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## **Broad Greenstate International Company Limited**

**博大綠澤國際有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 1253)**

### **TERMINATION OF ACTING IN CONCERT DEED AND CHANGE IN CONTROLLING SHAREHOLDERS**

This announcement is made pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

#### **BACKGROUND**

Reference is made to the Acting in Concert Deed entered into among the Controlling Shareholders on 12 January 2014. Pursuant to the Acting in Concert Deed, the Controlling Shareholders confirmed the existence of their acting in concert arrangements in the past, as well as their intention to continue to act in the above manner upon the listing of the Company on the Stock Exchange to consolidate their control over the Group until the Acting in Concert Deed is terminated by them in writing. With regard to each Controlling Shareholder, he/she shall not be bound by the Acting in Concert Deed when he/she ceases to have any equity interest in the Company. The Controlling Shareholders agreed to continue to vote on any resolution to be passed by at any shareholders' meeting of the Company in a unanimous manner.

As a result of the Acting in Concert Deed, the Controlling Shareholders were considered as a group of shareholders of the Company acting in concert and they were deemed to be interested in each other's interest in the Shares. Immediately upon the listing of the Company on the Stock Exchange on 21 July 2014, the Controlling Shareholders held in aggregate 70.88% interest in the issued share capital of the Company indirectly through Broad Landscape International and Eastern Greenstate International. As the Controlling Shareholders were entitled to exercise more than 30% of the voting rights at the general meeting of the Company, they together were considered as the controlling shareholders of the Company as defined under the Listing Rules.

As of the date of the announcement, immediately before the execution of the Termination Deed (as set out below), the Controlling Shareholders held a total of 2,051,195,744 Shares, representing approximately 62.03% of the total issued share capital of the Company.

## **TERMINATION OF ACTING IN CONCERT DEED**

Certain Controlling Shareholders intend to transfer their interests in the Company to their family members due to their family wealth and estate planning. Their family members do not intend to be bound by the acting in concert arrangement with other Controlling Shareholders. As such, the Controlling Shareholders would like to terminate the Acting in Concert Deed. To achieve this, all the Controlling Shareholders entered into a deed of termination (the “**Termination Deed**”) to terminate the Acting in Concert Deed on 27 January 2016. Upon execution of the Termination Deed, the Controlling Shareholders will no longer be bound to vote on any resolution to be passed by at any shareholders’ meeting of the Company in a unanimous manner.

The Controlling Shareholders, being the original parties to the deed of non-competition entered into by them in favour of the Company on 25 June 2014, will continue to be bound by it after the execution of the Termination Deed.

## **CHANGE IN CONTROLLING SHAREHOLDERS**

Upon execution of the Termination Deed, the Controlling Shareholders will no longer be bound to vote on any resolution to be passed by at any shareholders’ meeting of the Company in a unanimous manner. The Controlling Shareholders are no longer a group of shareholders of the Company acting in concert under the Takeovers Code.

After the completion of the execution of the Termination Deed, Mr. Wu continues to hold (through Broad Landscape International) a total of 1,516,586,880 Shares and Ms. Xiao (Mr. Wu’s spouse) continues to hold (through Eastern Greenstate International) a total of 534,608,864 Shares, representing approximately 45.87% and 16.16% of the total issued Shares with voting rights at the general meeting of the Company, respectively. As a result, Mr. Wu, Ms. Xiao, Broad Landscape International and Eastern Greenstate International remain as the controlling shareholders of the Company and will together be entitled to exercise or control the exercise of an aggregate of 2,051,195,744 Shares, representing approximately 62.03% of the issued share capital of the Company. As Mr. Wu, Ms. Xiao, Broad Landscape International and Eastern Greenstate International are entitled to exercise more than 30% of the voting rights at the general meeting of the Company, they together are considered as the controlling shareholders of the Company as defined under the Listing Rules.

