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If you have sold or transferred all your Shares in **SiS International Holdings Limited**, you should at once hand this circular to the purchaser or to the bank or stockbroker or other agent through whom the sale was effected for transmission to the purchaser.



SIS INTERNATIONAL HOLDINGS LIMITED

新龍國際集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 00529)

MAJOR TRANSACTION

**ACQUISITION OF TRUST BENEFICIAL INTERESTS OF
FIVE HOTEL PROPERTIES IN JAPAN**

* *For identification purposes only.*

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DEFINITIONS

In this circular, the following expressions have the meanings set out below unless the context requires otherwise:

“%”	per cent
“Acquisition”	the acquisition of the trust beneficial interest of five hotel properties by the Purchaser from the Seller pursuant to the Sale & Purchase Agreement
“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)
“Completion”	completion of the Acquisition pursuant to the Sale & Purchase Agreement
“connected person”	shall have the meaning as ascribed to it under the Listing Rules
“controlling shareholder”	shall have the meaning as ascribed to it under the Listing Rules
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“JPY”	Japanese Yen, the lawful currency of Japan
“Latest Practicable Date”	1 November 2013, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Listing Rules”	the Rules governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Purchaser”/“SiS Japan Inn”	SiS Japan Inn Tokutei Mokuteki Kaisha, an indirect wholly-owned subsidiary of the Company
“Sale & Purchase Agreement”	the agreement for sale and purchase of the trust beneficial interests of the five hotel properties dated 3 September 2013 entered into between the Seller and the Purchaser

DEFINITIONS

“Seller”	Hulic Co., Ltd., a Japan-based company
“SFO”	the Securities and Futures Ordinance (Chapter 571) of Hong Kong
“Shareholder(s)”	Shareholder(s) of the Company, holder(s) of the ordinary share(s) of HK\$0.01 each of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Trust Beneficial Interests”	<p>the trust beneficial interests of five hotel properties in Japan:</p> <ol style="list-style-type: none">(1) Toyoko Inn Naha Asahi-bashi Ekimae locating at 1-20, 2-chome, Kume, Naha City, Okinawa(2) Toyoko Inn Kanazawa Kenrokuen Korinbo locating at 2-4-28, Korinbo, Kanazawa City, Ishikawa(3) Toyoko Inn Shonan Hiratsuka-eki Kitaguchi No.1 locating at 1-1, Akashicho, Hiratsuka City, Kanagawa(4) Toyoko Inn Niigata Furumachi locating at 1168-2, 7-bancho, Kamiokawamaedori, Chuo-ku, Niigata City, Niigata(5) Toyoko Inn Tokushima Ekimae locating at 1-5, Ryogokuhoncho, Tokushima City, Tokushima
“Valuer”	CBRE Limited, an independent qualified valuer

The exchange rate adopted for the purpose of this circular is HK\$80 to JPY1,000.



SIS INTERNATIONAL HOLDINGS LIMITED

新龍國際集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 00529)

Board of directors:

Executive Directors

Mr. Lim Kia Hong (*Chairman*)

Mr. Lim Kiah Meng

Mr. Lim Hwee Hai

Madam Lim Hwee Noi

Independent Non-executive Directors

Mr. Lee Hiok Chuan

Ms. Ong Wui Leng

Mr. Ma Shiu Sun, Michael

Registered office:

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Hamilton HM12

Bermuda

Principal Place of Business in

Hong Kong:

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Quarry Bay

Hong Kong

7 November 2013

To the Shareholders

Dear Sir or Madam,

MAJOR TRANSACTION

**ACQUISITION OF TRUST BENEFICIAL INTERESTS OF
FIVE HOTEL PROPERTIES IN JAPAN**

I. INTRODUCTION

On 3 September 2013, the Purchaser, SiS Japan Inn, an indirect wholly-owned subsidiary of the Company, has entered into the Sale & Purchase Agreement with the Seller for the acquisition of the trust beneficial interests of five hotel properties at a total consideration of JPY6,433,900,000 (consumption tax inclusive) which is equivalent to about HK\$514,712,000. The five hotel properties are (1) Toyoko Inn Naha Asahi-bashi Ekimae; (2) Toyoko Inn Kanazawa Kenrokuen Korinbo; (3) Toyoko Inn Shonan Hiratsuka-eki Kitaguchi No.1; (4) Toyoko Inn Niigata Furumachi; and (5) Toyoko Inn Tokushima Ekimae, locating in five different locations in Japan.

* *For identification purposes only.*

LETTER FROM THE BOARD

The purpose of this circular is to provide the Shareholders with further information in relation to the Acquisition. Details of the Acquisition are as follows:

II. THE SALE & PURCHASE AGREEMENT

Date

3 September 2013

Parties

- (1) SiS Japan Inn Tokutei Mokuteki Kaisha, an indirect wholly-owned subsidiary of the Company, as the Purchaser; and
- (2) Hulic Co., Ltd., as the Seller.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Seller and its ultimate beneficial owner(s) are third parties independent of the Company and its connected persons.

The principal business activity of the Seller is real estate holding, leasing, sales and brokerage. There is no prior transaction and relationship between the Company and the Seller and its associates in the last 12 months which would otherwise require aggregation under Rule 14.22 of the Listing Rules.

Information of the Five Hotel Properties

The five hotel properties will be entrusted and held by a trustee which is a licensed trust bank in Japan whereas the beneficial ownership would be vested with the Seller before the Acquisition. Subject to the terms and conditions of the Sale & Purchase Agreement, the Seller shall sell and SiS Japan Inn shall acquire the trust beneficial interests of the five hotel properties, including the lands and buildings, on the date of completion. Other than the leasing of a few facilities, the five hotel properties are basically leased separately to a single tenant operating under the Toyoko Inn Brand by five lease agreements. The unexpired lease periods are of approximately twenty years.

After Completion, the beneficial ownership is vested with the Purchaser (who is then become the beneficiary) and the trustee remains unchanged. The trustee is entitled to a fixed annual fee and it shall manage the five hotel properties in accordance with the trust agreement and beneficiary's instructions. It shall manage the five hotel properties separately from its own assets and assets of other trusts. The trustee would receive lease revenue and pay majority expenses of the five hotel properties on behalf of the beneficiary.

