

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

This announcement is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for the securities of the Company.



GREEN INTERNATIONAL

Holdings Limited

格林國際控股有限公司

GREEN INTERNATIONAL HOLDINGS LIMITED

格林國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 2700)

**PROPOSED RIGHTS ISSUE ON THE BASIS OF
ONE (1) RIGHTS SHARE FOR EVERY ONE (1) EXISTING SHARE
HELD ON THE RECORD DATE**

The Company proposes to raise gross proceeds of up to approximately HK\$99.0 million (before expenses) on the basis of one (1) Rights Share for every one (1) existing Share held on the Record Date by issuing up to 1,649,736,733 Rights Shares (assuming no further issue or repurchase of Shares on or before the Record Date) at the Subscription Price of HK\$0.060 per Rights Share. The Rights Issue is only available to the Qualifying Shareholders and will not be extended to the Non-Qualifying Shareholders.

The Rights Issue (excluding the Committed Shares) is only underwritten by the Underwriter on a best effort basis. Pursuant to the Company's constitutional documents and the Companies Law, there are no requirements for minimum levels of subscription in respect of the Rights Issue. Subject to fulfillment of the conditions of the Rights Issue, the Rights Issue will proceed regardless of its level of acceptances. That having said, at least 925,179,329 Rights Shares are committed to be taken up by the Participating Shareholders pursuant to the Irrevocable Participation Undertakings, subject however to any scale-down due to the MGO Obligation or the Public Float Requirement. In the event of under-subscription, any Rights Shares not taken up by the Qualifying Shareholders or transferees of nil-paid Rights Shares and not subscribed by subscribers procured by the Underwriter will not be issued and the size of the Rights Issue will be reduced accordingly. Investors are advised to exercise caution when dealing in Shares or nil-paid Rights Shares.

Assuming full acceptance of the Rights Issue, its gross proceeds and net proceeds (after deducting expenses) are expected to be approximately HK\$99.0 million and HK\$95.9 million, respectively. Details of the intended use of proceeds are set out in the section headed “REASONS FOR THE RIGHTS ISSUE AND USE OF PROCEEDS” in this announcement.

In accordance with Rule 7.19A(1) of the Listing Rules, as the Rights Issue will increase the issued share capital of the Company by more than 50%, the Rights Issue is subject to the approval of the minority Shareholders at the EGM by way of poll. Pursuant to Rule 7.27A(1) of the Listing Rules, where minority shareholders’ approval is required for a rights issue under Rule 7.19A of the Listing Rules, rights issue must be made conditional on approval by shareholders in general meeting by a resolution on which any controlling shareholders and their associates shall abstain from voting in favour.

As at the date of this announcement, the Presumed Concert Party Group (comprising Jumbo Faith, Fluent Robust and Gold Bless) collectively owns 71.05% of the voting rights of the Company, and is required to abstain from voting in favour of the Relevant Resolution at the EGM. Mr. Liu, an executive Director, also indicated to the Company that he intends to abstain from voting in favour of the Relevant Resolution at the EGM. As at the date of this announcement, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, save for Jumbo Faith, Fluent Robust, Gold Bless and Mr. Liu, no other Shareholder is required or indicated his intention to abstain from voting on the Relevant Resolution at the EGM.

The Independent Board Committee comprising all the independent non-executive Directors, namely, Mr. Wu Hong, Mr. David Tsoi and Mr. Wang Chunlin, has been established to advise the Independent Shareholders in relation to the terms of the Rights Issue and the Underwriting Agreement and the voting recommendation on the Relevant Resolution. The Company will appoint an Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders regarding the terms of the Rights Issue and the Underwriting Agreement and the voting recommendation on the Relevant Resolution.

The EGM will be convened and held by the Company to consider and, if thought fit, to approve the Rights Issue and the transactions contemplated thereunder (including the Underwriting Agreement and the issue of the Rights Shares). The Circular containing, among other things, (i) further information on the Rights Issue (including the Underwriting Agreement and the issue of the Rights Shares) and other information prescribed by the Listing Rules; (ii) the recommendation of the Independent Board Committee regarding the terms of the Rights Issue and the Underwriting Agreement; (iii) the letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders regarding the terms of the Rights Issue and the Underwriting Agreement; and (iv) the notice of the EGM, will be dispatched to the Shareholders on or before 23 October 2020 as additional time is required by the Company for preparing the Circular.

WARNING OF THE RISKS OF DEALING IN THE SHARES AND NIL-PAID RIGHTS SHARES

Shareholders and potential investors should note that the Rights Issue is conditional upon the fulfillment of the conditions of the Underwriting Agreement and the Underwriter not having terminated the Underwriting Agreement in accordance with the terms thereof. Accordingly, the Rights Issue may or may not proceed.

The Rights Issue is underwritten only on a best effort basis. In the event the Rights Issue is not fully subscribed, any Rights Shares not taken up by the Qualifying Shareholders or transferees of nil-paid Rights Shares and not subscribed by subscribers procured by the Underwriter will not be issued by the Company and the size of the Rights Issue will be reduced accordingly. Investors are advised to exercise caution when dealing in the Shares or Rights Shares in their nil-paid form.

Any dealings in the Shares from the date of this announcement up to the date on which all the conditions of the Rights Issue are fulfilled, and any Shareholders dealing in the Rights Shares in nil-paid form will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed. Any Shareholders or other persons contemplating any dealings in the Shares or Rights Shares in their nil-paid form are recommended to consult their professional advisers.

PROPOSED RIGHTS ISSUE

The Company proposes to raise gross proceeds of up to approximately HK\$99.0 million (before expenses) on the basis of one (1) Rights Share for every one (1) existing Share held on the Record Date by issuing up to 1,649,736,733 Rights Shares (assuming no further issue or repurchase of Shares on or before the Record Date) at the Subscription Price of HK\$0.060 per Rights Share. The Rights Issue is only available to the Qualifying Shareholders and will not be extended to the Non-Qualifying Shareholders.

The Rights Issue (excluding the Committed Shares) is underwritten by the Underwriter on a best effort basis. The Underwriter is licensed under the SFO for Type 1 (dealing in securities) and Type 4 (advising on securities) regulated activities, whose ordinary course of business includes underwriting of securities. The Rights Issue is not underwritten by the controlling or substantial shareholder of the Company. As the Underwriter is a wholly-owned subsidiary of the Company, it will only procure subscribers to subscribe, but will not itself subscribe, any Untaken Shares.

The Rights Issue (excluding the Committed Shares) is only underwritten by the Underwriter on a best effort basis. Pursuant to the Company's constitutional documents and the Companies Law, there are no requirements for minimum levels of subscription in respect of the Rights Issue. Subject to fulfillment of the conditions of the Rights Issue, the Rights Issue will proceed regardless of its level of acceptances. That having said, at least 925,179,329 Rights Shares are committed to be taken up by the Participating Shareholders pursuant to the Irrevocable Participation Undertakings, subject however to any scale-down due to the MGO Obligation or the Public Float Requirement. In the event of under-subscription, any Rights Shares not taken up by

the Qualifying Shareholders or transferees of nil-paid Rights Shares and not subscribed by subscribers procured by the Underwriter will not be issued and the size of the Rights Issue will be reduced accordingly. Investors are advised to exercise caution when dealing in Shares or nil-paid Rights Shares.

