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**If you have sold or transferred** all your shares in FinTronics Holdings Company Limited (“**Company**”), you should at once hand this circular together with the enclosed form of proxy to the purchaser or transferee or to the bank, licensed securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

This circular is addressed to the shareholders of the Company in connection with a special general meeting (“**SGM**”) of the Company to be held on Friday, 2 November 2007. This circular is not and does not constitute an offer of, nor is it intended to invite offers for, shares in or other securities of the Company.

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this circular, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

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**FinTronics**

**銀創控股**

**FINTRONICS HOLDINGS COMPANY LIMITED**

**銀創控股有限公司\***

*(incorporated in Bermuda with limited liability)*

(Stock code: 706)

**DISCLOSEABLE TRANSACTION:  
ACQUISITION OF TIANJIN ATM COMPANY  
AND  
NOTICE OF SPECIAL GENERAL MEETING**

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A notice convening the SGM to be held at Room 3203, 32/F, Admiralty Centre I, 18 Harcourt Road, Hong Kong at 10:00 a.m. on Friday, 2 November 2007 is set out on pages 22 to 23 of this circular. If you are not able to attend the meeting in person, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon and deposit it with the Company’s branch share registrar in Hong Kong, Tricor Tengis Limited, at 26th Floor, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the SGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the SGM or any adjournment thereof if you so wish.

9 October 2007

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## DEFINITIONS

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*In this circular, unless the context otherwise requires, the following expressions have the following meanings:*

“Acquisition”	the acquisition of 100% equity interests in Tianjin ATM Company pursuant to the Sale and Purchase Agreement
“Additional Shares”	the additional Shares (if any) to be allotted and issued to HK Vendor (for and on behalf of the Vendors) pursuant to the Sale and Purchase Agreement, details of which are set out in the paragraph headed “Operational Integration Committee” in the section headed “Letter from the Board” in this circular
“associates”	as defined in the Listing Rules
“ATM(s)”	automatic teller machine(s)
“Board”	the board of Directors
“Bonds”	the convertible bonds in the principal amount of HK\$50,000,000 to be issued by the Company to HK Vendor pursuant to the Sale and Purchase Agreement
“Company”	FinTronics Holdings Company Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“Completion”	completion of the Acquisition in accordance with the terms of the Sale and Purchase Agreement
“Consideration Shares”	the 46,158,000 Shares to be allotted and issued by the Company at a price of HK\$0.50 each, credited as fully paid, to HK Vendor pursuant to the Sale and Purchase Agreement
“Conversion Shares”	the new Shares which may be allotted and issued to HK Vendor upon the exercise of the conversion rights attached to the Bonds
“Director(s)”	the director(s) 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 PRC

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## DEFINITIONS

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“HK Vendor”	SUT Co., Limited, a company incorporated in Hong Kong which owned 75% equity interest in Tianjin ATM Company as at the date of the Sale and Purchase Agreement
“Independent Third Party”	a party who is a third party independent of the Company and connected persons of the Company and its subsidiaries
“Last Trading Day”	7 September 2007, being the last full trading day prior to the signing of the Sale and Purchase Agreement
“Latest Practicable Date”	5 October 2007, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China
“PRC GAAP”	the generally accepted accounting principles in the PRC
“PRC Vendor”	天津金勛章科技產業有限公司 (unofficially translated as Tianjin Gold Medal Technology Industry Co., Ltd.), a company incorporated in the PRC which owned 25% equity interest in Tianjin ATM Company as at the date of the Sale and Purchase Agreement
“Purchase Price”	the aggregate purchase price payable by the Company to the Vendors for the Acquisition
“RMB”	Renminbi yuan, the lawful currency of the PRC
“Sale and Purchase Agreement”	the sale and purchase agreement dated 10 September 2007 entered into between the Vendors and the Company in relation to the Acquisition
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“SGM”	the special general meeting of the Company convened to be held on Friday, 2 November 2007 for the purposes of considering and, if thought fit, approving, among other things, the Sale and Purchase Agreement, the creation of the Bonds and the allotment and issue of the Consideration Shares, the Conversion Shares and the Additional Shares.

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## DEFINITIONS

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“Share(s)”	share(s) of HK\$0.10 each of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Tianjin ATM Company”	中聯科技(天津)有限公司 (Sino-US Technologies (Tianjin) Co., Ltd.), a sino-foreign equity joint venture established in the PRC on 10 June 1993
“Vendors”	collectively, PRC Vendor and HK Vendor
“%”	per cent.

