SINO ICT HOLDINGS LIMITED
芯成科技控股有限公司
(Incorporated in Bermuda with limited liability)
(Stock Code: 00365)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2025

INTERIM RESULTS

The board (the "Board") of directors (the "Directors") of Sino ICT Holdings Limited (the "Company") hereby announces the unaudited consolidated results (the "Results") of the Company and its subsidiaries (collectively the "Group") for the six months ended 30 June 2025 (the "Period"). The Results have not been audited by the auditors of the Company, but they have been reviewed by the Audit Committee of the Company (the "Audit Committee") on 28 August 2025.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Notes	**Six months ended 30 June 2025** ***HK$'000*** **(Unaudited)**	Six months ended 30 June 2024 *HK$'000* (Unaudited)
Continuing Operations			
Revenue	*5*	**177,334**	142,600
Cost of sales		**(109,926)**	(77,672)
Gross profit	*7*	**67,408**	64,928
Other income		**1,384**	4,950
Other gains/(losses), net		**1,074**	(507)
Distribution costs		**(26,563)**	(20,613)
Administrative expenses		**(34,383)**	(59,524)
Operating income/(loss)		**8,920**	(10,766)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (CONTINUED)

	Notes	Six months ended 30 June 2025 HK$'000 (Unaudited)	Six months ended 30 June 2024 HK$'000 (Unaudited)
Finance income	*8*	**561**	913
Finance costs	*8*	**(11,328)**	(13,410)
Finance costs, net	*8*	**(10,767)**	(12,497)
Share of results of associates		**1,250**	(793)
Share of result of a joint venture		**(1,384)**	(3,915)
Loss before income tax		**(1,981)**	(27,971)
Income tax (expense)/credit	*9*	**(1,085)**	1,453
Loss for the Period from continuing operations		**(3,066)**	(26,518)
Discontinued operation			
Loss for the Period from discontinued operation	*10*	**(187)**	—
Loss for the Period		**(3,253)**	(26,518)
Other comprehensive income arising from continuing operations			
Item that will be reclassified subsequently to profit or loss			
Exchange differences on translation of foreign operations		**480**	930
Other comprehensive expense arising from discontinued operation			
Item that will be reclassified subsequently to profit or loss			
Exchange differences on translation of foreign operations		**—**	—
Total comprehensive expense for the Period, net of tax		**(2,773)**	(25,588)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (CONTINUED)

	Notes	**Six months ended 30 June 2025**	Six months ended 30 June 2024
		HK$'000	*HK$'000*
		(Unaudited)	(Unaudited)
Profit/(Loss) for the Period attributable to:			
Owners of the Company			
– Continuing operations		**6,309**	(10,777)
– Discontinued operation		**(129)**	—
		6,180	(10,777)
Non-controlling interests			
– Continuing operations		**(9,375)**	(15,741)
– Discontinued operation		**(58)**	—
		(9,433)	(15,741)
		(3,253)	(26,518)
Total comprehensive income/(expense) for the Period attributable to:			
Owners of the Company		**6,660**	(9,847)
Non-controlling interests		**(9,433)**	(15,741)
		(2,773)	(25,588)
Earnings/(Loss) per share for profit/(loss) attributable to owners of the Company		***HK cents***	*HK cents*
Basic and diluted	*11*		
– Continuing operations		**0.43**	(0.74)
– Discontinued operation		**(0.01)**	—
		0.42	(0.74)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	As at 30 June 2025 HK$'000 (Unaudited)	As at 31 December 2024 HK$'000 (Audited)
ASSETS			
Non-current assets			
Property, plant and equipment		**349,444**	364,370
Investment properties		**57,187**	57,187
Right-of-use assets		**20,807**	23,207
Intangible assets		**13,066**	14,452
Interests in associates		**5,320**	3,394
Interest in a joint venture		**10,177**	10,458
Financial assets at fair value through profit or loss ("FVTPL")		**22,973**	24,317
Deferred income tax assets		**3,007**	2,965
Other receivables		**—**	1,047
		481,981	501,397
Current assets			
Inventories		**27,227**	21,747
Trade and other receivables	*13*	**244,225**	188,835
Financial assets at FVTPL		**119**	132
Cash and cash equivalents		**171,945**	205,301
		443,516	416,015
Assets classified as held for sale	*15*	**6,434**	6,434
		449,950	422,449
Total assets		**931,931**	923,846
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital		**145,500**	145,500
Share premium		**95,240**	95,240
Other reserves		**32,950**	32,470
Accumulated losses		**(40,904)**	(47,084)
Equity attributable to owners of the Company		**232,786**	226,126
Non-controlling interests		**(50,638)**	(41,205)
Total equity		**182,148**	184,921

