GREEN LEADER HOLDINGS GROUP LIMITED
綠領控股集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 61)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2024

The board (the "**Board**") of directors (the "**Director(s)**") of Green Leader Holdings Group Limited (the "**Company**") together with its subsidiaries (collectively, the "**Group**") hereby announces the audited consolidated annual results of the Group for the year ended 31 December 2024 (the "**Year**") together with the comparative figures for the corresponding year in 2023 as follows:

FINANCIAL HIGHLIGHTS

	For the year ended 31 December	
	2024	2023
	HK$'000	*HK$'000*
		(Represented)
Revenue	**120,234**	95,680
Gross profit	**16,361**	15,637
Profit/(loss) for the year	**1,561,226**	(3,339,315)
Profit/(loss) for the year attributable to owners of the Company	**1,577,500**	(1,803,269)

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31 December 2024

	Notes	2024 HK$'000	2023 HK$'000 (Represented)
Continuing operations			
Revenue	4	**120,234**	95,680
Cost of sales		**(103,873)**	(80,043)
Gross profit		**16,361**	15,637
Other operating income	4	**4,243**	98
Administrative and other operating expenses		**(14,070)**	(13,681)
Reversal of impairment losses/(impairment losses) recognised in respect of financial assets under expected credit loss model, net		**5,659**	(5,848)
Finance costs	5	**(249,707)**	(186,001)
Loss before taxation	6	**(237,514)**	(189,795)
Income tax expense	7	**(3,722)**	(3,724)
Loss for the year from continuing operations		**(241,236)**	(193,519)
Discontinued operation	9		
Profit/(loss) for the year from discontinued operation		**1,802,462**	(3,145,796)
Profit/(loss) for the year		**1,561,226**	(3,339,315)
Profit/(loss) for the year attributable to:			
Owners of the Company		**1,577,500**	(1,803,269)
Non-controlling interests		**(16,274)**	(1,536,046)
		1,561,226	(3,339,315)
Loss for the year from continuing operations attributable to owners of the Company		**(241,236)**	(193,519)

	Notes	2024 HK$'000	2023 HK$'000 (Represented)
Profit/(loss) for the year from discontinued operation attributable to:			
Owners of the Company		**1,818,736**	(1,609,750)
Non-controlling interests		**(16,274)**	(1,536,046)
		1,802,462	(3,145,796)
Earnings/(loss) per share (HK cents)	*10*		
From continuing and discontinued operations			
Basic and diluted		**300**	(343)
From continuing operations			
Basic and diluted		**(46)**	(37)
From discontinued operation			
Basic and diluted		**346**	(306)

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the year ended 31 December 2024

	2024	2023
	HK$'000	*HK$'000*
Profit/(loss) for the year	**1,561,226**	(3,339,315)
Other comprehensive income/(expense):		
Items that may be subsequently reclassified to profit or loss:		
Exchange differences arising on translation of foreign operations	**28,364**	(5,385)
Reclassification adjustments for foreign operations deemed disposed of during the year	**168,907**	–
Other comprehensive income/(expense) for the year	**197,271**	(5,385)
Total comprehensive income/(expense) for the year	**1,758,497**	(3,344,700)
Total comprehensive income/(expense) for the year attributable to:		
Owners of the Company	**1,772,688**	(1,796,762)
Non-controlling interests	**(14,191)**	(1,547,938)
	1,758,497	(3,344,700)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

	Notes	2024 HK$'000	2023 HK$'000
Non-current assets			
Property, plant and equipment		**5,842**	1,438,660
Mining rights		**–**	3,019,165
Intangible assets		**–**	8,368
Goodwill		**–**	–
Investments in associates		**–**	–
Deposits paid for acquisition of property, plant and equipment		**–**	53,306
		5,842	4,519,499
Current assets			
Inventories		**271**	35,450
Trade and bills receivables	*11*	**55,450**	355,642
Prepayment, deposits and other receivables		**80,757**	161,881
Amounts due from related companies		**5,219**	5,872
Prepaid tax		**–**	5,257
Restricted bank balances		**–**	16,669
Cash and cash equivalents		**2,016**	101,430
		143,713	682,201
Non-current asset classified as held for sale		**–**	20,870
		143,713	703,071
Current liabilities			
Trade payables	*12*	**48,341**	24,138
Other payables		**1,330,378**	1,500,853
Amount due to a former director/a director		**14,821**	14,821
Amounts due to associates		**475,608**	–
Amounts due to non-controlling interests		**–**	5,621,071
Other borrowings		**312,921**	707,921
Lease liabilities		**1,135**	2,363
Income tax liabilities		**711**	3,541
		2,183,915	7,874,708
Net current liabilities		**(2,040,202)**	(7,171,637)
Total assets less current liabilities		**(2,034,360)**	(2,652,138)

	Notes	**2024** **HK$'000**	2023 HK$'000
Capital and reserves			
Share capital	*13*	**526**	526
Reserves		**(2,480,828)**	(4,384,639)
Capital deficiencies attributable to owners of the Company		**(2,480,302)**	(4,384,113)
Non-controlling interests		**–**	670,500
Total capital deficiencies		**(2,480,302)**	(3,713,613)
Non-current liabilities			
Convertible notes		**288,947**	–
Provision for restoration, rehabilitation and environmental costs		**–**	84,462
Amounts due to related companies		**155,536**	143,900
Other payables		**–**	286,394
Lease liabilities		**1,459**	15,986
Deferred tax liabilities		**–**	530,733
		445,942	1,061,475
		(2,034,360)	(2,652,138)

NOTES

For the year ended 31 December 2024

1. GENERAL INFORMATION

The Company is incorporated in Bermuda as an exempted company with limited liability. The shares of the Company are listed on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**").

The registered office of the Company is Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda and the principal place of business of the Company in Hong Kong is Unit A, 12/F., Central 88, 88–98 Des Voeux Road Central, Hong Kong.

The principal activities of the Company are investment holding and provision of finance and treasury services to the Group. The Group is principally engaged in (i) the development of cassava cultivation and deep processing business for the related ecological cycle industry chain ("**Cassava Starch Operation**"); (ii) coal processing, sales of coal products and provision of coal related services ("**Coal Operation**"); and (iii) the sales of information technology products and provision of system integration services, technology services, software development and solution services ("**Systems Integration Services and Software Solutions**").

The Group was also engaged in geological survey, exploration and development of coal deposits, and sales of coking coal ("**Mining Operation**") during the year ended 31 December 2024. On 19 January 2024, Shanxi Coal Transportation and Marketing Group Energy Investment Development Limited* (山西煤炭運銷集團能源投資開發有限公司) ("**Shanxi Coal**") and its subsidiaries (collectively referred to as "**Shanxi Coal Group**") completed a reorganisation in compliance with relevant government policies issued by the Shanxi Provincial Government* (山西省政府) whereby, amongst others, Shanxi Ruiying Investment and Management Co., Ltd* (山西瑞盈投資管理有限公司) ("**Shanxi Ruiying**"), Shanxi Changtong Energy Share Co., Ltd* (山西昌通能源股份有限公司) ("**Shanxi Changtong**") and Taiyuan Zhituo Investment Consultant Co., Ltd* (太原市智拓投資顧問有限公司) ("**Taiyuan Zhituo**") have collectively issued an undertaking in favour of Xishan Meidian (Group) Company Limited* (西山煤電(集團)有限責任公司) ("**Xishan Meidian**"), pursuant to which the 2 directors additionally appointed to the board of directors of Shanxi Coal Group (the "**Shanxi Coal Group Board**") by Shanxi Ruiying and Shanxi Changtong, pursuant to a resolution of the shareholders of Shanxi Energy Industry Group Company Limited* (山西能源產業集團有限責任公司) in 2009 shall abstain from exercising their voting rights at the meetings of the Shanxi Coal Group Board. As a result of the completion of the reorganisation, the Group has lost control over the Shanxi Coal Group Board, and the financial results of Shanxi Coal Group were no longer consolidated into the financial statements of the Group. During the year ended 31 December 2024, in order to improve the profit margin and redirect resources to the coal operation business of the Group, which involves the coal processing, coal mixing and sale of coal products, supported by long-term contracts with key customers, spot market sales, and value-added products, the Group has decided to cease the coal trading business within in the Mining Operation which does not involve coal processing or mixing and was operated through Shanxi Changtong.

The consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**"). In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**") and by the Hong Kong Companies Ordinance.

* *For identification purpose only*

The consolidated financial statements are presented in thousands of units of Hong Kong dollar ("**HK$**") ("**HK$'000**"), unless otherwise stated, which is also the functional currency of the Company.

The consolidated financial statements have been prepared on the historical cost basis at the end of the reporting period.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Going concern basis

During the year ended 31 December 2024, the Group had a net cash used in operating activities of approximately HK$13,162,000 (2023: nil). The Group had accumulated losses of approximately HK$11,858,931,000 (2023: HK$13,536,612,000) and the Group's current liabilities exceeded its current assets and total liabilities exceeds its total assets of approximately HK$2,040,202,000 (2023: HK$7,171,637,000) and approximately HK$2,480,302,000 (2023: HK$3,713,613,000). As at the same date, the Group's total borrowings (including amount due to a former director/a director, amounts due to associates, amounts due to non-controlling interests, other borrowings, amounts due to related companies, liabilities components of convertible notes and lease liabilities) amounted to approximately HK$1,250,427,000 (2023: HK$6,506,062,000), while its cash and cash equivalents (including restricted bank balances) amounted to approximately HK$2,016,000 (2023: HK$118,099,000) only.

In preparing the consolidated financial statements, the Directors have given consideration to the future liquidity of the Group in light of the condition described above. Certain of the Group's payables were overdue or significant payables were repayable on demand and are explained below:

(a) convertible note issued in 2017 (the "**2017 Convertible Note**") with the remaining outstanding principal amount of US$40,000,000 (equivalent to HK$312,000,000), along with the default interests, was matured and overdue for repayment as at 31 December 2024 and 2023. On 22 July 2022, the Company received a statutory demand from the legal advisers acting on behalf of the holder of 2017 Convertible Note, China Huarong Macau (HK) Investment Holdings Limited, demanding the Company to repay the principal amount and the default interest outstanding by the Company;

(b) other payables related to consideration for acquisition of subsidiaries with the carrying amounts of approximately RMB119,709,000 (equivalent to approximately HK$127,294,000) (2023: HK$131,836,000), along with the default interests, was matured and overdue for repayment as at 31 December 2024 and 2023. On 3 November 2022, the Group received a demand letter from the legal advisers acting on behalf of the counterparty of other payables, demanding the Group to repay the principal amount and the default interest outstanding by the Group;

(c) amounts due to associates of approximately HK$475,608,000 (2023: Nil) as at 31 December 2024 which were repayable on demand.

Up to the date of approval and authorisation of the consolidated financial statements for issuance, the Group is still in negotiation with counterparties to extend the maturity dates of the above items (a) to (b) and there has been no winding up petition against the Company. Other than demand letter received on 22 July 2022 and 3 November 2022, the Group has not received any further new demand letters, and the overdue balances remain unsettled in relation to the above items (a) to (c).

The above conditions indicate the existence of material uncertainties, which may cast significant doubt upon the Group's ability to continue as a going concern.

In view of these circumstances, the Directors have given careful consideration to the future liquidity and its available sources of financing to assess whether the Group will have sufficient funds to fulfill its financial obligations to continue as a going concern. The Group has taken the following measures to improve the Group's financial position and alleviate its liquidity pressure, including, but not limited to, the following:

(a) the Group continues to negotiate with the convertible note holder to extend the repayment due dates;

(b) the Group continues to negotiate with the creditor of the other payables related to consideration for acquisition of subsidiaries due by the Group to extend the repayment due dates;

(c) the Group continues to negotiate the repayment terms with associates;

(d) the Group will take active measure to increase the profitability of the Group's coal operation in order to improve operating cash flows and its financial position; and

(e) the Group strives to obtain the external facilities and/or fund raising opportunities.

Notwithstanding the above, significant uncertainties exist as to whether management will be able to achieve its plans and measures as described above. Whether the Group will be able to continue as a going concern would depend upon that (a) the Group can successfully reach agreement with the convertible note holder to extend the repayment due dates; (b) the Group can successfully reach agreement with the creditor of the other payables related to consideration for acquisition of subsidiaries due by the Group to extend the repayment due dates; (c) the Group can successfully reach agreement the repayment terms with associates; (d) the Group can successfully take active measure to increase the profitability of its coal operations to improve operating cash flows and its financial position; and (e) the Group can successfully obtain external facilities and/or fund raising opportunities.

Should the Group be unable to continue as a going concern, adjustments would have to be made to write down the carrying amounts of the Group's assets to their recoverable amounts, to provide for any further liabilities which might arise and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effects of these adjustments have not been reflected in the Group's consolidated financial statements.

2. APPLICATION OF AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

Amendments to HKFRS Accounting Standards that are mandatorily effective for the current year

In the current year, the Group has applied the following amendments to HKFRS Accounting Standards issued by the HKICPA for the first time, which are mandatorily effective for the annual periods beginning on 1 January 2024 for the preparation of the consolidated financial statements:

Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020)
Amendments to HKAS 1	Non-current Liabilities with Covenants
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements

The application of amendments to HKFRS Accounting Standards in the current year has had no material impact on the Group's financial performance and positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

New and amendments to HKFRS Accounting Standards in issue but not yet effective

The Group has not early applied the following new and amendments to HKFRS Accounting Standards, which are relevant to the Group and have been issued but not yet effective:

Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments[3]
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity[3]
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[1]
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards – Volume 11[3]
Amendments to HK-Interpretation 5	Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause[4]
Amendments to HKAS 21 and HKFRS 1	Lack of Exchangeability[2]
HKFRS 18	Presentation and Disclosure in Financial Statements[4]

1 Effective for annual periods beginning on or after a date to be determined.
2 Effective for annual periods beginning on or after 1 January 2025.
3 Effective for annual periods beginning on or after 1 January 2026.
4 Effective for annual periods beginning on or after 1 January 2027.

HKFRS 18 *Presentation and Disclosure in Financial Statements*

HKFRS 18 *Presentation and Disclosure in Financial Statements*, which sets out requirements on presentation and disclosures in financial statements, will replace HKAS 1 *Presentation of Financial Statements*. This new HKFRS Accounting Standard, while carrying forward many of the requirements in HKAS 1, introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provide disclosures on management-defined performance measures in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. In addition, some HKAS 1 paragraphs have been moved to HKAS 8 and HKFRS 7. Minor amendments to HKAS 7 *Statement of Cash Flows* and HKAS 33 *Earnings per Share* are also made.

HKFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. The application of the new standard is expected to affect the presentation of the statement of profit or loss and disclosures in the future financial statements. The Group is in the process of assessing the detailed impact of HKFRS 18 on the Group's consolidated financial statements.

The Directors anticipate that the application of all other new and amendments to HKFRS Accounting Standards will have no material impact on the consolidated financial statements in the foreseeable future.

3. SEGMENT INFORMATION

The Group's operating segments, based on information reported to the Directors (being the chief operating decision maker (the "**CODM**")) for the purpose of resources allocation and performance assessment are as follows:

Continuing operations

Cassava Starch Operation	–	Provision of cultivation and processing of cassava starch for sale
Coal Operation	–	Coal processing, coal mixing, sales of coal products and provision of coal related services
Systems Integration Services and Software Solutions	–	Sales of information technology products, provision of systems integration services, technology services, software development and solution services

Discontinued operation

Mining Operation	–	Geological survey, exploration and development of coal deposits, and sales of coking coal

The segment information of Mining Operation, which is classified as discontinued operation, is disclosed for more detail in note 9.

