



SiS International Holdings Limited

(Incorporated in Bermuda with limited liability)

(Stock Code: 00529)

INTERIM REPORT 2024



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CORPORATE INFORMATION

DIRECTORS

Executive Directors:

Lim Kiah Meng (*Chairman and Chief Executive Officer*)

Lim Hwee Hai (*Vice chairman*)

Lim Hwee Noi

Lim Kia Hong (*Deceased on 12 August 2024*)

Independent Non-executive Directors:

Ma Shiu Sun Michael

Ng See Wai Rowena

Tan Song Ping

COMPANY SECRETARY

Chiu Lai Chun Rhoda

REGISTERED OFFICE

Victoria Place, 5th Floor

31 Victoria Street

Hamilton HM 10

Bermuda

PRINCIPAL PLACE OF BUSINESS

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Hong Kong

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STOCK CODE

00529

INVESTOR RELATIONS

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AUDITORS

Deloitte Touche Tohmatsu

(*Registered Public Interest Entity Auditor*)

PRINCIPAL BANKERS

Bank of Ayudhya Public Company Limited

DBS Bank Ltd.

Hang Seng Bank Limited

The Hongkong and Shanghai Banking

Corporation Limited

Kasikornbank Public Company Limited

Krungthai Bank Public Company Limited

MUFG Bank, Ltd.

OCBC Bank

Siam Commercial Bank Public Company Limited

Sumitomo Mitsui Banking Corporation

The Tokyo Star Bank, Limited

TMBThanachart Bank Public Company Limited

United Overseas Bank Limited

PRINCIPAL SHARE REGISTRARS AND TRANSFER OFFICE

MUFG Fund Services (Bermuda) Limited

4th Floor North, Cedar House

41 Cedar Avenue

Hamilton HM 12

Bermuda

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Secretaries Limited

17/F, Far East Finance Centre

16 Harcourt Road

Hong Kong

MESSAGE FROM THE CHAIRMAN AND CEO

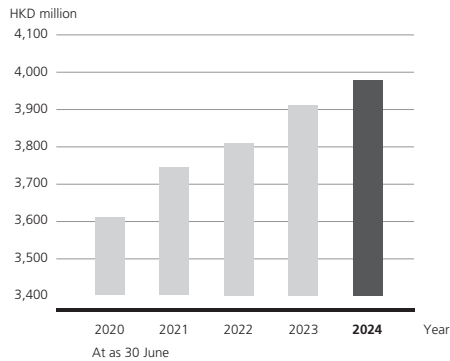
Dear Shareholders,

I am delighted to present the Group's financial results for the six-month period ending on June 30, 2024.

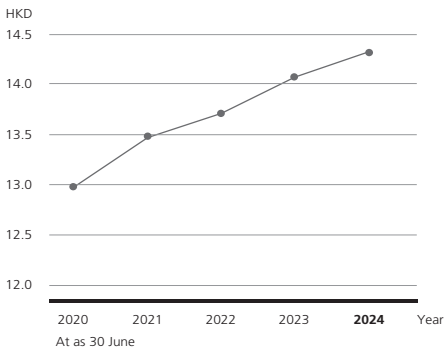
Financial Performance

In comparison to the corresponding period last year, our net profit has shown a surge of 37%, reaching HK\$71,022,000 while our revenue experienced a decline to HK\$3,906,365,000. The decline reflects the challenges posed by the current market environment. The remarkable growth in net profit can be attributed to the rebound in the hospitality industry, and better investment environment.

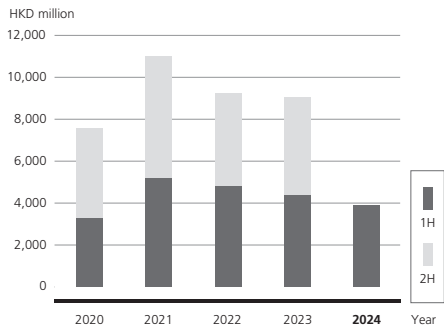
Total equity



Net assets value per share



Revenue



MESSAGE FROM THE CHAIRMAN AND CEO (Con'd)

BUSINESS REVIEW

Despite challenges such as persistently high interest rates, depreciation of currencies in Asia and slower economic recovery, our Group has demonstrated resilience and adaptability, positioning ourselves for sustained performance.

Distribution Business

The depreciation of Thai Baht against Hong Kong Dollars, combined with the effects of continued sluggish consumer market, affected consumer spending in both Thailand and Hong Kong. Our distribution business experienced a contraction in revenue by 11% as compared to the same period last year to reach HK\$3,752,163,000 for the interim period. On the other hand, our segment profit experienced an increase of 4% to HK\$113,970,000 for the period ended 30 June 2024. This was attributed to expanding and increasing the sales of value-added products with higher margins. The majority of these were surveillance and cloud IT products and services that are catered for enterprise customers.

Real Estate Investment Business

Revenue from real estate business remained stable, with growth in Japan's hospitality section reflecting the resumption of tourism in the sector. However, a 12% weakening of the Japanese Yen impacted our Hong Kong Dollars reporting.

The total fair valuation of our property portfolio reported a decrease of HK\$55,419,000, compared with the fair value loss of HK\$13,115,000 for the corresponding period. This mainly resulted from the fair value loss of HK\$90,315,000 from properties in Hong Kong, while there was a fair value gain of HK\$34,896,000 from properties in Japan.

Segment results from operations in Japan became positive while challenging conditions in the office space and commercial property rental market in Hong Kong led to a decrease in the region.

Investment in IT, Securities and other Business

The resurgence of our investment portfolio within the US stock market has yielded a segment profit of HK\$62,659,000 when compared with the segment profit of HK\$29,767,000 during the same period in the previous year.

Our associate company, IT Consultants Limited in Bangladesh, with a significant presence in electronic payment system services has contributed HK\$2,713,000 with a 16% growth when compared with same period in the previous year.

MESSAGE FROM THE CHAIRMAN AND CEO (Con'd)

Assets Management

The performance of SiS Cloud Global Tech Fund 8 is encouraging, given its focus on key segments such as cloud computing, Software as a Service (SaaS), cyber security, and artificial intelligence (AI). Despite some holdings still being in the growth stage, the value of several of our portfolio companies has increased. SPAC companies held by SiS SPAC investment fund had De-SPAC to materialize during the period, resulting in a positive contribution to its investors.

