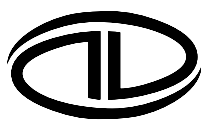


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# DATRONIX HOLDINGS LIMITED

連達科技控股有限公司\*

(Incorporated in Bermuda with limited liability)

(Stock Code: 889)

## ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2025

The board of directors (the “Board”) of Datronix Holdings Limited (the “Company”) is pleased to announce the unaudited condensed consolidated interim financial statements of the Company and its subsidiaries (collectively referred to as the “Group”) for the six months ended 30 June 2025 together with comparative figures in 2024 as follows:

### CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE SIX MONTHS ENDED 30 JUNE 2025

		Six months ended 30 June	
		2025	2024
		(Unaudited)	(Unaudited)
	Notes	HK\$'000	HK\$'000
<b>Revenue</b>	3	<b>86,314</b>	96,759
Cost of sales		(62,657)	(71,078)
<b>Gross profit</b>		<b>23,657</b>	25,681
Other revenue and gains, net	3	4,463	4,195
Distribution and selling expenses		(7,202)	(7,452)
Administrative expenses		(25,792)	(35,662)
Finance costs		(80)	(77)
<b>Loss before income tax expense</b>	5	<b>(4,954)</b>	(13,315)
Income tax expense	6	(1,063)	(1,748)
<b>Loss for the period and attributable to owners of the Company</b>		<b>(6,017)</b>	(15,063)
<b>Other comprehensive income, net of tax</b>			
Item that will not be reclassified to profit or loss:			
Changes in fair value of equity instruments designated at fair value through other comprehensive income		1,616	4,274
Item that may be reclassified subsequently to profit or loss:			
Exchange differences on translating foreign operations		5,015	(10,425)
<b>Other comprehensive income/(loss) for the period and attributable to owners of the Company, net of tax</b>		<b>6,631</b>	(6,151)
<b>Total comprehensive income/(loss) for the period and attributable to owners of the Company</b>		<b>614</b>	(21,214)
<b>Loss per share</b>			
- Basic and diluted	8	(HK\$0.019)	(HK\$0.047)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION****AS AT 30 JUNE 2025**

	Notes	30 June 2025 (Unaudited) HK\$'000	31 December 2024 (Audited) HK\$'000
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment		443,360	443,936
Investment property		70,000	70,000
Equity instruments designated at fair value through other comprehensive income		38,994	35,497
Prepayments for acquisition of property, plant and equipment		-	816
Goodwill		9,486	9,486
Deferred tax asset		272	272
		<b>562,112</b>	<b>560,007</b>
<b>CURRENT ASSETS</b>			
Inventories		75,234	81,255
Trade receivables	9	26,072	16,424
Prepayments, deposits and other receivables		4,864	5,984
Amount due from ultimate holding company		154	152
Amount due from related companies		340	340
Tax prepayment		1,067	856
Financial assets at fair value through profit or loss		7,334	9,591
Cash and cash equivalents		142,509	141,733
		<b>257,574</b>	<b>256,335</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	10	25,935	22,314
Amount due to a related company		291	372
Amount due to a director		1,260	1,260
Lease liabilities		957	992
Current tax liabilities		1,021	168
		<b>29,464</b>	<b>25,106</b>
<b>NET CURRENT ASSETS</b>		<b>228,110</b>	<b>231,229</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>790,222</b>	<b>791,236</b>

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION – CONTINUED****AS AT 30 JUNE 2025**

	Notes	<b>30 June 2025</b> <b>(Unaudited)</b> <b>HK\$'000</b>	<b>31 December 2024</b> <b>(Audited)</b> <b>HK\$'000</b>
<b>NON-CURRENT LIABILITIES</b>			
Lease liabilities		<b>909</b>	1,368
Employee benefits		<b>9,708</b>	10,655
Deferred tax liabilities		<b>24,345</b>	24,567
		<b>34,962</b>	36,590
<b>NET ASSETS</b>			
		<b>755,260</b>	754,646
<b>EQUITY</b>			
Share capital	11	<b>32,000</b>	32,000
Reserves		<b>723,260</b>	722,646
<b>TOTAL EQUITY</b>		<b>755,260</b>	754,646

## Notes:

**1. Basis of preparation**

The unaudited condensed consolidated interim financial statements have been prepared in accordance with the applicable disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”), Hong Kong Accounting Standard (“HKAS”) 34 “Interim financial reporting” and other relevant HKASs, Interpretations and Hong Kong Financial Reporting Standards (hereinafter collectively referred to as the “HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”).

