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If you are in doubt as to any aspect of this circular or as to the action you should take, you should consult a licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional advisor.

If you have sold or transferred all your shares in Green International Holdings Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, the licensed securities dealer or registered institution or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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

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

GREEN INTERNATIONAL HOLDINGS LIMITED
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 2700)

**(1) ISSUE OF CONVERSION SHARES UNDER SPECIAL MANDATE
AND ISSUE OF CONVERTIBLE BONDS
AND
(2) NOTICE OF EXTRAORDINARY GENERAL MEETING**

A notice convening the extraordinary general meeting of the Company (the “EGM”) to be held at 11:30 a.m. on 29 January 2014 (Wednesday) at Suite 3007-08, 30/F., West Tower, Shun Tak Centre, 200 Connaught Road Central, Hong Kong is set out on pages 23 to 24 of this circular. A form of proxy for use by the shareholders at the EGM is enclosed with this circular. Such form of proxy are also published on the website of The Stock Exchange of Hong Kong Limited at www.hkexnews.hk.

Whether or not you intend to attend the EGM, you are advised to read the notice and complete the enclosed form of proxy in accordance with the instructions printed thereon as soon as possible and return the form of proxy to the branch share registrar of the Company in Hong Kong, Tricor Investor Services Limited at 26/F, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the EGM. The completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM.

14 January 2014

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DEFINITIONS

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

“Acquisition”	the acquisition by Green Capital of the Sale Share pursuant to the terms of the Agreement
“Agreement”	the sale and purchase agreement dated 16 December 2013 and entered into among the Company, Green Capital, the Vendor and Mr. Tang in relation to the Acquisition
“Announcement”	the Company’s announcement dated 16 December 2013
“Board”	the board of Directors
“Bond Issue Date”	the date on which the Convertible Bonds are issued, being the Completion Date
“Bond Maturity Date”	the date falling on the third anniversary of the Bond Issue Date
“Bondholder(s)”	holder(s) of the Convertible Bonds, including all the subsequent transferee(s) of the Convertible Bonds
“Business Day”	means any day (other than a Saturday, Sunday, a public holiday or a day on which typhoon signal no. 8 or above or a “black” rainstorm warning is hoisted in Hong Kong) on which banks in Hong Kong are open for business
“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 (Stock Code: 2700)
“Completion”	completion of the Acquisition in accordance with the terms of the Agreement
“Completion Date”	the date of Completion, being the first Business Day following the fulfilment (or waiver thereof) of the conditions precedent or such other date as the parties to the Agreement may agree in writing
“connected person(s)”	has the same meaning ascribed to it in the Listing Rules

DEFINITIONS

“Conversion Date”	a day when the conversion rights attaching to the Convertible Bonds are exercised
“Conversion Period”	(i) in respect of the conversion by the Bondholder, (a) for the principal amount of HK\$25.54 million, the period commencing from the Bond Issue Date and ending on the Bond Maturity Date and (b) for the remaining principal amount of the Bond HK\$51.08 million, the period commencing from the Business Date immediately after 12 months of the Bond Issue Date and ending on the Bond Maturity Date; (ii) in respect of the conversion by the Company for the principal amount of HK\$76.62 million, the period commencing from the Business Date immediately after 12 months of the Bond Issue Date and ending on the Bond Maturity Date
“Conversion Shares”	new Shares to be allotted and issued upon any conversion of the Convertible Bonds
“Convertible Bonds”	convertible bonds in the aggregate principal amount of HK\$76.62 million to be issued on the Completion Date in partial satisfaction of the consideration for the Acquisition
“Director(s)”	the director(s) of the Company
“EGM”	an extraordinary general meeting of the Company to be held to consider the ordinary resolution to be proposed to approve, the issue of the Convertible Bonds and the allotment and issue of the Conversion Shares
“Green Capital”	Green Capital (Hong Kong) Limited, a company incorporated in Hong Kong and a wholly owned subsidiary of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Last Trading Day”	16 December 2013, being the last day on which the Shares were traded on the Stock Exchange pending the release of the Announcement
“Latest Practicable Date”	10 January 2014, being the latest practicable date prior to the printing of this circular for ascertaining information herein

DEFINITIONS

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Tang”	Mr. Tang Ho Ka
“PRC”	the People’s Republic of China, excluding Hong Kong, the Macau Special Administrative Region and Taiwan for the purpose of this circular
“RMB”	Renminbi, the lawful currency of the PRC
“Sale Share”	means the one share in the Target Company representing the entire issued shares in the Target Company, all of which are legally and beneficially owned by the Vendor as at the Latest Practicable Date
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Share Option Scheme”	the share option scheme adopted by the Company on 2 September 2006
“Shareholder(s)”	the holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“Target Company”	Big Point Investment Limited, a company incorporated in Hong Kong
“Target Group”	the Target Company and its subsidiaries
“Vendor”	China Real Estates Investment Holdings Limited, a company incorporated in the British Virgin Islands
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent

For illustrative purpose only, HK\$ is converted into RMB at an exchange rate of HK\$1.277 = RMB1 in this circular.

