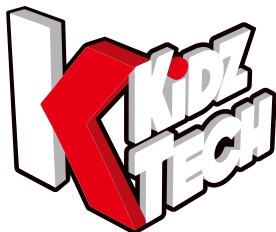


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Kidztech Holdings Limited

奇士達控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6918)

PLACING OF NEW SHARES UNDER GENERAL MANDATE

Placing Agent



亞太證券

APAC Securities

Asia Pacific Securities Limited

On 6 August 2025 (after trading hours), the Placing Agent and the Company entered into the Placing Agreement pursuant to which the Company has conditionally agreed to place through the Placing Agent, on a best effort basis, up to 124,912,800 Placing Shares at the Placing Price of HK\$0.133 per Placing Share to not less than six Placees who and whose ultimate beneficial owner(s) (if applicable) are Independent Third Parties. The Placing Shares will be allotted and issued under the General Mandate.

The maximum number of the Placing Shares under the Placing represents (i) 20.00% of the existing issued share capital of the Company of 624,564,000 Shares as at the date of this announcement; and (ii) approximately 16.67% of the issued share capital of the Company as enlarged by the allotment and issue of the maximum number of the Placing Shares (assuming that there will be no change in the issued share capital of the Company from the date of this announcement up to the Completion Date). The aggregate nominal value of the maximum number of the Placing Shares under the Placing will be HK\$124,912.8 based on par value of HK\$0.001 per Share.

The Placing Price of HK\$0.133 per Placing Share represents (i) a discount of approximately 19.4% to the closing price of HK\$0.165 per Share as quoted on the Stock Exchange on the date of the Placing Agreement; and (ii) a discount of approximately 8.3% to the average closing price of HK\$0.145 per Share for the last five trading days immediately prior to the date of the Placing Agreement based on the respective daily closing prices quoted on the Stock Exchange.

It is expected that the maximum gross proceeds and net proceeds from the Placing will be approximately HK\$16.6 million and approximately HK\$16.1 million, respectively. Assuming that all the Placing Shares are successfully placed, the net price per Placing Share will be approximately HK\$0.1292.

The Shareholders and the potential investors of the Company should note that Completion is subject to the fulfillment of the condition under the Placing Agreement. As the Placing may or may not proceed, the Shareholders and the potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

THE PLACING AGREEMENT

Date

6 August 2025 (after trading hours)

Issuer

The Company

Placing Agent

Asia Pacific Securities Limited

The Company has conditionally agreed to place through the Placing Agent, on a best effort basis, up to 124,912,800 Placing Shares to the Placees upon the terms and subject to the condition of the Placing Agreement.

To the best knowledge, information and belief of the Board, having made all reasonable enquiries, the Placing Agent and its ultimate beneficial owner(s) are Independent Third Parties.

Placees

The Placing Agent will, on a best effort basis, place the Placing Shares either by itself or through its sub-placing agents to not less than six Placees, being individual, professional, corporate, institutional or other investor(s), who and whose ultimate beneficial owner(s) (if applicable) are Independent Third Parties. The Placing Agent shall use its best endeavour to ensure that none of the Placees, together with their ultimate beneficial owner(s) (if applicable), will become a Substantial Shareholder (as defined in the Listing Rules) of the Company as a result of the Placing.

Number of Placing Shares

The maximum number of the Placing Shares under the Placing represents (i) 20.00% of the existing issued share capital of the Company of 624,564,000 Shares as at the date of this announcement; and (ii) approximately 16.67% of the issued share capital of the Company as enlarged by the allotment and issue of the maximum number of the Placing Shares (assuming that there will be no change in the issued share capital of the Company from the date of this announcement up to the Completion Date). The aggregate nominal value of the maximum number of the Placing Shares under the Placing will be HK\$124,912.8 based on par value of HK\$0.001 per Share.

Ranking of Placing Shares

The Placing Shares under the Placing will rank, upon issue, pari passu in all respects with the Shares in issue at the time of issue of the Placing Shares.

