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## **SINO-TECH INTERNATIONAL HOLDINGS LIMITED**

**泰豐國際集團有限公司\***

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 724)**

### **CONNECTED TRANSACTION**

The Board is pleased to announce that on 16 August 2010, CITIC Logistics, a wholly-owned subsidiary of the Company, entered into the Logistics Agreement with SUN International pursuant to which SUN International agreed to engage CITIC Logistics and CITIC Logistics agreed to provide procurement and integrated logistics services for procuring and delivering equipment, facilities and peripherals to a laboratory in Beijing set up by SUN International.

Mr. Li Weimin, an executive director and a substantial shareholder (as defined under the Listing Rules) of the Company, indirectly holds 40% equity interest in SUN International. Therefore, SUN International is a connected person of the Company and the transaction contemplated under the Logistics Agreement constitute a connected transaction for the Company under Chapter 14A of the Listing Rules.

As the applicable percentage ratios are more than 0.1% but less than 5%, the transaction contemplated under the Logistics Agreement is only subject to the reporting and announcement requirements and is exempt from the independent shareholders' approval requirements under the Listing Rules.

\* For identification purpose only

# **THE LOGISTICS AGREEMENT**

## **Date**

16 August 2010

## **Parties**

- (1) SUN International; and
- (2) CITIC Logistics, a wholly-owned subsidiary of the Company.

## **Subject matter**

Pursuant to the Logistics Agreement, SUN International agreed to engage CITIC Logistics and CITIC Logistics agreed to provide procurement and integrated logistics services for procuring and delivering equipment, facilities and peripherals to a laboratory in Beijing set up by SUN International.

The final contract amount will be calculated with reference to the actual total cost of procurement for the Facilities plus (i) an agreed percentage for the procurement services; (ii) an agreed percentage for the integrated logistics services; and (iii) a reasonable finance charge pending settlement of the procurement costs for the Facilities. It is agreed that the final contract amount will not exceed HK\$10,000,000.

CITIC Logistics will arrange for the Facilities to be delivered at the time and place specified by SUN International. Upon delivery of the Facilities, SUN International agreed to pay the final contract amount within six months after receiving a notice of payment from CITIC Logistics.

## **GENERAL INFORMATION**

### **Information of the Group**

The Group is principally engaged in manufacturing and trading of electronic and electrical parts and components, and the provisions of logistics services.

### **Information of SUN International**

SUN International is principally engaged in the development, installation and maintenance of information centre system platforms for the processing, analyzing, managing, displaying and controlling of comprehensive information. These systems can be widely applied in various areas including railway, aviation, medical, education, disasters warning, emergency command, information display, meteorological and environmental protection etc.

## **REASONS FOR AND BENEFITS OF ENTERING INTO THE LOGISTICS AGREEMENT**

The Company expects that the signing of the Logistics Agreement will lead to positive contributions to the Group's revenue and profit, and will facilitate a long term relationship with SUN International.

The Directors (including the independent non-executive Directors) are of the view that the Logistics Agreement was entered into in the ordinary and usual course of business of the Group and the terms of the same have been agreed on normal commercial terms after arm's length negotiations between the parties, and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## **LISTING RULES IMPLICATION**

Mr. Li Weimin, an executive director and a substantial shareholder (as defined under the Listing Rules) of the Company, indirectly holds 40% equity interest in SUN International. Therefore, SUN International is a connected person of the Company and the transaction contemplated under the Logistics Agreement constitute a connected transaction for the Company under Chapter 14A of the Listing Rules.

As the applicable percentage ratios are more than 0.1% but less than 5%, the transaction contemplated under the Logistics Agreement is only subject to the reporting and announcement requirements and is exempt from the independent shareholders' approval requirements under the Listing Rules.

In view of the interests of Mr. Li Weimin in the Logistics Agreement, Mr. Li Weimin has abstained from voting on the board resolution for approving the Logistics Agreement and the transaction contemplated thereunder.

## **DEFINITIONS**

In this announcement, the following expressions shall have the meanings set out below unless the context otherwise requires.

“Board”	the board of Directors
“CITIC Logistics”	CITIC Logistics (International) Company Limited, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the Company
“Company”	Sino-Tech International Holdings Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the main board of the Stock Exchange

“Directors”	the directors of the Company
“Facilities”	the equipment, facilities and peripherals to be provided to a laboratory in Beijing set up by SUN International, the list of which is annexed to the Logistics Agreement
“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
“Logistics Agreement”	the logistics services agreement dated 16 August 2010 entered into between CITIC Logistics and SUN International in relation to the provision of procurement and integrated logistics services for the Facilities by CITIC Logistics
“Group”	the Company and its subsidiaries
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holders of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“SUN International”	SUN International Investment Holdings Limited, a company incorporated in Hong Kong with limited liability
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

By Order of the Board  
**Sino-Tech International Holdings Limited**  
**Huang Hanshui**  
*Executive Director*

Hong Kong, 16 August 2010

*As at the date of this announcement, the Board comprises Mr. Li Weimin, Mr. Wang Jianzhi, Mr. Lam Yat Keung and Mr. Huang Hanshui as executive Directors; and Mr. Pai Te-Tsun, Mr. Ho Chi Fai and Ms. Liu Yanfang as independent non-executive Directors.*