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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)**

**REVISION OF THE EXISTING ANNUAL CAPS  
FOR CONTINUING CONNECTED TRANSACTIONS  
IN RELATION TO  
THE TIN SUPPLY CONTRACT**

Reference is made to the announcement of the Company dated 31 January 2019 in relation to the entering into of the Tin Supply Contract for the supply of tin concentrates between the Buyer and the Seller for a three-year term from 1 February 2019 to 31 January 2022.

**REVISION OF THE EXISTING ANNUAL CAPS**

Pursuant to the Tin Supply Contract, the price of tin concentrates per dry metric ton was agreed between the Seller and the Buyer after taking into account, among others, the official LME cash settlement average price of tin metal during the quotational period. The Existing Annual Caps were determined with reference to, among others, the then estimated volume for the supply of tin concentrates and the then historical fluctuation of the LME cash settlement average price of tin metal.

At the time when the Existing Annual Caps were proposed and approved in January 2019, the official LME cash settlement average price of tin metal for FY2018 and 1M2019 was approximately US\$20,000 per tonne. In September 2021, the average price of tin metal has surged to approximately US\$35,000 per tonne.

In light of the substantial increase in the average price of tin metal, it is expected that the Existing Annual Caps for FY2021 and 1M2022 will not be sufficient to cover the transactions contemplated under the Tin Supply Contract for its remaining term. Hence, the Company proposes to revise the Existing Annual Caps for FY2021 and 1M2022.

## **LISTING RULES IMPLICATIONS**

As the Buyer is wholly-owned by Yunnan Tin PRC, which is a substantial shareholder of Yunnan Tin HK (a non wholly-owned subsidiary of the Company), the Buyer is therefore a connected person of the Company and the transactions contemplated under the Tin Supply Contract will constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

Pursuant to Rule 14A.54(1) of the Listing Rules, before an annual cap is exceeded, the Company is required to re-comply with the applicable announcement and shareholders' approval requirements under Chapter 14A of the Listing Rules.

As the transactions contemplated under the Tin Supply Contract are connected transactions between a non-wholly owned subsidiary of the Company (namely the Seller) and a connected person of the Company at the subsidiary level (namely the Buyer) on normal commercial terms, such transactions and the Revised Annual Caps are only subject to the reporting, announcement and annual review requirements but are exempt from the circular, independent financial advice and shareholders' approval requirements under Rule 14A.101 of the Listing Rules.

## **BACKGROUND**

Reference is made to the announcement of the Company dated 31 January 2019 (“**Announcement**”) in relation to the entering into of the Tin Supply Contract for the supply of tin concentrates between the Buyer and the Seller for a three-year term from 1 February 2019 to 31 January 2022.

## **REVISION OF THE EXISTING ANNUAL CAPS**

Pursuant to the Tin Supply Contract, the price of tin concentrates per dry metric ton was agreed between the Seller and the Buyer after taking into account, among others, the official LME cash settlement average price of tin metal during the quotational period. The Existing Annual Caps were determined with reference to, among others, the then estimated volume for the supply of tin concentrates and the then historical fluctuation of the LME cash settlement average price of tin metal.

At the time when the Existing Annual Caps were proposed and approved in January 2019, the official LME cash settlement average price of tin metal for FY2018 and 1M2019 was approximately US\$20,000 per tonne. In September 2021, the average price of tin metal has surged to approximately US\$35,000 per tonne. The rapid surge in tin price was primarily due to the high demand for consumer electronics and the shortage in supply caused by the COVID-19 pandemic.

In light of the substantial increase in the average price of tin metal, it is expected that the Existing Annual Caps for FY2021 and 1M2022 will not be sufficient to cover the transactions contemplated under the Tin Supply Contract for its remaining term. Hence, the Company proposes to revise the Existing Annual Caps for FY2021 and 1M2022.

