

---

## THIS PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

---

If you are in any doubt as to any aspect of this Prospectus or as to the action you should take, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Greenheart Group Limited, you should at once hand the Prospectus Documents to the purchaser(s) or the transferee(s), or to the bank manager, licensed securities dealer, registered institution in securities or other agent through whom the sale was effected for transmission to the purchaser(s) or transferee(s).

A copy of each of the Prospectus Documents, together with the documents specified in the paragraph headed "15. Documents delivered to the Registrar of Companies in Hong Kong" in Appendix III to this Prospectus have been registered with the Registrar of Companies in Hong Kong as required by section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong). The Registrar of Companies in Hong Kong, the Stock Exchange and the Securities and Futures Commission of Hong Kong take no responsibility for the contents of any of the Prospectus Documents.

The attention of Shareholders with registered addresses in, and investors who are located or residing in, any of the jurisdictions outside Hong Kong or holding Shares on behalf of beneficial owners of Shares with such addresses is drawn to the paragraph headed "Non-Qualifying Shareholders" in the "Letter from the Board" in this Prospectus.

Subject to the granting of listing of, and permission to deal in, the Rights Shares in both nil-paid and fully-paid forms on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, the Rights Shares in both nil-paid and fully-paid forms will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the respective commencement dates of dealings in the Rights Shares in their nil-paid and fully-paid forms on the Stock Exchange or such other dates as determined by HKSCC and you should consult your stockbroker, a licensed dealer in securities, bank manager, solicitor, professional accountant or other professional adviser for details of those settlement arrangements and how such arrangements may affect your rights and interests. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second settlement day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

Hong Kong Exchanges and Clearing Limited, the Stock Exchange and HKSCC take no responsibility for the contents of this Prospectus, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Prospectus.

---



## GREENHEART GROUP LIMITED

綠心集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 94)

**(1) PROPOSED RIGHTS ISSUE OF RIGHTS SHARES  
ON THE BASIS OF ONE (1) RIGHTS SHARE  
FOR EVERY TWO (2) EXISTING SHARES AT  
HK\$0.0363 PER RIGHTS SHARE;  
AND**

**(2) PROPOSED CHANGE IN BOARD LOT SIZE**

Financial Adviser to the Company



紅日資本有限公司

RED SUN CAPITAL LIMITED

Placing Agent to the Rights Issue



---

Unless the context requires otherwise, capitalised terms used in this cover shall have the same meanings as those defined in this Prospectus.

The latest time for payment and acceptance of the Rights Shares is at 4:00 p.m. on Monday, 21 July 2025. The procedures for acceptance and transfer of the Rights Shares are set out in the section headed "Procedures for acceptance and payment or transfer" in the "Letter from the Board" of this Prospectus.

It should be noted that the Shares have been dealt in on an ex-rights basis from Wednesday, 18 June 2025. Dealings in the Rights Shares in their nil-paid form will take place from Wednesday, 9 July 2025 to Wednesday, 16 July 2025 (both days inclusive). If the conditions of the Rights Issue are not fulfilled or waived (as applicable), the Rights Issue will not proceed. Any persons contemplating dealings in the Shares prior to the date on which the conditions of the Rights Issue are fulfilled or waived (as applicable), and/or dealings in the nil-paid Rights Shares, are accordingly subject to the risk that the Rights Issue may not become unconditional or may not proceed.

The Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptances of the provisionally allotted Rights Shares and is subject to the fulfilment of conditions. Please refer to the section headed "Letter from the Board – Proposed Rights Issue – Conditions of the Rights Issue" in this Prospectus. Shareholders and potential investors of the Company should note that: (a) if the conditions to the Rights Issue are not satisfied, the Rights Issue will not proceed; and (b) the Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptances of the provisionally allotted Rights Shares. In the event the Rights Issue is not fully subscribed, any Rights Shares not taken up by the Qualifying Shareholders will be placed to independent Placees under the Compensatory Arrangements. Any Unsubscribed Rights Shares or NQS Unsold Rights Shares remain not placed under the Compensatory Arrangements will not be issued by the Company and the size of the Rights Issue will be reduced accordingly. There is no minimum amount to be raised under the Rights Issue. There are no applicable statutory requirements under the laws of Bermuda regarding minimum subscription levels in respect of the Rights Issue. Accordingly, the Rights Issue and the Placing may or may not proceed. Any Shareholder or other person contemplating transferring, selling, purchasing or otherwise dealing with the Shares and/or the Rights Shares in their nil-paid forms is advised to exercise caution when dealing in the Shares and/or Rights Shares. Any person who is in any doubt about his/her/its position or any action to be taken is recommended to consult his/her/its own professional adviser(s). Any Shareholder or other person dealing in the Shares or in the nil-paid Rights Shares up to the date on which all the conditions to which the Rights Issue is subject are fulfilled, will accordingly bear the risk that the Rights Issue and the Placing may not become unconditional or may not proceed.

7 July 2025

---

## NOTICE

---

The Rights Issue is on a non-underwritten basis. Pursuant to the Company's constitutional document, the Companies (Winding Up and Miscellaneous Provisions) Ordinance and the Listing Rules, there is no requirement for a minimum level of subscription in the Rights Issue. The Rights Issue is subject to fulfillment or (where applicable) waiver of the conditions of the Rights Issue as set out in the section headed "Conditions of the Rights Issue" in the "Letter from the Board" on page 26 of this Prospectus at or prior to the latest time for the Rights Issue to become unconditional (which is currently expected to be 4:00 p.m. on Tuesday, 5 August 2025). If the conditions of the Rights Issue are not fulfilled or (where applicable) waived on or prior to the latest time for the Rights Issue to become unconditional, the Rights Issue will not proceed.

**ANY SHAREHOLDER OR OTHER PERSON CONTEMPLATING TRANSFERRING, SELLING OR PURCHASING SHARES AND/OR RIGHTS SHARES IN THEIR NIL-PAID FORM IS ADVISED TO EXERCISE CAUTION WHEN DEALING IN THE SHARES AND/OR NIL-PAID RIGHTS SHARES. ANY PERSON WHO IS IN ANY DOUBT ABOUT HIS/HER/ITS POSITION OR ANY ACTION TO BE TAKEN IS RECOMMENDED TO CONSULT HIS/HER/ITS OWN PROFESSIONAL ADVISER(S). ANY SHAREHOLDER OR OTHER PERSON DEALING IN THE SHARES OR IN THE NIL-PAID RIGHTS SHARES UP TO THE DATE ON WHICH ALL THE CONDITIONS TO WHICH THE RIGHTS ISSUE IS SUBJECT ARE FULFILLED WILL ACCORDINGLY BEAR THE RISK THAT THE RIGHTS ISSUE MAY NOT BECOME UNCONDITIONAL OR MAY NOT PROCEED.**

**EXCEPT AS OTHERWISE SET OUT HEREIN, THE RIGHTS ISSUE DESCRIBED IN THIS PROSPECTUS IS NOT BEING EXTENDED TO SHAREHOLDERS WITH REGISTERED ADDRESSES IN JURISDICTIONS OUTSIDE HONG KONG AND NEITHER IS THE RIGHTS ISSUE BEING EXTENDED TO INVESTORS WHO ARE LOCATED OR RESIDING IN ANY OF THE JURISDICTIONS OUTSIDE HONG KONG, UNLESS AN OFFER OF THE RIGHTS SHARES IN NIL-PAID AND/OR FULLY-PAID FORMS INTO SUCH JURISDICTIONS COULD LAWFULLY BE EXTENDED WITHOUT COMPLIANCE WITH ANY REGISTRATION OR OTHER LEGAL OR REGULATORY REQUIREMENTS OR THE OFFER IS EXTENDED IN RELIANCE ON ANY EXEMPTION OR WHERE COMPLIANCE IS NOT UNDULY BURDENSOME.** This Prospectus does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to acquire, the nil-paid Rights Shares or fully-paid Rights Shares or to take up any entitlements to the nil-paid Rights Shares or fully-paid Rights Shares in any jurisdiction in which such an offer, invitation or solicitation is unlawful. None of this Prospectus and the Provisional Allotment Letter(s) will be registered or filed under the securities laws of any jurisdiction other than Hong Kong and none of the nil-paid Rights Shares, the fully-paid Rights Shares, this Prospectus and the Provisional Allotment Letter(s) will qualify for distribution under any of the relevant securities laws of any of the jurisdictions outside Hong Kong (other than pursuant to any applicable exceptions as agreed by the Company). Accordingly, the nil-paid Rights Shares and the fully-paid Rights Shares may not be offered, sold, pledged, taken up, resold, renounced, transferred or delivered, directly or indirectly, into or within any jurisdictions outside Hong Kong absent registration or qualification under the respective securities laws of such jurisdictions outside Hong Kong, or exemption from the registration or qualification requirement under applicable rules of such jurisdictions.

---

## NOTICE

---

Each person acquiring the Rights Shares in nil-paid and/or fully-paid forms under the Rights Issue will be required to confirm, or be deemed by his or her or its acquisition of the Rights Shares in nil-paid and/or fully-paid forms to confirm, that he or she or it is aware of the restrictions on offers and sales of the Rights Shares in nil-paid and/or fully-paid forms described in this Prospectus.

For a description of certain restrictions regarding the taking up of the nil-paid Rights Shares for, and the offering and sale of, the Rights Shares, see the notices below.

### **FORWARD-LOOKING STATEMENTS**

All statements in this Prospectus other than statements of historical fact are forward-looking statements. In some cases, forward-looking statements may be identified by the use of words such as “might”, “may”, “could”, “would”, “will”, “expect”, “intend”, “estimate”, “anticipate”, “believe”, “plan”, “seek”, “continue”, “illustration”, “projection” or similar expressions and the negative thereof. Forward-looking statements in this Prospectus include, without limitation, statements in respect of the Group’s business strategies, service offerings, market position, competition, financial prospects, performance, liquidity and capital resources, as well as statements regarding trends in the relevant industries and markets in which the Group operates, technological advances, financial and economic developments, legal and regulatory changes and their interpretation and enforcement.

The forward-looking statements in this Prospectus are based on the present expectations of the management of the Company about future events. The present expectations of the management of the Company reflect numerous assumptions regarding the Group’s strategy, operations, industry, developments in the credit and other financial markets and trading environment. By their nature, they are subject to known and unknown risks and uncertainties, which could cause actual results and future events to differ materially from those implied or expressed by forward-looking statements. Should one or more of these risks or uncertainties materialise, or should any assumptions underlying forward-looking statements prove to be incorrect, the Group’s actual results could differ materially from those expressed or implied by forward-looking statements.

Additional risks not known to the Group or that the Group does not currently consider material could also cause the events and trends discussed in this Prospectus not to occur, and the estimates, illustrations and projections of financial performance not to be realised.

Prospective investors are cautioned that forward-looking statements speak only as at the date of publication of this Prospectus. Except as required by applicable law, the Group does not undertake, and expressly disclaims, any duty to revise any forward-looking statement in this Prospectus, be it as a result of new information, future events or otherwise.

---

## CONTENTS

---

	<i>Page</i>
<b>DEFINITIONS .....</b>	<b>1</b>
<b>EXPECTED TIMETABLE .....</b>	<b>7</b>
<b>LETTER FROM THE BOARD .....</b>	<b>10</b>
<b>APPENDIX I – FINANCIAL INFORMATION OF THE GROUP .....</b>	<b>I-1</b>
<b>APPENDIX II – UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP .....</b>	<b>II-1</b>
<b>APPENDIX III – GENERAL INFORMATION .....</b>	<b>III-1</b>

---

## DEFINITIONS

---

*In this Prospectus, unless the context requires otherwise, the following expressions shall have the following meanings:*

“2024 Annual Report”	the annual report of the Company for the year ended 31 December 2024
“acting in concert”	has the meaning ascribed thereto under the Takeovers Code
“Admission”	the grant of an approval by the Stock Exchange of the listing of, and permission to deal in, all of the Placing Shares (whether nil-paid or fully-paid)
“Announcements”	the Initial Announcement and the Supplemental Announcement
“associate(s)”	shall have the meaning ascribed thereto under the Listing Rules
“Authority”	any administrative, governmental or regulatory commission, board, body, authority or agency, or any stock exchange, self-regulatory organisation or other non-governmental regulatory authority, or any court, tribunal or arbitrator, in each case whether national, central, federal, provincial, state, regional, municipal, local, domestic or foreign, and “Authorities” shall be interpreted and construed accordingly
“Board”	the board of Directors
“Business Day(s)”	any day on which banks are generally open for business in Hong Kong (excluding Saturday and Sunday)
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“CCASS Operational Procedures”	the operational procedures of HKSCC in relation to CCASS, containing the practices, procedures and administrative requirements relating to operations and functions of CCASS, as from time to time
“Change in Board Lot Size”	the proposed change in board lot size of the Shares for trading on the Stock Exchange from 2,000 Shares to 80,000 Shares
“Committed Shares”	the 561,002,963 Rights Shares to be provisionally allotted to Newforest under the Rights Issue in respect of the Relevant Shares, of which Newforest has irrevocably undertaken to accept or procure to accept under the Irrevocable Undertaking

---

## DEFINITIONS

---

“Companies (Winding Up and Miscellaneous Provisions) Ordinance”	the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong)
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong), as amended from time to time
“Company”	Greenheart Group Limited (stock code: 94), a company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange
“Compensatory Arrangements”	the compensatory arrangements pursuant to Rule 7.21(1)(b) of the Listing Rules as described in the paragraph headed “Procedures in respect of Unsubscribed Rights Shares and the NQS Unsold Rights Shares and the Compensatory Arrangements” in this Prospectus
“Completion Date”	the date on which the Rights Shares (in fully-paid form) having been duly allotted and issued to the Qualifying Shareholders
“connected person(s)”	has the same meaning ascribed to it under the Listing Rules
“controlling shareholder”	has the same meaning ascribed to it under the Listing Rules
“Director(s)”	director(s) of the Company
“Group”	the Company, and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Independent Third Party(ies)”	third party(ies) independent of the Company and any connected person(s) of the Company and not a connected person of the Company
“Initial Announcement”	the announcement of the Company dated 10 June 2025 in relation to, among other things, the Rights Issue, the Placing and the Change in Board Lot Size
“Irrevocable Undertaking”	the irrevocable undertaking dated 10 June 2025 given by Newforest in favour of the Company