Further details of the Rights Issue are set out below:

Rights Issue statistics

Basis of the Rights Issue:	One (1) Rights Share for every one (1) existing Share held on the Record Date
Subscription Price:	HK\$0.060 per Rights Share
Number of Shares currently in issue:	1,649,736,733 Shares
Number of Rights Shares:	Up to 1,649,736,733 Rights Shares (assuming no further issue or repurchase of Shares on or before the Record Date)
Aggregate nominal value of the Rights Shares:	Up to HK\$65,989,469.32
Number of Shares in issue upon completion of the Rights Issue:	Up to 3,299,473,466 Shares (assuming no further issue or repurchase of Shares on or before the Record Date)
Number of Rights Shares undertaken to be taken up:	The Participating Shareholders (i.e. Jumbo Faith and Fluent Robust) have given the Irrevocable Participation Undertakings dated 25 September 2020 to the Company to undertake to maintain their respective current shareholding in 925,179,329 Shares up to and including the Record Date and to lodge acceptance for at least the 925,179,329 Rights Shares provisionally allotted to them. These Committed Shares undertaken to be taken up by the Participating Shareholders represent approximately 56.08% of the total Rights Shares provisionally allotted by the Company under the Rights Issue.
Gross proceeds to be raised before expenses:	Up to approximately HK\$99.0 million
Underwriter:	Green Securities Limited

Number of Underwritten Shares: Subject to the terms and conditions of the Underwriting Agreement, the Underwriter agreed to procure, on a best effort basis, the subscription (but will not itself subscribe) for any Untaken Shares not taken up as valid acceptance in the Rights Issue whether by PAL(s) or EAF(s). There is no underwriting on the Committed Shares, the Scale-down PAL Shares (if any) and the Scale-down EAF Shares (if any). Assuming no Shares are to be issued or repurchased by the Company on or before the Record Date, the maximum number of Underwritten Shares is 724,557,404 Rights Shares.

Right of excess applications: Qualifying Shareholders may apply for the Rights Shares in excess of their provisional allotment

As at the date of this announcement, the Company has no outstanding convertible securities, options, derivatives or warrants in issue which confer any right to subscribe for, convert or exchange into Shares prior to the Record Date.

Assuming there is no change in the issued share capital of the Company from the date of this announcement and up to the Record Date, the maximum number of 1,649,736,733 Rights Shares proposed to be allotted and issued pursuant to the Rights Issue represent (i) 100% of the existing issued share capital of the Company; and (ii) 50% of the issued share capital of the Company as enlarged by the Rights Issue (assuming its full acceptance).

The Subscription Price

The Subscription Price of HK\$0.060 per Rights Share will be payable in full when a Qualifying Shareholder accepts the relevant provisional allotments of the Rights Shares and, where applicable, applies for excess Rights Shares or when a transferee of nil-paid Rights Shares applies for the relevant Rights Shares.

The Subscription Price represents:

- (i) a discount of approximately 17.81% to the closing price of HK\$0.0730 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (ii) a discount of approximately 28.06% to the average closing price of HK\$0.0834 per Share based on the closing prices of the Shares as quoted on the Stock Exchange for the five consecutive trading days prior to and excluding the Last Trading Day;
- (iii) a discount of approximately 28.83% to the average closing price of HK\$0.0843 per Share based on the closing prices of the Shares as quoted on the Stock Exchange for the ten consecutive trading days prior to and excluding the Last Trading Day;
- (iv) a discount of approximately 9.77% to the theoretical ex-rights price of HK\$0.0665 per Share based on the closing price as quoted on the Stock Exchange on the Last Trading Day; and

- (v) a premium of approximately 77.30% over the unaudited net asset value of approximately HK\$0.0338 per Share based on the unaudited total equity attributable to owners of the Company of approximately HK\$55,828,000 as at 30 June 2020, divided by the total number of 1,649,736,733 Shares currently in issue.

The Subscription Price and the subscription ratio were determined by the Company following arm's length negotiations between the Company and the Underwriter with reference to the fund-raising size intended by the Company, the market price and the net asset value of the Shares, the prevailing market conditions and the financial position of the Company. The Directors consider that the discount of the Subscription Price as compared to the market price range would encourage Shareholders to participate in the Rights Issue and accordingly maintain their shareholdings in the Company and participate in the future growth and development of the Group. The Directors (excluding the independent non-executive Directors whose views will, after receiving the advice from the Independent Financial Adviser, be set out in the letter from the Independent Board Committee in the Circular) consider the terms of the Rights Issue (including the Subscription Price and the subscription ratio) to be fair and reasonable and in the interests of the Company and the Shareholders as a whole.

The net Subscription Price per Rights Share (i.e. the aggregate Subscription Price assuming full acceptance of the provisional allotment of Rights Shares, after deducting cost and expenses incurred in the Rights Issue) will be approximately HK\$0.058.

During the 12 month period immediately preceding the date of this announcement, the Company has not undertaken (whether by reference to the date of agreement or announcement or the date of commencement of dealing of shares) any rights issue, open offer or specific mandate placing. The theoretical diluted price, the benchmarked price and the theoretical dilution effect (as those terms are defined under Rule 7.27B of the Listing Rules) for the Rights Issue are HK\$0.0717 per Share, HK\$0.0834 per Share and approximately 14.03%, respectively. The Rights Issue will not result in a theoretical dilution effect of 25% or more.

Qualifying Shareholders and Non-Qualifying Shareholders

The Rights Issue will only be available to the Qualifying Shareholders. The Company will send the Prospectus Documents to the Qualifying Shareholders but will only send the Prospectus (without the PAL and the EAF), for information purposes only, to the Non-Qualifying Shareholders.

To qualify for the Rights Issue, a Shareholder must be registered as a member of the Company at the close of business on the Record Date and not be a Non-Qualifying Shareholder. Shareholders with their Shares held by a nominee (or held in CCASS) should note that the Board will consider nominee (including HKSCC Nominees Limited) as one single Shareholder according to the register of members of the Company and are advised to consider whether they would like to arrange for the registration of the relevant Shares in their own names prior to the Record Date.

In order to be registered as members of the Company at the close of business on the Record Date, any relevant transfer documents (together with the relevant share certificates) must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited (the "**Registrar**"), at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration by no later than the Latest Time for Lodging Transfers (as defined below).

Rights of Overseas Shareholders

The Prospectus Documents are not intended to be registered under the applicable securities legislation of any jurisdiction other than Hong Kong. The Company will comply with Rule 13.36(2)(a) of the Listing Rules and make enquiries regarding the feasibility of extending the offer of the Rights Shares to the Overseas Shareholders, if any. If, based on the legal opinions to be provided by the legal advisers to the Company, the Directors consider that it is necessary or expedient not to offer the Rights Shares to any Overseas Shareholders on account of either the legal restrictions under the laws of the places of their registered addresses or the requirements of the relevant regulatory bodies or stock exchanges in such places, the Rights Issue will not be extended to such Overseas Shareholders.

The Company will send the Prospectus to the Non-Qualifying Shareholders for their information only, but will not send any PAL and EAF to them.

Arrangements will be made for the Rights Shares, which would otherwise have been provisionally allotted to the Non-Qualifying Shareholders, to be sold in the market in their nil-paid form as soon as practicable after dealings in the nil-paid Rights Shares commence and before dealings in the nil-paid Rights Shares end, if a premium (net of expenses) can be obtained. The proceeds from such sale, less expenses, of more than HK\$100 will be paid on pro-rata basis to the relevant Non-Qualifying Shareholders. In view of administrative costs, the Company will retain individual amounts of HK\$100 or less for its own benefit. Any unsold entitlement of the Non-Qualifying Shareholders to the Rights Shares and any Rights Shares provisionally allotted but not accepted by the Qualifying Shareholders will be made available for excess applications by the Qualifying Shareholders under the EAF(s).

Overseas Shareholders should note that they may or may not be entitled to the Rights Issue, subject to the results of enquiries made by the Directors pursuant to Rule 13.36(2)(a) of the Listing Rules. Accordingly, the Overseas Shareholders should exercise caution when dealing in the Shares.

Closure of register of members

The dates for the closure of the register of members of the Company (for determining the entitlements to the Rights Issue and during which no transfer of Shares will be registered) are disclosed in the section headed "Expected timetable for the Rights Issue" in this announcement for illustration purpose only. The ex-rights and book closure arrangements will take place subject to and after the passing of the Relevant Resolution at the EGM.

