong

PRINCIPAL BANKERS
The Hong Kong and Shanghai Banking Corporation Limited
China Merchants Bank (Offshore Banking)

STOCK CODE
1357

COMPANY WEBSITE
www.meitu.com



2026 FIRST HALF HIGHLIGHTS

2026 First Half Highlights

- Total paying subscribers exceeded 18.44 million, with the growth from markets outside of Mainland China approximately doubling that from Mainland China, showcasing the steady progress in our Globalisation strategy. Particularly, the majority of overseas paying subscriber additions came from high-ARPPU regions, including East Asia, Latin America, and Europe.

- For the six months ended June 30, 2026, Applications for Productivity showcased strong growth momentum, with MAU reaching a record high of 33 million in June. In particular, markets outside of Mainland China recorded rapid growth, with MAU increasing by over 80% YoY.

- As of June 2026, Annual Recurring Revenue ("**ARR**")[(1)] for AI-driven Productivity Applications further expanded to approximately RMB620 million. Among them, *Kaipai* and *Vmake Labs* more than doubled and tripled in ARR over the past year, respectively. In addition, users' AI credits consumption recorded over 46% sequential growth in both first and second quarters of 2026, with the growth rate further accelerating in the second quarter, reflecting sustained user engagement with AI-driven visual creation workflows.

- With increased operating leverage, IFRS Net Profit[(2)] for the six months ended June 30, 2026 increased by 40.0% YoY and Adjusted Net Profit[(3)] grew by 39.5% YoY, respectively.

(1) ARR, or Annual Recurring Revenue, is calculated by annualising monthly recurring revenue from active subscriptions and usage-based consumption. This figure excludes revenues from products and services that are non-recurring in nature.

(2) Attributable to Owners of the Company from continuing operations.

(3) For better comparability with the corresponding period last year on a consistent basis, Adjusted Net Profit Attributable to Owners of the Company includes results from discontinued operations.

Key Financial Data

	Six months ended June 30, 2026 RMB'000	2025 RMB'000 (Restated)	YoY change (%)
Revenue[1]	**2,212,839**	1,812,888	22.1%
– Photo, video and design products	**1,769,111**	1,351,353	30.9%
– Advertising	**414,656**	433,549	-4.4%
– Others[2]	**29,072**	27,986	3.9%
Gross Profit[1]	**1,581,491**	1,365,004	15.9%
Gross Margin[1]	**71.5%**	75.3%	-3.8p.p.
Net Profit Attributable to Owners of the Company[1]	**619,462**	442,515	40.0%
Adjusted Net Profit Attributable to Owners of the Company[3]	**652,043**	467,429	39.5%

(1) Unless otherwise specified, all figures presented are from continuing operations only. For details on the discontinued operations, please refer to the section headed "Management Discussion and Analysis – Others".

(2) Includes AI skin analysis business recategorised from Solutions for beauty industry.

(3) For better comparability with the corresponding period last year on a consistent basis, Adjusted Net Profit includes results from discontinued operations. For further details, please refer to the section headed "Management Discussion and Analysis – Profit for the Period and Non-IFRSs Measure: Adjusted Net Profit".

Key Operational Data

	As of June 2026 millions	2025 millions	YoY change (%)
MAU	**282**	280	0.7%
Breakdown by application use case:			
– Applications for Leisure[1]	**249**	257	-3.1%
– Applications for Productivity[2]	**33**	23	43.5%
Breakdown by geography:			
– Mainland China	**181**	182	-0.5%
– Markets outside of Mainland China	**101**	98	3.1%
Paying Subscribers	**18.44**	15.40	19.7%
Breakdown by application use case:			
– Applications for Leisure[1]	**16.09**	13.54	18.8%
– Applications for Productivity[2]	**2.35**	1.81	29.8%
Subscription Rate	**6.5%**	5.5%	1.0p.p.
Breakdown by application use case:			
– Applications for Leisure[1]	**6.5%**	5.3%	1.2p.p.
– Applications for Productivity[2]	**7.1%**	7.9%	-0.8p.p.

(1) "Applications for Leisure" refers to users from products focusing on casual use cases such as photography, image and video editing, etc.

(2) "Applications for Productivity" refers to users from products focusing on productivity use cases such as e-commerce marketing materials, talking videos, music videos, etc.

Chairman's Statement

Dear Shareholders,

In the first half of 2026, total revenue increased by 22.1% YoY to RMB2.2 billion, with our Photo, video and design business growing 30.9% YoY. Adjusted Net Profit attributable to Owners of the Company increased by 39.5% YoY to RMB652 million. MAU reached approximately 282 million in June 2026, and paying subscribers exceeded 18.44 million.

WHAT THE FIRST HALF TAUGHT US

The most instructive figure of the period was not revenue or profit growth, but rather AI credits consumption, which grew over 46% sequentially in both the first and second quarters — roughly 113% across the half. This comes from paying users of our AI-driven productivity applications.

Users do not consume credits at that rate out of novelty; rather, it reflects how they iterate towards a result they can picture but cannot yet fully specify. This is the defining characteristic of visual creation: a satisfactory outcome is subjective, dependent on context, brand and aesthetic preference, and no model can consistently arrive at the intended result from a single prompt. A more capable model raises the standard of output and shifts differentiation towards who can best narrow the gap between a good output and the intended result.

That is the gap we aim to close. It requires understanding user intent, decomposing complex tasks through Agent Teams, orchestrating the most suitable models and skills across our self-developed MiracleVision model and third-party APIs, and giving users precise editing control over the final result. As users move through repeated cycles of generation, review and adjustment, we can continuously refine our understanding of the preferences and standards that define a satisfactory result in each vertical.

APPLICATIONS FOR LEISURE

Our Applications for Leisure continued to provide a resilient foundation, with revenue up 32.3% YoY for the six months ended June 30, 2026 and paying subscribers reaching 16.09 million. Paying subscriber growth in international markets continued to outpace that of Mainland China.

Beyond this foundation, taking these applications global has also strengthened our international operating capabilities — teams that have worked in these markets and a deeper understanding of local aesthetics. This know-how can transfer to new products: *Vmake Labs*, our fastest-growing productivity application outside of Mainland China, is run by a team that grew out of *BeautyCam*.

APPLICATIONS FOR PRODUCTIVITY

MAU from Applications for Productivity reached a record high of 33 million in June 2026, paying subscribers grew 29.8% YoY to 2.35 million, and revenue increased 40.1% YoY[1] to approximately RMB323 million. We expect these applications to drive our next phase of growth.

ARPPU across these applications is approximately 50% higher than across our leisure applications. We do not regard that premium as sufficient. It reflects a period when our productivity applications offered little mechanism for a committed user to spend materially more. Traditional subscription tiers imposed a fixed ceiling on spend. The agent capabilities we began integrating across products in the first half of 2026 lifted that ceiling: users running complex, repeated tasks consume credits in proportion to the work performed.

(1) As the Group exited the stock photo business by the end of 2025, such YoY growth rate is presented on a like-for-like basis, excluding the contribution from this legacy business in the six months ended June 30, 2025 (RMB27 million), to better reflect the growth momentum of our Applications for Productivity.

This is already visible among our high-spending users. Several thousand users of *Designkit* now spend at an annualised rate of roughly 10x our blended ARPPU (blended ARPPU across leisure and productivity applications was around RMB200 per year), and this cohort has grown approximately six times since December 2025. Although the absolute number is small and adoption remains at an early stage, what the cohort establishes is that the spending ceiling for productivity users is set by what the product can accomplish for them, not by the price bands our applications have historically adopted.

MVLAND, our application for AI music video creation, has shown similar potential since launch. It is currently monetising at approximately RMB220 per paying subscriber per month — a level comparable to the pricing of professional creative tools and roughly 13 times our blended ARPPU. Although *MVLAND* remains at an early stage with a relatively small paying subscriber base, it nevertheless shows that we can build products capable of monetising at this level.

WHERE WE COMPETE

If general-purpose model capability is becoming widely accessible, the fair question is why value at the application layer accrues to us rather than to a general model developer launching its own application.

Developing general capability is a fundamentally different problem from meeting a specific standard. The former is a function of compute and scale, but the resulting capability does not remain scarce: each advance quickly becomes common across the industry. General models advanced substantially again in the first half of 2026, and our Photo, video and design business grew alongside those advances rather than being displaced by them. Understanding what users in a particular vertical and market consider a good result comes from repeated use. Unlike general capability, this understanding does not spread automatically. It accumulates only where a large user base generates feedback, and where an organisation can interpret that information and turn it into product improvements. This is our first advantage, and it is also why we continue to refine MiracleVision rather than rely entirely on third-party models: a closed API cannot absorb our users' visual preferences.

Our training is deliberately narrow. We do not train MiracleVision to handle every conceivable request. We focus on the small set of operations that determine whether an image of a person is aesthetically acceptable, such as relighting, makeup, hair and portrait detail. These are the areas where users are most discerning and where a model optimised for average quality across all subjects is least likely to excel. A general-purpose model must allocate capacity across everything. We allocate ours to the operations that matter most to the final result. This focus allows a smaller model to outperform a larger one within its domain at a fraction of the training cost. This is our second advantage.

The third advantage belongs to the user rather than to us: the creative assets they build inside our products allow them to complete subsequent tasks faster than if they started elsewhere.

LOOKING AHEAD

The clearest change in our thinking over the past six months is how we start new products. A year ago, our approach was to identify AI capabilities and add them to existing products. We have since learned that validating a product in a new vertical no longer requires a large team or a long runway — *MVLAND* reached a defensible price point within months of launch with a small team. The constraint on entering new verticals is no longer capital; it is the number of capable teams we can find and back. We have therefore established several internal studios to develop new products independently and launched an accelerator programme to identify and fund both internal and external teams. This structure does not assume that every product idea will succeed. Each studio receives approximately RMB10 million, a budget deliberately kept small to ensure a timely verdict rather than a prolonged search. Studios that do not achieve commercial traction within that budget are closed, and their teams are reassigned to other products. The cost of an unsuccessful attempt is therefore time rather than additional headcount. Several studios were discontinued on this basis in the first half. Where a product shows early traction, as *MVLAND* and *Picchi* have, we deploy marketing and engineering resources to help it scale.

Chairman's Statement

Our second area of focus is globalisation, and we are raising the standard we hold ourselves to. Operating in a market through localised distribution is not the same as building a product conceived for that market. Product managers are now spending extended periods overseas — not only where we already have a meaningful presence, such as the United States, Japan, Korea and Southeast Asia, but also where our priorities lie for the next stage, including Brazil and Mexico. We are also prototyping a different operating structure: marketing and operations centres serving groups of markets that share similar aesthetic preferences, rather than a single organisation covering all of them. Aesthetic affinity, not geography, is the more useful axis around which to organise our teams.

DIVIDEND

Finally, the Board has declared an interim dividend of HK$0.067 per Share (the "**Interim Dividend**") in cash out of the Share Premium Account for the six months ended June 30, 2026. The Interim Dividend is expected to be paid on or about Wednesday, September 23, 2026 to the Shareholders whose names appear on the register of members of the Company at the close of business on Monday, September 14, 2026. Details of the payment of the Interim Dividend are set forth in the section headed "Management Discussion and Analysis — Dividends" in this interim report.

APPRECIATION

On behalf of everyone at Meitu, I would like to express our sincere gratitude to all of our users, Shareholders and stakeholders for their unwavering support and confidence in the Company. I would also like to thank our employees and management team for embodying Meitu's core values in their daily work and for executing the Group's strategy with professionalism, integrity, and dedication. With our market-leading position in uniting art and technology, we invite you to join us as we collectively shape the future of AI-powered design and creativity.

Wu Zeyuan
Chairman

Management Discussion and Analysis

BUSINESS OVERVIEW

Mission

Founded in 2008, we are an AI technology company with the mission to unite art and technology. We are committed to creating world-class creative applications to make the production of photos, videos, and designs easier with the best user experience.

Our Businesses

We have three main revenue lines:

- Photo, video and design products
- Advertising
- Others

Photo, Video and Design Products

With a focus on the photo and video industry, we have created a comprehensive portfolio of applications to meet the diverse demands of the creator community, including everyday users, KOLs, professional designers, small businesses and others. We have also accumulated profound insights into users' aesthetic needs and the forefront trend of photo and video development, with which we endeavour to provide top-performance products for a variety of vertical use cases. As a result, we have built up a large and highly valuable user base, who actively utilises our products for both productivity and leisure purposes. In addition to a suite of free features, our users may choose to pay for subscription plans, purchase AI credit packages based on their usage needs, and make one-off payments for individual features and functions.

Our Photo, video and design products can be grouped under Applications for Productivity and Applications for Leisure:

Applications for Productivity

For Applications for Productivity, we focus on verticals where efficiency gains and cost savings can be clearly demonstrated, and build our products around vertical-specific, end-to-end workflows to deliver high-quality outcomes for users. We offer various products to cater to distinctive needs from various industries, including e-commerce, talking video, music video, and offline retail. We enable both everyday users and professional designers to efficiently produce professional-grade outputs. In the six months ended June 30, 2026, we continued to see strong growth in paying subscribers for our Applications for Productivity, particularly in markets outside of Mainland China. At the same time, we have begun to observe ARPPU improvement and an expansion of high-ARPPU user cohorts in selected Applications for Productivity, indicating potential for deeper monetisation over time.

We continued to deepen the application of AI agents across our Applications for Productivity. By integrating our aesthetic know-how and industry-specific expertise into repeatable workflows, our AI agents are designed to operate both as domain specialists and coordinated agent teams within specific use cases. They can decompose user requests, orchestrate the appropriate AI models, agentic workflows and manual editing capabilities, and generate context-aware outputs aligned with industry standards, user intent and commercial scenarios. This integrated architecture enhances precision, consistency and controllability across the end-to-end design process, enabling users to produce high-quality outputs more efficiently and with less reliance on repetitive manual work.

Designkit

Designkit focuses on the "AI workflow for e-commerce design", enabling e-commerce merchants and content creators to efficiently produce complete sets of product images or individual visuals for global e-commerce platforms and social media channels. Users can start by selecting from *Designkit*'s specialised functions, such as "*E-commerce Design Agent*", "*Poster Design Agent*", "*Video Creation Agent*" and "*Brand Design Agent*", or ready-to-use prompts, each tailored to address specific commercial scenarios. Upon selection, users are presented with a structured and pre-configured prompt with key input parameters to fill in, such as product category, output dimension, sales platform, and language preferences. Once users provide the required information and upload reference images, the selected AI agent analyses the inputs, formulates the appropriate creative approach and processes the request accordingly.

In June 2026, *Designkit* further evolved its single-agent approach into a multi-agent workflow through Agent Teams. This brings together the *"Market Insights Agent"*, *"Content Planning Agent"*, *"Visual Creation Agent"* and *"Data Analytics Agent"*, each contributing domain-specific expertise while coordinating across different stages of the e-commerce design workflow. Compared with the previous single-agent scenarios, Agent Teams are able to support a broader end-to-end workflow, from market research and content planning to product image and video creation, while also assisting users with platform-specific requirement checks before output delivery. By integrating these capabilities within a single platform, *Designkit*'s Agent Teams can enhance the stability and consistency of outputs, enabling users to generate visual assets that are ready for deployment across multiple e-commerce platforms. Since December 2025, the *"Agent"* function within *Designkit* remained as the top driver of billings' growth[(1)], demonstrating strong commercial traction.

At the same time, users retain flexibility and control over the outputs. Results may be further adjusted through text prompts or manual editing tools. In addition, users may save customised prompts and output styles as reusable templates, enabling batch application across multiple images to enhance efficiency and consistency. *Designkit* also offers a team collaboration mode, allowing multiple users to access projects simultaneously and manage shared brand assets through a centralised library for efficient collaboration and future reuse.

In June 2026, *Designkit* announced a strategic collaboration with WPS Office (an office productivity software suite), integrating its AI-powered design capabilities into the WPS Docer ecosystem. Through this partnership, users can seamlessly access *Designkit*'s AI functions within the WPS Office interface, including AI poster generation, product image creation and editing, and short video generation. Since integration, we have seen a steady increase in paying users from the collaboration.

Kaipai* and *Vmake Labs

Kaipai and *Vmake Labs* (formerly known as *Vmake*) specialise in "AI workflow for talking video and marketing video production", empowering users to easily create professional marketing videos either through pre-made templates or their own films.

We have adopted a vertical-led growth strategy by targeting industry professionals with strong talking video needs but limited video production expertise. *Kaipai* continues to focus on sectors such as healthcare and wellness, education, beauty products, insurance and real estate. These industries have increasingly transitioned from predominantly offline to online customer acquisition and engagement as social e-commerce continues to expand in China. Many of these users are new to video creation and have limited time and technical capability. Rather than requiring them to master complex editing tools, *Kaipai* simplifies the entire production process through guided workflows, significantly lowering the barrier to entry. As a result, *Kaipai*'s MAU more than doubled YoY and its paying subscribers grew at an even faster pace, reaching more than 2.5x the level recorded a year earlier. This reflects strong product-market alignment and sustained user demand.

(1) Based on net billings (after deducting payment channel commissions and refunds) from *Designkit*'s web and mobile app portals in aggregate.

Management Discussion and Analysis

During the 2026 Meitu Multimedia Festival, *Kaipai* launched the Agent Teams mode, introducing four specialised agents specifically designed for the talking video vertical, including *"Directing Agent"*, *"Marketing Agent"*, *"Production Agent"*, and *"Editing Agent"*. By coordinating with one another across ideation, content production, performance analysis and data-driven optimisation, these four agents support a more integrated end-to-end production process and deliver outputs with greater comprehensiveness and consistency than single-agent workflows.