---

## DEFINITIONS

---

“Latest Practicable Date”	2 July 2025, being the latest practicable date before the printing of this Prospectus for the purpose of ascertaining certain information contained herein
“Last Trading Day”	10 June 2025, being the last trading day for the Shares immediately before the release of the Initial Announcement
“Latest Acceptance Date”	21 July 2025, being the last day for acceptance and payment of the Rights Issue or such other date as the Company may determine
“Latest Placing Date”	4 August 2025, being the latest day for the Placing Agent to place the Placing Shares
“Latest Time for Termination”	the latest time to terminate the Placing Agreement
“Law”	any and all national, central, federal, provincial, state, regional, municipal, local, domestic or foreign laws (including, without limitation, any common law or case law), statutes, ordinances, legal codes, regulations or rules (including, without limitation, any and all regulations, rules, orders, judgments, decrees, rulings, opinions, guidelines, measures, notices or circulars (in each case, whether formally published or not and to the extent mandatory or, if not complied with, the basis for legal, administrative, regulatory or judicial consequences) of any Authority)
“Listing Committee”	has the same meaning ascribed to it under the Listing Rules
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date”	5 August 2025 (or such other date as the Company and the Placing Agent may agree in writing)
“Main Board”	the main board of the Stock Exchange
“Net Gain”	the aggregate of any premiums (being the aggregate amount paid by the placees after deducting (a) the aggregate amount of the Subscription Price for the Placing Shares placed by the Placing Agent under the Compensatory Arrangements; and (b) the aggregate amount of the expenses of the Placing Agent and any other related expenses/fees)

---

## DEFINITIONS

---

“Newforest”	Newforest Limited, being a controlling shareholder, is directly and beneficially owned as to 40% by Gallant Elite International Limited and as to 60% by Sharpfield Holdings Limited. Both Gallant Elite International Limited and Sharpfield Holdings Limited are wholly-owned subsidiaries of Chow Tai Fook Nominee Limited
“Nil Paid Rights”	rights to subscribe for Rights Shares (in the form of Rights Shares in nil-paid form) before the Subscription Price is paid
“No Action Shareholder(s)”	Qualifying Shareholders who do not subscribe for the Rights Shares (whether partially or fully) under the provisional allotment letters or their renounees, or such persons who hold any Nil Paid Rights at the time such Nil Paid Rights are lapsed
“Non-Qualifying Shareholder(s)”	Overseas Shareholder(s) in respect of whom the Directors, based on legal advice provided by legal advisers in the relevant jurisdictions, consider it necessary or expedient to exclude from the Rights Issue, on account either of the legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place
“NQS Unsold Rights Shares”	the Rights Shares which would otherwise have been provisionally allotted to the Non-Qualifying Shareholders in nil-paid form that have not been sold by the Company
“Overseas Shareholder(s)”	Shareholder(s) whose names appear on the register of members of the Company as at the close of business on the Record Date and whose address(es) as shown on such register is/are outside Hong Kong
“Personal Property”	all the present and after-acquired property
“Placee(s)”	any individuals, corporate, institutional investors or other investors, who and whose ultimate beneficial owners, shall be Independent Third Parties
“Placing”	the placing of Unsubscribed Rights Shares on a best effort basis by the Placing Agent and/or its sub-placing agents(s) to the Placees on the terms and conditions of the Placing Agreement
“Placing Agent”	VMS Securities Limited, a corporation licensed to carry out Type 1 (dealing in securities) regulated activities under the SFO



---

## DEFINITIONS

---

“Placing Agreement”	the placing agreement dated 10 June 2025 entered into between the Company and the Placing Agent in relation to the placing of Placing Shares
“Placing Arrangement”	the placing arrangement for the Placing Shares as described in the section headed “Placing Arrangement for the Placing Shares” in this Prospectus
“Placing Share(s)”	all the Unsubscribed Rights Shares and the NQS Unsold Rights Shares
“Posting Date”	7 July 2025 or such other date as the Company may determine in writing for the despatch of the Prospectus Documents
“PRC”	the People’s Republic of China, which for the purpose of this Prospectus, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Prospectus”	this prospectus issued by the Company in relation to the Rights Issue
“Prospectus Documents”	the Prospectus and the Provisional Allotment Letter
“Provisional Allotment Letter(s)” or “PAL(s)”	the provisional allotment letter(s) to be issued to the Qualifying Shareholders in connection with the Rights Issue in such form as the Company may approve
“Public Float Requirement”	the public float requirement under Rule 8.08 of the Listing Rules which requires, inter alia, at least 25% of the issuer’s total number of issued shares (excluding treasury shares) must at all times be held by the public
“Qualifying Shareholder(s)”	Shareholder(s), other than the Non-Qualifying Shareholder(s), whose name(s) appear on the register of members of the Company as at the close of business on the Record Date
“Record Date”	26 June 2025, being the date by reference to which entitlements of the shareholders under the Rights Issue are expected to be determined
“Registrar”	the branch share registrar and transfer office of the Company, being Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong
“Relevant Shares”	the 1,122,005,927 Shares being held by Newforest as at the date of the Irrevocable Undertaking

---

## DEFINITIONS

---

“Rights Issue”	the proposed offer of the Rights Shares to the Qualifying Shareholders at the Subscription Price, on the basis of one (1) Rights Share for every two (2) existing Shares held by each Qualifying Shareholder on the Record Date
“Rights Shares”	the new Share(s) to be allotted and issued in respect of the Rights Issue
“Selected Group Companies”	certain indirectly wholly-owned subsidiaries of the Company
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of the Company
“Shareholder(s)”	the holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	the subscription price of HK\$0.0363 per Rights Share
“subsidiary(ies)”	has the same meaning ascribed to it under the Listing Rules
“substantial shareholder(s)”	has the same meaning ascribed to it under the Listing Rules
“Supplemental Announcement”	the supplemental announcement of the Company dated 12 June 2025 in relation to, among other things, the Rights Issue, the Placing and the Change in Board Lot Size
“Takeovers Code”	the Hong Kong Codes on Takeovers and Mergers and Share Buy-backs
“United States” or “US”	the United States of America (including its territories and dependencies, any state in the US and the District of Columbia)
“Unsubscribed Rights Shares”	the Rights Shares that are not subscribed by the Qualifying Shareholder(s), or renouncee(s) or transferee(s) of Nil Paid Rights under the PAL(s), including the Rights Shares which would otherwise have been provisionally allotted to the Non-Qualifying Shareholders in nil-paid form that have not been sold by the Company
“%”	per cent or percentage

---

## EXPECTED TIMETABLE

---

Set out below is the expected timetable for the Change in Board Lot Size, the Rights Issue and the Placing which is indicative only and has been prepared on the assumption that all the conditions of the Rights Issue will be fulfilled:

Event	Date
Effective date of the change in board lot size from 2,000 Shares to 80,000 Shares. . . . .	Wednesday, 9 July 2025
First day of dealing in Nil Paid Rights in the new board lot size of 80,000 Shares . . . . .	Wednesday, 9 July 2025
Designated broker starts to stand in the market to provide matching services for odd lots of Shares . . . . .	9:00 a.m. on Wednesday, 9 July 2025
Latest time for splitting PAL. . . . .	4:00 p.m. on Friday, 11 July 2025
Last day of dealing in Nil Paid Rights in the new board lot size of 80,000 Shares . . . . .	Wednesday, 16 July 2025
Latest time for lodging transfer documents of nil-paid Rights Shares in order to qualify for the payment of Net Gain. . . . .	4:00 p.m. on Monday, 21 July 2025

---

## EXPECTED TIMETABLE

---

Event	Date
Latest time for acceptance of and payment for the Rights Shares . . . . .	4:00 p.m. on Monday, 21 July 2025
Announcement of the number of the Placing Shares subject to the Compensatory Arrangements to be posted on the Stock Exchange's website and the Company's website on or before . . . . .	Monday, 28 July 2025
Commencement of placing of the Placing Shares by the Placing Agent (if there are any Unsubscribed Rights Shares available) . . . . .	Tuesday, 29 July 2025
Designated broker ceases to stand in the market to provide matching services for odd lots of Shares . . . . .	4:00 p.m. on Tuesday, 29 July 2025
Latest Time for Termination . . . . .	4:00 p.m. on Monday, 4 August 2025
Latest time of placing of the Placing Shares by the Placing Agent . . . . .	4:00 p.m. on Monday, 4 August 2025
Announcement of the results of the Rights Issue (including results of the placing of Placing Shares and the amount of the Net Gain per Unsubscribed Rights Share and the NQS Unsold Rights Shares under the Compensatory Arrangements) to be posted on the Stock Exchange's website and the Company's website on or before . . . . .	Monday, 11 August 2025
Despatch of refund cheques, if any, if the Rights Issue does not proceed . . . . .	Tuesday, 12 August 2025
Despatch of certificates for fully-paid Rights Shares . . . . .	Tuesday, 12 August 2025
Commencement of dealings in fully-paid Rights Shares . . . . .	9:00 a.m. on Wednesday, 13 August 2025
Payment of the Net Gain (if any) to relevant No Action Shareholders and Non-Qualifying Shareholders (if any) . . . . .	Wednesday, 27 August 2025

All times and dates in this timetable refer to Hong Kong local times and dates. In the event that any special circumstances arise, such dates and deadlines may be adjusted by the Board if it considers appropriate. Any changes to the expected timetable will be published or notified to the Shareholders by way of announcement(s) on the website of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and on the website of the Company ([www.greenheartgroup.com](http://www.greenheartgroup.com)) as and when appropriate.

---

## EXPECTED TIMETABLE

---

### **EFFECT OF BAD WEATHER ON THE LATEST TIME FOR ACCEPTANCE OF AND PAYMENT FOR THE RIGHTS SHARES**

The latest time for acceptance of and payment for Rights Shares will not take place if there is a tropical cyclone warning signal no. 8 or above, or a “black” rainstorm warning and/or “extreme conditions caused by super typhoons” as announced by the Hong Kong Government:

- (i) in force in Hong Kong at any local time before 12:00 noon and no longer in force after 12:00 noon on the Latest Acceptance Date. Instead, the latest time for acceptance of and payment for the Rights Shares will be extended to 5:00 p.m. on the same Business Day; and
- (ii) in force in Hong Kong at any local time between 12:00 noon and 4:00 p.m. on the Latest Acceptance Date. Instead the latest time of acceptance of and payment for the Rights Shares will be rescheduled to 4:00 p.m. on the following Business Day which does not have either of those warnings in force at any time between 9:00 a.m. and 4:00 p.m. If the latest time for acceptance of and payment for the Rights Shares does not take place on the Latest Acceptance Date, the dates mentioned in the section headed “EXPECTED TIMETABLE” may be affected. The Company will notify the Shareholders by way of announcement(s) of any change to the expected timetable as soon as practicable.

If the latest time for acceptance of and payment for the Rights Shares does not take place on or before 4:00 p.m. on Monday, 21 July 2025, the dates mentioned in this section may be affected. An announcement will be made as soon as practicable by the Company in such event.

---

## LETTER FROM THE BOARD

---



### GREENHEART GROUP LIMITED

### 綠心集團有限公司

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 94)**

***Executive Director:***

Mr. Ding Wai Chuen (*Chief Executive Officer*)

***Non-executive Directors:***

Mr. Cheng Chi-Him, Conrad (*Chairman*)

Mr. Kenneth Lau

Mr. Lie Ken Jie Remy Anthony Ket Heng

Ms. Suen Chung Yan, Julia

***Independent non-executive Directors:***

Mr. Wong Man Chung, Francis

Mr. Cheung Pak To, Patrick

Mr. To Chun Wai

***Registered office:***

Canon's Court, 22 Victoria Street

Hamilton HM 12, Bermuda

***Head office and principal place of business***

***in Hong Kong:***

32A, 32/F., Fortis Tower

Nos. 77-79 Gloucester Road

Wanchai, Hong Kong

7 July 2025

*To the Shareholders*

Dear Sir or Madam,

**(1) PROPOSED RIGHTS ISSUE OF RIGHTS SHARES  
ON THE BASIS OF ONE (1) RIGHTS SHARE  
FOR EVERY TWO (2) EXISTING SHARES AT  
HK\$0.0363 PER RIGHTS SHARE;  
AND  
(2) PROPOSED CHANGE IN BOARD LOT SIZE**

**INTRODUCTION**

Reference is made to the Announcements in relation to, among other things, the Rights Issue, the Placing and the Change in Board Lot Size.

The purpose of this Prospectus is to provide you with further information on, among other things, the Rights Issue, including procedures for acceptance, transfer and splitting of provisional allotments of the Rights Shares and certain financial information and other information in respect of the Group.

---

## LETTER FROM THE BOARD

---

### PROPOSED RIGHTS ISSUE

The Company proposes to raise not more than HK\$33,668,088 before expenses by way of the Rights Issue to the Shareholders (on the basis that no Shares are issued or repurchased on or before the Record Date). The Rights Issue is not underwritten and involves the issue of up to 927,495,528 Rights Shares (on the basis that no Shares are issued or repurchased on or before the Record Date) at the Subscription Price of HK\$0.0363 per Rights Share on the basis of one (1) Rights Share for every two (2) existing Shares in issue on the Record Date. Subject to fulfilment of the conditions of the Rights Issue, the Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptance of the provisionally allotted Rights Shares. If the Rights Issue is not fully subscribed, the number of Rights Shares that are not subscribed by the Qualifying Shareholders or renounees or transferees of the Nil Paid Rights under the PALs (i.e. the Unsubscribed Rights Shares) will be placed to independent Placees on a best effort basis through the Placing. The Unsubscribed Rights Shares that are not placed will not be issued by the Company and the size of the Rights Issue will be reduced accordingly. There is no minimum amount to be raised under the Rights Issue. The Rights Issue is only available to the Qualifying Shareholders and will not be available to the Non-Qualifying Shareholders.

### Issue statistics

Basis of the Rights Issue:	One (1) Rights Share for every two (2) existing Shares held on the Record Date
Subscription Price:	HK\$0.0363 per Rights Share
Number of the existing Shares in issue as at the Last Trading Day:	1,854,991,056 Shares
Number of Rights Shares to be issued under the Rights Issue:	Up to 927,495,528 Rights Shares (assuming no new Shares are issued or repurchased on or before the Record Date)
Maximum enlarged issued share capital upon completion of the Rights Issue:	2,782,486,584 Shares (assuming no Shares are issued (other than the Rights Shares) or repurchased on or before the completion of the Rights Issue)
Maximum proceeds to be raised under the Rights Issue before expenses:	Approximately HK\$33,668,087.67 (assuming no Shares are issued or repurchased on or before the Record Date)
Rights of excess application:	There will be no excess application arrangements in relation to the Rights Issue

As at the Latest Practicable Date, the Company has no other outstanding convertible bonds, options, derivatives, warrants, conversion rights or other similar rights entitling holders thereof to subscribe for or convert into or exchange for new Shares.

