



KIDZTECH HOLDINGS LIMITED

奇士達控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立的有限公司)

STOCK CODE 股份代號 : 6918



Interim Report 中期報告

2023

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CORPORATE INFORMATION

公司資料

Board of Directors

Executive Directors

Mr. Yu Huang (*Chairman and Chief Executive Officer*)
Mr. Zhu Qiang

Non-executive Director

Ms. Zheng Jingyun

Independent non-executive Directors

Mr. He Weidong
Ms. Wang Shiling
Mr. Gong Lan

Company Secretary

Mr. Chan Pak Lun

Authorised Representatives

Mr. Yu Huang
Mr. Chan Pak Lun

Audit Committee

Mr. Gong Lan (*Chairman*)
Ms. Wang Shiling
Mr. He Weidong

Remuneration Committee

Ms. Wang Shiling (*Chairlady*)
Mr. Zhu Qiang
Mr. He Weidong
Mr. Gong Lan

Nomination Committee

Mr. He Weidong (*Chairman*)
Mr. Yu Huang
Mr. Zhu Qiang
Ms. Wang Shiling
Mr. Gong Lan

Auditor

McMillian Woods (Hong Kong) CPA Limited

Legal Adviser

DeHeng Law Offices (Hong Kong) LLP

董事會

執行董事

余煌先生(*主席及行政總裁*)
朱強先生

非執行董事

鄭靜雲女士

獨立非執行董事

何衛東先生
王世鈴女士
龔瀾先生

公司秘書

陳柏麟先生

授權代表

余煌先生
陳柏麟先生

審核委員會

龔瀾先生(*主席*)
王世鈴女士
何衛東先生

薪酬委員會

王世鈴女士(*主席*)
朱強先生
何衛東先生
龔瀾先生

提名委員會

何衛東先生(*主席*)
余煌先生
朱強先生
王世鈴女士
龔瀾先生

核數師

長青(香港)會計師事務所有限公司

法律顧問

德恒律師事務所(香港)有限法律責任
合夥

CORPORATE INFORMATION 公司資料

Registered Office

Cricket Square, Hutchins Drive
P.O. Box 2681
Grand Cayman, KY1-1111
Cayman Islands

Head Office and Place of Business in the PRC

Chengyanggang Road, Ancheng Highway
Lianxia Town, Chenghai District
Shantou City
Guangdong
PRC

Place of Business in Hong Kong

Room 802, 8/F, Inter-Continental Plaza
94 Granville Road
Tsim Sha Tsui East
Kowloon
Hong Kong

Principal Share Registrar and Transfer Office

Conyers Trust Company (Cayman) Limited
Cricket Square, Hutchins Drive
P.O. Box 2681
Grand Cayman, KY1-1111
Cayman Islands

Hong Kong Branch Share Registrar and Transfer Office

Tricor Investor Services Limited
17/F, Far East Finance Centre
16 Harcourt Road
Hong Kong

Principal Bankers

Bank of China Limited Shantou Branch
Industrial Bank Co., Ltd. Shantou Branch
Lianshang Credit Cooperative of Shantou
Chenghai Rural Credit Cooperative Union

Website Address

www.kidztech.net

Stock Code

6918

註冊辦事處

Cricket Square, Hutchins Drive
P.O. Box 2681
Grand Cayman, KY1-1111
Cayman Islands

中國總辦事處及營業地點

中國
廣東省
汕頭市
澄海區蓮下鎮
安澄公路程洋崗路段

香港營業地點

香港
九龍
尖沙咀東
加連威老道94號
明輝中心8樓802室

主要股份過戶登記處

Conyers Trust Company (Cayman) Limited
Cricket Square, Hutchins Drive
P.O. Box 2681
Grand Cayman, KY1-1111
Cayman Islands

香港股份過戶登記分處

卓佳證券登記有限公司
香港
夏慤道16號
遠東金融中心17樓

主要往來銀行

中國銀行股份有限公司汕頭分行
興業銀行股份有限公司汕頭分行
汕頭市澄海農村信用合作聯社
蓮上信用社

網站

www.kidztech.net

股份代號

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MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

BUSINESS AND FINANCIAL REVIEW

Kidztech Holdings Limited (the “**Company**”) and its subsidiaries (collectively, the “**Group**”) are principally engaged in the design, development, manufacture and sale of high-quality smart toy vehicles, smart interactive toys and traditional toys.

Revenue

The Group’s total revenue decreased by approximately 48.6% from approximately RMB103.4 million for the six months ended 30 June 2022 to approximately RMB53.1 million for the six months ended 30 June 2023. During the six months ended 30 June 2023, the Group’s China branch office operations was affected by the down hill situation of PRC’s macro economic environment, as well as the Group’s Hong Kong branch office operations was affected by the Russian-Ukrainian War and global inflation, resulting in a decrease in orders from both PRC and overseas customers. Details of revenue by product type are set out in note 4 to the condensed consolidated financial statements as set out in this interim report.

Smart toys

Smart toy vehicles

The Group’s smart toy vehicles mainly comprise full function radio controlled toy vehicles, which are manufactured in different scales. During the six months ended 30 June 2023, the Group’s smart toy vehicles are mostly “kidztech” brand products and co-branded products collectively released by the Company and renowned automobile manufacturers. The Group also manufactures under overseas customers’ brands on original equipment manufacturing (“**OEM**”) and original design manufacturing (“**ODM**”) bases.

During the six months ended 30 June 2023, the Group’s revenue from sales of smart toy vehicles, which dropped by approximately 48.6% from approximately RMB103.4 million for the six months ended 30 June 2022 to approximately RMB53.1 million for the six months ended 30 June 2023 due to the reasons mentioned above.

Smart interactive toys

The Group’s smart interactive toys mainly are produced and sold for under the “kidztech” brand, and comprise smart interactive playsets, activity toys and musical toys, and some of these toys which play music and contain play features are intended to stimulate the sensory development of children. During the first half of 2023, the Group did not record any revenue from smart interactive toys (for the six months ended 30 June 2022: nil).

業務及財務回顧

奇士達控股有限公司(「**本公司**」)及其附屬公司(統稱「**本集團**」)主要設計、開發、製造及銷售高品質智能車模、智能互動式玩具及傳統玩具。

收益

本集團總收益由截至二零二二年六月三十日止六個月的約人民幣103.4百萬元減少約48.6%至截至二零二三年六月三十日止六個月的約人民幣53.1百萬元。截至二零二二年六月三十日止六個月，本集團在中國分公司的營運受到中國宏觀經濟環境下行形勢的影響；加上本集團在香港分公司的營運受到俄烏戰爭及全球通脹的影響，導致來自中國及海外客戶的訂單下跌。按產品類型劃分的收益詳情載列於本中期報告所載簡明綜合財務報表附註4。

智能玩具

智能車模

本集團的智能車模主要包括全功能無線電遙控車模，該等產品按不同比例生產。於截至二零二三年六月三十日止六個月，本集團的智能車模大部分為「奇士達」品牌產品和本公司與知名汽車製造商推出的聯合品牌產品。本集團亦通過原設備製造(「**OEM**」)及原設計製造(「**ODM**」)模式以海外客戶的品牌製造產品。

截至二零二三年六月三十日止六個月，由於上述原因，本集團來自智能玩具車模銷售的收入較截至二零二二年六月三十日止六個月的約人民幣1.034億元下跌約48.6%至截至二零二三年六月三十日止六個月的約人民幣53.1百萬元。

智能互動式玩具

本集團的智能互動式玩具產品主要以「奇士達」玩具品牌生產和出售，包括智能互動式玩具套裝、活動玩具及音樂玩具，部分玩具可播放音樂並具有播放功能，旨在激發兒童感官發育。於二零二三上半年，本集團沒有從智能互動玩具品類錄得任何收入(截至二零二二年六月三十日止六個月：零)。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Traditional toys

Traditional toys include traditional toy vehicles, traditional educational toys, dolls and other traditional toys such as outdoor and sport as well as infant toys.

During the period, the Group did not record any revenue from traditional toys (for the six months ended 30 June 2022: RMB5.3 million). In light of the quiet domestic retail market and low profit margins in the PRC, the Group suspended the production and sales of traditional toys until the market conditions improve.

Brands

The Group's smart toys and traditional toy products are (i) branded with its "kidztech" brand; (ii) co-branded with renowned automobile manufacturers, popular entertainment characters featured in animated television series or motion pictures or toy brand owner; or (iii) branded under its overseas customers brands, which mainly represent the products manufactured by the Group on ODM and OEM bases and the products sold to its customers branded under their respective brands.

The Group believes that co-branding with other famous brands allows the Group to leverage on the marketing benefits of the internationally renowned brands to expediently gain consumer awareness, and recognition of authenticity, and to establish credibility and market acceptance from the mass market. The Group will continue to seek for opportunities to collaborate with other famous brands in order to increase the marketability of its products.

Gross profit and gross profit margin

The Group's gross profit decreased by approximately 32.3% from approximately RMB13.0 million for the six months ended 30 June 2022, approximately RMB8.8 million for the six months ended 30 June 2023, which was mainly attributable to the decrease in sales as explained above. The Group's gross profit margin rebounded to approximately 16.6% for the six months ended 30 June 2023 from approximately 12.6% for the six months ended 30 June 2022. It was mainly attributable to an effective cost control during the period.

傳統玩具

傳統玩具包括傳統玩具車、傳統教育玩具、玩偶及其他如戶外及體育以及嬰兒玩具等傳統玩具。

期內，本集團並未錄得來自傳統玩具的任何收入(截至二零二二年六月三十日止六個月：人民幣5.3百萬元)。鑑於中國境內零售市場低迷及盈利率低，本集團暫停傳統玩具的生產及銷售，直至市場狀況改善為止。

品牌

本集團的智能玩具、傳統玩具產品為(i)「奇士達」品牌的產品；(ii)與知名汽車製造商、動畫電視劇集或電影所塑造的流行娛樂角色或玩具品牌擁有人推出的聯合品牌的產品；或(iii)使用我們海外客戶的品牌(主要指本集團以ODM及OEM模式製造的產品)的產品，以及售予客戶使用客戶各自品牌的產品。

本集團相信與其他知名品牌的共享品牌使本集團能夠利用國際知名品牌的營銷優勢，以方便地獲得消費者的青睞、對正品的認可，並在大眾市場上建立信譽及市場接受度。本集團將繼續尋求與其他知名品牌合作的機會，以提升其產品的市場流通性。

毛利及毛利率

本集團的毛利由二零二二年六月三十日止六個月的約人民幣13.0百萬元減少至二零二三年六月三十日止六個月的約人民幣8.8百萬元，減幅約32.3%，主要是由於上文所闡釋的銷售減少所致。本集團的毛利率由二零二二年六月三十日止六個月的約12.6%回升至二零二三年六月三十日止六個月的約16.6%。其主要在本期間有效成本控制所致。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Loss for the period

The Group recorded net loss of approximately RMB14.2 million for the six months ended 30 June 2023, representing a decrease of loss of approximately RMB29.3 million or 67.4% when compared to the net loss of approximately RMB43.5 million for the six months ended 30 June 2022. The decrease in net loss of the Group was mainly attributable to the absence of relevant administrative expenses in relation to employee share options incurred during the period, which accounted for approximately RMB35.0 million for the same period in 2022.

