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## **Bright Future Technology Holdings Limited** **輝煌明天科技控股有限公司**

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

**(Stock Code: 1351)**

### **PROFIT ALERT**

This announcement is made by Bright Future Technology Holdings 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 the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Based on the preliminary review of the unaudited consolidated management accounts of the Group for the year ended 31 December 2021 and the information currently available to the board of directors (the “**Board**”) of the Company, the Board wishes to inform the shareholders of the Company and potential investors that:

- (1) The Group is expected to record a growth in revenue to a range from approximately RMB470 million to approximately RMB490 million for the year ended 31 December 2021, representing an increase in a range from approximately 22.8% to approximately 28.0% as compared to the revenue of the Group of approximately RMB382.76 million for the year ended 31 December 2020 due to a steady growth of business of the Group.
- (2) The Group is expected to record a profit attributable to the owners of the Company in a range from approximately RMB3.5 million to approximately RMB4.5 million for the year ended 31 December 2021, as compared to the profit attributable to owners of the Company of approximately RMB67.33 million for the year ended 31 December 2020.

The reduction of profit is primarily attributable to the recognition of the share-based compensation of approximately RMB39.1 million as a result of (a) the grant of 3,855,381 award shares to 40 awardees under the Share Award Scheme adopted on 7 May 2021; and (b) the transfer of 38,216,850 Shares from Brilliant League Limited and Highland Triumph Limited, being the controlling shareholders of the Company, to C-Star Limited, being owned by two key staff of the Group, details of which are set out in the announcement of the Company dated 23 July 2021.

Other factors resulting in the reduction of profit include: (i) the decrease in gross profit due to the increase in expenses to strengthen the Group's cloud-based repository AI management system and the Group's short video quality standard in response to the customers' increasing demand for high-quality short videos; and (ii) the increase in salaries, wages and bonus as a result of the continuous and steady expansion of the staff of the Group.

- (3) By eliminating the income tax expense and share-based compensation, the Group is expected to record an adjusted profit for the year ended 31 December 2021 in a range from approximately RMB50 million to approximately RMB51 million. The adjusted profit, a non-HKFRS measure, is calculated by adding back the income tax expense and share-based compensation. The Board considers the income tax expense and share-based compensation do not affect the Group's ongoing operation performance, and the adjusted profit provides more useful information to investors in facilitating a comparison of the Group's operation from period to period.

As the Company is still in the process of finalising the annual results of the Group for the year ended 31 December 2021, the information contained in this announcement is only based on the Board's preliminary assessment of the unaudited consolidated management accounts of the Group and the information currently available, which have neither been reviewed by the audit committee of the Company nor reviewed or audited by the Company's auditors. The above information may be subject to further adjustments upon final review by the Board and the Company's auditors. Shareholders and potential investors are advised to refer to the details in the annual results of the Group for the year ended 31 December 2021, which is expected to be published in late March 2022 in accordance with the Listing Rules.

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

By order of the Board

**Bright Future Technology Holdings Limited**

**DONG Hui**

*Chairman, Chief Executive Officer and Executive Director*

Shenzhen, PRC, 10 March 2022

*As at the date of this announcement, the executive Directors of the Company are Mr. DONG Hui, Mr. YANG Dengfeng, Ms. GAO Yuqing and Mr. CEN Senhui, and the independent non-executive Directors of the Company are Mr. LIU Kin Wai, Mr. WEI Hai Yan and Mr. ZHANG Fanchen.*