The table below sets out the historical aggregate transaction amount under the Tin Supply Contract during 9M2021 based on the unaudited management accounts of the Group, the Existing Annual Caps for FY2021 and 1M2022 and the Revised Annual Caps:

<b>9M2021</b>	<b>FY2021</b>	<b>1M2022</b>	<b>FY2021</b>	<b>1M2022</b>
<b>Historical</b>	<b>Existing Annual Caps</b>		<b>Revised Annual Caps</b>	
<b>amounts</b>	<b>Existing Annual Caps</b>		<b>Revised Annual Caps</b>	
<i>HK\$ million</i>	<i>HK\$ million</i>	<i>HK\$ million</i>	<i>HK\$ million</i>	<i>HK\$ million</i>
720	765	77	1,200	140

The Company has confirmed that up to 30 September 2021, the annual cap for the Tin Supply Contract for FY2021 has not been exceeded.

The supply of tin concentrates shall be governed by the Tin Supply Contract, detailed terms of which are set out in the Announcement. Please refer to “The New Tin Supply Contract” in the Announcement for further details.

#### **Basis of the Revised Annual Caps**

The Existing Annual Caps were determined with reference to (a) the historical transaction amounts between the Buyer and the Seller; (b) the historical settlement value between the Buyer and the Seller; (c) the then estimated volume for the supply of tin concentrates from Australia for the respective period; and (d) the then historical fluctuation of the LME cash settlement average price of tin metal.

In light of the recent surge in tin price, the total transaction amount under the Tin Supply Contract for 9M2021 was approximately HK\$720 million, representing approximately 94% of the Existing Annual Cap for FY2021. It is therefore reasonably foreseeable that the transactions contemplated under the Tin Supply Contract would exceed the Existing Annual Caps for FY2021 and 1M2022 if the caps are not revised to accord the substantial surge in tin price. The Revised Annual Caps were proposed based on the transaction amount between the parties for 9M2021, the prevailing LME cash settlement average price of tin metal and the expected trend of tin price for remaining period of the Tin Supply Contract.

## **INFORMATION ABOUT THE BUYER**

The Buyer is a limited liability company incorporated in Australia and is principally engaged in tin mining in Australia. The Buyer is wholly owned by Yunnan Tin PRC, a substantial shareholder of Yunnan Tin HK (a non-wholly owned subsidiary of the Company which holds 100% equity interest of the Seller). Yunnan Tin PRC has the largest production and manufacturing base in the world for tin metal and the largest production centre for tin profiles, tin chemicals and arsenic chemicals in the PRC. It also owns the state-level enterprise technology centre and the biggest tin research and precious metals research and development organization in the PRC.

## **REASONS FOR AND BENEFIT OF THE REVISED ANNUAL CAPS**

The Group is principally engaged in exploration of non-ferrous metal resources including mining and sale of tin resource. The Seller had sold the tin concentrates to the Buyer and/or its associate since 2011. The tin concentrates which the Company sells to the Buyer under the Tin Supply Contract are the products and the by-products from the exploration of tin of a mining project of the Group in Tasmania of Australia. The entering into of the Tin Supply Contract does not only allow the Group to secure a stable source of revenue which helps improve Shareholders' return given the considerable size and business operations of Yunnan Tin PRC as aforementioned but also enables the Group to maintain the business relationship with the Yunnan Tin PRC Group and to explore further investment opportunities in the future.

In light of the reasons above, the Board is of the view that the entering into of the Tin Supply Contract and the Revised Annual Caps are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## **LISTING RULES IMPLICATIONS**

As the Buyer is wholly-owned by Yunnan Tin PRC, which is a substantial shareholder of Yunnan Tin HK (a non wholly-owned subsidiary of the Company), the Buyer is therefore a connected person of the Company and the transactions contemplated under the Tin Supply Contract will constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

Pursuant to Rule 14A.54(1) of the Listing Rules, before an annual cap is exceeded, the Company is required to re-comply with the applicable announcement and shareholders' approval requirements under Chapter 14A of the Listing Rules.

As the transactions contemplated under the Tin Supply Contract are connected transactions between a non-wholly owned subsidiary of the Company (namely the Seller) and a connected person at the subsidiary level (namely the Buyer) on normal commercial terms, such transactions and the Revised Annual Caps are only subject to the reporting, announcement and annual review requirements but are exempt from the circular, independent financial advice and shareholders' approval requirements under Rule 14A.101 of the Listing Rules.