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

	Notes	**As at 30 June 2025** ***HK$'000*** **(Unaudited)**	As at 31 December 2024 *HK$'000* (Audited)
Non-current liabilities			
Bank and other borrowings		**478,956**	334,801
Lease liabilities		**3,105**	2,792
Deferred income		**384**	454
Deferred income tax liabilities		**11,944**	11,922
Long service payment obligations		**308**	308
		494,697	350,277
Current liabilities			
Trade and other payables	*14*	**192,587**	177,255
Contract liabilities		**50,396**	53,568
Bank and other borrowings		**10,959**	155,695
Lease liabilities		**795**	1,631
Income tax payables		**349**	499
		255,086	388,648
Total liabilities		**749,783**	738,925
Total equity and liabilities		**931,931**	923,846
Net current assets		**194,864**	33,801
Total assets less current liabilities		**676,845**	535,198

Notes:

1. GENERAL INFORMATION

The Company is a limited liability company incorporated in Bermuda. The address of its registered office is Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda. The address of the principal place of business is Suite 1101 & 1112, the Gateway Tower 1, 25 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong. The Company's shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "Stock Exchange").

In the opinion of the directors of the Company, the immediate holding company of the Company is Sino Xin Ding Limited, a company incorporated in Hong Kong; and the ultimate holding company of the Company is UNIC Capital Management Co., Ltd.* (中青芯鑫 (蘇州工業園區) 資產管理有限責任公司), a company established in the People's Republic of China (the "PRC").

The Group is principally engaged in: (i) Surface Mount Technology ("SMT") equipment manufacturing; and (ii) sales of electricity and provision of electricity spot market transactions and auxiliary services (the "Energy Business") in the PRC. Manufacturing and sales of advanced domestic radar hardware and development, application and integration of intelligent software ("Radar Business") was discontinued during six months ended 30 June 2025, details of which are set out in note 10.

The condensed consolidated interim financial statements are presented in Hong Kong dollars ("HK$"), unless otherwise stated.

The condensed consolidated interim financial statements were approved for issue by the Board on 28 August 2025.

2. BASIS OF PREPARATION

The condensed consolidated interim financial statements have been prepared in accordance with Hong Kong Accounting Standard ("HKAS") 34 "*Interim Financial Reporting*" issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and the applicable disclosure requirements of the Hong Kong Companies Ordinance and the Rules Governing the Listing of Securities on the Stock Exchange (the "Listing Rules").

The condensed consolidated interim financial statements do not include all the information and disclosures required in the annual consolidated financial statements and should be read in conjunction with the annual consolidated financial statements for the year ended 31 December 2024.

* *For identification purposes only*

3. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated interim financial statements have been prepared on the historical cost basis, except for financial assets at FVTPL and investment properties, which are measured at fair value. Non-current assets classified as held for sale are stated at the lower of carrying amounts and fair values less costs of disposal.

Except for the adoption of the following amendments of the Hong Kong Financial Reporting Standards ("HKFRSs") issued by the HKICPA, which are relevant to the Group's operations and effective for the annual periods beginning on or after 1 January 2025, the accounting policies adopted in preparing the condensed consolidated interim financial statements are consistent with those adopted in the preparation of the annual consolidated financial statements for the year ended 31 December 2024.

Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020)
Amendments to HKAS 1	Non-current Liabilities with Covenants
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements
Amendments to HKAS 21	Lack of Exchangeability

The adoption of the above amendments of HKASs and HKFRSs had no material impact on how the consolidated results and financial position of the Group for both current and prior periods have been prepared and presented.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of condensed consolidated interim financial statements requires management to make critical judgements, estimates and assumptions that may affect the application of accounting policies and the carrying amounts of assets and liabilities, income and expenses presented remained the same as those that were applied and disclosed in the annual consolidated financial statements for the year ended 31 December 2024. Actual results of those critical judgements, estimates and assumptions may be different.

5. REVENUE

The Group's revenue recognised during the Period is as follows:

	Six months ended 30 June 2025	Six months ended 30 June 2024
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Revenue from contracts with customers		
Production and sales of industrial products	**152,408**	134,758
Sales of electricity	**24,926**	7,842
	177,334	142,600
Timing of revenue recognition		
At a point in time	**177,334**	142,600

6. SEGMENT INFORMATION

The Group identifies operating segments and prepares segment information based on the regular internal financial information reported to the Executive Directors of the Company, being the chief operating decision makers, for their decisions about resources allocation and performance review.

During the six months ended on 30 June 2025, Radar Business was discontinued. The segment information (unaudited) reported below did not include any amount for this discontinued operation, which is described in more detail in Note 10:

	Production and sales of industrial products	Energy Business	Unallocated	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Six months ended 30 June 2025				
Reportable segment revenue				
Revenue from external customers from continuing operations	**150,706**	**24,926**	**1,702**	**177,334**
Segment gross profit/(loss)	**74,610**	**(8,904)**	**1,702**	**67,408**
Other income	**1,376**	**8**	**—**	**1,384**
Other gains, net	**1,074**	**—**	**—**	**1,074**
Distribution costs	**(26,563)**	**—**	**—**	**(26,563)**
Administrative expenses	**(23,582)**	**(3,160)**	**(7,641)**	**(34,383)**
Finance costs, net	**(3,531)**	**(7,077)**	**(159)**	**(10,767)**
Share of results of associates	**—**	**—**	**1,250**	**1,250**
Share of result of a joint venture	**—**	**—**	**(1,384)**	**(1,384)**
Profit/(Loss) before income tax from continuing operations	**23,384**	**(19,133)**	**(6,232)**	**(1,981)**

6. SEGMENT INFORMATION (CONTINUED)

	Production and sales of industrial products *HK$'000*	Energy Business *HK$'000*	Unallocated *HK$'000*	Total *HK$'000*
Six months ended 30 June 2024				
Reportable segment revenue				
Revenue from external customers	131,709	7,842	3,049	142,600
Segment gross profit	59,835	2,044	3,049	64,928
Other income	4,946	4	—	4,950
Other losses, net	(507)	—	—	(507)
Distribution costs	(20,613)	—	—	(20,613)
Administrative expenses	(24,767)	(22,974)	(11,783)	(59,524)
Finance costs, net	(2,004)	(10,487)	(6)	(12,497)
Share of results of associates	—	—	(793)	(793)
Share of the result of a joint venture	—	—	(3,915)	(3,915)
Profit/(Loss) before income tax	16,890	(31,413)	(13,448)	(27,971)

7. OTHER INCOME

	Six months ended 30 June 2025 ***HK$'000*** **(Unaudited)**	Six months ended 30 June 2024 *HK$'000* (Unaudited)
Continuing operations		
Income from sales of scraps	**31**	294
Government grants	**1,353**	4,656
	1,384	4,950

8. FINANCE COSTS, NET

	Six months ended 30 June 2025	Six months ended 30 June 2024
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Continuing operations		
Finance income		
Interest income from bank deposits	**561**	913
Finance costs		
Interest expenses on bank and other borrowings	**11,328**	13,410
Finance costs, net	**(10,767)**	(12,497)

