



Karin Technology posts 21.0% topline growth to HK\$2,334.3m boosted by IT Infrastructure segment

- Revenue contribution from IT Infrastructure segment up 29.9% driven by more significant projects secured.
- Solid topline performance and effective cost improvement measures lift adjusted net profit to HK\$19.6 million¹.
- Proposes final dividend of Hong Kong 1.8 cents per share, and special dividend of Hong Kong 5.0 cents per share (total dividend of Hong Kong 6.8 cents per share).

12 months ended 30 June (HK\$' million)	FY2026	FY2025	% Change
Segment Revenue			
– Information Technology Infrastructure	1,870.3	1,439.7	29.9
– Components Distribution	325.9	344.3	(5.3)
– Others ²	138.1	145.5	(5.1)
Total revenue	2,334.3	1,929.5	21.0
Gross profit	182.8	176.6	3.5
Gross profit margin (%)	7.8	9.2	(1.4% pts)
Net (loss) / profit for the period	(18.9)	16.6	NM
Adjusted net profit for the period	19.6¹	16.6	18.1

SINGAPORE – 27 August 2026 – Karin Technology Holdings Limited (嘉靈控股集團有限公司) (“**Karin**”, the “**Company**”, or together with its subsidiaries, the “**Group**”) has delivered a 21.0% year-on-year (“**YoY**”) increase in revenue to HK\$2,334.3 million for the 12 months ended 30 June 2026 (“**FY2026**”) from HK\$1,929.5 million in FY2025.

Performance Review

The solid topline performance was driven by the **Information Technology (“IT”) Infrastructure** segment, which contributed revenue growth of 29.9% YoY to HK\$1,870.3

¹ Computed by excluding the catch-up depreciation of HK\$35.3 million and the attendant deferred tax expense of HK\$3.2 million (arising from the reclassification of the Karin Building as PPE) from the Net Loss for the period.

² Including consumer electronics products segment.



million boosted by more significant projects secured during FY2026, as the Group continued to benefit from increased investments in AI infrastructure by both public and private sectors.

The IT Infrastructure's good performance more than offset lower sales from the **Components Distribution** ("CD") and **Others** segments, which declined 5.3% and 5.1% respectively to HK\$325.9 million and HK\$138.1 million in FY2026. During the financial year under review, the CD segment faced intense competition from domestic PRC players but achieved an improvement in operating results due to effective cost control measures. Meanwhile, the Others segment continued to be impacted by weak consumer discretionary spending in Hong Kong, which the Group has mitigated with cost and inventory management measures.

Gross profit rose in tandem with higher revenue to HK\$182.8 million in FY2026 from HK\$176.6 million in FY2025. However, gross profit margin declined 1.4% points to 7.8%, broadly reflecting the competitive market environment across segments.

To mitigate industry-wide margin pressures, the Group implemented a two-prong strategy in FY2026 to increase operational resilience and efficiency, while protecting its margins and earnings. This involved cost-optimisation measures that led to a streamlined and more efficient organisational structure, while a reduction in average bank borrowings significantly lowered finance costs by 56.5%.

The Group reported a net loss of HK\$18.9 million in FY2026 due to higher administrative expenses in relation to a one-off non-cash technical accounting adjustment that reclassified Karin Building from "Assets held for sale" to "Property, Plant, and Equipment (PPE)", triggering a one-time catch-up depreciation charge of HK\$35.3 million and the attendant deferred tax expense of HK\$3.2 million. The Group has retained the asset to preserve shareholder value, instead of divesting at suboptimal prices given the prevailing property market conditions in Hong Kong.

Excluding this accounting adjustment, Karin's adjusted net profit would have been HK\$19.6 million³ in FY2026, up 18.1% from FY2025, reflecting the Group's strong core performance.

Karin's Chief Executive Officer and Executive Director, Mr. Michael Ng, said: *"FY2026 was a year of strong execution for Karin, with the Group delivering 21.0% topline growth and*

³ See footnote 1.