Meanwhile, *Vmake Labs* continued to expand in markets outside of Mainland China, including North America, Europe and South America. By June 2026, total MAU of *Vmake Labs* increased by over 54% YoY, while its ARR reached approximately US$5 million, indicating continued improvement in user traction and monetisation capability.

MVLAND

MVLAND is an AI-powered music video ("**MV**") creation platform designed for musicians and content creators. It supports MV-specific creation workflows covering music interpretation, scene planning, character generation, visual style selection, emotional expression and lyric subtitle integration. Through its music analysis agent and creative canvas, *MVLAND* helps users transform music tracks into structured visual narratives, edit individual segments with greater control and refine the overall storytelling of the final MV output.

Beyond video production, *MVLAND* is also extending its role within the broader music and visual-content ecosystem through collaborations with creator communities, music labels and brands. In June 2026, *MVLAND* collaborated with INDE COMPANY (a music IP and content label), *ZCOOL* (a designer community) and Kling AI (an AI video generation platform) to launch the "Hip-Hop Festival" AIMV Creation Competition, one of the first AIMV creation competitions focused on hip-hop music in China. Within just over one month of launch, the competition attracted over 580 submissions from musicians and independent creators, demonstrating strong early traction among the creator community. Under this collaboration, INDE COMPANY provides authorised music and IP resources, while *MVLAND*, Kling AI and *ZCOOL* jointly support creators through AI creation capabilities, computing resources, competition operations and marketing distribution. By enabling creators to produce music videos based on authorised professional music and IP resources, this initiative further strengthens *MVLAND*'s integration with industry partners across the music and visual-content ecosystem.

Picchi

In June 2026, we officially launched *Picchi*, an AI-native photo retouching agent application designed to make professional retouching more efficient, consistent and personalised. *Picchi* is primarily designed for creators, KOLs and self-employed professionals who need to maintain a professional and consistent online visual presence that supports content creation, personal branding and commercial activities.

Through its "*Style DNA*" feature, *Picchi* learns users' aesthetic preferences from uploaded original and edited photos, and creates a personalised retouching agent that can apply the same style consistently across multiple photos. Users may also leverage "*Creator DNA*" to apply retouching styles developed by creators and KOLs for one-click batch processing. Supported by specialised AI agents covering colour grading, makeup, styling, lighting and portrait refinement, *Picchi* reduces the need for repetitive manual adjustments while delivering images with a consistent and personalised visual style.

Applications for Leisure

The *Meitu app*, *BeautyCam* and *Wink* are our core products focusing on image and video editing, as well as camera and photoshooting, for leisure purposes. As of June 2026, MAU for Applications for Leisure remained stable, with paying subscribers continuing to grow steadily. Notably, paying subscriber growth in markets outside of Mainland China significantly outpaced that in Mainland China. As a result, the subscription rate for Applications for Leisure reached 6.5%, demonstrating continued enhancement in our monetisation capability.

Management Discussion and Analysis

- The *Meitu app* is our flagship product addressing users' needs in photo retouching and portrait beautification. Since 2015, the *Meitu app* has consistently ranked first in terms of MAU within the photo tools market in China, according to QuestMobile. In overseas markets, the *Meitu app* continued to strengthen user engagement through seasonal and localised campaigns. During the cherry blossom season, daily active users (**DAU**) from Japan and South Korea peaked at nearly 1 million, and the highest single-day paying subscriber additions during the period tripled YoY. In Southeast Asia, the "*Flash Filter*" series further strengthened user traction, helping the *Meitu app* rank first in app download charts in Malaysia, Indonesia, and Vietnam.

- *BeautyCam* focuses on the photoshooting functionality and caters to users who prefer taking photos with embedded filters and styles. Users can choose a variety of effects ranging from make-up filters to special camera settings to cater to their preferences.

- *Wink* is our AI video editing application, enabling users to edit and retouch videos through pre-made templates and in-app functions. *Wink*'s signature *"Quality Restoration"* feature can automatically detect and improve imperfections in images or videos, such as blurriness, reduced visual clarity, and scratches. In addition to general applications, *Wink* offers specialised enhancements for various vertical-specific scenarios, including concerts, gaming, anime, and text.

Looking ahead, while continuing to strengthen our core image and video editing capabilities and enhance user experience in China, we will continue to expand user mindshare in international markets. We aim to achieve this through developing more engaging features, ongoing optimisation of recommendation capabilities, deeper user co-creation and localised marketing channels. By improving user discovery and engagement across different regions, we seek to further enhance user stickiness and willingness to pay across our Applications for Leisure.

Advertising

For online advertising, we mainly generate revenue from programmatic advertisement and brand advertisement. For programmatic advertisement, we have established long-term partnerships with multiple leading advertising network platforms, enabling an efficient bidding process through our independently operated bidding platform. We continuously provide high-quality advertising inventory to our partner network platforms, which in turn bring us diverse advertising demands, resulting in a mutually beneficial partnership.

For brand advertisement, we offer a range of creative formats to meet advertisers' evolving marketing needs. In addition to traditional splash screens and banner advertisements, we have developed AI-enabled formats such as "*Creative Effects*" and "*AI Templates*", enabling advertisers to deliver interactive branded content that enhances user engagement and strengthens brand awareness.

In the six months ended June 30, 2026, we further demonstrated our capability in delivering AI-driven creative advertising solutions through collaborations with leading global brands, including Coca-Cola, Lancôme, Estée Lauder and Jordan. Leveraging our AIGC technologies, we helped brands transform marketing concepts into interactive visual experiences across scenarios such as fan co-creation, beauty product visualisation, virtual apparel try-on and festive social sharing campaigns. Through customised visual effects and interactive content formats, we supported brands in building a more integrated marketing journey from exposure and engagement to sharing and conversion, further validating the commercial value of AI-powered creative advertising.

Others

The Others segment primarily comprises legacy products and services that are not relevant to our principal business of Photo, video and design products.

Management Discussion and Analysis

SIX MONTHS ENDED JUNE 30, 2026 COMPARED TO SIX MONTHS ENDED JUNE 30, 2025

	Unaudited Six months ended June 30, 2026 RMB'000	2025 RMB'000 (Restated)
Revenue	**2,212,839**	1,812,888
Cost of sales	**(631,348)**	(447,884)
Gross profit	**1,581,491**	1,365,004
Selling and marketing expenses	**(327,618)**	(290,667)
Administrative expenses	**(222,784)**	(216,617)
Research and development expenses	**(473,138)**	(451,347)
Net impairment losses on financial assets	**(2,008)**	(2,433)
Other income	**5,691**	14,537
Other gains, net	**201,199**	28,131
Finance (costs)/income, net	**(19,577)**	37,359
Share of gains/(losses) of investments accounted for using the equity method	**2,296**	(4,270)
Profit before income tax	**745,552**	479,697
Income tax expense	**(128,093)**	(37,705)
Profit from continuing operations	**617,459**	441,992
Profit/(Loss) from continuing operations attributable to:		
– Owners of the Company	**619,462**	442,515
– Non-controlling interests	**(2,003)**	(523)
Loss from discontinued operations	**–**	(62,748)
Profit for the Period	**617,459**	379,244
Profit/(Loss) attributable to:		
– Owners of the Company	**619,462**	397,020
– Non-controlling interests	**(2,003)**	(17,776)
Non-IFRSs measure:		
Adjusted Net Profit for the Period	**650,165**	450,339
Adjusted Net Profit/(Loss) attributable to		
– Owners of the Company[1]	**652,043**	467,429
– Non-controlling interests	**(1,878)**	(17,090)

(1) For details of Adjusted Net Profit attributable to Owners of the Company, please refer to the section headed "Management Discussion and Analysis – Profit for the Period and Non-IFRSs Measure: Adjusted Net Profit".

Management Discussion and Analysis

Revenue

We primarily serve the photo and video industry, offering a comprehensive suite of products and services to our users. Revenue from our Photo, video and design products is mainly generated through subscriptions and in-app purchases, including individual features and AI credits. In addition, we can also generate revenue from advertising and marketing services within our applications. Accordingly, our revenue is categorised into (i) Photo, video and design products; (ii) Advertising; and (iii) Others.

The following table presents our revenue lines and the corresponding percentages of total revenue for the periods presented. For the six months ended June 30, 2026, our total revenue increased by 22.1% to RMB2,212.8 million from RMB1,812.9 million for the six months ended June 30, 2025. Such increase was primarily attributable to revenue growth from our core business of Photo, video and design products, supported by the continued expansion of our paying subscriber base and improvement in ARPPU.

	Six months ended June 30,			
	2026		2025 (Restated)	
	Amount RMB'000	% of total revenue	Amount RMB'000	% of total revenue
Photo, video and design products	**1,769,111**	**79.9%**	1,351,353	74.5%
Advertising	**414,656**	**18.7%**	433,549	23.9%
Others	**29,072**	**1.4%**	27,986	1.6%
Total	**2,212,839**	**100%**	1,812,888	100%

Photo, Video and Design Products

Our Photo, video and design products segment maintained strong growth momentum, with revenue increasing by 30.9% YoY to RMB1,769.1 million for the six months ended June 30, 2026 (six months ended June 30, 2025: revenue of RMB1,351.4 million). The growth in revenue scale was driven by both the continued expansion of our paying subscriber base and improvement in ARPPU.

As of June 2026, total number of paying subscribers of our products increased by 19.7% YoY to 18.44 million. Notably, paying subscriber growth from markets outside of Mainland China approximately doubled that from Mainland China. Particularly, the majority of overseas paying subscriber additions came from high-ARPPU regions, including East Asia, Latin America, and Europe. As paying subscribers from overseas markets, where subscription pricing is generally higher, accounted for an increasing share of our total paying subscriber base, our blended ARPPU also improved, providing additional support to overall revenue growth.

Advertising

For the six months ended June 30, 2026, revenue from Advertising decreased by 4.4% YoY to RMB414.7 million (six months ended June 30, 2025: revenue of RMB433.5 million). The slight decrease was primarily due to lower revenue contribution from brand advertisement and other legacy advertising formats, partially offset by the growth in programmatic advertisement.

Others

Other businesses are mainly legacy products and services that are not relevant to our principal business of Photo, video and design products. On November 1, 2025, we discontinued the cosmetic supply chain management services previously included under the Solutions for beauty industry business, and recategorised the remaining AI skin analysis solutions business under the Others segment.

Management Discussion and Analysis

For the six months ended June 30, 2026, other revenue from the Group increased by 3.9% YoY to approximately RMB29.1 million (six months ended June 30, 2025: revenue of approximately RMB28.0 million).

Cost of Sales

For the six months ended June 30, 2026, our costs of sales were RMB631.3 million, an increase of 41.0% from RMB447.9 million for the six months ended June 30, 2025, primarily driven by cost of sales related to our Photo, video and design business. Specifically:

The majority of cost was revenue sharing fee to payment channels, which grew by 33.8% YoY to RMB375.6 million. This portion of cost mainly consisted of revenue sharing fees payable to payment channels including Apple and Google, in connection with subscriptions and in-app purchases. This portion of cost increased in line with the growth of revenue from Photo, video and design products.

The second largest cost was computing power and cloud-related costs, which increased by 25.0% YoY to RMB134.1 million, with more than half attributable to inference-related computing power costs driven by increased usage across our applications.

Additionally, third-party API costs remained at a mid-single-digit percentage of revenue from Photo, video and design products. This reflects our continued ability to optimise between output quality, usage growth and cost efficiency, supported by our in-house R&D capabilities and self-developed model capabilities. In the six months ended June 30, 2026, more than 96% of outputs were generated from our self-developed model layers.

Gross Profit and Margin

Our gross profit for the six months ended June 30, 2026 was RMB1,581.5 million, an increase of 15.9% from RMB1,365.0 million for the six months ended June 30, 2025, while our gross margin was 71.5% for the six months ended June 30, 2026, compared to 75.3% for the same period last year. The slight decrease in gross margin was primarily attributable to changes in revenue mix across product lifecycles and business segments. First, within our Photo, video and design products, as AI usage continued to deepen across the application portfolio, our early-stage AI-native Applications for Productivity delivered faster revenue growth than our more mature applications. These early-stage applications currently carry relatively higher API cost per unit of revenue, while our mature applications, including the *Meitu app* and *BeautyCam*, maintained a gross margin profile broadly consistent with prior periods. Second, Advertising, which has a relatively higher gross margin, accounted for a lower proportion of total revenue during the period.

For our AI-native Applications for Productivity, we generally prioritise product-market validation and user adoption over near-term margin optimisation during the initial stage of product development. As these products scale up and usage patterns mature, we aim to improve their gross margin profile over time.

Selling and Marketing Expenses

Selling and marketing expenses were RMB327.6 million for the six months ended June 30, 2026, representing an increase of 12.7% from RMB290.7 million for the six months ended June 30, 2025. The increase was primarily attributable to targeted promotional initiatives to drive growth of Applications for Productivity in Mainland China and Applications for Leisure in markets outside of Mainland China. Selling and marketing expenses as a percentage of revenue from Photo, video and design products and Advertising remained stable, being 15.0% and 16.3% for the six months ended June 30, 2026 and June 30, 2025, respectively.

Administrative Expenses

Administrative expenses were RMB222.8 million for the six months ended June 30, 2026, largely in line with RMB216.6 million for the six months ended June 30, 2025.

Research and Development ("R&D") Expenses

R&D expenses were RMB473.1 million for the six months ended June 30, 2026, representing an increase of 4.8% from RMB451.3 million for the six months ended June 30, 2025. The reported growth rate reflected the impact of expenses incurred in the first half of 2025 related to general-purpose foundational model training. Since then, we have further shifted our R&D focus towards vertical-specific model training and application-level optimisation. Excluding expenses related to general-purpose foundational model training, R&D expenses would have increased by 11.1% YoY, reflecting our continued investment in vertical-specific AI capabilities.

Going forward, we will continue to invest in R&D talent, vertical-specific model training and application-level optimisation to better tailor our AI applications to users' aesthetic needs and enhance user experiences.

Other Income

Other income for the six months ended June 30, 2026 was RMB5.7 million, compared to RMB14.5 million for the six months ended June 30, 2025.

Other Gains, Net

Other gains, net were RMB201.2 million for the six months ended June 30, 2026, compared to RMB28.1 million for the same period last year, primarily attributable to RMB237.8 million from fair value changes on long-term investments[1].

Finance (costs)/income, net

Finance (costs)/income, net mainly comprised the finance costs associated with the convertible bond issuance to Alibaba.com China Limited ("**Alibaba Subscriber**"), bank interest income, interest expense and foreign exchange gains or losses. Our finance costs, net were RMB19.6 million for the six months ended June 30, 2026, compared to net income of RMB37.4 million for the six months ended June 30, 2025, primarily due to RMB60.0 million in finance costs from fair value changes related to the convertible bond issuance to the Alibaba Subscriber[2].

Income Tax Expense

Income tax expenses for the six months ended June 30, 2026 were RMB128.1 million, compared to RMB37.7 million for the six months ended June 30, 2025, mainly due to the increase in relevant deferred tax liabilities recognised in relation to the fair value increases of financial assets at fair value through profit or loss. Excluding tax impact mainly related to fair value changes in investments, income tax expenses would have been RMB63.1 million.

Profit for the Period and Non-IFRSs Measure: Adjusted Net Profit

Net profit for the six months ended June 30, 2026 increased to RMB617.5 million, representing an increase of 62.8% from RMB379.2 million for the six months ended June 30, 2025, primarily due to: (i) increased gross profit contribution from the Group's core businesses; (ii) an increase in operating leverage as the growth in operating expenses was lower than the growth in gross profit; and (iii) the increase in fair value changes of financial assets at fair value through profit or loss.

(1) For more details, please refer to Note 6 to the consolidated financial statements.

(2) For more details, please refer to Note 17 in the consolidated financial statements.

Management Discussion and Analysis

To supplement our consolidated financial statements, which are presented in accordance with the IFRSs, we also use a non-IFRSs financial measure, "Adjusted Net Profit", as an additional financial measure, which is not required by, or presented in accordance with IFRSs. For the purpose of this interim report, "Adjusted Net Profit" will be used interchangeably with "Non-GAAP Net Profit". We believe that this additional financial measure facilitates comparisons of operating performance from period to period by eliminating potential impacts of items that our management does not consider to be indicative of our operating performance. We believe that this measure provides useful information to the Shareholders and others in understanding and evaluating our consolidated results of operations in a manner as if they were helping our management in doing so. However, our presentation of "Adjusted Net Profit" may not be comparable to a similarly titled measure presented by other companies. The use of this non-IFRSs measure has limitations as an analytical tool, and you should not consider it in isolation from, or as substitute for analysis of, our results of operations or financial condition as reported under IFRSs.

Adjusted Net Profit attributable to Owners of the Company was RMB652.0 million for the six months ended June 30, 2026, compared to RMB467.4 million for the six months ended June 30, 2025. For better comparability with the corresponding period last year on a consistent basis, Adjusted Net Profit includes results from discontinued operations.