LETTER FROM THE BOARD



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

GREEN INTERNATIONAL HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 2700)

Executive Directors:

Dr. Yang Wang Jian (*Chairman*)
Mr. Wong Man Keung (*Chief Executive Officer*)
Ms. Yang Jun
Mr. Chen Hanhong
Ms. Yang Ya
Dr. Wen Jialong
Dr. Yu Qigang

Registered office:

Codan Trust Company (Cayman) Limited
Cricket Square
Hutchins Drive
P.O. box 2681
Grand Cayman KY1-1111
Cayman Islands

Non-Executive Directors:

Ms. Yu Jiaoli

Principal place of business:

Suite 3007-08, 30/F
West Tower, Shun Tak Centre
200 Connaught Road Central
Hong Kong

Independent Non-Executive Directors:

Mr. Yeung King Wah, Kenneth
Mr. Wu Hong
Mr. Low Chin Sin
Mr. Ye Yunhan

14 January 2014

To the Shareholders

Dear Sir or Madam,

**(1) ISSUE OF CONVERSION SHARES UNDER SPECIAL MANDATE
AND ISSUE OF CONVERTIBLE BONDS
AND
(2) NOTICE OF EXTRAORDINARY GENERAL MEETING**

INTRODUCTION

Reference is made to the Company's announcement dated 16 December 2013. The purpose of this circular is to provide you with further information regarding details of the Acquisition, the issue of the Convertible Bonds, the allotment and issue of the Conversion Shares upon conversion pursuant to the terms and conditions of the Convertible Bonds and a notice convening the EGM.

LETTER FROM THE BOARD

1. DISCLOSEABLE TRANSACTION AND ISSUE OF CONVERTIBLE BONDS

After trading hours on 16 December 2013, the Company, Green Capital (a wholly-owned subsidiary of the Company), the Vendor and Mr. Tang entered into the Agreement, pursuant to which Green Capital has conditionally agreed to purchase the Sale Share from the Vendor for a total consideration of RMB130 million (equivalent to approximately HK\$166.01 million), out of which RMB70 million (equivalent to approximately HK\$89.39 million) will be settled in cash and the remaining consideration of RMB60 million (equivalent to approximately HK\$76.62 million) will be settled by the issue of Convertible Bonds by the Company. Mr. Tang guarantees the due and punctual performance and observance by the Vendor of its obligations, commitments, undertakings, warranties, indemnities and covenants under or pursuant to the Agreement.

The Agreement

Date

16 December 2013

Parties

- (i) China Real Estates Investment Holdings Limited (as the vendor);
- (ii) Mr. Tang (as the guarantor);
- (iii) Green Capital (as the purchaser); and
- (iv) the Company (as issuer of the Convertible Bonds).

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, each of the Vendor, its ultimate beneficial owners and Mr. Tang is third party independent of the Company and its connected persons. As at the Latest Practicable Date, Mr. Tang was one of the directors of the Vendor and held 1% of the issued shares of the Vendor. Each of the remaining directors and shareholders of the Vendor is the sister of Mr. Tang and is third party independent of the Company and its connected persons. The Vendor is principally engaged in investment holding. The Vendor and Mr. Tang are known to the Company through the introduction by Dr. Yang Wang Jian, an executive Director. Mr. Tang is an acquaintance of Dr. Yang Wang Jian.

Assets to be acquired

The Sale Share represents 100% of the issued shares in the Target Company. As at the Latest Practicable Date, the legal and beneficial interest of the Sale Share is owned by the Vendor.

LETTER FROM THE BOARD

Consideration

The total consideration for the Acquisition is RMB130 million (equivalent to approximately HK\$166.01 million), which will be satisfied by (i) payment of RMB70 million (equivalent to approximately HK\$89.39 million) in cash and (ii) the issue of the Convertible Bonds with the principal amount of HK\$76.62 million (equivalent to approximately RMB60 million) by the Company.

The consideration was determined among the parties after arm's length negotiations and taking into consideration (i) the Directors' expected income to be earned by the Target Group from its customers after the Completion, taking into account the continuous economic growth and increasing spending power of the residents and visitors of Shenzhen, the relevant clubhouse's location and the potential new members of the clubhouse that the Group's management may bring in, (ii) the historical revenue and net asset value of the Target Group up to 30 November 2013; (iii) the price-to-revenue ratio of similar transactions based on the Company's own research; and (iv) the assignment of the indebtedness in the sum of RMB31,816,140 to the Company (as referred to in the paragraph headed "Completion" in this circular) upon Completion.

Pursuant to the Agreement, Green Capital shall, within 10 Business Days from the date of the Agreement, pay a deposit in the amount of RMB70 million (equivalent to approximately HK\$89.39 million) ("**Initial Deposit**") which constitute part payment of the consideration to the Vendor or its designated nominee. The payment of the Initial Deposit was financed by an interest-free shareholder's loan provided by Dr. Yang Wang Jian, the chairman of the Board, on better commercial terms to the Company where no security over the Company's assets is granted.

