



SiS Mobile Holdings Limited

新龍移動集團有限公司*

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 1362

INTERIM REPORT

2023

*For identification purpose only

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Corporate Information

DIRECTORS

Non-executive Directors:

Lim Kia Hong (*Chairman*)
Lim Hwee Hai

Executive Directors:

Lim Kiah Meng
Fong Po Kiu
Wong Yi Ting

Independent Non-executive Directors:

Chu Chung Yi
Doe Julianne Pearl
Cheng Tak Chung

AUDIT COMMITTEE

Chu Chung Yi (*Chairlady*)
Doe Julianne Pearl
Cheng Tak Chung

REMUNERATION COMMITTEE

Chu Chung Yi (*Chairlady*)
Lim Kia Hong
Lim Kiah Meng
Doe Julianne Pearl
Cheng Tak Chung

NOMINATION COMMITTEE

Lim Kia Hong (*Chairman*)
Lim Kiah Meng
Chu Chung Yi
Doe Julianne Pearl
Cheng Tak Chung

COMPANY SECRETARY

Wong Yi Ting

AUDITORS

Deloitte Touche Tohmatsu

PRINCIPAL BANKERS

Bank of China (Hong Kong) Limited
Hang Seng Bank Limited
The Hongkong and Shanghai Banking
Corporation Limited
United Overseas Bank Limited

REGISTERED OFFICE

Windward 3
Regatta Office Park
PO Box 1350
Grand Cayman KY1-1108
Cayman Islands

PRINCIPAL PLACE OF BUSINESS

3118 No.1 Hung To Road, Kwun Tong
Kowloon, Hong Kong
Telephone: (852) 2138 3938
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PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Ocorian Trust (Cayman) Ltd.
Windward 3
Regatta Office Park
PO Box 1350
Grand Cayman KY1-1108
Cayman Islands

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited
17/F Far East Finance Centre,
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Hong Kong

STOCK CODE

1362

INVESTOR RELATIONS

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Message from the Chairman

Dear Shareholders,

I am writing to share our interim performance for the six months period ended 30 June 2023. While our recent outcome might not be cause for exuberance, they serve as significant indicators of our dedication and resolute commitments to steady progress.

RESULTS

In this interim period, we are relentless in our efforts to address the challenges that have impacted our financial metrics with candor. Our revenue declined by 5% to HK\$675,452,000 as compared to the corresponding period last year, and our net profit attributed to shareholders amounted to HK\$4,726,000 for the interim period ending 30 June 2023. We are cautiously managing and navigating the choppy waters in a steady manner to deliver to our shareholders.

BUSINESS REVIEW

Our journey through these challenges during the interim period is underscored by the increasing geopolitical tensions that all businesses including Hong Kong now face. This emphasizes the dynamic nature of market conditions and the necessity of adaptability. Acknowledging the broader economic environment, the gradual resumption of travel post-COVID-19 offers encouragement, though recovery remains gradual. Furthermore, external factors like high inflation, slower economic growth, elevated cost of living, and mounting interest rates continue to cast shadows. These challenges have impacted both businesses and consumer confidence, creating headwinds.

In response, our approach has been pragmatic, as we recalibrate our strategies to navigate this intricate landscape whilst maintaining fiscal responsibility.

PROSPECT

Looking ahead, we envision a future that builds upon our strengths and adapts to evolving dynamics. The Group, with a strong financial foundation and a strategically crafted product portfolio, is poised to make inroads. Our commitment goes beyond navigating current challenges; we are resolute in refining our strategies to emerge with even greater resilience. Through our united efforts in adaptation, management, and calibration, we remained steadfast to overcome obstacles and provide enhanced value to our shareholders. Our ability to adapt to changing circumstances fuels our resolve to forge a way forward.

Message from the Chairman

APPRECIATION

On behalf of the Board, I extend my deepest gratitude to our dedicated staff, esteemed customers, valued vendors, strategic partners, and all those who have stood by us, particularly during these challenging times. Their remarkable contributions, combined with the leadership of our management team, have empowered us not only to weather the storm but emerged stronger.

In closing, I want to express my sincere appreciation to our shareholders for your unwavering support. Even in the face of subtle growth, your trust propels our determination to persevere. As we continue navigating uncertain waters, I remain firm in my belief that our measured approach will steer us toward a better future and sustainable growth.