**2. Accounting policies**

The accounting policies and basis of preparation adopted in these condensed consolidated interim financial statements are consistent with those adopted in the Group’s annual consolidated financial statements for the year ended 31 December 2024 except as described below.

In the current period, the Group has adopted, for the first time, the amended Hong Kong Financial Reporting Standards, which includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards and Interpretations issued by HKICPA, that are effective for accounting periods beginning on 1 January 2025 and which are relevant to its operations. The amended HKFRSs adopted by the Group in the unaudited condensed consolidated interim financial statements are set out below:

Amendments to HKAS 21

Lack of Exchangeability

The adoption of the amended HKFRSs had no material effect on the reported results and financial position of the Group for the current or prior accounting periods. Accordingly, no prior period adjustment has been required.

**3. Revenue and other revenue****a) Revenue**

Revenue represents the net invoiced value of goods sold.

**b) Other revenue and gains, net**

	Six months ended 30 June 2025 HK\$'000	2024 HK\$'000
Bank interest income	1,832	2,035
Fair value change in financial assets at fair value through profit or loss	179	-
Rental income under operating lease	1,091	1,080
Exchange gain, net	362	-
Dividend income arising from equity instruments designated at fair value through other comprehensive income	684	837
Dividend income arising from financial assets at fair value through profit or loss	141	-
Sundry income	174	243
	<b>4,463</b>	<b>4,195</b>

#### 4. Segment information

The Group determines its operating segments based on the reports reviewed by the chief operating decision-maker that are used to make strategic decisions.

The Group is principally engaged in manufacturing and trading of electronic components in both Hong Kong and overseas markets. The Group's chief operating decision maker regularly reviews the consolidated financial information of the Group as a whole to assess the performance and consider there is only one operating segment for the Group.

#### Geographical information

The Group comprises the following main geographical segments:

	<b>Revenue from external customers</b>	
	<b>Six months ended 30 June</b>	
	<b>2025</b>	<b>2024</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
Hong Kong (place of domicile)	<u>1,385</u>	<u>321</u>
The PRC	3,753	5,261
The United States	76,016	84,621
European Union	3,069	1,328
Other countries	<u>2,091</u>	<u>5,228</u>
	<u>84,929</u>	<u>96,438</u>
	<u>86,314</u>	<u>96,759</u>

#### 5. Loss before income tax expense

Loss before income tax expense is stated after charging/(crediting) the following:

	<b>Six months ended 30 June</b>	
	<b>2025</b>	<b>2024</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
Cost of inventories recognised as expenses	62,657	71,078
Depreciation of property plant and equipment	8,545	8,884
Exchange (gain) / loss, net	<u>(362)</u>	<u>159</u>

**6. Income tax expense**

The amount of income tax charged to the condensed consolidated statement of profit or loss and other comprehensive income represents:

	Six months ended 30 June 2025 HK\$'000	2024 HK\$'000
Current tax – Hong Kong profits tax - provision for the period	1,438	928
Current tax – Overseas - provision for the period	535	1,084
- over provision in respect of prior years	(688)	(264)
	<u>(153)</u>	<u>820</u>
Deferred tax credit	(222)	-
	<u>1,063</u>	<u>1,748</u>

Hong Kong profits tax was calculated at the rate of 16.5% (2024: 16.5%) on the estimated assessable profits arising in or derived from Hong Kong during the period, except for the first HK\$2,000,000 of qualified entity's assessable profit is calculated at 8.25%, which is in accordance with the two-tiered profits tax rates regime. Overseas taxation was calculated at the rates applicable in the respective jurisdictions.

**7. Interim dividend**

The Board does not recommend the payment of an interim dividend for the six months ended 30 June 2025 (2024: Nil).

**8. Loss per share**

The calculation of basic loss per share for the six months ended 30 June 2025 was based on the loss attributable to the owners of the Company of approximately HK\$6,017,000 (six months ended 30 June 2024: HK\$15,063,000) and on the weighted average number of 320,000,000 (2024: 320,000,000) shares in issue during the period.

