

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



**Kidztech Holdings Limited**

**奇士達控股有限公司**

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

**(Stock Code: 6918)**

**AUDITED ANNUAL RESULTS  
ANNOUNCEMENT FOR THE YEAR ENDED  
31 DECEMBER 2021**

Reference is made to the announcement of Kidztech Holdings Limited (the “**Company**”) dated 30 March 2022 in relation to the unaudited annual results of the Company and its subsidiaries (collectively referred to as the “**Group**”) for the year ended 31 December 2021 (the “**Unaudited Annual Results Announcement**”), the supplemental announcement of the Company dated 31 March 2022 in relation to the Unaudited Annual Results Announcement and the announcement of the Company dated 29 April 2022 in relation to, among other things, the further delay in publication of the 2021 Audited Annual Results and the delay in despatch of the 2021 Annual Report (the “**Delay Announcement**”). Capitalised terms used herein, unless otherwise defined, shall have the same meanings as those defined in the Unaudited Annual Results Announcement and the Delay Announcement.

# AUDITED ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2021

## FINANCIAL HIGHLIGHTS

- Revenue for FY2021 was approximately RMB283.8 million (FY2020: approximately RMB295.9 million), representing a decrease of approximately 4.1%.
- Gross profit margin for FY2021 was approximately 28.5% (FY2020: approximately 33.8%), representing a decrease of approximately 5.3%.
- Profit for FY2021 was approximately RMB26.1 million (FY2020: approximately RMB24.1 million), representing an increase of approximately 8.3%.
- Basic and diluted earnings per Share for FY2021 was approximately RMB5.0 cents (FY2020: approximately RMB4.8 cents per share), representing an increase of approximately 4.2%.

## RESULTS

The board (the “**Board**”) of directors (the “**Directors**”) of the Company is pleased to announce that the auditing process of the annual results of the Group for the year ended 31 December 2021 has been completed. As certain adjustments have been made to the unaudited annual results of the Group as contained in the Unaudited Annual Results Announcement, the differences between the unaudited annual results and the audited annual results contained in this announcement are set out in the section headed “Material Differences between the Unaudited Annual Results and Audited Annual Results” in this announcement in accordance with Rule 13.49(3)(ii)(b) of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). The audited consolidated annual results of the Group for the year ended 31 December 2021 together with the comparative figures extracted from the audited consolidated annual results of the Group for the year ended 31 December 2020 are as follows:

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER  
COMPREHENSIVE INCOME**  
*FOR THE YEAR ENDED 31 DECEMBER*

	<i>Notes</i>	<b>2021</b> <b>RMB'000</b>	2020 <i>RMB'000</i>
Revenue	3	<b>283,843</b>	295,913
Cost of sales		<b>(203,068)</b>	(195,750)
Gross profit		<b>80,775</b>	100,163
Selling expenses		<b>(7,901)</b>	(18,107)
Administrative expenses		<b>(42,126)</b>	(45,031)
Net impairment losses on trade and other receivables		<b>(5,374)</b>	(6,823)
Other income		<b>17,109</b>	11,219
<b>Profit from operation</b>		<b>42,483</b>	41,421
Finance costs	6	<b>(10,761)</b>	(8,474)
Profit before tax		<b>31,722</b>	32,947
Income tax expenses	7	<b>(5,636)</b>	(8,804)
<b>Profit for the year attributable to the owners of the Company</b>	5	<b>26,086</b>	24,143
<b>Other comprehensive loss</b>			
<i>Items that may be reclassified to profit or loss:</i>			
Exchange differences on translating foreign operations		<b>(94)</b>	(2,957)
Other comprehensive loss for the year		<b>(94)</b>	(2,957)
<b>Total comprehensive income for the year attributable to the owner of the Company</b>		<b>25,992</b>	21,186
<b>Earnings per share</b>			
<i>Basic and diluted (RMB cents per Share)</i>	9	<b>5.0</b>	4.8