9. INCOME TAX EXPENSE/(CREDIT) RELATING TO CONTINUING OPERATIONS

	Six months ended 30 June 2025	Six months ended 30 June 2024
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Current tax		
PRC Enterprise Income Tax expense/(credit)	**1,085**	(1,453)

10. DISCONTINUED OPERATION

The loss for the Period from discontinued operation is set out below:

	Six months ended 30 June 2025	Six months ended 30 June 2024
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Revenue	—	—
Administrative expenses	**(187)**	—
Loss before income tax from discontinued operation	**(187)**	—
Income tax expense	**—**	—
Loss for the Period from discontinued operation	**(187)**	—
Loss for the Period attributable to:		
Owners of the Company	**(129)**	—
Non-controlling interests	**(58)**	—
	(187)	—

11. EARNINGS/(LOSS) PER SHARE

The calculation of the basic and diluted earnings/(loss) per share attributable to owners of the Company is based on the following data:

	Six months ended 30 June 2025 *HK$'000* (Unaudited)	Six months ended 30 June 2024 *HK$'000* (Unaudited)
Profit/(Loss)		
Profit/(Loss) for the purpose of basic and diluted earnings/(loss) per share		
– continuing operations	**6,309**	(10,777)
– discontinued operation	**(129)**	—
	6,180	(10,777)
Number of shares		
Weighted average number of ordinary shares for the purpose of basic and diluted earnings/(loss) per share *(in thousands)*	**1,455,000**	1,455,000
Earnings/(Loss) per share for profit/(loss) attributable to owners of the Company *("HK cents")*		
– continuing operations	**0.43**	(0.74)
– discontinued operation	**(0.01)**	—
Basic and diluted earnings/(loss)	**0.42**	(0.74)

12. DIVIDENDS

No dividend was paid or proposed during the six months ended 30 June 2025, nor has any dividend been proposed since the end of the reporting period (2024: Nil).

13. TRADE AND OTHER RECEIVABLES

As at 30 June 2025 and 31 December 2024, the ageing analysis of trade and bills receivable based on the invoice date (or date of revenue recognition if earlier) is as follows:

	As at 30 June 2025	As at 31 December 2024
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
0 – 90 days	**48,379**	58,476
91 – 180 days	**28,658**	11,779
Over 180 days	**28,527**	1,881
	105,564	72,136

14. TRADE AND OTHER PAYABLES

As at 30 June 2025 and 31 December 2024, the ageing analysis of trade payables based on the invoice dates is as follows:

	As at 30 June 2025	As at 31 December 2024
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
0 – 90 days	**40,141**	43,702
91 – 120 days	**447**	253
Over 120 days	**5,105**	5,679
	45,693	49,634

15. ASSETS CLASSIFIED AS HELD FOR SALE

As disclosed in note 10, the Group is seeking to dispose certain assets of the Radar Business. Certain equipment, intangible assets and inventories of the Radar Business amounted to HK$2,127,000, HK$1,062,000 and HK$3,245,000 respectively are classified as "Assets classified as held for sale" as at 30 June 2025.

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review

During the Period, the Company's business structure remained unchanged, with its main business in surface mount technology ("SMT") and semiconductor equipment manufacturing, along with an expansion of the Energy Business.

The Group continues to prepare its financial statements under Hong Kong Financial Reporting Standards. For the six months ended 30 June 2025, the Company recorded operating revenue of approximately HK$177,334,000, a year-on-year increase of 24.4%. The SMT and semiconductor equipment manufacturing segment accounted for 85.0% of the Group's total operating revenue, while the proportion of revenue from the Energy Business increased. During the Period, profit attributable to owners of the Company was approximately HK$6,180,000, and comprehensive income from owners of the Company was approximately HK$6,660,000, both of which increased compared to the same period last year. This was primarily due to the Company's Energy Business entering into stable operations during the Period, resulting in lower administrative expenses due to reduced one-time and daily management costs.

