

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.

SHIS Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1647)

APPOINTMENT OF DIRECTORS

Reference is made to the composite offer and response document jointly issued by Morgan Hill Holdings Limited (“**Morgan Hill**”) and SHIS Limited (the “**Company**”) and dated 29 May 2018 (the “**Composite Document**”) in relation to, amongst other things, the mandatory unconditional cash offer made by Kingston Securities Limited for and on behalf of Morgan Hill to acquire all the issued shares in the Company (other than those already owned or to be acquired by Morgan Hill and parties acting in concert with it).

As disclosed in the Composite Document, Morgan Hill intended to nominate two new directors to the board (the “**Board**”) of directors of the Company (the “**Director(s)**”), namely Mr. Yao Yongjie (“**Mr. Yao**”) as the new executive Director and Mr. Teng Rongsong (“**Mr. Teng**”) as the new non-executive Director.

The Board is pleased to announce that Mr. Yao has been appointed as an executive Director and Mr. Teng has been appointed as a non-executive Director with effect from 30 May 2018.

The biographical details of Mr. Yao and Mr. Teng are set out below:

Mr. Yao, aged 47, graduated from Hunan University with a degree in architecture and was involved in a number of real estate projects. Mr. Yao is currently the chairman of a private equity investment company, Hangzhou Tunlan Investment Management Co., Ltd (杭州瞰瀾投資管理有限公司), and the chairman of an investment holding company, Hangzhou Grand Shores Investment Management Co., Ltd (杭州雄岸投資管理有限公司), which will focus in blockchain and artificial intelligence related investments. Mr. Yao was an angel investor of Hangzhou Canaan Creative Information Technology Limited (杭州嘉楠耘智信息科技有限公司) (“**Hangzhou Canaan**”), which is principally engaged in research and development of integrated circuits. He is also the president of the Zhejiang Grand Shores Blockchain Industrial Development Institute. Mr. Yao is a famous investor in the blockchain industry and has successfully invested in a few world-leading blockchain companies, such as Hangzhou Canaan and has broad influence and appeal in the industry. In 2018, Mr. Yao is one of the founders of Grand Shores Global Blockchain Ten-Billion Innovation Fund. Mr. Yao is also an independent non-executive director of Han Tang International Holdings Limited (stock code: 1187), a company that is listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

Mr. Teng, aged 44, graduated from Peking University with a degree in science. Mr. Teng is the chairman of Fission Digital Asset Management Advisory Ltd. Mr. Teng had been the chairman, the chief executive officer and the executive director of China Development Bank

International Investment Limited (“**China Development Bank**”) (stock code:1062), a company that is listed on the Main Board of the Stock Exchange. Mr. Teng was responsible for the overseas investments and merger and acquisition business of the China Development Bank.

As of the date of this announcement, each of Mr. Yao and Mr. Teng’s remuneration has not been determined but will be determined by the remuneration committee of the Company and/or the Board with reference to their respective qualifications and experience, duties and responsibilities and the prevailing market conditions. The Company will enter into service contracts or letters of appointment with each of the new Directors setting out the terms of the appointment. Each of Mr. Yao and Mr. Teng is not appointed for a specific term.

The new Directors shall hold office until the next annual general meeting of the Company and shall then be eligible for re-election, and are also subject to retirement by rotation and re-election at annual general meetings in accordance with the Articles of Association of the Company and the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”).

As at the date of this announcement, save as disclosed in this announcement, each of the new Directors (a) has not held any other directorships in other public companies the securities of which are listed on any securities market in Hong Kong or overseas in the last three years; (b) does not have any relationship with any other Directors, senior management or substantial or controlling shareholders (as respectively defined under the Listing Rules) of the Company apart from the relationship arising from the Sale and Purchase Agreement (as defined in the Composite Document) and the Offer or his directorship in the Company; and (c) has no other major appointments and professional qualifications.

As at the date of this announcement, each of Morgan Hill and Trinity Gate Limited (“**Trinity Gate**”) holds 623,000,000 and 127,000,000 shares of the Company (“**Shares**”), respectively. Morgan Hill is owned as to 51% by Great Scenery Ventures Limited which is in turn wholly and ultimately owned by Mr. Yao. Mr. Yao is the sole director of Great Scenery Ventures Limited and one of the directors of Morgan Hill. Trinity Gate is wholly-owned by Timeness Vision Limited which in turn is wholly and ultimately owned by Mr. Teng. Mr. Teng is the sole director of Trinity Gate and Timeness Vision Limited. Accordingly, each of Mr. Yao and Mr. Teng is deemed to be interested in 623,000,000 and 127,000,000 Shares (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)), respectively, representing approximately 60.05% and 12.24% of the total issued Shares, respectively. Save as disclosed above, as at the date of this announcement, each of Mr. Yao and Mr. Teng did not have any interests in any other securities of the Company within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Save as disclosed above, as at the date of this announcement, Mr. Yao and Mr. Teng are not aware of any other matters that need to be brought to the attention of the shareholders of the Company nor of any information that need to be disclosed to the Company pursuant to any of the requirements under Rules 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

The Board would like to express its warmest welcome to Mr. Yao and Mr. Teng for joining the Board.

By order of the Board
SHIS Limited
Chua Seng Hai
Chairman and Executive Director

Hong Kong, 30 May 2018

As at the date of this announcement, the Board comprises Mr. Yao Yongjie, Mr. Chua Seng Hai and Mr. Lim Kai Hwee as executive Directors; Mr. Teng Rongsong as a non-executive Director; and Ms. Ng Peck Hoon, Mr. Toh Soo Bock, Bob and Mr. Sim Choon Hong (Shen Junfeng) as independent non-executive Directors.