

November 10, 2023

Company Name Gala Inc.
Name of Representative Hyunsu Kim, Representative Director and
 Group CEO
 (Code: 4777, Standard Market)
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Notice Concerning Start of New Business

We hereby announce that our Board of Directors has resolved at a meeting held on November 10, 2023 to start a new VFX business conducted by ROAD101 Co., Ltd (Korea).

1. Purpose of starting the business

As announced on September 11, 2023 in the press release titled "Notice Concerning Subscription to Third Party Allotment of New Shares (Making ROAD101 Co., Ltd. a Subsidiary)," the Company resolved to make ROAD101 Co., Ltd. its subsidiary. The Board of Directors' meeting held on November 10, 2023 resolved to start the VFX business conducted by ROAD101 Co., Ltd.

2. Overview of New Businesses

(1) Description of new business

With the consolidation of ROAD101 Co., Ltd. as a consolidated subsidiary, our group will start the VFX business conducted by the company as a new business. VFX is an abbreviation of visual effects, and refers to technology used to achieve screen effects that cannot be seen in reality in movies, TV dramas, and other visual productions. The VFX business is a film and commercial content production business that uses VFX technology.

(2) Division in charge of the relevant business

ROAD101 Co., Ltd. will be in charge of this business, which will be a consolidated subsidiary of the Company.

(3) Amount and details of special expenditure for the commencement of such business

At a meeting of the Board of Directors held on September 11, 2023, the Company resolved to underwrite a third-party allocation of new shares to be conducted by ROAD101 Co., Ltd. The amount of 3,600 million KRW (403 million JPY) for such underwriting and 25 million JPY in remuneration and fees for advisory services will be used specifically for the launch of this business.

The amount will be used as working capital and capital investment funds.

3. Date

(1)	Date of Resolution by the Board of Directors	November 10, 2023
(2)	Date of business commencement	October 1, 2023(*)

(*) Since the deemed acquisition date is set as September 30, 2023, the Company will consolidate the results of operations from October 1, 2023 onward.

4. Future Outlook

The impact of this new business on the consolidated financial results for the fiscal year ending December 31, 2023 is currently under scrutiny, but if it is deemed necessary to disclose such information in the future, we will promptly make an announcement.