



## Karin overcomes sales challenges, maintains net attributable profit<sup>1</sup> in FY2025

- Net attributable profit rose modestly, driven primarily by better IT segment profitability and reduced finance costs.
- Proposes a final dividend of 3.88 Hong Kong cents per share, which together with the interim dividend paid of 4.90 Hong Kong cents per share, brings total dividend to 8.78 Hong Kong cents per share in respect of FY2025.

12 months ended 30 Jun (HK\$' million)	FY2025	FY2024	% Change
<b>Total Revenue</b>	<b>1,929.5</b>	<b>2,202.0</b>	(12.4)
Segment Revenue			
• IT Infrastructure ("IT")	1,439.7	1,634.4	(11.9)
• Components Distribution ("CD")	344.3	387.1	(11.1)
• Consumer Electronics Products ("CEP")	145.5	180.5	(19.4)
<b>Gross profit</b>	<b>176.6</b>	<b>187.0</b>	(5.6)
<b>Gross profit margin (%)</b>	<b>9.2</b>	<b>8.5</b>	0.7% pt
<b>Profit before tax</b>	<b>24.1</b>	<b>24.0</b>	0.4
<b>Net attributable profit for the year</b>	<b>19.2</b>	<b>19.0</b>	1.0

**SINGAPORE – 29 August 2025** – SGX Mainboard-listed Karin Technology Holdings Limited (嘉靈控股集團有限公司) ("Karin", the "Company", or together with its subsidiaries, the "Group") achieved a net attributable profit of HK\$19.2 million for the 12 months ended 30 June 2025 ("FY2025") despite a 12.4% year-on-year ("yoy") decline in revenue to HK\$1,929.5 million.

The weaker topline performance was due to lower sales across all three of the Group's business segments during FY2025. The IT Infrastructure ("IT") segment, which is the largest revenue generator, recorded an 11.9% yoy fall in sales to HK\$1,439.7 million mainly due to weaker demand. The Components Distributions ("CD") segment was affected by poor economic sentiment in the People's Republic of China ("PRC") and fell 11.1% yoy to HK\$344.3 million, while the performance of the Consumer Electronics Products ("CEP") segment continued to reflect the weak consumer sentiment in Hong Kong and fell 19.4% yoy to HK\$145.5 million.

<sup>1</sup> 'Net attributable profit' refers to the Profit attributable to the shareholders of the Company (see page 2 of the Results Announcement)

Gross profit in FY2025 decreased 5.6% yoy to HK\$176.6 million in tandem with lower revenue. However, the overall gross profit margin improved from 8.5% to 9.2% due to higher-margin sales and better cost control.

In reviewing the Group's FY2025 segmental performance, **Karin's Chief Executive Officer and Executive Director, Mr. Michael Ng**, said: *"Although revenue from our IT segment declined in FY2025, its profitability had improved due to higher margins on some deals. We will focus on pursuing favourable margins as we strive to offer more value-added services, particularly in the area of AI solutions."*

*"While our CD segment was affected by geopolitical trade tensions in 2H2025 that resulted in poor economic sentiment in the PRC, we remain cautious in this segment and look for improvement through further cost controls. Meanwhile, in view of the lacklustre retail landscape in Hong Kong, we are closely monitoring the business of our CEP segment."*

The Group's other income and gains in FY2025 rose 13.2% yoy to HK\$10.3 million mainly due to higher interest income earned from US dollars bank deposits. Overall expenses for FY2025 had declined due primarily to a reduction in selling and distribution costs, as well as in administrative expenses resulting from full depreciation of renovation costs for the Hong Kong office.

Earnings per share<sup>2</sup> increased slightly to 8.9 Hong Kong cents for FY 2025, up from 8.8 Hong Kong cents in FY 2024.

Karin maintains a robust financial position, with cash and cash equivalents of HK\$144.0 million as at 30 June 2025 (HK\$127.2 million as at 30 June 2024), bolstering its resilience against unforeseen challenges. The Group's debt position also strengthened with a gearing ratio (total interest-bearing borrowings to total equity) at 0.14 times (0.26 times as at 30 June 2024).

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<sup>2</sup> The calculation of basic earnings per share for the years ended 30 June 2025 and 2024 is based on the profit attributable to the ordinary shareholders of the Company for the respective years and the weighted average of 216,323,400 and 216,345,446 ordinary shares in issue, respectively, which has taken into account the effect of treasury shares.

### **Dividend**

In appreciation of our esteemed shareholders' steadfast support, the Board of Directors proposes a final tax-exempt dividend of 3.88 Hong Kong cents per share (subject to shareholders' approval at the forthcoming AGM), despite a modest increase in the net attributable profit. Combined with the interim dividend of 4.90 HK cents per share, the total dividend for FY2025 amounts to 8.78 HK cents per share, representing a payout ratio of 98.7% of net profit attributable to shareholders.

### **Business Outlook**

The Group enters the new fiscal year with a pragmatic outlook shaped by the macroeconomic headwinds and geopolitical tensions observed over the past 12 months. Although lower interest rates have eased financial costs, recessionary pressures persist and business demand remains subdued.

Notwithstanding the above challenges, Karin believes its IT segment will drive its future growth as the Group expands its strategic focus on AI. With a strengthened senior management team, Karin is well-positioned to capture more AI-related growth opportunities as the Group actively pursues and acquires new distributorships and develops an ecosystem to expand its AI solutions portfolio.

The economic landscape remains restrained in mainland China, with manufacturing clients adopting a conservative approach to procurement and forecasting. This cautious stance is especially pronounced among exporters, who face heightened vulnerability to trade disruptions and policy shifts. These factors have placed sustained pressure on the Group's CD business.

The CEP segment may be further dampened by reduced foot traffic and spending from tourists, as well as ongoing store closures in Hong Kong's retail scene. In response, the Group will prioritise profitability through disciplined inventory management, strategic purchasing, and stringent cost controls.

The Group will continue to build its resilience through maintaining financial prudence and a healthy cash position and leverage its deep experience in navigating economic cycles and fast-changing technologies.

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## About Karin Technology Holdings Limited

Listed on the Mainboard of the Singapore Exchange since 2005, Karin is a leading electronic and industrial components distributor and IT solutions integrator and outsourcing service provider in Hong Kong and the People's Republic of China. Established in 1977, Karin has been principally engaged in the electronic and industrial components and computer distribution business for various segments of the electronics industry, including the communications, computer, electrical appliances and utility segments. Karin expanded its business to include the provision of outsourcing services such as IC application design solutions and data storage management solutions, riding on the increasing demand for IC software applications in the 1990s. For more information, please visit: <http://www.karingroup.com/eng/global/home.php>.

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