



望塵科技控股有限公司

Gala Technology Holding Limited

(incorporated in the Cayman Islands with limited liability)

Stock code: 2458



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CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive Directors

Mr. Jia Xiaodong (*Chairman and Chief Executive Officer*)
Mr. Huang Xiang
Mr. Li Xin

Independent Non-executive Directors

Ms. Jiang Xueying (appointed on 20 June 2025)
Mr. Leung Ming Shu (retired on 20 June 2025)
Mr. Zhan Peixun
Ms. Chak Hoi Kee Clara

COMPANY SECRETARY

Ms. Cheng Lucy

AUTHORIZED REPRESENTATIVES

Mr. Li Xin
Ms. Cheng Lucy

AUDIT COMMITTEE

Ms. Jiang Xueying (*Chairlady*)
(appointed on 20 June 2025)
Mr. Leung Ming Shu (*Chairman*)
(ceased on 20 June 2025)
Mr. Zhan Peixun
Ms. Chak Hoi Kee Clara

REMUNERATION COMMITTEE

Mr. Zhan Peixun (*Chairman*)
Mr. Li Xin
Ms. Jiang Xueying (appointed on 20 June 2025)
Mr. Leung Ming Shu (ceased on 20 June 2025)

NOMINATION COMMITTEE

Mr. Jia Xiaodong (*Chairman*)
Ms. Chak Hoi Kee Clara
Mr. Zhan Peixun

ESG OVERSIGHT COMMITTEE

Mr. Jia Xiaodong (*Chairman*)
Ms. Lin Zhendan (*Administrative Management Director*)
Ms. Shao Jingfei (*Human Resource Director*)

INDEPENDENT AUDITOR

Grant Thornton Hong Kong Limited
Certified Public Accountants
Registered Public Interest Entity Auditors

PRINCIPAL BANKS

Bank of China (Hong Kong) Limited
China Merchants Bank Co., Ltd.
Industrial and Commercial Bank of China Limited

LEGAL ADVISERS

As to Hong Kong Law
Haiwen & Partners LLP

REGISTERED OFFICE

PO Box 309, Ugland House
Grand Cayman, KY1-1104
Cayman Islands

PRINCIPAL PLACE OF BUSINESS IN HONG KONG

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Hong Kong

HEADQUARTERS AND PRINCIPAL PLACE OF BUSINESS IN THE PRC

15th Floor
Qianhai CTF Finance Tower
66 Shuniu Street
Nanshan Subdistrict
Qianhai Shenzhen-Hong Kong Cooperation Zone
Shenzhen
PRC

COMPANY'S WEBSITE ADDRESS

www.galasports.com

SHARE REGISTRARS

Principal Share Registrar and Transfer Office

Maples Fund Services (Cayman) Limited
PO Box 1093
Boundary Hall
Cricket Square
Grand Cayman KY1-1102
Cayman Islands

Hong Kong Branch Share Registrar and Transfer Office

Computershare Hong Kong Investor Services Limited
Shops 1712-1716, 17th Floor
Hopewell Centre
183 Queen's Road East
Wan Chai
Hong Kong

STOCK CODE

02458

FINANCIAL PERFORMANCE HIGHLIGHTS

The following is a summary of the results of the Group:

	Six months ended 30 June			
	2025 (Unaudited)		2024 (Unaudited)	
	RMB'000	%	RMB'000	%
Revenue	469,681	100.0	315,379	100.0
Cost of revenue	(232,122)	(49.4)	(143,976)	(45.7)
Gross profit	237,559	50.6	171,403	54.3
Other (losses)/gains, net	(6,072)	(1.3)	535	0.2
Other income	4,597	1.0	4,315	1.4
Selling and marketing expenses	(68,170)	(14.5)	(68,401)	(21.7)
General and administrative expenses	(22,954)	(4.9)	(21,531)	(6.8)
Research and development expenses	(84,317)	(18.0)	(58,899)	(18.7)
Impairment loss under expected credit loss model, net of reversal	–	–	(21)	*
Share of results of an associate	(225)	*	–	–
Operating profit	60,418	12.9	27,401	8.7
Finance costs, net	(2,115)	(0.5)	(1,812)	(0.6)
Profit before income tax	58,303	12.4	25,589	8.1
Income tax expenses	(4,593)	(1.0)	(50)	*
Profit for the period	53,710	11.4	25,539	8.1

* less than 0.1%

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS OVERVIEW

As a leading technology-driven mobile sports game company in China, the Group adheres to the principle of “enhancing sports with technology for more fun”. We strive to provide game players in different parts of the world with unmatched experience by developing high-quality products with our technology. The games we have launched hitherto include *Football Master* (足球大師), *NBA Basketball Master* (NBA 籃球大師), *Total Football* (最佳球會), *Football Champion* (最佳11人 – 冠軍球會), *Clutch Hit Baseball* (棒球大師) and *NBA Rivals* (美職籃巔峰對決). As a mobile sports game company, we maintain amicable long-term co-operation relationship with international sports associations (FIFPro, NBA and NBPA, MLB and MLBPA), as well as top football clubs such as F.C. Barcelona, F.C. Bayern Munich, and Real Madrid C.F.. In March 2025, we entered into Collective Authorisation and Licence Agreement with FIFPro-CE. By leveraging the popular appeal of the Licence, the digital games could gain more recognition and popularity and an edge in the competitive digital gaming market in the PRC.

In the first half of 2025, the Company demonstrated outstanding strategic determination and innovation vitality in the complex and competitive global sports game market. Benefiting from the in-depth practice of the three-in-one strategy of “technology + IP + regional operation”, the Company achieved a whole-chain value breakthrough for its core businesses.

The technical barriers built by our self-developed AIGC (Artificial Intelligence Generated Content) technology Arena 4D continued to generate momentum, driving the synergistic growth in both user base and commercial performance across our football, basketball, and baseball products; for the IP ecology, we achieved key breakthroughs in our global expansion and made milestone achievements, including obtaining the full authorization of a single league for the first time; we have made a breakthrough in verifying the emerging markets, with the number of users steadily growing in Southeast Asian countries such as Vietnam and Thailand. Compared with traditional top developed countries and regions with high maturity, strong user payment ability and complete infrastructure, the emerging markets demonstrated significant growth potential.

In particular, despite the cyclical fluctuation of sports events and a general increase in industry user acquisition costs, the Company bucked the trend to achieve a number of key indicators: The cumulative gross billings of basketball games exceeded RMB200 million. The monthly gross billings of baseball games exceeded HK\$9 million; and the football games still maintained revenue growth in the period of “Xiao Nian” (a non-major football tournament year). This signifies that the Company has completed the strategic transformation from reliance on a single product advantage to systematic competitiveness, laying a solid foundation for its in-depth global penetration.

The football management simulation game *Football Champion* (最佳11人 – 冠軍球會), which was launched five years ago, continued to show strong vitality. Benefiting from the targeted adjustment of user growth strategy, *Football Champion* (最佳11人 – 冠軍球會) successfully achieved a steady expansion of user base, laying a solid foundation for the sustainability of our core performance. The core supporting force for the sustained steady performance comes from our prudent promotion of product research and development (“R&D”) strategy. The coaching system officially launched during this period has significantly enhanced the game depth and immersive experience in the strategic dimension by highly recreating the core elements of tactical deployment and on-the-spot command in real football competitions. The system has quickly been widely recognized by the player community since its launch. In terms of global market expansion, after systematic tests and resource preparations, emerging markets such as Vietnam, Thailand and Hong Kong have shown remarkable verification results. Compared with traditional mature markets, their development potentials have unique strategic value and are worthy of investment. The Company has also made key progress in the development of its derivative product pipeline. The mini-game *Fantastic Manager* (夢幻經理人), the first derivative product of *Football Champion* (最佳11人 – 冠軍球會), has met the industry’s benchmark expectations for the first stage of test data, initially showing outstanding commercialization prospects.

MANAGEMENT DISCUSSION AND ANALYSIS

As a concentrated demonstration of the Company's technical strength, *Total Football* (最佳球會) achieved the resonant explosion of product strength and commercial value in the first half of 2025. In terms of the underlying technical reconstruction, based on the neural network AI algorithm and Motion Matching motion engine, special improvements have been made in actions, AI, 3D model and other aspects, which elevated the experience standard of realistic football games to a new level. IP ecosystem construction entered a positive cycle, with a return on IP investment exceeding 300%; we successfully completed the renewal of contracts with the National Football Team of Germany, and introduced several new Golden Ball legendary players including Torres and Villa; we even made a historic achievement in obtaining the full authorization of the Russian Premier League. By building a diversified IP matrix, we can maximize the coverage of the cultural landscape of the football circle, and while deepening the richness of our gameplay system, we can accurately stimulate the emotional resonance of different fan groups, and ultimately promote the incremental growth of user lifetime value.

At the same time, in the first half of the year, the global operation of *Total Football* (最佳球會) achieved improvements in both quality and efficiency. Relying on the continuous deepening of the core talent strategy, *Total Football* (最佳球會) achieved a qualitative breakthrough in the construction of the global distribution system. With the empowerment of our professional team, the efficiency of the localized communication matrix has been significantly improved, and the accumulated assets of the user community increased on a year-on-year basis. We have successfully established an overseas distribution model that combines regional adaptability and scalability, consolidating its strategic depth for global market penetration. For the operating model upgrade that we advanced at the same time, key progress has been made, with major markets such as Korea, Europe and Hong Kong having taken the lead in completing refined transformation. On the premise of lower cost input, the steady increase in regional comprehensive revenue demonstrated the sustainable evolution of our operating model in the long term.

