

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



GREEN ENERGY GROUP LIMITED

綠色能源科技集團有限公司*

(incorporated in Bermuda with limited liability)

(Stock Code: 979)

SUPPLEMENTAL ANNOUNCEMENT AND COMPLETION OF PLACING OF NEW SHARES UNDER GENERAL MANDATE

Reference is made to the announcement (the “**Announcement**”) of Green Energy Group Limited (the “**Company**”) dated 15 July 2026 in relation to the placing of new Shares under the General Mandate (the “**Placing**”), and the announcement of the Company dated 4 August 2026 in relation to the extension of the Long Stop Date and the announcements of the Company dated 24 August 2026 and 7 September 2026 in relation to the further extension of the Long Stop Date. Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcement.

This supplemental announcement is made to provide further information in relation to the use of proceeds from the Placing and the Group’s trading business of AI-related chips and components (the “**AI Chip Trading Business**”), and to announce the Completion of the Placing.

COMPLETION OF PLACING OF NEW SHARES UNDER GENERAL MANDATE

The Board is pleased to announce that all the conditions as set out in the Placing Agreement have been fulfilled and the Completion of the Placing has taken place on 9 September 2026 in accordance with the terms and conditions of the Placing Agreement.

Pursuant to the Placing Agreements, 26,528,000 Placing Shares, representing approximately 1.92% of the issued share capital (as enlarged by the allotment and issue of the Placing Shares) of the Company as at the date of this announcement, have been allotted and issued by the Company to not less than six Placees who are third parties independent of the Company and their respective connected person(s) at the Placing Price of HK\$0.4 per Placing Share under the General Mandate.

Immediately after the Completion, none of the Placees is regarded as a substantial Shareholder (as defined under the Listing Rules) nor connected person of the Company under Chapter 14A of the Listing Rules. The Placees shall not dispose any of the Placing Shares during the period of six months following the date of Completion.

BACKGROUND

Reference is made to the announcement of the Company dated 9 June 2026 in relation to, Red Huge Limited (瑞鉅有限公司), a wholly-owned subsidiary of the Company, has commenced the trading business of electronic chips, semiconductor devices and other electronic products, with a particular focus on memory chips, computing chips and other core components relating to artificial intelligence (the “**AI**”) computing power. On the basis of such business, the Group also plans to gradually expand into high-end graphics cards and other hardware products and supply chain services relating to AI computing infrastructure.

It is considered that the principal activities of the Company and its subsidiaries (collectively referred to as the “**Group**”) are engaged in trading of waste construction materials and provision of construction material processing services, trading and processing of recyclable oil/biodiesel, trading of plastic recycling/metal scrap materials and provision of plastic processing services in the past years. The trading business of electronic chips, semiconductor devices, and other electronic products serves as an extension of the trading business, which involved a change in the trading products. This is not materially different from the Company’s existing businesses. Also, with reference to the 2025 interim report of the Company, the Company recorded loss for the period of approximately HK\$4.6 million for the six months ended 31 December 2025 and HK\$18.4 million for the year ended 30 June 2025. In order to provide positive returns to the Company’s shareholders without changing the nature of the Company’s business, the Company explored and developed its trading business in electronic chips, semiconductor devices, and other electronic products, and it generated profit for the Company, as shown in the Company’s management accounts for the year ended 30 June 2026. Therefore, the Board considered that the current application of the Proceeds is fair and reasonable and is in the interest of the Company and shareholders as a whole. Besides, the Company is actively exploring the business opportunities for (a) renewable energy business; (b) waste construction materials and processing service; (c) plastic recycling/metal scrap business in the PRC and may raise the capital to apply on these current business in the future including but not limited to the renewable energy business and waste recycling business in the future.

USE OF PROCEEDS

The gross proceeds from the Placing are HK\$10,611,200 and the net proceeds from the Placing (after deduction of the placing commission and other relevant costs and expenses of the Placing) are approximately HK\$10.3 million. It is expected that the net proceeds from the Placing will be used for (i) approximately HK\$8.24 million (representing approximately 80%) for procurement and inventory buildup for AI computing core components, including storage chips, computing chips, and other key AI computing components; payment of supplier performance/security deposits and related advance payments for procurement; (ii) approximately HK\$1.03 million (representing approximately 10%) to fund and strengthen end-to-end AI computing semiconductor business needs, including expanding upstream supplier resources, establishing and deepening supply-chain partnerships, expanding downstream customers and sales channels, carrying out market expansion and business collaborations; and (iii) approximately HK\$1.03 million (representing 10%) for general working capital of the Company including but not limited to the salaries of the staffs.

