

**BROAD GREENSTATE INTERNATIONAL COMPANY LTD:
AND THE REAL WINNERS ARE:
MR AND MRS WU ZHENG PING**

In what is almost bound to be a record-breaking, Financial Year in terms of a materially higher Turnover and Net Profits, Broad Greenstate International Company Ltd () (Code: 1253, Main Board, The Stock Exchange of Hongkong Ltd) has found itself fighting against the odds.

TARGET () is referring to the Global Offering of Broad Greenstate International, the Prospectus of which was published and disseminated on Monday, June 30, 2014.

In the original, Global Offering Prospectus, the number of Offered Shares was 248 million, 10-cent Shares at the Indicative Offer Price Per Share, ranging from \$HK1.30 to \$HK1.76.

Of the total number of Shares on Offer, 200 million were New Shares and 48 million were ‘Sale Shares’ – those Shares that were Offered by the following ‘Selling Shareholders’:

Broad Landscape International Company Ltd () ¹	32,969,280 Shares
Eastern Greenstate International Company Ltd () ²	14,317,584 Shares
YiYu International Company Ltd () ³	713,136 Shares

1. This company is beneficially owned by Mr Wu Zheng Ping (), the Founder of Broad Greenstate International.
2. This company is beneficially owned by a number of members of the Management of Broad Greenstate International, including the wife of Mr Wu Zheng Ping: Madame Xiao Li ().
3. This company is beneficially owned by Mr Chen Zheng Liang (), a Pre-Initial Public Offering (IPO) investor.

Things, obviously, did not go as Senior Management of Broad Greenstate International had hoped and fully expected and, as a direct result, the original, expected timetable of events in respect of this IPO had to be amended.

On July 9, 2014, Mr Wu Zheng Ping, in his capacity of Executive Chairman of the Company, announced that a ‘Supplemental Prospectus’ would be published and disseminated.

He said, inter alia:

‘Having regard to the current market conditions, the Company, in consultation with the Joint Global Coordinators (for themselves and on behalf of the Underwriters), announces that the number of Offer Shares to be offered under the Global Offering is expected to be reduced from 248,000,000 Shares to

214,800,000 Offer Shares (including 166,800,000 new Shares and 48,000,000 Sale Shares), comprising (i) 21,480,000 Hong Kong Public Offer Shares available under the

Hong Kong Public Offering; and (ii) 193,320,000 International Offer Shares (including 145,320,000 new Shares and 48,000,000 Sale Shares), under the International Offering without taking into account an additional 32,220,000 new Shares to be issued by the Company upon the exercise of the Over-allotment Option, representing 15% of the reduced Offer Shares to be offered under the Global Offering.'

'The Offer Price range is expected to remain unchanged. The Offer Price will not be more than HK\$1.76 per Offer Share and is expected to be not less than HK\$1.30 per Offer Share. The Price Determination Date is expected to be on or around 16 July 2014.'

Clearly, Mr Wu Zheng Ping and the Company that he founded had not captured much in the way of imagination or interest of the majority of investors of the Hongkong Special Administrative Region (HKSAR) of the People's Republic of China (PRC) as well as International Investors.

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