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ENVISION GREENWISE HOLDINGS LIMITED
晉景新能控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1783)

SUPPLEMENTAL ANNOUNCEMENT
DISCLOSEABLE TRANSACTION
IN RELATION TO THE ENTERING INTO OF
THE SALES COOPERATION AGREEMENT INVOLVING THE
ISSUE OF CONSIDERATION SHARES UNDER GENERAL MANDATE

Reference is made to the announcement of Envision Greenwise Holdings Limited (the "**Company**") dated 28 July 2025 (the "**Announcement**") in relation to the sales cooperation agreement dated 28 July 2025 (the "**Sales Cooperation Agreement**") entered into between the Company and the Fortune Metal Group Inc. ("**FMG**"). Unless otherwise stated, capitalized terms used herein shall have the same meanings as those defined in the Announcement.

The Company wishes to provide the Shareholders and the public with the following supplementary information in relation to the Valuation.

Manner of the Cooperation

Pursuant to Sales Cooperation Agreement, FMG shall exclusively supply the Products to the Company. Hence, FMG will not sell the Products to customers other than the Company. While the Company shall be free to enter into new supply agreements with FMG's previous or existing customers, the Company will independently manage all customer and sales channel development without reliance on FMG's existing orders.

As at the date of the Announcement, the Company has entered into various supply agreements and/or strategic cooperation agreements with industry leaders on recycled metals and other materials, cultivating stable demand for the Products.

Valuation Methodology

As disclosed in the Announcement, the MPEEM model under the income approach is adopted for the valuation of the fair value of the Exclusive Trading Rights.

According to IVS 210 of the International Valuation Standard, "the excess earnings method is often used for valuations where there is a requirement for the acquirer to allocate the overall price paid for a business between tangible assets and identifiable intangible assets. As most intangible assets have economic lives exceeding one period, frequently follow non-linear growth/decay patterns, and may require different levels of contributory assets over time, the multi-period excess earnings method (MPEEM) is the most commonly used excess earnings method as it offers the most flexibility and allows valuers to explicitly forecast changes in such inputs."

The Independent Valuer is of the view that the MPEEM model, and the method applied in calculating the Contributory Asset Charges (by multiplying the value of the Contributory Assets to the required rate of returns ("**RRR**") of the Contributory Assets) are methodologies commonly adopted for valuing intangible assets of similar nature.

Quantitative Assumptions

Apart from the specific assumptions stated in the Announcement, the Independent Valuer has made the following quantitative assumptions with respect to the key parameters in relation to the Valuation:

(i) Revenue attributable to the Exclusive Trading Rights (the "FMG revenue") in the upper half of 1st year (From 1 July 2025 to 31 December 2025) of the Cooperation

The FMG revenue is derived from the formular below:

Total projected revenue for the year = (I) volume of the various Products x (II) average prices of various Products

(I) The volume by various Products for the forecast period are based on target sales volume agreed by the parties in the Sales Cooperation Agreement as shown below:

Reference	Product type	Target Sales Volume (Tons) adopted for 2025
(a)	Aluminium	11,500
(b)	Copper	29,500
(c)	Ferrous metal/Steel/Iron	46,700
(d)	Zinc	40
(e)	Stainless Steel/Nickel Alloys	1,900
(f)	Other	6,200

The target sales volume of each Product adopted for 2025 are projected based on a pro-rata 80% of the full year sales of FMG in 2024. It aligns with a term in the Sales Cooperation Agreement specifying the minimum guaranteed volume to be supplied to the Company by FMG annually, which approximately equals 80% of the total sales volume of FMG in 2024.

(II) The forecast sales unit prices of the various Products for the 1st year are based on the past 3-year average price per ton published by the International Monetary Fund (IMF), World Bank, London Metal Exchange (LME) and CEIC Data (CEIC) as shown below, applying around 20% to 40% discount to different type of materials. The Independent Valuer is of the opinion that the forecast sales unit prices are lower than and achievable comparing with the past 3-year average unit price.

