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綠科科技
Greentech

GREENTECH TECHNOLOGY INTERNATIONAL LIMITED

綠科科技國際有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 00195)

PLACING OF NEW SHARES UNDER GENERAL MANDATE

Placing Agent



On 15 May 2019 (after trading hours of the Stock Exchange), the Company and the Placing Agent entered into the Placing Agreement, pursuant to which the Placing Agent has conditionally agreed to procure, on a best effort basis, the placees to subscribe for up to 1,366,000,000 new Shares at the Placing Price of HK\$0.055 per Placing Share. It is currently expected that there will be not less than six placees who and whose ultimate beneficial owners shall be Independent Third Parties.

The Placing Price of HK\$0.055 per Placing Share represents (i) a discount of approximately 8.33% to the closing price of HK\$0.060 per Share as quoted on the Stock Exchange on the date of the Placing Agreement; and (ii) a discount of approximately 9.84% to the average of the closing prices per Share of approximately HK\$0.061 as quoted on the Stock Exchange for the last five consecutive trading days immediately preceding the date of the Placing Agreement.

Assuming that there will be no change in the issued share capital of the Company between the date of this announcement and the Completion Date, the maximum number of the Placing Shares represents (i) 20% of the existing issued share capital of the Company as at the date of this announcement; and (ii) approximately 16.67% of the issued share capital of the Company as enlarged by the allotment and issue of the Placing Shares.

The Placing Shares will be allotted and issued under the General Mandate. The allotment and issue of the Placing Shares is not subject to the approval of the Shareholders. The Placing is conditional upon the Listing Committee of the Stock Exchange granting or agreeing to grant the approval for the listing of, and permission to deal in, all of the Placing Shares and the Placing not being terminated by the Placing Agent or the Company in accordance with the terms of the Placing Agreement. If any of such conditions are not satisfied on or before the Long Stop Date, the Placing will not proceed.

Assuming the maximum number of the Placing Shares is placed under the Placing Agreement, the gross proceeds from the Placing will be HK\$75,130,000 and the net proceeds will be approximately HK\$74,280,000 (after deduction of commission and other expenses of the Placing). The Board intends to use the net proceeds amounted to approximately HK\$57,580,000 for repayment of the outstanding loan and interest owed to Cybernaut and the remaining balance of approximately HK\$16,700,000 for working capital of the Group.

Shareholders and potential investors of the Company shall be aware that Completion is subject to the satisfaction of the conditions precedent in the Placing Agreement. As the Placing may or may not proceed, Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.

THE PLACING

The Board is pleased to announce that on 15 May 2019 (after trading hours of the Stock Exchange), the Company and the Placing Agent entered into the Placing Agreement in relation to the Placing. Material terms of the Placing Agreement are as follows:

The Placing Agreement

Date : 15 May 2019

Parties : The Company (as issuer)
Anli Securities Limited (as placing agent)

Placing commission

Pursuant to the Placing Agreement, the Placing Agent has conditionally agreed to procure, on a best effort basis, placees to subscribe for up to 1,366,000,000 new Shares at the Placing Price and will receive a placing commission of 1% on the aggregate amount equals to the Placing Price multiplied by the actual number of the Placing Shares being placed. The placing commission was negotiated on an arm's length basis between the Company and the Placing Agent. The Directors consider that the terms of the Placing, including the placing commission, are fair and reasonable and the Placing is in the interests of the Company and the Shareholders as a whole.

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

Placees

The Placing Agent will place the Placing Shares to currently expected to be not less than six placees, being professional, institutional and/or other investors, who and whose ultimate beneficial owners are Independent Third Parties.

Placing Shares

The Placing Shares, when issued and fully paid, will rank *pari passu* in all respects among themselves and with the Shares in issue at the time of issue of the Placing Shares. The aggregate nominal value of the Placing Shares under the Placing will be HK\$6,830,000.

Assuming that there will be no change in the issued share capital of the Company between the date of this announcement and the Completion Date, the maximum number of the Placing Shares represents (i) 20% of the existing issued share capital of the Company as at the date of this announcement; and (ii) approximately 16.67% of the issued share capital of the Company as enlarged by the allotment and issue of the Placing Shares.