Basis of provisional allotments

The basis of the provisional allotment shall be one (1) Rights Share (in nil-paid form) for every one (1) existing Share held by the Qualifying Shareholders as at the close of business on the Record Date.

Qualifying Shareholders may apply for all or any part of their respective provisional allotment by lodging a duly completed PAL and a cheque or a banker's cashier order for the sum payable for the Rights Shares being applied for with the Registrar on or before the Latest Time for Acceptance (as defined below).

Application for excess Rights Shares

Qualifying Shareholders may apply, by way of excess application, for: (i) the unsold entitlements to the Rights Shares of the Non-Qualifying Shareholders, if any; (ii) any nil-paid Rights Shares provisionally allotted but not accepted by the Qualifying Shareholders or otherwise not subscribed for by transferees of nil-paid Rights Shares; and (iii) the Scale-down PAL Shares and Scale-down EAF Shares, if any.

Application for excess Rights Shares can be made only by duly completing and signing an EAF (in accordance with the instructions printed therein) and lodging the same with a separate cheque or banker's cashier order for the sum payable for the excess Rights Shares being applied for with the Registrar on or before the Latest Time for Acceptance.

The Directors will allocate the excess Rights Shares (if any) at their discretion on a fair and equitable basis on the principle that any excess Rights Shares will be allocated to the applying Qualifying Shareholders on a pro rata basis by reference to the number of the excess Rights Shares applied for under each application, but no reference will be made to the Rights Shares subscribed through applications by PAL(s) or the existing number of Shares held by such Qualifying Shareholders. No preference will be given to applications for topping up odd-lot holdings to whole lot holdings. Pursuant to Rule 7.21(3)(b) of the Listing Rules, the Company will take steps to identify the applications for excess Rights Shares made by any controlling shareholder or its associates (together, the "**Controlling Shareholder Group**"), whether in their own names or through nominees. The Company shall disregard the Controlling Shareholder Group's applications for excess Rights Shares to the extent that the total number of excess Rights Shares they have applied for exceeds a maximum number equivalent to the total number of Rights Shares offered under the Rights Issue minus the number of Rights Shares taken up by the Controlling Shareholder Group under their assured entitlement to the Rights Shares.

If the number of Untaken Shares is greater than the number of excess Rights Shares being applied for under EAF(s), the Directors will allocate to each Qualifying Shareholder who applies for excess Rights Shares the actual number of excess Rights Shares being applied for.

Shareholders with their Shares held by a nominee (or which are held in CCASS) should note that the Board will consider the nominee (including HKSCC Nominees Limited) as one single Shareholder according to the register of members of the Company. Accordingly, such Shareholders should note that the aforesaid arrangement in relation to the allocation of the excess Rights Shares will not be extended to the relevant beneficial owners individually.

Shareholders with their Shares held by a nominee (or which are held in CCASS) are advised to consider whether they would like to arrange for the registration of their relevant Shares under their own names prior to the Record Date for the purpose of the Rights Issue. Shareholders and investors should consult their professional advisers if they are in doubt as to their status.

For investors whose Shares are held by a nominee (or CCASS) and would like to have their names registered on the register of members of the Company, they must lodge all necessary documents with the Registrar for registration by no later than the Latest Time for Lodging Transfers (as defined below).

No fractional entitlement

On the basis of the entitlement to subscribe one (1) Rights Share for every one (1) existing Share held by the Qualifying Shareholders on the Record Date, no fractional entitlements to the Rights Shares will arise from the Rights Issue.

Status of Rights Shares

The Rights Shares will, when issued and fully paid, rank *pari passu* in all respects with the Shares then in issue including the right to receive future dividends and distributions which may be declared, made or paid after the completion of the Rights Issue.

Application for listing of Rights Shares in nil-paid and fully-paid forms

The Company will apply to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms to be issued and allotted pursuant to the Rights Issue.

Eligibility for admission of Rights Shares in nil-paid and fully-paid forms into CCASS

Subject to the granting of the listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, the Rights Shares in both their nil-paid and fully-paid forms will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the respective commencement dates of dealings in the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange or such other dates as determined by HKSCC.

The board lot size of the nil-paid Rights Shares shall be the same as that of the fully-paid Rights Shares, i.e. 20,000 Shares in one board lot.

Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. Shareholders should seek advice from their licensed securities dealer(s) or other professional adviser(s) for details of those settlement arrangements and how such arrangements will affect their rights and interests.

Stamp duty and other applicable fees

Dealings in the Rights Shares in both their nil-paid and fully-paid forms will be subject to the payment of stamp duty, Stock Exchange trading fee, SFC transaction levy and any other applicable fees and charges in Hong Kong.

Share certificates and refund cheques for Rights Issue

Subject to the fulfillment of the conditions of the Rights Issue as set out below, share certificates for all fully-paid Rights Shares are expected to be posted to those entitled thereto by ordinary post to their registered addresses, at their own risks, on or before the Certificate Posting Date (as defined below).

Refund cheques in respect of wholly or partially unsuccessful applications for excess Rights Shares (if any) are expected to be posted on or before the Certificate Posting Date by ordinary post to the applicants' registered addresses, at their own risk.

Scale-down of subscriptions to avoid the triggering of MGO Obligation and non-compliance of Public Float Requirement

As the Rights Issue is only underwritten by the Underwriter on a best effort basis, depending on the level of subscription of the Rights Shares by other Shareholders, the application for Rights Shares under the PAL(s) or EAF(s) by the Covenanted Shareholders (i.e. Jumbo Faith, Fluent Robust, Gold Bless and Mr. Liu) may unwittingly incur an MGO Obligation under the Takeovers Code unless a waiver from the Executive (as defined in the Takeovers Code) has been obtained, or may result in the non-compliance by the Company of the Public Float Requirement under Rule 8.08 of the Listing Rules.

As at the date of this announcement, Jumbo Faith (controlled and owned by Ms. Zhou, the spouse of Mr. Yu), Fluent Robust (controlled and owned by Mr. Yu, an executive Director and the Chairman of the Board) and Gold Bless (an associate of Mr. Yu) (collectively, the "**Presumed Concert Party Group**") own 756,061,682 Shares, 169,117,647 Shares and 246,924,406 Shares, representing approximately 45.83%, 10.25% and 14.97%, respectively, of the existing issued share capital of the Company. They are presumed to be acting in concert with each others and collectively own 71.05% of the voting rights of the Company. Although the Presumed Concert Party Group had owned more than 50% voting right in the Company for more than twelve months and should not be subject to any further MGO Obligation as a group, individual members of the Presumed Concert Party Group may still be subject to MGO Obligation by taking part in the Rights Issue if the Rights Issue is not fully subscribed by public Shareholders.

Although Mr. Liu is not presumed to act in concert with the other Covenanted Shareholders, he is an executive Director and a core connected person of the Company and is not counted as a member of the public as defined in Rule 8.24 of the Listing Rules. As at the date of this announcement, Mr. Liu owns 62,865,000 Shares, representing approximately 3.81% of the existing issued share capital of the Company. The Covenanted Shareholders (comprising Jumbo Faith, Fluent Robust, Gold Bless and Mr. Liu) collectively hold 74.86% of the existing issued share capital of the Company. The participation by the Covenanted Shareholders in the Rights Issue may result in the Company being in non-compliance of the Public Float Requirement if the Rights Issue is not fully subscribed by public Shareholders.

To avoid the unwitting triggering of MGO Obligations and non-compliance of Public Float Requirement, all applications under the PAL(s) and the EAF(s) will be made on the basis that the applications are to be scaled-down by the Company to a level which: (a) does not trigger an MGO Obligation on the part of the applicant or parties acting in concert with him/her/it; and/or (b) does not result in the non-compliance of the Public Float Requirement on the part of the Company. Any subscription monies for the Scale-down PAL Shares or Scale-down EAF Shares will be refunded to the applicants, and the Scale-down PAL Shares or Scale-down EAF Shares will be made available for subscription by other Qualifying Shareholders through EAF(s).

