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SiS MOBILE HOLDINGS LIMITED

新龍移動集團有限公司*

(Incorporated in Cayman Islands with limited liability)

(Stock Code: 1362)

FINAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2025

The directors (the “Directors”) of SiS Mobile Holdings Limited (the “Company”) are pleased to announce that the audited consolidated results of the Company and its subsidiaries (the “Group”) for the year ended 31 December 2025 together with comparative figures for the corresponding year in 2024 which are set out as follow:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2025

	Notes	2025 HK\$'000	2024 HK\$'000
Revenue	4	1,453,774	1,717,242
Cost of sales		<u>(1,405,732)</u>	<u>(1,663,214)</u>
Gross profit		48,042	54,028
Other income		1,580	2,855
Other gains and losses, net	5	407	(390)
Selling and distribution expenses		(17,247)	(19,433)
Administrative expenses		(24,315)	(25,103)
Finance costs		<u>(525)</u>	<u>(484)</u>
Profit before tax	6	7,942	11,473
Income tax expense	7	<u>(1,308)</u>	<u>(1,656)</u>
Profit for the year		<u><u>6,634</u></u>	<u><u>9,817</u></u>
Other comprehensive income			
<i>Item that will not be reclassified to profit or loss</i>			
Fair value gain on investments in equity instruments at fair value through other comprehensive income		<u>2,942</u>	<u>2,047</u>
Total comprehensive income attributable to owners of the Company		<u><u>9,576</u></u>	<u><u>11,864</u></u>

* For identification purposes only

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (Continued)
FOR THE YEAR ENDED 31 DECEMBER 2025

	Note	2025 HK Cents	2024 HK Cents
Earnings per share			
– Basic	9	<u>2.37</u>	<u>3.51</u>
– Diluted	9	<u>N/A</u>	<u>N/A</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AT 31 DECEMBER 2025

	Notes	2025 HK\$'000	2024 HK\$'000
Non-current Assets			
Property, plant and equipment		201	282
Right-of-use assets		3,673	9,902
Equity instruments at fair value through other comprehensive income		17,059	14,117
Rental deposit		<u>681</u>	<u>1,099</u>
		<u>21,614</u>	<u>25,400</u>
Current Assets			
Inventories		33,371	15,231
Trade and other receivables, deposits and prepayments	10	61,646	82,670
Tax recoverable		-	312
Cash and cash equivalents		<u>97,914</u>	<u>81,042</u>
		<u>192,931</u>	<u>179,255</u>
Current Liabilities			
Trade payables, other payables and accruals	11	32,322	23,127
Contract liabilities		652	101
Lease liabilities		2,370	4,388
Tax payable		<u>1,029</u>	<u>-</u>
		<u>36,373</u>	<u>27,616</u>
Net Current Assets		<u>156,558</u>	<u>151,639</u>
Total Assets less Current Liabilities		<u>178,172</u>	<u>177,039</u>
Non-current Liability			
Lease liabilities		<u>1,816</u>	<u>6,059</u>
Net Assets		<u>176,356</u>	<u>170,980</u>
Capital and Reserves			
Share capital	12	28,000	28,000
Reserves		<u>148,356</u>	<u>142,980</u>
Equity attributable to owners of the Company and total equity		<u>176,356</u>	<u>170,980</u>

Notes:

1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands under the Companies Law as an exempted company with limited liability on 4 July 2014. The Company's immediate holding company is SiS International Holdings Limited, a company incorporated in Bermuda with its shares listed on The Stock Exchange of Hong Kong Limited (the "HKEX").

The Company is an investment holding company. The principal activities of its principal subsidiaries are sales and distribution of mobile phones and related products in Hong Kong.

2. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

The consolidated financial statements have been prepared in accordance with HKFRS Accounting Standard issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the HKEX and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost basis, except for certain financial instruments that are measured at fair value at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange of goods and services.

