

**TO: COMPANY ANNOUNCEMENTS OFFICE  
ASX LIMITED**

**DATE: 20 MAY 2015**

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## **FIRST SHIPMENT OF SMARTPHONES READY FOR SALE**

The Board of Bisan Limited (ASX: BSN) ("the Company") is pleased to announce that the first shipment of smartphones have arrived into Hong Kong.

Mr Szender has now clarified the goods have arrived at My Generation Smartphones (HK) Limited new office in Kwun Tong, Hong Kong after leaving the store of a logistical company in Hong Kong where the goods first arrived.

The goods are now being graded in preparation for sale and the company has hired expert labour to grade and upgrade the smartphones in preparation for sale with buyers from China and other parts of Asia expected to purchase the first shipment valued at approximately AUD\$350,000. It is expected the bank account should be operational any day now.

Unexpected delays in the shipment and the setting up of the Hong Kong Bank account have delayed the commencement of trading. As a result, both parties have agreed that the period for Mr Szender to meet the targets under the Service Agreement will commence from the date the first shipment is sold and the sale proceeds are received.

### **Background**

The Company has two principal investments:

#### **My Generation Smartphones (HK) Limited**

The company has a service agreement with Mr Szender where he can earn a 60% interest if he can achieve sales of \$10m over 5 months (\$25M annualised) and on meeting other terms and conditions included in the service agreement. Refer previous ASX announcement.

Hong Kong has emerged as a hub for the international trade for smartphones. The number of used smart phones sold by customers in developed countries and delivered to Hong Kong is estimated at just above 12 million a year, or 20-30% of all second hand smartphones distributed worldwide.

It is estimated that more than 100 trading companies handle used smartphones in Hong Kong and sell for around USD\$220 brands such as Apple iPhone, Samsung Galaxy and other popular brands.

# BISAN Ltd

The market forecasts sales of up to 257 million used smartphone devices worldwide by 2018.

“GETTING SMART WITH USED HAND SETS” by Jun Suzuki published in the Nikkei Asian Review on 15 January 2015. <http://asia.nikkei.com/print/article/70054>

Mr Szender claims that he has supplier and client contacts around the World to secure second hand smartphones and bring them back to Hong Kong (the trading hub) where he also has contacts with wholesale buyers who purchase these phones for countries such as China, Vietnam, Pakistan and Dubai for sale into their respective retail markets.

## **P-Fuel Limited**

The Company has an equity interest of approximately 16% in P-Fuel Limited and is the largest single shareholder in that company.

The P-Fuel P2D (plastic to diesel) plant takes waste plastics and waste oils and converts them back into various fuels such as diesel (known as red diesel), light petroleum products and gas.

P-Fuel is able to assist Government and private groups to address waste management issues and in particular the disposal and management of waste plastics. These waste plastics are harmful to the environment and to wildlife. These waste plastics can take hundreds of years to decompose and create disposal issues in landfills. The cost of disposal is also on the rise along with the land mass required to cater for this growing problem. Not only does the disposal of waste plastics pose considerable environmental problems but its manufacture also uses a large quantity of oil. As this finite resource is depleted it becomes imperative that it is not wasted in discarded plastics.

**Pat Volpe**  
**Chairman**