In addition, on 25 September 2020, the Covenancing Shareholders entered into the Irrevocable Scale-down Undertakings in favour of the Company, pursuant to which they irrevocably undertake, on a several (but not joint and several) basis, that any application for Rights Shares, whether under PAL(s) or EAF(s), to be made by them shall be subject to the scale-down mechanisms of the Rights Issue as determined by the Company to levels which do not trigger any MGO Obligation or non-compliance of Public Float Requirement. As amongst the Covenancing Shareholders, the scale-down of applications of Rights Shares shall operate on a fair and equitable basis under the following principles: (a) EAF(s) should be scaled down before PAL(s); and (b) where the scale-down is necessitated by the exceeding of shareholding by a group rather than an individual shareholder, the allocations of EAF(s) and PAL(s) to members of the affected group should be made on a pro rata basis by reference to the number of Shares held by the affected applicants on the Record Date.

Conditions of the Rights Issue

The Rights Issue is conditional upon the Underwriting Agreement becoming unconditional and not being terminated by the Underwriter prior to the Latest Time for Termination in accordance with its terms. In the event that the Underwriting Agreement does not become unconditional or if it is terminated prior to the Latest Time for Termination in accordance with the terms thereof, then the Rights Issue will not proceed.

Irrevocable Participation Undertakings

As at the date of this announcement, Jumbo Faith (controlled and owned by Ms. Zhou, the spouse of Mr. Yu) and Fluent Robust (controlled and owned by Mr. Yu, an executive Director and the Chairman of the Board) own 756,061,682 Shares and 169,117,647 Shares, representing approximately 45.83% and 10.25%, respectively, of the existing issued share capital of the Company.

On 25 September 2020, the Participating Shareholders (comprising Jumbo Faith and Fluent Robust) entered into the Irrevocable Participation Undertakings in favour of the Company, pursuant to which they irrevocably undertake, on a several (but not joint and several) basis, that: (a) they will maintain their respective current shareholding up to and including the Record Date; (b) Jumbo Faith and Fluent Robust will subscribe for 756,061,682 Rights Shares and 169,117,647 Rights Shares, respectively, under the PAL(s) representing the full acceptance of their individual provisional entitlements under the Rights Issue; and (c) they will procure that their acceptances of Rights Shares together with the payment therefor be lodged with the Registrar by no later than the Latest Time for Acceptance or otherwise in accordance with the instructions printed on the PAL(s).

Save for the Irrevocable Participation Undertakings, the Company has not received any information or irrevocable undertaking from any other substantial shareholders (as defined in the Listing Rules) of the Company of their intention to take up the Rights Shares to be provisionally allotted or offered to them under the Rights Issue as at the date of this announcement.

UNDERWRITING AGREEMENT

Date: 25 September 2020

Underwriter: Green Securities Limited, a licensed corporation licensed by the SFC to carry on Type 1 (dealing in securities) and Type 4 (advising on securities) regulated activities under the SFO and whose ordinary course of business includes the underwriting of securities.

The Underwriter is a wholly-owned subsidiary of the Company. As at the date of this announcement, the Underwriter is not interested in any Shares.

Number of Underwritten Shares: Subject to the terms and conditions of the Underwriting Agreement, the Underwriter agreed to procure, on a best effort basis, the subscription (but will not itself subscribe) for any Untaken Shares not taken up as valid acceptance in the Rights Issue whether by PAL(s) or EAF(s). There is no underwriting on the Committed Shares, the Scale-down PAL Shares (if any) and the Scale-down EAF Shares (if any). Assuming no Shares are to be issued or repurchased by the Company on or before the Record Date, the maximum number of Underwritten Shares is 724,557,404 Rights Shares.

Commission: 2.5% of the aggregate Subscription Price in respect of such number of the Rights Shares actually procured by the Underwriter for subscription pursuant to the Underwriting Agreement

Pursuant to the Underwriting Agreement, the Underwriter shall ensure that (i) each of the subscribers of the Untaken Shares procured by it shall be an Independent Third Party; (ii) none of such subscribers, together with any party acting in concert with it, will hold 30% (or such other percentage which shall trigger any MGO Obligation under the Takeovers Code) or more of the voting rights of the Company; and (iii) the Public Float Requirement under the Listing Rules remains to be fulfilled by the Company upon completion of the Rights Issue.

The Underwriting Agreement empowers the Underwriter to enter into sub-underwriting arrangement with sub-underwriter(s) or appoint any person to be sub-agent(s) on its behalf for the purpose of procuring the subscription of the Underwritten Shares.

The commission rate of 2.5% under the Underwriting Agreement was determined after arm's length negotiations between the Company and the Underwriter by reference to the market rate. The Directors (excluding the independent non-executive Directors whose views will, after receiving the advice from the Independent Financial Adviser, be set out in the letter from the Independent Board Committee in the Circular) consider the terms of the Underwriting Agreement (including the commission rate) to be fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Conditions of the Underwriting Agreement

The obligations of the Underwriter under the Underwriting Agreement are conditional upon the following conditions:

- (i) the delivery of the Prospectus to the Stock Exchange and the issue by the Stock Exchange on or before the Prospectus Posting Date of a certificate authorizing registration of the Prospectus with Hong Kong Companies Registry;
- (ii) a duly certified copy of the Prospectus (and other required documents) having been lodged with Hong Kong Companies Registry and Hong Kong Companies Registry issuing a confirmation of registration on or before the Prospectus Posting Date;
- (iii) following registration, the posting of the Prospectus Documents to the Qualifying Shareholders (and where applicable, the posting of the Prospectus to the Non-Qualifying Shareholders, if any, for information purposes only) and the publication of the Prospectus Documents on the website of the Stock Exchange on or before the Prospectus Posting Date;
- (iv) the grant of listing of the Rights Shares by the Stock Exchange (either unconditionally or subject only to the allotment and dispatch of the share certificates in respect thereof) and the grant of permission to deal in the nil-paid Rights Shares and the fully-paid Rights Shares by the Stock Exchange, and such permission and listing not subsequently having been withdrawn or revoked prior to the Latest Time for Termination;
- (v) the Underwriting Agreement not being terminated by the Underwriter pursuant to the terms of the Underwriting Agreement at or before the Latest Time for Termination;
- (vi) the compliance with and performance by the Company of all the undertakings and obligations under the terms of the Underwriting Agreement;
- (vii) the full compliance with and performance of the undertakings and obligations of the Participating Shareholders, or any of their respective associates, in respect of the Irrevocable Participation Undertakings;
- (viii) there being no event occurring or matter arising on or after the date of the Underwriting Agreement and prior to the Latest Time for Termination which if it had occurred or arisen before the date of the Underwriting Agreement would have rendered any of the warranties contained in the Underwriting Agreement untrue or incorrect in any material respect occurring prior to the Latest Time for Termination;

- (ix) the Shares remaining listed on the Stock Exchange at all times prior to the date of settlement of the Untaken Shares between the Company and the Underwriter and the listing of the Shares not having been withdrawn or the trading of the Shares not having been suspended for a consecutive period of more than ten business days (except for any suspension in connection with the clearance of announcements, circulars or prospectus regarding the Rights Issue) at any time prior to the Latest Time for Acceptance;
- (x) compliance with the requirements under the applicable laws and regulations of Hong Kong and Cayman Islands;
- (xi) the passing of the necessary resolutions by the Independent Shareholders at the EGM to approve the Rights Issue and the transactions contemplated thereunder (including the Underwriting Agreement) and the issue of the Rights Shares; and
- (xii) all other necessary waivers, consents and approvals (if required) from the relevant governmental or regulatory authorities for the Rights Issue and the transactions contemplated thereunder having been obtained and fulfilled.