Selling expenses

The Group's selling expenses decreased by approximately 80% from approximately RMB1.3 million for the six months ended 30 June 2022 to approximately RMB0.27 million for the six months ended 30 June 2023, which was primarily due to the decrease in freight expenses and market expenses as a result of the Group reduced orders in the China, European and American markets due to the reasons mentioned above.

Administrative expenses

The Group's administrative expenses decreased by approximately 71.1% from approximately RMB52.3 million for the six months ended 30 June 2022 to approximately RMB15.1 million for the six months ended 30 June 2023, which was mainly because of the absence of administrative expenses in relation to employee share options incurred during the Period, which accounted for approximately RMB35.0 million for the same period in 2022.

Net impairment losses on trade receivable

The Group's net impairment losses on trade receivable was approximately RMB3.5 million for the six months ended 30 June 2023 (Nil for the six month ended 30 June 2022). It was mainly due to the increase of the lifetime expected loss provision during the period. For details, please refer to note 12 to the condensed consolidated financial statements as set out in this interim report.

Taxation

The Group had no taxable profit for the six months ended 30 June 2023. Details are set out in note 6 to the condensed consolidated financial statement as set out in this interim report.

本期間虧損

本集團於截至二零二三年六月三十日止六個月錄得淨虧損約人民幣14.2百萬元，較截至二零二二年六月三十日止六個月之虧損約人民幣43.5百萬元減虧約人民幣29.3百萬元或67.4%。本集團之虧損有所減少乃主要由於本期間沒有發生僱員購股權的相關行政費用，而二零二二年同期約為人民幣35百萬元。

銷售開支

本集團的銷售開支由二零二二年六月三十日止六個月的約人民幣1.3百萬元，減少約80%至二零二三年六月三十日止六個月的約人民幣0.27百萬元，主要由於上述原因，令本集團減少中國及歐美市場訂單，進而使運費及營銷支出減少所致。

行政開支

本集團行政開支由截至二零二二年六月三十日止六個月的約人民幣52.3百萬元減少約71.1%至截至二零二三年六月三十日止六個月的約人民幣15.1百萬元，乃主要由於在本期間沒有發生僱員購股權的行政費用，於2022年同期約為人民幣35.0百萬元。

貿易應收款項減值虧損淨額

本集團的貿易應收款項減值虧損淨額截至二零二三年六月三十日止六個月的約人民幣3.5百萬元(二零二二年六月三十日止六個月止：零)，主要由於本期間預期虧損撥備增加所致。詳情載列於本中期報告所載簡明綜合財務報表附註12。

稅項

本集團沒有應納稅項利潤截至二零二三年六月三十日止六個月。詳情載列於本中期報告所載簡明綜合財務報表附註6。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Liquidity and financial resources

As at 30 June 2023, the gearing ratio, which represents the Group's total borrowings divided by total equity, was approximately 34.8% (31 December 2022: approximately 35.1%). As at 30 June 2023, the Group's total borrowings were approximately RMB134.5 million (31 December 2022: approximately RMB139.3 million) and the total equity was approximately RMB386.8 million (31 December 2022: approximately RMB398.4 million). The total borrowings represent the outstanding loans of the Group. The gearing ratio of the Group remained stable.

The current ratio, which is calculated based on the total current assets at the respective dates divided by the total current liabilities at the respective dates, was approximately 1.5 as at 30 June 2023 (31 December 2022: approximately 1.6); whereas the quick ratio, which is calculated based on the total current assets (excluding inventories) at the respective dates divided by the total current liabilities at the respective dates, was approximately 1.5 as at 30 June 2023 (31 December 2022: approximately 1.5).

As at 30 June 2023, the Group's cash and cash equivalents amounted to approximately RMB30.6 million (31 December 2022: approximately RMB6.2 million).

Working capital

The Group's trade receivables increased by approximately RMB62.4 million or approximately 19.1% from RMB327.5 million as at 31 December 2022 to approximately RMB389.9 million as at 30 June 2023, which was mainly due to the extension of credit period by the Group to certain customers.

The Group's prepayment and other receivables decreased from approximately RMB173.9 million as at 31 December 2022 to approximately RMB132.8 million as at 30 June 2023 which was mainly attributable to the implementation of an effective debt collection process on other receivables during the period.

流動資金及財務資源

於二零二三年六月三十日，本集團的資本負債比率(即本集團的借貸總額除以權益總額)約為34.8%(二零二二年十二月三十一日：約35.1%)。於二零二三年六月三十日，本集團的借貸總額約人民幣134.5百萬元(二零二二年十二月三十一日：約人民幣139.3百萬元)及權益總額約人民幣386.8百萬元(二零二二年十二月三十一日：約人民幣398.4百萬元)。借貸總額代表本集團之尚未償還貸款。本集團的資本負債比率趨於平穩。

流動比率乃按相關日期的總流動資產除以相關日期的總流動負債計算。於二零二三年六月三十日，本集團的流動比率約為1.5(二零二二年十二月三十一日：約1.6)。速動比率乃按相關日期的總流動資產(不包括存貨)除以相關日期的總流動負債計算。於二零二三年六月三十日，本集團的速動比率約為1.5(二零二二年十二月三十一日：約1.5)。

於二零二三年六月三十日，本集團的現金及現金等價物為約人民幣30.6百萬元(二零二二年十二月三十一日：為約人民幣6.2百萬元)。

營運資金

本集團的貿易應收款項由於二零二二年十二月三十一日的約人民幣327.5百萬元增加約人民幣62.4百萬元或約19.1%至二零二三年六月三十日的約人民幣389.9百萬元，主要由於本集團給予個別顧客延長信貸期時間支付。

本集團的預付款項及其他應收款項由二零二二年十二月三十一日的約人民幣173.9百萬元減少至二零二三年六月三十日的約人民幣132.8百萬元，主要由於於本期間有效妥善收回其他應收款所致。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

The Group's trade and other payables increased by approximately RMB56.5 million or approximately 38.4% from approximately RMB168.8 million as at 31 December 2022 to approximately RMB225.3 million as at 30 June 2023. The increase was mainly because the Group delayed part of the payment progress to our suppliers.

Bank and other borrowings

As at 30 June 2023, all the bank and other borrowings, amounting approximately RMB134.5 million (31 December 2022: approximately RMB139.8 million), were repayable on demand, and with fixed interest rate 2.25% to 18.00%. The bank and other borrowings are predominantly denominated in RMB. The weighted average effective interest rate as at 30 June 2023 was approximately 7.9% (31 December 2022: approximately 7.9%).

Significant investments, material acquisitions and disposal of subsidiaries

The Group did not have any significant investments, material acquisitions and disposal of subsidiaries, associates and joint ventures during the six months ended 30 June 2023.

Future plans for material investments or capital assets

As at 30 June 2023, the Group did not have any other plans for material investments and capital assets except for those disclosed in the sections headed "Future Plans and Use of Proceeds" of the prospectus of the Company dated 28 February 2020 (the "**Prospectus**") and "Business Outlook" in this report.

Capital structure

The capital structure of the Group is mainly based on the equity attributable to the shareholders of the Company (the "**Shareholders**") (including share capital and reserves). As at 30 June 2023, the total number of issued ordinary shares of the Company (the "**Shares**") was 520,886,000 with a par value of HK\$0.001 each (31 December 2022: 520,886,000 shares).

本集團的貿易及其他應付款項由二零二二年十二月三十一日的約人民幣168.8百萬元增加約人民幣56.5百萬元或約38.4%至二零二三年六月三十日的約人民幣225.3百萬元，增加主要是推遲供應商部分付款進度。

銀行及其他借款

於二零二三年六月三十日，銀行及其他借款約人民幣134.5百萬元(二零二二年十二月三十一日：約人民幣139.8百萬元)，全部須按要求償還，並按固定利率2.25%至18.00%計息。銀行及其他借款主要以人民幣計值。於二零二三年六月三十日，加權平均實際利率約7.9% (二零二二年十二月三十一日：約7.9%)。

重大投資、重大收購及出售附屬公司

本集團截至二零二三年六月三十日止六個月並無任何重大投資、重大收購及出售附屬公司、聯營公司及合營企業。

重大投資或資本資產的未來計劃

除本公司日期為二零二零年二月二十八日的招股章程(「招股章程」)[未來計劃及所得款項用途]及本報告「疫情影響及展望」章節所披露者外，於二零二三年六月三十日，本集團並無任何其他有關重大投資及資本資產的計劃。

資本結構

本集團的資本架構主要以本公司股東(「股東」)應佔權益(包括股本及儲備)為基礎。於二零二三年六月三十日，本公司之已發行普通股(「股份」)總數為520,886,000股，每股面值0.001港元之普通股(二零二二年十二月三十一日：520,886,000股股份)。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Pledge of assets

As at 30 June 2023, certain bank and other borrowings of the Group were secured by property, plant and equipment. Details of which are set out in note 14 to the condensed consolidated financial statements as set out in this interim report.

Contingent liabilities

The Group did not have any significant contingent liability as at 30 June 2023 (31 December 2022: nil).

Capital commitments

As at 30 June 2023, the Group had an aggregate capital commitment of approximately RMB17.4 million (31 December 2022: approximately RMB17.4 million).