Looking back on the first half of this year, the "Made in China 2025" policy continued to deepen, prioritising the development of advanced manufacturing. The "14th Five-Year Plan" new energy storage development plan was vigorously implemented, driving the accelerated transformation of the national energy structure. According to data from the National Bureau of Statistics, China's overall PMI showed a marginal recovery, driving rapid development in the new energy storage industry, with both the number of projects and installation capacity having increased significantly. This, coupled with the optimisation and improvement of supporting policies such as the market-based electricity pricing mechanism, has provided strong support for energy transition and grid stability. Despite facing complex challenges such as the escalation of US chip export controls on China and the pressure of local government debt, the national economy has remained stable overall. The Group believes that the modernisation and green transformation of China's manufacturing and energy industries hold broad prospects. We will actively monitor sectoral developments, strive to seize opportunities to achieve sustainable growth in value for the Company and its shareholders.

SMT and Semiconductor Equipment Manufacturing Business

For the six months ended 30 June 2025, the Company's SMT and semiconductor equipment manufacturing business recorded segmental revenue of approximately HK$150,706,000, representing a period-on-period increase of 14.4%; the segment's gross profit was approximately HK$74,610,000, representing a period-on-period increase of 24.7%; and the segment's profit before income tax was approximately HK$23,384,000, representing a period-on-period increase of 38.4%, which is currently the main source of revenue and profit.

During the Period, the Company's wholly-owned subsidiary, Suneast Intelligent Equipment Technology (Shenzhen) Co., Ltd. ("Suneast Technology"), actively engaged in market promotion by launching the e-commerce platform "Suneast Technology Mall*" and exhibiting at several domestic and international industry events with flagship products, presenting the leading position of Chinese manufacturing in precision welding. Suneast Technology garnered numerous partnership offers at exhibitions such as the 2025 Munich Shanghai Electronics Manufacturing Equipment Exhibition, the InnoElectro, the Expo Electronica and NEPCON China furthered the Group's strategic presence in overseas markets.

SMT allows components to be directly soldered onto circuit board pads without drilling or inserting holes. It is suitable for high-density, miniaturized electronic assembly and is widely used in communications, computers, automotive electronics, consumer electronics, and other fields. It is a key process for miniaturization and lightweighting.

SMT plays a key role in LED display packaging. Mini LED is widely popular due to its precise backlight control, with LCD backlight and COB LED display as its main markets. According to the first quarter report of authoritative consulting firm Omdia, global TV shipments are expected to remain flat this year, totaling 208.7 million units. Driven by retailers and brands focusing on top features, demand for Mini LED technology and ultra-large display panels is growing rapidly. Omdia further predicts that China's Mini LED shipments this year will reach 38.3 million units, a 3.2% increase over the same period last year.

SMT is also an important process for the assembly of control items of new energy vehicles. According to statistics from the China Association of Automobile Manufacturers, the total domestic automobile sales in the first half of this year reached 12.57 million units, of which more than 6.9 million were new energy vehicles, a significant year-on-year increase. The China Business Industry Research Institute predicts that the scale of China's smart car market will reach RMB 282.2 billion this year. At the same time, data from the China Charging Alliance shows that in the first five months of this year, the domestic charging infrastructure increased by 1.583 million units, and the cumulative period-on-period increase of private charging piles was 45.1%, reflecting the improvement of market acceptance, which is expected to further drive SMT demand and application.

* *For identification purposes only*

In the chip and SMT equipment market, domestic chip production increased by 8.7% year-on-year and exports increased by 20.6% during the reporting period, indicating that the localisation of low- and mid-end devices has begun to show results. In the first five months of this year, domestic imports of semiconductor equipment fell by 11.5%, and the effectiveness of domestic substitution of cleaning, etching and other equipment has become apparent. Based on the growth in both volume and profit of SMT and semiconductor equipment business, combined with the rapidly growing market demand for Mini LED and new energy vehicles, and the steady progress of domestic substitution of semiconductor equipment, we believe that the Group's main business will continue to benefit from the wave of electronic manufacturing upgrades.

