



CCSC Technology International Holdings Limited Reports Financial Results for Fiscal Year Ended March 31, 2025

July 17, 2025

HONG KONG, July 17, 2025 /PRNewswire/ -- CCSC Technology International Holdings Limited (the "Company" or "CCSC") (Nasdaq: CCTG), a Hong Kong-based company that engages in the sale, design and manufacturing of interconnect products, including connectors, cables and wire harnesses, today announced its financial results for the fiscal year ended March 31, 2025.

Mr. Kung Lok Chiu, Chief Executive Officer and Director of the Company, commented, "Fiscal year 2025 was a year of growth and global expansion, as we strengthened our customer base and deepened our reach across international markets. We achieved \$17.6 million in total revenue, representing a 19.5% increase year-over-year, driven by increased demand for our cable and wire harness and connector products. Gross profit grew 27.1% to \$5.0 million, with gross margin improving to 28.3% from 26.6% in the prior year. Our performance was particularly strong in Europe, where revenue grew by 29.0%. To support our expanding operations across the region, we initiated plans in May 2024 to establish a new supply chain management center in Serbia, Central Europe. Once completed, the facility is expected to serve as the operational hub for our European supply chain and play a key role in driving long-term regional growth. Across other key markets, Asia also delivered a 10.2% revenue increase, supported by growth in the Association of Southeast Asian Nations, or ASEAN countries, and China."

Mr. Chiu continued, "Looking ahead, we are excited about our next chapter. With sustained investments in research and development and the integration of advanced technologies, we are committed to developing solutions that are not only innovative and scalable but also aligned with the evolving needs of our global clients. We are also dedicating efforts to expanding our geographic reach, while striving to identify new customers, launch new products, and explore new business opportunities. Through these initiatives, we will endeavor to drive sustainable growth and deliver long-term value to our shareholders."

Fiscal Year Ended March 31, 2025 Financial Highlights

- Revenue increased by 19.5% to \$17.6 million for the fiscal year ended March 31, 2025, from \$14.7 million for the fiscal year ended March 31, 2024.
- Gross profit increased by 27.1% to \$5.0 million for the fiscal year ended March 31, 2025, from \$3.9 million for the fiscal year ended March 31, 2024.
- Gross profit margin was 28.3% for the fiscal year ended March 31, 2025, increased from 26.6% for the fiscal year ended March 31, 2024.
- Net loss was \$1.4 million for the fiscal year ended March 31, 2025, compared to \$1.3 million for the fiscal year ended March 31, 2024.
- Basic and diluted loss per share was \$0.12 for the fiscal year ended March 31, 2025, compared to \$0.13 for the fiscal year ended March 31, 2024.

Fiscal Year Ended March 31, 2025 Financial Results

Revenue

Total revenue was \$17.6 million for the fiscal year ended March 31, 2025, which increased by 19.5% from \$14.7 million for the fiscal year ended March 31, 2024.

The following table sets forth revenue by interconnect products:

| | For the fiscal years ended March 31, | | Change | | | |
|-------------------------------------|--------------------------------------|----------------|----------------------|----------------|---------------------|---------------|
| | 2025 | % | 2024 | % | Amount | % |
| (Amounts expressed in U.S. dollars) | | | | | | |
| Cable and wire harness | \$ 16,385,705 | 92.9 % | \$ 13,626,836 | 92.4 % | \$ 2,758,869 | 20.2 % |
| Connectors | 1,245,784 | 7.1 % | 1,121,715 | 7.6 % | 124,069 | 11.1 % |
| Total | \$ 17,631,489 | 100.0 % | \$ 14,748,551 | 100.0 % | \$ 2,882,938 | 19.5 % |

Revenue generated from cables and wire harnesses increased by 20.2%, to \$16.4 million for the fiscal year ended March 31, 2025, from \$13.6 million for the fiscal year ended March 31, 2024. Revenue generated from connectors increased by 11.1%, to \$1.2 million for the fiscal year ended March 31,

2025, from \$1.1 million for the fiscal year ended March 31, 2024.

The increase in revenue was primarily attributable to the increase in the total sales volume, which was partially offset by the decrease of the overall average selling prices of the Company's products for the fiscal year ended March 31, 2025.

