
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, 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 securities in Green Leader Holdings Group Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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GREEN LEADER HOLDINGS GROUP LIMITED

綠領控股集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock code: 61)

- (1) PROPOSED SHARE CONSOLIDATION;
(2) PROPOSED CHANGE IN BOARD LOT SIZE;
(3) CONNECTED TRANSACTIONS IN RELATION TO THE PROPOSED
AMENDMENTS TO THE CONVERTIBLE NOTES;
AND
(4) NOTICE OF SGM**

**Independent Financial Adviser to the Independent Board Committee and
the Independent Shareholders**



Capitalised terms used in this cover page shall have the same meanings as those defined in this circular.

The notice convening the SGM to be held at 19/F., Hip Shing Hong Centre, 55 Des Voeux Road Central, Central, Hong Kong on Friday, 10 July 2026 at 10:30 a.m. (or, in the event that a black rainstorm warning signal or tropical cyclone warning signal no. 8 or above is in force in Hong Kong at 8:00 a.m. on that day, at the same time and place on Monday, 13 July 2026) or any adjournment thereof at which proposals as set out on pages SGM-1 to SGM-4 of this circular will be considered. A form of proxy for use at the SGM is enclosed with this circular. Such form of proxy is also published on the websites of the Company (www.irasia.com/listco/hk/greenleader) and The Stock Exchange of Hong Kong Limited (www.hkexnews.hk). Irrespective of whether you are able to attend the SGM, please complete the accompanying form of proxy in accordance with the instructions printed thereon and deposit the same at the Company's Hong Kong branch share registrar, Tricor Investor Services Limited at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible and no less than 48 hours before the time appointed for holding the SGM (i.e. Wednesday, 8 July 2026 at 10:30 a.m.) or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting at the SGM or any adjournment thereof should you so wish.

No corporate gifts or refreshments will be provided at the SGM.

In the event of any inconsistency, the English version of this circular shall prevail over the Chinese version.

25 June 2026

CONTENTS

	<i>Page</i>
DEFINITIONS	1
EXPECTED TIMETABLE	6
LETTER FROM THE BOARD	8
LETTER FROM THE INDEPENDENT BOARD COMMITTEE	30
LETTER FROM THE INDEPENDENT FINANCIAL ADVISER	32
APPENDIX – GENERAL INFORMATION	58
NOTICE OF SGM	SGM-1

DEFINITIONS

In this circular, the following expressions have the following meanings unless the context requires otherwise:

“Amended and Restated Second Amendment Deeds”	the amended and restated second deed of amendments dated 22 June 2026 and entered into between the Company and China OEPC, and between the Company and Ms. Hao in relation to the Amendments
“Amendment Deeds”	the deed of amendments dated 24 April 2024 and entered into between the Company and China OEPC, and between the Company and Ms. Hao in relation to the extension of the maturity date of the Convertible Notes from 20 October 2022 to 26 June 2026, being the date falling on the second (2nd) anniversary of the date of completion of the Amendment Deeds
“Announcements”	the announcements of the Company dated 14 May 2026 in relation to, among others, the Second Amendment Deeds and dated 22 June 2026 in relation to, amongst others, the Share Consolidation, the Change in Board Lot Size and the Amended and Restated Second Amendment Deeds, respectively, and the transactions contemplated thereunder
“associate(s)”	has the meanings ascribed to it under the Listing Rules
“Board”	the board of Directors of the Company
“Business Day(s)”	a day (other than a Saturday, Sunday and public holiday) on which licensed banks in Hong Kong are open for business throughout their normal business hours
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Change in Board Lot Size”	the proposed change in board lot size of the Shares for trading on the Stock Exchange from 20,000 Existing Shares to 10,000 Consolidated Shares subject to and upon the Share Consolidation becoming effective
“China OEPC”	China OEPC Limited, a company incorporated in the British Virgin Islands with limited liability and is indirectly wholly-owned by Mr. Zhang
“CN Extended Maturity Date”	the date falling on the second (2nd) anniversary of the date of Completion

DEFINITIONS

“CN Extensions”	the proposed extensions of the maturity date of the Convertible Notes from 26 June 2026 to the CN Extended Maturity Date
“Company”	Green Leader Holdings Group Limited, a company incorporated in Bermuda with limited liability and the issued Shares of which are listed on the Stock Exchange (stock code: 61)
“Completion”	completion of the Amended and Restated Second Amendment Deeds in accordance with the terms and conditions thereof
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Consolidated Share(s)”	ordinary share(s) of par value HK\$0.004 each in the share capital of the Company after the Share Consolidation becoming effective
“Conversion Price”	the conversion price per Conversion Share or New Conversion Share (as the case may be and subject to adjustments) of the Convertible Notes
“Conversion Share(s)”	the Existing Share(s) or the Consolidated Share(s) (after the Share Consolidation has become effective) to be allotted and issued upon conversion of the Convertible Notes or otherwise pursuant to the terms and conditions of the Convertible Notes
“Convertible Notes”	the zero coupon unsecured unlisted convertible notes due on 26 June 2026 in the aggregate principal amount of HK\$395,000,000 issued by the Company as at the Latest Practicable Date
“Director(s)”	director(s) of the Company
“Existing Share(s)”	ordinary share(s) of par value HK\$0.001 each in the share capital of the Company before the Share Consolidation becoming effective
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited
“HKSCC Operation 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

DEFINITIONS

“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	an independent board committee comprising the independent non-executive Directors to advise the Independent Shareholders as to the fairness and reasonableness of the Second Amendment Deeds and the transactions contemplated thereunder
“Independent Financial Adviser” or “Merdeka”	Merdeka Corporate Finance Limited, a corporation licensed to carry on Type 6 (Advising on Corporate Finance) regulated activity under the SFO, and the independent financial adviser to the Independent Board Committee and the Independent Shareholders in relation to the Second Amendment Deeds and the transactions contemplated thereunder
“Independent Shareholders”	the Shareholders not required under the Listing Rules to abstain from voting on the resolution(s) approving the Second Amendment Deeds and the transactions contemplated thereunder including but not limited to the grant of the Specific Mandate
“Latest Practicable Date”	24 June 2026, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date”	13 August 2026 or such other date as may be agreed by the Company and the Noteholders
“Mr. Zhang”	Mr. Zhang Sanhuo
“Ms. Hao”	Ms. Hao Ting, the spouse of Mr. Zhang
“New Conversion Share(s)”	the Consolidated Shares to be issued and allotted upon conversion of the Convertible Notes as amended by the Amended and Restated Second Amendment Deeds
“Noteholder(s)”	the holder(s) of the Convertible Notes
“PRC”	the People’s Republic of China which, and for the sole purpose of this circular, shall exclude Hong Kong, the Macau Special Administrative Region and Taiwan

DEFINITIONS

“Registrar”	Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, the Company’s branch share registrar and transfer office in Hong Kong
“Second Amendment Deed(s)”	the deed of amendments dated 14 May 2026 and entered into between the Company and China OEPC, and between the Company and Ms. Hao in relation to the CN Extensions both of which has been superseded by the Amended and Restated Second Amendment Deeds with effect from 22 June 2026
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“SGM”	the special general meeting of the Company to be convened and held on Friday, 10 July 2026 at 10:30 a.m. at 19/F., Hip Shing Hong Centre, 55 Des Voeux Road Central, Central, Hong Kong (or, in the event that a black rainstorm warning signal or tropical cyclone warning signal no. 8 or above is in force in Hong Kong at 8:00 a.m. on that day, at the same time and place on Monday, 13 July 2026) for the Shareholders to consider, and if thought fit, approve the Share Consolidation and the transactions contemplated thereunder as well as for the Independent Shareholders to consider and, if thought fit, to approve the Amended and Restated Second Amendment Deeds and the transactions contemplated thereunder
“Share(s)”	the Existing Share(s), or as the context may require, the Consolidated Share(s)
“Share Consolidation”	the proposed consolidation of every four (4) issued and unissued Existing Shares of par value HK\$0.001 each in the share capital of the Company into one (1) Consolidated Share of par value HK\$0.004 each
“Share Option Scheme”	the share option scheme of the Company adopted on 28 May 2015 and expired on 27 May 2025
“Share Option(s)”	share option(s) granted under the Share Option Scheme
“Shareholder(s)”	holder(s) of the issued Shares
“Specific Mandate”	the specific mandate to be granted by the Independent Shareholders at the SGM to allot and issue the New Conversion Shares upon exercise of the conversion rights attached to the Convertible Notes as amended by the Amended and Restated Second Amendment Deeds

DEFINITIONS

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers
“treasury Shares”	has the meaning ascribed to this term under the Listing Rules
“%”	per cent.

EXPECTED TIMETABLE

The expected timetable for the Share Consolidation and the Change in Board Lot Size is set out below. The expected timetable is subject to the results of the SGM and satisfaction of the conditions to the Share Consolidation and the Change in Board Lot Size, and may be extended or varied due to additional time required for compliance with regulatory requirements in Bermuda and is therefore for indicative purpose only. Any change to the expected timetable will be announced in a separate announcement by the Company as and when appropriate. All times and dates in this circular refer to Hong Kong local times and dates unless otherwise specified.

Event	2026 (Hong Kong time and date)
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Latest date and time for lodging transfer documents in order to qualify for attending and voting at the SGM	4:30 p.m. on Monday, 6 July 2026
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Closure of the register of members for determining the entitlements to attend and vote at the SGM	Tuesday, 7 July 2026 to Friday, 10 July 2026 (both days inclusive)
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Latest time for lodging forms of proxy for the SGM	10:30 a.m. on Wednesday, 8 July 2026
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Record date for the SGM	Friday, 10 July 2026
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Date and time of the SGM	10:30 a.m. on Friday, 10 July 2026
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Publication of the announcement of the poll results of the SGM	Friday, 10 July 2026
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The following events are conditional on the fulfillment of the conditions for the implementation of the Share Consolidation.

Effective date of the Share Consolidation	Tuesday, 14 July 2026
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First day of free exchange of existing share certificates for new share certificates for Consolidated Shares	Tuesday, 14 July 2026
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Dealing in the Consolidated Shares commences.	9:00 a.m. on Tuesday, 14 July 2026
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Original counter for trading in the Existing Shares in board lots of 20,000 Existing Shares (in the form of existing share certificates) temporarily closes	9:00 a.m. on Tuesday, 14 July 2026
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EXPECTED TIMETABLE

Temporary counter for trading in the Consolidated Shares
in board lots of 5,000 Consolidated Shares (in the form
of existing share certificates) opens 9:00 a.m. on Tuesday,
14 July 2026

Original counter for trading in the Consolidated Shares
in new board lots of 10,000 Consolidated Shares
(in the form of new share certificates for the Consolidated
Shares) re-opens 9:00 a.m. on Tuesday,
28 July 2026

Parallel trading in the Consolidated Shares (in the form
of new share certificates for the Consolidated Shares and
existing share certificates) commences 9:00 a.m. on Tuesday,
28 July 2026

Designated broker starts to stand in the market to
provide matching services for odd lots of
the Consolidated Shares 9:00 a.m. on Tuesday,
28 July 2026

Designated broker ceases to stand in the market to
provide matching services for odd lots of
the Consolidated Shares 4:00 p.m. on Monday,
17 August 2026

Temporary counter for trading in the Consolidated
Shares in board lots of 5,000 Consolidated Shares
(in the form of existing share certificates) closes 4:10 p.m. on Monday,
17 August 2026

Parallel trading in the Consolidated Shares (in the form
of new share certificates for the Consolidated Shares and
existing share certificates) ends. 4:10 p.m. on Monday,
17 August 2026

Last day for free exchange of existing share certificates
for new share certificates for the Consolidated Shares Wednesday, 19 August 2026

LETTER FROM THE BOARD



GREEN LEADER HOLDINGS GROUP LIMITED

綠領控股集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock code: 61)

Executive Directors:

Mr. Tse Michael Nam (*Chairman and Chief Executive Officer*)

Ms. An Juan

Independent non-executive Directors:

Mr. Ho Kin Cheong Kelvin

Mr. Shen Weidong

Mr. Tian Hong

Registered office:

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

*Head office and principal place of
business in Hong Kong:*

Unit A, 12/F., Central 88

88-98 Des Voeux Road Central

Hong Kong

25 June 2026

To the Shareholders,

Dear Sir or Madam,

**(1) PROPOSED SHARE CONSOLIDATION;
(2) PROPOSED CHANGE IN BOARD LOT SIZE;
(3) CONNECTED TRANSACTIONS IN RELATION TO THE PROPOSED
AMENDMENTS TO THE CONVERTIBLE NOTES;
AND
(4) NOTICE OF SGM**

INTRODUCTION

Reference is made to the Announcements of the Company dated 14 May 2026 and 22 June 2026 in relation to, among others, the entering into of the Second Amendment Deeds, which was superseded by the Amended and Restated Second Amendment Deeds, and dated 22 June 2026 in relation to, amongst others, the Share Consolidation, the Change in Board Lot Size and the Amended and Restated Second Amendment Deeds, respectively. The entering into of the Amended and Restated Second Amendment Deeds constitute connected transactions on the part of the Company under Chapter 14A of the Listing Rules.

LETTER FROM THE BOARD

The purpose of this circular is to give you, among other things, (i) details of the Share Consolidation; (ii) details of the Change in Board Lot Size; (iii) details of the Amended and Restated Second Amendment Deeds and other information as required under the Listing Rules; (iv) the recommendation of the Independent Board Committee to the Independent Shareholders in relation to the Amended and Restated Second Amendment Deeds and the transactions contemplated thereunder; (v) the letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in relation to the Amended and Restated Second Amendment Deeds and the transactions contemplated thereunder; (vi) general information of the Group; and (vii) a notice of the SGM.

PROPOSED SHARE CONSOLIDATION

The Board proposes to implement the Share Consolidation on the basis that every four (4) issued and unissued Existing Shares of par value HK\$0.001 each will be consolidated into one (1) Consolidated Share of par value HK\$0.004 each. The Share Consolidation is conditional upon, among other things, the approval of the Shareholders at the SGM.

Effects of the Share Consolidation

As at the Latest Practicable Date, the authorised share capital of the Company is HK\$2,000,000,000 divided into 2,000,000,000 Existing Shares of par value HK\$0.001 each, of which 526,260,404 Existing Shares have been issued and are fully paid or credited as fully paid. Upon the Share Consolidation becoming effective and assuming that no new Existing Shares will be issued or repurchased from the Latest Practicable Date until the effective date of the Share Consolidation, the authorised share capital of the Company will become HK\$2,000,000,000 divided into 500,000,000 Consolidated Shares of par value HK\$0.004 each, of which 131,565,101 Consolidated Shares will be in issue which are fully paid or credited as fully paid.

Upon the Share Consolidation becoming effective, the Consolidated Shares shall rank *pari passu* in all respects with each other.

Other than the expenses to be incurred in relation to the Share Consolidation, the implementation of the Share Consolidation will have no effect on the consolidated net asset value of the Group, nor alter the underlying assets, business operations, management or financial position of the Company or the proportionate interests or rights of the Shareholders, save that any fractional Consolidated Shares will not be allocated to Shareholders who may otherwise be entitled and the necessary professional expenses for the implementation of the Share Consolidation.

The Board believes that the Share Consolidation will not have any material adverse effect on the financial position of the Group and that on the date the Share Consolidation is to be effected, there are no reasonable grounds for believing that the Company is, or after the Share Consolidation would be, unable to pay its liabilities as they become due. The Share Consolidation will not involve any diminution of any liability in respect of any unpaid capital of the Company or the repayment to the Shareholders of any unpaid capital of the Company nor will it result in any change in the relative rights of the Shareholders.

LETTER FROM THE BOARD

Conditions of the Share Consolidation

The implementation of the Share Consolidation is conditional upon:

- (i) the passing of an ordinary resolution by the Shareholders at the SGM to approve the Share Consolidation;
- (ii) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Consolidated Shares in issue and to be issued upon the Share Consolidation becoming effective; and
- (iii) the compliance with the relevant procedures and requirements under the laws of Bermuda (where applicable) and the obtaining of all necessary approvals from the regulatory authorities or otherwise as may be required in respect of the Share Consolidation, if any.

As at the Latest Practicable Date, none of the conditions above had been fulfilled. Subject to the fulfilment of the conditions of the Share Consolidation, the effective date of the Share Consolidation is expected to be on Tuesday, 14 July 2026, being the second Business Day after the date of the SGM.

Listing Application

An application will be made by the Company to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Consolidated Shares in issue and to be issued upon the Share Consolidation becoming effective.

Subject to the granting of the listing of, and permission to deal in, the Consolidated Shares on the Stock Exchange upon the Share Consolidation becoming effective, as well as compliance with the stock admission requirements of the HKSCC, the Consolidated Shares 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 Consolidated 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. All activities under CCASS are subject to the General Rules of HKSCC and HKSCC Operational Procedures in effect from time to time. All necessary arrangements will be made for the Consolidated Shares to be admitted into CCASS established and operated by HKSCC.

None of the Existing Shares are listed or dealt in on any other stock exchange other than the Stock Exchange, and at the time when the Share Consolidation becomes effective, the Consolidated Shares in issue will not be listed or dealt in on any stock exchange other than the Stock Exchange, and no such listing or permission to deal is being or is proposed to be sought.