The above conditions are incapable of being waived. As at the date of this announcement, none of the conditions has been satisfied. If the conditions are not fully satisfied by the Latest Time for Termination (or such other date as the Company and the Underwriter may mutually agree in writing) or if the Underwriting Agreement is rescinded or terminated pursuant to the terms thereof, all obligations and liabilities of the parties under the Underwriting Agreement shall forthwith cease and determine and neither party shall have any claim against the other for fees, costs, damages, compensation or otherwise.

Rescission and termination of the Underwriting Agreement

The Underwriting Agreement contains provisions entitling the Underwriter, by notice in writing, to terminate its obligations thereunder on the occurrence of certain events. If at any time, prior to the Latest Time for Termination (provided that for the purposes of the termination clause of the Underwriting Agreement, if a tropical cyclone warning signal no. 8 or above or a black rainstorm warning signal or “extreme conditions” caused by super typhoon as announced by the Government of Hong Kong is or remains hoisted in Hong Kong at any time between 9:00 a.m. and 4:00 p.m. on the date of the Latest Time for Termination, the Latest Time for Termination will be rescheduled to 12:00 noon on the next business day on which no tropical cyclone

warning signal no. 8 or above or no black rainstorm warning signal or “extreme conditions” caused by super typhoon as announced by the Government of Hong Kong is or remains hoisted in Hong Kong at any time between 9:00 a.m. and 12:00 noon):

- (1) in the absolute opinion of the Underwriter, the success of the Rights Issue would be materially and adversely affected by:
 - (a) the introduction of any new law or regulation or any change in existing law or regulation (or the judicial interpretation thereof) or other occurrence of any nature whatsoever which may in the absolute opinion of the Underwriter materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole or is materially adverse in the context of the Rights Issue; or
 - (b) the occurrence of any local, national or international event or change (whether or not forming part of a series of events or changes occurring or continuing before, and/or after the date hereof) of a political, military, financial, economic or other nature (whether or not ejusdem generis with any of the foregoing), or in the nature of any local, national or international outbreak or escalation of hostilities or armed conflict, or affecting local securities markets which may, in the absolute opinion of the Underwriter materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole or materially and adversely prejudice the success of the Rights Issue or otherwise makes it inexpedient or inadvisable to proceed with the Rights Issue; or
- (2) any adverse change in market conditions (including without limitation, any change in fiscal or monetary policy, or foreign exchange or currency markets, suspension or material restriction on trading in securities) occurs which in the absolute opinion of the Underwriter is likely to materially and adversely affect the success of the Rights Issue or otherwise makes it inexpedient or inadvisable to proceed with the Rights Issue; or
- (3) there is any change in the circumstances of the Company or any member of the Group which in the absolute opinion of the Underwriter will materially and adversely affect the prospects of the Company, including without limiting the generality of the foregoing the presentation of a petition or the passing of a resolution for the liquidation or winding up or similar event occurring in respect of any member of the Group or the destruction of any material asset of the Group; or
- (4) any event of force majeure including, without limiting the generality thereof, any act of God, war, riot, public disorder, civil commotion, fire, flood, explosion, epidemic, terrorism, strike or lock-out which, in the absolute opinion of the Underwriter, is likely to materially and adversely affect the success of the Rights Issue or otherwise makes it inexpedient or inadvisable to proceed with the Rights Issue; or
- (5) any other material adverse change in relation to the business or the financial or trading position or prospects of the Group as a whole whether or not ejusdem generis with any of the foregoing; or

- (6) any matter which, had it arisen or been discovered immediately before the date of the Prospectus and not having been disclosed in the Prospectus, would have constituted, in the absolute opinion of the Underwriter, a material omission in the context of the Rights Issue; or
- (7) any suspension in the trading of securities generally or the Company's securities on the Stock Exchange for a period of more than ten consecutive business days, excluding any suspension in connection with the clearance of the announcement or the Prospectus Documents or other announcements or circulars in connection with the Rights Issue; or
- (8) any moratorium, suspension or material restriction on trading of the Shares on the Stock Exchange due to exceptional financial circumstances or otherwise,

then the Underwriter shall be entitled, by notice in writing to the Company served prior to the Latest Time for Termination, to terminate the Underwriting Agreement.

The Underwriter shall be entitled by notice in writing to rescind the Underwriting Agreement if prior to the Latest Time for Termination:

- (a) any material breach of any of the representations, warranties or undertakings contained under the Underwriting Agreement; or
- (b) any event occurring or matter arising on or after the date of the Underwriting Agreement and prior to the Latest Time for Termination which if it had occurred or arisen before the date of the Underwriting Agreement would have rendered any of the warranties contained in the Underwriting Agreement untrue or incorrect in any material respect comes to the knowledge of the Underwriter.

Any notice of termination shall be served by the Underwriter prior to the Latest Time for Termination.

Upon the giving of notice in accordance with the above, the Underwriting Agreement shall terminate and the obligations of the parties shall forthwith cease and be null and void and none of the parties shall have any right against or liability towards any of the other parties arising out of or in connection with the Underwriting Agreement. If the Underwriting Agreement is terminated by the Underwriter on or before the Latest Time for Termination or does not become unconditional, the Rights Issue will not proceed.

REASONS FOR THE RIGHTS ISSUE AND USE OF PROCEEDS

The Company is an investment holding company. The Group is principally engaged in the provision of (i) health, medical and related services, comprising the Group's hospital business operated through two hospitals in Hunan Province; (ii) beauty and wellness services, comprising the beauty centers and products shops in Shenzhen under the brand name of "Marsa"; and (iii) integrated financial services, comprising two licensed corporations licensed to carry on securities brokerage, advising on securities and asset management services in Hong Kong. The Group operates its hospital business through Li County Phoenix Hospital Company Limited and Yiyang Zizhong Kidney Disease Hospital

Company Limited, both having the medical organization operating license granted by the local bureau of the National Health Commission to carry out, among other permitted medical treatments, hemodialysis treatment.

As disclosed in the Company's announcement dated 31 August 2020 in relation to the Group's unaudited interim results for the six months ended 30 June 2020 (the "**Interim Results Announcement**"), the COVID-19 epidemic has changed consumption pattern and adversely affected the Group's club house and beauty and wellness business in China. With the disposal of the Group's club house business to cut loss as disclosed in the Company's announcement dated 19 May 2020, the Group has been looking for suitable business opportunities for future business development and expansion. Among the various business sectors in which the Group operates, the hospital business has a higher level of user adherence and appears to be least affected by the new consumption pattern resulted from COVID-19 epidemic. In addition, with the raising awareness of public hygiene and health, the Company expects to see the growth of demand for high quality hemodialysis service providers in China.

The Group's experience in operating medical business for the past two years has laid a solid foundation for the launch of further business development and expansion. The Company currently plans to acquire the majority shareholding in hemodialysis centers in China. Although no binding agreement has been entered into by the Company for any of these potential acquisitions, it is important for the Company to launch the Rights Issue to get ready with the funding simultaneously with the ongoing negotiations to enhance the Company's bargaining power and demonstrate capability to complete the purchases with internal funding resources. The Company also has plans to expand the capacity of its existing hospitals to increase its revenue, and to purchase certain equipment instead of lease to improve profitability.

The Board has considered other alternative fund-raising methods such as share placing, bank borrowing and open offer. In comparison with the Rights Issue: (i) a share placing does not offer the opportunity to the existing Shareholders to participate in the equity issue on a pro rata basis; (ii) bank borrowings or other types of debt financing will increase the financial costs and gearing of the Group; and (iii) an open offer does not offer the Shareholders with the opportunity to trade the nil-paid rights in the market. Therefore, the Board considers that the Rights Issue is more cost-effective, efficient and beneficial way of fund-raising in the circumstances when compared to the other alternative fund-raising methods described above.

