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HOME CONTROL INTERNATIONAL LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1747)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2024

The Board is pleased to announce the consolidated results of the Group for the year ended 31 December 2024, together with the comparative figures for the previous financial year.

The table below sets forth the reported net profit/(loss) of the Group and the adjusted net profit (non-IFRSs measure) of the Group:

	2024	2023
	<i>US\$'000</i>	<i>US\$'000</i>
Reported Net Profit/(Loss)	2,508	(1,619)
Add: Restructuring and severance costs	1,102	2,511
Add: Provision for impairment loss of financial asset at amortised cost	3,229	–
Adjusted Net Profit (Non-IFRSs measure) (Note)	6,839	892

Note: To supplement the consolidated financial statements of the Group prepared in accordance with the International Financial Reporting Standards (“IFRSs”), certain additional non-IFRSs measures (in terms of adjusted net profit) have been presented in this announcement. These unaudited non-IFRSs measures should be considered in addition to, not as a substitute for, measures of the Group’s financial performance prepared in accordance with the IFRSs. These non-IFRSs measures could provide additional information to investors and others in understanding and evaluating the consolidated financial statements of operations of the Group in the same manner as they help the management compare the financial results across accounting periods and with those of other peer companies. In addition, these non-IFRSs measures may be defined differently from similar terms used by other companies.

The adjusted net profit (“**Adjusted Net Profit (non-IFRSs measure)**”) eliminates the effect of the non-recurring (1) restructuring and severance costs incurred to optimise the cost structure so as to maintain competitiveness of the Group in the current business environment, and (2) provision for impairment loss of financial asset at amortised cost (see Note 13 to the consolidated financial statements). The term of Adjusted Net Profit (non-IFRSs measure) is not defined under the IFRSs. The use of Adjusted Net Profit (non-IFRSs measure) has material limitations as an analytical tool, as it does not include all items that impact the profit/loss for the relevant periods. The effects of items eliminated from the Adjusted Net Profit (non-IFRSs measure) are significant components in understanding and assessing the operating and financial performance of the Group.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December 2024

	Notes	2024 US\$'000	2023 US\$'000
Revenue	4	107,452	101,008
Cost of sales		<u>(76,601)</u>	<u>(77,697)</u>
Gross profit		30,851	23,311
Other income		253	153
Selling and distribution expenses		(7,297)	(6,432)
Administrative expenses		(12,027)	(12,026)
Reversal of/(provision for) impairment loss:			
– Trade receivables		77	(192)
– Finance asset at amortised cost	13	(3,229)	–
Other expenses		(3,561)	(4,274)
Finance costs – net	6	<u>(853)</u>	<u>(2,103)</u>
Profit/(Loss) before tax		4,214	(1,563)
Income tax expense	7	<u>(1,706)</u>	<u>(56)</u>
Profit/(Loss) for the year and attributable to owners of the Company	5	<u>2,508</u>	<u>(1,619)</u>
Other comprehensive (loss)/income:			
<i>Items that may be reclassified to profit or loss:</i>			
Exchange differences on translation of foreign operations		<u>(146)</u>	<u>73</u>
Other comprehensive (loss)/income for the year		<u>(146)</u>	<u>73</u>
Total comprehensive income/(loss) for the year and attributable to owners of the Company		<u>2,362</u>	<u>(1,546)</u>
Earnings per share for profit/(loss) attributable to owners of the Company:			
Basic	8	<u>US0.49 cents</u>	<u>US(0.32) cents</u>
Diluted	8	<u>US0.49 cents</u>	<u>US(0.32) cents</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 December 2024

	<i>Notes</i>	2024 <i>US\$'000</i>	2023 <i>US\$'000</i>
ASSETS			
Non-current assets			
Property, plant and equipment and right-of-use assets		2,255	2,775
Other intangible assets		24	12
Goodwill		8,877	8,877
Deferred tax assets		200	217
Other receivables		–	628
		<hr/>	<hr/>
Total non-current assets		11,356	12,509
Current assets			
Financial asset at amortised cost	<i>13</i>	–	3,229
Inventories	<i>9</i>	13,371	11,135
Trade receivables	<i>10</i>	23,575	26,251
Prepayments and other receivables		746	740
Cash and cash equivalents	<i>12</i>	19,443	16,872
		<hr/>	<hr/>
Total current assets		57,135	58,227
		<hr/>	<hr/>
Total assets		68,491	70,736
LIABILITIES			
Current liabilities			
Trade payables	<i>11</i>	28,656	27,711
Other payables and accruals		6,325	4,152
Advance received from customer		15	53
Interest-bearing bank loans		6,171	3,834
Lease liabilities		333	393
Provisions		42	131
Tax payable		1,266	89
		<hr/>	<hr/>
Total current liabilities		42,808	36,363
		<hr/>	<hr/>
Net current assets		14,327	21,864
		<hr/>	<hr/>
Total assets less current liabilities		25,683	34,373
		<hr/>	<hr/>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

	2024	2023
	<i>US\$'000</i>	<i>US\$'000</i>
Non-current liabilities		
Other payables and accruals	59	–
Interest-bearing bank loans	–	11,171
Lease liabilities	165	114
Provisions	183	188
Deferred tax liabilities	103	89
	<hr/>	<hr/>
Total non-current liabilities	510	11,562
	<hr/>	<hr/>
Net assets	25,173	22,811
	<hr/>	<hr/>
EQUITY		
Share capital	5,067	5,067
Reserves	20,106	17,744
	<hr/>	<hr/>
Total equity	25,173	22,811
	<hr/>	<hr/>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

31 December 2024

1. CORPORATE AND GROUP INFORMATION

The Company is a limited liability company incorporated in the Cayman Islands. The registered address of the Company is Sertus Chambers, Governors Square, Suite #5-204, 23 Lime Tree Bay Avenue, P.O. Box 2547, Grand Cayman, KY1-1104, Cayman Islands.

The Company is an investment holding company. During the year, the Company and its subsidiaries were principally involved in providing solutions for sensing and control technologies marketed in the smart home automation, consumer electronics and set-top-box segments.

The shares of the Company have been listed on the Main Board of The Stock Exchange of Hong Kong Limited since the listing date on 14 November 2019.

The immediate holding company of the Company is NHPEA IV Home Control Netherlands B.V., which is incorporated in the Netherlands and the ultimate holding company of the Company is Morgan Stanley, which is listed on the New York Stock Exchange and is incorporated in the United States of America.

This consolidated financial statements are presented in thousands of unit of United States Dollar (“US\$’000”), unless otherwise stated. This consolidated financial statements have been approved for issue by the Board on 28 March 2025.

2. BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with IFRS Accounting Standards and the disclosure requirements of the Hong Kong Companies Ordinance (Cap. 622). IFRS Accounting Standards comprise the following authoritative literature:

- IFRS Accounting Standards;
- IAS Standards; and
- Interpretations developed by the IFRS Interpretations Committee (IFRIC Interpretations) or its predecessor body, the Standing Interpretations Committee (SIC Interpretations)

The consolidated financial statements have been prepared on a historical cost basis, except as disclosed in the accounting policies below.