Since its official launch in the Mainland China in August 2024, *NBA Rivals* (美職籃巔峰對決) has quickly established its market influence through its excellent product performance. It topped the free game list of Apple's App Store three days after its release, presenting a strong start. As of 30 June 2025, it continued to maintain its growth momentum in the Mainland China market and made milestone achievements with the cumulative gross billings exceeding a heavyweight benchmark and total registered users exceeding 6 million. Substantial breakthroughs have been achieved in brand building in 2025: we have signed an endorsement contract with the world's top basketball player Butler, and deeply participated in strategic industry exhibitions such as the Huawei Game Festival, which have systematically elevated our brand awareness. For market penetration, multi-dimensional breakthroughs have been made: the integrated marketing events such as the co-branded "Opening Game of the King of Passers-by" (路人王揭幕戰) and the "NBA Rivals Collaboration with HarmonyOS" (NBA巔峰對決聯動鴻蒙系統) achieved tens of millions of exposures and coverage on all platforms, generating remarkable results for the development of product content ecosystem – the live streaming content of games has consistently ranked among the top in mainstream platforms; the dissemination of short-videos in the vertical field has continuously formed a scale effect; and we have constantly received endorsements from top creators and key recommendations from authoritative app stores, and have long held a leading position in the core data rankings.

Clutch Hit Baseball (棒球大師) reached a historic turning point in the first half of the year with growth seen in both the user base and revenue. It attracted 750,000 new users, with monthly active users increasing by 46% year-on-year, while the gross billings in June 2025 exceeded HK\$9 million, marking its first-ever monthly profit. The success was mainly attributed to its in-depth regional operations, which drove the number of new users, retention and payment indicators to improve comprehensively – the payment rate in the North American market increased by 15.6% year-on-year, and the monthly new users maintained a steady growth rate of 8%, further strengthening its top 2 leading position among MLB-authorized products in North America.

Regarding our financial performance, benefiting from the rapid profit growth of the Group's core games, the Group's revenue was approximately RMB469.7 million, representing a year-on-year increase of approximately 48.9%; the gross profit was approximately RMB237.6 million, increased by 38.6% from approximately RMB171.4 million for the same period of last year; the net profit was approximately RMB53.7 million, increased by 110.3% from approximately RMB25.5 million for the same period of last year.

Outlook for the Second Half of 2025

Building on the dual-track strategy of technology-driven and global development in the first half of the year, the Company will continue to enhance the global competitiveness of the sports game category by strengthening self-developed technical barriers and deepening regional market penetration. In the second half of the year, we will focus on three aspects: product experience iteration, expansion into emerging markets and integration of event resources. Based on self-developed AI technology, the Company will consolidate the technical moat, and take advantage of global hot events to release growth momentum, and at the same time, advancing its strategic positioning in the emerging Southeast Asian markets and the mini-game sector, building a multi-level growth engine for a breakthrough of the annual performance.

For the football product pipeline, we will continue the core logic of technology backing operation. In the second half of the year, *Football Champion* (最佳11人 – 冠軍球會) will focus on optimizing its product structure, strive to balance the smoothness of experience between new and existing players, and focus on the deployment in Southeast Asia. At the same time, we will establish a professional mini-game team to accelerate the commercialization preparations for *Fantastic Manager* (夢幻經理人), aiming to complete the full-link capability verification in the fourth quarter. *Total Football* (最佳球會) will continue to strengthen the basic product experience by leveraging its independent research and development system to establish an agile response mechanism and promoting the further upgrade of global player feedbacks in a small-step, fast-iteration model, while simultaneously enhancing the realism of physical collisions and rendering performance. We will adopt a dual-track approach to advance our marketing efforts: deeply explore the value of pan-entertainment sports content, and build a three-dimensional content ecosystem of “sports events + celebrities + co-creation by users” during the summer vacation and anniversary celebrations; explore innovative paths for content distribution and drive the acquisition of incremental users with high-quality IP-derived content.

Regarding the baseball and basketball segments, we will focus on the in-depth development of sports events economy. For *Clutch Hit Baseball* (棒球大師), we will leverage our dynamic engine to connect the MLB playoffs data in real time, and design exclusive events to push for the peak gross billings in North America; while simultaneously advancing the joint launch of the 2026 World Baseball Classic expansion pack in the Asian region, thereby multiplying the regional value of the event IP. We will publish *NBA Rivals* (美職籃巔峰對決) independently in Hong Kong, Macau and Taiwan regions in the third quarter, upgrading and strengthening the localized experience, and will continue to explore new approaches for the pan-entertainment expression of basketball culture, building a resonant ecosystem between virtual competition and real-world sports.

Standing at the critical juncture of mid-2025, the Company has entered a new stage of unleashing its strategic capabilities. The Company will build a multi-level growth engine by focusing on the strategic triangle of technology refinement, regional operation and distribution ecology. In terms of technology, we will create a “R&D-iteration” agile channel through a closed-loop player feedback mechanism; in terms of market, we will strengthen the synergy between existing mature regions and the emerging hinterlands of Southeast Asia; and in terms of ecology, we will enhance the research and development model for mini-games, so as to ultimately realize the value elevation from single product revenue to platform-based capability commercialization, creating a next-generation entertainment experience that seamlessly integrates virtual competition and real sports for players around the world.

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

Revenue

The following table sets forth a breakdown of revenue by publishing models in absolute amounts and as percentages to the total revenue of the Group for the periods indicated:

	Six months ended 30 June			
	2025		2024	
	RMB'000	%	RMB'000	%
Self-publishing games	469,070	99.9	314,563	99.7
Third party publishing game	611	0.1	816	0.3
Total	469,681	100	315,379	100

The revenue increased by approximately RMB154.3 million, or 48.9%, from approximately RMB315.4 million for the six months ended 30 June 2024 to approximately RMB469.7 million for the six months ended 30 June 2025, primarily due to (i) the comprehensive upgrade of *Total Football* (最佳球會), a flagship game of the Group, in core gaming experience, the depth of its IP content and the richness and diversity of its operation which greatly improved the product's competitiveness in the vertical areas and thus increased the revenue significantly; and (ii) the strong performance of *NBA Rivals* (美職籃巔峰對決), a new game launched in August 2024.

Cost of Revenue

The following table sets forth a breakdown of the cost of revenue in absolute amounts and as percentages to the total cost of revenue of the Group for the years indicated:

	Six months ended 30 June			
	2025		2024	
	RMB'000	%	RMB'000	%
Commission fee to the platforms	149,285	64.3	86,470	60.1
License fees	55,986	24.1	38,938	27.0
Revenue sharing to third-party publishers	494	0.2	572	0.4
Staff costs	16,733	7.2	10,557	7.3
Server usage expenses	5,695	2.5	5,119	3.6
Others*	3,929	1.7	2,320	1.6
Total	232,122	100	143,976	100

* Others mainly consist of depreciation of property, plant and equipment and depreciation of right-of-use assets.

The cost of revenue increased by approximately RMB88.1 million, or 61.2%, from approximately RMB144.0 million for the six months ended 30 June 2024 to approximately RMB232.1 million for the six months ended 30 June 2025. This was primarily due to (i) the corresponding increase in commission fees to the platforms as the business scale of the game expands; (ii) the Group's certain IP right license arrangements requiring us to share the revenue from our income received, leading to the increase in the license fees; and (iii) the increase in the number of the Company's employees for the operation and customer service to support the business expansion and the new game operation, leading to the increase in the staff costs.

Gross Profit and Gross Profit Margin

The gross profit increased by approximately RMB66.2 million, or 38.6%, from approximately RMB171.4 million for the six months ended 30 June 2024 to approximately RMB237.6 million for the six months ended 30 June 2025. The gross profit margin of the Group decreased from approximately 54.4% for the six months ended 30 June 2024 to approximately 50.6% for the six months ended 30 June 2025. The increase in gross profit was mainly due to the increase in revenue of *Total Football* (最佳球會) and *NBA Rivals* (美職籃巔峰對決). The decrease in gross profit margin was mainly due to the rapid increase in commission fees to the platforms.

Other (Losses)/Gains, Net

Other (losses)/gains, net primarily consisted of (i) fair value gains on financial assets measured at fair value through profit or loss ("FVTPL"); (ii) gain on disposal of FVTPL; and (iii) net foreign exchange gains/(losses). For the six months ended 30 June 2025, our other losses, net amounted to approximately RMB6.1 million, mainly because of the fluctuation of foreign currency exchange.

Other Income

Other income increased by approximately RMB0.3 million, or 6.5%, from approximately RMB4.3 million for the six months ended 30 June 2024 to approximately RMB4.6 million for the six months ended 30 June 2025, which remained relatively stable in the comparable period.

Selling and Marketing Expenses

Selling and marketing expenses decreased by approximately RMB0.2 million, or 0.3%, from approximately RMB68.4 million for the six months ended 30 June 2024 to approximately RMB68.2 million for the six months ended 30 June 2025, primarily attributable to (i) our optimization of the advertising strategies for several established games, effectively reducing customer acquisition costs; (ii) the new game's less reliance on paid advertising with its high-quality content and user experience, thereby reducing the marketing expenses.

General and Administrative Expenses

The general and administrative expenses increased approximately RMB1.4 million, or 6.6%, from approximately RMB21.5 million for the six months ended 30 June 2024 to approximately RMB23.0 million for the six months ended 30 June 2025, primarily due to the increase in the number of the general and administrative staff and the increase in average remuneration per employee.

R&D Expenses

R&D expenses increased by approximately RMB25.4 million, or 43.2%, from approximately RMB58.9 million for the six months ended 30 June 2024 to approximately RMB84.3 million for the six months ended 30 June 2025, primarily due to the increase in the number of the Group's R&D staff and the increase in average remuneration per employee for the development of the new mobile sports games both released and in the pipeline, and the salary increment offered to reward the talented R&D personnel of the Group. The benefits of R&D investment are expected to gradually emerge in future product innovation and market competition, creating long-term value returns for the Company.

Finance Costs, Net

The net finance costs increased by approximately RMB0.3 million, or 16.7%, from approximately RMB1.8 million for the six months ended 30 June 2024 to approximately RMB2.1 million for the six months ended 30 June 2025, which was primarily due to the increase in interest cost on lease liabilities and interest accretion on non-current license fees and royalties payables.