*In this circular, unless otherwise specified, for purpose of illustration only, amounts quoted in RMB have been converted into HK\$ at the rate of RMB1.00 to HK1.00. Such exchange rate has been used, where applicable, for purposes of illustration only and does not constitute a representation that any amounts were or may have been exchanged at this or any other rates or at all.*

**FinTronics**

**銀創控股**

**FINTRONICS HOLDINGS COMPANY LIMITED**

**銀創控股有限公司\***

*(incorporated in Bermuda with limited liability)*

(Stock code: 706)

*Executive Directors:*

Sze Wai, Marco (*Chairman*)

Chu Chi Shing

Robert Kenneth Gaunt

Robertus Martinus Andreas Broers

Tan Shu Jiang

Song Jing Sheng

*Non-executive Directors:*

Zee Zin Yee

*Independent non-executive Directors:*

Wong Po Yan

Mao Zhenhua

Chong Yiu Kan, Sherman

*Registered office:*

Clarendon House

2 Church Street

Hamilton HM11

Bermuda

*Head office and principal place of  
business in Hong Kong:*

Units 2003 and 2005, 20th Floor

Great Eagle Centre

23 Harbour Road

Wanchai

Hong Kong

9 October 2007

*To the Shareholders*

Dear Sir or Madam

**DISCLOSEABLE TRANSACTIONS:  
ACQUISITION OF TIANJIN ATM COMPANY  
AND  
NOTICE OF SPECIAL GENERAL MEETING**

**INTRODUCTION**

On 18 September 2007, the Board announced that on 10 September 2007 the Company entered into the Sale and Purchase Agreement with the Vendors.

The Acquisition constitutes a discloseable transaction for the Company under the Listing Rules and is conditional upon, among other conditions referred to below, the obtaining of the Shareholders' approval for the allotment and issue of the Consideration Shares, the Conversion Shares and the Additional Shares and the creation of the Bonds. The purpose of this circular is to provide you with information in relation to the Acquisition and to give you notice of the SGM.

\* for identification purpose only

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## LETTER FROM THE BOARD

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### SALE AND PURCHASE AGREEMENT

**Date** : 10 September 2007

**Parties** : Vendors: (a) HK Vendor (as one of the vendors), who owned 75% equity interests in Tianjin ATM Company as at the date of the Sale and Purchase Agreement.

(b) PRC Vendor (as one of the vendors), who owned 25% equity interests in Tianjin ATM Company as at the date of the Sale and Purchase Agreement.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, (i) each of HK Vendor and PRC vendor is an investment holding company and (ii) each of the Vendors and their respective ultimate beneficial owners is an Independent Third Party.

Purchaser: the Company (as purchaser)

### Subject matter of the Sale and Purchase Agreement

Pursuant to the Sale and Purchase Agreement, the Vendors conditionally agreed to sell, and the Company conditionally agreed to purchase, 100% equity interests in Tianjin ATM Company.

There is no restriction which applies to the subsequent sale of such interests in the Sale and Purchase Agreement.

### Information of Tianjin ATM Company

Tianjin ATM Company is a sino-foreign equity joint venture established in the PRC on 10 June 1993 with a registered capital of US\$5,000,000, all of which are fully paid up. Tianjin ATM Company is an independent ATM operator whose principal business operation is similar to that of the Group which include the procurement, deployment and operation of ATMs and the provision of maintenance and technical support services for ATMs and the development of value-added services for ATMs in collaboration with commercial banks in the PRC. As at 31 July 2007, Tianjin ATM Company has deployed around 360 ATMs in the regions of Tianjin, Dalian, Shanghai, Hangzhou and Beijing.

As at 31 December 2005 and 31 December 2006, the audited net asset value (under the PRC GAAP) of Tianjin ATM Company was approximately RMB15,080,000 and RMB11,347,000 respectively.

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## LETTER FROM THE BOARD

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The audited net loss (under the PRC GAAP) of Tianjin ATM Company for the two years ended 31 December 2006 are as follows:

	<b>For the year ended 31 December 2005</b>	<b>For the year ended 31 December 2006</b>
Net loss (before taxation and extraordinary items)	RMB810,000	RMB3,733,000
Net loss (after taxation and extraordinary items)	RMB810,000	RMB3,733,000

### Conditions

Completion of the Sale and Purchase Agreement is subject to the fulfillment of the following conditions:

- (a) the Listing Committee of the Stock Exchange having granted or having agreed to grant the listing of, and permission to deal in, the Consideration Shares, the Conversion Shares and the Additional Shares;
- (b) the approval by the Shareholders of the Sale and Purchase Agreement and the transactions contemplated thereby (including but not limited to the creation of the Bonds and the allotment and issue of the Consideration Shares, the Conversion Shares and the Additional Shares) at the SGM;
- (c) the Company having confirmed to the Vendors (i) within 60 days after the date of the Sale and Purchase Agreement (“**Due Diligence Period**”); or (ii) where the Purchaser gives the Vendors a notice to rectify breach of any of the warranties pursuant to the Sale and Purchase Agreement, the 15th business day after the last day of the Due Diligence Period; or (iii) such other longer period as the parties to the Sale and Purchase Agreement may agree, that it is satisfied with the results of the due diligence review;
- (d) approvals by the Administrative Committee of Tianjin Economic and Technological Development Zone and (where applicable) the competent counterpart of the Ministry of Commerce on the transfer of the 100% interest in Tianjin ATM Company to the Group having been obtained/completed;
- (e) the Purchaser being satisfied that, from the date of the Sale and Purchase Agreement to Completion, there has not been any change which has a material and adverse effect on the financial position, business or property, results of operations, prospects of Tianjin ATM Company.



