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## **GLOBAL GREEN TECH GROUP LIMITED**

**高寶綠色科技集團有限公司\***

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

(Stock Code: 274)

### **ANNOUNCEMENT IN COMPLIANCE WITH RULE 13.09 OF THE LISTING RULE**

#### **FACILITY OF HK\$60,000,000.00**

On 25 April 2010, Sino Measure Limited (“**Sino Measure**”) and the Company signed a Loan Agreement (“**the 1st Loan Agreement**”) which was subsequently amended by an addendum dated 1 November 2010 (“**the 2nd Loan Agreement**”) signed by Sino Measure as the Lender and the Company as the Borrower, under which Sino Measure agreed to make available to the Company a loan facility of up to the principal amount of HK\$60,000,000.00.

On 25 April 2010, Sino Measure Limited as Lender and Global Success Properties Limited as the holding company of Global Chemicals (China) Company (“**Global Chemicals**”) as Chargor signed a Deed of Charge re Shares in Global Chemicals (China) Company in supplement to the 1st Loan Agreement, whereby a fixed charge has been created on the equity shares of Global Chemicals in favour of Sino Measure as the collateral to the loan of HK\$60,000,000.00 (“**25 April 2010 Deed**”). It is a condition of the 1st Loan Agreement that the Chargor enter into the Deed in favour of Sino Measure.

On 19 January 2011, Sino Measure issued a letter to the Company declaring that an Event of Default had occurred pursuant to the Loan Agreement, and demanding the immediate repayment of the principal amount of the Loan together with interest accrued thereon calculated up to and including 19 January 2011 and further interest on the outstanding amount at the default rate from 19 January until full repayment of the Loan. The amount owing to Sino Measure remains outstanding.

On 9 May 2011, Sino Measure through its then solicitors issued a letter to the Company to inform the Company that the security constituted by the Loan Documents has become immediately enforceable, giving the Company notice that steps were then being taken by to enforce the security without further notice. The amount owing to Sino Measure remains outstanding.

On 10 June 2011, Sino Measure through its solicitors issued a letter to the Company to formally notify the Company that it had exercised and executed the said Share Charge under the Deed, and demand the immediate delivery of items, including but not limited to the books, records and computers, common seal, rubber chops, statutory books and secretarial record, available copies of the memorandum and articles of association of the Company, including the Share Certificate Books and the Register of Directors, Members, Transfers and Mortgages of Global Chemicals.

### **FACILITY OF RMB50,000,000.00**

On 25 May 2010, a Chinese instrument was made between 東莞寶麗美化工有限公司 as borrower, 東莞市寶盛環保投資有限公司 and 東莞市碧勝能源科技有限公司 as sureties and 中信銀行股份有限公司東莞分行 as lender as attested by 東莞市常平鎮土地儲備中心 (“Chinese Instrument”), the mortgagor have created in favour of the bank a mortgage over two pieces of land as security for repayment of advances made or to be made by the 中信銀行股份有限公司東莞分行 to 東莞寶麗美化工有限公司 up to the maximum principal sum of RMB50,000,000.00. Sino Measure is the Security Agent acting for 東莞市寶盛環保投資有限公司 and 東莞市碧勝能源科技有限公司.

On 1 November 2010, a Deed of Charge re Shares in Global Power and Energy Company Limited (“**Global Power and Energy**”) was executed by the Company as one party, and Sino Measure as the other party (“**1 November 2010 Deed**”).

On 6 May 2011, 中信銀行股份有限公司東莞分行 issued a letter to 東莞寶麗美化工有限公司 to demand payment of the loan of RMB50,000,000.00 on or before 9th May 2011. However, 東莞寶麗美化工有限公司 and/or the Company had defaulted payment of the said loan and interest, and 東莞市寶盛環保投資有限公司 and 東莞市碧勝能源科技有限公司 have to honour their obligations as sureties to 中信銀行股份有限公司東莞分行.

On 10 June 2011, Sino Measure through its solicitors, issued a letter to the Company to formally notify the Company that it had exercised and executed the said Share Charge under the 1 November 2010 Deed, and demand the immediate delivery of items, including but not limited to the books, records and computers, common seal, rubber chops, statutory books and secretarial record, available copies of the memorandum and articles of association of the Company, including the Share Certificate Books and the Register of Directors, Members, Transfers and Mortgages of Global Power and Energy.