PROSPECT

Our directors are actively exploring new investment opportunities while focusing on expanding our distribution business and optimizing our real estate portfolio. With strong fundamentals and a solid balance sheet, we are well-equipped to execute strategies that drive growth. Through continued collaboration and effective management, we are committed to delivering sustained long-term growth and value.

APPRECIATION

On behalf of the Board, I express sincere gratitude to our staff, customers, vendors, business partners, banks, and shareholders for their unwavering commitment and dedication. Their support, combined with the efforts of the senior management team, has enabled us to conduct business effectively in this dynamic environment.

Lastly, I want to convey our condolences to the family of Mr. Lim Kia Hong, our former Chairman and CEO of SiS Group. His invaluable contributions to SiS Group will always be remembered, and we are profoundly grateful for his dedication.

Lim Kiah Meng

Chairman and Chief Executive Officer

29 August 2024

The directors (the "Directors") of SiS International 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 2024 together with comparative figures for the corresponding period in 2023. The interim financial statements have been reviewed by the Company's auditor and audit committee.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

FOR THE SIX MONTHS ENDED 30 JUNE 2024

	NOTES	Six months ended	
		30 June 2024 HK\$'000 (unaudited)	30 June 2023 HK\$'000 (unaudited)
Revenue	3	3,906,365	4,371,945
Cost of sales		<u>(3,555,876)</u>	<u>(4,082,249)</u>
Gross profit		350,489	289,696
Other income		25,610	18,824
Other gains and losses, net	4	(16,272)	(11,591)
Selling and distribution expenses		(138,122)	(117,396)
Administrative expenses		(112,953)	(73,389)
Gain from changes in fair value of financial instruments at fair value through profit or loss ("FVTPL")		60,472	28,484
Net loss from changes in fair value of investment properties		(55,419)	(13,115)
Reversal of (impairment losses) under expected credit loss model, net of reversal		8,463	(14,775)
Share of results of associates		2,713	2,340
Finance costs		<u>(35,885)</u>	<u>(36,791)</u>
Profit before tax		89,096	72,287
Income tax expense	5	<u>(18,074)</u>	<u>(20,468)</u>
Profit for the period	6	<u><u>71,022</u></u>	<u><u>51,819</u></u>
Profit for the period attributable to:			
Owners of the Company		33,371	20,380
Non-controlling interests		<u>37,651</u>	<u>31,439</u>
		<u><u>71,022</u></u>	<u><u>51,819</u></u>
EARNINGS PER SHARE	7		
— Basic (HK cents)		<u><u>12.01</u></u>	<u><u>7.33</u></u>
— Diluted (HK cents)		<u><u>12.01</u></u>	<u><u>7.33</u></u>

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 30 JUNE 2024

	Six months ended	
	30 June 2024 HK\$'000 (unaudited)	30 June 2023 HK\$'000 (unaudited)
Profit for the period	<u>71,022</u>	<u>51,819</u>
Other comprehensive income (expense):		
<i>Item that will not be reclassified to profit or loss</i>		
Fair value gain on equity instruments at fair value through other comprehensive income ("FVTOCI")	<u>6,127</u>	<u>1,464</u>
<i>Items that may be subsequently reclassified to profit or loss</i>		
Exchange differences arising on translation of foreign operations		
— Subsidiaries	<u>(107,708)</u>	<u>(51,917)</u>
— Associates	<u>(4,537)</u>	<u>(2,666)</u>
	<u>(112,245)</u>	<u>(54,583)</u>
Other comprehensive expense for the period	<u>(106,118)</u>	<u>(53,119)</u>
Total comprehensive expense for the period	<u>(35,096)</u>	<u>(1,300)</u>
Total comprehensive (expense) income for the period attributable to:		
Owners of the Company	<u>(48,544)</u>	<u>(26,172)</u>
Non-controlling interests	<u>13,448</u>	<u>24,872</u>
	<u>(35,096)</u>	<u>(1,300)</u>

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 30 JUNE 2024

	NOTES	30 June 2024 HK\$'000 (unaudited)	31 December 2023 HK\$'000 (audited)
Non-current Assets			
Investment properties	9	3,082,265	3,376,893
Property, plant and equipment	9	633,619	643,893
Right-of-use assets		31,375	38,823
Goodwill		126,406	126,406
Interests in associates		95,334	97,158
Financial instruments at FVTPL		393,336	330,571
Equity instruments at FVTOCI		43,774	38,367
Deferred tax assets		79,618	88,864
Other financial assets		3,741	4,265
Other assets		2,500	2,500
Trade receivables	10	20,941	46,614
		4,512,909	4,794,354
Current Assets			
Inventories		818,237	829,964
Trade and other receivables, deposits and prepayments	10	1,453,638	1,600,744
Amount due from an associate		257	276
Tax recoverable		1,743	3,718
Derivative financial instruments		369	—
Financial instruments at FVTPL		19,664	87,890
Pledged deposits		310,314	323,234
Cash and cash equivalents		1,041,833	961,129
		3,646,055	3,806,955
Current Liabilities			
Trade payables, other payables and accruals	11	1,071,978	1,018,635
Contract liabilities		22,461	14,956
Lease liabilities		17,944	19,079
Advance lease payments		1,213	1,253
Amount due to an associate		18	20
Derivative financial instruments		—	3,600
Dividend payable		5,559	—
Tax payable		17,764	31,243
Bank borrowings	12	1,889,672	2,394,193
Bonds		32,072	36,532
Rental deposits		10,897	11,660
		3,069,578	3,531,171
Net Current Assets		576,477	275,784
Total Assets less Current Liabilities		5,089,386	5,070,138

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Con'd)

AT 30 JUNE 2024

		30 June 2024	31 December 2023
	NOTES	HK\$'000 (unaudited)	HK\$'000 (audited)
Non-current Liabilities			
Lease liabilities		29,189	39,500
Advance lease payments		16,926	19,862
Bank borrowings	12	760,520	628,680
Bonds		93,616	106,632
Rental deposits		65,697	73,863
Deferred tax liabilities		124,486	129,996
Retirement benefits obligations		19,735	18,969
		<u>1,110,169</u>	<u>1,017,502</u>
Net Assets		<u>3,979,217</u>	<u>4,052,636</u>
Capital and Reserves			
Share capital	13	27,797	27,797
Share premium		73,400	73,400
Other reserves		(213,287)	(131,372)
Retained profits		3,473,272	3,445,460
		<u>3,361,182</u>	<u>3,415,285</u>
Equity attributable to owners of the Company		3,361,182	3,415,285
Non-controlling interests		618,035	637,351
		<u>3,979,217</u>	<u>4,052,636</u>
Total Equity		<u>3,979,217</u>	<u>4,052,636</u>