Diluted loss per share is the same as basic loss per share as there were no potential dilutive ordinary shares outstanding for both periods presented.

**9. Trade receivables**

Customers are generally offered a credit period ranging from 30 days to 90 days. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by senior management.

The aging analysis of trade receivables is as follows:

	30 June 2025 (Unaudited) HK\$'000	31 December 2024 (Audited) HK\$'000
Within 30 days	15,244	9,584
31 to 60 days	8,825	4,472
61 to 90 days	2,064	2,390
Over 90 days	627	666
	<u>26,760</u>	<u>17,112</u>
Less: Loss allowances	(688)	(688)
	<u>26,072</u>	<u>16,424</u>

**10. Trade and other payables**

	<b>30 June 2025</b> <b>(Unaudited)</b> <b>HK\$'000</b>	31 December 2024 (Audited) HK\$'000
Trade payables	8,936	5,740
Other payables and accruals	16,999	16,177
Fee payables for construction of manufacturing plants	-	397
	<u>25,935</u>	<u>22,314</u>

The aging analysis of trade payables is as follows:

	<b>30 June 2025</b> <b>(Unaudited)</b> <b>HK\$'000</b>	31 December 2024 (Audited) HK\$'000
Within 30 days	4,206	2,571
31 to 60 days	2,572	1,600
61 to 90 days	1,737	1,122
Over 90 days	421	447
	<u>8,936</u>	<u>5,740</u>

**11. Share capital**

	<b>Number of shares</b>	<b>Amount</b> <b>HK\$'000</b>
Authorised ordinary shares of HK\$0.1 each At 1 January 2025 and 30 June 2025	<u>1,000,000,000</u>	<u>100,000</u>
Issued and fully paid ordinary shares of HK\$0.1 each At 1 January 2025 and 30 June 2025	<u>320,000,000</u>	<u>32,000</u>

**INTERIM DIVIDEND**

The Board does not recommend the payment of an interim dividend for the six months ended 30 June 2025 (2024: Nil).

**MANAGEMENT DISCUSSION & ANALYSIS****Business Review**

The announcement by the U.S. government regarding additional reciprocal tariffs has introduced significant uncertainty, hence, disrupting our sales pipeline. This has negatively impacted overall business sentiment and caused operational delays, affecting both our internal planning and our customers' decision-making processes. For the six months ended 30 June 2025, Datronix reported revenue of HK\$86.3 million, representing a 11% decrease compared to the same period in 2024.

As part of our ongoing efforts to restructure the cost base and enhance operational efficiency, the gross margin improved to 27.4 % from 26.5% in the same period of 2024. The Group recorded an operating loss of HK\$5.0 million, an improvement from the operating loss of HK\$13.3 million reported for the six months ended 30 June 2024.

For the six months ended 30 June 2025, Datronix reported net loss amounted to HK\$6.0 million, compared to HK\$15.1 million in the corresponding period of 2024.

As of 30 June 2025, cash balance for the Group was at HK\$142.5 million, and no issuance of any bank loan.

**Market Review***Communication and Networking*

Communication segment contributed HK\$18.4 million of sales for the first six months of 2025, a decrease of 3% compared to HK\$18.9 million for the comparable period of last year. This segment contributed 21% of the Group's total revenue.

*Data Processing*

Data processing segment contributed 10% of the Group's revenue. Sales decreased 46% for this segment were HK\$9.0 million for the first half of 2025, compared to HK\$16.8 million for the six months ended 2024.

*Industrial Application*

For the first six months of 2025, industrial application segment sales were HK\$36.9 million, compared to HK\$32.2 million, an increase of 15% compared to the same period of 2024. This segment contributed 43% of the Group's total revenue.

*High Precision and Reliability Segment*

This segment demands precise technology, advanced technical know-how and good workmanship by the Group. The segment reported HK\$22.0 million for the first half of 2025, compared to HK\$28.9 million for the first six months in 2024. This segment contributed 26% of our total sales.

**Financial Review**

For the six months ended 30 June 2025, Group sales reported HK\$86.3 million, a decrease of 11%, compared to same period of 2024. Our gross profit was HK\$23.7 million, compared to HK\$25.7 million for the first half of 2024. Gross margin increased slightly from 26.5% to 27.4%.