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER

	<i>Notes</i>	<b>2021</b> <b>RMB'000</b>	2020 RMB'000
<b>Non-current assets</b>			
Property, plant and equipment		<b>161,814</b>	172,638
Right-of-use assets		<b>38,346</b>	36,870
Intangible assets		<b>2,812</b>	7,199
Deferred income tax assets		<b>6,414</b>	3,536
Prepayments		<b>52,095</b>	58,015
		<b>261,481</b>	278,258
<b>Current assets</b>			
Inventories		<b>23,238</b>	50,270
Trade receivables	<i>10</i>	<b>117,007</b>	77,819
Prepayment and other receivables		<b>92,756</b>	130,740
Restricted cash		<b>—</b>	1,035
Cash and cash equivalents		<b>286,512</b>	132,424
		<b>519,513</b>	392,288
<b>Current liabilities</b>			
Trade and other payables	<i>11</i>	<b>144,635</b>	56,583
Amount due to a related company		<b>962</b>	962
Contract liabilities		<b>1,895</b>	955
License fee payable		<b>1,769</b>	3,651
Bank and other borrowings	<i>12</i>	<b>155,278</b>	155,890
Lease liabilities		<b>4,639</b>	2,671
Current income tax liabilities		<b>19,520</b>	15,139
		<b>328,698</b>	235,851
<b>Net current assets</b>		<b>196,815</b>	156,437
<b>Total assets less current liabilities</b>		<b>452,296</b>	434,695

	<b>2021</b>	2020
<i>Notes</i>	<i>RMB'000</i>	<i>RMB'000</i>
<b>Non-current liabilities</b>		
Deferred revenue	<b>1,029</b>	1,747
Deferred tax liabilities	<b>3,760</b>	2,487
Lease liabilities	<b>5,646</b>	5,320
License fee payable	<b>98</b>	1,599
	<u><b>10,533</b></u>	<u>11,153</u>
<b>NET ASSETS</b>	<u><b>441,763</b></u>	<u>423,542</u>
<b>Capital and reserves</b>		
Share capital	<b>467</b>	467
Reserves	<b>441,296</b>	423,075
<b>TOTAL EQUITY</b>	<u><b>441,763</b></u>	<u>423,542</u>

# NOTES TO THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

## 1. GENERAL INFORMATION

Kidztech Holdings Limited (the “**Company**”) was incorporated in the Cayman Islands on 25 October 2019 as an exempted company with limited liability under the Companies Law of the Cayman Islands. The address of its registered office is Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The Company’s shares (the “**Share(s)**”) were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 18 March 2020 (the “**Listing**”).

The Company is an investment holding company and its subsidiaries (together, “**the Group**”) are principally engaged in manufacturing and sales of toys.

## 2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

In the current year, the Group has adopted all the new and revised Hong Kong Financial Reporting Standards (“**HKFRSs**”) issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”) that are relevant to its operations and effective for its accounting year beginning on 1 January 2021. HKFRSs comprise Hong Kong Financial Reporting Standards (“**HKFRS**”); Hong Kong Accounting Standards (“**HKAS**”); and Interpretations. The adoption of these new and revised HKFRSs did not result in significant changes to the Group’s accounting policies, presentation of the Group’s financial statements and amounts reported for the current year and prior years.

The Group has not applied the new HKFRSs that have been issued but are not yet effective. The application of these new HKFRSs will not have material impact on the financial statements of the Group.

### 3. REVENUE

	<b>2021</b> <i>RMB'000</i>	2020 <i>RMB'000</i>
Sales of toy cars	<b>283,843</b>	290,515
Sales of anti-epidemic products	<u>—</u>	<u>5,398</u>
	<b><u>283,843</u></b>	<b><u>295,913</u></b>

Disaggregation of revenue from contracts with customers:

<b>Segment</b>	<b>Car Toys</b>	
	<b>2021</b> <i>RMB'000</i>	2020 <i>RMB'000</i>
<b>Geographical markets</b>		
Mainland China	<b>191,665</b>	194,090
Out of Mainland China	<b>92,178</b>	<u>101,823</u>
Total	<b><u>283,843</u></b>	<b><u>295,913</u></b>
<b>Major products</b>		
Smart toy vehicles	<b>166,586</b>	185,762
Smart interactive toys	<b>13,138</b>	27,222
Traditional toys	<b>104,119</b>	77,531
Anti-epidemic products	<u>—</u>	<u>5,398</u>
Total	<b><u>283,843</u></b>	<b><u>295,913</u></b>
<b>Timing of revenue recognition</b>		
At a point in time	<b><u>283,843</u></b>	<b><u>295,913</u></b>

#### **Sales of toy cars**

The Group sells toy cars to the customers. Sales of a contract are recognised when control of the products has transferred, being when the products are delivered to a customer, there is no unfulfilled obligation that could affect the customer's acceptance of the products and the customer has obtained legal titles to the products.