As disclosed in the Interim Results Announcement, as at 30 June 2020, the net current assets of the Group amounted to just approximately HK\$13.2 million, while its six-months' loss (excluding fair value changes and impairment loss which are non-cash in nature and excluding a one-off disposal gain) amounted to approximately HK\$17.3 million. In addition, the Group's total equity attributable to the equity holders of the Company decreased significantly from approximately HK\$90.9 million as at 31 December 2019 to approximately HK\$55.8 million as at 30 June 2020, and its bank balances (general accounts) and cash decreased significantly from approximately HK\$135.0 million as at 31 December 2019 to approximately HK\$46.2 million as at 30 June 2020, principally due to the redemption of bonds and cash outflow of the continual operating loss. In addition, the

Company has to set aside approximately HK\$15 million in preparation of the redemption of certain other bonds. The Company therefore intends to launch the Rights Issue to replenish its financial resources and strengthen its financial position.

Assuming full acceptance of the Rights Issue, its gross proceeds and net proceeds (after deducting expenses) are expected to be approximately HK\$99.0 million and HK\$95.9 million, respectively. The Company intends to apply such net proceeds in the following order of priority: (i) as to the first HK\$15.0 million for the Group's corporate expenses and overheads (including salaries, rental payments, professional fees and capital injection for the Group's licensed corporations); and (ii) as to the remaining net proceeds for the potential acquisitions, expansion and equipment purchase of the Group's hospital business. If the Rights Issue is under-subscribed, the Company will give priority to set aside sufficient funding to meet its corporate expenses and overheads to maintain its going concern, and to adjust its acquisition and expansion budget downwards.

Shareholders who do not take up in full their Rights Shares entitlement should note that their shareholding proportion in the Company will be diluted. However, in deciding to launch the Rights Issue, the Company has taken into account the following balancing factors, namely: (a) it is important to raise fund for the growth and development of the Company, for the reasons explained above; (b) through the Rights Issue, all Qualifying Shareholders are offered the same opportunity to maintain their proportionate interests in the Company and to participate in the growth and development of the Company; (c) Shareholders who do not want to participate in the Rights Issue can dispose of the nil-paid Rights Shares in the market; (d) Shareholders are not only given the first right to decide whether to accept their Rights Shares entitlement, but the minority Shareholders also have the right to vote down the Rights Issue at the EGM if they so wish; and (e) the Rights Issue will enhance the net asset value per Share as the Subscription Price is at a premium to it. In the light of the foregoing, the Board is of the view that the potential dilution effect to the non-participating Shareholders is outweighed by the benefits brought about by the Rights Issue to the Company.

The Board is of the view that the Rights Issue will enable the Group to strengthen its capital base and financial position for future growth and development. The Rights Issue will provide the existing Shareholders with the opportunity to maintain their respective pro-rata shareholding interests in the Company and participate in the growth and development of the Group. In the light of the factors explained above, the Directors (excluding the independent non-executive Directors whose views will, after receiving the advice from the Independent Financial Adviser, be set out in the letter from the Independent Board Committee in the Circular) are of the view that the Rights Issue is in the interests of the Company and the Shareholders as a whole.

FUND-RAISING ACTIVITIES OF THE COMPANY FOR THE PAST TWELVE MONTHS

The Company has not conducted any fund-raising activities in the past twelve months immediately preceding the date of this announcement.

CHANGES IN SHAREHOLDING STRUCTURE

For illustration purpose only, set forth below is the shareholding structure of the Company as at the date of this announcement and immediately upon completion of the Rights Issue, assuming: (i) all the Rights Shares are fully subscribed by the Shareholders and there being no Non-Qualifying Shareholders; (ii) none of the Rights Shares are subscribed by the Shareholders (except the Participating Shareholders) and all Untaken Shares are successfully procured for subscription by the Underwriter; and (iii) the Rights Shares are only subscribed by the Participating Shareholders and none of the Untaken Shares are successfully procured for subscription by the Underwriter:

Shareholders	As at the date of this announcement		Assuming all the Rights Shares are fully subscribed by Qualifying Shareholders		Immediately upon completion of the Rights Issue			
	No. of Shares	%	No. of Shares	%	Assuming none of the Rights Shares are subscribed by Qualifying Shareholders (except the Participating Shareholders) and all Untaken Shares are successfully procured for subscription by the Underwriter (Note 6)		Assuming the Rights Shares are only subscribed by the Participating Shareholders and none of the Untaken Shares are successfully procured for subscription by the Underwriter (Note 7)	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Jumbo Faith (Note 1)	756,061,682	45.83	1,512,123,364	45.83	1,512,123,364	45.83	763,690,507	46.03
Gold Bless (Note 2)	246,924,406	14.97	493,848,812	14.97	246,924,406	7.48	246,924,406	14.88
Fluent Robust (Note 3)	169,117,647	10.25	338,235,294	10.25	338,235,294	10.25	170,824,081	10.30
Mr. Liu (Note 4)	62,865,000	3.81	125,730,000	3.81	62,865,000	1.91	62,865,000	3.79
Subscribers procured by the Underwriter (Note 5)	—	—	—	—	724,557,404	21.96	—	—
Public Shareholders	<u>414,767,998</u>	<u>25.14</u>	<u>829,535,996</u>	<u>25.14</u>	<u>414,767,998</u>	<u>12.57</u>	<u>414,767,998</u>	<u>25.00</u>
Total	<u>1,649,736,733</u>	<u>100.00</u>	<u>3,299,473,466</u>	<u>100.00</u>	<u>3,299,473,466</u>	<u>100.00</u>	<u>1,659,071,992</u>	<u>100.00</u>

Notes:

- Jumbo Faith is a controlled corporation wholly-owned by Ms. Zhou, the spouse of Mr. Yu.
- Gold Bless is a company whose issued shares were registered, according to the disclosure of interest filings made on behalf of Mr. Yang Wang Jian (“**Mr. Yang**”), an ex-director of the Company, as to: (a) 65% in the name of Mr. Yang; (b) 20% in the name of Mr. Yu; and (c) 15% in the name of Winning Top Investments Limited, a company which is wholly-owned by Mr. Yu. Gold Bless is deemed to be a controlled corporation of Mr. Yu.
- Fluent Robust is a controlled corporation wholly-owned by Hong Kong Sheen Smile International Investment Limited, which is in turn wholly-owned by Mr. Yu.

4. Mr. Liu is an executive Director.
5. Since the Underwriter is a wholly-owned subsidiary of the Company, it will only procure for subscription, but will not itself subscribe, for any Untaken Shares. Pursuant to the Underwriting Agreement, the Underwriter shall ensure that (i) each of the subscribers of the Untaken Shares procured by it shall be an Independent Third Party; (ii) none of such subscribers, together with any party acting in concert with it, will hold 30% (or such other percentage which shall trigger any MGO Obligation under the Takeovers Code) or more of the voting rights of the Company; and (iii) the Public Float Requirement under the Listing Rules remains to be fulfilled by the Company upon completion of the Rights Issue.
6. Since the collective shareholding of the Covenanting Shareholders is already close to the upper limit of 75%, if no Shareholder (except the Participating Shareholders) participates in the Rights Issue, the Underwriter must successfully place at least some Underwritten Shares in order for the Rights Issue to complete with a sensible amount of net proceeds. Otherwise, the scaling-down mechanisms of the Rights Issue will operate to scale-down a significant part of the Committed Shares undertaken by the Participating Shareholders, notwithstanding the Irrevocable Participation Undertakings, in order to maintain the Public Float Requirement.
7. If only the Participating Shareholders participate in the Rights Issue and none of the Untaken Shares are successfully procured for subscription by the Underwriter, the scaling-down mechanisms of the Rights Issue will operate to scale-down the Committed Shares undertaken by the Participating Shareholders on a pro-rata basis in order to maintain the Public Float Requirement.

EXPECTED TIMETABLE FOR THE RIGHTS ISSUE

The expected timetable for the Rights Issue set out below is for indicative purposes only and was prepared on the assumption that all the conditions of the Rights Issue are to be fulfilled.

