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GREEN ENERGY GROUP LIMITED
綠色能源科技集團有限公司*
(incorporated in Bermuda with limited liability)
(Stock Code: 979)

SUPPLEMENTAL ANNOUNCEMENT IN RELATION TO DISCLOSEABLE TRANSACTIONS: DISPOSALS OF REAL ESTATE AND ASSETS

Reference is made to the announcement ("**Announcement**") of Green Energy Group Limited ("**Company**") dated 20 March 2026 in relation to the disposals of real estate and assets. Unless otherwise stated, capitalised terms used herein shall have the same meanings as those defined in the Announcement.

The Company wishes to provide the Shareholders and potential investors of the Company with the following additional information about the Disposals:

Real Estate

The Real Estate was acquired by the Group in September 2016 for commencing the plastic recycling business ("**Commencement of Business**"). The first of the industrial buildings and warehouses situated on the Real Estate were built in 1978 with further buildings and extensions being added to the site throughout the years up to 2013, and these buildings and warehouses had been in use since their construction before the Real Estate was sold to the Group.

The unaudited carrying value of the Real Estate as at 28 February 2026 of approximately EUR660,000 (equivalent to approximately HK$6,178,000) ("**Real Estate Carrying Value**"), on which the Real Estate Consideration was determined, was calculated with reference to (i) the original cost of the Real Estate of approximately EUR1,100,000 (equivalent to approximately HK$10,296,000); (ii) the accumulated depreciation recorded on the Real Estate of approximately EUR157,000 (equivalent to approximately HK$1,470,000); and (iii) the total impairment losses provided for the Real Estate of EUR283,000 (equivalent to approximately HK$2,649,000). The Real Estate Carrying Value after excluding such total impairment losses amounted to approximately EUR943,000 (equivalent to approximately HK$8,827,000).

Assets

The Assets were acquired by the Group in September 2016 for the Commencement of Business. To the best of the knowledge of the Directors, major part of the Assets being the production machineries had been in use since 2012 before they were sold to the Group.

The unaudited carrying value of the Assets as at 28 February 2026 of approximately EUR82,000 (equivalent to approximately HK$767,000) ("**Asset Carrying Value**"), on which the Asset Consideration was determined, was calculated with reference to (i) the original cost of the Assets of approximately of EUR978,000 (equivalent to approximately HK$9,154,000); and (ii) the accumulated depreciation recorded on the Assets of approximately EUR896,000 (equivalent to approximately HK$8,387,000).

Determination of the Total Consideration

The Board considers that the Real Estate Consideration and the Asset Consideration ("**Total Consideration**") are fair and reasonable and in the interests of the Company and its shareholders as a whole taking into account of the followings:

(a) Reference to the carrying value

The Real Estate Carrying Value is the value of the Real Estate recorded in the consolidated financial statements of the Company, which reflects the financial position of the Group. The Real Estate Carrying Value was determined by deducting the depreciation expenses recorded on the Real Estate from 1 July 2025 to 28 February 2026 of approximately EUR11,000 (equivalent to approximately HK$103,000), from the carrying value of the Real Estate as at 30 June 2025 as recorded in the audited consolidated financial statements of the Company, which have been agreed by the auditors of the Company.

Same as the Real Estate Carrying Value, the Asset Carrying Value is the value of the Assets recorded in the consolidated financial statements of the Company, which reflects the financial position of the Group. The Asset Carrying Value was determined by deducting the depreciation expenses recorded on the Assets from 1 July 2025 to 28 February 2026 of approximately EUR57,000 (equivalent to approximately HK$534,000), from the carrying value of the Assets as at 30 June 2025 as recorded in the audited consolidated financial statements of the Company, which have been agreed by the auditors of the Company.

In addition, any gain or loss arising from the Disposals will be determined with reference to the carrying value of the Real Estate and the Assets as recorded in the consolidated financial statements of the Company and the Total Consideration.

In view of the above, the Board considers that it is reasonable and fair to use the Real Estate Carrying Value and the Asset Carrying Value ("**Total Carrying Value**") as the basis for the determination of the Total Consideration.