Amendments to HKFRS Accounting Standards that are mandatorily effective for the current year

The Group has applied the following amendments to an HKFRS Accounting Standard as issued by the HKICPA for the first time, which are mandatorily effective for the Group's annual periods beginning on 1 January 2025 for the preparation of the consolidated financial statements:

Amendments to HKAS 21	Lack of Exchangeability
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The application of the amendments to an HKFRS Accounting Standard in the current year has had no material impact on the Group's financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

New and amendments to HKFRS Accounting Standards in issue but not yet effective

The Group has not early applied the following new and amendments to HKFRS Accounting Standards that have been issued but are not yet effective:

Amendments to HKAS 21	Translation to a Hyperinflationary Presentation Currency ³
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments ²
Amendments to HKFRS 9 and HKFRS 7	Contracts Reference Nature-dependent Electricity ²
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ¹
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards - Volume 11 ²
HKFRS 18	Presentation and Disclosure in Financial Statements ³

2. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS *(Continued)*

¹ Effective for annual periods beginning on or after a date to be determined

² Effective for annual periods beginning on or after 1 January 2026

³ Effective for annual periods beginning on or after 1 January 2027

HKFRS 18 replaces HKAS 1 *Presentation of Financial Statements*. It requires retrospective application with specific transition provision. The application of the new standard is expected to affect the structure and presentation of the consolidated statement of profit or loss.

The directors of the Company anticipate that the application of all other amendments to HKFRS Accounting Standards will have no material impact on the consolidated financial statements in the foreseeable future.

3. SEGMENTAL REPORTING

Operating segments are identified based on internal reports regarding components of the Group that are regularly reviewed by the chief operating decision for the purpose of resource allocation and performance assessment.

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"), focuses mainly on revenue analysis by brand. As no other discrete financial information, apart from the consolidated revenue and consolidated profit of the Group, is provided to CODM, no segment information is presented other than entity-wide disclosures.

4. REVENUE

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

Disaggregation of revenue	2025	2024
	HK\$'000	HK\$'000
Distribution	1,414,359	1,711,439
Retail sales	39,415	5,803
	<u>1,453,774</u>	<u>1,717,242</u>

5. OTHER GAINS AND LOSSES, NET

	2025	2024
	HK\$'000	HK\$'000
Exchange gain (loss), net	18	(285)
Gain on lease modification	175	-
Impairment losses reversed (recognised) under ECL model, net	214	(105)
	<u>407</u>	<u>(390)</u>

6. PROFIT BEFORE TAX

Profit before tax has been arrived at after charging (crediting):

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Cost of inventories recognised as an expense (including write-down of inventories HK\$1,349,000 (2024: HK\$406,000))	1,405,732	1,663,214
Depreciation of property, plant and equipment	119	742
Depreciation of right-of-use assets	2,779	3,035
Dividend income from equity instruments at fair value through other comprehensive income	(544)	(583)
Interest income from bank deposits	(940)	(1,999)
	<u> </u>	<u> </u>

7. INCOME TAX EXPENSE

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Hong Kong		
Current year	1,359	1,631
(Over) under provision in prior year	(51)	25
	<u> </u>	<u> </u>
	<u>1,308</u>	<u>1,656</u>

Under the two-tiered profits tax rates regime, the first HK\$2 million of assessable profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%. Accordingly, the Hong Kong Profits Tax of the qualifying group entity 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 HK\$2 million.

8. DIVIDEND

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Dividend recognised as distribution during the year:		
2024 Final - HK1.5 cents (2024: 2023 Final - HK1.5 cents) per share	4,200	4,200
	<u> </u>	<u> </u>

Subsequent to the end of the reporting period, a final dividend in respect of the year ended 31 December 2025 of 1.0 HK cents per ordinary share, in an aggregate amount of HK\$2,800,000, has been proposed by the directors of the Company and is subject to approval by the shareholders in the forthcoming general meeting.

9. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share is based on the Group's profit attributable to owners of the Company of HK\$6,634,000 (2024: HK\$9,817,000) and the number of ordinary shares of 280,000,000 (2024: 280,000,000).

There were no dilutive potential ordinary shares during the year and therefore diluted earnings per share are not presented.

10. TRADE AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

Included in trade and other receivables, deposits and prepayments are trade receivables of HK\$23,093,000 (2024: HK\$25,418,000). The following is an analysis of trade receivables by age, net of allowance for credit losses of HK\$129,000 (2024: HK\$343,000), presented based on the invoice date for trade receivables at the end of each the reporting period.

