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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)

DISCLOSEABLE TRANSACTIONS:

- (1) DISPOSAL OF TRADE RECEIVABLES IN SINO FRONT LIMITED;
AND
(2) ACQUISITION OF PROMISSORY NOTE AND
CALL OPTION ISSUED BY WINNING ROSE CAPITAL INC.**

THE SALE AND PURCHASE AGREEMENT

The Board is pleased to announce that on 29 April 2016 (after trading hours), the Vendor, a wholly-owned subsidiary of the Company, entered into the Sale and Purchase Agreement with the Purchaser, pursuant to which the Vendor conditionally agreed to sell and the Purchaser conditionally agreed to purchase the Outstanding Receivables at the Consideration of HK\$86,018,492.48, which will be settled by way of the issue of the Promissory Note and the Call Option by the Purchaser.

ACQUISITION OF PROMISSORY NOTE AND CALL OPTION

Since the Consideration will be satisfied by the Purchaser to the Vendor by the issue of the Promissory Note and the Call Option, the receipt of such Promissory Note and Call Option will be deemed to be an acquisition by the Group.

On 29 April 2016 (after trading hours), the Vendor and the Purchaser has entered into the Call Option Agreement.

LISTING RULES IMPLICATIONS

As the applicable percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules in respect of the Disposal exceeds 5% but are less than 25%, the Disposal constitutes a discloseable transaction of the Company and is exempted from shareholders' approval requirement but is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

As the applicable percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules in respect of the Acquisition exceeds 5% but are less than 25%, the Acquisition constitutes a discloseable transaction of the Company and is exempted from shareholders' approval requirement but is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

The Board is pleased to announce that on 29 April 2016 (after trading hours), the Vendor, a wholly owned subsidiary of the Company, entered into the Sale and Purchase Agreement with the Purchaser, pursuant to which the Vendor conditionally agreed to sell and the Purchaser conditionally agreed to purchase the Outstanding Receivables at the Consideration of HK\$86,018,492.48, which will be settled by way of the issue of the Promissory Note and the Call Option by the Purchaser.

THE SALE AND PURCHASE AGREEMENT

The principal terms of the Sale and Purchase Agreement are set out below:

Date : 29 April 2016 (after trading hours)

Parties : Vendor: Sino Front Limited, a wholly-owned subsidiary of the Company.

Purchaser: Winning Rose Capital Inc., a company established in the BVI with limited liability.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, as at the date of this announcement, the Purchaser and its ultimate beneficial owner are Independent Third Parties.

Subject matter of the Disposal : Pursuant to the Sale and Purchase Agreement, the Vendor conditionally agreed to sell and the Purchaser conditionally agreed to purchase the Outstanding Receivables. The aggregate face value of the Outstanding Receivables as at the date of this announcement is HK\$95,576,102.75 (the "**Face Value**"), which comprises receivables, incurred in the ordinary and usual course of business of the Vendor, owed to the Vendor from two debtors in the respective aggregate face values of HK\$63,612,297.00 and HK\$31,963,805.75.

As at the date of this announcement, the Outstanding Receivables has been owed to the Vendor for more than 3 years.

Consideration : The Consideration for the Outstanding Receivables is HK\$86,018,492.48, representing a discount of 10% to the Face Value. The aggregate Consideration will be settled by way of the issue of the Promissory Note and the Call Option to the Vendor by the Purchaser. The Purchaser shall pay in cash on the date on which all or any amount under the Promissory Note becomes due and payable.

The Consideration was determined after arm's length negotiations between the Vendor and the Purchaser with reference to the face value of the Outstanding Receivables as at the date of this announcement and the aging and possibility of the recovery of the Outstanding Receivables.

Based on the aforesaid, the Directors are of the view that the Consideration is fair and reasonable and on normal commercial terms and that the entering into of the Sale and Purchase Agreement is in the interests of the Company and the Shareholders as a whole.

Completion : Completion has taken place immediately after the signing of the Sale and Purchase Agreement and upon Completion, the Group ceased to have any interest in the Outstanding Receivables.