---

## LETTER FROM THE BOARD

---

Assuming no Shares are issued or repurchased on or before the Record Date, the maximum number of 927,495,528 Rights Shares to be issued pursuant to the terms of the Rights Issue represents 50.0% of the total number of the existing issued Shares as at the Latest Practicable Date and 33.3% of the total number of the issued Shares as enlarged by the allotment and issue of the Rights Shares immediately upon completion of the Rights Issue.

The Company has not conducted any rights issue, open offer and/or specific mandate placing within the 12-month period immediately preceding the Latest Practicable Date, or prior to such 12-month period where dealing in respect of the Shares issued pursuant thereto commenced within such 12-month period, nor has it issued any bonus securities, warrants or other convertible securities as part of such rights issue, open offers and/or specific mandate placings within such 12-month period. The Rights Issue does not result in a theoretical dilution effect of 25% or more on its own.

### **Non-underwritten basis**

The Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptances of the provisionally allotted Rights Shares. In the event the Rights Issue is not fully subscribed, the number of Rights Shares that are not subscribed by the Qualifying Shareholders or renouncees or transferees of the Nil Paid Rights under the PALs (i.e. the Unsubscribed Rights Shares) will be placed to independent Placees on a best effort basis through the Placing. Any Unsubscribed Rights Shares or NQS Unsold Rights Shares remain not placed under the Compensatory Arrangements will not be issued by the Company and the size of the Rights Issue will be reduced accordingly. There is no minimum amount to be raised under the Rights Issue.

As the Rights Issue will proceed on a non-underwritten basis, the Qualifying Shareholder who applies to take up all or part of his/her/its entitlement under the PAL(s), or by transferees of Nil Paid Rights will be made on the basis that the applications are to be scaled down by the Company to a level which (a) does not trigger a general offer obligation under the Takeovers Code on the part of the applicant or parties acting in concert with him/her/it, and/or (b) does not result in the non-compliance of the Public Float Requirement on the part of the Company. Accordingly, the Rights Issue will be made on terms that the Company will provide for the Qualifying Shareholders to apply on the basis that if the Rights Shares are not fully taken up, the application of any Qualifying Shareholder (except for HKSCC Nominees Limited) for his/her/its assured entitlement under the Rights Issue will be scaled down to a level which does not trigger an obligation on part of the relevant Shareholder to make a general offer under the Takeovers Code in accordance to the note to Rule 7.19(5)(b) of the Listing Rules.



---

## LETTER FROM THE BOARD

---

### **Irrevocable Undertaking**

As at the Latest Practicable Date, Newforest, being the controlling Shareholder, is beneficially interested in 1,122,005,927 Shares, representing approximately 60.49% of the issued share capital of the Company. On 10 June 2025, Newforest has given an Irrevocable Undertaking in favour of the Company where it irrevocably undertakes with the Company, among other things:

- (i) to procure that the Relevant Shares remain registered in its name at the close of business on the Record Date;
- (ii) to accept or procure the acceptance of the 561,002,963 Rights Shares (i.e. the Committed Shares) to be provisionally allotted to it under the Rights Issue in respect of Relevant Shares and lodge the relevant PAL(s) with the Registrar with full payment therefor pursuant to the Rights Issue and in accordance with the terms of the Prospectus Documents;
- (iii) not to sell, dispose of or transfer, or agree to sell, dispose of or transfer any of the Relevant Shares from the date of the Irrevocable Undertaking to the date of completion of the Rights Issue; and
- (iv) it shall do all such acts and things, obtain all consents and approvals (if any) necessary and execute all such documents as may be required to give effect to the undertakings set out in the Irrevocable Undertaking.

Save for the above, as at the Latest Practicable Date, the Board has not received any information or irrevocable undertaking from any other Shareholders of their intention to take up the Rights Shares.

### **Subscription Price**

The Subscription Price of HK\$0.0363 per Rights Share is payable in full when a Qualifying Shareholder accepts his/her/its provisional allotment under the Rights Issue or when a transferee of Nil Paid Rights accepts the provisional allotment of the Rights Shares.

The Subscription Price represents:

- (i) a discount of approximately 28.8% to the closing price of HK\$0.051 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (ii) a discount of approximately 9.25% to the closing price of HK\$0.0400 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (iii) a discount of approximately 4.97% to the average of the closing prices per Share as quoted on the Stock Exchange for the five previous consecutive trading days up to and including the Last Trading Day of approximately HK\$0.0382;
- (iv) a discount of approximately 6.92% to the average of the closing prices per Share as quoted on the Stock Exchange for the ten previous consecutive trading days up to and including the Last Trading Day of approximately HK\$0.0390;

---

## LETTER FROM THE BOARD

---

- (v) a discount of approximately 6.44% to the theoretical ex-rights price of approximately HK\$0.0388 per Share based on the closing price of HK\$0.0400 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (vi) a discount of approximately 88.80% to the audited consolidated net asset value attributable to the Shareholders as at 31 December 2024 as extracted from the annual report of the Company for the year ended 31 December 2024 of approximately HK\$0.324 per Share; and
- (vii) a theoretical dilution effect (as defined under Rule 7.27B of the Listing Rules) of approximately 3.00%, represented by the theoretical diluted price of approximately HK\$0.0388 per Share to the benchmarked price (as defined under Rule 7.27B of the Listing Rules, taking into account the closing price on the Last Trading Day of HK\$0.0400 per Share and the average of the closing prices of the Shares as quoted on the Stock Exchange for the five previous consecutive trading days prior to the Last Trading Day of approximately HK\$0.0382 per Share) of approximately HK\$0.0400 per Share (the “**Theoretical Dilution Effect**”).

Under the Rights Issue, each Qualifying Shareholder is entitled to subscribe for the Rights Shares at the Subscription Price in proportion to his/her/its existing shareholdings in the Company. Given the prospects of the forestry industry and the corresponding market reactions at the material time, the Share price has been trading at a notable discount to the consolidated net asset value per Share for a lengthy period of time. On this basis, the Share price has not fully reflected the consolidated net asset value per Share. Despite the discount of the Subscription Price to the current market price and the audited consolidated net asset value attributable to the Shareholders as at 31 December 2024, the Board considers that the discount of the Subscription Price to the current market price will encourage them to participate in the Rights Issue. Having considered the above factors, the Board is of the view that it is reasonable to benchmark the Subscription Price against the prevailing Share price at the material time and determined the Subscription Price with reference to approximately 5% discount to the average closing price per Share as quoted on the Stock Exchange for the five previous consecutive trading days up to and including the Last Trading Day. The Subscription Price and the Rights Issue ratio were determined by the Board based on the prevailing market price of the Shares and the funding needs of the Group. The Board is of the view that the Rights Issue will provide the Group with sufficient funding to reduce the financial burden in the manner as set out under the section headed “REASONS FOR AND BENEFITS OF THE RIGHTS ISSUE AND USE OF PROCEEDS” in this Prospectus. As such, the Directors consider that the Subscription Price is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

---

## LETTER FROM THE BOARD

---

### **Basis of provisional allotments**

Under the Rights Issue, the basis of the provisional allotment will be one (1) Right Share for every two (2) Shares held by the Shareholders as at the close of business on the Record Date at the Subscription Price. Application for all or any part of a Qualifying Shareholder's provisional allotment should be made by completing a PAL and lodging the same with a cheque or a banker's cashier order for the sum payable for the Rights Shares being applied for with the Registrar on or before the Latest Time for Acceptance.

If a Qualifying Shareholder wishes to accept only a part of, or to renounce or transfer a part of, the Rights Shares provisionally allotted to him/her/it under the PAL, such Qualifying Shareholder will need to split his/her/its PAL into the denominations required.

### **Procedures for acceptance and payment or transfer**

A PAL will be sent to the Qualifying Shareholders in printed form which entitles the Qualifying Shareholder(s) to whom it is addressed to subscribe for the number of the Rights Shares shown therein. If the Qualifying Shareholders wish to accept all the Rights Shares provisionally allotted to them as specified in the PAL, they must lodge the PAL in accordance with the instructions printed thereon, together with a remittance for the full amount payable on acceptance, with the Registrar at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, by no later than 4:00 p.m. on Monday, 21 July 2025 (or, under bad weather conditions and/or extreme conditions, such later time or date as mentioned in the section headed "Effect of Bad Weather on the Latest Time for Acceptance of and Payment for the Rights Shares" in "EXPECTED TIMETABLE" in this Prospectus). All remittances must be made in Hong Kong dollars by cheques which must be drawn on an account with, or by banker's cashier orders which must be issued by, a licensed bank in Hong Kong and made payable to "TRICOR INVESTOR SERVICES LIMITED – A/C NO. 069" and crossed "Account Payee Only". It should be noted that unless the PAL, together with the appropriate remittance, have been lodged with the Registrar by no later than 4:00 p.m. on Monday, 21 July 2025, whether by the original allottee or any person to whom the provisional allotment has been validly transferred, the relevant provisional allotment and all rights and entitlements thereunder will be deemed to have been declined and will be cancelled. The Company is not obliged to but may, at its sole absolute discretion, treat a PAL as valid and binding on the person(s) by whom or on whose behalf it is lodged even if the PAL is not completed in accordance with the relevant instructions. The Company may require such incomplete PAL to be completed by the relevant applicants at a later stage.

If the Qualifying Shareholders wish to accept only part of their provisional allotment or transfer part of their rights to subscribe for the Rights Shares provisionally allotted to them under the PAL or to transfer part or all of their rights to more than one person, the original PAL must be surrendered and lodged for cancellation by no later than 4:30 p.m. on Friday, 11 July 2025 to the Registrar at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, who will cancel the original PAL and issue new PALs in the denominations required, which will be available for collection at the Registrar's address set out above after 9:00 a.m. on the second Business Day after the surrender of the original PAL. This process is commonly referred to as "splitting" of nil-paid rights. It should be noted that Hong Kong stamp duty is payable in connection with a transfer of rights to subscribe for the Rights Shares.

---

## LETTER FROM THE BOARD

---

If the Qualifying Shareholders wish to transfer all of their nil-paid Rights Shares under the PAL(s) (or a split PAL(s), as the case may be) to another person, they must complete and sign Form B in the PAL(s) and hand the PAL(s) to the person(s) to or through whom they are transferring their nil-paid rights. The transferee must then complete and sign Form C in the PAL(s) and lodge the PAL(s) intact together with a remittance for the full amount payable on acceptance with the Registrar so as to be received by no later than 4:00 p.m. on Monday, 21 July 2025 to effect the transfer. It should be noted that Hong Kong stamp duty is payable in connection with the transfer of rights to subscribe for the Rights Shares to the transferee(s) and the acceptance by the transferee(s) of such rights.

The Company reserves the right to refuse to register any transfer in favour of any person in respect of which the Company believes such transfer may violate applicable securities or other laws or regulations of any jurisdiction.

The PAL contains the full information regarding the procedures to be followed for Qualifying Shareholders who wish to: (i) accept their provisional allotment in full; (ii) accept only part of their provisional allotment; or (iii) renounce/transfer all or part of their provisional allotment to other party/parties. Qualifying Shareholders are advised to study the procedures set out in the PAL carefully. If any of the conditions of the Rights Issue as set out in the section headed “Letter from the Board – Conditions of the Rights Issue” in this Prospectus is not fulfilled at or before 4:00 p.m. on Monday, 4 August 2025, the Rights Issue will not proceed. Under such circumstances, the monies received in respect of application for the Rights Shares will be returned to the relevant applicants or, in the case of joint applicants, to the first-named person without interest, by means of cheques despatched by ordinary post at the risk of such Qualifying Shareholders to their registered addresses by the Registrar on or about Tuesday, 12 August 2025.

### **Cheques and banker’s cashier orders**

All cheques or banker’s cashier orders will be presented for payment immediately upon receipt and all interest earned on such monies (if any) will be retained for the benefit of the Company. Completion and lodgment of a PAL together with a cheque or banker’s cashier order in payment for the Rights Shares applied for will constitute a warranty by the applicant that the cheque or banker’s cashier order will be honoured on first presentation. Without prejudice to its other rights in respect thereof, the Company reserves the right and is in its absolute discretion to reject any PAL in respect of which the cheque or banker’s cashier order is dishonoured on first presentation, and in that event the provisional allotment and all rights and all such assured entitlements thereunder will be deemed to have been declined and will be cancelled.

---

## LETTER FROM THE BOARD

---

### Beneficial owners' instructions to their intermediary

For beneficial owners whose Shares are deposited in CCASS and registered in the name of HKSCC Nominees Limited, if they wish to subscribe for the Rights Shares provisionally allotted to them, or sell their nil-paid Rights Shares or “split” their nil-paid rights by accepting part of their provisional allotment and selling/transferring the remaining part, they should contact their intermediary and provide their intermediary with instructions or make arrangements with their intermediary in relation to the acceptance, transfer and/or “splitting” of the rights to subscribe for the Rights Shares which have been provisionally allotted to them in respect of the Shares in which they are beneficially interested. Such instructions and the relevant arrangements should be given or made in advance of the relevant dates stated in the “EXPECTED TIMETABLE” in this Prospectus and otherwise in accordance with the requirements of their intermediary in order to allow their intermediary sufficient time to ensure that their instructions are given effect. The procedures for acceptance, transfer and/or “splitting” in these cases shall be in accordance with the General Rules of HKSCC, the HKSCC Operational Procedures and any other applicable requirements of HKSCC.

### Status of the Rights Shares

The Rights Shares (when allotted, issued and fully paid) will rank *pari passu* in all respects with the existing Shares in issue. Holders of fully-paid Rights Shares will be entitled to receive all future dividends and distributions which may be declared, made or paid with a record date falling after the date of allotment and issue of the Rights Shares in their fully-paid form.

