

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



## **Gala Technology Holding Limited**

### **望塵科技控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 2458)**

### **PROFIT WARNING**

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

The Board wishes to inform the shareholders and potential investors of the Company that, based on a preliminary review of the unaudited consolidated management accounts of the Group for the six months ended 30 June 2024 and an assessment of the information currently available to the Board, the Group is estimated to record a revenue of approximately RMB315.0 million to RMB316.0 million, representing a period-to-period decrease of approximately RMB38.4 million to RMB39.4 million as compared to the corresponding period in 2023, and a net profit of approximately RMB25.0 million to RMB26.0 million, representing a period-to-period decrease of approximately RMB13.4 million to RMB14.4 million as compared to the corresponding period in 2023.

The estimated decrease in the interim result was mainly due to the following reasons:

1. In late June 2024, MLB Clutch Hit Baseball (棒球大師) was launched in new geographical regions and therefore we incurred a certain amount of promotion fees;
2. Certain old games have experienced a natural decline of revenue as their lifecycle grows;

3. The increase in R&D expenses for the six months ended 30 June 2024 as compared to the corresponding period in 2023, was mainly due to the increase in the number of R&D personnel of the Group to develop the new mobile sports games both released and in the pipeline and salary increases to reward the Group's outstanding R&D personnel.

The Group continues to place emphasis on sport games sector, and is constantly enriching its product matrix, exploring diversified products, and refining premium games. The Group's first action simulation basketball game, NBA Rivals (美職籃巔峰對決), was officially approved as a domestic online game in July 2024 and is scheduled to be officially launched in mid-August 2024 in Mainland China. The Group believes that with the launch of the game, it will bring new impetus to the Company to continuously offset the natural decline in revenue contributed by the Group's older games. In addition, the fishing analogue game, Codename: Fishing Master (代號：釣魚大師), is currently in the stage of continuous optimization and is expected to be launched by the end of 2024.

With the continuing development of new games, the Group will continue to optimize various resources and achieve diversification of the its products. The Board has full confidence in the long-term development and prospects of the Group.

As of the date of this announcement, the Company is still in the process of finalising the consolidated interim results of the Group for the six months ended 30 June 2024. The information contained in this announcement is only based on the preliminary assessment by the Board with reference to the information currently available and the unaudited consolidated management accounts of the Group for the six months ended 30 June 2024, which have not been audited or reviewed by the Company's independent auditors and/or the audit committee of the Company, and is therefore subject to further adjustments. Shareholders and potential investors of the Company are advised to read carefully the results announcement of the Company for the six months ended 30 June 2024, which is expected to be published by the end of August 2024.

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

By Order of the Board  
**Gala Technology Holding Limited**  
**Jia Xiaodong**

*Executive Director, Chairman and Chief Executive Officer*

Hong Kong, 9 August 2024

*As at the date of this announcement, the executive directors of the Company are Mr. Jia Xiaodong (Chairman and Chief Executive Officer), Mr. Huang Xiang and Mr. Li Xin; and the independent non-executive directors of the Company are Mr. Zhan Peixun, Mr. Leung Ming Shu and Ms. Chak Hoi Kee Clara.*