ACQUISITION OF PROMISSORY NOTE AND CALL OPTION

The Promissory Note

Pursuant to the Sale and Purchase Agreement, the Purchaser will issue to the Vendor the Promissory Note in the principal amount of HK\$86,018,492.48 upon Completion. The principal terms of the Promissory Note are summarised as follows:

Issuer : the Purchaser

Noteholder : the Vendor

Principal Amount : HK\$86,018,492.48

Interest : Nil

Default interest : If the Purchaser fails to pay any sum payable by it under the Promissory Note on the due date for payment, the Purchaser shall pay interest on the amount payable from and including the due date for payment to (but excluding) the date on which its obligation to pay the sum is discharged at the rate of 5% per annum above the best lending rate for Hong Kong Dollars from time to time of The Hongkong and Shanghai Banking Corporation Limited (whether before or after judgment). Interest shall accrue and be payable from day to day, and shall be compounded monthly.

Security : The Purchaser has executed a deed of charge dated 29 April 2016 to charge 40% of the entire issued share capital of the Target Company in favour of the Vendor to secure the repayment of the Promissory Note

Maturity date : 29 April 2017

The Call Option Agreement

Pursuant to the Sale and Purchase Agreement, on 29 April 2016 (after trading hours), the Vendor and the Purchaser entered into the Call Option Agreement, pursuant to which the Purchaser granted the Vendor the Call Option which require the Purchaser to sell to the Vendor the Option Shares with a fair value equivalent to the Option Price based on the final valuation report issued by an independent valuer (the “**Final Valuation Report**”).

The exercise price of the Call Option is HK\$86,018,492.48, which is equal to the Consideration. According to a preliminary valuation by an independent valuer, the exercise price of the Call Option is equivalent to the fair value of approximately 35% of the entire issued share capital of the Target Company.

The Target Company is a company established in the BVI with limited liability which is wholly owned by the Purchaser.

Principal terms of the Call Option Agreement are summarized as follows:

Date: : 29 April 2016 (after trading hours)

Parties: : (1) the Vendor; and
(2) the Purchaser

Subject matter : Subject to the terms and conditions of the Call Option Agreement, the Call Option is exercisable at the sole discretion of the Vendor any time during the Option Period by serving the Option Notice, to demand and require the Purchaser to sell to the Vendor the Option Shares, with a fair value equivalent to the Option Price based on the Final Valuation Report.

Pursuant to the Call Option Agreement, upon the exercise of the Call Option, the Vendor shall commit to invest in the Target Company (by way of share subscription, shareholder loan or otherwise) in the amount of HK\$10,000,000, which is payable within 3 years from the exercise of the Call Option by the Vendor.

Option Period: : the period commencing on the date of the issuance of the Final Valuation Report and expiring on the date falling 1 year from the date of the Call Option Agreement (both dates inclusive).

REASONS FOR AND BENEFITS FOR ENTERING INTO THE SALE AND PURCHASE AGREEMENT AND THE CALL OPTION AGREEMENT

The principal activity of the Company is investment holding and the Group is principally engaged in (i) the manufacturing and trading of recreational and educational toys and equipment; (ii) operation of clubhouse business; and (iii) provision of beauty and wellness services.

The Purchaser is a company incorporated in the BVI with limited liability and is principally engaged in investment holding.

As at the date of this announcement, the Target Company is wholly owned by the Purchaser. The Target Company is a company incorporated in the BVI with limited liability and will be principally engaged in the trading business of female healthcare products in Hong Kong, the PRC, Taiwan and Southeast Asian Countries.

It is estimated that the Group will recognise an unaudited loss of HK\$9,557,610.27 on the Disposal alone, which is calculated on the basis of the Consideration for the Disposal less the Face Value of HK\$95,576,102.75 of the Outstanding Receivables as at the date of this announcement. Shareholders should note that the actual amount of gain/loss on the Disposal to be recorded by the Company will be subject to review by the auditors of the Company.

Notwithstanding that the Consideration is set at a discount to the carrying amount of the Outstanding Receivables in the Face Value of HK\$95,576,102.75 as at the date of this announcement, the Board considers that the Disposal is fair and reasonable and is beneficial to the Group, given that: (i) the Outstanding Receivables were incurred in for more 3 years and based on the Group's assessment of the recoverability of such Outstanding Receivables, the Disposal represents a good opportunity for the Group to dispose of the Outstanding Receivables in return of the Promissory Note; and (ii) the Call Option granted by the Purchaser, provides an investment opportunity for the Group to diversify into the healthcare, beauty and wellness businesses as the Group has been loss making for the recent two financial years due to increasingly competitive market in toy business segment and clubhouse business was performing worse than anticipated.