(a) Amended standards and revised conceptual framework adopted by the Group

The Group has adopted all the revised standards and amendments that are relevant to the Group’s operations and mandatory for annual period beginning 1 January 2024. The effect of the adoption of these new and revised standards, amendments and interpretations was not material to the Group’s results or financial position.

The Group has adopted the following amendments for the first time for annual reporting period beginning 1 January 2024:

Amendments to IAS 1	<i>Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants</i>
Amendments to IAS 7 and IFRS 7	<i>Supplier Finance Arrangements</i>
Amendments to IFRS 16	<i>Lease Liability in a Sale and Leaseback</i>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

2. BASIS OF PREPARATION (continued)

(b) New and amended standards not yet adopted

The following standards and amendments were in issue but not yet effective and have not been early adopted by the Group:

Amendments to IAS 21 and IFRS 1 ⁽¹⁾	<i>Lack of exchangeability</i>
Amendments to IFRS 9 and IFRS 7 ⁽²⁾	<i>Classification and Measurement of Financial Instruments</i>
Annual improvements ⁽²⁾	<i>Annual improvements to IFRS Accounting Standards – Volume 11</i>
IFRS 18 ⁽³⁾	<i>Presentation and Disclosure in Financial Statements</i>
IFRS 19 ⁽³⁾	<i>Subsidiaries without Public Accountability: Disclosures</i>
Amendments to IAS28 and IFRS10 ⁽⁴⁾	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>

(1) Effective for accounting periods beginning on or after 1 January 2025

(2) Effective for accounting periods beginning on or after 1 January 2026

(3) Effective for accounting periods beginning on or after 1 January 2027

(4) Effective date to be determined

The Group is assessing the full impact of these new and amended standards. According to the preliminary assessment made by the Group, these standards and amendments are not expected to have a material impact on the Group's financial performance and position, except for IFRS 18, which may mainly impact the presentation of the Group's consolidated statement of comprehensive income and the Group is still in the process of assessing the impact. Aside from this, there are no other standards that are not yet effective and that are expected to have a material impact on the Group's financial performance and position.

3. OPERATING SEGMENT INFORMATION

An operating segment, in part, is a component of an enterprise whose operating results are regularly reviewed by the CODM to make decisions about resources to be allocated to the segment and assess its performance. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the key management team of the Group. Operating segments may be aggregated only to a limited extent. CODM reviews the financial information about revenues and operating results as a whole for purpose of making operating decisions and assessing financial performance. Accordingly, the Group only has a single operating and reportable segment. Therefore, no further information about the operating segment is presented other than the entity-wide disclosures.

Geographical information

(a) Revenue from external customers

	2024 US\$'000	2023 US\$'000
North America	42,515	34,836
Europe	43,317	32,605
Asia	13,986	22,969
Latin America	7,634	10,598
	<u>107,452</u>	<u>101,008</u>

The revenue information above is based on the locations of the customers.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

3. OPERATING SEGMENT INFORMATION (continued)

(b) Non-current assets

	2024 US\$'000	2023 US\$'000
North America	20	30
Europe	82	180
Asia	<u>2,177</u>	<u>2,577</u>
	<u>2,279</u>	<u>2,787</u>

The non-current asset information above is based on the locations of the non-current assets and excludes other receivables, deferred tax assets and goodwill.

Information about major customers

Revenue from each major customer which accounted for 10% or more of the Group's revenue for year 2024 and 2023 is set out below:

	2024 US\$'000	2023 US\$'000
Customer 1	22,867	18,435
Customer 2	12,732	N/A*
Customer 3	<u>N/A*</u>	<u>11,218</u>

* The corresponding revenue from the customer was not disclosed as the revenue did not individually account for 10% or more of the Group's revenue for the year.

4. REVENUE AND OTHER INCOME

An analysis of revenue is as follows:

	2024 US\$'000	2023 US\$'000
<i>Revenue from contracts with customers</i>		
Sale of goods	107,218	100,758
Royalty income	<u>234</u>	<u>250</u>
	<u>107,452</u>	<u>101,008</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

4. REVENUE AND OTHER INCOME (continued)

Revenue from contracts with customers

(i) Disaggregated revenue information

	2024 US\$'000	2023 US\$'000
Timing of revenue recognition		
At a point in time		
– Sale of goods	107,218	100,758
Over time		
– Royalty income	234	250
Total revenue from contracts with customers	<u>107,452</u>	<u>101,008</u>

(ii) Performance obligations

Information about the Group's performance obligations is summarised below:

Sale of goods

The performance obligation is satisfied upon passage of control of goods.

Payment is generally due within 30 to 90 days from delivery, except for new customers, where payment in advance is normally required.

Royalty income

The performance obligation is satisfied over time based on each licensed product manufactured by the licensee.

An analysis of other income is as follows:

	2024 US\$'000	2023 US\$'000
Government grants (<i>Note (a)</i>)	182	86
Others	71	67
	<u>253</u>	<u>153</u>

- (a) The government grants for the year ended 31 December 2024 include subsidies received from the local governments to support the business operation of the entities.

There are no unfulfilled conditions or contingencies relating to these grants.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

5. PROFIT/(LOSS) BEFORE TAX

The Group's profit/(loss) before tax is arrived at after charging/(crediting):

	2024 US\$'000	2023 US\$'000
Cost of inventories sold		
– <i>Cost of components</i>	63,708	64,988
– <i>Provision for inventories</i>	367	122
– <i>Outsourcing costs</i>	10,351	9,819
Depreciation of property, plant and equipment	1,371	1,920
Depreciation of right-of-use assets	493	534
Amortisation of other intangible assets	11	18
Loss on disposal of property, plant and equipment & right-of-use assets	82	55
Distribution costs	1,220	839
(Reversal of)/provision for impairment loss		
– Trade receivables	(77)	192
– Finance asset at amortised cost	3,229	–
Foreign exchange differences, net	74	91
Auditor's remuneration		
– <i>Audit services</i>	397	409
– <i>Non-audit services</i>	63	132
Expenses for short-term leases	16	29
Expenses for low-value leases	2	3
Employee benefits expense		
– <i>Wages and salaries</i>	10,239	10,316
– <i>Pension scheme contributions</i>	1,837	2,011
– <i>Long service award</i>	99	(71)
– <i>Share award scheme</i>	–	52
– <i>Other employee benefits</i>	256	287
Restructuring and severance costs	1,102	2,511

During the financial year ended 31 December 2024, the Group incurred expenses for the purpose of research and development of US\$5,688,000 (2023: US\$5,894,000), which comprised employee benefits expenses of US\$4,002,000 (2023: US\$4,327,000).