Financial management and treasury policy

The financial risk management of the Group is the responsibility of the Group's treasury function at its head office. The Group adopted prudent funding and treasury management policies while maintaining an overall healthy financial position. The Group's source of funding was raised by cash generated from operating activities and bank borrowings. The Group's treasury policies mainly include managing capital liquidity and yield to safeguard the healthy development of the principal businesses of the Group. The Group regularly reviews its major funding positions to ensure that it has adequate financial resources in meeting its financial obligations. The Group is from time to time considering various alternatives including but not limited to financial institution borrowings, non-financial institution borrowings, bonds issuance, etc.

Foreign exchange exposure

The Group's operating subsidiary incorporated in Hong Kong operates with most transactions being settled in US dollars ("USD"), except for certain transactions which are denominated in Hong Kong dollars ("HK\$") or other currencies. The functional currency of this subsidiary is USD. The Group's operating subsidiaries incorporated in the PRC operate in the PRC and their functional currency is Renminbi ("RMB"). As at 30 June 2023, foreign exchange risk arose mainly from certain intra-group transactions and balances of the operating subsidiaries in the PRC which are denominated in USD and the accrual of the Listing expenses which are denominated in HK\$. The Directors consider that no significant foreign exchange risk exists for the Group. The Group currently does not have a foreign currency hedging policy in respect of foreign currency transactions, assets and liabilities. The Group did not use any financial instruments for hedging purposes.

資產質押

於二零二三年六月三十日，本集團的若干銀行及其他借款由物業、廠房及設備作為抵押。詳情載於本中期報告所載簡明綜合財務報表附註14。

或然負債

本集團於二零二三年六月三十日並無任何重大或然負債(二零二二年十二月三十一日：無)。

資本承擔

於二零二三年六月三十日，本集團的資本承擔總額約為人民幣17.4百萬元(二零二二年十二月三十一日：約人民幣17.4百萬元)。

財務管理及財資政策

本集團的財務風險管理由其總部的財資部門負責。本集團已採納審慎的資金及財資管理政策，同時維持整體健康的財務狀況。本集團的資金來源以經營活動產生現金及銀行借款籌集。本集團的財資政策主要包括管理資金流動性及收益，以保障本集團主營業務健康發展。本集團定期檢討其主要資金狀況，以確保其將有足夠財政資源履行其財務責任，本集團不時考慮各種融資方案，包括但不限於金融機構借貸、非金融機構借貸、發行債券等。

外匯風險

本集團在香港註冊成立的經營附屬公司的大部分交易以美元(「美元」)結算，惟若干以港元(「港元」)或其他貨幣計值的交易除外。該等附屬公司的功能貨幣為美元。本集團在中國註冊成立的經營附屬公司在中國經營，其功能貨幣為人民幣(「人民幣」)。於二零二三年六月三十日，匯兌風險主要來自若干集團內交易、中國經營附屬公司的美元結餘以及以港元計值的應計上市開支。董事認為，本集團不存在重大匯兌風險。本集團目前並無就外幣交易、資產及負債設立外幣對沖政策。本集團並無使用任何金融工具作對沖用途。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

EVENTS AFTER THE REPORTING PERIOD

Placing of New Shares Under General Mandate

On 26 July 2023, the Company entered into a placing agreement with Aristo Securities Limited, the placing agent, pursuant to which the placing agent conditionally agreed to place up to 104,177,200 new ordinary shares of the Company at the placing price of HK\$0.35 per placing share to not less than six institutional, corporate or independent individual investors. The placing price of HK\$0.35 per placing share represents: (i) a discount of approximately 1.4% to the closing price of HK\$0.355 per share of the Company as quoted on the Stock Exchange on the date of the placing agreement; and (ii) a discount of approximately 19.4% to the average closing price of HK\$0.434 per share of the Company as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the date of the placing agreement.

Completion of the Placing agreement took place on 23 August 2023. A total of 103,678,000 placing shares have been successfully placed to not less than six institutional, corporate or independent individual investors at the placing price of HK\$0.35 per placing share. The placing shares have an aggregate nominal value of HK\$103,678 and represent (i) approximately 19.9% of the issued share capital of the Company immediately before the completion; and (ii) approximately 16.6% of the issued share capital of the Company as enlarged by the allotment and issue of the placing shares immediately upon completion.

The gross proceeds from the placing are HK\$36,287,300 and the net proceeds, after deduction of the placing commission and other related expenses of the placing, are approximately HK\$35,765,000.

The Board considers equity fundraising to be a suitable financing option as compared with other means of financing as it enables the Group to raise capital in an efficient manner without increasing the interest burden on the Group, strengthen its financial position and reduce the liquidity risk. It also represents a good opportunity to broaden the capital base of the Company.

Please refer to the announcements of the Company dated 26 July 2023 and 23 August 2023 for further details.

Save as disclosed above, there were no significant events after the reporting period up to the date of this interim report.

報告期後事項

根據一般授權配售新股份

於二零二三年七月二十六日，本公司與配售代理雅利多證券有限公司訂立配售協議，據此，配售代理已有條件同意向不少於六名機構、公司或獨立個人投資者以配售價每股配售股份0.35港元配售最多104,177,200股本公司新普通股。每股配售股份0.35港元之配售價較：(i)本公司股份於配售協議日期在聯交所所報之收市價每股0.355港元折讓約1.4%；及(ii)本公司股份於緊接配售協議日期前最後五個連續交易日在聯交所所報之平均收市價每股0.434港元折讓約19.4%。

配售協議於二零二三年八月二十三日完成。合共103,678,000股配售股份已按每股配售股份0.35港元的配售價成功配售予不少於六名機構、公司或獨立個人投資者。配售股份總面值為103,678港元，佔(i)本公司緊接完成前已發行股本的約19.9%；及(ii)緊隨完成後本公司經配發及發行配售股份擴大後之已發行股本的約16.6%。

配售事項所得款項總額為36,287,300港元，而所得款項淨額（經扣除配售事項的配售佣金及其他相關開支後）為約35,765,000港元。

董事會認為，與其他融資方式相比，股權融資為一個合適融資選擇，因為其使本集團能夠在不增加本集團利息負擔的情況下有效地籌集資金，加強其財務狀況並降低流動性風險。其亦為一個擴大本公司資本基礎的良好機遇。

進一步詳情請參閱本公司日期為二零二三年七月二十六日及二零二三年八月二十三日的公告。

除上文所披露者外，於報告期後直至本中期報告日期，概無任何重大事項。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Employees and Remuneration Policies

As at 30 June 2023, the Group had approximately 27 (31 December 2022: 95) full-time employees, of which, 6 of them were in Hong Kong and the rest of them were stationed in Shantou and Shenzhen, the PRC. The significantly decrease of employees was mainly because the Company outsourced part of production progress to suppliers/subcontractors.

The remuneration packages offered by the Group to its employees, including salaries, accidental insurance and allowances, depending on their job nature. Bonuses are generally discretionary and based in part on employee performance and in part on the overall performance of the Group's business. The Group has implemented training programmes for its employees to meet different job requirements, such as training on production procedures for its staff at its production department. It is believed that these initiatives have contributed to the increased productivity of employees of the Group. The Group has also adopted a share option scheme to reward, among others, its employees for their contribution to the Group (the "**Share Option Scheme**"), details of which are set out in the section headed "Share Option Scheme" below of this interim report.

As required by the relevant PRC laws and regulations, the Group has participated in housing fund and various employee social security plans that are organised by applicable local municipal and provincial governments, including housing, pension, medical, work-related injury and unemployment benefit plans, under which contributions were made at specified percentages of the salaries of its employees. Bonuses are generally discretionary and based in part on employee performance and in part on the overall performance of its business.

The Group has arranged for its employees in Hong Kong to join the Mandatory Provident Fund Scheme (the "**MPF Scheme**"), a defined contribution scheme managed by an independent trustee. Under the MPF Scheme, the Group's company in Hong Kong (the employer) and its employees make monthly contributions to the scheme at 5% of the employees' earnings as defined under the Mandatory Provident Fund legislation. The monthly contributions of each of the Group's companies and its employees are subject to a cap of HK\$1,500 and thereafter contributions are voluntary.

The Group's contributions to the defined contribution scheme are expensed as incurred and not reduced by contributions forfeited by those employees who leave the plans prior to vesting fully in the contributions.

僱員及退休金計劃

於二零二三年六月三十日，本集團有約27名(二零二二年十二月三十一日：95名)全職僱員，其中6名在香港，其餘位於中國汕頭與深圳。僱員大幅減少乃主要本公司向供應商／分包商外包部分生產流程。

本集團根據僱員的工作性質向其提供薪酬福利，包括薪資、意外保險及津貼。獎金通常酌情決定，部分取決於僱員的績效，部分取決於本集團業務的整體表現。本集團已為其僱員實施培訓計劃以滿足不同的工作要求，例如在其生產部門對其僱員進行生產程序方面的培訓。相信該等舉措有助於提高本集團僱員的生產率。本集團亦已採納一項購股權計劃，以獎勵(其中包括)僱員對本集團作出的貢獻(「**購股權計劃**」)，有關詳情載於本中期報告下方「**購股權計劃**」一節。

根據中國相關法律法規的要求，本集團參與由當地市級和省級政府組織的住房公積金以及各種僱員社會保障計劃，包括住房、養老、醫療、工傷及失業救濟金計劃，據此從僱員薪資中按特定比例繳款。獎金通常酌情決定，部分取決於僱員的績效，部分取決於其業務的整體表現。

本集團已安排其香港僱員加入由獨立受託人管理的強制性公積金計劃(「**強積金計劃**」)。根據強積金計劃，本集團的香港公司(僱主)及其僱員按強制性公積金法例所界定，每月以僱員收入的5%向該計劃供款。本集團公司及其僱員的每月供款上限為1,500港元，額外的供款屬自願性質。

本集團向界定供款計劃所作的供款於發生時確認開支，不會以沒收自該等於供款悉數歸屬前離開計劃之僱員供款扣減。

MANAGEMENT DISCUSSION AND ANALYSIS

管理層討論及分析

Business Outlook

With the aim of further developing its business and continuing its growth and also taking into account the development of the current situation and the material changes in the global geopolitics environment as well as the international order, the Group will implement the following strategies:

- continue to prioritise and focus on overseas market by (i) maintaining and strengthening relationship with its existing direct overseas customers; and (ii) staying alert to the epidemic, while expanding the customer base and continuing to prioritise and focus on Chinese market;
- continue to strengthen, expand and diversify its customer base by focusing on (i) the PRC Export – Oriented Wholesalers; and (ii) the PRC retailers;
- diversify its product offerings through continuous development of new products and global licensing strategy;
- expand its production capacity through outsourced part of production progress to suppliers/sub-contractors and improve its production efficiency; and
- allocate more resources to expand sales of domestic and Asian markets.