MANAGEMENT DISCUSSION AND ANALYSIS

Liquidity, Financial and Capital Resources

The Group's main capital resources are cash flows from operating activities. As of 30 June 2025, the Group's cash and cash equivalents was approximately RMB419.3 million, mainly denominated in Renminbi ("RMB"). The cash and cash equivalents comprise cash on hand and demand deposits, which are subject to an insignificant risk of changes in value. The Group generally deposits its excess cash in interest-bearing bank accounts and current accounts.

The net current assets of the Group increased by approximately RMB32.6 million from approximately RMB292.9 million as at 31 December 2024 to approximately RMB325.5 million as at 30 June 2025. As of 30 June 2025, the Group's current ratio (current assets/current liabilities) was approximately 2.4 times (31 December 2024: approximately 2.5 times).

As of 30 June 2025, the Group did not have any bank borrowings (31 December 2024: nil).

Gearing Ratio

As at 30 June 2025, gearing ratio (defined as debt divided by total equity, where debt includes lease liabilities) was 0.03 times (31 December 2024: 0.04 times).

	As of 30 June 2025 RMB'000	As of 31 December 2024 RMB'000
Leases liabilities		
– Current	4,020	2,664
– Non-current	10,820	12,489
Debt	14,840	15,153
Equity	425,323	377,133
Gearing ratio	0.03 times	0.04 times

Contingent Liabilities

As at 30 June 2025, the Group did not have any contingent liabilities (31 December 2024: nil).

Pledge of Assets

As at 30 June 2025, none of the assets of the Group was pledged (31 December 2024: nil).

Capital Commitments

As at 30 June 2025, the Group did not have any capital commitments (31 December 2024: nil).

Material Acquisitions and Disposal of Subsidiaries

The Group had neither material acquisition nor disposal of subsidiaries, associates and joint ventures for the six months ended 30 June 2025 (for the six months ended 30 June 2024: nil).

Significant Investments

As of 30 June 2025, the Group did not have any significant investments (31 December 2024: nil).

In accordance with Hong Kong Accounting Standard 7 “Statement of Cash Flows”, an entity shall report separately major classes of gross cash receipts and gross cash payments arising from investing and financing activities. During the six months ended 30 June 2025, the Group have gross purchase of financial assets at FVTPL for RMB108,399,000 and gross proceeds from disposal of financial assets at FVTPL for RMB68,600,000. The aforementioned amount represents the cumulative total purchase value of wealth management assets from 1 January 2025 to 30 June 2025. This calculation does not differentiate based on the duration, termination, or maturity of individual wealth management product contracts, but rather aggregates them collectively. If calculated separately for each day within the Reporting Period, the principal or interest of wealth management product contracts in effect on any given day did not exceed 5% of the Company’s total assets as of 31 December 2024, and 30 June 2025, nor did it exceed 5% of any applicable percentage ratios under Rule 14.07 of the Listing Rules.

Future Plans for Material Investments and Capital Assets

As at 30 June 2025, the Group did not have any future plans for material investments or capital assets (31 December 2024: same).

Treasury Policies and Foreign Exchange Exposure

The Group has adopted a prudent approach on treasury management for the purpose of investing the sufficient financial resources in wealth management products.

The Group’s foreign currency transactions are mainly denominated in United States dollar (“**US\$**”), European dollar (“**EUR**”) and HK\$. The majority of assets and liabilities are denominated in RMB, US\$, EUR and HK\$ and there are no significant assets and liabilities denominated in other currencies. The Group is subject to foreign exchange rate risk arising from future commercial transactions and recognised assets and liabilities denominating in a currency other than RMB, which is the functional currency of the major operating companies within the Group.

The Group did not experience any significant liquidity problems resulting from currency exchange fluctuations during the six months ended 30 June 2025. The Group did not hedge its foreign currency exposure during the six months ended 30 June 2025 (for the six months ended 30 June 2024: same). However, continuous monitoring on the foreign exchange exposure is carried out by the management.

Employees and Remuneration Policy

The Group had 517 full-time employees as at 30 June 2025 (31 December 2024: 491), most of whom were based in the PRC. The total staff costs amounted to approximately RMB116.9 million as at 30 June 2025 (as at 30 June 2024: RMB81.7 million).

The Group has established rules and procedures of recruitment, job promotion, compensation, benefits, leave, dismissal, etc. The Group determines employees’ compensation packages on the basis of work performance and the market standard of remuneration. The Group compensates its employees with base salaries and performance-based bonuses. The Group has adopted a share option scheme and two share award schemes which serve as long term incentive designed to motivate, reward and retain directors and employees of the Group.

The Group’s member companies incorporated in the PRC contribute based on certain percentage of the salaries of the employees to a defined contribution retirement benefit plan and other defined contribution social security plans organized by relevant government authorities in the PRC on a monthly basis. The Group is committed to enhancing the professional knowledge and skills of our employees and promoting their personal growth and development. Our employees are also provided with training opportunities on various fronts, including induction training, business-related training and training on compliance and corruption prevention.

OTHER INFORMATION

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

During the Reporting Period, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's securities listed on the Stock Exchange, and neither did they sell any treasury shares.

As at 30 June 2025, there were 32,800 treasury shares held by the Company. The Board is of the view that the Company's repurchases and holding of Shares as treasury shares provides enhanced flexibility to either dispose of such treasury shares at market price to raise additional capital for the Company, or transfer/allocate them for share grants under equity incentive schemes compliant with Chapter 17 of the Listing Rules, as well as for other purposes permitted under the Listing Rules, articles of association of the Company and applicable laws of the Cayman Islands.

INTERIM DIVIDEND

The Board of the Company, after taking into consideration the capital expenditure required by the Group's plan to develop new games and promote its existing games and new games in overseas markets in 2025, recommended not to declare any interim dividend of the Company for the six months ended 30 June 2025 (for the six months ended 30 June 2024: nil).

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

The Group did not have any significant events after 30 June 2025 and up to the date of this report.

ISSUED SHARES PURSUANT TO 2023 SHARE AWARD SCHEME

During the six months ended 30 June 2025, 4,742,928 new Shares were issued to the independent trustee pursuant to the scheme mandate limit under the 2023 Share Award Scheme granted by the shareholders at the extraordinary general meeting held on 14 December 2023 to satisfy the grant of 4,742,928 awarded shares pursuant to the 2023 Share Award Scheme to grantees on 11 July 2024. For further details, please refer to the announcements of the Company dated 25 April 2025 and 29 April 2025.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code set forth in Appendix C3 to the Listing Rules since the Listing Date. The Company has made specific enquiry with its Directors and all Directors have confirmed that they have complied with the Model Code during the six months ended 30 June 2025.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Directors recognise the importance of incorporating elements of good corporate governance in the management structures and internal control procedures of the Group so as to achieve effective accountability.

Since the Listing Date, the Company has adopted and applied the code provisions under the Corporate Governance Code as set out in Appendix C1 to the Listing Rules as its own. The Board has reviewed the Company's corporate governance practices and is satisfied that save as disclosed below, the Company has been in compliance with the code provisions set out in Part 2 of the Corporate Governance Code during the Reporting Period.

According to code provision C.2.1 of the Corporate Governance Code, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Mr. Jia Xiaodong ("**Mr. Jia**") is currently the chairman of the Board and the chief executive officer of the Group. Taking into account Mr. Jia's extensive experience in the online game industry and in view of Mr. Jia's role in the overall management of the Group since the Group's founding, the Board believes that it is in the interest of the Group for Mr. Jia to take up both roles for effective management and operations. Therefore, the Directors consider that the deviation from such code provision is appropriate. Notwithstanding such deviation, the Directors are of the view that the Board is able to function efficiently and perform its responsibilities with all key and appropriate issues discussed in a timely manner. In addition, as all major decisions will be made in consultation with the members of the Board, which has three independent non-executive Directors who can provide independent advice on the operations and management of the Group, and the relevant Board committees, the Board takes the view that there is adequate safeguard in place to ensure a sufficient balance of powers within the Board. The Board will also review the structure and composition of the Board and senior management team from time to time in light of the prevailing circumstances to maintain a high standard of corporate governance practices of the Company.

REVIEW OF THE INTERIM RESULTS BY THE AUDIT COMMITTEE

The Company has established the Audit Committee on 21 December 2022 with written terms of reference in compliance with Rule 3.21 of the Listing Rules and code provision D.3.3 of the Corporate Governance Code. The Audit Committee consists of three members, namely Ms. Jiang Xueying (chairlady of the Audit Committee), Ms. Chak Hoi Kee Clara and Mr. Zhan Peixun, all being independent non-executive Directors.

The primary duties of the Audit Committee include, but are not limited to, (i) reviewing and supervising the financial reporting process and internal control system of the Group, risk management and internal audit; (ii) providing advice and comments to the Board; and (iii) performing other duties and responsibilities as may be assigned by the Board.

The Audit Committee has discussed and reviewed the Group's unaudited interim results for the six months ended 30 June 2025 and this report with the Company's management.

The Group's unaudited interim results for the six months ended 30 June 2025 and this report have been reviewed by the Company's independent auditor, Grant Thornton Hong Kong Limited ("**Grant Thornton**"), in accordance with Hong Kong Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Hong Kong Institute of Certified Public Accountants. The report on review of condensed consolidated interim financial information by Grant Thornton is included in this report.

