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GREEN INTERNATIONAL
Holdings Limited
格林國際控股有限公司

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格林國際控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock code: 2700)

PROPOSED SHARE CONSOLIDATION

The Board proposes to implement the Share Consolidation on the basis that every four issued and unissued Existing Shares of HK\$0.01 each will be consolidated into one Consolidated Share of HK\$0.04 each.

The EGM will be convened and held for the Shareholders to consider and, if thought fit, approve the Share Consolidation. A circular containing, among other things, details of the Share Consolidation and a notice convening the EGM will be dispatched to the Shareholders on or before 1 February 2019.

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Effects of the Share Consolidation

As at the date of this announcement, the authorised share capital of the Company is HK\$200,000,000 divided into 20,000,000,000 Existing Shares of HK0.01 each, of which 2,874,196,656 Existing Shares have been issued as fully paid or credited as fully paid. Assuming that no further Existing Shares are allotted, issued or repurchased between the date of this announcement and the date of the EGM, the authorised share capital of the Company shall become HK\$200,000,000 divided into 5,000,000,000 Consolidated Shares of HK\$0.04 each, of which 718,549,164 Consolidated Shares (which are fully paid or credited as fully paid) will be in issue upon the Share Consolidation becoming effective.

Implementation of the Share Consolidation will not, of itself, alter the underlying assets, business operations, management or financial position of the Company or the proportionate interests of the Shareholders, except for the payment of the related expenses. The Share Consolidation does not involve any diminution of any liability in respect of any unpaid capital of the Company or the repayment to the Shareholders of any paid-up capital of the Company nor will it result in any change in the relative rights of the Shareholders.

Conditions of the Share Consolidation

The Share Consolidation is conditional on:

- (1) the passing of the necessary ordinary resolution(s) by the Shareholders approving the Share Consolidation at the EGM;
- (2) the Stock Exchange granting the listing of, and permission to deal in, the Consolidated Shares in issue and to be issued upon the Share Consolidation becoming effective; and
- (3) the compliance with the relevant procedures and requirements under the laws of the Cayman Islands and the Listing Rules to effect the Share Consolidation.

The Share Consolidation will become effective on the next Business Day immediately following the fulfillment of the above conditions.

Listing and dealings

Application will be made to the Stock Exchange for the granting of the listing of, and permission to deal in, the Consolidated Shares in issue and to be issued arising from the Share Consolidation.

Subject to the granting of the listing of, and permission to deal in, the Consolidated Shares on the Stock Exchange, as well as compliance with the stock admission requirements of the HKSCC, the Consolidated Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Consolidated Shares on the Stock Exchange or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second settlement day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

The Consolidated Shares will be identical in all respects and rank *pari passu* in all respects with each other as to all future dividends and distributions which are declared, made or paid. All necessary arrangements will be made for the Consolidated Shares to be admitted into CCASS.

Adjustments in relation to other securities of the Company

Share Options

As at the date of this announcement, there are outstanding Share Options entitling the holders thereof to subscribe for up to an aggregate of 14,000,000 Shares under the Share Option Scheme. The Share Consolidation will lead to adjustments to the exercise prices of the Share Options and the number of Consolidated Shares to be issued upon the exercise of the outstanding Share Options, such adjustment to be made in accordance with the terms and conditions of the Share Option Scheme, Rule 17.03(13) of the Listing Rules and the Supplementary Guidance on Adjustments to the Exercise Price and Number of Share Options under the Listing Rule Requirements dated 5 September 2005 (the “**Supplementary Guidance**”). Assuming there is no other adjustment event under the Share Option Scheme between now and the effective date of the Share Consolidation, the exercise prices and the number of Consolidated Shares to be issued upon the exercise of the outstanding Share Options will be adjusted as follows with effect from the effective date of the Share Consolidation:

Date of grant	Before adjustment		After adjustment	
	Number of Existing Shares to be issued upon full exercise of the Share Options	Exercise price per Existing Share (Note)	Adjusted number of Consolidated Shares to be issued upon full exercise of the Share Options	Adjusted exercise price per Consolidated Share
11 May 2012	14,000,000	HK\$0.32	3,500,000	HK\$1.28

Note: The exercise price of the Share Options were formerly adjusted from HK\$0.37 per Existing Share to HK\$0.32 per Existing Share with effect from 19 August 2014 as a result of the open offer of the Company which was completed on 19 August 2014.