LETTER FROM THE BOARD

Adjustments in relation to other securities of the Company

As at the Latest Practicable Date, there are 1,000,000 Share Options outstanding and the total number of Shares available for issue under the Share Option Scheme is 1,000,000 Shares. No further Share Options can be granted under the Share Option Scheme which had expired on 27 May 2025. Under the terms and conditions of the Share Option Scheme, the Share Consolidation may lead to adjustments to the number of Shares subject to the Share Options so far as unexercised and/or the exercise price.

The Company will notify the holder(s) of such Share Options and the Shareholders by way of announcement (as and when appropriate) regarding adjustments to be made (if any) pursuant to the terms of the Share Option Scheme and such adjustment will be certified by an independent financial adviser or auditors of the Company (as the case may be).

For illustrative purposes only, set out below is the preliminary adjustment in relation to the outstanding Share Options upon the Share Consolidation having become effective:

As at the Latest Practicable Date		Immediately upon the Share Consolidation becoming effective		
		Adjusted number of Consolidated Shares issuable on the exercise of the outstanding Share Options in full		Adjusted exercise price of the outstanding Share Options
Number of outstanding Share Options	Exercise price of the outstanding Share Options			
1,000,000	HK\$7.00	250,000		HK\$28.00

As at the Latest Practicable Date, save for the outstanding Share Options and the Convertible Notes, the Company does not have any other derivatives, options, warrants, other securities or conversion rights or other similar rights which are convertible or exchangeable into any Shares.

PROPOSED CHANGE IN BOARD LOT SIZE

As at the Latest Practicable Date, the Existing Shares were traded on the Stock Exchange in the board lot size of 20,000 Existing Shares. The Board proposes to change the board lot size for trading on the Stock Exchange from 20,000 Existing Shares to 10,000 Consolidated Shares subject to and upon the Share Consolidation becoming effective.

Based on the closing price of HK\$0.053 per Existing Share (equivalent to HK\$0.212 per Consolidated Share) as quoted on the Stock Exchange as at the Latest Practicable Date, (i) the market value of each board lot of 20,000 Existing Shares is HK\$1,060; and (ii) the market value of each board lot of 10,000 Consolidated Shares, assuming the Share Consolidation had become effective, would be HK\$2,120.

The Change in Board Lot Size will not result in any change in the relative rights of the Shareholders.

LETTER FROM THE BOARD

OTHER ARRANGEMENTS

Fractional entitlement to Consolidated Shares

Fractional Consolidated Shares arising from the Share Consolidation, if any, will be disregarded and will not be issued to the Shareholders but all such fractional Consolidated Shares will be aggregated and, if possible, sold and retained for the benefit of the Company. Fractional Consolidated Shares will only arise in respect of the entire shareholding of a holder of the Existing Shares regardless of the number of share certificates held by such holder.

Arrangement on odd lot trading

In order to facilitate the trading of odd lots, if any, of the Consolidated Shares arising from the Share Consolidation, the Company has appointed Mage Securities Limited as an agent to provide a matching service, on a best efforts basis, to those Shareholders who wish to acquire odd lots of the Consolidated Shares to make up a full board lot, or to dispose of their holding of odd lots of the Consolidated Shares during the period from 9:00 a.m. on Tuesday, 28 July 2026 to 4:00 p.m. on Monday, 17 August 2026. Shareholders who wish to take advantage of this facility should contact the Customer Service Hotline of Mage Securities Limited at telephone number: (852) 3103 8388 during office hours (i.e. from 9:00 a.m. to 5:00 p.m.) of such period.

Holders of odd lots of the Consolidated Shares should note that the matching of the sale and purchase of odd lots of the Consolidated Shares is not guaranteed. Shareholders who are in any doubt about the odd lots matching arrangement are recommended to consult their own professional advisers.

Free exchange of share certificates for Consolidated Shares

Subject to the Share Consolidation becoming effective, which is currently expected to be Tuesday, 14 July 2026, being the second Business Day immediately after the date of the SGM, Shareholders may on or after Tuesday, 14 July 2026 and until Wednesday, 19 August 2026 (both days inclusive), submit their existing share certificates in blue colour for the Existing Shares to the Registrar, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for exchange for new share certificates on the basis of every four (4) Existing Shares for one (1) Consolidated Share without any fractional Consolidated Share, in red colour for the Consolidated Shares at the expense of the Company. It is expected that the new share certificates for the Consolidated Shares will be available for collection within ten (10) Business Days after the submission of the existing share certificates to the Registrar for exchange. Thereafter, a fee of HK\$2.50 (or such other amount as may from time to time be allowed by the Stock Exchange) will be payable by the Shareholders to the Registrar for each share certificate for the Consolidated Shares issued or each share certificate for the Existing Shares submitted for cancellation, whichever is higher.

After 4:10 p.m. on Monday, 17 August 2026, trading will only be in Consolidated Shares which share certificates will be issued in red colour. Existing share certificates in blue colour for the Existing Shares will cease to be valid for trading, settlement and registration purpose, but will remain valid and effective as documents of title.

LETTER FROM THE BOARD

REASONS FOR THE PROPOSED SHARE CONSOLIDATION AND CHANGE IN BOARD LOT SIZE

Pursuant to Rule 13.64 of the Listing Rules, where the market price of the securities of an issuer approaches the extremities of HK\$0.01 or HK\$9,995.00, the issuer may be required either to change the trading method or to proceed with a consolidation or splitting of its securities. Further, the “Guide on Trading Arrangements for Selected Types of Corporate Actions” issued by Hong Kong Exchanges and Clearing Limited on 28 November 2008 and last updated in September 2024 (the “**Guide**”) states that (i) market price of the shares at a level less than HK\$0.10 each will be considered as trading at extremity as referred to under Rule 13.64 of the Listing Rules; and (ii) taking into account the minimum transaction costs for a securities trade, the expected board lot value per board lot should be greater than HK\$2,000.

In view of the prevailing trading prices of the Existing Shares, the Board proposes to implement the Share Consolidation and the Change in Board Lot Size. It is expected that the proposed Share Consolidation would bring about a corresponding upward adjustment in the trading price of the Consolidated Shares on the Stock Exchange. As a result, the proposed Share Consolidation and the proposed Change in Board Lot Size would enable the Company to comply with the trading requirements under the Listing Rules. Based on the closing price of HK\$0.053 per Existing Share (equivalent to HK\$0.212 per Consolidated Share) as quoted on the Stock Exchange as at the Latest Practicable Date, the expected market value of each board lot of 10,000 Consolidated Shares, assuming the Share Consolidation had become effective, would be HK\$2,120 as compared to HK\$1,060 of the original board lot of 20,000 Existing Shares, and is greater than HK\$2,000 and therefore complies with the requirement as set out in the Guide.

Save for the relevant expenses, including but not limited to professional fees and printing charges to be incurred by the Company, the implementation of the Share Consolidation will have no effect on the consolidated net asset value of the Group, nor alter the underlying assets, business operations, management or the financial position of the Company or the proportionate interests of the Shareholders. In view of the above, the Board considers that the Share Consolidation is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

As at the Latest Practicable Date, the Company has no intention to carry out other corporate actions in the next 12 months which may have an effect of undermining or negating the intended purpose of the Share Consolidation, and the Company does not have any concrete plan to conduct any fund raising activities in the next 12 months. However, the Board cannot rule out the possibility that the Company will conduct debt and/or equity fund raising exercises when suitable fund raising opportunities arise in order to support future development of the Group. The Company will make further announcement in this regard in accordance with the Listing Rules as and when appropriate.

LETTER FROM THE BOARD

BACKGROUND OF THE CONVERTIBLE NOTES

References are made to the announcements of the Company dated 22 July 2020, 29 July 2020, 19 October 2020 and 20 October 2022, and the circular of the Company dated 30 September 2020 in relation of the issue of the Convertible Notes in the aggregate principal amount of HK\$380,000,000 to China OEPC and HK\$15,000,000 to Ms. Hao. References are also made to the announcements of the Company dated 24 April 2024 and 21 June 2024, and the circular of the Company dated 31 May 2024 in relation to the entering into of the Amendment Deeds on 24 April 2024 in relation to the extension of the maturity date from 20 October 2022 to 26 June 2026, being the date falling on the second (2nd) anniversary of the date of completion of such Amendment Deeds, the announcement of the Company dated 14 May 2026 in relation to the entering into of the Second Amendment Deeds on even date in relation to the extension of the maturity date from 26 June 2026 to the date falling on the second (2nd) anniversary of the date of completion of the Second Amendment Deeds and the announcement of the Company dated 22 June 2026 in relation to the entering into of the Amended and Restated Second Amendment Deeds on even date in relation to the Amendments (as defined below) which supersedes the Second Amendment Deeds.

The Convertible Notes will mature on 26 June 2026 pursuant to the existing terms and conditions of the Convertible Notes, as amended by the Amendment Deeds, and remains outstanding in full as at the Latest Practicable Date.

AMENDED AND RESTATED SECOND AMENDMENT DEEDS

As a result of the proposed Share Consolidation, on 22 June 2026 (after trading hours of the Stock Exchange), the Company, China OEPC and Ms. Hao entered into the Amended and Restated Second Amendment Deeds, which will supersede the Second Amendment Deeds with effect from 22 June 2026.

Pursuant to the Amended and Restated Second Amendment Deeds, in addition to the extension of the maturity date of the Convertible Notes from 26 June 2026 to the CN Extended Maturity Date (i.e. the date falling on the second (2nd) anniversary of the date of Completion), the Conversion Price of the Convertible Notes will also be changed from HK\$0.22 per Conversion Share to HK\$0.88 per New Conversion Share from and including the date of the Amendments under the Amended and Restated Second Amendment Deeds having become effective to and including the CN Extended Maturity Date (collectively, the “**Amendments**”).

An application will be made by the Company to the Stock Exchange for the approval of the Amendments pursuant to Rule 28.05 of the Listing Rules.

LETTER FROM THE BOARD

The principal terms of the Amended and Restated Second Amendment Deeds are summarised below:

Date : 22 June 2026

Parties : (i) the Company;

(ii) China OEPC; and

(iii) Ms. Hao

China OEPC, being one of the Noteholders, is indirectly wholly-owned by Mr. Zhang. China OEPC is a company incorporated in the British Virgin Islands with limited liability and is principally engaged in investment holdings. As at the Latest Practicable Date, China OEPC is a substantial Shareholder holding 94,292,961 Shares, representing approximately 17.92% of the issued share capital of the Company. China OEPC also holds the Convertible Notes in the outstanding principal amount of HK\$380,000,000 which will fall due on 26 June 2026. Accordingly, China OEPC is a connected person of the Company.

Ms. Hao, being one of the Noteholders, is the spouse of Mr. Zhang. Accordingly, Ms. Hao is a connected person of the Company. As at the Latest Practicable Date, Ms. Hao holds the Convertible Notes in the outstanding principal amount of HK\$15,000,000 which will fall due on 26 June 2026.

Subject to the fulfilment of the conditions precedent to the Amended and Restated Second Amendment Deeds as set out below, the Company, China OEPC and Ms. Hao conditionally agreed to extend the maturity date of the Convertible Notes from 26 June 2026 to the CN Extended Maturity Date (i.e. the date falling on the second (2nd) anniversary of the date of Completion) with all other terms and conditions of the Convertible Notes unchanged. The terms of the Amended and Restated Second Amendment Deeds (including the Amendments) were determined after arm's length negotiation among the Company, China OEPC and Ms. Hao, having considered the aggregate outstanding principal amount of the Convertible Notes of HK\$395 million, the financial position of the Company with limited cash and cash equivalents available, and the Convertible Notes is interest free. In particular, the CN Extended Maturity Date was reached with a view to allow time for the Group to generate sufficient fund for the settlement of the Convertible Notes while at the same time having due regard to the Noteholders' rights in recovering the amount due under the Convertible Notes.

Save for the identity of the Noteholders and the principal amount of Convertibles Notes held by the relevant Noteholders, the other terms of both Amended and Restated Second Amendment Deeds are identical.

LETTER FROM THE BOARD

Conditions precedent

The amendments as set out in the Amended and Restated Second Amendment Deeds shall be conditional upon and subject to:

- (a) the Share Consolidation having become effective;
- (b) the Stock Exchange having approved the Amendments as contemplated by the Amended and Restated Second Amendment Deeds;
- (c) the Listing Committee of the Stock Exchange granting the listing of and permission to deal in the New Conversion Shares to be allotted and issued upon exercise of the conversion rights attached to the Convertible Notes as amended and supplemented by the Amended and Restated Second Amendment Deeds;
- (d) the passing by the Independent Shareholders of relevant resolution(s) at the SGM in compliance with the requirements of the Listing Rules approving the Amended and Restated Second Amendment Deeds and the transactions contemplated thereunder and the Specific Mandate;
- (e) all necessary consents and approvals required to be obtained on the part of the Company in respect of the Amended and Restated Second Amendment Deeds and the transactions contemplated thereunder having been obtained; and
- (f) all necessary consents and approvals required to be obtained on the part of the Noteholders in respect of the Amended and Restated Second Amendment Deeds and the transactions contemplated thereunder having been obtained.

The conditions precedent set out above are incapable of being waived. If any of the above conditions are not fulfilled on or before the Long Stop Date, then the Amended and Restated Second Amendment Deeds will automatically cease and terminate and the parties thereto shall be released from all obligations and liabilities thereunder, if any, save for the liabilities for any antecedent breaches.

Save as disclosed, there are no other necessary consents and approvals which are required to be obtained by the Company in respect of the Amended and Restated Second Amendment Deeds and the transactions contemplated thereunder. Save as disclosed, there are no other necessary consents and approvals which are required to be obtained by the Noteholders in respect of the Amended and Restated Second Amendment Deeds and the transactions contemplated thereunder. As at the Latest Practicable Date, none of the conditions precedent set out above, including conditions precedent (e) and (f), are fulfilled. Given the pledges over the Convertible Notes to China Xinzhi Macau (HK) Investment Holdings Limited (formerly known as China Huarong Macau (HK) Investment Holdings Limited) (“**China Xinzhi**”) and CITIC Trust Co., Ltd., as at the Latest Practicable Date, China OEPC is still in the course of negotiations with China Xinzhi and CITIC Trust Co., Ltd. for their consent for the Amendments.

Completion of the Amended and Restated Second Amendment Deed entered into with China OEPC and completion of the Amended and Restated Second Amendment Deed entered into with Ms. Hao is not inter-conditional with each other.

LETTER FROM THE BOARD

Principal terms of the Convertible Notes immediately after the Amendments

All the terms of the Convertible Notes shall remain unchanged save as revised by the Amendments. The principal terms of the Convertible Notes as disclosed in the announcement of the Company dated 22 July 2020 and the circular of the Company dated 30 September 2020 are summarised below (with only the Amendments revised).

- Issuer : the Company
- Principal amount : HK\$395,000,000 in aggregate of which
- (i) HK\$380,000,000 held by China OEPC; and
 - (ii) HK\$15,000,000 held by Ms. Hao.
- Maturity Date : The Convertible Notes shall mature on the second (2nd) anniversary of the date of Completion.
- Redemption : The Company may at any time before the maturity date redeem the Convertible Notes (in whole or in part) at 100% to the principal amount of the respective part of the Convertible Notes to be redeemed.
- Any amount of the Convertible Notes which remains outstanding on the maturity date shall be redeemed at 100% of its then outstanding principal amount.
- Any amount of the Convertible Notes which is redeemed by the Company will be forthwith cancelled.
- Interest : The Convertible Notes shall not bear any interest.
- Transferability : The Convertible Notes may be assigned or transferred to any transferee subject to prior notification to the Company. The Convertible Notes may not be assigned or transferred to any connected person of the Company (as defined under the Listing Rules) without prior written consent of the Company.
- Any written consent may be given by the Company will be subject to compliance with all necessary requirements under the Listing Rules, in particular, Chapter 14A of the Listing Rules.

LETTER FROM THE BOARD

Conversion : Provided that (i) any conversion of the Convertible Note does not trigger a mandatory offer obligation under Rule 26 of the Takeovers Code on the part of the Noteholder which exercised the conversion rights; and (ii) the public float of the Shares shall not be less than 25% (or any given percentage as required by the Listing Rules) of the issued Shares at any one time in compliance with the Listing Rules and the right of the Company to redeem, the holder of the Convertible Notes shall have the right at any time from the date of issue of the Convertible Notes up to five (5) business days prior to the maturity date to convert the whole or part of the outstanding principal amount of the Convertible Notes registered in its name into Shares.

Conversion Price : The Convertible Notes shall be converted at the Conversion Price.

The initial Conversion Price for the Convertible Notes shall be equal to HK\$0.22 per Conversion Share from and including the date of issue of the Convertible Notes to and including the date immediately prior to the date of the Amendments under the Amended and Restated Second Amendment Deeds having become effective, and HK\$0.88 per New Conversion Share from and including the date of Completion to and including the CN Extended Maturity Date (subject to adjustments).