## SHAREHOLDING STRUCTURE OF THE COMPANY

As at the date of this announcement, the Company has 3,306,616,000 issued Shares. Set out below is the chart showing the changes in the shareholdings of the Shareholders as a result of the execution of the Termination Deed, for the purpose of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong):

	Before the execution of the Termination Deed		After the execution of the Termination Deed	
	Number of Shares <sup>(1)</sup>	Approximate percentage of issued capital %	Number of Shares <sup>(1)</sup>	Approximate percentage of issued capital %
Mr. Wu	2,051,195,744 <sup>(2)</sup>	62.03	2,051,195,744 <sup>(4)(5)</sup>	62.03
Ms. Xiao	2,051,195,744 <sup>(2)</sup>	62.03	2,051,195,744 <sup>(4)(5)</sup>	62.03
Mr. Shen Wenlin	2,051,195,744 <sup>(2)</sup>	62.03	0	0
Mr. Song Shudong	2,051,195,744 <sup>(2)</sup>	62.03	0	0
Mr. Zhang Kequan	2,051,195,744 <sup>(2)</sup>	62.03	0	0
Mr. Jiao Ye	2,051,195,744 <sup>(2)</sup>	62.03	0	0
Mr. Wang Lei	2,051,195,744 <sup>(2)</sup>	62.03	0	0
Mr. Li Qiuliang	2,051,195,744 <sup>(2)</sup>	62.03	0	0
Mr. Xiao Xu	2,051,195,744 <sup>(2)</sup>	62.03	0	0
Ms. Zhu Wen	2,051,195,744 <sup>(2)</sup>	62.03	0	0
Mr. She Lei	2,051,195,744 <sup>(2)</sup>	62.03	0	0
Broad Landscape International	1,516,586,880 <sup>(2)</sup>	45.87	1,516,586,880 <sup>(4)</sup>	45.87
Eastern Greenstate International	534,608,864 <sup>(2)</sup>	16.16	534,608,864 <sup>(4)</sup>	16.16
Greenland Holding Group Company Limited* (綠地控股集團有限公司)	426,624,000 <sup>(3)</sup>	12.90	426,624,000 <sup>(3)</sup>	12.90
Greenland Financial Holdings Company Limited* (綠地金融投資控股集團有限公司)	426,624,000 <sup>(3)</sup>	12.90	426,624,000 <sup>(3)</sup>	12.90
Greenland Financial Overseas Investment Group Co., Ltd.* (綠地金融海外投資集團有限公司)	426,624,000 <sup>(3)</sup>	12.90	426,624,000 <sup>(3)</sup>	12.90
Other Shareholders	828,796,256	25.07	828,796,256	25.07
<b>Total</b>	<b>3,306,616,000</b>	<b>100.00</b>	<b>3,306,616,000</b>	<b>100.00</b>

*Notes:*

1. All the above Shares are held in long position (as defined under Part XV of the Securities and Futures Ordinance (Chapter 571 of Laws of Hong Kong) (“SFO”)), excluding share options granted to the Shareholders but not being exercised.
2. Mr. Wu held 100% equity interests in Broad Landscape International and under the SFO, Mr. Wu was deemed to be interested in the 1,516,586,880 Shares held by Broad Landscape International. Ms. Xiao had control over more than one third of the voting power at the general meeting of Eastern Greenstate International, therefore under the SFO, Ms. Xiao was deemed to be interested in the 534,608,864 Shares held by Eastern Greenstate International. Pursuant to the Acting in Concert Deed, each of the Controlling Shareholders agreed to jointly control their respective interests in the Company and the decisions as to the business and operations of the Group should be in accordance with the unanimous consent of all of them. Hence, each of them was deemed to be interested in all the Shares held by them in aggregate by virtue of the SFO, including the share options granted to each of the Controlling Shareholders.
3. Greenland Holding Group Company Limited\* (綠地控股集團有限公司) wholly owns Greenland Financial Holdings Company Limited which in turn wholly owns Greenland Financial Overseas Investment Group Co., Ltd.\* (綠地金融海外投資集團有限公司). As a result, under the SFO, both Greenland Holding Group Company Limited\* (綠地控股集團有限公司) and Greenland Financial Holdings Company Limited are deemed to be interested in the 426,624,000 Shares held by Greenland Financial Overseas Investment Group Co., Ltd.\* (綠地金融海外投資集團有限公司).
4. Mr. Wu holds 100% equity interests in Broad Landscape International and under the SFO, Mr. Wu is deemed to be interested in the 1,516,586,880 Shares held by Broad Landscape International. Ms. Xiao has control over more than one third of the voting power at the general meeting of Eastern Greenstate International, therefore under the SFO, Ms. Xiao is deemed to be interested in the 534,608,864 Shares held by Eastern Greenstate International. Upon termination of the Acting in Concert Deed, Mr. Wu, Ms. Xiao, Broad Landscape International and Eastern Greenstate International shall remain as the controlling shareholders of the Company as defined under the Listing Rules.
5. As Mr. Wu is the spouse of Ms. Xiao, Mr. Wu is deemed to be interested in the total number of Shares in which Ms. Xiao is also deemed to be interested under the SFO.