The following table sets forth the disaggregation of revenue by regions:

| | For the fiscal years ended March 31, | | Change | | | |
|--|--------------------------------------|----------------|----------------------|--------------|---------------------|---------------|
| | 2025 | % | 2024 | % | Amount | % |
| (Amounts expressed in U.S. dollars) | | | | | | |
| Europe | \$ 10,991,905 | 62.3 % | \$ 8,523,788 | 57.8 % | \$ 2,468,117 | 29.0 % |
| Asia | 5,336,247 | 30.3 % | 4,843,082 | 32.8 % | 493,165 | 10.2 % |
| The Americas | 1,303,286 | 7.4 % | 1,381,681 | 9.4 % | (78,395) | (5.7) % |
| Others | 51 | 0 % | - | - % | 51 | 100.0 % |
| Total | \$ 17,631,489 | 100.0 % | \$ 14,748,551 | 100 % | \$ 2,882,938 | 19.5 % |

Revenue generated from Europe increased by 29.0%, to \$11.0 million for the fiscal year ended March 31, 2025, from \$8.5 million for the fiscal year ended March 31, 2024. The increase was primarily attributable to an increase of sales in Denmark of \$2.0 million, Bulgaria of \$0.3 million, and Poland of \$0.1 million.

Revenue generated from Asia increased by 10.2%, to \$5.3 million for the fiscal year ended March 31, 2025, from \$4.8 million for the fiscal year ended March 31, 2024. This increase was primarily driven by a sales increase in the ASEAN countries of \$0.5 million, a sales increase in China of \$0.3 million, and partially offset by a sales decrease in Hong Kong, China of \$0.2 million.

Revenue generated from the Americas decreased by 5.7%, to \$1.3 million for the fiscal year ended March 31, 2025, from \$1.4 million for the fiscal year ended March 31, 2024. This decrease was primarily due to a sales decrease in North America of \$0.1 million.

Revenue from other regions was mainly derived from Australia.

Cost of Revenue

Cost of revenue increased by 16.8%, to \$12.6 million for the fiscal year ended March 31, 2025, from \$10.8 million for the fiscal year ended March 31, 2024, which was in line with the increase in total revenue.

Inventory costs amounted to \$8.6 million for the fiscal year ended March 31, 2025, compared to \$7.3 million for the fiscal year ended March 31, 2024. The increase in inventory costs was primarily due to a 37.1% increase in the total sales volume and partially offset by a 14.7% decrease in inventory cost per unit.

Labor costs amounted to \$3.1 million for the fiscal year ended March 31, 2025, compared to \$2.5 million for the fiscal year ended March 31, 2024. The increase in labor costs was mainly attributable to higher production volumes driven by increased sales.

Gross Profit and Gross Margin

Gross profit increased by 27.1%, to \$5.0 million for the fiscal year ended March 31, 2025, from \$3.9 million for the fiscal year ended March 31, 2024.

Gross profit margin increased by 1.7%, to 28.3% for the fiscal year ended March 31, 2025, from 26.6% for the fiscal year ended March 31, 2024, primarily due to a reduction in fixed cost per unit.

Operating Expenses

Operating expenses increased by 20.5%, to \$7.0 million for the fiscal year ended March 31, 2025, from \$5.8 million for the fiscal year ended March 31, 2024. The expense increase was primarily due to the increase in selling expenses of \$0.7 million, the increase in general and administrative expenses of \$0.5 million, and the increase in research and development expenses of \$59,518.

Other Income

Other income decreased by \$0.2 million, to \$0.3 million for the fiscal year ended March 31, 2025, from \$0.5 million for the fiscal year ended March 31, 2024. The decrease was primarily attributable to (i) a decrease in foreign currency exchange gain of \$0.4 million, and (ii) an increase of \$0.2 million in government subsidy, mainly from a "Little Giant" award granted by the Dongguan Municipal Treasury.

Net Loss

Net loss increased by 8.9%, to \$1.4 million for the fiscal year ended March 31, 2025, from \$1.3 million for the fiscal year ended March 31, 2024.

Basic and Diluted Loss per Share

Basic and diluted loss per share was \$0.12 for the fiscal year ended March 31, 2025, compared to \$0.13 for the fiscal year ended March 31, 2024.

Financial Condition

As of March 31, 2025, the Company had cash of \$3.7 million, compared to \$5.5 million as of March 31, 2024.

Net cash used in operating activities in the fiscal year ended March 31, 2025 was \$1.0 million, compared to \$2.5 million in the fiscal year ended March 31, 2024.

Net cash used in investing activities in the fiscal year ended March 31, 2025 was \$0.9 million, compared to \$3.8 million in the fiscal year ended March 31, 2024.