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## LETTER FROM THE BOARD

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The Company may at its absolute discretion at any time waive (in whole or in part) in writing conditions (c) and (e) above. At present, the Company does not intend to waive any of the conditions above.

If the above conditions are not fulfilled or waived within six months after the date of the Sale and Purchase Agreement, the Sale and Purchase Agreement shall lapse and be of no further effect, and no party thereto shall have any claim against or liability to the other parties, save in respect of any antecedent breaches of the Sale and Purchase Agreement.

### **Completion**

Completion shall take place on the third business day after the fulfillment (or waiver) of the last of the conditions referred to above or such other date as the parties hereto shall agree in writing.

### **Consideration**

The aggregate Purchase Price shall be HK\$173,079,000, of which HK\$129,809,250 is payable to HK Vendor and HK\$43,269,750 is payable to PRC Vendor in consideration for their 75% and 25% equity interests in Tianjin ATM Company respectively.

The portion of the Purchase Price of HK\$43,269,750 payable to PRC Vendor shall be solely satisfied in cash. The portion of the Purchase Price payable to HK Vendor shall be satisfied by the Company (i) as to HK\$56,730,250 in cash, (ii) as to HK\$50,000,000 by the issue of the Bonds and (iii) as to HK\$23,079,000 by the allotment and issue of 46,158,000 Consideration Shares at an issue price of HK\$0.50 each. The Group will finance the cash consideration by its internal resources.

The issue price per Consideration Share represents:

- (i) a premium of approximately 20.5% over the closing price of HK\$0.415 per Share as quoted on the Stock Exchange on 7 September 2007, being the Last Trading Day;
- (ii) a premium of approximately 19.6% over the average closing price of approximately HK\$0.418 per Share as quoted on the Stock Exchange for the last five trading days up to and including the Last Trading Day; and
- (iii) a premium of approximately 16.3% over the closing price of the Shares on 10 September 2007 (being the date on which suspension of trading of Shares took place at 2:38 p.m.) (i.e. HK\$0.43).

Application will be made to the Stock Exchange for the listing of, and permission to deal in, the Consideration Shares, the Conversion Shares and the Additional Shares.

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## LETTER FROM THE BOARD

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On the business day immediately after the day on which all conditions precedent to the Completion are satisfied, the Company shall deposit HK\$100,000,000 in an interest-bearing account opened in Hong Kong, the beneficiary of which is the Company and which may only be operated under the joint instructions of a representative of the Company and a representative of HK Vendor (“**Nominated Bank Account**”). Any interest accrued on the deposit of HK\$100,000,000 in the Nominated Bank Account shall belong to the Company.

Subject to the due registration of the relevant Group member as the sole investor of Tianjin ATM Company at the relevant PRC governmental authorities (“**Due Registration**”), the Purchase Price shall be satisfied by the Company in the following manner:

- (a) as to HK\$100,000,000, the Company shall, on the business day on which the written evidence in respect of the Due Registration is produced to the Company by the Vendors before 3:00 p.m. on such business day or where written evidence in respect of the Due Registration is produced to the Company by the Vendors after 3:00 p.m. on a business day, on the business day immediately after the business day on which such written evidence is produced to the Company, instruct its representative to take all necessary action to release such sum in the Nominated Bank Account to the Vendors;
- (b) as to HK\$50,000,000, the Company shall, within three business days after the written evidence in respect of the Due Registration is produced to the Company, issue to HK Vendor the Bonds; and
- (c) as to HK\$23,079,000, the Company shall, within three business days after the business day on which the written evidence in respect of the Due Registration is produced to the Company, allot and issue to HK Vendor 46,158,000 Consideration Shares, credited as fully paid, at an issue price of HK\$0.50 per Consideration Share.

If the Due Registration is not completed within three months after all conditions precedent to the Completion are satisfied or six months from the date of the Sale and Purchase Agreement, whichever is the later, the Company and the Vendors shall (i) release all sum standing to the credit of the Nominated Bank Account to the Company; and (ii) take such necessary action to the effect that the entire registered capital of Tianjin ATM Company will be owned by the Vendors but not the Group.

### **Basis of consideration**

The Purchase Price was determined after arm’s length negotiation between the Vendors and the Company and on normal commercial terms. The Group’s mission is to become the largest independent ATM operator in the PRC. In addition to organic growth, the Group has been looking for opportunity to acquire other independent ATM operators having sizeable operations and experience and reputation in ATM business in order to further increase its market share in the PRC and to capture the expected growth of demand in banking services. The Directors considered Tianjin ATM Company to be one of its largest competitors in the PRC and that the acquisition of 100% equity interests in Tianjin ATM Company is a good opportunity to implement market consolidation as well as achieve economies

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## LETTER FROM THE BOARD

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of scale at much reduced costs. The Directors also considered the cooperation agreements and the business relationship established between Tianjin ATM Company and various commercial banks in the PRC for the deployment of ATMs to be valuable and important to the business development of the Group. Taking into account the factors discussed above, the Directors considered the Purchase Price to be fair and reasonable.

