# Feiyu Technology International Company Ltd.
# 飛魚科技國際有限公司

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

**(Stock Code: 1022)**

## PROFIT WARNING

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

The board (the "**Board**") of directors (the "**Directors**") of the Company wishes to inform the shareholders of the Company (the "**Shareholders**") and its potential investors that based on the preliminary assessment of the unaudited consolidated management accounts of the Group for the year ended 31 December 2024 and the information currently available, it is anticipated that the Group may record a net loss ranging from approximately RMB40.0 million to RMB50.0 million for the year ended 31 December 2024 as compared to a net profit after tax of approximately RMB52.2 million for the year ended 31 December 2023.

The expected net loss is primarily due to the following factors:

1) the recognition of an investment loss ranging from approximately RMB10.0 million to RMB20.0 million for the year ended 31 December 2024 on the Group's investment in an unlisted limited partnership, as compared to an investment gain of approximately RMB4.9 million on this unlisted limited partnership for the year ended 31 December 2023. The change was primarily due to a decrease in fair value of several investments of this unlisted limited partnership which primarily invested in the sectors of intelligent system, auto system and information technology. The unlisted limited partnership expects to realise its investments at a later stage in order to capitalise on an improved market environment;

2) a significant increase in promotional and advertising expenses largely associated with the promotional efforts for the new HTML5 game Yi Bu Liang Bu (一步兩步) which was launched in August 2024; and

3) delay in launching several new HTML5 games due to the Group's strategic decision to invest in additional development time and resources to enhance the quality of such key new games.

Nonetheless, despite the short-term pressure on profitability due to the lagging effect of payback period following promotions, the marketing efforts for Yi Bu Liang Bu (一步兩步) have proven highly effective, as reflected in its rise to the 8th position on the Weixin mini-game best-selling list. The game is expected to deliver strong returns, supporting the Company's sustained growth and strengthening its market position in the years ahead. Except for the 2 HTML5 games which have already been launched, the remaining HTML5 games are currently undergoing testing, and it is intended that they will be officially launched in the first half of 2025, which will enable the Company to achieve increasingly solid performance going forward. As such, the Board is hopeful that the Group's operating results will be improved in the year of 2025.

As at the date of this announcement, the Company is still gathering information to finalise the annual results of the Group for the year ended 31 December 2024. Information contained in this announcement is only a preliminary assessment made by the Board with reference to the unaudited consolidated management accounts of the Group for the year ended 31 December 2024 and the information currently available, which have not been reviewed or audited by the auditor of the Company or confirmed by the audit committee of the Board and may be subject to changes. Further information of the Group's financial information will be disclosed in the announcement on the audited annual results of the Group for the year ended 31 December 2024, which is expected to be published by the end of March 2025.

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

By Order of the Board
**Feiyu Technology International Company Ltd.**
**YAO Jianjun**
*Chairman, Chief Executive Officer and Executive Director*

Hong Kong, 28 February 2025

*As at the date of this announcement, the Board comprises Messrs. YAO Jianjun, CHEN Jianyu, BI Lin and LIN Zhibin, as executive Directors; and Ms. LIU Qianli, and Messrs. LAI Xiaoling and CAO Xi, as independent non-executive Directors.*