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## THIS PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

**If you have sold or transferred** all your shares in Green Economy Development Limited, you should at once forward the Prospectus Documents to the purchaser(s) or the transferee(s) or to the stockbroker, bank manager, licensed securities dealer or registered institution in securities or other agents through whom the sale or transfer was effected for transmission to the purchaser(s) or the transferee(s).

Hong Kong Exchanges and Clearing Limited, Hong Kong Securities Clearing Company Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of the Prospectus Documents, make no representations 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 the Prospectus Documents.

A copy of each of the Prospectus Documents, having attached thereto the documents specified in the paragraph headed “15. Documents delivered to the Registrar of Companies in Hong Kong” in Appendix III to this Prospectus, has been registered by the Registrar of Companies in Hong Kong pursuant to Section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong). The Registrar of Companies in Hong Kong, The Stock Exchange of Hong Kong Limited and the Securities and Futures Commission of Hong Kong take no responsibility for the contents of any of the Prospectus Documents or any other documents referred to above.

Dealings in the Shares and the Rights Shares in both nil-paid and fully-paid forms may be settled through CCASS established and operated by HKSCC and you should consult your stockbroker or other registered securities dealer, bank manager, solicitor, professional accountant or other professional advisers for details of the settlement arrangements and how such arrangements may affect your rights and interests. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

Subject to the granting of the listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange, as well as compliance with the stock admission requirements of HKSCC, the Rights Shares in both their nil-paid and fully-paid forms will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement dates of the dealings in the Rights Shares in both their nil-paid and fully-paid forms or such other dates as may be 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 trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

The Prospectus Documents are not intended to be registered under the applicable securities legislation of any jurisdiction other than Hong Kong and the PRC and the distribution of this Prospectus into jurisdictions other than Hong Kong may be restricted by law. Persons who come into possession of this Prospectus (including, without limitation, agents, custodians, nominees and trustees) should acquaint themselves with and observe any such restrictions. Any failure to comply with those restrictions may constitute a violation of the securities laws of any such jurisdiction for which the Company will not accept any liability. In particular, subject to certain exceptions as determined by the Company, the Prospectus Documents should not be distributed, forwarded to or transmitted in, into or from any jurisdiction where such release or distribution might be unlawful.

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## Green Economy Development Limited

綠色經濟發展有限公司

*(Incorporated in the Cayman Islands with limited liability)*

(Stock Code: 1315)

### RIGHTS ISSUE ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY TWO (2) SHARES HELD ON THE RECORD DATE ON A NON-UNDERWRITTEN BASIS

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Capitalised terms used on this cover shall have the same meanings as those defined in the section headed “Definitions” in this Prospectus.

It should be noted that the Shares have been dealt on an ex-rights basis from Monday, 11 March 2024. Dealings in the Rights Shares in their nil-paid form will take place from Friday, 22 March 2024 to Tuesday, 2 April 2024, (both dates inclusive). If the conditions of the Rights Issue are not fulfilled, the Rights Issue will not proceed.

The Rights Issue will be made on a non-underwritten basis. There is no requirement for a minimum level of subscription in the Rights Issue and there is no minimum amount to be raised under the Rights Issue. Accordingly, if the Rights Issue is undersubscribed, the size of the Rights Issue will be reduced.

**Any Shareholders or other persons contemplating selling or purchasing Shares and/or nil-paid rights up to the latest time when the conditions of the Rights Issue are fulfilled (which is expected to be 4:00 p.m. on Tuesday, 9 April 2024) will accordingly bear the risk that the Rights Issue may not become unconditional and may not proceed. Shareholders and potential investors should therefore exercise caution when dealing in the Shares and/or the nil-paid rights, and if they are in any doubt about their position, they are recommended to consult their professional advisers.**

The latest time for acceptance and payment for the Rights Shares is 4:00 p.m. on Monday, 8 April 2024.

The procedures for acceptance and transfer of the Rights Shares are set out in the section headed “Procedures for acceptance and payment and/or transfer” in the “Letter from the Board” on pages 11 to 30 of this Prospectus.