Lim Kia Hong

Chairman

Hong Kong, 24 August 2023

The directors (the “Directors”) of SiS Mobile Holdings Limited (the “Company”) are pleased to announce the condensed consolidated results of the Company and its subsidiaries (the “Group”) for the six months ended 30 June 2023 together with comparative figures for the corresponding period in 2022. The interim report has been reviewed by the Company’s audit committee.

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

FOR THE SIX MONTHS ENDED 30 JUNE 2023

		Six months ended	
	<i>Notes</i>	30 June 2023	30 June 2022
		HK\$'000	HK\$'000
		(unaudited)	(unaudited)
Revenue	4	675,542	707,738
Cost of sales		(652,662)	(680,875)
Gross profit		22,880	26,863
Other income		255	513
Other gains and losses, net		(410)	(428)
Selling and distribution expenses		(6,755)	(5,913)
Administrative expenses		(9,675)	(11,237)
Finance cost		(13)	(47)
Profit before tax	5	6,282	9,751
Income tax expense	6	(1,556)	(824)
Profit for the period		4,726	8,927
Other comprehensive income			
<i>Items that will not be classified to profit or loss</i>			
Fair value gain (loss) on equity instruments at fair value through other comprehensive income		195	(962)
Total comprehensive income for the period attributable to the owners of the Company		4,921	7,965
		HK cents	HK cents
Earnings per share	7		
— Basic		1.69	3.19
— Diluted		1.69	3.19

Condensed Consolidated Statement of Financial Position

AT 30 JUNE 2023

	Notes	30 June 2023 HK\$'000 (unaudited)	31 December 2022 HK\$'000 (audited)
Non-current assets			
Property, plant and equipment	9	1,194	1,500
Right-of-use assets		609	1,827
Equity instruments at fair value through other comprehensive income	10	10,922	10,727
		12,725	14,054
Current assets			
Inventories		42,460	29,879
Trade and other receivables, deposits and prepayments	11	50,341	72,035
Tax recoverable		2,329	3,885
Bank balances and cash		100,709	86,122
		195,839	191,921
Current liabilities			
Trade payables, other payables and accruals	12	43,087	45,337
Contract liabilities		1,356	197
Dividend payable	8	5,600	–
Lease liabilities		637	1,878
		50,680	47,412
Net current assets		145,159	144,509
Net assets		157,884	158,563
Capital and reserves			
Share capital	13	28,000	28,000
Reserves		129,884	130,563
Equity attributable to owners of the Company and total equity		157,884	158,563

Condensed Consolidated Statement of Changes in Equity

FOR THE SIX MONTHS ENDED 30 JUNE 2023

	Attributable to the owners of the Company						
	Share capital	Share premium	Special reserve	Share options reserve	Investments reserve	Retained profits	Total
	HK\$'000	HK\$'000	HK\$'000 (Note)	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1 January 2022 (audited)	28,000	2,522	3,497	7,135	(4,288)	100,509	137,375
Profit for the period	-	-	-	-	-	8,927	8,927
Fair value loss on equity instruments at fair value through other comprehensive income	-	-	-	-	(962)	-	(962)
Total comprehensive income	-	-	-	-	(962)	8,927	7,965
At 30 June 2022 (unaudited)	28,000	2,522	3,497	7,135	(5,250)	109,436	145,340
At 1 January 2023 (audited)	28,000	2,522	3,497	7,135	(4,849)	122,258	158,563
Profit for the period	-	-	-	-	-	4,726	4,726
Fair value gain on equity instruments at fair value through other comprehensive income	-	-	-	-	195	-	195
Total comprehensive income	-	-	-	-	195	4,726	4,921
Transfer upon lapse of share options	-	-	-	(7,135)	-	7,135	-
Dividend recognized as distribution	-	-	-	-	-	(5,600)	(5,600)
At 30 June 2023 (unaudited)	28,000	2,522	3,497	-	(4,654)	128,519	157,884

Note: The special reserve represents i) the contribution from SiS International Holdings Limited (“SiS International”) in relation to the acquisition of Synergy Technologies (Asia) Limited in prior year and ii) the difference between the nominal value of the shares of the Company issued pursuant to the group reorganisation and the aggregate share capital of the companies comprising the Group as at the date of the group reorganisation.