Subject to the passing of the relevant resolution at the EGM, the Company will make further announcement on the effective date of the Share Consolidation.

Convertible Bonds

As at the date of this announcement, there are outstanding convertible bonds of the Company (the “**Convertible Bonds**”) entitling the holders thereof to convert into 1,255,073,528 Existing Shares. These Convertible Bonds include: (i) the convertible bonds in the principal amount of HK\$12,000,000 issued on 15 April 2016 (the “**Qianhai 2016 CB**”); (ii) the convertible bonds in the principal amount of HK\$13,671,875 (subject to satisfaction of profit guarantee) issued on 31 January 2018 and maturing on 30 April 2019 (the “**2nd Ample Reach CB**”); (iii) the convertible bonds in the principal amount of HK\$13,671,875 (subject to satisfaction of profit guarantee) issued on 31 January 2018 and maturing on 30 September 2019 (the “**3rd Ample Reach CB**”); (iv) the convertible bonds in the principal amount of HK\$120,000,000 issued on 23 March 2018 (the “**HK Yinger CB**”); and (v) the convertible bonds in the principal amount of HK\$60,000,000 issued on 19 April 2018 (the “**Zheyin Tianqin CB**”).

The Share Consolidation will lead to adjustment to the conversion prices of the Convertible Bonds and the number of Consolidated Shares to be issued upon the exercise of the conversion rights attaching to the Convertible Bonds, such adjustment to be made in accordance with the terms and conditions of the Convertible Bonds and the Listing Rules. Assuming there is no other adjustment event under the relevant terms and conditions of the Convertible Bonds between now and the effective date of the Share Consolidation, the conversion prices of the Convertible Bonds and the number of Consolidated Shares to be issued upon the exercise of the conversion rights attaching to the outstanding Convertible Bonds will be adjusted as follows with effect from the effective date of the Share Consolidation:

Convertible Bonds	Principal amount (HK\$)	Date of issue	Date of maturity	Before adjustment		After adjustment	
				Number of Existing Shares to be issued upon full conversion of the Convertible Bonds	Exercise price per Existing Share	Adjusted number of Consolidated Shares to be issued upon full conversion of the Convertible Bonds	Adjusted exercise price per Consolidated Share
Qianhai 2016 CB	12,000,000	15 April 2016	15 April 2019	40,000,000	HK\$ 0.30	10,000,000	HK\$1.20
2nd Ample Reach CB	13,671,875	31 January 2018	30 April 2019	78,125,000	HK\$0.175	19,531,250	HK\$0.70
3rd Ample Reach CB	13,671,875	31 January 2018	30 September 2019	78,125,000	HK\$0.175	19,531,250	HK\$0.70
HK Yinger CB	120,000,000	23 March 2018	23 March 2020	705,882,352	HK\$0.170	176,470,588	HK\$0.68
Zheyin Tianqin CB	60,000,000	19 April 2018	20 April 2020	352,941,176	HK\$0.170	88,235,294	HK\$0.68
Total:				<u>1,255,073,528</u>	<u>n/a</u>	<u>313,768,382</u>	<u>n/a</u>

Subject to the passing of the relevant resolution at the EGM, the Company will make further announcement on the effective date of the Share Consolidation. Save for the above adjustments, all other terms and conditions of the Convertible Bonds remain unchanged.

Save as disclosed above, as at the date of this announcement, the Company has no other outstanding options, warrants or other securities in issue which are convertible into or giving rights to subscribe for, convert or exchange into, any Existing Shares or Consolidated Shares, as the case may be.

Reasons for the Share Consolidation

Pursuant to Rule 13.64 of the Listing Rules, where the market price of the securities of an issuer approaches the extremities of HK\$0.01 or HK\$9,995.00, the issuer may be required either to change the trading method or to proceed with a consolidation or splitting of its securities. According to the “Guide on Trading Arrangements for Selected Types of Corporate Actions” issued by the Stock Exchange on 28 November 2008 and updated on 3 July 2018, (i) market price of the securities of an issuer at a level less than HK\$0.10 will be considered as trading at extremity as referred to under Rule 13.64 of the Listing Rules; and (ii) taking into account the minimum transaction costs for a securities trade, the expected value per board lot should be greater than HK\$2,000. In view of the recent market price of the Existing Shares, the Directors resolved to propose the Share Consolidation with the view to complying with the trading requirements under the Listing Rules.