#### 4. SEGMENT INFORMATION

The Group is principally engaged in manufacturing and sales of toy cars. Management reviews the operating results of the business as one operating segment to make decisions about resources to be allocated. Therefore, the executive directors of the Company regard that there is only one operating segment which is used to make strategic decisions. Revenue and profit before income tax are the measures reported to the executive directors of the Company for the purpose of resources allocation and performance assessment.

Segment non-current assets do not include financial instruments and deferred tax assets.

##### Geographical information

	Revenue		Non-current assets	
	2021	2020	2021	2020
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Mainland China	<b>191,665</b>	194,090	<b>245,324</b>	269,966
Outside of Mainland China	<b>92,178</b>	101,823	<b>9,743</b>	4,756
	<b><u>283,843</u></b>	<u>295,913</u>	<b><u>255,067</u></b>	<u>274,722</u>

##### Revenue from major customers

	2021	2020
	<i>RMB'000</i>	<i>RMB'000</i>
Customer A	N/A*	33,265
Customer B	<b><u>N/A*</u></b>	<b><u>31,368</u></b>

\* The customer contributed less than 10% of total revenue during FY2021.

## 5. PROFIT FOR THE YEAR

	<b>2021</b> <i>RMB'000</i>	2020 <i>RMB'000</i>
Raw materials and goods used	<b>119,467</b>	117,628
Staff costs (including directors' emoluments)		
– Salaries, bonus and allowance	<b>36,840</b>	45,398
– Retirement benefits scheme contributions (a)	<b>1,415</b>	1,130
Depreciation of property, plant and equipment, right-of-use assets and amortisation expenses of trademark and software	<b>26,035</b>	21,422
Royalty expenses (b)	<b>5,070</b>	9,743
Listing expenses for the Listing	—	12,450
Subcontracting charges	<b>31,602</b>	6,955
Freight charge and transportation expenses	<b>2,479</b>	3,328
Auditor's remuneration for audit services	<b>1,550</b>	1,600
	<b><u>119,467</u></b>	<b><u>117,628</u></b>

(a) Contributions to the defined contribution retirement schemes by the Group for its employees are fully and immediately vested in the employees once the contributions are made. There are no contributions forfeited by the Group on behalf of its employees who leave the plan prior to vesting fully in such contribution. Hence, there is no such an issue whether forfeited contributions may be used by the Group to reduce the existing level of contributions.

(b) Royalty expenses comprised amortisation of license rights of approximately RMB4,663,000 (2020: approximately RMB4,565,000) and variable license payments of approximately RMB407,000 (2020: approximately RMB5,178,000) for the year ended 31 December 2021.

## 6. FINANCE COSTS

	<b>2021</b> <i>RMB'000</i>	2020 <i>RMB'000</i>
Interest expenses on bank borrowings	<b>6,193</b>	5,342
Interest expenses on other borrowings	<b>1,931</b>	2,039
Interest expenses on lease liabilities	<b>702</b>	367
Interest expenses on license fee payables	<b>597</b>	296
Others	<b>1,338</b>	430
	<b><u>10,761</u></b>	<b><u>8,474</u></b>

## 7. INCOME TAX EXPENSES

	2021 <i>RMB'000</i>	2020 <i>RMB'000</i>
Current tax — Hong Kong Profits tax		
— Provision for the year	—	202
Current tax — PRC Enterprise Income Tax		
— Provision for the year	7,257	6,759
Deferred tax	(1,621)	1,843
	<u>5,636</u>	<u>8,804</u>

The Company is incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law of Cayman Islands and, accordingly, is exempted from Cayman Islands income tax. Under the current laws of the British Virgin Islands (“**BVI**”), entities incorporated in BVI are not subject to income tax.

For the year ended 31 December 2021, the Group is eligible to nominate one Hong Kong incorporated entity in the Group, namely Kidztech Toys Manufacturing Limited (“**Kidztech HK**”), to be taxed at the two tiered profits tax rates, whereby profits tax will be chargeable on the first HKD2,000,000 of assessable profits at 8.25% and assessable profits above this threshold will be subject to a rate of 16.5% (2020: same). Hong Kong profits tax of the other Hong Kong incorporated group entities has been provided for at the rate of 16.5% on the estimated assessable profits.

Pursuant to the PRC Enterprise Income Tax Law (“**EIT Law**”), the EIT rate for domestic enterprises and foreign invested enterprises is 25%. Kidztech (Guangdong) Intelligent Technology Co., Ltd. (“**Kidztech Intelligent**”, formerly known as Kidztech Intelligent Technology Co., Ltd.), the Group’s operating subsidiary in the PRC, was awarded the National High-tech Enterprise Certificate which is effective for three years commencing on 1 January 2020 with applicable income tax rate being 15% for the years from 2020 to 2022. All the other PRC entities of the Group are subject to EIT at a rate of 25%.

