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KML Technology Group Limited

高萌科技集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8065)

PROFIT WARNING

This announcement is made by KML Technology Group Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) pursuant to Rule 17.10 of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”) and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors of the Company that, based on the preliminary assessment of the latest management accounts of the Group and the information currently available to the Board, the Group expects to record a loss before tax of approximately HK\$3.1 million for the six months ended 30 September 2023 (the “**Current Period**”), as compared to a loss before tax of approximately HK\$0.7 million for the six months ended 30 September 2022.

The increase in the Group’s net loss for the Current Period as compared to the same period last year (the “**Preceding Period**”) is mainly attributable to, among other things, i) a decline in gross profit to approximately HK\$17.1 million (Preceding Period: approximately HK\$17.9 million) mainly due to the surged material costs and subcontracting costs, despite an increase in revenue to approximately HK\$93.4 million (Preceding Period: approximately HK\$74.7 million) was recorded; and ii) the decrease in the other income to approximately HK\$1.7 million (Preceding Period: approximately HK\$5.4 million) primarily due to the absence of the subsidies under the Employment Support Scheme of the Hong Kong SAR Government.

The Company is still in the process of finalising the consolidated results of the Group for the Current Period (the “**Interim Results**”). The information contained in this announcement can only be treated as a preliminary assessment by the Board in accordance with the latest unaudited consolidated management accounts of the Group and the information currently available, which have not been finalised or reviewed by the audit committee of the Board or auditor of the Company and may be subject to changes and adjustments. Shareholders and potential investors of the Company are advised to refer to the Interim Results announcement of the Group which is expected to be published by early of November 2023 in compliance with the requirements under the GEM Listing Rules.

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

By order of the Board
KML Technology Group Limited
Luk Kam Ming
Chairman and Executive Director

Hong Kong, 26 October 2023

As at the date of this announcement, the executive Directors are Mr. LUK Kam Ming, Mr. LUK Kwai Lung and Mr. LUK Yin Cheung; and the independent non-executive Directors are Mr. LAU On Kwok, Mr. LAW Wing Chi Stephen and Dr. TSE Chi Kong.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the “Latest Listed Company Announcements” page of the Stock Exchange’s website at www.hkexnews.hk for a minimum period of 7 days from the date of publication and on the Company’s website at www.kml.com.hk.