The following table reconciles our Adjusted Net Profit for the six months ended June 30, 2026 and 2025 to the most directly comparable financial measure calculated and presented in accordance with IFRSs:

	Six months ended June 30,					
	2026			2025		
	Total RMB'000	Owners of the Company RMB'000	Non-controlling interests RMB'000	Total RMB'000	Owners of the Company RMB'000	Non-controlling interests RMB'000
Profit/(Loss) for the period	**617,459**	**619,462**	**(2,003)**	379,244	397,020	(17,776)
Excluding:						
Share-based compensation	**65,566**	**65,566**	**–**	57,421	57,421	–
Fair value changes on short-term investments – others	**62,655**	**62,655**	**–**	–	–	–
Fair value changes on long-term investments	**(237,788)**	**(237,788)**	**–**	(2,585)	(2,585)	–
Amortisation of intangible assets and other expenses related to acquisition	**17,266**	**17,119**	**147**	7,157	6,349	808
Impairment losses on goodwill	**–**	**–**	**–**	17,927	17,927	–
Finance costs related to convertible bonds	**60,044**	**60,044**	**–**	–	–	–
Tax effects	**64,963**	**64,985**	**(22)**	(874)	(752)	(122)
Others	**–**	**–**	**–**	(7,951)	(7,951)	–
Adjusted Net Profit/(Loss) attributable to	**650,165**	**652,043**	**(1,878)**	450,339	467,429	(17,090)

Non-controlling Interests

Non-controlling interests represent our profit/(loss) after taxation that is attributable to minority shareholders of our non-wholly owned subsidiaries.

Management Discussion and Analysis

Liquidity and Financial Resources

Our cash and other liquid financial resources as of June 30, 2026 and December 31, 2025 were as follows:

	June 30, 2026 RMB'000	December 31, 2025 RMB'000
Cash and cash equivalents	**1,359,983**	3,514,504
Short-term and long-term bank deposits	**2,982,327**	497,562
Short-term investments	**442,000**	884,146
Long-term treasury investments	**34,572**	40,556
Cash and other liquid financial resources	**4,818,882**	4,936,768

Cash and cash equivalents include cash in hand, deposits held at call with banks, and other short-term highly liquid bank deposits with original maturities of three months or less. Short-term and long-term bank deposits are those with original maturities over three months and redeemable on maturity. Short-term investments and long-term treasury investments are either redeemable at any time or redeemable on maturity and held with the primary objective of generating revenue at a yield higher than the current bank deposit rates.

During the six months ended June 30, 2026, none of the Group's subscription(s) in or redemption(s) of any treasury investment product, whether considered individually or on an aggregated basis, constituted a notifiable transaction of the Company under Chapter 14 of the Listing Rules.

Most of our cash and cash equivalents, short-term bank deposits, long-term bank deposits and short-term investments and long-term treasury investments are denominated in United States dollars, Renminbi, Singapore dollars and Hong Kong dollars.

Treasury Policy

We have adopted a prudent financial management approach towards our treasury policies and thus maintained a healthy liquidity position throughout the six months ended June 30, 2026. To manage the liquidity risk, the Board closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and other commitments can meet its funding requirements from time to time.

Capital Expenditure

Our capital expenditures primarily included expenditures for purchases of property and equipment and intangible assets.

	Six months ended June 30,	
	2026 RMB'000	2025 RMB'000
Purchase of property and equipment	**15,736**	7,541
Purchase of land use rights	**–**	22,660
Purchase of intangible assets	**528**	838
Total	**16,264**	31,039

Long-term Investment Activities

We have made minority investments that we believe have technologies or businesses that complement and benefit our businesses. Save as disclosed in the section headed "Significant Investments Held" below, none of these individual investments are regarded as material. Some of the investments we made were early-stage companies that do not generate meaningful revenues and profits. It is therefore difficult to determine the success of these investments at such an early stage, as successful investments could generate substantial returns, while unsuccessful ones may need to be impaired or written-off.

	Six months ended June 30,	
	2026	2025
	RMB'000	RMB'000
Investment in financial assets at fair value through profit or loss	**84,799**	80,772
Total	**84,799**	80,772

Foreign Exchange Risk

Our Group's subsidiaries are primarily incorporated in the PRC and Hong Kong, which considered Renminbi and United States dollars as their functional currencies, respectively. The Group is primarily exposed to foreign exchange risk arising from foreign currency transactions. Therefore, foreign exchange risk primarily arose from recognised assets and liabilities in our Group's PRC and Hong Kong subsidiaries when receiving or expecting to receive foreign currencies from, or paying or expecting to pay foreign currencies to business partners outside of Mainland China. As of June 30, 2026, we did not significantly hedge against any fluctuation in foreign currency (as of June 30, 2025: insignificant amount).

Pledge of Assets

As of June 30, 2026, the Group held a restricted deposit of RMB1,408,000 to guarantee payment of certain construction projects and restricted cash of RMB500,000 to guarantee certain operating payments (as of December 31, 2025: a restricted deposit of RMB3,129,000 to guarantee certain operating payments).

Contingent Liabilities

As of June 30, 2026, we did not have any significant contingent liabilities (as of December 31, 2025: nil).

Dividends

At the AGM, the Shareholders approved the payment of the final dividend of HK$0.05 per Share in cash out of the Share Premium Account for the year ended December 31, 2025, which was recommended by the Board. The final dividend was paid on June 26, 2026, and out of the total amount of the final dividend of approximately HK$227.4 million (equivalent to approximately RMB197.7 million), HK$2.24 million (equivalent to approximately RMB1.95 million) remained unclaimed as at June 30, 2026.

On August 26, 2026, the Board declared the payment of the Interim Dividend of HK$0.067 per Share in cash out of the Share Premium Account for the six months ended June 30, 2026 (2025: HK$0.045). The Company does not have a fixed dividend payout ratio, but the Company intends to maintain a stable dividend payout ratio per year.

It is expected that the Interim Dividend will be paid in cash on or about September 23, 2026 to those Shareholders whose names appear on the register of members of the Company at the close of business on September 14, 2026, being the record date for the determination of entitlement to the Interim Dividend.

Management Discussion and Analysis

As at September 14, 2026, the Company had an aggregate of 4,587,531,228 Shares in issue, of which 63,002,500 were treasury Shares. Based on the number of issued Shares (excluding treasury Shares), being 4,524,528,728 Shares as at September 14, 2026, the Interim Dividend amounts to approximately HK$303.1 million (equivalent to approximately RMB261.7 million) in aggregate. The Interim Dividend is intended to be paid out of the Share Premium Account pursuant to Article 136 of the Articles.

As of June 30, 2026, based on the unaudited consolidated financial statements of the Group for the six months ended June 30, 2026, the amount standing to the credit of the Share Premium Account was approximately RMB6,041.4 million (equivalent to approximately HK$6,998.4 million). Based on the number of issued Shares (excluding treasury Shares), being 4,524,528,728 Shares as at September 14, 2026 and assuming that there will be no further change to the amount standing to the credit of the Share Premium Account immediately before payment of the Interim Dividend, following the payment of the Interim Dividend, there will be a remaining balance of approximately RMB5,779.7 million (equivalent to approximately HK$6,695.3 million) standing to the credit of the Share Premium Account.

The Interim Dividend is not subject to any withholding tax.

As at September 14, 2026, an aggregate of 63,002,500 treasury Shares were held by the Company. Such treasury Shares would not receive the Interim Dividend.

Significant Investments Held

Minority Investments

1. *Shenzhen HBN Technology (Group) Company Limited*

   Meitu Networks owns 1.41 million ordinary shares with a par value of RMB1.00 each of Shenzhen HBN Technology (Group) Company Limited (深圳護家科技(集團)股份有限公司) ("**HBN**") (formerly known as Shenzhen Hujia Technology Co., Ltd. (深圳市護家科技有限公司) ("**Hujia Technology**")), representing approximately 23.81% equity interest in HBN, which is accounted for as an investment in associate using the equity method. The total acquisition cost of the Group's equity interests in HBN ("**HBN Equity Interests**") was approximately RMB70.9 million. HBN is a private company which principally operates in the skincare products business in the PRC, with business operations in good condition during the six months ended June 30, 2026.

   On August 30, 2025, Hujia Technology and its shareholders (including Meitu Networks) entered into a preferential rights termination agreement, pursuant to which the redemption rights, liquidation preference rights, and anti-dilution rights of Hujia Technology's shareholders were terminated and were *void ab initio* and the investment was converted to investment in associate accounted for using the equity method effective from August 30, 2025. On November 27, 2025, Hujia Technology was converted from a company with limited liability to a joint stock company now named HBN.

   As of June 30, 2026, the Group continued to hold a total of approximately 23.81% equity interest in HBN. During the six months ended June 30, 2026, the Group received dividends from HBN in the amount of RMB13.33 million (for the six months ended June 30, 2025: RMB8.94 million).

   The carrying amount of the HBN Equity Interests as of June 30, 2026 was approximately RMB1,066.8 million, equivalent to approximately 11.27% of the Group's total assets as at June 30, 2026. During the six months ended June 30, 2026, the Group recorded an unrealised gain of approximately RMB5.6 million in relation to the HBN Equity Interests.

   The Group recognises the potential prospects of HBN and the Group's investment strategy is to achieve strategic benefits and financial returns over time.

   Further details of the Group's investment in HBN and its historical background are set out in the section headed "Management Discussion and Analysis – Significant Investments Held" in the 2022 annual report of the Company published on April 26, 2023 and the announcement of the Company dated January 26, 2026.

2. *Shanghai Enflame Technology Co., Ltd.*

Xiamen Meitu Mobile Technology Co., Ltd. (廈門美圖移動科技有限公司) ("**Meitu Mobile**"), a wholly-owned subsidiary of the Company, owns 5,067,371 ordinary shares with a par value of RMB1.00 each of Shanghai Enflame Technology Co., Ltd. (上海燧原科技股份有限公司) ("**Enflame**"), representing approximately 1.31% equity interest in Enflame, which is accounted for as a financial asset at fair value through profit or loss. As of June 30, 2026, Enflame is a joint stock company principally engaged in the research, development, design and commercialisation of cloud-based artificial intelligence computing products, including artificial intelligence training and inference chips, accelerator cards, computing systems and related software platforms in the PRC, with business operations remaining in good condition during the six months ended June 30, 2026.

In September 2023, Meitu Mobile subscribed for newly increased registered capital of Enflame for a consideration of RMB150.0 million as part of Enflame's D round equity financing ("**Enflame Subscription Transaction**") and separately acquired existing equity interests in Enflame from three of its then shareholders for an aggregate consideration of RMB100.0 million ("**Enflame Share Purchase Transaction**", collectively with the Enflame Subscription Transaction, the "**Enflame Investments**"). Hence, the total acquisition cost of the Enflame Investments was approximately RMB250.0 million. Immediately following the completion of the Enflame Investments, Meitu Mobile held approximately RMB72,974 of the registered capital of Enflame, representing approximately 1.65% equity interest at the time.

In December 2023, Enflame was converted from a company with limited liability into a joint stock company, pursuant to which Meitu Mobile's registered capital interest was converted into 1,647,945 ordinary shares of Enflame representing a shareholding of approximately 1.65% in Enflame. Such shareholding was subsequently diluted to approximately 1.58% following a round of equity financing in which the Group did not participate. On May 28, 2024, Enflame capitalised part of its capital reserve and issued additional shares to all of its existing shareholders on a pro rata basis, following which the number of shares held by Meitu Mobile increased from 1,647,945 ordinary shares to 5,067,371 ordinary shares without any change to its then percentage shareholding in Enflame. Following Enflame's subsequent rounds of equity financing, in which the Group did not participate, the Group's shareholding in Enflame was diluted from approximately 1.58% to approximately 1.31%, while the number of shares held by Meitu Mobile remained unchanged at 5,067,371 ordinary shares.

As of June 30, 2026, the Group continued to hold 5,067,371 ordinary shares in Enflame, representing approximately 1.31% shareholding in Enflame (the "**Enflame Shareholding**"). During the six months ended June 30, 2026, the Group did not dispose of any of the Enflame Shareholding and did not record any realised gain or loss in relation thereto. The Group did not receive any dividends from Enflame during the six months ended June 30, 2026 (for the six months ended June 30, 2025: nil).

The fair value of the Enflame Shareholding as of June 30, 2026 was approximately RMB654.8 million, equivalent to approximately 6.92% of the Group's total assets as at June 30, 2026. During the six months ended June 30, 2026, the Group recorded an unrealised gain of approximately RMB262.3 million in relation to the Enflame Shareholding.

Enflame operates in AI computing, an upstream segment relevant to the technologies supporting the Group's Photo, video and design products. Hence, the Group believes that this investment will provide both strategic benefits and financial returns over time.

On September 11, 2026, the ordinary shares of Enflame were listed on the Science and Technology Innovation Board of the Shanghai Stock Exchange under stock code 688801 (the "**Enflame Listing**"). In connection with the Enflame Listing, Enflame and its shareholders (including Meitu Mobile) entered into a series of supplemental agreements to the shareholders agreement on December 19, 2025 and June 1, 2026, respectively, which together resulted in the permanent and irrevocable termination of certain special rights (including but not limited to the relevant redemption rights, liquidation preference rights, anti-dilution rights, pre-emptive rights and information rights) of Enflame's shareholders (including Meitu Mobile). In addition, the shares of Enflame directly or indirectly held by the Group which were issued prior to Enflame's initial public offering are subject to a lock-up period of 12 months from the date of listing of Enflame's shares and Meitu Mobile has undertaken that, during such lock-up period, it will not transfer or otherwise deal with any such shares, nor require Enflame to repurchase any such shares.

Further details of the Enflame Listing are set out in Enflame's prospectus and listing announcement published on the website of the Shanghai Stock Exchange on September 8, 2026 and September 10, 2026, respectively.

Save as disclosed above, there were no other significant investments held by the Group with a value of 5% or more of the Group's total assets as at June 30, 2026.

Borrowings and Gearing Ratio

As of June 30, 2026, we made bank borrowings of RMB60.0 million at an annualised interest rate of 1.75% (as of December 31, 2025: RMB20.0 million at an annualised interest rate of 2.80%). The bank borrowings are denominated in RMB, unsecured and have a maturity profile of less than 12 months. Therefore, the gearing ratio of the Group was 1.03% as of June 30, 2026 (as of December 31, 2025: 0.35%). The gearing ratio was calculated as the total borrowings divided by the total equity on the respective reporting date. For this purpose, total debt is defined as bank loan as shown in the consolidated balance sheet. The Group's gearing ratio remained at a relatively low level as the Group did not place material reliance on borrowings to finance the Group's operations.

Employee and Remuneration Policy

The Group had a total of 1,974[(1)] full-time employees as of June 30, 2026 (as of June 30, 2025: 2,261[(1)]), a majority of whom were based in various cities in the PRC, including Xiamen (headquarters), Beijing, Shenzhen and Shanghai. Remuneration is determined with reference to market conditions and individual employees' performance, qualification and experience.

In line with the performance of the Group and individual employees, a competitive remuneration package is offered to retain employees, including salaries, discretionary bonuses and contributions to benefit plans (including pensions). Employees of the Group are the eligible participants of the Pre-IPO ESOP, the Post-IPO Share Award Scheme, the 2024 Share Award Scheme, the EveLab Insight Share Award Scheme, the Pixocial Share Option Scheme and the Starii Share Award Scheme. During the six months ended June 30, 2026, the relationship between the Group and its employees had been stable. We did not experience any strikes or other labor disputes which materially affected our business activities.

Future Plans for Material Investments and Capital Assets

The Group will continue to explore potential strategic investment opportunities with its existing internal resources and/or other sources of funding with the aim of creating synergies for the Group in relation to aspects such as technological development, product research and development, product portfolio, channel expansion and/or cost control. Appropriate disclosures will be made by the Company when it becomes necessary under the Listing Rules.

Save as disclosed in this interim report, the Group did not have any other plans for material investments and capital assets as of June 30, 2026.

Material Acquisitions and Disposals of Subsidiaries, Associates and/or Joint Ventures

During the six months ended June 30, 2026, we did not conduct any material acquisition or disposal of subsidiaries, associates and/or joint ventures.

(1) Total number of full-time employees excludes part-time interns and consultants.

Other Information

DIRECTORS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES AND DEBENTURES OF THE COMPANY OR ANY OF ITS ASSOCIATED CORPORATIONS

As of June 30, 2026, the interests and short positions of the Directors in the Shares, underlying Shares and debentures of the Company or its associated corporations within the meaning of Part XV of the SFO, as recorded in the register maintained by the Company pursuant to Section 352 of the SFO or as otherwise notified to the Company and/or the Stock Exchange pursuant to the Model Code were as follows:

Name of Director	Nature of interest	Number of ordinary shares	Approximate percentage of holding[3]
Mr. WU Zeyuan[1][2]	Beneficial owner/ Beneficiary of a trust	593,196,670	12.93%

Notes:

(1) The entire interest of Xinhong Capital is held by Easy Prestige Limited, which in turn is held by Lion Trust (Singapore) Limited as the trustee for the benefit of Mr. Wu.

(2) 12,500,000 Shares were held by the Meitu Trust in the form of unvested Share awards.

(3) The percentages are calculated on the basis of 4,586,179,280 Shares (including 63,002,500 treasury Shares) in issue as of June 30, 2026.

Save as disclosed above, as of June 30, 2026, none of the Directors and chief executive of the Company had any interest or short position 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 by the Company pursuant to Section 352 of the SFO, or as otherwise notified to the Company and/or the Stock Exchange pursuant to the Model Code.

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

As of June 30, 2026, the persons other than the Directors, whose interests have been disclosed in this interim report, who had an interest or short position in the Shares and underlying Shares as recorded in the register required to be kept by the Company, pursuant to Section 336 of the SFO, or as otherwise notified to the Company and/or the Stock Exchange were as follows:

Name of Shareholder	Nature of interest	Number of ordinary shares	Approximate percentage of holding[4]
Cai Wensheng[1]	Interest in a controlled corporation/ Beneficiary of a trust	454,500,000	9.91%
Longlink Limited[1]	Interest in a controlled corporation	272,600,000	5.94%
Longlink Capital[1]	Beneficial owner	272,600,000	5.94%
Easy Prestige Limited[2]	Interest in a controlled corporation	566,666,670	12.36%
Xinhong Capital[2]	Beneficial owner	566,666,670	12.36%
Lion Trust (Singapore) Limited[3]	Trustee of a discretionary trust	839,266,670	18.30%

Notes:

(1) The entire interest of Longlink Capital is held by Longlink Limited, which is in turn held by Lion Trust (Singapore) Limited as the trustee for the benefit of Mr. Cai.