6. FINANCE COSTS – NET

	2024 US\$'000	2023 US\$'000
Modification (gain)/loss on other receivables (<i>Note (a)</i>)	(199)	346
Interests on:		
– Bank borrowings	955	1,664
– Lease liabilities	32	28
Amortisation of loan arrangement, facility and legal fee	65	65
	<u>853</u>	<u>2,103</u>

(a) The non-current other receivables of US\$628,000 as at 31 December 2023 were loan receivables from a non-related party. During the year ended 31 December 2024, the amounts were settled and a modification gain was recognised.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

7. INCOME TAX

The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which entities of the Group are domiciled and operate.

Pursuant to the rules and regulations of the Cayman Islands, the Company and HCIL Master Option Limited are not subject to any income tax in this jurisdiction.

The Singapore statutory income tax for Home Control Singapore Pte. Ltd. has been provided at the rate of 17% (2023: 17%) on the estimated assessable profits arising in Singapore during the year.

The federal tax for Premium Home Control Solutions, LLC has been provided at the rate of 21% (2023: 21%), and the state tax has been provided at the rate of 4.0% (2023: 5.4%) on the estimated assessable profits arising in the United States of America during the year.

The Mainland China income tax has been provided at the applicable income tax rate of 25% (2023: 25%) on the estimated assessable profits of the PRC subsidiaries of the Group in accordance with the PRC Corporate Income Tax Law. Home Control Solutions (Suzhou) Limited was qualified as a Small and Low-profit Enterprise and was subject to a preferential income tax rate of 5% (2023: 5%) until 31 December 2027. HCS (Suzhou) Limited qualified as a Technologically-advanced Service Enterprise and was subject to a preferential income tax rate of 15% (2023: 15%) for the year until 31 December 2026.

The corporate income tax rate for Home Control Europe NV has been provided at the rate of 25% (2023: 25%) on the estimated assessable profits arising in Belgium during the year.

The corporate income tax rate for Omni Remotes do Brasil Ltda has been provided at the rate of 24% (2023: 24%) on the estimated assessable profits arising in Brazil during the year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

7. INCOME TAX (continued)

The Group calculates the period income tax expense using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense are as follows:

	2024 <i>US\$'000</i>	2023 <i>US\$'000</i>
Current tax – Singapore		
Charge for the year	1,424	150
(Over)/under provision in prior years	(59)	67
Current tax – United States of America		
Charge for the year	123	103
Current tax – China and Elsewhere		
Charge for the year	187	112
	<u>1,675</u>	<u>432</u>
Deferred tax		
Charge/(credit) for the year	31	(398)
Under provision in prior years	–	22
	<u>31</u>	<u>(376)</u>
Total tax expense for the year	<u>1,706</u>	<u>56</u>

A reconciliation of the tax expense applicable to profit/(loss) before tax at the statutory rates for the countries in which the Company and the majority of its subsidiaries are domiciled to the tax expense at the effective tax rates, and a reconciliation of the applicable statutory rates to the effective tax rates, are as follows:

	2024 <i>US\$'000</i>	%	2023 <i>US\$'000</i>	%
Profit/(loss) before tax	<u>4,214</u>	–	<u>(1,563)</u>	–
Tax at the domestic rates applicable to profits in the countries where the Group operates	1,616	38.4	(178)	(11.4)
Effect of partial tax exemption and enhanced deductions	(34)	(0.8)	(33)	(2.1)
Income not subjected to tax	(11)	(0.3)	(12)	(0.8)
Expenses not deductible for tax	163	3.9	170	10.9
(Over)/under provision in respect of prior years	(59)	(1.4)	88	5.6
Others	31	0.7	21	1.3
Income tax expense at the Group's effective rate	<u>1,706</u>	<u>40.5</u>	<u>56</u>	<u>3.6</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

8. EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

The calculation of the basic earnings per share amounts is based on profit/(loss) for the year attributable to owners of the Company, and the weighted average number of ordinary shares.

The calculation of the diluted earnings per share amounts is based on the profit/(loss) for the year attributable to owners of the Company. The weighted average number of ordinary shares used in the calculation is the number of ordinary shares in issue during the year, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise of all dilutive potential ordinary shares into ordinary shares.

The calculations of basic and diluted earnings per share are based on:

	2024	2023
	<i>US\$'000</i>	<i>US\$'000</i>
Earnings		
Profit/(loss) attributable to owners of the Company, used in the basic earnings per share calculation	2,508	(1,619)
	Number of shares	
	2024	2023
Shares		
Weighted average number of ordinary shares in issue during the year used in the basic earnings per share calculation	506,650,000	504,746,539

Diluted earnings per share for financial years 2024 and 2023 are the same as basic earnings per share as there were no potentially dilutive ordinary shares.

9. INVENTORIES

	2024	2023
	<i>US\$'000</i>	<i>US\$'000</i>
Raw materials – components	4,709	5,168
Work-in-progress	1,041	101
Finished goods	8,196	6,253
	13,946	11,522
Less: Provision for inventories	(575)	(387)
	13,371	11,135

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

10. TRADE RECEIVABLES

	2024 <i>US\$'000</i>	2023 <i>US\$'000</i>
Trade receivables	23,790	26,584
Impairment	(215)	(333)
	<u>23,575</u>	<u>26,251</u>
Denominated in:		
US\$	19,879	23,913
Euro	1,173	1,152
RMB	875	317
British Pound Sterling	1,648	869
	<u>23,575</u>	<u>26,251</u>

Trade receivables are non-interest-bearing and are generally on 30 to 90 days' credit terms. They are recognised at their original invoice amounts on initial recognition.

An ageing analysis of the trade receivables as at the end of the year, based on the invoice date and net of impairment allowance, is as follows:

	2024 <i>US\$'000</i>	2023 <i>US\$'000</i>
0-90 days	20,240	23,473
91-180 days	2,130	1,628
More than 180 days	1,205	1,150
	<u>23,575</u>	<u>26,251</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

11. TRADE PAYABLES

	2024 <i>US\$'000</i>	2023 <i>US\$'000</i>
Trade payables	<u>28,656</u>	<u>27,711</u>
Denominated in:		
US\$	9,311	20,326
RMB	19,064	7,016
Others	<u>281</u>	<u>369</u>
	<u>28,656</u>	<u>27,711</u>

An ageing analysis of the trade payables as at the end of the year, based on the invoice date, is as follows:

	2024 <i>US\$'000</i>	2023 <i>US\$'000</i>
0-90 days	21,158	20,546
91-180 days	7,446	7,086
More than 180 days	<u>52</u>	<u>79</u>
	<u>28,656</u>	<u>27,711</u>

The trade payables are non-interest-bearing and are normally settled on 90-day credit terms.

12. CASH AND CASH EQUIVALENTS

	2024 <i>US\$'000</i>	2023 <i>US\$'000</i>
Cash and cash equivalents	<u>19,443</u>	<u>16,872</u>
Denominated in:		
US\$	11,204	13,066
Euro	898	1,363
SGD	888	204
RMB	4,670	1,382
British Pound Sterling	1,475	423
Brazilian Real	141	234
Others	<u>167</u>	<u>200</u>
	<u>19,443</u>	<u>16,872</u>

Cash at bank earns interest at floating rates based on daily bank deposit rates. The bank balances are deposited with creditworthy banks with no recent history of default.