The Company has further reviewed the proposed use of the Proceeds and proposes to apply the Proceeds within 12 months following Completion as follows:

Proposed use	Estimated Amount (HK/million)	Approximate Percentage (%)
Procurement of memory chips, computing chips and other electronic and semiconductor components, primarily for fulfilling customer orders and maintaining a limited level of readily marketable inventory	7.27	70.6
Supplier performance deposits, security deposits and advance payments required for the procurement of the above products	0.97	9.4
Development of supplier and customer resources, sales channels and business collaborations	0.39	3.8
Recruitment, remuneration and commissions of business development, procurement and sales personnel/partners and external industry consultants	0.29	2.8
Logistics, warehousing, product inspection and testing, insurance, information systems and compliance expenses relating to the AI Chip Trading Business	0.35	3.4
General working capital of the Group including but not limited to the salaries of the staffs	1.03	10

FUNDING REQUIREMENTS AND BASIS OF DETERMINATION

The funding requirement was determined based on the Group's estimated aggregate procurement requirements for the intended scale of the AI Chip Trading Business during the 12 months following Completion. In estimating such requirements, the Group took into account expected procurement needs for memory chips, computing chips, and other key AI computing components; the level of inventory considered necessary to support the Group's supply capability; and the supplier performance requirements, including security deposits and advance payments expected to be required for procurement. With reference to the trading sales of electronic chips, semiconductor devices, and other electronic products in May and June 2026, the total amounted to approximately HK\$80 million. Customers were required to provide deposits of 10%-30% of the total transaction amount, and the Company was required to provide the remaining 70%-90% of the invoice amount to proceed with the purchase of the electronic chips. Therefore, the aggregate estimated funding required for these purposes amounted to approximately HK\$42.5 million. It is considered that approximately HK\$8.24 million from the Placing proceeds will be used as a deposit for the procurement of memory chips, computing chips, and other electronic and semiconductor components, primarily to fulfill customer orders, as well as to procure inventory for short-term sales purposes. The remaining funding required will be supported by the Company's internal resources.

AI CHIP TRADING BUSINESS

Detailed business model

The AI Chip Trading Business has been conducted through Red Huge Limited, a wholly-owned subsidiary of the Company, since May 2026. The Group is principally engaged in the trading of electronic chips, semiconductor devices and other electronic products, with a particular focus on memory chips, computing chips and other core components relating to AI computing power.

The Group sources the relevant products from upstream suppliers in Taiwan and Hong Kong and sells them to downstream customers, and generates revenue from the trading margin between the purchase price and selling price of the relevant products. At the current stage, the new business operates under an asset-light distribution and trading model focusing on AI storage products. Its principal activities comprise supply-chain coordination, bulk procurement and distribution through sales channels in Hong Kong. The Group does not currently engage in the design or manufacture of semiconductor products.

The AI Chip Trading Business is operated as an integrated supply-chain distribution business for AI-related storage hardware. The Group conducts the relevant transactions as principal, but its commercial role is not confined to purchasing products and reselling them to customers. In addition to purchasing products from suppliers and reselling them to customers, the Group undertakes the following operational activities in executing the relevant transactions:

- (a) **Supply confirmation and allocation:** Upon receiving a customer enquiry or order, the Group identifies and confirms the availability of suitable products from its Hong Kong supply channels and coordinates the reservation and allocation of the relevant inventory according to the customer's required model, specifications, quantity and delivery schedule. This enables the Group to provide greater certainty over product availability and delivery timing.
- (b) **Transaction-risk mitigation:** By sourcing products through established Hong Kong supply channels and coordinating procurement, warehousing and delivery locally, the Group reduces its exposure to extended overseas procurement lead times, long-distance logistics, delivery delays and, where applicable, customs and exchange-rate uncertainties. The Group also follows up with the relevant suppliers, customers and service providers on product, quantity or delivery discrepancies arising during the transaction process.
- (c) **Order consolidation and procurement matching:** The Group consolidates purchase requirements from different downstream customers, compares available sources of supply and coordinates procurement based on confirmed or anticipated customer orders. Products procured in larger quantities are allocated among different customer orders according to the required specifications, quantities and delivery schedules, which supports a procure-to-order and demand-driven inventory approach.
- (d) **Application-based product matching:** The Group confirms each customer's intended application and checks or coordinates the checking of the product model, specifications, batch information, quantity, packaging condition and relevant product documents. Enterprise solid-state drives, DDR5 memory modules and other relevant products are then matched with the requirements of different application scenarios, including AI computing facilities, commercial computer systems, high-end notebooks and workstations.
- (e) **Transaction documentation and traceability:** The Group maintains the relevant purchase orders, sales orders, invoices, payment records, warehouse records, delivery records and, where applicable, customs documentation. Such records enable the product flow, fund flow, document flow and information flow of each transaction to be traced throughout the procurement, warehousing, distribution and settlement process.