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at 30 June 2025, the interests or short positions of the Directors or chief executives of the Company in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance, Chapter 571 of the laws of Hong Kong (the “SFO”)) which will be required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO) or which will be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which will be required, pursuant to the Model Code to be notified to the Company and the Stock Exchange, were as follows:

(a) Interest in Shares

Name of Directors or chief executives	Capacity/Nature of interest	Number of Shares interested ⁽¹⁾	Approximate percentage of interest
Mr. Jia ⁽²⁾	Interest in controlled corporation/ Corporate interest	31,307,986(L)	21.93%
Mr. Huang Xiang (“Mr. Huang”) ⁽³⁾	Interest in controlled corporation/ Corporate interest	21,837,345(L)	15.30%
Mr. Li Xin (“Mr. Li”) ⁽⁴⁾	Interest in controlled corporation/ Corporate interest	3,654,323(L)	2.56%

Notes:

- (1) The letter “L” denotes the person’s long position in the Shares.
- (2) These Shares were held directly by Great Shine Holding Limited (“Great Shine”). Mr. Jia is the sole shareholder of Great Shine. By virtue of the SFO, Mr. Jia is deemed to be interested in all the Shares held by Great Shine.
- (3) These Shares were held directly by High Triumph Holding Limited (“High Triumph”). Mr. Huang is the sole shareholder of High Triumph. By virtue of the SFO, Mr. Huang is deemed to be interested in all the Shares held by High Triumph.
- (4) These Shares were held directly by Neo Honour Holding Limited (“Neo Honour”). Mr. Li is the sole shareholder of Neo Honour. By virtue of the SFO, Mr. Li is deemed to be interested in all the Shares held by Neo Honour.

(b) Interest in shares and underlying shares in associated corporations of the Company

Name of Directors or chief executives	Name of associated corporation	Capacity/Nature of interest	Number of shares interested ⁽¹⁾	Approximate percentage of shareholding interest
Mr. Jia ⁽²⁾	Wangchen Technology	Beneficial owner/Personal interest	2,771,342 (L)	23.53%
		Interest in controlled corporations/Corporate interest	1,780,280 (L)	15.12%
Mr. Huang	Wangchen Technology	Beneficial owner/Personal interest	2,049,475 (L)	17.40%
Mr. Li ⁽³⁾	Wangchen Technology	Beneficial owner/Personal interest	274,444 (L)	2.33%
		Interest in controlled corporations/Corporate interest	118,333 (L)	1.00%

Notes:

- (1) The letter "L" denotes the person's long position in the equity interest.
- (2) Mr. Jia is a general partner of 深圳市望伯納烏科技企業(有限合夥) (Shenzhen Wangbo Nawu Technology Enterprise (Limited Partnership)*) ("**Wangbo Nawu**"), 深圳市望聖西羅科技企業(有限合夥) (Shenzhen Wangsheng Xiluo Technology Enterprise (Limited Partnership)*) ("**Wangsheng Xiluo**"), 深圳市鵬望投資中心(有限合夥) (Shenzhen Chengwang Investment Centre (Limited Partnership)*) ("**Chengwang Investment**") and 深圳市望諾坎普科技企業(有限合夥) (Shenzhen Wangnuo Kanpu Technology Enterprise (Limited Partnership)*) ("**Wangnuo Kanpu**"). By virtue of the SFO, Mr. Jia is deemed to be interested in the equity interest in 深圳市望塵科技有限公司 (Shenzhen Wangchen Technology Co., Ltd*) ("**Wangchen Technology**") held by Wangbo Nawu, Wangsheng Xiluo, Chengwang Investment and Wangnuo Kanpu.
- (3) Mr. Li is a general partner of Wangsheng Xiluo. By virtue of the SFO, Mr. Li is deemed to be interested in the equity interest in Wangchen Technology held by Wangsheng Xiluo.

Save as disclosed above, as at 30 June 2025, none of the Directors and chief executives of the Company had interests or short positions in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which were required to be entered in the register kept by the Company pursuant to section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

* for identification purpose

OTHER INFORMATION

SUBSTANTIAL SHAREHOLDERS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES OF THE COMPANY

As at 30 June 2025, so far as the Directors are aware, the following persons (other than the Directors or chief executives of the Company) had or were deemed or taken to have an interest or short position in the Shares or underlying Shares, which would be required to be disclosed to us under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under section 336 of the SFO:

Interests in the Shares or Underlying Shares

Name of Shareholders	Capacity/Nature of interest	Number of Shares held ⁽¹⁾	Approximate percentage in total number of Shares
Great Shine ⁽²⁾	Beneficial owner/Personal interest	31,307,986 (L)	21.93%
High Triumph ⁽³⁾	Beneficial owner/Personal interest	21,837,345 (L)	15.30%
Crystal Pleasant ⁽⁴⁾	Beneficial owner/Personal interest	8,036,353 (L)	5.63%
Suzhou Fudebo ⁽⁴⁾	Interest in controlled corporation/Corporate interest	8,036,353 (L)	5.63%
Mr. Song Yubo ⁽⁴⁾	Interest in controlled corporation/Corporate interest	8,036,353 (L)	5.63%
Mr. Lu Yaoping ⁽⁴⁾	Interest in controlled corporation/Corporate interest	8,036,353 (L)	5.63%
Mr. Gong Peigen ⁽⁴⁾	Interest in controlled corporation/Corporate interest	8,036,353 (L)	5.63%
Easy Flourish ⁽⁵⁾	Beneficial owner/Personal interest	8,036,353 (L)	5.63%
Zhuiyuan Caifu ⁽⁵⁾	Interest in controlled corporation/Corporate interest	8,036,353 (L)	5.63%
Zhuiyuan Venture ⁽⁵⁾	Interest in controlled corporation/Corporate interest	8,036,353 (L)	5.63%
Zhongguancun Venture ⁽⁵⁾	Interest in controlled corporation/Corporate interest	8,036,353 (L)	5.63%
Mr. Liu Chengmin ⁽⁵⁾⁽⁶⁾	Interest in controlled corporation/Corporate interest	10,179,380 (L)	7.13%
Garena Ventures ⁽⁷⁾	Beneficial owner/Personal interest	12,000,000 (L)	8.41%
Sea Limited ⁽⁷⁾	Interest in controlled corporation/Corporate interest	12,000,000 (L)	8.41%

Notes:

- (1) The letter “L” denotes a long position in our Shares.
- (2) Great Shine is wholly owned by Mr. Jia. By virtue of the SFO, Mr. Jia is deemed to be interested in the Shares in which Great Shine is interested. Ms. Yuan Qingyun is the spouse of Mr. Jia. By virtue of the SFO, Ms. Yuan Qingyun is deemed to be interested in the Shares in which Mr. Jia is interested.
- (3) High Triumph is wholly owned by Mr. Huang. By virtue of the SFO, Mr. Huang is deemed to be interested in the Shares in which High Triumph is interested. Ms. Zou Wenjing is the spouse of Mr. Huang. By virtue of the SFO, Ms. Zou Wenjing is deemed to be interested in the Shares in which Mr. Huang is interested.
- (4) Crystal Pleasant Holding Limited (“**Crystal Pleasant**”) is wholly owned by 蘇州富德博企業管理諮詢合夥企業(有限合夥) (Suzhou Fudebo Enterprise Management Consultancy Partnership Enterprise (Limited Partnership*)) (“**Suzhou Fudebo**”), one of the Pre-IPO Investors (as defined in the Prospectus). Mr. Song Yubo (宋宇博) is the general partner of Suzhou Fudebo with 2.00% partnership interest in Suzhou Fudebo, and each of Mr. Lu Yaoping (陸耀平) and Mr. Gong Peigen (龔培根) is a limited partner of Suzhou Fudebo with 49.00% and 49.00% partnership interest in Suzhou Fudebo, respectively. Please refer to the section headed “History, Reorganization and Corporate Structure – Pre-IPO Investments – Background information about the existing Onshore Pre-IPO Investors” in the Prospectus for further details on Suzhou Fudebo. By virtue of the SFO, each of Mr. Song Yubo, Mr. Lu Yaoping, Mr. Gong Peigen and Suzhou Fudebo is deemed to be interested in the Shares in which Crystal Pleasant is interested.
- (5) Easy Flourish Holding Limited (“**Easy Flourish**”) is wholly owned by 北京追遠財富資本合夥企業(有限合夥) (Beijing Zhuiyuan Caifu Capital Partnership Enterprise (Limited Partnership*)) (“**Zhuiyuan Caifu**”), one of the Pre-IPO Investors. 北京追遠創業投資有限公司 (Beijing Zhuiyuan Venture Investment Co., Ltd.*) (“**Zhuiyuan Venture**”) is the general partner of Zhuiyuan Caifu and is controlled by Mr. Liu Chengmin (劉成敏). 北京中關村創業投資發展有限公司 (Beijing Zhongguancun Venture Investment Development Co., Ltd.*) (“**Zhongguancun Venture**”) is a limited partner of Zhuiyuan Caifu with approximately 34.68% partnership interest in Zhuiyuan Caifu and is ultimately controlled by 北京市人民政府國有資產監督管理委員會 (State-owned Assets Supervision and Administration Commission of People’s Government of Beijing Municipality). Please refer to the section headed “History, Reorganization and Corporate Structure – Pre-IPO Investments – Background information about the existing Onshore Pre-IPO Investors” in the Prospectus for further details on Zhuiyuan Caifu. By virtue of the SFO, each of Zhongguancun Venture, Mr. Liu Chengmin, Zhuiyuan Venture and Zhuiyuan Caifu are deemed to be interested in the Shares in which Easy Flourish is interested.
- (6) Mr. Liu Chengmin is the general partner of 天津龍淵雲騰投資管理合夥企業(有限合夥) (Tianjin Longyuan Yunteng Investment Management Partnership Enterprise (Limited Partnership*)) (“**Longyuan Yunteng**”) (one of the Onshore Pre-IPO Investors (as defined in the Prospectus)), which holds 100% shareholding interest in Perfect Ranger Holding Limited (“**Perfect Ranger**”). Perfect Ranger was interested in 2,143,027 Shares. By virtue of the SFO, each of Mr. Liu Chengmin and Longyuan Yunteng is deemed to be interested in the Shares in which Perfect Ranger is interested.
- (7) Garena Ventures Private Limited (“**Garena Ventures**”) is wholly owned by Sea Limited. By virtue of the SFO, Sea Limited is deemed to be interested in the Shares in which Garena Ventures is interested.