業務展望

為進一步發展業務並持續增長，也因應本次發展現狀及全球地緣政治環境、國際秩序的重大變化，本集團將實施以下策略：

- 繼續優先考慮及專注於海外市場，通過(i)維持並鞏固與現有直接海外客戶的關係；及(ii)對COVID-19疫情保持警惕，同時擴大客戶基礎繼續優先考慮及專注在中國市場；
- 通過專注於(i)中國出口型批發商；及(ii)中國零售商，以繼續加強、擴展及多元化其客戶基礎；
- 通過繼續開發新產品和全球授權策略實現產品多元化；
- 擴大生產能力通過向供應商／分包商外包部份生產流程，提高生產效率；及
- 配置更多資源來擴大國內及亞洲市場銷售。

CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME

簡明綜合中期全面收益表

		Six months ended 30 June	
		截至六月三十日止六個月	
		2023	2022
		二零二三年	二零二二年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
	Notes 附註		
Revenue	4	53,148	103,415
Cost of sales		(44,343)	(90,405)
Gross profit		8,805	13,010
Selling expenses		(269)	(1,292)
Administrative expenses		(15,105)	(52,315)
Net impairment losses on trade receivables		(3,467)	-
Other income		1,386	979
Loss from operation		(8,650)	(39,618)
Finance costs	5	(5,582)	(5,095)
Loss before tax		(14,232)	(44,713)
Income tax credit/(expense)	6	-	1,171
Loss for the period attributable to the owners of the Company	7	(14,232)	(43,542)
Other comprehensive income			
Items that may be classified to profit or loss:			
Exchange differences on translating foreign operations		2,729	7,764
Other comprehensive income for the period		2,729	7,764
Total comprehensive income for the period attributable to the owners of the Company		(11,503)	(35,778)
Loss per share			
Basic and diluted			
(RMB cents per share)	8	(2.7)	(8.4)

CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION

簡明綜合中期財務狀況表

			As at 30 June 2023 於二零二三年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)	As at 31 December 2022 於二零二二年 十二月三十一日 RMB'000 人民幣千元 (audited) (經審核)
Non-current assets	非流動資產			
Property, plant and equipment	物業、廠房及設備	10	140,155	146,887
Right-of-use assets	使用權資產	11	28,494	31,248
Intangible assets	無形資產		179	287
Deferred income tax assets	遞延所得稅資產		9,439	9,409
Prepayments	預付款項		30,336	30,336
			208,603	218,267
Current assets	流動資產			
Inventories	存貨		9,900	10,858
Trade receivables	貿易應收款項	12	389,895	327,541
Prepayment and other receivables	預付款項及其他應收款項		132,848	173,936
Cash and cash equivalents	現金及現金等價物		30,554	6,223
			563,197	518,558
Current liabilities	流動負債			
Trade and other payables	貿易及其他應付款項	13	225,290	168,815
Amount due to a related company	應付一間關聯公司款項		962	962
Contract liabilities	合約負債		850	820
License fee payable	應付授權費		-	1,867
Bank and other borrowings	銀行及其他借款	14	134,478	139,834
Lease liabilities	租賃負債		1,285	2,512
Current income tax liabilities	即期所得稅負債		18,632	18,142
			381,497	332,952
Net current assets	流動資產淨值		181,700	185,606
Total assets less current liabilities	資產總額減流動負債		390,303	403,773
Non-current liabilities	非流動負債			
Deferred revenue	遞延收益		238	502
Deferred tax liabilities	遞延稅項負債		2,425	2,425
Lease liabilities	租賃負債		793	2,496
			3,456	5,423
NET ASSETS	資產淨值		386,847	398,350
Capital and reserves	資本及儲備			
Share capital	股本	15	467	467
Reserves	儲備		386,380	397,883
TOTAL EQUITY	權益總額		386,847	398,350

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

簡明綜合中期權益變動表

		Share capital	Share premium	Statutory reserve	Capital reserve	Foreign currency translation reserve	Option reserve	Merger reserve	Retained earnings	Total
		股本	股份溢價	法定儲備	資本儲備	外幣換算儲備	購股權儲備	合併儲備	保留盈利	總計
		RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000	RMB'000
		人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元	人民幣千元
At 1 January 2022 (audited)	於二零二二年一月一日 (經審核)	467	101,378	23,239	274,282	(1,442)	-	(22,103)	65,942	441,763
Total comprehensive income for the period (unaudited)	期內全面收益總額 (未經審核)	-	-	-	-	7,764	-	-	(43,542)	(35,778)
Recognition of share-based payments (unaudited)	確認為以股份為基礎的 付款(未經審核)	-	-	-	-	-	29,403	-	-	29,403
At 30 June 2022 (unaudited)	於二零二二年六月三十日 (未經審核)	467	101,378	23,239	274,282	6,322	29,403	(22,103)	22,400	435,388
At 1 January 2023 (audited)	於二零二三年一月一日 (經審核)	467	101,378	23,239	274,282	2,400	29,403	(22,103)	(10,716)	398,350
Total comprehensive income for the period (unaudited)	期內全面收益總額 (未經審核)	-	-	-	-	2,729	-	-	(14,232)	(11,503)
At 30 June 2023 (unaudited)	於二零二三年六月三十日 (未經審核)	467	101,378	23,239	274,282	5,129	29,403	(22,103)	(24,948)	386,847

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS

簡明綜合中期現金流量表

		Six months ended 30 June	
		截至六月三十日止六個月	
		2023	2022
		二零二三年	二零二二年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
Net cash used in operating activities	經營活動所用現金淨額	39,510	(181,785)
Net cash from/(used in) investing activities	投資活動所得/(所用)現金淨額	1	669
Net cash used in financing activities	融資活動所用現金淨額	(15,187)	(17,732)
Net decrease in cash and cash equivalents	現金及現金等價物減少淨額	24,324	(198,848)
Cash and cash equivalents at beginning of period	期初現金及現金等價物	6,223	286,512
Exchange differences on cash and cash equivalents	現金及現金等價物的匯兌差額	7	26
Cash and cash equivalents at end of period	期末現金及現金等價物	30,554	87,690
Analysis of cash and cash equivalents	現金及現金等價物分析		
Bank and cash balances	銀行及現金結餘	30,554	87,690

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

簡明綜合中期財務報表附註

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 were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 18 March 2020.

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

2. Basis of Preparation

These condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”) and the applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

These condensed consolidated financial statements should be read in conjunction with the 2022 annual financial statements. The accounting policies and methods of computation used in the preparation of these condensed consolidated financial statements are consistent with those used in the annual financial statements for the year ended 31 December 2022.

1. 一般資料

奇士達控股有限公司(「**本公司**」)乃根據開曼群島公司法於二零一九年十月二十五日在開曼群島註冊成立為獲豁免有限責任公司。其註冊辦事處的地址為Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands。本公司股份於二零二零年三月十八日於香港聯合交易所有限公司(「**聯交所**」)主板上市。

本公司為投資控股公司，連同其附屬公司(統稱「**本集團**」)主要從事玩具的製造及銷售。

2. 編製基準

此等簡明綜合財務報表乃根據香港會計師公會(簡稱「**香港會計師公會**」)頒佈的香港會計準則第34號「中期財務報告」以及聯交所證券上市規則所規定的適用披露資料編製。

此等簡明綜合財務報表應與二零二二年年度財務報表一併閱讀。編製此等簡明綜合財務報表時所應用的會計政策及計算方法與截至二零二二年十二月三十一日止年度的年度財務報表的會計政策及計算方法一致。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

簡明綜合中期財務報表附註

3. Application of New and Revised Hong Kong Financial Reporting Standards

In the current period, the Group has adopted all the new and revised Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the HKICPA that are relevant to its operations and effective for its accounting period beginning on 1 January 2022. HKFRSs comprise Hong Kong Financial Reporting Standards; Hong Kong Accounting Standards; 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 and prior periods.

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. 應用新訂及經修訂香港財務報告準則

於本期間，本集團已採納由香港會計師公會頒佈與其業務相關並自二零二二年一月一日起會計期間生效的所有新訂及經修訂《香港財務報告準則》（「香港財務報告準則」）。香港財務報告準則包括《香港財務報告準則》、《香港會計準則》及詮釋。採納該等新訂及經修訂香港財務報告準則並無對本集團本期間及過往期間的會計政策、本集團財務報表的呈列方式及所呈報金額造成重大變動。

本集團並未應用已頒佈但尚未生效的新訂香港財務報告準則。應用該等新訂香港財務報告準則將不會對本集團的財務報表造成重大影響。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

簡明綜合中期財務報表附註

4. Revenue and Segment Information

4. 收益及分部資料

Six months ended 30 June

截至六月三十日止六個月

		2023	2022
		二零二三年	二零二二年
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(unaudited)	(unaudited)
		(未經審核)	(未經審核)
Sales of toy cars	銷售車模	53,148	72,609
Sales of raw materials and electronic parts	銷售原材料及電子零件	-	30,806
		53,148	103,415

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/(loss) before income tax are the measures reported to the executive directors of the Company for the purpose of resources allocation and performance assessment.

本集團主要從事車模製造及銷售。管理層審閱業務經營業績時將其視為一個經營分部，而作出資源分配的決定。因此，本公司執行董事認為，僅有一個用以作出策略性決定的經營分部。收益及除所得稅前盈利／(虧損)乃就資源分配及表現評估而呈報予本公司執行董事的計量。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

簡明綜合中期財務報表附註

4. Revenue and Segment Information (Continued)

As at 30 June 2023, majority of the Group's non-current assets were located in the PRC (31 December 2022: same).

Disaggregation of revenue from contracts with customers:

Geographical markets	地區市場
Mainland China	中國內地
Out of Mainland China	中國內地以外
Total	總計
Major products	主要產品
Smart toy vehicles	智能車模
Traditional toys	傳統玩具
Raw materials and electronic parts	原材料及電子零件
Total	總計
Timing of revenue recognition	確認收益的時間
At a point in time	於某一時間點

Sales of toy cars

The Group sells toy cars, raw materials and electronic parts 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.