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE SIX MONTHS ENDED 30 JUNE 2024

	Attributable to owners of the Company										Non-controlling interests	Total
	Share capital	Share premium	Investments reserve	Translation reserve	Property revaluation reserve	Contributed surplus	Share options reserve	Other reserve	Retained profits	Total		
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000 (Note 1)	HK\$'000	HK\$'000 (Note 2)	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1 January 2023 (audited)	27,797	73,400	(42,290)	(111,443)	933	2,860	3,695	46,136	3,355,559	3,356,647	568,187	3,924,834
Profit for the period	—	—	—	—	—	—	—	—	20,380	20,380	31,439	51,819
Other comprehensive income (expense) for the period	—	—	1,371	(47,923)	—	—	—	—	—	(46,552)	(6,567)	(53,119)
Total comprehensive income (expense) for the period	—	—	1,371	(47,923)	—	—	—	—	20,380	(26,172)	24,872	(1,300)
Contribution from non-controlling interests	—	—	—	—	—	—	—	—	—	—	33,645	33,645
Transfer upon lapse of share options	—	—	—	—	—	—	(198)	—	3,794	3,596	(3,596)	—
Dividend recognised as distribution (note 8)	—	—	—	—	—	—	—	—	(5,559)	(5,559)	—	(5,559)
Dividend paid to non-controlling interests	—	—	—	—	—	—	—	—	—	—	(40,121)	(40,121)
At 30 June 2023 (unaudited)	27,797	73,400	(40,919)	(159,366)	933	2,860	3,497	46,136	3,374,174	3,328,512	582,987	3,911,499

	Attributable to owners of the Company										Non-controlling interests	Total
	Share capital	Share premium	Investments reserve	Translation reserve	Property revaluation reserve	Contributed surplus	Share options reserve	Other reserve	Retained profits	Total		
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000 (Note 1)	HK\$'000	HK\$'000 (Note 2)	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1 January 2024 (audited)	27,797	73,400	(52,309)	(132,291)	933	2,860	3,299	46,136	3,445,460	3,415,285	637,351	4,052,636
Profit for the period	—	—	—	—	—	—	—	—	33,371	33,371	37,651	71,022
Other comprehensive income (expense) for the period	—	—	5,618	(87,533)	—	—	—	—	—	(81,915)	(24,203)	(106,118)
Total comprehensive income (expense) for the period	—	—	5,618	(87,533)	—	—	—	—	33,371	(48,544)	13,448	(35,096)
Dividend recognised as distribution (note 8)	—	—	—	—	—	—	—	—	(5,559)	(5,559)	—	(5,559)
Dividend paid to non-controlling interests	—	—	—	—	—	—	—	—	—	—	(32,764)	(32,764)
At 30 June 2024 (unaudited)	27,797	73,400	(46,691)	(219,824)	933	2,860	3,299	46,136	3,473,272	3,361,182	618,035	3,979,217

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (Cont'd)

FOR THE SIX MONTHS ENDED 30 JUNE 2024

Notes:

1. *Contributed surplus represents the excess of the nominal value of the shares of the acquired subsidiaries over the nominal value of the Company's shares issued for the acquisition upon the Group reorganisation in preparation for the listing of the Company's shares on The Stock Exchange of Hong Kong Limited in the year 1992.*
2. *Other reserve represents a) the difference between the fair value of the consideration (net of transaction costs) and the carrying amount of the reduction in the Company's interest in SiS Mobile Holdings Limited ("SiS Mobile"), arising from the listing of SiS Mobile's shares on The Stock Exchange of Hong Kong Limited on 15 January 2015, amounted to a debit of HK\$17,558,000; b) the difference by which the non-controlling interests were adjusted and the consideration (net of transaction costs and capital gain tax) in relation to the disposal of partial interest of the Company's interest in SiS Distribution (Thailand) Public Company Limited ("SiS Thai"), whose shares are listed on The Stock Exchange of Thailand, amounted to a credit of HK\$56,057,000. On 25 June 2021, the Group disposed 10,000,000 ordinary shares of SiS Thai, its non-wholly owned subsidiary, to independent third parties, at a consideration of HK\$89,583,000. The percentage of shareholding in such subsidiary decreased from 63.53% to 60.77% as a consequence. The difference between the consideration received, (net of capital gain tax of HK\$14,534,000), the non-controlling interests adjusted of HK\$19,088,000 and the adjustment to translation reserve of HK\$96,000 (debit), amounted to HK\$56,057,000, has been credited and accumulated under "other reserve"; and c) the difference between the fair value of the consideration (net of transaction costs) and the carrying amount of the increment in the Company's interest in Tokutei Mokuteki Kaisha SSG23 on 21 December 2022, amounted to a credit of HK\$7,637,000.*

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE SIX MONTHS ENDED 30 JUNE 2024

	Six months ended	
	30 June 2024 HK\$'000 (unaudited)	30 June 2023 HK\$'000 (unaudited)
Net cash from operating activities	250,710	104,294
Investing activities		
Acquisition of investment properties	(5,014)	(1,575)
Purchase of property, plant and equipment	(51,081)	(9,753)
Proceeds from disposal of property, plant and equipment	48	71
Proceeds from disposal of financial instruments at FVTPL	88,371	—
Purchase of financial instruments at FVTPL	(24,636)	(14,962)
Deposit received for disposal of hotel property	—	13,747
Other investing cash flows	38,940	13,753
Net cash from investing activities	46,628	1,281
Financing activities		
Dividend paid to non-controlling interests	(32,764)	(40,121)
Interest paid	(35,885)	(35,536)
Contribution from non-controlling interests	—	33,645
New bank borrowings raised	2,077,302	2,212,965
Repayments of bank borrowings	(2,179,737)	(2,120,192)
New bonds raised	101	5,634
Repayments of bonds	—	(58,000)
Repayments of lease liabilities	(9,496)	(9,029)
Net cash used in financing activities	(180,479)	(10,634)
Net increase in cash and cash equivalents	116,859	94,941
Cash and cash equivalents at 1 January	961,129	862,086
Effect of foreign exchange rate changes	(36,155)	(28,640)
Cash and cash equivalents at 30 June, represented by bank balances and cash	1,041,833	928,387

