

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: 529)

MAJOR TRANSACTION - ACQUISITION OF PROPERTY AND RESUMPTION OF TRADING

On 14 December 2012, the Purchaser “SiS TMK”, an indirect wholly-owned subsidiary of the Company, has entered into the Sales & Purchase Agreement with the Vendor for the acquisition of the trust beneficial interest of the Property “Rinku Gate Tower” at a consideration of JPY2,960,000,000 which is equivalent to about HK\$275,280,000. The skyscraper, located at 1 Rinku Oraikita, Izumisano, Osaka, Japan, is currently ranked the second¹ tallest building in Japan.

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 to the Acquisition from Gold Sceptre Limited, the controlling shareholder of the Company, which is beneficially interested in approximately 50.7% 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, the information required under the listing rules 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 8 February 2013.

At the request of the Company, trading in the Shares was suspended with effect from 9:00 a.m. on 17 December 2012 pending the release of this announcement. An application has been made by the Company to the Stock Exchange for resumption of trading in the Shares with effect from 9:00 a.m. on 18 December 2012.

* For identification purpose only.

THE SALES AND PURCHASE AGREEMENT

On 14 December 2012, the Purchaser “SiS TMK”, an indirect wholly-owned subsidiary of the Company, has entered into the Sales & Purchase Agreement with the Vendor for the acquisition of the trust beneficial interest of the Property “Rinku Gate Tower” at a consideration of JPY2,960,000,000 which is equivalent to about HK\$275,280,000. The skyscraper, located at 1 Rinku Oraikita, Izumisano, Osaka, Japan, is currently ranked the second¹ tallest building in Japan.

Parties

- (1) Yugen Kaisha Sannou Holdings (有限会社山王ホールディングズ), as the Vendor; and
- (2) Tokutei Mokuteki Kaisha SSG8 (“SiS TMK”), an indirect wholly-owned subsidiary of the Company, as the Purchaser

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 property holding. There is no prior transaction and relationship between the Company and the Vendor and its associates 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 Sales & Purchase Agreement, the Vendor shall sell and SiS TMK shall acquire the trust beneficial interest of the skyscraper Rinku Gate Tower. The skyscraper is located just a station away from Osaka Kansai International Airport and next to Premium outlet shopping mall at 1 Rinku Oraikita, Izumisano, Osaka, Japan. Standing at 256m tall, the 56 storeys skyscraper with two basement floors is currently ranked the second¹ tallest building in Japan. The iconic building in Osaka consists of offices, hotel and an international convention center. Revenue generated from the leasing for the two financial years ended 30 November 2011 and 2012 amounted to JPY1,066,281,000 (equivalent to about HK\$99,164,000) and JPY981,848,000 (equivalent to about HK\$91,312,000) 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 JPY2,960,000,000 which is equivalent to about HK\$275,280,000, will be payable and satisfied in full upon Completion, which is expected to take place on 21 December 2012 or not beyond 28 December 2012.

The consideration for the Property has been determined after arm’s length negotiations between the parties by reference to the prevailing market conditions. The consideration will be financed by a combination of internal resources of the Group and bank financing.

Completion

Subject to satisfaction of the condition to the Sales & Purchase Agreement, completion of the Acquisition shall take place on 21 December 2012 or not beyond 28 December 2012.

REASONS FOR THE ACQUISITION

SiS Group is principally engaged in distribution of mobile & IT products, investment in promising businesses and real estate investments. The Acquisition is in line with the Group's strategy in investment in income generating real estate with potential in value appreciation of property 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.

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 beneficially interested in approximately 50.7% 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, the information required under the listing rules 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 8 February 2013.

RESUMPTION OF TRADING

At the request of the Company, trading in the Shares was suspended with effect from 9:00 a.m. on 17 December 2012 pending the release of this announcement. An application has been made by the Company to the Stock Exchange for resumption of trading in the Shares with effect from 9:00 a.m. on 18 December 2012.

DEFINITIONS

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

“%”	per cent
“Acquisition”	the acquisition of the trust beneficial interest in the Property by the Purchaser from the Vendor pursuant to the Sales & 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 529)
“Completion”	completion of the Acquisition pursuant to the Sales & 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 of Hong Kong Limited
“Property”	Rinku Gate Tower of 56 storeys tall with two basement floors, located at 1 Rinku Oraikita, Izumisano, Osaka, Japan
“Sales & Purchase Agreement”	the agreement for sale and purchase of the Property dated 14 December 2012 entered into between the Vendor and the Purchaser
“Purchaser” / “SiS TMK”	Tokutei Mokuteki Kaisha SSG8, an indirect wholly-owned subsidiary of the Company, or its nominees
“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
“Vendor”	Yugen Kaisha Sannou Holdings (有限会社山王ホールディングズ), a yugen kaisha incorporated in Japan

The exchange rate adopted for the purpose of this announcement is HK\$93 to JPY 1,000.

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

Hong Kong, 17 December 2012

As at the date of this announcement, the executive directors are Mr. Lim Kiah Meng, Mr. Lim Kia Hong, 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.

¹ *Information from the web-based free encyclopedia Wikipedia, which is modified on 23 November 2012.*