The Group's revenue from sales to PRC customers decreased from approximately RMB73.5 million for the six months ended 30 June 2022 to nil from the six months ended 30 June 2023 mainly because during the period, the Group outsourced and subcontracted the manufacturing of toy car products to suppliers/subcontractors outside of the PRC, and the Group in turn sold the products to its customers' group entities outside the PRC. As a result, the Group did not record any revenue from contracts with PRC customers for the period.

4. 收益及分部資料(續)

於二零二三年六月三十日，本集團大多數非流動資產均位於中國(二零二二年十二月三十一日：相同)。

來自客戶合約的收益劃分如下：

Six months ended 30 June	
截至六月三十日止六個月	
2023	2022
二零二三年	二零二二年
RMB'000	RMB'000
人民幣千元	人民幣千元
(unaudited)	(unaudited)
(未經審核)	(未經審核)

	-	73,502
	53,148	29,913
	53,148	103,415
	53,148	67,284
	-	5,325
	-	30,806
	53,148	103,415
	53,148	103,415

銷售車模

本集團向客戶銷售車模、原材料及電子零件。合約銷售於產品控制權轉移(即產品交付予客戶)，且並無未履行責任可影響客戶接納產品及客戶獲得產品的法定所有權時確認。

本集團來自中國客戶銷售的收入由截至二零二二年六月三十日止六個月約人民幣73.5百萬元下降至截至二零二三年六月三十日止六個月期間為零，主要原因是期內，本集團將玩具車產品的生產委外和分包予中國境外的供應商/分包商，而本集團則將有關產品銷售予客戶集團的境外實體。因此，本集團於期內並無來自中國客戶合約的任何收入錄得。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

簡明綜合中期財務報表附註

4. Revenue and Segment Information (Continued)

Sales of toy cars (Continued)

During the period, in light of the quiet domestic retail market and low profit margins in the PRC, the Group suspended the production and sales of traditional toys in the PRC market until the market conditions improve.

Revenue from major customers

Customer A	客戶A
Customer B	客戶B
Customer C	客戶C
Customer D	客戶D

4. 收益及分部資料(續)

銷售車模(續)

於本期間，鑑於中國境內零售市場低迷和利潤率偏低，本集團暫停在中國市場生產和銷售傳統玩具，直到市場條件改善為止。

來自主要客戶的收益

Six months ended 30 June

截至六月三十日止六個月

2023	2022
二零二三年	二零二二年
RMB'000	RMB'000
人民幣千元	人民幣千元
(unaudited)	(unaudited)
(未經審核)	(未經審核)

		18,830	20,485
		18,585	16,088
		10,114	13,669
		8,563	10,983

5. Finance Costs

Interest expenses on bank and other borrowings	銀行及其他借款的利息開支
Interest expenses on lease liabilities	租賃負債的利息開支

5. 融資成本

Six months ended 30 June

截至六月三十日止六個月

2023	2022
二零二三年	二零二二年
RMB'000	RMB'000
人民幣千元	人民幣千元
(unaudited)	(unaudited)
(未經審核)	(未經審核)

		4,977	4,524
		605	571
		5,582	5,095

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

簡明綜合中期財務報表附註

6. Income Tax (Credit)/Expense

Current tax – Hong Kong Profit tax – Provision for the period	即期稅項 – 香港利得稅 – 期內撥備	-	-
Current tax – PRC Enterprise Income Tax	即期稅項 – 中國企業所得稅		
– Provision for the period	– 期內撥備	-	10
– Over-provision of prior years	– 過往年度超額撥備	-	(1,217)
Deferred income tax	遞延所得稅	-	36

Tax charge on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries in which the Group operates, based on existing legislation, interpretation and practices in respect thereof.

7. Loss for the Period

The Group's loss for the period is arrived at after charging:

Cost of inventories sold	出售存貨成本	44,343	36,563
Depreciation of right-of-use assets	使用權資產折舊	2,754	3,853
Depreciation of property, plant and equipment	物業、廠房及設備折舊	6,886	8,538
Amortisation of intangible assets	無形資產攤銷	108	2,407
Staff costs (including directors' emoluments)	員工成本(包括董事酬金)	948	35,255

6. 所得稅(抵免)/開支

Six months ended 30 June

截至六月三十日止六個月

2023	2022
二零二三年	二零二二年
RMB'000	RMB'000
人民幣千元	人民幣千元
(unaudited)	(unaudited)
(未經審核)	(未經審核)

-	-
-	10
-	(1,217)
-	36
-	(1,171)

其他地區應課稅溢利之稅項開支乃採用本集團經營所在國家當前稅率根據現行的相關法例、詮釋及慣例計算。

7. 期內(虧損)

本集團期內(虧損)乃經扣除：

Six months ended 30 June

截至六月三十日止六個月

2023	2022
二零二三年	二零二二年
RMB'000	RMB'000
人民幣千元	人民幣千元
(unaudited)	(unaudited)
(未經審核)	(未經審核)

44,343	36,563
2,754	3,853
6,886	8,538
108	2,407
948	35,255

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

簡明綜合中期財務報表附註

8. Loss Per Share

Basic loss per share

The calculation of basic loss per share attributable to owners of the Company is based on the loss for the period attributable to owners of the Company of approximately RMB14,232,000 (2022: loss of RMB43,542,000) and the weighted average number of ordinary shares of 520,886,000 (2022: 520,886,000) in issue during the period.

Diluted loss per share

The effects of the Company's potential ordinary shares in respect of the outstanding share options are anti-dilutive for the six months ended 30 June 2023 (2022: no potential ordinary shares).

9. Dividends

The Directors do not recommend the payment of an interim dividend for the six months ended 30 June 2023 (2022: Nil).

10. Property, Plant and Equipment

During the six months ended 30 June 2023, property, plant and equipment of approximately RMBnil (30 June 2022: RMBnil) was acquired by the Group.

11. Right-of-use Assets

During the six months ended 30 June 2023 and 2022, no addition to right-of-use assets was recognised.

8. 每股(虧損)

每股基本(虧損)

本公司擁有人應佔每股基本(虧損)乃基於本公司擁有人應佔期內虧損約人民幣14,232,000元(二零二二年:虧損人民幣43,542,000元)及期內已發行普通股的加權平均數520,886,000股(二零二二年:520,886,000股)計算。

每股攤薄(虧損)

截至二零二三年六月三十日止六個月,本公司尚未行使的購股權涉及的潛在普通股具有反攤薄影響(二零二二年:並無潛在普通股)。

9. 股息

董事並不建議就截至二零二三年六月三十日止六個月派付中期股息(二零二二年:無)。

10. 物業、廠房及設備

截至二零二三年六月三十日止六個月內,本集團收購約人民幣零元(二零二二年六月三十日:人民幣零元)的物業、廠房及設備。

11. 使用權資產

截至二零二三及二零二二年六月三十日止六個月內,沒有使用權資產添置確認。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

簡明綜合中期財務報表附註

12. Trade Receivables

Trade receivables
Less: provision for impairment

貿易應收款項
減：減值撥備

30 June 2023
二零二三年
六月三十日
RMB'000
人民幣千元
(unaudited)
(未經審核)

31 December 2022
二零二二年
十二月三十一日
RMB'000
人民幣千元
(audited)
(經審核)

432,263
(42,368)

365,806
(38,265)

389,895

327,541

The aging analysis of trade receivables as at the balance sheet date, based on the date of recognition of the service income or goods sold, is as follows:

按確認服務收入或已售貨品日期計算的貿易應收款項截至所示資產負債表日的賬齡分析如下：

30 June 2023
二零二三年
六月三十日
RMB'000
人民幣千元
(unaudited)
(未經審核)

31 December 2022
二零二二年
十二月三十一日
RMB'000
人民幣千元
(audited)
(經審核)

Less than 30 days
31 days to 120 days
121 days to 1 year
1 year to 2 years
More than 2 years

少於30天
31天至120天
121天至1年
1年至2年
超過2年

58,983
58,110
299,813
14,904
453

217,926
30,122
107,566
10,099
93

432,263

365,806

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

簡明綜合中期財務報表附註

13. Trade and Other Payables

		30 June 2023 二零二三年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)	31 December 2022 二零二二年 十二月三十一日 RMB'000 人民幣千元 (audited) (經審核)
Trade payables	貿易應付款項	106,890	60,974
Accrued other expenses	已產生其他開支	30,941	21,159
Payroll payable	應付職工薪酬	7,074	5,200
Value-added-tax and other tax payables	增值稅及其他應付稅項	20,887	22,453
Other payables	其他應付款項	27,148	22,430
Dividend payable	應付股息	2,549	2,549
Amounts due to shareholders (a)	應付股東款項(a)	29,801	34,050
		225,290	168,815

(a) The amounts due to shareholders are unsecured, non-interest bearing, and had no fixed term of repayment.

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

13. 貿易及其他應付款項

		30 June 2023 二零二三年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)	31 December 2022 二零二二年 十二月三十一日 RMB'000 人民幣千元 (audited) (經審核)
		225,290	168,815

(a) 應付股東款項為無抵押、免計息及無固定還款期限。

於報告期末按發票日期計算的貿易應付款項賬齡分析如下：

		30 June 2023 二零二三年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)	31 December 2022 二零二二年 十二月三十一日 RMB'000 人民幣千元 (audited) (經審核)
Less than 30 days	少於30天	48,202	6,399
31 days to 120 days	31天至120天	28,419	21,759
121 days to 1 year	121天至1年	29,544	31,420
1 year to 2 years	1年至2年	500	1,396
More than 2 years	超過2年	225	-
		106,890	60,974

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

簡明綜合中期財務報表附註

14. Bank and Other Borrowings

14. 銀行及其他借款

		30 June 2023	31 December 2022
		二零二三年 六月三十日	二零二二年 十二月三十一日
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(unaudited)	(audited)
		(未經審核)	(經審核)
Bank loans	銀行貸款	75,735	65,957
Other borrowings	其他借款	58,743	73,877
		134,478	139,834

The borrowings are repayable as follows:

借款應按下列期限償還：

		30 June 2023	31 December 2022
		二零二三年 六月三十日	二零二二年 十二月三十一日
		RMB'000	RMB'000
		人民幣千元	人民幣千元
		(unaudited)	(audited)
		(未經審核)	(經審核)
On demand or within one year	按要求或於一年內	134,478	139,834

As at 30 June 2023, certain bank and other borrowings were secured by:

於二零二三年六月三十日，部份銀行及其他借款用以下資產作抵押：

- Property, plant and equipment and right-of-use assets;
 - Shares of the Company held by certain shareholders of the Company; and
 - Personal guarantee provided by Mr. Yu Huang and Ms. Chen Cheng and certain minority shareholders of the Company.
- 物業、廠房及設備及使用權資產；
 - 若干本公司股東持有的本公司股份；及
 - 由余煌先生及陳騁女士以及由本公司少數股東提供的個人擔保。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

簡明綜合中期財務報表附註

15. Share Capital

15. 股本

	Note 附註	Number of ordinary shares 普通股數目	HKD'000 千港元	RMB'000 人民幣千元
Authorised: Ordinary shares of HKD0.001 each At 31 December 2021 (audited), 31 December 2022 (audited) and 30 June 2023 (unaudited)	法定： 每股0.001港元的普通股 於二零二一年十二月 三十一日(經審核) 、於二零二二年十二月 三十一日(經審核)及 二零二三年六月三十日 (未經審核)	5,000,000,000	5,000	4,470
Issued and fully paid: At 31 December 2021 (audited), 31 December 2022 (audited) and 30 June 2023 (unaudited)	已發行及繳足： 於二零二一年十二月 三十一日(經審核) 、二零二二年十二月 三十一日(經審核)及 二零二三年六月三十日 (未經審核)	520,886,000	521	467

16. Contingent Liabilities

The Group did not have any significant contingent liabilities at 30 June 2023 (At 31 December 2022: Nil).