Therefore, the Directors are of the view that the terms of the Sale and Purchase Agreement and the Call Option Agreement are on normal commercial terms and are fair and reasonable and in the interests of the Group and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

As the applicable percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules in respect of the Disposal exceeds 5% but are less than 25%, the Disposal constitutes a discloseable transaction of the Company and is exempted from shareholders' approval requirement but is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

As the applicable percentage ratios calculated pursuant to Rule 14.07 of the Listing Rules in respect of the Acquisition exceeds 5% but are less than 25%, the Acquisition constitutes a discloseable transaction of the Company and is exempted from shareholders' approval requirement but is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

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

“Acquisition”	the acquisition of the Promissory Note and the Call Option as a result of the Disposal by the Vendor pursuant to the terms of the Sale and Purchase Agreement and the Call Option Agreement
“Board”	the board of Directors
“Business Day(s)”	a day, other than a Saturday, Sunday, public holiday or a day on which a tropical cyclone warning no. 8 or above or a “black rainstorm warning signal” is hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m., on which licensed banks in Hong Kong are generally open for business
“BVI”	the British Virgin Islands
“Call Option”	the call option granted by the Purchaser in favour of the Vendor to purchase the Option Shares pursuant to the terms and conditions of the Call Option Agreement
“Call Option Agreement”	an agreement dated 29 April 2016 between the Vendor and the Purchaser in relation to the grant of the Call Option to the Vendor
“Company”	Green International Holdings Limited (a company incorporated in the Cayman Islands with limited liability), the Shares of which are listed on the Main Board of the Stock Exchange
“Completion”	completion of the Acquisition and the Disposal in accordance with the Sale and Purchase Agreement and the Call Option Agreement
“connected persons”	has the meaning ascribed thereto in the Listing Rules
“Consideration”	consideration of the Disposal of HK\$86,018,492.48 which will be satisfied by the issue of the Promissory Note and the Call Option by the Purchaser
“Director(s)”	the director(s) of the Company
“Disposal”	the disposal of the Outstanding Receivables pursuant to the Sale and Purchase Agreement
“Final Valuation”	the final valuation on the Target Company which will be issued by an independent valuer
“Group”	the Company and its subsidiaries

“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
“Independent Third Party(ies)”	independent third party(ies) who is(are) not connected person(s) (as defined in the Listing Rules) of the Company and is(are) independent of and not connected with the connected persons of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Option Notice”	the notice exercising the Call Option
“Option Period”	the period commencing on the date of the issuance of the Final Valuation Report and expiring on the date falling 1 year from the date of the Call Option Agreement (both dates inclusive)
“Option Price”	HK\$86,018,492.48, which is equal to the Consideration
“Option Shares”	the quantity of shares in the Target Company with a fair value equivalent to the Option Price based on the Final Valuation
“Outstanding Receivables”	the outstanding trade receivables owed to the Vendor, incurred in its ordinary and usual course of business of an aggregate face value of HK\$95,576,102.75 as at the date of this announcement, and disposed to the Purchaser pursuant to the terms of the Sale and Purchase Agreement
“PRC”	the People’s Republic of China, which for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Promissory Note”	the promissory note in the principal of HK\$86,018,492.48 issued by the Purchaser to the Vendor in accordance with the terms and conditions of the Sale and Purchase Agreement
“Purchaser”	Winning Rose Capital Inc., a company incorporated in the BVI with limited liability
“Sale and Purchase Agreement”	the sale and purchase agreement dated 29 April 2016 entered into between the Vendor and the Purchaser in relation to the Disposal
“Shares”	ordinary shares of HK\$0.01 each in the capital of the Company

“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	Jasper Jade Corporation (翠碧有限公司), a limited liability company incorporated under the laws of the BVI
“Vendor”	Sino Front Limited, a limited liability company incorporated in Hong Kong, which is a wholly-owned subsidiary of the Company
“%”	per cent

By Order of the Board
Green International Holdings Limited
Yang Wang Jian
Chairman

Hong Kong, 29 April 2016

As at the date of this announcement, the executive Directors are Dr. Yang Wang Jian, Mr. Wong Man Keung, Ms. Yang Jun, Mr. Chen Hanhong, Ms. Yang Ya, Dr. Yu Qigang and Ms. Eva Au; the non-executive Director is Ms. Yu Jiaoli; and the independent non-executive Directors are Mr. Yeung King Wah, Kenneth, Mr. Wu Hong, Mr. Low Chin Sin, Mr. Ye Yunhan and Prof. Zhu Yi Zhun.