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## **INTERNATIONAL ELITE LTD.**

**精英國際有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1328)**

### **INSIDE INFORMATION IN RELATION TO THE COOPERATIVE AGREEMENT WITH GUANGZHOU XINGHAI**

This announcement is made by the Company pursuant to Rule 13.09(2)(a) of the Listing Rules and Inside Information Provisions under Part XIVA of the SFO.

The Board is pleased to announce that on 20 November 2014, China Elite IS, an indirect wholly-owned subsidiary of the Company, entered into a five-year Cooperative Agreement, with Guangzhou Xinghai in respect of collaboration on development and promotion of the People's Welfare Card (which can be applied in, among others, medical appointment and local public transport payments) in Panyu Region, the PRC with an aim to issue 1,000,000 People's Welfare Cards by the end of 2015 and to build up the mobile application and the relevant certification system and cloud platform for the Smart Panyu.

**Shareholders and investors should exercise cautions when dealing in the securities of the Company.**

This announcement is made by International Elite Ltd. (the "**Company**", together with its subsidiaries, the "**Group**") pursuant to Rule 13.09(2)(a) of the Rules (the "**Listing Rules**") Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) (the "**SFO**").

Reference is made to the announcement of the Company dated 29 September 2014 in relation to the possible cooperation with a potential cooperation partner regarding development and issue of SIM card product in the People's Republic of China (the "PRC").

## THE COOPERATIVE AGREEMENT

The board (the "Board") of directors (the "Directors") of the Company is pleased to announce that on 20 November 2014, 廣州盛華信息服務有限公司 (Guangzhou China Elite Info. Services Co., Ltd.#) ("China Elite IS"), an indirect wholly-owned subsidiary of the Company, entered into a five-year cooperative agreement (the "Cooperative Agreement"), with 廣州星海數字電視金卡有限公司 (Guangzhou Xinghai Digital Television Golden Card Co., Ltd.#) ("Guangzhou Xinghai") in respect of collaboration on development and promotion of the people's welfare cards (民生卡) (the "People's Welfare Card") (which can be applied in, among others, medical appointment and local public transport payments) in Panyu Region, the PRC.

The major terms of the Cooperative Agreement are set out as the follows:

- Date: 20 November 2014
- Parties:
- (i) China Elite IS, an indirect wholly-owned subsidiary of the Company; and
  - (ii) Guangzhou Xinghai, a company established in the PRC with limited liability and is a subordinate company of People's Government of Panyu Region, Guangzhou Province (廣州市番禺區人民政府).

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, each of Guangzhou Xinghai and its ultimate beneficial owner(s) are third parties independent of the Company and its connected person (as defined in the Listing Rules).

- Term: Subject to the termination clause as described below, the Cooperative Agreement shall be valid for five years from the date on which the Cooperative Agreement is duly executed for the parties thereof.

Major Terms:

Both parties shall collaborate in development and promotion of the People's Welfare Card (which can be applied in, among others, medical appointment and local public transport payments) in Panyu Region, the PRC with an aim to issue 1,000,000 People's Welfare Cards by the end of 2015 and to build up the mobile application and the relevant certification system and cloud platform for the 廣州市番禺區智惠城市 (Smart Panyu<sup>#</sup>) (the **"Smart Panyu Project"**).

"Smart City" is a policy implemented by the PRC government in the 12th Five-Year Plan by making use of information technology to improve the welfare of the local citizens. By making use of information technology, Smart Panyu Project, a project that combines the idea of "Smart City", intelligence and benefiting the people's livelihood, can tackle common urban problems such as reducing energy consumption, traffic congestion and environmental pollution whilst, at the same time, providing benefit to the general public, improving living standards and quality of life of local citizens. Panyu Region was chosen as one of the regions as the pilot city for the policy of "Smart City". People's Welfare Card is a Certificate Authority SIM ("CA-SIM") card equipped with the technology of near field communication and is used as a tool for the Smart Panyu Project. CA-SIM card is a digital card with personal data stored on the card and is widely used as a payment platform on transport and at retail sector. It also supports access control for commercial and residential buildings, and in schools and leisure facilities.

Pursuant to the Cooperative Agreement, Guangzhou Xinghai will mainly be responsible for (i) providing the necessary system gateway for the initial development stage of the Smart Panyu Project including but not limited to payment gateway, medical database gateway, public transport database gateway and other utilities payment gateway; (ii) coordinating with various departments in building up the system platform for the Smart Panyu Project; (iii) providing the location and network environment for the operation of the mobile application and the relevant certification system and cloud platform for the Smart Panyu Project; and (iv) promotion of the mobile application.

Pursuant to the Cooperative Agreement, China Elite IS will mainly be responsible for (i) providing the CA-SIM cards for the issuance of the People's Welfare Cards; (ii) development of the mobile application for the initial development stage of the Smart Panyu Project; (iii) development, installation and maintenance of the relevant certification system and cloud platform for the Smart Panyu Project; (iv) production of the promotional materials for the Smart Panyu Project; and (v) assisting Guangzhou Xinghai in planning and execution of the development of the Smart Panyu Project.

**Termination:** If any of the following events occurs, either party may terminate the Cooperative Agreement and claim damages arising therefrom:

- (i) a party becomes incapable to execute the Cooperative Agreement due to its lack of resources in operation or technology;
- (ii) a party breaches any of its obligations of the confidential clause under the Cooperative Agreement and results in material damages on another party; or
- (iii) a party materially breaches any of its obligation under the Cooperative Agreement.

### **Reasons for the entering into the Cooperative Agreement**

The Group is principally engaged in the provision of Customer Relationship Management services, which include inbound and outbound services to companies in various service-oriented industries and the Group is also engaged in research and development, production and sales of Radio-Frequency Subscriber Identity Module (“**RF-SIM**”) products and licensing of the RF-SIM operation rights in markets other than Hong Kong and Macau.

As mentioned in the interim report of the Company for the six months ended 30 June 2014, the Group will continue to keep its marketing strategy to deploy its CA-SIM products to closed loop applications in China through well-established channels including SIM card vendors, system integrators as well as service aggregator companies. The Board believes that with the growing demand for Online-to-Offline solutions in China, the Group can leverage its extensive experiences in RF-SIM and CA-SIM products to explore the possibility to the CA-SIM market in China.

The Board considers that the entering into of the Cooperative Agreement is in line with the Group's strategy enabling it to expand its existing services and revenue base and enhance its growth potential in the PRC. The Board is of the view that the terms of the Cooperative Agreement are fair and reasonable and the entering into of the Cooperative Agreement is a furtherance of the principal business of the Group which is in the interest of the Company and its shareholders as a whole.

**Shareholders and investors should exercise cautions when dealing in the securities of the Company.**

# *The English translation of Chinese names or words in this announcement, where indicated, are included for information purpose only, and should not be regarded as the official English translation of such Chinese names or words.*

By Order of the Board  
**International Elite Ltd.**  
**LI KIN SHING**  
*Chairman*

Hong Kong, 21 November 2014

*As at the date of this announcement, the executive Directors are Mr. Li Kin Shing, Ms. Li Yin, Mr. Wong Kin Wa, and Mr. Li Wen and the independent non-executive Directors are Mr. Cheung Sai Ming, Mr. Chen Xue Dao and Mr. Liu Chun Bao.*