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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 2024

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 2024 together with comparative figures for the corresponding year in 2023 which are set out as follow:

### CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2024

	Notes	2024 HK\$'000	2023 HK\$'000
Revenue	4	1,717,242	1,935,876
Cost of sales		<u>(1,663,214)</u>	<u>(1,888,015)</u>
Gross profit		54,028	47,861
Other income		2,855	871
Other losses, net	5	(390)	(859)
Selling and distribution expenses		(19,433)	(14,906)
Administrative expenses		(25,103)	(21,766)
Finance costs		<u>(484)</u>	<u>(194)</u>
Profit before tax	6	11,473	11,007
Income tax expense	7	<u>(1,656)</u>	<u>(1,997)</u>
Profit for the year		<u><u>9,817</u></u>	<u><u>9,010</u></u>
<b>Other comprehensive income</b>			
<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>2,047</u>	<u>1,343</u>
Total comprehensive income attributable to owners of the Company		<u><u>11,864</u></u>	<u><u>10,353</u></u>

\* For identification purposes only

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (Continued)**  
FOR THE YEAR ENDED 31 DECEMBER 2024

	<i>Note</i>	<b>2024</b> <i>HK Cents</i>	2023 <i>HK Cents</i>
Earnings per share			
– Basic	9	<u><b>3.51</b></u>	<u>3.22</u>
– Diluted	9	<u><b>N/A</b></u>	<u>3.22</u>

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
AT 31 DECEMBER 2024

	<i>Notes</i>	<b>2024</b> <i>HK\$'000</i>	2023 <i>HK\$'000</i>
<b>Non-current Assets</b>			
Property, plant and equipment		<b>282</b>	857
Right-of-use assets		<b>9,902</b>	6,324
Equity instruments at fair value through other comprehensive income		<b>14,117</b>	12,070
Rental deposit		<u><b>1,099</b></u>	<u>418</u>
		<u><b>25,400</b></u>	<u>19,669</u>
<b>Current Assets</b>			
Inventories		<b>15,231</b>	43,398
Trade and other receivables, deposits and prepayments	10	<b>82,670</b>	56,383
Tax recoverable		<b>312</b>	2,114
Cash and cash equivalents		<u><b>81,042</b></u>	<u>110,498</u>
		<u><b>179,255</b></u>	<u>212,393</u>
<b>Current Liabilities</b>			
Trade payables, other payables and accruals	11	<b>23,127</b>	62,246
Contract liabilities		<b>101</b>	126
Lease liabilities		<u><b>4,388</b></u>	<u>2,183</u>
		<u><b>27,616</b></u>	<u>64,555</u>
<b>Net Current Assets</b>		<u><b>151,639</b></u>	<u>147,838</u>
<b>Total Assets less Current Liabilities</b>		<u><b>177,039</b></u>	<u>167,507</u>
<b>Non-current Liability</b>			
Lease liabilities		<u><b>6,059</b></u>	<u>4,191</u>
<b>Net Assets</b>		<u><b>170,980</b></u>	<u>163,316</u>
<b>Capital and Reserves</b>			
Share capital	12	<b>28,000</b>	28,000
Reserves		<u><b>142,980</b></u>	<u>135,316</u>
<b>Equity attributable to owners of the Company and total equity</b>		<u><b>170,980</b></u>	<u>163,316</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 HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")**

The consolidated financial statements have been prepared in accordance with HKFRSs 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 HKFRSs that are mandatorily effective for the current year**

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 or after 1 January 2024 for the preparation of the 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 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.

## 2. APPLICATION OF NEW AND AMENDMENTS TO HONG KONG FINANCIAL REPORTING STANDARDS (“HKFRSs”) (Continued)

### New and amendments to HKFRSs in issue but not yet effective

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

Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments <sup>3</sup>
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature- dependent Electricity <sup>3</sup>
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associates or Joint Venture <sup>1</sup>
Amendments to HKFRSs	Annual Improvements to HKFRS Accounting Standards - Volume 11 <sup>3</sup>
Amendments to HKAS 21	Lack of Exchangeability <sup>2</sup>
HKFRS 18	Presentation and Disclosure in Financial Statements <sup>4</sup>
HKFRS 19	Subsidiaries without Public Accountability: Disclosures <sup>4</sup>

<sup>1</sup> Effective for annual periods beginning on or after a date to be determined

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2025

<sup>3</sup> Effective for annual periods beginning on or after 1 January 2026

<sup>4</sup> Effective for annual periods beginning on or after 1 January 2027

The directors of the Company anticipate that the application of all new and amendments to HKFRSs will have no material impact on the consolidated financial statements in the foreseeable future.