## 8. DIVIDEND

The Board does not recommend the payment of a final dividend for the year ended 31 December 2021. A final dividend of HK\$0.018 per share in respect of the year ended 31 December 2020 was declared and paid, amounting to HK\$9,375,948 (equivalent to approximately RMB7,771,000).

## 9. EARNINGS PER SHARE

### Basic earnings per share

The calculation of basic earnings per share attributable to owners of the Company is based on the profit for the year attributable to owners of the Company of approximately RMB26,086,000 (2020: RMB24,143,000) and the weighted average number of ordinary shares of 520,886,000 (2020: 502,063,000), in issue during the year.

### Diluted earnings per share

No diluted earnings per share is presented as the Company did not have any dilutive potential ordinary shares during FY2021 and FY2020.

## 10. TRADE RECEIVABLES

	2021 <i>RMB'000</i>	2020 <i>RMB'000</i>
Trade receivables	134,106	91,848
Less: provision for impairment	<u>(17,099)</u>	<u>(14,029)</u>
	<u><b>117,007</b></u>	<u><b>77,819</b></u>

The following is an aging analysis of trade receivables, presented based on the invoice date at the end of the years:

	2021 <i>RMB'000</i>	2020 <i>RMB'000</i>
Less than 30 days	62,331	25,764
31 days to 120 days	55,500	39,033
121 days to 1 year	6,681	19,050
1 year to 2 years	7,012	6,845
More than 2 years	<u>2,582</u>	<u>1,156</u>
	<u><b>134,106</b></u>	<u><b>91,848</b></u>

Reconciliation of loss allowance for trade receivables:

	<b>2021</b> <i>RMB'000</i>	2020 <i>RMB'000</i>
At 1 January	<b>14,029</b>	8,485
Increase in loss allowance for the year	<b>3,224</b>	6,823
Amounts written off	<b>(124)</b>	(1,129)
Exchange difference	<b>(30)</b>	(150)
	<u>          </u>	<u>          </u>
At 31 December	<b><u>17,099</u></b>	<b><u>14,029</u></b>

**Trade receivables that are not impaired**

The Group applies the simplified approach under HKFRS 9 “Financial Instrument” to provide for expected credit losses using the lifetime expected loss provision for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected credit losses also incorporate forward looking information.

	Less than 30 days	31 days to 120 days	121 days to 1 year	Over 1 year	Total
<b>At 31 December 2021</b>					
Weighted average expected loss rate	5.94%	4.55%	20.90%	98.77%	
Receivable amount ( <i>RMB'000</i> )	<u>62,331</u>	<u>55,500</u>	<u>6,681</u>	<u>9,594</u>	<u>134,106</u>
Loss allowance ( <i>RMB'000</i> )	<u>3,700</u>	<u>2,527</u>	<u>1,396</u>	<u>9,476</u>	<u>14,029</u>
<b>At 31 December 2020</b>					
Weighted average expected loss rate	6.83%	10.59%	22.65%	47.76%	
Receivable amount ( <i>RMB'000</i> )	<u>25,764</u>	<u>39,033</u>	<u>19,050</u>	<u>8,001</u>	<u>91,848</u>
Loss allowance ( <i>RMB'000</i> )	<u>1,760</u>	<u>4,133</u>	<u>4,315</u>	<u>3,821</u>	<u>14,029</u>

## 11. TRADE AND OTHER PAYABLES

	2021 <i>RMB'000</i>	2020 <i>RMB'000</i>
Trade payables	81,560	19,021
Accrued other expenses	15,958	12,590
Accrued listing expenses	—	10,660
Payroll payable	5,066	4,305
Value-added tax and other tax payables	27,781	9,303
Refund liabilities	—	704
Dividend payable	2,549	—
Amount due to shareholders	11,721	—
	<u>144,635</u>	<u>56,583</u>

An aging analysis of the trade payables at the end of the reporting period, based on invoice dates, is as follows:

	2021 <i>RMB'000</i>	2020 <i>RMB'000</i>
Less than 30 days	19,923	3,783
31 days to 120 days	23,849	6,711
121 days to 1 year	25,365	4,851
1 year to 2 years	8,802	3,097
More than 2 years	3,621	579
	<u>81,560</u>	<u>19,021</u>