Energy Business

At the end of 2021, the Group established a joint venture, Sino New Energy Utilisation (Hengqin) Technology Co., Ltd.*, and independently designed and constructed the Herong New Energy Storage Power Station (the "Herong Power Station") in Datong City, Shanxi Province. As China's first grid-side independent energy storage power station project with complete spot trading and ancillary services, the Herong Power Station was completed in 2023 and commenced commercial operation in October of the same year, participating in spot market trading. As of 30 June 2025, the segment's operating revenue was approximately HK$24,926,000, gross loss was approximately HK$8,904,000, and the segment's loss before income tax was approximately HK$19,133,000.

In 2025, the domestic new energy storage industry continued to develop rapidly, and all regions made every effort to achieve installed capacity targets. As a core business model, energy storage frequency regulation has significant advantages such as flexible site selection, rapid response, and two-way regulation, which are being widely verified by the market. Last year, the National Development and Reform Commission implemented the "Basic Rules for Electricity Market Operation", continuing to deepen the market-oriented reform of the electricity industry and providing participants with a fairer and more transparent competitive environment. Against this background, Shanxi Province issued the "Shanxi Electricity Auxiliary Service Management Implementation Rules and Grid-Connected Operation Management Implementation Rules (2025 Revised Edition)" in January this year, establishing independent energy storage power stations as market entities on par with wind and solar power stations, detailing the grid connection conditions, operation requirements and assessment indicators of energy storage power stations, and implementing the "Electricity Market Rules System (V15.0)" on January 1, laying the foundation for the standardized operation of power stations.

* *For identification purposes only*

The Herong Power Station passed the Automatic Generation Control (AGC) and Primary Frequency Response (PFR) respectively in January and March of this year and was officially connected to the market for operation. Statistical data released by the Shanxi Power Grid show that the Herong Power Station's participation in the settlement of grid auxiliary services and the actual operating K value (a comprehensive performance indicator reflecting the speed and accuracy of the energy storage power station's response to the grid's frequency regulation instructions) have reached the highest level in the industry and indicators, and both the power station's charge and discharge conversion rate and the efficiency of responding to frequency regulation instructions are at the forefront of the industry. In April, the Herong Power Station launched a new energy leasing business and signed contracts with three photovoltaic companies, further improving the utilisation rate of energy storage assets. The Group's auxiliary business has considerable revenue-generating potential and has begun to contribute stable positive cash flow, while the leasing capacity business has also added momentum to overall revenue growth. However, it is still not enough to cover previous depreciation and amortisation, financing costs, operation and maintenance expenses, etc., resulting in a temporary loss for the sector.

The installed capacity of energy storage in Shanxi Province is expected to rapidly increase. The implementation of encouraging policies and ancillary service compensation will significantly improve power plants' economic efficiency and investment return expectations, opening up new growth opportunities for the industry. In the future, the Company plans to consolidate its frequency regulation revenue generation ability, actively participate in the electricity spot market and reserve compensation business, and pursue diverse opportunities. At the same time, we will closely monitor policy changes, actively respond to the risk of frequency regulation prices falling due to increased market competition, and squeeze profit margins. We will strengthen technological research and development and improve frequency regulation pricing capabilities to support energy transformation and the achievement of the Carbon Peaking and Carbon Neutrality Goals, resulting in a win-win situation for both social and economic benefits.

FINANCIAL REVIEW

Revenue

During the Period, an analysis of the revenue by business segments is as follows:

	Six months ended 30 June 2025 *HK$'000* **(Unaudited)**	Six months ended 30 June 2024 *HK$'000* (Unaudited)
SMT equipment manufacturing and related business	**150,706**	131,709
Sales of electricity	**24,926**	7,842
Comprehensive income	**1,702**	3,049
Total	**177,334**	142,600

Other income

During the Period, the Group recorded other income of approximately HK$1,384,000, which was mainly attributable to government grants.

Distribution costs

During the Period, the Group recorded distribution costs of approximately HK$26,563,000, representing an increase of approximately HK$5,950,000 as compared with the six months ended 30 June 2024, which is due to the increase in sales revenue.