Cash and cash equivalents of approximately US\$2,009,000 (2023: US\$1,382,000) and US\$22,000 (2023: US\$29,000) as at 31 December 2024 of the Group were denominated in RMB and US\$ respectively and deposited with banks in the PRC. These bank balances are subject to the rules and regulations of foreign exchange control promulgated by the State Administration of Foreign Exchange.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (continued)

12. CASH AND CASH EQUIVALENTS (continued)

The RMB is not freely convertible into other currencies. However, under Mainland China's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorised to conduct foreign exchange business. The remittance of funds out of Mainland China is subject to exchange restrictions imposed by the PRC government.

13. FINANCIAL ASSET AT AMORTISED COST

	2024 <i>US\$'000</i>	2023 <i>US\$'000</i>
Beginning of financial year	3,229	3,229
Provision for impairment loss	<u>(3,229)</u>	<u>–</u>
End of financial year	<u>–</u>	<u>3,229</u>

The above investment is a treasury management principal protected product issued by a licensed financial institution. The investment is denominated in HK\$. The investment matures initially 1.5 years from inception, and will be rolled over automatically unless the parties mutually agree to terminate it. The financial institution has the right to redeem the investments prior to its termination, and the discretion to determine the interest to be compensated.

This investment is classified as financial asset at amortised cost as its contractual cash flows are solely payments of principal and interest.

The financial institution did not agree to the Company's redemption of the investment during the financial year ended 31 December 2024 and it was rolled over in May 2024. The Group assessed that there was a significant increase in credit risk since the inception of the investment as there is uncertainty as to when and whether the investment will be redeemed in full.

As at 31 December 2024, the estimated lifetime expected credit loss is assessed to be the carrying value of the investment due to the lack of adequate information to estimate the cash flows that the Company expects to receive from the financial institution.

14. DIVIDENDS

The proposed final dividend of US0.25 cents per ordinary share amounting to a total of US\$1,254,000 for the year ended 31 December 2024 is subject to the approval of the shareholders at the forthcoming annual general meeting ("AGM"). These consolidated financial statements do not reflect this dividend payable, which will be accounted for in shareholders' equity as an appropriation out of distributable reserves in the financial year ending 31 December 2025. No dividend was proposed in respect of the financial year ended 31 December 2023.

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW

The Group is a globally leading home control solution provider headquartered in Singapore with worldwide presence in North America, Europe, Asia and Latin America. Originally established as the home control division of Philips prior to the acquisition of the entire stake of Home Control Singapore Pte. Ltd. by the Company from Philips in April 2015, the Group has been operating in this industry for over 30 years. Under the brand “Omni Remotes”, the Group develops and offers high quality and bespoke remote controls for a vast array of pay television (TV) operators and consumer electronics brands. The products are shipped to over 40 countries, with a blue-chip customer base that includes AT&T Services Inc. in North America, Sky CP Limited, British Telecommunications PLC, Vodafone Group Services Limited, and Liberty Global Services B.V. in Europe, as well as Reliance Retail Limited, Bharti Airtel Limited, and Hisense Electric Co., Ltd. in Asia.

The Group maintains a strong focus on innovation, with over 200 invention patents and owning one of the most comprehensive Infrared (IR) and code databases in the world. Simple Setup, its intelligent multi-device control solution, has been deployed to dozens of customers in the pay television (TV) operator and consumer electronics domains since its inception. In addition, its sustainability portfolio, including solar and ultra-low power platforms, has received broad industry recognition and commercial interest.

The Company continues to invest in various remote control technologies, including in the areas of sustainability, advanced sensors, as well as targeted solutions for vertical segments.

The Company has updated its “Omni Remotes” brand to “Omni Devices” at the end of 2024 to reflect its ambition for new businesses and to extend its competence of end to end design and manufacturing of high volume low cost products beyond the traditional remote control domain.

BUSINESS REVIEW

The Group’s revenue for the year ended 31 December 2024 came in at approximately US\$107.5 million, representing a slight increase of approximately 6.4% from approximately US\$101.0 million for the year ended 31 December 2023.

In line with the market expectation, and with the automation and improved cost management measures adopted by the Group as set out in the Company's annual report 2023, coupled with a product mix with higher margins, as well as greater efficiency and material savings, and without taking into account the non-recurring restructuring costs of approximately US\$1.1 million incurred related to further optimising the cost structure and non-recurring provision of impairment of financial assets at amortised cost of approximately US\$3.2 million, the Group has turned in an adjusted net profit (non-IFRS measure) of approximately US\$6.8 million for the year ended 31 December 2024 as compared to an adjusted net profit (non-IFRS measure) of approximately US\$0.9 million for the year ended 31 December 2023.^(Note)

Note: To supplement the consolidated financial statements of the Group prepared in accordance with the IFRS Accounting Standards ("IFRS") issued by International Accounting Standards Board ("IASB"), certain additional non-IFRS measures (in terms of adjusted net profit) have been presented in this announcement. These unaudited non-IFRS measures should be considered in addition to, not as a substitute for, measures of the Group's financial performance prepared in accordance with the IFRS. These non-IFRS measures could provide additional information to investors and others in understanding and evaluating the consolidated financial statements of operations of the Group in the same manner as they help the management compare the financial results across accounting periods and with those of other peer companies. In addition, these non-IFRS measures may be defined differently from similar terms used by other companies.

The Adjusted Net Profit (non-IFRS measure) eliminates the effect of the nonrecurring (1) restructuring and severance costs incurred related to optimising the cost structure so as to maintain competitiveness of the Group in the current business environment; and (2) provision for impairment loss of financial asset at amortised cost (see Note 13 to the consolidated financial statements). The term of Adjusted Net Profit (non-IFRS measure) is not defined under the IFRS. The use of Adjusted Net Profit (non-IFRS measure) has material limitations as an analytical tool, as it does not include all items that impact the profit/loss for the relevant periods. The effects of items eliminated from the Adjusted Net Profit (non-IFRS measure) are significant components in understanding and assessing the operating and financial performance of the Group.

PROSPECT AND OUTLOOK

The persistent and heightened worldwide inflation has pivoted, but the instability of the political and economic situation arising from conflicts in Russia-Ukraine and the Middle East region, as well as the changes of US policy on global trade will post uncertainty to the business. These factors may impede customer resumptions of new projects and consumer acquisitions. It is difficult to estimate the full impact given the dynamic nature of these circumstances. The Group will pay continuous attention to the situation, adhere to government measures and recommendations, continue to mitigate foreseeable risks with all sites and subsidiaries, and endeavor to operate with minimal impact on any function serving the business and the customers.

