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EVERGREEN INTERNATIONAL HOLDINGS LIMITED

長興國際(集團)控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 238)

DISCLOSEABLE TRANSACTION IN RELATION TO ACQUISITION OF PROPERTY

The Board is pleased to announce that on 2 November 2012, Evergreen Guangdong, an indirectly wholly-owned subsidiary of the Company, as the purchaser, entered into a series of Pre-Sale Agreements with Guangzhou Hongsheng, as the seller, under which Evergreen Guangdong agreed to purchase and Guangzhou Hongsheng agreed to sell the Property, by way of pre-sale prior to the completion of the building where the Property is situated, for the Consideration of approximately RMB241,925,320 (equivalent to approximately HK\$300,229,983).

As one or more of the applicable percentage ratios calculated under Rule 14.07 of the Listing Rules in respect of the transaction contemplated under the Pre-Sale Agreements is more than 5% but less than 25%, the transaction constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and accordingly, shall be subject to disclosure by way of announcement under the Listing Rules.

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PRE-SALE AGREEMENTS

Date : 2 November 2012

Parties : Evergreen Guangdong (Purchaser)
Guangzhou Hongsheng (Seller)

To the best knowledge, information and belief of the Directors having made all reasonable enquiry, as at the date of this announcement, Guangzhou Hongsheng and its ultimate beneficial owners are third parties independent of the Company and its connected persons.

Property

Offices on the 18th–20th Floors at One Bravo, 1 Jinsui Road, Tianhe District, Guangzhou, Guangdong Province, PRC (中國廣東省廣州市天河區金穗路1號邦華環球廣場18–20樓寫字樓) (with a total gross area of 5,714.92 square metres), together with 10 car parking spaces in the same building.

Currently the building where the Property is situated is still under construction and development by Guangzhou Hongsheng, and is expected to be completed by August 2013.

The designated use of the Property is for commercial use. The Property will be used by the Group as its headquarters office, design centre and the showroom for the Group's products.

Consideration and Payment Terms

Under the Pre-Sale Agreements, Evergreen Guangdong agreed to purchase from Guangzhou Hongsheng and Guangzhou Hongsheng agreed to sell to Evergreen Guangdong the Property, by way of pre-sale prior to the completion of the Property, for the Consideration of approximately RMB241,925,320 (equivalent to approximately HK\$300,229,983). The Consideration was arrived at arm's length negotiation between Guangzhou Hongsheng and Evergreen Guangdong with reference to selling prices of the similar neighboring properties and the age of the Property, which is situated in a brand new building. The Consideration shall be satisfied by the internal resources of the Group.

Evergreen Guangdong will pay the Consideration before 15 November 2012 into a designated bank account monitored by the Bureau of Land Resources and Housing Management of Guangzhou Municipality* (廣州市國土資源和房屋管理局), and can only be used by Guangzhou Hongsheng for certain restricted purposes prior to the completion of the building where the Property is situated under the Administrative Regulations for the Pre-Sale of Commercial Buildings of the Guangdong Province (廣東省商品房預售管理條例).

The Directors, having taken into account the convenient location of the Property and the brand new development of the Property, consider that the purchase of the Property at the Consideration is in the interest of the Company and its Shareholders as a whole.

Closing and Registration

Advance Notice Registration

Guangzhou Hongsheng shall execute the filing and advance notice registration of the Pre-Sale Agreements on behalf of Evergreen Guangdong within 30 days from the date of signing of the Pre-Sale Agreements.

Closing

Closing of the acquisition of the Property shall take place on or before 30 August 2013. Guangzhou Hongsheng shall issue a notice of delivery of the Property to Evergreen Guangdong, which shall inspect the Property within 7 days from the receipt of such notice (the “**Inspection Period**”). Evergreen Guangdong shall raise requisitions in writing, if any, within 3 days from the last day of the Inspection Period or otherwise shall be deemed to have agreed to the delivery of the Property. Guangzhou Hongsheng shall reply in writing and to deal with the requisitions within 15 days from the date of the requisitions raised by Evergreen Guangdong or otherwise shall be deemed to not have delivered the Property. In that case, Guangzhou Hongsheng shall pay a default penalty equivalent to 0.05% of the consideration for that part of the Property per day to Evergreen Guangdong, but the Pre-Sale Agreements shall not be terminated by Evergreen Guangdong.

As the building where the Property is situated is a new development, the Property is not currently being used by any occupants and Guangzhou Hongsheng will deliver vacant possession of the Property at Closing. There is also no financial information relating to the profits and losses attributable to the Property as the building is a new development.

Post-Closing Registration

Guangzhou Hongsheng shall process the registration of property rights of the Property with the relevant governmental authority for Evergreen Guangdong and shall deliver the certificate of such registration to Evergreen Guangdong within 300 working days from the day of Closing, otherwise Guangzhou Hongsheng shall pay a default penalty equivalent to 0.05% of the consideration of that part of the Property per day to Evergreen Guangdong, but the Pre-Sale Agreements shall not be terminated by Evergreen Guangdong.