Reference	Material type	Forecast Sales Unit Price (USD/T) adopted for 2025	Past 3-yr Ave. Price (USD/T) IMF	Past 3-yr Ave. Price (USD/T) World Bank	Past 3-yr Ave. Price (USD/T) LME	Past 3-yr Ave. Price (USD/T) CEIC
(g)	Aluminium	2,215	2,372	2,460	2,400	2,500
(h)	Copper	4,112	8,764	8,818	8,500	9,000
(i)	Ferrous metal/Steel/Iron	332	N/A	N/A	540	570
(j)	Zinc	1,177	2,789	2,776	2,500	2,900
(k)	Stainless Steel/Nickel Alloys	1,209.27	N/A	N/A	N/A	2,200
(l)	Other	15,673	16,065	16,467	16,878	17,300

The total projected revenue for 2025, derived from the formula, is (a) x (g) + (b) x (h) + (c) x (i) + (d) x (j) + (e) x (k) + (f) x (l) = 11,500 x USD2,215 + 29,500 x USD4,112 + 46,700 x USD332 + 40 x USD1,177 + 1,900 x USD1,209 + 6,200 x USD15,673 = USD261,857,234.

Thus, total projected referenced revenue for the first half year of the Cooperation (2nd Half of 2025) adopted in the Valuation is 1/2 x USD261,857,234 = USD130,928,617.

(ii) Revenue Growth Rate

The revenue growth rate adopted is 2.5% per year over the forecast period. This is the Long-Term Growth Rate of world economies (the "**LTGR**"), with reference to the 10-year average of historical GDP growth rate derived from the World Bank and CPI growth rate derived from the International Monetary Fund, respectively. Given commodity prices may have certain degrees of fluctuations within a shorter timeframe due to different reasons such as geo-political tension, trading relationships, wars or pandemic, however, it is expected that in the longer run, commodity prices will follow the overall trend of LTGR gradually. In view of this, the Independent Valuer has adopted a 2.5% growth rate on the commodity price in the forecast period.

(iii) Net Profit Margin After Tax

The major expenses under the Exclusive Trading Rights are administrative cost, sales expenses, warehousing and logistics expenses. The Independent Valuer noticed the median Net Profit Margin (after tax) of the industry is 1.3%. For prudent reason, the Independent Valuer adopted a higher cost margin to the subject asset and therefore, a lower Net Profit Margin (after tax) of 1.03% to the subject asset.

Contributory Assets

As disclosed in the Announcement, in the MPEEM model, a stream of revenue and expenses (the "**Operating Cashflow**") are identified as those associated with a particular group of assets. This group of assets includes the subject intangible asset as well as other assets (the "**Contributory Assets**") that are necessary to support the earnings associated with the subject intangible asset.

Comparing to many peers, the Independent Valuer is of the opinion that the Company has a different business model requiring no material Contributory Assets, based on the Company's choice of an asset-light model instead of heavy infrastructure investment model, enabled by:

(i) FMG's retained processing role. FMG will remain responsible for material processing and U.S. logistics, while the Company only purchases processed materials (i.e. the Products), eliminating capital expenditure for plants/equipment;

(ii) Infrastructure Synergy. The Company will be entitled to retain part of the purchase price in the payment term, with quarterly reconciliation according to the Sales Cooperation Agreement. Also, immediate access to FMG's service points in the United States provides the Company limited-cost market entry via shared warehousing and pre-established logistics. In comparison to greenfield investments, this might reduce the Company's working capital. The required rental expenses had been included in the profit forecast;

(iii) The Company will leverage its current management team and sales network in Hong Kong to conduct the sales of the Products supplied by FMG, with gradual expansion of local team in US. This would ensure normal operation without incurring significant extra sales cost.

Considering no material Contributory Asset is needed according to the business model, for prudent reason, Independent Valuer estimated limited Contributory Assets, with reference to the 5 Comparable Companies set out in the Announcement.