Operating result of first half of 2025 decreased from a loss of HK\$13.3 million to HK\$5.0 million when compared to same period of 2024, a decrease of HK\$8.3 million. The net loss reported HK\$6.0 million, compared to a net loss of HK\$15.1 million for the six months ended 30 June 2024. Loss per share for the first half of 2025 was HK1.9 cents, compared to loss per share of HK4.7 cents for the first half of 2024.

The Group maintained a healthy financial position with sufficient cash and no debt instrument was issued.

**Liquidity, Financial Resources and Capital Structure**

As at 30 June 2025, the Group had a total equity of approximately HK\$755.3 million (31 December 2024: HK\$754.6 million), and cash and cash equivalents of approximately HK\$142.5 million (31 December 2024: HK\$141.7 million), which were predominately denominated in US dollars, HK dollars and Renminbi.

For the six months ended 30 June 2025, the Group had not arranged any banking facilities and other resources for financing. With the above cash on hand, the Group has adequate resources to meet its working capital needs in the near future.

Capital expenditure for the period under review amounted to approximately HK\$3.4 million (six months ended 30 June 2024: HK\$4.2 million).

**Employees and Remuneration Policies**

As at 30 June 2025, the Group employed approximately 810 personnel around the world, with approximately 40 in Hong Kong, approximately 340 in the People's Republic of China and approximately 430 overseas. The Group has a staff education sponsorship program and also provides training courses to staff on operational system, product and technology development, and product safety.

**Capital Commitments**

As at 30 June 2025, the Group has capital commitment contracted but not provided for in the financial statements in respect of property, plant and equipment approximately HK\$1.0 million (31 December 2024: HK\$1.6 million).

**Contingent Liabilities**

The Group did not have any material contingent liability as at 30 June 2025 (31 December 2024: Nil).

**Looking Forward**

Amid the uncertainties surrounding U.S. tariffs, we observed that the impact was temporary and has since stabilized. Sales activities have gradually begun to recover. Furthermore, we have recently appointed new sales representatives across Europe, Japan, and Southeast Asia to strengthen our market presence and enhance customer engagement, positioning the Group for future growth.

**PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES**

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the listed securities of the Company during the six months ended 30 June 2025.

**AUDIT COMMITTEE**

The audit committee has reviewed the unaudited interim results and discussed with the Board the financial reporting process and internal control system of the Group.

**CORPORATE GOVERNANCE**

The Company has complied with the code provisions set out in the Corporate Governance Code (the "Code") as set out in Appendix C1 of the Listing Rules throughout the accounting period covered by the interim report, except for the following deviations:

**Code Provision C.2.1**

Under the provision C.2.1, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual.

The roles of Chairman and Chief Executive Officer of the Company have been performed by Mr. Siu Ronald. Given that all major decisions of the Company would be decided after thorough discussions by the Board (including Independent Non-executive Directors), the Board is of the view that there is sufficient balance of power and the current arrangement maintains a strong management position and consistent leadership of the Company.

**Code Provision B.2.2**

Under the provision B.2.2, every director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years.

In accordance with the Bye-laws of the Company, the chairman of the Company will not be subject to retirement by rotation or be taken into account in determining the number of directors to retire in each year.

**MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS**

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix C3 to the Listing Rules. All directors have confirmed, following specific enquiry of all directors, that they have fully complied with the required standard set out in the Model Code throughout the period under review.

**PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT**

This interim results announcement is published on the website of Hong Kong Exchange and Clearing Limited (“HKEx”) at [www.hkex.com.hk](http://www.hkex.com.hk) and on the Company’s website at [www.datronixhldgs.com.hk](http://www.datronixhldgs.com.hk). The interim report of the Company will be dispatched to the shareholders and will be available on the websites of HKEx and the Company in due course.

**DIRECTORS**

As at the date of this announcement, the Board of the Company comprises Mr. Siu Ronald (Chairman), Ms. Shui Wai Mei (Vice-Chairman), Mr. Sheung Shing Fai and Ms. Siu Nina Margaret as Executive Directors, and Mr. Lee Kit Wah, Mr. Wong Wah Sang, Derek and Mr. Won Chik Kee as Independent Non-executive Directors.

By order of the Board

**SIU Ronald**

*Chairman*

Hong Kong, 13 August 2025

*\* For identification purposes only*