- (f) **Warehousing, distribution and fulfilment:** Through its warehousing and logistics arrangements in Hong Kong, the Group coordinates the receipt, consolidation, sorting, storage and staged delivery of products. Products procured in larger quantities may therefore be distributed to downstream customers according to their respective order quantities and delivery schedules, reducing their inventory-management and fulfilment burden. The Company rented warehouses in Hong Kong to house and store its inventory in a controlled environment. In addition to supporting day-to-day storage needs, the warehouses help maintain the security of the inventory at a high level, including proper safeguarding measures to reduce the risk of loss, damage, or unauthorized access.

These arrangements enable the Group to translate customer requirements into executable procurement and delivery plans, while maintaining control over product availability, product suitability, delivery execution and transaction traceability throughout each transaction.

Value added on services

The Group provides value-added functions comprising (i) consolidating fragmented purchase requirements into larger and more coordinated purchase orders, thereby providing customers with a more efficient procurement channel and access to more competitive commercial terms; (ii) coordinating the availability and allocation of products from Hong Kong and other supply channels, thereby shortening procurement lead times and reducing uncertainty associated with overseas sourcing; (iii) checking or coordinating the checking of product models, specifications, batches, quantities, packaging condition and relevant product documentation, and matching the relevant products with customers' intended application scenarios, thereby reducing the risk of product or specification mismatch; (iv) coordinating purchase and sales documentation, payment arrangements and settlement procedures, thereby facilitating the compliant execution and traceability of cross-border transactions; and (v) coordinating the receipt, consolidation, sorting, storage and staged delivery of products through its warehousing and logistics arrangements in Hong Kong, thereby reducing the inventory-management and fulfilment burden of downstream customers.

Through these activities, the Group improves procurement efficiency, product availability, specification accuracy and delivery reliability for downstream customers.

Competitive advantages

The Group's ability to perform the above operational activities and provide the relevant value-added functions on a continuing basis is underpinned by the competitive strengths:

- (a) **Reliable upstream supply and access to the inventory.** Through its cooperation with core supply-chain partners, the Group has developed access to inventory of enterprise solid-state drives, DDR5 memory modules and other relevant products. The availability of identifiable and readily deliverable inventory enables the Group to respond to customer orders promptly and reduces the risks of supply interruption, extended procurement lead times and uncertain delivery schedules.

- (b) **Hong Kong-based cross-border execution capabilities.** The Group is able to utilise Hong Kong's international trading environment, logistics network and multi-currency settlement infrastructure to coordinate sourcing, warehousing, documentation, delivery and settlement involving counterparties in different jurisdictions. This provides greater flexibility in executing cross-border transactions and responding to changes in product availability and customer demand.
- (c) **Corporate credit and operational infrastructure.** The Group's listed-company platform and its finance, internal control, compliance and administrative functions support counterparty assessment, transaction documentation, cash-flow management and applications for appropriate banking, settlement and trade-finance facilities. Subject to the approval of the relevant financial institutions, these resources enhance the Group's capacity to conduct transactions of a larger value and at a higher frequency while maintaining appropriate financial and compliance controls.
- (d) **Asset-light and risk-controlled operating model.** The business does not require manufacturing facilities, substantial research and development expenditure or significant investment in fixed assets. The Group may procure products according to actual customer requirements and adjust its transaction volume in response to prevailing product prices, supply conditions and customer demand. This provides operating flexibility, limits fixed-asset and sunk-cost exposure and reduces the risk of substantial long-term inventory accumulation.

These functions and capabilities enable the Group to provide an integrated supply-chain distribution service rather than merely purchase and resell products. The Board therefore considers that the business has substantive commercial operations and an identifiable competitive position in the relevant supply chain.

At the initial stage, the Group intends to focus on the distribution of solid-state drive kits, memory chips and storage modules for AI servers. Starting from the trading of core components, the Group intends to gradually establish stable supplier resources and customer channels and, having regard to market demand and the development of the business, expand its product coverage to high-end graphics cards and other hardware products and supply-chain services relating to AI computing infrastructure.

Infrastructure, experience and management expertise

Given the asset-light nature of the AI Chip Trading Business, the business does not require substantial fixed assets and infrastructure. Also, the Group's existing head office and corporate functions in Hong Kong, including finance, internal control, compliance and administration, will support the operation of the business. Logistics, warehousing and product inspection or testing services may be arranged through third-party service providers where required.

The Group has accumulated experience in trading and supply-chain management through its existing businesses, including product sourcing, supplier selection and management, logistics coordination, quality control and the management of supplier and customer relationships. The Board considers that such experience is relevant and transferable to the AI Chip Trading Business.