Placing Price

The Placing Price of HK\$0.133 per Placing Share represents (i) a discount of approximately 19.4% to the closing price of HK\$0.165 per Share as quoted on the Stock Exchange on the date of the Placing Agreement; and (ii) a discount of approximately 8.3% to the average closing price of HK\$0.145 per Share for the last five trading days immediately prior to the date of the Placing Agreement based on the respective daily closing prices quoted on the Stock Exchange.

The estimated expenses for the Placing amounted to approximately HK\$0.5 million, comprising placing commission and other related expenses and professional fees. Assuming that all the Placing Shares are successfully placed, the net price per Placing Share will be approximately HK\$0.1292.

The Placing Price was determined with reference to the current market conditions, the prevailing market prices and the liquidity of the Shares and was negotiated on an arm's length basis between the Company and the Placing Agent. The Directors consider that the terms of the Placing, including the Placing Price, are on normal commercial terms and are fair and reasonable based on the current market conditions and in the interests of the Company and the Shareholders as a whole.

Placing commission

The placing commission to be received by the Placing Agent pursuant to the Placing Agreement is 2.0% of the amount equal to the Placing Price multiplied by the number of Placing Shares actually placed by the Placing Agent.

The placing commission was arrived at after arm's length negotiations between the Company and the Placing Agent with reference to the prevailing market commission rate for similar transactions, the size of the Placing as well as the trading performance of the Shares. The Directors consider that the terms of the Placing, including the placing commission, are on normal commercial terms and are fair and reasonable based on the current market conditions and in the interests of the Company and the Shareholders as a whole.

General Mandate

The Placing Shares will be allotted and issued under the General Mandate pursuant to which the Directors are authorised to allot, issue and deal with up to 124,912,800 new Shares, representing 20% of the then issued Shares as at AGM 2025. As at the date of this announcement, no Shares have been issued under the General Mandate. Therefore, the General Mandate is sufficient for the allotment and issue of the Placing Shares and the Placing is not subject to any Shareholders' approval.

Application for listing of Placing Shares

Application will be made by the Company to the Listing Committee of the Stock Exchange for the grant of approval for the listing of, and permission to deal in, the Placing Shares.

Condition of the Placing Agreement

Completion is conditional upon the Listing Committee of the Stock Exchange granting the approval for the listing of, and permission to deal in, the Placing Shares.

If the above condition is not fulfilled on or prior to the Long Stop Date (or such later date as the Company and the Placing Agent may agree in writing), the Placing Agreement will terminate and all obligations of the Placing Agent and of the Company thereunder shall cease and determine and none of the parties thereto shall have any claim against the other for

any costs or losses, damages, compensation or otherwise save in respect of any antecedent breaches of the Placing Agreement.

Termination of the Placing

Pursuant to the Placing Agreement, if at any time between the date of the Placing Agreement up to but no later than 10:00 a.m. on the Completion Date, there occurs:

- (a) the introduction of any new law or regulation or any change in existing laws or regulations (or the judicial interpretation thereof) or other occurrence of any nature whatsoever which may, in the reasonable opinion of the Placing Agent, materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole or is materially adverse in the context of the Placing; or
- (b) the occurrence of any local, national or international event or change occurring after the date of the Placing Agreement of a political, military, financial, economic, currency (including a change in the system under which the value of the Hong Kong currency is linked to the currency of the United States of America) or other nature (whether or not sui generis with any of the foregoing), or in the nature of any local, national, international outbreak or escalation of hostilities or armed conflict, or affecting local securities market or the occurrence of any combination of circumstances which may, in the reasonable opinion of the Placing Agent, materially and adversely affect the business or financial or trading position or prospects of the Company or adversely prejudices the success of the Placing (such success being the successful placing of the Placing Shares to potential investor(s)) or otherwise makes it inexpedient or inadvisable for the Company or the Placing Agent to proceed with the Placing; or
- (c) any change in market conditions or combination of circumstances in Hong Kong (including without limitation suspension or material restriction on trading in securities) occurs after the date of the Placing Agreement which in the reasonable opinion of the Placing Agent materially and adversely affects the success of the Placing (such success being the successful placing of the Placing Shares to potential investor(s)) or otherwise in the reasonable opinion of the Placing Agent make it inexpedient or inadvisable or inappropriate for the Company or the Placing Agent to proceed with the Placing; or
- (d) any event of force majeure including, without limiting the generality thereof, any act of God, war, riot, public disorder, civil commotion, fire, flood, explosion, epidemic, terrorism, strike or lock-out; or
- (e) the Company commits any material breach of or omits to observe any of its obligations or undertakings under the Placing Agreement; or