On Completion, the Company shall issue to the Vendor the Convertible Bonds with the principal amount of HK\$76.62 million (equivalent to approximately RMB60 million).

Conditions precedent

Completion shall be conditional upon the fulfilment of the following conditions:

- (a) the passing by the Shareholders of all necessary resolutions at the EGM approving the issue of the Convertible Bonds and the allotment and issue of the Conversion Shares;
- (b) the Listing Committee of the Stock Exchange having granted the listing of, and permission to deal in, the Conversion Shares;
- (c) all other requisite consents, authorisations and approvals (or, as the case may be, the relevant waiver) in connection with the entering into and performance of the terms of the Agreement having been obtained by the Vendor and the Target Company;
- (d) the completion accounts having been prepared and Green Capital being satisfied with the completion accounts;

LETTER FROM THE BOARD

- (e) the warranties in the Agreement remaining true, accurate and complete in all respects and not misleading in any respect as at Completion;
- (f) Green Capital being satisfied that there has been no material adverse change as at Completion;
- (g) no breach of obligations and undertakings given by the Vendor hereunder to be performed before Completion having occurred;
- (h) Green Capital being satisfied with its due diligence on the Target Group; and
- (i) the settlement by Mr. Tang of the amount payable by Target Group to the third party in the amount as agreed between Green Capital and the Vendor.

Paragraph (i) of the conditions precedent is included because Mr. Tang, being one of the Vendor's directors and shareholders, agreed to undertake certain indebtedness of the Target Group incurred before the Completion. Green Capital expects such amount to cover the recurring operating expenses incurred by the Target Group prior to Completion which remain unsettled upon Completion. Based on the unaudited account of the Target Group, such amount as at 30 November 2013 was approximately RMB1.68 million (equivalent to approximately HK\$2.15 million). However, please note that this figure is for reference only and the final amount to be agreed may deviate significantly from this figure, given that the Target Group is still carrying on its business from 1 December 2013 to the Completion Date.

Green Capital may in its absolute discretion waive any of the above conditions precedent or any part of a condition precedent (other than the conditions precedent labelled (a), (b) and (c) above) at any time by notice in writing to the Vendor. Such waiver shall give flexibility to Green Capital to proceed to Completion even if insignificant deviations are identified in satisfying the conditions precedent (other than the conditions precedent labelled (a), (b) and (c) above). Such waiver is without prejudice to the Vendor's obligations to satisfy, as soon as possible after Completion, any waived conditions precedent (or part of any condition precedent). As at the Latest Practicable Date, Green Capital does not intend to waive any of the above conditions precedent or any part of a condition precedent. Nonetheless, the Directors will exercise their judgment in the best interests of the Company and the Shareholders as a whole in deciding whether to waive such conditions precedent as and when appropriate.

The Vendor shall use its best endeavours to procure the fulfilment of the aforesaid conditions precedent (except the conditions precedent labelled (a) and (b) above which shall be fulfilled by the Company) on or before 31 January 2014 (or such other date as the parties to the Agreement may agree in writing).

LETTER FROM THE BOARD

In the event that not all of the conditions precedent are fulfilled, or waived, as the case may be, by Green Capital pursuant to the terms of the Agreement by 31 January 2014 (or such other date as the parties to the Agreement may agree in writing), then Green Capital shall not be bound to proceed with the Acquisition and Green Capital shall be entitled to terminate the Agreement by notice in writing to the Vendor. Upon termination, the parties to the Agreement shall be released and discharged from their respective obligations under the Agreement, except as otherwise provided in the Agreement (including that the Vendor shall return the Initial Deposit to Green Capital), any cause of action accrued or any liability arising before or in relation to such termination shall continue notwithstanding such termination.

Completion

Completion shall take place on the Completion Date, being the first Business Day following the fulfilment (or waiver thereof) of the conditions precedent or such other date as the parties to the Agreement may agree in writing.

Mr. Tang agrees to assign the indebtedness owed by the Target Group to him and 深圳市寶渝貿易有限公司 (Shenzhen Baoyu Trading Co., Ltd.*, a company controlled by Mr. Tang's spouse) in the aggregate sum of RMB31,816,140 (equivalent to approximately HK\$40,629,211) to the Company upon Completion.

Principal terms of the Convertible Bonds

Pursuant to the Agreement, the Company will issue to the Vendor, at Completion, the Convertible Bonds, in partial settlement of the consideration for the Acquisition. The terms and conditions of the Convertible Bonds have been negotiated between the parties on an arm's length basis. The following sets out the principal terms of the Convertible Bonds:

Issuer:	The Company
Aggregate principal amount:	HK\$76.62 million (equivalent to approximately RMB60 million)
Interest:	The Convertible Bonds shall not bear any interest.
Maturity date:	The date falling on the third anniversary of the issue of the Convertible Bonds.