The Conversion Price shall be adjusted as provided in the Convertible Notes instrument in each of the following cases:

- (i) an alteration of the number of the Shares by reason of any consolidation or subdivision, the Conversion Price in force immediately prior thereto shall be adjusted by the following fraction:

$$\frac{X}{Y}$$

Where:

X = the number of Shares in issue immediately before such consolidation or subdivision; and

Y = the number of Shares in issue immediately after such consolidation or subdivision;

LETTER FROM THE BOARD

- (ii) an issue (other than in lieu of a cash dividend) by the Company of Shares credited as fully paid by way of capitalisation of profits or reserves (including any share premium account, contributed surplus account or capital redemption reserve fund), the Conversion Price in force immediately prior to such issue shall be adjusted by multiplying it by the following fraction:

$$\frac{A}{A+B}$$

where:

A = the aggregate number of the Shares in issue immediately before such issue; and

B = the aggregate number of the Shares to be issued in connection with and as a result of such capitalisation;

- (iii) a capital distribution (as defined in the Convertible Notes instrument) being made by the Company, whether on a reduction of capital or otherwise, to holders of the Shares in their capacity as such, the Conversion Price in force immediately prior to such distribution or grant shall be adjusted by multiplying it by the following fraction:

$$\frac{C-D}{D}$$

where:

C = the market price on the date on which the capital distribution or, as the case may be, the grant is publicly announced or (failing any such announcement) the date next preceding the date of the capital distribution or, as the case may be, of the grant; and

D = the fair market value on the day of such announcement or (as the case may require) the next preceding day, as determined in good faith by an approved merchant bank or the auditors of the Company for the time being, of the portion of the capital distribution or of such rights which is attributable to one Share;

LETTER FROM THE BOARD

- (iv) an offer or grant being made by the Company to holders of Shares by way of rights or of options or warrants to subscribe for new Shares at a price which is less than 80% of the market price, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before the date of the announcement of such offer or grant by a fraction of which the numerator is the number of Shares in issue immediately before the date of such announcement plus the number of Shares which the aggregate of the amount (if any) payable for the rights, options or warrants and of the amount payable for the total number of new Shares comprised therein would purchase at such market price and the denominator is the number of Shares in issue immediately before the date of such announcement plus the aggregate number of Shares offered for subscription or comprised in the options or warrants (such adjustment to become effective (if appropriate retroactively) from the commencement of the day next following the record date for the offer or grant);
- (v) an issue wholly for cash or for reduction of liabilities being made by the Company of securities convertible into or exchangeable for or carrying rights of subscription for new Shares, if in any case the total effective consideration per Share (as defined in the Convertible Notes instrument) initially receivable (or in the case of reduction in liabilities, the amount of liabilities to be reduced) for such securities is less than 80% of the market price, or the terms of any such rights of conversion or exchange or subscription attached to any such securities being modified so that the said total effective consideration per Share initially receivable for such securities is less than 80% of the market price the Conversion Price shall be adjusted in similar manner as in (iv) above;
- (vi) an issue being made by the Company wholly for cash or for reduction of liabilities of Shares at a price per Share less than 80% of the market price the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before the date of such announcement by a fraction of which the numerator is the number of Shares in issue immediately before the date of such announcement plus the number of Shares which the aggregate amount payable for the issue or for reduction of liabilities would purchase at such market price and the denominator is the number of Shares in issue immediately before the date of such announcement plus the number of Shares so issued;

LETTER FROM THE BOARD

- (vii) an issue being made by the Company of Shares for the acquisition of asset at a total effective consideration per Share (as defined in the Convertible Notes instrument) less than 80% of the market price the Conversion Price shall be adjusted by multiplying it by a fraction of which the numerator is the number of Shares in issue immediately before the date of such announcement plus the number of Shares which the total effective consideration would purchase at such market price and the denominator is the number of Shares in issue immediately before the date of such announcement plus the number of Shares so issued; and
- (viii) an issue wholly made by the Company of securities convertible into or exchangeable for or carrying rights of subscription for new Shares for the acquisition of asset, if in any case the total effective consideration per Share (as defined in the Convertible Notes instrument) initially receivable for such securities is less than 80% of the market price the Conversion Price shall be adjusted in similar manner as in (vii) above.

Provided that in any circumstances where the directors of the Company or the Noteholder(s) shall consider that an adjustment to the Conversion Price provided for under the said provisions should not be made or should be calculated on a different basis or that an adjustment to the Conversion Price should be made notwithstanding that no such adjustment is required under the said provisions or that an adjustment should take effect on a different date or with a different time from that provided for under the provisions, the Company or the Noteholder(s) may appoint an approved merchant bank or the auditors of the Company for the time being to consider whether for any reason whatever the adjustment to be made (or the absence of adjustment) would or might not fairly and appropriately reflect the relative interests of the persons affected thereby and, if such approved merchant bank or auditors of the Company for the time being (as the case may be) shall consider this to be the case, the adjustment shall be modified or nullified or an adjustment made instead of no adjustment in such manner as shall be certified by such approved merchant bank or auditors of the Company for the time being to be in its opinion appropriate.

LETTER FROM THE BOARD

Voting Rights : The Noteholder(s) will not be entitled to attend or vote at any general meetings of the Company by reason only of it being the holder of the Convertible Notes.

Ranking : The payment obligations of the Company under the Convertible Notes shall, save for such exceptions as may be provided by applicable legislation, at all times rank at least equally with all its other present and future unsecured and unsubordinated obligations.

The New Conversion Shares issued upon conversion of the Convertible Notes will in all respects rank *pari passu* with the Shares in issue on the date of allotment and issue of such New Conversion Shares and accordingly shall entitle the holders to participate in all dividends or other distributions declared, paid or made on or after the relevant conversion date other than any dividend or other distribution previously declared or recommended or resolved to be paid or made if the record date therefor shall be on or before the relevant conversion date.

Listing : The Convertible Notes will not be listed on the Stock Exchange or any other stock exchange. Application will be made to the Listing Committee for the listing of, and permission to deal in, the New Conversion Shares.

Conversion Shares and New Conversion Shares

Based on the aggregate outstanding principal amount of the Convertible Notes of HK\$395,000,000, a maximum number of 448,863,636 New Conversion Shares (equivalent to 1,795,454,545 Conversion Shares) at the initial Conversion Price of HK\$0.88 per New Conversion Share (equivalent to HK\$0.22 per Conversion Share) will be allotted and issued upon exercise of the conversion rights attached to the Convertible Notes in full, which represent: (i) approximately 341.17% of the issued share capital of the Company (as adjusted for the effect of the Share Consolidation) as at the Latest Practicable Date; and (ii) approximately 77.33% of the issued share capital of the Company (as adjusted for the effect of the Share Consolidation) as to be enlarged by the allotment and issue of the New Conversion Shares to be allotted and issued upon the exercise of the conversion rights attaching to the Convertible Notes in full and after the Share Consolidation becoming effective.

As at the Latest Practicable Date, there are no treasury Shares held by the Company and the Company does not currently have any intention to transfer treasury Shares (if any) upon exercise of the conversion rights attached to the Convertible Notes.

Conversion Price

The initial Conversion Price of HK\$0.88 per New Conversion Share (equivalent to HK\$0.22 per Conversion Share) would represent:

- (i) a premium of approximately 260.66% over the theoretical closing price of HK\$0.244 per Consolidated Share (as adjusted for the effect of the Share Consolidation based on the closing price of HK\$0.061 per Existing Share) as quoted on the Stock Exchange on 22 June 2026, being the date of the Amended and Restated Second Amendment Deeds;

LETTER FROM THE BOARD

- (ii) a premium of approximately 235.37% over the average of the theoretical closing prices of the Consolidated Shares (as adjusted for the effect of the Share Consolidation) as quoted on the Stock Exchange for the last five (5) consecutive trading days immediately prior to 22 June 2026 of HK\$0.2624 per Consolidated Share (equivalent to HK\$0.0656 per Existing Share); and
- (iii) a premium of approximately 315.1% over the theoretical closing price of HK\$0.212 per Consolidated Share (as adjusted for the effect of the Share Consolidation based on the closing price of HK\$0.053 per Existing Share) as quoted on the Stock Exchange on 24 June 2026, being the Latest Practicable Date.

Before the Share Consolidation becomes effective, the initial Conversion Price is HK\$0.22 per Conversion Share and the net liabilities of the Group as at 31 December 2025 is HK\$1,947,759,000.

For the avoidance of doubt, the Company and the Noteholders agree that no further adjustment to the initial Conversion Price will be made pursuant to the Share Consolidation having become effective.

Mandate to issue the New Conversion Shares

The New Conversion Shares will be allotted and issued pursuant to the Specific Mandate to be sought from the Independent Shareholders at the SGM.

REASONS AND BENEFITS FOR THE AMENDED AND RESTATED SECOND AMENDMENT DEEDS

The Group is principally engaged in (i) the development of cassava cultivation and deep processing business for the related ecological cycle industry chain; (ii) coal processing, coal mixing, sales of coal products and the provision of coal related services; and (iii) the sales of information technology products and provision of system integration services, technology services, software development and solution services.

The Convertible Notes will reach the maturity date on 26 June 2026 pursuant to the terms and conditions of the Convertible Notes as amended by the Amendment Deeds and remains outstanding in full as at the Latest Practicable Date. The proposed amendments to the initial Conversion Price, as set out in the Amended and Restated Second Amendment Deed, were made as a result of the Share Consolidation. As disclosed in the annual report of the Company for the year ended 31 December 2025, the Company has cash and cash equivalents of approximately HK\$5,449,000, and thus the Company does not have sufficient internal resources to redeem all the Convertible Notes. Having considered (i) the prevailing interest rate in Hong Kong with the Hong Kong Dollars Best Lending Rate quoted by The Hongkong and Shanghai Banking Corporation Limited of 5.00% and the Convertible Notes is interest free, such that if the settlement of the Convertible Note is financed by the interest bearing debt financing, substantial interest expenses will be incurred by the Group; and (ii) the aggregate outstanding principal amount of the Convertible Notes in the amount of HK\$395 million and the market capitalisation of the Company which is approximately HK\$27.89 million as at the Latest Practicable Date, such that a very large scale equity fundraising activity would be required to generate fund to settle the Convertible Notes with serious implication on the feasibility as well as the costs and time required, the Company considers that equity financing and debt financing would not be an attractive option for the settlement of the Convertible Notes. Taking into account the aforementioned, the financial position of the Group and given the size of the Convertible Notes, the Directors consider it impracticable to secure third party financing on terms favourable to the Company to settle the Convertible Notes.

LETTER FROM THE BOARD

As such, the CN Extensions will enable the Group to postpone a substantial cash outflow which would otherwise strain its financial resources, and allow the Group to have reasonable time to improve its business performance and financial position. The CN Extensions will also allow the Company to have more financial flexibility. The Company considers that it is in the interests of the Company and its Independent Shareholders as a whole to utilise its resources for business development and other business opportunities in order to maximise returns to its Shareholders. As such, the CN Extensions will allow the Group to have additional time to develop its business instead of repaying the Convertible Notes.

Furthermore, the CN Extensions would result in a substantial modification from the original terms of the Convertible Notes. After taking into account all relevant facts and circumstances, including qualitative factors, such modification is accounted for as a derecognition of the original financial liability and the recognition of new financial liability.

The difference between the carrying amount of the Convertible Notes held by Ms. Hao derecognised and the fair value of the Convertible Notes (as amended by the Amended and Restated Second Amendment Deeds) held by Ms. Hao as at the date of Completion, including any liabilities assumed and derivative components recognised, will be recognised in profit or loss and entirety of the Convertible Notes held by Ms. Hao will be reclassified into the non-current portion.

Similarly, the difference between the carrying amount of the Convertible Notes held by China OEPC derecognised and the fair value of the Convertible Notes (as amended by the Amended and Restated Second Amendment Deeds) held by China OEPC as at the date of Completion, including any liabilities assumed and derivative components recognised, will be recognised in equity as deemed contribution from a substantial shareholder and such Convertible Notes will be reclassified into the non-current portion.

Additionally, as a result of the Convertible Notes reaching maturity on 26 June 2026 amongst other factors, the auditors of the Company have issued a disclaimer of opinion on the Group's consolidated financial statements for the year ended 31 December 2025 as set out in the annual report of the Company for the year ended 31 December 2025. As expressed by the auditors of the Company, the Group's current liabilities exceeded its current assets and net liabilities of approximately HK\$1,848,672,000 and HK\$1,947,759,000 as at 31 December 2025 respectively. As at the same date, the Group's current liabilities which amounted to approximately HK\$1,906,419,000 were due for settlement within twelve months and were classified as current liabilities while the Group had cash and cash equivalents of approximately HK\$5,449,000. In addition, the Group's other borrowings with carrying amounts of HK\$312,000,000 was overdue. The Group's ability to continue as a going concern is highly dependent on its ability to have sufficient working capital to finance its operations and meet its financial obligations as and when they fall due. These conditions indicate the existence of material uncertainties which cast significant doubt on the Group's ability to continue as a going concern.

However, the Group is of the view that the Group will have sufficient working capital to meet its financial obligations as and when they fall due for the next twelve months from 31 December 2025 and will be able to continue as a going concern after taking into consideration, amongst others, that CN Extensions will allow the Group to lessen its immediate cash outflow and provide the Group with additional time to improve its financial position in order to address the disclaimer of opinion.

LETTER FROM THE BOARD

Based on the above, the Board (including the independent non-executive Directors whose views are set out in the letter from the Independent Board Committee of this circular) considers that although the entering into of the Amended and Restated Second Amendment Deeds is not in the ordinary and usual course of business of the Group, the Amended and Restated Second Amendment Deeds are entered into upon normal commercial terms following arm's length negotiations between the Company and the Noteholders and that the terms and conditions of the Amended and Restated Second Amendment Deeds are fair and reasonable so far as the Independent Shareholders are concerned and the Amendments are in the interests of the Company and the Shareholders as a whole. In the event that the Amended and Restated Second Amendment Deeds are not approved by the Independent Shareholders at the SGM, the Company will continue to negotiate with China OEPC and Ms. Hao on the settlement, amendment and extension of the Convertible Notes.

EFFECT ON SHAREHOLDING STRUCTURE OF THE COMPANY

The following table sets out the shareholding structure of the Company (i) as at the Latest Practicable Date; (ii) immediately after completion of the Share Consolidation but prior to the full conversion of the Convertible Notes at the Conversion Price; (iii) immediately after the allotment and issue of the New Conversion Shares upon full conversion of the Convertible Notes at the initial Conversion Price (assuming that there are no other changes to the issued share capital of the Company from the Latest Practicable Date and prior to conversion); (iv) immediately after the allotment and issue of the New Conversion Shares upon conversion of the Convertible Notes at the initial Conversion Price to the extent that China OEPC and Ms. Hao will hold 29.99% of the enlarged issued share capital of the Company (assuming that there are no other changes to the issued share capital of the Company from the Latest Practicable Date and prior to conversion); and (v) immediately after the allotment and issue of the New Conversion Shares upon conversion of the Convertible Notes at the initial Conversion Price to the extent that China OEPC and Ms. Hao will hold 29.99% of the enlarged issued share capital of the Company and the exercise of the outstanding share options of the Company (assuming that there are no other changes to the issued share capital of the Company from the Latest Practicable Date and prior to conversion).

LETTER FROM THE BOARD

Shareholders	(i) as at the Latest Practicable Date		(ii) immediately after completion of the Share Consolidation but prior to full conversion of the Convertible Notes at the Conversion Price		(iii) immediately after the allotment and issue of the New Conversion Shares upon full conversion of the Convertible Notes at the initial Conversion Price (assuming that there are no other changes to the issued share capital of the Company from the Latest Practicable Date and prior to conversion) ^(Note 3)		(iv) immediately after the allotment and issue of the New Conversion Shares upon conversion of the Convertible Notes at the initial Conversion Price to the extent that China OEPC and Ms. Hao will hold 29.99% of the enlarged issued share capital of the Company (assuming that there are no other changes to the issued share capital of the Company from the Latest Practicable Date and prior to conversion)		(v) immediately after the allotment and issue of the New Conversion Shares upon conversion of the Convertible Notes at the initial Conversion Price to the extent that China OEPC and Ms. Hao will hold 29.99% of the enlarged issued share capital of the Company (assuming that there are no other changes to the issued share capital of the Company from the Latest Practicable Date and prior to conversion)	
	Number of Shares	Approximate percentage	Number of Shares	Approximate percentage	Number of Shares	Approximate percentage	Number of Shares	Approximate percentage	Number of Shares	Approximate percentage
China OEPC ^(Note 1)	94,292,961	17.92%	23,573,240	17.92%	455,391,422	78.46%	46,260,190	29.99%	46,260,190	29.94%
Ms. Hao ^(Note 2)	-	-	-	-	17,045,454	2.94%	-	-	-	-
Other Shareholders	431,967,443	82.08%	107,991,861	82.08%	107,991,861	18.60%	107,991,861	70.01%	108,241,861	70.06%
	<u>526,260,404</u>	<u>100%</u>	<u>131,565,101</u>	<u>100%</u>	<u>580,428,737</u>	<u>100%</u>	<u>154,252,051</u>	<u>100%</u>	<u>154,502,051</u>	<u>100%</u>

Notes:

- As at the Latest Practicable Date, China OEPC beneficially owns 94,292,961 Shares in which 91,361,894 Shares have been pledged to China Xinzhi and CITIC Trust Co., Ltd., and the Convertible Notes in the principal amount of HK\$380,000,000 which are convertible into 1,727,272,727 Shares which have been pledged to China Xinzhi and CITIC Trust Co., Ltd. China OEPC is beneficially owned by Best Growth Enterprises Limited. Best Growth Enterprises Limited is beneficially owned by Mr. Zhang. By virtue of the SFO, Mr. Zhang and Best Growth Enterprises Limited are deemed to be interested in those Shares and derivative interest held by China OEPC.