While the Group will continue to take steps in cost management, fresh resources will be channeled into research & development, sales force expansion to diversify into several adjacent spaces of the business, as well as improvements of its supply chain to support the existing business and the ongoing diversification. Its new digital automated production site located in the Hunan province of China has started mass production according to plan and is running at the planned capacity. The Group has mitigation plans in place if and when the global political situation evolves to materially impact the freedom of trades within our business.

FINANCIAL REVIEW

Revenue

Revenue of the Group for the year ended 31 December 2024 increased by approximately 6.4% (approximately US\$6.4 million) compared to the year ended 31 December 2023 mainly due to the increase in revenue for Europe and North America regions, partially offset by a decrease in revenue for Asia and Latin America regions.

The following table sets forth the breakdown of revenue of the Group by the geographical location of customers for the years ended 31 December 2024 and 31 December 2023, respectively.

	2024		2023		Year-on-year Change	
	US\$'000	% of Revenue	US\$'000	% of Revenue	US\$'000	%
North America	42,515	39.6%	34,836	34.5%	7,679	22.0%
Europe	43,317	40.3%	32,605	32.3%	10,712	32.9%
Asia	13,986	13.0%	22,969	22.7%	(8,983)	(39.1%)
Latin America	7,634	7.1%	10,598	10.5%	(2,964)	(28.0%)
Total	<u>107,452</u>	<u>100%</u>	<u>101,008</u>	<u>100%</u>	<u>6,444</u>	<u>6.4%</u>

Cost of sales

The cost of sales of the Group mainly consisted of components including finished goods from ODM (original design manufacturing), outsourcing and overheads. The cost of sales amounted to approximately US\$76.6 million and approximately US\$77.7 million for the year ended 31 December 2024 and the year ended 31 December 2023, respectively, representing approximately 71.3% and approximately 76.9% of the total revenue for the corresponding years.

The following table sets forth the breakdown of the cost of sales for the year ended 31 December 2024 and the year ended 31 December 2023, respectively.

	2024		2023	
	US\$'000	%	US\$'000	%
Cost of components	64,076	83.7%	65,110	83.8%
Outsourcing	10,351	13.5%	9,819	12.6%
Overheads	2,174	2.8%	2,768	3.6%
	<u>76,601</u>	<u>100.0%</u>	<u>77,697</u>	<u>100.0%</u>

Gross profit

Gross profit increased by approximately US\$7.5 million from approximately US\$23.3 million for the year ended 31 December 2023 to approximately US\$30.9 million for the year ended 31 December 2024. Gross profit has increased mainly due to increase in revenue and better product mix with higher margins.

Other income

Other income increased from approximately US\$0.2 million for the year ended 31 December 2023 to approximately US\$0.3 million for the year ended 31 December 2024. The increase was primarily because of the increase of approximately US\$0.1 million in government grants for the year ended 31 December 2024.

Selling and distribution expenses

Selling and distribution expenses increased from approximately US\$6.4 million for the year ended 31 December 2023 to approximately US\$7.3 million for the year ended 31 December 2024. The increase in selling and distribution expenses was mainly due to approximately US\$0.4 million increase in distribution expenses, approximately US\$0.3 million increase in professional fees, approximately US\$0.1 million increase in salaries and wages and approximately US\$0.1 million increase in commission expenses.

Administrative expenses

Administrative expenses was approximately US\$12.0 million for the year ended 31 December 2024 and 31 December 2023, respectively.

Reversal of/(provision for) impairment loss

Provision for impairment loss increased by approximately US\$3.0 million for the year ended 31 December 2024. This increase was mainly because of the US\$3.2 million provision for impairment of the unlisted investment at amortised cost, partially offset by decrease of approximately US\$0.1 million due to the reversal of specific doubtful debt provision for trade receivables.

Other expenses

Other expenses decreased from approximately US\$4.3 million for the year ended 31 December 2023 to approximately US\$3.6 million for the year ended 31 December 2024. The approximately US\$0.7 million decrease was mainly due to approximately US\$1.4 million decrease in restructuring expenses, partially offset by approximately US\$0.4 million increase in legal expenses and approximately US\$0.2 million increase in sample and model making costs.

Finance costs – net

Comparing to the year ended 31 December 2023, finance cost incurred during the year ended 31 December 2024 decreased by approximately US\$1.3 million. The decrease was mainly because of the approximately US\$0.7 million decrease in interest on bank loans and approximately US\$0.5 million decrease in modification loss on other receivables.

Profit/(Loss) before tax

Profit before tax for the year ended 31 December 2024 was approximately US\$4.2 million, as compared to a loss before tax of approximately US\$1.6 million for the year ended 31 December 2023. This was mainly due to the net impact of the changes of the profit and loss items stated above.

Income tax expense

The Group's income tax expense increased from approximately US\$0.1 million for the year ended 31 December 2023 to approximately US\$1.7 million for the year ended 31 December 2024. The income tax expense for the year ended 31 December 2024 was higher mainly due to an increase in profit before tax.

Profit/(Loss) for the year

As a result of the above, the Group recorded a profit after tax of approximately US\$2.5 million for the year ended 31 December 2024, representing an increase of approximately US\$4.1 million from the loss after tax for the year ended 31 December 2023 of approximately US\$1.6 million.

Earnings/(Loss) per Share

The basic earnings/(loss) per share for the year ended 31 December 2024 is US0.49 cents (year ended 31 December 2023: US(0.32) cents). Diluted earnings per share for financial years 2024 and 2023 are the same as basic earnings per share as there were no potentially dilutive ordinary shares.

LIQUIDITY AND CAPITAL RESOURCES

As at 31 December 2024, the Group had cash and cash equivalents of approximately US\$19.4 million. The Board is of the opinion that the financial position of the Group is healthy, and the Group has sufficient resources to support its operations and meet its foreseeable capital expenditures.

Cash flow

The following table sets forth a summary of our cash flows of the Group as at 31 December 2024 and 31 December 2023, respectively:

	2024 <i>US\$'000</i>	2023 <i>US\$'000</i>
Net cash from operating activities	14,212	14,069
Net cash used in investing activities	(928)	(724)
Net cash used in financing activities	(10,391)	(11,853)
Net increase in cash and cash equivalents	2,893	1,492
Cash and cash equivalents at beginning of the year	16,872	15,317
Effects of exchange rate changes on cash and cash equivalents	(322)	63
Cash and cash equivalents at end of the year	19,443	16,872

Net cash flow from operating activities

The Group generates cash from operating activities primarily from sales of goods. Cash flows from operating activities reflects profit before taxation for the year adjusted for (i) non-cash item such as depreciation of property, plant and equipment, and amortization of intangible assets and other items, which lead to the operating profit before changes in working capital; and (ii) effects of cash flows arising from changes in working capital, including changes in inventories, trade and other receivables and trade and other payables and other items, which lead to cash generated from operations; and (iii) income tax paid, which result in net cash from operating activities.

