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GREEN INTERNATIONAL

Holdings Limited

格林國際控股有限公司

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(Incorporated in the Cayman Islands with limited liability)

(Stock code: 2700)

DISPOSAL OF ESCROWED SHARES

On 20 September 2019 (after trading hours), the Company (acting as the lawful attorney of the Vendor) and the Purchaser entered into the Share Disposal Agreement pursuant to which the Purchaser agreed to purchase 19,531,250 Escrowed Shares at the Disposal Price of HK\$0.19 per Share.

The gross and net proceeds from the Share Disposal will be approximately HK\$3.71 million and HK\$3.6 million, respectively. Under the terms of the Deed of Undertaking, since the Second PG is not satisfied in full, the Company is entitled to sell the 19,531,250 Escrowed Shares and to retain the entire sale proceeds of the Escrowed Shares as liquidated damages.

BACKGROUND RELATING TO THE ESCROWED SHARES

References are made to the Company's announcements dated 28 November 2017, 31 January 2018, 10 September 2018, 29 March 2019 and 29 August 2019 in relation to the Charm Eastern Acquisition, the Deed of Undertaking and the determination of the profit guarantees undertaken by the Vendor.

Under the terms of the Deed of Undertaking, since the Second PG is not satisfied in full, the Company is entitled to sell the 19,531,250 Escrowed Shares and to retain the entire sale proceeds of the Escrowed Shares as liquidated damages. On 20 September 2019 (after trading hours), the Company (acting as the lawful attorney of the Vendor) and the Purchaser entered into the Share Disposal Agreement pursuant to which the Purchaser agreed to purchase 19,531,250 Escrowed Shares at the Disposal Price of HK\$0.19 per Share.

THE SHARE DISPOSAL AGREEMENT

Date

20 September 2019 (after trading hours)

Parties

- (a) the Company; and
- (b) the Purchaser.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Purchaser is a third party independent of and not connected with the Company and its connected persons and associates (as such terms are defined in the Listing Rules), and was interested in 17,430,000 Shares (representing approximately 1.18% of the total issued Shares as at the date of this announcement), before entering into the Share Disposal Agreement.

The Disposal Shares

Under the terms of the Share Disposal Agreement, the Purchaser agreed to purchase the 19,531,250 Escrowed Shares at the Disposal Price of HK\$0.19 per Share. The 19,531,250 Escrowed Shares represents approximately 1.33% of the issued share capital of the Company of 1,473,266,145 Shares as at the date of this announcement. The Disposal Shares rank and will continue to rank equally in all respects among themselves and with the Shares in issue and on the date of completion of the Share Disposal.

Disposal Price

The Disposal Price of HK\$0.19 per Share was determined after arm's length negotiations between the Company (acting as lawful attorney of the Vendor) and the Purchaser, with reference to, among other things, the recent trading price of the Shares. The Disposal Price represents:

- (i) a nil premium/discount over/to the closing price of HK\$0.19 per Share as quoted on the Stock Exchange on the date of the Share Disposal Agreement; and
- (ii) a discount of approximately 2.53% to the average closing price of approximately HK\$0.1948 per Share as quoted on the Stock Exchange for the last five trading days of the Shares immediately prior to the date of the Share Disposal Agreement.

Completion of the Share Disposal

Completion of the Share Disposal shall take place on or before 11 October 2019 (or such later date as may be agreed between the Purchaser and the Company).

Termination of the Share Disposal Agreement

If it is found before completion of the Share Disposal Agreement that any matter or thing has occurred which constituted a material breach of, or is materially inconsistent with, any of the representations and warranties given by the Vendor in the Share Disposal Agreement, the Purchaser shall be entitled by notice in writing to the Company to terminate the Share Disposal Agreement without liability on its part and without prejudice to any rights which it may have in respect of the breach by the Vendor.

