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Rego Interactive Co., Ltd
(潤歌互動有限公司)

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2422)

PROFIT WARNING

This announcement is made by Rego Interactive Co., Ltd (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to the Inside Information Provisions (as defined under the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited) under Part XIVA of the Securities and Futures Ordinance (Cap 571 of the Laws of Hong Kong) and Rule 13.09 of the Listing Rules.

The board (the “**Board**”) of directors (the “**Directors**”) of the Company wishes to inform the shareholders and potential investors of the Company that based on the preliminary assessment of the unaudited consolidated management accounts of the Group for the six months ended 30 June 2024 and the information currently available to the Board, the Group is expected to record a net profit after tax for the six months ended 30 June 2024 of not less than RMB2.2 million, representing a decrease of 80.7% over approximately RMB11.4 million as compared with the corresponding period in 2023. The Group is also expected to record an adjusted net profit (i.e. defined as profit for the period adjusted by the listing expenses, foreign exchange differences and change in fair value of financial assets at fair value through profit or loss) for the six months ended 30 June 2024 of not less than RMB2.7 million, representing a decrease of 75.2% over approximately RMB10.9 million as compared with the corresponding period in 2023. The Board considers that the decrease is mainly attributable to:

- (i) the consumer market sentiment in China in 2023 remained subdued throughout 2023 and, many enterprises have reduced the amount of marketing budgets and the overall level of advertisement placements, thereby resulting in a decrease in the revenue deriving from promotion and advertising services of the Group;
- (ii) in light of the uncertain market environment, the Group has continued with its prudent policy on the selection of high quality customers to manage the exposure to credit risks; and

(iii) the effect of the increment on the expenses, including marketing and business development expenses of the Group.

For the first half of 2024, the worldwide economic climate continues to be challenging with persistent sluggish growth. In light of this, our strategy is to closely monitor the economic trends and shifts in the competitive market landscape. We aim to concentrate on and bolster our primary business areas, streamline the distribution of capital, and enhance the efficiency of our operations. Simultaneously, we plan to heighten our awareness of potential risks and stick to cautious risk management strategies. This approach will help ensure our company's steady progress amidst the complexities of the ever-evolving economic scenario. Furthermore, we intend to proactively expand our strategic vision, identify and capitalize on new opportunities within our "corporate digitalization solutions services" (企業數字化服務) and "industry digitalization solutions services" (行業數字化服務) as the core, to achieve the cross industry empowerment solutions services" (異業賦能服務) in the future. By adopting adaptable business strategies, we aim to boost the resilience of our company and secure our continuous growth and stable development.

As at the date of this announcement, the Company is still finalising the Group's unaudited consolidated financial results for the six months ended 30 June 2024. The information contained in this announcement is based on the data currently available to the Company and the Board's preliminary assessment on the management accounts prepared in accordance with the applicable Hong Kong Financial Reporting Standards, and have not been audited or reviewed by the independent auditors of the Company nor reviewed by the audit committee of the Company and therefore, may be subject to adjustments following further review by the Board. Further details of the Group's performance will be disclosed in the Group's interim results announcement for the six months ended 30 June 2024, which will be announced in August 2024.

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

By Order of the Board
Rego Interactive Co., Ltd
Chen Ping
Chairman and executive Director

Hong Kong, 20 August 2024

As at the date of this announcement, the executive Directors are Mr. Chen Ping, Mr. Tian Huan, Mr. Zhang Yongli, Mr. Fan Lianshun, Mr. Xia Yuanbo and Mr. Chen Wei; and the independent non-executive Directors are Ms. Mo Lan, Mr. Shen Yunjia and Mr. Zeng Liang.