### Operational Integration Committee

The Directors consider that the existing management team of Tianjin ATM Company is valuable to the Company. Therefore, the parties agreed to establish an operational integration committee (“**Operational Integration Committee**”), the members of which shall include certain existing senior management of Tianjin ATM Company, within six months from the date of Completion. The Operation Integration Committee is responsible for the daily operation of Tianjin ATM Company.

As an incentive to the Vendors to procure the existing management team of Tianjin ATM Company to stay with the Group and join as members of the Operational Integration Committee and continue their efforts in deployment of ATMs, the Company shall within 30 days after (i) the establishment of the Operational Integration Committee or (ii) the six months after the date of Completion, whichever is the earlier, allot and issue to HK Vendor (for and on behalf of the Vendors) such number of the Additional Shares calculated based on the number of ATMs deployed by Tianjin ATM Company and the number of transactions processed by such ATMs in accordance with the formula stated below. The issue price per Additional Share is HK\$0.50. The maximum number of Additional Shares to be issued is 30,772,000 Shares (assuming that each of NOM and NOT equals 1).

The number of Additional Shares to be allotted and issued will be calculated as below:

$$\text{NOS} = \frac{\text{NOM} \times \text{NOT} \times \text{HK\$}15,386,000}{\text{HK\$}0.50}$$

where:

NOS is the aggregate number of Additional Shares to be allotted and issued to the Vendors

NOM is  $\left[ \frac{(X - Y) \times Z}{30} + Y \right] \div 1,500$

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## LETTER FROM THE BOARD

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where:

X is the number of ATMs deployed by Tianjin ATM Company as at the date of the establishment of the Operational Integration Committee as certified by the relevant bank/financial institutions

Y is the number of ATMs deployed by Tianjin ATM Company as at the date which is 30 days before the establishment of the Operational Integration Committee as certified by the relevant bank/financial institutions

Z is the number of days elapse between the date which is 30 days before the establishment of the Operational Integration Committee and 31 December 2008 (both dates inclusive)

and if NOM is more than one (1), NOM shall be deemed as one (1);

and if X is equal to Y, NOM shall be deemed to be  $Y/1,500$ .

NOT

is 
$$\left[ \frac{(A/90)}{B} \right] \div 50$$

where:

A is the total number of transactions processed by those ATMs deployed by Tianjin ATM Company on the 90th day before the establishment of the Operational Integration Committee during the 90-day period before the establishment of the Operational Integration Committee

B is the number of ATMs deployed by Tianjin ATM Company as at the date which is 90 days before the establishment of the Operational Integration Committee as certified by the relevant bank/financial institutions

and if NOT is more than one (1), NOT shall be deemed as one (1);

and if A is zero (0), A shall be deemed as one (1).

The above formula reflect the parties' intention that Tianjin ATM Company will have deployed 1,500 ATMs by 31 December 2008 and each of such ATMs will be able to process 50 transactions daily. In the event that the above two targets could not be met, the number of Additional Shares shall be adjusted downwards accordingly.

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## LETTER FROM THE BOARD

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### Non-disposal undertakings

HK Vendor unconditionally and irrevocably undertakes with the Company that it will not, save with the prior written consent of the Company, during any period from the date of Completion to 1 January 2009 (both days inclusive) dispose of any Consideration Shares allotted and issued to it pursuant to the Sale and Purchase Agreement and any Conversion Shares that it may receive pursuant to an exercise of the conversion rights attaching to the Bonds during such period. The Additional Shares (if any) is not subject to moratorium period.

### Principal terms of the Bonds

The principal terms of the Bonds are summarised below:

- |     |                   |   |  |
|-----|-------------------|---|--|
| (1) | Principal amount  | : | HK\$50,000,000   |
| (2) | Interest          | : | Zero coupon  |
| (3) | Maturity date     | : | the second anniversary of the issue date of the Bonds (if that is not a business day, the first business day thereafter)   |
| (4) | Conversion period | : | The Bonds are convertible in whole or in part into new Shares by the bondholders at any time from the issue date of the Bonds at the Conversion Price, subject to adjustment for subdivision or consolidation of Shares, bonus issues, capital reduction, rights issue and other events which have dilution effects on the issued share capital of the Company. Any conversion shall be made in amounts of not less than a whole multiple of HK\$5,000,000 and no fraction of a Share shall be issued on conversion. |

Notwithstanding any conditions attached to the Bonds, each bondholder shall only exercise the conversion rights attaching to the Bonds only if it is confirmed by the Company in writing that the allotment and issue of the Conversion Shares to such bondholder pursuant to an exercise of the conversion right attaching to the Bonds will not cause the Company to be in breach of the minimum public float requirement stipulated under Rule 8.08 of the Listing Rules.

