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SiS INTERNATIONAL HOLDINGS LIMITED

(incorporated in Bermuda with limited liability)
(Stock Code: 529)

CONTINUING CONNECTED TRANSACTIONS

The Board of Directors of the Company announces that two subsidiaries of the Company have entered into Tenancy Agreements with two connected persons, (as defined in the Listing Rules). The transactions contemplated under the Tenancy Agreements constitute continuing connected transactions under Rule 14A.14 of the Listing Rules and are subject to reporting and announcement requirements but exempt from independent shareholders' approval requirements pursuant to Rule 14A.34 of the Listing Rules.

The Board of Directors of SiS International Holdings Limited (the "Company") announces that on 23 September, 2005, two of its indirectly wholly-owned subsidiaries, SiS International Limited and SiS Technologies Pte Ltd have entered into tenancy agreements with Ever Rich Technology Limited ("Ever Rich") and SiS Realty Pte Ltd ("SiS Realty") (the "Tenancy Agreements") respectively. Details of the Tenancy Agreements are as follows:

<u>Landlord</u>	<u>Tenant</u>	<u>Property</u>	<u>Term of Lease</u>	<u>Monthly rental Amount</u>	<u>Payment Term</u>
Ever Rich Technology Limited	SiS International Limited	Room 604 Eastern Harbour Centre, 28 Hoi Chak Street, Quarry Bay, Hong Kong	2 years commencing 1 January, 2006	HK\$33,180	Monthly
Ever Rich Technology Limited	SiS International Limited	Room 301-311 Eastern Harbour Centre, 28 Hoi Chak Street, Quarry Bay, Hong Kong	2 years commencing 1 January, 2006	HK\$188,460	Monthly
SiS Realty Pte Ltd	SiS Technologies Pte Ltd	#01-06 to #01-10, 4 Leng Kee Road, SiS Building, Singapore	2 years commencing 1 January, 2006	S\$26,713	Monthly
SiS Realty Pte Ltd	SiS Technologies Pte Ltd	#02-05 to #02-10, #05-12 and #06-08, 4 Leng Kee Road, SiS Building, Singapore	2 years commencing 1 January, 2006	S\$30,442	Monthly

Mr. Lim Kiah Meng, a Director of the Company, and his family own 80% of the issued share capital of Ever Rich. All the executive directors of the Company and their associates, as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"), indirectly own 56% of the issued share capital of SiS Realty. Ever Rich and SiS Realty are connected persons (as defined in the Listing Rules) of the Company.

The aggregate annual rental, being the annual cap also, of the Tenancy Agreements is about HK\$5,814,636 (exchange rate 1S\$ = HK\$4.6) which is less than the HK\$10 million and the relevant percentage ratios on an annual basis is equal to or more than 2.5% but less than 25% as calculated pursuant to Rule 14.07 of the Listing Rules, therefore the Tenancy Agreements constitute continuing connected transactions under Rule 14A.14 of the Listing Rules and are subject to reporting and announcement requirements but exempt from independent shareholders' approval requirements pursuant to Rule 14A.34 of the Listing Rules.

Rental under the Tenancy Agreements has been determined by reference to market rate provided by independent property agents or rental to independent third parties. To the best knowledge of the directors of the Company (the “Directors”), both the independent property agents and the independent third parties and their ultimate beneficial owners are third parties independent of the Company and connected persons (as defined under the Listing Rules) of the Company. The Directors, including the independent non-executive Directors, consider that the terms of the Tenancy Agreements are fair, reasonable and on normal commercial terms. The Directors consider that the Tenancy Agreements are on arm’s length basis and for the best interest of the Company and its shareholders as a whole as its subsidiaries can secure office and warehouse space at rental no less favourable than rental available from independent third parties in the market for comparable premises.

The Company and its subsidiaries are principally engaged in the distribution of computers products; provision of technical consultancy services; and investment holdings. The principal activity of Ever Rich is property investment, and SiS Realty’s principal activities are rental collection and investment holdings. As the Tenancy Agreements constitute continuing connected transactions under the Listing Rules, details of the Tenancy Agreements will be included in the next published annual report and accounts of the Company pursuant to Rule 14A.45 of the Listing Rules.

By Order of the Board
Chiu Lai Chun, Rhoda
Company Secretary

Hong Kong, 29 September, 2005

As at the date of this announcement, the executive Directors are Mr Lim Siam Kwee, Mr Lim Kiah Meng, Mr Lim Kia Hong, Mr Lim Hwee Hai and Ms Lim Hwee Noi. The independent non-executive Directors are Mr Lee Hiok Chuan, Mr Woon Wee Teng and Ms Ong Wui Leng.

Please also refer to the published version of this announcement in The Standard.