(b) High holding costs

The Group suspended the operation of its plastic recycling business in August 2025 to reduce its loss. In spite of the suspension of the operation, the Group is still required to maintain a minimum workforce at the Real Estate to oversee the warehouse and building on the Real Estate and the Assets.

Although the business has been suspended, the Real Estate and the Assets are still subject to examination and inspection by the governmental authorities in Germany which will conduct unannounced inspection of the Real Estate, covering matters such as waste management, safety and environmental impact. Accordingly, a minimum number of staff is maintained to ensure ongoing compliance with the regulatory requirements. It had made the Group to incur monthly staff costs and other overhead costs (including water, electricity and gas costs) of approximately EUR40,000 (equivalent to approximately HK$374,000) in aggregate (collectively, the "**Staff and Overhead Costs**") after the suspension of operation and up to the date of this supplemental announcement.

In addition, in accordance with the applicable accounting standards, the Group will be required to record depreciation expenses on the Real Estate and the Assets before the Group disposes of such assets. The total monthly depreciation expenses on the Real Estate and the Assets amount to approximately EUR8,300 (equivalent to approximately HK$77,700). Notwithstanding that such depreciation expenses are accounting items which are non-cash in nature, they reflect the decline in the values of the Real Estate and the Assets over time which undermine the financial position of the Group. Furthermore, the Real Estate and the Assets are located in Germany, and there is no assurance that such assets will not be affected by the instability arising from the 2026 Iran war.

The longer the holding period, the higher amounts of expenses and risks will be incurred by and exposed to by the Group. Therefore, the Board considers that it would be in the interests of the Company and its shareholders as a whole so long as the Group will be able to dispose of the Real Estate and the Assets as soon as practicable at a reasonable price, which can save the Group from continuing to incur high holding expenses as mentioned above, even though such prices may not be equal to or higher than the Total Carrying Value.

(c) Difficulty in identifying purchaser

Before the Board made the decision to dispose of the Real Estate and Assets and terminate the operation of the Group's plastic recycling business in 2025, the Group had started to make enquiries on potential buyers for the Real Estate and the Assets in April 2024. However, due to the volatile economic environment and the poor prospect of the plastic recycling business in Germany, the Group failed to secure any buyer for the Real Estate and Assets save for the Real Estate Purchaser and the Asset Purchaser.

Given that the Real Estate Purchaser and the Asset Purchaser were the only parties interested in acquiring the Real Estate and the Assets so far, the Company was of the view that the Total Consideration agreed by the Group with the Real Estate Purchaser and the Asset Purchaser, respectively, were in substance the "market prices" of these assets from the perspective that the Total Consideration were considered fair and reasonable.

Having considered the risk of the decline in the value of the Real Estate and the Assets, the depreciation expenses to be incurred, the costs to hold these assets and the general lack of market interest in them, the Board was of the view that notwithstanding that the Disposals would result in expected losses of approximately HK$1,486,000 in aggregate for the Group, the Group should still seize the opportunity available and dispose of the Real Estate and the Assets to the Real Estate Purchaser and the Asset Purchaser at the Total Consideration, instead of waiting for better offers from potential future buyers, in particular, having taken into account of the high holding costs to be incurred during the waiting time and the possibility of the total failure in identifying and securing future buyers. Although the Total Consideration is lower than the Total Carrying Value, it is not meaningful and not economically justified for the Group to wait for potential buyers who are willing to pay a price equal to or higher than the Total Carrying Value, who may never exist.

In addition, given that the Group records total monthly depreciation expenses of approximately EUR8,300 (equivalent to approximately HK$77,700) on the Real Estate and the Assets as mentioned above, while completion of the Disposals will not take place until 30 April 2026, the total depreciation expenses to be recorded by the Group on the Real Estate and the Assets from 1 March 2026 to the date of completion of the Disposals in the amount of EUR16,600 (equivalent to approximately HK$155,400) and the total monthly Staff and Overhead Costs in the amount of EUR80,000 (equivalent to approximately HK$748,000) will take up most part of the discounts offered by the Group to the Real Estate Purchaser and the Asset Purchaser under the Disposals.