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## LETTER FROM THE BOARD

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- (5) Conversion price : HK\$0.65 per Conversion Share (subject to adjustment), which represents:
- (i) a premium of approximately 56.6% over the closing price of HK\$0.415 per Share as quoted on the Stock Exchange on 7 September 2007, being the Last Trading Day;
  - (ii) a premium of approximately 55.5% over the average closing price of approximately HK\$0.418 per Share as quoted on the Stock Exchange for the last five trading days up to and including the Last Trading Day; and
  - (iii) a premium of approximately 51.2% over the closing price of the Shares on 10 September 2007 (being the date on which suspension of trading of Shares took place at 2:38 p.m.) (i.e. HK\$0.43).
- (6) Conversion Shares : Assuming that the conversion rights attaching to the Bonds are exercised in full at the initial conversion price, 76,923,076 Shares will be allotted and issued, which represent approximately 4.2% of the existing issued share capital of the Company and approximately 3.9% of the issued share capital of the Company as enlarged by the allotment and issue of the Conversion Shares, the Consideration Shares and the Additional Shares.
- The Conversion Shares will be issued free from any encumbrances or third party rights of any kind and will rank *pari passu* in all respects with the existing issued Shares together with all rights to dividends and other distributions declared, made or paid on or after the date on which the name of the bondholder is entered into the Company's register of Shareholders as holder of the relevant Conversion Shares.
- (7) Redemption : The Company has no right to redeem the Bonds prior to the maturity date.
- (8) Final redemption and mandatory redemption by the Company : Unless the conversion rights have been exercised in full during the conversion period in accordance with the terms of the Bonds, the Company is obliged to redeem any Bonds which remains outstanding on the maturity date.

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## LETTER FROM THE BOARD

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Upon the occurrence of an event of default, the Bondholder may, unless such event of default has been waived in writing by it, by notice in writing require the Company to redeem the whole (but not part) of the outstanding principal amount of the Bonds.

- (9) Voting rights at general meeting : The bondholder shall not be entitled to attend or vote at any general meeting of the Company by reason only of it being a bondholder.
- (10) Transferability : The Bonds may be assigned or transferred in whole or in part to any third party with the prior consent of the Company provided that any transfer of the Bonds to any connected persons of the Company shall be subject to the requirements (if any) that the Stock Exchange may impose from time to time.

### Reasons for the Acquisition

The Group is principally engaged in (i) the procurement, deployment and operation of ATMs and the provision of maintenance and technical support services for ATMs and the development of value-added services for ATMs in collaboration with commercial banks; and (ii) the provision of software development and systems integration services covering mainly healthcare security, social security, hospital information management systems and public security sectors in the PRC.

As more particularly discussed in the paragraph headed “Basis of consideration” above, since the entering into of the arena of ATM business in mid-2006, the Group has been looking for opportunity to acquire other companies having sizeable operations and experience and reputation in ATM business so as to further increase its market share in the PRC and to capture the expected growth of demand in banking services. As mentioned in the paragraph headed “Further information of Tianjin ATM Company” above, Tianjin ATM Company is experienced in the operation of the ATM business in the PRC. The Directors believe that the Acquisition represents a good opportunity to acquire an ATM operator with sizeable operations in the PRC.

After considering the above factors, the Directors (including the independent non-executive Directors) were of the view that the terms of the Sale and Purchase Agreement were normal commercial terms and were fair and reasonable and in the interests of the Shareholders as a whole.

## LETTER FROM THE BOARD

### Financial effect of the Acquisition

Upon completion of the Acquisition, Tianjin ATM Company will become a wholly-owned subsidiary of the Company. It is expected that the turnover of Tianjin ATM Company will contribute to that of the Group and the total assets value of the Group will be increased by an amount equal to the difference between the Purchase Price and the cash portion of the Purchase Price immediately upon the completion of the Acquisition.

### Changes to the shareholding as a result of allotment and issue of the Consideration Shares, the Conversion Shares and the Additional Shares

The shareholding of the Company immediately before and after the allotment and issue of the Consideration Shares, the Conversion Shares and the Additional Shares are as follows:

	Existing shareholding		After the allotment and issue of the Consideration Shares but before the Conversion Shares and the Additional Shares		After the allotment and issue of the Consideration Shares and the Conversion Shares but before the Additional Shares		After the allotment and issue of the Consideration Shares, the Conversion Shares and the Additional Shares	
	<i>No. of Shares</i>	<i>%</i>	<i>No. of Shares</i>	<i>%</i>	<i>No. of Shares</i>	<i>%</i>	<i>No. of Shares</i>	<i>%</i>
Leading Value Industrial Limited (Note 1)	264,869,906	14.46%	264,869,906	14.10%	264,869,906	13.55%	264,869,906	13.34%
Directors								
Song Jing Sheng	33,800,000	1.85%	33,800,000	1.80%	33,800,000	1.73%	33,800,000	1.70%
Robert Kenneth Gaunt	1,700,000 (Note 2)	0.09%	1,700,000 (Note 2)	0.09%	1,700,000 (Note 2)	0.09%	1,700,000 (Note 2)	0.09%
Chong Yiu Kan, Sherman	650,000 (Note 3)	0.04%	650,000 (Note 3)	0.03%	650,000 (Note 3)	0.03%	650,000 (Note 3)	0.03%
Customers Asia Limited	210,000,000	11.46%	210,000,000	11.18%	210,000,000	10.74%	210,000,000	10.58%
Public	1,320,880,401	72.10%	1,320,880,401	70.34%	1,320,880,401	67.56%	1,320,880,401	66.51%
HK Vendor	—	—	46,158,000	2.46%	123,081,076	6.30%	153,853,076	7.75%
<b>Total</b>	<b>1,831,900,307</b>	<b>100.00%</b>	<b>1,878,058,307</b>	<b>100.00%</b>	<b>1,954,981,383</b>	<b>100.00%</b>	<b>1,985,753,383</b>	<b>100.00%</b>



