



SiS Mobile Holdings Limited

新龍移動集團有限公司*

(Incorporated in the Cayman Islands with limited liability)
Stock Code: 1362

2015

INTERIM REPORT

*For identification purpose only



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Message from the Chairman

Dear Shareholders,

I am pleased to present to our shareholders the financial results of the Group for the six months period ended 30 June 2015.

BUSINESS REVIEW AND PROSPECT

The Group reported a marginal profit for the six months period ended 30 June 2015 when compared with the HK\$2 million net profit in interim 2014. The intensive competition in mobility products, falling demand in volume of tourists coupled with weak demand in retail market in Hong Kong resulted in decrease of revenue. Although the gross profit margin has improved, revenue for the six months period decreased to HK\$423 million. The operating costs such as payroll, corporate and other expenditure were higher when compared with last interim period.

While the second half 2015 looks bleak and challenging, the Group is cautiously moving ahead. With a strong and effective management team, strong financial position, the Group will continue to adjust and expand our product mix; focusing on high margin products, improving productivity and increasing our overall returns to shareholders. We will also explore and identify new opportunities and avenues to add to our income streams.

In June 2015, the Company granted share options to qualified grantees as incentives and benefits for their continuing support to the Group.

APPRECIATION

We would like to thank our committed staff for their contributions, our customers, business partners, shareholders and directors for their support. Our success would not have been possible without their dedication, contributions, efforts, time and confidence.

On behalf of the Board

LIM Kia Hong

Chairman

Hong Kong, 26 August 2015

The directors (the “Directors”) of SIS Mobile Holdings Limited (the “Company”) is pleased to announce that the condensed consolidated interim results of the Company and its subsidiaries (the “Group”) for the six months ended 30 June 2015 together with comparative figures for the corresponding period in 2014. The interim financial statements have been reviewed by the Company’s audit committee.

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income FOR THE SIX MONTHS ENDED 30 JUNE 2015

	Notes	Six months ended	
		30 June 2015 HK\$'000 (unaudited)	30 June 2014 HK\$'000 (audited)
Revenue	4	423,092	846,723
Cost of sales		(406,276)	(823,157)
Gross profit		16,816	23,566
Other income		529	945
Fair value loss on derivative financial instruments		–	(2,303)
Selling and distribution expenses		(5,066)	(7,544)
Administrative expenses		(11,572)	(10,445)
Finance costs		(2)	(326)
Profit before tax	5	705	3,893
Income tax expense	6	(647)	(1,661)
Profit and total comprehensive income for the period attributable to owners of the Company		58	2,232
		HK cents	HK cents
Earnings per share	7		
– Basic		0.02	0.95
– Diluted		N/A	N/A

Condensed Consolidated Statement of Financial Position

AT 30 JUNE 2015

		30 June 2015	31 December 2014
	<i>Notes</i>	HK\$'000	<i>HK\$'000</i>
		(unaudited)	(audited)
Non-current assets			
Property, plant and equipment	9	344	941
Current assets			
Inventories		30,882	48,997
Trade and other receivables, deposits and prepayments	10	25,030	48,686
Tax recoverable		2,503	3,150
Bank balances and cash		73,429	51,674
		131,844	152,507
Current liabilities			
Trade payables, other payables and accruals	11	31,237	78,171
Borrowings		-	5,000
		31,237	83,171
Net current assets		100,607	69,336
Total assets less current liabilities and net assets		100,951	70,277
Capital and reserves			
Share capital	12	28,000	1
Reserves		72,951	70,276
Equity attributable to owners of the Company and total equity		100,951	70,277

Condensed Consolidated Statement Of Changes In Equity

FOR THE SIX MONTHS ENDED 30 JUNE 2015

	Attributable to the owners of the Company					Total HK\$'000
	Share capital HK\$'000	Share premium HK\$'000	Special reserve HK\$'000 (Note)	Share Options reserve HK\$'000	Retained profits HK\$'000	
At 1 January 2014 (audited)	-	-	3,498	-	82,554	86,052
Profit and total comprehensive income for the period	-	-	-	-	2,232	2,232
At 30 June 2014 (audited)	-	-	3,498	-	84,786	88,284
At 1 January 2015 (audited)	1	-	3,497	-	66,779	70,277
Profit and total comprehensive income for the period	-	-	-	-	58	58
Issue of shares	4,480	32,256	-	-	-	36,736
Issue of shares by capitalization	23,519	(23,519)	-	-	-	-
Issue expenses	-	(6,215)	-	-	-	(6,215)
Recognition of equity settled share-based payment	-	-	-	95	-	95
At 30 June 2015 (unaudited)	28,000	2,522	3,497	95	66,837	100,951