Total gross revenue generated from the leasing of the five hotel properties for the three financial years ended 31 December 2010, 2011 and 2012 amounted to JPY574,368,000 (equivalent to about HK\$45,949,000), JPY577,828,000 (equivalent to

LETTER FROM THE BOARD

about HK\$46,226,000) and JPY582,690,000 (equivalent to about HK\$46,615,000) respectively. For the six months period ended 30 June 2013, total gross revenue amounted to JPY293,232,000 (equivalent to HK\$23,459,000).

The five hotel properties were valued as JPY8,604,000,000 (approximately HK\$688,320,000) in total as at 31 October 2013 by the Valuer, in which the valuation reports are set out in Appendix III to this circular.

Consideration and payment terms:

The consideration for the Acquisition is JPY6,433,900,000 (consumption tax inclusive) which is equivalent to about HK\$514,712,000, will be payable and satisfied in full by internal resources and bank financing upon Completion.

The consideration for the five hotel properties has been determined after arm's length negotiations between the parties by reference to the prevailing market conditions, as well as the location and revenue of the five hotel properties, and market price of similar properties in the same area.

Completion

The Acquisition has completed on 31 October 2013.

III. REASONS FOR THE ACQUISITION

SiS Group is an investment holding company. Its principal business interests include real estate investment, mobile & IT products distribution as well as investments in promising businesses. The Acquisition is in line with the Group's strategy in investing in income generating real estate with potential of capital appreciation of properties in the long term. Taking into account the above factors, the Directors consider that the terms of the Acquisition are fair and reasonable and the Acquisition is in the interests of the Shareholders and the Company as a whole.

IV. FINANCIAL EFFECT OF THE ACQUISITION

The five hotel properties are held as investment properties in the Group after Completion. Based on the unaudited consolidated statement of financial position at 30 June 2013, and following the Acquisition, the investment properties of the Group is expected to increase by HK\$519,812,000; the total assets of the Group is expected to increase by HK\$53,149,000; and the net asset value of the Group is expected to be remain unchanged as the increase in investment properties will be offset by the decrease in cash and bank balances and increase in liabilities of the Group. It is estimated the five hotel properties will contribute an annual revenue of approximately HK\$46,981,000 to the Group.

LETTER FROM THE BOARD

V. GENERAL

The Acquisition constitutes a major transaction for the Company under Chapter 14 of the Listing Rules and is therefore subject to Shareholders' approval pursuant to Rule 14.40. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, none of the Shareholders and its associates is required to abstain from voting if the Company were to convene a special general meeting for the approval of the Acquisition.

The controlling shareholder of the Company, Gold Sceptre Limited, which has beneficial interest of approximately 50.7% of the issued share capital of the Company, has given written approval of the Acquisition. By reason of the written approval of the controlling shareholder of the Company, a special general meeting of the Company to approve the Acquisition is not required pursuant to Rule 14.44 of the Listing Rules and will not be convened.

VI. ADDITIONAL MATTERS

Your attention is drawn to the information set out in the appendices to this circular.

On behalf of the Board
SiS International Holdings Limited
LIM Kia Hong
Chairman

1. FINANCIAL SUMMARY

The published audited consolidated financial statements of the Group (i) for the year ended 31 December 2010 is disclosed on pages 28 to 95 of the 2010 annual report of the Company released on 20 April 2011; (ii) for the year ended 31 December 2011 is disclosed on pages 27 to 97 of the 2011 annual report of the Company released on 27 April 2012; and (iii) for the year ended 31 December 2012 is disclosed on pages 27 to 93 of the 2012 annual report of the Company released on 18 April 2013. The published unaudited condensed consolidated financial statements of the Group for the six months ended 30 June 2013 is disclosed on pages 4 to 26 of the 2013 interim report of the Company released on 27 September 2013. All these financial statements have been published on the website of the Stock Exchange at www.hkex.com.hk and the Company's website at www.sisinternational.com.hk.

2. WORKING CAPITAL

After taking into account the present internal financial resources as well as the available banking facilities, and in the absence of unforeseen circumstances, the Directors are of the opinion that the Group has sufficient working capital for its present requirements, that is for at least the next 12 months from the date of this circular, after the completion of the Acquisition.

3. STATEMENT OF INDEBTEDNESS

At the close of business on 30 September 2013, being the latest practicable date prior to the printing of this circular and for the purpose of this indebtedness statement, the Group had outstanding unsecured bank borrowings of approximately HK\$15,815,000 and secured bank borrowings of approximately HK\$282,984,000, which was secured by bank deposits of approximately HK\$266,567,000.

Save as aforesaid or as otherwise disclosed herein, and apart from intra-group liabilities, the Group did not, at the close of business on 30 September 2013, have any outstanding loan capital issued and outstanding or agreed to be issued, bank overdrafts, loans or other similar indebtedness, liabilities under acceptances or acceptances credits, debentures, mortgages, charges, hire purchase commitments, guarantees or other material contingent liabilities.

The Directors confirmed that there has been no material change in the indebtedness and contingent liabilities of the Group since 30 September 2013.

4. FINANCIAL AND TRADING PROSPECTS

The Acquisition is in line with the Group's strategy in investment in income generating real estate with potential of capital appreciation of property in the long term. As at 30 June 2013, the Group's net current assets were HK\$570 million with cash balance of HK\$621 million and the debt (i.e. the bank loans and bills payable) to shareholders' fund ratio was 13%. After the Completion of the Acquisition, which was funded by internal resources and bank borrowings, the Directors expect that the Group's financial position shall remain solid for at least the current financial year ending 31 December 2013.

The Company continues to grow its real estate portfolios. Japan has been enjoying positive growth in the recent months. The Group is encouraged by the growth opportunities particularly given Japan's economic recovery slated for the next several years. The acquisition of hotel properties gave the opportunity to build on the momentum as it provides a steady income stream to the Group.