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED 30 JUNE 2024

1. BASIS OF PREPARATION

The condensed consolidated financial statements of SiS International Holdings Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) have been prepared in accordance with Hong Kong Accounting Standard 34 (“HKAS 34”) *“Interim Financial Reporting”* issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) as well as the applicable disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

2. PRINCIPAL ACCOUNTING POLICIES

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

Other than additional accounting policies resulting from application of amendments to Hong Kong Financial Reporting Standards (“HKFRS”), the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2024 are the same as those presented in the Group’s annual consolidated financial statements for the year ended 31 December 2023.

Application of amendments to HKFRSs

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 Group’s annual periods beginning on 1 January 2024 for the preparation of the Group’s condensed consolidated financial statements:

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

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

3. REVENUE AND SEGMENT INFORMATION

Disaggregation of revenue from contracts with customers

	For the six months ended 30 June 2024			For the six months ended 30 June 2023		
	Distribution of mobile and IT products	Hotels operations	Total	Distribution of mobile and IT products	Hotels operations	Total
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Types of goods or service						
Distribution of mobile and IT products						
Mobile products	866,754	—	866,754	1,013,506	—	1,013,506
IT products	2,858,127	—	2,858,127	3,180,478	—	3,180,478
	<u>3,724,881</u>	<u>—</u>	<u>3,724,881</u>	<u>4,193,984</u>	<u>—</u>	<u>4,193,984</u>
Commission income	<u>27,282</u>	<u>—</u>	<u>27,282</u>	<u>24,129</u>	<u>—</u>	<u>24,129</u>
Hotel Operations						
Room revenue	—	60,614	60,614	—	44,856	44,856
Food and beverage	—	25,170	25,170	—	24,391	24,391
	<u>—</u>	<u>85,784</u>	<u>85,784</u>	<u>—</u>	<u>69,247</u>	<u>69,247</u>
Revenue from contracts with customers	<u>3,752,163</u>	<u>85,784</u>	<u>3,837,947</u>	<u>4,218,113</u>	<u>69,247</u>	<u>4,287,360</u>
Leasing of investment properties			68,418			84,585
Total revenue			<u>3,906,365</u>			<u>4,371,945</u>
Geographical market						
Hong Kong	787,286	—	787,286	995,699	—	995,699
Thailand	2,964,877	—	2,964,877	3,222,414	—	3,222,414
Japan	—	85,784	85,784	—	69,247	69,247
	<u>—</u>	<u>85,784</u>	<u>85,784</u>	<u>—</u>	<u>69,247</u>	<u>69,247</u>
Total before leasing of investment properties	<u>3,752,163</u>	<u>85,784</u>	<u>3,837,947</u>	<u>4,218,113</u>	<u>69,247</u>	<u>4,287,360</u>
Timing of revenue recognition						
At a point in time	3,752,163	25,170	3,777,333	4,218,113	24,391	4,242,504
Over time	—	60,614	60,614	—	44,856	44,856
	<u>—</u>	<u>60,614</u>	<u>60,614</u>	<u>—</u>	<u>44,856</u>	<u>44,856</u>
Total before leasing of investment properties	<u>3,752,163</u>	<u>85,784</u>	<u>3,837,947</u>	<u>4,218,113</u>	<u>69,247</u>	<u>4,287,360</u>

3. REVENUE AND SEGMENT INFORMATION (Cont'd)

Segment information

The following is an analysis of the Group's revenue and results by reportable and operating segments:

	Distribution of mobile and IT products		Property investment and hotel operation		Securities investment	Consolidated
	Hong Kong HK\$'000	Thailand HK\$'000	Japan HK\$'000	Other regions HK\$'000	HK\$'000	HK\$'000
For the six months ended 30 June 2024						
<i>Segment revenue</i>						
— Revenue from contracts with customers	787,286	2,964,877	85,784	—	—	3,837,947
— Leasing of investment properties	—	—	57,200	11,218	—	68,418
External sales	<u>787,286</u>	<u>2,964,877</u>	<u>142,984</u>	<u>11,218</u>	<u>—</u>	<u>3,906,365</u>
<i>Segment profit (loss)</i>	<u>11,233</u>	<u>102,737</u>	<u>46,660</u>	<u>(80,347)</u>	<u>62,659</u>	142,942
Share of results of associates						2,713
Finance costs						(35,885)
Other unallocated income						12,930
Unallocated corporate expenses						(33,604)
Profit before tax						<u>89,096</u>

3. REVENUE AND SEGMENT INFORMATION (Cont'd)

Segment information (Cont'd)

	Distribution of mobile and IT products		Property investment and hotel operation		Securities investment	Consolidated
	Hong Kong HK\$'000	Thailand HK\$'000	Japan HK\$'000	Other regions HK\$'000	HK\$'000	HK\$'000
For the six months ended 30 June 2023						
<i>Segment revenue</i>						
— Revenue from contracts with customers	995,699	3,222,414	69,247	—	—	4,287,360
— Leasing of investment properties	—	—	72,032	12,553	—	84,585
External sales	<u>995,699</u>	<u>3,222,414</u>	<u>141,279</u>	<u>12,553</u>	<u>—</u>	<u>4,371,945</u>
<i>Segment profit (loss)</i>	<u>9,336</u>	<u>99,959</u>	<u>7,941</u>	<u>(20,574)</u>	<u>29,767</u>	126,429
Share of results of associates						2,340
Finance costs						(36,791)
Other unallocated income						9,183
Unallocated corporate expenses						(28,874)
Profit before tax						<u>72,287</u>

Segment profit (loss) reported to the chief operating decision makers for the purposes of resource allocation and performance assessment does not include unallocated corporate expenses, share of results of associates, other unallocated income and finance costs.