The Independent Valuer first obtained the amount of the past 3-year Contributory Assets (including fixed assets, work force, and working capital) and the past 3-year Revenue of each of the Comparable Companies. The Independent Valuer then calculated the ratio of the Contributory Assets to the Revenue of each of the Comparable Companies in each of the past 3 years. The Independent Valuer eventually applied the median ratio (Contributory Assets to Revenue) to the forecasted gross profit of the subject asset is appropriate to estimate the amount of the Contributory Assets of the subject asset. Before applying the Contributory Assets Charges, 0.5% of contingency expenses had been applied to the valuation for prudent reason. After applying the Contributory Assets Charges, the net cashflow is discounted by the discount rate which had included an additional 2% of specific risk for prudent reason. Therefore, the Independent Valuer had fully considered the business model and had applied prudent standard in the valuation.

Selection Criteria of the Comparable Companies

The selection criteria of the Comparable Companies are as follows:

1. Companies engaging in ferrous, non-ferrous or scrap metals trading, recycling or related business.

2. Companies providing relevant services majorly in the United States or the PRC.

3. Comparable companies are actively traded on the New York Stock Exchange, Nasdaq, Toronto Stock Exchange, London Stock Exchange, Australian Securities Exchange, Hong Kong Stock Exchange, Shanghai Stock Exchange, Shenzhen Stock Exchange, Korea Exchange, and Singapore Exchange.

4. Comparable companies have positive net profit for latest reporting period.

5. Market capitalization of comparable companies from USD10 million to USD6 billion.

The reasons for using such selection criteria are discussed below:

1. It is fair and reasonable to select peers which has similar/same business activities in relation to the Exclusive Trading Rights, that is, ferrous, non-ferrous or scrap metals trading, recycling or related business (the "**Target Business**").

2. As the operational area under the Exclusive Trading Rights are in the United States, it is fair and reasonable to include peers which has business activities in this region. Peers with business activities located in the PRC are also considered reasonable as the Target Business is also a very matured and highly regulated market, which is comparative to those peer firms in the United States.

3. As the operational area under the Exclusive Trading Rights are in the United States, it is fair and reasonable to include peers which are listed on main stock exchange in the same/similar region, i.e, the New York Stock Exchange and Nasdaq. However, as there are insufficient peers available in these exchanges, the Independent Valuer has expanded the search to peers which are traded in Toronto Stock Exchange, London Stock Exchange, Australian Securities Exchange, Hong Kong Stock Exchange, Shanghai Stock Exchange, Shenzhen Stock Exchange, Korea Exchange and Singapore Exchange.

4. As the Valuation is based on going concern basis, it is fair and reasonable to exclude peers with negative profit which uncertainty of the going concern exist, even if they have similar business activities as the Target Business.

5. The Independent Valuer had tried and obtained peers which has market capitalization similar to the fair value of FMG (which is approximately under USD100 million), as comparable reference to the Exclusive Trading Rights. However, only 2 peers are available under this selection criteria. As such, the Independent Valuer had to select peers with market capitalization between USD10 million and USD6 billion in order to have sufficient peer companies to represent the fairness of the result. A total of 5 peers is selected under this selection criteria.

As the main business activity of the Target Business is ferrous, non-ferrous or scrap metals trading, recycling or related business, it is fair and reasonable to select peer companies which has 70% or above of business activities in ferrous, non-ferrous or scrap metals trading, recycling or related business.

The respective percentage of peers with business activities similar to the Target Business are displayed in table below.

#	Name of peers	Ticker	Reporting Currency	Market Capitalization as of Valuation Date (USD million)	Turnover from ferrous, non-ferrous or scrap metals trading, recycling or related business (Million) (Approx.)	Total Turnover (Million) (Approx.)	Segment % to Total Turnover (Approx.)
1	CWT International Ltd	0521.HK	HKD	194.6	32,108.5	37,136.7	86.46%
2	Heng Hup Holdings Ltd	1891.HK	RM	14.4	1,694.8	1,706.7	99.30%
3	Loco Hong Kong Holdings Ltd	8162.HK	HKD	67.2	10,706.8	10,740.5	99.69%
4	CITIC Metal Co Ltd	601061.SS	RMB	5,410.5	130,189.9	130,189.9	100.00%
5	GS Global Corp	001250.KS	KRW	163.6	3,683,414	4,066,494	90.58%

Note: Financial figures are extracted from the latest published annual reports of the peers as of the Valuation Date.