(2) The entire interest of Xinhong Capital is held by Easy Prestige Limited, which in turn is held by Lion Trust (Singapore) Limited as the trustee for the benefit of Mr. Wu.

(3) The entire interest of Easy Prestige Limited and Longlink Limited is held by Lion Trust (Singapore) Limited, which is deemed to be interested in these Shares.

(4) The percentages are calculated on the basis of 4,586,179,280 Shares (including 63,002,500 treasury Shares) in issue as of June 30, 2026.

Save as disclosed herein, as of June 30, 2026, no person, other than the Directors whose interests are set out in this interim report, had any interests or short positions in the Shares or underlying Shares as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO, or as otherwise notified to the Company and/or the Stock Exchange.

SHARE SCHEMES

1. Pre-IPO ESOP

The Pre-IPO ESOP was approved and adopted by the Company on February 15, 2014 and amended by resolution of the Board on November 18, 2015.

The purpose of the Pre-IPO ESOP is to promote the success and enhance the value of the Company, by linking the personal interests of the members of the Board, employees, consultants and other individuals to those of the Shareholders and, by providing such individuals with an incentive for outstanding performance, to generate superior returns to the Shareholders. The Pre-IPO ESOP is further intended to provide flexibility to the Company in its ability to motivate, attract and retain the services of recipients upon whose judgment, interest, and special effort the successful conduct of the Company's operation is largely dependent.

The overall limit on the number of options granted pursuant to the Pre-IPO ESOP represents 116,959,070 underlying Shares, subject to any adjustments for share subdivision or other dilutive issuances.

As of June 30, 2026, outstanding options representing 1,351,948 underlying Shares were granted to eligible participants pursuant to the Pre-IPO ESOP. Details of the Pre-IPO ESOP are set out in Note 14(a) to the interim condensed consolidated financial information.

The Pre-IPO ESOP was valid and effective for a period of 10 years from February 15, 2014 and up to February 15, 2024. Since the Pre-IPO ESOP has expired on February 15, 2024, any options that are outstanding on the expiry date of the Pre-IPO ESOP shall remain in force according to the terms of the Pre-IPO ESOP and the relevant grant letters entered into with the grantees.

No further option is available for grant or could be granted under the Pre-IPO ESOP since the Listing.

Details of Options Granted under the Pre-IPO ESOP

Name and/or Category of Participants	Date of Grant	Options Outstanding as of January 1, 2026	Options Granted During the six months	Exercise Period	Vesting Period	Exercise Price	Closing Price of Shares Immediately Before Date of Grant (For Options Granted During the six months)	Fair Value of Options as at the Date of Grant (For Options Granted During the six months)	Options Exercised During the six months	Weighted Average Closing Price of the Shares Immediately Before the Date of Exercise (For Options Exercised During the six months)	Options Cancelled During the six months	Options Lapsed During the six months	Options Outstanding as of June 30, 2026
Employees (Excluding Directors and Chief Executive)	During 2016	11,475	–	10 Years from the date of grant	See Note (1)	US$0.03	–	–	–	–	–	–	11,475
	During 2015	8,738	–	10 Years from the date of grant	See Note (1)	US$0.03	–	–	–	–	–	–	8,738
	During 2014	1,331,735	–	10 Years from the date of grant	See Note (1)	US$0.03	–	–	–	–	–	–	1,331,735
		1,351,948							**–**		**–**	**–**	**1,351,948**
Total		**1,351,948**							**–**		**–**	**–**	**1,351,948**

Notes:

(1) The options granted shall vest according to the following schedule: (i) 25% of the options shall vest on the first anniversary from the date of grant; and (ii) the remaining 75% shall vest each month thereafter over a period of 36 months from the date of grant in 36 equal tranches.

2. Post-IPO Share Award Scheme

The Post-IPO Share Award Scheme was adopted pursuant to the written resolutions of the Shareholders passed on November 25, 2016.

The purpose of the Post-IPO Share Award Scheme is to align the interests of eligible persons, which may include any employee, director (including executive Directors, non-executive Directors and independent non-executive Directors), officer, consultant, advisor, distributor, contractor, customer, supplier, agent, business partner, joint venture business partner or service provider of any member of the Group or any affiliate as the Directors may determine, with those of the Group through ownership of Shares, dividends and other distributions paid on Shares and/or the increase in value of the Shares, and to encourage and retain eligible persons to make contributions to the long-term growth and profits of the Group.

After the 2024 Share Award Scheme was adopted pursuant to a resolution passed at the annual general meeting of the Company held on June 5, 2024, the Post-IPO Share Award Scheme was not terminated by virtue of the adoption of the 2024 Share Award Scheme, but no further grants of Share awards may be made by the Company under the Post-IPO Share Award Scheme thereafter. The Post-IPO Share Award Scheme will continue to remain in effect for a period of 10 years from its adoption date.

As of June 30, 2026, an aggregate of 172,781,152 award Shares had been granted or agreed to be granted under the Post-IPO Share Award Scheme since its adoption (excluding Shares granted which have lapsed and been forfeited in accordance with the Post-IPO Share Award Scheme) but no further grant of awards had been made under such scheme after June 5, 2024. Details of the Post-IPO Share Award Scheme are set out in Note 14(b) to the interim condensed consolidated financial information.

Details of Share Awards Granted under the Post-IPO Share Award Scheme

Name and/or Category of Participants	Date of Grant	Unvested Awards Outstanding as of January 1, 2026	Awards Granted During the six months	Vesting Period	Purchase Price	Closing Price of Shares Immediately Before Date of Grant (For Awards Granted During the six months)	Fair Value per Awarded Share as at the Date of Grant (For Awards Granted During the six months)[1]	Awards Vested During the six months	Weighted Average Closing Price of the Shares Immediately Before the Date of Vesting (For Awards Vested During the six months)	Awards Cancelled During the six months	Awards Lapsed During the six months	Unvested Awards Outstanding as of June 30, 2026
Employees (Excluding Directors and Chief Executive)	Apr 1, 2024	7,118,962	–	Apr 1, 2025 – Apr 1, 2026 [2]	Nil	–	–	7,118,962	HK$4.29	–	–	–
	Jan 1, 2024	34,425	–	Jan 1, 2025 – Jan 1, 2026 [2]	Nil	–	–	34,425	HK$7.00	–	–	–
		7,153,387	**-**					**7,153,387**		**-**	**-**	**-**
Consultants	Apr 1, 2024	655,000	–	Apr 1, 2025 – Apr 1, 2026 [2]	Nil	–	–	655,000	HK$4.29	–	–	–
		655,000	**-**					**655,000**		**-**	**-**	**-**
Total		**7,808,387**	**-**					**7,808,387**		**-**	**-**	**-**

Notes:

(1) The fair value of the awarded shares as of the date of grant was determined in accordance with IFRS 2, for transactions measured by reference to the fair value of the equity instruments granted, an entity shall measure the fair value of equity instruments granted at the measurement date, based on market prices if available, taking into account the terms and conditions upon which those equity instruments were granted. Further details of which the fair value of the awarded shares are set out in Note 14(b) to the interim condensed consolidated financial information.

(2) The share awards granted shall vest annually in 2 equal tranches on the first and second anniversary from the date of grant.

3. **2024 Share Award Scheme**

The 2024 Share Award Scheme was adopted pursuant to the resolution of the Shareholders passed at the annual general meeting of the Company held on June 5, 2024.

The purpose of the 2024 Share Award Scheme is to replace the Post-IPO Share Award Scheme and align the interests of eligible persons, which may include any employee (whether full-time or part-time), director (including executive Directors, non-executive Directors and independent non-executive Directors), or Service Provider (being any person (including any entity) providing services to the Group on a continuing and recurring basis in the ordinary and usual course of business of the Group) of any member of the Group or any affiliate as the Directors may determine (and for this purpose shall include any trust, partnership, company, incorporated body or other form of legal entity ("**Eligible Vehicle**") of any of the aforesaid persons), with those of the Group through ownership of Shares, dividends and other distributions paid on Shares and/or the increase in value of the Shares, and to encourage and retain eligible persons to make contributions to the long-term growth and profits of the Group. The awards granted under the 2024 Share Award Scheme may be satisfied by new Shares issued by the Company to the professional trustee of the scheme or through on-market acquisitions of existing Shares by the professional trustee at the prevailing market price funded by the Company.

The total number of Shares which may be issued under the 2024 Share Award Scheme is no more than 453,509,608 Shares, representing no more than approximately 10% of the total number of Shares in issue as at the adoption date ("**Scheme Mandate Limit**"), out of which 45,350,960 Shares, representing no more than approximately 1% of the total number of Shares as at the adoption date, will be available for future grants to Service Providers within the Scheme Mandate Limit ("**Service Provider Sublimit**"). The Scheme Mandate Limit and/or the Service Provider Sublimit may be refreshed by ordinary resolution of the Shareholders in general meeting after three years from the date of the Shareholders' approval for the last refreshment or the adoption date.

As of June 30, 2026, 44,949,108 outstanding award Shares had been granted or agreed to be granted under the 2024 Share Award Scheme which will be satisfied by the issue of new Shares (excluding award Shares which have lapsed in accordance with the 2024 Share Award Scheme). The total number of Shares available for issue under the 2024 Share Award Scheme as at January 1, 2026 and June 30, 2026 were 408,989,737 Shares and 392,989,792 Shares respectively, representing approximately 8.92% and 8.69% of the issued share capital of the Company (excluding treasury Shares). Details of the 2024 Share Award Scheme are set out in the circular of the Company dated May 8, 2024, the poll results announcement of the Company dated June 5, 2024 and Note 14(b) to the interim condensed consolidated financial information.

Details of Share Awards Granted under the 2024 Share Award Scheme

Name and/or Category of Participants	Date of Grant	Unvested Awards Outstanding as at January 1, 2026	Awards Granted During the six months	Vesting Period	Purchase Price	Closing Price of Shares Immediately Before Date of Grant (For Awards Granted During the six months)	Fair Value per Awarded Share as at the Date of Grant (For Awards Granted During the six months)[1]	Awards Vested During the six months	Weighted Average Closing Price of the Shares Immediately before the Date of Vesting (For Awards Vested During the six months)	Awards Cancelled During the six months	Awards Lapsed During the six months	Unvested Awards Outstanding as at June 30, 2026
Directors and Chief Executive												
WU Zeyuan	Oct 1, 2025	4,500,000	–	Oct 1, 2026 [2]	Nil	–	–	–	–	–	–	4,500,000
	Oct 1, 2024	8,000,000*	–	See Note (3)	Nil	–	–	–	–	–	–	8,000,000*
		12,500,000	**-**					**-**	**-**	**-**	**-**	**12,500,000**
Employees (Excluding Director and Chief Executive)	Apr 1, 2026	–	2,354,395	Apr 1, 2027 [2]	Nil	HK$4.29	HK$4.41	–	–	–	142,485	2,211,910
	Apr 1, 2026	–	13,877,820	Apr 1, 2027 - Apr 1, 2028 [4]	Nil	HK$4.29	HK$4.41	–	–	–	244,034	13,633,786
	Jan 1, 2026	–	249,816	Jan 1, 2027 - Jan 1, 2028 [4]	Nil	HK$7.00	HK$7.43	–	–	–	24,000	225,816
	Oct 1, 2025	220,065	–	Oct 1, 2026 - Oct 1, 2027 [4]	Nil	–	–	–	–	–	108,665	111,400
	Jul 1, 2025	786,250	–	Jul 1, 2026 - Jul 1, 2027 [4]	Nil	–	–	–	–	–	–	786,250
	Jul 1, 2025	423,452	–	Jul 1, 2026, Apr 1, 2027, Apr 1, 2028 and Apr 1, 2029 [5]	Nil	–	–	–	–	–	–	423,452
	Apr 1, 2025	2,500,000	–	Apr 1 2026 - Apr 1, 2028 [6]	Nil	–	–	500,000	HK$4.29	–	–	2,000,000
	Apr 1, 2025	1,747,647	–	Apr 1, 2026 – Apr 1, 2029 [7]	Nil	–	–	436,914	HK$4.29	–	–	1,310,733
	Apr 1, 2025	5,632,072	–	Apr 1, 2026 – Apr 1, 2027 [4]	Nil	–	–	2,816,068	HK$4.29	–	92,575	2,723,429
	Apr 1, 2025	1,600,000	–	Apr 1, 2027 [8]	Nil	–	–	–	–	–	–	1,600,000
	Apr 1, 2025	1,600,000	–	Apr 1, 2027 – Apr 1, 2028 [9]	Nil	–	–	–	–	–	–	1,600,000
	Apr 1, 2025	500,000	–	Apr 1, 2027 – Apr 1, 2028 [10]	Nil	–	–	–	–	–	–	500,000
	Jan 1, 2025	500,619	–	Jan 1, 2026 - Jan 1, 2027 [4]	Nil	–	–	250,310	HK$7.00	–	35,785	214,524
	Oct 1, 2024	821,259	–	Oct 1 2025 - Oct 1, 2026 [4]	Nil	–	–	–	–	–	57,500	763,759
	Oct 1, 2024	6,000,000	–	See Note (3)	Nil	–	–	–	–	–	–	6,000,000
	Oct 1, 2024	7,500,000	–	Oct 1, 2025, Apr 1, 2026, Apr 1, 2027 and Apr 1, 2028 [11]	Nil	–	–	1,500,000	HK$4.29	–	–	6,000,000
	Jul 1, 2024	31,281	–	Jul 1, 2025 - Jul 1, 2026 [4]	Nil	–	–	–	–	–	–	31,281
		29,862,645	**16,482,031**					**5,503,292**		**-**	**705,044**	**40,136,340**

Name and/or Category of Participants	Date of Grant	Unvested Awards Outstanding as at January 1, 2026	Awards Granted During the six months	Vesting Period	Purchase Price	Closing Price of Shares Immediately Before Date of Grant (For Awards Granted During the six months)	Fair Value per Awarded Share as at the Date of Grant (For Awards Granted During the six months)[1]	Awards Vested During the six months	Weighted Average Closing Price of the Shares Immediately before the Date of Vesting (For Awards Vested During the six months)	Awards Cancelled During the six months	Awards Lapsed During the six months	Unvested Awards Outstanding as at June 30, 2026
Service Providers	Apr 1, 2026	–	16,284	Apr 1, 2027 [2]	Nil	HK$4.29	HK$4.41	–	–	–	1,357	14,927
	Apr 1, 2026	–	208,031	Apr 1, 2027 - Apr 1, 2028 [4]	Nil	HK$4.29	HK$4.41	–	–	–	–	208,031
	Apr 1, 2025	179,620	–	Apr 1, 2026 - Apr 1, 2027 [4]	Nil	–	–	89,810	HK$4.29	–	–	89,810
		179,620	224,315					89,810		–	1,357	312,768
Total		**42,542,265**	**16,706,346**					**5,593,102**		**-**	**706,401**	**52,949,108**

* The awards granted will be satisfied by way of the Meitu Trust purchasing existing Shares in the open market.

Details of Scheme Mandate Limit and Service Provider Sublimit

	Number of Shares available for grant under the Scheme Mandate Limit	Number of Shares available for grant under the Service Provider Sublimit
As at January 1, 2026 (prior to grant made on January 1, 2026)	408,989,737	45,171,340
As at June 30, 2026	392,989,792	44,948,382

Notes:

(1) The fair value of the awarded shares as of the date of grant was determined in accordance with IFRS 2, for transactions measured by reference to the fair value of the equity instruments granted, an entity shall measure the fair value of equity instruments granted at the measurement date, based on market prices if available, taking into account the terms and conditions upon which those equity instruments were granted. Further details of the fair value of the awarded shares are set out in Note 14(b) to the interim condensed consolidated financial information.

(2) The share awards granted shall vest 12 months from the grant date.

(3) The share awards granted shall vest on April 1 of the year immediately following the date on which the performance target of the Group achieving an Adjusted Net Profit attributable to Owners of the Company of not less than RMB1.1 billion for the financial year ending December 31, 2025 or December 31, 2026 is met. Subject to the said performance target being achieved, the share awards will be satisfied by way of the Meitu Trust purchasing existing Shares in the open market.

(4) The share awards granted shall vest on an annual basis equally over a period of 24 months from the date of grant.

(5) The share awards granted shall vest in accordance with the following vesting schedule: (i) 25% on July 1, 2026; (ii) 25% on April 1, 2027; (iii) 25% on April 1, 2028; and (iv) 25% on April 1, 2029.

(6) The share awards granted shall vest in accordance with the following vesting schedule: (i) 20% on April 1, 2026; (ii) 40% on April 1, 2027; and (iii) 40% on April 1, 2028.

(7) The share awards shall vest on an annual basis equally over a period of 48 months from the date of grant.

(8) The share awards shall vest on April 1, 2027 if the profit performance target of the Group achieving an Adjusted Net Profit attributable to Owners of the Company of not less than RMB1.1 billion for the financial year ending December 31, 2026 (the "**Profit Performance Target**") is met.