Pursuant to Rule 14.67(6)(b)(i) of the Listing Rules, a profit and loss statement of the hotel properties for the three financial years ended 31 December 2010, 2011 and 2012, and for the six months period ended 30 June 2013 (the “Relevant Financial Periods”) are required to be included in this circular. Except for the revenue from the leasing of the hotel properties (the “Properties”), the Group is unable to gain full access to the underlying books and records or other financial information of the Seller regarding the direct costs and other expenses for the preparation of the financial information of the hotel properties for the Relevant Financial Periods in compliance with the requirements of Rule 14.67(6)(b)(i) of the Listing Rules. The Company has therefore applied to the Stock Exchange for a waiver from strict compliance with the Listing Rule 14.67(6)(b)(i), such that the following information be disclosed instead. Accordingly, it may not give a true picture of the performance of the hotel properties actually occurred during the Relevant Financial Periods.

Gross revenue generated from the leasing of the hotel properties for the three financial years ended 31 December 2010, 2011 and 2012 amounted to JPY574,368,000 (equivalent to about HK\$45,949,000), JPY577,828,000 (equivalent to about HK\$46,226,000) and JPY582,690,000 (equivalent to about HK\$46,615,000) respectively. For the six months period ended 30 June 2013, the gross revenue generated from the leasing of the five hotel properties amounted to JPY293,232,000 (equivalent to about HK\$23,459,000).

Based on limited information provided by the Seller such as the applicable property tax, land lease and insurance expenses, estimated expenses in respect of the three financial years ended 31 December 2010, 2011 and 2012 and the six months period ended 30 June 2013 amounted to approximately JPY96,671,000 (equivalent to about HK\$7,734,000), approximately JPY88,235,000 (equivalent to about HK\$7,059,000), JPY83,172,000 (equivalent to about HK\$6,654,000) and JPY34,462,000 (equivalent to HK\$2,757,000) respectively. Save for the above limited information, no other expenses such as depreciation and finance costs were included. The information set out above is prepared using accounting policies which are materially consistent with those of the Company.

Notes:

In accordance with Listing Rules 14.67(6)(b)(i), the Directors engaged Messrs. Deloitte Touche Tohmatsu, the auditor of the Company to conduct certain agreed upon procedures in respect of the lease income of the Properties, in accordance with the Hong Kong Standard on Related Services 4400 “Engagements to Perform Agreed-Upon Procedures Regarding Financial Information” issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”). The procedures were performed solely to assist the Directors in evaluating the accuracy of the lease income from the Properties, and are summarised as follows:

1. The auditor obtained from the management of the Company a summary of lease income from the Properties (“Lease Income Summary”) and check the arithmetical accuracy of the total lease income for the three years ended 31 December 2010, 2011 and 2012 and the six months ended 30 June 2013.
2. From the Lease Income Summary, the auditor agreed the name of the tenants, lease periods and monthly lease fee (the “Particulars of Agreements”) to the relevant tenancy agreements provided by Hulic Co., Ltd. (the “Seller”).

3. The auditor checked the arithmetical accuracy of the total lease income of each of the Properties for the three years ended 31 December 2010, 2011 and 2012 by multiplying the monthly lease income by twelve months or the number of months for which lease income is payable for that particular year, where it is a shorter period, as shown in the Lease Income Summary.
4. The auditor checked the arithmetical accuracy of the total lease income of each of the Properties for the six months ended 30 June 2013 by multiplying the monthly lease income by six months or the number of months for which lease income is payable for that particular period, where it is a shorter period, as shown in the Lease Income Summary.

The procedures that performed were solely to assist the Group in evaluating whether the lease income as set out above for each of the three years ended 31 December 2010, 2011 and 2012 and the six months ended 30 June 2013 from the Properties acquired by SiS Japan Inn Tokutei Mokuteki Kaisha (“SiS Japan Inn”), an indirect wholly-owned subsidiary of the Company, was in agreement with the information sourced from the Seller.

The auditor of the Company report their findings below:

- a. With respect to procedure 1, the auditor found the total lease income for the three years ended 31 December 2010, 2011 and 2012 and the six months ended 30 June 2013 included in the Lease Income Summary to be arithmetically accurate.
- b. With respect to procedure 2, from the Lease Income Summary, the auditor found the Particulars of Agreements for each item selected to be in agreement with the relevant tenancy agreements.
- c. With respect to procedure 3, the auditor found the total lease income of each of the Properties for the three years ended 31 December 2010, 2011 and 2012 included in the Lease Income Summary to be arithmetically accurate.
- d. With respect to procedure 4, the auditor found the total lease income of each of the Properties for the six months ended 30 June 2013 included in the Lease Income Summary to be arithmetically accurate.

Because the above procedures do not constitute an assurance engagement performed in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the HKICPA, the auditor of the Company does not express any assurance on the lease income and the Lease Income Summary.

Had the auditor performed additional procedures or had the auditor performed an assurance engagement of the lease income and the Lease Income Summary in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by HKICPA, other matters might have come to the auditor’s attention that would have been reported to the Directors.

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Estate Agent's Licence No: C-004065

1 November 2013

SiS International Holdings Limited

604 Eastern Harbour Centre
28 Hoi Chak Street
Quarry Bay
Hong Kong

Dear Sirs,

RE: Valuation of five hotels properties in Japan

We refer to the instruction from SiS International Holdings Limited (hereinafter refer to the "Company") for us to value the property interests to be held by the Company in Japan for public circular purpose in relation to a major transaction. We confirm that we have made relevant investigations and enquiries and obtained such further information as we consider necessary for the purpose of providing you with our opinion of the market values of the property interests as at 31 October 2013 (the "date of valuation").

Unless otherwise stated, our valuation is prepared in accordance with the "The HKIS Valuation Standards" published by The Hong Kong Institute of Surveyors (the "HKIS"), the Royal Institution of Chartered Surveyors ("RICS") Valuation Standards, as well as the International Valuation Standards ("IVS"). We have also complied with all the requirements contained in Paragraph 34(2), (3) of Schedule 3 of the Companies Ordinance (Cap. 32), Chapter 5 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

Our valuation is made on the basis of Market Value which is defined by the HKIS to mean "the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's-length transaction after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion."

Our valuation has been made on the assumption that the owner(s) sells the properties on the open market without the benefit or burden of a deferred term contract, leaseback, joint venture, management agreement or any similar arrangement, which would serve to affect the value of the property interests. Our valuation does not include consumption tax nor local consumption tax.

