

Yalla Group Announces Dismissal of Securities Class Action Lawsuit

DUBAI, UAE, Jan. 19, 2022 /PRNewswire/ -- Yalla Group Limited ("Yalla" or the "Company") (NYSE: YALA), the leading voice-centric social networking and entertainment platform in the Middle East and North Africa (MENA), today announced that the lead plaintiffs in a securities class action lawsuit against the Company and its CEO voluntarily dismissed the lawsuit on January 12, 2022, which marks a successful and final conclusion of the lawsuit for the Company.

The lawsuit arose from certain short-seller reports issued in May 2021 that contained numerous errors as well as distorted, misleading and unsubstantiated claims regarding the Company. While the Company publicly refuted the claims in the short-seller reports, a putative securities class action lawsuit was filed against the Company and its CEO in the United States based on the claims in the short-seller reports, claiming that the Company had violated U.S. securities laws. The U.S. court presiding over this lawsuit ordered the lead plaintiffs and their attorneys to file an amended complaint by January 7, 2022. After several months of preparation, the lead plaintiffs and their attorneys failed to file an amended complaint by the deadline set by the court. Instead, the lead plaintiffs and their attorneys elected not to further pursue this lawsuit and voluntarily dismissed the lawsuit on January 12, 2022, agreeing to bear their own litigation costs. Lead plaintiffs are barred from refiling the same claims. The voluntary dismissal equally applies to all claims asserted against the Company's CEO, who was named a co-defendant in the lawsuit. The court approved the lead plaintiffs' voluntary dismissal on January 13, 2022 and the lawsuit is terminated.

Throughout the process, the Company maintained that the lawsuit had no factual basis. The Company believes the decision of the lead plaintiffs and their attorneys to voluntarily dismiss all of their claims after several months of preparation supports the Company's position that claims in the short-seller reports are groundless.

The Company was represented in this securities class action lawsuit by George Wang and Bryan Jin of Simpson Thacher & Bartlett LLP.

About Yalla Group Limited

Yalla Group Limited is the leading voice-centric social networking and entertainment platform in the Middle East and Northern Africa (MENA). The Company's flagship mobile application, Yalla, is specifically tailored for the people and local cultures of the region and primarily features Yalla rooms, a mirrored online version of the majlis or cafés where people spend their leisure time in casual chats. Voice chats are more suitable to the cultural norms in MENA compared to video chats. The Company strives to maintain users' equal status on its platform, thereby encouraging all users to freely communicate and interact with each other. The Company also operates Yalla Ludo, a mobile application featuring online versions of board games that are highly popular in MENA, such as Ludo and Domino. In-game real-time chats and Ludo chat room functions are popular social networking features among users. Through close attention to detail and localized appeal that deeply resonates with users, Yalla's mobile applications deliver a seamless user experience that fosters a loyal sense of belonging, creating a highly devoted and engaged user community.

For more information, please visit: <http://ir.yallatech.ae/>

For investor and media inquiries, please contact:

Yalla Group Limited
Investor Relations
Kerry Gao – IR Director
Tel: +86-571-8980-7962
Email: ir@yallatech.ae

The Piacente Group, Inc.
Yang Song
Tel: +86-10-6508-0677
Email: yalla@tpg-ir.com

In the United States:

The Piacente Group, Inc.
Brandi Piacente
Tel: +1-212-481-2050
Email: yalla@tpg-ir.com

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