- (f) the Placing Agent shall become aware of the fact that any of the representations or warranties contained in the Placing Agreement was, when given, untrue or inaccurate in any respect or would in any respect be untrue or inaccurate, or if repeated the Placing Agent shall determine in its reasonable opinion that any such untrue representation or warranty represents or is likely to represent a material adverse change in the business or financial or trading position or prospects of the Company or will otherwise likely to have a material prejudicial effect on the Placing,

then the Placing Agent may, upon giving a written notice to the Company, terminate the Placing Agreement with immediate effect. If the Placing Agreement shall be terminated pursuant to the above termination clause, the obligations of each of the parties thereto shall cease and determine and no party thereto shall have any claim against the other party for compensation, costs, damages or otherwise except for any breach arising prior to such termination.

Completion

Completion will take place on the Completion Date, subject to the fulfillment of the condition set out in the Placing Agreement. Please refer to the paragraph headed “Condition of the Placing Agreement” above in this announcement for details.

REASONS FOR THE PLACING AND USE OF NET PROCEEDS

The Company is an investment holding company. The Group is principally engaged in the design, development, manufacture and sale of high-quality smart toy vehicles, smart interactive toys and traditional toys and the sale of smart hardware products.

The net proceeds from the Placing will strengthen the financial position of the Group with additional funding for its principal business development and operation. In addition, the Placing will broaden both the shareholder base and the capital base of the Company thereby increasing the liquidity of the Shares within a relatively shorter time frame and at a lower cost as compared with other means of fundraising.

Assuming that all the Placing Shares are fully placed, the estimated gross proceeds and net proceeds (after deducting the placing commission and other related expenses and professional fees) from the Placing will amount to approximately HK\$16.6 million and approximately HK\$16.1 million, respectively. The net proceeds from the Placing are intended to be applied by the Company as to (i) HK\$10.0 million (or approximately 61.9%) for repayment of debts of the Group; and (ii) approximately HK\$6.1 million (or approximately 38.1%) for general working capital, including payroll, rental and other operating expenses of the Group. It is expected that the net proceeds will be fully utilised by the end of 2025.

Having considered that the terms of the Placing Agreement (including the Placing Price and the placing commission), which were determined after arm's length negotiations between the Company and the Placing Agent, are on normal commercial terms and fair and reasonable, the Directors (including the independent non-executive Directors) consider that the entering into of the Placing Agreement is in the interests of the Company and the Shareholders as a whole.

EQUITY FUNDRAISING ACTIVITY IN THE PAST TWELVE MONTHS

Save as disclosed below, the Company has not conducted any equity fundraising activity in the past twelve (12) months immediately preceding the date of this announcement.

Date of initial announcement	Equity fundraising activity	Net proceeds	Intended use of net proceeds	Actual use of net proceeds
3 December 2024	Issue of convertible bonds under general mandate, of which completion took place on 20 December 2024	Approximately HK\$20 million	As to approximately: (i) HK\$15 million (or 75%) for repayment of debts; and (ii) HK\$5 million (or 25%) for general working capital	Fully utilised as intended

EFFECT ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

As at the date of this announcement, the Company has 624,564,000 Shares in issue. Set out below is the shareholding structure of the Company (i) as at the date of this announcement; and (ii) immediately upon Completion (assuming that there will be no change in the issued share capital of the Company from the date of this announcement up to the Completion Date and all 124,912,800 Placing Shares have been successfully placed):