In view of the nature of the hotel properties, our valuation includes those items that form part of the general building service installations such as heating and cooling equipment, lifts, sprinklers and lighting, as well as fixtures, furniture, equipment, etc. which are used in connection with the hotel operation and would normally pass with the sale of the properties.

We have valued the property interests primarily by making reference comparable sales evidences as available in the market. In forming our opinion of value of the subject properties, we have assumed that the owner(s) has free uninterrupted rights to use and assign the property interests for the whole of the unexpired term of land use rights as granted.

No allowance has been made in our valuation for any charges, mortgages or amounts owing on the property interests nor for any expenses or taxation that may be incurred in effecting sales. Unless otherwise stated, it is assumed that the property interests are free from encumbrances, restrictions and outgoings of an onerous nature that could affect their values.

We have relied to a considerable extent on the information provided by the Company/Seller. We have no reason to doubt the truth and accuracy of the information provided to us by the Company/Seller. We were also advised by the Company that no material facts have been omitted from the information supplied. We consider that we have been provided with sufficient information to reach an informed view and have no reason to suspect that material information has been withheld.

We have accepted advice given to us on matters such as tenures, planning approvals, statutory notices, site and floor areas, room configuration, and all other material information supplied by the Company/Seller. All documents and leases have been used for reference only and all dimensions, measurements and areas included in the valuation certificate are based on information contained in the documents provided to us and are therefore only approximations. No on-site measurements have been taken.

We have inspected the properties to such extent as for the purpose of this valuation. The inspection was carried out between May and June 2013 by Ms. Kaori Moriyama for Property No. 1, Mr. Takao Nagai for Properties Nos. 2 and 5, and Mr. Seiji Sasaki for Properties Nos. 3 and 4. They are all Licensed Real Estate Appraisers in Japan. In the course of our inspection, we did not notice any serious defects. However, we have not carried out any structural survey nor any tests were made on the building services. Therefore, we are not able to report whether the properties are free of rot, infestation or any other structural defects. We have reviewed engineering reports of the subject properties provided by the Company. According to the asset managers, those issues stated in the engineering reports are rectifiable and Seller/the tenants will bear the remedy costs, if any. Other than the abovementioned issues, the subject properties appear to be in reasonable conditions and no immediate need for remedy.

We have assumed that the subject sites are free of elevated levels of contaminants. Our visual inspection is an inconclusive indicator of the actual condition of the sites. We make no representation as to the actual environmental statuses of the subject properties.

Our valuation has been on Japanese Yen (“JPY”).

We enclose herewith our valuation certificate.

Yours faithfully,
For and on behalf of
CBRE Limited
Alex PW Leung
MRICS MHKIS RPS(GP)
Senior Director
Valuation & Advisory Services

Encl.

Note: Mr Leung is a member of Royal Institution of Chartered Surveyors and a corporate member of the Hong Kong Institute of Surveyors. He has over 18 years of valuation experience in Asia. Under the supervision of Mr. Leung, three qualified valuers of CBRE K.K. in Japan conducted the inspection and undertook the valuation.

SUMMARY OF VALUES

No. Property	Capital Value as at 31 October 2013
1. Toyoko Inn Naha Asahi-bashi Ekimae 1-20, 2-chome, Kume, Naha City, Okinawa, Japan	JPY2,220,000,000
2. Toyoko Inn Kanazawa Kenrokuen Korinbo 2-4-28, Korinbo, Kanazawa City, Ishikawa, Japan	JPY2,250,000,000
3. Toyoko Inn Shonan Hiratsuka-eki Kitaguchi No. 1 1-1, Akashicho, Hiratsuka City, Kanagawa, Japan	JPY2,180,000,000
4. Toyoko Inn Niigata Furumachi 1168-2, 7-bancho, Kamiokawamaedori, Chuo-ku, Niigata City, Niigata, Japan	JPY1,240,000,000
5. Toyoko Inn Tokushima Ekimae 1-5, Ryogokuhoncho, Tokushima City, Tokushima, Japan	JPY714,000,000
	<hr/>
	Total: <u>JPY8,604,000,000</u>

VALUATION CERTIFICATE

Property	Description and tenure	Details of occupancy	Capital value as at 31 October 2013
<p>1. Toyoko Inn Naha Asahi-bashi Ekimae</p> <p>1-20, 2-chome, Kume, Naha City, Okinawa, Japan</p> <p>The property is located about 3-minute walk from Asahibashi station of Okinawa City Monorail</p>	<p>Completed in 2003, Toyoko Inn Naha Asahi-bashi Ekimae is a 14-storey budget hotel, which comprises of 284 guestrooms (216 single bed, 13 with double bed and 55 twin bed including 6 handicapped rooms), a conference room, a breakfast area, a coin laundry facility and 72 covered car parking spaces.</p> <p>The development was constructed on a land with a site area of approximately 935.77 sqm and a gross floor area of approximately 6,449.32 sqm.</p> <p>Major renovation was carried out 2006 to 2008 for the lobby, the breakfast area and the handicapped rooms.</p> <p>The land use rights of the site are freehold interests.</p>	<p>The property is currently leased to Toyoko Inn Co., Ltd. (operates under Toyoko Inn Brand), as a single tenant until 31 October 2033. The current monthly rent is JPY11,277,000 exclusive of utilities, public charges, tax, repair and maintenance. The rent is subject to increase by 3% for every 3 years.</p>	<p>JPY2,220,000,000</p> <p>(Japanese Yen Two Billion Two Hundred Twenty Million)</p>

Notes:

- a. According to the real estate registration record dated 28 October 2013, the registered owner of the property is Hulic Co., Ltd..
- b. As advised, the tenant is an independent 3rd party to the Company and the owner.
- c. According to City Government Town Planning Division, the property lies within an area zoned as City Planning Area, Urbanization Area Commercial District.