For the year ended 31 December 2024, the Group's net cash generated from operating activities was approximately US\$14.2 million, primarily reflected (i) cash generated before working capital changes of approximately US\$10.6 million; (ii) decrease in trade receivables of approximately US\$3.0 million; (iii) increase in other payables and accruals of approximately US\$2.2 million; (iv) increase in trade payables of approximately US\$0.9 million; and (v) decrease in prepayments and other receivables of approximately US\$0.6 million; partially offset by (i) increase in inventories of approximately US\$2.6 million and (ii) approximately US\$0.5 million in net income tax paid.

Net cash flow used in investing activities

Cash flow used in investing activities mainly relates to purchase of property, plant and equipment. For the year ended 31 December 2024, the Group's net cash used in investing activities of approximately US\$0.9 million was primarily attributable to purchases of property, plant and equipment.

Net cash flow used in financing activities

Cash flows used in financing activities mainly includes repayment of interest-bearing bank loans. For the year ended 31 December 2024, the Group's net cash flow used in financing activities was approximately US\$10.4 million, mainly attributable to approximately US\$8.9 million repayment of interest bearing bank loans, approximately US\$1.0 million interest paid, and approximately US\$0.5 million repayment of lease obligations.

NET CURRENT ASSETS

The Group's net current assets decreased by approximately US\$7.6 million from approximately US\$21.9 million as at 31 December 2023 to approximately US\$14.3 million as at 31 December 2024. The decrease was primarily due to (i) a decrease in financial asset at amortised cost of approximately US\$3.2 million, (ii) a decrease in trade receivables of approximately US\$2.7 million, (iii) an increase in trade payables of approximately US\$0.9 million, (iv) an increase in other payables and accruals of approximately US\$2.2 million, (v) an increase in interest-bearing loans of approximately US\$2.3 million, and (vi) an increase in tax payable of approximately US\$1.2 million; which were partially offset by (i) an increase in inventories of approximately US\$2.2 million, and (ii) an increase in cash and cash equivalents of approximately US\$2.6 million.

CAPITAL EXPENDITURE

The Group's capital expenditure consisted of purchase costs relating to property, plant and equipment. For the year ended 31 December 2024, the Group's capital expenditure amounted to approximately US\$0.9 million (2023: US\$0.8 million) for the acquisition of property, plant and equipment. The Group funded such capital expenditure primarily with cash generated from operating activities.

Capital and investment commitments

As at 31 December 2024, the Group did not have any capital and investment expenditure contracted for as at the end of the year but not recognised in the consolidated financial statements.

BANK LOANS AND CONTINGENT LIABILITIES

Bank loans

The Group's bank loans primarily consisted of short-term trade financing from bank. As at 31 December 2024, the Group had approximately US\$6.2 million (2023: US\$3.8 million) and US\$nil (2023: US\$11.2 million) from short and long-term bank loans, respectively.

As at 31 December 2024, there was a floating charge over bank accounts of Home Control Singapore Pte. Ltd. amounting to approximately US\$12.0 million (2023: US\$11.0 million) to secure the Group's bank loans.

Contingent liabilities

As at 31 December 2024, the Group did not have any contingent liabilities and guarantees.

Gearing ratio

Gearing ratio equals total debt divided by the adjusted total assets at the end of the year. Total debt includes all interest-bearing bank loans and lease liabilities. Adjusted total assets excludes goodwill. The gearing ratios as at 31 December 2024 and 31 December 2023 are approximately 11.2% and approximately 25.1%, respectively.

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

The Group did not have other plans for material investments or capital assets as at 31 December 2024.

MATERIAL INVESTMENTS, ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND ASSOCIATED COMPANIES

There were no other significant investments held, no material acquisitions or disposals of subsidiaries, associates and joint ventures during the year ended 31 December 2024.

FOREIGN EXCHANGE RISK MANAGEMENT

The functional currency of the Group is U.S. Dollar. The sales of the Group are mainly denominated in U.S. Dollar while purchases are mainly denominated in U.S. Dollar or RMB. In addition, the Group has its headquarters in Singapore and operating subsidiaries in the U.S., Belgium, the PRC and Brazil, of which overheads are settled in local currencies and therefore the Group is exposed to foreign exchange risks. Fluctuations in foreign exchange rates may be caused by various factors such as change in government policies, change in domestic and international economic and political conditions, and is always unpredictable. The Group had not entered into any agreements to hedge its exchange rate exposure, as the Group's results of operations has generally been partially mitigated by the natural offset of foreign currency receivables with foreign currency payables. Going forward, the Group expects that exchange rates of SGD, RMB and US\$ will continue to fluctuate. Changes in the foreign exchange rates between the Group's functional currencies and reporting currency may have an adverse impact on the Group's finance costs, sales and product margins, and may reduce the value of, and dividends payable on, the Shares. The Group's business and financial position may be materially and adversely affected. The management of the Group will continue to monitor the Group's foreign currency exchange exposure and will take prudent measures to minimise that currency exchange risk.

EMPLOYEES, REMUNERATION POLICY

As at 31 December 2024, the Group had 144 employees (31 December 2023: 150 employees). The employees benefit expense incurred during the year ended 31 December 2024 was approximately US\$12.4 million (2023: US\$12.6 million). As required by the applicable laws and regulations, the Group participates in various employee social security plans for its employees that are administered by local government. The Group's remuneration policy rewards employees and Directors based on individual's performance, demonstrated capabilities, involvement, market comparable information and the performance of the Group. The Group improves the professional skills and management level of its employees through internal and external training. To ensure that the Group attracts and retains competent staff, remuneration packages are reviewed on a regular basis. Performance bonuses are offered to qualified employees based on individual and the Group's performance. The Group did not experience any material labour disputes during the year ended 31 December 2024. The Company adopted a stock option plan of the Company as approved by the Board on 1 May 2015 as incentive for eligible employees. As at 1 May 2022, the Scheme was terminated upon the expiry of the Scheme period. No new options were granted and exercised thereunder during the year ended 31 December 2024. As at 1 May 2022, all options granted and accepted prior to such termination and not yet exercised under the Scheme were lapsed in accordance with the terms of the Scheme. The Company adopted the Share Award Scheme on 20 August 2020 in order to recognise the contributions of such Selected Grantees and in driving the continuous business operation and development of the Group. The Share Award Scheme shall terminate on the earlier of (i) the tenth (10th) anniversary date of the 20 August 2020; and (ii) such date of early termination as determined by the Board provided that such termination shall not affect any subsisting rights of any Selected Grantees under the Share Award Scheme. On 5 October 2020, the Board has resolved to award a total of not more than 5,016,337 Award Shares, representing approximately 1.00% of the total issued Shares as at the date of this announcement, to ten Selected Grantees pursuant to the Share Award Scheme. On 5