Note: The special reserve at 1 January 2014 represented the contribution from SiS International Holdings Limited ("SiS International") in relation to the acquisition of Synergy Technologies (Asia) Limited ("Synergy") in prior year and the aggregate share capital of the companies comprising the Group ("Combined Entities") before the Group Reorganisation as defined in note 1. As at 1 January 2015, the special reserve represents i) the contribution from SiS International in relation to the acquisition of Synergy in prior year and ii) the difference between the nominal value of the shares of the Company issued pursuant to the Group Reorganisation and the aggregate share capital of the Combined Entities as at the date of the Group Reorganisation.

Condensed Consolidated Statement of Cash Flows

FOR THE SIX MONTHS ENDED 30 JUNE 2015

	Six months ended	
	30 June 2015 HK\$'000 (unaudited)	30 June 2014 HK\$'000 (audited)
Net cash used in operating activities	(3,750)	(628)
Investing activities		
Net Settlement on maturity of derivative financial instruments	-	7,690
Advances to related companies	-	(7,691)
Additions to property, plant and equipment	(16)	(240)
Net cash used in investing activities	(16)	(241)
Financing activities		
Net proceeds from offer of sale of shares	30,521	-
Advances from related companies	-	60,900
Repayment of advances from related companies	-	(83,483)
New bank borrowings raised	-	91,000
Repayment of bank borrowings	(5,000)	(70,000)
Net cash from (used in) financing activities	25,521	(1,583)
Net increase (decrease) in cash and cash equivalents	21,755	(2,452)
Cash and cash equivalents at 1 January	51,674	30,301
Cash and cash equivalents at 30 June, represented by bank balances and cash	73,429	27,849

Notes to the Condensed Consolidated Financial Statements

FOR THE SIX MONTHS ENDED 30 JUNE 2015

1. BASIS OF PREPARATION

The condensed consolidated financial statements 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 with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“HKSE”).

Pursuant to the group reorganisation (“Group Reorganisation”) to rationalise the group structure to prepare for the listing of the shares of the Company, the Company acquired the entire equity interests in the companies comprising the Group from SiS International. The Group Reorganisation was completed on 10 October 2014 and since then, the Company became the holding company of the Combined Entities. The Combined Entities and the Company are under common control of SiS International before and after the Group Reorganisation. Therefore, the acquisition of the Combined Entities are accounted for as business combination under common control by applying the principles of merger accounting in accordance with Accounting Guidance 5 “Merger Accounting for Common Combinations”.

The condensed consolidated statement of profit or loss and other comprehensive income, the condensed consolidated statement of changes in equity and the condensed consolidated statement of cash flows of the Group have been prepared to include the results, changes in equity and cash flows of the Combined Entities as if the current group structure had been in existence since 1 January 2014, or since the respective dates of incorporation or acquisition by SiS International, whichever period is shorter.

Notes to the Condensed Consolidated Financial Statements

FOR THE SIX MONTHS ENDED 30 JUNE 2015

2. PRINCIPAL ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis.

Except as described below, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2015 are the same as those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2014.

In the current interim period, the Group has applied, for the first time, the following amendments to Hong Kong Financial Reporting Standards ("HKFRSs") issued by the HKICPA that are relevant for the preparation of the Group's condensed consolidated financial statements:

- Amendments to HKAS 19 Defined Benefit Plans: Employee Contributions
- Amendments to HKFRSs Annual Improvements to HKFRSs 2010–2012 Cycle
- Amendments to HKFRSs Annual Improvements to HKFRSs 2011–2013 Cycle

The application of the above amendments to HKFRSs in the current interim period has had no material effect on the amounts reported in these condensed consolidated financial statements and/or disclosures set out in these condensed consolidated financial statements.