## **DEFINITIONS**

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

“Acting in Concert Deed”	a deed of confirmation dated 12 January 2014 executed by Mr. Wu, Ms. Xiao and the Management Shareholders, whereby they confirmed the existence of their acting in concert arrangements
“associate”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Broad Landscape International”	Broad Landscape International Company Limited (博大國際有限公司), a company incorporated in BVI on 8 October 2013 and a wholly owned company of Mr. Wu
“BVI”	the British Virgin Islands

“Company”	Broad Greenstate International Company Limited (博大綠澤國際有限公司), a company incorporated in the Cayman Islands on 22 October 2013 with limited liability, the Shares of which are listed on the main board of the Stock Exchange (stock code: 1253)
“Controlling Shareholders”	has the meaning ascribed to it under the Listing Rules, and in the context of this announcement refers to Broad Landscape International, Eastern Greenstate International, Mr. Wu, Ms. Xiao and the Management Shareholders
“controlling shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Eastern Greenstate International”	Eastern Greenstate International Company Limited (綠澤東方國際有限公司), a company incorporated in the BVI on 9 October 2013, which is owned as to 48.4% by Ms. Xiao, 16.1% by Mr. Shen Wenlin (沈文林), 8.1% by Mr. Song Shudong (宋曙東), 6.4% by Mr. Zhang Kequan (張克泉), 4.0% by Mr. Jiao Ye (焦曄), 3.2% by Mr. Wang Lei (王磊), 3.2% by Mr. Li Qiuliang (李秋亮), 2.4% by Mr. Xiao Xu (肖旭), 1.6% by Ms. Zhu Wen (朱雯), 1.6% by Mr. She Lei (佘磊), 1.7% by Mr. Zhao Guanghua (趙光華) and 3.3% by Ms. Zhou Wei (周維)
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Management Shareholders”	Mr. Shen Wenlin (沈文林), Mr. Song Shudong (宋曙東), Mr. Zhang Kequan (張克泉), Mr. Jiao Ye (焦曄), Mr. Wang Lei (王磊), Mr. Li Qiuliang (李秋亮), Mr. Xiao Xu (肖旭), Ms. Zhu Wen (朱雯) and Mr. She Lei (佘磊), who are full time employees of the Group and indirect Shareholders of the Company
“Mr. Wu”	Mr. Wu Zhengping (吳正平), chairman and one of the executive Directors, and one of the Controlling Shareholders. Mr. Wu is the spouse of Ms. Xiao
“Ms. Xiao”	Ms. Xiao Li (肖莉), one of the executive Directors and one of the Controlling Shareholders. Ms. Xiao is the spouse of Mr. Wu
“Share(s)”	ordinary share(s) of HK\$0.0250 each in the share capital of the Company
“Shareholder(s)”	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 issued by Securities and Futures Commission, as amended from time to time

“%” or “per cent” percentage

By Order of the Board  
**Broad Greenstate International Company Limited**  
**WU Zhengping**  
*Chairman and Executive Director*

Shanghai, the People’s Republic of China

27 January 2016

*As at the date of this announcement, our executive Directors are Mr. Wu Zhengping, Ms. Xiao Li, Ms. Zhu Wen and Mr. Wang Lei and our independent non-executive Directors are Mr. Dai Guoqiang, Mr. Zhang Qing and Dr. Jin Hexian.*

\* *For identification purpose only*