October 2022, 2,508,166 Award Shares were vested and the Board has resolved to allot and issue a total of 2,508,166 new Shares, representing approximately 0.50% of the total issued Shares as at the date of this announcement of which (a) 1,191,379 new Shares were allotted and issued to four connected Selected Grantees (being Mr. Alain PERROT, Chairman of the Board and the then executive Director (and currently a non-executive Director), and three other connected Selected Grantees who are directors of certain subsidiaries of the Company) pursuant to specific mandate; and (b) 1,316,787 new Shares were allotted and issued to six non-connected Selected Grantees pursuant to general mandate. On 5 October 2023, 2,508,171 Award Shares were vested and the Board has resolved to allot and issue a total of 2,508,171 new Shares, representing approximately 0.50% of the total issued Shares as at the date of this announcement of which (a) 1,191,381 new Shares were allotted and issued to four connected Selected Grantees (being Mr. Alain PERROT, Chairman of the Board and the then executive Director (and currently a non-executive Director), and three other connected Selected Grantees who are directors of certain subsidiaries of the Company) pursuant to specific mandate; and (b) 1,316,790 new Shares were allotted and issued to six non-connected Selected Grantees pursuant to general mandate. As at 31 December 2024, all 5,016,337 Award Shares granted under the Share Award Scheme have been vested and no new Share Awards have been granted during the year. Accordingly, no Award Shares remain outstanding and unvested as at 31 December 2024. The details of the Share Award Scheme are disclosed in the announcements of the Company dated 20 August 2020, 5 October 2020 and 12 November 2020; and the circular of the Company dated 27 October 2020.

OFF-BALANCE SHEET COMMITMENTS AND ARRANGEMENTS

As of the date of this announcement, the Group had not entered into any off-balance sheet transactions.

USE OF PROCEEDS FROM LISTING

Reference is made to the Company's announcement dated 25 February 2025 in relation to, among other things, the change in use of the IPO Proceeds (as defined below) (the "**Change in UOP Announcement**").

The Shares were listed on the Main Board of the Stock Exchange on the Listing Date and the net proceeds raised from this initial public offering after deducting underwriting fees and other related listing expenses amounted to approximately HK\$84.93 million (equivalent to approximately US\$10.83 million) (the "**IPO Proceeds**").

As disclosed in the Change in UOP Announcement, the subscription of a treasury management principal protected product in the amount of HK\$38,000,000 was settled through a deposit account in the name of the Company maintained with financial intermediary acting as the custodian in November 2019. Accordingly, the planned use and actual use of the IPO Proceeds as at 31 December 2024 were as follows:

	Planned use of IPO Proceeds (adjusted on a pro rata basis on the actual net proceeds) <i>HK\$' million</i>	Planned use of IPO Proceeds (adjusted on a pro rata basis on the actual net proceeds) <i>US\$' million</i>	Partial redemption for Treasury Management Principal Protected Product (Investment Product) and channelled towards working capital and general corporate purpose for year ended 31 December 2022 <i>US\$' million</i>	Unutilised IPO Proceeds as at beginning of the financial year i.e. 1 January 2024 <i>US\$' million</i>	Proceeds utilised during the year ended 31 December 2024 <i>US\$' million</i>	Utilised IPO Proceeds up to 31 December 2024 <i>US\$' million</i>	Unutilised as at 31 December 2024 <i>US\$' million</i>	Expected timeline for the unutilised IPO Proceeds
Strategic investments or acquisitions in the over-the-top (“OTT”) system and/or smart home security products	0	0		0	0	0	–	Originally allocated funds not utilised due to prolonged outbreak of COVID-19, the economic environment had been unstable and has hindered business discussions.
Repayment of bank borrowing	21.12	2.69		0	–	2.69	–	–
R&D and develop the products for OTT segment and extend product lines in smart home products	0	0		0	0	0	–	Originally allocated funds not utilised due to prolonged outbreak of COVID-19, the economic environment had been unstable and has hindered business discussions.
Expansion of professional sales force to support business expansion	13.8	1.76		1.21	0.41	0.96	0.80	The unutilised IPO Proceeds are expected to be fully utilised by 31 December 2026.
Strengthen the supply chain management and investment by extending beyond the PRC	6.57	0.84		0	–	0.84	–	–
Working capital and general corporate purposes	5.44	0.70	1.63	2.33	–	–	2.33	The unutilised IPO Proceeds are expected to be fully utilised by 31 December 2027.
Subscription for the Investment Product	38.00	4.84	-1.63	–	–	3.21	–	–
	<u>84.93</u>	<u>10.83</u>	<u>0.00</u>	<u>3.54</u>	<u>0.41</u>	<u>7.70</u>	<u>3.13</u>	

Note that partial redemption of the Investment Product should be channelled towards this category instead.

Based on the Directors' best estimation and assumption of future market conditions, the unutilised IPO Proceeds are expected to be fully utilised by 31 December 2027.

The Directors expect that the use of IPO Proceeds can bring further improvements to the Group's overall business performance.

The Directors will constantly evaluate the Group's business strategies and specific needs from time to time. Further announcement will be made if there are any additional changes on the use of proceeds as and when appropriate.

The business objectives, future plans and planned use of proceeds as stated above were based on the best estimation and assumption of future market conditions made by the Group while the proceeds might be applied based on the actual development of the Group's business and the industry.

FINAL DIVIDEND

The Board recommended a payment of final dividend of US0.25 cents per Share (equivalent to approximately HK1.93 cents per Share) for the year ended 31 December 2024 (2023: nil) to the Shareholders whose names appear on the register of members of the Company on Thursday, 3 July 2025. The proposed final dividend is subject to the approval of the Shareholders at the forthcoming AGM.

The proposed final dividend will be payable in cash to each Shareholder in US\$ or HK\$ depending on any election is made to receive the proposed final dividend in US\$ or HK\$. Shareholders will be given the option to electing to receive all (but not part) of the proposed final dividend in US\$ or HK\$. The dividend currency election form will be despatched to the Shareholders as soon as practicable after the record date of Thursday, 3 July 2025 to determine the Shareholders' entitlement to the proposed final dividend. The Board is not aware of any shareholders who have waived or agreed to waive any dividends.

EVENTS AFTER THE REPORTING PERIOD

No other significant events affecting the Company and its subsidiaries that require additional disclosures or adjustments occurred after the financial year ended 31 December 2024 and up to the date of this announcement.

CORPORATE GOVERNANCE CODE

The Group is committed to the establishment of good corporate governance practices and procedures with a view to being a transparent and responsible organization which is open and accountable to the Shareholders. The Board strives for adhering to the principles of corporate governance and has adopted sound corporate governance practices to meet the legal and commercial standards, focusing on areas such as internal control, fair disclosure and accountability to all Shareholders to ensure the transparency and accountability of all operations of the Company. The Company believes that effective corporate governance is an essential factor to create more value for its Shareholders.

The Company has adopted a corporate governance policy with provisions no less exacting than the Corporate Governance Code and complied with all the applicable code provisions set out in the Corporate Governance Code throughout the year ended 31 December 2024 except for the deviation as detailed below.