4. OTHER GAINS AND LOSSES, NET

	Six months ended	
	30 June 2024 HK\$'000	30 June 2023 HK\$'000
Exchange loss, net	(20,088)	(26,573)
Gain on disposal of property, plant and equipment	32	34
Gain from changes in fair value of derivative financial instruments	<u>3,784</u>	<u>14,948</u>
	<u>(16,272)</u>	<u>(11,591)</u>

5. INCOME TAX EXPENSE

	Six months ended	
	30 June 2024	30 June 2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
<hr/>		
The charge (credit) comprises:		
Hong Kong Profits Tax		
Current period	<u>1,309</u>	<u>1,556</u>
Overseas Tax		
Current period	15,710	27,554
Underprovision in prior periods	341	66
Withholding tax on declared dividend income	<u>645</u>	<u>721</u>
	<u>16,696</u>	<u>28,341</u>
Deferred taxation	<u>69</u>	<u>(9,429)</u>
Income tax expense for the period	<u><u>18,074</u></u>	<u><u>20,468</u></u>

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both periods.

Corporate Tax in Thailand is calculated at 20% of the estimated assessable profit for both periods.

Corporate Tax in Japan is calculated at 23.2% on the estimated assessable profit for both periods. Pursuant to relevant laws and regulation in Japan, withholding tax is imposed at 20.42% and 5% on dividends paid to local investors and foreign investors, respectively, in respect of profit earned by Japanese subsidiaries.

Other overseas taxation is calculated at the rates prevailing in the respective jurisdictions.

6. PROFIT FOR THE PERIOD

	Six months ended	
	30 June	30 June
	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
Profit for the period has been arrived at after charging (crediting):		
Cost of inventories recognised as an expense	3,469,434	3,962,593
Depreciation of property, plant and equipment	17,173	17,899
Depreciation of right-of-use assets	7,346	7,005
Share of tax of associates (included in share of results of associates)	325	106
(Reversal) write-down of inventories (included in cost of sales)	(5,821)	4,005
Interest income on bank deposits	<u>(17,254)</u>	<u>(10,970)</u>

7. EARNINGS PER SHARE

The calculation of both basic and diluted earnings per share is based on the Group's profit attributable to owners of the Company of HK\$33,371,000 (for the six months ended 30 June 2023: HK\$20,380,000) and the number of ordinary shares calculated below.

	Six months ended	
	30 June	30 June
	2024	2023
Weighted average number of ordinary shares for the purpose of basic and diluted earnings per share	<u>277,966,666</u>	<u>277,966,666</u>

The computation of diluted earnings per share for the six months ended 30 June 2024 did not assume the exercise of all share options of the Company as the exercise prices of those options were higher than the average market prices of the shares of the Company for the both periods.

8. DIVIDENDS

	Six months ended	
	30 June 2024 <i>HK\$'000</i>	30 June 2023 <i>HK\$'000</i>
Final dividend, payable in respect of the year ended 31 December 2023 of 2.0 HK cents per share (for the six months ended 30 June 2023: 2.0 HK cents per share in respect of the year ended 31 December 2022)	5,559	5,559

The Directors do not recommend the payment of interim dividend for the six months ended 30 June 2024.

9. MOVEMENTS IN INVESTMENT PROPERTIES AND PROPERTY, PLANT AND EQUIPMENT

The Group's investment properties falls under level 3 of the fair value hierarchy as at 30 June 2024.

For Hong Kong and Japan investment properties, the valuations were arrived at on the basis of valuations carried out on that date by management of the Company using the income approach by capitalising the net income from the existing tenancies and reversionary income potential at appropriate capitalisation rates. For Hong Kong investment properties, the resulting decrease in fair value of these investment properties of HK\$90,315,000 (for the six months ended 30 June 2023: HK\$30,500,000) has been recognised in the profit or loss for the current period. For Japan investment properties, the resulting increase in fair value of these investment properties of HK\$34,896,000 (for the six months ended 30 June 2023: HK\$18,425,000) has been recognised in the profit or loss for the current period.

For Singapore and Thailand investment properties, they were fair valued by the management by reference to comparable market transactions as available in the relevant market. Appropriate adjustments have been made to reflect the difference in market conditions and characteristics of each property such as location, size, view, age and etc. There has been no change from the valuation techniques used in the prior year. For Singapore investment properties, no significant changes in fair value for the current period (for the six months ended 30 June 2023: decrease in fair value of these investment properties of HK\$1,040,000) has been recognised in the profit or loss. No significant changes in fair value for Thailand investment properties for both periods.

9. MOVEMENTS IN INVESTMENT PROPERTIES AND PROPERTY, PLANT AND EQUIPMENT (Cont'd)

During the current interim period, the Group spent approximately HK\$51,081,000 (for the six months ended 30 June 2023: HK\$9,753,000) and HK\$5,014,000 (for the six months ended 30 June 2023: HK\$1,575,000) on the addition of property, plant and equipment and investment properties respectively.

10. TRADE AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

Included in trade and other receivables, deposits and prepayments are trade receivables and lease receivables of HK\$1,238,032,000 and HK\$25,309,000, respectively (31 December 2023: HK\$1,413,459,000 and HK\$19,533,000 respectively).

The following is an analysis of trade receivables and lease receivables by age, net of allowance for credit losses, presented based on the invoice date for trade receivables and demand note date for lease receivables:

	30 June 2024 <i>HK\$'000</i>	31 December 2023 <i>HK\$'000</i>
Within 30 days	571,999	605,812
31 to 90 days	414,273	519,817
91 to 120 days	33,860	63,493
Over 120 days	<u>243,209</u>	<u>243,870</u>
	<u><u>1,263,341</u></u>	<u><u>1,432,992</u></u>

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 sale of goods, the Group usually allows credit period range from 30 to 90 days to its trade customers. No credit period is granted to the customers for renting of properties. Rent is payable on presentation of a demand note. No interest is charged on overdue debts.

11. TRADE PAYABLES, OTHER PAYABLES AND ACCRUALS

Included in trade payables, other payables and accruals are trade payables of HK\$690,827,000 (31 December 2023: HK\$605,203,000). The following is an analysis of trade payables by age, presented based on the invoice date.

	30 June 2024 <i>HK\$'000</i>	31 December 2023 <i>HK\$'000</i>
Within 30 days	539,413	490,263
31 to 90 days	132,733	104,394
91 to 120 days	2,921	1,368
Over 120 days	15,760	9,178
	<u>690,827</u>	<u>605,203</u>

The average credit period on purchase of goods is 30 to 60 days. The Group has policies in place to ensure that all payables are paid within the credit time frame.