16. 或然負債

本集團於二零二三年六月三十日並無任何重大或然負債(二零二二年十二月三十一日：無)。

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

簡明綜合中期財務報表附註

17. Capital Commitment

The Group's capital commitments at the end of the reporting period are as follows:

Property, plant and equipment	物業、廠房及設備
– Contracted but not provided for	– 已訂約但未作撥備

17. 資本承擔

本集團於報告期末的資本承擔如下：

30 June 2023 二零二三年 六月三十日 RMB'000 人民幣千元 (unaudited) (未經審核)	31 December 2022 二零二二年 十二月三十一日 RMB'000 人民幣千元 (unaudited) (未經審核)
--	--

17,440

17,440

18. Approval of Financial Statements

The financial statements were approved and authorised for issue by the Board of Directors on 31 August 2023.

18. 批准財務報表

財務報表已於二零二三年八月三十一日經董事會批准及授權刊發。

OTHER INFORMATION

其他資料

Directors' and Chief Executive's Interests and Short Positions in the Shares, Underlying Shares or Debentures

As at 30 June 2023, the interests and short positions of the Directors and the chief executive of the Company in the shares, the underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong (the "SFO")), which were required to be notified the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including the interest or short positions which any such Director or chief executive was taken or deemed to have under such provision of the SFO) or which were required, pursuant to Section 352 of the SFO or otherwise notified to the Company and the Stock Exchange pursuant to the "Model Code for Securities Transactions by Directors of Listed Issuers" (the "Model Code") as set out in Appendix 10 to the Rules Governing the Listing of Securities of the Stock Exchange (the "Listing Rules") were as follows:

董事及最高行政人員於股份、相關股份或債權證中的權益及淡倉

於二零二三年六月三十日，本公司董事或最高行政人員於本公司或任何相聯法團(定義見香港法例第571章證券及期貨條例(「證券及期貨條例」)第XV部)的股份、相關股份或債權證中擁有須根據證券及期貨條例第XV部第7及8分部知會本公司及香港聯合交易所有限公司(「聯交所」)的權益及淡倉(包括根據證券及期貨條例該等條文被當作或視為擁有的權益或淡倉)，或須根據證券及期貨條例第352條記存於該條所指的登記冊的權益及淡倉，或根據聯交所證券上市規則(「上市規則」)附錄十上市發行人董事進行證券交易的標準守則(「標準守則」)須知會本公司及聯交所的權益及淡倉如下：

Name of Director	Capacity/ Nature of Interest	Number of the Shares held/ interested in 所持有/擁有 權益的 股份數目	Long/Short position 好/淡倉	Approximate Percentage of Shareholding 概約持股百分比
董事姓名	身份/權益性質			
Mr. Yu Huang (Note 1)	Interest in a controlled corporation	206,746,667	Long position	39.69%
余煌先生(附註1)	受控法團權益		好倉	

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Note:

- (1) Top Synergy Y&C Limited is owned as to approximately 94.79% by Mr. Yu Huang and as to approximately 5.21% by Ms. Chen Cheng, respectively. Therefore, Mr. Yu Huang is deemed to be interested in all the shares of the Company (the “**Shares**”) held by Top Synergy Y&C Limited for the purpose of the SFO.

Save as disclosed above, as at 30 June 2023, none of the Directors nor chief executive of the Company had registered an interest and short position in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which were taken or deemed to have under such provisions of the SFO) or pursuant to Section 352 of the SFO, required to be recorded in the register or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

附註：

- (1) Top Synergy Y&C Limited 分別由余煌先生及陳騁女士擁有約94.79%及約5.21%。因此，根據證券及期貨條例，余煌先生被視為在Top Synergy Y&C Limited持有的所有本公司股份(「**股份**」)中擁有權益。

除上文所披露者外，於二零二三年六月三十日，概無本公司董事或最高行政人員於本公司或任何相聯法團(定義見證券及期貨條例第XV部)的股份、相關股份及債權證中擁有須根據證券及期貨條例第XV部第7及8分部知會本公司及聯交所的權益及淡倉(包括根據證券及期貨條例該等條文被當作或視為擁有的任何權益或淡倉)，或須根據證券及期貨條例第352條記存於登記冊的權益及淡倉，或根據標準守則須知會本公司及聯交所的權益及淡倉。

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其他資料**Substantial Shareholders' and Other Persons' Interests and Short Positions in Shares, Underlying Shares and Debentures****主要股東及其他人士於股份、相關股份及債權證中的權益及淡倉**

So far as the Directors are aware, as at 30 June 2023, the following persons/entities (other than the Directors or the chief executive of the Company) had an interest or short position in the Shares and underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept by the Company under Section 336 of the SFO, or otherwise notified to the Company were as follows:

就董事所知，於二零二三年六月三十日，下列人士／實體（非本公司董事或最高行政人員）於股份及相關股份中擁有須根據證券及期貨條例第XV部第2及3分部的條文向本公司披露，或須記錄於本公司根據證券及期貨條例第336條須予存置的登記冊內，或須另行知會本公司的權益或淡倉：

Name of Director	Capacity/ Nature of Interest	Number of the Shares held/ interested in	Long/Short position	Approximate Percentage of Shareholding
董事姓名	身份／權益性質	所持有／擁有 權益的 股份數目	好／淡倉	概約持股百分比
Ms. Chen Cheng (Note 1) 陳騁女士(附註1)	Interest of spouse 配偶權益	206,746,667	Long position 好倉	39.69%
Top Synergy Y&C Limited	Beneficial owner 實益擁有人	206,746,667	Long position 好倉	39.69%
Mr. Wu Xiongbin (Note 2) 吳雄濱先生(附註2)	Interest in a controlled corporation 受控法團權益	55,333,333	Long position 好倉	10.62%
Motivational Mathematics Limited	Beneficial owner 實益擁有人	55,333,333	Long position 好倉	10.62%
Gold-Face Finance Limited (Note 3) 均來財務有限公司(附註3)	Corporation having security interest in shares 擁有股份擔保權益之 法團	121,080,000	Long position 好倉	23.25%
Upbest Group Limited (Note 3) 美建集團有限公司(附註3)	Interest in a controlled corporation 受控法團權益	121,080,000	Long position 好倉	23.25%

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Notes:

- (1) Ms. Chen Cheng is the spouse of Mr. Yu Huang. Therefore, Ms. Chen Cheng is deemed to be interested in all the Shares that Mr. Yu Huang is interested in pursuant to the SFO.
- (2) Motivational Mathematics Limited is owned as to 100% by Mr. Wu Xiongbin, who is deemed to be interested in all the Shares held by Motivational Mathematics Limited pursuant to the SFO.
- (3) As security for a loan provided by Gold-Face Finance Limited to the Company, each of Top Synergy Y&C Limited and Keen Pacemaker Limited, as chargor has charged 100,000,000 shares of the Company and 21,080,000 shares of the Company respectively in favour of Gold-Face Finance Limited. Gold-Face Finance Limited is an indirect wholly-owned subsidiary of Upbest Group Limited. For details, please refer to the announcements of the Company dated 23 December 2021 and 16 September 2022.

Save as disclosed above, as at 30 June 2023, no person, other than the Directors and the chief executive of the Company whose interests are set out in the section headed "Directors' and Chief Executive's Interests and Short Positions in the Shares, the Underlying Shares or Debentures" above, had notified the Company of an interest or short position in the Shares, underlying Shares or debenture of the Company that was required to be recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO or which would fall to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO.

附註：

- (1) 陳騁女士為余煌先生的配偶。因此，根據證券及期貨條例，陳騁女士被視為在余煌先生擁有權益的所有股份中擁有權益。
- (2) Motivational Mathematics Limited 由吳慕心女士擁有100%。因此，根據證券及期貨條例，吳慕心女士被視為在Motivational Mathematics Limited 持有的所有股份中擁有權益。
- (3) 作為均來財務有限公司向本公司提供貸款的擔保，Top Synergy Y&C Limited 及 Keen Pacemaker Limited 作為押記人分別向均來財務有限公司抵押了100,000,000股及21,080,000股。均來財務有限公司是美建集團有限公司之間接全資附屬公司。詳情請參閱本公司於二零二一年十二月二十三日及二零二二年九月十六日之公告。

除上文所披露者外，於二零二三年六月三十日，概無人士（本公司董事及最高行政人員除外，其權益載於上文「董事及最高行政人員於股份、相關股份或債權證中的權益及淡倉」一節）已向本公司知會於本公司股份、相關股份或債權證中擁有須記錄於本公司根據證券及期貨條例第336條須予存置的權益登記冊的任何權益或淡倉，或根據證券及期貨條例第XV部第2及第3分部的條文須予披露的任何權益或淡倉。

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Share Option Scheme

The Company conditionally adopted the Share Option Scheme on 13 February 2020, so as to grant options to selected participants as incentives or rewards for their contribution to the Group. Given that the Directors are entitled to determine any performance targets to be achieved as well as the minimum period that an option must be held before an option can be exercised on a case by case basis, and that the exercise price of an option cannot in any event fall below the price stipulated in the Listing Rules or such higher price as may be fixed by the Directors, it is expected that grantees of an option will make an effort to contribute to the development of the Group to bring about an increased market price of the Shares in order to capitalise on the benefits of the options granted.