Mr. Shao's management and operation experience

Mr. Shao is responsible for the business development of the AI Chip Trading Business and the coordination of key supplier and customer relationships. He has over ten years of experience in electronic-product trading, cross-border supply-chain management, import and export operations and business development.

Since August 2012, Mr. Shao has served as a director and general manager of Shenzhen Dexiang Photoelectric Co., Ltd.*(深圳德祥光電有限公司)(the “**Dexiang**”), which is engaged in the agency and international trading of electronic products and also carries out product inspection, sorting, verification, quality control, technical support and after-sales activities. His responsibilities for its management and business development have provided him with experience in product sourcing, commercial negotiation, supplier and customer development, product inspection, quality-issue handling and delivery coordination. After commencing his role at Dexiang, Mr. Shao also served as the general manager of Decheng Universal (Australia) Pty. Ltd. from November 2016 to December 2019 and as the business general manager of Hainan Luqiao International Trading Co., Ltd.*(海南陸橋國際商貿有限公司)from October 2020 to December 2023. These roles broadened his experience in international trading, import and export operations, overseas sourcing, product distribution and cross-border logistics. He also holds a 49% interest in Hong Kong Hung Fujin Co., Limited*(香港鴻富錦股份有限公司), whose registered business nature includes electronic-product sales, technical services and international trade, further extending his commercial involvement and management in the electronic-products sector.

Mr. Shao has accumulated contacts with electronic-product suppliers, manufacturers, traders, technical-service providers and downstream customers. The initial supplier and customer channels for the AI Chip Trading Business were developed through direct business development, commercial referrals and introductions, together with the contacts available to Mr. Shao and the Group's management.

For the operation of the new business segment, the Group is building a dedicated team with experience in semiconductor supply-chain management, cross-border trade, channel sales, finance and risk control. The supply-chain personnel monitor the availability and market prices of enterprise solid-state drives, DDR5 memory modules and other relevant products and coordinate product sourcing, price comparison and supplier management. The cross-border trade personnel handle transaction documentation and coordinate logistics, delivery and customs matters where applicable. The channel-sales personnel develop and maintain relationships with IT distributors, regional agents, computing-service providers and other downstream customers. The finance and

risk-control personnel monitor inventory turnover, product-price exposure, trade receivables and fund flows and maintain the relevant internal-control, audit and disclosure records.

Mr. Shao's industry experience and business contacts support the business and channel development of the AI Chip Trading Business, while the dedicated team is responsible for its day-to-day sourcing, transaction execution, sales and risk-control functions. The team is also supported by the Group's existing finance, internal-control, compliance and administrative functions, providing the management and operational capabilities required for the development of the new business segment.

Business plans and strategies

The Group intends to develop the AI Chip Trading Business in a prudent and phased manner. During the initial stage, the Group will focus primarily on the distribution of solid-state drive kits, memory chips and storage modules for AI servers, and will seek to broaden its upstream supplier resources, strengthen supply-chain cooperation and expand its downstream customer base and sales channels. As the business develops, the Group intends to increase its product and service coverage having regard to market demand, available supplier resources and the Group's operational capabilities. This may include the gradual expansion into high-end graphics cards, other hardware products relating to AI computing infrastructure and related supply-chain services. The Group will regularly review the product mix, business scale and deployment of resources with reference to market conditions and the commercial performance of the business.

Source of customers and suppliers

The suppliers and customers of the AI Chip Trading Business are independent from those of the Group's existing businesses. The suppliers were identified through the established semiconductor supply-chain network in Hong Kong and overseas spot-supply channels maintained by established industry participants and Mr. Shao's business network. The customers were developed through direct market development, commercial referrals, established downstream distribution channels and Mr. Shao's business network.

The three core suppliers comprise Sharetronic Data Technology Co., Ltd.* (協創數據技術股份有限公司, stock code: 300857.SZ), Ruicheng International Limited (瑞誠國際有限公司) and Tianwei (Hong Kong) Limited (天威(香港)有限公司). The customers principally comprise PRC IT distributors, regional authorised distributors, computing-infrastructure integrators and terminal-equipment service providers.

The Group entered into binding strategic cooperation arrangements with its core suppliers and established spot-supply mechanisms which provide access to products on a recurring basis. As at the date of this announcement, the Group will enter into 2 binding cooperation or supply arrangement(s) and 2 purchase order(s) with 2 supplier(s), with an aggregate purchase value of approximately HK\$21.9 million. The Group has completed preliminary commercial engagement with its regular downstream customers, which have ongoing procurement requirements for the relevant products, and will enter into 4 binding sales order(s) or sales contract(s) with 2 customer(s), with an aggregate sales value of not less than HK\$50 million. It is expected that the contracts with the customers will be signed within 2 months after the Completion.