As at the Latest Practicable Date, China Xinzhi is wholly and beneficially owned by China Huarong (Macau) International Company Limited, which is in turn held as to 51% by China CITIC Financial AMC International Holdings Limited, which is in turn held as to 84.84% by China CITIC Financial Asset Management Co., Ltd. and 15.16% by Huarong Zhiyuan Investment & Management Co., Ltd., and China OEPC is in the process of obtaining consent from each of China Xinzhi and CITIC Trust Co., Ltd. for the Amendments.

- Ms. Hao is the spouse of Mr. Zhang, holding the Convertible Notes in the principal amount of HK\$15,000,000. By virtue of the SFO, Ms. Hao is also deemed to be interested in the Shares and derivative interest held by China OEPC.
- This is for illustrative purpose only as there are restrictions under the terms of the Convertible Notes that prohibit any conversion which will trigger a mandatory offer obligation under Rule 26 of the Takeovers Code or will cause the public float of the Shares to be less than 25% (or any given percentage under the Listing Rules).

The conversion of the Conversion Notes in full does not result in a theoretical dilution effect of 25% or more on its own. As such, the theoretical dilution impact of the conversion of the Convertible Notes is in compliance with Rule 7.27B of the Listing Rules.

LETTER FROM THE BOARD

EQUITY FUND RAISING ACTIVITIES IN THE PAST TWELVE-MONTH PERIOD

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

LISTING RULES IMPLICATIONS

As at the Latest Practicable Date, China OEPC is a substantial Shareholder holding 94,292,961 Shares, represents approximately 17.92% of the issued share capital of the Company, which in turn is indirectly wholly-owned by Mr. Zhang and Ms. Hao is the spouse of Mr. Zhang and therefore an associate of Mr. Zhang. As such, each of China OEPC and Ms. Hao is a connected person of the Company. Accordingly, the Amended and Restated Second Amendment Deeds constitute connected transactions of the Company under the Listing Rules and are subject to announcement, reporting and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

Pursuant to Rule 28.05 of the Listing Rules, any alteration in the terms of convertible debt securities after issue must be approved by the Stock Exchange, except where the alteration takes effect automatically under the existing terms of such convertible debt securities. The Company will make an application for the approval of the proposed Amendments.

SGM

The SGM will be held at 19/F., Hip Shing Hong Centre, 55 Des Voeux Road Central, Central, Hong Kong on Friday, 10 July 2026 at 10:30 a.m. (or, in the event that a black rainstorm warning signal or tropical cyclone warning signal no. 8 or above is in force in Hong Kong at 8:00 a.m. on that day, at the same time and place on Monday, 13 July 2026) for the Shareholders to consider, and if thought fit, approve the Share Consolidation and the transactions contemplated thereunder as well as for the Independent Shareholders to consider, and if thought fit, approve the Amended and Restated Second Amendment Deeds and the transactions contemplated thereunder (including the grant of the Specific Mandate). Any Shareholder who is interested in the Amended and Restated Second Amendment Deeds shall abstain from voting on the resolution(s) to approve the Amended and Restated Second Amendment Deeds and the transactions contemplated thereunder at the SGM.

All the resolutions proposed to be approved at the SGM will be taken by poll and an announcement will be made by the Company after the SGM for the results of the SGM.

A form of proxy for use at the SGM is enclosed with this circular and such form of proxy can also be downloaded from the websites of the Company (www.irasia.com/listco/hk/greenleader) and the Stock Exchange (www.hkexnews.hk). Whether or not you are able to attend the SGM, you are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and deposit the same to the Company's Hong Kong branch share registrar, Tricor Investor Services Limited at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible and no less than 48 hours before the time appointed for holding the above mentioned meeting (i.e. Wednesday, 8 July 2026 at 10:30 a.m. or any adjournment thereof). Completion and return of the form of proxy will not preclude you from attending and voting at the SGM or any adjournment thereof should you so wish.

LETTER FROM THE BOARD

If any Shareholder has any question on the arrangements of the SGM, please contact Tricor Investor Services Limited, the Company's branch share registrar, at the following:

Address: 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong
Email: is-enquiries@vistra.com
Telephone: (852) 2980-1333 From 9:00 a.m. to 5:00 p.m. (Monday to Friday, excluding Hong Kong public holidays)

An Independent Board Committee comprising all the independent non-executive Directors has been established to consider, and to advise the Independent Shareholders regarding the Amended and Restated Second Amendment Deeds and the transactions contemplated thereunder, and as to whether the Amended and Restated Second Amendment Deeds is entered into in the ordinary and usual course of business of the Group, on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole. Merdeka has been appointed to advise the Independent Board Committee and the Independent Shareholders in this regard.

Save that China OEPC, being interested in the transactions contemplated under the Amended and Restated Second Amendment Deeds, shall abstain from voting for the resolutions to approve the Amended and Restated Second Amendment Deeds and the transactions contemplated thereunder at the SGM, to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no Shareholders are required to abstain from voting for the resolutions to approve the Amended and Restated Second Amendment Deeds at the SGM. As at the Latest Practicable Date, China OEPC and its associates are interested in 94,292,961 Shares, representing approximately 17.92% of the issued share capital of the Company.

Treasury Shares, if any, shall have no voting rights at the general meeting(s) of the Company. For the avoidance of doubt, solely from the perspective of the Listing Rules, the Company shall procure, upon depositing any treasury Shares in CCASS, the abstention from voting at any of its general meeting(s) in relation to those Shares.

CLOSURE OF REGISTER OF MEMBERS

In order to determine members who are entitled to attend the SGM, the transfer books and register of members will be closed from Tuesday, 7 July 2026 to Friday, 10 July 2026, both days inclusive, during which period no share transfers can be registered. The record date for attendance and voting at the SGM is Friday, 10 July 2026. In order to be eligible to attend and vote at the SGM, all registered holders of shares of the Company should ensure that all transfers accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong, not later than 4:30 p.m. on Monday, 6 July 2026.

LETTER FROM THE BOARD

RECOMMENDATION

The Directors consider that the Share Consolidation is in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend all Shareholders to vote in favour of the ordinary resolution at the SGM approving the Share Consolidation.

The Board are of the view that although the entering into of the Amended and Restated Second Amendment Deeds is not in the ordinary and usual course of business of the Group, the terms of the Amended and Restated Second Amendment Deeds and the transactions contemplated thereunder, which have been agreed after arm's length negotiations are on normal commercial terms and such terms are fair and reasonable and are in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors (including the independent non-executive Directors whose views are set out in the letter from the Independent Board Committee of this circular) recommend the Independent Shareholders to vote in favour of the resolutions for approving, the Amended and Restated Second Amendment Deeds and the transactions contemplated thereunder to be proposed at the SGM.

ADDITIONAL INFORMATION

Your attention is also drawn to the letter from the Independent Board Committee, the letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders, the additional information as set out in the appendix to this circular and the notice of the SGM.

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

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

The following is the text of a letter of recommendation from the Independent Board Committee to the Independent Shareholders prepared for the purpose of inclusion in this circular.



GREEN LEADER HOLDINGS GROUP LIMITED

綠領控股集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock code: 61)

25 June 2026

To the Independent Shareholders,

Dear Sir or Madam,

**(1) PROPOSED SHARE CONSOLIDATION;
(2) PROPOSED CHANGE IN BOARD LOT SIZE;
AND
(3) CONNECTED TRANSACTIONS IN RELATION TO THE PROPOSED
AMENDMENTS TO THE CONVERTIBLE NOTES**

We refer to the circular dated 25 June 2026 (the “**Circular**”) issued by the Company to its Shareholders of which this letter forms part. Terms defined in the Circular shall have the same meanings herein unless the context otherwise requires.

We have been appointed as the Independent Board Committee to consider and to advise the Independent Shareholders on the terms of the Amended and Restated Second Amendment Deeds and the transactions contemplated thereunder as set out in the Circular as to the fairness and reasonableness and to recommend whether or not the Independent Shareholders should approve the Amended and Restated Second Amendment Deeds and the transactions contemplated thereunder as set out in the Circular. Merdeka has been appointed as the Independent Financial Adviser to provide advice and recommendation to the Independent Board Committee and the Independent Shareholders in this regard. Details of the independent advice of the Independent Financial Adviser, together with the principal factors and reasons the Independent Financial Adviser has taken into consideration, are set out on pages 32 to 57 of the Circular.

We wish to draw your attention to the Letter from the Board and the Letter from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders which contains its advice to us in respect of the Amended and Restated Second Amendment Deeds and the transactions contemplated thereunder. Your attention is also drawn to the additional information set out in the appendix to the Circular.

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

Having considered the terms of the Amended and Restated Second Amendment Deeds and the transactions contemplated thereunder, the advice of the Independent Financial Adviser and the relevant information contained in the Letter from the Board, we consider that although the entering into of the Amended and Restated Second Amendment Deeds is not in the ordinary and usual course of business of the Group, the Amended and Restated Second Amendment Deeds and the transactions contemplated thereunder are on normal commercial terms, fair and reasonable so far as the Independent Shareholders are concerned and the Amendments are in the interests of the Company and the Shareholders as a whole.

Accordingly, we recommend the Independent Shareholders to vote in favour of the resolutions for approving the Amended and Restated Second Amendment Deeds and the transactions contemplated thereunder to be proposed at the SGM.

Yours faithfully,
The Independent Board Committee of
Green Leader Holdings Group Limited

Mr. Ho Kin Cheong Kelvin
Independent
Non-executive Director

Mr. Shen Weidong
Independent
Non-executive Director

Mr. Tian Hong
Independent
Non-executive Director

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The following is the full text of a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders regarding the connected transactions in relation to the proposed CN Extensions for inclusion in this circular.



Room 1108-1110, 11/F.
Wing On Centre
111 Connaught Road Central
Hong Kong

25 June 2026

*To: The Independent Board Committee and the Independent Shareholders of
Green Leader Holdings Group Limited*

Dear Sirs/Madams,

CONNECTED TRANSACTIONS IN RELATION TO THE PROPOSED AMENDMENTS TO THE CONVERTIBLE NOTES

INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in connection with the proposed CN Extensions, details of which are set out in the letter from the Board (the “**Board Letter**”) contained in the circular of Green Leader Holdings Group Limited (the “**Company**”) to the Shareholders dated 25 June 2026 (the “**Circular**”), of which this letter forms part. Capitalised terms used in this letter shall have the same meanings as defined in the Circular unless the context otherwise requires.

References are made to the Announcements. The Convertible Notes will reach the maturity date on 26 June 2026 pursuant to the existing terms and conditions of the Convertible Notes, as amended by the Amendment Deeds, and remain outstanding in full as at the Latest Practicable Date. On 14 May 2026 (after trading hours of the Stock Exchange), the Company, China OEPC and Ms. Hao entered into the Second Amendment Deeds in relation to the extension of the maturity date from 26 June 2026 to the date falling on the second (2nd) anniversary of the date of completion of the Second Amendment Deeds. On 22 June 2026, the relevant parties to the Second Amendment Deeds further entered into the Amended and Restated Second Amendment Deeds, which will supersede the Second Amendment Deeds with effect from 22 June 2026.

LISTING RULES IMPLICATIONS

As at the Latest Practicable Date, China OEPC is a substantial Shareholder holding 94,292,961 Shares, representing approximately 17.92% of the issued share capital of the Company. China OEPC is indirectly wholly-owned by Mr. Zhang, and Ms. Hao is the spouse of Mr. Zhang. As such, each of China OEPC and Ms. Hao is a connected person of the Company. Accordingly, the Amended and Restated Second Amendment Deeds constitute connected transactions of the Company under the Listing Rules and are subject to announcement, reporting and Independent Shareholders’ approval requirements under Chapter 14A of the Listing Rules.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Pursuant to Rule 28.05 of the Listing Rules, any alteration in the terms of convertible debt securities after issue must be approved by the Stock Exchange, except where the alteration takes effect automatically under the existing terms of such convertible debt securities. The Company will make an application for the approval of the proposed Amendments.

THE INDEPENDENT BOARD COMMITTEE

The Independent Board Committee comprising all the independent non-executive Directors, namely, Mr. Ho Kin Cheong Kelvin, Mr. Shen Weidong and Mr. Tian Hong, has been established to advise the Independent Shareholders as to whether the terms of the Amended and Restated Second Amendment Deeds and the transactions contemplated thereunder are on normal commercial terms or better and in the ordinary and usual course of business of the Group, fair and reasonable so far as the Independent Shareholders are concerned and in the interests of the Company and the Shareholders as a whole.

Our appointment as the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders has been approved by the Independent Board Committee. Our role as the Independent Financial Adviser is to give our recommendation to the Independent Board Committee and the Independent Shareholders as to whether (i) the Amended and Restated Second Amendment Deeds were entered into in the ordinary and usual course of business of the Group and on normal commercial terms, and (ii) how the Independent Shareholders should vote in respect of the relevant resolution(s) to approve the Amended and Restated Second Amendment Deeds and the transactions contemplated thereunder at the SGM.

OUR INDEPENDENCE

We, Merdeka, are not connected with the Directors, chief executive, or substantial Shareholders of the Company or any of their respective associates, and therefore are considered suitable to give independent advice to the Independent Board Committee and the Independent Shareholders. As at the Latest Practicable Date, we were not aware of any relationships or interests between the Company and us nor any other parties that could reasonably be regarded as a hindrance to our independence to act as the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders. During the two years immediately preceding the Latest Practicable Date, there has been no other engagement between the Company and us. As at the Latest Practicable Date, apart from normal professional fees payable to us in connection with this appointment of us as the Independent Financial Adviser, no arrangement exists whereby we will receive any fees or benefits from the Company or the Directors, chief executive or substantial Shareholders of the Company or any of their respective associates, and we are not aware of the existence of or change in any circumstances that would affect our independence. Accordingly, we consider that we are eligible to give independent advice on the Amended and Restated Second Amendment Deeds and the transactions contemplated thereunder.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

BASIS OF OUR OPINION

In formulating our opinion to the Independent Board Committee and the Independent Shareholders, we have performed relevant procedures and those steps which we deem necessary. These procedures and steps include, among other things, review of relevant agreements, documents as well as information provided by the Company and verifying them, to an extent, with the relevant public information, statistics and market data, industry guidelines and rules, and regulations as well as information, facts, and representations provided, and the opinions expressed, by the Company and/or the Directors and/or the management of the Group (the “**Management**”). The documents reviewed include but are not limited to, (i) the Amended and Restated Second Amendment Deeds; (ii) the annual report of the Company for the year ended 31 December 2025 (the “**Annual Report 2025**”); (iii) other relevant information as set out in the Circular; and (iv) other relevant public information. We have assumed that all statements of belief, opinion, expectation, and intention made by the Directors in the Circular were reasonably made after due enquiry and careful consideration. We have no reason to suspect that any material facts or information have been withheld or to doubt the truth, accuracy and completeness of the information and facts contained in the Circular, or the reasonableness of the opinions expressed by the Company, the Management and/or the Directors, which have been provided to us.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in the Circular and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in the Circular have been arrived at after due and careful consideration and there are no other facts not contained in the Circular, the omission of which would make any statement in the Circular misleading.

We consider that we have been provided with sufficient information to reach an informed view and to provide a reasonable basis for our opinion. We have not, however, conducted any independent verification of the information included in the Circular and provided to us by the Directors and the Management, nor have we conducted any form of an in-depth investigation into the business and affairs or the future prospects of the Group.

This letter is issued to provide the information for the Independent Board Committee and the Independent Shareholders solely in connection with their consideration of the Amended and Restated Second Amendment Deeds and the transactions contemplated thereunder. Except for its inclusion in the Circular, this letter is not to be quoted or referred to, in whole or in part, nor shall this letter be used for any other purpose without our prior written consent. Our opinion is based on the financial, economic, market, and other conditions in effect and the information made available to us as at the Latest Practicable Date.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

PRINCIPAL FACTORS AND REASONS TAKEN INTO CONSIDERATION

In arriving at our opinion and recommendation regarding the proposed CN Extensions and the transactions contemplated thereunder, we have taken into account the principal factors and reasons set out below:

1. Background information of the parties involved

1.1. The Group

Background information of the Company and the Group

The Group is principally engaged in (i) the development of cassava cultivation and deep processing business for the related ecological cycle industry chain; (ii) coal processing, coal mixing, sales of coal products and provision of coal-related services; and (iii) the sales of information technology products and provision of system integration services, technology services, software development and solution services.

As set out in the 2025 Annual Report, during the year ended 31 December 2024, the Group decided to cease the coal trading business within the mining operation which does not involve coal processing or mixing which was operated through Shanxi Changtong Energy Share Co., Ltd. (the “**Discontinued Operation**”).

