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ST INTERNATIONAL HOLDINGS COMPANY LIMITED

智紡國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8521)

POSITIVE PROFIT ALERT

This announcement is made by ST International Holdings Company Limited (“**Company**”, together with its subsidiaries, “**Group**”) pursuant to Rule 17.10(2) of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (“**GEM Listing Rules**”) and the Inside Information Provisions (as defined under the GEM Listing Rules).

The board (“**Board**”) of directors (“**Directors**”) of the Company wishes to inform the shareholders of the Company (“**Shareholders**”) and potential investors of the Company that, based on the preliminary assessment of the latest unaudited consolidated management accounts of the Group for the year ended 31 December 2023 (the “**Year**”) and the information currently available, the Company expects to record a turnaround from a net loss of approximately HK\$11.0 million for the year ended 31 December 2022 (“**FY2022**”) to a net profit of approximately HK\$2.0 million for the Year.

The expected increase in the net profit is primarily due to:

- (i) the increase in revenue of approximately HK\$8.9 million as compared to the revenue of approximately HK\$101.1 million for FY2022 in light of the recovery of the Group’s business performance and market demand from the adverse influence of COVID-19;
- (ii) the decrease in administrative and other expenses of approximately HK\$2.2 million for the Year, representing a decrease of more than 11.6% as compared to the administrative and other expenses of approximately HK\$19.1 million for FY2022 primarily due to more stringent cost-control measures;
- (iii) the absence of impairment loss on plant and machinery for the Year as compared to the impairment loss on plant and machinery of approximately HK\$6.3 million for FY2022; and
- (iv) partially offset by an increase in impairment loss on trade receivables of approximately HK\$1.6 million for the Year.

As the Company is still in the process of finalising the annual results of the Group, the information contained in this announcement is only a preliminary assessment by the management of the Company with reference to the information currently available including the unaudited consolidated management accounts of the Group for the Year, which has not been reviewed by the audit committee of the Board, and may be subject to adjustments and changes pending finalisation. Finalised annual results of the Group and other details will be disclosed in the 2023 annual results announcement to be published by the Company.

Shareholders and potential investors should exercise caution when dealing in the shares of the Company.

On behalf of the Board
ST International Holdings Company Limited
Wong Kai Hung Kelvin
Chairman and Executive Director

Hong Kong, 25 March 2024

As at the date of this announcement, the Board comprises three executive Directors, namely, Mr. Wong Kai Hung Kelvin, Mr. Li Jian and Mr. Chen Simon Guomin; one non-executive Director, namely, Mr. Hung Yuk Miu; and three independent non-executive Directors, namely Mr. Ng Wing Heng Henry, Mr. Fong Kin Tat and Dr. Chan Yee Wah.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules 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 Information” page of the Stock Exchange’s website at www.hkexnews.hk for at least seven days after the date of publication and on the Company’s website at www.smart-team.cn.