Placing Price

The Placing Price of HK\$0.055 per Placing Share represents:

- (i) a discount of approximately 8.33% to the closing price of HK\$0.060 per Share as quoted on the Stock Exchange on the date of the Placing Agreement; and
- (ii) a discount of approximately 9.84% to the average of the closing prices per Share of approximately HK\$0.061 as quoted on the Stock Exchange for the last five consecutive trading days immediately preceding the date of the Placing Agreement.

The net price of each Placing Share (after deduction of commission and other expenses of the Placing) will be approximately HK\$0.0544.

The Placing Price was determined with reference to, amongst other things, the prevailing market price of the Shares and was negotiated on an arm's length basis between the Company and the Placing Agent. The Directors consider that the terms of the Placing are on normal commercial terms and are fair and reasonable based on the current market conditions. Hence, the Directors consider that the Placing is in the interests of the Company and the Shareholders as a whole.

Conditions precedent to Completion

Completion and the obligation of the Company and the Placing Agent under the Placing Agreement are conditional upon:

- (i) the Listing Committee of the Stock Exchange granting or agreeing to grant the approval for the listing of, and permission to deal in all of the Placing Shares; and
- (ii) the Placing not being terminated by the Placing Agent or the Company in accordance with the terms of the Placing Agreement.

If any of the above conditions are not satisfied on or before the Long Stop Date, the Placing will be terminated and the Placing will not proceed, all obligations and liabilities of the parties under the Placing Agreement will forthwith cease and determine and no party will have any claim against the others (save for any antecedent breaches thereof).

Termination by the Placing Agent

The Placing Agent may terminate the Placing Agreement by notice in writing prior to 9:00 a.m. on the Completion Date, if in the absolute opinion of the Placing Agent, the success of the Placing would be materially and adversely affected by any of the following force majeure events:

- (a) the introduction of any new laws or regulations or any change in existing laws, rules or regulations (or the judicial interpretation thereof) or other occurrence of any nature whatsoever which may, in the absolute opinion of the Placing Agent, materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole; 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 of the Placing Agreement) of a political, military, financial, economic, currency (including a change in the system under which the value of the Hong Kong currency is linked to the currency of the United States of America) or other nature (whether or not sui generis with any of the foregoing), or in the nature of any local, national, international outbreak or escalation of hostilities or armed conflict, or affecting local securities market or the occurrence of any combination of circumstances which may, in the absolute opinion of the Placing Agent, materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole or adversely prejudice the success of the Placing of the Placing Shares to potential investor(s) or otherwise make it inexpedient or inadvisable for the Company or the Placing Agent to proceed with the Placing; or
- (c) any change in market conditions or combination of circumstances in Hong Kong (including without limitation suspension or material restriction on trading in securities) occurs which affects the success of the Placing (such success being the placing of the Placing Shares to potential investor(s)) or otherwise in the absolute opinion of the Placing Agent makes it inexpedient or inadvisable or inappropriate for the Company or the Placing Agent to proceed with the Placing.

If, at or prior to 9:00 a.m. on the Completion Date:

- (a) the Company commits any material breach of or omits to observe any of the obligations or undertakings expressed or assumed under the Placing Agreement; or
- (b) any suspension in the trading of the Shares on the Stock Exchange for more than ten consecutive trading days save for the purposes of clearing of any announcement(s) relating to the Placing Agreement or any announcements or circulars relating to the Placing; or
- (c) the Placing Agent shall become aware of the fact that any of the representations, warranties or undertakings contained in the Placing Agreement was, when given, untrue or inaccurate or would in any respect be untrue or inaccurate if repeated the Placing Agent shall determine that any such untrue representation or warranty represents or is likely to represent a material adverse change in the financial or trading position or prospects of the Group taken as a whole or will otherwise likely to have a material prejudicial effect on the Placing,

the Placing Agent shall be entitled (but not obliged) by notice in writing to the Company to terminate the Placing Agreement.

The Directors are not aware of the occurrence of any of such events as at the date of this announcement.