### Qualifying Shareholders

To qualify for the Rights Issue, a Qualifying Shareholder must be registered as a member of the Company on the Record Date and not being a Non-Qualifying Shareholder. In order to be registered as members of the Company on the Record Date, all transfers of Shares must be lodged with the Registrar by not later than 4:30 p.m. on Thursday, 19 June 2025. It is expected that the last day of dealings in the Shares on a cum-rights basis is Tuesday, 17 June 2025 and the Shares will be dealt with on an ex-rights basis from Wednesday, 18 June 2025.

The Company will despatch the Prospectus Documents to the Qualifying Shareholders on the Posting Date.

Application for all or any part of a Qualifying Shareholder's provisional allotment should be made by completing the Provisional Allotment Letter and lodging the same with a cheque or banker's cashier order for the Rights Shares being applied for with the Registrar on or before 4:00 p.m. on the Latest Acceptance Date.

The Qualifying Shareholders who take up their provisional allotment in full will not experience any dilution to their interests in the Company (except in relation to any dilution resulting from the taking up by third parties of any Rights Shares arising from the aggregation of fractional entitlements). **If a Qualifying Shareholder does not take up any of his/her/its entitlement in full under the Rights Issue, his/her/its proportionate shareholding in the Company will be diluted.**

---

## LETTER FROM THE BOARD

---

### Non-Qualifying Shareholders

The Prospectus Documents will not be registered or filed under the applicable securities legislation of any jurisdiction other than Hong Kong. The Company will send the Prospectus to the Non-Qualifying Shareholders (other than such Non-Qualifying Shareholder in the United States) for their information only, but will not send the Provisional Allotment Letter to them. Overseas Shareholders may not be eligible to take part in the Rights Issue as explained below.

According to the register of members of the Company as at the close of business on the Record Date, there were 10 Overseas Shareholders whose registered addresses were located in Australia, the British Virgin Islands, Cayman Islands, Canada, Macau, Malaysia, Singapore, the United Kingdom and the United States holding 1,122,009,968 Shares in aggregate, representing approximately 60.49% of the issued share capital of the Company as at the Record Date.

Pursuant to Rule 13.36(2)(a) of the Listing Rules, the Directors have made enquiries regarding the feasibility of extending the Rights Issue to the Overseas Shareholder(s) under the laws of the relevant overseas jurisdictions and the requirements of the relevant regulatory bodies or stock exchanges. Having considered the advice of its legal advisers as to the laws of the aforementioned jurisdictions, the Directors have formed the view that it is necessary or expedient to exclude the Overseas Shareholders whose registered address(es) are located in Canada and the United States due to the time and costs involved in the registration or filing of this prospectus and/or approval required by the relevant authorities in such jurisdictions and the additional steps the Company and/or the Overseas Shareholders in such jurisdictions need to take to comply with the local legal requirements and/or other requirements to be satisfied in order to comply with the relevant local legal or regulatory requirements in such jurisdictions. As at the close of business on the Record Date, there were one Shareholder from Canada holding 275 Shares and one Shareholder from the United States holding 1,100 Shares that were identified as Non-Qualifying Shareholders, who held an aggregate of 1,375 Shares, representing approximately 0.000074% of the total issued Shares as at the Record Date.

Based on the advice of the legal advisers in Australia, the British Virgin Islands, Cayman Islands, Macau, Malaysia, Singapore and the United Kingdom, the Board is of the view that local legal restrictions and requirements of the relevant regulatory body or stock exchange do not make it necessary or expedient to exclude the Overseas Shareholders with registered addresses in the aforementioned jurisdictions. Accordingly, the Board has resolved to proceed with the Rights Issue to the Overseas Shareholders having registered addresses in Australia, the British Virgin Islands, Cayman Islands, Macau, Malaysia, Singapore and the United Kingdom and such Overseas Shareholders are considered as Qualifying Shareholders.

The Non-Qualifying Shareholders (which are excluded from the Rights Issue) would not have any entitlement under the Rights Issue. However, arrangements will be made for the Rights Shares, which would otherwise have been provisionally allotted to the Non-Qualifying Shareholders in nil-paid form, to be sold as soon as practicable after dealings in the Nil Paid Rights commence. The proceeds of such sale, less expenses and stamp duty, will be paid pro-rata (but rounded down to the nearest cent) to the relevant Non-Qualifying Shareholders to their shareholdings held on the Record Date in Hong Kong Dollars. The Company will retain individual amounts of HK\$100 or less, which shall not be so distributed but shall be retained for the benefit of the Company.

---

## LETTER FROM THE BOARD

---

Any unsold Rights Shares, which would otherwise have been provisionally allotted to the Non-Qualifying Shareholders in nil-paid form, will be placed by the Placing Agent under the Placing Arrangement together with the Unsubscribed Rights Shares. The proceeds of the sale as described above in the case of being sold by the Placing Agent, less the Subscription Price and expenses, will be paid pro-rata (but rounded down to the nearest cent) to the relevant Non-Qualifying Shareholders to their shareholdings held on the Record Date in Hong Kong Dollars together with the No Action Shareholders on the basis of all NQS Unsold Rights Shares and Unsubscribed Rights Shares. The Company will retain individual amounts of less than HK\$100 for its own benefit. Any Unsubscribed Rights Shares or NQS Unsold Rights Shares remain not placed after completion of the Placing Arrangement will not be issued by the Company and the size of the Rights Issue will be reduced accordingly.

For the Nil Paid Rights that were sold as described above and the buyer of such Nil Paid Rights who will not take up the entitlement, such Unsubscribed Rights Shares will be subject to the Compensatory Arrangements.

**The Company reserves the right to treat as invalid any acceptance of or applications for Rights Shares where it believes that such acceptance or application would violate the applicable securities or other laws or regulations of any territory or jurisdiction. Accordingly, Non-Qualifying Shareholders should exercise caution when dealing in the Shares.**

### **Fractional entitlements**

The Company will not provisionally allot fractions of Rights Shares. All fractions of Rights Shares will be aggregated and sold in the market and, if a premium (net of expenses) can be achieved, the Company will keep the net proceeds for its own benefit. Any of these Rights Shares remain not sold in the market will not be issued by the Company and the size of the Rights Issue will be reduced accordingly.

### **Procedures in respect of Unsubscribed Rights Shares and the NQS Unsold Rights Shares and the Compensatory Arrangements**

The Company will make arrangements described in Rule 7.21(1)(b) of the Listing Rules to dispose of the Placing Shares by offering the Placing Shares to independent placees for the benefit of Shareholders to whom they were offered by way of the Rights Issue.

The Company therefore appointed the Placing Agent to place the Placing Shares after the latest time for acceptance of the Rights Shares to be allotted and issued under the Rights Issue to independent placees on a best effort basis. Any premium over, the aggregate amount of (i) the Subscription Price for those Rights Shares; and (ii) the expenses of the Placing Agent (including any other related expenses/fees), that is realised will be paid to the No Action Shareholders and the Non-Qualifying Shareholders on a pro-rata basis. The Placing Agent will on a best effort basis, procure, by not later than 4:00 p.m., on Monday, 4 August 2025, acquirers for all (or as many as possible) of those Placing Shares. Any Placing Shares remain not placed after completion of the Placing Arrangement will not be issued by the Company and the size of the Rights Issue will be reduced accordingly.



---

## LETTER FROM THE BOARD

---

Net Gain (if any) will be paid (without interest) on pro-rata basis (on the basis of all Placing Shares) to the No Action Shareholders (but rounded down to the nearest cent) as set out below:

- A. where the Nil Paid Rights are, at the time they lapse, represented by a Provisional Allotment Letter, to the person whose name and address appeared on the Provisional Allotment Letter (unless that person is covered by (C) below);
- B. where the Nil Paid Rights are, at the time they lapse, registered in the name of HKSCC Nominees Limited, to the beneficial holders (via their respective CCASS participants) as the holder of those Nil Paid Rights in CCASS (unless that person is covered by (C) below); and
- C. where the Rights Issue is available to the Overseas Shareholders and where an entitlement to the Rights Shares was not taken up by such Overseas Shareholders, to that Overseas Shareholders.

For Net Gain (if any) to Non-Qualifying Shareholders, please refer to the section headed “Non-Qualifying Shareholders” above.

It is proposed that Net Gain to any of the No Action Shareholder(s) mentioned in “A” to “C” of HK\$100 or more will be paid to them in Hong Kong Dollars only and the Company will retain individual amounts of less than HK\$100 for its own benefit. Shareholders are reminded that Net Gain may or may not be realised, and accordingly the No Action Shareholders and the Non-Qualifying Shareholders may or may not receive any Net Gain.

### Placing Arrangement for the Placing Shares

On 10 June 2025 (after trading hours), the Company and the Placing Agent entered into the Placing Agreement, pursuant to which the Placing Agent has conditionally agreed to procure independent placee(s), on a best effort basis, to subscribe for the Placing Shares. Details of the Placing Arrangement are as follows:

Date: 10 June 2025

Placing Agent: VMS Securities Limited, a licensed corporation carrying out Type 1 (dealing in securities) regulated activities under the SFO.

As at the Latest Practicable Date, the Placing Agent and its ultimate beneficial owner(s) are Independent Third Parties.

Fees and expenses: The Company shall pay to the Placing Agent:

- (a) a fixed fee of HK\$150,000, which shall be payable to the Placing Agent regardless of whether completion under the Placing Agreement occurs and is non-refundable under any circumstances, including but not limited to the Placing Agent’s failure to procure Placees for all or any of the Placing Shares; and



---

## LETTER FROM THE BOARD

---

- (b) if completion occurs in accordance with the Placing Agreement, a commission equal to 2% of the amount which is equal to the Placing Price multiplied by the Placing Shares that have been successfully placed by the Placing Agent on behalf of the Company pursuant to its obligations in the Placing Agreement.

Placing price of each of the Unsubscribed Rights Share and/or the NQS Unsold Rights Share (as the case maybe):	<p>The placing price of each of the Placing Shares (as the case maybe) shall not be less than the Subscription Price.</p> <p>The final price determination depends on the demand and market conditions of the Placing Shares during the process of placement.</p>
Placees:	<p>The Placing Shares are expected to be placed to placees, being any individuals, corporate, institutional investors or other investors, who and whose ultimate beneficial owners, shall be Independent Third Parties. If any of the placees subscribes for 10% or more of the Shares under the Placing, he/she/it will become a substantial Shareholder after completion of the Placing.</p>
Ranking of the Placing Shares:	<p>The Placing Shares (when placed, allotted, issued and fully paid) shall rank <i>pari passu</i> in all respects among themselves and with the existing Shares in issue as at the date of the Announcements.</p>
Conditions precedent:	<p>The Placing is conditional upon the following conditions precedent being fulfilled (or being waived by the Placing Agent in accordance with the Placing Agreement) on or before 5:00 p.m. (Hong Kong time) on the Long Stop Date:</p> <ul style="list-style-type: none"><li>(a) the compliance with the requirements of the Stock Exchange and the Listing Rules, including but not limited to the obtaining of the Admission;</li><li>(b) the filing and registration of the prospectus and provisional allotment letter in relation to the Rights Issue (together with any other documents required by applicable law or regulation to be annexed thereto) with the Registrar of Companies in Hong Kong;</li><li>(c) the Shares remaining listed and traded on the Stock Exchange at all times from the date of the Placing Agreement to the Completion Date, save for any temporary suspension not exceeding three consecutive trading days (as defined under the Listing Rules), or such longer period as the Placing Agent may accept in writing, and no indication being received by the Company on or before the Latest Placing Date from the Stock Exchange to the effect that the listing of the Shares on the Stock Exchange will or may be withdrawn or objected to as a result of the Rights Issue, the Placing or in connection with the terms of the Placing Agreement;</li></ul>

---

## LETTER FROM THE BOARD

---

- (d) the Company having complied with and performed all its undertakings and obligations under the Placing Agreement, and the warranties stated in the Placing Agreement remaining true and accurate in all respects, and not misleading in any material respect, as given on the completion date of the Placing Agreement, being the second Business Day after the Latest Placing Date (or such other date and place as the Placing Agent and the Company may agree in writing); and
- (e) the Placing Agreement not having been terminated in accordance with the provisions thereof.

### Termination:

The Placing Agent may terminate by notice in writing to the Company at any time up to 4:00 p.m. on the Latest Placing Date if, at or prior to such time:

- (a) there is any change in local, national, international, financial, exchange control, political, economic conditions or other nature, or in the nature of any local, national or international outbreak or escalation of hostilities or armed conflict, or affecting local securities markets; or
- (b) the introduction of any new regulation or any change in existing laws or regulations (or the judicial interpretation thereof) or other occurrence of any nature whatsoever after the signing of the Placing Agreement; or
- (c) the occurrence of any material adverse change in market conditions (including without limitation, any change in fiscal or monetary policy, or foreign exchange or currency markets, suspension or material restriction on trading in securities) in Hong Kong and the PRC; or
- (d) the imposition of any moratorium, suspension or material restriction on trading in the Shares generally on the Stock Exchange whether due to exceptional financial circumstances or otherwise; or
- (e) there is any material breach of the warranties or undertakings given by the Company in the Placing Agreement; or

---

## LETTER FROM THE BOARD

---

- (f) there is any adverse change (whether or not forming part of a series of changes) as determined by the Placing Agent in its reasonable opinion after the signing of the Placing Agreement in (i) the business or in the financial or trading position of the Company, or (ii) any aspects of the Rights Issue (including but not limited to its structure, timing or any prior understanding between the parties insofar as the Placing arrangement therein is concerned); or
- (g) there is any suspension of dealings in the Shares on the Stock Exchange for more than five consecutive trading days (other than as a result of or in connection with the Placing or suspension for clearance of announcement(s) by the Stock Exchange and/or the SFC); or
- (h) any material litigation, dispute, legal action or claim being threatened or instigated against any member of the Group; or
- (i) any event, or series of event, of force majeure (being an event beyond the control of the parties and which is unforeseeable or unavoidable), including but without limiting the generality hereof, any act of God (such as flood, earthquake, hurricane, volcanic eruption etc.), war, riot, public disorder, civil commotion, fire, explosion, epidemic, terrorism, strike or lock-out in or affecting Hong Kong or the PRC;

which, individually or in the aggregate, in the reasonable opinion of the Placing Agent:

- (i) has or will or may have a material adverse effect on the business or financial position of the Group taken as a whole; or
- (ii) has or will or may have a material adverse effect on the success of the Rights Issue or the level of Rights Shares taken up; or
- (iii) has or will or is likely to have the effect of making any part of the Placing Agreement (including underwriting) inadvisable, incapable or impractical of performance in accordance with its terms or preventing or pursuant to the underwriting of the Rights Issue,

the Placing Agent shall be entitled by notice in writing to the Company, served prior to the Latest Placing Date, to terminate the Placing Agreement without consent from the Company.