Condensed Consolidated Statement of Cash Flows

FOR THE SIX MONTHS ENDED 30 JUNE 2023

	Six months ended	
	30 June 2023	30 June 2022
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Net cash from (used in) operating activities	15,923	(81)
Net cash used in investing activities	(82)	(58)
Net cash (used in) from financing activities	(1,254)	8,746
Net increase in cash and cash equivalents	14,587	8,607
Cash and cash equivalents at 1 January	86,122	56,035
Cash and cash equivalents at 30 June, represented by bank balances and cash	100,709	64,642

Notes to the Condensed Consolidated Financial Statements

FOR THE SIX MONTHS ENDED 30 JUNE 2023

1. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with Hong Kong Accounting Standard 34 Interim Financial Reporting issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) as well as with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“HKSE”).

2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair value, as appropriate.

Other than additional accounting policies resulting from application of amendments to Hong Kong Financial Reporting Standards (“HKFRSs”), the accounting policies used in these condensed consolidated financial statements for the six months ended 30 June 2023 are the same as those followed in the preparation of the Group’s annual financial statements for the year ended 31 December 2022.

In the current interim period, the Group has applied the following amendments to HKFRSs issued by the HKICPA, for the first time, which are mandatorily effective for the annual period beginning on or after 1 January 2023 for the preparation of the Group’s condensed consolidated financial statements:

- HKFRS 17 (including the October 2020 and February 2022 Amendments to HKFRS 17) Insurance Contracts
- Amendments to HKAS 1 and HKFRS Practice Statement 2 Disclosure of Accounting Policies
- Amendments to HKAS 8 Definition of Accounting Estimates
- Amendments to HKAS 12 Deferred Tax related to Assets and Liabilities arising from a Single Transaction
- Amendments to HKAS 12 International Tax reform — Pillar Two Model Rules

The application of amendments to HKFRSs in the current period has had no material effect on the Group’s financial performance and positions for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

Notes to the Condensed Consolidated Financial Statements

FOR THE SIX MONTHS ENDED 30 JUNE 2023

3. SEGMENT REPORTING

Operating segments are identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker in order to allocate resources to segments and to assess their performance.

The Group is principally engaged in the sales and distribution of mobile phones and related products in Hong Kong. The executive directors of the Company, being the chief operating decision maker (“CODM”) for the purposes of resource allocation and performance assessment focuses mainly on revenue analysis by brand. As no other discrete financial information other than the consolidated revenue and consolidated profit of the Group are provided to CODM, no segment information is presented other than entity-wide disclosures.

4. REVENUE

Revenue represents the net amount received and receivable for goods sold arising from the distribution and retail sales of mobile phones and related products.

Notes to the Condensed Consolidated Financial Statements

FOR THE SIX MONTHS ENDED 30 JUNE 2023

5. PROFIT BEFORE TAX

	Six months ended	
	30 June	30 June
	2023	2022
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
<hr/>		
Profit before tax has been arrived at after charging and (crediting):		
Cost of inventories recognised as an expense (including write-down of inventories of HK\$107,000 (2022 interim: write-back of HK\$3,622,000))	652,662	680,875
Reversal of impairment losses under expected credit loss model	–	(47)
Impairment losses under expected credit loss model	53	–
Depreciation of property, plant and equipment	388	389
Depreciation of right-of-use assets	1,218	1,218
Dividend income	(217)	(160)
Exchange loss, net	357	475
Interest expense on bank borrowing	–	9
Interest expense on lease liabilities	13	38
Government subsidy income from Employment Support Scheme provided by the Hong Kong Government	–	(352)
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Notes to the Condensed Consolidated Financial Statements

FOR THE SIX MONTHS ENDED 30 JUNE 2023

6. INCOME TAX EXPENSE

	Six months ended	
	30 June	30 June
	2023	2022
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Hong Kong Profits Tax		
Current period	1,556	824

The Hong Kong profits tax is calculated at 8.25% on the first HK\$2 million of the estimated assessable profits and at 16.5% on the estimated assessable profits above the HK\$2 million for the qualified entity.