Notes to the Condensed Consolidated Financial Statements

FOR THE SIX MONTHS ENDED 30 JUNE 2015

3. SEGMENT REPORTING

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

The Group is principally engaged in the sales and distribution of mobile phones and related products in Hong Kong. The consolidated revenue and consolidated gross profit of the Group are the measures reported to the executive directors of the Company, being the chief operating decision maker for the purposes of resource allocation and performance assessment. The executive directors consider that all products distributed by the Group have similar nature and therefore, concluded that there is only one operating and one reportable segment, which is the Group as a whole, and no further analysis for segment information is presented.

4. REVENUE

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

5. PROFIT BEFORE TAX

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

	Six months ended	
	30 June	30 June
	2015	2014
	HK\$'000	HK\$'000
	(unaudited)	(audited)
Cost of inventories recognised as an expense	406,275	823,152
Impairment (reversal on) of inventories	2,149	(858)
Depreciation of property, plant and equipment	595	645
Listing expenses	196	1,500
Loss on disposal of property, plant and equipment	18	–
Operating lease rentals in respect of rented premises	3,323	3,864
Exchange gain, net	(464)	(106)
Interest income on bank deposits	(2)	–

Notes to the Condensed Consolidated Financial Statements

FOR THE SIX MONTHS ENDED 30 JUNE 2015

6. INCOME TAX EXPENSE

	Six months ended	
	30 June	30 June
	2015	2014
	HK\$'000	HK\$'000
	(unaudited)	(audited)
The charge comprises:		
Hong Kong Profits Tax		
Current period	647	1,243
Underprovision in respect of prior periods	–	418
	647	1,661
Income tax expense for the period	647	1,661

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

7. EARNINGS PER SHARE

The calculation of basic and diluted earnings per share is based on the Group's profit of HK\$58,000 (30 June 2014: HK\$2,232,000) and the weighted average number of ordinary shares calculated below.

	Six months ended	
	30 June	30 June
	2015	2014
	'000 shares	'000 shares
Weighted average number of ordinary shares for the purpose of basic and diluted earnings per share	276,535	235,200

The computation of diluted earnings per share for the six months ended 30 June 2015 did not assume the exercise of share options of the Company as the exercise prices of those options are higher than the average market prices of the Company for the period.

Notes to the Condensed Consolidated Financial Statements

FOR THE SIX MONTHS ENDED 30 JUNE 2015

7. EARNINGS PER SHARE (cont'd)

The calculation of the weighted average number of ordinary shares for the purpose of basic earnings per share for the six months ended 30 June 2014 has taken into account the shares issued during the period upon the Group Reorganisation and adjusted for the capitalisation issue on 15 January 2015.

8. DIVIDENDS

The Directors do not recommend the payment of interim dividend for the six months ended 30 June 2015 (six months ended 30 June 2014: Nil).

9. MOVEMENTS IN PROPERTY, PLANT AND EQUIPMENT

During the period, the Group spent approximately HK\$16,000 (six months ended 30 June 2014: HK\$240,000) on the acquisition of property, plant and equipment.

10. TRADE AND OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

Included in trade and other receivables, deposits and prepayments are trade receivables of HK\$15,999,000 (31 December 2014: HK\$24,056,000). The following is an aged analysis of trade receivables presented based on the invoice date at end of each reporting period.

	30 June 2015	31 December 2014
	HK\$'000	HK\$'000
	(unaudited)	(audited)
Within 30 days	14,246	11,742
31 to 60 days	1,605	8,658
61 to 90 days	138	3,646
91 to 120 days	10	–
121 days and above	–	10
	<hr/>	<hr/>
Total trade receivables	15,999	24,056

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. The Group allows an average credit period of 30 days to its trade customers. No interest is charged on overdue debts.

Notes to the Condensed Consolidated Financial Statements

FOR THE SIX MONTHS ENDED 30 JUNE 2015

11. TRADE PAYABLES, OTHER PAYABLES AND ACCRUALS

Included in trade payables, other payables and accruals are trade payables of HK\$22,849,000 (31 December 2014: HK\$45,919,000). 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 end of each reporting period.