---

## LETTER FROM THE BOARD

---

The engagement between the Company and the Placing Agent for the placing of the Placing Shares was determined after arm's length negotiations between the Placing Agent and the Company. The Directors consider the fee charged by the Placing Agent is no less favourable to the Company than the commission in recent placing transactions. For information purposes, the placing commission charged by placing agents for the placement of shares announced in the 12 months period ended 30 June 2025, with a gross fund raise between HK\$5 million up to HK\$100 million, for companies listed on the Stock Exchange, ranged from approximately 1.0% to 5.0% of the respective maximum gross fund raised for variable fees and between HK\$100,000 and HK\$300,000 for fixed fees regardless of number of share(s) placed under the subject placement, under the subject placement of shares by not less than 10 listed companies (the **"Placing Commission Range"**). On this basis, the terms of the Placing Arrangement for the Placing Shares, including the placing commission in the form of variable and fixed placing fee, which represents approximately 2.4% of the maximum gross fund raised under the Rights Issue or approximately 3.1% of the maximum gross fund raised under the Placing, excluding the gross fund raise from the acceptance of the 561,002,963 Rights Shares pursuant to the Irrevocable Undertaking, both of which are within the Placing Commission Range from the identified market precedents, are therefore on normal commercial terms. The Directors believe the placing fee, including the fixed fee portion which shall be paid by the Company regardless of whether Share(s) will be placed under the Placing Arrangement, being in line with the respective placing fee range, to be ordinary in the marketing of securities, and is considered to be fair and reasonable.

Given that the Compensatory Arrangements would provide (i) a distribution channel of the Placing Shares to the Company; (ii) an additional channel of participation in the Rights Issue for independent Qualifying Shareholders and the Non-Qualifying Shareholders; and (iii) a compensatory mechanism for No Action Shareholders and the Non-Qualifying Shareholders, the Company considers that the Compensatory Arrangements are fair and reasonable and would provide adequate safeguard to protect the interest of the Company's minority Shareholders.

### **Odd lot arrangement**

Upon the Change in Board Lot Size, each board lot of the Company will increase from 2,000 Shares to 80,000 Shares. To facilitate the trading of odd lots of Shares, the Company has appointed Sun Securities Limited to stand in the market to match the purchase and sale of odd lots of the Shares at the relevant market price, on a best effort basis. Holders of Shares in odd lots who wish to take advantage of this facility either to dispose of their odd lots of the Shares or to top up to a full board lot may contact Ms. Li Ximei at (852) 2922-9168 during the period from 9:00 a.m. on Wednesday, 9 July 2025 to 4:00 p.m. on Tuesday, 29 July 2025, both days inclusive. Holders of Shares in odd lots should note that the matching services mentioned above are on a "best effort" basis only and successful matching of the sale and purchase of odd lots of Shares is not guaranteed and will depend on there being an adequate amount of odd lots of Shares available for matching. Any Shareholder who is in any doubt about the odd lots arrangements is recommended to consult his/her/its/their own professional advisers.

---

## LETTER FROM THE BOARD

---

### **Application for listing**

The Company will apply to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Rights Shares in both nil-paid and fully-paid forms. Nil Paid Rights are expected to be traded in new board lot size as the Shares, i.e., 80,000 shares in one board lot. No part of the securities of the Company in issue or for which listing or permission to deal is being or is proposed to be sought is listed or dealt in or on any other stock exchange.

### **Stamp duty and other applicable fees**

Dealings in the Rights Shares (in both nil-paid and fully-paid forms) will be subject to the payment of stamp duty, Stock Exchange trading fee, SFC transaction levy and other applicable fees and charges in Hong Kong.

### **Share certificates for the Rights Shares**

Subject to the fulfilment of the conditions of the Rights Issue as set out below, share certificates for all fully-paid Rights Shares are expected to be sent by ordinary post on Tuesday, 12 August 2025 to those persons who have validly accepted and, where applicable, applied for, and paid for the Rights Shares, at their own risks. Those entitled, except HKSCC Nominees Limited, and in the case of joint Qualifying Shareholders, the first-named Qualifying Shareholder, will receive one share certificate for all the Rights Shares in fully-paid form, allotted and issued thereto.

Refund cheques if the Rights Issue does not proceed are expected to be posted on Tuesday, 12 August 2025 by ordinary post to the applicants' registered addresses, at their own risk.

### **Taxation**

Shareholders are advised to consult their professional advisers if they are in doubt as to the taxation implications of the receipt, purchase, holding, exercising, disposing of or dealing in, the Nil Paid Rights or the fully-paid Rights Shares and, regarding Non-Qualifying Shareholders, their receipt of the net proceeds, if any, from sales of the Nil Paid Rights on their behalf. It is emphasised that none of the Company, the Directors nor any other parties involved in the Rights Issue accepts responsibility for any tax effects on, or liabilities of, any person resulting from subscribing for, purchasing, holding, disposal of, dealings in or exercising any rights in relation to the Shares or the Rights Shares.

---

## LETTER FROM THE BOARD

---

### Conditions of the Rights Issue

The Rights Issue is conditional on each of the following conditions being fulfilled:

- (i) the Stock Exchange having authorised the registration of, and the Companies Registry in Hong Kong having registered, respectively, one copy of each of the Prospectus Documents duly certified in compliance with the Companies (Winding Up and Miscellaneous Provisions) Ordinance (and other documents required to be attached thereto) and otherwise complying with the requirements of the Companies (Winding Up and Miscellaneous Provisions) Ordinance, the Companies Ordinance and the Listing Rules;
- (ii) the Shares remaining listed and traded on the Stock Exchange at all times from the date hereof to the Completion Date, save for any temporary suspension not exceeding three consecutive trading days (as defined under the Listing Rules), or such longer period as the Placing Agent may accept in writing, and no indication being received by the Company on or before the Latest Placing Date from the Stock Exchange to the effect that the listing of the Shares on the Stock Exchange will or may be withdrawn or objected to as a result of the Rights Issue, the Placing or in connection with the terms of the Placing Agreement;
- (iii) the despatch of the Prospectus Documents to the Qualifying Shareholders and the posting of the Prospectus stamped “For Information Only” to the Non-Qualifying Shareholders (other than such Non-Qualifying Shareholder in the United States) for information purpose only;
- (iv) the Listing Committee of the Stock Exchange granting or agreeing to grant and not having withdrawn or revoked the listing of, and permission to deal in, the Rights Shares; and
- (v) the Placing Agreement not having been terminated in accordance with the provisions thereof.

All of the conditions are incapable of being waived. If the conditions above are not satisfied on or before the Long Stop Date, the Rights Issue shall be terminated.

As at the Latest Practicable Date, none of the conditions precedent has been fulfilled.

### Rights Shares will be eligible for admission into CCASS

Subject to the granting of listing of, and permission to deal in, the Rights Shares in both nil-paid and fully-paid forms on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, the Rights Shares in both their nil-paid and fully-paid forms will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Rights Shares on the Stock Exchange or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second settlement day thereafter.

## LETTER FROM THE BOARD

All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. Shareholders should seek advice from their licensed securities dealer(s) or other professional adviser(s) for details of those settlement arrangements and how such arrangements will affect their rights and interests.

### SHAREHOLDING STRUCTURE

Set out below is the shareholding structure of the Company (i) as at the Latest Practicable Date; (ii) immediately after completion of the Rights Issue assuming full acceptance by the Qualifying Shareholders; (iii) immediately after completion of the Rights Issue assuming nil acceptance by the Qualifying Shareholders except for Newforest pursuant to the Irrevocable Undertaking and all the Placing Shares have been placed by the Placing Agent; and (iv) immediately after completion of the Rights Issue assuming nil acceptance by the Qualifying Shareholders except for Newforest pursuant to the Irrevocable Undertaking and none of the Placing Shares have been placed by the Placing Agent:

	As at the Latest Practicable Date		Immediately after completion of the Rights Issue assuming full acceptance by the Qualifying Shareholders		Immediately after completion of the Rights Issue assuming nil acceptance by the Qualifying Shareholders except for Newforest pursuant to the Irrevocable Undertaking and all the Placing Shares have been placed by the Placing Agent		Immediately after completion of the Rights Issue assuming nil acceptance by the Qualifying Shareholders except for Newforest pursuant to the Irrevocable Undertaking and none of the Placing Shares have been placed by the Placing Agent	
	<i>Number of issued Shares</i>	<i>%</i>	<i>Number of issued Shares</i>	<i>%</i>	<i>Number of issued Shares</i>	<i>%</i>	<i>Number of issued Shares</i>	<i>%</i>
<b>Controlling shareholder</b>								
Newforest ( <i>Note 1</i> )	1,122,005,927	60.49	1,683,008,890	60.49	1,683,008,890	60.49	1,683,008,890	69.66
<b>Public shareholders</b>								
China Forestry Group Corporation ( <i>Note 2</i> )	110,000,000	5.93	165,000,000	5.93	110,000,000	3.95	110,000,000	4.55
Hong Kong Genghis Khan Group Limited ( <i>Note 3</i> )	110,000,000	5.93	165,000,000	5.93	110,000,000	3.95	110,000,000	4.55
Other existing public shareholders	512,985,129	27.65	769,477,694	27.65	512,985,129	18.44	512,985,129	21.23
Placees	—	—	—	—	366,492,565	13.17	—	—
<b>Total</b>	<b>1,854,991,056</b>	<b>100.00</b>	<b>2,782,486,584</b>	<b>100.00</b>	<b>2,782,486,584</b>	<b>100.00</b>	<b>2,415,994,019</b>	<b>100.00</b>

---

## LETTER FROM THE BOARD

---

*Notes:*

1. Newforest Limited is directly and beneficially owned as to 40% by Gallant Elite International Limited and as to 60% by Sharpfield Holdings Limited. Both Gallant Elite International Limited and Sharpfield Holdings Limited are wholly-owned subsidiaries of Chow Tai Fook Nominee Limited. Chow Tai Fook Nominee Limited is owned as to 99.90% by Chow Tai Fook (Holding) Limited. Chow Tai Fook (Holding) Limited is owned as to approximately 81.03% by Chow Tai Fook Capital Limited. Chow Tai Fook Capital Limited is owned as to approximately 48.98% and 46.65% by Cheng Yu Tung Family (Holdings) Limited and Cheng Yu Tung Family (Holdings II) Limited, respectively. As such, Cheng Yu Tung Family (Holdings) Limited and Cheng Yu Tung Family (Holdings II) Limited are deemed to be interested in the shares in which Newforest Limited is interested by virtue of Part XV of the SFO. Mr. Cheng Chi-Him, Conrad and Mr. Lie Ken Jie Remy Anthony Ket Heng are directors of each of Newforest Limited and Sharpfield Holdings Limited. Mr. Lie Ken Jie Remy Anthony Ket Heng is a director of Gallant Elite International Limited.
2. The 110,000,000 Shares are held by China Forestry International Resource Company Limited which is wholly owned by China Forestry Group Corporation. By virtue of the SFO, China Forestry Group Corporation is deemed to be interested in the 110,000,000 Shares.
3. The 110,000,000 Shares are held by Hong Kong Genghis Khan Group Limited which is wholly-owned by Mr. Ge Jian. By virtue of the SFO, Mr. Ge Jian is deemed to be interested in the 110,000,000 Shares.

### FUND RAISING ACTIVITIES BY THE COMPANY DURING THE PAST 12 MONTHS

The Company has not conducted any other equity fund raising activities in the past 12 months immediately preceding the Latest Practicable Date.

### REASONS FOR AND BENEFITS OF THE RIGHTS ISSUE AND USE OF PROCEEDS

The Group is principally engaged in log harvesting, timber processing, marketing, sales and trading of logs and timber products, provision of forest management services and managing harvest right of concession.

As set out in the 2024 Annual Report, the Group recorded (i) bank balances and cash of approximately HK\$19.5 million as at 31 December 2024; (ii) gearing ratio of approximately 72.9% as at 31 December 2024, as calculated on the basis of outstanding borrowings as a percentage of equity attributable to owners of the Company; and (iii) net cash used in operating activities of approximately HK\$22.1 million for the year ended 31 December 2024. On this basis, the Group needs to maintain a sufficient level of cash reserve for its day-to-day operations as well as replenish its working capital.

Assuming full subscription under the Rights Issue, the gross proceeds from the Rights Issue will be approximately HK\$33.7 million and the relevant expenses would be approximately HK\$1.9 million. The net subscription price per Rights Share is expected to be approximately HK\$0.0343. Accordingly, the maximum net proceeds (after deducting the estimated expenses) of the Rights Issue are estimated to be approximately HK\$31.8 million.

The Company intends to apply (i) approximately HK\$23.5 million (representing approximately 74%) of the net proceeds from the Rights Issue to the Group's New Zealand division to support ongoing operations, particularly in relation to the realisation of existing cutting rights. The Group's owned plantation forests assets in New Zealand have already been fully harvested, and the next harvestable cycle is not expected to commence until after 2028; and (ii) approximately HK\$8.3 million (representing approximately 26%) of the net proceeds from the Rights Issue will be allocated to fund the Group's corporate-level overhead expenses, including compliance, regulatory, and administrative costs necessary to maintain the Company's status as a listed entity.



---

## LETTER FROM THE BOARD

---

In the event that there is an undersubscription of the Rights Issue, the use of proceeds raised from the Rights Issue will be allocated on a pro-rata basis for the purpose as disclosed above, i.e., (i) approximately 74% of the net proceeds from the Rights Issue will be used for the Group's New Zealand operations; and (ii) approximately 26% of the net proceeds from the Rights Issue will be used for corporate-level overhead expenses.