20 March 2024

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## DEFINITIONS

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

“AFRC”	the Accounting and Financial Reporting Council of Hong Kong
“Announcement”	the announcement of the Company dated 21 February 2024 in relation to the Rights Issue
“associate(s)”	has the same meaning ascribed thereto under the Listing Rules
“Board”	the board of Directors
“Business Day”	a day (excluding Saturday, Sunday, public holiday and any day on which a tropical cyclone warning signal no. 8 or above is hoisted or remains hoisted between 9:00 a.m. and 12:00 noon and is not lowered at or before 12:00 noon or on which a “black” rainstorm warning signal is hoisted or remains in effect between 9:00 a.m. and 12:00 noon and is not discontinued at or before 12:00 noon) on which licensed banks in Hong Kong are open for business throughout their normal business hours
“BVI”	the British Virgin Islands
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“CCASS Operational Procedures”	the Operational Procedures of HKSCC in relation to CCASS, containing the practices, procedures and administrative requirements relating to operations and functions of CCASS, as from time to time
“China Clear”	China Securities Depository and Clearing Corporation Limited (中國證券登記結算有限責任公司)
“Company”	Green Economy Development Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Stock Exchange (stock code: 1315)
“Controlling Shareholder(s)”	has the same meaning ascribed thereto under the Listing Rules
“CSRC”	the China Securities Regulatory Commission (中國證券監督管理委員會)

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## DEFINITIONS

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“CSRC Notice”	the notice of the CSRC “Filing Requirements for Hong Kong Listed Issuers Making Rights Issues to Mainland Shareholders through Mainland-Hong Kong Stock Connect” (Announcement [2016] No. 21)
“Director(s)”	the director(s) of the Company
“EAF(s)”	the excess application form(s) for use by the Qualifying Shareholders (other than the PRC Southbound Trading Investors) who wish to apply for excess Rights Shares
“Excluded Shareholder(s)”	those Overseas Shareholder(s) whom the Directors, after making enquiries, consider it necessary, or expedient not to offer the Rights Issue to such Shareholder(s) on account either of legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place
“General Rules of CCASS”	the terms and conditions regulating the use of CCASS, as may be amended or modified from time to time and where the context so permits, shall include the CCASS Operational Procedures
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Intermediary(ies)”	in relation to a beneficial owner whose Shares are deposited in CCASS and registered in the name of HKSCC Nominees Limited, means the beneficial owners’ bank(s), broker(s), custodian(s), nominee(s) or other relevant person(s) who is a CCASS participant or who has/have deposited the beneficial owner’s Shares with a CCASS participant
“Last Trading Day”	20 February 2024, being the last trading day of the Shares on the Stock Exchange prior to the publication of the Announcement

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## DEFINITIONS

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“Latest Practicable Date”	Tuesday, 12 March 2024, being the latest practicable date prior to the printing of this Prospectus for the purpose of ascertaining certain information referred to in this Prospectus
“Latest Time for Acceptance”	4:00 p.m. on Monday, 8 April 2024 (or such other time and date as may be determined by the Company), being the latest time for acceptance of and payment for the Rights Shares
“Listing Committee”	the listing committee of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Optionholder’s Undertaking(s)”	the undertaking(s) by the holders of the outstanding Share Options, whereby each Share Option holder irrevocably undertakes, represents and warrants to the Company that he will not exercise any Share Options held by him for the period from the date of such undertaking to the close of business on the Record Date (both dates inclusive)
“Overseas Shareholder(s)”	Shareholder(s) whose name(s) appear(s) on the register of members of the Company at the close of business on the Record Date and whose registered address(es) as shown on such register at that time is (are) in (a) place(s) outside Hong Kong
“PAL(s)”	the renounceable provisional allotment letter(s) to be issued to the Qualifying Shareholders in connection with the Rights Issue
“PRC”	the People’s Republic of China, which for the purpose of this Prospectus excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“PRC Southbound Trading Investor(s)”	the PRC investor(s) who hold Shares through China Clear as nominee under the Shenzhen-Hong Kong Stock Connect and the Shanghai-Hong Kong Stock Connect
“Prospectus” or “this Prospectus”	the prospectus issued by the Company dated 20 March 2024 containing details of the Rights Issue
“Prospectus Documents”	this Prospectus, the PAL(s) and the EAF(s)