	30 June 2015 HK\$'000 (unaudited)	31 December 2014 HK\$'000 (audited)
Within 30 days	16,945	31,490
31 to 90 days	5,530	14,107
91 to 120 days	5	79
Over 120 days	369	243
	22,849	45,919

Notes to the Condensed Consolidated Financial Statements

FOR THE SIX MONTHS ENDED 30 JUNE 2015

12. SHARE CAPITAL

	Number of ordinary shares of HK\$0.10 each		Nominal value	
	30 June 2015	31 December 2014	30 June 2015 HK\$'000	31 December 2014 HK\$'000
Authorised	500,000,000	500,000,000	50,000	50,000
Issued and fully paid				
At the beginning of the period	10,000	–	1	–
At date of incorporation 4 July 2014	–	1	–*	–*
Issue of shares on				
10 October 2014	–	9,999	–	1
15 January 2015 (a)	235,190,000	–	23,519	–
15 January 2015 (b)	44,800,000	–	4,480	–
	280,000,000	10,000	28,000	1

* Represent HK\$0.10

On listing of the shares of the Company on the HKSE on 15 January 2015,

- an amount of HK\$23,519,000 was capitalised by the issuance of 235,190,000 ordinary shares of HK\$0.10 each; and
- 44,800,000 ordinary shares of HK\$0.10 each were issued at HK\$0.82 per share to the public for a total gross proceeds of HK\$36,736,000.

Notes to the Condensed Consolidated Financial Statements

FOR THE SIX MONTHS ENDED 30 JUNE 2015

13. SHARE-BASED PAYMENTS

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

In the current interim period, share options were granted by the Company on 25 June 2015. The fair values of the options determined at the date of grant using the Binomial model was approximately HK\$7,418,000.

The closing price of the Company's shares immediately before 25 June 2015, the date of grant, was HK\$2.24.

	Granted during the period and outstandings at 30 June 2015
Directors	6,690,000
Employees and others	1,200,000
	<u>7,890,000</u>

The following assumptions used to calculate the fair values of share options were:

Grant date share price	HK\$2.17
Exercise price	HK\$2.36
Expected life	8 years
Expected volatility	54.75%
Dividend yield	0%
Risk-free interest rate	1.64%
Sub-optimal	1.80 to 1.83

The Binomial model has been used to estimate the fair value of the options. The variables and assumptions used in computing the fair value of the share options are based on the directors' best estimate. Changes in variables and assumptions may result in changes in the fair value of the options.

Notes to the Condensed Consolidated Financial Statements

FOR THE SIX MONTHS ENDED 30 JUNE 2015

14. RELATED PARTY TRANSACTIONS

During the period, the Group has no material transactions with related parties.

Below were the transactions of the Group with related parties for the six months ended 30 June 2014.

- (a) Transactions with holding company and fellow subsidiary companies
 - (i) Interest expenses on amount due to a related company of HK\$110,000 were incurred for the six months ended 30 June 2014.
 - (ii) The Group sold goods to a fellow subsidiary of approximately HK\$7,000 for the six months ended 30 June 2014.
 - (iii) For the six months ended 30 June 2014, SiS International provided a corporate guarantee to the banks in respect of the borrowing granted to the Group, the amounts represent unsecured revolving bank loans denominated in HK\$ bearing interest at variable market interest rates, which are based on Hong Kong Interbank Offer Rate plus a margin with the effective interest rate ranging from 1.23% to 1.85%.
- (b) Compensation of key management personnel

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group and of the Company either directly or indirectly.

The directors considered the key management personnel of the Group are the directors. The remuneration paid or payable to the directors of the Company who are considered to be the key management personnel for the six months ended 30 June 2015 was HK\$2,810,000 (six months ended 30 June 2014: HK\$610,000).

Interim Dividend

The Directors do not recommend the payment of an interim dividend for the six months ended 30 June 2015 (six months ended 30 June 2014: Nil).

Financial Review and Analysis

LIQUIDITY AND FINANCIAL RESOURCES

As at 30 June 2015, the Group had total assets of HK\$132,188,000 which were financed by total equity of HK\$100,951,000 and total liabilities of HK\$31,237,000. The Group had current ratio of approximately 4.2 compared to that of approximately 1.8 at 31 December 2014.