Under the strategic cooperation arrangements and spot-supply mechanisms, the core suppliers provide the Group with recurring access to available inventory. The specific product model, specifications, quantity, price, payment terms and delivery arrangements are determined according to the requirements of each transaction and customer. The supply capacity available through the core suppliers and alternative channels enables the Group to aggregate procurement requirements and arrange purchases in bulk.

The Group's transaction process begins with the identification and consolidation of product requirements from its downstream customers. Based on the relevant specifications, quantities and delivery schedules, the Group matches the consolidated demand against the inventory available from its core suppliers and alternative supply channels and arranges centralised or bulk procurement in Hong Kong. Following procurement, the products are delivered to bonded warehouse facilities in Hong Kong for consolidation, verification and sorting. The Group checks the product model, specifications, quantity, packaging condition and supporting documentation, and allocates the products according to the corresponding customer orders. Where the products are to be sold into Mainland China, the Group may assist the customers in arranging the relevant customs declaration, customs clearance and cross-border delivery procedures according to actual customer demand. After customs clearance, the products are distributed to IT distributors, regional authorised distributors, computing-infrastructure integrators and terminal-equipment service providers. The products are ultimately delivered for use in computing-power infrastructure, system integration and complete equipment or terminal-device applications. Throughout the process, the Group maintains the relevant purchase, sales, warehousing, customs, payment and delivery records, thereby forming a complete transaction chain covering the flow of goods, funds, invoices and business documentation.

The Group intends to continue broadening its customer and supplier base through ongoing market development and business collaborations, with a view to establishing diversified and stable upstream supplier resources and downstream customer channels.

Quantitative funding requirements expected monthly sales scale

The Group estimates that approximately HK\$47.8 million will be required to support the initial development and operation of the AI Chip Trading Business. The Group intends to satisfy such funding requirement by using approximately HK\$9.27 million of the Proceeds and supporting the remainder with the Company's internal resources.

Moreover, the Group will assess any further funding requirements having regard to the actual scale and development of the Group's businesses.

Also, as of the date of this announcement, the Company has received intentions from potential customers, with sales amounting to not less than HK\$50 million. It is expected that the contracts with the customers will be signed within 2 months after the Completion.

The Group has access to inventory through its core suppliers. Under the spot-supply and customer-prepayment model, the Group may use customer prepayments to secure available products and arrange delivery without maintaining substantial long-term inventory. This shortens the procurement cycle and enables the Group to conduct successive transactions using the working capital recovered from Placing or completed transactions.

The Group also intends to supplement transactions with short-term forward orders of approximately two to three months where customer demand, supply availability and the relevant commercial terms have been confirmed. Such arrangements may provide greater visibility over future transaction volume.

The customers targeted by the Group include IT distributors, regional agents, computing-system integrators and terminal-equipment service providers which purchase memory and storage products for their recurring business requirements. In view of the economic environment and the promotion of AI, the Board considers that demand for enterprise solid-state drives, DDR5 memory modules and related computing components will last for years.

The Group's three core suppliers and backup supply channels are expected to provide adequate product availability for the intended transaction scale. The Group will adjust its procurement volume and product mix according to actual customer orders, available supply, prevailing prices and the commercial returns of individual transactions.

Risks associated with the new business and relevant mitigating measures

The principal risks associated with the AI Chip Trading Business and the corresponding mitigating measures include the following:

Market price and inventory risks: The market prices of electronic chips, semiconductor devices and other electronic products, may fluctuate, and certain products may become less marketable due to changes in technology or customer demand. The Group intends to maintain inventory at a prudent level, focus principally on products with identifiable market demand and regularly review the ageing, marketability and prevailing market prices of its inventory.

Supplier and product quality risks: The Group may be exposed to delays in delivery, product defects or concerns regarding product authenticity. The Group will assess suppliers with reference to their track record, supply capability and commercial terms, review relevant product and transaction documentation and arrange product inspection or testing by third parties where considered necessary.

Customer credit and counterparty risks: Customers may delay or fail to make payment, while counterparties may fail to perform their contractual obligations. The Group will conduct appropriate background and credit assessments, determine transaction and credit limits having regard to the circumstances of each counterparty and adopt suitable payment arrangements where appropriate. The Company may request deposits of more than 30% of the total transaction amount.

Customer and supplier concentration risks: As the business is at an early stage, it may initially rely on a limited number of customers or suppliers. The Group intends to continue broadening its customer and supplier base and developing alternative sources of supply and sales channels to reduce undue reliance on individual counterparties.