VALUATION CERTIFICATE

Property	Description and tenure	Details of occupancy	Capital value as at 31 October 2013
<p>2. Toyoko Inn Kanazawa Kenrokuen Korinbo</p> <p>2-4-28, Korinbo, Kanazawa City, Ishikawa, Japan</p> <p>The hotel is located at the centre of Korinbo district.</p>	<p>Completed in 2007, Toyoko Inn Kanazawa Kenrokuen Korinbo is an 11-storey budget hotel, which comprises of 422 guestrooms (334 single bed, 40 with double bed and 48 twin bed including 8 handicapped rooms), a conference room, a breakfast area and a separate car park building for 120 parking spaces.</p> <p>The development was constructed on a land with a site area of approximately 1,569.07 sqm and a gross floor area of approximately 10,183.74 sqm.</p> <p>The land use rights of the site are of freehold interests.</p>	<p>The property is currently leased to Toyoko Inn Co., Ltd. (operates under Toyoko Inn Brand), as a single tenant until 9 October 2037. The current monthly rent is JPY13,345,000 exclusive of utilities, public charges, tax, repair and maintenance. The rent is subject to increase by 2% for every 3 years.</p>	<p>JPY2,250,000,000</p> <p>(Japanese Yen Two Billion Two Hundred Fifty Million)</p>

Notes:

- a. According to the real estate registration record dated 28 October 2013, the registered owner of the property is Hulic Co., Ltd..
- b. As advised, the tenant is an independent 3rd party to the Company and the owner.
- c. According to City Government Town Planning Division, the property lies within an area zoned as City Planning Area, Urbanization Area Commercial District.

VALUATION CERTIFICATE

Property	Description and tenure	Details of occupancy	Capital value as at 31 October 2013
<p>3. Toyoko Inn Shonan Hiratsuka-eki Kitaguchi No. 1</p> <p>1-1, Akashicho, Hiratsuka City, Kanagawa, Japan</p> <p>The hotel is located about 3-minute walk from Hiratsuka Station of Tokaido Main Line</p>	<p>Completed in 2009, Toyoko Inn Shonan Hiratsuka-eki Kitaguchi No.1 is a 14-storey budget hotel, which comprises of 347 guestrooms (226 single bed, 65 with double bed and 56 twin bed including 4 handicapped rooms), a conference room, a breakfast area and a separate car park building for 61 parking spaces.</p> <p>The development was constructed on a land with a site area of 1,070.48 sqm (as specified in the surveyed drawings) and a gross floor area of approximately 7,484.22 sqm.</p> <p>The land use rights for 311.24 sqm of land (as specific in the lease agreement) are held under 60 years leasehold interests expiring on 29 November 2066. The current monthly rent is JPY852,500.</p> <p>For the remaining 759.24 sqm of land (as specified in the register), the land use rights are of freehold.</p>	<p>The property is currently leased to Toyoko Inn Co., Ltd. (operates under Toyoko Inn Brand), as a single tenant until 11 March 2039. The current monthly rent is JPY12,597,000 exclusive of utilities, public charges, tax, repair and maintenance. The rent is subject to increase by 2% for every 3 years.</p>	<p>JPY2,180,000,000</p> <p>(Japanese Yen Two Billion One Hundred Eighty Million)</p>

Notes:

- a. According to the real estate registration record dated 28 October 2013, the registered owner of the property is Hulic Co., Ltd.
- b. As advised, the tenant is an independent 3rd party to the Company and the owner.
- c. According to City Government Town Planning Division, the property lies within an area zoned as City Planning Area, Urbanization Area Commercial District.

VALUATION CERTIFICATE

Property	Description and tenure	Details of occupancy	Capital value as at 31 October 2013
<p>4. Toyoko Inn Niigata Furumachi</p> <p>1168-2, 7-bancho, Kamiokawamaedori, Chuo-ku, Niigata City, Niigata, Japan</p> <p>The hotel is located close to the 'Honmachi' bus station.</p>	<p>Completed in 2008, Toyoko Inn Niigata Furumachi is a 14-storey budget hotel, which comprises of 194 guestrooms (154 single bed, 26 with double bed and 14 twin bed including 1 handicapped room), a breakfast area, a retail shop and a separate car park building for 61 parking spaces.</p> <p>The development was constructed on a land with a site area of approximately 837.50 sqm and a gross floor area of approximately 4,392.18 sqm.</p> <p>The land use rights of the site are of freehold interests.</p>	<p>The property is currently leased to Toyoko Inn Co., Ltd. (operates under Toyoko Inn Brand), as a single tenant until 24 August 2038. The current monthly rent is JPY7,140,000 exclusive of utilities, public charges, tax, repair and maintenance. The rent is subject to increase by 2% for every 3 years.</p> <p>The retail space is subleased to Mizuho Bank Ltd. by Toyoko Inn Co., Ltd. at a monthly rent of JPY154,000 until 24 August 2018.</p>	<p>JPY1,240,000,000</p> <p>(Japanese Yen One Billion Two Hundred Forty Million)</p>

Notes:

- a. According to the real estate registration record dated 28 October 2013, the registered owner of the property is Hulic Co., Ltd.
- b. As advised, the tenant is an independent 3rd party to the Company and the owner.
- c. According to City Government Town Planning Division, the property lies within an area zoned as City Planning Area, Urbanization Area Commercial District.

VALUATION CERTIFICATE

Property	Description and tenure	Details of occupancy	Capital value as at 31 October 2013
<p>5. Toyoko Inn Tokushima Ekimae</p> <p>1-5, Ryogokuhoncho, Tokushima City, Tokushima, Japan</p> <p>The hotel is located about 6-minute walk from the Tokushima JR station.</p>	<p>Completed in 2008, Toyoko Inn Tokushima Ekimae is an 11- storey budget hotel, which comprises of 139 guestrooms (118 single bed, 10 with double bed and 11 twin bed including 1 handicapped room), a breakfast area and a separate car park building for 30 parking spaces.</p> <p>The development was constructed on a land with a site area of approximately 601.63 sqm and a gross floor area of approximately 2,876.55 sqm.</p> <p>The land use rights of the site are of freehold interests.</p>	<p>The property is currently leased to Toyoko Inn Co., Ltd. (operates under Toyoko Inn Brand), as a single tenant until 21 October 2038. The current monthly rent is JPY4,274,000 exclusive of utilities, public charges, tax, repair and maintenance. The rent is subject to increase by 2% for every 3 years.</p>	<p>JPY714,000,000</p> <p>(Japanese Yen Seven Hundred Fourteen Million)</p>

Notes:

- a. According to the register real estate registration record dated 28 October 2013, the registered owner of the property is Hulic Co., Ltd.
- b. As advised, the tenant is an independent 3rd party to the Company and the owner.
- c. According to City Government Town Planning Division, the property lies within an area zoned as City Planning Area, Urbanization Area Commercial District.

