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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)

ANNOUNCEMENT POTENTIAL ACQUISITION OF PROPERTY IN JAPAN

This announcement is made pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The Board is pleased to announce that the Group has become the preferential purchaser for proposed Acquisition of Target Property in Japan on 3 February 2023 at a consideration of JPY800,000,000 (equivalent to HK\$48,000,000).

The board of directors (the “Board”) of SiS International Holdings Limited (the “Company”) is pleased to announce that on 3 February 2023, the Group has become the preferential purchaser for proposed Acquisition of Target Property in Japan at a consideration of JPY800,000,000 (equivalent to HK\$48,000,000).

PARTIES AND PARTICULARS OF THE TARGET PROPERTY

Purchaser: any wholly-owned subsidiary of the Group, which is incorporated in Japan

Seller: Bankruptcy trustee of Kabushiki Kaisha AWH

Target Property: Awashima Hotel (including building, furniture fixtures & equipment, and right of use for leasehold land) with 60 guest rooms, restaurants and function rooms.

CONSIDERATION AND SALES & PURCHASE AGREEMENT

The consideration and also the bid price was JPY800,000,000 (equivalent to HK\$48,000,000) which was determined with reference to (i) the prevailing property market conditions of the area where the Target Property is located; (ii) the original construction cost; and (iii) the development potential of the Target Property.

Agreement signing date and detailed terms and conditions of sale and purchase agreement shall be subject to further discussion and negotiation with the Seller's bankruptcy trustee.

The consideration shall be paid by the Purchaser in cash by internal resources of the Group and/or bank financing upon completion.

INFORMATION ABOUT THE GROUP AND THE SELLER

The Company is an investment trading, and investment holding company and provides corporate management services. The principal business of the Group includes real estate investment, mobile & IT products distribution as well as investments in promising businesses and securities.

The Seller is bankruptcy trustee of Kabushiki Kaisha AWH which is a company incorporated in Japan.

The Group has no related relationships with the Seller and/or Kabushiki Kaisha AWH and its beneficial owners, the proposed Acquisition will not constitute connected party transaction pursuant relevant Listing Rules.

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Acquisition is in line with the Group's strategy in investing in income generating real estate with a potential of capital appreciation in long term. The Acquisition will provide opportunities for the Group to expand its portfolio in hospitality industry. The Board believes the hospitality industry is recovering as Japan is shifting into post-pandemic reopening mode. Being selected as preferential purchaser for the Acquisition will have positive impact on the future development of the Group.

LISTING RULES IMPLICATIONS

This announcement is made pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Based on current available information, one of the applicable percentage ratios of the Acquisition is more than 5% but lower than 25%, the proposed Acquisition would constitute a discloseable transaction of the Company pursuant to Rule 14.06 of the Listing Rules. The Company will disclose subsequent development of the acquisition according to the relevant requirements in due course.

AS AT THE DATE OF THIS ANNOUNCEMENT, FORMAL AGREEMENT HAS NOT YET BEEN ENTERED INTO FOR THE ACQUISITION, SHAREHOLDERS AND PROSPECTIVE INVESTORS OF THE COMPANY ARE ADVISED TO EXERCISE CAUTION WHEN DEALING IN THE SECURITIES OF THE COMPANY.

DEFINITIONS

Unless the context requires otherwise, the capitalized terms used in this announcement shall have the following meanings:

“Acquisition”	the proposed acquisition of the Target Property in Japan
“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)
“Director”	the directors of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

“JPY”	Japanese Yen, the lawful currency of Japan
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Purchaser”	any company incorporated in Japan, indirect wholly-owned subsidiary of the Group
“Seller”	bankruptcy trustee of Kabushiki Kaisha AWH which is a company incorporated in Japan
“Shareholders”	Shareholders of the Company, holders of the ordinary shares of HK\$0.10 each of the Company
“Target Property”	Awashima Hotel (including building, furniture fixtures & equipment, right of use for leasehold land) with 60 guest rooms, restaurants and function rooms located at 186 Uchiurashigedera, Numazu, Shizuoka, Japan
“%”	per cent

The exchange rate adopted for the purpose of this announcement is HK\$0.06 to JPY 1. No representation is made that any amounts in JPY and HK\$ can be or could have been converted at the relevant dates at the above rates or at any other rates at all.

By Order of the Board of
SIS INTERNATIONAL HOLDINGS LIMITED
Lim Kia Hong
Chairman and Chief Executive Officer

Hong Kong, 3 February 2023

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 Ms. Ong Wui Leng and Mr. Ma Shiu Sun, Michael.

** For identification purposes only*