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## DEFINITIONS

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“Prospectus Posting Date”	Wednesday, 20 March 2024 (or such other date as may be determined by the Company), being the date of the Prospectus Documents to be made available and/or sent (as the case maybe) to the Qualifying Shareholders (or in the case of the Excluded Shareholder(s), the Prospectus only)
“Qualifying Shareholder(s)”	Shareholder(s), other than the Excluded Shareholders, whose name(s) appear(s) on the register of members of the Company on the Record Date
“Record Date”	Tuesday, 19 March 2024, the record date for the determination of the entitlements under the Rights Issue
“Registrar”	the branch share registrar and transfer office of the Company in Hong Kong, Union Registrars Limited, the address of which is at Suites 3301–04, 33/F., Two Chinachem Exchange Square 338 King’s Road, North Point, Hong Kong
“Rights Issue”	the proposed issue by way of rights on the basis of one (1) Rights Share for every two (2) Shares held by the Qualifying Shareholders on the Record Date at the Subscription Price
“Rights Share(s)”	the new Share(s) proposed to be allotted and issued by the Company pursuant to the Rights Issue
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Shanghai-Hong Kong Stock Connect”	a securities trading and clearing links programme developed by the Stock Exchange, the Shanghai Stock Exchange, HKSCC and China Clear for the establishment of mutual market access between Hong Kong and Shanghai
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of issued Share(s)
“Share Option(s)”	the share option(s) of the Company granted pursuant to the Share Option Scheme
“Share Option Scheme”	the share option scheme adopted by the Company on 19 December 2011

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## DEFINITIONS

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“Shenzhen-Hong Kong Stock Connect”	a securities trading and clearing links programme developed by the Stock Exchange, the Shenzhen Stock Exchange, HKSCC and China Clear for the establishment of mutual market access between Hong Kong and Shenzhen
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	HK\$0.161 per Rights Share
“substantial shareholder(s)”	has the same meaning ascribed thereto under the Listing Rules
“Takeovers Code”	The Code on Takeovers and Mergers of Hong Kong
“Trial Administrative Measures”	the “Trial Administrative Measures of Overseas Securities Offering and Listing by Domestic Companies” (境內企業境外發行證券和上市管理試行辦法) promulgated by the CSRC effective from 31 March 2023
“%”	per cent

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## EXPECTED TIMETABLE

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*Set out below is the expected timetable for the Rights Issue which is indicative only and has been prepared on the assumption that all the conditions of the Rights Issue will be fulfilled:*

<b>Event</b>	<b>Date (Hong Kong time) 2024</b>
First day of dealings in nil-paid Rights Shares	Friday, 22 March
Latest time for splitting the PAL	4:00 p.m. on Tuesday, 26 March
Last day of dealings in nil-paid Rights Shares	Tuesday, 2 April
Latest time for acceptance of and payment for the Rights Shares and for application and payment for excess Rights Shares	4:00 p.m. on Monday, 8 April
Latest time for the Rights Issue to become unconditional	4:00 p.m. on Tuesday, 9 April
Announcement of the allotment results of the Rights Issue	Monday, 15 April
Despatch of refund cheques for wholly or partially unsuccessful excess applications	Tuesday, 16 April
Despatch of share certificates of fully-paid Rights Shares	Tuesday, 16 April
Dealings in fully-paid Rights Shares commence	9:00 a.m. on Wednesday, 17 April
Designated broker commences to provide matching services for odd lots of Shares	9:00 a.m. on Wednesday, 17 April
Designated broker ceases to provide matching services for odd lots of Shares	4:00 p.m. on Wednesday, 8 May

All times and dates in this Prospectus refer to Hong Kong local times and dates.

Dates or deadlines specified in the expected timetable above or in other parts of this Prospectus are indicative only and may be extended or amended varied by the Company. Any change to the expected timetable will be published or notified to the Shareholders and the Stock Exchange as and when appropriate.

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## EXPECTED TIMETABLE

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Pursuant to Rule 2.07A of the Listing Rules and the articles of association of the Company, the Company will disseminate its corporate communications to its Shareholders by electronic means. A notice of the publication of the corporate communications will be provided to the Shareholders when the Company publishes any such corporate communications on its website and the Stock Exchange's website.