As at 30 June 2015, the Group had HK\$73,429,000 (31 December 2014: HK\$51,674,000) bank balances and cash. The Group's working capital requirements were mainly financed by internal resources and bank borrowings. As at 30 June 2015, the Group did not have any borrowings (31 December 2014: HK\$5,000,000).

The Group continued to maintain a healthy liquidity position. As at 30 June 2015, the Group had a net cash surplus (bank balances and cash less borrowings) of HK\$73,429,000 compared to HK\$46,674,000 as at 31 December 2014.

There was no borrowing as at 30 June 2015. Gearing ratio, as defined by total borrowings to total equity was 7% as at 31 December 2014.

CHARGES ON GROUP ASSETS

There was no pledged asset as at 30 June 2015 (31 December 2014: Nil).

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 2015 was 46 (30 June 2014: 49) and the salaries and other benefits paid and payable to employees, excluding Directors' emoluments, amounted to HK\$5,950,000 (30 June 2014: HK\$7,469,000). 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. The Directors believe that the Company's share option schemes could create more incentives for directors and employees to work with commitment towards enhancing the value of the Company and its shareholders and therefore the Company can retain high caliber executives and employees. During the six months period ended 30 June 2015, 7,890,000 share options were granted to grantees. No share options have been exercised, lapsed or forfeited during the reporting period. 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, other receivables and bank balances of the Group are denominated in United States Dollar (US\$), the currency other than the functional currencies of the relevant group entities. As Hong Kong Dollars are pegged to US\$, the management of the Group does not expect that there would be any material currency risk exposure between these two currencies. The Group currently does not have currency hedging policy. However, the management monitors the currency fluctuation exposure and will consider hedging significant currency risk exposure should the need arise.

The Group did not have any derivatives financial instrument outstanding as at 30 June 2015 (31 December 2014: Nil).

CONTINGENT LIABILITIES

At 30 June 2015, the Group did not have any material contingent liabilities or guarantees (31 December 2014: Nil).

Other Information

DIRECTORS' INTERESTS IN SHARES

At 30 June 2015, the interests of the Directors and their associates, in the shares of the Company and its associated corporations, as recorded in the register maintained by the Company pursuant to Section 352 of the Securities and Futures Ordinance ("SFO"), or as otherwise notified to the Company and the HKSE pursuant to the Model Code for Securities Transactions by Directors of Listed Companies, were as follows:

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

Name of Director	Personal Interests	Family Interests	Joint Interests (Note 1)	Corporate interests (Note 2 and 3)	Total	Percentage
					number of issued ordinary shares held	of the issued share capital of the Company
Lim Kia Hong (Note 4)	1,846,754	161,280	-	203,607,467	205,615,501	73.43%
Lim Kiah Meng (Note 4)	1,729,024	144,000	170,880	203,607,467	205,651,371	73.45%
Lim Hwee Hai	1,065,984	1,145,330	-	-	2,211,314	0.79%

Notes:

- (1) Shares are jointly held by Mr. Lim Kiah Meng and his spouse.
- (2) 146,442,667 shares are registered in the name of SiS International. It is owned as to approximately 50.60% by Gold Sceptre Limited.
- (3) Gold Sceptre Limited holds 44,915,200 shares and Kelderman Limited, Valley Tiger Limited and Swan River Limited each holds 4,083,200 shares in the issued share capital of the Company. Mr. Lim Kiah Meng and his spouse and Mr. Lim Kia Hong and his spouse together own 40.50% and 39.50%, respectively of the issued share capital of Summertown Limited which owns the entire issued share capital of each of the above-mentioned companies.
- (4) In addition to the interests disclosed above, Mr. Lim Kiah Meng and his sister are trustees of an estate and are holding 97,280 shares on behalf of three beneficiaries aged below 18. Out of these 97,280 shares, 64,000 shares and 33,280 shares are beneficially owned by the children of Mr. Lim Kiah Meng and Mr. Lim Kia Hong respectively, and are included in the family interests of Mr. Lim Kiah Meng and Mr. Lim Kia Hong as disclosed above.

Other Information

DIRECTORS' INTERESTS IN SHARES (cont'd)

(ii) Share options

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

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

Ordinary share of HK\$0.10 each of SiS International, which is listed on the Main Board of the HKSE (Stock Code: 0529).