There were no cash outflows from financing activities in the fiscal year ended March 31, 2025. Net cash provided by financing activities was \$4.6 million in the fiscal year ended March 31, 2024.

About CCSC Technology International Holdings Limited

CCSC Technology International Holdings Limited, is a Hong Kong-based company that engages in the sale, design and manufacturing of interconnect products. The Company specializes in customized interconnect products, including connectors, cables and wire harnesses that are used for a range of applications in a diversified set of industries, including industrial, automotive, robotics, medical equipment, computer, network and telecommunication, and consumer products. The Company produces interconnect products under both OEM ("Original Equipment Manufacturer") and ODM ("Original Design Manufacturer") models for manufacturing companies that produce end products, as well as electronic manufacturing services companies that procure and assemble products on behalf of such manufacturing companies. The Company has a diversified global customer base located in more than 25 countries throughout Asia, Europe and the Americas. For more information, please visit the Company's website: <http://ir.ccsc-interconnect.com>.

Forward-Looking Statements

Certain statements in this press release are forward-looking statements. These forward-looking statements involve known and unknown risks and uncertainties and are based on the Company's current expectations and projections about future events that may affect its financial condition, results of operations, business strategy and financial needs. Investors can find many (but not all) of these statements by the use of words such as "may," "will," "could," "expect," "anticipate," "aim," "estimate," "intend," "plan," "believe," "is/are likely to," "propose," "potential," "continue," or other similar expressions in this press release. The Company undertakes no obligation to update or revise publicly any forward-looking statements to reflect subsequent occurring events or circumstances, or changes in its expectations, except as may be required by law. Although the Company believes that the expectations expressed in these forward-looking statements are reasonable, it cannot assure you that such expectations will turn out to be correct, and the Company cautions investors that actual results may differ materially from the anticipated results and encourages investors to review other factors that may affect its future results in the Company's registration statements and other filings with the U.S. Securities and Exchange Commission.

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CCSC TECHNOLOGY INTERNATIONAL HOLDINGS LIMITED CONSOLIDATED BALANCE SHEETS (Amount in U.S. dollars, except for number of shares)

| | As of March 31, | |
|---|----------------------|----------------------|
| | 2025 | 2024 |
| Assets | | |
| Current assets: | | |
| Cash | \$ 3,685,043 | \$ 5,525,430 |
| Restricted cash | 9,413 | 209,317 |
| Accounts receivable | 2,495,301 | 2,750,214 |
| Inventories | 1,761,880 | 2,023,456 |
| Prepaid expenses and other current assets | 1,066,032 | 1,474,405 |
| Total current assets | 9,017,669 | 11,982,822 |
| Non-current assets: | | |
| Property, plant and equipment, net | 853,959 | 198,901 |
| Intangible asset, net | 83,906 | 38,183 |
| Operating right-of-use assets, net | 1,106,024 | 1,659,297 |
| Finance lease right-of-use assets, net | 194,478 | 17,788 |
| Deferred tax assets, net | 558,683 | 287,394 |
| Other non-current assets, net | 3,510,363 | 3,753,646 |
| Total non-current assets | 6,307,413 | 5,955,209 |
| TOTAL ASSETS | \$ 15,325,082 | \$ 17,938,031 |

Liabilities and Shareholders' Equity

| | | |
|--|---------------------|---------------------|
| Current liabilities: | | |
| Accounts payable | \$ 1,819,647 | \$ 2,175,974 |
| Advance from customers | 141,737 | 207,293 |
| Accrued expenses and other current liabilities | 1,345,210 | 1,523,843 |
| Taxes payable | 21,916 | 24,974 |
| Operating lease liabilities, current | 473,116 | 506,061 |
| Finance lease liabilities, current | 36,277 | 4,454 |
| Total current liabilities | 3,837,903 | 4,442,599 |
| Non-current liabilities: | | |
| Operating lease liabilities, non-current | 633,249 | 1,184,056 |
| Finance lease liabilities, non-current | 127,834 | 13,709 |
| Total non-current liabilities | 761,083 | 1,197,765 |
| TOTAL LIABILITIES | \$ 4,598,986 | \$ 5,640,364 |