## 12. BANK AND OTHER BORROWINGS

The borrowings are repayable as follows:

	<i>Note</i>	2021 <i>RMB'000</i>	2020 <i>RMB'000</i>
Bank loan	(i)	69,394	97,295
Other borrowings	(ii)	85,884	58,595
		<u>155,278</u>	<u>155,890</u>
Analysed as:			
Secured		155,278	155,890
Unsecured		—	—
		<u>155,278</u>	<u>155,890</u>

The borrowings are repayable as follows:

	<b>2021</b> <b>RMB'000</b>	2020 <i>RMB'000</i>
On demand or within one year	<b><u>155,278</u></b>	<u>155,890</u>

*Note:*

- (i) As at 31 December 2021, the bank borrowings were secured by:
- Property, plant and equipment and right-of-use assets with net book value approximately RMB34,651,000 and approximately RMB31,647,000 respectively; and
  - Personal guarantees provided by Mr. Yu Huang and Ms. Chen Cheng and certain minority shareholders of the Company.
- (ii) As at 31 December 2021, the other borrowings were secured by:
- Property, plant and equipment with net book value approximately RMB13,281,000;
  - Shares of the company held by certain shareholders of the Company; and
  - Personal guarantees provided by Mr. Yu Huang and Ms. Chen Cheng and certain minority shareholders of the Company.

The interest rates per annum at the end of the reporting period were as follows:

	<b>2021</b>	2020
Borrowing fixed-rate	<b><u>2.25%–18.00%</u></b>	<u>5.17%–9.10%</u>

## MATERIAL DIFFERENCES BETWEEN THE UNAUDITED ANNUAL RESULTS AND AUDITED ANNUAL RESULTS

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	Disclosure in the Audited Annual Results RMB'000	Disclosure in the Unaudited Annual Results RMB'000	Difference RMB'000	Notes
Revenue	283,843	284,287	(444)	1
Cost of sales	<u>(203,068)</u>	<u>(197,894)</u>	(5,174)	2
Gross profit	80,775	86,393	(5,618)	16
Selling expenses	(7,901)	(13,616)	5,715	1,2
Administrative expenses	(42,126)	(40,259)	(1,867)	3
Net impairment losses on trade and other receivables	(5,374)	(2,610)	(2,764)	4
Other income	<u>17,109</u>	<u>16,043</u>	1,066	1,5
<b>Profit from operation</b>	42,483	45,951	(3,468)	16
Finance costs	<u>(10,761)</u>	<u>(12,171)</u>	1,410	6
<b>Profit before tax</b>	31,722	33,780	(2,058)	16
Income tax expenses	<u>(5,636)</u>	<u>(6,193)</u>	557	7,13
<b>Profit for the year attributable to the owners of the Company</b>	26,086	27,587	(1,501)	16
<i>Other comprehensive (loss)/income for the year</i>				
<i>Items that may be reclassified to profit or loss:</i>				
Exchange differences on translating foreign operations	<u>(94)</u>	<u>4,729</u>	(4,823)	8
Other comprehensive (loss)/income for the year	<u>(94)</u>	<u>4,729</u>	(4,823)	16
<b>Total comprehensive income for the year attributable to the owners of the Company</b>	<u><u>25,992</u></u>	<u><u>32,316</u></u>	(6,324)	16
<b>Earnings per share</b>				
<i>Basic and diluted (RMB cents per share)</i>	<u><u>5.0</u></u>	<u><u>5.3</u></u>	(0.3)	9

## MATERIAL DIFFERENCES BETWEEN THE UNAUDITED ANNUAL RESULTS AND AUDITED ANNUAL RESULTS

CONSOLIDATED STATEMENT OF FINANCIAL POSITION	Disclosure in the Audited Annual Results <i>RMB'000</i>	Disclosure in the Unaudited Annual Results <i>RMB'000</i>	Difference <i>RMB'000</i>	<i>Notes</i>
<b>Non-current assets</b>				
Property, plant and equipment	161,814	165,811	(3,997)	<i>10</i>
Right-of-use assets	38,346	33,772	4,574	<i>10,11</i>
Intangible assets	2,812	2,673	139	<i>12</i>
Deferred income tax assets	6,414	3,841	2,573	<i>13</i>
<b>Current assets</b>				
Trade receivables	117,007	117,194	(187)	<i>5</i>
Prepayment and other receivables	92,756	92,841	(85)	<i>5,14</i>
<b>Current liabilities</b>				
Trade and other payables	144,635	139,870	4,765	<i>3,14</i>
License fee payable	1,769	1,020	749	<i>12</i>
Bank and other borrowings	155,278	158,601	(3,323)	<i>15</i>
Lease liabilities	4,639	3,277	1,362	<i>11,15</i>
Current income tax liabilities	19,520	17,671	1,849	<i>7</i>
<b>Non-current liabilities</b>				
Deferred tax liabilities	3,760	2,487	1,273	<i>13</i>
Lease liabilities	5,646	3,080	2,566	<i>11,15</i>
License fee payable	98	—	98	<i>12</i>
<b>Capital and reserves</b>				
Reserves	441,296	447,618	(6,322)	<i>16</i>

