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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: 529)**

### **DISCLOSEABLE TRANSACTION - DISPOSAL OF PROPERTY**

On 29 December 2009, the Vendor, an indirect wholly-owned subsidiary of the Company, entered into the Provisional S&P Agreement with the Purchaser for the disposal of the Carpark Nos. 1-64 on the 7<sup>th</sup> floor of United Centre, No. 95 Queensway, Hong Kong for a cash consideration of HK\$70,000,000.

As one or more the applicable percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules in respect of the Disposal exceed 5% but are less than 25%, the Disposal constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules.

#### **THE PROVISIONAL S&P AGREEMENT**

On 29 December 2009, the Vendor, an indirect wholly-owned subsidiary of the Company, entered into the Provisional S&P Agreement with the Purchaser for the disposal of the Property for a cash consideration of HK\$70,000,000.

#### **Parties**

- (1) Patrick Lo, or his nominees, as the Purchaser; and
- (2) SiS HK Limited, an indirect wholly-owned subsidiary of the Company, as the Vendor.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Purchaser is a third party independent of the Company and its connected persons. There is no prior transaction and relationship between the Company and the Purchaser in the last 12 months which would otherwise require aggregation under Rule 14.22 of the Listing Rules.

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

Subject to the terms and conditions of the Provisional S&P Agreement, the Purchaser shall acquire (subject to the existing tenancy agreement) and the Vendor shall sell the Property, which is Carpark Nos.1-64 on the 7<sup>th</sup> floor of United Centre, No. 95 Queensway, Hong Kong.

The Property has been leased to a third party. The Property has contributed to the Group net profits of HK\$5,613,566 in aggregate during the two financial years ended 31 December 2007 and 31 December 2008.

### **Consideration and Payment Terms**

The consideration for the Disposal is HK\$70,000,000 in cash, which shall be payable in three installments by the Purchaser. The consideration will be satisfied in full upon Completion, which is expected to take place on or before 8 March 2010.

The consideration for the Property was determined after arm's length negotiations between the parties. The Vendor has taken into consideration the carrying value and the rental income from the Property, as well as the prevailing market conditions.

### **Completion**

Subject to the satisfaction of the conditions to the Provisional S&P Agreement, the Completion of the Disposal shall take place on or before 8 March 2010.

### **FINANCIAL EFFECT AND THE USE OF THE PROCEEDS FROM THE DISPOSAL**

By reference to the Property's current carrying value of HK\$40,000,000 and estimated disposal expenses, the Group is expected to recognise in its income statement a gain of approximately HK\$29,000,000. The net proceeds from the Disposal are intended to be used for general working capital of the Group and/or for investments which may give a more attractive return to the Shareholders and the Company as a whole as and when the opportunity arise.

### **REASONS FOR THE DISPOSAL**

The Group is principally engaged in distribution of information technologies and related hardware and software products, investment trading and property investment.

The Directors consider that the Disposal is a good opportunity to realize the Group's investment. The net proceeds from the Disposal will strengthen the Group's working capital. The Directors consider that the terms of the Disposal are fair and reasonable and the Disposal is in the interests of the Shareholders and the Company as a whole.

### **GENERAL**

As one or more the applicable percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules in respect of the Disposal exceed 5% but are less than 25%, the Disposal constitutes a discloseable transaction for 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:

**“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 529)

<b>“Completion”</b>	completion of the Disposal pursuant to the Provisional S&P Agreement and/or the formal agreement(s) to be entered into under its terms
<b>“connected person”</b>	shall have the meaning as ascribed to it under the Listing Rules
<b>“Directors”</b>	the directors of the Company
<b>“Disposal”</b>	the disposal of the Property by the Vendor to the Purchaser pursuant to the Provisional S&P Agreement
<b>“Group”</b>	the Company and its subsidiaries
<b>“HK\$”</b>	Hong Kong dollars, the lawful currency of Hong Kong
<b>“Hong Kong”</b>	the Hong Kong Special Administrative Region of the People’s Republic of China
<b>“Listing Rules”</b>	the Rules governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
<b>“Property”</b>	Carpark Nos.1-64 on the 7 <sup>th</sup> floor of United Centre, No. 95 Queensway, Hong Kong and having a tenancy
<b>“Provisional S&amp;P Agreement”</b>	the provisional agreement for sale and purchase of the Property dated 29 December 2009 entered into between the Vendor and the Purchaser
<b>“Purchaser”</b>	Patrick Lo, or his nominees
<b>“Shareholder(s)”</b>	Shareholder(s) of the Company, holder(s) of the ordinary share(s) of HK\$0.01 each of the Company
<b>“Stock Exchange”</b>	the Stock Exchange of Hong Kong Limited
<b>“Vendor”</b>	SiS HK Limited, an indirect wholly-owned subsidiary of the Company

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

Hong Kong, 29 December 2009

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

*\* For identification purpose only.*