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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 year ended 31 December 2024 and other information currently available to the Group, it is expected that:

- (i) the total revenue of the Group for the year ended 31 December 2024 will be approximately RMB5,000 million to RMB5,200 million, representing an increase of approximately 51.1% to 57.2% as compared to that for the corresponding period in 2023. Such expected increase is primarily due to the rapid growth of the Group’s diversified social products driven by the utilisation of AI technology, and the consolidation of the financial statements of BlueCity Holdings Limited and Land of Glory Ltd. into that of the Group’s consolidated financial statements in the third quarter of 2023;
- (ii) the net profit of the Group for the year ended 31 December 2024 will be approximately RMB770 million to RMB810 million, representing an increase of approximately 1.2% to 6.4% as compared to that for the corresponding period in 2023. The profit attributable to equity shareholders of the Company for the year ended 31 December 2024 will be approximately RMB460 million to RMB500 million, representing a decrease of approximately 10.3% to 2.5% as compared to that for the corresponding period of 2023. Once excluded from consideration the effect of the one-off investment income of approximately RMB160 million recognised upon completion of the Group’s acquisition of Chizicheng Strategy Investment Limited in the third quarter of 2023, the Group’s net profit for the year ended 31 December 2024 increased by approximately 27.9% to 34.6% compared to the same period in 2023, and the profit attributable to equity shareholders of the Company increased by approximately 29.9% to 41.2% compared to the corresponding period in 2023. Such expected increases in the net profit and the profit attributable to equity shareholders of the Company are primarily due to the rapid growth of the Group’s diversified social products driven by the utilisation of AI technology, and the consolidation of the financial statements of BlueCity Holdings Limited and Land of Glory Ltd. into that of the Group’s consolidated financial statements in the third quarter of 2023; and

(iii) the Group's adjusted EBITDA for the year ended 31 December 2024 will be approximately RMB950 million to RMB990 million, representing an increase of approximately 40.7% to 46.7% as compared to that for the corresponding period in 2023. Such expected increase is primarily due to the rapid growth of the Group's diversified social products driven by the utilisation of AI technology, and the consolidation of the financial statements of BlueCity Holdings Limited and Land of Glory Ltd. into that of 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 year ended 31 December 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 year ended 31 December 2024 may be different from the information disclosed in this announcement. The announcement of annual results of the Group for the year ended 31 December 2024 is expected to be published by the end of March 2025.

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, 4 March 2025

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 Ms. CHEN Sichao.