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## LETTER FROM THE BOARD

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*Notes:*

1. Leading Value Industrial Limited is a company wholly owned by Mr. Sze Wai, Marco, an executive Director.
2. These Shares are held by Blazzed Pty Ltd., a company wholly owned by Mr. Robert Kenneth Gaunt.
3. 100,000 of these Shares are held by the spouse of Mr. Chong Yiu Kan, Sherman.

As illustrated in the above table, the allotment and issue of the Consideration Shares, the Conversion Shares and the Additional Shares will not result in a change of control of the Company.

### **IMPLICATION OF THE LISTING RULES**

The Acquisition constitutes a discloseable transaction for the Company under the Listing Rules and is conditional upon, among other conditions referred to above, the obtaining of the Shareholders' approval for the allotment and issue of the Consideration Shares, the Conversion Shares and the Additional Shares and the creation of the Bonds.

### **SGM**

The Company will convene the SGM at 10:00 a.m. on Friday, 2 November 2007 at Room 3203, 32/F, Admiralty Centre I, 18 Harcourt Road, Hong Kong to consider, among other things, the allotment and issue of the Consideration Shares, the Conversion Shares and the Additional Shares and the creation of the Bonds pursuant to the Sale and Purchase Agreement. A notice of the SGM is set out on pages 22 to 23 of this circular. To the best knowledge of the Directors, none of the Vendors and its associates held any Shares as at the Latest Practicable Date. On such basis, no Shareholder is required to abstain from voting at the SGM.

A form of proxy for use at the SGM is also enclosed. If you are not able to attend the SGM, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the Company's branch share registrar in Hong Kong, Tricor Tengis Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not later than 48 hours before the time appointed for holding the SGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the SGM or any adjournment thereof if you so wish.

### **POLL PROCEDURE**

Pursuant to Bye-law 73 of the Bye-laws, a resolution put to the vote of a meeting shall be decided on a show of hands unless (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) a poll is demanded:

- (i) by the chairman of such meeting; or
- (ii) by at least three Shareholders present in person (or, in the case of a shareholder being a corporation, by its duly authorised representative) or by proxy for the time being entitled to vote at the meeting; or

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## LETTER FROM THE BOARD

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- (iii) by a Shareholder or Shareholders present in person (or, in the case of a shareholder being a corporation, by its duly authorised representative) or by proxy and representing not less than one-tenth of the total voting rights of all Shareholders having the right to vote at the meeting; or
- (iv) by a Shareholder or Shareholders present in person (or, in the case of a Shareholder being a corporation, by its duly authorised representative) or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all shares conferring that right.

### RECOMMENDATION

The Directors consider that the terms of the Sale and Purchase Agreement are fair and reasonable to the Company and in the interests of the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the ordinary resolution at the SGM.

### ADDITIONAL INFORMATION

Your attention is drawn to the information set out in the appendix to this circular.

Yours faithfully,  
For and on behalf of the Board of  
**FinTronics Holdings Company Limited**  
**Sze Wai, Marco**  
*Chairman*

**1. RESPONSIBILITY STATEMENT**

This circular includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no other facts the omission of which would make any statement herein misleading.

**2. SHARE CAPITAL**

The authorised and issued capital of the Company as at the Latest Practicable Date were, and following the allotment and issue of the Consideration Shares, the Additional Shares (assuming the maximum number of Additional Shares is allotted and issued) and the Conversion Shares (assuming the conversion rights attaching to the Bonds are exercised in full at the initial conversion price) will be, as follows:

<b>Authorised:</b>		<i>HK\$</i>
3,000,000,000	Shares as at the Latest Practicable Date	300,000,000.0
<b>Issued and fully paid:</b>		
1,831,900,307	Shares in issue as at the Latest Practicable Date	183,190,030.7
46,158,000	Consideration Shares to be issued	4,615,800.0
30,772,000	Additional Shares to be issued (assuming the maximum number of Additional Shares is allotted and issued)	3,077,200.0
76,923,076	Conversion Shares to be issued (assuming the conversion rights attaching to the Bonds are exercised in full at the initial conversion price)	7,692,307.6
<u>1,985,753,383</u>	Shares	<u>198,575,338.3</u>