12. BANK BORROWINGS

During the current interim period, the Group repaid bank borrowings of HK\$2,179,737,000 (for the six months ended 30 June 2023: HK\$2,120,192,000) and obtained new bank borrowings amounting to HK\$2,077,302,000 (for the six months ended 30 June 2023: HK\$2,212,965,000).

The bank borrowings with repayment on demand clause amounted to HK\$306,731,000 (31 December 2023: HK\$309,740,000) of which non-current portion of HK\$62,191,000 (31 December 2023: HK\$63,013,000) was included in current liabilities.

13. SHARE CAPITAL

	No. of ordinary shares of HK\$0.10 each	Nominal value <i>HK\$'000</i>
Authorised	<u>350,000,000</u>	<u>35,000</u>
Issued and fully paid		
At 1 January 2023, 30 June 2023, 31 December 2023 and 30 June 2024	<u>277,966,666</u>	<u>27,797</u>

14. SHARE-BASED PAYMENTS

A new share option scheme was adopted by the Company on 26 May 2017 (the "New Scheme"), while the old share option scheme adopted by the Company on 21 May 2007 had expired on 20 May 2017 (the "Old Scheme"). The Old Scheme and New scheme are collectively referred as SiS International Share Option Scheme (the "SiS International Share Option Scheme"). Pursuant to the SiS International Share Option Scheme, 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.

Grantee	Outstanding at 1 January 2024 and 30 June 2024
Directors	750,000
Employees and others	<u>1,260,000</u>
	<u><u>2,010,000</u></u>

Other than disclosed above, no options were granted, exercised, lapsed or forfeited during the six months ended 30 June 2024 and 30 June 2023.

15. PLEDGE OF ASSETS

At the end of the reporting period,

- (a) the Group's investment properties with carrying amounts of HK\$2,993,303,000 (31 December 2023: HK\$3,272,114,000) and property, plant and equipment with carrying amounts of HK\$555,188,000 (31 December 2023: HK\$557,663,000) were under legal charge to secure general banking facilities available to the Group;
- (b) bank deposits of HK\$310,314,000 (31 December 2023: HK\$323,234,000) were pledged to secure bank loans; and
- (c) certain shares of subsidiaries have been pledged to the banks as at 30 June 2024 and 31 December 2023 to secure several banking facilities available to the Group.

Restriction on assets

Included in lease liabilities, there are HK\$47,133,000 (31 December 2023: HK\$58,579,000) which are recognised with related right-of-use assets of HK\$31,375,000 (31 December 2023: HK\$38,823,000) as at 30 June 2024. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor and the relevant leased assets may not be used as security for borrowing purposes.

16. RELATED PARTY TRANSACTIONS

- (a) During the current interim period, the Group did not have transactions with associates.
- (b) Remuneration paid or payable to the Directors who are considered to be the key management personnel for the six months ended 30 June 2024 was HK\$8,434,000 (for the six months ended 30 June 2023: HK\$7,854,000).

17. CAPITAL COMMITMENTS

	30 June 2024 <i>HK\$'000</i>	31 December 2023 <i>HK\$'000</i>
Capital expenditure contracted for but not provided in the condensed consolidated financial statements in respect of:		
— Refurbishment of investment properties	<u>2,405</u>	<u>5,892</u>

18. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS**(i) Fair value of the Group's financial assets that are measured at fair value on a recurring basis**

Certain of the Group's financial assets are measured at fair value at the end of each reporting period. The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to 3 based on the degree to which the fair value is observable. These financial assets are determined (in particular, the valuation techniques and inputs used), as well as the level of fair value hierarchy into which fair value measurements are categorised (Level 1 to 3) based on the degree to which the inputs to the fair measurement is observable.

- Level 1 fair value measurements are those derived from quoted prices in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

18. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (Cont'd)

(i) Fair value of the Group's financial assets that are measured at fair value on a recurring basis (Cont'd)

Financial assets (liabilities)	Fair value as at		Fair value hierarchy	Valuation technique(s) and key input(s)
	30.06.2024 <i>HK\$'000</i>	31.12.2023 <i>HK\$'000</i>		
1. Listed equity securities classified as financial instruments at FVTPL	300,184	327,898	Level 1	Quoted bid prices in active markets.
2. Unquoted equity investments classified as financial instruments at FVTPL	12,779	11,256	Level 2	Recent transaction prices of the investments.
	76,339	58,263	Level 3	The fair value is measured based on the sharing percentage of net assets value. Discount of 0.7%–7.4% (31 December 2023: 0.7%–7.4%) for market calibration of investment-transaction multiple and by reference to the share price of listed entities in similar industries (<i>Note 2</i>).
	15,843	13,073	Level 3	Market approach. The fair value is measured based on option pricing method and equity allocation.
3. Unquoted bond investment classified as debt instruments at FVTPL	7,855	7,971	Level 2	Recent transaction prices of the investments.
4. Listed equity securities classified as equity instruments at FVTOCI	25,665	20,095	Level 1	Quoted bid prices in active markets.

18. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (Cont'd)

(i) Fair value of the Group's financial assets that are measured at fair value on a recurring basis (Cont'd)

Financial assets (liabilities)	Fair value as at		Fair value hierarchy	Valuation technique(s) and key input(s)
	30.06.2024	31.12.2023		
	HK\$'000	HK\$'000		
5. Unquoted equity investments classified as equity instruments at FVTOCI	5,880	6,043	Level 3	Income approach. The discount cash flow method was used to capture the present value of the expected future economic benefits to be derived from the ownership, based on an appropriate discount rate (<i>Note 1</i>).
	12,229	12,229	Level 3	The fair value is measured based on the sharing percentage of net assets value. Discount of 0.7% (31 December 2023: 0.7%) for market calibration of investment-transaction multiple and by reference to the share price of listed entities in similar industries (<i>Note 2</i>).
6. Foreign currency forward contracts classified as derivative financial instruments	Assets 369	Liabilities 3,600	Level 2	Discounted cash flow: Future cash flows are estimated based on quoted forward exchange rates, which is observable at the end of period.

Note 1: An increase in the discount for lack of marketability or discount rate would result in a decrease in the fair value measurement of unquoted equity investment, and vice versa.