Administrative expenses

During the Period, the Group recorded administrative expenses of approximately HK$34,570,000, representing a decrease of approximately HK$24,954,000 as compared with the six months ended 30 June 2024, mainly due to the reclassification of the sales of electricity into operating costs.

Finance costs, net

During the Period, net finance costs were approximately HK$10,767,000, representing a decrease of approximately HK$1,730,000 as compared with the six months ended 30 June 2024, mainly attributable to less interest expense.

Profit for the Period

As a result of the foregoing, the profit for the Period attributable to the owners of the Company was approximately HK$6,180,000, turning losses into profits.

Earnings before interest, tax, depreciation and amortisation ("EBITDA")

The following table presents the Group's EBITDA for each period. During the Period, the Group's EBITDA ratio was approximately 12.26%.

	Six months ended 30 June 2025	Six months ended 30 June 2024
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Profit/(Loss) for the Period attributable to the owners of the Company	**6,180**	(10,777)
Finance costs, net	**10,767**	12,497
Income tax expense/(credit)	**1,085**	(1,453)
Depreciation and amortisation	**3,718**	23,649
EBITDA	**21,750**	23,916

Gearing ratio

The Group has sufficient working capital. As of 30 June 2025, the Group's net current assets amounted to approximately HK$194,864,000, with a current assets ratio of approximately 176.39%, which is sufficient to meet the Group's daily operating needs.

Operating capital management

As at 30 June 2025, the Group held cash and cash equivalents of approximately HK$171,945,000. This represents a decrease of approximately HK$33,356,000 as compared with approximately HK$205,301,000 at the beginning of the Period. During the Period, the Group's average inventory turnover days were approximately 180 days (31 December 2024: 95 days); average trade receivable turnover days were approximately 156 days (31 December 2024: 72 days); and average trade payables turnover days were approximately 80 days (31 December 2024: 44 days).

Charges on the Group's assets

As at 30 June 2025, the Group's banking facilities, including its import/export loan, letter of credit, documentary credit, trust receipt and bank borrowings, were secured by:

A first legal charge on certain of the Group's land and properties, which had an aggregate net carrying value at the end of the reporting period of approximately HK$70,873,000.

Equity and liabilities

As at 30 June 2025, the net assets of the Group attributable to the owner of the Company were approximately HK$232,786,000 (31 December 2024: HK$226,126,000), and the equity increased by HK$6,660,000 during the Period.

HUMAN RESOURCES

As at 30 June 2025, the Group employed approximately 285 full-time employees and workers in Mainland China, and employed approximately 24 employees in Hong Kong. The Group continues to maintain and enhance the capability of its employees by providing sufficient regular training to them. The Group remunerates its employees based on the industry's practice. In Mainland China, the Group provides employee benefits and bonuses to its employees in accordance with the prevailing labour law. In Hong Kong, the Group provides staff benefits including a retirement scheme and performance related bonuses.

PRINCIPAL RISKS AND UNCERTAINTIES

Operational risk

The Group is exposed to operational risk in relation to each business segment. To manage operational risk, the management of each business segment is responsible for monitoring the operation and assessing the operational risk of its respective business segments. They are responsible for implementing the Group's risk management policies and procedures, and shall report any irregularities in connection with the operation of the projects to the Directors for guidance.

The Group emphasises ethical values and prevention of fraud and bribery, and has established a whistleblower program, including communication with other departments, business segments and units to report any irregularities. In this regard, the Directors consider that the Group's operational risk is effectively mitigated.

Financial risk

The Group is exposed to credit risk, liquidity risk and foreign exchange risk.

Credit risk

In order to minimise credit risk, the Directors closely monitor the overall level of credit exposure, and the management is responsible for the determination of credit approvals and monitoring the implementation of the collection procedure to ensure that follow-up actions are taken to recover overdue debts. In addition, the Group reviews the recoverable amount of each individual trade debt at the end of the reporting period to ensure that adequate impairment losses have been made for irrecoverable amounts. In this regard, the Directors consider that the Group's credit risk has been significantly reduced.