For management purpose, the Group is organised into business units based on their products and services. The management of the Group monitors the operating results of its business units separately for the purposes of making decisions on resource allocation and performance assessment. Segment performance is evaluated based on the operating profit or loss which in certain respects, as explained in the table below, is measured differently from the operating profit or loss in the consolidated statement of profit or loss.

For the purposes of monitoring segment performance and allocating resources between segments, the CODM also reviews other segment information.

Segment revenue and results

The following is an analysis of the Group's revenue and results by reportable segments.

	Systems Integration Services and Software Solutions		Coal Operation		Cassava Starch Operation		Total	
	2024	2023	**2024**	2023	**2024**	2023	**2024**	2023
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
								(Represented)
For the year ended 31 December								
CONTINUING OPERATIONS								
REVENUE								
Sales to external customers	**–**	–	**120,234**	95,680	**–**	–	**120,234**	95,680
RESULTS								
Segment (loss)/profit	**(206)**	(119)	**20,326**	9,047	**(64)**	(1,929)	**20,056**	6,999
Unallocated income							**4,231**	2
Unallocated expenses							**(12,094)**	(10,795)
Finance costs							**(249,707)**	(186,001)
Loss before taxation							**(237,514)**	(189,795)

The accounting policies of the reportable segments are the same as the Group's accounting policies. Segment (loss)/profit represents the (loss)/profit from each segment without allocation of central administrative expenses, including directors' and chief executive's emoluments, certain other operating income, certain other operating expenses and finance costs. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

For the purpose of assessment by the CODM, finance costs of other borrowings, convertible notes and leases liabilities were not included in segment results while the corresponding liabilities have been included in the segment liabilities.

4. REVENUE AND OTHER OPERATING INCOME

i) Revenue from goods and Services

Disaggregation of revenue

Segments	Systems Integration Services and Software Solutions		Coal Operation		Cassava Starch Operation		Total	
	2024	2023	**2024**	2023	**2024**	2023	**2024**	2023
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
								(Represented)
Continuing operations								
Types of goods or services								
Sales of coal products	**–**	–	**117,238**	92,824	**–**	–	**117,238**	92,824
Coal services fee income	**–**	–	**2,996**	2,856	**–**	–	**2,996**	2,856
	–	–	**120,234**	95,680	**–**	–	**120,234**	95,680
Timing of revenue recognition								
A point in time	**–**	–	**117,238**	92,824	**–**	–	**117,238**	92,824
Over time	**–**	–	**2,996**	2,856	**–**	–	**2,996**	2,856
	–	–	**120,234**	95,680	**–**	–	**120,234**	95,680

ii) Other operating income

	2024	2023
	HK$'000	*HK$'000*
		(Represented)
Continuing operations		
Bank interest income	**7**	10
Government grants *(Note)*	**–**	88
Sundry income	**33**	–
Gain on modification of convertible notes	**4,198**	–
Gain on disposal of property, plant and equipment	**5**	–
	4,243	98

Note:

Government grants mainly represent subsidies granted by PRC local government authority as a support. There is no unfulfilled condition or contingencies relating to such government subsidies recognised.

5. FINANCE COSTS

	2024	2023
	HK$'000	*HK$'000*
		(Represented)
Continuing operations		
Effective interest expense on convertible notes	**29,696**	–
Interest on other borrowings	**219,895**	185,902
Interest on lease liabilities	**116**	99
Total interest expense on financial liabilities not at fair value through profit or loss	**249,707**	186,001

6. LOSS BEFORE TAXATION

	2024	2023
	HK$'000	*HK$'000*
		(Represented)
Loss before taxation has been arrived at after charging/(crediting):		
Continuing operations		
Auditor's remuneration:		
– audit services	**1,388**	1,888
– non-audit services	**409**	410
Cost of inventories sold (included in cost of sales)	**82,782**	80,043
(Reversal of impairment losses)/impairment losses recognised on expected credit loss model, net:		
– trade receivables	**(5,692)**	5,848
– bill receivables	**33**	–
	(5,659)	5,848
Depreciation of property, plant and equipment	**1,830**	976
Expenses related to short-term leases and low value assets	**294**	226
Other tax expenses	**–**	298
Written off of property, plant and equipment	**–**	1,847

7. INCOME TAX EXPENSE

	2024	2023
	HK$'000	*HK$'000*
		(Represented)
Continuing operations		
Current tax expense:		
PRC Enterprise Income Tax (the "**EIT**")	**3,722**	3,724

(i) Pursuant to the rules and regulations of Bermuda, Independent State of Samoa ("**Samoa**") and the British Virgin Islands (the "**BVI**"), the Group is not subject to any income tax in Bermuda, Samoa and the BVI.

(ii) No provisions for Hong Kong Profits Tax have been made for subsidiaries established in Hong Kong as these subsidiaries did not have any assessable profits subject to Hong Kong Profits Tax for both years.

(iii) Profit of the subsidiaries established in PRC are subject to PRC EIT.

Under the Law of PRC on EIT (the "**EIT Law**") and Implementation Regulation of EIT Law, the tax rate of PRC subsidiaries is 25% for both years.

(iv) No provision for Cambodia corporate income tax have been made for subsidiaries established in Cambodia as these subsidiaries did not have any assessable profits subject to Cambodia corporate income tax for both years.

8. DIVIDEND

No dividend was paid or proposed for both years ended 31 December 2024 and 2023, nor has any dividend been proposed since the end of the reporting period.

9. DISCONTINUED OPERATION

Shanxi Coal Group was engaged in Mining Operation. Upon completion of the reorganisation, Shanxi Coal Group ceased to become non-wholly owned subsidiaries of the Group. As a result, the financial results of the Mining Operation undertaken by the Shanxi Coal Group have been classified as discontinued operation.

During the year ended 31 December 2024, in order to improve the profit margin and redirect the resources to the coal operation business of the Group which involves the coal processing, coal mixing and sale of coal products, supported by long-term contracts with key customers, spot market sales, and value-added products, the Group has decided to cease the coal trading business within the Mining Operation which does not involve coal processing or mixing and was operated through Shanxi Changtong. As a result, the financial results for the Mining Operation have been classified as discontinued operation.

Profit/(loss) for the year from the discontinued operation are analysed as follows:

	2024	2023
	HK$'000	*HK$'000*
Loss for the year from Mining Operation	**(60,439)**	(3,145,796)
Gain on deemed disposal of Shanxi Coal Group	**1,862,901**	–
Profit/(loss) for the year from discontinued operation	**1,802,462**	(3,145,796)

The result of the discontinued operation for the year, which have been included in the consolidated statement of profit or loss, were as follows:

	2024	2023
	HK$'000	*HK$'000*
Revenue	**113,935**	1,367,600
Cost of sales	**(116,627)**	(1,361,269)
Gross (loss)/profit	**(2,692)**	6,331
Other operating income	**43**	6,599
Selling and distribution expenses	**(615)**	(2,928)
Administrative and other operating expenses	**(38,100)**	(434,672)
Write-down of non-current asset classified as held for sale	**–**	(293,995)
Impairment loss recognised in respect of mining rights	**–**	(1,953,199)
Impairment loss recognised in respect of property, plant and equipment	**–**	(910,749)
Impairment losses recognised in respect of financial assets under expected credit loss model, net of reversal	**(167)**	(1,755)
Finance costs	**(23,662)**	(201,928)
Loss before taxation	**(65,193)**	(3,786,296)
Income tax credit	**4,754**	640,500
Loss for the year from discontinued operation	**(60,439)**	(3,145,796)
Gain on deemed disposal of discontinued operation	**1,862,901**	–
Profit/(loss) for the year from discontinued operation	**1,802,462**	(3,145,796)