Historical financial performance of the Group

The following table summarises the consolidated financial results of the Group for the year ended 31 December 2024 (“**FY2024**”) and 2025 (“**FY2025**”), which are extracted from the Annual Report 2025.

Table 1: Consolidated financial results of the Group

	For the year ended 31 December	
	2025	2024
	<i>HK'000</i>	<i>HK'000</i>
	(audited)	(audited)
Continuing operations:		
Revenue	153,937	120,234
Gross profit	18,916	16,361
Profit/(loss) before taxation	606,466	(237,514)
Profit/(loss) for the year from continuing operations	603,735	(241,236)
Discontinued Operation:		
Profit for the year from the Discontinued Operation	–	1,802,462
Profit for the year	603,735	1,561,226
Profit/(loss) for the year attributable to	603,735	1,561,226
– Owners of the Company	603,735	1,577,500
– Non-controlling interests	–	(16,274)

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

FY2024 and FY2025

For FY2025, the Group recorded revenue of approximately HK\$153.9 million, representing an increase of approximately HK\$33.7 million or 28% as compared to the total revenue of approximately HK\$120.2 million for FY2024, such increase was generated from the coal operation business.

For FY2025, the Group recorded gross profit of approximately HK\$18.9 million with a gross profit margin of approximately 12.3%, while the gross profit for FY2024 amounted to approximately HK\$16.4 million with a gross profit margin of approximately 13.6%. The increase in gross profit was mainly due to the increase in revenue, while the decrease in gross profit margin was mainly due to the decrease in selling prices of coal products during FY2025.

For FY2025, the Group recorded profit from continuing operations of approximately HK\$603.7 million, as compared to loss from continuing operations of approximately HK\$241.2 million for FY2024. The turnaround was mainly attributable to the one-off gain on disposal of subsidiaries of approximately HK\$951.7 million recognised during FY2025.

Table 2: Consolidated financial position of the Group

	As at 31 December 2025 <i>(HK\$'000)</i> (audited)	As at 31 December 2024 <i>(HK\$'000)</i> (audited)
TOTAL ASSETS	63,028	149,555
Non-current assets	5,281	5,842
Current assets	57,747	143,713
– Cash and cash equivalents	5,449	2,016
 TOTAL LIABILITIES	 2,010,787	 2,629,857
Non-current liabilities	104,368	445,942
Current liabilities	1,906,419	2,183,915
 Total capital deficiencies	 (1,947,759)	 (2,480,302)

As illustrated above, the Group's total assets amounted to approximately HK\$63.0 million as at 31 December 2025, representing a decrease of approximately 57.9% from approximately HK\$149.6 million as at 31 December 2024. As set out to the 2025 Annual Report, such decrease was mainly attributable to the decrease in trade and bills receivables from approximately HK\$55.5 million to approximately HK\$24.3 million and the decrease in prepayments, deposits and other receivables from approximately HK\$80.8 million to approximately HK\$26.3 million. We understand from the Management that such decreases were mainly due to the reduction in trade, bills and other receivables arising from the Group's core coal operations, while less than 10% of the overall decrease was related to the Group's disposal of Lexing Holdings. Such decrease was partially offset by the increase in cash and cash equivalents which amounted to approximately HK\$5.4 million as at 31 December 2025, as compared to approximately HK\$2.0 million as at 31 December 2024.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Meanwhile, the Group's total liabilities decreased by approximately 23.5% from approximately HK\$2.6 billion as at 31 December 2024 to approximately HK\$2.0 billion as at 31 December 2025. As referred to the 2025 Annual Report, such decrease was mainly attributable to (i) the decrease in amounts due to associates of approximately HK\$475.6 million to nil; (ii) the decrease in other payables of approximately HK\$106.7 million; (iii) the decrease in amounts due to related companies of approximately HK\$51.6 million; (iv) the decrease in trade payables of approximately HK\$37.5 million; and (v) the decrease in the amount due to a former director of approximately HK\$14.8 million to nil, which were partially offset by the increase in the liability components of convertible notes of approximately HK\$67.7 million. As at 31 December 2025, the Group's total borrowings, including accrued interest payables, amounted to approximately HK\$1.99 billion, which comprises amounts due to related companies of approximately HK\$103.9 million, other borrowings of approximately HK\$312.9 million, lease liabilities of approximately HK\$1.5 million, liability components of convertible notes of approximately HK\$356.7 million and accrued interest payables of approximately HK\$1,213.1 million. Such amount substantially exceeded the Group's cash and bank balances of approximately HK\$5.4 million.

The Group recorded capital deficiencies of approximately HK\$1.9 billion and approximately HK\$2.5 billion as at 31 December 2025 and 31 December 2024, respectively.

1.2. China OEPC

China OEPC, being one of the Noteholders, is indirectly wholly-owned by Mr. Zhang. China OEPC is a company incorporated in the British Virgin Islands with limited liability and is principally engaged in investment holdings.

As at the Latest Practicable Date, China OEPC is a substantial Shareholder holding 94,292,961 Shares, representing approximately 17.92% of the issued share capital of the Company. China OEPC also holds the Convertible Notes in the outstanding principal amount of HK\$380,000,000 which will fall due on 26 June 2026. Accordingly, China OEPC is a connected person of the Company.

1.3. Ms. Hao

Ms. Hao, being one of the Noteholders, is the spouse of Mr. Zhang. Accordingly, Ms. Hao is a connected person of the Company. As at the Latest Practicable Date, Ms. Hao holds the Convertible Notes in the outstanding principal amount of HK\$15,000,000 which will fall due on 26 June 2026.

2. Reasons for and benefits of the Amended and Restated Second Amendment Deeds

As set out in the Board Letter, the Convertible Notes will reach the maturity date on 26 June 2026 pursuant to the existing terms and conditions of the Convertible Notes, as amended by the Amendment Deeds, and remain outstanding in full as at the Latest Practicable Date. The proposed amendments to the initial Conversion Price, as set out in the Amended and Restated Second Amendment Deeds, were made as a result of the Share Consolidation. As disclosed in the 2025 Annual Report, the Group had cash and cash equivalents of approximately HK\$5.449 million as at 31 December 2025. As such, the Group does not have sufficient internal resources to redeem all the Convertible Notes.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

We discussed with the Management regarding other possible financing alternatives available to the Group for the settlement of the Convertible Notes. In respect of debt financing, we noted that any financing from financial institutions or other third-party lenders would likely be interest-bearing. The Hong Kong Dollar Best Lending Rate quoted by The Hongkong and Shanghai Banking Corporation Limited was 5.00% as at the Latest Practicable Date, whereas the Convertible Notes are interest-free. Accordingly, if the Group were to finance the settlement of the Convertible Notes by way of interest-bearing borrowings, the Group would incur substantial interest expenses, which would increase its finance costs and impose additional pressure on its cash flow and financial position.

In respect of equity financing, we noted that the Company had also considered the feasibility of raising funds through equity fund-raising activities. However, given that the aggregate outstanding principal amount of the Convertible Notes amounted to HK\$395 million, which was substantially higher than the market capitalisation of the Company of approximately HK\$27.89 million as at the Latest Practicable Date, any equity fund-raising exercise sufficient to fully settle the Convertible Notes would have to be conducted on a very large scale relative to the Company's market capitalisation. We consider that this would give rise to significant uncertainty as to the feasibility, market demand, timing and execution costs of such fund-raising exercise, and may also result in substantial dilution to the existing Shareholders.

Having considered the above, including the Group's financial position, the substantial size of the Convertible Notes, the interest-free nature of the Convertible Notes and the practical difficulties in obtaining sizeable debt or equity financing on terms favourable to the Company, we concur with the Directors' view that it would be impracticable for the Group to secure third-party financing on favourable terms for the purpose of settling the Convertible Notes.

As such, the proposed CN Extensions will enable the Group to postpone a substantial cash outflow which would otherwise strain its financial resources, and allow the Group to have reasonable time to improve its business performance and financial position. The proposed CN Extensions will also allow the Company to have more financial flexibility. The Company considers that it is in the interests of the Company and its Independent Shareholders as a whole to utilise its resources for business development and other business opportunities in order to maximise returns to its Shareholders. As such, the proposed CN Extensions will allow the Group to have additional time to develop its business instead of repaying the Convertible Notes.

Furthermore, the CN Extensions would result in a substantial modification from the original terms of the Convertible Notes. After taking into account all relevant facts and circumstances, including qualitative factors, such modification is accounted for as a derecognition of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the Convertible Notes held by Ms. Hao derecognised and the fair value of the Convertible Notes (as amended by the Amended and Restated Second Amendment Deeds) held by Ms. Hao as at the date of Completion, including any liabilities assumed and derivative components recognised, will be recognised in profit or loss, and the entirety of the Convertible Notes held by Ms. Hao will be reclassified into the non-current portion. Similarly, the difference between the carrying amount of the Convertible Notes held by China OEPC derecognised and the fair value of the Convertible Notes (as amended by the Amended and Restated Second Amendment Deeds) held by China OEPC as at the date of Completion, including any liabilities assumed and derivative components recognised, will be recognised in equity as deemed contribution from a substantial shareholder and such Convertible Notes will be reclassified into the non-current portion.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Additionally, as a result of the Convertible Notes reaching maturity on 26 June 2026 amongst other factors, the auditors of the Company have issued a disclaimer of opinion on the Group's consolidated financial statements for the year ended 31 December 2025 as set out in the 2025 Annual Report. As expressed by the auditors of the Company, the Group had net current liabilities and net liabilities position of approximately HK\$1,848,672,000 and HK\$1,947,759,000 as at 31 December 2025 respectively. As at the same date, the Group's current liabilities which amounted to approximately HK\$1,906,419,000 were due for settlement within twelve months and were classified as current liabilities while the Group had cash and cash equivalents of approximately HK\$5,449,000. In addition, the Group's other borrowings with carrying amounts of HK\$312,000,000 was overdue. The Group's ability to continue as a going concern is highly dependent on its ability to have sufficient working capital to finance its operations and meet its financial obligations as and when they fall due. These conditions indicate the existence of material uncertainties which cast significant doubt on the Group's ability to continue as a going concern.

However, the Group is of the view that the Group will have sufficient working capital to meet its financial obligations as and when they fall due for the next twelve months from 31 December 2025 and will be able to continue as a going concern after taking into consideration, amongst others, that CN Extensions will allow the Group to lessen its immediate cash outflow and provide the Group with additional time to improve its financial position in order to address the disclaimer of opinion.

Having considered that (i) all the terms of the Convertible Notes shall remain unchanged save as revised by the Amendments; (ii) the entering into of the Amended and Restated Second Amendment Deeds would not impose any interest burden on the Group for the two-year extended period from the date of Completion, as compared with interest-bearing debt financing, nor would it result in substantial dilution to the existing Shareholders, as compared with equity financing; (iii) the Group has experienced losses and has recorded net liabilities position in the recent few years, hence the repayment of the Convertible Notes would result in an immediate outflow of cash, reducing the Group's working capital and cash resources and hampering its business development; (iv) the Group lacks adequate internal resources to fully repay all the outstanding Convertible Notes with a principal amount of HK\$395.0 million as the Group's cash and cash equivalents only amounted to approximately HK\$5,449,000 as at 31 December 2025; and (v) the terms of the Amendments contemplated under the Amended and Restated Second Amendment Deeds are fair and reasonable as discussed below, we concur with the Directors' view that the Amended and Restated Second Amendment Deeds are entered into upon normal commercial terms following arm's length negotiations between the Company and the Noteholders and that the terms and conditions of the Amended and Restated Second Amendment Deeds are fair and reasonable so far as the Independent Shareholders are concerned and the extension of the maturity date of the Convertible Notes is in the interests of the Company and the Shareholders as a whole.

3. THE AMENDED AND RESTATED SECOND AMENDMENT DEEDS

3.1 Principal terms of the Amended and Restated Second Amendment Deeds

On 14 May 2026 (after trading hours of the Stock Exchange), the Company, China OEPC and Ms. Hao entered into the Second Amendment Deeds in relation to the extension of the maturity date from 26 June 2026 to the date falling on the second (2nd) anniversary of the date of completion of the Second Amendment Deeds. As a result of the proposed Share Consolidation, on 22 June 2026 (after trading hours of the Stock Exchange), the Company, China OEPC and Ms. Hao entered into the Amended and Restated Second Amendment Deeds, which will supersede the Second Amendment Deeds with effect from 22 June 2026.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Pursuant to the Amended and Restated Second Amendment Deeds, in addition to the extension of the maturity date of the Convertible Notes from 26 June 2026 to the CN Extended Maturity Date (i.e. the date falling on the second (2nd) anniversary of the date of Completion), the Conversion Price of the Convertible Notes will also be changed from HK\$0.22 per Conversion Share to HK\$0.88 per New Conversion Share from and including the date of the Amendments under the Amended and Restated Second Amendment Deeds having become effective to and including the CN Extended Maturity Date (collectively, the “**Amendments**”).

An application will be made by the Company to the Stock Exchange for the approval of the Amendments pursuant to Rule 28.05 of the Listing Rules.

Conditions precedent

The amendments as set out in the Amended and Restated Second Amendment Deeds shall be conditional upon and subject to:

- (a) the Share Consolidation having become effective;
- (b) the Stock Exchange having approved the Amendments as contemplated by the Amended and Restated Second Amendment Deeds;
- (c) the Listing Committee of the Stock Exchange granting the listing of and permission to deal in the New Conversion Shares to be allotted and issued upon exercise of the conversion rights attached to the Convertible Notes as amended and supplemented by the Amended and Restated Second Amendment Deeds;
- (d) the passing by the Independent Shareholders of relevant resolution(s) at the SGM in compliance with the requirements of the Listing Rules approving the Amended and Restated Second Amendment Deeds and the transactions contemplated thereunder and the Specific Mandate;
- (e) all necessary consents and approvals required to be obtained on the part of the Company in respect of the Amended and Restated Second Amendment Deeds and the transactions contemplated thereunder having been obtained; and
- (f) all necessary consents and approvals required to be obtained on the part of the Noteholders in respect of the Amended and Restated Second Amendment Deeds and the transactions contemplated thereunder having been obtained.

The conditions precedent set out above are incapable of being waived. If any of the above conditions are not fulfilled on or before the Long Stop Date, then the Amended and Restated Second Amendment Deeds will automatically cease and terminate and the parties thereto shall be released from all obligations and liabilities thereunder, if any, save for the liabilities for any antecedent breaches.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Save as disclosed, there are no other necessary consents and approvals which are required to be obtained by the Company in respect of the Amended and Restated Second Amendment Deeds and the transactions contemplated thereunder. Save as disclosed, there are no other necessary consents and approvals which are required to be obtained by the Noteholders in respect of the Amended and Restated Second Amendment Deeds and the transactions contemplated thereunder. As at the Latest Practicable Date, none of the conditions precedent set out above, including conditions precedent (e) and (f), are fulfilled. Given the pledges over the Convertible Notes to China Xinzhi Macau (HK) Investment Holdings Limited (formerly known as China Huarong Macau (HK) Investment Holdings Limited) (“**China Xinzhi**”) and CITIC Trust Co., Ltd., as at the Latest Practicable Date, China OEPC is still in the course of negotiations with China Xinzhi and CITIC Trust Co., Ltd. for their consent for the Amendments.

Completion of the Amended and Restated Second Amendment Deed entered into with China OEPC and completion of the Amended and Restated Second Amendment Deed entered into with Ms. Hao is not inter-conditional with each other.

3.2 Principal terms of the Convertible Notes immediately after the Amendments

As mentioned in the Board Letter, all the terms of the Convertible Notes shall remain unchanged save as revised by the Amendments. The principal terms of the Convertible Notes as disclosed in the announcement of the Company dated 22 July 2020 and the circular of the Company dated 30 September 2020 are summarised below (with only the Amendments revised), details of which are set out as follows:

Issuer	:	the Company
Principal amount	:	HK\$395,000,000 in aggregate of which
		(i) HK\$380,000,000 held by China OEPC; and
		(ii) HK\$15,000,000 held by Ms. Hao.
Maturity Date	:	The Convertible Notes shall mature on the second (2nd) anniversary of the date of Completion.
Redemption	:	The Company may at any time before the maturity date redeem the Convertible Notes (in whole or in part) at 100% to the principal amount of the respective part of the Convertible Notes to be redeemed.

Any amount of the Convertible Notes which remains outstanding on the maturity date shall be redeemed at 100% of its then outstanding principal amount.

Any amount of the Convertible Notes which is redeemed by the Company will be forthwith cancelled.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Interest : The Convertible Notes shall not bear any interest.

Transferability : The Convertible Notes may be assigned or transferred to any transferee subject to prior notification to the Company. The Convertible Notes may not be assigned or transferred to any connected person of the Company (as defined under the Listing Rules) without prior written consent of the Company.

Any written consent may be given by the Company will be subject to compliance with all necessary requirements under the Listing Rules, in particular, Chapter 14A of the Listing Rules.

Conversion : Provided that (i) any conversion of the Convertible Notes does not trigger a mandatory offer obligation under Rule 26 of the Takeovers Code on the part of the Noteholder which exercised the conversion rights; and (ii) the public float of the Shares shall not be less than 25% (or any given percentage as required by the Listing Rules) of the issued Shares at any one time in compliance with the Listing Rules and the right of the Company to redeem, the holder of the Convertible Notes shall have the right at any time from the date of issue of the Convertible Notes up to five (5) business days prior to the maturity date to convert the whole or part of the outstanding principal amount of the Convertible Notes registered in its name into Shares.