Shareholders	As at the date of this announcement		Immediately upon Completion	
	Number of Shares	Approx. % (Note 3)	Number of Shares	Approx. % (Note 3)
Controlling/Substantial Shareholder				
Top Synergy Y&C Limited (“ Top Synergy ”) (Note 1)	194,784,667	31.19	194,784,667	25.99
Gold-Face Finance Limited (“ Gold-Face ”) (Note 2)	119,300,000	19.10	119,300,000	15.92
Public Shareholders				
The Placees	—	—	124,912,800	16.67
Other public Shareholders	310,479,333	49.71	310,479,333	41.43
<i>Sub-total:</i>	310,479,333	49.71	435,392,133	58.09
Total	624,564,000	100.00	749,476,800	100.00

Notes:

- As at the date of this announcement, Top Synergy is legally, beneficially and wholly owned as to approximately 94.79% by Mr. Yu Huang (“**Mr. Yu**”) (an executive Director, the chairman of the Board and the chief executive officer of the Company) and as to approximately 5.21% by Ms. Chen Cheng, who is the spouse of Mr. Yu.
- As at the date of this announcement, as security for a loan provided by Gold-Face to the Company, Top Synergy as chargor has charged 119,300,000 Shares in favour of Gold-Face. Gold-Face is an indirect wholly-owned subsidiary of Upbest Group Limited (Stock Code: 335).
- The percentage figures shown in the table above have been subject to rounding adjustments. Accordingly, figures shown as totals may not be an arithmetic aggregation of the figures preceding them.

The Shareholders and the potential investors of the Company should note that Completion is subject to the fulfillment of the condition under the Placing Agreement. As the Placing may or may not proceed, the Shareholders and the potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

DEFINITIONS

“AGM 2025”	the annual general meeting of the Company held on 30 June 2025
“associate(s)”	has the meaning ascribed to it in the Listing Rules
“Board”	the board of Directors
“Business Day(s)”	any day (excluding Saturdays, Sundays, public holidays and days on which a tropical cyclone warning No. 8 or above or a “black rainstorm warning signal” is hoisted in Hong Kong, or “extreme conditions” are announced by the Hong Kong Government at any time between 9:00 a.m. and 5:00 p.m.) on which licensed banks are generally open for banking business in Hong Kong
“Company”	Kidztech Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 6918)
“Completion”	completion of the Placing pursuant to the terms and condition of the Placing Agreement
“Completion Date”	a day falling within four (4) Business Days following the fulfillment of the condition precedent under the Placing (or such other date as the Company and the Placing Agent may agree in writing) and on which Completion will take place
“Controlling Shareholder(s)”	has the meaning ascribed to it in the Listing Rules
“Director(s)”	the director(s) of the Company

“General Mandate”	the general mandate which was granted to the Directors pursuant to an ordinary resolution passed at the AGM 2025 to allot, issue and deal with up to 124,912,800 new Shares, representing 20% of the then issued Shares as at the date of the AGM 2025
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	third party(ies) independent of, and not connected with, the Company and its connected person(s) (as defined under the Listing Rules)
“Long Stop Date”	26 August 2025, or such later date as the Company and the Placing Agent shall agree in writing
“Listing Committee”	has the meaning ascribed to it in the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Placee(s)”	any individual, professional, corporate, institutional or other investor(s), who and whose ultimate beneficial owner(s) (if applicable) is/are Independent Third Party(ies), procured by the Placing Agent or its agent(s) to subscribe for any of the Placing Shares
“Placing”	the placing of the Placing Shares by the Placing Agent pursuant to the Placing Agreement upon the terms and subject to the condition set out in the Placing Agreement
“Placing Agent”	Asia Pacific Securities Limited, the placing agent of the Company for the Placing and a corporation licensed to carry on Type 1 (dealing in securities), Type 2 (dealing in futures contracts) and Type 4 (advising on securities) regulated activities under the SFO

“Placing Agreement”	the conditional placing agreement dated 6 August 2025 entered into between the Company and the Placing Agent in relation to the Placing
“Placing Price”	the placing price of HK\$0.133 per Placing Share
“Placing Shares”	up to 124,912,800 new Shares to be allotted and issued under the General Mandate and to be placed under the Placing
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) with par value of HK\$0.001 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Substantial Shareholder(s)”	has the meaning ascribed to it in the Listing Rules
“%”	per cent.

By order of the Board
Kidztech Holdings Limited
Yu Huang
Chairman

Hong Kong, 6 August 2025

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