The Directors (including the independent non-executive Directors) have considered the Revised Annual Caps and are of the view that the Revised Annual Caps are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

At the Board meeting held on 19 October 2021, the Board has approved the relevant resolution(s) approving the Revised Annual Caps. Since no Director is considered to have material interest in the Tin Supply Contract and the transactions contemplated thereunder, no Director has abstained from voting on the relevant resolution(s) approving the Revised Annual Caps at the Board meeting.

## **DEFINITIONS**

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

“Board”	the board of Directors
“Buyer”	Yunnan Tin Australia TDK Resources Pty Ltd., a limited liability company incorporated in Australia, which is a wholly-owned subsidiary of Yunnan Tin PRC
“Company”	Greentech Technology International Limited, a company incorporated in the Cayman Islands whose Shares are listed on the Main Board of the Stock Exchange

“connected person(s)”	the meaning ascribed to it in the Listing Rules
“Director(s)”	the director(s) of the Company
“Existing Annual Cap(s)”	the maximum aggregate amount for the transactions contemplated under the Tin Supply Contract for the supply of tin concentrates for 1 February 2019 to 31 December 2019, 1 January 2020 to 31 December 2020, 1 January 2021 to 31 December 2021 and 1 January 2022 to 31 January 2022
“FY”	the financial year ended or ending (as the case may be) 31 December
“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
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“LME”	the London Metal Exchange
“PRC”	the People’s Republic of China, which for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Revised Annual Cap(s)”	the revised maximum aggregate amount for the transactions contemplated under the Tin Supply Contract for the supply of tin concentrates for 1 January 2021 to 31 December 2021 and 1 January 2022 to 31 January 2022

“Seller”	YT Parksong Australia Holding Pty Limited, a limited liability company incorporated in Australia, which is wholly-owned by Yunnan Tin HK and therefore is a non-wholly owned subsidiary of the Company
“Share(s)”	the ordinary share(s) of nominal value 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
“Tin Supply Contract”	the agreement dated 31 January 2019 entered into between the Seller and the Buyer in relation to the supply of tin concentrates for the period from 1 February 2019 to 31 January 2022
“US\$”	United States dollars, the lawful currency of the United States of America
“Yunnan Tin HK”	Yunnan Tin Hong Kong (Holding) Group Co., Limited, a limited liability company incorporated under the laws of Hong Kong, which is beneficially owned as to 82% by Parksong Mining and Resource Recycling Limited, a wholly-owned subsidiary of the Company, and as to 18% by Yunnan Tin PRC, and is therefore an indirect non wholly-owned subsidiary of the Company
“Yunnan Tin PRC”	Yunnan Tin Group (Holding) Co., Ltd.* (雲南錫業集團(控股)有限責任公司), a limited liability company incorporated in the PRC, which is beneficially owned by the Government of the Yunnan Province and is the parent company of the Buyer
“Yunnan Tin PRC Group”	Yunnan Tin PRC and its subsidiaries
“1M2019”	for the one month ended 31 January 2019

“1M2022” for the one month ending 31 January 2022

“9M2021” for the nine months ended 30 September 2021

“%” per cent

\* *English translations of the original names in Chinese and are for identification purpose only.*

By the order of the Board  
**Greentech Technology International Limited**  
**Tan Sri Dato’ KOO Yuen Kim**  
**P.S.M., D.P.T.J. J.P**  
*Chairman*

Hong Kong, 19 October 2021

*As at the date of this announcement, the board of directors of the Company comprises five executive directors, namely, Tan Sri Dato’ KOO Yuen Kim P.S.M., D.P.T.J. J.P (Dr. HSU Jing-Sheng as his alternate), Ms. XIE Yue, Dr. HSU Jing-Sheng, Mr. WANG Chuanhu and Mr. SIM Tze Jye; and three independent non-executive directors, namely, Datin Sri LIM Mooi Lang, Mr. KIM Wooryang and Mr. Chan Tin Kwan Bobby.*

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