Profit/(loss) for the year from discontinued operation has been arrived at after charging/(crediting):

	2024	2023
	HK$'000	*HK$'000*
Amortisation of mining rights (included in cost of sales)	**18,995**	362,088
Amortisation of intangible assets	**85**	1,951
Cost of inventories sold (included in cost of sales)	**97,632**	989,805
(Reversal of impairment losses)/impairment losses recognised on expected credit loss model, net:		
– trade receivables	**(126)**	1,755
– deposits and other receivables	**293**	–
Depreciation of property, plant and equipment	**6,177**	146,878
Other tax expenses	**53**	89,487
Penalty and fine	**–**	4,709
Staff costs (excluding director's and chief executive emoluments)	**7,489**	81,056
Written off of property, plant and equipment	**–**	2,476

Cash flows of the discontinued operation for the year were as follows:

	2024	2023
	HK$'000	*HK$'000*
Net cash (used in)/generated from operating activities	**(28,287)**	133,320
Net cash used in investing activities	**(111,974)**	(105,402)
Net cash generated from/(used in) financing activities	**5,825**	(55,708)
Net cash outflow	**(134,436)**	(27,790)

10. EARNINGS/(LOSS) PER SHARE

From continuing and discontinued operations

The calculation of basic and diluted earnings/(loss) per share attributable to owners of the Company are based on the following data:

	2024	2023
	HK$'000	*HK$'000*
Earnings/(loss)		
Profit/(loss) for the year attributable to owners of the Company for the purposes of basic and diluted earnings/(loss) per share	**1,577,500**	(1,803,269)

	2024	2023
	'000	*'000*
Number of shares		
Weighted average number of ordinary shares for the purposes of basic and diluted earnings/(loss) per share	**526,260**	526,260

The calculation of diluted earnings/(loss) per share for both years does not assume exercise of share options and conversion of convertible notes, since these exercise and conversion would result in a decrease in loss per share from continuing operations.

From continuing operations

The calculation of basic and diluted loss per share from continuing operations attributable to owners of the Company is based on the following data:

	2024	2023
	HK$'000	*HK$'000*
		(Represented)
Loss		
Loss for the year from continuing operations attributable to owners of the Company for the purpose of basic and diluted loss per share	**(241,236)**	(193,519)

The weighted average number of ordinary shares used herein are same as those detailed above for the purpose of basic and diluted earnings/(loss) per share from continuing and discontinued operations respectively.

From discontinued operation

	2024	2023
	HK$'000	*HK$'000*
		(Represented)
Earnings/(loss)		
Profit/(loss) for the year from discontinued operation attributable to owners of the Company for the purpose of basic and diluted earnings/(loss) per share	**1,818,736**	(1,609,750)

The weighted average number of ordinary shares used herein are same as those detailed above for the purpose of basic and diluted earnings/(loss) per share from continuing and discontinued operations respectively.

11. TRADE AND BILLS RECEIVABLES

The following is an aging analysis of trade and bills receivables, net of allowance for credit losses, based on earlier of the invoice dates, revenue recognition date or date of issuance of bills receivables:

	2024	2023
	HK$'000	*HK$'000*
Within 30 days	**334**	147,726
31 days to 60 days	**53,454**	205,714
61 days to 90 days	**314**	–
91 days to 180 days	**954**	–
Over 180 days	**394**	2,202
	55,450	355,642

The Group normally grants to its customers credit periods up to 60 days which are subject to periodic review by management.

Bills receivables will be matured in 6 months upon date of issuance.

12. TRADE PAYABLES

The following is an aging analysis of the trade payables based on the invoice dates:

	2024	2023
	HK$'000	*HK$'000*
Within 30 days	**19,697**	–
31 days to 60 days	**19,825**	–
61 days to 90 days	**2,807**	–
91 days to 180 days	**–**	–
181 days to 365 days	**275**	215
Over 365 days	**5,737**	23,923
	48,341	24,138

The average credit period on purchases of goods is 90 days.

13. SHARE CAPITAL

	Number of shares		Amounts	
	2024	2023	**2024**	2023
			HK$'000	*HK$'000*
Ordinary shares of HK$0.001 each				
Authorised:				
As at 1 January and as at 31 December	**2,000,000,000,000**	2,000,000,000,000	**2,000,000**	2,000,000
Issued and fully paid:				
As at 1 January and as at 31 December	**526,260,404**	526,260,404	**526**	526

14. CAPITAL COMMITMENTS

	2024	2023
	HK$'000	*HK$'000*
Contracted but not provided for in respect of:		
– acquisition of property, plant and equipment	**–**	321,450

15. COMPARATIVE FIGURES

Certain comparative figures have been adjusted to conform with the disclosure requirements in respect of the discontinued operation set out in note 9 to the consolidated financial statements. Accordingly, the comparative figures in the consolidated statement of profit or loss have been represented.

EXTRACT OF INDEPENDENT AUDITOR'S REPORT

The following is an extract of the independent auditor's report on the Group's audited consolidated financial statements for the Year which has included a disclaimer of opinion.

Disclaimer of Opinion

We do not express an opinion on the consolidated financial statements of the Group. Because of the significance of the matters described in the *Basis for Disclaimer of Opinion* section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements. In all other respects, in our opinion the consolidated financial statements have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

Basis for Disclaimer of Opinion

Multiple Uncertainties Relating to Going Concern

As described in Note 2 to the consolidated financial statements, the Group had a net cash used in operating activities of approximately HK$13,162,000 during the year ended 31 December 2024. The Group had accumulated losses of approximately HK$11,858,931,000 and the Group's current liabilities exceeded its current assets and total liabilities exceeds its total assets of approximately HK$2,040,202,000 and approximately HK$2,480,302,000 as at 31 December 2024. As at the same date, the Group's total borrowings (including amount due to a former director, amounts due to associates, other borrowings, liabilities components of convertible notes, amounts due to related companies and lease liabilities) amounted to approximately HK$1,250,427,000, while its cash and cash equivalents amounted to approximately HK$2,016,000 only.

In addition, as at 31 December 2024, certain of the Group's borrowings and other payables were overdue for repayment or contained a repayable on demand clause, as below: (a) convertible notes issued in 2017 with the remaining outstanding principal amount of US$40,000,000 (equivalent to HK$312,000,000), along with the default interests, were matured and overdue for repayment as at 31 December 2024; (b) other payables, with the carrying amounts of approximately RMB119,709,000 (equivalent to approximately HK$127,294,000), along with the default interests, was matured and overdue for repayment as at 31 December 2024; and (c) amounts due to associates of approximately HK$475,608,000 were outstanding by the Group as at 31 December 2024 and contained a repayable on demand clause.

Up to the date of approval and authorisation of the consolidated financial statements for issuance, there has been no winding up petition against the Company. Other than demand letter received on 22 July 2022 and 3 November 2022, the Group has not received any further new demand letters, and the overdue balances mentioned above are remain unsettled.

The above conditions indicate the existence of material uncertainties which may cast significant doubt upon the Group's ability to continue as a going concern.

The Directors have been undertaking a number of measures to improve the Group's liquidity and financial position to ensure it can meet its liabilities as they fall due, as set out in Note 2 to the consolidated financial statements. The consolidated financial statements have been prepared on a going concern basis, the validity of which depends on the eventual successful outcome of these measures, which are subject to multiple uncertainties, including whether: (a) the Group can successfully reach agreement with the convertible note holder to extend the repayment due dates; (b) the Group can successfully reach agreement with the creditor of the other payables related to considerations for acquisition of subsidiaries due by the Group to extend the repayment due dates; (c) the Group can successfully reach agreement on the repayment terms with associates; (d) the Group can successfully take active measure to increase the profitability of its coal operations to improve operating cash flows and its financial position; and (e) the Group can successfully obtain external facilities and/or fund raising opportunities.