Events	2020
Expected dispatch date of the circular, proxy form and notice of the EGM	Friday, 23 October
Latest time for registration of Shares to qualify for attendance and voting at the EGM	4:30 p.m. on Wednesday, 4 November
Closure of register of members of the Company for determining entitlements to attend and vote at the EGM (both dates inclusive).....	From Thursday, 5 November to Wednesday, 11 November
Latest time for lodging proxy forms for the EGM	11:00 a.m. on Monday, 9 November
Record date for attendance and voting at the EGM.....	Wednesday, 11 November
Expected date and time of the EGM	11:00 a.m. on Wednesday, 11 November
Announcement of results of the EGM.....	Wednesday, 11 November

Last day of dealings in the Shares on a cum-rights basis relating to the Rights Issue.....	Thursday, 12 November
Commencement of dealings in the Shares on an ex-rights basis relating to the Rights Issue.....	9:00 a.m. on Friday, 13 November
Latest time for the Shareholders to lodge transfer of Shares in order to qualify for the Rights Issue (the “ Latest Time for Lodging Transfers ”).....	4:30 p.m. on Monday, 16 November
Closure of register of members of the Company for determination of entitlements to the Rights Issue (both dates inclusive).....	From Tuesday, 17 November to Monday, 23 November
Record date for determining entitlements to the Rights Issue (the “ Record Date ”).....	Monday, 23 November
Expected dispatch date of the Prospectus Documents to the Qualifying Shareholders (and the Prospectus to the Non-Qualifying Shareholders for information only, as the case may be) (the “ Prospectus Posting Date ”).....	Tuesday, 24 November
First day of dealings in nil-paid Rights Shares.....	9:00 a.m. on Thursday, 26 November
Latest time for splitting nil-paid Rights Shares	4:30 p.m. on Monday, 30 November
Last day of dealings in nil-paid Rights Shares.....	4:00 p.m. on Thursday, 3 December
Latest time for acceptance and payment for Rights Shares and application for excess Rights Shares (the “ Latest Time for Acceptance ”).....	4:00 p.m. on Tuesday, 8 December
Latest time for the termination of the Underwriting Agreement and for the Rights issue to become unconditional (the “ Latest Time for Termination ”)	4:30 p.m. on Wednesday, 9 December

Announcement of the allotment results of the Rights Issue..... Tuesday, 15 December
Dispatch of certificates for fully paid Rights Shares
and refund cheques (the “**Certificate Posting Date**”)..... Wednesday, 16 December
Commencement of dealings in fully-paid Rights Shares 9:00 a.m. on
Thursday, 17 December

All times and dates in this announcement refer to Hong Kong local times and dates. Dates or deadlines specified in the expected timetable above or in other parts of this announcement are indicative only and may be extended or varied by the Company and the Underwriter. Any changes to the expected timetable will be published or notified to the Shareholders and the Stock Exchange as and when appropriate in accordance with the Listing Rules.

Effect of bad weather on the Latest Time for Acceptance

The Latest Time for Acceptance will be postponed if there is a tropical cyclone warning signal no. 8 or above or a “black” rainstorm warning or “extreme conditions” caused by super typhoons as announced by the Government of Hong Kong in force in Hong Kong at any local time between 12:00 noon and 4:00 p.m. on the date of the Latest Time for Acceptance. Instead, the Latest Time for Acceptance will be rescheduled to 12:00 noon on the next business day which does not have either of those warnings in force at any time between 9:00 a.m. and 12:00 noon. If the Latest Time for Acceptance is postponed in accordance with the foregoing, the dates mentioned above may be affected and announcement will be made by the Company in such event.

LISTING RULES IMPLICATIONS

In accordance with Rule 7.19A(1) of the Listing Rules, as the Rights Issue will increase the issued share capital of the Company by more than 50%, the Rights Issue is subject to the approval of the minority Shareholders at the EGM by way of poll. Pursuant to Rule 7.27A(1) of the Listing Rules, where minority shareholders’ approval is required for a rights issue under Rule 7.19A of the Listing Rules, rights issue must be made conditional on approval by shareholders in general meeting by a resolution on which any controlling shareholders and their associates shall abstain from voting in favour.

As at the date of this announcement, the Presumed Concert Party Group (comprising Jumbo Faith, Fluent Robust and Gold Bless) collectively owns 71.05% of the voting rights of the Company, and is required to abstain from voting in favour of the Relevant Resolution at the EGM. Mr. Liu, an executive Director, also indicated to the Company that he intends to abstain from voting in favour of the Relevant Resolution at the EGM. As at the date of this announcement, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, save for Jumbo Faith, Fluent Robust, Gold Bless and Mr. Liu, no other Shareholder is required or indicated his intention to abstain from voting on the Relevant Resolution at the EGM.

The Independent Board Committee comprising all the independent non-executive Directors, namely, Mr. Wu Hong, Mr. David Tsoi and Mr. Wang Chunlin, has been established to advise the Independent Shareholders in relation to the terms of the Rights Issue and the Underwriting Agreement and the voting recommendation on the Relevant Resolution. The Company will appoint an Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders regarding the terms of the Rights Issue and the Underwriting Agreement and the voting recommendation on the Relevant Resolution.

The EGM will be convened and held by the Company to consider and, if thought fit, to approve the Rights Issue and the transactions contemplated thereunder (including the Underwriting Agreement and the issue of the Rights Shares). The Circular containing, among other things, (i) further information on the Rights Issue (including the Underwriting Agreement and the issue of the Rights Shares) and other information prescribed by the Listing Rules; (ii) the recommendation of the Independent Board Committee regarding the terms of the Rights Issue and the Underwriting Agreement; (iii) the letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders regarding the terms of the Rights Issue and the Underwriting Agreement; and (iv) the notice of the EGM, will be dispatched to the Shareholders on or before 23 October 2020 as additional time is required by the Company for preparing the Circular.

Subject to the approval of the Rights Issue by the Independent Shareholders at the EGM, the Prospectus containing further information regarding, among other things, the Rights Issue, including information on acceptances of the Rights Shares and other information in respect of the Group, and the PAL(s) and the EAF(s) are expected to be dispatched to the Qualifying Shareholders on or before the Prospectus Posting Date. The Company will, to the extent reasonably practicable and legally permitted and subject to the advice of legal advisers in the relevant jurisdictions in respect of applicable local laws and regulations, send the Prospectus to the Non-Qualifying Shareholders for their information only.

WARNING OF THE RISKS OF DEALING IN THE SHARES AND NIL-PAID RIGHTS SHARES

Shareholders and potential investors should note that the Rights Issue is conditional upon the fulfillment of the conditions of the Underwriting Agreement and the Underwriter not having terminated the Underwriting Agreement in accordance with the terms thereof. Accordingly, the Rights Issue may or may not proceed.

The Rights Issue is underwritten only on a best effort basis. In the event the Rights Issue is not fully subscribed, any Rights Shares not taken up by the Qualifying Shareholders or transferees of nil-paid Rights Shares and not subscribed by subscribers procured by the Underwriter will not be issued by the Company and the size of the Rights Issue will be reduced accordingly. Investors are advised to exercise caution when dealing in the Shares or Rights Shares in their nil-paid form.

Any dealings in the Shares from the date of this announcement up to the date on which all the conditions of the Rights Issue are fulfilled, and any Shareholders dealing in the Rights Shares in nil-paid form will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed. Any Shareholders or other persons contemplating any dealings in the Shares or Rights Shares in their nil-paid form are recommended to consult their professional advisers.