Note 2: An increase in the discount for market calibration of investment-transaction multiple would result in a decrease in the fair value measurement of unquoted equity investment, and vice versa.

18. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (Cont'd)

- (i) Fair value of the Group's financial assets that are measured at fair value on a recurring basis (Cont'd)

Reconciliation of Level 3 fair value measurements

	Financial assets at FVTOCI <i>HK\$'000</i>
At 1 January 2023	12,327
Disposal	(98)
At 30 June 2023	<u>12,229</u>
At 1 January 2024	89,608
Gain from changes in fair value	5,752
Purchased	3,838
Transfer into level 3	11,256
Exchange realignment	(163)
At 30 June 2024	<u>110,291</u>

Other than mentioned above, there were no other transfers between Level 1, 2 and 3 during both periods presented.

- (ii) **Fair value of the Group's financial assets and financial liabilities that are not measured at fair value on a recurring basis**

The fair value of other financial assets and financial liabilities is determined in accordance with generally accepted pricing model based on discounted cash flow analysis. The directors of the Company consider that the carrying amounts of financial assets and financial liabilities recorded at amortised cost in the condensed consolidated financial statements approximate to their fair value.

The directors of the Company consider that the carrying amounts of long-term borrowing and bonds approximate to their fair value as they are carried at variable market interest rates.

INTERIM DIVIDEND

The Directors do not recommend the payment of interim dividend for the six months ended 30 June 2024 (six months ended 30 June 2023: Nil).

FINANCIAL REVIEW AND ANALYSIS

Liquidity and Financial Resources

As at 30 June 2024, the Group had total assets of HK\$8,158,964,000 which were financed by total equity of HK\$3,979,217,000 and total liabilities of HK\$4,179,747,000. The Group had current ratio of approximately 1.19 compared to that of approximately 1.08 at 31 December 2023.

As at 30 June 2024, the Group had bank deposits balances and cash of HK\$1,352,147,000 (31 December 2023: HK\$1,284,363,000), out of which HK\$310,314,000 (31 December 2023: HK\$323,234,000) were pledged to banks to secure bank borrowings. The Group's working capital requirements were mainly financed by internal resources, bank borrowings and bonds. As at 30 June 2024, the Group had short term borrowings and bonds of HK\$1,921,744,000 (31 December 2023: HK\$2,430,725,000) and long term borrowings and bonds of HK\$854,136,000 (31 December 2023: HK\$735,312,000). The borrowings were mainly denominated in Japanese Yen, United States Dollars, Thai Baht and Hong Kong Dollars and were charged by banks at floating interest rate.

As at 30 June 2024, the Group had net cash deficit (total bank borrowings and bonds less bank balances and cash and pledged bank deposits) of HK\$1,423,733,000 (31 December 2023: HK\$1,881,674,000).

Gearing ratio, as defined by total bank borrowings and bonds to total equity as at 30 June 2024 was 70% (31 December 2023: 78%).

Charges on Group Assets

As at 30 June 2024, the Group had pledged bank deposits of HK\$310,314,000 (31 December 2023: HK\$323,234,000), investment properties with carrying values of HK\$2,993,303,000 (31 December 2023: HK\$3,272,114,000) and property, plant and equipment with carrying value of HK\$555,188,000 (31 December 2023: HK\$557,663,000) were pledged to banks to secure general banking facilities granted to the Group for purchase of investment properties and working capital. Certain shares of subsidiaries have been pledged to the banks as at 30 June 2024 and 31 December 2023 to secure several banking facilities available to the Group.

FINANCIAL REVIEW AND ANALYSIS (Cont'd)

Number and Remuneration of Employees, Remuneration Policies, Bonus and Share Option Schemes

The number of staff of the Group as at 30 June 2024 was 1,193 (30 June 2023: 1,168) and the salaries and other benefits paid and payable to employees, excluding Directors' emoluments, amounted to HK\$146,615,000 (30 June 2023: HK\$101,520,000). In addition to the contributory provident fund and medical insurance, the Company adopts share option scheme and may grant shares to eligible employees of the Group. In Thailand, an employee joint investment program (the "EJIP") has been adopted and our listed subsidiary has started contribution to the program. The Directors believe that the Company's share option schemes and the EJIP could motivate and retain employees in the long term and therefore increase employees' productivity and contribution to the Group. During the six months period ended 30 June 2024, no share options have been exercised. The Group's remuneration policy is to relate performance with compensation. The Group's salary and discretionary bonus system is reviewed annually. There are no significant changes in staff remuneration policies from last year.

Currency Risk Management

Certain purchase of goods of the Group are dominated in United States Dollars and Renminbi. Certain bank balances are dominated in United States Dollars, Australian Dollars, Singapore Dollars, Japanese Yen and Renminbi, while certain bank borrowings are dominated in United States Dollars and Japanese Yen. These currencies are other functional currencies of the relevant group entities. Except for a few foreign currency forward contracts, the Group currently does not have comprehensive currency hedging policy. However, the management monitors the currency fluctuation exposure and will consider hedging significant currency risk exposure should the need arise.

Capital Expenditure

During the period, the Group spent approximately HK\$51,081,000 (six months ended 30 June 2023: HK\$9,753,000) and HK\$5,014,000 (six months ended 30 June 2023: HK\$1,575,000) on addition of property, plant and equipment and investment properties respectively.

OTHER INFORMATION

Directors' Interests in Shares

At 30 June 2024, 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 Stock Exchange of Hong Kong Limited ("HKEX") 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 (Note 1)	Corporate interests (Note 2)	Total	Percentage
					number of issued ordinary shares held	of the issued share capital of the Company
Lim Kia Hong (deceased)	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 (Note 3)	4,545,200	4,751,158	—	—	9,296,358	3.34%
Lim Hwee Noi (Note 3)	4,751,158	4,545,200	—	—	9,296,358	3.34%

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 the Company. Mr. Lim Kiah Meng and his spouse and the late Mr. Lim Kia Hong and his spouse together own 41.33% and 40.30%, respectively of the issued share capital of Summertown Limited which owns the entire issued share capital of each of the above-mentioned companies.
- (3) 4,545,200 shares and 4,751,158 shares are beneficially owned by Mr. Lim Hwee Hai and Madam Lim Hwee Noi respectively. Mr. Lim and Madam Lim are spouse, so they have deemed interest in their spouse's shares under the SFO.