Conversion Price : The Convertible Notes shall be converted at the Conversion Price.

The initial Conversion Price for the Convertible Notes shall be equal to HK\$0.22 per Conversion Share from and including the date of issue of the Convertible Notes to and including the date immediately prior to the date of the Amendments under the Amended and Restated Second Amendment Deeds having become effective, and HK\$0.88 per New Conversion Share from and including the date of Completion to and including the CN Extended Maturity Date (subject to adjustments).

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The Conversion Price shall be adjusted as provided in the Convertible Notes instrument in each of the following cases:

- (i) an alteration of the number of the Shares by reason of any consolidation or subdivision;
- (ii) an issue (other than in lieu of a cash dividend) by the Company of Shares credited as fully paid by way of capitalisation of profits or reserves (including any share premium account, contributed surplus account or capital redemption reserve fund);
- (iii) a capital distribution (as defined in the Convertible Notes instrument) being made by the Company, whether on a reduction of capital or otherwise, to holders of the Shares in their capacity as such;
- (iv) an offer or grant being made by the Company to holders of Shares by way of rights or of options or warrants to subscribe for new Shares at a price which is less than 80% of the market price;
- (v) an issue wholly for cash or for reduction of liabilities being made by the Company of securities convertible into or exchangeable for or carrying rights of subscription for new Shares, if in any case the total effective consideration per Share (as defined in the Convertible Notes instrument) initially receivable (or in the case of reduction in liabilities, the amount of liabilities to be reduced) for such securities is less than 80% of the market price, or the terms of any such rights of conversion or exchange or subscription attached to any such securities being modified so that the said total effective consideration per Share initially receivable for such securities is less than 80% of the market price;
- (vi) an issue being made by the Company wholly for cash or for reduction of liabilities of Shares at a price per Share less than 80% of the market price;
- (vii) an issue being made by the Company of Shares for the acquisition of asset at a total effective consideration per Share (as defined in the Convertible Notes instrument) less than 80% of the market price; and

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

(viii) an issue wholly made by the Company of securities convertible into or exchangeable for or carrying rights of subscription for new Shares for the acquisition of asset, if in any case the total effective consideration per Share (as defined in the Convertible Notes instrument) initially receivable for such securities is less than 80% of the market price.

Please refer to the Board Letter for further details of the adjustments.

Voting Rights : The Noteholder(s) will not be entitled to attend or vote at any general meetings of the Company by reason only of it being the holder of the Convertible Notes.

Ranking : The payment obligations of the Company under the Convertible Notes shall, save for such exceptions as may be provided by applicable legislation, at all times rank at least equally with all its other present and future unsecured and unsubordinated obligations.

The New Conversion Shares issued upon conversion of the Convertible Notes will in all respects rank *pari passu* with the Shares in issue on the date of allotment and issue of such New Conversion Shares and accordingly shall entitle the holders to participate in all dividends or other distributions declared, paid or made on or after the relevant conversion date other than any dividend or other distribution previously declared or recommended or resolved to be paid or made if the record date therefor shall be on or before the relevant conversion date.

Listing : The Convertible Notes will not be listed on the Stock Exchange or any other stock exchange. Application will be made to the Listing Committee for the listing of, and permission to deal in, the New Conversion Shares.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Conversion Shares and New Conversion Shares

Based on the aggregate outstanding principal amount of the Convertible Notes of HK\$395,000,000, a maximum number of 448,863,636 New Conversion Shares (equivalent to 1,795,454,545 Conversion Shares) at the initial Conversion Price of HK\$0.88 per New Conversion Share (equivalent to HK\$0.22 per Conversion Share) will be allotted and issued upon exercise of the conversion rights attached to the Convertible Notes in full, which represent: (i) approximately 341.17% of the issued share capital of the Company (as adjusted for the effect of the Share Consolidation) as at the Latest Practicable Date; and (ii) approximately 77.33% of the issued share capital of the Company (as adjusted for the effect of the Share Consolidation) as to be enlarged by the allotment and issue of the New Conversion Shares to be allotted and issued upon the exercise of the conversion rights attaching to the Convertible Notes in full and after the Share Consolidation becoming effective.

As at the Latest Practicable Date, there are no treasury Shares held by the Company and the Company does not currently have any intention to transfer treasury Shares (if any) upon exercise of the conversion rights attached to the Convertible Notes.

4. Evaluation of the Conversion Price

4.1 Review on Share price performance

The initial Conversion Price of HK\$0.88 per New Conversion Share (equivalent to HK\$0.22 per Conversion Share) would represent:

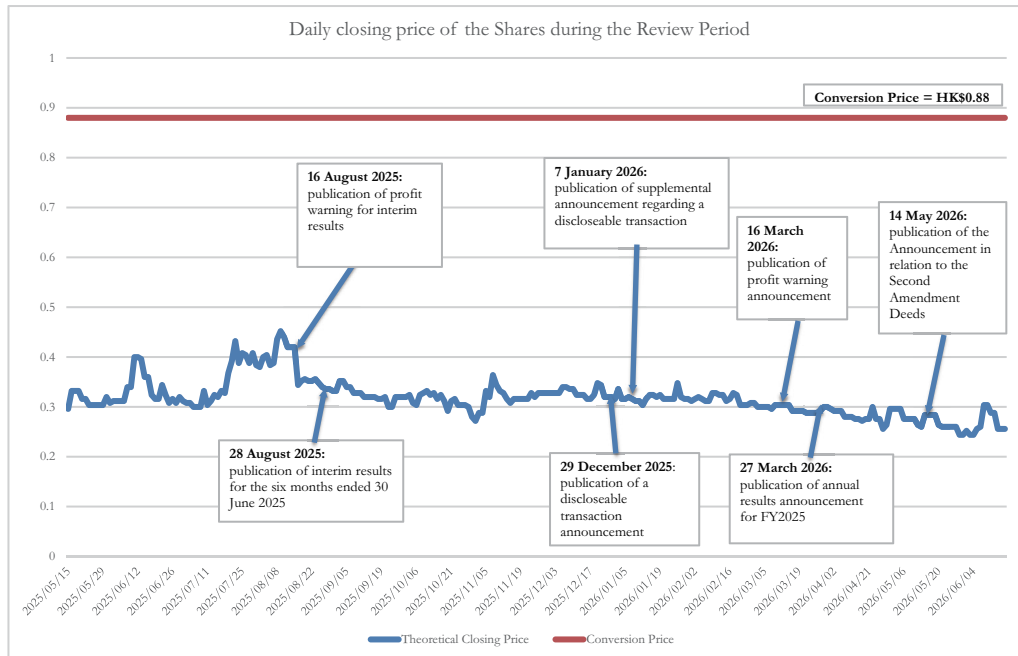
- (i) a premium of approximately 260.66% over the theoretical closing price of HK\$0.244 per Consolidated Share (as adjusted for the effect of the Share Consolidation based on the closing price of HK\$0.061 per Existing Share as quoted from the Stock Exchange on 22 June 2026, being the date of the Amended and Restated Second Amendment Deeds);
- (ii) a premium of approximately 235.37% over the average theoretical closing price of approximately HK\$0.2624 per Consolidated Share (as adjusted for the effect of the Share Consolidation based on the average closing price of approximately HK\$0.0656 per Existing Share for the last five (5) consecutive trading days immediately prior to 22 June 2026); and
- (iii) a premium of approximately 315.1% over the theoretical closing price of HK\$0.212 per Consolidated Share (as adjusted for the effect of the Share Consolidation based on the closing price of HK\$0.053 per Existing Share as quoted from the Stock Exchange on 24 June 2026, being the Latest Practicable Date).

Before the Share Consolidation becomes effective, the initial Conversion Price is HK\$0.22 per Conversion Share and the net liabilities of the Group as at 31 December 2025 is HK\$1,947,759,000.

For the avoidance of doubt, the Company and the Noteholders agree that no further adjustment to the initial Conversion Price will be made pursuant to the Share Consolidation having become effective.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

In order to assess the fairness and reasonableness of the Conversion Price, we have reviewed the theoretical daily closing prices of the Consolidated Shares on the Stock Exchange for the period from 15 May 2025 (being the 12-month period immediately prior to the date of the Second Amendment Deeds), up to and including the date of the Amended and Restated Second Amendment Deeds (i.e. 22 June 2026) (the “**Review Period**”).



Source: The website of the Stock Exchange (www.hkex.com.hk)

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

As shown in the chart above, the theoretical closing prices of the Consolidated Shares during the Review Period ranged from HK\$0.452 per Share to HK\$0.244 per Share with an average closing price of approximately HK\$0.317 per Share. The initial Conversion Price of HK\$0.88 per New Conversion Share is above the range of theoretical daily prices of the Consolidated Shares during the entire Review Period and represents (i) a premium of approximately 260.66% over the lowest theoretical closing price of the Consolidated Shares; (ii) a premium of approximately 94.69% over the highest theoretical closing price of the Consolidated Shares; and (iii) a premium of approximately 177.67% over the average theoretical closing price of the Consolidated Shares during the Review Period.

As indicated in the above chart, the theoretical daily closing prices of the Consolidated Shares fluctuated within a relatively narrow range during the Review Period. The theoretical Share price showed a moderate upward trend in the early part of the Review Period and reached its highest level of approximately HK\$0.452 on 11 August 2025. On 16 August 2025, the Company published a profit warning announcement in relation to its interim results for the six months ended 30 June 2025. Following the publication of such announcement, the theoretical Share price decreased to HK\$0.344 per Consolidated Share on 18 August 2025. On 28 August 2025, following the publication of the Company's interim results announcement for the six months ended 30 June 2025, the theoretical Share price was recorded at HK\$0.336 per Consolidated Share. Thereafter, the Company published an announcement in relation to a discloseable transaction on 29 December 2025 and a supplemental announcement in relation to the aforesaid discloseable transaction on 7 January 2026. The theoretical Share price remained relatively stable during such period with a range of HK\$0.316 to HK\$0.348 per Consolidated Share. Subsequently, the Company published a profit warning announcement on 16 March 2026 and the annual results announcement for FY2025 on 27 March 2026, and the theoretical Share price continued to remain relatively stable during such period. Up to the date of the Second Amendment Deeds, the theoretical Share price remained relatively stable and closed at HK\$0.284 per Consolidated Share on 14 May 2026. Afterwards, the Share price increased slightly to HK\$0.304 on each of 9 June 2026 and 10 June 2026 and remained relatively stable up to the date of the Amended and Restated Second Amendment Deeds. Throughout the Review Period, the theoretical Share price remained below the Conversion Price of HK\$0.88 per New Conversion Share. As confirmed by the Management, the Company was not aware of any specific reasons for the aforesaid fluctuations in the Share price during the Review Period.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

4.2 Trading liquidity of the Shares

We have also reviewed the historical liquidity of the Shares. The following table sets out the average daily trading volume per month/period of the Shares during the Review Period:

	Average daily trading volume of Shares during the period/month <i>(Shares)</i> <i>(Note 1)</i>	Percentage of average daily trading volume of Shares to the total number of issued Shares as at the end of the relevant period/month <i>(%)</i> <i>(Note 2)</i>
2025		
15 – 30 May	160,043	0.0304%
June	714,770	0.1358%
July	2,288,769	0.4349%
August	668,762	0.1271%
September	262,444	0.0499%
October	664,809	0.1263%
November	488,339	0.0928%
December	129,204	0.0246%
2026		
January	420,692	0.0799%
February	256,137	0.0487%
March	126,458	0.0240%
April	229,607	0.0436%
May	219,984	0.0418%
1 June – 22 June (being the date of the Amended and Restated Second Amendment Deeds)	227,545	0.0432%
Maximum	2,288,769	0.4349%
Minimum	126,458	0.0240%
Average	489,826	0.0931%

Source: The website of the Stock Exchange (www.hkex.com.hk)

Notes:

1. Computed by dividing the total daily trading volume of the Shares by the number of trading days of the respective corresponding period/month.
2. Computed by dividing the average daily trading volume of the Shares by the total number of issued Shares at the end of the relevant period/month.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

We noted that the average trading volume of the Shares ranged from approximately 126,458 Shares to approximately 2,288,769 Shares, with an average trading volume of the Shares of approximately 489,826 Shares during the Review Period, representing approximately 0.0240% to 0.4349% with an average of approximately 0.0931% of the total issued Shares of the Company as at the end of the relevant period/month.

As shown in the table above, although the average daily trading volume of the Shares reached approximately 0.4349% of the total issued Shares of the Company in July 2025, it subsequently decreased to approximately 0.1271% in August 2025. We enquired with the Management regarding such surge and were advised that they had not identified any specific reason for the increase in trading volume in July 2025. Save for July 2025, the average daily trading volume of the Shares during the Review Period generally ranged from approximately 0.0240% to 0.1358% of the total issued Shares. Based on the above, we therefore consider that the Shares were relatively thinly traded in general during the Review Period.

We also note that, upon exercise of the conversion rights under the Convertible Notes in full, a maximum number of 448,863,636 New Conversion Shares (equivalent to 1,795,454,545 Conversion Shares) will be allotted and issued to the Noteholders, representing (i) approximately 341.17% of the issued share capital of the Company as at the Latest Practicable Date; and (ii) approximately 77.33% of the issued share capital of the Company as to be enlarged by the allotment and issue of the New Conversion Shares to be allotted and issued upon the exercise of the conversion rights attaching to the Convertible Notes in full.

Due to the generally low liquidity of the Shares during the Review Period, we consider that it might not be possible for the Noteholders to realise their shareholdings in the market after the full conversion of the Convertible Notes. In addition, given that the trading volume of the Shares is insufficient, disposing of a large number of Shares within a short period in the market might generate substantial downward pressure on the market price of the Shares, which in turn might have a negative impact on the financing ability of the Group.

4.3 Comparison with other issuance and subscription of convertible bonds/notes exercises

As part of our analysis, we have further reviewed the relevant issues of convertible bonds/notes exercise through placing or subscription under specific mandate by companies listed on the Main Board of the Stock Exchange (the “**Comparable Transactions**”) as announced during the Review Period and identified an exhaustive list of 19 Comparable Transactions.

We consider that the Review Period represented recent market practice for the convertible bonds/notes newly issued under specific mandate in the capital market in Hong Kong and allows the Independent Shareholders to have a general understanding of recent issues of convertible bonds/notes being conducted and thereby the Review Period adopted is appropriate to capture the recent market practice. Given that (i) the Comparable Transactions represent an exhaustive list of transactions identified based on our selection criteria during the Review Period, and we did not subjectively exclude any transaction which met such criteria; (ii) the Review Period of one year immediately preceding and including the date of the Second Amendment Deeds allows us to identify a sufficient number of Comparable Transactions for the purpose of assessing recent market practice; and (iii) all the underlying issuers of the Comparable Transactions are companies listed on the Main Board of the Stock Exchange and all the Comparable Transactions involved the issue of convertible bonds/notes under specific mandates, we consider that the Comparable Transactions are fair and representative for the purpose of our analysis.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Independent Shareholders should, however, note that the businesses, operations, financial positions and prospects of the Group may differ from those of the companies involved in the Comparable Transactions. Accordingly, the Comparable Transactions are used only as a general reference for common market practice in recent issues of convertible bonds/notes by companies listed on the Main Board of the Stock Exchange. Set out below is the summary of the Comparable Transactions:

No.	Company Name	Stock Code	Date of relevant announcement	Conversion price	Conversion price	Interest rate	Term to maturity (years)
				premium over/(discount to) the closing price on the respective last trading day	premium over/(discount to) for the last five consecutive trading days up to and including the respective last trading day		
				(Approximate)	(Approximate)	(p.a.)	(approximate number of years)
1	Risecomm Group Holdings Limited	1679	27-May-26	-11.54%	-13.21%	0%	3
2	Biosysen Limited	1355	26-May-26	0%	0.65%	0%	5
3	JINTAI ENERGY HOLDINGS LIMITED	2728	19-May-26	25%	17.19%	8%	2
4	Vision Values Holdings Limited	862	13-Apr-26	13.50%	22.80%	3.00%	3
5	Man Sang International Limited	938	25-Mar-26	14.29%	-2.44%	2.00%	3
6	China Water Industry Group Limited	1129	16-Feb-26	-31.56%	0.00%	10.00%	2
7	BeijingWest Industries International Limited	2339	16-Nov-25	-34.21%	-20.00%	0%	1
8	SEM Holdings Limited	9929	26-Nov-25	6.80%	5.77%	0%	2