LETTER FROM THE BOARD

Conversion right:

Subject to and upon compliance with the terms and conditions of the Convertible Bonds and all regulatory requirements (including without limitation the Takeovers Code and the Listing Rules), the Bondholder or the Company shall have the right, at any time during the Conversion Period to convert the Convertible Bonds held by the Bondholder in whole, or in any part representing at least HK\$1,000,000 of the outstanding principal amount of the Convertible Bonds into the Conversion Shares, calculated for each conversion to be the greatest number of Shares, disregarding fractions, obtainable by dividing the aggregate principal amount of the Convertible Bonds to be converted by the conversion price of HK\$0.50 per Conversion Share, by giving notice (such notice, once given, may not be withdrawn without the consent in writing of the Directors). The Bondholder or the Company shall not convert the Convertible Bonds which will cause the Company to be unable to meet the public float requirements as required under Rule 8.08 of the Listing Rules or will result in a change of control (as defined in the Takeovers Code) in the Company.

Conversion Shares:

The Conversion Shares shall be allotted and issued pursuant to the specific mandate to be sought at the EGM, and shall rank pari passu with the Shares in issue on the Conversion Date, except that they shall not be entitled to receive any dividend, distribution or entitlement declared, paid or made by reference to a record date prior to the relevant Conversion Date. Upon conversion in full of the Convertible Bonds, an aggregate of 153,240,000 Conversion Shares will be issued, representing approximately 12.57% of the issued share capital of the Company as at the Latest Practicable Date and approximately 11.17% of the issued share capital of the Company as enlarged by the allotment and issue of the Conversion Shares (assuming no further Shares will be allotted and issued prior to such conversion).

LETTER FROM THE BOARD

Conversion price: HK\$0.50 per Conversion Share which, for the avoidance of doubt, shall be subject to adjustment provided in the Convertible Bonds. The conversion price represents:

- (i) a discount of approximately 3.85% to the closing price per Share of HK\$0.52 as quoted on the Stock Exchange on the Latest Practicable Date;
- (ii) a discount of approximately 12.28% to the closing price per Share of HK\$0.57 as quoted on the Stock Exchange on the Last Trading Day;
- (iii) a discount of approximately 11.03% to the average closing price per Share of approximately HK\$0.562 as quoted on the Stock Exchange for the last five consecutive trading days up to and including the Last Trading Day; and
- (iv) a discount of approximately 12.74% to the average closing price per Share of approximately HK\$0.573 as quoted on the Stock Exchange for the last ten consecutive trading days up to and including the Last Trading Day.

The conversion price of the Convertible Bonds was determined based on arm's length negotiations between the parties with reference to the prevailing market prices of the Shares as quoted on the Stock Exchange.

Conversion period: (i) in respect of the conversion by the Bondholder, (a) for the principal amount of HK\$25.54 million, the period commencing from the Bond Issue Date and ending on the Bond Maturity Date and (b) for the remaining principal amount of the Bond HK\$51.08 million, the period commencing from the Business Date immediately after 12 months of the Bond Issue Date and ending on the Bond Maturity Date; (ii) in respect of the conversion by the Company for the principal amount of HK\$76.62 million, the period commencing from the Business Date immediately after 12 months of the Bond Issue Date and ending on the Bond Maturity Date.

LETTER FROM THE BOARD

Redemption: Unless previously redeemed, converted or purchased and cancelled, the Company shall redeem each Convertible Bond then outstanding at a value equal to the aggregate principal amount then outstanding on the Bond Maturity Date by issuing Shares to the Bondholder at the conversion price of HK\$0.50 per Conversion Share, subject to adjustment provided in the Convertible Bonds.

The Company shall, on the occurrence of any event of default (as specified in the terms and conditions of the Convertible Bonds), redeem all the Convertible Bonds then outstanding at a value equal to the aggregate of the principal amount outstanding under the Convertible Bonds by issuing Shares to the Bondholder at the conversion price of HK\$0.50 per Conversion Share, subject to adjustment provided in the Convertible Bonds. In the event that such conversion will result in the non-compliance with the public float requirements as required under Rule 8.08 of the Listing Rules or will result in a change of control (as defined in the Takeovers Code) in the Company, the Company has no obligation to issue Shares to the Bondholder until the public float requirements can be met and there will be no change of control (as defined in the Takeovers Code) in the Company upon such conversion. Except as otherwise provided, the Convertible Bonds shall not be redeemed or repaid prior to the Bond Maturity Date.

Ranking: The Convertible Bonds constitute direct unconditional, unsubordinated and unsecured obligations of the Company and rank at least pari passu and rateably without preference (with the exception of obligations in respect of taxes and certain other statutory exceptions) equally with all other present and future unsubordinated and unsecured obligations of the Company.

Transferability: The Convertible Bonds shall not be transferable without prior written consent of the Company.