REASONS FOR AND BENEFITS OF THE ACQUISITION OF THE PROPERTY

The Group is one of the leading menswear enterprises and brand operators in the PRC, owning and managing two brands, *V.E. DELURE* and *TESTATIN*, covering the middle-upper to high-end segments of the menswear market. The principal activities of the Group are the manufacturing and trading of clothing and clothing accessories.

Guangzhou Hongsheng is principally engaged in real estate development business in the PRC.

The Group is currently renting its headquarters office in Guangzhou. With the expansion of the business of the Group, the Group needs a larger space in a convenient location in Guangzhou to be used as its headquarters office. The Property is strategically located in a newly developed prime commercial area which is easily accessible by public transport which provides an ideal location for the headquarters office of the Group.

The Directors consider that the transaction contemplated under the Pre-Sale Agreements is on normal commercial terms and the terms of the Pre-Sale Agreements are fair and reasonable, and are in the interests of the Company and its Shareholders as a whole.

The Directors also believe that the acquisition of the Property is in line with the long term development strategy as well as the corporate and brand image of the Group and will strengthen the market position and business development of the Group.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios calculated under Rule 14.07 of the Listing Rules in respect of the transaction contemplated under the Pre-Sale Agreements is more than 5% but less than 25%, the transaction constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and accordingly, shall be subject to disclosure by way of announcement under the Listing Rules.

DEFINITIONS

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

“Board”	the board of Directors;
“Closing”	the closing of the sale and purchase of the Property in accordance with the Pre-Sale Agreements;
“Company”	Evergreen International Holdings Limited, a company incorporated in the Cayman Islands with limited liability and whose Shares are listed on the Main Board of the Stock Exchange;
“connected person”	shall have the same meaning as defined in the Listing Rules;
“Consideration”	approximately RMB241,925,320 (equivalent to approximately HK\$300,229,983), being the total price of the acquisition of the Property from Guangzhou Hongsheng pursuant to the terms of the Pre-Sale Agreements;
“Directors”	the directors of the Company from time to time;

“Evergreen Guangdong”	長興(廣東)服飾有限公司 (Guangdong Evergreen Garment Co., Ltd.*), a wholly foreign-owned enterprise established in the PRC and an indirect wholly-owned subsidiary of the Company;
“Group”	the Company and its subsidiaries;
“Guangzhou Hongsheng”	Guangzhou Hongsheng Real Estate Enterprise Co., Ltd.* (廣州宏昇房地產實業有限公司), a company established in the PRC with limited liability;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“PRC”	the People’s Republic of China, which shall exclude Hong Kong, the Macau Special Administrative Region and Taiwan;
“Pre-Sale Agreements”	the pre-sale agreements executed on 2 November 2012 between the Guangzhou Hongsheng as seller and Evergreen Guangdong as purchaser in relation to sale by Guangzhou Hongsheng and purchase by Evergreen Guangdong of the Property by way of pre-sale prior to the completion of the building where the Property is situated;
“Property”	Offices on the 18th–20th Floors at One Bravo, 1 Jinsui Road, Tianhe District, Guangzhou, Guangdong Province, PRC (中國廣東省廣州市天河區金穗路1號邦華環球廣場18–20樓寫字樓) (with a total gross area of 5,714.92 square metres), together with 10 car parking spaces in the same building;
“RMB”	Renminbi, the lawful currency of the PRC;
“Share(s)”	(an) ordinary share(s) of HK\$0.001 each (or such other amount as such ordinary share(s) may be divided or consolidated or converted into) in the share capital of the Company;
“Shareholder(s)”	the registered holder(s) of (an) issued Share(s) from time to time;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;

“subsidiary”

a company which is for the time being and from time to time a subsidiary of the Company within the meaning of the Companies Ordinance (Cap.32, Laws of Hong Kong) but so that for the purposes thereof a “company” shall be construed as meaning any body corporate whether incorporated in Hong Kong or elsewhere.

For the purpose of this announcement, the exchange rate of HK\$1.00 = RMB0.8058 has been used for currency translation, where applicable. Such exchange rate is for illustration purposes and does not constitute representations that any amount in RMB or HK\$ has been, could have been or may be converted at such rate.

By order of the Board
Evergreen International Holdings Limited
CHAN Yuk Ming
Chairman

Hong Kong, 2 November 2012

As at the date of this announcement, the Board comprises Mr. CHAN Yuk Ming, Mr. CHEN Yunan and Mr. CHEN Minwen as the executive Directors and Mr. FONG Wo, Felix, Mr. KWOK Chi Sun, Vincent and Mr. CHENG King Hoi, Andrew as the independent non-executive Directors.

* *for identification purposes only*