Termination by the Company

The Company may terminate the Placing Agreement in the following situation:

- (a) in the event that the total number of Placing Shares to be subscribed by the Placees procured by the Placing Agent is less than 1,366,000,000 Placing Shares, the Company may (but is not obliged to), prior to 9:00 a.m. on the Completion Date, by notice in writing to the Placing Agent terminate the Placing Agreement; or
- (b) the Company exercises its right to terminate the Placing Agreement by notice in writing to the Placing Agent at any time provided that such right shall not be exercised after 9:00 a.m. on the Completion Date.

Upon giving of notice of termination by the Placing Agent or the Company, all obligations of the Placing Agent and the Company thereunder shall cease and determine and no party shall have any claim against any other parties in respect of any matter or thing arising out of or in connection with the Placing Agreement, save for any antecedent breaches and the confidentiality provisions in the Placing Agreement.

Completion

Completion will take place within four business days after the fulfillment of the conditions set out in the Placing Agreement or such later date as may be agreed between the Company and the Placing Agent.

Shareholders and potential investors of the Company shall be aware that Completion is subject to the satisfaction of the conditions precedent in the Placing Agreement. As the Placing may or may not proceed, Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.

GENERAL MANDATE

The Placing Shares will be allotted and issued under the General Mandate granted to the Directors by a resolution of the Shareholders passed at the AGM pursuant to which the Board is authorised to issue up to 1,366,000,000 Shares (representing 20% of the total number of issued Shares as at the date of the AGM). Up to the date of this announcement, no Share has been issued under the General Mandate.

REASONS FOR THE PLACING AND USE OF PROCEEDS

Reference is made to the announcement of the Company dated 29 March 2017. As at date of this announcement, the outstanding principal amount of the loan owed to Cybernaut together with interest accruing thereon amounted to approximately HK\$57,460,000.

The expected gross proceeds from the Placing will be HK\$75,130,000 and the net proceeds will be approximately HK\$74,280,000 (after deduction of commission and other expenses of the Placing). The Board intends to use the net proceeds amounted to approximately HK\$57,580,000 for repayment of the outstanding loan and interest owed to Cybernaut and the remaining balance of approximately HK\$16,700,000 for working capital of the Group.

The Directors have considered different types of fund raising arrangements for the purpose of repayment of the aforesaid indebtedness and consider that the Placing is the most efficient way in terms of time and cost for the Company. Further, the Company can take this opportunity to broaden the shareholder base of the Company.

EFFECTS ON SHAREHOLDING STRUCTURE OF THE COMPANY

Set out below is the shareholding structure of the Company (a) as at the date of this announcement; and (b) immediately upon the Completion:

	As of the date of this announcement		Immediately upon the Completion	
	No. of Shares	Approximate %	No. of Shares	Approximate %
Shareholders				
Cybernaut (Notes 1, 2 and 3)	1,700,000,000	24.89%	1,700,000,000	20.74%
Tan Sri Dato' Koo Yuen Kim P.S.M., D. P. T. J. J.P	856,071,766	12.53%	856,071,766	10.44%
Placees	—	0.00%	1,366,000,000	16.67%
Other public Shareholders	<u>4,273,928,234</u>	<u>62.58%</u>	<u>4,273,928,234</u>	<u>52.15%</u>
Total	<u><u>6,830,000,000</u></u>	<u><u>100%</u></u>	<u><u>8,196,000,000</u></u>	<u><u>100%</u></u>

Notes:

1. Ren Ming Hong controls 100% of the equity interest in Amazing Express International Limited, which controls 100% of the equity interest in Excel Jumbo International Limited. Excel Jumbo International Limited controls 50% of the equity interest in Cybernaut. Therefore, Ren Ming Hong, Amazing Express International Limited and Excel Jumbo International Limited are deemed to be interested in 1,700,000,000 shares in the Company held by Cybernaut.
2. Yu Tao controls 99% of the equity interest in 新余銘沃投資管理中心, which controls 99% of the equity interest in 上海港美信息科技中心. 上海港美信息科技中心 controls 50% of the equity interests in Cybernaut. Therefore, Yu Tao, 新余銘沃投資管理中心 and 上海港美信息科技中心 are deemed to be interested in 1,700,000,000 shares in the Company held by Cybernaut.
3. Zhu Min controls 90% of the equity interest in 杭州悠然科技有限公司, which controls 91% of the equity interest in 賽伯樂投資集團有限公司. 賽伯樂投資集團有限公司 controls 50% of the equity interest in 北京賽伯樂綠科投資管理有限公司. 北京賽伯樂綠科投資管理有限公司 controls 95% of the equity interest in 賽伯樂綠科(上海)投資管理有限公司, which controls 50% of the equity interest in 杭州賽旭通投資管理有限公司, 杭州賽旭通投資管理有限公司 controls 1% of the equity interest in 上海港美信息科技中心. Furthermore, 北京賽伯樂綠科投資管理有限公司 controls 95% of the equity interest in 賽伯樂綠科員(深圳)投資管理有限公司, which holds 1% of the equity interest in 新余銘沃投資管理中心. 新余銘沃投資管理中心 controls 99% of the equity interest in 上海港美信息科技中心. 上海港美信息科技中心 controls 50% of the equity interests in Cybernaut. Therefore, Zhu Min, 杭州悠然科技有限公司, 賽伯樂投資集團有限公司, 北京賽伯樂綠科投資管理有限公司, 賽伯樂綠科(上海)投資管理有限公司, 杭州賽旭通投資管理有限公司 and 賽伯樂綠科員(深圳)投資管理有限公司 are deemed to be interested in 1,700,000,000 shares in the Company held by Cybernaut.

EQUITY FUND RAISING ACTIVITIES IN THE PAST 12 MONTHS

The Company has not conducted any fund raising activities in the past 12 months immediately preceding the date of this announcement.

LISTING APPLICATION

The Company will make an application to the Listing Committee of the Stock Exchange for the grant of the approval of the listing of, and permission to deal in, the Placing Shares.

DEFINITIONS

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

“AGM”	the annual general meeting of the Company held on 8 June 2018
“Board”	the board of Directors
“Company”	Greentech Technology International Limited (綠科科技國際有限公司), a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Stock Exchange
“Completion”	the completion of the Placing in accordance with the terms of the Placing Agreement
“Completion Date”	the date on which Completion takes place
“Cybernaut”	Cybernaut Greentech Investment Holding (HK) Limited (賽伯樂綠科投資控股(香港)有限公司), a company incorporated in Hong Kong
“Director(s)”	director(s) of the Company
“General Mandate”	the mandate granted to the Board by the Shareholders at the AGM to allot, issue and deal with up to 20% of the then issued share capital of the Company as at the date of the AGM
“Group”	the Company and its subsidiaries
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	any person(s) or company(ies) and their respective ultimate beneficial owner(s) whom, to the best of the Director’s knowledge, information and belief having made all reasonable enquiries, are independent of the Company and its connected persons (as defined under the Listing Rules)

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date”	5 June 2019 or such later date to be agreed between the Company and the Placing Agent in writing
“Placing”	the placing of up to 1,366,000,000 new Shares pursuant to the terms of the Placing Agreement
“Placing Agent”	Anli Securities Limited (安里證券有限公司), a licensed corporation to carry on business in types 1 (dealing in securities) and 4 (advising in securities) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Placing Agreement”	the conditional placing agreement entered into between the Company and the Placing Agent dated 15 May 2019 in relation to the Placing
“Placing Price”	HK\$0.055 per Placing Share
“Placing Share(s)”	an aggregate of 1,366,000,000 new Shares to be placed pursuant to the Placing Agreement
“Share(s)”	ordinary share(s) of HK\$0.005 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

By the order of the Board
Greentech Technology International Limited
Li Dong
Chairman

Hong Kong, 15 May 2019

As at the date of this announcement, the board of directors of the Company comprises five executive directors, namely, Mr. LI Dong, Mr. NIE Dong, Mr. CHEUNG Wai Kuen, Mr. WANG Chuanhu and Ms. XIE Yue; one non-executive director, namely Tan Sri Dato' KOO Yuen Kim P.S.M., D.P.T.J. J.P (Mr. HSU Jing-Sheng as his alternate) and three independent non-executive directors, namely, Mr. CHI Chi Hung, Kenneth, Mr. ZENG Jin and Mr. CHOW Wing Chau.

Website: <http://www.green-technology.com.hk>