## 3. DIRECTORS' INTERESTS

- (a) As at the Latest Practicable Date, the interests and short positions of each Director in the shares or underlying shares of the Company and its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions in which he was deemed or taken to have under such provisions of the SFO), or which were required, pursuant to section 352 of the SFO, to be entered in the register maintained by the Company referred to therein, or which were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in the Listing Rules, to be notified to the Company and the Stock Exchange were as follows:

Name	Name of company	Capacity	Number and class of securities (note 1)	Approximate percentage of interest
Sze Wai, Marco	The Company	Interest of controlled corporation (note 2)	264,869,906 ordinary shares (L)	14.46
	The Company	Beneficial owner	4,500,000 ordinary shares (L) (note 3)	0.25
Chu Chi Shing	The Company	Beneficial owner	4,500,000 ordinary shares (L) (note 3)	0.25
Song Jing Sheng	The Company	Beneficial owner	43,876,923 ordinary shares (L) (note 4)	2.40
Robert Kenneth Gaunt	The Company	Interest of controlled corporation (note 5)	1,700,000 ordinary shares (L)	0.09
Wong Po Yan	The Company	Beneficial owner	1,000,000 ordinary shares (L) (note 3)	0.05
Mao Zhenhua	The Company	Beneficial owner	1,000,000 ordinary shares (L) (note 3)	0.05
Chong Yiu Kan, Sherman	The Company	Beneficial owner	1,150,000 ordinary shares (L) (note 6)	0.06

*Notes:*

1. The letter “L” represents the Director’s interests in the Shares and underlying Shares of the Company.
  2. These Shares were held by Leading Value Industrial Limited, a company wholly owned by Sze Wai, Marco.
  3. These Shares were the Shares which would be allotted and issued upon exercise of the options in full granted to such Director under the share option scheme of the Company.
  4. Included in these Shares were (i) 33,800,000 issued Shares; (ii) 2,000,000 Shares which would be allotted and issued upon exercise of the options in full granted to him under the share option scheme of the Company; and (iii) 8,076,923 Shares which would fall to be allotted and issued pursuant to the exercise of the subscription rights attaching to the unlisted warrants issued to him by the Company.
  5. These Shares were held by Blazzed Pty Ltd., a company wholly owned by Robert Kenneth Gaunt.
  6. Included in these Shares were (i) 550,000 issued Shares beneficially owned by Chong Yiu Kan, Sherman; (ii) 500,000 Shares which would be allotted and issued upon exercise of the options in full granted to Chong Yiu Kan, Sherman under the share option scheme of the Company; and (iii) 100,000 issued Shares which Chong Yiu Kan, Sherman was deemed to be interested pursuant to the provisions of the SFO for they were held by his spouse.
- (b) Save as disclosed in this circular, as at the Latest Practicable Date, none of the Directors or chief executive of the Company had any interest and short positions in the shares, underlying shares and debentures of the Company or any associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including the interests and short positions in which they were deemed or taken to have under such provisions of the SFO), or which are required, pursuant to section 352 of the SFO, to be entered in the register maintained by the Company referred to therein, or which were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in the Listing Rules, to be notified to the Company and the Stock Exchange.

**4. SUBSTANTIAL SHAREHOLDERS’ INTERESTS**

- (a) As at the Latest Practicable Date, so far as is known to the Directors, the following persons, other than a director or chief executive of the Company, had an interest or short position in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or were directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of the Company:

Name of shareholder	Number of ordinary shares (note 1)	Capacity	Approximate percentage of interest
Leading Value Industrial Limited (note 2)	264,869,906 (L)	Beneficial owner	14.46
Customers Asia Limited	450,000,000 (L)	Beneficial owner (note 3)	24.56
Customers Limited	450,000,000 (L)	Interest of controlled corporation (note 3)	24.56
Wen Jian Zhu	100,000,000 (L)	Beneficial owner	5.46

*Notes:*

1. The letter "L" represents the entity's interests in the shares.
  2. Leading Value Industrial Limited is a company wholly owned by Sze Wai, Marco, who is an executive Director.
  3. Customers Asia Limited is a wholly-owned subsidiary of Customers Limited, a company whose shares are listed on the Australian Stock Exchange.
- (b) Save as disclosed in this circular, so far as is known to the Directors, there is no other person (other than a director or chief executive of the Company) who had an interest or short position in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, had a direct or indirect interests amounting to 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any members of the Group.

**5. DIRECTORS' SERVICE CONTRACTS**

None of the Directors has a service contract with the Company which is not determinable by the Company within one year without payment of compensation other than statutory compensation.

**6. COMPETING INTEREST**

As at the Latest Practicable Date, none of the Directors nor his associates was interested in any business apart from the business of the Group, which competes or is likely to compete, either directly or indirectly, with that of the Group.

**7. LITIGATION**

As at the Latest Practicable Date, neither the Company nor any of its subsidiaries was engaged in any litigation or arbitration of material importance and no litigation or claim of material importance is known to the Directors to be pending or threatened by or against the Company or any of its subsidiaries.