The Directors may, at its absolute discretion, grant options to any of the following classes of participants: (a) any employee (whether full-time or part-time including any executive director but excluding any non-executive director) of the Company, any of the subsidiaries or any entity (the “**Invested Entity**”) in which any member of the Group holds an equity interest; (b) any non-executive directors (including independent non-executive directors) of the Company, any of the subsidiaries or any Invested Entity; (c) any supplier of goods or services to any member of the Group or any Invested Entity; (d) any customer of any member of the Group or any Invested Entity; (e) any person or entity that provides research, development or other technological support to any member of the Group or any Invested Entity; (f) any shareholder of any member of the Group or any Invested Entity or any holder of any securities issued by any member of the Group or any Invested Entity; (g) any adviser (professional or otherwise) or consultant to any area of the business or business development of any member of the Group or any Invested Entity; and (h) any other group or classes of participants who have contributed or may contribute by way of joint venture, business alliance or other business arrangement to the development and growth of the Group.

購股權計劃

本公司於二零二零年二月十三日有條件採納一項購股權計劃，以向選定參與者授出購股權，作為彼等對本集團所作貢獻的激勵或獎勵。由於董事可按個別情況釐定任何須達到的表現目標及購股權可行使前須持有的最短期間，加上購股權的行使價在任何情況下不得低於上市規則規定的價格或董事可能指定的更高價格，故此預期購股權承授人將盡力為本集團的發展作出貢獻，從而使股份市價上升，以透過獲授的購股權而得益。

董事可全權酌情向任何下列類別參與者授出購股權：(a)本公司、任何附屬公司或本集團任何成員公司持有股權的任何實體（「**所投資實體**」）的任何僱員（不論全職或兼職，包括任何執行董事，但不包括任何非執行董事）；(b)本公司、任何附屬公司或任何所投資實體的任何非執行董事（包括獨立非執行董事）；(c)本集團任何成員公司或任何所投資實體的任何貨物或服務供應商；(d)本集團任何成員公司或任何所投資實體的任何客戶；(e)任何為本集團任何成員公司或任何所投資實體提供研究、開發或其他技術支持的人士或實體；(f)本集團任何成員公司或任何所投資實體的任何股東或本集團任何成員公司或任何所投資實體所發行任何證券的持有人；(g)本集團任何成員公司或任何所投資實體在任何業務範疇或業務發展的任何專業或其他諮詢人士或顧問；及(h)曾經或可能透過合資經營、業務聯盟或其他業務安排對本集團發展及增長作出貢獻的任何其他參與者群體或類別。

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The total number of the Shares which may be allotted and issued upon the exercise of all options (excluding, for this purpose, options which have lapsed in accordance with the terms of the Share Option Scheme and any other share option scheme of the Company) to be granted under the Share Option Scheme and any other share option scheme of the Company must not in aggregate exceed 10% of the total number of Shares in issue on the date of listing (i.e. 18 March 2020) (the “**Listing Date**”), being 52,000,000 Shares. The total number of Shares issued and which may fall to be issued upon the exercise of the options granted under the Share Option Scheme and any other share option scheme of the Company (including both exercised or outstanding options) to each grantee in any 12-month period shall not exceed 1% of the total number of Shares in issue for the time being. Any further grant of options in excess of the 1% limit shall be subject to Shareholders’ approval in general meeting of the Company with such grantee and his associates abstaining from voting.

On 21 June 2022, it was resolved by the Company to grant 52,000,000 share options with exercise price of HK\$1.17 per Share entitling the grantees to subscribe for 52,000,000 Shares, the closing price of the Shares immediately before the grant date was HK\$1.15 per Share, details are set out in the announcement of the Company dated 21 June 2022. As at 30 June 2023, 52,000,000 effective share options were outstanding.

As at 1 January 2023 and 30 June 2023, the total number of options available for grant under the scheme limit of the Share Option Scheme were nil. The number of Shares that may be issued in respect of options granted under the Share Option Scheme represented approximately 9.98% of the issued Shares during the six months ended 30 June 2023.

因行使根據購股權計劃及本公司任何其他購股權計劃將予授出所有購股權(就此而言,並不包括根據購股權計劃及本公司任何其他購股權計劃條款而失效者)而可予配發及發行的股份總數不得超過上市日期(即二零二零年三月十八日,「上市日期」)已發行股份數目的10%,即52,000,000股股份。於任何12個月期間因行使根據購股權計劃及本公司任何其他購股權計劃而授出的購股權(包括已行使或尚未行使購股權兩者)已向各承授人發行及將予發行的股份總數不得超過當時已發行股份數目的1%。進一步授予超逾1%上限的任何購股權須由股東於股東大會上批准,而有關承授人及其聯繫人須放棄投票。

於二零二二年六月二十一日,本公司決議以行使價每股股份1.17港元授出52,000,000股購股權,承授人有權認購52,000,000股股份,於緊接授出日期前之股份收市價為每股1.15港元,詳情載於本公司日期為二零二二年六月二十一日的公告。於二零二三年六月三十日,尚未行使52,000,000份有效的購股權。

於二零二三年一月一日及二零二三年六月三十日,根據購股權計劃項下之計劃上限的可授出的購股權總數為零。根據購股權計劃授出的購股權可能發行的股份數目佔截至二零二三年六月三十日止六個月的已發行股份約9.98%。

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Category of participants	Exercise Price	Outstanding as at 1 January 2023	Granted during the six months ended 30 June 2023	Exercised during the six months ended 30 June 2023	Lapsed during the six months ended 30 June 2023	Cancelled during the six months ended 30 June 2023	Outstanding as at 30 June 2023	Approximate percentage of the issued share capital as at 30 June 2023	Note
			於二零二三年六月三十日止六個月期間授出	於二零二三年六月三十日止六個月期間行使	於二零二三年六月三十日止六個月期間失效	於二零二三年六月三十日止六個月期間註銷		於二零二三年六月三十日約佔已發行股本百分比	
Employees 僱員	HK\$1.17 1.17港元	52,000,000	0	0	0	0	52,000,000	9.98%	(1)

Note:

(1) The options were granted on 21 June 2022 by the Company and are exercisable for 10 years from the date of grant (i.e. 21 June 2022 to 20 June 2032 (both days inclusive)). The options granted were vested immediately upon grantees' acceptance of such options. These options are exercisable at HK\$1.17. The closing price of the Shares immediately before the date on which the options were granted was HK\$1.17. The options were granted after the market closed on 21 June 2022 on which the closing price was HK\$1.15. The average closing price of five trading days preceding the vesting of the options was HK\$1.17 per share. The options granted were not subject to satisfaction of any performance target. No options were exercised or vested during the six months ended 30 June 2023. There were no cancellation or lapse of the options during the six months ended 30 June 2023.

附註：

(1) 購股權由本公司於二零二二年六月二十一日授出，自授出日期起計行使期為10年（即二零二二年六月二十一日至二零三二年六月二十日（包括首尾兩日））。授出的購股權於承授人接納該等購股權後立即歸屬。該等購股權按1.17港元行使。緊接購股權授出日期前股份的收市為1.17港元。購股權乃於二零二二年六月二十日收市後授出，當日的收市價為1.15港元。於歸屬購股權前五個交易日的平均收市價為每股1.17港元。已授出購股權無須達成任何績效目標。於二零二三年六月三十日止六個月期間，並無購股權被行使或歸屬。於二零二三年六月三十日止六個月期間，並無購股權註銷及失效。

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The estimated fair value of the share options are determined using the Binomial Option Pricing Model. The estimated fair values and significant inputs of the model were as follows:

購股權的估計公平值乃採用二項式期權定價模型釐定。估計公平值及模型的主要輸入數據載列如下：

Option pricing model 期權定價模型	Binomial 二項式
Estimated fair value at the measurement date 於計量日期的估計公平值	HK\$35,141,000 35,141,000港元
No. of options granted 已授出購股權數目	52,000,000 52,000,000份
Estimated fair value of each option 每份購股權的估計公平值	HK\$0.676 0.676港元
Weighted average share price at the measurement date 於計量日期的加權平均股價	HK\$1.15 1.15港元
Exercise price 行使價	HK\$1.17 1.17港元
Exercise multiple 行使倍數	2.86 2.86
Expected volatility 預期波幅	63.81% 63.81%
Expected life 預期年期	10 years 10年
Risk free rate 無風險利率	3.02% 3.02%
Expected dividend yield 預期股息率	Nil 無

The expected volatility was determined by using the average of annualised standard deviation of daily return of the Company's historical volatility quoted by Bloomberg.

預期波幅乃使用彭博所報本公司歷史波幅的平均年化每日收益標準差釐定。

Ascent Partners Valuation Service Limited, an independent firm of professional valuer, was appointed by the Company to carry out the fair value of the share options granted during the reporting period.

本公司已委任獨立專業估值師艾升評值諮詢有限公司對報告期內授出的購股權公平值進行估值。

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The Group issues equity-settled share-based payments to certain employees. Equity-settled share-based payments are measured at the fair value (excluding the effect of non market-based vesting conditions) of the equity instruments at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of shares that will eventually vest and adjusted for the effect of non market-based vesting conditions. Equity-settled share-based payments to directors and employees are measured at the fair value (excluding the effect of non-market based vesting conditions) of the equity instruments at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of shares that will eventually vest and adjusted for the effect of non-market based vesting conditions.

Equity-settled share-based payments to directors and employees are measured at the fair value (excluding the effect of non-market based vesting conditions) of the equity instruments at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Group's estimate of shares that will eventually vest and adjusted for the effect of non-market based vesting conditions.

The Group also provides employees with the ability to purchase the Company's ordinary shares at a discount to the current market value. The Group records an expense, based on the fair value of the discount related to shares expected to vest (taking in account the post vesting transfer restrictions), on a straight-line basis over the vesting period.

Purchase, Sale or Redemption of Shares

Neither the Company nor any member of the Group had purchased, sold or redeemed any of the Shares during the six months ended 30 June 2023.