7. EARNINGS PER SHARE

The calculation of basic and diluted earnings per share is based on the Group's profit of HK\$4,726,000 (six months ended 30 June 2022: HK\$8,927,000) and the number of ordinary shares calculated below.

	Six months ended	
	30 June	30 June
	2023	2022
	'000 shares	'000 shares
	(unaudited)	(unaudited)
Number of ordinary shares for the purpose of basic and diluted earnings per share	280,000	280,000

The computation of diluted earnings per share for the six months ended 30 June 2023 did not assume the exercise of share options of the Company as those options were lapsed on 30 June 2023. The computation of diluted earnings per share for the six months ended 30 June 2022 did not assume the exercise of share options of the Company as the exercise prices of those options were higher than the average market prices of the Company for the periods.

Notes to the Condensed Consolidated Financial Statements

FOR THE SIX MONTHS ENDED 30 JUNE 2023

8. DIVIDENDS

Dividend recognized as distribution during the six months ended 30 June 2023 represented final dividend payable in respect of the year ended 31 December 2022 of 2 HK cents per share, total HK\$5,600,000. There was no dividend distributed during the six months ended 30 June 2022.

The Directors do not recommend the payment of interim dividend for the six months ended 30 June 2023.

9. MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT

During the period, the Group spent approximately HK\$82,000 (six months ended 30 June 2022: HK\$58,000) on the addition of property, plant and equipment.

10. EQUITY INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	30 June 2023 HK\$'000 (unaudited)	31 December 2022 HK\$'000 (audited)
Listed investments at fair value:		
Equity securities listed overseas	2,512	2,333
Equity securities listed in Hong Kong	8,410	8,394
Total	10,922	10,727

The fair values are determined based on the quoted market bid prices available on the relevant exchange.

Notes to the Condensed Consolidated Financial Statements

FOR THE SIX MONTHS ENDED 30 JUNE 2023

11. TRADE AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

Included in trade and other receivables, deposits and prepayments are trade receivables of HK\$25,332,000 (31 December 2022: HK\$18,674,000). The following is an aged analysis of trade receivables presented based on the invoice date at end of each reporting period.

	30 June 2023 HK\$'000 (unaudited)	31 December 2022 HK\$'000 (audited)
Within 30 days	21,674	15,400
31 to 60 days	3,229	2,919
61 to 90 days	350	355
91 to 120 days	72	–
Over 120 days	7	–
Total trade receivables	25,332	18,674

The Group maintains a defined credit policy. Before accepting any new customers, the Group assesses the potential customer's credit quality and defines credit limits by customers. Limits granted to customers are reviewed periodically. For sales of goods, the Group allows an average credit period of 30 days to its trade customers. No interest is charged on overdue debts.

Notes to the Condensed Consolidated Financial Statements

FOR THE SIX MONTHS ENDED 30 JUNE 2023

12. TRADE PAYABLES, OTHER PAYABLES AND ACCRUALS

Included in trade payables, other payables and accruals are trade payables of HK\$35,425,000 (31 December 2022: HK\$28,523,000). The average credit period on purchase of goods is 30 days. The following is an aged analysis of the trade payables presented based on the invoice date at end of each reporting period.

	30 June 2023 HK\$'000 (unaudited)	31 December 2022 HK\$'000 (audited)
Within 30 days	29,417	22,355
31 to 90 days	46	222
91 to 120 days	17	1
Over 120 days	5,945	5,945
Total trade payable	35,425	28,523

13. SHARE CAPITAL

	Number of ordinary shares of HK\$0.10 each	Nominal value HK\$'000
Authorised	500,000,000	50,000
Issued and fully paid		
At 1 January 2022 (audited), 30 June 2022 (unaudited), 31 December 2022 (audited) and 30 June 2023 (unaudited)	280,000,000	28,000

Notes to the Condensed Consolidated Financial Statements

FOR THE SIX MONTHS ENDED 30 JUNE 2023

14. SHARE-BASED PAYMENTS

Pursuant to the SiS Mobile Share Option Scheme adopted by the Company on 16 December 2014, the Company may grant options to qualified persons, including employees and directors of the Company, its subsidiaries and associates, and third parties with a view to maintain business relationship with such persons to subscribe for shares of the Company.