Commitments and Contingencies

Shareholders' equity

| | | |
|---|----------------------|----------------------|
| Class A ordinary shares, par value of US\$0.0005 per share; 495,000,000 shares authorized, 6,581,250 shares issued and outstanding as of March 31, 2025 and 2024* | \$ 3,291 | \$ 3,291 |
| Class B ordinary shares, par value of US\$0.0005 per share; 5,000,000 shares authorized, 5,000,000 shares issued and outstanding as of March 31, 2025 and 2024* | 2,500 | 2,500 |
| Additional paid-in capital | 4,855,795 | 4,855,795 |
| Statutory reserve | 813,235 | 813,235 |
| Retained earnings | 7,081,318 | 8,491,783 |
| Accumulated other comprehensive loss | (2,030,043) | (1,868,937) |
| Total shareholders' equity | 10,726,096 | 12,297,667 |
| TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY | \$ 15,325,082 | \$ 17,938,031 |

* Retrospectively reflect the changes in class of shares effective on September 10, 2024

CCSC TECHNOLOGY INTERNATIONAL HOLDINGS LIMITED
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE (LOSS)/INCOME
(Amount in U.S. dollars, except for number of shares)

| | For the years ended March 31, | | |
|--|-------------------------------|--------------------|--------------------|
| | 2025 | 2024 | 2023 |
| Net revenue | \$ 17,631,489 | \$ 14,748,551 | \$ 24,059,556 |
| Cost of revenue | (12,647,287) | (10,825,943) | (16,190,985) |
| Gross profit | 4,984,202 | 3,922,608 | 7,868,571 |
| Operating expenses: | | | |
| Selling expenses | (1,695,217) | (1,039,882) | (1,097,150) |
| General and administrative expenses | (4,601,637) | (4,134,394) | (3,898,894) |
| Research and development expenses | (654,039) | (594,521) | (1,084,119) |
| Total operating expenses | (6,950,893) | (5,768,797) | (6,080,163) |
| (Loss)/income from operations | (1,966,691) | (1,846,189) | 1,788,408 |
| Other income: | | | |
| Other non-operating income/(expenses), net | 534 | (35,509) | 49,873 |
| Government subsidy | 207,257 | 7,255 | 62,627 |
| Foreign currency exchange income | 67,395 | 425,308 | 562,527 |
| Financial and interest income, net | 10,538 | 67,636 | 22,455 |
| Total other income | 285,724 | 464,690 | 697,482 |
| (Loss)/income before income tax expense | (1,680,967) | (1,381,499) | 2,485,890 |
| Income tax benefit/(expenses) | 270,502 | 86,336 | (277,738) |

| | | | |
|--------------------------|--------------------|--------------------|------------------|
| Net (loss)/income | (1,410,465) | (1,295,163) | 2,208,152 |
|--------------------------|--------------------|--------------------|------------------|

Other comprehensive loss

| | | | |
|---|-----------|-----------|-----------|
| Foreign currency translation adjustment | (161,106) | (523,250) | (728,399) |
|---|-----------|-----------|-----------|

| | | | |
|--|-----------------------|-----------------------|---------------------|
| Total comprehensive (loss)/income | \$ (1,571,571) | \$ (1,818,413) | \$ 1,479,753 |
|--|-----------------------|-----------------------|---------------------|

(Loss)/earnings per share

| | | | |
|-------------------|-----------|-----------|---------|
| Basic and Diluted | \$ (0.12) | \$ (0.13) | \$ 0.22 |
|-------------------|-----------|-----------|---------|

Weighted average number of ordinary shares

| | | | |
|-------------------|------------|------------|------------|
| Basic and Diluted | 11,581,250 | 10,288,525 | 10,000,000 |
|-------------------|------------|------------|------------|

CCSC TECHNOLOGY INTERNATIONAL HOLDINGS LIMITED
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Amount in U.S. dollars, except for number of shares)