With segment percentage of the peers all well exceeded 70% of its total revenue, market capitalization ranged from USD10 million to USD5.5 billion, the Independent Valuer is of the opinion that the selection criteria of the peers are consistently applied.

Given inclusion of an array of major Stock Exchange around the globe, it is considered that the peers selected, i.e. the Comparable Companies, already formed an exhaustive list for this Valuation.

Indefinite Useful Life and Terminal Value

According to the Sales Cooperation Agreement, the Cooperation will continue for an indefinite period of time, and the Valuation is based on on-going concern. According to the Independent Valuer, under the premise of on-going concern, it is the industry practice to use a terminal value at the end of the demonstrated forecast period for assets/intangible assets with indefinite life.

The forecast period is from 1 July 2025 to 31 December 2046, with a time span of 21.5 years. A terminal value is then derived at the end of the forecast period, as the Exclusive Trading Rights has indefinite life. Although the valuation result is the same, the Independent Valuer is of the opinion that a 21.5-year forecast will provide a better view to reader in comparison with the common 5-year forecast in the valuation industry.

The formula for the terminal value is as following:

Cashflow in terminal year x (1 + Growth rate)/(Discount rate – Growth rate), which can be further breakdown to:

Cashflow in terminal year

= debt-free surviving net cash flow as of terminal year (e)

= earnings attributable to the Exclusive Trading Rights (USD4,516,855)(a) – Contributory Asset Charge (CAC) on net working capital (USD22,873)(b) – CAC on fixed assets (USD19,616)(c) – CAC on assembled workforce (USD11,875)(d) = USD4,462,491 (e)

Such value is then multiplied by a pro-rate factor to period cashflow (for the period from 1 Jan 2046 to 31 Dec 2046 (0.99726)(f). The result is the adopted cashflow for derivation of terminal value (g).

Growth rate = The average global annual inflation rate in the past 10 years (h)

Discount rate (i) = WACC derived by CAPM model (10.00%) + IA risk premium (2.00%)

Calculation of the adopted cashflow in the terminal year, CAC on net working capital, fixed assets and assembled workforce and stipulation of the terminal value as of the terminal year is presented per table below.

Item description	Formula	Estimated Fair Value of Contributory Assets (USD)	Required rate of return (RRR) (%)	Value (USD)	Reference
Earnings attributable to trading right				4,516,855	(a)
Less: Estimated CAC in relation to–					
Net working capital		759,930	3.01%	(22,873)	(b)
Fixed assets		336,455	5.83%	(19,616)	(c)
Assembled workforce		118,749	10.00%	(11,875)	(d)
Debt-free surviving net cash flow as of terminal year	e = a – b – c – d			4,462,491	(e)
Pro-rata factor to periodic cashflow (From 1 Jan 2046 to 31 Dec 2046)				0.99726	(f)
Adopted value for derivation of terminal value	g = e x f			4,450,265	(g)
Growth rate				2.50%	(h)
Discount rate				12.00%	(i)
Terminal Value adopted in valuation	g * (1+h)/(i-h)			**48,016,019**	

With such calculation on the terminal value, its present value would be the terminal value discounted using the discount rate (12.00)% by 21.5 years, or PV income factor at 0.08746061, which makes it equivalent to USD4,199,510. The Independent Valuer is of the opinion that the derivation of the terminal value in the Valuation is in line with industry practice, and is a commonly adopted method for valuation of asset/intangible assets with indefinite life.

Guaranteed Gross Profits

The Guaranteed Gross Profits of US$20 million for the Guarantee Period are determined based on the Discount Rate of 1.5% in the Sales Cooperation Agreement and the accumulated gross profits implied by it along with projected sales of the Products during the Guarantee Period.