Name of Director	Personal Interests	Family Interests	Joint Interests (Note 1)	Corporate interests (Note 2)	Total number of issued ordinary shares held	Percentage of the issued share capital of SiS International
					184,915,108	66.67%
Lim Kia Hong (Note 3)	5,771,108	504,000	-	178,640,000	184,915,108	66.67%
Lim Kiah Meng (Note 3)	5,403,200	450,000	534,000	178,640,000	185,027,200	66.71%
Lim Hwee Hai	3,331,200	3,579,158	-	-	6,910,358	2.49%
Chu Chung Yi	1,662,000	-	-	-	1,662,000	0.60%

Notes:

- (1) 534,000 shares are jointly held by Mr. Lim Kiah Meng and his spouse.
- (2) Gold Sceptre Limited holds 140,360,000 shares and Kelderman Limited, Valley Tiger Limited and Swan River Limited each holds 12,760,000 shares in the issued share capital of SiS International. Mr. Lim Kiah Meng and his spouse and Mr. Lim Kia Hong and his spouse together own 40.50% and 39.50%, respectively of the issued share capital of Summertown Limited which owns the entire issued share capital of each of the above-mentioned companies.
- (3) In addition to the interests disclosed above, Mr. Lim Kiah Meng and his sister are trustees of an estate and are holding 304,000 shares on behalf of three beneficiaries aged below 18. Out of these 304,000 shares, 200,000 shares and 104,000 shares are beneficially owned by the children of Mr. Lim Kiah Meng and Mr. Lim Kia Hong respectively, and are included in the family interest of Mr. Lim Kiah Meng and Mr. Lim Kia Hong as disclosed above.

Other Information

DIRECTORS' INTERESTS IN SHARES (cont'd)

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

Date of grant	Vesting period	Exercisable period	Exercise price	Outstanding at 30 June 2015
Directors and their associates:				
Lim Kia Hong				
26.06.2015	27.06.2015– 31.12.2015	01.01.2016– 26.06.2025	4.47	50,000
26.06.2015	27.06.2015– 31.12.2016	01.01.2017– 26.06.2025	4.47	50,000
26.06.2015	27.06.2015– 31.12.2017	01.01.2018– 26.06.2025	4.47	50,000
Lim Hwee Hai (Note)				
26.06.2015	27.06.2015– 31.12.2015	01.01.2016– 26.06.2025	4.47	100,000
26.06.2015	27.06.2015– 31.12.2016	01.01.2017– 26.06.2025	4.47	100,000
26.06.2015	27.06.2015– 31.12.2017	01.01.2018– 26.06.2025	4.47	100,000
Lim Kiah Meng				
26.06.2015	27.06.2015– 31.12.2015	01.01.2016– 26.06.2025	4.47	50,000
26.06.2015	27.06.2015– 31.12.2016	01.01.2017– 26.06.2025	4.47	50,000
26.06.2015	27.06.2015– 31.12.2017	01.01.2018– 26.06.2025	4.47	50,000
Wong Yi Ting				
26.06.2015	27.06.2015– 31.12.2015	01.01.2016– 26.06.2025	4.47	20,000
26.06.2015	27.06.2015– 31.12.2016	01.01.2017– 26.06.2025	4.47	20,000
26.06.2015	27.06.2015– 31.12.2017	01.01.2018– 26.06.2025	4.47	20,000
				660,000

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

Other Information

SHARE OPTIONS

For details of the Company's share option scheme, please refer to pages 19 in the 2014 annual report.