(9) (I) 50% of the share awards granted shall vest in accordance with the following vesting schedule if the Profit Performance Target is met: (i) 25% on April 1, 2027; and (ii) 25% on April 1, 2028; and (II) 50% of the share awards granted shall vest in accordance with the following vesting schedule if the performance targets associated with the gross profits and MAU of specific Photo, video, and design products of the Group are met: (i) 25% on April 1, 2027; and (ii) 25% on April 1, 2028.

(10) The share awards granted shall vest in accordance with the following vesting schedule if the Profit Performance Target is met: (i) 50% on April 1, 2027; and (ii) 50% on April 1, 2028.

(11) The share awards granted shall vest in accordance with the following vesting schedule for Key Employee Grantee(s): (i) 4,500,000 Shares on October 1, 2025; (ii) 1,500,000 Shares on April 1, 2026; (iii) 3,000,000 Shares on April 1, 2027; and (iv) 3,000,000 Shares on April 1, 2028.

The total number of Shares that may be issued in respect of the options and share awards granted pursuant to the Pre-IPO ESOP, the Post-IPO Share Award Scheme and the 2024 Share Award Scheme during the six months ended June 30, 2026 is 16,706,346 Shares and constitutes approximately 0.37% after dividing it by the weighted average number of issued Shares (excluding treasury Shares) for the six months ended June 30, 2026.

4. EveLab Insight Share Award Scheme

As disclosed in the Company's announcement dated July 30, 2021, in order to facilitate fundraising activities for the Smart Hardware Business, the Group transferred the Smart Hardware Business to a separate holding structure at the offshore and onshore levels, where EveLab Insight (a subsidiary of the Company) became the holding company of the Group's Smart Hardware Business.

On June 2, 2021, the board of directors of EveLab Insight (the "**EveLab Insight Board**") and its sole shareholder (namely, the Company) adopted the EveLab Insight Share Award Scheme under which 20% of EveLab Insight's shares (the "**EveLab Insight Shares**") has been reserved for granting to employees, consultants, and all other eligible participants of the Group who have contributed or will contribute to the Smart Hardware Business. Certain amendments to the rules of the EveLab Insight Share Award Scheme were approved by the EveLab Insight Board on September 30, 2021.

The purpose of the EveLab Insight Share Award Scheme is to align the interests of eligible persons, which may include any employee, director (including executive directors, non-executive directors and independent non-executive directors), officer, consultant, advisor, distributor, contractor, customer, supplier, agent, business partner, joint venture business partner or Service Provider of any member of the Group or any affiliate as the EveLab Insight Board may determine, and for this purpose shall include any Eligible Vehicle which such individual or his/her family member is a beneficiary of or holds beneficial interest in, with those of the Group through ownership of the EveLab Insight Shares, dividends and other distributions paid on the EveLab Insight Shares and/or the increase in value of the EveLab Insight Shares, and to encourage and retain eligible persons to make contributions to the long-term growth and profits of the Group.

As of June 30, 2026, a total of 51,650,000 EveLab Insight Shares had been granted or agreed to be granted under the EveLab Insight Share Award Scheme (excluding EveLab Insight Shares granted which have lapsed and been forfeited in accordance with the EveLab Insight Share Award Scheme), representing approximately 10.33% of the issued share capital of EveLab Insight as of June 30, 2026.

EveLab Insight is neither a listed company nor a principal subsidiary of the Company under the definition of Chapter 17 of the Listing Rules, and therefore the EveLab Insight Share Award Scheme is not subject to disclosure obligations under Chapter 17 of the Listing Rules.

5. Pixocial Share Option Scheme

On December 1, 2023, the board of directors of Pixocial (the "**Pixocial Board**") and its sole shareholder (namely, the Company) had adopted the Pixocial Share Option Scheme, pursuant to which 7,642,626 ordinary shares of Pixocial had been reserved for issuance to certain employees, directors and consultants of Pixocial and its subsidiaries.

The purpose of the Pixocial Share Option Scheme is to align the interests of eligible persons with those of Pixocial and its subsidiaries through ownership of ordinary shares of Pixocial ("**Pixocial Shares**"), dividends and other distributions paid on the Pixocial Shares and/or the increase in value of the Pixocial Shares, and to encourage and retain eligible persons to make contributions to the long-term growth and profits of Pixocial and its subsidiaries.

As of June 30, 2026, a total of 5,097,129 options had been granted or agreed to be granted under the Pixocial Share Option Scheme (excluding any options that have lapsed, or been forfeited in accordance with the Pixocial Share Option Scheme), and therefore the total number of options available for grant under the Pixocial Share Option Scheme as at June 30, 2026 was 2,545,497 options.

Pixocial is neither a listed company nor a principal subsidiary of the Company under the definition of Chapter 17 of the Listing Rules, and therefore the Pixocial Share Option Scheme is not subject to disclosure obligations under Chapter 17 of the Listing Rules.

6. Starii Share Award Scheme

On June 3, 2025, the board of directors of Starii (the "**Starii Board**") and its sole shareholder (namely, the Company) adopted the Starii Share Award Scheme under which 20% of Starii's total issued shares (the "**Starii Shares**") as at June 3, 2025 has been reserved for granting to employees, consultants, and all other eligible participants of the Group who have contributed or will contribute to the Starii Group.

The purpose of the Starii Share Award Scheme is to align the interests of eligible persons, which may include any employee, director (including executive directors, non-executive directors and independent non-executive directors), officer, consultant, advisor, distributor, contractor, customer, supplier, agent, business partner, joint venture business partner or service provider of any member of the Starii Group or any related entity as the Starii Board may determine, and for this purpose shall include any Eligible Vehicle which such individual or his/her family member is a beneficiary of or holds beneficial interest in, with those of the Group through ownership of the Starii Shares, dividends and other distributions paid on the Starii Shares and/or the increase in value of the Starii Shares, and to encourage and retain eligible persons to make contributions to the long-term growth and profits of the Starii Group.

As of June 30, 2026, no Starii Shares had been granted or agreed to be granted under the Starii Share Award Scheme.

Starii is neither a listed company nor a principal subsidiary of the Company under the definition of Chapter 17 of the Listing Rules, and therefore the Starii Share Award Scheme is not subject to disclosure obligations under Chapter 17 of the Listing Rules.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company is committed to maintaining and promoting stringent corporate governance. The principles of the Company's corporate governance are to promote effective internal control measures, to uphold a high standard of ethics, transparency, responsibility and integrity in all aspects of business, to ensure that its affairs are conducted in accordance with applicable laws and regulations and to enhance the transparency of the work of the Board and improve accountability of the Board to all Shareholders.

Other Information

Except for code provision C.2.1 ("**Code Provision C.2.1**") in Part 2 of the CG Code as set out in Appendix C1 to the Listing Rules, during the six months ended June 30, 2026, the Company has complied with the applicable code provisions of the CG Code for the time being in force.

Pursuant to the Code Provision C.2.1, it is stated that the roles of the chairman and the chief executive officer should be separate and should not be performed by the same individual. Despite the deviation from the Code Provision C.2.1, the Board believes that Mr. WU Zeyuan, the chairman, executive Director and chief executive officer of the Group, will continue to provide solid and continuous leadership to both the Board and the management of the Group with his extensive experience and knowledge in the management and operation of the Group. Further, the Board has also considered and is of the view that the composition of the executive Director, the non-executive Directors and the independent non-executive Directors on the Board and the various committees of the Board formed to oversee different aspects of the Company's affairs would provide adequate safeguard to ensure a balance of power and authority. As such, the Board considers that the deviation from Code Provision C.2.1 is appropriate in the current situation.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS

The Company has adopted the Model Code as set out in Appendix C3 to the Listing Rules as the code of conduct regarding Directors' dealings in the securities of the Company. Having made specific enquiry with all the Directors, all Directors confirmed that they have complied with the required standards set out in the Model Code for the six months ended June 30, 2026 regarding their dealings in the securities of the Company.

The Board has also adopted the Model Code and established internal written guidelines pursuant thereto to regulate all dealings by relevant employees who are likely to be in possession of unpublished inside information in respect of securities in the Company as referred to in code provision C.1.3 in Part 2 of the CG Code. No incident of non-compliance with the Model Code by the Company's relevant employees has been noted for the six months ended June 30, 2026 after making reasonable enquiry.

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

During the six months ended June 30, 2026, the Company bought back a total of 63,002,500 Shares on the Stock Exchange for an aggregate price of HK$273,174,190, all of which were held as treasury Shares as at June 30, 2026. Details of the buy-backs made by the Company during the six months ended June 30, 2026 are as follows:

Month and Year of Buy-back	Number of Shares Bought Back	Method of Buy-back	Highest Buy-back Price Per Share (HK$)	Lowest Buy-back Price Per Share (HK$)	Aggregate Price Paid (HK$)
February 2026	7,472,500	On the Stock Exchange	6.31	5.64	45,024,430
March 2026	9,119,500	On the Stock Exchange	4.48	4.12	39,021,035
April 2026	18,702,500	On the Stock Exchange	4.44	4.11	80,163,365
May 2026	2,241,000	On the Stock Exchange	4.5	4.44	10,002,200
June 2026	25,467,000	On the Stock Exchange	4.22	3.58	98,963,160
Total	63,002,500				273,174,190

The buy-backs above were made pursuant to the Share Buy-Back Plan, the 2025 Share Buy-Back Mandate and the 2026 Share Buy-Back Mandate. It is intended that the treasury Shares may, at the discretion of the Board and subject to market conditions, be used, in whole or in part, for satisfying future grants made under the share schemes of the Company, cancellation, resale and/or such other purposes as may be determined by the Board and permitted under the Listing Rules. The Board believes that the current financial resources of the Company would enable it to implement the Share Buy-Back Plan while maintaining a solid financial position for the growth of the Group's business. The Share Buy-Back Plan also reflects the Board's confidence in the prospects of the Company and its commitment to enhancing Shareholder return. Details of the Share Buy-Back Plan are set out in the announcement of the Company dated March 27, 2026 and details of the 2025 Share Buy-Back Mandate and the 2026 Share Buy-Back Mandate are set out in the circulars of the Company dated April 28, 2025 and April 28, 2026 respectively.

Save as otherwise disclosed above and in this interim report, during the six months ended June 30, 2026, neither the Company nor any member of the Group had purchased, sold or redeemed any other listed securities of the Company.

USE OF NET PROCEEDS FROM ISSUE OF CONVERTIBLE BONDS

On December 31, 2025, the Company completed the issuance of convertible bonds in the aggregate principal amount of US$250 million to Alibaba Subscriber (the "**Convertible Bonds**"). After deduction of the relevant expenses, the net proceeds from the issue of the Convertible Bonds amounted to approximately US$249.6 million (the "**Net Proceeds**").

As at June 30, 2026, the Group had utilised the Net Proceeds as set out in the table below:

	Net proceeds from the issue of the Convertible Bonds(1) (RMB million)	Unutilised amount as at December 31, 2025 (1) (RMB million)	Utilisation for the six months ended June 30, 2026(1) (RMB million)	Unutilised amount as at June 30, 2026(1) (RMB million)
Salaries, travel expenses and other related expenses of overseas research and development and operations personnel	511	511	47	464
Rental expenses for overseas offices	48	48	3	45
Overseas computing power, bandwidth and storage-related expenses	476	476	89	387
Overseas marketing and promotion expenses	667	667	107	560
Total	**1,702**	**1,702**	**246**	**1,456**

Note:

(1) The figures were calculated based on the applicable RMB to US$ exchange rates for the relevant periods.

The remaining balance of the Net Proceeds was placed with banks. The Net Proceeds have been and are expected to continue to be utilised in accordance with the intended use and timeline previously disclosed by the Company in the Company's 2025 annual report published on April 27, 2026. The Company expects to utilise the remaining Net Proceeds in full within five years from the date of issue of the Convertible Bonds.

Other Information

As at June 30, 2026 and the Latest Practicable Date, the total principal amount of the Convertible Bonds remained outstanding, and none of the Convertible Bonds have been redeemed or converted by Alibaba Subscriber. The Company will closely monitor its progress and will make appropriate announcements as and when necessary to keep the Shareholders informed. Details of the Convertible Bonds, the intended use and timeline of the Net Proceeds are set forth in the announcements of the Company dated May 20, 2025 and December 31, 2025, and the Company's 2025 annual report published on April 27, 2026.

AUDIT COMMITTEE AND REVIEW OF FINANCIAL STATEMENTS

The Company established an Audit Committee with written terms of reference in compliance with Rule 3.21 of the Listing Rules and the CG Code. As at the Latest Practicable Date, the Audit Committee comprised three members, namely Mr. ZHOU Hao, Mr. LAI Xiaoling and Mr. HONG Yupeng. Mr. ZHOU Hao is the chairman of the Audit Committee.

The Audit Committee has reviewed the unaudited interim financial statements of the Group for the six months ended June 30, 2026 and this interim report. The Audit Committee has also discussed matters with respect to the accounting policies and practices adopted by the Company and internal control with members of the senior management and the Company's auditor. Based on the review and discussions with the management, the Audit Committee was satisfied that the Group's unaudited interim financial statements were prepared in accordance with applicable accounting standards and fairly present the Group's financial position and results for the six months ended June 30, 2026.

FOREIGN INVESTMENTS IN VALUE-ADDED TELECOMMUNICATIONS BUSINESSES IN THE PRC

Updates in Relation to the FITE Regulations

On December 11, 2001, the State Council promulgated the Regulations for the Administration of Foreign-Invested Telecommunications Enterprises (the "**FITE Regulations**"), which were amended on September 10, 2008, February 6, 2016 and March 29, 2022, respectively. According to the FITE Regulations, foreign investors are not allowed to hold more than 50% of the equity interests in a company providing value-added telecommunications services, including provision of Internet content services. In addition, prior to May 1, 2022, a major foreign investor who invests in a value-added telecommunications business in the PRC must possess prior experience in operating value-added telecommunications businesses and a good proven track record of business operations overseas (the "**Qualification Requirements**"). Under the latest amendments to the FITE Regulations which became effective on May 1, 2022, the foreign investors' equity ownership in a company providing value-added telecommunications services in the PRC is still prohibited from exceeding 50%, unless otherwise provided in the PRC laws, regulations or rules. In addition, the latest FITE Regulations have abolished the Qualification Requirements such that it is no longer a pre-requisite for establishing foreign-invested value-added telecommunications enterprises in the PRC. Based on the Notice regarding the Strengthening of Ongoing and Post Supervision of Foreign Invested Telecommunication Enterprises issued by the MIIT in October 2020, foreign invested telecommunications enterprises are also no longer required to obtain the prior MIIT approval letter on foreign investment in telecommunications businesses. Nonetheless, these enterprises still need to submit the relevant materials to the MIIT to apply for telecommunications operating permits, and the other requirements provided by the FITE Regulations still apply. Essentially, the corresponding foreign investment will also be considered by the MIIT in its approval process for the telecommunications operating permits (the "**MIIT Approval Process**"). Based on the Notice of Launching the Pilot Program to Expand Opening-Up in the Value-Added Telecommunications Sector issued by the MIIT on April 8, 2024, the pilot program was formally launched on October 23, 2024. Under the pilot program, foreign ownership restrictions on five categories of value-added telecommunications services, including Internet Data Center (IDC), Content Delivery Network (CDN), Internet Access Service (ISP), Online Data Processing and Transaction Processing, as well as Information Services, including Information Release Platform and Delivery Service (excluding Internet News Information, Online Publishing, Online Audio-Video, and Internet Culture Operations), and Information Protection and Processing Services have been removed in the four pilot zones of Beijing, Shanghai, Hainan, and Shenzhen respectively. On February 28, 2025, the MIIT has granted the first batch of pilot approvals for the operation of value-added telecommunications services to 13 foreign-invested enterprises located in these pilot zones, most of which have renowned multinational corporations as parent companies. However, as of June 30, 2026, none of the applicable PRC laws, regulations or rules provides clear guidance or interpretation to clarify the MIIT Approval Process and in practice there are still uncertainties as to whether the local authority apart from the pilot zones will accept and consider the application from a foreign-invested enterprise and whether foreign investors without a satisfactory proven track record and operational experiences in operating value-added telecommunications businesses may affect the approval result.

Efforts and Actions Undertaken in Preparation of Application for Telecommunications Operating Permit

Despite the lack of clear guidance and unpredictability of the MIIT Approval Process, as of June 30, 2026, we are still in the process of consulting with our PRC legal advisors to explore and determine the most viable way for the Company to hold Meitu Networks and its subsidiaries, and MeituEve Networks and its subsidiaries, directly through equity ownership. We will also consult with competent authorities on the feasibility and procedures for the foreign-invested enterprise to apply for the ICP License. As of June 30, 2026, in line with common practice in industries in the PRC subject to foreign investment restrictions, the Company currently gains effective control over, and receives all the economic benefits generated by the businesses currently operated by (i) Meitu Networks and its subsidiaries through the Existing Contractual Arrangements between Meitu Home, the Company's subsidiary in the PRC, on the one hand, and Meitu Networks and its respective shareholders, on the other hand; and (ii) MeituEve Networks and its subsidiaries through the MeituEve Contractual Arrangements between MeituEve Technology, the Company's subsidiary in the PRC, on the one hand, and MeituEve Networks and its shareholder, on the other hand. The Existing Contractual Arrangements and the MeituEve Contractual Arrangements allow the results of operations and assets and liabilities of (i) Meitu Networks and its subsidiaries, and (ii) MeituEve Networks and its subsidiaries, to be consolidated into our results of operations and assets and liabilities under IFRSs as if they were wholly-owned subsidiaries of our Group.