On 16 February 2024, the Company sent the one-time notification letters to its registered and non-registered shareholders (being such person or company whose Shares are held in CCASS), respectively. For registered shareholders, the Company announced that a notice of publication of the corporate communications to be published on the website of the Company (<https://www.greeneconomy.com.hk>) and the Stock Exchange's website (<https://www.hkexnews.hk>) will be sent by the Company to Shareholders by email or by post (only if the Company does not possess the functional email address of a Shareholder) on the publication date of the corporate communications. It is the responsibility of the Shareholders to provide email address that is functional. If the Company does not possess the email address of a Shareholder or the email address provided is not functional, the Company will act according to the above arrangements. The Company will be considered to have complied with the Listing Rules if it sends the corporate communications to the email address provided by a Shareholder without receiving any "non-delivery message". For non-registered shareholders, they should liaise with and provide the email address to their Intermediaries. If no functional email address has been provided from the Intermediaries via HKSCC, a printed form of the notice will be sent to them by post at their postal address as provided by HKSCC. Shareholders who wish to receive a printed copy of the corporate communications, should send a request in writing to the Registrar at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong or by email to [1315-corpcomm@unionregistrars.com.hk](mailto:1315-corpcomm@unionregistrars.com.hk).

The Prospectus will be made available to the Shareholders by way of publication on the website of the Company (<https://www.greeneconomy.com.hk>) and the Stock Exchange's website (<https://www.hkexnews.hk>), and a notice will be sent to the relevant Shareholders by email or by post.

The PAL and the EAF, as actionable corporate communication, shall be sent to the Qualifying Shareholders by post in printed form.

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

The latest time for acceptance of and payment for the Rights Shares will not take place if:

1. typhoon signal No. 8 (or above);
2. "extreme conditions" caused by super typhoons as announced by the Government of Hong Kong; or

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## EXPECTED TIMETABLE

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3. a “black” rainstorm warning
  - (i) is/are in force in Hong Kong at any local time before 12:00 noon and no longer in force after 12:00 noon on the date of the Latest Time for Acceptance. Instead, the Latest Time for Acceptance will be extended to 5:00 p.m. on the same Business Day; or
  - (ii) is/are in force in Hong Kong at any local time between 12:00 noon and 4:00 p.m. on the date of the Latest Time for Acceptance. Instead, the Latest Time for Acceptance will be rescheduled to 4:00 p.m. on the following Business Day which does not have either of those warnings in force in Hong Kong at any time between 9:00 a.m. and 4:00 p.m.

If the Latest Time for Acceptance does not take place on the currently scheduled date, the dates mentioned in paragraph headed “Expected Timetable” above may be affected. An announcement will be made by the Company in such event.

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## SUMMARY OF THE RIGHTS ISSUE

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The terms of the Rights Issue are set out below and should be read in conjunction with the full text of this Prospectus:

Basis of the Rights Issue	:	one (1) Rights Share for every two (2) Shares held by the Qualifying Shareholders on the Record Date
Subscription Price	:	HK\$0.161 per Rights Share
Net price per Rights Share (i.e. Subscription Price less cost and expenses incurred in the Rights Issue on a per Rights Share basis)	:	Approximately HK\$0.153 per Rights Share
Number of Shares in issue as at the Latest Practicable Date	:	449,999,944 Shares
Number of Rights Shares to be issued under the Rights Issue	:	Up to 224,999,972 Rights Shares
Aggregate nominal value of the Rights Shares	:	Up to HK\$2,249,999.72
Total number of Shares in issue as enlarged by the allotment and issue of the Rights Shares (assuming that the Rights Issue is fully subscribed)	:	Up to 674,999,916 Shares (assuming no new Shares (other than the Rights Shares) will be allotted and issued on or before completion of the Rights Issue)
Maximum funds to be raised (before expenses)	:	Approximately HK\$36.2 million (assuming all the Rights Shares are taken up)
Net proceeds of the Rights Issue	:	Up to approximately HK\$34.5 million
Right of excess applications	:	Qualifying Shareholders (other than the PRC Southbound Trading Investors) may apply for Rights Shares in excess of their provisional entitlements

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## SUMMARY OF THE RIGHTS ISSUE

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As at the Latest Practicable Date, the Company has 7,499,998 outstanding Share Options granted under the Company's Share Option Scheme. Such outstanding Share Options are exercisable into 7,499,998 Shares. On 21 February 2024, each of the holders of the outstanding Share Options has signed the Optionholder's Undertakings to undertake not to exercise the Share Options (or any part thereof) granted to him from the date of the Optionholder's Undertakings to the close of business on the Record Date (both dates inclusive). Save for the foregoing, the Company has no other outstanding derivatives, options, warrants, convertible securities or other similar securities which are convertible or exchangeable into or confer any right to subscribe for the Shares. The Company has no intention to issue or grant any Shares, convertible securities, warrants and/or options on or before the Record Date.