The Directors have assessed FMG's historical revenue and the Guaranteed Gross Profits from both a financial perspective as well as a market perspective, and believed that they are reasonable and achievable for the reasons below:

(i) the Company has entered into the long-term supply agreement and strategic cooperation agreements with the industry leaders in the recycling industry, creating a natural demand funnel for the Company;

(ii) according to FMG's financial performance in the past few years, it had stable annual sales and gross profit margins of around 10%, demonstrating its capability to make such potential sales to the Company and accumulative gross profits accordingly; and

(iii) from a market perspective, the Directors have also evaluated the rising demand on the relevant metal products in the US driven by an electrification trend in the long run. Such market trends are supportive to the feasibility of the revenue and gross profits.

Despite the assessments, the Directors determined to adopt a 20% discount on the projected sales volume, which will in turn result in a discount on the estimated gross profit for the Guarantee Period, as a buffer to make the estimation more conservative and robust.

However, to address potential shortfall in the Guaranteed Gross Profits, to protect the interests of the Company and the Shareholders as a whole, the Company has the following safeguard measures in place:

(i) Dynamic discounted rate adjustments: According to the Sales Cooperation Agreement, the Company will monitor the accumulated gross profit from the Cooperation on a quarterly basis. The accumulated gross profits will be compared with the yearly target gross profit as agreed between the Company and FMG. If shortfall of more than 30% of the yearly target occurs, the Company and FMG will renegotiate the Discounted Rate to make up for the shortfall.

(ii) Structured payment retention mechanism: According to the Sales Cooperation Agreement, the payment terms for the Purchase Orders shall be negotiated on a case-by-case basis. Where shortfall of more than 30% of the yearly target occurs, the Company will be entitled to retain 10% of the purchase price, with quarterly reconciliation, and to apply the retained purchase price to offset any shortfall.

Lock-up Period for the Consideration Shares

The Consideration Shares align the interest between FMG and the Company, and is an aim to further motivate FMG to deliver as much value under the Sales Cooperation Agreement as possible, and strengthen the strategic partnership between FMG and the Company.

Pursuant to the Sales Cooperation Agreement, a 1-year lock-up period is imposed on the Consideration Shares, during which period FMG is not allowed to dispose of, pledge or otherwise create encumbrances on the Consideration Shares. Although the lock-up period is shorter than the Guarantee Period, the 1-year lock-up period was set to allow time for FMG and the Company to establish a smooth and streamlined business process pursuant to the Sales Cooperation Agreement, and motivate a full-year satisfactory start of the Cooperation, while keeping it commercially acceptable to the parties.

In consideration of the above factors, the Company consider that the 1-year lock-up period of the Consideration Shares are fair and reasonable, and in the interest of the Company and the Shareholders as a whole.

Amendment of the Long Stop Date under the Sales Cooperation Agreement

On 15 September 2025 (after trading hours), the Company and FMG entered into the Supplemental Agreement, pursuant to which the parties have agreed to amend the Long Stop Date to 15 October 2025 (or such later date as the Company and FMG may agree), as further time is required for the fulfilment of the conditions precedent set out in the Sales Cooperation Agreement. Save and except for the aforesaid change of the Long Stop Date, all other terms of the Sales Cooperation Agreement shall remain unchanged and the Sales Cooperation Agreement shall remain in full force and effect.

This supplemental announcement should be read in conjunction with the Announcement. All other information and content set out in the Announcement remain unchanged and shall continue to be valid for all purposes.

By order of the Board
Envision Greenwise Holdings Limited
KWOK Chun Sing
Chairman and executive Director

Hong Kong, 15 September 2025

As at the date of this announcement, the Board comprises four executive Directors, namely, Mr. Kwok Chun Sing, Mr. Tang Chi Kin, Mr. Zhan Zhi Hao and Ms. Kwok Ho Yee and four independent non-executive Directors, namely, Mr. Hau Wing Shing Vincent, Mr. Yu Chung Leung, Mr. Lam John Cheung-wah and Professor Sit Wing Hang.