APPENDIX IV

UNAUDITED PRO FORMA FINANCIAL
INFORMATION OF THE GROUPUNAUDITED PRO FORMA STATEMENT OF ASSETS AND LIABILITIES OF THE
GROUP AFTER THE COMPLETION OF THE ACQUISITION

The unaudited pro forma statement of assets and liabilities of the Group has been prepared based on the unaudited consolidated statement of financial position of the Group as at 30 June 2013 as set out below and adjusted for the effect of the Acquisition to illustrate how the Acquisition might have affected the financial position of the Group as if the Acquisition took place on 30 June 2013. As the unaudited pro forma statement of assets and liabilities has been prepared for illustrative purpose only, it may not purport to give a true picture of what the financial position of the Group would have been on actual completion of the Acquisition.

	Before the Acquisition <i>HK\$'000</i>	Pro forma Adjustment <i>HK\$'000</i>	<i>(Notes)</i>	After the Acquisition <i>HK\$'000</i>
Non-current assets				
Investment properties	1,181,542	519,812	<i>(1)</i>	1,701,354
Properties, plant & equipment	87,222			87,222
Goodwill	4,631			4,631
Intangible assets	33,626			33,626
Interests in associates	153,411			153,411
Interests in a joint venture	9,456			9,456
Available for sale investments	<u>81,589</u>			<u>81,589</u>
	<u>1,551,477</u>			<u>2,071,289</u>
Current assets				
Inventories	158,327			158,327
Trade and other receivables, deposits and prepayments	242,238	53,149	<i>(2)</i>	295,387
Derivative financial instruments	5,296			5,296
Tax recoverable	144			144
Investment held-for-trading	10,349			10,349
Pledged deposits	269,256			269,256
Bank balances and cash	<u>351,281</u>	(519,812)	<i>(1) (3)</i>	<u>(168,531)</u>
	<u>1,036,891</u>			<u>570,228</u>

APPENDIX IV

UNAUDITED PRO FORMA FINANCIAL
INFORMATION OF THE GROUP

	Before the Acquisition <i>HK\$'000</i>	Pro forma Adjustment <i>HK\$'000</i>	<i>(Notes)</i>	After the Acquisition <i>HK\$'000</i>
Current liabilities				
Trade payables, other payables and accruals	150,200	53,149	(2)	203,349
Bills payable	5,317			5,317
Dividend payable	22,163			22,163
Tax payable	27,053			27,053
Bank loans	<u>261,817</u>			<u>261,817</u>
	<u>466,550</u>			<u>519,699</u>
Net current assets	<u>570,341</u>			<u>50,529</u>
Total assets less current liabilities	<u>2,121,818</u>			<u>2,121,818</u>
Non-current liabilities				
Bank loans	851			851
Deferred tax liabilities	<u>4,517</u>			<u>4,517</u>
Net assets	<u><u>2,116,450</u></u>			<u><u>2,116,450</u></u>

Notes:

- The adjustment is to reflect the Acquisition at a purchase price of JPY6,200,000,000 (equivalent to HK\$496,000,000) and other directly attributable costs of acquisition of about JPY297,650,000 (equivalent to HK\$23,812,000), comprising consumption tax of JPY233,900,000 (equivalent to HK\$18,712,000) and other expenses of JPY63,750,000 (equivalent to HK\$5,100,000) including legal fee relating to the Acquisition.
- The adjustment is to reflect the rental deposits from tenants related to leasing of the Properties and such rental deposits were held by trustee as if the Acquisition took place on 30 June 2013.

*HK\$'000***Assets:**Trade and other receivables, deposits and prepayments
Amount due from a trustee53,149**Liabilities:**Trade payables, other payables and accruals
Rental deposit53,149

- It is the management's intention that the shortfall will be financed by new bank borrowing and/or issuance of Japanese specified bonds where appropriate.
- In respect of the valuation of the Properties, as set out in the Appendix III to this Circular, of JPY8,604,000,000 (equivalent to HK\$688,320,000) as at 31 October 2013, Hong Kong Financial Reporting Standard 13 *Fair Value Measurement* requires that this valuation technique, which will be used to measure fair value in subsequent periods and which uses unobservable inputs, should be calibrated or adjusted so that, at initial recognition, the result of the valuation technique equals the purchase price and other directly attributable costs of acquisition. Such calibration ensures that the valuation technique reflects current market conditions.
- The exchange rate adopted for the purpose of the compilation of pro forma financial information is HK\$80 to JPY1,000.



ACCOUNTANTS' REPORT ON UNAUDITED PRO FORMA FINANCIAL INFORMATION

TO THE DIRECTORS OF SIS INTERNATIONAL HOLDINGS LIMITED

We have completed our assurance engagement to report on the compilation of pro forma financial information of SiS International Holdings Limited (the "Company") and its subsidiaries (hereinafter collectively referred to as the "Group") by the directors of the Company (the "Directors") for illustrative purposes only. The pro forma financial information consists of the pro forma statement of assets and liabilities as at 30 June 2013 and related notes as set out on pages 19 to 20 of the circular issued by the Company dated 7 November 2013 (the "Circular"). The applicable criteria on the basis of which the Directors have compiled the pro forma financial information are described on pages 19 to 20 of the Circular.

The pro forma financial information has been compiled by the Directors to illustrate the impact of the acquisition of the beneficial interest in a trust (the "Acquisition") whose principal assets are five hotel properties named (1) Toyoko Inn Naha Asahi-bashi Ekimae; (2) Toyoko Inn Shonan Hiratsuka-eki Kitaguchi No.1; (3) Toyoko Inn Kanazawa Kenrokuen Korinbo; (4) Toyoko Inn Niigata Furumachi; and (5) Toyoko Inn Tokushima Ekimae (collectively referred to as the "Properties"), all located in five different locations in Japan on the Group's financial position as at 30 June 2013 as if the transaction had taken place at 30 June 2013. As part of this process, information about the Group's financial position has been extracted by the Directors from the Group's condensed consolidated financial statements for the period ended 30 June 2013, on which a review report has been published.

