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SIS INTERNATIONAL HOLDINGS LIMITED

新龍國際集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 00529)

DISCLOSABLE TRANSACTION ACQUISITION OF TRUST BENEFICIAL INTEREST OF A HOTEL PROPERTY IN JAPAN

On 14 July 2014, the Purchaser, TMK SSG13, an indirect wholly-owned subsidiary of the Company, has entered into the Sale & Purchase Agreement with the Seller for the Acquisition of the Trust Beneficial Interest of a property at a consideration of JPY2,700,000,000 (approximately HK\$205,200,000).

As certain of the applicable percentage ratios under Chapter 14 of the Listing Rules exceed 5% but are less than 25%, the Acquisition constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules.

THE SALE AND PURCHASE AGREEMENT

On 14 July 2014, the Purchaser, TMK SSG13, an indirect wholly-owned subsidiary of the Company, has entered into the Sale & Purchase Agreement with the Seller for the Acquisition of the Trust Beneficial Interest of a property named Dormy Inn Premium Otaru in Japan at a consideration of JPY2,700,000,000 which is equivalent to about HK\$205,200,000.

Parties

- (1) TMK SSG13, an indirect wholly-owned subsidiary of the Company, as the Purchaser; and
- (2) Tokutei Mokuteki Kaisha Otaru R2, as the Seller

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Seller and its ultimate beneficial owner(s) are third parties independent of the Company and its connected persons.

The principal business activity of the Seller is real estate holding, leasing and sales. There is no prior transaction and relationship between the Company and the Seller and its associates in the last 12 months which would otherwise require aggregation under Rule 14.22 of the Listing Rules.

** For identification purpose only.*

Information of the Property

Subject to the terms and conditions of the Sale & Purchase Agreement, the Seller shall sell and TMK SSG13 shall acquire the Trust Beneficial Interest of the property, including the land (strata title) and building. The hotel property and car park lots are leased to a hotel operator operating under the Dormy Inn brand and the store in basement is leased to another tenant. The unexpired lease periods are ranged from fifteen to twenty five years.

Total revenue generated from the leasing of the property for the two financial years ended 31 December 2012 and 2013 amounted to JPY212,862,000 (equivalent to about HK\$16,178,000) for each year.

The property was valued at JPY2,720,000,000 (approximately HK\$206,720,000) as at 20 June 2014 by an independent professional valuer.

Consideration and Payment Terms

The consideration for the Acquisition is JPY2,700,000,000 which is equivalent to about HK\$205,200,000, will be payable and satisfied in full by internal resources and bank financing upon Completion.

The consideration for the property has been determined after arm's length negotiations between the parties by reference to the prevailing market conditions, as well as the location of the property and market price of properties in the same area.

Completion

Subject to satisfaction of the conditions to the Sale & Purchase Agreement, completion of the Acquisition shall take place on 30 July 2014 or a date to be mutually agreed between the Purchaser and the Seller.

REASONS FOR THE ACQUISITION

The Group is an investment holding company. Its principal business interests include real estate investment, mobile & IT products distribution as well as investments in promising businesses. The Acquisition is in line with the Group's strategy in investing in income generating real estate with a potential of capital appreciation in the long term. Taking into account the above factors, the Directors consider that the terms of the Acquisition are fair and reasonable and the Acquisition is in the interests of the Shareholders and the Company as a whole.

GENERAL

As certain of the applicable percentage ratios under Chapter 14 of the Listing Rules exceed 5% but are less than 25%, the Acquisition constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the following meanings:

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| “%” | per cent |
| “Acquisition” | the acquisition of the trust beneficial interest of a property by the Purchaser from the Seller pursuant to the Sale & Purchase Agreement |
| “Board” | the board of Directors |
| “Company” | SiS International Holdings Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange (Stock Code: 00529) |
| “Completion” | completion of the Acquisition pursuant to the Sale & Purchase Agreement |
| “connected persons” | shall have the meaning as ascribed to it under the Listing Rules |
| “Directors” | the directors of the Company |
| “Group” | the Company and its subsidiaries |
| “HK\$” | Hong Kong dollars, the lawful currency of Hong Kong |
| “Hong Kong” | the Hong Kong Special Administrative Region of the People’s Republic of China |
| “JPY” | Japanese Yen, the lawful currency of Japan |
| “Listing Rules” | the Rules governing the Listing of Securities on the Stock Exchange |
| “Purchaser” / “TMK SSG13” | Tokutei Mokuteki Kaisha SSG13, an indirect wholly-owned subsidiary of the Company |
| “Sale & Purchase Agreement” | the agreement for sale and purchase of the trust beneficial interest of a property dated 14 July 2014 entered into between the Seller and the Purchaser |
| “Seller” | Tokutei Mokuteki Kaisha Otaru R2, a Japan-based company |
| “Shareholders” | Shareholders of the Company, holders of the ordinary shares of HK\$0.01 each of the Company |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “Trust Beneficial Interest” | the trust beneficial interest of the land (strata title) and building in Japan located at No. 123, Inaho 3-chome, Otaru-shi, Hokkaido, which consist of a hotel property currently operating under the name of Dormy Inn Premium Otaru, car park lots and a retail store |

The exchange rate adopted for the purpose of this announcement is HK\$76 to JPY 1,000.

By Order of the Board
SiS International Holdings Limited
Chiu Lai Chun, Rhoda
Company Secretary

Hong Kong, 14 July 2014

As at the date of this announcement, the executive directors are Mr. Lim Kia Hong, Mr. Lim Kiah Meng, Mr. Lim Hwee Hai and Madam Lim Hwee Noi. The independent non-executive directors are Mr. Lee Hiok Chuan, Ms. Ong Wui Leng and Mr. Ma Shiu Sun Michael.