

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



## **SIS INTERNATIONAL HOLDINGS LIMITED**

**新龍國際集團有限公司\***

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 00529)**

### **DISCLOSEABLE TRANSACTION ACQUISITION OF TRUST BENEFICIAL INTEREST OF A PROPERTY IN JAPAN**

On 20 March, 2018, the Purchaser, SiSJP9 TMK, an indirect wholly-owned subsidiary of the Company, entered into the Sale & Purchase Agreement with the Seller for the Acquisition of the Trust Beneficial Interest of a property in Japan at a total consideration of JPY1,200,000,000 (equivalent to approximately HK\$88,200,000).

As one of the applicable percentage ratios under Chapter 14 of the Listing Rules exceeds 5% but is less than 25%, the Acquisition constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules.

#### **THE SALE AND PURCHASE AGREEMENT**

On 20 March, 2018, the Purchaser, SiSJP9 TMK, an indirect wholly-owned subsidiary of the Company, entered into the Sale & Purchase Agreement with the Seller for the Acquisition of the Trust Beneficial Interest of a property named Unwind Hotel & Bar located in Sapporo city, Japan at a total consideration of JPY1,200,000,000 (equivalent to approximately HK\$88,200,000).

#### **Parties**

- (1) SiSJP9 TMK, an indirect wholly-owned subsidiary of the Company, as the Purchaser;  
and
- (2) 株式会社グローバルエージェンツ(Global Agents 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 activities of the Seller are engaged in the development and operation of hotel business.

*\* For identification purpose only.*

### **Information of the Trust Beneficial Interest**

Subject to the terms and conditions of the Sale & Purchase Agreement, the Seller shall sell and the Purchaser shall acquire the Trust Beneficial Interest of a property named Unwind Hotel & Bar, including land and building, located in Sapporo city, Japan. On Completion, the Seller will lease back the property from the Purchaser and a lease agreement will be entered into between the Purchaser and the Seller.

Based on the information provided by the Seller, the unaudited gross operating profit before taxation generated from operating a property for the period from 4 February 2017 (date of commencement of operation) to 31 December 2017 (11 months period) amounted to JPY86,253,000 (equivalent to approximately HK\$6,340,000).

The land and building under the Trust Beneficial Interest was valued at JPY1,200,000,000 (equivalent to approximately HK\$88,200,000) as at 1 March 2018 by an independent professional valuer.

### **Consideration and Payment Terms**

The total consideration for the Acquisition is JPY1,200,000,000 (equivalent to approximately HK\$88,200,000) and will be paid and satisfied in full by internal resources of the Group and bank financing upon Completion.

The total consideration for the Trust Beneficial Interest have been determined after arm's length negotiations between the Seller and the Purchaser by reference to the prevailing market conditions, as well as the location of the property and market price of comparable properties in the proximity.

### **Completion**

Subject to satisfaction of the conditions to the Sale & Purchase Agreement, completion of the Acquisition shall take place on 30 March 2018 or another date to be mutually agreed between the Purchaser and the Seller.

### **REASONS AND BENEFITS OF THE ACQUISITION**

The Company is an investment trading, and investment holding company and provides corporate management services. The principal business of the Group includes real estate investment, mobile & IT products distribution as well as investments in promising businesses and securities. 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 term. Taking into account the above factors, the Board considers 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.

### **LISTING RULES IMPLICATIONS**

As one of the applicable percentage ratios under Chapter 14 of the Listing Rules exceeds 5% but is less than 25%, the Acquisition constitutes a discloseable transaction of 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:

“%”	per cent
“Acquisition”	the acquisition of the 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 persons”	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
“Listing Rules”	the Rules governing the Listing of Securities on the Stock Exchange
“Purchaser”/ “SiSJP9 TMK”	SiSJP9 Tokutei Mokuteki Kaisha, an indirect wholly-owned subsidiary of the Company
“Sale & Purchase Agreement”	the agreement for sale and purchase of Trust Beneficial Interest dated 20 March 2018 entered into between the Seller and the Purchaser
“Seller”	株式会社グローバルエージェントズ(Global Agents Co., Ltd.), a Japan-based company

<b>“Shareholders”</b>	Shareholders of the Company, holders of the ordinary shares of HK\$0.10 each of the Company
<b>“Stock Exchange”</b>	The Stock Exchange of Hong Kong Limited
<b>“Trust Beneficial Interest”</b>	the trust beneficial interest of the land and building located at 289-111, Nishi 5-chrome, Mimami 8-jo, Chuo-ku, Sapporo city, Hokkaido, Japan

The exchange rate adopted for the purpose of this announcement is HK\$73.5 to JPY 1,000. No representation is made that any amounts in JPY and HK\$ can be or could have been converted at the relevant dates at the above rates or at any other rates at all.

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

Hong Kong, 20 March 2018

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