Should the Group fail to achieve successful outcomes from the above-mentioned plans and measures, it might not be able to continue to operate as a going concern, and adjustments would have to be made to write down the carrying amounts of the Group's assets to their recoverable amounts, to provide for any further liabilities which might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities. The effects of these adjustments have not been reflected in the consolidated financial statements.

However, in assessing the possible outcomes of the above-mentioned plans and measures, we have not been provided with sufficient appropriate audit evidence to conclude on the appropriateness of management's use of the going concern basis of accounting in the preparation of the consolidated financial statements because of the lack of detailed analyses provided by management in relation to its plans and measures for future actions in its going concern assessment which take into account the uncertainty of outcome of these plans and measures and how variability in outcome would affect the future cash flows of the Group. Any adjustments found to be required may have consequential significant effects on the consolidated net liabilities of the Group as at 31 December 2024 and the consolidated profit and total comprehensive income and cash flows of the Group for the year ended 31 December 2024, and the related elements and disclosures thereof in the consolidated financial statements.

MANAGEMENT VIEW ON GOING CONCERN

The Directors are of the opinion that the Group will have sufficient working capital to meet its financial obligations as and when they fall due for the next twelve months from 31 December 2024 after taking into consideration of the following:

(a) discussions and negotiations between the Group and the holders (the "**2017 Noteholder**") of the convertible loan note issued in 2017 (the "**2017 Convertible Loan Note**") with the remaining outstanding principal amount of US$40,000,000 (equivalent to HK$312,000,000) in respect of the amount due by the Group are still in progress;

(b) the Group is in negotiation with the counterparty (the "**Other Creditor**") of other payables related to considerations for acquisition of subsidiaries due by the Group for extending the repayment due dates;

(c) the Group is in the negotiation with the associates of the Company in respect of the repayment term of the amounts due to the associates;

(d) the Group is actively taking measures to increase the profitability of the Group's coal operation in order to improve the operating cash flows and its financial position; and

(e) the Group is actively seeking external facilities and fund raising opportunities.

In forming its view, the Directors have also considered, among others; (i) notwithstanding that the Company had not repaid the debt within 3 weeks from the date of service of the statutory demand, the Group has not received any further notice from the 2017 Noteholder of having commenced legal proceedings against the Company; (ii) notwithstanding that the Group had received a demand letter on 3 November 2022 from the legal advisers acting on behalf of the Other Creditor demanding the Group to repay the principal amount and the default interest outstanding by the Group, the Group has not received any further notice from the Other Creditor of having commenced legal proceedings against the Company; and (iii) save for the aforementioned, the Group has not received any winding-up petition against the Company nor additional demand letters and/or statutory demands up to the date of this announcement.

Accordingly, the Directors are of the opinion that it is appropriate to prepare the consolidated financial statements on a going concern basis.

Notwithstanding the above, significant uncertainties exist as to whether the Group will be able to continue as a going concern, which will depend upon the Group's ability to generate adequate financial and operating cash flows through the following:

(i) successful reach agreement with the 2017 Noteholder to extend the repayment timetable of the Group's financial obligations;

(ii) successful reach agreement with the Other Creditor to extend the repayment due dates;

(iii) successful reach agreement with the associates of the Company to fix a repayment schedule;

(iv) successful increase of the profitability of the coal operation in order to improve operating cash flows and financial position; and

(v) successfully obtaining external facilities and/or fund raising opportunities for fulfilling its other existing financial obligations.

ACTION PLAN ON GOING CONCERN

The Group has commenced the following action plans to address the disclaimer of opinion:

2017 Noteholder

As at the date of this announcement, despite receiving the statutory demand from the legal advisers acting on behalf of the 2017 Noteholder, China Huarong Macau (HK) Investment Holdings Limited on 22 July 2022, the Company had not repaid the debt within 3 weeks from the date of service of the statutory demand and the Group has not received any further notice of the 2017 Noteholder having commenced legal proceedings against the Company. The Company has been actively negotiating with the 2017 Noteholder for possible extension and/or settlement. However, the repayment timetable has yet to be finalized. For the avoidance of doubt, further announcement(s) will be made by the Company in compliance with the relevant Listing Rules requirements to inform the public and its Shareholders upon entering into the relevant definitive agreement(s) on an extension or settlement of the 2017 Convertible Loan Note by the 2017 Noteholder.

Other Payables

On 3 November 2022, the Group received a demand letter from the legal advisers acting on behalf of the Other Creditor, demanding the Group to repay the principal amount and the default interest outstanding by the Group. As of the date of this announcement, the Group is still negotiating with the Other Creditor to extend the repayment due dates of the other payables.

Amounts due to Associates

As of the date of this announcement, the Group is in negotiation with the associates of the Company on the repayment term of the amounts due to the associates.

Coal Operation Business

Following the further investments in the coal operation business during the Year, the revenue of the business increased steadily. We anticipate that there will a growth in this segment which in turn will generate a cash inflow and improve the financial position of the Group.

External Facilities and Fund Raising

In respect of seeking external facilities and fund raising opportunities, the Group had approached a number of financial institutions and/or other investor(s). Up to the date of this announcement, the Group has not concluded or reached any agreements with those financial institutions and/or other investor(s). The Company will continue to explore appropriate fund raising opportunities.

The Group's ability to continue as a going concern will depend upon the Group's ability to generate adequate financial cash flows. Assuming that the Group can successfully implement the aforesaid measures, the Group considers it would address the going concern issues.

For the avoidance of doubt, in accordance with the applicable Hong Kong Standards on Auditing, the auditor needs to obtain sufficient appropriate audit evidence and to consider, based on the audit evidence to be obtained, whether material uncertainty exists regarding the Group's ability to continue as going concern. As such, assuming the successful implementation of the action plan in time with sufficient and appropriate audit evidence can be provided, the Directors are of the view that the Disclaimer of Opinion is expected to be removed in the consolidated financial statements of the Group for the financial year ended 31 December 2025. The Company will continue to exercise its best endeavours to resolve the audit modification within the Year.

ANNUAL GENERAL MEETING

The annual general meeting ("**AGM**") of the Company will be held on Thursday, 29 May 2025. The notice of AGM will be sent to the shareholders of the Company (the "**Shareholder(s)**") at least 21 clear days before AGM.

CLOSURE OF REGISTER OF MEMBERS

For the purpose of determining the Shareholders who are entitled to attend and vote at the AGM to be held on Thursday, 29 May 2025, the register of member of the Company will be closed from 26 May 2025 to 29 May 2025, both days inclusive, during which period no transfer of shares of the Company will be registered. In order to qualify for attending and voting at the AGM, all transfer documents should be lodged for registration with the Company's Hong Kong branch share registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 23 May 2025.

FINAL DIVIDEND

The Directors do not recommend the payment of a final dividend for the Year (31 December 2023: Nil).

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

Overview

During the Year, the economy of the People's Republic of China (the "**PRC**") experienced modest post-pandemic growth, though the overall operating environment remained challenging. Market difficulties in the PRC, which had persisted from prior years, continued to weigh on performance. Additionally, ongoing tensions between the United States of America (the "**US**") and the PRC, coupled with high US dollar interest rates, further hindered both the export and domestic markets in the PRC. Despite these challenges, in September 2024, the PRC announced an economic stimulus package aimed at addressing the country's economic slowdown. This package focused on improving liquidity, revitalizing the property market, and stabilizing financial markets.

