SOLOMON SYSTECH

SOLOMON SYSTECH (INTERNATIONAL) LIMITED

晶門半導體有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2878)

PROFIT WARNING

This announcement is made by Solomon Systech (International) Limited (the "**Company**", together with its subsidiaries, shall collectively be referred to as the "**Group**") pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors of the Company (the "**Board**") wishes to inform the shareholders and potential investors of the Company that, based on the preliminary review on the unaudited consolidated management accounts of the Group for the six months ended 30 June 2025 and the information currently available to the Board, the Group is expected to record an unaudited consolidated profit attributable to shareholders ranging between approximately US$3.5 million to US$4.0 million for the six months ended 30 June 2025, representing a decrease of approximately 53.1% to 46.5% as compared with that of approximately US$7.47 million for the six months ended 30 June 2024. The main reasons for the decrease in unaudited consolidated profit attributable to shareholders in the first half 2025 were because of (i) the drop in average selling price as well as the total shipment quantities of the Group's products. The drop in shipment was mainly caused by the new product launch delay; and (ii) increase in research and development costs during the period for new products development.

Despite the decrease in shipment quantities and average selling price, the Board would like to emphasize that the Group is still able to manage a stable gross profit margin. We believe that total shipment volume could rebound after the launch of the new products. At the same time, we have sufficient resources to support our continued commitment on research and development projects, which is critical to sustain the long term competitiveness of the Group.

The Company is still in the process of finalizing the Group's interim results for the six months ended 30 June 2025. The information contained in this announcement is only based on the Board's preliminary assessment on the Group's latest unaudited consolidated management accounts for the six months ended 30 June 2025, which have not yet been reviewed by the independent external auditors of the Company, nor reviewed by the audit committee of the Board. The unaudited consolidated interim results of the Group for the six months ended 30 June 2025 may be subject to further adjustment(s) and may be different from the information contained in this announcement. Further details of the Group's financial information will be published in the Company's announcement of interim results for the six months ended 30 June 2025, which is expected to be published before the end of August 2025. Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board
SOLOMON SYSTECH (INTERNATIONAL) LIMITED
Wang Wah Chi, Raymond
Chief Executive Officer

23 July 2025

As at the date of this announcement, the Board comprises: (a) Executive Director – Mr. WANG Wah Chi, Raymond (Chief Executive Officer); (b) Non-executive Directors – Mr. MA Yuchuan (Chairman), Mr. WANG Hui and Ms. Liu Fei; and (c) Independent Non-executive Directors – Mr. Chan Chi Kong, Dr. CHAN Philip Ching Ho and Dr. Kwok Hoi Sing.