The 224,999,972 Rights Shares to be issued pursuant to the terms of the Rights Issue represent (i) 50% of the total number of issued Shares as at the Latest Practicable Date; and (ii) approximately 33.33% of the total number of issued Shares of the Company as enlarged by the allotment and issue of the Rights Shares in full.

### **WARNING OF THE RISKS OF DEALINGS IN THE SHARES AND NIL-PAID RIGHTS SHARES**

**Shareholders and potential investors of the Company should note that the Rights Issue is subject to the fulfilment of conditions set out in the section headed "Conditions of the Rights Issue" in the "Letter from the Board" in this Prospectus. Accordingly, the Rights Issue may or may not proceed. Shareholders and potential investors of the Company should note that if the conditions to the Rights Issue are not satisfied, the Rights Issue will not proceed.**

**Any dealing in the Shares up to the date on which all conditions of the Rights Issue are fulfilled, and any Shareholder dealing in the Rights Shares in nil-paid form will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed. Shareholders or other persons contemplating any dealing in the Shares or Rights Shares in their nil-paid form are recommended to consult their professional advisers.**

**Subject to the fulfillment of the conditions of the Rights Issue, the Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptance of the provisionally allotted Rights Shares.**

**Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares and/or the nil-paid Rights Shares, and if they are in doubt about their position, they should consult their professional advisers.**

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**LETTER FROM THE BOARD**

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**Green Economy Development Limited**  
**綠色經濟發展有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 1315)**

*Executive Directors:*

Mr. Chau Chit  
Mr. Fung Ka Lun  
Mr. Tang Hongyang  
Mr. Zhu Feng  
Mr. Zhu Xiaodong

*Registered Office:*

Windward 3  
Regatta Office Park  
PO Box 1350  
Grand Cayman  
KY1-1108  
Cayman Islands

*Independent non-executive Directors:*

Dr. Wong Lee Ping  
Mr. Wong Wai Kwan  
Mr. Zhang Shengman

*Headquarters and Principal Place  
of Business in Hong Kong:*

Room 1001, 10/F  
China Huarong Tower  
60 Gloucester Road, Wan Chai  
Hong Kong

20 March 2024

*To the Qualifying Shareholders*

Dear Sir or Madam,

**RIGHTS ISSUE ON THE BASIS OF  
ONE (1) RIGHTS SHARE FOR EVERY TWO (2) SHARES  
HELD ON THE RECORD DATE  
ON A NON-UNDERWRITTEN BASIS**

**INTRODUCTION**

Reference is made to the Announcement whereby the Board announced that the Company proposed to implement the Rights Issue, on the basis of one (1) Rights Share for every two (2) Shares held on the Record Date at the Subscription Price of HK\$0.161 per Rights Share, to raise up to approximately HK\$36.2 million (before deducting the professional fees and other related expenses) by issuing up to 224,999,972 Rights Shares to the Qualifying Shareholders.

The Rights Issue is not underwritten.

The purpose of this Prospectus is to provide you with, among others, further details of the Rights Issue, including the procedures for acceptance of the Rights Shares provisionally allotted to you, and certain financial information and other general information of the Group.

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## LETTER FROM THE BOARD

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### RIGHTS ISSUE

#### Issue Statistics

Basis of the Rights Issue	:	one (1) Rights Share for every two (2) Shares held by the Qualifying Shareholders on the Record Date
Subscription Price	:	HK\$0.161 per Rights Share
Net price per Rights Share (i.e. Subscription Price less cost and expenses incurred in the Rights Issue on a per Rights Share basis)	:	Approximately HK\$0.153 per Rights Share
Number of Shares in issue as at the Latest Practicable Date	:	449,999,944 Shares
Number of Rights Shares to be issued under the Rights Issue	:	Up to 224,999,972 Rights Shares
Aggregate nominal value of the Rights Shares	:	Up to HK\$2,249,999.72
Total number of Shares in issue as enlarged by the allotment and issue of the Rights Shares (assuming that the Rights Issue is fully subscribed)	:	Up to 674,999,916 Shares (assuming no new Shares (other than the Rights Shares) will be allotted and issued on or before completion of the Rights Issue)
Maximum funds to be raised (before expenses)	:	Approximately HK\$36.2 million (assuming all the Rights Shares are taken up)
Net proceeds of the Rights Issue	:	Up to approximately HK\$34.5 million
Right of excess applications	:	Qualifying Shareholders (other than the PRC Southbound Trading Investors) may apply for Rights Shares in excess of their provisional entitlements