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a 29.9% increase in IT Infrastructure revenue, underscoring the strength of our positioning in AI-related IT solutions. Excluding the one-off, non-cash accounting adjustment, our adjusted net profit rose 18.1% year-on-year, reflecting genuine underlying business resilience even as we navigated a competitive margin environment.”

Shareholder Returns

As a reflection of business confidence and in line with its healthy core performance in FY2026, Karin’s Board of Directors (the “**Board**”) has proposed a final dividend of Hong Kong 1.8 cents per share.

To commemorate the Group’s upcoming 50th anniversary, the Board has also proposed a special dividend of Hong Kong 5.0 cents per share. Both dividends are subject to shareholders’ approval at the Annual General Meeting in October 2026.

In relation to Karin’s Share Buyback Programme that was announced in conjunction with the Group’s interim results announcement for the six months ended 31 December 2025 (“**1HY2026**”), the Group has purchased an aggregate of HK\$5.6 million worth of shares at an average price of SGD 0.256 per share, representing approximately 1.6% of the Company’s issued share capital.

The combination of dividends and share buybacks forms part of a value-driven capital allocation programme that was announced in 1HY2026 aimed at enabling the Group to maintain greater financial flexibility and optimise its capital structure with a view to enhance long-term total shareholder return.

Outlook

As it navigates toward its 50th anniversary, the Group delivered strong revenue growth in FY2026, underpinned by accelerated IT product demand amid industry-wide supply constraints. Disciplined financial management remained a priority for the Group, with reduced borrowings lowering financing costs and strengthening the balance sheet for future growth.

Karin’s Executive Chairman and Executive Director, Mr. Raymond Ng said: “*Our results demonstrated the strength of our business model even as the operating landscape remains challenging in some areas. More importantly, we have used this period to sharpen our focus on where the greatest opportunities lie. The accelerating shift toward AI infrastructure,*



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combined with the strategic moves we have made in management realignment and targeted acquisitions, gives us confidence that we are well-positioned to convert these opportunities into sustained, higher-margin growth in the years ahead.”

The accelerating adoption of AI infrastructure across public and private sectors marks Karin's clearest growth opportunity, supported by its established position as a major distributor serving both multinational and Chinese customers. A senior management realignment in FY2026 sharpened focus on AI, network and cybersecurity, and IT infrastructure growth, while three targeted FY2027 initiatives including agentic AI for on-premise and hybrid deployment, end-to-end enablement from GPU servers to AI workstations, and AI-driven operational execution, reinforce this position.

The Group's Components business in China is recovering on resource optimisation and broad-based demand across sectors from EVs to robotics, while consumer electronics under the Group's Others segment is stabilising on a firming smartphone replacement cycle and improving Hong Kong sentiment.

Despite persistent headwinds, the Group believes its experienced leadership team and clear growth pathways put it in a strong position to deliver long-term shareholder value.

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About Karin Technology Holdings Limited

Founded in 1977 and listed on the Mainboard of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) since March 2005, Karin Technology Holdings Limited (“**Karin**” or, collectively with its subsidiaries, the “**Group**”) has established itself as a leading provider of IT solutions and components distribution, with headquarters in Hong Kong and offices in Macau as well as various key cities in the People's Republic of China. Karin's strength lies in its diversified and synergistic portfolio, organised into three core business segments — IT Infrastructure (“**IT**”), Components Distribution (“**CD**”), and Others.

The **IT Division** is the Group's fastest growing and largest business segment. It encompasses a comprehensive portfolio of enterprise-grade IT solutions and services from global and mainland China vendors in network and cybersecurity, server and storage, data and software applications, audio and video IT solutions, as well as rapidly expanding AI infrastructure, tools and platforms.



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Karin's **CD Division** has evolved beyond traditional distribution to offer high-value services such as integrated circuit application design, computing solutions, and outsourcing services. The **Others segment** covers direct retail through the Group's "**In-Smart**" brand stores in Hong Kong, offering consumers a curated selection of leading consumer electronics.

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