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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)

MAJOR TRANSACTION - ACQUISITION OF PROPERTY

The Board is pleased to announce that on 22 May 2015, the Purchaser, an indirect wholly-owned subsidiary of the Company, has entered into the S&P Agreement with the Vendor for the acquisition of the Property located at the 33rd floor of United Centre at No. 95 Queensway, Admiralty, Hong Kong at a consideration of HK\$311,600,000.

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. The Company has obtained a written approval for the Acquisition from Gold Sceptre Limited, the controlling shareholder of the Company, which is the registered holder of and beneficially interested in approximately 50.6 % of the issued share capital of the Company. By reason of the written approval from 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.

A circular containing, inter alia, further information in respect of the Acquisition will be despatched to the Shareholders. In order to allow sufficient time for preparing the circular, the Company will apply for an extension of the time required under the Listing Rule 14.41(a) to dispatch the circular to its shareholders on or before 15 July 2015.

THE S&P AGREEMENT

The Board is pleased to announce that on 22 May 2015, the Purchaser, an indirect wholly-owned subsidiary of the Company, has entered into the S&P Agreement with the Vendor for the acquisition of the Property at a consideration of HK\$311,600,000.

Parties

- (1) UC Capital Limited, an indirect wholly-owned subsidiary of the Company, as the Purchaser; and
- (2) "K" Line (Hong Kong) Limited, as the Vendor

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

The principal business activity of the Vendor is a liner services company.

Information of the Property

Pursuant to the terms and conditions of the S&P Agreement, the Vendor shall sell and the Purchaser shall acquire the Property, which is located at the 33rd floor of United Centre, No. 95 Queensway, Admiralty, Hong Kong and having a total gross floor area of approximately 20,489 square feet. A portion of the Property has been occupied by a tenant and the remaining portion shall be delivered in vacant possession. Rental income generated from the leased portion of the Property for the two financial years ended 31 December 2013 and 2014 amounted to approximately HK\$3,022,000 and HK\$2,946,000 respectively.

A valuation report of the Property performed by an independent professional valuer appointed by the Company will be contained in the circular to be dispatched to the Shareholders.

Consideration and payment terms

The consideration for the Acquisition is HK\$311,600,000, which shall be satisfied by the Purchaser in the following manner:

1. An initial deposit of HK\$31,160,000, representing 10% of the total consideration for the Acquisition, shall be payable by the Purchaser upon the signing of the S&P Agreement; and
2. HK\$280,440,000, representing the remaining balance of the total consideration for the Acquisition, shall be payable by the Purchaser upon Completion.

The consideration for the Acquisition was determined after arm's length negotiations between the parties by reference to the prevailing market conditions, as well as the location of the Property and market price of comparable properties in the same area. It is expected that the consideration will be financed by a combination of internal resources of the Group and bank financing.

Completion

Subject to satisfaction of the conditions to the S&P Agreement, completion of the Acquisition shall take place on or before 31 July 2015.

REASONS FOR THE ACQUISITION

The Company is an investment holding company and its subsidiaries are principally engaged in real estate investment, mobile and 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 a potential of capital appreciation in the long run.

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.

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. The controlling shareholder of the Company, Gold Sceptre Limited, which is the registered holder of and beneficially interested in approximately 50.6% of the issued share capital of the Company, has given written approval of the Acquisition. By reason of the written approval from 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.

A circular containing, inter alia, further information in respect of the Acquisition will be despatched to the Shareholders. In order to allow sufficient time for preparing the circular, the Company will apply for an extension of the time required under the Listing Rule 14.41(a) to dispatch the circular to its shareholders on or before 15 July 2015.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the following meanings:

“%”	Per cent
“Acquisition”	the acquisition of the Property by the Purchaser from the Vendor pursuant to the S&P 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 S&P Agreement
“connected person”	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

“Listing Rules”	the Rules governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Property”	33 rd floor of United Centre, No. 95 Queensway, Admiralty, Hong Kong with a total gross floor area of approximately 20,489 square feet
“Purchaser”	UC Capital Limited, an indirect wholly-owned subsidiary of the Company
“S&P Agreement”	the agreement for sale and purchase of the Property entered into between the Vendor and the Purchaser on 22 May 2015
“Shareholder(s)”	Shareholder(s) of the Company, holder(s) of the ordinary share(s) of HK\$0.1 each of the Company
“Stock Exchange”	the Stock Exchange of Hong Kong Limited
“Vendor”	“K” Line (Hong Kong) Limited

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

Hong Kong, 22 May 2015

As at the date of this announcement, the executive directors are Mr. Lim Kia Hong, Mr. Lim Kiah Meng, Mr. Lim Hwee Hai, Madam. Lim Hwee Noi. The independent non-executive directors are Mr. Lee Hiok Chuan, Ms. Ong Wui Leng and Mr. Ma Shiu Sun Michael.

** For identification purpose only.*