LETTER FROM THE BOARD

- Voting rights: The Convertible Bonds shall not confer on the Bondholder(s) the right to vote at any general meetings of the Company.
- Listing: The Convertible Bonds will not be listed on the Stock Exchange or any other stock exchange.
- Covenants in relation to the conversion rights: So long as any Convertible Bond shall remain convertible the Company shall, unless with the prior written approval of all the Bondholders:
- (a) keep available for the sole purpose of issue upon conversion of the Convertible Bonds free from pre-emptive rights out of its authorised but unissued share capital the number of Shares as would have to be issued upon conversion of all the Convertible Bonds outstanding from time to time;
 - (b) not make any redemption of share capital, share premium account or capital redemption reserve involving any repayment to Shareholders either in cash or in specie (other than as contemplated under the Agreement or to the Shareholders having the right on a winding up of the Company to return of capital in priority to other Shareholders) or reduce any uncalled liability in respect thereof;
 - (c) not issue or pay up any securities by way of capitalisation of profits or reserves other than (1) by the issue of fully paid Shares to the Shareholders or (2) by the issue of fully-paid share capital of the Company (other than Shares) to the holders thereof of the same class;

LETTER FROM THE BOARD

- (d) not in any way modify the rights attaching to the Shares or create or issue or permit to be in issue any other class of share capital of the Company carrying any right to income or capital which is more favourable in any respect than the corresponding right attaching to the Shares or attach any special rights or privileges to any such other class of the share capital of the Company provided that nothing in this paragraph (c) shall prevent any consolidation or sub-division of the Shares;
- (e) if an offer is made to all Shareholders (or all Shareholders other than the offeror and/or any offeror controlled by the Company and/or persons acting in concert with the offeror) to acquire all or a proportion of the Shares forthwith give notice of such offer to the Bondholders and use its reasonable endeavours to procure that a like offer is extended to the holders of any Shares allotted or issued pursuant to the exercise by Bondholders of their rights of conversion by reference to a Conversion Date falling during the period of such offer; publication of a scheme of arrangement under the laws of Cayman Islands or a voluntary arrangement under any applicable law providing for the acquisition by any person of the whole or any part of the Shares shall be deemed to be the making of an offer;
- (f) maintain a listing for all the issued Shares on the Stock Exchange, obtain and maintain a listing on the Stock Exchange for all the Shares to be issued on the exercise of the conversion rights under the Convertible Bonds; and
- (g) pay the expenses of the issue of, and all expenses of obtaining a listing on the Stock Exchange for, Shares arising on conversion of the Convertible Bonds.

LETTER FROM THE BOARD

Event of Default:

- (a) if there is a default in the performance or observance by the Group of any obligations set out in the Convertible Bonds and (except where such failure is not capable of remedy) such default shall continue for ten (10) Business Days after written notice of such default shall have been given to the Company by the Bondholder;
- (b) if an order is made or an effective resolution is passed for winding up, liquidation or dissolution of the Company or any of its subsidiaries;
- (c) if the holder of any encumbrance takes possession or a receiver is appointed of the whole or material part of the assets or undertaking of the Company and of its subsidiaries;
- (d) if the Company or any of its subsidiaries is unable to fulfil any of its obligations for or in respect of its financial indebtedness as and when they fall due or the Company or any such subsidiary shall initiate or consent to proceedings relating to itself under any applicable bankruptcy, reorganisation or insolvency law or make an assignment for the benefit of, or enter into any composition with, its creditors;
- (e) if the trading of the Shares on the Stock Exchange is withdrawn or suspended other than for a temporary suspension of trading for a period of not more than 14 consecutive Business Days;

LETTER FROM THE BOARD

- (f) if it shall become unlawful for the Company to perform all or any of its obligations under the Convertible Bonds or the Convertible Bonds shall for any reason cease to be in full force or effect or shall be declared to be void or illegal by any court of competent jurisdiction;
- (g) if there are any litigation, arbitration, prosecution or other legal proceedings outstanding for the time being against the Company or any of its subsidiaries, or any litigation, arbitration, prosecution or other legal proceedings involving such amount are threatened against the Company or any of its subsidiaries, which may have a significant financial impact on the Group and/or may have a material adverse effect on the operations or the financial position of the Group taken as a whole; and
- (h) if any representation or warranty made or deemed to be made by the Company in the Agreement proves to have been incorrect or misleading in any material respect.

LETTER FROM THE BOARD

Company's undertakings:

So long as any Convertible Bond shall remain convertible the Company shall (among other things) not effect any consolidation or amalgamation with, or merger into any other corporation, or any sale or transfer of all or substantially all of the assets of the Company without the written consent of the majority of Bondholder(s) (such consent not to be unreasonably withheld or delayed). In case of any consolidation or amalgamation of the Company with, or merger of Company into, any other corporation (other than a consolidation or amalgamation or merger in which the Company is the continuing corporation), or in case of any sale or transfer of all or substantially all of the assets of the Group, the Company shall use its best endeavours to cause the corporation formed by such consolidation or amalgamation or the corporation into which the Company shall have been merged or the corporation which shall have acquired such assets, as the case may be, to execute with the holders of all Convertible Bonds then outstanding a supplemental agreement providing that the holder of each Convertible Bond then outstanding shall have the right, during the period such Convertible Bond shall be convertible and to the full extent permitted by law and regulations (including without limitation the Takeovers Code and the Listing Rules), to convert such Convertible Bond into the kind and amount of shares or stock and other securities and property receivable upon such consolidation, amalgamation, merger, sale or transfer by a holder of the number of Shares into which such Convertible Bond might have been converted immediately prior to such consolidation, amalgamation, merger, sale or transfer provided that such conversion shall not result in non-compliance with the public float requirements under Rule 8.08 of the Listing Rules by the Company. Such provisions shall similarly apply to successive consolidations, amalgamations, mergers, sales or transfers.