Save as disclosed above, as at 30 June 2025, the Directors were not aware that any other person has any interests or short positions in the Shares and underlying Shares, which is required to be notified to the Company pursuant to Divisions 2 and 3 of Part XV of the SFO, or which is required to be entered in the register maintained by the Company under section 336 of the SFO.

CHANGE IN DIRECTORS’ INFORMATION

In accordance with Rule 13.51B(1) of the Listing Rules, changes of the information of the Directors, subsequent to the date of the annual report of the Company for the year ended 31 December 2024, required to be disclosed, are set out below:

1. Mr. Leung Ming Shu retired as an independent non-executive Director and ceased to be the chairman of the Audit Committee and a member of the Remuneration Committee of the Board (the “**Remuneration Committee**”) with effect from the conclusion of the annual general meeting held on 20 June 2025 (the “**2025 AGM**”).
2. Ms. Jiang Xueying was elected as an independent non-executive Director and appointed as the chairlady of the Audit Committee and a member of the Remuneration Committee with effect from the conclusion of the 2025 AGM.

* for identification purpose

SHARE SCHEMES

The Company has three existing share schemes, namely the Share Option Scheme, the 2023 Share Award Scheme (settled by issuance of new Shares), and the Executive Aligned Share Award Scheme (funded by existing Shares). As at the date of this report, the Company has 142,710,128 Shares in issue (excluding treasury shares) (the “**Issued Shares**”). The total number of Shares that may be issued in respect of options and awards granted under all share schemes of the Company during the six months ended 30 June 2025, divided by the weighted average number of Issued Shares for the six months ended 30 June 2025 was 3.36%.

1. Share Option Scheme

The Company adopted a share option scheme (the “**Share Option Scheme**”) on 21 December 2022 (the “**Option Adoption Date**”), pursuant to which the Company may grant options to eligible participants to subscribe for the Shares subject to the terms and conditions stipulated therein. Subject to earlier termination by the Company in general meeting or by the Board, the Share Option Scheme shall be valid and effective for a period of 10 years from the date of its adoption. For details of the Share Option Scheme, please refer to the prospectus of the Company dated 30 December 2022.

Pursuant to the terms and conditions of the Share Option Scheme, the maximum number of Shares in respect of which options may be granted under the Share Option Scheme and any other share schemes of the Company (including the 2023 Share Award Scheme) must not in aggregate exceed 10% of the total number of Shares in issue as at 16 January 2023, i.e. the Listing Date, being 13,800,000 Shares (excluding treasury shares). No service provider sublimit was set under the Share Option Scheme.

No share options have been granted since the date of adoption of the Share Option Scheme. Accordingly, no share options were granted/exercised/cancelled/lapsed under the Share Option Scheme during the Reporting Period and no share options were outstanding under the Share Option Scheme as at 1 January 2025 and 30 June 2025, respectively. It follows that as at both the respective dates of 1 January 2025 and 30 June 2025, share options in respect of 13,800,000 Shares, representing 9.67% of the Shares in issue (excluding treasury shares) as at the date of this report, are available for grant under the Share Option Scheme. As at the date of this report, a total of 13,800,000 new Shares were available for issue upon exercise of all options granted under the Share Option Scheme, representing approximately 9.67% of the Issued Shares (excluding treasury shares).

2. 2023 Share Award Scheme

The Company adopted the 2023 share award scheme (the “**2023 Share Award Scheme**”) on 14 December 2023 (the “**Award Adoption Date**”), pursuant to which the Company may grant awards (the “**Awards**”) to be settled in new Shares (the “**Awarded Shares**”) to Selected Participants (the “**Award Grantees**”) subject to the terms and conditions stipulated therein. Unless the Board decides to terminate it in accordance with the rules of the scheme, the scheme shall be valid and effective for a period of 10 years from the date of its adoption. For details of the 2023 Share Award Scheme, please refer to the circular of the Company dated 24 November 2023 in relation to, *inter alia*, the adoption of the 2023 Share Award Scheme.

The total number of Shares which may be issued in respect of all options and awards to be granted under the 2023 Share Award Scheme and other share schemes of the Company, if any, (the “**Scheme Mandate Limit**”) shall not exceed 6,900,000 Shares, representing 5% of the total number of Shares in issue as at the Award Adoption Date or the date on which the refreshment of the Scheme Mandate Limit has been approved. No service provider sublimit was set under the 2023 Share Award Scheme.

During the Reporting Period, no Awards have been granted/vested/cancelled, while 4,563,949 Awards remained outstanding and yet to be vested and 161,081 Awards lapsed under the 2023 Share Award Scheme. The same number of Shares is available for grant under the 2023 Share Award Scheme as at the respective dates of 1 January 2025 and 30 June 2025, being 2,157,072 Shares. As at the date of this report, 2,157,072 new Shares, representing approximately 1.51% of the issued Shares (excluding treasury shares) as at the date of this report were available for grant and issue under the Scheme Mandate Limit.

Details of the movements of the Awarded Shares granted under the 2023 Share Award Scheme during the Reporting Period are as follows:

Award Grantees by categories	Award Grant Date	Purchase price	Performance Target (if any)	Vesting period	Number of Awards					Unvested Awards as at 30 June 2025	Closing price of the Shares immediately before the grant during the Reporting Period (HK\$)	Fair value of Awards on the date of grant and the accounting standard and policy adopted	Weighted average closing price of Shares underlying Awards immediately prior to the date of vesting
					Unvested Awards as at 1 January 2025	Granted during the Reporting Period	Vested during the Reporting Period	Lapsed during the Reporting Period	Cancelled during the Reporting Period				
61 employees of the Group	11 July 2024	Nil	Note 1	Note 2	4,725,030	0	0	161,081	0	4,563,949	N/A	HK\$3.44, HKFRS	N/A

Notes:

- Award Grantees need to achieve their personal performance appraisal goals during each vesting period. These goals and their attainment of such will be set and evaluated by the Group.
- The grants to the Award Grantees are scheduled to vest in three installments within a total of 36 months, with the first vesting of the Awards falling on a date which is 12 months from the relevant date of grant (the “**Award Grant Date**”), and thereafter a waiting period of 12 months between each vesting, in particular: (i) 30% of the Awarded Shares will vest on the first anniversary of the Award Grant Date; (ii) 30% of the Awarded Shares will vest on the second anniversary of the Award Grant Date; and (iii) 40% of the Awarded Shares will vest on the third anniversary of the Award Grant Date.
- As at the Award Grant Date, to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, none of the Award Grantees is a Director, a chief executive, a substantial Shareholder of the Company, nor any of their associates (as defined under the Listing Rules).
- There are no arrangements in respect of the grant to the Award Grantees on the Award Grant Date to provide financial assistance to the Award Grantees to facilitate the purchase of the Awarded Shares.
- For further details of the Awarded Shares granted under the 2023 Share Award Scheme, please refer to the announcement of the Company dated 11 July 2024.

The total number of Shares that could be issued as a result of share awards granted under all share schemes of the Company during the six months ended 30 June 2025, divided by the weighted average number of issued Shares (excluding treasury shares) for the six months ended 30 June 2025, is approximately 3.36%.

3. Executive Aligned Share Award Scheme

The Company adopted a share award scheme (the “**Executive Aligned Share Award Scheme**”) on 15 December 2023 (the “**adoption date**”), pursuant to which the Company may grant share awards (the “**share awards**”) to Eligible Persons subject to the terms and conditions stipulated therein. Unless the Board decides to terminate it in accordance with the rules of the Executive Aligned Share Award Scheme, the Executive Aligned Share Award Scheme shall be valid and effective from the adoption date until the earlier of (i) the date falling on the fifth anniversary of the adoption date; or (ii) the date on which all the unvested awarded shares have been fully vested, delivered, lapsed, forfeited or cancelled (as the case may be). For details of the Executive Aligned Share Award Scheme, please refer to the announcement of the Company dated 15 December 2023.

OTHER INFORMATION

As the Executive Aligned Share Award Scheme is solely funded by existing Shares to be purchased by the relevant trustee on the secondary market of the Stock Exchange and does not involve any issue of new Shares, the Executive Aligned Share Award Scheme constitutes a share scheme under Rule 17.01(1)(b) of the Listing Rules, the adoption of which is not subject to shareholders' approval. The Company shall comply with Rule 17.12 of the Listing Rules, as well as the relevant requirements under the rules of the Executive Aligned Share Award Scheme and Chapter 14A of the Listing Rules in respect of grants of Shares (the "award shares") to connected persons of the Company, if any.

On 24 October 2023, Futu Trustee Limited was appointed by the Company as trustee for the administration of the 2023 Share Award Scheme in accordance with its rules. On 15 December 2023, Kastle Limited was appointed by the Company as trustee for the administration of the Executive Aligned Share Award Scheme in accordance with its rules (collectively, the "Trustees"). To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, each of the Trustees and their ultimate beneficial owners are third parties independent of the Company and the connected persons of the Company. The Company has entered into a trust deed with each of the Trustees in respect of their respective appointments.

The total number of Shares to be granted by the Board under the Executive Aligned Share Award Scheme shall not exceed 5% of the issued share capital of the Company as at the adoption date (being not more than 6,900,000 Shares, representing approximately 5% of the Issued Shares). There is no restriction on the relevant Eligible Person in relation to (i) the number of Shares that may be awarded under the Executive Aligned Share Award Scheme; and (ii) the amount that is required to be paid to the relevant trustee in respect of the making of such purchases. No service provider sublimit was set under the Executive Aligned Share Award Scheme.