On 24 April 2024, the Company entered into the deeds of amendment (the "**Amendment Deeds**") with China OEPC Limited ("**China OEPC**") and Ms. Hao Ting ("**Ms. Hao**") respectively (collectively, the "**2020 Noteholders**"), pursuant to which the Company and the 2020 Noteholders conditionally agreed to extend the maturity date of the convertible notes due on 20 October 2022 in the aggregate principal amount of HK$395,000,000 issued by the Company (the "**2020 Convertible Notes**") from 20 October 2022 to the date falling on the second (2nd) anniversary of the date of completion of the Amendment Deeds with all other terms and conditions of the 2020 Convertible Notes remain unchanged. The extension of 2020 Convertible Notes was completed on 26 June 2024. For details, please refer to the announcements dated 24 April 2024, 17 May 2024, 4 June 2024, 21 June 2024, and 26 June 2024.

Coal mining business

On 19 January 2024, as a result of the reorganisation of the structure of Shanxi Coal Transportation and Marketing Group Energy Investment Development Company Limited* (山西煤炭運銷集團能源投資開發有限公司) ("**Shanxi Coal Group**") following the publication of the Notice on Promoting the Reorganisation of Coal Mine Assets of Shanxi Coking Coal Group Limited and Jinneng Holding Group Limited* (關於推進山西焦煤集團有限責任公司、晉能控股集團有限公司煤礦資產重組的通知) by Shanxi State-owned Capital Operation Company Limited* (山西省國有資本運營有限公司), Jinneng Holding Group Limited* (晉能控股集團有限公司) transferred its 41% equity interest in Shanxi Coal Group (including its rights to appoint directors of Shanxi Coal Group) to Shanxi Coking Coal Group Coal Management Company Limited* (山西焦煤集團煤業管理有限公司) ("**Shanxi Coking**") and such equity interest is managed by its subsidiary, Xishan Meidian (Group) Company Limited* (西山煤電(集團)有限責任公司) ("**Xishan Meidian**"). Furthermore, as a result of the reorganisation and/or pursuant to the relevant governmental policies, Shanxi Ruiying Investment and Management Co., Ltd* (山西瑞盈投資管理有限公司) ("**Shanxi Ruiying**"), Shanxi Changtong Energy Share Co., Ltd* (山西昌通能源股份有限公司) ("**Shanxi Changtong**") and Taiyuan Zhituo Investment Consultant Co., Ltd* (太原市智拓投資顧問有限公司), each being an indirect wholly-owned subsidiary of the Company, have collectively issued an undertaking in relation to Shanxi Coal Group, in favour of Xishan Meidian pursuant to which, amongst others, the 2 directors additionally appointed onto the board of directors of Shanxi Coal Group (the "**Shanxi Coal Group Board**") by Shanxi Ruiying and Shanxi Changtong pursuant to a resolution of the shareholders of Shanxi Energy Industry Group Company Limited* (山西能源產業集團有限責任公司) in 2009 shall abstain from exercising their voting rights at the meetings of the Shanxi Coal Group Board. As a result of the completion of the reorganisation, the Group's voting rights over the Shanxi Coal Group Board fell below 50% and thus the Group no longer has control over Shanxi Coal Group Board and the financial information of Shanxi Coal Group was no longer consolidated into the financial statement of the Group after the date of the undertaking, being 19 January 2024, and Shanxi Coal Group and its subsidiaries will only be accounted for as associates of the Group under equity accounting method. Details are set out in the Company's announcements dated 19 January 2024 and 7 February 2024, respectively.

For the Year, the coal trading business conducted through Shanxi Changtong generated total revenue of approximately HK$88,843,000. This represented approximately 37.9% of the Group's consolidated total revenue of approximately HK$234,169,000, which comprised revenue from continuing operations of approximately HK$120,234,000 and revenue from discontinued operations of approximately HK$113,935,000.

Following a comprehensive evaluation of the Group's operational strategy and performance, the Directors have resolved to discontinue the coal trading business operated by Shanxi Changtong. This decision is underpinned by several key considerations, including:

(i) the revenue contribution of Shanxi Changtong to the Group accounted for approximately 11.6%, 14.7%, 24.1%, and 0% of the Group's consolidated total revenue for the financial years ended 31 December 2023, 31 December 2022, 31 December 2021, and 31 December 2020, respectively.

(ii) the financial performance of Shanxi Changtong, which incurred losses for the five years ended 31 December 2024;

(iii) no revenue has been recorded since July of the Year and the absence of a concrete development plan for Shanxi Changtong; and

(iv) the overall strategic direction of the Group.

The Directors are of the opinion that ceasing the coal trading business is a fair and reasonable course of action and is in the best interests of the Company and its Shareholders as a whole.

As disclosed in the interim report for the six months ended 30 June 2024, the Company has initiated a strategic rebuilding initiative to strengthen its core coal operations. This initiative includes securing new premises for coal operations, upgrading to state-of-the-art equipment, and integrating advanced technologies to enhance operational efficiency. The Group aims to improve its profit margin by reallocating resources to its core coal operation business, which focuses on coal processing, coal mixing, and the sale of coal products. These operations are supported by long-term contracts with key customers, spot market sales, and the development of value-added products such as coal derivatives and processed coal products.

In light of this strategic realignment, the Group has decided to discontinue the coal trading business, which does not involve coal processing or mixing and was conducted through its wholly-owned subsidiary, Shanxi Changtong. This decision reflects the Group's commitment to optimising its operational framework and driving sustainable growth in its core business segment.

Coal operation business

Gujiao Hengbaitai Coal Trading Co., Ltd.* (古交市恒佰泰煤炭貿易有限公司) ("**Hengbaitai**"), is an indirect wholly-owned subsidiary of the Company incorporated in Shanxi province, the PRC. Its principle activities include coal processing, coal mixing, the sale of coal products and the provision of coal related services.

During the Year, to enhance the profitability of its coal operations, the Group expanded its business by introducing coal mixing and the sale of mixed coal. This new initiative is expected to complement the Group's existing coal-related operations. The coal mixing and processing facility for this venture is located within a steel-structured coal storage shed in Shanxi (the "**PRC Property**"). On 29 May 2024, Hengbaitai as the lessee, and Gujiao Jiayi Coal Co., Ltd* (古交市嘉億煤業有限公司) as the lessor, entered into a lease agreement for the PRC Property, for a term of three years effective from 1 June 2024 to 31 May 2027. Additionally, the Group has invested approximately RMB2,035,000 (equivalent to approximately HK$2,261,000) in machinery for the coal mixing business. For further details, please refer to the Company's announcements dated 29 May 2024 and 18 June 2024 respectively.

Hengbaitai recorded a revenue of approximately HK$120,234,000 for the Year (2023: approximately HK$95,680,000).

Cambodia business

The Group is seeking business opportunities related to cassava-based agricultural and deep processing business in Cambodia.

Systems Integration Services and Software Solutions

The Group is exploring business opportunities related to the systems integration services and software solutions segment.

* *For identification purpose only*

Environmental, social and corporate responsibility

As a responsible corporation, the Group is committed to maintaining high environmental and social standards to ensure sustainable development of its business. During the Year, the Group complied with all relevant laws and regulations applicable to its operations, including those related to health and safety, workplace conditions, employment and the environmental protection. The Group recognises that a better future depends on the participation and contribution of all stakeholders. Accordingly, it has encouraged employees, customers, suppliers and other stakeholders to actively engage in environmental and social activities that benefit the community as a whole. The Group has maintained strong relationships with its employees, enhanced cooperation with its suppliers, and provided high-quality products and services to its customers, all with the aim of fostering sustainable development.

FINANCIAL REVIEW

Loss for the Year from continuing operations

Loss for the Year from continuing operations was approximately HK$241,236,000 (31 December 2023: approximately HK$193,519,000 (represented)). The increase in loss for the Year was mainly attributable to the combined effects of the factors as stated below:

(i) Revenue

For the Year, the Group recorded a revenue of approximately HK$120,234,000 (31 December 2023: approximately HK$95,680,000 (represented)), representing an increase of approximately HK$24,554,000 or 25.7%, which was generated from the Coal operation business and mainly from Hengbaitai. The increase in revenue was mainly due to the increase in the selling price and production units of coal products throughout the Year.