Share options were granted by the Company on 25 June 2015. No options were granted, exercised or forfeited, and all options were lapsed at 30 June 2023.

Grantee	Outstanding number of share options
Directors	6,390,000
Employees and others	1,200,000
	<hr/>
At 31 December 2022 (audited)	7,590,000
Less: Lapsed as at 30 June 2023	(7,590,000)
	<hr/>
At 30 June 2023 (unaudited)	–

15. RELATED PARTY TRANSACTIONS

During the six month ended 30 June 2023, the Group paid rent of HK\$1,415,000 (six months ended 30 June 2022: HK\$1,442,000) in respect of office and warehouse space from a subsidiary of the immediate holding company of the Group. The Group recorded a right-of-use asset of HK\$609,000 (31 December 2022: HK\$1,827,000) and a lease liability of \$637,000 as at 30 June 2023 (31 December 2022: HK\$1,878,000).

The remuneration paid or payable to the Directors who are considered to be the key management personnel for the six months ended 30 June 2023 was HK\$3,050,000 (six months ended 30 June 2022: HK\$3,077,000).

Interim Dividend

The Directors do not recommend the payment of an interim dividend for the six months ended 30 June 2023 (six months ended 30 June 2022: Nil).

Management Discussion and Analysis

LIQUIDITY AND FINANCIAL RESOURCES

As at 30 June 2023, the Group had total assets of HK\$208,564,000 which were financed by total equity of HK\$157,884,000 and total liabilities of HK\$50,680,000. The Group had current ratio of approximately 3.9 compared to that of approximately 4.0 at 31 December 2022.

As at 30 June 2023, the Group had HK\$100,709,000 (31 December 2022: HK\$86,122,000) bank balances and cash. The Group's working capital requirements were mainly financed by internal resources and bank borrowing.

The Group maintained a healthy liquidity position. As at 30 June 2023, the Group had a net cash surplus of HK\$100,709,000 (31 December 2022: HK\$86,122,000). There was no bank borrowing as at 30 June 2023 (31 December 2022: Nil).

CHARGES ON GROUP ASSETS

There was no pledged asset as at 30 June 2023 (31 December 2022: Nil).

NUMBER AND REMUNERATION OF EMPLOYEES, REMUNERATION POLICIES AND BONUS

The number of staff of the Group as at 30 June 2023 was 50 (30 June 2022: 46) and the salaries and other benefits paid and payable to employees, excluding Directors' emoluments, amounted to HK\$7,537,000 (30 June 2022: HK\$8,822,000). In addition to the contributory provident fund and medical insurance, discretionary bonus is awarded to employees according to performance appraisals. The Group's salary and discretionary bonus system is reviewed annually. There are no significant changes in staff remuneration policies from last year.

Management Discussion and Analysis

SIGNIFICANT INVESTMENTS

The listed securities held by the Group are held for long term investment purpose and had a 2% increase during the six months ended 30 June 2023. The fair value gain HK\$195,000 was accounted for in other comprehensive income. During the interim period 2023, there was no addition or disposal to the portfolio and the Group received dividend income of HK\$217,000 (interim 2022: HK\$160,000).

Stock code	Stock name	No. of shares	Fair Value (HK\$'000)	% to total assets	Fair value gain/(loss) credited/ (charged) to inv. reserve during 2023 (HK\$'000)
NTNX.US	Nutanix Inc.	11,480	2,512	1.2%	180
1299.HK	AIA Group Limited	25,000	1,977	1.0%	(193)
939.HK	China Construction Bank, Inc.	300,000	1,521	0.7%	54
11.HK	Hang Seng Bank Limited	15,000	1,672	0.8%	(275)
6823.HK	HKT Limited	100,000	911	0.4%	(46)
5.HK	HSBC Holdings plc	38,178	2,329	1.1%	475
			10,922	5.2%	195

Management Discussion and Analysis

CURRENCY RISK MANAGEMENT

Certain purchase of goods, other receivables and bank balances of the Group are denominated in United States Dollar (US\$), the currency other than the functional currencies of the relevant group entities. As Hong Kong Dollars are pegged to US\$, the management of the Group does not expect that there would be any material currency risk exposure between these two currencies. The Group currently does not have currency hedging policy. However, the management monitors the currency fluctuation exposure and will consider hedging significant currency risk exposure should the need arise.