DEFINITIONS

Unless the context otherwise requires, capitalised terms used in this announcement shall have the following meanings:

“acting in concert”	having the meaning ascribed to it in the Takeovers Code
“associates”	having the meaning ascribed thereto under the Listing Rules
“Board”	the board of Directors
“BVI”	the British Virgin Islands
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Circular”	the circular of the Company to be dispatched to the Shareholders containing details in relation to, among other things, the Rights Issue
“Committed Shares”	925,179,329 Rights Shares undertaken to be taken up by the Participating Shareholders in the Rights Issue pursuant to the Irrevocable Participation Undertakings dated 25 September 2020
“Companies Law”	the Companies Law (Revised) of the Cayman Islands
“Company”	Green International Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on the main board of the Stock Exchange with stock code: 2700
“connected persons”	having the meaning ascribed thereto under the Listing Rules
“controlling shareholders”	having the meaning ascribed thereto under the Listing Rules
“Covenanting Shareholders”	Shareholders who gave the Irrevocable Scale-down Undertakings to the Company, namely, Jumbo Faith, Fluent Robust, Gold Bless and Mr. Liu
“Directors”	the directors of the Company

“EAF(s)”	the excess application form(s) to be issued to the Qualifying Shareholders for their use if they wish to apply for excess Rights Shares
“EGM”	an extraordinary general meeting of the Company to be convened and held for the purpose of considering, and if thought fit, approving, among other things, the Rights Issue and the transactions contemplated thereunder (including the Underwriting Agreement and the issue of the Rights Shares)
“Fluent Robust”	Fluent Robust Limited, a company incorporated in the BVI with limited liability which is indirectly and wholly-owned by Mr. Yu, and the owner of 169,117,647 Shares, representing 10.25% of the existing issued share capital of the Company
“Gold Bless”	Gold Bless International Invest Limited, a company incorporated in the BVI with limited liability which is deemed to be a controlled corporation and associate of Mr. Yu and the owner of 246,924,406 Shares, representing 14.97% of the existing issued share capital of the Company
“Group”	the Company and its subsidiaries
“HKSCC”	Hong Kong Securities Clearing Company Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	the independent board committee established by the Board comprising all the independent non-executive Directors, namely, Mr. Wu Hong, Mr. David Tsoi and Mr. Wang Chunlin, for the purpose of making recommendation to the Independent Shareholders regarding the terms of the Rights Issue and the Underwriting Agreement and the voting recommendation on the Relevant Resolution
“Independent Financial Adviser”	the independent financial adviser to be appointed to advise the Independent Board Committee and the Independent Shareholders regarding the terms of the Rights Issue and the Underwriting Agreement and the voting recommendation on the Relevant Resolution

“Independent Shareholders”	Shareholders other than (a) Mr. Yu and his associates including Ms. Zhou, Jumbo Faith, Fluent Robust and Gold Bless; (b) Mr. Liu; and (c) any other Shareholders who have a material interest or are required by the Listing Rules to abstain from voting (or voting in favour) in respect of the Relevant Resolution at the EGM
“Independent Third Parties”	third parties independent of and not connected with the Company and its connected persons
“Irrevocable Participation Undertakings”	the irrevocable undertakings dated 25 September 2020 given by the Participating Shareholders to the Company, whereby the Participating Shareholders undertook to maintain their respective current beneficial shareholding in 925,179,329 Shares up to and including the Record Date and to lodge acceptance for at least 925,179,329 Rights Shares provisionally allotted to them with full payment by the Latest Time for Acceptance
“Irrevocable Scale-down Undertakings”	the irrevocable undertakings dated 25 September 2020 given by the Covenanting Shareholders to the Company, whereby the Covenanting Shareholders undertook to make any application for Rights Shares, whether under PAL(s) or EAF(s), subject to the scale-down mechanisms of the Rights Issue as determined by the Company to levels which do not trigger any MGO Obligation or non-compliance of Public Float Requirement
“Jumbo Faith”	Jumbo Faith International Limited, a company incorporated in the BVI with limited liability which is wholly-owned by Ms. Zhou and the owner of 756,061,682 Shares, representing 45.83% of the existing issued share capital of the Company
“Last Trading Day”	25 September 2020, being the last trading day of the Shares on the Stock Exchange before the release of this announcement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“MGO Obligation”	the obligation to make a mandatory general offer under the Takeovers Code
“Mr. Liu”	Mr. Liu Dong, an executive Director and the owner of 62,865,000 Shares, representing 3.81% of the existing issued share capital of the Company

“Mr. Yu”	Mr. Yu Qigang, an executive Director, the chairman of the Board and the ultimate beneficial owner of the entire issued share capital of Fluent Robust
“Ms. Zhou”	Ms. Zhou Cuiqiong, spouse of Mr. Yu and the ultimate beneficial owner of the entire issued share capital of Jumbo Faith
“Non-Qualifying Shareholders”	those Overseas Shareholders whom the Board, based on legal opinions provided by the Company’s legal advisers, consider it necessary or expedient not to offer the Rights Issue to such Shareholders on account either of legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place
“Overseas Shareholders”	Shareholders with registered addresses as shown on the register of members of the Company on the Record Date which are outside Hong Kong
“PAL(s)”	the provisional allotment letter(s) for the Rights Issue to be issued to the Qualifying Shareholders in respect of their pro rata entitlements under the Rights Issue
“Participating Shareholders”	Shareholders who gave the Irrevocable Participation Undertakings to the Company, namely, Jumbo Faith and Fluent Robust
“PRC”	The People’s Republic of China
“Prospectus”	the prospectus to be dispatched to the Shareholders in connection with the Rights Issue
“Prospectus Documents”	collectively, the Prospectus, the PAL and the EAF
“Public Float Requirement”	the public float requirement under Rule 8.08 of the Listing Rules
“Qualifying Shareholders”	Shareholders whose names appear on the register of members of the Company on the Record Date, other than the Non-Qualifying Shareholders
“Relevant Resolution”	the resolution to be proposed at the EGM approving the Rights Issue and the transactions contemplated thereunder (including the Underwriting Agreement and the issue of the Rights Shares)

“Rights Issue”	proposed offer for subscription of up to 1,649,736,733 Rights Shares by way of rights issue at the Subscription Price to be made by the Company to the Qualifying Shareholders on the basis of one (1) Rights Share for every one (1) existing Share in issue and held on the Record Date
“Rights Shares”	up to 1,649,736,733 Shares to be allotted and issued pursuant to the Rights Issue
“Scale-down PAL Shares”	such number of Rights Shares as are provisionally allotted and taken up by the Covenancing Shareholders under PAL(s) as would, if allotted by the Company, result in either the incurring of an MGO Obligation on the part of any or all of the Covenancing Shareholders or the Company’s failure to comply with the Public Float Requirement
“Scale-down EAF Shares”	such number of Rights Shares as are applied for as excess application by the Covenancing Shareholders under EAF(s) as would, if allotted by the Company, result in either the incurring of an MGO Obligation on the part of any or all of the Covenancing Shareholders or the Company’s failure to comply with the Public Float Requirement
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Share(s)”	ordinary share(s) of HK\$0.04 each in the issued share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	HK\$0.060 per Rights Share
“substantial shareholders”	having the meaning ascribed thereto under the Listing Rules
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“Underwriter”	Green Securities Limited, a company incorporated in Hong Kong with limited liability and licensed by the SFC to carry on Type 1 (dealing in securities) and Type 4 (advising on securities) regulated activities under the SFO and a wholly-owned subsidiary of the Company

“Underwriting Agreement”	the underwriting agreement dated 25 September 2020 entered into between the Company and the Underwriter regarding the underwriting, on a best effort basis, of the Underwritten Shares by the Underwriter in relation to the Rights Issue
“Underwritten Shares”	up to 724,557,404 Untaken Shares underwritten by the Underwriter on a best effort basis subject to the terms and conditions of the Underwriting Agreement which, for the avoidance of doubt, excludes the Committed Shares, the Scale-down PAL Shares (if any) and the Scale-down EAF Shares (if any)
“Untaken Shares”	such number of Rights Shares for which duly completed PAL(s) or EAF(s) have not been lodged for acceptance or not fully paid by the Latest Time for Acceptance, including any Rights Shares to which the Non-Qualifying Shareholders would have otherwise been entitled to under the Rights Issue
“%”	per cent.

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

Hong Kong, 25 September 2020

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