During the Reporting Period, no share awards were granted/vested/cancelled/lapsed under the Executive Aligned Share Award Scheme, and there were no unvested share awards under the Executive Aligned Share Award Scheme as at 1 January 2025 and 30 June 2025, respectively. On 1 January 2025 and 30 June 2025, the number of awards available for grant under the Executive Aligned Share Award Scheme was 4,105,500 Shares. As at the date of this report, the number of awards available for grant under the Executive Aligned Share Award Scheme was 4,105,500 Shares, representing approximately 2.88% of the Issued Shares (excluding treasury shares).

Details of the movements of the award shares granted under the Executive Aligned Share Award Scheme during the Reporting Period are as follows:

Grantees by categories	Date of grant	Purchase price	Performance target (if any)	Vesting date	Number of award shares					Unvested award shares as at 30 June 2025	Closing price of the Shares immediately before the Reporting Period (HK\$)	Fair value of award shares on the date of grant and the accounting standard and policy adopted	Weighted average closing price of Shares underlying award shares immediately prior to the date of vesting (HK\$)
					Unvested award shares as at 1 January 2025	Granted during the Reporting Period	Vested during the Reporting Period	Lapsed during the Reporting Period	Cancelled during the Reporting Period				
Five highest paid employees of 2024 in aggregate	10 December 2024	0	Note 1	10 December 2024	0	0	0	0	0	0	N/A	N/A	N/A

Note:

- Grantees of share awards need to achieve their personal performance appraisal goals. Such goals and their attainment thereof will be set and evaluated by the Group.

DEFINITION

“Articles of Association”	the amended and restated Articles of Association of the Company, as amended from time to time;
“Audit Committee”	the Audit Committee of the Board;
“Board”	the board of directors;
“China” or “PRC”	the People’s Republic of China;
“Company”	Gala Technology Holding Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange (stock code: 2458);
“Corporate Governance Code”	Appendix C1 (Corporate Governance Code) to the Listing Rules;
“Director(s)”	the director(s) of the Company;
“Eligible Participants”	the Board may, at its discretion, offer to grant an option to the following persons (collectively, the “Eligible Participants”, and each an “Eligible Participant”) to subscribe for such number of new Shares: (i) any full-time or part-time employees, executives or officers of the Company or any of its subsidiaries; and (ii) any directors (including non-executive directors and independent non-executive directors) of the Company or any of its subsidiaries;
“Eligible Persons”	pursuant to the share award scheme adopted by the Company on 15 December 2023, the Board may, in its discretion, grant share awards to the following persons (collectively, the “Eligible Person(s)”: (i) any member of the senior management or director of the Group; and (ii) any person determined by the Board to be eligible to participate in the Executive Aligned Share Award Scheme. The Board may cause to be paid to the relevant trustee or the relevant trust holding company, either before or after the determination of Eligible Persons, such sums as may be necessary for the purpose of purchasing existing Shares from the market as award shares under the Executive Aligned Share Award Scheme and for other purposes set out in its rules and the relevant trust deed;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Listing Date”	16 January 2023, being the date on which the Shares commenced dealings on the Main Board of the Stock Exchange;
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;

DEFINITION

“Model Code”	the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Listing Rules;
“Prospectus”	the prospectus of the Company dated 30 December 2022;
“Reporting Period”	1 January 2025 to 30 June 2025;
“RMB”	Renminbi, the lawful currency of the PRC;
“Selected Participants”	pursuant to the 2023 Share Award Scheme adopted by the Company on 14 December 2023, the Board may, at its discretion, grant awards to the following parties (collectively, the “Selected Participant(s)”: (i) full-time or part-time employees of the Group (including persons who are granted Awards under the Scheme as an inducement to enter into employment contracts with members of the Group) but excluding core connected persons thereof, such as its Directors and chief executive officer) (the “Employee Participants”); or (ii) employees of the holding companies, fellow subsidiaries or associated companies of the Company (the “Related Entity(ies)”), but excluding core connected person(s) of the Related Entity(ies), such as chief executive officers, Directors and etc. (the “Related Entity Participants”);
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended from time to time;
“Shareholder(s)”	the holder(s) of the Shares;
“Shares”	ordinary shares of HK\$0.01 each in the share capital of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“treasury shares”	has the meaning ascribed to it under the Listing Rules;
“%”	per cent.

INDEPENDENT AUDITOR'S REPORT ON REVIEW OF CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION



Grant Thornton
致同

To the Board of Directors of Gala Technology Holding Limited

(incorporated in the Cayman Islands with limited liability)

INTRODUCTION

We have reviewed the condensed consolidated interim financial statements of Gala Technology Holding Limited (the “**Company**”) and its subsidiaries (collectively referred to as the “**Group**”) set out on pages 24 to 40, which comprise the condensed consolidated statement of financial position as of 30 June 2025 and the related condensed consolidated statement of comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the six-month period then ended, and notes to the interim financial statements, including material accounting policy information. The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited require the preparation of a report on interim financial information to be in compliance with the relevant provisions thereof and Hong Kong Accounting Standard 34 “Interim Financial Reporting” (“**HKAS 34**”) as issued by the Hong Kong Institute of Certified Public Accountants. The directors of the Company are responsible for the preparation and presentation of this condensed consolidated interim financial statements in accordance with HKAS 34. Our responsibility is to express a conclusion on this condensed consolidated interim financial statements based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

SCOPE OF REVIEW

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

CONCLUSION

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

Grant Thornton Hong Kong Limited

Certified Public Accountants
11th Floor, Lee Garden Two
28 Yun Ping Road
Causeway Bay
Hong Kong SAR

28 August 2025

Lau Kwong Kei
Practising Certificate No.: P07578

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the six months ended 30 June 2025

		For the six months ended 30 June	
	Notes	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Revenue	3	469,681	315,379
Cost of revenue		(232,122)	(143,976)
Gross profit		237,559	171,403
Other (losses)/gains, net	4	(6,072)	535
Other income	5	4,597	4,315
Selling and marketing expenses		(68,170)	(68,401)
General and administrative expenses		(22,954)	(21,531)
Research and development expenses		(84,317)	(58,899)
Impairment loss under expected credit loss model, net of reversal		–	(21)
Share of result of an associate	11	(225)	–
Finance costs, net		(2,115)	(1,812)
Profit before income tax	6	58,303	25,589
Income tax expenses	7	(4,593)	(50)
Profit for the period		53,710	25,539
Other comprehensive income/(expense) for the period			
Item that will not be reclassified to profit or loss:			
Exchange differences on translation from functional currency to presentation currency		637	(69)
Total comprehensive income for the period		54,347	25,470
Profit/(loss) for the period attributable to:			
– Owners of the Company		53,712	25,546
– Non-controlling interests		(2)	(7)
		53,710	25,539
Total comprehensive income/(expense) attributable to:			
– Owners of the Company		54,349	25,477
– Non-controlling interests		(2)	(7)
		54,347	25,470
Earnings per share for profit attributable to owners of the Company (RMB per share)			
– Basic	8	0.40	0.19
– Diluted		0.39	0.19

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 30 June 2025

	Notes	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
ASSETS			
Non-current assets			
Property, plant and equipment	10	5,529	6,299
Right-of-use assets		13,549	14,656
Intangible assets	10	102,829	92,620
Interest in an associate	11	25,083	25,308
Prepayments, deposits and other receivables	13	3,199	3,177
Deferred tax assets		3,799	3,639
		153,988	145,699
Current assets			
Trade receivables	12	59,176	62,291
Prepayments, deposits and other receivables	13	18,209	17,593
Financial assets at fair value through profit or loss ("FVTPL")	17	54,580	14,414
Contract costs		9,538	13,940
Cash and cash equivalents		419,267	377,676
		560,770	485,914
Total assets		714,758	631,613

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
as at 30 June 2025

	Notes	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
EQUITY AND LIABILITIES			
Capital and reserve			
Share capital	16	1,231	1,186
Reserves		424,947	376,800
		426,178	377,986
Non-controlling interests		(855)	(853)
Total equity		425,323	377,133
Non-current liabilities			
Trade payables	14	43,344	48,948
Lease liabilities		10,820	12,489
		54,164	61,437
Current liabilities			
Trade payables	14	111,383	81,440
Other payables and accruals	15	58,018	51,854
Contract liabilities		56,894	51,710
Current income tax liabilities		4,956	5,375
Lease liabilities		4,020	2,664
		235,271	193,043
Total liabilities		289,435	254,480
Total equity and liabilities		714,758	631,613

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the six months ended 30 June 2025

	Attributable to owners of the Company										
	Share capital RMB'000	Share premium RMB'000	Shares award reserve RMB'000	Share held under share award schemes RMB'000	Statutory reserves RMB'000	Translation reserve RMB'000	Other reserves RMB'000	Retained earnings RMB'000	Total RMB'000	Non-controlling interests RMB'000	Total equity RMB'000
At 1 January 2025 (Audited)	1,186	129,208	3,470	(16,066)	43,745	3,048	57,005	156,390	377,986	(853)	377,133
Profit/(loss) for the period	-	-	-	-	-	-	-	53,712	53,712	(2)	53,710
Other comprehensive income for the period	-	-	-	-	-	637	-	-	637	-	637
Total comprehensive income/(expense) for the period	-	-	-	-	-	637	-	53,712	54,349	(2)	54,347
Issues of new shares	45	-	-	(45)	-	-	-	-	-	-	-
Recognition of share-based payment (note 19)	-	-	3,240	-	-	-	-	-	3,240	-	3,240
Purchase of shares under share award schemes (note 19)	-	-	-	(9,397)	-	-	-	-	(9,397)	-	(9,397)
Appropriation to statutory reserves	-	-	-	-	39	-	-	(39)	-	-	-
At 30 June 2025 (unaudited)	1,231	129,208	6,710	(25,508)	43,784	3,685	57,005	210,063	426,178	(855)	425,323
At 1 January 2024 (audited)	1,186	130,891	-	-	34,496	2,670	57,005	106,180	332,428	(840)	331,588
Profit/(loss) for the period	-	-	-	-	-	-	-	25,546	25,546	(7)	25,539
Other comprehensive income for the period	-	-	-	-	-	(69)	-	-	(69)	-	(69)
Total comprehensive income/(expense) for the period	-	-	-	-	-	(69)	-	25,546	25,477	(7)	25,470
Purchase of shares under share award schemes (note 19)	-	-	-	(27,201)	-	-	-	-	(27,201)	-	(27,201)
Dividends recognised as distribution	-	-	-	-	-	-	-	(25,971)	(25,971)	-	(25,971)
At 30 June 2024 (unaudited)	1,186	130,891	-	(27,201)	34,496	2,601	57,005	105,755	304,733	(847)	303,886