## **NEGOTIATIONS WITH SINO MEASURE AND/OR 東莞市寶盛環保投資有限公司 AND/OR 東莞市碧勝能源科技有限公司**

Given that Sino Measure had formally notified the Company that it had exercised and executed the Share Charges under the 25 April 2010 Deed and the 1 November 2010 Deed respectively, the Board of Directors (“**the Board**”) has appointed Mr Yip Chung Wai, David and Mr JiaXuelei to be the persons-in-charge of the conduct of negotiations and/or agreement with Sino Measure in relation to issues pertaining to the 1st Loan Agreement and/or the 2nd Loan Agreement and/or the 25 April 2010 Deed with Sino Measure and/or other related parties, and in relation to issues pertaining to the Chinese Instrument made on 25 May 2010 and/or the 1 November 2010 Deed with Sino Measures and/or 東莞市寶盛環保投資有限公司 and/or 東莞市碧勝能源科技有限公司 and/or other related parties.

Negotiations have been conducted between Sino Measure, the Company and 東莞市碧勝能源科技有限公司, and such negotiations are still ongoing as terms and conditions of the agreement presented below are being finalized.

It has been agreed between Sino Measure, the Company and the Intended Purchaser 東莞市寶盛環保投資有限公司 (together known as “the Three Parties”) that Sino Measure shall take over the place of the Company as Vendor and continue with the negotiation of the Sale and Purchase transaction of Global Chemicals with 東莞市寶盛環保投資有限公司 as the Purchaser. It has also been agreed between the Three Parties that the deposit of HK\$30,000,000.00 already paid by 東莞市寶盛環保投資有限公司 to the Company shall be kept by the Company; Sino Measure and 東莞市寶盛環保投資有限公司 shall continue to negotiate the final sales price (“Final Sales Price”) for Global Chemicals. The Three Parties further agreed that the balance of the Final Sales Price shall be paid by 東莞市寶盛環保投資有限公司 to Sino Measure directly to settle all outstanding amount owed by the Company to Sino Measure. Furthermore, it has been agreed by Sino Measure and the Company that if the sales price of Global Chemical received by Sino Measure exceeds the outstanding amount owed by the Company to Sino Measure, Sino Measure shall reimburse the exceeding amount to the Company. However, should the outstanding amount owed by the Company to Sino Measure exceeds the sales price of Global Chemical received by Sino Measure, the Company shall satisfy the balance outstanding with Sino Measure by other means, which includes but not limited to the disposal of other parts of the collaterals being charged to and transferred to Sino Measure. All fees, expenses and costs incurred in relation to the said transaction and the settlement of all monies owed by the Company to Sino Measure shall be borne by the Company.

In addition, Sino Measure, the Company and 東莞市寶盛環保投資有限公司 have agreed that if the aforesaid transaction can be concluded, then 東莞市寶盛環保投資有限公司 shall negotiate with 中信銀行股份有限公司東莞分行 all aspects of the Chinese Instrument; Sino Measure and the Company have conferred on 東莞市寶盛環保投資有限公司 all powers to deal with the Chinese Instrument.

Details of the above negotiations shall be released at the upcoming Annual General Meeting.

### **RECORDS OF GLOBAL CHEMICALS AND GLOBAL POWER AND ENERGY**

As the Company is required to obtain prior consent from Sino Measure to access the items, including but not limited to the books, records and computers, common seal, rubber chops, statutory books and secretarial record, available copies of the memorandum and articles of association of the Company, including the Share Certificate Books and the Register of Directors, Members, Transfers and Mortgages of Global Chemicals and Global Power and Energy, the Company is currently unable to access the items abovenamed and obtain information and data and records of and Global Chemicals and Global Power and Energy.

The Board of Directors (“**the Board**”) now appoints Mr Yip Chung Wai, David and Mr. JiaXuelei to be the persons-in-charge of the retrieval of items, including but not limited to the books, records and computers, common seal, rubber chops, statutory books and secretarial record, available copies of thememorandum and articles of association of the Company, including the Share Certificate Books and the Register of Directors, Members, Transfers and Mortgages of Global Chemicals and Global Power and Energy.

### **SUFFICIENCY OF WORKING CAPITAL AND ACTIONS TAKEN BY THE BOARD**

The Board takes the events disclosed above seriously, and the Board has thoroughly considered a variety of possible courses of actions that can be taken by the Board to ensure that the Company can conduct its business and continue with its operation as a going concern with sufficient amount of working capital to preserve the confidence of its shareholders.