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

Date of grant	Vesting period	Exercisable period	Exercise price HK\$	Number of share options		
				Outstanding at 1 January 2015	Granted during the period	Outstanding at 30 June 2015
Directors and their associates:						
Lim Kia Hong						
25.06.2015	26.06.2015– 31.12.2015	01.01.2016– 30.06.2023	2.36	–	400,000	400,000
25.06.2015	26.06.2015– 31.12.2016	01.01.2017– 30.06.2023	2.36	–	400,000	400,000
25.06.2015	26.06.2015– 31.12.2017	01.01.2018– 30.06.2023	2.36	–	400,000	400,000
Lim Hwee Hai (Note)						
25.06.2015	26.06.2015– 31.12.2015	01.01.2016– 30.06.2023	2.36	–	600,000	600,000
25.06.2015	26.06.2015– 31.12.2016	01.01.2017– 30.06.2023	2.36	–	600,000	600,000
25.06.2015	26.06.2015– 31.12.2017	01.01.2018– 30.06.2023	2.36	–	600,000	600,000
Lim Kiah Meng						
25.06.2015	26.06.2015– 31.12.2015	01.01.2016– 30.06.2023	2.36	–	400,000	400,000
25.06.2015	26.06.2015– 31.12.2016	01.01.2017– 30.06.2023	2.36	–	400,000	400,000
25.06.2015	26.06.2015– 31.12.2017	01.01.2018– 30.06.2023	2.36	–	400,000	400,000
Fong Po Kiu						
25.06.2015	26.06.2015– 31.12.2015	01.01.2016– 30.06.2023	2.36	–	300,000	300,000
25.06.2015	26.06.2015– 31.12.2016	01.01.2017– 30.06.2023	2.36	–	300,000	300,000
25.06.2015	26.06.2015– 31.12.2017	01.01.2018– 30.06.2023	2.36	–	300,000	300,000

Other Information

SHARE OPTIONS (cont'd)

Date of grant	Vesting period	Exercisable period	Exercise price HK\$	Number of share options		
				Outstanding at 1 January 2015	Granted during the period	Outstanding at 30 June 2015
Directors and their associates: (cont'd)						
Wong Yi Ting						
25.06.2015	26.06.2015– 31.12.2015	01.01.2016– 30.06.2023	2.36	–	150,000	150,000
25.06.2015	26.06.2015– 31.12.2016	01.01.2017– 30.06.2023	2.36	–	150,000	150,000
25.06.2015	26.06.2015– 31.12.2017	01.01.2018– 30.06.2023	2.36	–	150,000	150,000
Cheng Wai Yee						
25.06.2015	26.06.2015– 31.12.2015	01.01.2016– 30.06.2023	2.36	–	100,000	100,000
25.06.2015	26.06.2015– 31.12.2016	01.01.2017– 30.06.2023	2.36	–	100,000	100,000
25.06.2015	26.06.2015– 31.12.2017	01.01.2018– 30.06.2023	2.36	–	100,000	100,000
Chu Chung Yi						
25.06.2015	26.06.2015– 31.12.2015	01.01.2016– 30.06.2023	2.36	–	93,333	93,333
25.06.2015	26.06.2015– 31.12.2016	01.01.2017– 30.06.2023	2.36	–	93,333	93,333
25.06.2015	26.06.2015– 31.12.2017	01.01.2018– 30.06.2023	2.36	–	93,334	93,334
Ng See Wai Rowena						
25.06.2015	26.06.2015– 31.12.2015	01.01.2016– 30.06.2023	2.36	–	93,333	93,333
25.06.2015	26.06.2015– 31.12.2016	01.01.2017– 30.06.2023	2.36	–	93,333	93,333
25.06.2015	26.06.2015– 31.12.2017	01.01.2018– 30.06.2023	2.36	–	93,334	93,334
Doe Julianne Pearl						
25.06.2015	26.06.2015– 31.12.2015	01.01.2016– 30.06.2023	2.36	–	93,333	93,333
25.06.2015	26.06.2015– 31.12.2016	01.01.2017– 30.06.2023	2.36	–	93,333	93,333
25.06.2015	26.06.2015– 31.12.2017	01.01.2018– 30.06.2023	2.36	–	93,334	93,334
Total directors and their associates				–	6,690,000	6,690,000

Other Information

SHARE OPTIONS (cont'd)

Date of grant	Vesting period	Exercisable period	Exercise price HK\$	Number of share options		
				Outstanding at 1 January 2015	Granted during the period	Outstanding at 30 June 2015
Employees and other qualified persons:						
25.06.2015	26.06.2015– 31.12.2015	01.01.2016– 30.06.2023	2.36	–	400,000	400,000
25.06.2015	26.06.2015– 31.12.2016	01.01.2017– 30.06.2023	2.36	–	400,000	400,000
25.06.2015	26.06.2015– 31.12.2017	01.01.2018– 30.06.2023	2.36	–	400,000	400,000
Total employees and other qualified persons				–	1,200,000	1,200,000
Total number of share options				–	7,890,000	7,890,000

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

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

Other Information

SUBSTANTIAL SHAREHOLDERS

As at 30 June 2015, the register of substantial shareholders maintained by the Company pursuant to Section 336 of the SFO shows that other than the interests disclosed above in respect of certain directors and the chief executive, the following shareholders had notified the Company of relevant interests and long positions in the issued share capital of the Company.

