



**SiS Mobile Holdings Limited**  
**新龍移動集團有限公司**

**SiS Mobile Holdings Limited**  
**Announces Details of Proposed Listing on Main Board of the HKSE**

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**Global Offering of 44,800,000 Shares**  
**Offer Price Ranging from HK\$0.73 to HK\$0.90 per Offer Share**

(Hong Kong, 30 December 2014) – **SiS Mobile Holdings Limited** (“SiS Mobile” or the “Company”), the leading and largest distributor of mobile phones in Hong Kong, today announced the details of its proposed listing on the Main Board of The Stock Exchange of Hong Kong Limited (“HKSE”).

**Spin-off and Shares Distribution**

SiS Mobile is currently a wholly owned subsidiary of SiS International Holdings Limited (stock code: 529; “SiS International”), a technology product distribution and investment holding company which has been listed on the Main Board of the HKSE since 1992. The spin-off will allow SiS Mobile and its parent company to have a more defined business focus on their core business segments and enhance management’s responsiveness to market changes. The spin-off also serves the purpose of improving the operational and financial transparency of the Company. It will also provide investors and the market with greater clarity on the respective business and financial focus of the respective companies.

As part of the spin-off, each qualifying shareholder of SiS International will be entitled to thirty-two Shares of SiS Mobile for every one hundred shares of SiS International held as at the close of business on 12 January 2015 (the distribution record date). 88,668,443 Shares will be distributed under the distribution. SiS International will remain as the Company’s controlling shareholder following the completion of the spin-off, holding approximately 52.33% of the entire issued share capital of the Company as enlarged by the Global Offering.

**Offering Details**

Of the 44,800,000 Shares set for Global Offering, 90% will be for International Offering and the remaining 10% are for Hong Kong Public Offering. The indicative offer price range is between HK\$0.73 and HK\$0.90 per Offer Share. Assuming the Offer Size Adjustment Option is not exercised and the Offer Price is HK\$0.82 per Offer Share (being the mid-point of the stated range of the Offer Price of between HK\$0.73 and HK\$0.90 per Offer Share), the net proceeds from the Global Offering are estimated to be approximately HK\$9.3 million.

The Hong Kong Public Offering begins on 31 December 2014 (Wednesday) and ends at 12 noon on 7 January 2015 (Wednesday). The final Offer Price and allotment results will be announced on 14 January 2015 (Wednesday). Dealing of Shares will commence on the Main Board of HKSE on 15 January 2015 (Thursday) under the stock code 1362. Shares will be traded in board lots of 4,000 shares each.

Haitong International Capital Limited is the Sole Sponsor, Haitong International Securities Company Limited is the Sole Global Coordinator, Sole Bookrunner and Joint Lead Manager.

## **Investment Highlights**

### **Market leader in the mobile phones distribution business in Hong Kong, supported by an extensive and growing distribution network**

SiS Mobile is the largest distributor of mobile phones in Hong Kong in terms of revenue in 2013 with a market share of approximately 21.7%\*. SiS Mobile's revenue and net profit amounted to approximately HK\$1,274.8 million and HK\$33.5 million for the year ended 31 December 2013, respectively. As at 30 June 2014, the Company had a wide and extensive distribution customers ranging from wholesale customers, telecommunications service operators and chain retailers. SiS Mobile's suppliers can leverage the Company's wide and diversified customer base and effective logistics and delivery arrangements to lower operating cost while maintaining a broad market reach.

### **Strong and sustainable partnership with world leading mobile brands**

SiS Mobile believes that it is an important channel between the mobile phones suppliers and the local distribution customers. The Company has established strong and successful relationships with mobile phones suppliers of internationally renowned brands including the Renowned Korean Brand, Blackberry, Acer and Alcatel One Touch.