The Group did not have any derivatives financial instrument outstanding as at 30 June 2023 (31 December 2022: Nil).

CONTINGENT LIABILITIES

At 30 June 2023, the Group did not have any material contingent liabilities or guarantees (31 December 2022: Nil).

Other Information

DIRECTORS' INTERESTS IN SHARES

At 30 June 2023, the interests of the Directors and their associates, in the shares of the Company and its associated corporations, as recorded in the register maintained by the Company pursuant to Section 352 of the Securities and Futures Ordinance ("SFO"), or as otherwise notified to the Company and the HKSE pursuant to the Model Code for Securities Transactions by Directors of Listed Companies, were as follows:

(i) Long positions in ordinary shares of HK\$0.10 each of the Company

Name of Director	Personal Interests	Family Interests	Joint Interests <i>(Note 1)</i>	Corporate interests <i>(Notes 2 and 3)</i>	Total number of issued ordinary shares held	Percentage of the issued share capital of the Company
Lim Kia Hong	1,846,754	128,000	–	203,607,467	205,582,221	73.42%
Lim Kiah Meng	1,729,024	80,000	170,880	203,607,467	205,587,371	73.42%
Lim Hwee Hai	1,065,984	1,145,330	–	–	2,211,314	0.79%

Notes:

- (1) Shares are jointly held by Mr. Lim Kiah Meng and his spouse.
- (2) 146,442,667 shares are registered in the name of SIS International Holdings Limited ("SIS International"). It is owned as to approximately 50.5% by Gold Sceptre Limited.
- (3) Gold Sceptre Limited holds 44,915,200 shares and Kelderman Limited, Valley Tiger Limited and Swan River Limited each holds 4,083,200 shares in the issued share capital of the Company. Mr. Lim Kiah Meng and his spouse and Mr. Lim Kia Hong and his spouse together own 40.5% and 39.5%, respectively of the issued share capital of Summertown Limited which owns the entire issued share capital of each of the above-mentioned companies.

Other Information

DIRECTORS' INTERESTS IN SHARES (*cont'd*)

(ii) Share options

Directors of the Company and their associates had interest in share options under the Company's share option scheme, detail of which are set out in "Share Options" below.

(iii) Long positions in the shares and underlying shares of associated corporation of the Company

Ordinary share of HK\$0.10 each of SiS International, which is listed on the Main Board of the HKSE (Stock Code: 00529).

Name of Director	Personal Interests	Family Interests	Joint Interests (Note 1)	Corporate interests (Note 2)	Total number of issued ordinary shares held	Percentage of the issued share capital of SiS International
Lim Kia Hong	6,933,108	400,000	-	178,640,000	185,973,108	66.90%
Lim Kiah Meng	5,403,200	250,000	534,000	178,640,000	184,827,200	66.49%
Lim Hwee Hai	4,493,200	4,751,158	-	-	9,244,358	3.33%
Chu Chung Yi	1,662,000	-	-	-	1,662,000	0.60%

Notes:

- (1) 534,000 shares are jointly held by Mr. Lim Kiah Meng and his spouse.
- (2) Gold Sceptre Limited holds 140,360,000 shares and Kelderman Limited, Valley Tiger Limited and Swan River Limited each holds 12,760,000 shares in the issued share capital of SiS International. Mr. Lim Kiah Meng and his spouse and Mr. Lim Kia Hong and his spouse together own 40.5% and 39.5%, respectively of the issued share capital of Summertown Limited which owns the entire issued share capital of each of the above-mentioned companies.