Based on the closing price of HK\$0.05 per Existing Share as at the date of this announcement, the value of each board lot of 20,000 Existing Shares is only HK\$1,000.00. It is expected that the Share Consolidation would bring about a corresponding upward adjustment in the market price of the Consolidated Shares. The Share Consolidation will reduce the overall transaction and handling costs of dealings in the Consolidated Shares as a proportion of the market value of each board lot, since most of the banks/securities houses will charge a minimum transaction costs for each securities transaction.

In the light of the net current liabilities of HK\$27.2 million of the Company as at 30 June 2018, the Company has recently approached financial institutions and investors to explore equity fund raising opportunities of a targeted size of around HK\$160 million (the “**Intended Fund-raising**”) which are intended to be utilized for reducing debts, liabilities and financial costs, replenishing capital requirements and restoring the Company to net current asset position. In order to facilitate fund raising activities by way of equity issue, the Company considers that it is desirable and necessary to comply with the trading requirements under the Listing Rules through implementing the Share Consolidation.

As at the date of this announcement, the Company has yet to finalize any binding agreement regarding the Intended Fund-raising. Further announcement(s) will be made by the Company if a binding agreement is reached in respect of the Intended Fund-raising.

Save and except the Intended Fund-raising, the Company has no current plans for other equity fund raising or any other corporate actions which may have an effect of undermining or negating the intended purpose of the Share Consolidation in the next twelve months. In addition, in negotiating the Intended Fund-raising, the Company will propose terms and conditions (such as lock-up undertakings) with the view to avoiding negative impact on the share price, such that the benefit of the Share Consolidation in bringing about an upward adjustment in the market price of the Consolidated Shares is best preserved and no repeated corporate actions should be necessary in the near future.

The Board considers that the Share Consolidation would maintain the transaction amount for each board lot at a reasonable level in order to attract more investors and extend the base of the Shareholders, and thus provide flexibility for equity fund raising of the Company in the future. The Board considers that the Share Consolidation is beneficial to and in the interests of the Company and the Shareholders as a whole.

OTHER ARRANGEMENTS

Free exchange of share certificates

Subject to the Share Consolidation becoming effective, Shareholders may, on or after Friday, 22 February 2019 until Monday, 1 April 2019 (both days inclusive), submit share certificates (in green colour) for the Existing Shares to the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, to exchange, at the expense of the Company, for new share certificates (in blue colour) for the Consolidated Shares, on the basis of four Existing Shares for one Consolidated Share. Thereafter, certificates for Existing Shares will be accepted for exchange only on payment of a fee of HK\$2.50 (or such other amount as may from time to time be specified by the Stock Exchange) by the Shareholders for each share certificate for the Existing Shares submitted for cancellation or each new share certificate issued for the Consolidated Shares, whichever the number of certificates cancelled/issued is higher. After 4:30 p.m. on Monday, 1 April 2019, existing share certificates for the Existing Shares will only remain effective as documents of title and may be exchanged for certificates for the Consolidated Shares at any time but will not be accepted for delivery, trading and settlement purposes.

Fractional entitlement to Consolidated Shares

Fractional Consolidated Shares will be disregarded and will not be issued to the Shareholders but all such fractional Consolidated Shares will be aggregated and, if possible, sold for the benefits of the Company. Fractional Consolidated Shares will only arise in respect of the entire shareholding of a holder of the Existing Shares regardless of the number of existing share certificates held by such holder.

Odd lots arrangement and matching services

In order to facilitate the trading of odd lots (if any) of the Consolidated Shares, the Company will appoint a securities firm as an agent to provide matching services, on a best effort basis, to those Shareholders who wish to acquire odd lots of the Consolidated Shares to make up a full board lot, or to dispose of their holding of odd lots of the Consolidated Shares. Details of the arrangement relating the matching service for odd lots will be announced by the Company as and when appropriate.

Shareholders with odd lot holdings of the Consolidated Shares should note that the matching of the sale and purchase of odd lots of the Consolidated Shares is on a best efforts basis. Successful matching of the sale and purchase of odd lots of the Consolidated Shares is not guaranteed.