Regulatory and supply-chain risks: The trading of electronic chips, semiconductor devices and other electronic products may be affected by changes in applicable laws, export controls, sanctions, trade restrictions and geopolitical developments. The Group will monitor relevant regulatory developments, conduct appropriate compliance checks on counterparties and transactions and adjust its product sourcing and sales arrangements where necessary. As at the date of this announcement, the Group sourced the electronic chips from suppliers in Hong Kong and Taiwan. It is considered that the risk of the Group being subject to penalties under the export control law is minimal.

BUSINESS DEVELOPMENT PLAN

The Group intends to develop the AI Chip Trading Business as a continuing business line on a prudent and progressive basis. During the 12 months following Completion, the business is expected to remain at an initial development and expansion stage. The Group has not set a fixed revenue or profit target for such period, and the actual scale of the business will depend on market demand, product availability, prevailing market conditions and the commercial merits of individual transactions. Moreover, the Group intends to expand the customer network to the Mainland. Mainland China is expected to be the potential market for the AI Chip Trading Business. At this stage, the Group intends to focus its resources on developing customers and business opportunities in Mainland China, increasing transaction volume progressively and establishing a more stable operating model. As the business develops, the Group may broaden its product coverage and develop high-end graphics cards and other hardware products and supply chain services relating to AI computing infrastructure having regard to market demand, operational experience and the commercial performance of the business.

The Group intends to allocate material resources to the expansion of the AI Chip Trading Business in Hong Kong and the Mainland China. The Group may consider conduct future fundraising if considered appropriate at that time. The Company will continue to keep its shareholders and potential investors abreast of any relevant material development by making further announcement(s) as and when appropriate in accordance with the requirements under the Listing Rules. As at the date of this supplemental announcement, the Group has entered into the cooperation and transaction arrangements described above in relation to the Group's suppliers and customers. Save for such arrangements, the Group has not entered into any long-term exclusive supply or sales commitment or minimum purchase or sales commitment.

The Group does not plan to withdraw from its existing environmental and recycling businesses as a whole as it develops the AI Chip Trading Business. Instead, it will review and optimise its existing operations, preserve those which remain commercially viable and take appropriate measures in respect of activities which continue to generate losses, low returns or insufficient operating contributions.

The waste-oil recycling and trading operations in Hong Kong will be maintained on a prudent basis. The Group will review the profitability, operating efficiency and resource requirements of the relevant activities from time to time and, where necessary, refine their operating model or reorganise the resources committed to underperforming activities. Resources released through this process may be redeployed to operations with stronger commercial prospects.

As part of the optimisation of its overseas operations, the Group plans to complete the cessation of its recycling and processing activities in Germany and the disposal of the related low-efficiency operating assets. These measures are expected to reduce the losses and management burden associated with the German operations and release financial resources for the development of the Group's other businesses. Instead, the Group is actively developing its recycling business network in the PRC. The environmental and recycling operations in Mainland China will remain an important part of the Group's existing principal businesses and business plan. They cover recycled-material recovery, electronic related solid-waste treatment, ecological and environmental management. The Group will focus its resources on operations and projects with sustainable market demand, sound commercial models and acceptable returns, while further improving their operating efficiency and service capabilities. The Group will consider raising additional funds to support the existing business in the coming months.

As the AI Chip Trading Business develops, the Group expects it to grow to a scale broadly comparable with that of the retained environmental and recycling businesses. The two business areas are therefore expected to make substantial contributions to the Group's operations, although their relative scale may vary from time to time depending on market conditions, operating performance and funding requirements.

The Group's long-term development plan is to establish a dual-principal-business structure comprising the environmental and recycling businesses and the AI Chip Trading Business. Management attention, financial resources and business-development efforts will be allocated between the two areas on a broadly balanced basis, with the aim of preserving the commercially viable foundation of the Group's existing operations while developing the AI Chip Trading Business into one of the major sources of revenue and growth.

REASONS FOR AND BENEFITS OF DEVELOPING THE AI CHIP TRADING BUSINESS

The AI Chip Trading Business was commenced by the Group in May 2026 and was announced by the Company on 9 June 2026, prior to the proposed Placing. The development of the business was therefore not initiated solely for the purpose of applying the Proceeds. As disclosed in the announcement dated 9 June 2026, the Group intends to use the trading of memory chips, computing chips and other core components relating to AI computing power as an entry point to gradually establish its supply-chain system and customer channels, broaden the scope of its trading business, enhance its business sustainability and explore new growth opportunities.

The Board considers that the AI Chip Trading Business has a reasonable basis to generate positive returns, having taken into account the actual commencement and initial financial performance of the business, the demand outlook for AI-related storage and computing hardware, the supply and distribution channels developed by the Group and the operating characteristics of the business.