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

No.	Company Name	Stock Code	Date of relevant announcement	Conversion price	Conversion price	Interest rate	Term to maturity (years) <i>(approximate number of years)</i>
				premium over/(discount to) the closing price on the respective last trading day <i>(Approximate)</i>	premium over/(discount to) for the last five consecutive trading days up to and including the respective last trading day <i>(Approximate)</i>		
9	International Entertainment Corporation	1009	17-Nov-25	-16.67%	-17.36%	3%	5
10	SUNSHINE OILSANDS LTD	2012	16-Nov-25	12.54%	0.00%	8%	2
11	Zoomlion Heavy Industry Science and Technology Co., Ltd.	1157	30-Oct-25	35.23%	35.49%	1.80%	5
12	DTXS Silk Road Investment Holdings Company Limited	620	17-Oct-25	5.56%	6.03%	3.85%	3
13	Karrie International Holdings Limited	1050	13-Oct-25	-7.26%	-15.57%	2.00%	3
14	Moiselle International Holdings Limited,	130	3-Oct-25	20%	97.10%	2.50%	3
15	China Rongzhong Financial Holdings Company Limited	3963	3-Sep-25	0%	-0.17%	2.75%	3
16	Pengo Holdings Group Limited	1865	1-Aug-25	-14.50%	-20.20%	3%	1
17	DINGYI GROUP INVESTMENT LIMITED	508	31-Jul-25	5.81%	2.82%	2%	3

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

No.	Company Name	Stock Code	Date of relevant announcement	Conversion price	Conversion price	Interest rate	Term to maturity (years)
				premium over/(discount to) the closing price on the respective last trading day	premium over/(discount to) the closing price on the respective last trading day		
				(Approximate)	(Approximate)	(p.a.)	(approximate number of years)
18	CASH Financial Services Group Limited	1049	10-Jun-25	19.05%	19.05%	5%	3
19	China Carbon Neutral Development Group Limited	1372	30-May-25	-83.53%	-80.14%	5%	2
			Min	-83.53%	-80.14%	0.00%	1
			Max	35.23%	97.10%	10.00%	5
			Average	-2.18%	1.99%	3.26%	2.89
	Amendments			260.66%	235.37%	0.00%	2 years

Source: The website of the Stock Exchange (www.hkex.com.hk)

Among the Comparable Transactions, we noted that the conversion prices ranged from (i) a discount of approximately 83.53% to a premium of approximately 35.23% to/over the respective closing prices, with an average discount of approximately 2.18% to the respective closing prices of the relevant shares as quoted on the last trading day prior to/on the date of the relevant announcements; and (ii) a discount of approximately 80.14% to a premium of approximately 97.10% to/over the average closing price for the last five consecutive trading days up to and including the last trading day prior to/on the date of the relevant announcements, with an average premium of approximately 1.99%. By comparison, the Conversion Price of HK\$0.88 represents a premium of approximately 260.66% over the theoretical closing price of the Consolidated Shares on the date of the Amended and Restated Second Amendment Deeds. Accordingly, the premium of the Conversion Price over the theoretical closing price of the Consolidated Shares on the date of the Amended and Restated Second Amendment Deeds is significantly higher than the upper end of the range of the Comparable Transactions.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

In addition, the interest rates of the Comparable Transactions ranged from zero to 10.0% per annum, with an average of approximately 3.26% per annum. The Convertible Notes are non-interest bearing and, accordingly, the interest rate of the Convertible Notes is equivalent to the lowest end of the range of the Comparable Transactions. Furthermore, the maturity period of the Convertible Notes of 2 years falls within the range of the Comparable Transactions, which ranged from 1 year to 5 years.

As such, we are of the view that the principal terms of the Amended and Restated Second Amendment Deeds including the Conversion Price, the interest rate, and the CN Extended Maturity Date are on normal commercial terms, and fair and reasonable so far as the Independent Shareholders are concerned and in the interests of the Company and the Shareholders as a whole.

5. Financial effects of the proposed CN Extensions

The financial effects of the proposed CN Extensions set out below are purely for illustrative purposes only and do not reflect the future financial position of the Company or the Group.

5.1. Effect on shareholders' net liabilities

According to the 2025 Annual Report, the audited consolidated net liabilities of the Company were approximately HK\$1.9 billion or approximately HK\$3.70 per Share as at 31 December 2025 based on the total issued number of the Shares as at the Latest Practicable Date of 526,260,404 Shares.

It is expected that the proposed Amendments would not lead to any immediate material change to the shareholders' equity of the Group. However, if the Convertible Notes are fully converted into 448,863,636 New Conversion Shares (equivalent to 1,795,454,545 Conversion Shares) at or before maturity and assuming no other changes in the issued share capital and shareholders' equity, the liabilities position of the Group is expected to improve, subject to the applicable accounting treatment to be adopted by the Company.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

5.2. Effect on working capital

According to the 2025 Annual Report, the Group had cash and cash equivalents of approximately HK\$5.45 million and net current liabilities of approximately HK\$1,848.67 million as at 31 December 2025. As the Convertible Notes with an aggregate outstanding principal amount of HK\$395.0 million will mature on 26 June 2026 under their existing terms, the Group does not have sufficient internal resources to redeem the Convertible Notes upon maturity. The proposed CN Extensions would allow the Group to postpone the substantial cash outflow which would otherwise arise from the redemption of the Convertible Notes. Having considered that (i) the Group's cash and cash equivalents of approximately HK\$5.45 million as at 31 December 2025 were substantially lower than the aggregate outstanding principal amount of the Convertible Notes of HK\$395.0 million; and (ii) the Convertible Notes will mature in June 2026 in the absence of the proposed CN Extensions, we are of the view that the proposed CN Extensions would alleviate the immediate liquidity and working capital pressure of the Group and enable the Group to retain its limited liquid financial resources for its business operations and development.

In addition, for illustrative purposes only, assuming that the proposed CN Extensions had been completed as at 31 December 2025, the CN Extensions would result in a substantial modification from the original terms of the Convertible Notes. After taking into account all relevant facts and circumstances, including qualitative factors, such modification is accounted for as a derecognition of the original financial liability and the recognition of new financial liability. The difference between the carrying amount of the Convertible Notes (as amended by the Amended and Restated Second Amendment Deeds) held by Ms. Hao derecognised and the fair value of the Convertible Notes held by Ms. Hao as at the date of Completion, including any liabilities assumed and derivative components recognised, will be recognised in profit or loss and entirety of the Convertible Notes held by Ms. Hao will be reclassified into the non-current portion. Similarly, the difference between the carrying amount of the Convertible Notes held by China OEPC derecognised and the fair value of the Convertible Notes (as amended by the Amended and Restated Second Amendment Deeds) held by China OEPC as at the date of Completion, including any liabilities assumed and derivative components recognised, will be recognised in equity as deemed contribution from a substantial shareholder and such Convertible Notes will be reclassified into the non-current portion. Accordingly, without taking into consideration any adjustments resulting from fair value changes on the Convertible Notes due to the proposed CN Extensions, the Group's current liabilities would decrease from approximately HK\$1,906.42 million to approximately HK\$1,549.76 million, while its non-current liabilities would increase from approximately HK\$104.37 million to approximately HK\$461.02 million. The Group's net current liabilities would correspondingly decrease from approximately HK\$1,848.67 million to approximately HK\$1,492.02 million, and its current ratio would improve from approximately 0.03 times to approximately 0.04 times.

5.3. Effect on gearing ratio

As set out in the 2025 Annual Report, the Group's gearing ratio is computed by dividing the Group's total debts, which include amounts due to related companies, amounts due to non-controlling interests, other borrowings and lease liabilities, by the capital deficiencies attributable to owners of the Company.

As confirmed by the Directors, it is expected that the proposed CN Extensions will not have an immediate material impact on the net asset value and gearing of the Group.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

6. Potential dilution to the Independent Shareholders' interests

The following table sets out the shareholding structure of the Company (i) as at the Latest Practicable Date; (ii) immediately after completion of the Share Consolidation but prior to the full conversion of the Convertible Notes at the Conversion Price; (iii) immediately after the allotment and issue of the New Conversion Shares upon full conversion of the Convertible Notes at the initial Conversion Price (assuming that there are no other changes to the issued share capital of the Company from the Latest Practicable Date and prior to conversion); (iv) immediately after the allotment and issue of the New Conversion Shares upon conversion of the Convertible Notes at the initial Conversion Price to the extent that China OEPC and Ms. Hao will hold 29.99% of the enlarged issued share capital of the Company (assuming that there are no other changes to the issued share capital of the Company from the Latest Practicable Date and prior to conversion); and (v) immediately after the allotment and issue of the New Conversion Shares upon conversion of the Convertible Notes at the initial Conversion Price to the extent that China OEPC and Ms. Hao will hold 29.99% of the enlarged issued share capital of the Company and the exercise of the outstanding share options of the Company (assuming that there are no other changes to the issued share capital of the Company from the Latest Practicable Date and prior to conversion).

Shareholders	(i) as at the Latest Practicable Date		(ii) immediately after completion of the Share Consolidation but prior to full conversion of the Convertible Notes at the Conversion Price		(iii) immediately after the allotment and issue of the New Conversion Shares upon full conversion of the Convertible Notes at the initial Conversion Price (assuming that there are no other changes to the issued share capital of the Company from the Latest Practicable Date and prior to conversion) ^(Note 3)		(iv) immediately after the allotment and issue of the New Conversion Shares upon conversion of the Convertible Notes at the initial Conversion Price to the extent that China OEPC and Ms. Hao will hold 29.99% of the enlarged issued share capital of the Company (assuming that there are no other changes to the issued share capital of the Company from the Latest Practicable Date and prior to conversion)		(v) immediately after the allotment and issue of the New Conversion Shares upon conversion of the Convertible Notes at the initial Conversion Price to the extent that China OEPC and Ms. Hao will hold 29.99% of the enlarged issued share capital of the Company and the exercise of the outstanding share options of the Company (assuming that there are no other changes to the issued share capital of the Company from the Latest Practicable Date and prior to conversion)	
	Number of Shares	Approximate percentage	Number of Shares	Approximate percentage	Number of Shares	Approximate percentage	Number of Shares	Approximate percentage	Number of Shares	Approximate percentage
	China OEPC ^(Note 1)	94,292,961	17.92%	23,573,240	17.92%	455,391,422	78.46%	46,260,190	29.99%	46,260,190
Ms. Hao ^(Note 2)	-	-	-	-	17,045,454	2.94%	-	-	-	-
Other Shareholders	431,967,443	82.08%	107,991,861	82.08%	107,991,861	18.60%	107,991,861	70.01%	108,241,861	70.06%
	<u>526,260,404</u>	<u>100%</u>	<u>131,565,101</u>	<u>100%</u>	<u>580,428,737</u>	<u>100%</u>	<u>154,252,051</u>	<u>100%</u>	<u>154,502,051</u>	<u>100%</u>

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Notes:

1. As at the Latest Practicable Date, China OEPC beneficially owns 94,292,961 Shares in which 91,361,894 Shares have been pledged to China Xinzhi and CITIC Trust Co., Ltd., and the Convertible Notes in the principal amount of HK\$380,000,000 which are convertible into 1,727,272,727 Shares which have been pledged to China Xinzhi and CITIC Trust Co., Ltd.. China OEPC is beneficially owned by Best Growth Enterprises Limited. Best Growth Enterprises Limited is beneficially owned by Mr. Zhang. By virtue of the SFO, Mr. Zhang and Best Growth Enterprises Limited are deemed to be interested in those Shares and derivative interest held by China OEPC.

As at the Latest Practicable Date, China Xinzhi is wholly and beneficially owned by China Huarong (Macau) International Company Limited, which is in turn held as to 51% by China CITIC Financial AMC International Holdings Limited, which is in turn held as to 84.84% by China CITIC Financial Asset Management Co., Ltd. and 15.16% by Huarong Zhiyuan Investment & Management Co., Ltd., and China OEPC is in the process of obtaining consent from each of China Xinzhi and CITIC Trust Co., Ltd. for the Amendments.

2. Ms. Hao is the spouse of Mr. Zhang, holding the Convertible Notes in the principal amount of HK\$15,000,000. By virtue of the SFO, Ms. Hao is also deemed to be interested in the Shares and derivative interest held by China OEPC.
3. This is for illustrative purpose only as there are restrictions under the terms of the Convertible Notes that prohibit any conversion which will trigger a mandatory offer obligation under Rule 26 of the Takeovers Code or will cause the public float of the Shares to be less than 25% (or any given percentage under the Listing Rules).

The conversion of the Convertible Notes in full does not result in a theoretical dilution effect of 25% or more on its own. As such, the theoretical dilution impact of the conversion of the Convertible Notes is in compliance with Rule 7.27B of the Listing Rules.

Upon full conversion of the Convertible Notes, 448,863,636 New Conversion Shares will be allotted and issued by the Company to Noteholders (i.e. China OEPC and Ms. Hao), representing: (a) approximately 341.17% of the existing issued share capital of the Company; and (b) approximately 77.33% of the enlarged share capital of the Company as enlarged by the issue of the 448,863,636 New Conversion Shares. Accordingly, upon the full conversion of the Convertible Notes but assuming no other changes in the issued share capital between now and the full conversion of the Convertible Notes, the shareholding of China OEPC will increase from approximately 17.92% to approximately 78.46% and the shareholding of Ms. Hao will increase from nil to approximately 2.94%.

It is worth noting that under the terms of the Convertible Notes, there are restrictions under the terms of the Convertible Notes that prohibit any conversion which will trigger a mandatory offer obligation under Rule 26 of the Takeovers Code or will cause the public float of the Shares to be less than 25% (or any given percentage under the Listing Rules) (collectively as the “**Conversion Restrictions**”). Therefore, given that public float requirement or a mandatory offer obligation may be triggered upon full conversion of the Convertible Notes as illustrated above, the Noteholders are not able to exercise in full the conversion rights attaching to the Convertible Notes due to the Conversion Restrictions attaching thereof.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Taking into account (i) the reasons for and benefits of the CN Extensions as set out in the section headed "2. Reasons for and benefits of the Amended and Restated Second Amendment Deeds"; (ii) the terms of the Amended and Restated Second Amendment Deeds and the Convertible Notes are fair and reasonable so far as the Independent Shareholders are concerned as set out in the section headed "4. Evaluation of the Conversion Price" above; (iii) the Conversion Price represents a substantial premium to the theoretical closing price of the Consolidated Shares as at the date of the Amended and Restated Second Amendment Deeds and exceeds the premium range observed in the Comparable Transactions, indicating that the Conversion Price would provide a higher conversion threshold and reduce the potential dilution impact on the Independent Shareholders; and (iv) the fact that the conversion of the Convertible Notes is subject to the Conversion Restrictions, we are of the view that the potential dilution impact and the aforementioned level of dilution to the shareholding interests of the existing public Shareholders are acceptable.

RECOMMENDATION

Having taken into consideration the factors and reasons stated above, we are of the opinion that, although the entering into of the Amended and Restated Second Amendment Deeds is not in the ordinary and usual course of business of the Group, the Amended and Restated Second Amendment Deeds and the proposed CN Extensions contemplated thereunder are on normal commercial terms, fair and reasonable so far as the Independent Shareholders are concerned, and the proposed CN Extensions are in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Board Committee to advise the Independent Shareholders, and we recommend the Independent Shareholders, to vote in favour of the relevant resolution(s) to be proposed at the SGM to approve the Amended and Restated Second Amendment Deeds and the proposed CN Extensions contemplated thereunder.

Yours faithfully,
For and on behalf of
Merdeka Corporate Finance Limited
Wallace So
Managing Director

Mr. Wallace So is a licensed person registered with the Securities and Futures Commission of Hong Kong, a responsible officer of Merdeka Corporate Finance Limited to carry out Type 6 (advising on corporate finance) regulated activity under the SFO and a licensed representative of Merdeka Investment Management Limited to carry out Type 4 (advising on securities) and Type 9 (asset management) regulated activities under the SFO. Mr. Wallace So has over 13 years of experience in the corporate finance industry.

1. RESPONSIBILITY STATEMENT

This circular, 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 circular 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 circular misleading.

2. SHARE CAPITAL

The authorised and issued share capital of the Company

(i) As at the Latest Practicable Date

<i>Authorised:</i>	<i>HK\$</i>
<u>2,000,000,000,000</u> Existing Shares of HK\$0.001 each	<u>2,000,000,000.00</u>
<i>Issued and fully-paid:</i>	
<u>526,260,404</u> Existing Shares of HK\$0.001 each	<u>526,260.404</u>

(ii) Immediately after the Share Consolidation becoming effective

<i>Authorised:</i>	<i>HK\$</i>
<u>500,000,000,000</u> Consolidated Shares of HK\$0.004 each	<u>2,000,000,000.00</u>
<i>Issued and fully-paid:</i>	
<u>131,565,101</u> Consolidated Shares of HK\$0.004	<u>526,260.404</u>

(iii) Immediately upon full conversion of the Convertible Notes at the initial Conversion Price of HK\$0.88 per New Conversion Share

<i>Authorised:</i>	<i>HK\$</i>
<u>500,000,000,000</u> Consolidated Shares of HK\$0.004 each	<u>2,000,000,000.00</u>
<i>Issued and fully-paid:</i>	
131,565,101 Consolidated Shares of HK\$0.004 each	526,260.404
448,863,636 New Conversion Shares to be allotted and issued upon full conversion of the Convertible Notes at the initial Conversion Price of HK\$0.88 per New Conversion Share	1,795,454.544
<u>580,428,737</u> Consolidated Shares of HK\$0.004 each	<u>2,321,714.948</u>

All the Shares in issue are fully-paid and rank *pari passu* in all respects including all rights as to dividends, voting and return of capital.