EXPECTED TIMETABLE

The expected timetable for implementation of the Share Consolidation is set out below:

Event	2019
Expected date of dispatch of the circular with notice and proxy form of the EGM.....	Friday, 1 February
Latest time for lodging transfers of Shares for attending the EGM	4:30 p.m. on Friday, 15 February
Closure of register of members (both dates inclusive)	Monday, 18 February to Thursday, 21 February
Latest date and time for lodging forms of proxy for the EGM.....	3:00 p.m. on Tuesday, 19 February

Date and time of the EGM 3:00 p.m. on Thursday,
21 February

Announcement of voting results of the EGM Thursday,
21 February

Expected effective date and time of the Share Consolidation Friday,
22 February

First day for free exchange of existing share
certificates for new share certificates for
the Consolidated Shares Friday, 22 February

Commencement of dealings in Consolidated Shares..... 9:00 a.m. on Friday,
22 February

Original counter for trading in the Existing Shares in
board lots of 20,000 Existing Shares (in the form of
existing share certificates) temporarily closes 9:00 a.m. on Friday,
22 February

Temporary counter for trading in the Consolidated
Shares in board lots of 5,000 Consolidated Shares
(in the form of existing share certificates) opens 9:00 a.m. on Friday,
22 February

Original counter for trading in the Consolidated
Shares in board lots of 20,000 Consolidated Shares
(in the form of new share certificates) re-opens 9:00 a.m. on Friday,
8 March

Parallel trading in the Consolidated Shares (in the
form of new share certificates and existing share
certificates) commences 9:00 a.m. on Friday,
8 March

Designated broker starts to stand in the market to
provide matching services for odd lots of
Consolidated Shares 9:00 a.m. on Friday,
8 March

Temporary counter for trading in the Consolidated Shares in board lots of 5,000 Consolidated Shares (in the form of existing share certificates) closes 4:00 p.m. on Thursday, 28 March

Parallel trading in the Consolidated Shares (in the form of new share certificates and existing share certificates) ends..... 4:00 p.m. on Thursday, 28 March

Designated broker ceases to stand in the market to provide matching services for odd lots of the Consolidated Shares..... 4:00 p.m. on Thursday, 28 March

Last day for free exchange of existing share certificates for new share certificates 4:30 p.m. on Monday, 1 April

All times and dates specified in the timetable above refer to Hong Kong times and dates.

The timetable is indicative only and may be extended or varied. Any change to the expected timetable above will be announced by the Company as and when appropriate.

WARNING

Shareholders should take note that the Share Consolidation are conditional upon satisfaction of the respective conditions set out above. Therefore, the Share Consolidation may or may not proceed.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company, and if they are in any doubt about their position, they should consult their professional advisers.

GENERAL

The EGM will be convened and held for the Shareholders to consider and, if thought fit, approve the Share Consolidation. In compliance with the Listing Rules, all resolutions will be voted on by way of poll at the EGM. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no

Shareholders are required to abstain from voting on any of the resolutions to be proposed at the EGM. A circular containing, among other things, details of the Share Consolidation and a notice convening the EGM is expected to be dispatched to the Shareholders on or before 1 February 2019.

DEFINITIONS

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

“Board”	the board of Directors
“Business Day”	a day (other than a Saturday, Sunday and any day on which a tropical cyclone warning no. 8 or above is hoisted or on which a “black” rainstorm warning is hoisted between 9:00 a.m. and 5:00 p.m.) on which licensed banks are generally open for business in Hong Kong throughout their normal business hours
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Company”	Green International Holdings Limited, a company incorporated in the Cayman Islands with limited liability and whose shares are listed on the Main Board of the Stock Exchange with stock code 2700
“Consolidated Share(s)”	ordinary share(s) of HK\$0.04 each in the share capital of the Company after the Share Consolidation becoming effective
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be convened and held for the Shareholders to consider and, if thought fit, approve, the Share Consolidation
“Existing Share(s)”	ordinary share(s) of HK\$0.01 each in the existing share capital of the Company prior to the Share Consolidation becoming effective
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Share Consolidation”	the proposed consolidation of every four issued and unissued Existing Shares into one Consolidated Share
“Share Option(s)”	the option(s) to subscribe for new Shares granted under the Share Option Scheme
“Share Option Scheme”	the share option scheme adopted by the Company on 2 September 2006 and lapsed on 2 September 2016
“Shareholder(s)”	holder(s) of the Existing Share(s) and/or the Consolidated Share(s), as the case may be
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

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

Hong Kong, 22 January 2019

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