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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)**

## **UPDATE ON FINANCIAL INFORMATION**

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) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

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 six months ended 30 June 2023 (“**1H2023**”) and the information currently available, the Group is expected to record a net loss of not more than HK\$3.0 million for 1H2023 as compared with a net profit of approximately HK\$2.4 million for the six months ended 30 June 2022 (“**1H2022**”).

The Group suffered loss for 1H2023. The Group is expected to record a decrease in revenue of around 11.6% for 1H2023 (1H2022: HK\$48.4 million). The Group’s decrease in revenue was mainly attributable to the decrease in sales of functional knitted fabrics and sales of apparel.

The gross profit margin decreased by 5.7 percent points from 29.2% for 1H2022 to approximately 23.5% for 1H2023. Such decrease was due to the combined effect of (i) the change in product mix which resulted in a relatively lower profit margin and (ii) the increase in the per unit cost of raw materials and the outsourcing processing fees.

The Group expected to record an increase in selling and distribution expenses of not more than HK\$0.5 million for 1H2023 from approximately HK\$2.2 million for 1H2022 primarily due to the increased marketing expenses of HK\$0.2 million and travelling expenses of HK\$0.3 million.

The administrative and other expenses of the Group for 1H2023 remained relatively stable, with a decrease of 2.5% compared to 1H2022.

As the Company is still in the process of finalising the results of the Group for 1H2023, 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 1H2023, which has not been audited or reviewed by the auditors of the Company nor reviewed by the audit committee of the Board, and may be subject to adjustments and changes. Finalised results of the Group for 1H2023 and other details will be disclosed in the results announcement for 1H2023 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*

Hong Kong, 3 August 2023

*As at the date of this announcement, the Board comprises two executive Directors, namely, Mr. Wong Kai Hung Kelvin and Mr. Xi Bin; one non-executive Director, namely, Mr. Hung Yuk Miu; and three independent non-executive Directors, namely Mr. Ng Wing Heng Henry, Mr. Sze Irons BBS JP and Mr. Fong Kin Tat.*

*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](http://www.hkexnews.hk) for at least seven days from the date of publication and on the Company’s website at [www.smart-team.cn](http://www.smart-team.cn).*