*Notes:*

- 1) Mainly due to a reclassification adjustment between revenue and other income.
- 2) Mainly due to a reclassification adjustment between cost of sales and administrative and selling expenses.
- 3) Mainly represents an adjustment to under-provided expenses.
- 4) Mainly represents an adjustment to further impairment on trade and other receivables.
- 5) Mainly due to a reclassification adjustment between other income and finance cost and the exchange differences arising from elimination of inter-group balance.
- 6) Mainly due to a reclassification adjustment between finance cost and other income.
- 7) Mainly represents an adjustment to tax provision.
- 8) Mainly represents an adjustment to the exchange differences arising from elimination of inter-group balance.
- 9) Represents a recalculation of basic and diluted earnings per share due to the adjustments mentioned above.
- 10) Mainly due to a reclassification adjustment between property, plant and equipment and right-of-use assets.
- 11) Mainly represents an adjustment to recalculation of right-of-use assets, lease liabilities, and lease interest.
- 12) Mainly represents an adjustment to recalculation of intangible asset, license fee payable, and license fee interest.
- 13) Represents an adjustment to recalculation of deferred income tax assets and liabilities.
- 14) Mainly represents a reclassification adjustment between repayment and other receivables and trade and other payables.
- 15) Mainly represents a reclassification adjustment between bank and other borrowings and lease liabilities.
- 16) Represents the adjustments mentioned above.

Save as disclosed in this announcement and the corresponding adjustments in totals, percentages, ratios related to the above material differences, all other information contained in the Unaudited Annual Results Announcement remain unchanged.

## **AUDIT COMMITTEE AND REVIEW OF AUDITED ANNUAL RESULTS**

The audited annual results for the year ended 31 December 2021 contained herein have been reviewed by and agreed with the Audit Committee.

## **SCOPE OF WORK OF ZHONGHUI ANDA CPA LIMITED**

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income, and the related notes thereto for FY2021 contained in this announcement have been agreed by the Group's auditor, ZHONGHUI ANDA CPA Limited, to the amounts set out in the Group's audited consolidated financial statements for FY2021 as approved by the Board on 6 May 2022. The work performed by ZHONGHUI ANDA CPA Limited in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no opinion or assurance conclusion has been expressed by ZHONGHUI ANDA CPA Limited on the Unaudited Annual Results Announcement and this announcement.

## **AGM AND CLOSURE OF REGISTER OF MEMBERS**

The annual general meeting of the Company for FY2021 (the "AGM") will be held on Friday, 24 June 2022 at 10:00 a.m.. The register of members of the Company will be closed from Tuesday, 21 June 2022 to Friday, 24 June 2022, both days inclusive, during which period no transfer of Shares will be registered. In order to determine the identity of the Shareholders who are entitled to attend and vote at the AGM, all duly completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong not later than 4:30 p.m. on Monday, 20 June 2022.

## **PUBLICATION OF AUDITED ANNUAL RESULTS ANNOUNCEMENT AND 2021 ANNUAL REPORT**

This announcement is published on the websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.kidztech.net](http://www.kidztech.net)). As disclosed in the Delay Announcement, and based on the information currently available to the Company and the progress of the preparation work of the 2021 Annual Report, the Company expects to publish the 2021 Annual Report on the aforesaid websites on or before 15 May 2022 in accordance with the “Frequently asked questions on the Joint Statement in relation to Results Announcements in light of Travel Restrictions related to the Severe Respiratory Disease associated with a Novel Infectious Agent (Joint Statement) and holding of general meetings” released on 21 February 2022 and updated on 8 April 2022 by The Stock Exchange of Hong Kong Limited.

Further announcement(s) will be made by the Company as and when necessary in case of any other material development in the publication of the 2021 Annual Report.

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

Shantou, 6 May 2022

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