(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.

OTHER INFORMATION (Cont'd)**Directors' Interests in Shares (Cont'd)****(iii) Long positions in the shares and underlying shares of subsidiaries of the Company**

- (a) Ordinary share of HK\$0.10 each of SiS Mobile Holdings Limited ("SiS Mobile"), which is listed on the Main Board of the HKEX (Stock Code: 1362)

Name of Director	Personal interests	Family interests	Joint interests	Corporate interests	Total	Percentage
					number of issued ordinary shares held	of the issued share capital of SiS Mobile
			(Note 1)	(Note 2 and 3)		
Lim Kia Hong (deceased)	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 (Note 4)	1,065,984	1,145,330	—	—	2,211,314	0.79%
Lim Hwee Noi (Note 4)	1,145,330	1,065,984	—	—	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. It is owned as to approximately 50.50% 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 SiS Mobile. Mr. Lim Kiah Meng and his spouse and the late Mr. Lim Kia Hong and his spouse together own 41.33% and 40.30%, respectively of the issued share capital of Summertown Limited which owns the entire issued share capital of each of the above-mentioned companies.
- (4) 1,065,984 shares and 1,145,330 shares are beneficially owned by Mr. Lim Hwee Hai and Madam Lim Hwee Noi respectively. Mr. Lim and Madam Lim are spouse, so they have deemed interest in their spouse's shares under the SFO.

OTHER INFORMATION (Cont'd)**Directors' Interests in Shares (Cont'd)****(iii) Long positions in the shares and underlying shares of subsidiaries of the Company (Cont'd)**

- (b) Ordinary share of Baht 1 each of SiS Distribution (Thailand) Public Company Limited ("SiS Thai"), which is listed in the Stock Exchange of Thailand

Name of Director	Personal interests	Corporate interests (Note)	Total number of issued ordinary shares held	Approximate % of issued share capital of SiS Thai
Lim Kia Hong (deceased)	241,875	214,510,470	214,752,345	60.84%

Note: The Company indirectly holds 214,510,470 ordinary shares of the issued capital of SiS Thai. As disclosed in (i) above, the late Mr. Lim Kia Hong and his family has total interest of 66.90% in the Company, therefore Mr. Lim has deemed corporate interest in SiS Thai under the SFO.

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

- Ordinary share of 10 Taka each of IT Consultants PLC. ("ITCL"), which is incorporated in Bangladesh, and is listed in The Dhaka Stock Exchange and The Chittagong Stock Exchange.

Name of Director	Corporate interests (Note)	Approximate % of issued share capital of ITCL
Lim Kiah Meng	59,210,840	46.05%

Note: A related corporation which is jointly owned by Mr. Lim Kiah Meng and his spouse hold 10,863,862 ordinary shares in ITCL, while the Company indirectly holds 48,346,978 ordinary shares. As disclosed in (i) above, Mr. Lim Kiah Meng and his family has total interest of 66.49% in the Company, therefore Mr. Lim has deemed corporate interest of 48,346,978 in ITCL under the SFO.

Other than as disclosed above, none of the Directors, nor their associates, had any interests or short positions in any shares and underlying shares or debentures of the Company or any of its associated corporations at 30 June 2024.

OTHER INFORMATION (Cont'd)**Share Options**

For details of the Company's share option scheme, please refer to note 37 to the consolidated financial statement and pages 42 to 44 in the 2023 annual report.

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

Date of grant	Vesting period	Exercisable period	Exercise price HK\$	Number of outstanding share option at 1 January 2024 and 30 June 2024
Directors and their associates:				
Lim Kia Hong (deceased)				
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 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
Lim Hwee Hai				
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 Noi				
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
Ma Shiu Sun Michael				
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
Total directors and their associates				750,000
Employees and other qualified persons:				
26.06.2015	27.06.2015–31.12.2015	01.01.2016–26.06.2025	4.47	420,000
26.06.2015	27.06.2015–31.12.2016	01.01.2017–26.06.2025	4.47	420,000
26.06.2015	27.06.2015–31.12.2017	01.01.2018–26.06.2025	4.47	420,000
Total employees and other qualified persons				1,260,000
Total number of share options				2,010,000

Other than disclosed above, no share options were granted, exercised, lapsed or forfeited during the six months ended 30 June 2024.

OTHER INFORMATION (Cont'd)

Substantial Shareholders

As at 30 June 2024, 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	Personal interests	Family interests (Note 1)	Corporate interests (Note 2)	Total number of issued ordinary shares held	Percentage of
					the issued share capital of the Company
Yeo Seng Chong	1,248,000	1,220,000	12,146,000	14,614,000	5.26%
Lim Mee Hwa	1,220,000	1,248,000	12,146,000	14,614,000	5.26%

Notes:

- (1) Mr. Yeo Seng Chong and Madam Lim Mee Hwa are spouse so they have deemed interest in their spouse's shares under the SFO.
- (2) Mr. Yeo Seng Chong and Madam Lim Mee Hwa each have 50% direct interest in a corporation which holds the shares of the Company as an investment manager.

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

Corporate Governance

The Company has complied with the Code of Corporate Governance Practices (the "Code") as set out in Appendix C1 of the Rules Governing the Listing of Securities on HKEX (the "Listing Rules") throughout the period ended 30 June 2024, except for the Code B.2.2 and C.2.1 as disclosed in page 11 of the Group's 2023 annual report under the Corporate Governance section.

OTHER INFORMATION (Cont'd)**Model Code**

The Company has adopted a code of conduct regarding securities transactions by Directors on terms no less exacting than the required standard set out in Appendix C3 to the Listing Rules (the "Model Code"). Having made specific enquiry of all Directors, all Directors confirmed they have complied with the required standard set out in the Model Code and the code of conduct adopted by the Company.

Audit Committee

The Audit Committee comprises all independent non-executive Directors. The Audit Committee has reviewed the Company's interim report for the six months ended 30 June 2024, including the accounting policies and practices adopted by the Company, in conjunction with the Company's auditors.

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 six months ended 30 June 2024.

On behalf of the Board of
SiS International Holdings Limited

LIM Kiah Meng

Chairman and Chief Executive Officer

Hong Kong, 29 August 2024