### **Rights Issue as the preferred fundraising activity of the Group**

The Board has considered various fundraising alternatives and is of the view that the Rights Issue is an efficient way in terms of time and costs for the Group's fundraising purpose. The Board considers it is prudent to finance the Group's long-term growth in the form of equity as such will not increase the Group's finance costs. The Board has considered other fundraising alternatives before deciding on the Rights Issue, including but not limited to debt financing, placing and open offer. Debt financing will result in additional interest burden, higher gearing ratio of the Group and subject the Group to repayment obligations. In addition, given the high gearing ratio of the Group, debt financing may not be attainable on favourable terms in a timely manner. As for equity fundraising, such as placing of new Shares, it is relatively smaller in scale as compared to fundraising through rights issue and it would lead to immediate dilution in the shareholding interests of the existing Shareholders without offering them the opportunity to participate in the enlarged share capital base of the Company, which is not the intention of the Company. As for open offer, while it is similar to a rights issue and offer Qualifying Shareholders to participate, it does not allow free trading of rights entitlements in the open market. On the other hand, the Board considers that the Rights Issue, being pre-emptive in nature, would allow all Qualifying Shareholders to participate in the future development of the Company and at the same time offer more flexibility to the Qualifying Shareholders to choose whether to maintain, increase or decrease their respective pro-rata shareholdings in the Company by taking up only their respective rights entitlement, acquiring additional rights entitlement or disposing of their rights entitlements in the open market (subject to availability).

Having considered the above, the Board considers that the terms of the Rights Issue are fair and reasonable and raising funds through the Rights Issue is in the interests of the Company and the Shareholders as a whole.

### **CLOSURE OF REGISTER OF MEMBERS**

The register of members of the Company will be closed from Friday, 20 June 2025 to Thursday, 26 June 2025 (both dates inclusive) for determining the entitlements to the Rights Issue. No transfer of Shares will be registered during this period.

---

## LETTER FROM THE BOARD

---

### WARNING OF THE RISKS OF DEALING IN THE SHARES AND THE NIL PAID RIGHTS

Shareholders and potential investors of the Company should note that the Rights Issue is conditional upon certain conditions including, among others, the Listing Committee granting the listing of and permission to deal in the Rights Shares (in their nil-paid and fully-paid forms). Accordingly, the Rights Issue may or may not proceed. Shareholders and potential investors of the Company should exercise extreme caution when dealing in the Shares, and if they are in any doubt about their position, they should consult their professional advisers.

The Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptance of the provisionally allotted Rights Shares.

Shareholders should note that the Shares will be dealt in on an ex-rights basis commencing from Wednesday, 18 June 2025. Any Shareholder or other person dealing in the Shares and/or Nil Paid Rights up to the date on which all conditions to which the Rights Issue is subject are fulfilled, will accordingly bear the risk that the Rights Issue cannot become unconditional and may not proceed. Any Shareholder or other person contemplating any dealings in the Shares and/or Nil Paid Rights, who is in any doubt about his/her/its position, is recommended to consult his/her/its own professional advisers.

### PROPOSED CHANGE IN BOARD LOT SIZE

As at the Latest Practicable Date, the Shares are traded on the Stock Exchange in the board lot size of 2,000 Shares. The Board proposes to change the board lot size for trading on the Stock Exchange from 2,000 Shares to 80,000 Shares with effect from 9:00 a.m. on Wednesday, 9 July 2025.

### REASONS FOR AND BENEFITS OF THE CHANGE IN BOARD LOT SIZE

The “Guide on Trading Arrangements for Selected Types of Corporate Actions” issued by the Hong Kong Exchanges and Clearing Limited on 28 November 2008 and last updated in September 2024 has stated that, among others, taking into account the minimum transaction costs for a securities trade, the expected value per board lot should be greater than HK\$2,000.

As at the Last Trading Day, based on the closing price per Share of HK\$0.0400, the market value of each existing board lot of 2,000 Shares is HK\$80, which is below the HK\$2,000 threshold. With a view to enable the Company to comply with the trading requirements under the Listing Rules, namely, the expected value per board lot should be greater than HK\$2,000, each board lot shall increase from 2,000 Shares to 80,000 Shares. Upon the Change in Board Lot Size becoming effective, and based on the closing price per Share of HK\$0.0400 as at the Last Trading Day, the market value of each board lot of 80,000 Shares is calculated to be HK\$3,200.

---

## LETTER FROM THE BOARD

---

The Change in Board Lot Size is expected to decrease the overall transaction and handling costs of trading in the Shares as a percentage of the market value of each board lot, since most of the financial institutions or securities brokerage firms will impose a minimum charge for securities trading transactions. The Company considers that the Change in Board Lot Size will maintain the trading amount for each board lot at a reasonable level and attract more investors and broaden the Shareholder base of the Company. In view of the above, the Company considers the proposed Change in Board Lot Size to be justifiable after taken into consideration of the potential costs and impact arising from creation of odd lots to Shareholders. Accordingly, the Board is of the view that the Change in Board Lot Size is in the interests of the Company and the Shareholders as a whole and that will not have any material adverse effect on the financial position of the Group nor result in any material adverse changes in the relative rights of the Shareholders.

### LISTING RULES IMPLICATIONS

As the Company has not conducted any rights issue or open offer within the 12-month period prior to the date of Last Trading Day and the Rights Issue will not increase the issued share capital or the market capitalisation of the Company by more than 50%, the Rights Issue is not subject to Shareholders' approval under the Listing Rules.

The Rights Issue does not result in a Theoretical Dilution Effect of 25% or more on its own. As such, the theoretical dilution impact of the Rights Issue is in compliance with Rule 7.27B of the Listing Rules.

### FURTHER INFORMATION

Your attention is also drawn to the additional information set out in the appendices to this Prospectus.

By Order of the Board  
**Greenheart Group Limited**  
**Ding Wai Chuen**  
*Executive Director and Chief Executive Officer*

**(1) FINANCIAL INFORMATION OF THE GROUP**

Set out below is a summary of the consolidated statement of profit or loss and other comprehensive income of the Group for each of the three years ended 31 December 2022, 2023 and 2024 as extracted from the annual reports of the Company for the years ended 31 December 2022, 2023 and 2024.

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

	<b>For the year ended 31 December</b>		
	<b>2024</b>	<b>2023</b>	<b>2022</b>
	<i>(Audited)</i>	<i>(Audited)</i>	<i>(Audited)</i>
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Revenue	51,872	90,982	164,305
Cost of sales	(110,484)	(181,425)	(213,219)
<b>Gross loss</b>	<b>(58,612)</b>	<b>(90,443)</b>	<b>(48,914)</b>
<b>Loss before tax</b>	<b>(192,323)</b>	<b>(184,058)</b>	<b>(116,808)</b>
Income tax credit	19,074	44,384	19,062
<b>Loss for the year</b>	<b>(173,249)</b>	<b>(139,674)</b>	<b>(97,746)</b>
<b>Total comprehensive expense for the year</b>	<b>(196,836)</b>	<b>(133,758)</b>	<b>(95,868)</b>
Loss per share	HK\$ (0.075)	HK\$ (0.050)	HK\$ (0.037)

The management discussion and analysis of the Company for each of the financial years ended 31 December 2022, 2023 and 2024 are disclosed in the annual reports of the Company for the financial years ended 31 December 2022, 2023 and 2024.

Financial information of the Group, together with the notes thereto, for the three years ended 31 December 2022, 2023 and 2024 were set out in the relevant annual reports of the Company. The said annual reports of the Company are available on the website of the Stock Exchange (<https://www.hkexnews.hk>) and the website of the Company (<http://www.greenheartgroup.com>):

- (i) pages 68 to 196 of the annual report for the year ended 31 December 2024 of the Company published on 7 April 2025:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2025/0407/2025040701005.pdf>

- (ii) pages 74 to 210 of the annual report for the year ended 31 December 2023 of the Company published on 25 April 2024:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0425/2024042500894.pdf>

- (iii) pages 74 to 216 of the annual report for the year ended 31 December 2022 of the Company published on 25 April 2023:

<https://www1.hkexnews.hk/listedco/listconews/sehk/2023/0425/2023042500755.pdf>

**(2) INDEBTEDNESS OF THE GROUP**

As at the close of business on 31 May 2025, being the latest practicable date for the purpose of ascertaining information contained in this indebtedness statement prior to the printing of this Prospectus, the indebtedness of the Group was as follows:

	<b>As at 31 May 2025 HK\$'000 (Unaudited)</b>
Bank borrowings – secured and unguaranteed*	23,256
Lease liabilities**	14,255
Loans from immediate holding company – unsecured and unguaranteed	213,731
Loans from a fellow subsidiary – unsecured and unguaranteed	206,205
	<u>457,447</u>

\* The Group's bank borrowings were secured by (i) Personal Property of the Selected Group Companies; and (ii) a fixed charge over the Group's forestry land (located in New Zealand); the Group's plantation forest assets (located in New Zealand) and all other estates and interests in the forestry land and all buildings, structures and fixtures on the forestry land; the Group's pledged bank deposit; and all other present and after acquired property that is not Personal Property of the Selected Group Companies.

\*\* As at 31 May 2025, the Group's lease liabilities amounting to approximately HK\$340,000 was guaranteed by the bank (located in New Zealand) with a maximum aggregate amount of New Zealand Dollars of 12,000 plus Goods and Service Tax and unsecured while the remaining amount of approximately HK\$13,915,000 was unguaranteed, of which HK\$2,451,000 was secured by rental deposits and the remaining amount of approximately HK\$11,464,000 was unsecured.

Save as disclosed above and apart from intra-group liabilities and normal trade payables in the ordinary course of business of the Group, the Group did not have any outstanding indebtedness in respect of any mortgages, charges or debentures, loan capital, bank loans and overdrafts, loans, debt securities or other similar indebtedness, liabilities under acceptance (other than normal trade payables) or acceptance credits or hire purchase commitments, guarantees or other material contingent liabilities as at the close of business on 31 May 2025.

**(3) WORKING CAPITAL STATEMENT**

The Directors, after due and careful consideration, are of the opinion that, in the absence of unforeseeable circumstances, after taking into account the Group's business prospects, internal resources, available facilities and the estimated net proceeds from the Rights Issue, the Group has sufficient working capital for its requirements for at least twelve months from the date of this Prospectus.

**(4) MATERIAL ADVERSE CHANGE**

As at the Latest Practicable Date, the Directors were not aware of any material adverse changes in the financial or trading position of the Group since 31 December 2024 (being the date to which the latest published audited consolidated financial statements of the Group were made up).

**(5) FINANCIAL AND TRADING PROSPECTS OF THE GROUP**

The principal activities of the Group comprise log harvesting, timber processing, marketing, sales and trading of logs and timber products, provision of forest management services and managing harvest right of concession.

As set out in the 2024 Annual Report, the Group manages its business by geographical location, and the chief operating decision makers (i.e. the key management of the Group) also review the segment information by such category to allocate resources to segments and to assess their performance. In this connection, the Group has two geographical segments, namely, Suriname and New Zealand, for the year ended 31 December 2024. The Group acknowledges the ongoing challenges in the global wood sector, and the financial pressures affecting its operations.

The Suriname segment recorded negative results for each of the years ended 31 December 2022, 2023 and 2024 and, consequently, suffered from a significant decline in asset value over the years, despite continuous management efforts to improve its operations and results. To improve the financial sustainability and enable management to focus resources on the Group's other businesses, the Group disposed of the majority of its loss-making subsidiaries in Suriname during the first half of 2025. These subsidiaries had been incurring substantial losses and carried net liabilities. The aforementioned disposal was made to an Independent Third Party and the proceeds from the disposal was insignificant. Following the aforesaid disposal, the Group expects a significant reduction in the overall losses associated with its Suriname segment. The Group will continue to monitor the situation and assess appropriate options for dealing with the remaining entities in Suriname, which may include further disposal and/or winding down of the relevant entities, as appropriate.

The Group has also reviewed the operations under its New Zealand geographical segment and has been exploring various options to improve its operations and financial performance, which include, among others, a possible disposal of certain of its forest land and plantation forest assets under its New Zealand segment. There has been preliminary, non-binding discussion with an Independent Third Party, but no definitive agreement has been entered into by the Company as at the Latest Practicable Date and thus the possible disposal may or may not proceed. Further announcement(s) in respect of the possible disposal will be made by the Company in accordance with the Listing Rules as and when appropriate.

Looking ahead, the Group remains committed to enhancing financial flexibility and optimising resource allocation to ensure long-term sustainability and value creation for the Shareholders.

**(A) STATEMENT OF UNAUDITED PRO FORMA ADJUSTED CONSOLIDATED NET TANGIBLE ASSETS**

The statement of unaudited pro forma adjusted consolidated net tangible assets of the Group prepared in accordance with Rule 29 of Chapter 4 of the Listing Rules is set out below to illustrate the effects of the Rights Issue on the consolidated net tangible assets of the Group attributable to the owners of the Company as if the Rights Issue had taken place on 31 December 2024.

The statement of unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to the owners of the Company as at 31 December 2024 is prepared based on the audited consolidated net tangible assets of the Group attributable to owners of the Company as at 31 December 2024, as extracted from the Group's published annual report for the year ended 31 December 2024, after incorporating the unaudited pro forma adjustments described in the accompanying notes.

The statement of unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to the owners of the Company has been prepared for illustrative purposes only, based on the judgements and assumptions of the directors of the Company, and because of its hypothetical nature, it may not give a true picture of the consolidated financial position of the Group following the Rights Issue.

	Audited consolidated net tangible assets of the Group attributable to the owners of the Company as at 31 December 2024 <i>HK\$'000</i> <i>(note 1)</i>	Estimate net proceeds from the Rights Issue <i>HK\$'000</i> <i>(note 2)</i>	Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to the owners of the Company as at 31 December 2024 immediately after the completion of the Rights Issue <i>HK\$'000</i>	Audited consolidated net tangible assets of the Group attributable to the owners of the Company per Share as at 31 December 2024 <i>HK\$'</i> <i>(note 3)</i>	Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to the owners of the Company per Share as at 31 December 2024 immediately after the completion of the Rights Issue <i>HK\$'</i> <i>(note 4)</i>
Based on 927,495,528 Rights Shares to be issued at Subscription Price of HK\$0.0363 per Rights Share	595,570	31,795	627,365	0.32	0.23

*Notes:*

1. The amount of audited consolidated net tangible assets of the Group attributable to the owners of the Company as at 31 December 2024 is extracted from the published annual report of the Group for the year ended 31 December 2024 issued on 25 March 2025, which is based on the amount of equity attributable to the owners of the Company of HK\$601,221,000, deducted by the goodwill of HK\$5,651,000 in the audited consolidated statement of financial position of the Group as at 31 December 2024.
2. The estimated net proceeds from the Rights Issue of approximately HK\$31,795,000, is calculated based on 927,495,528 Rights Shares assuming to be issued on the completion of the Rights Issue (based on 1,854,991,056 Shares in issue as at the Latest Practicable Date) at the Subscription Price of HK\$0.0363 per Rights Share and after deduction of estimated related expenses of approximately HK\$1,873,000.
3. The audited consolidated net tangible assets of the Group attributable to the owners of the Company per Share as at 31 December 2024 was approximately HK\$0.32 which was based on the audited consolidated net tangible assets of the Group attributable to the owners of the Company as at 31 December 2024 of HK\$595,570,000, divided by 1,854,991,056 shares in issue as at 31 December 2024.
4. The unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to the owners of the Company per Share as at 31 December 2024 immediately after completion of the Rights Issue is approximately HK\$0.23 based on the unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to the owners of the Company as at 31 December 2024 immediately after completion of the Rights Issue of approximately HK\$627,365,000, divided by 2,782,486,584 Shares, which represents 1,854,991,056 Shares in issue as at the Latest Practicable Date before the Rights Issue and 927,495,528 Rights Shares to be issued under the Rights Issue assuming the Rights Issue had been fully subscribed and completed on 31 December 2024.
5. No other adjustments have been made to reflect any trading results or other transactions of the Group entered into subsequent to 31 December 2024.



