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赤子城

newborntown

NEWBORN TOWN INC.

赤子城科技有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 9911)

INSIDE INFORMATION PROFIT ALERT

This announcement is made by Newborn Town Inc. (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2) 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 under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors (the “**Directors**”) of the Company (the “**Board**”) hereby informs the shareholders of the Company and potential investors that, based on the preliminary review of the unaudited consolidated management accounts of the Group for the half year ended 30 June 2024 and other information currently available to the Group, it is expected that:

- (i) the total revenue of the Group for the half year ended 30 June 2024 will be approximately RMB2,247 million to RMB2,297 million, representing an increase of approximately 63.4% to 67.1% as compared to that for the corresponding period in 2023. Such expected increase is mainly due to the the Group’s market expansion in the Middle East and North Africa and other regions, and the continued rapid growth of the diversified social products launched by the Group, as well as the completion of the Group’s acquisition of Chizicheng Strategy Investment and the commencement of revenue consolidation from BlueCity Holdings Limited and Land of Glory Ltd. in the third quarter of 2023;
- (ii) the net profit of the Group for the half year ended 30 June 2024 will be approximately RMB365 million to RMB400 million, representing an increase of approximately 20.9% to 32.5% as compared to that for the corresponding period in 2023. The profit attributable to equity shareholders of the Company for the half year ended 30 June 2024 will be approximately RMB205 million to RMB240 million, representing an increase of approximately 10.8% to 29.7% as compared to that for the corresponding period in 2023. Such expected increases in the net profit of the Group and the profit attributable to equity shareholders of the Company are mainly due to the Group’s market expansion in the Middle East and North Africa and other regions, and the rapid growth of the diversified social products launched by the Group, as well as the consolidation of the financial statements of BlueCity Holdings Limited and Land of Glory Ltd. into the Group’s consolidated financial statements in the third quarter of 2023; and

(iii) the Group's adjusted EBITDA for the half year ended 30 June 2024 will be approximately RMB430 million to RMB460 million, representing an increase of approximately 23.9% to 32.6% as compared to that for the corresponding period in 2023. Such expected increase is mainly due to the the Group's market expansion in the Middle East and North Africa and other regions, and the rapid growth of the diversified social products launched by the Group, as well as the consolidation of the financial statements of BlueCity Holdings Limited and Land of Glory Ltd. into the Group's consolidated financial statements in the third quarter of 2023.

Adjusted EBITDA is defined as operating profit upon adjustment adjusted by share-based compensation expenses, depreciation and amortisation.

The Company is still in the process of finalising the consolidated results of the Group for the half year ended 30 June 2024. The information contained in this announcement is only based on the Board's preliminary assessment on the unaudited consolidated management accounts of the Group and other information currently available to the Board, which have not been reviewed or audited by the Company's auditors. The actual results of the Group for the half year ended 30 June 2024 may be different from the information disclosed in this announcement. The announcement of interim results of the Group for the half year ended 30 June 2024 is expected to be published by the end of August 2024.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
Newborn Town Inc.
LIU Chunhe
Chairman

Beijing, 15 August 2024

As at the date of this announcement, the executive Directors of the Company are Mr. LIU Chunhe, Mr. LI Ping, Mr. YE Chunjian and Mr. SU Jian; and the independent non-executive Directors of the Company are Mr. GAO Ming, Mr. CHI Shujin and Mr. HUANG Sichen.