Further details of (i) the Existing Contractual Arrangements are set out in the Prospectus, the Company's announcement dated March 17, 2021 and the Company's 2025 annual report published on April 27, 2026; and (ii) the MeituEve Contractual Arrangements are set out in the Company's announcement dated July 30, 2021 and the Company's 2025 annual report published on April 27, 2026.

APPOINTMENT OF NON-EXECUTIVE DIRECTOR

Mr. JIN Qin (金沁) ("**Mr. Jin**") was appointed as a non-executive Director effective immediately after the conclusion of the Board meeting held on August 26, 2026, following the exercise of Alibaba Subscriber's right to nominate a non-executive Director under the subscription agreement for the Convertible Bonds dated May 20, 2025 entered into between Alibaba Subscriber and the Company. The Nomination Committee had reviewed the structure, size and composition (including the skills, knowledge and experience) of the Board, and was satisfied with the perspectives, skills, experience and diversity that Mr. Jin could bring or contribute to the Board.

IMPORTANT EVENTS AFTER THE REPORTING DATE

Save as disclosed in this interim report, there were no important events affecting the Company which occurred after June 30, 2026 and up to the Latest Practicable Date.

Report on Review of Interim Financial Information

To the Board of Directors of Meitu, Inc.
(incorporated in the Cayman Islands with limited liability)

Introduction

We have reviewed the interim financial information set out on pages 39 to 67, which comprises the interim condensed consolidated balance sheet of Meitu, Inc. (the "**Company**") and its subsidiaries (together, the "**Group**") as of June 30, 2026 and the interim condensed consolidated income statement, the interim condensed consolidated statement of comprehensive income, the interim condensed consolidated statement of changes in equity and the interim condensed consolidated statement of cash flows for the six months period then ended, and selected explanatory notes. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and International Accounting Standard 34 "Interim Financial Reporting". The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with International Accounting Standard 34 "Interim Financial Reporting". 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 International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". 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 International 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 interim financial information of the Group is not prepared, in all material respects, in accordance with International Accounting Standard 34 "Interim Financial Reporting".

PricewaterhouseCoopers
Certified Public Accountants
Hong Kong, August 26, 2026

Interim Condensed Consolidated Income Statement

	Note	Unaudited Six months ended June 30, 2026 RMB'000	Unaudited Six months ended June 30, 2025 RMB'000 (Restated)*
Continuing operations			
Revenue	5	**2,212,839**	1,812,888
Cost of sales		**(631,348)**	(447,884)
Gross profit		**1,581,491**	1,365,004
Selling and marketing expenses		**(327,618)**	(290,667)
Administrative expenses		**(222,784)**	(216,617)
Research and development expenses		**(473,138)**	(451,347)
Net impairment losses on financial assets		**(2,008)**	(2,433)
Other income		**5,691**	14,537
Other gains, net	6	**201,199**	28,131
Finance (costs)/income, net		**(19,577)**	37,359
– Finance income		**52,205**	41,976
– Finance costs	17	**(71,782)**	(4,617)
Share of gains/(losses) of investments accounted for using the equity method		**2,296**	(4,270)
Profit before income tax		**745,552**	479,697
Income tax expense	7	**(128,093)**	(37,705)
Profit from continuing operations		**617,459**	441,992
Loss from discontinued operations		**–**	(62,748)
Profit for the period		**617,459**	379,244
Profit/(loss) attributable to:			
– Owners of the Company		**619,462**	397,020
– Non-controlling interests		**(2,003)**	(17,776)
		617,459	379,244

Interim Condensed Consolidated Income Statement

	Note	Unaudited Six months ended June 30, 2026 RMB'000	Unaudited Six months ended June 30, 2025 RMB'000 (Restated)*
Profit/(Loss) attributable to owners of the Company arises from:			
– Continuing operations		619,462	442,515
– Discontinued operations		–	(45,495)
		619,462	397,020
Earnings per share for profit from continuing operations attributable to owners of the Company for the period (expressed in RMB per share)	8		
– Basic		0.14	0.10
– Diluted		0.14	0.09
Earnings per share for profit attributable to owners of the Company for the period (expressed in RMB per share)	8		
– Basic		0.14	0.09
– Diluted		0.14	0.08

The above condensed consolidated income statement should be read in conjunction with the accompanying notes.

* The consolidated income statement for the six months ended June 30, 2025 has been restated for the discontinued operations.

Interim Condensed Consolidated Statement of Comprehensive Income

	Note	Unaudited Six months ended June 30, 2026 RMB'000	Unaudited Six months ended June 30, 2025 RMB'000 (Restated)*
Profit for the period		**617,459**	379,244
Other comprehensive (loss)/income, net of tax			
Items that may be reclassified to profit or loss			
Currency translation differences		**(43,101)**	(2,362)
Items that will not be reclassified to profit or loss			
Currency translation differences		**(21,018)**	(3,374)
Changes in fair value of financial assets at fair value through other comprehensive income		**(695)**	(508)
Other comprehensive loss for the period, net of tax		**(64,814)**	(6,244)
Total comprehensive income for the period, net of tax		**552,645**	373,000
Total comprehensive income/(loss) attributable to:			
– Owners of the Company		**554,648**	390,776
– Non-controlling interests		**(2,003)**	(17,776)
		552,645	373,000
Total comprehensive income/(loss) for the period attributable to owners of the Company arises from:			
– Continuing operations		**554,648**	436,271
– Discontinued operations		**–**	(45,495)
		554,648	390,776

The above condensed consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

* The consolidated statement of comprehensive income for the six months ended June 30, 2025 has been restated for the discontinued operations.

Interim Condensed Consolidated Balance Sheet

	Note	Unaudited June 30, 2026 RMB'000	Audited December 31, 2025 RMB'000
ASSETS			
Non-current assets			
Property and equipment		454,666	458,937
Right-of-use assets		60,816	54,171
Intangible assets		391,796	397,021
Long-term investments			
– Investments in associates and joint ventures		1,142,215	1,146,242
– Financial assets at fair value through profit or loss		1,072,301	856,758
– Financial assets at fair value through other comprehensive income		15,875	17,232
Long-term treasury investments	12	34,572	40,556
Prepayments and other receivables	11	5,682	4,957
Deferred tax assets		13,635	13,289
Term deposits		695,006	30,114
		3,886,564	3,019,277
Current assets			
Inventories		10,460	7,310
Trade receivables	10	557,179	523,058
Prepayments and other receivables	11	729,944	690,141
Income tax assets		5,166	–
Contract costs		186,998	179,415
Short-term investments	12	442,000	884,146
Term deposits		2,287,321	467,448
Restricted cash		1,908	3,129
Cash and cash equivalents		1,359,983	3,514,504
		5,580,959	6,269,151
Total assets		9,467,523	9,288,428
EQUITY AND LIABILITIES			
Equity attributable to owners of the Company			
Share capital	13	288	288
Share premium	13	6,041,410	6,238,205
Treasury shares	13	(240,282)	–
Reserves		1,165,990	1,158,108
Accumulated losses		(1,109,511)	(1,728,973)
Non-controlling interests		(37,044)	(29,716)
Total equity		5,820,851	5,637,912

Interim Condensed Consolidated Balance Sheet

	Note	Unaudited June 30, 2026 RMB'000	Audited December 31, 2025 RMB'000
Liabilities			
Non-current liabilities			
Lease liabilities		**21,129**	5,580
Deferred tax liabilities		**369,691**	290,433
		390,820	296,013
Current liabilities			
Trade and other payables	15	**664,119**	732,755
Lease liabilities		**19,598**	25,656
Income tax liabilities		**158,404**	133,650
Contract liabilities		**931,562**	848,784
Borrowings		**60,000**	20,000
Convertible redeemable preferred shares	16	**–**	186,966
Convertible bonds	17	**1,422,169**	1,406,692
		3,255,852	3,354,503
Total liabilities		**3,646,672**	3,650,516
Total equity and liabilities		**9,467,523**	9,288,428

The above condensed consolidated balance sheet should be read in conjunction with the accompanying notes.

The condensed consolidated financial statements on pages 39 to 67 were approved by the Board of Directors on August 26, 2026 and were signed on its behalf.

Wu Zeyuan
Director

Hong Yupeng
Director

Interim Condensed Consolidated Statement of Changes in Equity

		Unaudited							
		Attributable to owners of the Company							
	Note	Share capital RMB'000	Share premium RMB'000	Treasury shares RMB'000	Reserves RMB'000	Accumulated losses RMB'000	Total RMB'000	Non-controlling interest RMB'000	Total equity RMB'000
Balance as of January 1, 2026		288	6,238,205	–	1,158,108	(1,728,973)	5,667,628	(29,716)	5,637,912
Comprehensive income									
Profit/(loss) for the period		–	–	–	–	619,462	619,462	(2,003)	617,459
Other comprehensive loss									
Change in fair value of financial assets at fair value through other comprehensive income		–	–	–	(695)	–	(695)	–	(695)
Currency translation differences		–	–	–	(64,119)	–	(64,119)	–	(64,119)
Total comprehensive income/(loss) for the six months ended June 30, 2026		–	–	–	(64,814)	619,462	554,648	(2,003)	552,645
Transactions with owners in their capacity as owners									
Value of employee services:									
– Post-IPO Share Award Scheme/2024 Share Award Scheme	14(b)	–	–	–	65,415	–	65,415	–	65,415
– Share incentive to senior management		–	–	–	79	–	79	–	79
– Share awards arising from a business combination		–	–	–	73	–	73	–	73
Dividends		–	(197,737)	–	–	–	(197,737)	–	(197,737)
Repurchase of shares		–	–	(240,282)	–	–	(240,282)	–	(240,282)
Transaction with non-controlling interest		–	–	–	7,129	–	7,129	(5,325)	1,804
Others		–	942	–	–	–	942	–	942
Total transactions with owners in their capacity as owners		–	(196,795)	(240,282)	72,696	–	(364,381)	(5,325)	(369,706)
Balance as of June 30, 2026		288	6,041,410	(240,282)	1,165,990	(1,109,511)	5,857,895	(37,044)	5,820,851

Interim Condensed Consolidated Statement of Changes in Equity

		Unaudited						
		Attributable to owners of the Company						
	Note	Share capital RMB'000	Share premium RMB'000	Reserves RMB'000	Accumulated losses RMB'000	Total RMB'000	Non-controlling interest RMB'000	Total equity RMB'000
Balance as of January 1, 2025		287	7,104,304	220,919	(2,298,775)	5,026,735	5,827	5,032,562
Comprehensive income								
Profit for the period		–	–	–	397,020	397,020	(17,776)	379,244
Other comprehensive loss								
Change in fair value of financial assets at fair value through other comprehensive income		–	–	(508)	–	(508)	–	(508)
Currency translation differences		–	–	(5,736)	–	(5,736)	–	(5,736)
Total comprehensive income/(loss) for the six months ended June 30, 2025		–	–	(6,244)	397,020	390,776	(17,776)	373,000
Transactions with owners in their capacity as owners								
Value of employee services:								
– Post-IPO Share Award Scheme/2024 Share Award Scheme	14(b)	–	–	56,680	–	56,680	–	56,680
– Share incentive to senior management		–	–	235	–	235	–	235
– Share awards arising from a business combination		–	–	506	–	506	–	506
Shares issued upon exercise of employee share options	13	1	2,306	–	–	2,307	–	2,307
Dividends		–	(687,760)	–	–	(687,760)	–	(687,760)
Total transactions with owners in their capacity as owners		1	(685,454)	57,421	–	(628,032)	–	(628,032)
Balance as of June 30, 2025		288	6,418,850	272,096	(1,901,755)	4,789,479	(11,949)	4,777,530

The above condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Interim Condensed Consolidated Statement of Cash Flows

	Note	Unaudited Six months ended June 30, 2026 RMB'000	Unaudited Six months ended June 30, 2025 RMB'000
Cash flows from operating activities			
Cash generated from operations		628,195	506,377
Interest received		3,408	2,531
Interest paid		(287)	(287)
Income tax paid		(25,782)	(5,058)
Net cash generated from operating activities		605,534	503,563
Cash flows from investing activities			
Purchase of property and equipment		(18,275)	(7,516)
Purchase of intangible assets		(528)	(838)
Proceeds from disposal of property and equipment		441	310
Purchase of land use rights		–	(22,660)
Payments for acquisition of financial assets at fair value through profit or loss		(84,799)	(80,772)
Proceeds from disposal of financial assets at fair value through profit or loss		87,737	–
Proceeds/(purchase of) from short-term treasury investments, net		756,161	(550,699)
Purchase of short-term treasury investments with original maturities over three months		(105,000)	(24,356)
Purchase of short term investments – others		(324,909)	–
Purchase of long-term treasury investments		(34,839)	(40,000)
Proceeds from disposal of short-term treasury investments with original maturities over three months		34,586	35,000
Investment income received from treasury investments and term deposits		59,082	47,267
Placement of term deposits		(2,723,361)	(348,507)
Receipt from maturity of term deposits		220,978	988,023
Payment for restricted cash		(1,408)	–
Refund of restricted cash		–	33,137
Repayments received from a third party		3,000	
Dividend income from an investee company		13,333	8,938
Payment for acquisition of a subsidiary, net of cash acquired		–	(21,785)
Net cash (used in)/generated from investing activities		(2,117,801)	15,542

Interim Condensed Consolidated Statement of Cash Flows

	Note	Unaudited Six months ended June 30, 2026 RMB'000	Unaudited Six months ended June 30, 2025 RMB'000
Cash flows from financing activities			
Proceeds from borrowings		**54,777**	15,000
Repayment of borrowings		**(15,000)**	(97,890)
Dividends paid to Company's shareholders		**(197,590)**	(685,500)
Payments for shares repurchase		**(240,282)**	–
Payments for lease liabilities		**(14,224)**	(17,565)
Proceeds from capital injection to a subsidiary by non-controlling interests shareholders		**1,804**	–
Proceeds from shares issued under employee share option scheme		**–**	2,307
Payment for redemption of convertible redeemable preferred shares		**(184,056)**	–
Transaction costs related to the issuance of convertible bonds		**(2,570)**	–
Net cash used in financing activities		**(597,141)**	(783,648)
Net decrease in cash and cash equivalents		**(2,109,408)**	(264,543)
Cash and cash equivalents at the beginning of the period		**3,514,504**	1,301,412
Effects of exchange rate changes on cash and cash equivalents		**(45,113)**	(1,515)
Cash and cash equivalents at the end of the period		**1,359,983**	1,035,354

The above condensed consolidated statement of cash flows should be read in conjunction with the accompanying notes.

Notes to the Interim Condensed Consolidated Financial Information

1 GENERAL INFORMATION

Meitu, Inc. (the "**Company**"), was incorporated in the Cayman Islands under the name of "Meitu, Inc. 美图公司" on July 25, 2013 as an exempted company with limited liability under the Companies Law, Cap.22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands, and carries on a business in Hong Kong as "美圖之家" as approved by and registered with the Registrar of Companies in Hong Kong on October 28, 2016 and November 7, 2016, respectively. The address of the Company's registered office is at Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman KY1-1111, Cayman Islands.

The Company is an investment holding company. The Company and its subsidiaries, Xiamen Meitu Networks Technology Co., Ltd. ("**Meitu Networks**") and Xiamen MeituEve Networks Services Co., Ltd. and their respective subsidiaries (collectively the "**Group**") are principally engaged in the provision of Photo, video and design products, and Advertising services in the People's Republic of China (the "**PRC**") and other countries or regions.

The Company's shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited since December 15, 2016 by way of its initial public offering ("**IPO**").

On November 1, 2025, the Group discontinued its cosmetic supply chain management services in order to focus its resources in the photo and video industry. Accordingly, the cosmetic supply chain operation have been presented as discontinued operations in the financial information of the Group.

The interim condensed consolidated balance sheet as of June 30, 2026, and the related interim condensed consolidated income statement, condensed consolidated statements of comprehensive income, changes in equity and cash flows for the six months period then ended, and selected explanatory notes (collectively defined as the "**Interim Financial Information**") of the Group have been approved for issue by the Board of Directors ("**Board**") on August 26, 2026.

The Interim Financial Information is presented in Renminbi ("**RMB**"), unless otherwise stated.

The Interim Financial Information has not been audited but has been reviewed by the external auditor of the Company.

2 BASIS OF PREPARATION

The Interim Financial Information has been prepared in accordance with International Accounting Standard ("**IAS**") 34, "Interim Financial Reporting". The Interim Financial Information should be read in conjunction with the annual financial statements for the year ended December 31, 2025, which have been prepared in accordance with International Financial Reporting Standards ("**IFRSs**").

The accounting policies applied are consistent with those of the annual financial statements for the year ended December 31, 2025, as described in those annual financial statements.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

(a) The following amendments and improvement have been adopted by the Group for the first time for the financial year beginning on January 1, 2026:

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

The Group did not change its accounting policies or make retrospective adjustments as a result of adopting the abovementioned amendments and improvement.

2 BASIS OF PREPARATION (CONTINUED)

(b) Certain new accounting standards and amendments to accounting standards have been published but are not effective for the financial year beginning January 1, 2026 and have not been early adopted by the Group:

New standards, amendments, improvement and interpretation		Effective for accounting periods beginning on or after
IFRS 18	Presentation and Disclosure in Financial Statements	January 1, 2027
IFRS 19	Subsidiaries without Public Accountability: Disclosures	January 1, 2027
Amendments to IFRS 19	Amendments to Subsidiaries without Public Accountability Disclosures	January 1, 2027
Amendments to Hong Kong Interpretation 5	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause	January 1, 2027
Amendment to IAS 21	Translation to a Hyperinflationary Presentation Currency	January 1, 2027
IFRS 20	Regulatory Assets and Regulatory Liabilities	January 1, 2029
Amendments to IFRS 10 and IAS 28	Amendments to Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

The Group has already commenced an assessment of the impact of these new and amended standards and has concluded on a preliminary basis that adoption of these new and amended standards is not expected to have significant impacts on the financial performance and positions of the Group when they become effective, except for IFRS 18, which will mainly impact the presentation of consolidated financial statements.