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

for the six months ended 30 June 2025

	Notes	For the six months ended 30 June	
		2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Net cash from operating activities		112,220	47,605
Investing activities			
Purchase of intangible assets		(19,633)	(28,732)
Investment in an associate	11	–	(24,000)
Purchase of financial assets at FVTPL		(108,399)	(14,254)
Proceeds from disposal of financial assets at FVTPL		68,600	42,090
Purchases of property, plant and equipment	10	(660)	(1,255)
Proceeds from disposal of property, plant and equipment		7	–
Repayment of loan to a third party		–	18,065
<i>Net cash used in investing activities</i>		(60,085)	(8,086)
Financing activities			
Payments for repurchase of shares		(9,397)	(27,201)
Payment for principal elements of lease liabilities		(1,477)	(4,044)
Interest paid		(307)	(78)
<i>Net cash used in financing activities</i>		(11,181)	(31,323)
Net increase in cash and cash equivalents		40,954	8,196
Cash and cash equivalents at beginning of the period		377,676	300,411
Effect of foreign exchange rate changes		637	605
Cash and cash equivalents at end of the period, represented by bank balances and cash		419,267	309,212

NOTES TO THE INTERIM FINANCIAL STATEMENTS

for the six months ended 30 June 2025

1. GENERAL INFORMATION

Gala Technology Holding Limited (the “**Company**”; together with its subsidiaries, the “**Group**”) was incorporated in the Cayman Islands on 12 June 2018 as an exempted company with limited liability under the Companies Act (as revised) of the Cayman Islands. The address of the Company’s registered office is PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands and the Group’s principal place of business is 15th Floor, Qianhai CTF Finance Tower, 66 Shuniu Street, Nanshan Subdistrict, Qianhai Shenzhen-Hong Kong Cooperation Zone, Shenzhen, the PRC.

The Company’s shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 16 January 2023 (the “**Listing**”).

The Company is an investment holding company and the Group is principally engaged in the mobile sports game development, publishing and operation mainly in the PRC.

The condensed consolidated interim financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 (“**HKAS 34**”) “Interim Financial Reporting” as issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”) as well as the applicable disclosure requirements of the Rules Governing the Listing of Securities on the Stock Exchange. The interim financial information does not include all the information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the annual consolidated financial statements of the Group for the year ended 31 December 2024, which have been prepared in accordance with HKFRS Accounting Standards.

2. MATERIAL ACCOUNTING POLICY INFORMATION

The condensed consolidated interim financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair values, as appropriate.

The condensed consolidated interim financial statements for the six months ended 30 June 2025 have been prepared in accordance with the accounting policies adopted in the Group’s annual consolidated financial statements for the year ended 31 December 2024, except for the adoption of the Amendments to HKAS 21 “Lack of Exchangeability” which are effective as of 1 January 2025.

The amendments to HKAS 21 specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. Besides, the amendments also require an entity to disclose additional information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity’s financial performance, financial position and cash flows.

The amendments did not have a material impact on the condensed consolidated interim financial statements of the Group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the six months ended 30 June 2025

3. REVENUE

The Group's business activities, for which discrete financial statements are available, are regularly reviewed and evaluated by the chief operating decision maker. As a result of this evaluation, the directors of the Company consider that the Group's operations are operated and managed as a single segment, which is mobile sports game development and operation mainly in the PRC (including Mainland China and Hong Kong), and no segment information is presented, accordingly.

Revenue for the six months ended 30 June 2025 and 30 June 2024 are as follows:

	For the six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Web-based and mobile online game revenue	469,681	315,379

The Group has a large number of game players. No revenue from any individual game player exceeded 10% or more of the Group's revenue during the six months ended 30 June 2025 and 30 June 2024.

4. OTHER (LOSSES)/GAINS, NET

	For the six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Unrealised fair value gains on financial assets measured at FVTPL	367	284
Realised gain on disposal of financial assets measured at FVTPL	238	–
Exchange (loss)/gain, net	(6,344)	258
Others	(333)	(7)
	(6,072)	535

5. OTHER INCOME

	For the six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Bank interest income	3,952	2,958
Government grants (note)	316	222
Others	329	1,135
	4,597	4,315

Note: The amounts represent the Group's entitlement to subsidies for technological innovation received from the local government grants in the Mainland China. There are no unfulfilled conditions or other contingencies attaching to these grants. The Group did not benefit directly from any other forms of government assistance.

6. PROFIT BEFORE INCOME TAX

Profit before income tax has been arrived at after charging:

	For the six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Staff costs:		
Directors' emoluments	1,831	1,445
Other staff costs		
Wages, salaries and bonuses	89,071	63,561
Social security costs, housing provident fund and other staff cost	25,960	16,697
Total staff costs	116,862	81,703
Depreciation of property, plant and equipment	1,423	1,694
Depreciation of right-of-use assets	2,271	3,500
Amortisation of intangible assets	26,134	20,027
Total depreciation and amortisation	29,828	25,221

7. INCOME TAX EXPENSES

The income tax expenses of the Group for the six months ended 30 June 2025 and 2024 is analysed as follows:

	For the six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Current tax		
PRC Enterprise Income Tax ("EIT")	4,753	148
Hong Kong profits tax	–	–
Deferred tax	(160)	(98)
Income tax expenses	4,593	50

(i) Hong Kong

Under the two-tiered profits tax rates regime of Hong Kong Profits Tax, the first HK\$2,000,000 of taxable profits of qualifying group entity will be taxed at 8.25%, and taxable profits above HK\$2,000,000 will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5% for the six months ended 30 June 2025 and 30 June 2024 on the assessable profits.

(ii) PRC EIT

The income tax provision of the Group in respect of its operations in the PRC was calculated at the tax rate of 25% for the six months ended 30 June 2025 and 30 June 2024 on the assessable profits, except for stated below, based on the existing legislation, interpretations and practices in respect thereof.

Shenzhen Wangchen Technology Co., Ltd was subject to EIT rate of 15% for the six months ended 30 June 2025 (six months ended 30 June 2024: 15%). Preferential tax rate of 15% is subject to requirement of the "Preferential Enterprise Income Tax Treatment for Qianhai Shenzhen-Hong Kong Modern Service Industry Cooperation Zone".

Shenzhen Wangchen Moji Technology Co., Ltd has fulfilled the requirement of the "Notice of the State Council on Printing and Distributing Several Policies for Promoting the High-quality Development of the Integrated Circuit Industry and Software Industry in the New Era" (Guo Fa [2020] No. 8) and it is subject to a reduced preferential EIT tax rate of 12.5% for the six months ended 30 June 2025 (six months ended 30 June 2024: 12.5%).

According to the applicable PRC tax regulations, dividends distributed by a company established in the Mainland China to a foreign investor with respect to profits derived after 1 January 2008 are generally subject to a 10% WHT. If a foreign investor incorporated in Hong Kong meets the conditions and requirements under the double taxation treaty arrangement entered into between the Mainland China and Hong Kong, the relevant withholding tax rate will be reduced from 10% to 5%.

During the six months ended 30 June 2025 and 30 June 2024, the Group did not require its subsidiaries in the Mainland China to distribute their retained earnings to foreign investors, and the Group is able to control the timing of the reversal of the temporary differences arising from the unremitted earnings of these subsidiaries in the Mainland China and it is probable that the temporary differences will not reverse in the foreseeable future. Accordingly, no deferred income tax liability on WHT was accrued as at the end of each reporting period.

8. EARNINGS PER SHARE

(a) Basis earnings per share

Basic earnings per share is calculated by dividing the profit attributable to owners of the Company by the weighted average number of ordinary shares in issue during the period.

	For the six months ended 30 June	
	2025 (Unaudited)	2024 (Unaudited)
Profit attributable to the owners of the Company (RMB'000)	53,712	25,546
Weighted average number of ordinary shares in issue (thousand shares)	135,639	134,499
Basic earnings per share attributable to the owners of the Company (RMB per share)	0.40	0.19

(b) Diluted earnings per share

	For the six months ended 30 June	
	2025 (Unaudited)	2024 (Unaudited)
Profit attributable to the owners of the Company (RMB'000)	53,712	25,546
Weighted average number of ordinary shares in issue (thousand shares)	135,639	134,499
Effect of dilutive potential ordinary shares arising from share awards	1,604	-
Weighted average number of ordinary shares for diluted earnings per share	137,243	134,499
Diluted earnings per share attributable to the owners of the Company (RMB per share)	0.39	0.19

For the six months ended 30 June 2025, the calculation of the diluted earnings per share has taken into account the issuance of share awards of the Company under the 2023 Share Award Scheme (Note 19(b)).

For the six months ended 30 June 2024, diluted earnings per share is the same as basic earnings per share as there were no potential ordinary shares in issue.

9. DIVIDENDS

The directors of the Company have determined that no dividend will be paid in respect of the six months ended 30 June 2025 (six months ended 30 June 2024: nil).

10. PROPERTY, PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

During the six months ended 30 June 2025, the Group incurred RMB660,000 (six months ended 30 June 2024: RMB1,255,000) for acquisition of property, plant and equipment.