Directors' Responsibilities for the Pro Forma Financial Information

The Directors are responsible for compiling the pro forma financial information in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and with reference to Accounting Guideline 7 Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars ("AG 7") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

Reporting Accountants' Responsibilities

Our responsibility is to express an opinion, as required by paragraph 4.29(7) of the Listing Rules, on the pro forma financial information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the pro forma financial information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

APPENDIX IV**UNAUDITED PRO FORMA FINANCIAL
INFORMATION OF THE GROUP**

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements (“HKSAE”) 3420 Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus issued by the HKICPA. This standard requires that the reporting accountants comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether the Directors have compiled the pro forma financial information in accordance with paragraph 4.29 of the Listing Rules and with reference to AG 7 issued by the HKICPA.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the pro forma financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the pro forma financial information.

The purpose of pro forma financial information included in an investment circular is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the Group as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction at 30 June 2013 would have been as presented.

A reasonable assurance engagement to report on whether the pro forma financial information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Directors in the compilation of the pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountants’ judgment, having regard to the reporting accountants’ understanding of the nature of the Group, the event or transaction in respect of which the pro forma financial information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the pro forma financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

APPENDIX IV

**UNAUDITED PRO FORMA FINANCIAL
INFORMATION OF THE GROUP**

Opinion

In our opinion:

- (a) the pro forma financial information has been properly compiled on the basis stated;
- (b) such basis is consistent with the accounting policies of the Group; and
- (c) the adjustments are appropriate for the purposes of the pro forma financial information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

Deloitte Touche Tohmatsu
Certified Public Accountants

Hong Kong 7 November 2013

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

2. DISCLOSURE OF INTERESTS

As at the Latest Practicable Date, the interests and short positions of the Director or chief executive of the Company in the Shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required (i) to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they are taken or deemed to have under such provisions of the SFO); or (ii) pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (iii) pursuant to the Model Code for Securities Transactions by Directors of Listed Companies set out in Appendix 10 to the Listing Rules adopted by the Company (“Model Code”) to be notified to the Company and the Stock Exchange, were as follows:

(i) Long positions in ordinary shares of HK\$0.10 each of the Company

Name of Director	Personal Interests	Family Interests	Joint Interests (Note 1)	Corporate interests (Note 2)	Total	Percentage
					number of issued ordinary shares held	of the issued share capital of the Company
Lim Kiah Meng (Note 4)	5,403,200	650,000	534,000	178,640,000	185,227,200	66.86%
Lim Kia Hong (Note 4)	5,771,108	608,000	—	178,640,000	185,019,108	66.79%
Lim Hwee Hai (Note 3)	3,331,200	3,579,158	—	—	6,910,358	2.49%
Lim Hwee Noi (Note 3, 4)	3,579,158	3,331,200	—	—	6,910,358	2.49%
Lee Hiok Chuan	83,333	—	—	—	83,333	0.03%
Ong Wui Leng	83,333	—	—	—	83,333	0.03%

Notes:

- (1) 534,000 shares are jointly held by Mr. Lim Kiah Meng and his spouse.
- (2) Gold Sceptre Limited holds 140,360,000 shares and Kelderman Limited, Valley Tiger Limited and Swan River Limited each holds 12,760,000 shares in the issued share capital of the Company. Mr. Lim Kiah Meng and his spouse and Mr. Lim Kia Hong and his spouse together own 40.5% and 39.5%, respectively of the issued share capital of Summertown Limited which owns the entire issued share capital of each of the above-mentioned companies.

- (3) 3,331,200 shares and 3,579,158 shares are beneficially owned by Mr. Lim Hwee Hai and Madam Lim Hwee Noi respectively. Mr. Lim and Madam Lim are spouse, so they have deemed interest in their spouse's shares under the SFO.
- (4) In addition to the interests disclosed above, Mr. Lim Kiah Meng and Madam Lim Hwee Noi are trustees of an estate and are holding 608,000 shares on behalf of six beneficiaries aged below 18. Out of these 608,000 shares, 400,000 shares and 208,000 shares are beneficially owned by the children of Mr. Lim Kiah Meng and Mr. Lim Kia Hong respectively, and are included in the family interest of Mr. Lim Kiah Meng and Mr. Lim Kia Hong as disclosed above.

(ii) Share Options

Directors of the Company and their associates had interest in share options under the Company's share option scheme, detail of which are set out as follows.

Date of grant	Vesting period	Exercisable period	Exercise price HK\$	Number of share options outstanding at the Latest Practicable Date
Lee Hiok Chuan				
20 August 2007	21 August 2007 – 18 February 2009	18 February 2009 – 20 May 2017	1.72	83,333
20 August 2007	21 August 2007 – 18 February 2010	18 February 2010 – 20 May 2017	1.72	83,334
Ong Wui Leng				
20 August 2007	21 August 2007 – 18 February 2009	18 February 2009 – 20 May 2017	1.72	83,333
20 August 2007	21 August 2007 – 18 February 2010	18 February 2010 – 20 May 2017	1.72	83,334
				333,334

(iii) Long positions in the shares and underlying shares of associated corporations of the Company

Ordinary share of Baht 1 each of SiS Distribution (Thailand) Public Company Limited (“SiS THAI”), which is listed in the Stock Exchange of Thailand.

Name of Director	Personal Interests	Corporate Interests (Note)	Total number of issued ordinary shares held in SiS THAI	Approximate % of issued share capital of SiS THAI
Lim Kia Hong	241,875	165,616,595	165,858,470	47.36%
Lim Hwee Hai	244,687	—	244,687	0.07%

Notes: The Company indirectly holds 165,616,595 ordinary shares of the issued capital of SiS THAI. As disclosed in (i) above, Mr. Lim Kia Hong and his family has total interest of 66.79% in the Company, therefore Mr. Lim has deemed corporate interest in SiS THAI under the SFO.

(iv) Long positions in the shares and underlying shares of a subsidiary of the Company

Ordinary share of Taka 10 each of Information Technology Consultants Limited (“ITCL”).