REASONS FOR THE SHARE DISPOSAL AND USE OF PROCEEDS

As disclosed in the Company's announcement dated 29 August 2019, due to the small sale proceeds of the Escrowed Shares of under HK\$4 million based on the prevailing market price of the Shares, the Company cannot finalize any placing arrangement with independent placing agents to place the Escrowed Shares with a low percentage of placing commission which is acceptable to the Company.

The gross and net proceeds from the Share Disposal will be approximately HK\$3.71 million and HK\$3.6 million, respectively. It is in the best interest of the Company to enforce its contractual right under the Deed of Undertaking and the profit guarantees by selling the 19,531,250 Escrowed Shares and retaining the entire sale proceeds of the Escrowed Shares as liquidated damages.

The terms of the Share Disposal Agreement (including the Disposal Price) were determined after arm's length negotiations between the Company (acting as lawful attorney of the Vendor) and the Purchaser with reference to, among other things, the recent trading price of the Shares on the Stock Exchange. As the overall arrangements contemplated under the Share Disposal Agreement are generally in line with the arrangements under a general mandate placing of new shares by a listed issuer, the Directors (including the independent non-executive Directors) consider that the terms of the Share Disposal Agreement are on normal commercial terms, fair and reasonable and in the interests of the Company and its shareholders as a whole.

DEFINITIONS

The following terms have the following meanings in this announcement unless the context otherwise requires:

“Board”	the board of Directors
“Charm Eastern Acquisition”	the acquisition of Charm Eastern Limited by the Company from the Vendor as disclosed in the Company's announcements dated 28 November 2017 and 31 January 2018
“Company”	Green International Holdings Limited, a company incorporated in Cayman Islands with limited liability and whose Shares are listed on the Main Board of the Stock Exchange with stock code 2700

“Deed of Undertaking”	the deed of undertaking dated 10 September 2018 given by (inter alia) the Vendor in favour of the Company, whereby all one-off income are excluded from the determination of the second and third profit guarantees under the Charm Eastern Acquisition and the Escrowed Shares are put under escrow pending the determination of the Second PG
“Directors”	directors of the Company
“Disposal Price”	the disposal price of the Escrowed Shares as stipulated in the Share Disposal Agreement, being HK\$0.19 per Share
“Escrowed Shares”	19,531,250 Shares legally and beneficially owned by the Vendor and put in escrow with the Company pursuant to the terms of the Deed of Undertaking, to be disposed of by the Company and purchased by the Purchaser under the Share Disposal Agreement
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“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
“Purchaser”	Mr. Lyu Huachang, the purchaser of the Escrowed Shares under the Share Disposal Agreement
“Second PG”	the second profit guarantee given by the Vendor in respect of the profit before tax and non-controlling interest of the target group of the Charm Eastern Acquisition for the six months ended 31 December 2018, excluding all one-off income, being not less than RMB5,000,000 which the Vendor failed to achieve, as disclosed in the Company’s announcement dated 29 March 2019
“Share(s)”	ordinary share(s) of HK\$0.04 each in the share capital of the Company
“Share Disposal”	the disposal of the Escrowed Shares by the Company (acting as lawful attorney of the Vendor) to the Purchaser on the terms and subject to the conditions of the Share Disposal Agreement
“Share Disposal Agreement”	the share disposal agreement entered into between the Company (acting as lawful attorney of the Vendor) and the Purchaser dated 20 September 2019 in relation to the Share Disposal

“ Stock Exchange ”	The Stock Exchange of Hong Kong Limited
“ Vendor ”	Ample Reach Limited, the legal and beneficial owner of the Escrowed Shares
“ % ”	per cent

By order of the Board
Green International Holdings Limited
Yu Qigang
Chairman

Hong Kong, 20 September 2019

As at the date of this announcement, the executive Directors are Mr. Yu Qigang (Chairman), Mr. Chen Hanhong and Mr. Liu Dong; and the independent non-executive Directors are Mr. Wu Hong, Mr. David Tsoi and Mr. Wang Chunlin.