The following actions had been taken by the Board.

### **PROPOSED PLACEMENT**

The Board has initiated and conducted negotiations with certain potential Placement Agents to explore the possibility of a placement of shares or convertible bonds or other financial instruments to obtain sufficient amount of new working capital for the Company’s day-to-day operation.

The Board wishes to emphasize that no definitive agreement in relation to the Proposed Placement has been entered into as at the date of this announcement. As the Proposed Placement may or may not proceed, public investors and shareholders of the Company are urged to exercise caution when dealing in the Shares.

If the Proposed Placement materializes, the Company will comply with the applicable local laws and regulations and the applicable provisions of the Listing Rules in relation to the courses of action(s) taken and/or to be taken. The Company shall also observe the applicable local laws and regulations and the applicable provisions of the Listing

Rules in relation to the disclosure of courses of actions taken and/or to be taken to all shareholders.

The Board of Directors (“**the Board**”) now appoints Mr Yip Chung Wai, David and Mr. Long Xiaobo be the persons-in-charge of the Proposed Placement with full support from the Board.

**SUPPORT FROM THE BOARD**

The Board hereby lends full support to Mr Yip Chung Wai, David and Mr. JiaXuelei in all work and tasks performed in relation to issues pertaining to the 1st Loan Agreement and/or 2nd Loan Agreement and/or 25 April 2010 Deed and/or 1 November 2010 Deed, the retrieval of items of Global Chemicals and Global Power and Energy, which includes but not limited to making contacts and further liaison with Sino Measure on behalf of the Company for the settlement of debts owed by the Company and its subsidiaries to various parties in this connection, and the management of all matters related to the discharge of indebtedness due to Sino-Measure and other parties, in this regard.

Currently, the Board is contacting certain major shareholders to seek their financial support to enable the Company to continue as a going concern before new funding is obtained in the short run.

The Board shall update all shareholders on issues and/or matters relating to Sino Measure, the Proposed Placement and the Sufficiency of Working Capital at the upcoming Annual General Meeting to be held on 30 June 2011.

**DEFINITIONS**

1st Loan Agreement	The Loan Agreement dated 25 April 2010 entered into between Sino Measure Limited and the Company setting out the terms and conditions of the Loan taken out by the Company
2nd Loan Agreement	The addendum dated 1 November 2010 entered into between Sino Measure as the Lender and the Company as the Borrower as supplement to the Loan Agreement dated 25 April 2010.
25 April 2010 Deed	The Deed of Charge dated 25 April 2010 entered into between Sino Measure Limited as Lender and Global Success Properties Limited as the holding company of Global Chemicals (China) Company (“ <b>Global Chemicals</b> ”) as Chargor in supplement to the 1st Loan Agreement.

1 November 2010 Deed	On 1 November 2010, the Deed of Charge re Shares in Global Power and Energy Company Limited dated 1 November 2010 entered into between the Company as one party, and Sino Measure as the other party.
“Board”	the board of Directors of the Company
“Company”	Global Green Tech Group Limited, a company incorporated in the Cayman Islands with limited liability whose shares are listed on the main board of the Stock Exchange
“Directors”	director(s) of the Company
“Global Power and Energy”	Global Power and Energy Company Limited, an indirect 100% owned subsidiary of the Company
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“HK\$”	Hong Kong dollars, the laws currency of Hong Kong
“Global Chemicals (China)”	Global Chemicals (China) Company Limited, an indirect 100% owned subsidiary of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China, and for the purpose of the announcement, shall exclude Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Sino Measure”	Sino Measure Limited, a company incorporated and registered in the British Virgin Islands

“Stock Exchange”

The Stock Exchange of Hong Kong Limited

By order of the Board  
**Global Green Tech Group Limited**  
**Yip Chung Wai, David**  
*Executive Director*

Hong Kong, 27 June 2011

As at the date hereof, the Board comprises the following members:

*Executive Directors*

Mr. Yip Chung Wai, David

Mr. Ng Ka Hong

Mr. Long Xiaobo

Mr. Lin Jan

Mr. Wu Jun

Mr. Chai Xiaojun

Mr. Dong Jixu

Mr. Xue Bing

Mr. JiaXuelei

*Independent non-executive Directors*

Ms. Chan Wing

Mr. Ding Yongshun

Mr. Xiong Wei

\* *For identification purpose only*