LETTER FROM THE BOARD

The conversion price for the Convertible Bonds will be subject to adjustment in certain events as provided in the Convertible Bonds, a summary of which is set out below:

- (i) any alteration to the nominal value of the Shares as a result of consolidation, subdivision or reclassification;
- (ii) the issue of Shares by the Company credited as fully paid to Shareholders by way of capitalization of profits or reserves (including any share premium account), including Shares paid up out of distributable profits or reserves and/or share premium account, except where the Shares are issued in lieu of the whole or any part of a specifically declared cash dividend so long as such declared dividend does not constitute a Capital Distribution (as defined in sub-paragraph (iii) below);
- (iii) the making or payment of dividend or distribution of cash or assets in specie or other property by way of capitalization of reserves (“Capital Distribution”) to the Shareholders;
- (iv) the issue of Shares to all or substantially all Shareholders as a class by the Company by way of rights, or issue or grant to all or substantially all Shareholders as a class, by way of rights, of options, warrants or other rights to subscribe for or purchase any Shares, in each cases at less than the average of the closing prices for Share for the five consecutive trading days ending on the trading day immediately preceding such date (the “Current Market Price”) per Share on the date of the announcement of the terms of such issue or grant;
- (v) the issue of any securities (other than Shares or options, warrants or other rights to subscribe or purchase Shares) to all or substantially all Shareholders as a class by the Company, by way of rights, or the grant to all or substantially all Shareholders as a class, by way of rights, of any options, warrants or other rights to subscribe for or purchase any securities (other than Shares or options, warrants or other rights to subscribe or purchase Shares);
- (vi) except for the issue of any share options under the Share Option Scheme and the issue of shares upon the exercise of the share options granted under the Share Option Scheme, the issue (otherwise than as mentioned in sub-paragraph (v) above) by the Company wholly for cash of any Shares (other than Shares issued on the exercise of rights under the Convertible Bonds or on the exercise of any other rights of conversion into, or exchange or subscription for, Shares) or the issue or grant of (otherwise than as mentioned in sub-paragraph (v) above) options, warrants or other rights to subscribe or purchase Shares in each case at a price per Share which is less than of 80% of the Current Market Price on the date of announcement of the terms of such issue;

LETTER FROM THE BOARD

- (vii) except in the case of an issue of securities arising from a conversion or exchange of other securities in accordance with the terms applicable to such securities themselves falling within the provisions of this sub-paragraph (vii), the issue of any securities (other than the Convertible Bonds) by the Company or any subsidiary which by their terms of issue carry rights of conversion into, or exchange or subscription at a total effective consideration per Share which is less than 80% of the Current Market Price on the date of the announcement of the terms of issue of such securities; and
- (viii) any modification of the rights of conversion, exchange or subscription attaching to any such securities mentioned above (other than in accordance with the terms applicable to such securities) so that the consideration per Share (for the number of Shares available on conversion, exchange or subscription following the modification) is less than 80% of the Current Market Price on the last dealing day preceding the date of announcement of the proposals for such modification.

Shareholding Structure of the Company

The table below sets out (i) the existing shareholding structure of the Company as at the Latest Practicable Date; and (ii) the shareholding structure of the Company upon full conversion of the Convertible Bonds (assuming no further Shares will be allotted and issued prior to such conversion).

	Existing shareholding structure as at the Latest Practicable Date		Upon full conversion of the Convertible Bonds	
	<i>No. of Shares</i>	<i>%</i>	<i>No. of Shares</i>	<i>%</i>
Gold Bless International Invest Limited (<i>Note</i>)	673,220,000	55.23	673,220,000	49.06
Vendor	–	–	153,240,000	11.17
Public shareholders	<u>545,763,724</u>	<u>44.77</u>	<u>545,763,724</u>	<u>39.77</u>
Total	<u><u>1,218,983,724</u></u>	<u><u>100</u></u>	<u><u>1,372,223,724</u></u>	<u><u>100</u></u>

Note:

The Shares are beneficially owned by Gold Bless International Invest Limited, a company of which 85% and 15% of its share capital are owned by Dr. Yang Wang Jian, an executive Director and chairman of the Board, and Dr. Yu Qigang, an executive Director, respectively.

LETTER FROM THE BOARD

Application for Listing

The Company will apply to the Stock Exchange for the listing of, and permission to deal in, the Conversion Shares to be issued upon conversion pursuant to the terms and conditions of the Convertible Bonds.