The New Conversion Shares to be issued will be listed on the Stock Exchange. No part of the share capital or any other securities of the Company is listed or dealt in on any stock exchange other than the Stock Exchange and no application is being made or is currently proposed or sought for the Shares or the New Conversion Shares or any other securities of the Company to be listed or dealt in on any other stock exchange.

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

3. DISCLOSURE OF INTERESTS

(a) Directors' and chief executive's interests and short positions in shares and underlying shares

As at the Latest Practicable Date, the interests and short positions of the Directors or chief executives of the Company and their associates in the Shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which (i) would have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) were required to be entered in the register referred to therein pursuant to section 352 of the SFO; or (iii) were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules (the "Model Code"), were as follows:

Long positions in Shares and underlying shares

Name of Directors	Nature of interest	No. of Shares/underlying shares interested	Position	Approximate percentage of issued share capital as at the Latest Practicable Date
Mr. Tse Michael Nam	Beneficial owner	7,658 Shares	Long	0.001%

Save as disclosed above, as at the Latest Practicable Date, none of the Directors nor the chief executives of the Company had or was deemed to have any interests or short positions in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which (i) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

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

As at the Latest Practicable Date, so far as any Directors are aware, the interest or short positions owned by the following parties (other than the Directors or chief executives of the Company) in the Shares, underlying Shares or debentures of the Company which are required to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO or which were required to be recorded in the register of the Company required to be kept under section 336 of the SFO, or who were, directly or indirectly, interested in 10% or more of the issued voting shares of any member of the Group were as follows:

Long positions in Shares and underlying shares

Name of substantial Shareholders	Nature of interest	No. of Shares/underlying shares interested	Position	Approximate percentage of issued share capital as at the Latest Practicable Date
Mr. Zhang	Interest of controlled corporation	94,292,961 Shares ^(Note 1)	Long	17.92%
	Interest of controlled corporation	1,727,272,727 underlying shares ^(Note 2)	Long	328.22%
	Interest of spouse	68,181,818 underlying shares ^(Note 3 and 4)	Long	12.96%
Best Growth Enterprises Limited ("Best Growth")	Interest of controlled corporation	94,292,961 Shares ^(Note 1)	Long	17.92%
	Interest of controlled corporation	1,727,272,727 underlying shares ^(Note 2)	Long	328.22%
China OEPC	Beneficial owner	94,292,961 Shares ^(Note 1)	Long	17.92%
	Beneficial owner	1,727,272,727 underlying shares ^(Note 2)	Long	328.22%

Name of substantial Shareholders	Nature of interest	No. of		Approximate percentage of issued share capital as at the Latest Practicable Date
		Shares/underlying shares interested	Position	
Ms. Hao	Beneficial owner	68,181,818 underlying shares ^(Note 3)	Long	12.96%
	Interest of spouse	94,292,961 Shares ^(Notes 1 & 4)	Long	17.92%
	Interest of spouse	1,727,272,727 underlying shares ^(Notes 2 & 4)	Long	328.22%

Notes:

1. China OEPC is beneficially owned by Best Growth, and Mr. Zhang is the ultimate beneficial owner. Therefore, by virtue of the SFO, Best Growth is deemed to be interested in all the Shares held by China OEPC. As at the Latest Practicable Date, China OEPC held 94,292,961 Shares in which 91,361,894 Shares had been pledged to China Xinzhi and CITIC Trust Co., Ltd.

As at the Latest Practicable Date, China Xinzhi is wholly and beneficially owned by China Huarong (Macau) International Company Limited, which is in turn held as to 51% by China CITIC Financial AMC International Holdings Limited, which is in turn held as to 84.84% by China CITIC Financial Asset Management Co., Ltd. and 15.16% by Huarong Zhiyuan Investment & Management Co., Ltd., and China OEPC is in the process of obtaining consent from each of China Xinzhi and CITIC Trust Co., Ltd. for the Amendments.

2. China OEPC is the owner of the Convertible Notes in the principal amount of HK\$380,000,000 which are convertible into 431,818,182 New Conversion Shares (equivalent to 1,727,272,727 Conversion Shares) upon Completion. China OEPC is beneficially owned by Best Growth, and Mr. Zhang is the ultimate beneficial owner. Therefore, by virtue of the SFO, Best Growth is deemed to be interested in all the underlying shares held by China OEPC.
3. Ms. Hao is the owner of the Convertible Notes in the principal amount of HK\$15,000,000 which are convertible into 17,045,454 New Conversion Shares (equivalent to 68,181,818 Conversion Shares) upon Completion.
4. As Ms. Hao is the spouse of Mr. Zhang. Therefore, by virtue of the SFO, Ms. Hao is deemed to be interested in all the Shares and underlying shares held by Mr. Zhang through China OEPC and Best Growth.

Save as disclosed above, as at the Latest Practicable Date, the Directors are not aware of any interests or short positions owned by any persons (other than the Directors or chief executives of the Company) in the Shares or underlying Shares of the Company which were required to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO or which were required to be recorded in the register of the Company required to be kept under Section 336 of the SFO, or who were, directly or indirectly, interested in 10% or more of the issued voting shares of any member of the Group.

4. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors has entered into any service contracts with any member of the Group which does not expire or is not terminable by such member of the Group within one year without payment of compensation (other than statutory compensation).

5. DIRECTORS' INTERESTS IN CONTRACTS AND ASSETS

As at the Latest Practicable Date, none of the Directors, directly or indirectly, had any interest in any assets which have been since 31 December 2025 (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 or by any member of the Group, or are proposed to be acquired or disposed of by or leased to or by any member of the Group.

Save for the Amended and Restated Second Amendment Deeds, particulars of which are disclosed in the letter from the Board contained in this Circular, in which Mr. Zhang is considered to be interested, as at the Latest Practicable Date, none of the Directors was materially interested in any contract or arrangement, subsisting at the date of this circular, which is significant to the business of the Group.

6. INTERESTS IN COMPETING BUSINESS

As at the Latest Practicable Date, to the best knowledge of the Directors, none of the Directors or the controlling Shareholders or their respective associates had interests in any business which competes or may compete, either directly or indirectly, with the businesses of the Group or has or may have any other conflicts of interest with the Group pursuant to the Listing Rules.

7. LITIGATION AND CLAIMS

As at the Latest Practicable Date, there was no litigation or claim of material importance pending or threatened against any member of the Group.

8. EXPERT AND CONSENT

The following sets out the qualification of the expert who has been named in this circular:

Name	Qualifications
Merdeka Corporate Finance Limited	a licensed corporation to carry on Type 6 (Advising on Corporate Finance) regulated activity under the SFO

Merdeka has given and has not withdrawn its written consent to the issue of this circular with the inclusion herein of its letter or report (as the case may be) and references to its name, in the form and context in which they respectively appear.

As at the Latest Practicable Date, the above expert:

- (a) did not have any shareholding, either directly or indirectly, in any member of the Group;
- (b) did not have any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group; and
- (c) did not have any interest, either directly or indirectly, in any assets which have 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 2025 (the date to which the latest published audited accounts of the Company were made up).

The letter from Merdeka dated 25 June 2026 set out on pages 32 to 57 in this circular was given for incorporation in this circular.

9. NO MATERIAL ADVERSE CHANGE

The Directors confirm that, as at the Latest Practicable Date, save as disclosed above, there had been no material adverse change in the financial or trading position of the Group since 31 December 2025, the date to which the latest published audited consolidated financial statements of the Group were made up.

10. DOCUMENTS ON DISPLAY

Copies of the following documents will be published on the website of the Stock Exchange and the website of the Company for a period of 14 days from the date of this circular:

- (a) the Amended and Restated Second Amendment Deeds;
- (b) the letter from the Board dated 25 June 2026, the text of which is set out on pages 8 to 29 of this circular;
- (c) the letter from the Independent Board Committee dated 25 June 2026, the text of which is set out on pages 30 to 31 of this circular;
- (d) the letter from the Independent Financial Adviser dated 25 June 2026, the text of which is set out on pages 32 to 57 of this circular;
- (e) the letter of consent from Merdeka dated 25 June 2026 referred to in the above paragraph headed “8. Expert and Consent” in this appendix; and
- (f) this circular.

NOTICE OF SGM



GREEN LEADER HOLDINGS GROUP LIMITED

綠領控股集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock code: 61)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT a special general meeting (the “SGM”) of GREEN LEADER HOLDINGS GROUP LIMITED (the “Company”, together with its subsidiaries as the “Group”) will be held at 19/F., Hip Shing Hong Centre, 55 Des Voeux Road Central, Central, Hong Kong on Friday, 10 July 2026 at 10:30 a.m. (or, in the event that a black rainstorm warning signal or tropical cyclone warning signal no. 8 or above is in force in Hong Kong at 8:00 a.m. on that day, at the same time and place on Monday, 13 July 2026) for the purpose of considering and, if thought fit, passing with or without amendments, the following resolutions as ordinary resolutions of the Company:

ORDINARY RESOLUTIONS

1. **“THAT** subject to and conditional upon the granting by the Listing Committee of The Stock Exchange of Hong Kong Limited of the listing of, and permission to deal in, the Consolidated Shares (as defined below) arising from the Share Consolidation (as defined below) and with effect from the second business day immediately following the date on which this resolution is passed:
 - (a) every four (4) issued and unissued ordinary shares with a par value of HK\$0.001 each in the share capital of the Company (the “Existing Share(s)”) be consolidated into one (1) ordinary share with a par value of HK\$0.004 each (the “Consolidated Share(s)”) (the “Share Consolidation”) so that the authorised share capital of the Company will change from HK\$2,000,000,000 divided into 2,000,000,000 Existing Shares of par value HK\$0.001 each to HK\$2,000,000,000 divided into 500,000,000 Consolidated Shares of par value HK\$0.004 each, and such Consolidated Share(s) shall rank *pari passu* in all respects with each other and have the rights and privileges and be subject to the restrictions in respect of the shares contained in the memorandum of association and bye-laws of the Company;
 - (b) following the Share Consolidation, the directors of the Company (the “Directors”) be and are hereby authorised to make arrangements for the settlement and disposal of fractional entitlements, if any, arising from or in connection therewith and, in particular (but without prejudice to the generality of the foregoing), by aggregating any fractional entitlements arising as a result thereof and selling the same for the benefit of the Company in such manner and on such terms as the Directors may think fit; and

NOTICE OF SGM

- (c) any one of the Directors be and is hereby authorised severally to do all such acts and things and sign, execute and deliver all documents (including affixing the common seal of the Company if appropriate) he or she considers necessary, desirable or expedient to give effect to the Share Consolidation and the transactions contemplated thereunder.”

2. **“THAT**

- (a) the conditional amended and restated second deed of amendment (the **“Amended and Restated Second Amendment Deed (China OEPC)”**) dated 22 June 2026 and entered into between the Company as issuer and China OEPC Limited as note holder of unlisted convertible notes (the **“Convertible Notes (China OEPC)”**) in the principal amount of HK\$380,000,000 by the Company (a copy of the Amended and Restated Second Amendment Deed (China OEPC) having been produced to the SGM and marked **“A”** and initialed by the chairman of the SGM for the purpose of identification) in relation to (i) the extension of the maturity date from 26 June 2026 to the second (2nd) anniversary of the date of completion of the Amended and Restated Second Amendment Deed (China OEPC) (the **“Extended Maturity Date”**); and (ii) the change of the conversion price of the Convertible Notes (China OEPC) from HK\$0.22 per Existing Share to be issued and allotted upon conversion of the Convertible Notes (China OEPC) to HK\$0.88 per Consolidated Share to be issued and allotted upon conversion of the Convertible Notes (China OEPC) from and including the date of the amendments under the Amended and Restated Second Amendment Deed (China OEPC) having become effective to and including the Extended Maturity Date; and the transactions contemplated thereunder (including but not limited to the allotment and issue of the conversion shares (the **“New Conversion Shares (China OEPC)”**) upon exercise of conversion rights attaching to the Convertible Notes (China OEPC)) be and are hereby approved, confirmed and ratified;
- (b) the board (the **“Board”**) of Directors be and is hereby granted a specific mandate to allot and issue the New Conversion Shares (China OEPC) upon exercise of the conversion rights attached to the Convertible Notes (China OEPC) in accordance with the terms and conditions of the Convertible Notes (China OEPC); and
- (c) any one or more Director(s) be and is/are hereby authorised to implement and take all steps and do all acts and things and execute all such documents (including under seal, where applicable) which he/she/they consider(s) necessary, desirable or expedient to give effect to the Amended and Restated Second Amendment Deed (China OEPC) and the transactions contemplated thereunder.”

NOTICE OF SGM

3. “THAT

- (a) the conditional amended and restated second deed of amendment (the “**Amended and Restated Second Amendment Deed (Ms. Hao)**”) dated 22 June 2026 and entered into between the Company as issuer and Hao Ting as note holder of unlisted convertible notes (the “**Convertible Notes (Ms. Hao)**”) in the principal amount of HK\$15,000,000 by the Company (a copy of the Amended and Restated Second Amendment Deed (Ms. Hao) having been produced to the SGM and marked “**B**” and initialed by the chairman of the SGM for the purpose of identification) in relation to (i) the extension of the maturity date from 26 June 2026 to the second (2nd) anniversary of the date of completion of the Amended and Restated Second Amendment Deed (Ms. Hao) (the “**Extended Maturity Date**”); and (ii) the change of the conversion price of the Convertible Notes (Ms. Hao) from HK\$0.22 per Existing Share to be issued and allotted upon conversion of the Convertible Notes (Ms. Hao) to HK\$0.88 per Consolidated Share to be issued and allotted upon conversion of the Convertible Notes (Ms. Hao) from and including the date of the amendments under the Amended and Restated Second Amendment Deed (Ms. Hao) having become effective to and including the Extended Maturity Date; and the transactions contemplated thereunder (including but not limited to the allotment and issue of the conversion shares (the “**New Conversion Shares (Ms. Hao)**”) upon exercise of conversion rights attaching to the Convertible Notes (Ms. Hao)) be and are hereby approved, confirmed and ratified;
- (b) the Board be and is hereby granted a specific mandate to allot and issue the New Conversion Shares (Ms. Hao) upon exercise of the conversion rights attached to the Convertible Notes (Ms. Hao) in accordance with the terms and conditions of the Convertible Notes (Ms. Hao); and
- (c) any one or more Director(s) be and is/are hereby authorised to implement and take all steps and do all acts and things and execute all such documents (including under seal, where applicable) which he/she/they consider(s) necessary, desirable or expedient to give effect to the Amended and Restated Second Amendment Deed (Ms. Hao) and the transactions contemplated thereunder.”

By Order of the Board
Green Leader Holdings Group Limited
Tse Michael Nam
Executive Director

Hong Kong, 25 June 2026

Registered office:
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Head office and principal place of business in Hong Kong:
Unit A, 12/F., Central 88
88-98 Des Voeux Road Central
Hong Kong

NOTICE OF SGM

Notes:

1. The Company's register of members will be closed from Tuesday, 7 July 2026 to Friday, 10 July 2026, both days inclusive, during which period no transfer of shares will be effected, to determine shareholders' entitlement to attend and vote at the SGM (or at any adjournment thereof). The record date for attendance and voting at the SGM is Friday, 10 July 2026.
2. All transfers accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Tricor Investor Services Limited at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration no later than 4:30 p.m. on Monday, 6 July 2026.
3. A member entitled to attend and vote at the SGM convened by the above notice is entitled to appoint one or more proxy to attend and, subject to the provisions of the bye-laws of the Company, to vote on his behalf. A proxy need not be a member of the Company but must be present at the SGM to represent the member. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
4. In order to be valid, the form of proxy, together with a power of attorney or other authority, if any, under which it is signed, or a certified copy of such power or authority must be deposited at the Company's Hong Kong branch share registrar, Tricor Investor Services Limited at 17/F., Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible and in any event no less than 48 hours before the time appointed for holding the above mentioned meeting (i.e. Wednesday, 8 July 2026 at 10:30 a.m. or any adjournment thereof. Completion and return of a form of proxy will not preclude a Shareholder from attending and voting at the SGM or any adjournment thereof, should they so wish.
5. In the case of joint holders of shares, any one of such holders may vote at the SGM, either personally or by proxy, in respect of such share as if he was solely entitled thereto, but if more than one of such joint holders are present at the SGM personally or by proxy, that one of the said persons so present whose name stands first on the register of members of the Company in respect of such shares shall alone be entitled to vote in respect thereof.
6. Bad weather arrangements:

The SGM will be held on Friday, 10 July 2026 as scheduled regardless of whether or not an amber or red rainstorm warning signal is in force in Hong Kong at any time on that day.

However, if a black rainstorm warning signal or a tropical cyclone warning signal no. 8 or above is in force in Hong Kong at 8:00 a.m. on Friday, 10 July 2026, the SGM will not be held on that day but will be automatically postponed and, by virtue of this notice, be held at the same time and place on Monday, 13 July 2026 instead.

Members may call (852) 2889 6289 or visit the Company's website (www.irasia.com/listco/hk/greenleader) for details of the postponement and alternative meeting arrangements.
7. In the event of any inconsistency, the English version of this notice shall prevail over the Chinese version.
8. The ordinary resolutions set out above will be determined by way of a poll.