本集團發行以股本結算並以股份支付之款項予若干僱員。以股本結算並以股份支付之款項乃於授出日期按權益工具公平值(不包括非市場形式歸屬條件影響)計量。以股本結算並以股份支付之款項於授出日期釐定之公平值乃根據本集團對最終將歸屬之股份之估計及就非市場形式歸屬條件之影響作調整後，於歸屬期內按直線法支銷。

發行以股本結算並以股份支付之款項予董事及僱員乃於授出日期權益工具按公平值(不包括非市場形式歸屬條件影響)計量。以股本結算並以股份支付之款項於授出日期釐定之公平值乃根據本集團對最終將歸屬之股份之估計及就非市場形式歸屬條件之影響作調整後，於歸屬期內按直線法支銷。

本集團亦向僱員提供以較當前市值折讓的價格購入本公司普通股的能力。本集團按與預期歸屬股份有關折讓的公平值(計及歸屬後轉讓限制)於歸屬期內按直線法記錄開支。

收購、出售或贖回股份

於截至二零二三年六月三十日止六個月，本公司及本集團任何成員公司概無收購、出售或贖回任何股份。

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Interim Dividend

The board (the “**Board**”) of Directors has resolved not to declare an interim dividend for the six months ended 30 June 2023 (corresponding period in 2022: nil).

Corporate Governance

The Group is committed to maintaining high standards of corporate governance to safeguard the interests of the Shareholders and to enhance corporate value and accountability of the Company. During the six months ended 30 June 2023, the Company has applied the principles and complied with all applicable code provisions of the Corporate Governance Code in Appendix 14 (the “**CG Code**”) to the Listing Rules, save and except the deviation as follows:

Pursuant to code provision C.2.1 of the CG Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. Mr. Yu Huang is currently the chairman of the Board and the chief executive officer of the Group. Mr. Yu Huang has been responsible for the overall management of the Group since the establishment of the Group. The Board believes that the current structure enables us to make and implement business decision swiftly and effectively which promotes the Group’s development in line with other strategies and business direction. The Board considers that the balance of power and authority, accountability and independent decision-making under the present arrangement will not be impaired because of the diverse background and experience of the executive Directors, non-executive Director and independent non-executive Directors. Further, the audit committee of the Company (the “**Audit Committee**”), which consists of all independent non-executive Directors, has free and direct access to the Company’s external auditors and independent professional advisers when it considers necessary. Therefore, the Directors consider that the deviation from code provision C.2.1 of the CG Code is appropriate in such circumstance. In order to maintain good corporate governance and to fully comply with code provision C.2.1 of the CG Code, the Board will regularly review the need to appoint different individuals to perform the roles of chairman of the Board and chief executive separately.

中期股息

董事會(「**董事會**」)議決不宣派截至二零二三年六月三十日止六個月的中期股息(二零二二年同期：無)。

企業管治

本集團致力維持高水準的企業管治，以保障股東權益及加強本公司的企業價值及問責制度。於截至二零二三年六月三十日止六個月，本公司已遵循上市規則附錄十四企業管治守則(「**企業管治守則**」)的原則，並遵守所有適用的守則條文，惟以下各項除外：

根據企業管治守則的守則條文第C.2.1條，主席及行政總裁的角色不應由同一人履行。余煌先生現為董事會主席及本集團行政總裁。余煌先生自本集團成立以來一直負責本集團的整體管理。董事會相信現有架構讓我們暢順有效地作出並實行業務決定，促進本集團符合其他策略及業務方向的發展。由於執行董事、非執行董事及獨立非執行董事的背景及經驗多元化，董事會認為現有安排項下的權責平衡、問責性及作出決策時的獨立不會受損。此外，由獨立非執行董事組成的審核委員會(「**審核委員會**」)可於其認為有需要時，隨時直接接觸本公司的外部核數師及獨立專門顧問。因此，董事認為於該情況下偏離企業管治守則的守則條文第C.2.1條乃屬恰當。為維持良好企業管治及完全遵守企業管治守則的守則條文第C.2.1條，董事會將定期檢討委任不同人士履行董事會主席及行政總裁角色的需要。

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Code of Conduct for Securities Transactions by Directors

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix 10 to the Listing Rules as its code of conduct regarding dealings in the securities of the Company by the Directors and the Group’s senior management who, because of his/her office or employment, is likely to possess inside information in relation to the Group or the Company’s securities. Having made specific enquiry, all Directors confirmed that they had complied with the Model Code during the six months ended 30 June 2023. In addition, the Company is not aware of any non-compliance of the Model Code by the senior management of the Group during the six months ended 30 June 2023.

Continuing disclosure requirement under rule 13.21 of the Listing Rules

As disclosed in the announcement of the Company dated 23 December 2021, on 23 December 2021, the Company entered into a loan agreement (the “**Loan Agreement**”) with a licensed money lender in Hong Kong under the Money Lenders Ordinance (the “**Lender**”) for the principal amount of HK\$30,000,000 (the “**Loan**”). The Loan has a term of one year from its drawdown date subject to the terms of the Loan Agreement. To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, the Lender is a third party independent of the Company and its connected persons (as defined in the Listing Rules).

Pursuant to the Loan Agreement, the Company has covenanted that it will procure Mr. Yu Huang, a controlling shareholder of the Company, among others, not to sell, transfer or otherwise dispose of his equity interests in the Company and its subsidiaries or associated companies or any part thereof or create any encumbrance over his equity interests or any part thereof unless with the prior written consent of the Lender. A breach of such covenant will constitute an event of default, upon the occurrence of which, all outstanding amounts under the Loan Agreement shall become immediately due and payable.

At 30 June 2023, Top Synergy Y&C Limited held approximately 39.69% of the total issued share capital of the Company. Top Synergy Y&C Limited was owned as to approximately 94.79% by Mr. Yu Huang and as to approximately 5.21% by Ms. Chen Cheng, the spouse of Mr. Yu Huang, respectively.

董事進行證券交易的行為守則

本公司已採納上市規則附錄十所載的上市發行人董事進行證券交易的標準守則(「**標準守則**」)作為其董事以及由於其職務或工作而可能擁有與本集團或本公司證券有關的內幕資料的本集團高級管理層進行本公司證券交易的行為守則。經作出具體查詢後，全體董事確認，於截至二零二三年六月三十日止六個月內彼等均已遵守標準守則。此外，本公司並不知悉本集團高級管理層在於截至二零二三年六月三十日止六個月內曾有任何違反標準守則之情況。

上市規則第13.21條項下持續披露規定

誠如本公司日期為二零二一年十二月二十三日的公告所披露，於二零二一年十二月二十三日，本公司與一名放債人條例項下之香港持牌放債人(「**貸方**」)訂立一份貸款協議(「**貸款協議**」)，本金額為30,000,000港元(「**該貸款**」)。該貸款根據貸款協議之條款自提取日期起為期一年。就董事作出一切合理查詢後所知、所悉及所信，貸方為獨立於本公司及其關聯人士(定義見上市規則)之第三方。

根據貸款協議，本公司承諾將促使本公司控股股東余煌先生(其中包括)除非經貸方事先書面同意，否則不會出售、轉讓或以其他方式處置其於本公司及其附屬公司或聯營公司之股本權益或該等權益之任何部分或對其股本權益或其中任何部分加設任何產權負擔。違反有關契諾將構成違約事件，倘發生違約事件，則貸款協議項下之所有尚未償還金額應即時到期應付。

於二零二三年六月三十日，Top Synergy Y&C Limited持有本公司已發行股本總額約39.69%。Top Synergy Y&C Limited分別由余煌先生及陳聘女士(余煌先生之配偶)擁有約94.79%及約5.21%。

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The aggregate amount of HK\$30,000,000 had been drawn and became due and payable on 22 December 2022. Pursuant to the new loan supplement agreement signed with the lender on 16 December 2022, the repayment of the loan was extended to 23 March 2023. Subsequently, the Company continued to negotiate with the Lender to extend the repayment arrangements and no agreement was reached as at the date of this interim report. In addition, the Company has not received demand for repayment from the Lender as at the date of this interim report.

Save as disclosed above, as at 30 June 2023, the Company did not have other disclosure obligations under Rule 13.21 of the Listing Rules.

Competing Interests

The Directors are not aware of any business or interest of Directors nor the controlling Shareholder nor any of their respective close associates (as defined in the Listing Rules) that compete or may compete with the business of the Group and any conflicts of interests which any such person has or may have with the Group during the six months ended 30 June 2023.

Audit Committee

The Company has established the Audit Committee in compliance with Rule 3.21 of the Listing Rules and the CG Code. The Audit Committee has reviewed with the management of the Company these interim results and the accounting principles and practices adopted by the Group and discussed auditing, risk management, internal control and financial statements matters, including the review of the consolidated financial statements of the Group for the six months ended 30 June 2023.

The condensed consolidated financial results for the six months ended 30 June 2023 are unaudited and have not been audited or reviewed by the Company's auditors.

By order of the Board
Kidztech Holdings Limited
Yu Huang
Chairman

31 August 2023

本公司已提取30,000,000港元，並於二零二二年十二月二十二日到期償還。根據與貸方於二零二二年十二月十六日簽定新貸款補充協議，該貸款伸延至二零二三年三月二十三日償還。其後本公司繼續與貸方就延展還款安排繼續磋商，於本中期報告日期並未達成協議。此外，於本中期報告日期，本公司尚未收到貸方的還款要求。

除上文所披露者外，於二零二三年六月三十日，本公司並無其他上市規則第13.21條所界定的披露責任。

競爭權益

董事並不知悉於截至二零二三年六月三十日止六個月內董事、控股股東或彼等各自的任何緊密聯繫人(定義見上市規則)有任何業務或權益與本集團業務構成或可能構成競爭，以及任何該等人士與本集團存在或可能存在任何利益衝突。

審核委員會

本公司已遵照上市規則第3.21條及企業管治守則設立審核委員會。審核委員會已與本公司管理層審閱該等中期業績及本集團採納的會計原則及慣例，以及討論審核、風險管理、內部控制及財務報表事宜，包括審閱本集團截至二零二三年六月三十日止六個月的綜合財務報表。

截至二零二三年六月三十日止六個月的簡明綜合財務業績乃未經審核，亦未經本公司核數師審計或審閱。

承董事會命
奇士達控股有限公司
余煌
主席

二零二三年八月三十一日



KIDZTECH HOLDINGS LIMITED
奇士達控股有限公司