3 ESTIMATES

The preparation of the Interim Financial Information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing the Interim Financial Information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended December 31, 2025.

4 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

4.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, cash flow and fair value interest rate risk and price risk), credit risk and liquidity risk.

The Interim Financial Information do not include all financial risk management information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual financial statements as of December 31, 2025.

There have been no changes in the risk management policies since year end.

4.2 Liquidity risk

Compared to year end, there was no material change in the contractual undiscounted cash out flows for financial liabilities. The Group aims to maintain sufficient cash and cash equivalents. Due to the dynamic nature of the underlying businesses, the policy of the Group is to regularly monitor the Group's liquidity risk and to maintain adequate cash and cash equivalents to meet the Group's liquidity requirements.

4.3 Fair value estimation

The table below analyses the Group's financial instruments carried at fair value as of June 30, 2026 by level of the inputs to valuation methodologies used to measure fair value. Such inputs are categorised into three levels within a fair value hierarchy as follows:

- quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).

- inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).

- inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

4 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (CONTINUED)

4.3 Fair value estimation (Continued)

The following table presents the Group's assets and liabilities that are measured at fair value as of June 30, 2026 and December 31, 2025.

	Unaudited			
As of June 30, 2026	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
Assets:				
Long-term investments				
– Financial assets at fair value through profit or loss	–	–	1,072,301	1,072,301
– Financial assets at fair value through other comprehensive income	15,875	–	–	15,875
Short-term investments	257,401	–	115,846	373,247
	273,276	–	1,188,147	1,461,423

	Audited			
As of December 31, 2025	Level 1 RMB'000	Level 2 RMB'000	Level 3 RMB'000	Total RMB'000
Assets:				
Long-term investments				
– Financial assets at fair value through profit or loss	–	–	856,758	856,758
– Financial assets at fair value through other comprehensive income	17,232	–	–	17,232
Long-term treasury investments	–	–	40,556	40,556
Short-term investments	–	849,501	34,645	884,146
	17,232	849,501	931,959	1,798,692
Liabilities:				
Convertible redeemable preferred shares	–	–	186,966	186,966

4 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (CONTINUED)

4.3 Fair value estimation (Continued)

(a) Financial instruments in level 1

The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and equity securities) is based on quoted market prices at the end of the reporting period. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

(b) Financial instruments in level 2

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation methodologies which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

Specific valuation methodologies used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments; and
- other methodologies, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

The Group did not change any valuation techniques in determining the level 2 and level 3 fair values.

(c) Financial instruments in level 3

Level 3 instruments of the Group's assets mainly include long-term investments measured at fair value through profit or loss ("**FVTPL**") and short-term treasury investments measured at FVTPL.

4 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (CONTINUED)

4.3 Fair value estimation (Continued)

(c) Financial instruments in level 3 (Continued)

The following table presents the changes in level 3 instruments for the six months ended June 30, 2026.

	Unaudited			
	Long-term investments measured at FVTPL RMB'000	Short-term treasury investments measured at FVTPL RMB'000	Long-term treasury investments measured at FVTPL RMB'000	Convertible redeemable preferred shares RMB'000
Opening balance as of December 31, 2025	856,758	34,645	40,556	(186,966)
Additions	84,799	250,000	–	–
Disposal	(87,737)	(210,647)	–	–
Redemption	–	–	–	184,056
Transfer to investment in an associate accounted for using equity method	(8,988)	–	–	–
Transfer to short-term treasury investments	–	40,556	(40,556)	–
Changes in fair value	237,788	1,414	–	–
Currency translation differences	(10,319)	(122)	–	2,910
Closing balance as of June 30, 2026	1,072,301	115,846	–	–
Includes unrealised gains recognised in profit or loss attributable to balances held at the end of the reporting period	232,350	842	–	–

The Group have appointed a team of professional personnel who have valuation experience to manage the evaluation of level 3 instruments for financial reporting purposes. The team manages the valuation exercise of the investments on a case by case basis. At least once every year, the team would use valuation methodologies to determine the fair value of the Group's level 3 instruments. External valuation experts will be involved when necessary.

4 FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS (CONTINUED)

4.3 Fair value estimation (Continued)

(c) Financial instruments in level 3 (Continued)

The valuation of the level 3 instruments included investments in private companies and short-term treasury investments. As the investments in private companies and short-term treasury investments are not traded in an active market and their fair values have been determined using various applicable valuation methodologies, including equity allocation model with market approach. These valuation approaches require significant judgements, assumptions and inputs, including marketability discount, enterprise value-to-sales ratio, historical financial results and other exposure etc.

Except for the long-term investments measured at FVTPL, financial assets at fair value through other comprehensive income and short-term treasury investments measured at FVTPL, the carrying amounts of financial assets including cash and cash equivalents, term deposits, trade receivables, short-term and long-term treasury investments measured at amortised cost and other receivables; the carrying amounts of financial liabilities including trade and other payables, borrowings and lease liabilities, approximate their respective fair values due to their short maturity at the reporting date.

The quantitative information about fair value measurements using significant unobservable inputs (Level 3) and how a reasonable change in the input would affect the fair value is presented as follows:

Description	Fair value as of June 30, 2026 RMB'000	Unobservable inputs	Range
Long-term investments measured at FVTPL	417,546	Marketability discount	15.0%-38.0%
		Enterprise value-to-sales ratio	1.1-14.3
	654,755	Marketability discount	15.0%
		Enterprise value-to-sales ratio	55.2
Short-term treasury investments measured at FVTPL	115,846	Expected return rate	1.8%-3.1%

(i) Long-term investments measured at FVTPL

As of June 30, 2026, if the marketability discount, and enterprise value-to-sales ratio shifted upward and downward by 5%, respectively, the impact on the fair value would be RMB9,531,000 lower/ RMB9,479,000 higher and RMB37,206,000 higher/RMB37,292,000 lower, respectively.

(ii) Short-term treasury investments measured at FVTPL

The higher the expected return rate, the higher the fair value. The sensitivity of expected return rate is immaterial for the fair value of short-term treasury investments.

5 REVENUE AND SEGMENT INFORMATION

The Group's business activities, for which discrete financial statements are available, are regularly reviewed and evaluated by the chief operating decision-maker ("**CODM**"). The role of CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the executive director of the Company who makes strategic decisions. The Group does not distinguish between markets or segments for the purpose of internal reporting. As of June 30, 2026, the total non-current assets other than financial instruments and deferred tax assets located in the PRC and other countries or regions amounted to RMB1,955,218,000 (December 31, 2025: RMB1,973,440,000) and RMB95,263,000 (December 31, 2025: RMB87,888,000), respectively.

The results of the revenue for the six months ended June 30, 2026 and 2025 are as follows:

	Unaudited Six months ended June 30, 2026 RMB'000	Unaudited Six months ended June 30, 2025 RMB'000 (Restated)
Revenue from continuing operations		
Photo, video and design products	**1,769,111**	1,351,353
Advertising	**414,656**	433,549
Others	**29,072**	27,986
Total revenue	**2,212,839**	1,812,888
Revenue from discontinued operations		
– Cosmetic supply chain management services	**–**	8,300

No revenue from any customer exceeded 10% or more of the Group's revenue for the six months ended June 30, 2026 and 2025.

6 OTHER GAINS, NET

	Unaudited Six months ended June 30, 2026 RMB'000	Unaudited Six months ended June 30, 2025 RMB'000 (Restated)
Gains on treasury investments	**20,706**	10,416
Fair value changes on short-term investments – others (Note (i))	**(62,655)**	–
Fair value changes on long-term investments (Note (ii))	**237,788**	2,585
Others	**5,360**	15,130
	201,199	28,131

(i) Short-term investments – others mainly consist of products indexed to the spot price of relevant underlying assets in active markets, and accordingly are measured at FVTPL. As of June 30, 2026, the carrying amount of short-term investments – others was RMB257,401,000. During the six months ended June 30, 2026, change in fair value amounting to RMB62,655,000 was recognised as other losses in the consolidated income statement.

(ii) The Group performs assessment on the fair value of long-term investments measured at FVTPL periodically. Management reviews the investees' financial/operating performances and forecasts, and applies the appropriate valuation techniques, where applicable, in order to determine their respective fair values. During the six months ended June 30, 2026, change in fair value amounting to RMB237,788,000 was recognised as other gains in the consolidated income statement. The fair value gain was primarily attributable to business growth at a portfolio company, coupled with the increased enterprise value-to-sales ratio applied in the valuation driven by the overall business growth of its industry peers.

7 INCOME TAX EXPENSE

The income tax expense of the Group for the six months ended June 30, 2026 and 2025 are analysed as follows:

	Unaudited Six months ended June 30, 2026 RMB'000	Unaudited Six months ended June 30, 2025 RMB'000
Current income tax	**49,181**	40,951
Deferred income tax	**78,912**	(3,516)
	128,093	37,435
Income tax expense is attributable to:		
– Continuing operations	**128,093**	37,705
– Discontinued operations	**–**	(270)
	128,093	37,435

7 INCOME TAX EXPENSE (CONTINUED)

(i) Cayman Islands and BVI Income Tax

The Company is incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law of the Cayman Islands and accordingly, is exempted from Cayman Islands income tax. The Group entities established under the International Business Companies Acts of the British Virgin Islands (the "**BVI**") are exempted from BVI income taxes.

(ii) Hong Kong Income Tax

Entities incorporated in Hong Kong are subject to Hong Kong profits tax under the two-tiered profits tax regime, which the tax rate is 8.25% for assessable profits in the first Hong Kong dollars (HK$)2 million and 16.5% for any assessable profits in excess. However, for two or more connected entities, only one of them may elect the two-tiered profits tax rates.

(iii) Corporate income tax in other countries

Income tax rate for subsidiaries in other jurisdictions, including the United States, the United Kingdom, Japan, Korea, Australia, France and Singapore are ranging from 17% to 30%.

(iv) PRC Enterprise Income Tax ("EIT")

The income tax provision of the Group in respect of its operations in PRC is calculated at the tax rate of 25% on the assessable profits, based on the existing legislation, interpretations and practices in respect thereof.

Meitu Home, Shenzhen Meitu Innovation Technology Co., Ltd., Beijing Meitu Home Technology Co., Ltd. and Beijing Zcool Network Technology Co., Ltd. have been qualified as an "High and New Technology Enterprise" ("**HNTE**") under the EIT Law and are entitled to a preferential income tax rate of 15% for the six months ended June 30, 2026.

According to relevant laws and regulations promulgated by the State Administration of Taxation of the PRC, enterprises engaging in research and development activities were entitled to claim 200% of their research and development expenses so incurred as tax deductible expenses when determining their assessable profits for that year ("**Super Deduction**").

8 EARNINGS PER SHARE

(a) Basic

	Unaudited Six months ended June 30, 2026	Unaudited Six months ended June 30, 2025 (Restated)
Profit/(Loss) attributable to owners of the Company (RMB'000)		
From continuing operations	**619,462**	442,515
From discontinued operations	**–**	(45,495)
	619,462	397,020
Weighted average number of ordinary shares in issue (thousand)	**4,539,285**	4,529,364
Basic earnings per share (RMB per share)		
From continuing operations	**0.14**	0.10
From discontinued operations	**–**	(0.01)
	0.14	0.09

(b) Diluted

Awarded shares under the Post-IPO Share Award Scheme/2024 Share Award Scheme (Note 14), and awarded share arising from a business combination have potential dilutive effect on the earnings per share ("EPS"). Diluted EPS is calculated by adjusting the weighted average number of ordinary shares outstanding by the assumption of the conversion of all potential dilutive ordinary shares arising from awarded shares granted by the Company.

The convertible bonds (Note 17) are anti-dilutive, as net of tax and other changes in income or expense, per ordinary share obtainable on conversion exceeds basic EPS for the six months ended June 30, 2026, and the profit attributable to owners of the Company (numerator) and the weighted average number of ordinary shares (denominator) have not been adjusted by the effect of convertible bonds.

8 EARNINGS PER SHARE (CONTINUED)

(b) Diluted (Continued)

The calculation of diluted EPS for the six months ended June 30, 2026 and 2025 are as follows:

	Unaudited Six months ended June 30, 2026	Unaudited Six months ended June 30, 2025 (Restated)
Profit from continuing operations as presented in the consolidated income statement (RMB'000)	**619,462**	442,515
Less: dilution effect arising from convertible redeemable preferred shares issued by a subsidiary (RMB'000)	**–**	(16,856)
Profit from continuing operations attributable to the ordinary equity holders (RMB'000)	**619,462**	425,659
Losses from discontinued operations (RMB'000)	**–**	(45,495)
Profit attributable to owners of the Company for the calculation of diluted EPS (RMB'000)	**619,462**	380,164
Weighted average number of ordinary shares in issue (thousand)	**4,539,285**	4,529,364
Adjustments for awarded shares (thousand)	**22,189**	30,842
Weighted average number of ordinary shares for the calculation of diluted EPS (thousand)	**4,561,474**	4,560,206
Diluted EPS (RMB per share)		
From continuing operations	**0.14**	0.09
From discontinued operations	**–**	(0.01)
	0.14	0.08

9 DIVIDENDS

A final dividend in respect of the year ended December 31, 2025 of HK$0.05 (2024: HK$0.0552) per share in the total amount of HK$227,432,189 (2024: HK$252,053,097) in cash out of the share premium account was proposed pursuant to a resolution passed by the Board on March 27, 2026 and approved by the shareholders at the annual general meeting of the Company held on June 5, 2026.

On August 26, 2026, the Board of Directors declared an interim dividend of HK$0.067 per ordinary share in cash out of the share premium account of the Company for the six months ended June 30, 2026. These consolidated financial statements do not reflect this dividend.

10 TRADE RECEIVABLES

The Group grants a credit period of 30 to 120 days to its customers. As of June 30, 2026 and December 31, 2025, the aging analysis of trade receivables (net of allowance for doubtful debts) based on transaction date were as follows:

	Unaudited As of June 30, 2026 RMB'000	Audited As of December 31, 2025 RMB'000
Trade receivables		
Up to 6 months	**551,944**	516,349
6 months to 1 year	**4,930**	6,024
Over 1 year	**305**	685
	557,179	523,058

11 PREPAYMENTS AND OTHER RECEIVABLES

	Unaudited As of June 30, 2026 RMB'000	Audited As of December 31, 2025 RMB'000
Included in non-current assets		
Rental and other deposits	**4,775**	3,585
Others	**988**	1,436
Less: loss allowance	**(81)**	(64)
	5,682	4,957
Included in current assets		
Other receivables in relation to payment on behalf of advertisers	**520,523**	488,718
Prepayment to advertising platform for advertising agency services	**117,123**	120,672
Deductible value-added tax	**69,723**	51,375
Loan to third parties	**23,000**	26,000
Rental and other deposits	**16,814**	26,841
Others	**59,889**	50,724
Less: loss allowance	**(77,128)**	(74,189)
	729,944	690,141

12 LONG-TERM TREASURY INVESTMENTS AND SHORT-TERM INVESTMENTS

	Unaudited As of June 30, 2026 RMB'000	Audited As of December 31, 2025 RMB'000
Long-term treasury investments:		
– At fair value through profit or loss	–	40,556
– At amortised cost (Note (i))	34,572	–
	34,572	40,556
Short-term investments:		
Treasury investments		
– At fair value through profit or loss	115,846	884,146
– At amortised cost (Note (i))	68,753	–
Other investments (Note 6)	257,401	–
	442,000	884,146

Treasury investments are wealth management products issued by certain reputable banks or non-bank financial institutions, denominated in RMB and United States dollars ("**US$**").

(i) Treasury investments measured at amortised cost are wealth management products held for collection of contractual cash flows, where those cash flows represent solely payments of principal and interest. Interest income from these financial assets is recorded in other income using the effective interest rate method.

None of these investments are past due.

13 SHARE CAPITAL AND PREMIUM

As of June 30, 2026 and December 31, 2025, the authorised share capital of the Company comprises 6,000,000,000 ordinary shares with par value of US$0.00001 per share.

	Note	Number of ordinary shares '000	Nominal value of ordinary shares US$'000	Equivalent nominal value of ordinary shares RMB'000	Share premium RMB'000
Issued:					
As of January 1, 2026		**4,586,179**	**43**	**288**	**6,238,205**
Dividends	9	–	–	–	(197,737)
Others		–	–	–	942
As of June 30, 2026		**4,586,179**	**43**	**288**	**6,041,410**
As of January 1, 2025		4,555,480	43	287	7,104,304
Employee share option scheme under Pre-IPO ESOP					
– Shares issued and proceeds received		10,699	*	1	2,306
Dividends		–	–	–	(687,760)
As of June 30, 2025		4,566,179	43	288	6,418,850

* The amount is less than US$1,000.

(a) Purchase of own shares

During the six months ended June 30, 2026, the Company purchased 63,002,500 of its own ordinary shares, with an aggregate consideration of RMB240,282,000 paid. These shares were presented as treasury shares.

14 SHARE-BASED PAYMENTS

(a) Pre-IPO ESOP

On February 15, 2014, the Board of Directors of the Company approved the establishment of the Pre-IPO ESOP with the purpose of providing incentives for employees and persons contributing to the Group. The overall limit on the number of underlying shares is 116,959,070 shares.

