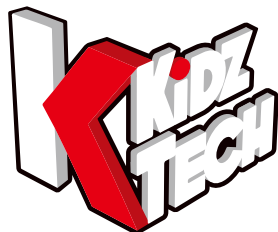


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## **Kidztech Holdings Limited**

**奇士達控股有限公司**

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

**(Stock Code: 6918)**

### **INSIDE INFORMATION PROFIT WARNING; AND CONTINUED SUSPENSION OF TRADING**

This announcement is published by Kidztech Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to the Inside Information Provisions (as defined in the Rules (the “**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”)) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), and Rule 13.09 of the Listing Rules.

#### **PROFIT WARNING**

The Board hereby informs the shareholders and potential investors of the Company that, based on the preliminary assessment made by the Board on the Group’s unaudited consolidated management accounts and the information currently available to the Board, the Group expects to record (i) a revenue of approximately RMB169.4 million for the year ended 31 December 2022 (the “**FY2022**”), compared to the revenue of RMB283.8 million recorded for the year ended 31 December 2021 (“**FY2021**”), representing a decrease of approximately 40.3%; and (ii) a net loss of approximately RMB77.4 million for FY2022, compared to a net profit of RMB26.1 million recorded for FY2021, representing a decrease of approximately 396.6%.

The Board believes that the above performance changes are mainly attributable to (i) the impact caused by COVID-19 resulting in a decrease in sales in the Mainland China; (ii) a decrease in gross profit margin of approximately 11.8% mainly due to the increase in material and production costs; (iii) an increase in administrative expenses mainly due to the recognition of share-based payments of approximately RMB29.4 million; (iv) an increase in net impairment losses on trade and other receivables of approximately RMB16.1 million; and (v) a decrease in other income of approximately RMB15.7 million mainly due to the decrease in interest income and government grants, as compared to FY2021.

The information contained in this announcement is based on a preliminary assessment by the Board on the Group's unaudited consolidated management accounts and other information currently available to the Board, which (i) has not been audited, finalised or reviewed by the auditor of the Company; and (ii) has not been reviewed or approved by the audit committee of the Company, and therefore may be subject to changes. The information may also be subject to adjustments following further review and finalisation of the consolidated financial statements of the Group for FY2022 by the auditor of the Company. Accordingly, the final consolidated financial statements of the Group for FY2022 and related information may be different from that contained in this announcement. Shareholders and potential investors are advised to refer to the details of the Group's financial performance for FY2022 to be disclosed in the annual results announcement ("**2022 Annual Results**") which is expected to be published by the Company by 7 July 2023.

## **CONTINUED SUSPENSION OF TRADING**

At the request of the Company, trading in the shares of the Company on the Stock Exchange has been suspended with effect from 9:00 a.m. on Monday, 3 April 2023, pending the publication of the 2022 Annual Results. As a result of the delay in publication of the 2022 Annual Results and the requirements of Rule 13.50 of the Listing Rules, trading in the shares of the Company on the Stock Exchange will remain suspended until further notice.

**Shareholders of the Company and potential investors should exercise caution when dealing in the securities of the Company.**

By Order of the Board  
**Kidztech Holdings Limited**  
**Yu Huang**  
*Chairman*

Hong Kong, 5 July 2023

*As at the date of this announcement, the Board comprises two executive Directors, namely, Mr. Yu Huang and Mr. Zhu Qiang; one non-executive Director, namely, Ms. Zheng Jingyun; and three independent non-executive Directors, namely, Mr. He Weidong, Ms. Wang Shiling and Mr. Gong Lan.*