The continued development of generative AI, large-model training, data centres, edge-computing equipment and intelligent terminal devices is expected to support demand for enterprise solid-state drives, DDR5 high-speed memory modules and other related computing components. Based on the Board's assessment of prevailing industry conditions, demand for the relevant storage products is expected to remain supported over the next two to three years, although actual market conditions will remain subject to technological developments, product prices, customer demand and general economic conditions.

The Group has developed upstream supply and downstream distribution channels through its cooperation with Sharetronic and other business partners as the suppliers of the Company. Such cooperation provides the Group with access to the inventory of enterprise solid-state drives, DDR5 memory modules and other relevant products in Hong Kong, as well as channels for their onward distribution. The availability of the Hong Kong inventory also enables the Group to respond to customer demand more promptly and reduce its reliance on long-distance procurement and substantial advance inventory accumulation.

The relevant products are standardised and widely traded products with established market demand. The business may therefore be operated under an asset-light model without the establishment of manufacturing facilities or production lines or the incurrence of substantial fixed-asset or research and development expenditure. The Group conducts the business as principal and generates revenue from product sales, while its product sourcing, procurement coordination and transaction-execution capabilities support the commercial returns generated from the transactions.

The Group has completed the principal preparatory work for the business, including the development of supplier and customer channels, product sourcing arrangements, operating procedures, risk-control measures and the establishment of a dedicated operating team. The AI Chip Trading Business commenced operations in May 2026 and generated revenue and net profit during its initial operation, as reflected in the unaudited management accounts for the year ended 30 June 2026. Also, as of the date of this announcement, the Company has received intentions from potential customers, with sales amounting to not less than HK\$50 million. It is expected that the contracts with the customers will be signed within 2 months after the Completion. In light of the Group's existing cash level, the Group will require additional capital under the Placing in order to complete the purchase orders received.

Having considered the actual operating performance of the business, the immediate demand prospects for the relevant products, the supply and distribution channels available to the Group and the asset-light operating model, the Board considers that the AI Chip Trading Business has a reasonable commercial basis to generate positive returns and contribute an additional source of revenue and earnings to the Group.

In determining whether to apply the Proceeds towards the Group's existing businesses or the AI Chip Trading Business, the Board considered (i) with reference to the 2025 interim report of the Company, the Company recorded loss for the period of approximately HK\$4.6 million for the six months ended 31 December 2025 and HK\$18.4 million for the year ended 30 June 2025. In order to provide positive returns to the Company's shareholders without changing the nature of the Company's business, the Company explored and developed its trading business in electronic chips, semiconductor devices, and other electronic products, and it generated profit for the Company, as shown in the Company's management accounts for the year ended 30 June 2026; (ii) the Company is actively exploring the business opportunities for (a) renewable energy business; (b) waste construction materials and processing service; (c) plastic recycling/metal scrap business in the PRC and may raise the capital to apply on these current business in the future. However, it takes time to explore the renewable energy business, waste recycling business market and develop the network in the Mainland. In the meantime, the Company will continue its AI Chip Trading Business in order to generate a positive return to the Shareholders and consider to raise funds for the current businesses including but not limited to the renewable energy business and waste recycling business by using the remaining general mandate.

Also, the Board assesses the existing businesses based on its current operating scale and profitability and the Board considers that committing a substantial amount of additional capital to the existing businesses at this stage would not represent the most effective deployment of the Group's financial resources and may not generate positive returns to the Shareholders.

The AI Chip Trading Business remains trading-oriented and enables the Group to broaden its product coverage and develop an additional source of revenue by applying its experience in product sourcing, supplier and customer relationship management and supply-chain coordination. The Board considers that the business provides the Group with an opportunity to diversify its revenue base and improve its overall business sustainability and profitability.

The Group's existing cash resources are required to support its ongoing operations and general corporate requirements for a period of time and are not sufficient to develop the AI Chip Trading Business at the intended scale without constraining the liquidity available for its existing operations. The Board therefore considers that applying the relevant portion of the Proceeds to the AI Chip Trading Business is commercially justified and consistent with the Group's long-term development. It is fair and reasonable and in the interest of the Company and its shareholders as a whole.

FAIRNESS AND REASONABLENESS OF THE ALLOCATION OF THE PROCEEDS

In determining the allocation of the Proceeds, the Board compared the expected funding requirements of the AI Chip Trading Business during its initial 12-month development period with the funding requirements of the Group's existing businesses and ongoing operations. The AI Chip Trading Business is expected to require a substantially greater amount of working capital due principally to the intended volume and value of product procurement and the related supplier payment arrangements. Besides, the Group has not identified any immediate expansion plan or capital expenditure requirement in respect of its existing businesses at this moment. It takes time to explore the recycling/metal scrap business market and develop the network in the Mainland. In the meantime, the Company will continue its AI Chip Trading Business in order to generate a positive returns to the Shareholders and consider to raise funds for the current businesses including but not limited to the renewable energy business and waste recycling business by using the remaining general mandate. The Board therefore considers that allocating approximately 90% of the Proceeds to the AI Chip Trading Business, while retaining the remaining portion as general working capital, is fair and reasonable, and in the interest of the Company and its shareholders as a whole.