(i) Shares options granted to employees under the Pre-IPO ESOP

The exercise price of the granted options to employees shall be US$0.03 per share. Except as provided otherwise in the grant letter or offer in any other form by the Board of Directors, 25% of the shares subject to the option shall vest on the first vesting date, and the remaining 75% shares shall vest over the next 36 months. The first vesting date should be determined by the Company and grantees for each grant agreement. The granted options have a contractual option term of ten years. The Group has no legal or constructive obligation to repurchase or settle the options in cash.

No share options were granted under Pre-IPO ESOP to employees of the Company for the six months ended June 30, 2026 (six months ended June 30, 2025: Nil).

Movements in the number of share options granted to employees outstanding and their related weighted average exercise prices are as follows:

	Exercise price	Number of share options Six months ended June 30, 2026	2025
At the beginning of the period		**1,351,948**	12,051,469
Exercised	US$0.03	**–**	(10,699,521)
At the end of the period		**1,351,948**	1,351,948

As of June 30, 2026, all share options granted are vested and exercisable.

14 SHARE-BASED PAYMENTS (CONTINUED)

(b) Post-IPO Share Award Scheme/2024 Share Award Scheme

The Post-IPO Share Award Scheme was adopted pursuant to the written resolutions of the Shareholders passed on November 25, 2016. The 2024 Share Award Scheme was adopted pursuant to the resolution of the Shareholders passed at the annual general meeting of the Company held on June 5, 2024. The 2024 Share Award Scheme was adopted to replace the existing Post-IPO Share Award Scheme to comply with the requirements of amended Chapter 17 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Movements in the number of awarded shares for the six months ended June 30, 2026 and 2025 are as follows:

	Share Award Scheme Number of shares Six months ended June 30,	
	2026	2025
At the beginning of the period	**50,350,652**	65,282,440
Granted	**16,706,346**	14,908,143
Vested	**(13,401,489)**	(23,620,284)
Forfeited	**(706,401)**	(1,360,452)
At the end of the period	**52,949,108**	55,209,847

The fair value of the awarded shares was calculated based on the market price of the Company's shares at the respective grant date.

The weighted average fair value of awarded shares granted during the six months ended June 30, 2026 was HK$4.45 per share (equivalent to approximately RMB3.92 per share) (six months ended June 30, 2025: HK$5.14 per share (equivalent to approximately RMB4.74 per share)).

During the six months ended June 30, 2026, the Group recorded share-based compensation of RMB65,415,000 (six months ended June 30, 2025: RMB56,680,000) related to Post-IPO Share Award Scheme/2024 Share Award Scheme.

The outstanding awarded shares as of June 30, 2026 were divided into one to four tranches on an equal basis as of their grant dates. The first tranche can be vested after a specified period ranging from one to twelve months from the grant date, and the remaining tranches will become vested in each subsequent year.

(i) Expected Retention Rate

The Group has to estimate the expected yearly percentage of grantees that will stay within the Group at the end of the vesting periods of the share award (the "**Expected Retention Rate**") in order to determine the amount of share-based compensation charged to the consolidated income statement. As of June 30, 2026, the Expected Retention Rate, excluding senior management, was assessed to be 94% (June 30, 2025: 94%). For senior management, the Group estimates the Expected Retention Rate on individual basis.

15 TRADE AND OTHER PAYABLES

The aging analysis of the trade payables (including amounts due to related parties of trading in nature) based on transaction date is as follows:

	Unaudited As of June 30, 2026 RMB'000	Audited As of December 31, 2025 RMB'000
Up to six months	**207,854**	175,600
Over six months	**69,307**	30,927
	277,161	206,527

16 CONVERTIBLE REDEEMABLE PREFERRED SHARES

On October 12, 2023, a wholly owned subsidiary of the Company, Pixocial, Inc. ("**Pixocial**"), entered into a share subscription agreement with certain third party investors to issue 17,043,417 shares of Series A Preference Shares ("**Series A Preference Shares**") at a price of US$1.1148 per share with total consideration of US$19,000,000 (equivalent to approximately RMB134,571,000). The issuance and subscription of the Series A Preference Shares of Pixocial was completed on December 1, 2023.

The Group measures the convertible redeemable preferred shares on a fair value basis and does not bifurcate any embedded derivatives from the host instruments and designates the entire instrument as financial liabilities at fair value through profit or loss with the changes in the fair value recognised in the consolidated income statement.

On March 30, 2026, the Group redeemed all of the outstanding Series A Preference Shares at a price of US$1.5607 per share with total consideration of US$26,600,000 (equivalent to approximately RMB184,056,000).

The movement of the convertible redeemable preferred shares is set out as below:

	Unaudited Six months ended June 30, 2026 RMB'000
As of January 1, 2026	186,966
Currency translation differences	(2,910)
Redemption	(184,056)
As of June 30, 2026	–

17 CONVERTIBLE BONDS

As disclosed in the 2025 annual report, the Company issued convertible bonds to Alibaba.com China Limited with an aggregate principal amount of US$250 million (approximately RMB1,757 million). The convertible bonds bear an interest of 1% per annum payable semi-annually and will mature on December 31, 2028. The convertible bonds were recognised as compound instruments comprising Debt component and Equity component under IFRS 2.

The movement of the Debt component of the convertible bonds for the six months ended June 30, 2026 is set out below:

	Unaudited Six months ended June 30, 2026 RMB'000
As of January 1, 2026	1,406,692
Changes in fair value recognised in profit or loss during the period (Note (i))	60,044
Currency translation differences	(44,567)
As of June 30, 2026	1,422,169

(i) The Debt component is subsequently remeasured to its fair value at each end of the reporting period, where the changes in the fair value will be recognised as "finance costs" in the consolidated income statement. During the six months ended June 30, 2026, change in fair value amounting to RMB60,044,000 was recognised as finance costs.

If bonds were fully converted as of June 30, 2026, 327,370,375 ordinary shares would have been issued.

18 COMMITMENTS

(a) Capital Commitments

Capital expenditure contracted for as of June 30, 2026 but not yet incurred is as follows:

	Unaudited As of June 30, 2026 RMB'000	Audited As of December 31, 2025 RMB'000
Investment commitments	**86,855**	21,086
Construction in progress	**20,947**	6,375
	107,802	27,461

19 CONTINGENCIES

The Group did not have any material contingent liabilities as of June 30, 2026.

20 SUBSEQUENT EVENTS

Save as disclosed in Note 9, there were no material subsequent events during the period from June 30, 2026 to the approval date of these financial statements by the Board on August 26, 2026.

21 RELATED PARTY TRANSACTIONS

Save as disclosed in other notes, the following significant transactions were carried out between the Group and its related parties during the six months ended June 30, 2026 and 2025.

(a) Key management personnel compensations

Key management includes directors (executive and non-executive), the chief executive and other senior management. The compensations paid or payable to key management for employee services are shown below:

	Unaudited Six months ended June 30, 2026 RMB'000	Unaudited Six months ended June 30, 2025 RMB'000
Share-based compensation expenses	**30,165**	25,089
Wages, salaries and bonuses	**3,502**	2,934
Other social security costs, housing benefits and other employee benefits	**95**	72
Pension costs – defined contribution plan	**93**	31
	33,855	28,126

Definitions

"2024 Share Award Scheme"	the share award scheme adopted by the Company on June 5, 2024
"2025 Share Buy-Back Mandate"	the general mandate granted to the Directors at the annual general meeting of the Company held on June 5, 2025 to exercise the power of the Company to buy back Shares up to a maximum of 10% of the total number of issued shares (excluding treasury shares) of the Company as at the date of such annual general meeting
"2026 Share Buy-Back Mandate"	the general mandate granted to the Directors at the AGM to exercise the power of the Company to buy back Shares up to a maximum of 10% of the total number of issued shares (excluding treasury shares) of the Company as at the date of the AGM
"Adjusted Net Profit/(Loss)"	adjusted net profit/(loss) is calculated as the profit/(loss) for the period, excluding the impact from certain non-cash or non-recurring expenses including: (i) share-based compensation; (ii) fair value gains/(losses) on long-term investments, net of tax; (iii) gains on disposal of long-term investments, net of tax; (iv) net effect of goodwill impairment and remeasurement gain on consideration to non-controlling shareholders of a subsidiary; and (v) amortization of intangible assets and other expenses related to acquisition, net of tax
"AI"	artificial intelligence
"API"	application programming interfaces
"ARPPU"	average revenue per paying user
"AGM"	the annual general meeting of the Company held on June 5, 2026
"Articles" or "Articles of Association"	the fourth amended and restated articles of association of the Company adopted at the AGM, as amended from time to time
"Audit Committee"	the audit committee of the Company
"Board of Directors" or "Board"	the board of Directors of the Company
"BVI"	the British Virgin Islands
"CG Code"	the Corporate Governance Code set out in Appendix C1 of the Listing Rules
"China", "Mainland China" or "PRC"	the People's Republic of China and, except where the context requires and only for the purpose of this report, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan. "Chinese" shall be construed accordingly
"Company", "our Company", "the Company", "Meitu", "our", "we" or "us"	Meitu, Inc. 美图公司, an exempted company with limited liability incorporated under the laws of the Cayman Islands on July 25, 2013 and carrying on business in Hong Kong as "美圖之家" (in Chinese) as approved and registered with the Registrar of Companies in Hong Kong on October 28 and November 7, 2016, respectively. "Meitu" may also refer to the Company's brand if the context so requires

Definitions

"Companies Ordinance"	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Director(s)"	the director(s) of our Company
"Existing Contractual Arrangements"	the existing series of contractual arrangements entered into between Mr. WU Zehuai, Xiamen Hongtian, Meitu Home and Meitu Networks (as applicable), details of which are set out in the Prospectus, the announcements of the Company dated March 17, 2021 and December 27, 2024 and the 2025 annual report of the Company published on April 27, 2026
"EveLab Insight"	EveLab Insight, Inc. (formerly known as MeituEve, Inc. and Meipai Ltd), a company incorporated in the Cayman Islands with limited liability on June 2, 2015, and a subsidiary of the Company
"EveLab Insight Share Award Scheme"	the share award scheme adopted by EveLab Insight (a subsidiary of the Company that is not a principal subsidiary of the Company pursuant to Chapter 17 of the Listing Rules) on June 2, 2021 and amended on September 30, 2021, which is not subject to the provisions of Chapter 17 of the Listing Rules
"Grantee(s)"	the recipients of the share awards who are eligible persons of the Group pursuant to the 2024 Share Award Scheme
"Group", "our Group", or "the Group"	the Company and together with its subsidiaries and consolidated affiliates, and the expression "member(s) of the Group" shall be construed accordingly
"Hong Kong" or "HK"	the Hong Kong Special Administrative Region of the PRC
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"ICP"	Internet content provider
"ICP License"	Value-added Telecommunications Service Operating Permit for Internet Information Service
"IFRSs"	the International Financial Reporting Standards, amendments and interpretation issued from time to time by the International Accounting Standards Board
"Key Employee Grantee(s)"	Grantee(s) who are employees of the Group holding key positions within the Group as determined by the Board and not being Director(s) or chief executive(s) of the Company
"KOL(s)"	Key opinion leader(s)
"Latest Practicable Date"	September 17, 2026, being the latest practicable date prior to the bulk printing and publication of this interim report
"Listing"	the listing of our Shares on the Main Board of the Stock Exchange on December 15, 2016

Definitions

"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, as amended, supplemented or otherwise modified from time to time
"Longlink Capital"	Longlink Capital Ltd, a company incorporated under the laws of the BVI on January 11, 2007, which is wholly-owned by Longlink Limited, which in turn is held by Lion Trust (Singapore) Limited as trustee for the benefit of Mr. Cai and is deemed interested in approximately 5.94% of the issued share capital of our Company as at the Latest Practicable Date
"Main Board"	the stock exchange (excluding the option market) operated by the Stock Exchange which is independent from and operates in parallel with GEM of the Stock Exchange
"MAU"	monthly active users
"Meitu Home"	Xiamen Home Meitu Technology Co., Ltd.(廈門美圖之家科技有限公司), a company established in the PRC on October 14, 2013, and a subsidiary of the Company
"Meitu Trust"	Beautiful Space Ltd., a limited liability company incorporated under the laws of the BVI, the entire issued share capital of which is beneficially owned by the Company through a professional trustee
"Meitu Networks"	Xiamen Meitu Networks Technology Co., Ltd.*(廈門美圖網科技有限公司)(formerly known as Xiamen Shuzi Qingyuan Networks Technology Co. Ltd.(廈門數字情緣網科技有限公司) and Xiamen Networks Zhiyuan Xinxi Technology Co. Ltd(廈門網之源信息科技有限公司)), a company established in the PRC on June 18, 2003, owned by Mr. WU Zehuai and Xiamen Hongtian as to 51% and 49%, respectively, and by virtue of the Existing Contractual Arrangements, accounted for as our subsidiary
"MeituEve Contractual Arrangements"	a series of contractual arrangements entered into between MeituEve Technology, MeituEve Networks and Xiamen Hongtian, details of which are set out in the announcement of the Company dated July 30, 2021 and the 2025 annual report of the Company published on April 27, 2026
"MeituEve Networks"	Xiamen MeituEve Networks Services Co., Ltd.*(廈門美圖宜膚網絡服務有限公司), a company established in the PRC on May 19, 2021, wholly-owned by Xiamen Hongtian, and by virtue of the MeituEve Contractual Arrangements, accounted for as our subsidiary
"MeituEve Technology"	Xiamen MeituEve Technology Co., Ltd.*(廈門美圖宜膚科技有限公司), a limited liability company incorporated under the laws of the PRC on February 4, 2021 and a subsidiary of the Company
"MIIT"	the Ministry of Industry and Information Technology of the PRC(中華人民共和國工業和信息化部)(formerly known as the Ministry of Information Industry)

Definitions

"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 of the Listing Rules
"Mr. Cai"	Mr. CAI Wensheng(蔡文胜)
"Ms. Chen"	Ms. CHEN Cuie(陳翠娥), the Group's finance director, who has been employed by the Group for over 10 years and a director of a number of the Group's subsidiaries
"Mr. Wu"	Mr. WU Zeyuan(吳澤源), also known as Mr. WU Xinhong(吳欣鴻), our founder, Chairman, Chief Executive Officer and executive Director
"Nomination Committee"	the nomination committee of the Company
"Pixocial"	Pixocial, Inc. (formerly known as Pixocial Holdings Ltd and Meitu Holdings Ltd), an exempted company with limited liability incorporated under the laws of the Cayman Islands on June 2, 2015, and a subsidiary of the Company
"Pixocial Share Option Scheme"	the share option scheme adopted by Pixocial on December 1, 2023
"Post-IPO Share Award Scheme"	the share award scheme adopted by the Company on November 25, 2016
"PRC"	the People's Republic of China
"PRC Operating Entities"	Meitu Networks and its subsidiaries and branches, the financial results of which have been consolidated and accounted for as if they were subsidiaries of our Company by virtue of the Existing Contractual Arrangements
"Pre-IPO ESOP"	the employees' share option plan of the Company as approved by the Board on February 15, 2014 and amended by the Board on November 18, 2015
"Prospectus"	the prospectus of the Company dated December 5, 2016
"Remuneration Committee"	the remuneration committee of the Company
"RMB" or "Renminbi"	Renminbi, the lawful currency of PRC
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
"Share(s)"	ordinary share(s) in the share capital of the Company with a par value of US$0.00001 each
"Shareholder(s)"	holder(s) of the Share(s)
"Share Buy-Back Plan"	the share buy-back plan for up to HK$300 million in value of Shares via on-market transactions as disclosed in the announcement of the Company dated March 27, 2026 with validity period of one year from the date of such announcement

Definitions

"Share Premium Account"	the share premium account of the Company
"Smart Hardware Business"	the smart hardware business of the Group, involving the production of, among other things, AI skin analysis SaaS under the brand of EveLab Insight (and MeituEve(美圖宜膚) in the PRC), MeituKey (a contact skin analyser), MeituSpa (an AI cleansing brush) and Meitu Genius (an AI smart mirror)
"SaaS"	Software as a Service
"Starii"	Starii Holdings, Inc., a company incorporated in the Cayman Islands with limited liability on January 14, 2025, and a subsidiary of the Company
"Starii Group"	Starii and its subsidiaries
"Starii Share Award Scheme"	the share award scheme adopted by Starii (a subsidiary of the Company that is not a principal subsidiary of the Company pursuant to Chapter 17 of the Listing Rules) on June 3, 2025, which is not subject to the provisions of Chapter 17 of the Listing Rules
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"subsidiary" or "subsidiaries"	has the meaning ascribed to it in section 15 of the Companies Ordinance
"United States" or "US"	the United States of America, its territories, its possessions and all areas subject to its jurisdiction
"US$"	United States dollars, the lawful currency of the United States
"Xiamen Hongtian"	Xiamen Hongtian Chuangfu Technology Co., Ltd.*(廈門鴻天創富科技有限公司), a company established in the PRC on June 5, 2020 and owned by Mr. WU Zehuai as to 99% and Ms. Chen as to 1%
"Xinhong Capital"	Xinhong Capital Limited, a company incorporated under the laws of BVI on June 13, 2013, which is wholly-owned by Easy Prestige Limited, which in turn is held by Lion Trust (Singapore) Limited as trustee for the benefit of Mr. Wu and is deemed interested in approximately 12.35% of the issued share capital of our Company as at the Latest Practicable Date
"YoY"	year-on-year
"%"	per cent

* *For identification purpose only*

Meitu, Inc.
美图公司