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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: 529)**

### **DISCLOSEABLE TRANSACTION SUBSCRIPTION OF SHARES IN INFORMATION TECHNOLOGY CONSULTANTS LIMITED**

On 25 August 2011, SiS Capital, an indirect wholly-owned subsidiary of the Company, has entered into the Subscription Agreement to subscribe for 17,929,900 Subscription Shares in ITCL at Tk28 each (equivalent to HK\$2.94) (representing approximately 23.9% of the entire issued ordinary shares capital of ITCL after the Completion) for a total consideration of Tk502,037,200 (equivalent to HK\$52,714,000).

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

#### **SUBSCRIPTION AGREEMENT**

On 25 August 2011, SiS Capital has entered into the Subscription Agreement with ITCL and the Promoter Shareholders for the subscription of 17,929,900 Subscription Shares at a consideration of Tk28 (equivalent to HK\$2.94) per share.

#### **Date**

25 August 2011

#### **Parties**

- (1) Information Technology Consultants Limited, as issuer of Subscription Shares;
- (2) SiS Capital (Bangladesh) Pte Ltd, an indirect wholly-owned subsidiary of the Company, as subscriber; and
- (3) Mr. Kutubuddin Ahmed, Mr. Abdus Salam Murshedy, Mr. Kazi Saifuddin Munir and Mr. Salahuddin Alamgir, together as the Promoter Shareholders.

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

### **Subscription of Subscription Shares**

Pursuant to the Subscription Agreement, SiS Capital has agreed to subscribe, and ITCL has agreed to issue and allot to SiS Capital 17,929,900 Subscription Shares.

### **Consideration and payment terms**

The aggregate consideration payable by SiS Capital under the Subscription Agreement is Tk502,037,200 (equivalent to HK\$52,714,000) to be satisfied in cash.

The consideration for the Subscription Shares has been determined after arm's length negotiations between the parties by reference to the current value of each share and general price earnings ratio of the business sector in Bangladesh. The consideration will be financed by internal resources of SiS Group.

### **Conditions Precedent**

Completion shall be conditional upon satisfaction of the conditions that SiS Capital and / or ITCL obtaining the requisite permission or approval from all relevant government, and all other regulatory authorities for the subscription and issue of the Subscription Shares on or before the Completion.

### **Completion**

Subject to satisfaction of the condition to the Subscription Agreement, completion of the Subscription shall take place within two months from the date of Subscription Agreement, i.e. on or before 24 October 2011 or such date to be extended by mutual agreement.

## **BACKGROUND AND REASONS FOR THE SUBSCRIPTION**

SiS Group is principally engaged in IT and mobile products distribution, investment in IT business and investment in property. The Subscription is in line with SiS Group's strategy in investing in promising IT business and expansion of business in emerging countries.

ITCL, established in August 2000, is a leading consultant and provider of financial services and mobile banking solutions in the rapidly evolving area of electronic payments, e-commerce and internet banking in Bangladesh. ITCL operates Qcash Xchange Switch - the leading independent ATM network provider and third party certified processor to major credit cards in Bangladesh. ITCL provides banks and retailers an advanced switching platform for transactions processing. It has been successful in generating revenue and is continuously increasing its presence in the market.

Taking into account the above factors, the Directors consider that the terms of the Subscription are fair and reasonable and the Subscription is in the interests of the Shareholders and the Company as a whole.

## FINANCIAL OF ITCL

In respect of SiS Group's interest in the Subscription Shares, representing approximately 23.9% of the issued ordinary share capital of ITCL after the Completion, as reported in ITCL's audited financial statements: (i) the attributable net profit before and after tax for the financial year ended 30 June 2010 were both Tk12,816,000 (equivalent to HK\$1,346,000); and (ii) the attributable net loss before and after tax for the financial year ended 30 June 2009 were both Tk4,125,000 (equivalent to HK\$433,000).

As at 30 June 2010, the audited total assets and net assets of ITCL amounted to Tk910,215,000 and Tk763,076,000 respectively (equivalent to HK\$95,573,000 and HK\$80,123,000 respectively), of which Tk 217,541,000 and Tk182,375,000 respectively (equivalent to HK\$22,842,000 and HK\$19,149,000 respectively) were attributable to SiS Group's 23.9% interest in ITCL after Completion.

## GENERAL

As one of the applicable percentage ratios under Chapter 14 of the Listing Rules exceed 5% but are less than 25%, the Subscription 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:

<b>“%”</b>	Per cent
<b>“Board”</b>	the board of Directors
<b>“Company”</b>	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)
<b>“Completion”</b>	completion of the Subscription pursuant to the Subscription Agreement
<b>“connected person”</b>	shall have the meaning as ascribed to it under the Listing Rules
<b>“Directors”</b>	the directors of the Company
<b>“HK\$”</b>	Hong Kong dollars, the lawful currency of Hong Kong
<b>“Hong Kong”</b>	the Hong Kong Special Administrative Region of the People's Republic of China
<b>“ITCL”</b>	Information Technology Consultants Limited, a “public” limited liability company incorporated in Bangladesh, as the issuer of Subscription Shares

<b>“Listing Rules”</b>	the Rules governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
<b>“Promoter Shareholders”</b>	Mr. Kutubuddin Ahmed, Mr. Abdus Salam Murshedy, Mr. Kazi Saifuddin Munir and Mr. Salahuddin Alamgir
<b>“Shareholder(s)”</b>	Shareholder(s) of the Company, holder(s) of the ordinary share(s) of HK\$0.01 each of the Company
<b>“SiS Capital”</b>	SiS Capital (Bangladesh) Pte. Ltd., an indirect wholly-owned subsidiary of the Company, incorporated in Singapore, as the subscriber
<b>“SiS Group”</b>	the Company and its subsidiaries
<b>“Stock Exchange”</b>	the Stock Exchange of Hong Kong Limited
<b>“Subscription”</b>	the subscription of the Subscription Shares by SiS Capital from ITCL pursuant to the Subscription Agreement
<b>“Subscription Agreement”</b>	the subscription and shareholder agreement entered into among ITCL, the Promoter Shareholders and SiS Capital on 25 August 2011, pursuant to which SiS Capital agreed to subscribe for the Subscription Shares
<b>“Subscription Shares”</b>	17,929,900 ordinary share of par value Tk10 each to be issued and allotted by ITCL to SiS Capital pursuant to the Subscription Agreement, representing approximately 23.9% of total issued ordinary share capital of ITCL after the completion of share issue
<b>“Tk”</b>	Taka, the lawful currency of Bangladesh

*In this announcement, amounts denominated in Taka have been translated into HK\$ at an exchange rate of HK\$0.105 = Taka 1, which is for reference only.*

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

Hong Kong, 25 August 2011

*As at the date of this announcement, the executive directors are Mr. Lim Kiah Meng, Mr. Lim Kia Hong, Mr. Lim Hwee Hai, and Madam. Lim Hwee Noi; and the independent non-executive directors are Mr. Lee Hiok Chuan, Mr. Woon Wee Teng, and Ms. Ong Wui Leng.*

*\* For identification purpose only.*