Code provision C.2.1 of the Corporate Governance Code stipulates that the roles of chairman and chief executive should be separate and should not be performed by the same individual. Under the Company structure up to and until 31 March 2024, Mr. Alain PERROT was the Chairman and the CEO. The Board believed that vesting the roles of both the Chairman and the CEO in the same person can facilitate the execution of the Group's business strategies and boost effectiveness of its operation. Therefore, the Board considered that the deviation from the code provision C.2.1 of the Corporate Governance Code was acceptable in such circumstance. In addition, at the relevant time, apart from Mr. Alain PERROT being the executive Director, the Board comprised two non-executive Directors and three independent non-executive Directors, and was appropriately structured with balance of power to provide sufficient checks to protect the interests of the Company and the Shareholders. Following the resignation of Mr. Alain PERROT from his role as the CEO and the appointment of Mr. Kwok Hoong SIU as the executive Director and the CEO with effect from 1 April 2024, the Company has fully complied with the requirements as set out in the code provision C.2.1 of the Corporate Governance Code. For details, please refer to the announcement of the Company dated 5 March 2024.

The Board will continue to review and improve the corporate governance practices of the Group from time to time to ensure that the Group is led by an effective Board in order to optimise return for Shareholders.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS

The Company has adopted the Model Code as its code of conduct regarding securities transactions by the Directors and relevant employees. Upon specific enquiry of all Directors, all Directors confirmed that they have complied with the Model Code during the year ended 31 December 2024.

REVIEW OF FINANCIAL INFORMATION BY THE AUDIT COMMITTEE

The Company has established an audit committee with written terms of reference in compliance with the Corporate Governance Code. As at the date of this announcement, the audit committee of the Company consists of the three independent non-executive Directors, namely, Dr. Shou Kang CHEN (Chairman), Mr. Werner Peter VAN ECK and Ms. Keet Yee LAI.

The audit committee of the Company has reviewed the consolidated financial statements of the Group for the year ended 31 December 2024 and discussed with the management the accounting principles and practices adopted by the Group, risk management and internal controls and financial reporting matters of the Group and results announcement.

SCOPE OF WORK OF PRICEWATERHOUSECOOPERS LLP

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of comprehensive income and the related notes thereto for the year ended 31 December 2024 as set out in this announcement have been agreed by the Group's auditor, PricewaterhouseCoopers LLP, to the amounts set out in the Group's draft consolidated financial statements for the year. The work performed by PricewaterhouseCoopers LLP in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by PricewaterhouseCoopers LLP on this announcement.

ANNUAL GENERAL MEETING

The forthcoming AGM of the Company will be held on Friday, 20 June 2025 and the notice of the AGM will be published and despatched to the Shareholders upon request in the manner as required by the Listing Rules in due course.

CLOSURE OF REGISTER OF MEMBERS

To ensure the eligibility to attend and vote at the AGM and entitlement to the proposed final dividend, the register of members of the Company will be closed on the following dates:

For ascertaining Shareholders' right to attend and vote at the AGM:

Latest time to lodge transfers : 4:30 p.m. on Friday, 13 June 2025

Book closure dates : Monday, 16 June 2025 to Friday, 20 June 2025 (both days inclusive)

Record date : Friday, 20 June 2025

For ascertaining Shareholders' entitlement to the proposed final dividend:

Latest time to lodge transfers : 4:30 p.m. on Thursday, 26 June 2025

Book closure dates : Friday, 27 June 2025 to Thursday, 3 July 2025 (both days inclusive)

Record date : Thursday, 3 July 2025

Payment date of the proposed final dividend : on or about Friday, 22 August 2025

To be eligible to attend and vote at the AGM and qualify for the proposed final dividend, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's Hong Kong share registrar, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration no later than the aforementioned latest time.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY’S LISTED SECURITIES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company’s listed securities (including sale of treasury shares) during the year ended 31 December 2024.

PUBLICATION OF RESULT ANNOUNCEMENT AND ANNUAL REPORT

This annual result announcement is published on the Stock Exchange’s website at www.hkexnews.hk and the Company’s website at www.omnidivices.com. The Company’s annual report for the year ended 31 December 2024 containing all the information required by the Listing Rules will be dispatched to the Shareholders upon request and available on the above websites in due course.

DEFINITIONS

“AGM”	the annual general meeting of the Company to be held on Friday, 20 June 2025, or, where the context so admits, any adjournment of such annual general meeting
“Award Shares”	in respect of a Selected Grantee, such number of Shares determined by and granted by the Board pursuant to the Share Award Scheme
“Board”	the board of Directors
“CEO”	the chief executive officer of the Company
“Chairman”	the chairman of the Board
“China” or “PRC”	the People’s Republic of China and for the purpose of this announcement, excludes, Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“CODM”	the chief operating decision-maker
“Company”	Home Control International Limited, a company incorporated in the Cayman Islands on 24 December 2014 as an exempted company with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange (stock code: 1747)
“Corporate Governance Code”	the Corporate Governance Code as set out in Appendix C1 to the Listing Rules
“Director(s)”	the director(s) of the Company

“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	The Hong Kong Special Administrative Region of the PRC
“Listing”	the listing of the Shares of the Company on the Main Board of the Stock Exchange
“Listing Date”	14 November 2019
“Listing Rules”	the Rules Governing the Listing of Securities on the Main Board of the Stock Exchange
“Model Code”	the model code for securities transactions by directors of listed issuers as set out in Appendix C3 to the Listing Rules
“Philips”	Koninklijke Philips N.V., one of the largest electronics companies in the world, incorporated under the laws of the Netherlands and headquartered in Amsterdam
“RMB”	Renminbi, the lawful currency of the PRC
“Scheme”	the stock option plan of the Company as approved by the Board on 1 May 2015
“Selected Grantee(s)”	the eligible participant(s) being selected for participation in the Share Award Scheme and conditionally awarded the Award Shares
“SGD”	Singapore dollar(s), the lawful currency of the Republic of Singapore
“Share(s)”	ordinary share(s) with nominal value of US\$0.01 each in the share capital of the Company
“Share Award Scheme”	the share award scheme adopted by the Company on 20 August 2020, as amended from time to time
“Shareholder(s)”	the holder(s) of Share(s) of the Company
“Singapore”	the Republic of Singapore

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiary(ies)”	has the meaning ascribed to it under the Listing Rules
“U.S.” or “United States”	the United States of America
“U.S. dollars” or “US\$”	United States dollars, the lawful currency of the United States

On behalf of the Board
Home Control International Limited
Kwok Hoong SIU
Chief Executive Officer and
Executive Director

Hong Kong, 28 March 2025

As of the date of this announcement, the Board comprises Mr. Kwok Hoong SIU as executive Director; Mr. Alain PERROT, Mr. Wei ZHOU and Mr. Ewing FANG as non-executive Directors; and Mr. Werner Peter VAN ECK, Dr. Shou Kang CHEN and Ms. Keet Yee LAI as independent non-executive Directors.