### **Fast-growing mobile market with stable demand**

New models of mobile phones with new features are being put to the market every 3 to 12 months to stipulate consumers' demand. There is an immense potential in the fast-growing market in Hong Kong as mobile phone users usually upgrade or replace their mobile phones with new models every 12-18 months. Shipment volume of mobile phones in Hong Kong is expected to grow from about 16.3 million units in 2014 to about 24.6 million units in 2018 at a CAGR of about 10.8%\*.

### **Visionary management team and strong support from SiS International**

The Company's founders and senior management have over 30 years of experience in the ICT industry and established long-term relationship with suppliers and distribution customers. In addition to a sizable distribution network, SiS Mobile's strengths also lie in its strong industry and technical knowhow, which could benefit customers by providing them with information of the latest market trends as well as the special product. Along with the invaluable connections provided by SiS International to support the business development of SiS Mobile, the visionary management team has successfully anticipated market changes.

### **Future Strategies**

SiS Mobile aims to maintain its leading position as the largest mobile phones distributor and the preferred distributor in Hong Kong by solidifying its relationships with existing suppliers of world leading mobile brands and identify other suppliers of mobile phones, which the Company anticipates will have potential growth. For instance, SiS Mobile has commenced business relationship with Lenovo since late October 2014, to distribute its products in Hong Kong. Looking ahead, SiS Mobile will continue to seek market share by further broadening its product offerings and brand portfolio. The Company will also enhance the quality of its customer services by providing training to its sales team, and provide extensive industry knowledge and in-depth understanding of products' features and specifications to customers.

In addition, the Company will enhance its management capability and efficiency by implementing a new enterprise resource planning (ERP) system. The Company also plans to acquire property in Hong Kong as new office and warehouse to lower operating costs in the long run.

**Mr Lim Kia Hong, Chairman and Non-Executive Director of SiS Mobile**, said, "The listing of SiS Mobile on the Main Board of the Hong Kong Stock Exchange marks a milestone in the Company's development. With our extensive distribution network, strong partnership with international leading mobile brands and experienced management team, we are confident that SiS Mobile will maintain its market-leading position in Hong Kong. We will continue to capture the enormous opportunities in the fast-growing mobile market and further expand our business in the future."

## Placing Details

Issuer	SiS Mobile Holdings Limited
Place of Listing	Main Board of the Hong Kong Stock Exchange
Stock Code	1362
Offering Arrangement	90% for International Placing, 40,320,000 shares** 10% for Hong Kong Public Offer, 4,480,000 shares** <i>**Subject to reallocation and the Offer Size Adjustment Option</i>
Offer Price Range	HK\$0.73 to HK\$0.90 per Offer Share
Board Lot	4,000 Shares
Allotment Result	14 January 2015 (Wednesday)
First Trading Day	15 January 2015 (Thursday)

## Use of Proceeds

Assuming an Offer Price of HK\$0.82 per Offer Share (being the mid-point of the stated range of the Offer Price of between HK\$0.73 and HK\$0.90 per Offer Share) and the Offer Size Adjustment Option is not exercised, the net proceeds from the Global Offering are estimated to be approximately HK\$9.3 million and will be used for the following purposes:

Purposes	Estimate
• For acquisition of property as new office and warehouse	HK\$7.4 million (79.7%)
• For a new ERP system to improve operational management capability	HK\$1.0 million (11.0%)
• For working capital and other general corporate purposes	HK\$0.9 million (9.3%)

– The End –

## About SiS Mobile Holdings Limited

SiS Mobile Holdings Limited is one of the leading distributors of mobile phones in Hong Kong with extensive local distribution channels. SiS Mobile was the largest distributor of mobile phones in Hong Kong in terms of revenue in 2013 with a market share of approximately 21.7%\*. SiS Mobile has a diverse customer base with ranging from wholesale customers to telecommunication services operators and chain retailers. SiS Mobile has also developed and maintained strong and successful relationships with mobile phones suppliers of internationally renowned brands including the Renowned Korean Brand, Blackberry, Acer, Alcatel One Touch and Lenovo.

\*Source: Ipsos Report

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