The Board considers that the proposed allocation of the Proceeds to the AI Chip Trading Business is fair and reasonable and in the interests of the Company and the Shareholders as a whole, having taken into account the strategic need to diversify the Group's earnings, the actual commencement and initial performance of the business, the intentions received as at the date of this announcement, the demand prospects for AI-related computing components, the sustainable relationship between the Group and the customers and suppliers, the intended application of the Proceeds and the relative funding requirements of the Group's existing businesses.

The Group's traditional environmental and recycling businesses operate in relatively mature markets and have experienced limited growth and pressure on profitability. It incurred losses for many years. The development of the AI Chip Trading Business would allow the Group to broaden its revenue base, reduce its reliance on existing traditional business activities and establish an additional source of earnings. It also forms part of the Group's broader efforts to optimise its business portfolio and allocate resources towards business activities with stronger growth potential and provided a positive net profit returns to the shareholders of the Company.

The continued development of AI applications, large-model training, data centres and other computing infrastructure is expected to support demand for enterprise solid-state drives, DDR5 memory modules, computing chips and other related components. The Group may participate in such market opportunities through a standardised and asset-light trading model without committing substantial capital to manufacturing facilities or speculative product research and development.

The AI Chip Trading Business has already commenced operations and generated revenue and profit. The Group has developed Hong Kong spot-supply channels, downstream distribution contacts, transaction procedures and is building a dedicated operating team.

The relevant portion of the Proceeds will principally be applied towards product procurement, supplier deposits or advance payments and other transaction-related operating requirements directly connected with customer transactions and revenue generation. The additional working capital would increase the Group's capacity to undertake larger transactions and create a greater number of transactions concurrently and reduce the risk that commercially viable orders cannot be accepted because of temporary funding gaps arising from the timing difference between customer deposits and payments to suppliers.

The Board has also considered the operating scale, profitability and capital requirements of the Group's existing businesses. Approximately 10% of the Proceeds will remain available as general working capital to support the Group's existing operations and corporate requirements. In the meantime, the Group is actively developing its recycling business network in the PRC and optimizing the environmental and recycling operations that remain commercially viable. It is expected that the recycling business will be established in the PRC in fourth quarter of 2026. The Group will consider raising additional funds to support the existing business in the coming months. The Group has no intention to scale down, terminate, or dispose of any of its existing businesses. Instead, it is transforming its business location and operation to the PRC, which is considered a larger market for its existing businesses.

In assessing the interests of the Shareholders, the Board has considered the dilution arising from the Placing against the expected benefits of increasing the Group's revenue-generating capacity, improving its working-capital efficiency, diversifying its earnings and enhancing its overall financial performance. Having regard to the above factors, the Board considers that the expected benefits of the Placing and that the proposed use of the proceeds represents an appropriate and commercially reasonable deployment of the Group's financial resources and is in the interests of the Company and the Shareholders as a whole.

EFFECTS ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, the shareholding structure of the Company (i) immediately before Completion; and (ii) immediately upon Completion are set out as follows:

	Immediately before Completion		Immediately upon Completion	
	Number of Shares	Approximate %	Number of Shares	Approximate % (Note)
New Glory Business Corporation	267,829,436	19.75	267,829,436	19.37
Wu Longzhen	100,000,000	7.37	100,000,000	7.23
Yu Siu Yuk	69,640,000	5.13	69,640,000	5.04
The Placee(s)	–	–	26,528,000	1.92
Other public Shareholders	918,838,740	67.75	918,838,740	66.45
Total	1,356,308,176	100.00	1,382,836,176	100.00

Notes:

The approximate percentage of total issued share capital calculation was based on the total number of ordinary shares of the Company in issue upon Completion (assuming all the Placing Shares have been issued and allotted).

GENERAL

Save for the updated information in this announcement, all other information disclosed in the Announcement remain unchanged. This announcement is supplemental to and should be read in conjunction with the Announcement.

Shareholders and potential investors should note that the completion of the Placing is subject to the fulfillment of the conditions as set out in the Placing Agreement. As the Placing may or may not proceed to completion, Shareholders of the Company and potential investors are advised to exercise caution when dealing in the Shares.

By order of the Board
Green Energy Group Limited
Shao Mingbiao
Co-Chairman and Executive Director

Hong Kong, 9 September 2026

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

* *For identification purposes only*