(ii) Gross profit

For the Year, the Group recorded gross profit of approximately HK$16,361,000 with a gross profit ratio of approximately 13.6% (31 December 2023: approximately HK$15,637,000 (represented) with a gross profit ratio of approximately 16.3% (represented)). The increase in gross profit is mainly due to the increase in the selling price and production units of coal products while the decrease in gross profit ratio is mainly due to the increase in production costs per production units during the Year.

(iii) Administrative and other operating expenses

The administrative and other operating expenses of the Group for the Year amounted to approximately HK$14,070,000 representing an increase of approximately HK$389,000 as compared to approximately HK$13,681,000 (represented) for the year ended 31 December 2023. The management of the Company will continue to adopt cost saving measures in order to improve the financial performance of the Group.

(iv) Finance costs

Finance costs mainly consisted of effective interest expense on convertible notes and interest expenses on other borrowings, other payables and lease liabilities.

For the Year, finance costs amounted to approximately HK$249,707,000 (31 December 2023: approximately HK$186,001,000 (represented)), representing an increase of approximately HK$63,706,000. This increase was primarily due to (i) effective interest expense on convertible notes of approximately HK$29,696,000 for the Year (2023: nil) and (ii) higher interest expenses on other borrowings, which rose from approximately HK$185,902,000 (represented) for the year ended 31 December 2023 to approximately HK$219,895,000 during the Year.

Profit/(loss) for the year from discontinued operation

For further details of the discontinued operation during the Year, please refer to the note 9 to the consolidated financial statements.

Loss for the year from continuing operations attributable to owners of the Company

For the Year, loss attributable to owners of the Company was approximately HK$241,236,000 (31 December 2023: approximately HK$193,519,000 (represented)), mainly due to increase in finance costs by approximately HK$63,706,000 from approximately HK$186,001,000 (represented) for the year ended 31 December 2023 to approximately HK$249,707,000 for the Year.

LIQUIDITY AND FINANCIAL RESOURCES

Total capital deficiencies

As at 31 December 2024, the Group recorded total assets of approximately HK$149,555,000 (31 December 2023: approximately HK$5,222,570,000), which were financed by total liabilities of approximately HK$2,629,857,000 (31 December 2023: approximately HK$8,936,183,000) and total capital deficiencies of approximately HK$2,480,302,000 (31 December 2023: approximately HK$3,713,613,000).

Gearing

As at 31 December 2024, the Group's gearing ratio as computed as the Group's total debts which included amounts due to a former director/a director, amounts due to related companies, amounts due to associates, other borrowings, liabilities component of convertible notes and lease liabilities, net of restricted bank balances and cash and cash equivalents divided by capital deficiencies attributable to owners of the Company. Gearing ratio is not meaningful as the Group has capital deficiencies attributable to owners of the Company as at 31 December 2024 and 2023.

Liquidity

The Group had total cash and cash equivalents of approximately HK$2,016,000 as at 31 December 2024 (31 December 2023: approximately HK$101,430,000). The Group did not have any bank borrowings for both years.

EXTENSION OF THE MATURITY DATE OF THE 2020 CONVERTIBLE NOTES

References were made to the Company's circular dated 31 May 2024 and the Company's announcements (the "**CN Announcements**") dated 24 April 2024, 17 May 2024, 4 June 2024, 21 June 2024, and 26 June 2024 in respect of the connected transaction relating to, among others, the proposed extension of the maturity date of the convertible notes to 2020 Noteholders which originally expired on 20 October 2022. Unless the context requires otherwise, capitalized terms used herein shall bear the same meanings as defined in the CN Announcements.

The 2020 Convertible Notes were zero coupon unsecured unlisted convertible notes with an aggregate principal amount of HK$380,000,000 to China OEPC and HK$15,000,000 to Ms. Hao at a conversion price of HK$0.22 per share and subject to adjustment.

On 24 April 2024, the Company entered into the Amendment Deeds with 2020 Noteholders, pursuant to which the Company and the 2020 Noteholders conditionally agreed to extend the maturity date of the 2020 Convertible Notes from 20 October 2022 to the date falling on the second (2nd) anniversary of the date of completion of the Amendment Deeds in accordance with the terms and conditions thereof (the "**CN Extensions**").

The CN Extensions were approved by way of an ordinary resolution by the independent shareholders of the Company at the special general meeting on 21 June 2024. All conditions set out in the Amendment Deeds with the respective 2020 Noteholders were fulfilled, and the completion took place on 26 June 2024. Details can be found in the CN Announcements and the circular of the Company dated 31 May 2024.

SHARE CAPITAL AND CAPITAL STRUCTURE

As at 31 December 2024, the Company had 526,260,404 shares of HK$0.001 each in issue (31 December 2023: 526,260,404 shares).

SIGNIFICANT INVESTMENT AND MATERIAL ACQUISITIONS AND/OR DISPOSALS

Other than the acquisition of equipment as detailed in the announcement of the Company dated 18 June 2024, there were no significant investment held by the Group, nor were there any material acquisitions and/or disposals of subsidiaries, associates and joint ventures during the Year.

CHARGE OF ASSETS

Charges have been created to secure the 2017 Convertible Loan Note, including charges over the entire issued share capital of several subsidiaries of the Company, charges over the shares and convertible loan notes of the Company owned by China OEPC Limited, charges on accounts receivable owed to the Company, and land charges on certain properties in Cambodia acquired or to be acquired by the Group. For further details, please refer to the Company's announcement dated 27 June 2017.

TREASURY POLICIES

The Group generally financed its operations with internally generated resources and funds from equity and/or debt financing activities. All financing methods will be considered as long as such methods are beneficial to the Company. Bank deposits are in HK$, RMB, US$ and Cambodian dollars ("**KHR**").

CONTINGENT LIABILITY AND CAPITAL COMMITMENTS

The Group had no material contingent liability and capital commitment as at 31 December 2024.

The Group had capital commitments for the acquisition of property, plant and equipment which were contracted but not provided for as at 31 December 2023 of approximately HK$321,450,000. The Group had no material contingent liability as at 31 December 2023.

FOREIGN EXCHANGE EXPOSURE

For the Year, the Group earned revenue in RMB and incurred costs in HK$, RMB, US$ and KHR. Although the Group currently does not have any foreign currency hedging policy, it does not foresee any significant currency exposure in the near future. However, any permanent or significant change in RMB against HK$, may have possible impact on the Group's results and financial positions.

DISCLOSURES PURSUANT TO RULES 13.19 AND 13.21 OF THE LISTING RULES

Reference was made to the announcements of the Company dated 20 June 2022 and 25 July 2022.

As disclosed in the announcement of the Company dated 20 June 2022, the Company received a notice of demand from the 2017 Noteholder on 17 June 2022 demanding redemption by the Company of all of the 2017 Convertible Loan Note issued by the Company to the 2017 Noteholder on 10 July 2017 in the outstanding principal amount of US$40,000,000 by repayment of the whole of the outstanding principal amount, together with all unpaid interest accrued thereon (including default interest) and any other amounts due but unpaid under the 2017 Convertible Loan Note in full to the 2017 Noteholder.

As disclosed in the announcement of the Company dated 25 July 2022, the Company received a statutory demand from the legal advisers acting on behalf of the 2017 Noteholder pursuant to section 327(4)(a) of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong) on 22 July 2022, demanding the Company to pay the amount of US$84,943,738.72 under the 2017 Convertible Loan Note.

On 3 November 2022, the Group received a demand letter from the legal advisers acting on behalf of the Other Creditor, demanding the Group to repay the principal amount and the default interest related to consideration for acquisition of subsidiaries due by the Group.

