Zengame Technology Holding Limited
禪遊科技控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 2660)

PROFIT WARNING

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

The board of directors of the Company (the "**Board**") wishes to inform shareholders of the Company (the "**Shareholders**") and potential investors that, based on a preliminary review of the unaudited consolidated management accounts of the Group for the year ended 31 December 2024, and the information currently available to the Board, the Group expects a decrease in net profit attributable to owners of the Company for the year ended 31 December 2024, by approximately 35% to 45% compared to that for the year ended 31 December 2023. This expected decrease is primarily due to: (i) a decline in the Group's revenue of approximately 15% to 25%, caused by lower-than-expected sales of new products and game features, as well as a general downturn in the gaming market in 2024; (ii) a decline in the Group's gross profit margin of approximately 5% to 10% due to higher gaming operational costs; and (iii) an additional tax of approximately RMB70 million resulting from the transfer of RMB500 million in retained profits of Shenzhen Zen-Game Technology Co. Ltd, an indirect wholly-owned subsidiary of the Company, to the Group, benefiting the Group and its Shareholders as a whole.

As the Company is still in the process of finalizing its consolidated financial results of the Group for the year ended 31 December 2024, the information contained in this announcement is based on the current information available to the Board and the preliminary assessment by the Board with reference to the unaudited consolidated management accounts of the Group for the year ended 31 December 2024, which have not yet been reviewed or confirmed by the Company's independent auditors or reviewed by the audit committee of the Company. The Shareholders and potential investors of the Company are advised to read carefully the annual results announcement of the Company for the year ended 31 December 2024 which is expected to be published by the end of March 2025.

The Shareholders and potential investors should exercise caution when dealing in the shares of the Company.

By Order of the Board
Zengame Technology Holding Limited
Ye Sheng
Chairman

Hong Kong, 21 January 2025

As at the date of this announcement, the executive directors of the Company are Mr. Ye Sheng, Mr. Yang Min and Ms. Xiong Mi and the independent non-executive directors of the Company are Mr. Jin Shuhui, Mr. Mao Zhonghua and Mr. Yang Yi.