Liquidity risk

The Directors have built an appropriate liquidity risk management framework to meet the Group's short, medium and long-term funding and liquidity management requirements. In the management of liquidity risk, the Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Group's operations and mitigate the effects of fluctuations in cash flows. In this regard, the Directors consider that the Group's liquidity risk has been effectively managed.

Foreign exchange risk

The Group is exposed to foreign exchange risk arising from various currency risks as its certain business, assets and liabilities are denominated in Renminbi, Hong Kong dollars and United States dollars. During the Period, the Group did not utilise any financial instruments for hedging purposes, and the Group will continue to closely monitor its foreign exchange risk associated with the currencies and will take appropriate hedging measures when necessary.

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

The Company or any of its subsidiaries had not purchased, redeemed or sold any of the Company's listed securities during the six months ended 30 June 2025.

DIVIDENDS

The Board did not recommend an interim dividend for the six months ended 30 June 2025 (for the six months ended 30 June 2024: nil).

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 of the Listing Rules as the code of conduct regarding securities transactions by Directors of the Company. Having made specific enquiries of all Directors, the Company confirmed that they had complied with the required standard as set out in the Model Code throughout the six months ended 30 June 2025.

CORPORATE GOVERNANCE PRACTICES

The Company acknowledges the importance of good corporate governance practices and procedures and regards a pre-eminent Board, sound internal controls and accountability to all shareholders as the core elements of its corporate governance principles. The Company endeavours to ensure that its businesses are conducted in accordance with rules and regulations, and applicable codes and standards. The Company has adopted the Code Provisions of the Corporate Governance Code (the "Code") as set out in Appendix C1 of the Listing Rules. The Board periodically reviews the corporate governance practices of the Company to ensure its continuous compliance with the Code. The Company was in compliance with the Code for the six months ended 30 June 2025.

AUDIT COMMITTEE

The Audit Committee has been established following the requirements of the Code to review and monitor the internal control and financial reporting matters of the Group. The Audit Committee comprises one non-executive Director and two independent non-executive Directors of the Company(one of whom chairs the committee). The Audit Committee has reviewed the condensed consolidated interim financial statements for the six months ended 30 June 2025 and believes that such statements comply with accounting standards, laws and the requirements of the Stock Exchange and that adequate disclosures have been made.

PUBLICATION OF INTERIM REPORT ON THE STOCK EXCHANGE'S WEBSITE

The Company's interim report containing all the information required by the Listing Rules will be published on the website of the Stock Exchange (www.hkex.com.hk) and the website of the Company (www.sino-ict.com) and will be dispatched to shareholders in due course.

CAUTION STATEMENT

The Board wishes to remind investors that the above unaudited interim financial results and operational statistics for the six months ended 30 June 2025 and the six months ended 30 June 2024 are based on the Group's internal information. Investors should note that undue reliance on or use of such information may cause investment risks. Investors are advised to exercise caution when dealing in the securities of the Company.

This announcement contains forward-looking statements regarding the objectives and expectations of the Group with respect to its opportunities and business prospects. Such forward-looking statements do not constitute guarantees of future performance of the Group and are subject to factors that could cause the Company's actual results, plans and objectives to differ materially from those expressed in the forward-looking statements. These factors include, but are not limited to, general industry and economic conditions, shifts in customer demands, and changes in government policies. The Group undertakes no obligation to update or revise any forward-looking statements to reflect subsequent events or circumstances.

By order of the Board of
Sino ICT Holdings Limited
Yuan I-Pei
Chairman

Hong Kong, 28 August 2025

As at the date of this announcement, the Company's directors are Mr. Yuan I-Pei and Mr. Xia Yuan as Executive Directors; Mr. Meng Deqing and Ms. Bai Yu as Non-executive Directors; and Mr. Cui Yuzhi, Mr. Bao Yi and Mr. Ping Fan as Independent Non-executive Directors.