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Within 30 days	20,333	19,254
31 to 60 days	1,029	3,596
61 to 90 days	117	2,568
Over 90 days	1,614	-
Total trade receivables	<u>23,093</u>	<u>25,418</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 sales of goods, the Group allows an average credit period of 30 days to its trade customers. 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\$23,968,000 (2024: HK\$11,785,000). The average credit period on purchase of goods is 15 to 45 days. The following is an aged analysis of the trade payables, based on the invoice date, at the end of each reporting period.

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Within 30 days	17,287	5,806
31 to 90 days	674	7
91 to 120 days	1	2
Over 120 days	6,006	5,970
Total trade payables	<u>23,968</u>	<u>11,785</u>

12. SHARE CAPITAL

	Number of ordinary shares of HK\$0.10 each	Nominal value <i>HK\$'000</i>
Authorised		
At 1 January 2024, 31 December 2024 and 2025	<u>500,000,000</u>	<u>50,000</u>
Issued and fully paid		
At 1 January 2024, 31 December 2024 and 2025	<u>280,000,000</u>	<u>28,000</u>

EVENTS AFTER THE REPORTING PERIOD

There is no significant event affecting the Group that has occurred since the end of the year up to the date of this announcement.

FINAL DIVIDEND

To reward loyal shareholders, the directors recommend a final dividend of 1.0 HK cents per share amounting to HK\$2,800,000 for the year ended 31 December 2025, payable to shareholders on the register of members on 7 July 2026. Subject to the approval of the shareholders at the forthcoming annual general meeting, the final dividend will be payable in cash on 14 July 2026.

CLOSE OF REGISTER OF MEMBERS

The register of members will be closed on 6 July and 7 July 2026, during which period no transfer of shares will be effected. In order to qualify for the proposed final dividend for the year ended 31 December 2025, all transfers accompanied by the relevant share certificates and transfer forms must be lodged with the Company's Branch Share Registrar in Hong Kong, Tricor Investor Services Limited, at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong, not later than 4:30 p.m. on 3 July 2026.

BUSINESS AND FINANCIAL REVIEW, PROSPECT AND ANALYSIS

The Group recorded a decrease in turnover by 15% during the year under review, resulting in a 32% decline in net profit to HK\$6,634,000. This reflects the challenging operating environment in Hong Kong, where consumer behavior has shifted significantly.

Business and Financial Review

In 2025, Hong Kong's consumer electronics market remained highly competitive and price-sensitive. Consumers demonstrated caution in discretionary spending, prioritizing value-for-money purchases and delaying upgrades of electronic devices. This trend was particularly evident in the notebook and smartphone segments, where replacement cycles lengthened.

At the same time, competition intensified with the influx of competitively priced products from Mainland China. Chinese manufacturers leveraged economies of scale, advanced supply chains, and aggressive pricing strategies to capture market share. Their offerings, often equipped with comparable or enhanced features at lower price points, placed additional pressure on margins for established brands in Hong Kong. These factors collectively exerted pressure on sales momentum and margins, leading to the contraction in profitability.

Prospect

The rapid evolution of artificial intelligence has intensified demand for storage chips, creating supply constraints that are expected to impact product availability and retail pricing in the foreseeable future. Despite these headwinds, the Group maintains a solid foundation, supported by an experienced management team and sound financial position. Looking forward, the Group will pursue a strategy focused on:

- **Product Innovation:** Identifying and introducing differentiated, high-quality products that meet evolving consumer preferences.
- **AI-Driven Demand:** Capitalizing on the emergence of AI-powered products, which are expected to drive a new wave of replacement demand. These devices, equipped with advanced processors and enhanced productivity features, are anticipated to encourage consumers to upgrade more frequently.
- **Competitive Positioning:** Strengthening efficiency and optimizing cost structures to remain competitive against lower-priced alternatives from different places.

The Board remains confident in the Group's prospects. By leveraging our strong base, disciplined management, and commitment to innovation, we are well-positioned to adapt to shifting market dynamics. The Group will continue to strengthen competitiveness, enhance efficiency, and pursue opportunities in emerging product categories such as AI-enabled products. With resilience and foresight, we aim to deliver sustainable growth and long-term value to shareholders

Liquidity and Financial Resources

As at 31 December 2025, the Group had total assets of HK\$214,545,000 which were financed by total equity of HK\$176,356,000 and total liabilities of HK\$38,189,000. The Group had current ratio of approximately 5.3 at 31 December 2025 compared to that of approximately 6.5 last year.