Name of Director	Corporate interests (Note)	Approximate % of issued share capital of ITCL
Lim Kiah Meng	40,059,390	53.4%

Note: A related corporation which is jointly owned by the director and his spouse holds 7,350,000 ordinary shares in ITCL, while the Company indirectly holds 32,709,390 ordinary shares. As disclosed in (i) above, Mr. Lim Kiah Meng and his family have total interest of 66.86% in the Company, therefore Mr. Lim has deemed corporate interest in ITCL under the SFO.

Save as disclosed above, none of the Directors nor their associates, as at the Latest Practicable Date, had any interests or short positions in the Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company under Section 352 of the SFO, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

3. SUBSTANTIAL SHAREHOLDERS' INTERESTS

Long positions in ordinary shares of HK\$0.1 each of the Company

Name of Shareholder	Personal Interests	Family Interests	Corporate Interests (Note)	Other interests	Total number of issued ordinary shares held
Yeo Seng Chong	700,000	1,220,000	13,050,000	—	14,970,000
Lim Mee Hwa	1,220,000	700,000	13,050,000	—	14,970,000
Yeoman Capital Management Pte. Ltd.	—	—	300,000	12,750,000	13,050,000

Notes:

- (1) Mr. Yeo Seng Chong and Madam Lim Mee Hwa each have 50% direct interest in Yeoman Capital Management Pte. Ltd.
- (2) Yeoman Capital Management Pte. Ltd. holds the shares of the Company as an investment manager.

As at the Latest Practicable Date, so far as was known to the Directors or chief executive of the Company based on the registered maintained by the Company pursuant to Part XV of the SFO, there were no persons (other than a Director or chief executive of the Company as disclosed above) had interests or short positions in the Shares and underlying Shares of the Company which would fall to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO, or who, as at the Latest Practicable Date, was directly and indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group.

4. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, no Directors had any existing or proposed service contracts with the Company or any of its subsidiaries which is not determinable within one year without payment of compensation other than statutory compensation.

5. DIRECTORS' INTEREST IN COMPETING BUSINESS

As at the Latest Practicable Date, save as interest disclosed in item 6 below, none of the Directors and their respective associates was interested in any business which competes or was likely to compete, whether directly or indirectly, with the business of the Group.

6. DIRECTORS' INTEREST IN ASSETS AND/OR ARRANGEMENT

As at the Latest Practicable Date, save as a tenancy agreement entered between a subsidiary of the Company and Ever Rich Technology Limited, a connected person (as defined in the Listing Rules) for leasing of office for a period from 1 January 2012 to 31 December 2013 for a monthly rental of HK\$59,000. None of the Directors had any interest, direct or indirect, in any assets which had been acquired or disposed of by or leased to any members of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group since 31 December 2012, being the date to which the latest published audited consolidated financial statements of the Company were made up.

As at the Latest Practicable Date, there is no contract or arrangement subsisting in which a Director was materially interested and which was significant in relation to the business of the Group as a whole.

7. MATERIAL CONTRACTS

The following contracts, not being contracts in the ordinary course of business, were entered into by the members of the Group within two years preceding the Latest Practicable Date and are or may be material:

- (i) the sale and purchase agreement regarding acquisition of trust beneficial interest of the property Rinku Gate Tower Building in Japan at a consideration of JPY2,960,000,000 which is equivalent to about HK\$275,280,000, dated 12 December 2012 and other agreements in relation thereto;
- (ii) the subscription of 58,655,578 newly issued ordinary shares of SiS THAI under its right offering to its existing shareholders at the offer price of Baht 3.25 per shares on 10 June 2013. Final allotment of 55,891,595 ordinary shares with total consideration Baht 181,647,683.75 (approximately HK\$46,454,000) on 21 June 2013; and
- (iii) the Sale & Purchase Agreement and other agreements in relation to the Acquisition of the trust beneficial interest of the five hotel properties.

8. EXPERT AND CONSENT

The following is the qualification of the experts who have been named in this circular or have given opinions or advice which are contained in this circular:

Name	Qualification
CBRE Limited	Independent Qualified Valuers
Deloitte Touche Tohmatsu	Certified Public Accountants

Each of CBRE Limited and Deloitte Touche Tohmatsu has confirmed that as at the Latest Practicable Date, it did not have any beneficial shareholding in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group nor did it have any direct or indirect

interests in any assets which have since 31 December 2012 (being the date to which the latest published audited consolidated financial statements of the Company were made up) been acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group.

Each of CBRE Limited and Deloitte Touche Tohmatsu has given and has not withdrawn its written consent to the issue of this circular with the inclusion herein of its opinion prepared for the purpose of incorporation in this circular, and the references to its name and opinion in the form and context in which they respectively appear.

9. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors were not aware of any material adverse changes in the financial or trading position of the Group since 31 December 2012, being the date to which the latest published audited consolidated accounts of the Group have been made up.

10. LITIGATION

As of the Latest Practicable Date, no litigation or claims of material importance was known to the Directors to be pending or threatened against any member of the Group.

11. GENERAL

- (i) The Company Secretary of the Company is Ms. Chiu Lai Chun, Rhoda, associated member of Hong Kong Institute of Certified Public Accountants;
- (ii) The registered office of the Company is Canon's Court, 22 Victoria Street, Hamilton HM 12, Bermuda;
- (iii) The Company's Branch Share Registrar in Hong Kong is Tricor Secretaries Limited at 26/F., Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong; and
- (iv) In the event of inconsistency, the English text shall prevail over the Chinese text.

12. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection during normal business hours at the principal place of business of the Company in Hong Kong at 604 Eastern Harbour Centre, 28 Hoi Chak Street, Quarry Bay, Hong Kong up to and including 21 November 2013:

- (i) this circular;
- (ii) the memorandum of association and Bye-Laws of the Company;
- (iii) the annual reports of the Company for the three years ended 31 December 2010, 31 December 2011 and 31 December 2012; and the interim report of the Company for the six months ended 30 June 2013;

- (iv) the letter and valuation certificate prepared by CBRE Limited, the text of which is set out in Appendix III to this circular;
- (v) the letter from Deloitte Touche Tohmatsu in respect of the pro forma financial information of the Group, the text of which is set out in Appendix IV to this circular;
- (vi) the letters of consents referred to under the section headed “Experts and Consents” in this appendix; and
- (vii) the material contacts referred to under the section headed “Material Contracts” in this appendix.