



SiS INTERNATIONAL HOLDINGS LIMITED
新龍國際集團有限公司*

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

Company's interest in
SiS Distribution (Thailand) Public Company Limited

This announcement is made pursuant to Rule 13.09 of the Listing Rules.

Reference is made to the announcements dated 10 December 2003, 21 June 2004 and 12 July 2004 (the “**Announcements**”), and the circulars dated 29 December 2003 and 26 July 2004 of the Company (the “**Circulars**”) in relation to the disposal of the Company's interest in SiS Distribution (Thailand) Public Company Limited (formerly known as SiS Distribution (Thailand) Co. Ltd.) (“**SiS Thailand**”), through SiS Technologies Pte. Ltd., a wholly-owned subsidiary of the Company, under two share disposal agreements (as varied and supplemented) (the “**Share Disposal Agreements**”). Terms used in this announcement shall have the same meanings as defined in the Announcements and the Circulars, unless the context otherwise requires.

As disclosed in the announcement of the Company dated 10 December 2003, the Purchasers would pledge the relevant shares in SiS Thailand as security for the payment of the purchase price under the Share Disposal Agreements (“**Share Pledge**”). Each of the Purchasers failed to pay the balance of the purchase price of US\$2,509,650 (equivalent to approximately HK\$19,575,270) in accordance with the Share Disposal Agreements (the “**Indebtedness**”).

Pursuant to the Share Pledge, each of the Purchasers has transferred 20,410,000 shares in SiS Thailand, representing the entire interest of the Purchasers acquired from the Group pursuant to the Share Disposal Agreements, back to the Group as payment for the Indebtedness free and clear from all encumbrances on 1 November 2006 (the “**Transfer**”).

After the Transfer, the Company's equity interest in SiS Thailand increased from 29.25% to 49.51%. The Company's interest in SiS Thailand will continue to be recorded as an associated company of the Company.

By Order of the Board
SiS INTERNATIONAL HOLDINGS LIMITED
Chiu Lai Chun, Rhoda
Company Secretary

Hong Kong, 1 November 2006

As at the date of this announcement, the executive Directors of the Company 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 of the Company are Mr Lee Hiok Chuan, Mr Woon Wee Teng and Ms Ong Wui Leng.

Unless otherwise specified, the US\$ amounts shown in this announcement have been translated into HK\$ at an exchange rate of HK\$7.80 = US\$1.00 for indication purposes only.

** For identification purpose only*

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