As at 31 December 2025 the Group had cash and cash equivalents of HK\$97,914,000 (31 December 2024: HK\$81,042,000). The Group's working capital requirements were mainly financed by internal resources and short-term borrowings. As at 31 December 2025 and 2024, the Group did not have any borrowings.

At the end of December 2025, the Group had net cash surplus of HK\$97,914,000 (31 December 2024: HK\$81,042,000).

Charges on Group Assets

There was no pledged asset as at 31 December 2025 (31 December 2024: Nil).

Significant Investments

The listed securities held by the Group are held for long-term investment purpose. There was no addition or disposal of investment during the year. As a result of market improvement in Hong Kong stock market, the portfolio recorded 21% increase in value during the year ended 31 December 2025. The fair value gain of HK\$2,942,000 (2024: HK\$2,047,000) was accounted for in other comprehensive income. No investment in an investee company with a value of 5% or more of the Group's total assets as at the year ended date. The Group received dividend income of HK\$544,000 during the year 2025 (2024: HK\$583,000).

Number and Remuneration of Employees, Remuneration Policies and Bonus

The number of staff of the Group as at 31 December 2025 was 54 (31 December 2024: 57) and the salaries and other benefits paid and payable to employees, excluding Directors' emoluments, amounted to HK\$20,448,000 (31 December 2024: HK\$22,361,000). In addition to the mandatory 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.

Currency Risk Management

Certain purchase of goods, other payables, 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.

Contingent Liabilities

At 31 December 2025, the Group did not have any contingent liabilities or guarantees (31 December 2024: Nil).

ENVIRONMENTAL, SOCIAL AND CORPORATE RESPONSIBILITY

As a responsible organization, the Group is committed to maintain high environmental and social standards to ensure sustainable development of its business. The Group has complied with all relevant laws and regulations in relation to its business including employment, workplace conditions, health and safety and the environment. The Group understands a better future depends on everyone's participation and contribution. It has encouraged employees and other stakeholders to participate in environmental and social activities which benefit the community as a whole.

The Group maintains strong relationship with its employees, has enhanced cooperation with its vendors and has provided high quality products and services to its customers and resellers so as to ensure sustainable development.

CORPORATE GOVERNANCE CODE

The Company has adopted the Corporate Governance Code (the "Code") as set out in Appendix C1 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "Listing Rules"). The Company has complied with the code provision under the Code.

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 C3 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 AND REVIEW OF FINAL RESULTS

The Audit Committee comprises all independent non-executive Directors. The Audit Committee has reviewed the Company's consolidated financial statements for the year ended 31 December 2025, including the accounting principles and practices adopted by the Company, in conjunction with the Company's auditors. The financial figures in this announcement of the Group's results for the year ended 31 December 2025 have been agreed by 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 year ended.

SUFFICIENCY OF PUBLIC FLOAT

Based on information that is publicly available to the Company and within the knowledge of the Directors as at the latest practicable date prior to the issue of this announcement, the Company has maintained sufficient public float of not less than 25% its shares in the hands of the public throughout the year ended 31 December 2025 and up to the date of this announcement.

PUBLICATION OF RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This results announcement is published on the Company's website at www.sismobile.com.hk and the website of the Stock Exchange at www.hkexnews.hk. The 2025 annual report of the Company will be dispatched to shareholders of the Company and published on the above-mentioned websites within April 2026.

APPRECIATION

On behalf of the Board, I would like to express sincere appreciation to our management and staff for their dedication and contributions during this challenging year. Their professionalism and commitment have been instrumental in sustaining the Group's resilience. I would also like to express gratitude to our customers, business partners and shareholders for their continued trust and support. Together, we will strive to overcome current challenges and achieve long-term success.

On behalf of the Board of
SiS Mobile Holdings Limited
LIM Kiah Meng
Chairman

Hong Kong, 19 March 2026

As at the date of this announcement, the directors of the Company are Mr. Lim Kiah Meng, Mr. Fong Po Kiu and Ms. Wong Yi Ting as executive directors, Mr. Lim Hwee Hai, Mr. Lim Ee Ray and Mr. Lim Yi Alex as non-executive directors and Ms. Chu Chung Yi, Mr. Cheng Tak Chung and Mr. Ma Shiu Sun Michael as independent non-executive directors.