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

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

Note: 146,442,667 shares are registered in the name of SiS International. SiS International is owned as to approximately 50.60% by Gold Sceptre Limited. Gold Sceptre Limited holds 44,915,200 shares and Kelderman Limited, Valley Tiger Limited and Swan River Limited each holds 4,083,200 shares in the issued share capital of the Company. Mr. Lim Kiah Meng and his spouse and Mr. Lim Kia Hong and his spouse together own 40.50% and 39.50%, respectively of the issued share capital of Summertown Limited which owns the entire issued share capital of each of the above-mentioned companies.

Other than 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 as at 30 June 2015.

CORPORATE GOVERNANCE

The Company has adopted the Corporate Governance Code (the "Code") as set out in Appendix 14 of the Rules Governing the Listing of Securities on the HKSE (the "Listing Rules"). Since the listing date up to the end of the reporting period, the Company has complied with the code provision under the Code.

Other Information

AUDIT COMMITTEE

The Audit Committee comprises all independent non-executive Directors. The Audit Committee has reviewed the Company's condensed consolidated financial statements for the six months ended 30 June 2015, including the accounting principles and practices adopted by the Company.

MODEL CODE

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

USE OF PROCEEDS FROM INITIAL PUBLIC OFFERING

On 15 January 2015, the Company's shares were listed on the Main Board of the HKSE. Net proceeds from the global offering were approximately HK\$4.7 million. The Company intends to use the net proceeds in accordance with the proposed applications set out in the section headed "Future Plans and Use of Proceeds" contained in the prospectus of the Company dated 31 December 2014. As at 30 June 2015, the Company has used approximately HK\$0.4 million from such proceeds as working capital per proposed applications.

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 since the listing date to the period ended 30 June 2015.

Corporate Information

DIRECTORS

Non-executive Directors:

Lim Kia Hong (*Chairman*)
Lim Hwee Hai

Executive Directors:

Lim Kiah Meng
Fong Po Kiu
Wong Yi Ting
Cheng Wai Yee

Independent Non-executive Directors:

Chu Chung Yi
Ng See Wai Rowena
Doe Julianne Pearl

AUDIT COMMITTEE

Chu Chung Yi (*Chairlady*)
Ng See Wai Rowena
Doe Julianne Pearl

REMUNERATION COMMITTEE

Ng See Wai Rowena (*Chairlady*)
Lim Kia Hong
Lim Kiah Meng
Chu Chung Yi
Doe Julianne Pearl

NOMINATION COMMITTEE

Lim Kia Hong (*Chairman*)
Lim Kiah Meng
Chu Chung Yi
Ng See Wai Rowena
Doe Julianne Pearl

COMPANY SECRETARY

Wong Yi Ting

COMPLIANCE ADVISER

Haitong International Capital Limited

AUDITORS

Deloitte Touche Tohmatsu

SOLICITORS

Cleary Gottlieb Steen & Hamilton
(Hong Kong)

PRINCIPAL BANKERS

Hang Seng Bank Limited
The Hongkong and Shanghai Banking Corporation Limited
Oversea-Chinese Banking Corporation Ltd.
Standard Chartered Bank (Hong Kong) Ltd.
United Overseas Bank Limited

REGISTERED OFFICE

Clifton House
75 Fort Street
Grand Cayman KY1-1108
Cayman Islands

PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Appleby Trust (Cayman) Ltd
Clifton House
75 Fort Street
Grand Cayman KY1-1108
Cayman Islands

PRINCIPAL PLACE OF BUSINESS

4/F Contempo Place
81 Hung To Road
Kwun Tong
Kowloon, Hong Kong
Telephone: (852) 2138 3938
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HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Investor Services Limited
Level 22, Hopewell Centre
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INVESTOR RELATIONS

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