**(B) ACCOUNTANTS' REPORT ON PRO FORMA FINANCIAL INFORMATION**

*The following is the text of the independent reporting accountants' assurance report received from Deloitte Touche Tohmatsu, Certified Public Accountants, Hong Kong, the reporting accountants of the Company, in respect of the Group's unaudited pro forma financial information prepared for the purpose of incorporation in this prospectus.*

**Deloitte.****德勤****INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE  
COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION****TO THE DIRECTORS OF GREENHEART GROUP LIMITED**

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of Greenheart Group Limited (the “**Company**”) and its subsidiaries (hereinafter collectively referred to as the “**Group**”) by the directors of the Company (the “**Directors**”) for illustrative purposes only. The unaudited pro forma financial information consists of statement of unaudited pro forma adjusted consolidated net tangible assets as at 31 December 2024 and related notes as set out on pages II-1 to II-2 of Appendix II to the prospectus issued by the Company dated 7 July 2025 (the “**Prospectus**”). The applicable criteria on the basis of which the Directors have compiled the unaudited pro forma financial information are described on pages II-1 to II-2 of the Prospectus.

The unaudited pro forma financial information has been compiled by the Directors to illustrate the impact of the proposed rights issue of rights shares on the basis of one (1) rights share for every two (2) existing shares at HK\$0.0363 per rights share (the “**Rights Issue**”) on the Group's financial position as at 31 December 2024 as if the Rights Issue had taken place at 31 December 2024. As part of this process, information about the Group's financial position has been extracted by the Directors from the Group's consolidated financial statements for the year ended 31 December 2024, on which an auditor's report has been published.

**Directors' Responsibilities for the Unaudited Pro Forma Financial Information**

The Directors are responsible for compiling the unaudited pro forma financial information in accordance with Rule 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and with reference to Accounting Guideline 7 “Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars” (“**AG 7**”) issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”).

**Our Independence and Quality Management**

We have complied with the independence and other ethical requirements of the “Code of Ethics for Professional Accountants” issued by the HKICPA, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies Hong Kong Standard on Quality Management (HKSQM) 1 “Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements” issued by the HKICPA, which requires the firm to design, implement and operate a system of quality management including policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

**Reporting Accountants’ Responsibilities**

Our responsibility is to express an opinion, as required by Rule 4.29(7) of the Listing Rules, on the unaudited pro forma financial information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the unaudited pro forma financial information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3420 “Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus” issued by the HKICPA. This standard requires that the reporting accountants plan and perform procedures to obtain reasonable assurance about whether the Directors have compiled the unaudited pro forma financial information in accordance with Rule 4.29 of the Listing Rules and with reference to AG 7 issued by the HKICPA.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the unaudited pro forma financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the unaudited pro forma financial information.

The purpose of unaudited pro forma financial information included in an investment circular is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the Group as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction at 31 December 2024 would have been as presented.

A reasonable assurance engagement to report on whether the unaudited pro forma financial information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Directors in the compilation of the unaudited pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- the related pro forma adjustments give appropriate effect to those criteria; and
- the unaudited pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountants' judgment, having regard to the reporting accountants' understanding of the nature of the Group, the event or transaction in respect of which the unaudited pro forma financial information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the unaudited pro forma financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Opinion**

In our opinion:

- (a) the unaudited pro forma financial information has been properly compiled on the basis stated;
- (b) such basis is consistent with the accounting policies of the Group; and
- (c) the adjustments are appropriate for the purposes of the unaudited pro forma financial information as disclosed pursuant to Rule 4.29(1) of the Listing Rules.

**Deloitte Touche Tohmatsu**

*Certified Public Accountants*

Hong Kong

7 July 2025

**1. RESPONSIBILITY STATEMENT**

This Prospectus, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this Prospectus is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this Prospectus misleading.

**2. SHARE CAPITAL**

The authorised and issued share capital of the Company, assuming there is no further change in the number of issued Shares from the Latest Practicable Date up to and including the date of completion of the Rights Issue (i) as at the Latest Practicable Date; and (ii) immediately after the completion of the Rights Issue (assuming no further change in the number of issued Shares from the Latest Practicable Date up to completion of the Rights Issue) will be as follows:

**(i) As at the Latest Practicable Date**

*Authorised:* HK\$

15,000,000,000	Existing Shares of HK\$0.01 each	150,000,000
----------------	----------------------------------	-------------

*Issued and fully paid share capital:*

1,854,991,056	Existing Shares of HK\$0.01 each	18,549,911
---------------	----------------------------------	------------

**(ii) Immediately after the completion of the Rights Issue (assuming no further change in the number of issued Shares from the Latest Practicable Date up to completion of the Rights Issue)**

*Authorised:* HK\$

15,000,000,000	Shares of HK\$0.01 each	150,000,000
----------------	-------------------------	-------------

*Issued and fully paid share capital:*

1,854,991,056	Shares of HK\$0.01 each	18,549,911
927,495,528	Rights Shares to be allotted and issued upon completion of the Rights Issue	9,274,955

2,782,486,584	Shares of HK\$0.01 each in issue immediately after completion of the Rights Issue	27,824,866

The Rights Shares, when issued and fully-paid, will be free from all liens, charges, encumbrances and third-party rights, interests or claims of any nature whatsoever and shall rank *pari passu* in all respects with the Shares then in issue, including as to the right to receive all dividends and distributions which may be declared, made or paid on or after the date of allotment of the fully-paid Rights Shares.

The Company will apply to the Listing Committee of the Stock Exchange for the listing of, and the permission to deal in, the Rights Shares, in both their nil-paid and fully-paid forms. No part of the share capital or other securities of the Company is listed or dealt in, and no listing of or permission to deal in any such securities is being or is proposed to be sought, on any other stock exchanges.

As at the Latest Practicable Date, the Company had no other derivatives, options, warrants, other securities or conversion rights or other similar rights which are convertible or exchangeable into, any Existing Shares.

As at the Latest Practicable Date, there was no arrangement under which future dividends are waived or agreed to be waived.

### 3. DISCLOSURE OF INTERESTS

#### (a) **Directors' and chief executive's interests and short positions in the shares, underlying shares and debentures of the Company or any associated corporations of the Company**

As at the Latest Practicable Date, the interests and short positions of the Directors and chief executive of the Company in the share capital and underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO), as recorded in the register required to be kept by the Company under section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Listing Rules, were as follows:

##### **Long positions in ordinary shares and underlying shares of the Company**

None of the Directors or chief executive of the Company had any interests and short positions in the shares, underlying shares and debentures of the Company.

**Long positions in ordinary shares and underlying shares of associated corporation of the Company**

The following Director has personal interest in the ordinary shares of Chow Tai Fook Jewellery Group Limited (“CTFJ”), a fellow subsidiary of the Company. Details are as follows:

Name of Director	Capacity	Number of shares held and underlying shares interested	Approximate percentage of the total issued share capital of CTFJ
Lie Ken Jie Remy Anthony Ket Heng	Beneficial owner	400,000	0.004%

**Short positions in ordinary shares and underlying shares of associated corporation of the Company**

The following Director has personal interest in the ordinary shares of CTFJ, a fellow subsidiary of the Company. Details are as follows:

Name of Director	Capacity	Number of shares held and underlying shares interested	Approximate percentage of the total issued share capital of CTFJ
Lie Ken Jie Remy Anthony Ket Heng	Beneficial owner	400,000	0.004%

(b) **Substantial shareholders' and other persons' interests and short positions in shares and underlying shares**

So far as is known to the Directors and the chief executive of the Company, as at the Latest Practicable Date, the following persons (not being Directors or chief executive of the Company) had, or were deemed to have, interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO:

*Long positions in Shares and underlying Shares:*

Name of shareholders	Capacity	Number of shares	Number of shares held and underlying shares interested	Approximate percentage of the total issued share capital of the Company %
Newforest Limited	Beneficial owner (Notes 1 & 2)	1,122,005,927	–	60.49
Cheng Yu Tung Family (Holdings) Limited	Interest of controlled corporation (Note 1)	1,122,005,927	–	60.49
Cheng Yu Tung Family (Holdings II) Limited	Interest of controlled corporation (Note 1)	1,122,005,927	–	60.49
Chow Tai Fook Capital Limited	Interest of controlled corporation (Note 1)	1,122,005,927	–	60.49
Chow Tai Fook (Holding) Limited	Interest of controlled corporation (Note 1)	1,122,005,927	–	60.49
Chow Tai Fook Nominee Limited	Interest of controlled corporation (Note 1)	1,122,005,927	–	60.49
Sharpfield Holdings Limited	Interest of controlled corporation (Notes 1 & 2)	1,122,005,927	–	60.49
Gallant Elite International Limited	Interest of controlled corporation (Notes 1 & 3)	1,122,005,927	–	60.49
China Forestry Group Corporation	Interest of controlled corporation (Note 4)	110,000,000	–	5.93
Hong Kong Genghis Khan Group Limited	Beneficial owner (Note 5)	110,000,000	–	5.93
Ge Jian	Interest of controlled corporation (Note 5)	110,000,000	–	5.93

*Notes:*

1. Newforest Limited is directly and beneficially owned as to 40% by Gallant Elite International Limited and as to 60% by Sharpfield Holdings Limited. Both Gallant Elite International Limited and Sharpfield Holdings Limited are wholly-owned subsidiaries of Chow Tai Fook Nominee Limited. Chow Tai Fook Nominee Limited is owned as to 99.90% by Chow Tai Fook (Holding) Limited. Chow Tai Fook (Holding) Limited is owned as to 81.03% by Chow Tai Fook Capital Limited. Chow Tai Fook Capital Limited is owned as to 48.98% and 46.65% by Cheng Yu Tung Family (Holdings) Limited and Cheng Yu Tung Family (Holdings II) Limited, respectively. As such, Cheng Yu Tung Family (Holdings) Limited and Cheng Yu Tung Family (Holdings II) Limited are deemed to be interested in the shares in which Newforest Limited is interested by virtue of Part XV of the SFO.
2. Mr. Cheng Chi-Him, Conrad and Mr. Lie Ken Jie Remy Anthony Ket Heng are directors of each of Newforest Limited and Sharpfield Holdings Limited.
3. Mr. Lie Ken Jie Remy Anthony Ket Heng is a director of Gallant Elite International Limited.
4. The 110,000,000 shares are held by China Forestry International Resource Company Limited which is wholly owned by China Forestry Group Corporation. By virtue of the SFO, China Forestry Group Corporation is deemed to be interested in the 110,000,000 shares.
5. The 110,000,000 shares are held by Hong Kong Genghis Khan Group Limited which is wholly-owned by Mr. Ge Jian. By virtue of the SFO, Mr. Ge Jian is deemed to be interested in the 110,000,000 shares.

Save as disclosed above, the Company has not been notified by any person (other than the Directors and the chief executive of the Company) who had, or was deemed to have, interests or short positions in the shares or underlying shares of the Company as at the Latest Practicable Date which were required to be notified to the Company pursuant to the provisions of Divisions 2 and 3 of Part XV of the SFO or which are recorded in the register required to be kept by the Company under the SFO.

#### **4. DIRECTORS' SERVICE CONTRACTS**

As at the Latest Practicable Date, none of the Directors has any existing or proposed service contract with any member of the Group which does not expire or is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

#### **5. DIRECTORS' INTEREST IN ASSETS**

As at the Latest Practicable Date, so far as is known to the Directors or chief executive of the Company, none of the Directors had any direct or indirect interest in any assets which had been since 31 December 2024 (being the date to which the latest published audited financial statements of the Group were made up) acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group.

#### **6. DIRECTORS' INTEREST IN CONTRACTS AND ARRANGEMENT**

As at the Latest Practicable Date, there was no contract or arrangement subsisting in which any Director was materially interested and which was significant in relation to any business of the Group.



**7. DIRECTORS' INTERESTS IN COMPETING BUSINESSES**

As at the Latest Practicable Date, none of the Directors or their respective associates had any interests in businesses which compete or are likely to compete, either directly or indirectly, with the businesses of the Group.

**8. LITIGATION**

As at the Latest Practicable Date, no member of the Group was engaged in any litigation or arbitration or claims which would materially or adversely affect the operations of the Company and no litigation, arbitration or claim which would materially or adversely affect the operations of the Company was known to the Directors to be pending or threatened by or against any member of the Group.

**9. EXPERT AND CONSENT**

The following sets out the qualifications of the expert who has given opinions, letters or advices included in this Prospectus:

<b>Name</b>	<b>Qualifications</b>
Deloitte Touche Tohmatsu	Certified Public Accountants and Registered Public Interest Entity Auditor

Deloitte Touche Tohmatsu has given and has not withdrawn its written consent to the issue of this Prospectus with the inclusion herein of its letters or reports and the reference to its name in the form and context in which they respectively appear.

As at the Latest Practicable Date, Deloitte Touche Tohmatsu did not have any shareholding in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

As at the Latest Practicable Date, Deloitte Touche Tohmatsu did not have any interest, direct or indirect, in any assets which had been acquired or disposed of by or leased to any member of the Group, or which were proposed to be acquired or disposed of by or leased to any member of the Group since 31 December 2024, being the date to which the latest published audited accounts of the Company were made up.