During the six months ended 30 June 2025, the Group incurred RMB36,240,000 (six months ended 30 June 2024: RMB25,034,000) for acquisition of licenses, which represent the intellectual property rights licenses used in games with a license period of 1 to 5 years.

During the six months ended 30 June 2025, the Group did not acquire any software (six months ended 30 June 2024: nil).

11. INTEREST IN AN ASSOCIATE

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Cost of investments, unlisted	24,000	24,000
Share of post-acquisition profits and other comprehensive income, net of dividends received	1,083	1,308
	25,083	25,308

Movements in interest in the associate at are as follows:

	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
As at 1 January	25,308	–
Share of loss	(225)	–
As at 30 June	25,083	–

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

Name	Total paid-in capital	Proportion of ownership interest held by the Group	Principal activity
		As at 30 June 2025 (Unaudited)	As at 31 December 2024 (Audited)
Established in the PRC: 深圳遠望創星創業投資合夥企業 (有限合夥) (“遠望創星”) (“Yuanwang Chuangxing”)	RMB51,510,000 (31 Dec 2024: RMB48,510,000)	46.59%	49.47% Investment in funds and equity investments in private entities in the PRC

During the six months ended 30 June 2025, the other investor of Yuanwang Chuangxing made a capital contribution of RMB3,000,000. As a result, the Group's shareholding was diluted from 49.47% as at 31 December 2024 to 46.59% as at 30 June 2025.

12. TRADE RECEIVABLES

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Trade receivables	59,762	62,877
Less: Allowance for credit losses	(586)	(586)
Trade receivables, net	59,176	62,291

The credit terms of trade receivables granted by the Group are normally from 30 to 90 days. An aging analysis of trade receivables based on recognition date is as follows:

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Up to 3 months	59,239	62,248
More than 3 months	523	629
	59,762	62,877

13. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Prepayment for selling and marketing expenses	6,378	4,844
Other prepayments	5,747	6,122
Deposits	2,424	3,104
Loan receivable	5,013	5,112
Other receivables	1,846	1,588
	21,408	20,770
Analysed as:		
Current	18,209	17,593
Non-current	3,199	3,177
	21,408	20,770

14. TRADE PAYABLES

Trade payables primarily consist of the license fee and royalty fee payable to the licensors for the rights to use the intellectual properties of certain football and basketball athletes in the Group's developed games in specified geographic areas for certain period of time.

The aging analysis of trade payables based on recognition date is as follows:

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
0 to 365 days	97,753	64,795
One to two years	43,213	56,173
Over two years	13,761	9,420
	154,727	130,388
Analysed as:		
Current	111,383	81,440
Non-current	43,344	48,948
	154,727	130,388

15. OTHER PAYABLES AND ACCRUALS

	As at 30 June 2025 RMB'000 (Unaudited)	As at 31 December 2024 RMB'000 (Audited)
Payable for selling and marketing expenses	2,038	542
Payroll and welfare payables	34,842	31,974
Other tax payables	18,261	16,901
Accrued expenses	2,877	2,437
	58,018	51,854

16. SHARE CAPITAL

	Number of shares	Share capital HK\$'000	Share capital RMB'000
Ordinary shares of the Company of HK\$0.01 each			
Authorised:			
As at 1 January 2024 and 31 December 2024	10,000,000,000	100,000	82,570
Issued and fully paid:			
As at 1 January 2024 and 31 December 2024	138,000,000	1,380	1,186
Issuance of new shares pursuant to the 2023 Share Award Scheme	4,742,928	47	45
As at 30 June 2025	142,742,928	1,427	1,231

In April 2025, the Company issued 4,742,928 new ordinary shares to the independent trustee for the purpose of satisfying the grant of 4,742,928 Awarded Shares pursuant to the 2023 Share Award Scheme to 61 Employee Participants (the “**Grantees**”) on 11 July 2024.

Shares repurchased

Included in the share capital of the Company as at 30 June 2025 was 32,800 shares (31 December 2024: 32,800) held as treasury shares.

	Number of shares
As at 1 January 2024	–
Shares repurchased in November 2024	20,800
Shares repurchased in December 2024	12,000
As at 31 December 2024 and 1 January 2025	32,800
Shares repurchased	–
As at 30 June 2025	32,800

17. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

(a) Fair value of the Group’s financial assets and financial liabilities

Financial assets and liabilities measured at fair value in the condensed consolidated statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability and significance of inputs to the measurements, as follows

- Level 1: quoted prices (unadjusted) in active markets for identical assets and liabilities.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, and not using significant unobservable inputs.
- Level 3: significant unobservable inputs for the asset or liability.

17. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (CONTINUED)

(a) Fair value of the Group's financial assets and financial liabilities (CONTINUED)

The level in the fair value hierarchy within which the financial asset or liability categorised in its entirety is based on the lowest level of input that is significant to the fair value measurement.

The financial instruments measured at fair value in the condensed consolidated statement of financial position on a recurring basis as at 30 June 2025 and 31 December 2024 are grouped into the fair value hierarchy as follows:

Financial assets at FVTPL	Fair value as at		Fair value hierarchy	Valuation technique(s) and key input(s)
	30 June 2025 RMB'000 (Unaudited)	31 December 2024 RMB'000 (Audited)		
Wealth management products (note)	54,580	14,414	Level 2	Price provided by the relevant financial institutions with reference to underlying investment portfolios which have observable quoted price in active markets

Note: The wealth management products as at 30 June 2025 and 31 December 2024 are issued by banks in Hong Kong and the Mainland China, that are non-principal guaranteed with floating return and principally invest in cash and money market instruments with good liquidity.

(b) Fair value measurements and valuation processes

In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group engages third party qualified valuers to perform the valuation. The accounting team works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model. The fluctuations in the fair value of the assets and liabilities are explained to the board of directors of the Company.

Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed above.

The directors of the Company consider that there has been no changes in the business or economic circumstances that affect the fair value of the Group's financial instruments.

The directors of the Company consider that the carrying amounts of financial assets and financial liabilities at amortised cost recognised in the consolidated financial statements approximate their fair values at 30 June 2025 and 31 December 2024.

18. RELATED PARTY TRANSACTIONS

The following significant transactions were carried out between the Group and its related parties during the six months ended 30 June 2024 and 2025.

Key management compensation

Key management includes executive directors and senior management. The compensation paid or payable to key management, including directors' remuneration, is shown below:

	For the six months ended 30 June	
	2025 RMB'000 (Unaudited)	2024 RMB'000 (Unaudited)
Wages, salaries and bonuses	2,870	2,609
Other social security costs and housing benefits and other employee benefits	230	219
Total	3,100	2,828

19. SHARE-BASED COMPENSATION

(a) Share Option Scheme

A share option scheme (the **"Share Option Scheme"**) was adopted by the Company on 21 December 2022 (the **"Option Adoption Date"**), pursuant to which the Company may grant options to eligible participants to subscribe for shares subject to the terms and conditions stipulated therein. For details, please refer to 2024 annual report of the Company.

Since the Option Adoption Date and during the six months ended 30 June 2025, no share options were granted under the Share Option Scheme.

(b) 2023 Share Award Scheme

A share award scheme (the **"2023 Share Award Scheme"**) was adopted by the Company on 14 December 2023 (the **"2023 Award Adoption Date"**), pursuant to which the Company may grant awards (the **"Awards"**) to be settled in new shares (the **"Awarded Shares"**) to selected participants subject to the terms and conditions stipulated therein. For details, please refer to 2024 annual report of the Company.

During the six months ended 30 June 2025, no Awards were granted under the 2023 Share Award Scheme.

The following table discloses movements in the number of Awards of the 2023 Share Award Scheme during six months ended 30 June 2025:

Grant Date	Unvested Award as at 1 January 2025	Granted during the period	Vested during the period	Lapsed during the period	Unvested Awards as at 30 June 2025
11 July 2024	4,725,030	–	–	(161,081)	4,563,949

19. SHARE-BASED COMPENSATION (CONTINUED)

(b) 2023 Share Award Scheme (CONTINUED)

The following table discloses movements in the number of Awards of the 2023 Share Award Scheme during the year ended 31 December 2024:

Grant Date	Unvested Awards as at 1 January 2024	Granted during the year	Vested during the year	Lapsed during the year	Unvested Awards as at 31 December 2024
11 July 2024	–	4,742,928	–	(17,898)	4,725,030

(c) Executive Aligned Share Award Scheme

A share award scheme (the “Executive Aligned Share Award Scheme”) was adopted by the Company on 15 December 2023 (the “Executive Award Adoption Date”), pursuant to which the Company may grant share awards (the “Share Awards”) to eligible persons subject to the terms and conditions stipulated therein. For details, please refer to 2024 annual report of the Company.

During the six months ended 30 June 2025, no Share Awards were granted under the Executive Aligned Share Award Scheme.

The following table discloses movements in the number of Share Awards of the Executive Aligned Share Award Scheme during the year ended 31 December 2024:

Grant Date	Unvested Share Awards as at 1 January 2024	Granted during the year	Vested during the year	Lapsed during the year	Unvested Share Awards as at 31 December 2024
10 December 2024	–	2,794,500	(2,794,500)	–	–

Shares held for the Executive Aligned Share Award Scheme

	Number of shares
As at 1 January 2024	–
Shares repurchased	6,752,000
Shares granted	(2,794,500)
As at 31 December 2024 and 1 January 2025	3,957,500
Shares repurchased	2,380,000
As at 30 June 2025	6,337,500

During the six months ended 30 June 2025, an aggregate of 2,380,000 shares of the Company have been purchased from the market by the Company and the trustees of the above schemes for an aggregate consideration, including the relevant transaction costs, of HK\$10,020,000 (equivalent to RMB9,397,000).

During the six months ended 30 June 2025, the Group recognised a total expense of RMB3,240,000 (six months ended 30 June 2024: nil) in relation to the shares granted by the Company under the 2023 Share Award Scheme and Executive Aligned Share Award Scheme.