| | <u>For the years ended March 31,</u> | | |
|--|--------------------------------------|--------------------|------------------|
| | <u>2025</u> | <u>2024</u> | <u>2023</u> |
| CASH FLOWS FROM OPERATING ACTIVITIES: | | | |
| Net (loss)/income | \$ (1,410,465) | \$ (1,295,163) | \$ 2,208,152 |
| <i>Adjustments to reconcile net (loss)/income to net cash (used in)/ provided by operating activities:</i> | | | |
| Inventory write-downs | 128,241 | 188,268 | 369,512 |
| Depreciation and amortization | 238,599 | 238,757 | 221,106 |
| Amortization of right-of-use asset | 519,426 | 509,086 | 526,546 |
| Loss from disposal of property, plant and equipment | 10,889 | 2,188 | 5,621 |
| Deferred tax (benefit)/expense | (270,502) | (249,892) | 51,780 |
| Foreign currency exchange gains | (56,479) | (227,691) | (562,527) |
| <i>Changes in operating assets and liabilities:</i> | | | |
| Accounts receivable | 267,028 | (500,747) | 586,559 |
| Inventories | 130,289 | (101,220) | 2,028,980 |
| Amount due from related parties | - | - | 478,285 |
| Prepaid expenses and other current assets | 412,124 | (704,610) | 179,619 |
| Other non-current assets | 257,086 | (77,220) | 41,314 |
| Accounts payable | (359,764) | 563,226 | (2,054,385) |
| Advance from customers | (66,537) | 22,060 | 113,383 |
| Taxes payable | (2,971) | (340,992) | 112,295 |
| Accrued expenses and other current liabilities | (234,550) | (64,258) | (91,373) |
| Operating lease liabilities | (534,472) | (490,319) | (535,844) |
| Financing lease liabilities | (46,095) | 24 | - |
| Amount due to related parties | - | - | (215,388) |
| Net cash (used in)/provided by operating activities | (1,018,153) | (2,528,503) | 3,463,635 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Purchase of property, plant and equipment | (327,801) | (156,999) | (153,409) |
| Prepayment of long-term equipment and mold model | - | (3,639,312) | - |
| Proceed from disposal of property, plant and equipment | 943 | - | 10,891 |
| Purchase of land | (519,895) | - | - |
| Purchase of intangible asset | (43,737) | (29,476) | (64,364) |
| Net cash used in investing activities | (890,490) | (3,825,787) | (206,882) |
| CASH FLOWS FORM FINANCING ACTIVITIES | | | |
| Proceeds from short-term bank loans | - | - | 136,784 |
| Repayments of short-term bank loans | - | - | (136,784) |
| Repayments of long-term bank loans | - | (39,853) | (156,174) |
| Proceeds from issuance of ordinary shares, net of issuance cost of US\$1.65 million | - | 4,665,444 | - |
| Payment for deferred IPO costs | - | - | (596,446) |
| Capital contribution by shareholder | - | 5,000 | - |
| Payment made for principal portion of financing lease liabilities | - | (4,322) | - |

| | | | |
|---|----------------------------|----------------------------|----------------------------|
| Net cash provided by/(used in) financing activities | - | 4,626,269 | (752,620) |
| Effect of exchange rate changes on cash and restricted cash | (131,648) | (254,847) | (72,458) |
| Net change in cash and restricted cash | <u>(2,040,291)</u> | <u>(1,982,868)</u> | <u>2,431,675</u> |
| Cash and restricted cash, beginning of the year | <u>5,734,747</u> | <u>7,717,615</u> | <u>5,285,940</u> |
| Cash and restricted cash, end of the year | <u>\$ 3,694,456</u> | <u>\$ 5,734,747</u> | <u>\$ 7,717,615</u> |

SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:

| | | | | | |
|--------------------------------------|-----------|------------------|------------------|------------------|---------------------|
| Cash paid for income tax | <u>\$</u> | <u>- \$</u> | <u>(859,882)</u> | <u>\$</u> | <u>(119,679)</u> |
| Cash received from income tax refund | <u>\$</u> | <u>246,771</u> | <u>\$</u> | <u>-</u> | <u>\$ 126,413</u> |
| Cash paid for interest | <u>\$</u> | <u>-</u> | <u>\$</u> | <u>(228)</u> | <u>\$ (4,986)</u> |
| Cash paid for operating lease | <u>\$</u> | <u>(571,159)</u> | <u>\$</u> | <u>(575,014)</u> | <u>\$ (601,953)</u> |
| Cash paid for finance lease | <u>\$</u> | <u>(15,240)</u> | <u>\$</u> | <u>(4,322)</u> | <u>\$ -</u> |

Supplemental disclosure of non-cash investing and financing activities:

| | | | | | |
|---|-----------|-----------------|-----------|----------------|---------------------|
| Right-of-use assets obtained in exchange for operating lease obligations | <u>\$</u> | <u>192,311</u> | <u>\$</u> | <u>137,617</u> | <u>\$ 2,263,898</u> |
| Purchase of intangible assets included in accrued expenses and other liabilities | <u>\$</u> | <u>(43,103)</u> | <u>\$</u> | <u>-</u> | <u>\$ -</u> |
| Purchase of property and equipment included in accrued expenses and other liabilities | <u>\$</u> | <u>(11,418)</u> | <u>\$</u> | <u>-</u> | <u>\$ -</u> |

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