**10. MATERIAL CONTRACT(S)**

The following material contract(s) (not being contracts entered into in the ordinary course of business carried on or intended to be carried on by the Group) were entered into by members of the Group after the date falling two years immediately preceding the date of this Prospectus:

- (a) the Placing Agreement.

**11. EXPENSES**

The expenses in connection with the proposed Change in Board Lot Size, the Rights Issue and the Placing Agreement, including placing commission, financial advisory fees, printing, registration, translation, legal and accountancy charges are estimated to be approximately HK\$1.9 million, which are payable by the Company.

**12. CORPORATE INFORMATION AND PARTIES INVOLVED IN THE RIGHTS ISSUE**

<b>Registered office</b>	Canon's Court, 22 Victoria Street, Hamilton HM 12, Bermuda
<b>Head office and principal place of business in Hong Kong</b>	32A, 32/F., Fortis Tower, Nos. 77-79 Gloucester Road, Wanchai, Hong Kong
<b>Authorised representatives</b>	Mr. Ding Wai Chuen 32A, 32/F., Fortis Tower, Nos. 77-79 Gloucester Road, Wanchai, Hong Kong  Ms. Fung Ka Man 32A, 32/F., Fortis Tower, Nos. 77-79 Gloucester Road, Wanchai, Hong Kong
<b>Company secretary</b>	Ms. Fung Ka Man 32A, 32/F., Fortis Tower, Nos. 77-79 Gloucester Road, Wanchai, Hong Kong
<b>Legal adviser to the Company in relation to the Rights Issue</b>	Kwok Yih & Chan Suite 1501, 15th Floor, Bank of America Tower, 12 Harcourt Road, Central, Hong Kong
<b>Financial adviser to the Company</b>	Red Sun Capital Limited Room 310, 3/F., China Insurance Group Building, 141 Des Voeux Road Central, Hong Kong
<b>Reporting accountant</b>	Deloitte Touche Tohmatsu <i>Certified Public Accountants</i> <i>Registered Public Interest Entity Auditor</i> 35/F One Pacific Place, 88 Queensway, Hong Kong

<b>Placing agent</b>	VMS Securities Limited 28/F Viva Place, 36 Heung Yip Road, Wong Chuk Hang, Hong Kong
<b>Hong Kong branch share registrar</b>	Tricor Investor Services Limited 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong
<b>Principal bankers</b>	Bank of China (Hong Kong) Limited Bank of China Tower, 1 Garden Road, Hong Kong  China Construction Bank (Asia) Corporation Limited 28/F, CCB Tower, No. 3 Connaught Road Central, Central, Hong Kong  Bank of New Zealand 80 Queen Street, Auckland 1010, New Zealand

### 13. DIRECTORS AND SENIOR MANAGEMENT OF THE COMPANY

#### (i) Name and address of Directors and senior management

The business address of all Directors and senior management, namely Cheng Chi-Him, Conrad, Ding Wai Chuen, Kenneth Lau, Lie Ken Jie Remy Anthony Ket Heng, Suen Chung Yan, Julia, Wong Man Chung, Francis, Cheung Pak To, Patrick, To Chun Wai, Lai Kwok Hung, Danny and Chen Chun Ho, Chris, is 32A, 32/F., Fortis Tower, Nos. 77-79 Gloucester Road, Wanchai, Hong Kong.

#### (ii) Profiles of Directors and senior management

##### *Mr. Cheng Chi-Him, Conrad (“Mr. Cheng”)*

Mr. Cheng, aged 46, has been a non-executive Director of the Company since 4 June 2015 and non-executive Chairman of the Board since 22 March 2016. He graduated from University of Toronto in Canada with a Bachelor of Arts degree in Statistics and has been specializing in project management of property projects in China since 2005.

*Mr. Ding Wai Chuen (“Mr. Ding”)*

Mr. Ding, aged 65, has been an executive Director and Chief Executive Officer of the Company since 5 November 2018. Mr. Ding graduated from the University of Birmingham with a Bachelor’s degree in Commerce. He is a fellow member of the Institute of Chartered Accountants in England and Wales. Mr. Ding has over 30 years of experience in professional accountancy with international firms in England and Hong Kong. Before joining the Company, he served as the chief executive of the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) for six years. Mr. Ding was an independent non-executive director, non-executive director and executive director of Lam Soon (Hong Kong) Limited (stock code: 411) and an independent non-executive director and the executive director of Guoco Group Limited (stock code: 53). He was a member of the Commission on Strategic Development of the HKSAR Government from November 2005 to June 2007. Mr. Ding was a council member of HKICPA and a member of the Financial Reporting Review Panel of the Financial Reporting Council between 2007 and 2012. In 2016, Mr. Ding was appointed as a member of the First Accounting Standards Advisory Committee of the Ministry of Finance of PRC. Between November 2014 and October 2018, he represented Hong Kong to serve on the board of International Federation of Accountants, the global organization for the accountancy profession with over 170 members and associates in 130 countries and jurisdictions.

*Mr. Kenneth Lau (“Mr. Lau”)*

Mr. Lau, aged 49, has been a non-executive Director of the Company since 24 May 2022. Mr. Lau is a member of remuneration committee of the Company (the “**Remuneration Committee**”). He is the managing principal of Chow Tai Fook Enterprises Limited. Mr. Lau is currently an alternate director of Melbourne Enterprises Limited (stock code: 158), being a listed public company in Hong Kong. He is also a director of Yunnan Jinggu Forestry Co., Ltd. (stock code: 600265.SH), being a company listed on the Shanghai Stock Exchange. Mr. Lau has 20 years of experience in corporate finance, real estate and private equity investments. Prior to joining Chow Tai Fook Enterprises Limited, he was the co-founder and managing director at Pinnacle Real Estate Capital Partners Limited and the director in charge of China acquisitions at Aetos Capital LLC. Mr. Lau also previously worked in the Global Real Estate Group and the Investment Banking Division of Lehman Brothers Asia Limited. He holds a Master of Engineering degree from the University of Oxford in the United Kingdom.

*Mr. Lie Ken Jie Remy Anthony Ket Heng (“Mr. Lie Ken Jie”)*

Mr. Lie Ken Jie, aged 46, has been a non-executive Director of the Company since 24 May 2022. Mr. Lie Ken Jie is a member of audit committee of the Company (the “**Audit Committee**”). He is currently an executive director of i-CABLE Communications Limited (stock code: 1097), being a listed public company in Hong Kong. Mr. Lie Ken Jie is a senior vice president of Chow Tai Fook Enterprises Limited with responsibilities in making strategic investments globally. He is currently a director of Newforest Limited which is a substantial Shareholder. Mr. Lie Ken Jie holds a Master’s degree in Finance and a Master’s degree in Civil Engineering, both from Imperial College London in the United Kingdom.

*Ms. Suen Chung Yan, Julia (“Ms. Suen”)*

Ms. Suen, aged 44, has been a non-executive Director of the Company since 31 May 2023. She is a member of the nomination committee of the Company (the “**Nomination Committee**”). Ms. Suen is an experienced professional with a diverse background in marketing and TV production. She is currently a director of The Force Production Company Limited, an indirectly wholly-owned subsidiary of i-CABLE Communications Limited (stock code: 1097). Ms. Suen is in charge of the Cable TV Horse Racing Channel and serves as a TV program producer. Prior to her present roles, Ms. Suen was the head of marketing at FTLife Insurance Company Limited (currently known as Chow Tai Fook Life Insurance Company Limited). She holds a Master’s degree in Business Administration from Pebble Hills University in the United States of America.

*Mr. Wong Man Chung, Francis (“Mr. Wong”)*

Mr. Wong, aged 60, has been an independent non-executive Director of the Company since 2 July 2015. Mr. Wong is the chairman of each of the Audit Committee and the Remuneration Committee of the Company. He holds a Master’s degree in Management conferred by Guangzhou Jinan University, the People’s Republic of China. Mr. Wong is a fellow member of the Institute of Chartered Accountants in England and Wales, the Association of Chartered Certified Accountants of the United Kingdom, the Hong Kong Institute of Certified Public Accountants and the Society of Chinese Accountants and Auditors and a Certified Tax Advisor of the Taxation Institute of Hong Kong. He is a Certified Public Accountant (Practising) and has over 30 years of experience in auditing, taxation, corporate internal control and governance, acquisition and financial advisory, corporate restructuring and liquidation, family trust and wealth management.

Previously, Mr. Wong worked for KPMG, an international accounting firm, for 6 years and the Hong Kong Securities Clearing Company Limited for 2 years. He is currently an independent non-executive director of each of Integrated Waste Solutions Group Holdings Limited (stock code: 923), China Oriental Group Company Limited (stock code: 581), Wai Kee Holdings Limited (stock code: 610) and Hilong Holding Limited (stock code: 1623), all being listed public companies in Hong Kong. Mr. Wong previously served as an independent non-executive director of GCL Technology Holdings Limited (stock code: 3800), Kunming Dianchi Water Treatment Co., Ltd. (stock code: 3768), China New Higher Education Group Limited (stock code: 2001), Digital China Holdings Limited (stock code: 861), IntelliCentrics Global Holdings Limited (stock code: 6819, currently delisted), Shanghai Dongzheng Automotive Finance Co., Ltd. (stock code: 2718, currently delisted) and Qeeka Home (Cayman) Inc. (stock code: 1739).

***Mr. Cheung Pak To, Patrick BBS (“Mr. Cheung”)***

Mr. Cheung, aged 76, has been an independent non-executive Director of the Company since 5 June 2019. Mr. Cheung is also a member of the Nomination Committee of the Company. He holds a Master’s degree in Public Administration from the University of Hong Kong. Mr. Cheung has extensive management and administrative experiences. Between 1969 and 1989, he served with the United Kingdom Government, British Forces in Hong Kong for 21 years, with his final post as a Civilian Executive Officer. Thereafter from 1989, Mr. Cheung was employed by the Securities and Futures Commission of Hong Kong for 20 years, with his final position as senior manager of the Finance & Administration Department. On the social and community responsibilities front, he was a devoted volunteer officer in the Hong Kong Civil Aid Service for 30 years during which he was appointed as honorary Aide-de-Camp to Governors Lord Wilson and Mr. Christopher Patten; and Chief Executive Mr. Tung Chee-hwa for 10 consecutive years from 1990 to 1999. Mr. Cheung achieved the rank of Assistant Commissioner in the Hong Kong Civil Aid Service and was awarded the Bronze Bauhinia Star by the Hong Kong Government in 2003. He is currently an independent non-executive director of each of Minshang Creative Technology Holdings Limited (stock code: 1632) and Amasse Capital Holdings Limited (stock code: 8168), both being listed public companies in Hong Kong. Mr. Cheung formerly served as an executive director of Hong Kong Resources Holdings Company Limited (stock code: 2882) and re-designated as its non-executive director. He was also an independent non-executive director of National Agricultural Holdings Limited (stock code: 1236, currently delisted).

***Mr. To Chun Wai (“Mr. To”)***

Mr. To, aged 69, has been an independent non-executive Director of the Company since 30 July 2020. Mr. To is a member of each of the Remuneration Committee and the Audit Committee and the chairman of the Nomination Committee of the Company. Mr. To is an independent non-executive director of each of Auto Italia Holdings Limited (stock code: 720), ISP Holdings Limited (stock code: 2340), DeTai New Energy Group Limited (stock code: 559) and NOVA Group Holdings Limited (stock code: 1360), all being listed public companies in Hong Kong. He formerly served as an executive director and a non-executive director of Integrated Waste Solutions Group Holdings Limited (stock code: 923). Mr. To spent most of his career, beginning in 1974, with the Hong Kong Police, rising up the ranks to Assistant Commissioner of Police (Crime) overseeing crime operations and policies of the Hong Kong Police, until his retirement in 2011. He was awarded the Police Meritorious Service Medal in recognition of his long years of service and contribution to the Hong Kong society. Mr. To has wide administrative and management experience. He holds a Master’s degree in Public Administration from the University of Hong Kong and also tutored public administration on a part-time basis from 2011 to 2012 at the University of Hong Kong.

**SENIOR MANAGEMENT*****Mr. Lai Kwok Hung, Danny (“Mr. Lai”)***

Mr. Lai, aged 51, is the overseas operations director of the Company. Since joining the Company in 2015, Mr. Lai has been focusing on the overseas business operations, assessing and shaping transformational projects, execution and delivery of key targets and the development of new business growth initiatives. He is also responsible for the Suriname operations and the business development in New Zealand. Mr. Lai has over 20 years of global experience from various industries covering oil and gas, advertising and technology spanning across Africa, Middle East, Asia and North America.

***Mr. Chen Chun Ho, Chris (“Mr. Chen”)***

Mr. Chen, aged 40, is the financial controller of the Company. He joined the company in 2012 and served until 2016, before re-joining at the end of 2018. Mr. Chen has more than 10 years of experience in financial and accounting operations. He holds a Bachelor’s degree in Accountancy from the Hong Kong Baptist University. Mr. Chen is a member of both the Hong Kong Institute of Certified Public Accountants and the Institute of Chartered Accountants in England and Wales. Prior to joining the Company, he worked in the audit profession with an international accounting firm.

**14. MISCELLANEOUS**

As at the Latest Practicable Date, to the best knowledge of the Directors, there was no restriction affecting the remittance of profit or repatriation of capital of the Company into Hong Kong from outside Hong Kong.

The English text of this Prospectus shall prevail over the Chinese text in the event of inconsistency.

**15. DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES IN HONG KONG**

A copy of each of the Prospectus Documents and the written consent as referred to under the paragraph headed “9. Expert and Consent” in this Appendix, have been registered by the Registrar of Companies in Hong Kong pursuant to section 342C of the Companies (Winding up and Miscellaneous Provisions) Ordinance.

**16. DOCUMENTS ON DISPLAY**

Copies of the following documents will be published on the websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.greenheartgroup.com](http://www.greenheartgroup.com)) for a period of 14 days from the date of this Prospectus:

- (i) the letter from the Board, the text of which is set out on pages 10 to 31 of this Prospectus;
- (ii) the annual reports of the Company for each of the years ended 31 December 2022, 2023 and 2024;
- (iii) the accountants' report on the unaudited pro forma financial information of the Group issued by Deloitte Touche Tohmatsu, the text of which is set out in Appendix II to this Prospectus;
- (iv) the written consents of the experts referred to in the section headed "9. Expert and Consent" in this Appendix;
- (v) the material contract referred to in the paragraph headed "10. Material Contract(s)" in this Appendix; and
- (vi) this Prospectus.