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

## 5. OTHER LOSSES, NET

	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
Exchange loss, net	285	723
Impairment losses under expected credit loss model, net of reversal	105	136
	<u>390</u>	<u>859</u>

## 6. PROFIT BEFORE TAX

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

	<b>2024</b>	2023
	<b><i>HK\$'000</i></b>	<i>HK\$'000</i>
Cost of inventories recognised as an expense (including write-down of inventories of HK\$406,000 (2023: HK\$165,000))	<b>1,663,214</b>	1,888,015
Depreciation of property, plant and equipment	<b>742</b>	781
Depreciation of right-of-use assets	<b>3,035</b>	2,402
Dividend income from equity instruments at fair value through other comprehensive income	<b>(583)</b>	(466)
Interest income from bank deposits	<b>(1,999)</b>	(332)
	<b><u>                    </u></b>	<b><u>                    </u></b>

## 7. INCOME TAX EXPENSE

	<b>2024</b>	2023
	<b><i>HK\$'000</i></b>	<i>HK\$'000</i>
Hong Kong		
Current year	<b>1,631</b>	1,908
Under provision in prior year	<b>25</b>	89
	<b><u>                    </u></b>	<b><u>                    </u></b>
	<b><u>                    </u></b>	<b><u>                    </u></b>

Under the two-tiered profits tax rates regime, the first HK\$2 million of 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%.

## 8. DIVIDEND

	<b>2024</b>	2023
	<b><i>HK\$'000</i></b>	<i>HK\$'000</i>
Dividend recognised as distribution during the year:		
2023 Final -1.5HK cents (2023:2.0HK cents ) per share	<b>4,200</b>	5,600
	<b><u>                    </u></b>	<b><u>                    </u></b>

Subsequent to the end of the reporting period, a final dividend in respect of the year ended 31 December 2024 of 1.5 HK cents per ordinary share, in an aggregate amount of HK\$4,200,000, 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\$9,817,000 (2023: HK\$9,010,000) and the number of ordinary shares of 280,000,000 (2023: 280,000,000).

The computation of the diluted earnings per share does not assume the exercise of the Company's share options as the exercise price of those share options is higher than the average market price of the Company's shares during the year ended 2023.

## 10. TRADE AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

Included in trade and other receivables, deposits and prepayments are trade receivables of HK\$25,418,000 (2023: HK\$26,128,000). The following is an analysis of trade receivables by age, net of allowance for credit losses of HK\$343,000 (2023: HK\$238,000), presented based on the invoice date for trade receivables at the end of each the reporting period.

	<b>2024</b> <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Within 30 days	<b>19,254</b>	16,892
31 to 60 days	<b>3,596</b>	7,040
61 to 90 days	<b>2,568</b>	1,875
Over 90 days	<u>-</u>	<u>321</u>
Total trade receivables	<b><u>25,418</u></b>	<b><u>26,128</u></b>

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\$11,785,000 (2023: HK\$46,639,000). 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.

	<b>2024</b> <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Within 30 days	<b>5,806</b>	40,448
31 to 90 days	<b>7</b>	41
91 to 120 days	<b>2</b>	148
Over 120 days	<u>5,970</u>	<u>6,002</u>
Total trade payables	<b><u>11,785</u></b>	<b><u>46,639</u></b>

## 12. SHARE CAPITAL

	Number of ordinary shares of HK\$0.10 each	Nominal value <i>HK\$'000</i>
Authorised		
At 1 January 2023, 31 December 2023 and 2024	<b><u>500,000,000</u></b>	<b><u>50,000</u></b>
Issued and fully paid		
At 1 January 2023, 31 December 2023 and 2024	<b><u>280,000,000</u></b>	<b><u>28,000</u></b>

## **FINAL DIVIDEND**

To reward loyal shareholders, the directors recommend a final dividend of 1.5 HK cents per share amounting to HK\$4,200,000 for the year ended 31 December 2024, payable to shareholders on the register of members on 4 July 2025. Subject to the approval of the shareholders at the forthcoming annual general meeting, the final dividend will be payable in cash on 14 July 2025.