Information on the Target Company

The Target Company is an investment holding company, which holds 100% direct equity interest in Dijia Restaurant Management (Shenzhen) Co., Ltd. (迪嘉餐飲管理(深圳)有限公司) and 95% equity interest in 深圳市迪嘉銀湖汽車服務有限公司 (Shenzhen Dijiyinhu Motor Services Co., Ltd.*) through its interest in Dijia Restaurant Management (Shenzhen) Co., Ltd.. The Target Group is principally engaged in clubhouse business. The audited net asset value of the Target Group as at 31 December 2012 is RMB12,379,710.86 (equivalent to approximately HK\$15,808,890.77).

The net loss (both before and after taxation and extraordinary items) attributable to the Target Group for the year ended 31 December 2012 are approximately RMB2,317,000 (equivalent to approximately HK\$2,958,809)

Reasons for the Acquisition

The Group is principally engaged in manufacturing and trading of toys with its production lines in the PRC.

In order to seek for more business opportunities and to maximise return to the Company and the Shareholders in the long run, the Directors considered that the Acquisition was in the interest of the Company and the Shareholders to explore the possibility of diversification of the business of the Group. The Directors also believe that the terms of the Acquisition (including the consideration) are fair and reasonable and in the interest of the Company and its shareholders for the following reasons:

- (i) In view of the continuous economic growth in the PRC and increasing spending power of the residents and visitors of Shenzhen, the Directors are confident of the prospects of the clubhouse business in the PRC, in particular in the well-developed cities such as Shenzhen. Further, the Directors believe that the Group's investment in the clubhouse in the PRC will enable the members of such clubhouse, most of them are high income individuals, to know more about the Group and therefore can indirectly promote the brand name of the Group. The Directors are of the view that it is in the Company's interest to diversify its business to cover the clubhouse business.

LETTER FROM THE BOARD

- (ii) Despite the historical loss making of the Target Group, the Directors believe that Grandy Silver Lake Club (迪嘉銀湖會所), the clubhouse operated by the Target Group is of higher growth potential. The clubhouse, which is located at No. 48 Yinhu Road, Luohu District, near the zone of higher end residential areas in Shenzhen, has been in operation since January 2004. The clubhouse was originally operated by 深圳市銀谷健康水館實業發展有限公司 (Shenzhen Yingu Wellness and Spa Business Development Company*) and was later acquired by the Target Company in July 2012. The clubhouse currently provides customers with an access to amenity facilities, including swimming pool, conference room, multimedia room, restaurant and cafe, as well as services including foot and body massage, facial and beauty service and premium auto care.
- (iii) The Group intends to grow the clubhouse's business based on its existing business model. The Directors are satisfied with the existing business model of the clubhouse and do not consider that the loss making position in 2012 was due to the business model. To the best knowledge of the Directors having made reasonable enquiry, the low revenue and loss making position in 2012 was due to the acquisition of the clubhouse by the Target Company in July 2012 and that the clubhouse was undergoing major renovation from August 2012 to June 2013. Afterwards, the revenue of the Target Group has picked up gradually as it took time to attract more customers after the major renovation. The Group plans to expand current customer base of the clubhouse to attract more high income individuals, through the Group's reputation and its managements' close relationship with local business associations in Shenzhen. As the Group does not have prior experience in running the clubhouse business, it intends to retain the clubhouse's existing management personnel to run the clubhouse business. The Group will also consider recruiting new employees with expertise in the area, subject to the market condition.
- (iv) Some management of the Group have close relationship with local business associations in Shenzhen and good connection with a good number of high income individuals in Shenzhen, who are the target customers of the clubhouse. The Company believes that such connection can procure some of these high income individuals to join the clubhouse membership which can then generate more revenue for the clubhouse business. The Directors believe that leveraging on the contacts of the Group's senior management, the reputation of being owned by a Hong Kong listed company and the expertise of the existing management of the Target Group in the clubhouse industry, the performance of the Target Group will be improved significantly after the Acquisition.
- (v) The Directors believe that it is appropriate to take into account the expected revenue, especially when determining the acquisition consideration of a loss making company with a high growth potential. Moreover, with reference to the price-to-revenue ratio for other market comparable and taking into other factors mentioned above, the Directors consider that, subject to the satisfaction of the conditions precedent including due diligence on the Target Group, the consideration of

LETTER FROM THE BOARD

RMB130 million for the Acquisition is fair and reasonable and in the interest of the Company and its Shareholders. Further, as 46.2% of the consideration is to be settled by the issue of the Convertible Bonds, this will pose less pressure on the cash resources of the Group.

Listing Rules Implications

As one or more of the applicable percentage ratios, calculated with reference to Rule 14.07 of the Listing Rules, exceed 5%, but none of the applicable percentage ratios exceeds 25%, the Acquisition constitutes a discloseable transaction for the Company under the Listing Rules and is therefore subject to the reporting and announcement requirement but is exempt from the shareholders' approval requirements under Chapter 14 of the Listing Rules. Nevertheless, the Company shall convene the EGM to seek the Shareholders' approval for, among the others, a specific mandate to allot and issue the Conversion Shares.

