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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)**

### **DISCLOSEABLE TRANSACTION ACQUISITION OF A PROPERTY IN JAPAN**

The Board is pleased to announced that a formal Sale and Purchase Agreement has been entered between the Purchaser and Seller on 28 September 2023 for the Acquisition of Target Property in Japan at a total consideration of JPY725,000,000 (equivalent to approximately HK\$39,875,000).

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

Reference is made to the announcement of the Company dated 3 February 2023 in relation to a potential acquisition of property in Japan (the “Announcement”). Unless otherwise specified, capitalised terms used herein shall have the same meanings as those defined in the Announcement.

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#### **PARTIES AND THE SALE AND PURCHASE AGREEMENT**

Date: 28 September 2023  
Purchaser: JP20Assets KK, an indirect wholly-owned subsidiary of the Company  
Seller: Bankruptcy trustee of Kabushiki Kaisha AWH

#### **Information of the Property**

Subject to the terms and conditions of the Sale & Purchase Agreement, the Seller shall sell and the Purchaser shall acquire the Target Property named Awashima Hotel (including buildings, furniture fixtures & equipment, leasehold land use right, art work, navigation right and trademarks) with 60 guest rooms, restaurants and banquet halls located in Japan.

*\* For identification purpose only.*

The Target Property has no operating profit for the period from 1 December 2021 to 31 July 2023.

The Target Property was valued totally at JPY1,026,000,000 (equivalent to approximately HK\$56,430,000) as at 30 June 2023 by an independent professional valuer.

### **Consideration and Payment Terms**

The total consideration for the Acquisition is JPY725,000,000 (equivalent to approximately HK\$39,875,000), which shall be paid by the Purchaser on Completion.

The total consideration for the Property was determined with reference to (i) the prevailing property market conditions of the area where the Target Property is located; (ii) the existing condition of the Target Property; and (iii) the development potential of the Target Property. It is expected that the consideration will be paid in cash by internal resources of the Group and/or bank financing upon completion.

### **Conditions Precedent**

The Completion shall be subject to or conditional upon the following:

- (1) Obtaining consent from lessors for the transfer of leasehold land use right;
- (2) obtaining permission for the sale of the Target Property pursuant to the Sale and Purchase Agreement from the Shizuoka District Court; and
- (3) obtaining approval from the Minister of the Environment pursuant to the National Parks Act for the transfer of business operating in national park.

If any of the conditions precedent are not satisfied within 6 months from the Sale & Purchase Agreement date, either party may terminate the Sale & Purchase Agreement without any monetary claim against the other party.

### **Completion**

Subject to satisfaction of the conditions to the Sale & Purchase Agreement, completion of the Acquisition shall take place not later than one month from the satisfaction of all the conditions precedent.

### **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.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Seller and/or Kabushiki Kaisha AWH and its ultimate beneficial owners are third parties independent of the Company and its connected persons.

## REASONS 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. The Acquisition will have positive impact on the future development of the Group.

## LISTING RULES IMPLICATIONS

As one of the applicable percentage ratios under Chapter 14 of the Listing Rules exceeds 5% but is 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:

“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
“Purchaser”/ “JP20Assets KK”	JP20Assets Kabushiki Kaisha, an indirect wholly-owned subsidiary of the Company
“Target Property”	Awashima Hotel (including buildings, furniture fixtures & equipment, leasehold land use right, art work, navigation right and trademarks) with 60 guest rooms, restaurants and banquet halls located at 186 Uchiurashigedera, Numazu, Shizuoka, Japan
“Sale & Purchase Agreement”	the agreement for sale and purchase of the Target Property dated 28 September 2023 entered into between the Seller and the Purchaser

The exchange rate adopted for the purpose of this announcement is HK\$0.055 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  
**SiS International Holdings Limited**  
**Chiu Lai Chun, Rhoda**  
*Company Secretary*

Hong Kong, 28 September 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 Mr. Ma Shiu Sun Michael, Ms. Ng See Wai Rowena and Ms. Tan Song Ping.*