## **CLOSE OF REGISTER OF MEMBERS**

The register of members will be closed on 3 July and 4 July 2025, 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 2024, 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 2 July 2025.

## **BUSINESS AND FINANCIAL REVIEW, PROSPECT AND ANALYSIS**

The financial year 2024 was a year of transformation and resilience for our Group. Amid a complex and evolving global economic landscape, we remained steadfast in executing our strategic initiatives while adapting to shifting market conditions.

### **Business and Financial Review**

During the year, our turnover declined by 11% due to industry-wide headwinds and evolving consumer demand. However, through optimize operational efficiencies and a strategic focus on higher-margin segments, we achieved an improvement in our gross profit ratio. More importantly, our commitment to driving sustainable profitability translated into a 9% growth in net profit attributable to equity owners, underscoring the strength of our business fundamentals.

Despite a challenging economic environment, we continued to refine our business model and explore new avenues for growth. Consumer sentiment remained cautious, shaped by macroeconomic uncertainties, inflationary pressures and East-West trade war. Nevertheless, our ability to adapt and optimize operations allowed us to navigate these complexities while maintaining financial stability.

### **Prospect**

Looking ahead, we remain proactive in identifying opportunities for expansion and diversification. Our management team is actively exploring new market segments to drive future growth while seeking strategic acquisitions that align with our long-term objectives. With a disciplined approach to capital allocation and a commitment to enhancing operational efficiencies, we are confident in our ability to strengthen our competitive position and deliver long-term value to our shareholders.

## **Liquidity and Financial Resources**

As at 31 December 2024, the Group had total assets of HK\$204,655,000 which were financed by total equity of HK\$170,980,000 and total liabilities of HK\$33,675,000. The Group had current ratio of approximately 6.5 at 31 December 2024 compared to that of approximately 3.3 last year.

As at 31 December 2024 the Group had cash and cash equivalents of HK\$81,042,000 (31 December 2023: HK\$110,498,000). The Group's working capital requirements were mainly financed by internal resources and borrowings. As at 31 December 2024 and 2023, the Group did not have any borrowings.

At the end of December 2024, the Group had net cash surplus of HK\$81,042,000 (31 December 2023: HK\$110,498,000).

## **Charges on Group Assets**

There was no pledged asset as at 31 December 2024 (31 December 2023: Nil).

## **Significant Investments**

The listed securities held by the Group are held for long term investment purpose and have an 17% increase during the year ended 31 December 2024, as a result of market improvement in both USA and Hong Kong stock market. The fair value gain of HK\$2,047,000 (2023: HK\$1,343,000) was accounted for in other comprehensive expense. There was no investment in an investee company with a value of 5% or more of the Group's total assets as at the yearend date. The Group received dividend income of HK\$583,000 during the year 2024 (2023: HK\$466,000).

## **Number and Remuneration of Employees, Remuneration Policies and Bonus**

The number of staff of the Group as at 31 December 2024 was 57 (31 December 2023: 65) and the salaries and other benefits paid and payable to employees, excluding Directors' emoluments, amounted to HK\$22,361,000 (31 December 2023: HK\$18,817,000). 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 2024, the Group did not have any contingent liabilities or guarantees (31 December 2023: 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 2024, 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 2024 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**

The Company has maintained a sufficient public float throughout the year ended 31 December 2024.

## **PUBLICATION OF RESULTS ANNOUNCEMENT AND ANNUAL REPORT**

This results announcement is published on the Company's website at [www.sismobile.com.hk](http://www.sismobile.com.hk) and the website of the Stock Exchange at [www.hkexnews.hk](http://www.hkexnews.hk). The 2024 annual report of the Company will be dispatched to shareholders of the Company and published on the above-mentioned websites within April 2025.

## **APPRECIATION**

As we move forward, I extend my sincere gratitude to our employees for their unwavering dedication, our customers and business partners for their continued trust, and our shareholders for their steadfast support. Your confidence in our vision fuels our determination to navigate challenges and seize new opportunities.

While uncertainties remain, our resilience, strategic focus, and commitment to innovation position us well for sustainable growth. We remain optimistic about the road ahead and look forward to delivering continued value to all stakeholders.

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

Hong Kong, 20 March 2025

*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.*