**8. MISCELLANEOUS**

- (a) The registered office of the Company is at Clarendon House, 2 Church Street, Hamilton HM11, Bermuda.
- (b) The head office and the principal place of business of the Company in Hong Kong is at Units 2003 and 2005, 20th Floor, Great Eagle Centre, 23 Harbour Road, Wanchai, Hong Kong.
- (c) The Hong Kong share registrar and transfer office of the Company is Tricor Tengis Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong.
- (d) The company secretary and the qualified accountant of the Company is Mr. Chan Ying Kay. He is a member of the Hong Kong Institute of Certified Public Accountants.

**FinTronics**

**銀創控股**

**FINTRONICS HOLDINGS COMPANY LIMITED**

**銀創控股有限公司\***

*(incorporated in Bermuda with limited liability)*

(Stock code: 706)

**NOTICE OF SPECIAL GENERAL MEETING**

**NOTICE IS HEREBY GIVEN** that a special general meeting of FinTronics Holdings Company Limited (“**Company**”) will be held at 10:00 a.m. on Friday, 2 November 2007 at Room 3203, 32/F, Admiralty Centre I, 18 Harcourt Road, Hong Kong for the purpose of considering and, if thought fit, with or without amendments, passing the following resolution which will be proposed as an ordinary resolution:

**ORDINARY RESOLUTION**

**“THAT:**

- (a) the sale and purchase agreement (“**Sale and Purchase Agreement**”) (a copy of which marked “A” has been produced to the meeting and signed by the chairman of the meeting for the purpose of identification) dated 10 September 2007 entered into between the Company, SUT Co., Limited and 天津金勛章科技產業有限公司 (unofficially translated as Tianjin Gold Medal Technology Industry Co., Ltd.) in relation to the acquisition (“**Acquisition**”) of 中聯科技(天津)有限公司 (Sino-US Technologies (Tianjin) Co., Ltd.) and all the transactions contemplated thereunder be and are hereby approved;
- (b) subject to completion of the Acquisition, the allotment and issue of the Consideration Shares (as defined and detailed in the circular of the Company dated 9 October 2007 (“**Circular**”)) and the Additional Shares (as defined and detailed in the Circular) on and subject to the terms of the Sale and Purchase Agreement be and is hereby approved;
- (c) subject to completion of the Acquisition, the creation and issue of the Bonds (as defined and detailed in the Circular) on and subject to the terms of the Sale and Purchase Agreement be and is hereby approved and the directors of the Company (“**Directors**”) be and are hereby authorised to allot and issue such number of new Shares (as such term is defined in the draft deed poll constituting the Bonds attached to the Sale and Purchase Agreement) as may be allotted and issued upon the exercise of conversion rights to be attached to the Bonds; and

\* for identification purpose only



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## NOTICE OF SPECIAL GENERAL MEETING

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- (d) the Directors be and are hereby authorised to do all such acts and things, to sign and execute all such further documents and to take such steps as the Directors may consider necessary, appropriate, desirable or expedient to give effect to or in connection with the Acquisition, the creation of the Bonds and the allotment and issue of the Consideration Shares, the shares fall to be allotted and issued upon exercise of the conversion rights to be attached to the Bonds and the Additional Shares or any of the transactions contemplated under the Sale and Purchase Agreement and to make such variation, amendment and waiver of any matters relating thereto or in connection therewith that are in the opinion of the Directors not of a material nature and are in the interests of the Company.”

Yours faithfully,  
For and on behalf of the Board of  
**FinTronics Holdings Company Limited**  
**Sze Wai, Marco**  
*Chairman*

Hong Kong, 9 October 2007

*Registered office:*  
Clarendon House  
2 Church Street  
Hamilton HM11  
Bermuda

*Head office and principal place  
of business in Hong Kong:*  
Units 2003 and 2005, 20th Floor  
Great Eagle Centre  
23 Harbour Road  
Wanchai  
Hong Kong

*Notes:*

1. A member entitled to attend and vote at the meeting convened by the above notice is entitled to appoint one or more than one proxy to attend and, subject to the provisions of the bye-laws of the Company, vote in his stead. A proxy need not be a member of the Company.
2. To be valid, the form of proxy together with a power of attorney or other authority, if any, under which it is signed or a notarially certified copy of such power or authority must be deposited at the offices of the Company's branch share registrar in Hong Kong, Tricor Tengis Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not later than 48 hours before the time of the meeting or any adjourned meeting.
3. Delivery of an instrument appointing a proxy should not preclude member from attending and voting in person at the above meeting or any adjournment thereof and in such event, the instrument appointing a proxy shall be deemed to be revoked.
4. In the case of joint holders of a share, any one of such joint holders may vote, either in person or by proxy, in respect of such share as if he/she/it were solely entitled thereto to. If more than one of such joint holders are present at the above meeting, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.
5. As at the date of this notice, the board of directors of the Company comprises Sze Wai, Marco, Chu Chi Shing, Robert Kenneth Gaunt, Robertus Martinus Andreas Broers, Tan Shu Jiang and Song Jing Sheng as executive Directors, Zee Zin Yee as non-executive Director and Wong Po Yan, Mao Zhenhua and Chong Yiu Kan, Sherman as independent non-executive Directors.