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Kindstar Globalgene Technology, Inc.

康聖環球基因技術有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 9960)

PROFIT WARNING

This announcement is made by Kindstar Globalgene Technology, Inc. (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**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 of the Company wishes to inform the shareholders (the “**Shareholders**”) and potential investors of the Company that, based on the preliminary assessment of the Group’s unaudited consolidated management accounts for the year ended December 31, 2024 and the information currently available to the Board, the Group expects to record the loss for the year ended December 31, 2024 (the “**Reporting Period**”) within the range of RMB55 million to RMB65 million, compared to the profit recorded for the year ended December 31, 2023 of RMB36.4 million. The losses were mainly due to the fact that:

1. due to the relatively large amount of credit-impaired losses resulted from the prolonged collection cycle of certain accounts receivables, the expected credit losses incurred for the medical testing business in 2024 is approximately RMB65 million to RMB75 million according to the preliminary estimation of the Company;
2. influenced by the economic downturn and the intensified competition in the industry, the loss arising from fair value change on the fund investments need to be recognized as the business growth of some enterprises invested by the funds that the Group participated in has failed to meet expectations; and
3. a slowdown in market demand, and the profound changes in the medical services market due to the overall economic environment have affected the Group’s operating leverage and scale effect. At the same time, the Group actively adjusted its strategic layout under the new industry background, and relevant investments also had a certain impact on the net income.

The final amount of loss arising from fair value change is still subject to adjustment, if any, based on the final valuation and will affect the amount of the Group's loss for the year during the Reporting Period.

During the Reporting Period, the Group continued to further explore the field of specialty esoteric testing as the core business with active strategic layout in the prospective areas. Excluding the impact of the expected credit losses incurred for the medical testing business and loss arising from fair value change on certain fund investments of the Group, the core business of the Group remained stable with expected net profit ranging from RMB30 million to RMB35 million for the Reporting Period.

As of the date of this announcement, the Company is still in the process of finalizing the annual results of the Group for the Reporting Period. The information contained in this announcement is only based on the information currently available to the Board, the preliminary assessment by the independent valuer and the preliminary assessment by the Board on the unaudited consolidated management accounts of the Group for the Reporting Period, which have not been confirmed or reviewed by the Company's auditor or the audit committee of the Board, and may be subject to further adjustments (if any). The Company is expected to announce the consolidated results of the Group for the Reporting Period by the end of March 2025. Shareholders and potential investors are advised to read carefully the annual results announcement of the Company when it is published.

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

By Order of the Board
Kindstar Globalgene Technology, Inc.
康聖環球基因技術有限公司
HUANG Shiang
Chairman

Hong Kong, March 18, 2025

As of the date of this announcement, the Board comprises Dr. HUANG Shiang, Mr. TU Zanbing and Ms. CHAI Haijie as executive Directors, Mr. HUANG Zuie-Chin, Mr. PENG Wei and Ms. HUANG Lu as non-executive Directors, and Dr. YAO Shanglong, Dr. XIA Xinping and Mr. GU Huaming as independent non-executive Directors.