2. EGM

The EGM will be convened by the Company at 11:30 a.m. on 29 January 2014 (Wednesday) at Suite 3007-08, 30/F., West Tower, Shun Tak Centre, 200 Connaught Road Central, Hong Kong for the purposes of considering, and if thought fit, approving the issue of the Convertible Bonds and the allotment and issue of the Conversion Shares by way of poll.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, none of the Shareholders has direct or indirect material interest in the Acquisition (including the issue of the Convertible Bonds and the allotment and issue of the Conversion Shares) and accordingly, no Shareholder is required to abstain from voting on the resolution.

The notice of EGM is set out on pages 23 to 24 of this circular. A proxy form for use at the EGM is enclosed herewith. Whether or not you are able to attend the EGM, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon and deposit the same at the offices of the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 26/F., Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event not less than 48 hours before the time fixed for the EGM. The completion and delivery of a form of proxy will not preclude you from attending and voting at the EGM in person.

3. RECOMMENDATION

The Board considers that the terms of the Agreement (including the issue of the Convertible Bonds and the allotment and issue of the Conversion Shares) are fair and reasonable and are in the interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favour of the ordinary resolution to approve the transactions contemplated thereunder.

LETTER FROM THE BOARD

4. RESPONSIBILITY STATEMENT

This circular, for which the Directors of the issuer collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

5. GENERAL

The English text of this circular shall prevail over the Chinese text.

Yours faithfully,
By order of the Board
Green International Holdings Limited
Yang Wang Jian
Chairman

** for identification purpose only*

NOTICE OF EGM



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

GREEN INTERNATIONAL HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2700)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting of Green International Holdings Limited (the “**Company**”) will be held at 11:30 a.m., on 29 January 2014 (Wednesday) at Suite 3007-08, 30/F., West Tower, Shun Tak Centre, 200 Connaught Road Central, Hong Kong, for the purpose of considering and, if thought fit, passing with or without modifications, the following resolution of the Company:

ORDINARY RESOLUTION

(1) “**THAT:**

- (A) the creation and issue of the zero coupon three years convertible bonds for the aggregate principal amount of HK\$76.62 million to be issued by the Company (the “**Convertible Bonds**”), on and subject to the terms of the Agreement (as defined in the circular of the Company dated 14 January 2014), be and is hereby approved;
- (B) subject to and conditional upon the granting by the Listing Committee of The Stock Exchange of Hong Kong Limited of the listing of and permission to deal in the Conversion Shares (as defined below), the allotment and issue of new shares upon the exercise of the conversion rights attached to the Convertible Bonds (the “**Conversion Shares**”) in the share capital of the Company at the conversion price of HK\$0.50 (subject to adjustment provided therein) per Conversion Share be and is hereby approved, and the directors of the Company (the “**Directors**”) be and are hereby authorized to allot and issue the Conversion Shares pursuant to and in accordance with the terms and conditions of the instrument constituting the Convertible Bonds; and

NOTICE OF EGM

(C) any one Director or, if the affixation of the common seal of the Company is necessary, in accordance with the articles of association of the Company, be and is/are hereby authorised for and on behalf of the Company to approve and execute all documents, instruments and agreements and to do all such acts or things deemed by him/her/them to be incidental to, ancillary to or in connection with the matters contemplated in or relating to the Agreement, the issue of the Convertible Bonds, the issue of the Conversion Shares and transactions contemplated thereunder and completion thereof as he/she/they may consider necessary, desirable or expedient.”

Yours faithfully,
By order of the board of Directors
Green International Holdings Limited
Yang Wang Jian
Chairman

Hong Kong, 14 January 2014

Notes:

1. Any member of the Company entitled to attend and vote at the EGM is entitled to appoint another person as his proxy to attend and vote instead of him. A proxy need not be a member of the Company. A member who is the holder of two or more shares of the Company may appoint more than one proxy to represent him to attend and vote on his behalf. In case of a recognised clearing house (or its nominees(s) and in each case, being a corporation), it may authorise such persons as it thinks fit to act as its representatives at the meeting and vote in its stead.
2. A form of proxy for use in connection with the EGM is enclosed with this circular. To be valid, the form of proxy, and (if required by the Board) the power of attorney or other authority (if any) under which it is signed or a certified copy of that power of attorney or authority must be deposited at the branch share registrars of the Company, Tricor Investor Services Limited at 26/F, Tesbury Centre, 28 Queen’s Road East, Hong Kong not less than 48 hours before the time appointed for holding the EGM or any adjournment thereof.
3. Completion and delivery of the form of proxy will not preclude a member of the Company from attending and voting in person at the EGM or any adjournment thereof should such member so wishes, and in such event, the instrument appointing a proxy shall be deemed revoked.
4. The translation into Chinese language of this notice is for reference only. In case of any inconsistency, the English version shall prevail.
5. As at the date of this notice, the executive Directors are Dr. Yang Wang Jian, Mr. Wong Man Keung, Ms. Yang Jun, Mr. Chen Hanhong, Ms. Yang Ya, Dr. Wen Jialong and Dr. Yu Qigang; 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 and Mr. Ye Yunhan.