Other Information

DIRECTORS' INTERESTS IN SHARES (cont'd)

(iv) Share options of SiS International, an associated corporation of the Company

Date of grant	Vesting period	Exercisable period	Exercise price HK\$	No. of share options of SiS International
				Outstanding at 31 December 2022 (audited) and 30 June 2023 (unaudited)
Directors and their associates:				
Lim Kia Hong				
26.06.2015	27.06.2015–31.12.2015	01.01.2016–26.06.2025	4.47	50,000
26.06.2015	27.06.2015–31.12.2016	01.01.2017–26.06.2025	4.47	50,000
26.06.2015	27.06.2015–31.12.2017	01.01.2018–26.06.2025	4.47	50,000
Lim Hwee Hai (Note)				
26.06.2015	27.06.2015–31.12.2015	01.01.2016–26.06.2025	4.47	100,000
26.06.2015	27.06.2015–31.12.2016	01.01.2017–26.06.2025	4.47	100,000
26.06.2015	27.06.2015–31.12.2017	01.01.2018–26.06.2025	4.47	100,000
Lim Kiah Meng				
26.06.2015	27.06.2015–31.12.2015	01.01.2016–26.06.2025	4.47	50,000
26.06.2015	27.06.2015–31.12.2016	01.01.2017–26.06.2025	4.47	50,000
26.06.2015	27.06.2015–31.12.2017	01.01.2018–26.06.2025	4.47	50,000
Wong Yi Ting				
26.06.2015	27.06.2015–31.12.2015	01.01.2016–26.06.2025	4.47	20,000
26.06.2015	27.06.2015–31.12.2016	01.01.2017–26.06.2025	4.47	20,000
26.06.2015	27.06.2015–31.12.2017	01.01.2018–26.06.2025	4.47	20,000
				660,000

Note: Mr. Lim Hwee Hai's interest in the share options of the Company includes the deemed interest in his spouse under the SFO.

Other Information

SHARE OPTIONS

For details of the Company's share option scheme, please refer to page 29 in the 2022 annual report.

The following table discloses movements in Company's share options during the period:

Date of grant	Vesting period	Exercisable period	Exercise price HK\$	No. of share options		
				Outstanding at 31 December 2022 (audited)	Lapsed	Outstanding at 30 June 2023 (unaudited)
Directors and their associates:						
Lim Kia Hong						
25.06.2015	26.06.2015–31.12.2015	01.01.2016–30.06.2023	2.36	400,000	(400,000)	–
25.06.2015	26.06.2015–31.12.2016	01.01.2017–30.06.2023	2.36	400,000	(400,000)	–
25.06.2015	26.06.2015–31.12.2017	01.01.2018–30.06.2023	2.36	400,000	(400,000)	–
Lim Hwee Hai (Note)						
25.06.2015	26.06.2015–31.12.2015	01.01.2016–30.06.2023	2.36	600,000	(600,000)	–
25.06.2015	26.06.2015–31.12.2016	01.01.2017–30.06.2023	2.36	600,000	(600,000)	–
25.06.2015	26.06.2015–31.12.2017	01.01.2018–30.06.2023	2.36	600,000	(600,000)	–
Lim Kiah Meng						
25.06.2015	26.06.2015–31.12.2015	01.01.2016–30.06.2023	2.36	400,000	(400,000)	–
25.06.2015	26.06.2015–31.12.2016	01.01.2017–30.06.2023	2.36	400,000	(400,000)	–
25.06.2015	26.06.2015–31.12.2017	01.01.2018–30.06.2023	2.36	400,000	(400,000)	–
Fong Po Kiu						
25.06.2015	26.06.2015–31.12.2015	01.01.2016–30.06.2023	2.36	300,000	(300,000)	–
25.06.2015	26.06.2015–31.12.2016	01.01.2017–30.06.2023	2.36	300,000	(300,000)	–
25.06.2015	26.06.2015–31.12.2017	01.01.2018–30.06.2023	2.36	300,000	(300,000)	–
Wong Yi Ting						
25.06.2015	26.06.2015–31.12.2015	01.01.2016–30.06.2023	2.36	150,000	(150,000)	–
25.06.2015	26.06.2015–31.12.2016	01.01.2017–30.06.2023	2.36	150,000	(150,000)	–
25.06.2015	26.06.2015–31.12.2017	01.01.2018–30.06.2023	2.36	150,000	(150,000)	–

Note: Mr. Lim Hwee Hai's interest in the share options of the Company includes the deemed interest in his spouse under the SFO.