EVENT AFTER REPORTING PERIOD

There is no material subsequent event undertaken by the Company or by the Group after 31 December 2024 and up to the date of this announcement.

PROSPECTS

With Mr. Donald Trump's second inauguration as the US president, there is expected to be greater uncertainty in various areas. Increase in tariffs, persistently high interest rates, a potentially high inflation rate and ongoing wars will inevitably create uncertainty about PRC's overall economic recovery. The increase in tariffs will not only affect exports, but will also impact the operations of domestic enterprises and the consumer market. Domestic steel exports and the real estate market are expected to have a direct impact on coal prices and demand. Management remains cautiously optimistic about the future of the domestic coal market. We will also continue to strive to identify financing and business opportunities through different channels to keep the Group moving forward.

EMPLOYEE AND REMUNERATION POLICIES

The Group ensured that its employees are remunerated according to the prevailing manpower market conditions and individual performance, qualification, experience and the remuneration policy are reviewed on a regular basis.

As at 31 December 2024, the Group employed approximately 47 full time employees in Hong Kong and the PRC. The Group remunerates its employees based on individual and business performance. Other employee benefits include mandatory provident fund, insurance and medical coverage, training programs and share option.

The emoluments of the Directors were determined with reference to their duties and responsibilities with the Company, the Company's performance, prevailing market conditions and the market emoluments for directors of other listed companies and reviewed by the remuneration committee of the Company.

The Group's total staff costs (including Directors' emoluments) from continuing operations for the Year under review amounted to approximately HK$6,512,000 (31 December 2023: approximately HK$5,923,000 (represented)).

PURCHASE, SALE AND REDEMPTION OF SHARES

Neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the Year.

MAJOR CUSTOMERS AND SUPPLIERS

Sales to the Group's largest customer accounted for approximately 72% of the Group's total sales in 2024. Sales to the Group's five largest customers accounted for approximately 100% of the Group's total sales in 2024.

Purchases from the Group's largest supplier accounted for approximately 33% of the total purchases in 2024. Purchases from the Group's five largest suppliers accounted for approximately 97% of the total purchases in 2024.

None of the Directors, any of their associates of the Company, or any of the substantial Shareholders (which are disclosed to the Directors) had any beneficial interest in the Group's five largest customers and suppliers.

MANAGEMENT CONTRACTS

During the Year under review, no management and administrative contracts regarding the entire or any major businesses of the Company have been entered into or have existed.

SUFFICIENCY OF PUBLIC FLOAT

Based on the information that is publicly available to the Company and within the knowledge of the Directors, the Company has maintained sufficient public float of not less than 25% of the Company's total issued share capital as required under the Listing Rules throughout the Year and as at the date of this announcement.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES

The Group did not have any material acquisition or disposal of subsidiaries during the Year.

ENVIRONMENT POLICIES AND PERFORMANCE

The Group is committed to contributing to the sustainability of the environment and maintaining a good standard of corporate social governance essential for bringing a framework for motivating employees to contribute to our community.

The Group has made continuous efforts in promoting green measures and awareness in daily business operations. The principles of recycling and reducing will always be encouraged to adhere to as much as possible, such as implementing green office practices of double-sided printing and copying, setting up recycling bins and switching off idle lightings and regulating air-conditioning in different zoning.

The environmental, social and governance report conducted by an independent professional third party for the Year will be published separately in compliance with the requirements of the Listing Rules.

COMPLIANCE WITH REGULATIONS

During the Year, there was no incidence of non-compliance with relevant laws and regulations that have a significant impact on the Group as far as the Board is aware.

INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

During the Year, the Company has complied with the requirements under Rules 3.10(1), 3.10(2) and 3.10A of the Listing Rules. The Company has received the confirmation of independence from all three (3) independent non-executive Directors ("**INEDs**"), namely Mr. Ho Kin Cheong, Kelvin ("**Mr. Ho**"), Mr. Shen Weidong ("**Mr. Shen**") and Mr. Tian Hong ("**Mr. Tian**") in accordance with Rules 3.13 of the Listing Rules.

The Board has reviewed the independence of all INEDs and concluded that all of them are independent within the definition of the Listing Rules. Furthermore, the Board is not aware of the occurrence of any events which would cause it to believe that the independence of any of the INEDs has been impaired up to the date of this announcement.

CORPORATE GOVERNANCE PRACTICES

The Company has adopted the principles and code provisions set out in the Corporate Governance Code (the "**CG Code**") as set out in Appendix C1 to the Listing Rules.

In the opinion of the Board, the Company has complied with the code provisions of the CG Code during the Year, except for the following deviations:

- Code provision C.2.1 of the CG Code, the roles of chairman and chief executive should be separate and should not be performed by the same individual. During the Year, Mr. Tse has taken up the roles of the chairman (the "**Chairman**") and the chief executive officer (the "**CEO**") which constituted a deviation from code provision C.2.1 of the CG Code. Mr. Tse has extensive management skill, knowledge and experience. The Board believes that vesting the roles of both the Chairman and the CEO in the same person can facilitate the execution of the Group's business strategies and boost the effectiveness of its operation. Therefore, the Board considers that the deviation from the code provision C.2.1 of the CG Code is appropriate in this circumstance. In addition, under the supervision of the Board, which is comprised of two (2) executive Directors and three (3) independent non-executive Directors, the Company is of the view the Board is appropriately structured with a balance of power to provide sufficient checks to protect the interests of the Company and the Shareholders.

MODEL CODE FOR DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") set out in Appendix C3 to the Listing Rules as the code of conduct for dealing in securities of the Company by the Directors. All Directors have confirmed, upon specific enquiries made by the Company, that they have complied with the required standard set out in the Model Code during the Year. To ensure Directors' dealings in the securities of the Company are conducted in accordance with the Model Code, a Director is required to notify designated executive Directors in writing and obtain a written acknowledgement from the designated executive Directors prior to any dealings the securities of the Company.

AUDIT COMMITTEE AND REVIEW OF FINANCIAL STATEMENTS

As at the date of this announcement, the audit committee comprised three (3) members, all of whom were INEDs. The composition of the audit committee is Mr. Ho (chairman of the audit committee), Mr. Shen and Mr. Tian. Mr. Ho is an associate member of the Hong Kong Institute of Certified Public Accountants, and a fellow member of the Association of Chartered Certified Accountants. None of the members is a partner or former partner of the auditor.

The audit committee, in collaboration with management of the Company and the Auditor, has reviewed the Group's consolidated financial statements for the Year. This review included an assessment of the accounting principles and practices adopted by the Group, as well as discussions on auditing matters, risk management, internal controls, and financial reporting issues for the Year.

SCOPE OF WORK OF THE AUDITOR

The figures in respect of the Group's consolidated statement of financial position as at 31 December 2024, consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the Year as set out in this announcement have been agreed by the Auditor, to the amounts set out in the Group's audited consolidated financial statements for the Year. The work performed by the Auditor in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by HKICPA and consequently no assurance has been expressed by the Auditor on this announcement.

PUBLICATION OF THE RESULTS AND ANNUAL REPORT

This announcement can be accessed on both the Stock Exchange's and the Company's website via *http://www.hkex.com.hk* and *http://www.greenleader.hk.* The 2024 annual report of the Company containing all other information of the Company required by the Listing Rules will be despatched to the Shareholders and published on the Stock Exchange's and the Company's website within the prescribed period.

By order of the Board
Green Leader Holdings Group Limited
Tse Michael Nam
Chairman

Hong Kong, 31 March 2025

As at the date of this announcement, the executive Directors are Mr. Tse Michael Nam (Chairman and Chief Executive Officer) and Ms. An Juan; and the independent non-executive Directors are Mr. Ho Kin Cheong Kelvin, Mr. Shen Weidong and Mr. Tian Hong.