(d) High cost of vacating and cleaning up

It is very difficult to identify and secure purchasers who agree to purchase the Real Estate and the Assets at the same time, on "as is" basis and will continue to use the Assets to operate plastic recycling business on the Real Estate after the disposal. If the Group would only be able to sell the Real Estate and the Assets to different purchasers and such purchasers are not willing to accept those assets on "as is" basis, the Group would have to incur substantial costs before selling those assets to the purchasers. The Group would be required to spend significant amounts of time and money on vacating (including the removal of the Assets) and cleaning up the Real Estate before it can be sold in marketable condition and with vacant possession. In particular, if the Group would not be able to sell the Assets prior to the Real Estate being put on the market for sale, the Group would need to find and rent a warehouse and arrange for the Assets of an estimated total weight of not less than 150 tonnes, to be delivered to such warehouse for storage, before clean-up work at the Real Estate ("**Clean-up Work**") could commence. Such Clean-up Work would include the removal of unused waste materials of an estimated total weight of not less than 100 tonnes, the demolition of fixtures (including shelves, cabinets, lighting, plumbing and tiled flooring), the clearing of the debris and general cleaning up of the Real Estate. Afterwards, the Group would need to engage an environmental expert to conduct an environmental assessment on the Real Estate to determine the type and extent of intensive cleaning of the soil ("**Intensive Cleaning**") required to ensure that the Real Estate would be cleared of any hazardous materials and contaminants left by the Group's plastic recycling operation so that it would be safe for operating any other type of business. It is estimated that barring unforeseen circumstances, it would take the Group approximately 4 months to complete the delivery of the Assets to the warehouse and the Clean-up Work, and approximately 2 months to finish the Intensive Cleaning (including the preparation of the environmental assessment).

Given that certain machineries of the Group being disposed of under the Asset Purchase and Transfer Agreement are not in good working condition, the Group would need to spend considerable amount of time and repairing costs to make them in good working order again if the buyer will not accept such assets on "as is" basis. While the technician (one of the employees of the Asset Vendor) will handle the minor repairs on the Assets, the Group will have to rely on professional engineering firms specialised in the servicing of machineries and equipment used in the plastic recycling business to bring the Assets into marketable condition. With respect to the machineries and equipment of the Group the models of which are outdated, more time (from one to two months) will be required for the professional engineering firms to find the parts required before they can commence their repair work.

On the other hand, the Real Estate Purchaser and the Asset Purchaser (which is owned as to 88% by the sole shareholder of the Real Estate Purchaser) accepted the Real Estate and the Assets to be sold on "as is" basis under the Disposals and would continue to use the Assets to operate their own plastic recycling business on the Real Estate after completion of the Disposals, thereby saving the Group from incurring substantial time (estimated to be not less than six months) and costs (estimated to be not less than EUR100,000 (equivalent to approximately HK$936,000) in aggregate) to vacate and clean up the Real Estate (including the Clean-up Work) and make the Assets in good working order again before putting these assets on the market, as well as the transportation costs required for delivering the Assets to the buyer(s). In addition, the Group may be required to incur the costs of the Intensive Cleaning based on the results of the environmental assessment, which are estimated to be not less than EUR150,000 (equivalent to approximately HK$1,404,000), subject to the extent of the Intensive Cleaning to be required.

In light of the above, the Group has agreed to the sell the Real Estate and the Assets to the Real Estate Purchaser and the Asset Purchaser respectively even though the Total Consideration is less than the Total Carrying Value.

Unless otherwise specified, amounts denominated in Hong Kong dollars and Euro have been translated at the exchange rate of EUR1:HK$9.36 in this announcement for the purpose of illustration only. No representation is made that any amounts in Hong Kong dollars and Euro were or could have been or could be converted into each other at such rates or any other exchange rates on the date of this announcement or any other date.

On behalf of the Board
Green Energy Group Limited
Lo Kam Wing *JP*
Co-Chairman

Hong Kong, 20 April 2026

As at the date of this announcement, the Company has three executive Directors, namely Mr. Lo Kam Wing JP, Mr. Shao Mingbiao and Mr. Ho Wai Hung, and three independent non-executive Directors, namely Mr. Tam Chun Wa, Mr. Man Kwok Leung and Ms. Chan Corrie Wai Yan.

* *For identification purposes only*