Other Information

SHARE OPTIONS (*cont'd*)

Date of grant	Vesting period	Exercisable period	Exercise price HK\$	No. of share options		
				Outstanding at 31 December 2022 (audited)	Lapsed	Outstanding at 30 June 2023 (unaudited)
Chu Chung Yi						
25.06.2015	26.06.2015–31.12.2015	01.01.2016–30.06.2023	2.36	93,333	(93,333)	–
25.06.2015	26.06.2015–31.12.2016	01.01.2017–30.06.2023	2.36	93,333	(93,333)	–
25.06.2015	26.06.2015–31.12.2017	01.01.2018–30.06.2023	2.36	93,334	(93,334)	–
Ng See Wai Rowena (resigned on 31 December 2022)						
25.06.2015	26.06.2015–31.12.2015	01.01.2016–30.06.2023	2.36	93,333	(93,333)	–
25.06.2015	26.06.2015–31.12.2016	01.01.2017–30.06.2023	2.36	93,333	(93,333)	–
25.06.2015	26.06.2015–31.12.2017	01.01.2018–30.06.2023	2.36	93,334	(93,334)	–
Doe Julianne Pearl						
25.06.2015	26.06.2015–31.12.2015	01.01.2016–30.06.2023	2.36	93,333	(93,333)	–
25.06.2015	26.06.2015–31.12.2016	01.01.2017–30.06.2023	2.36	93,333	(93,333)	–
25.06.2015	26.06.2015–31.12.2017	01.01.2018–30.06.2023	2.36	93,334	(93,334)	–
Total directors and their associates				6,390,000	(6,390,000)	–
Employees and other qualified persons						
25.06.2015	26.06.2015–31.12.2015	01.01.2016–30.06.2023	2.36	400,000	(400,000)	–
25.06.2015	26.06.2015–31.12.2016	01.01.2017–30.06.2023	2.36	400,000	(400,000)	–
25.06.2015	26.06.2015–31.12.2017	01.01.2018–30.06.2023	2.36	400,000	(400,000)	–
Total employees and other qualified persons				1,200,000	(1,200,000)	–
Total number of share options				7,590,000	(7,590,000)	–

Other than disclosed above, no share options were granted, exercised or forfeited during the reporting period.

Other Information

SUBSTANTIAL SHAREHOLDERS

As at 30 June 2023, the register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO shows that other than the interests disclosed above in respect of certain directors and the chief executive, the following shareholders had notified the Company of relevant interests and long positions in the issued share capital of the Company.

Long positions in ordinary shares of HK\$0.10 each of the Company

Name of Shareholder	Corporate interests (Note)	Approximate% of issued share capital of the Company
Summertown Ltd	203,607,467	72.72%
Gold Sceptre Limited	191,357,867	68.34%
SiS International Holdings Limited	146,442,667	52.30%

Note: 146,442,667 shares are registered in the name of SiS International. SiS International is owned as to approximately 50.5% by Gold Sceptre Limited. Gold Sceptre Limited holds 44,915,200 shares and Kelderman Limited, Valley Tiger Limited and Swan River Limited each holds 4,083,200 shares in the issued share capital of the Company. Mr. Lim Kiah Meng and his spouse and Mr. Lim Kia Hong and his spouse together own 40.5% and 39.5%, respectively of the issued share capital of Summertown Limited which owns the entire issued share capital of each of the above-mentioned companies.

Other than disclosed above, the Company has not been notified of any other relevant interests or short positions in the issued share capital of the Company as at 30 June 2023.

CORPORATE GOVERNANCE

The Company has adopted the Corporate Governance Code (the “Code”) as set out in Appendix 14 of the Rules Governing the Listing of Securities on the HKSE (the “Listing Rules”). Throughout the period ended 30 June 2023, the Company has complied with the code provision under the Code.

Other Information

MODEL CODE

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”) as set out in Appendix 10 of the Listing Rules as the code of conduct for Directors in their dealings in securities of the Company. Having made specific enquiry of all directors, all directors confirmed they have complied with the Model Code.

AUDIT COMMITTEE

The Audit Committee comprises all independent non-executive Directors. The Audit Committee has reviewed the Company’s condensed consolidated financial statements for the six months ended 30 June 2023, including the accounting principles and practices adopted by the Company.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any subsidiaries has purchased, sold or redeemed any of the Company’s listed securities during the period ended 30 June 2023.

On behalf of the Board of
SiS Mobile Holdings Limited

Lim Kiah Meng

Director

Hong Kong, 24 August 2023