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## LETTER FROM THE BOARD

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As at the Latest Practicable Date, the Company has 7,499,998 outstanding Share Options granted under the Company's Share Option Scheme. Such outstanding Share Options are exercisable into 7,499,998 Shares. On 21 February 2024, each of the holders of the outstanding Share Options has signed the Optionholder's Undertakings to undertake not to exercise the Share Options (or any part thereof) granted to him from the date of the Optionholder's Undertakings to the close of business on the Record Date (both dates inclusive). Save for the foregoing, the Company has no other outstanding derivatives, options, warrants, convertible securities or other similar securities which are convertible or exchangeable into or confer any right to subscribe for the Shares. The Company has no intention to issue or grant any Shares, convertible securities, warrants and/or options on or before the Record Date.

The 224,999,972 Rights Shares to be issued pursuant to the terms of the Rights Issue represent (i) 50% of the total number of issued Shares as at the Latest Practicable Date and (ii) approximately 33.33% of the total number of issued Shares of the Company as enlarged by the allotment and issue of the Rights Shares in full.

### **Irrevocable undertakings**

As at the Latest Practicable Date, the Board has not received any information or other undertakings from any Shareholders of their intention to take up or not to take up the securities of the Company to be provisionally allotted to them under the Rights Issue.

### **Optionholder's Undertakings**

On 21 February 2024, each of the holders of the outstanding Share Options has signed the Optionholder's Undertakings to undertake not to exercise the Share Options (or any part thereof) granted to him from the date of the Optionholder's Undertakings to the close of business on the Record Date (both dates inclusive).

### **Subscription Price**

The Subscription Price of HK\$0.161 per Rights Share is payable in full upon acceptance of the relevant provisional allotment of Rights Shares by the Qualifying Shareholders and, where applicable, application for excess Rights Shares under the Rights Issue by the Qualifying Shareholders (other than the PRC Southbound Trading Investors) or when a transferee of nil-paid Rights Shares accepts the provisional allotment of the relevant Rights Shares.

The Subscription Price represents:

- (i) a discount of approximately 15.26% to the closing price of HK\$0.190 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (ii) a discount of approximately 15.71% to the average closing price of approximately HK\$0.191 per Share as quoted on the Stock Exchange for the five (5) consecutive trading days up to and including the Last Trading Day;

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## LETTER FROM THE BOARD

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- (iii) a discount of approximately 9.55% to the average closing price of approximately HK\$0.178 per Share as quoted on the Stock Exchange for the ten (10) consecutive trading days up to and including the Last Trading Day;
- (iv) a discount of approximately 10.56% to the theoretical ex-rights price of approximately HK\$0.180 per Share based on the closing price of HK\$0.190 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (v) a premium of approximately 56.31% over the closing price of HK\$0.103 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (vi) a discount of approximately 25.12% to the net asset value of the Company of approximately HK\$0.215 per Share based on the audited consolidated net asset value of the Company of approximately HK\$96,951,000 as at 31 March 2023 and the 449,999,944 Shares in issue as at the Latest Practicable Date; and
- (vii) a theoretical dilution effect (as defined under Rule 7.27B of the Listing Rules) represented by a discount of approximately 5.26% to the theoretical diluted price of approximately HK\$0.180 per Share based on the benchmarked price of approximately HK\$0.190 per Share (as defined under Rule 7.27B of the Listing Rules, taking into account the higher of the closing price on the Last Trading Day of HK\$0.190 per Share and the average of the closing prices of the Shares as quoted on the Stock Exchange for the five consecutive trading days immediately prior to the Last Trading Day of approximately HK\$0.189 per Share).

The Subscription Price was determined with reference to the recent market price of the Shares under the prevailing market conditions, the financial conditions of the Company, current market conditions and the reasons for and benefits of the Rights Issue as discussed in the paragraph headed “Use of proceeds and reasons for and benefits of the Rights Issue” under the section headed “Proposed Rights Issue” in this Prospectus.

The Directors (including the independent non-executive Directors) consider the terms of the Rights Issue, including the Subscription Price, are fair and reasonable and in the interests of the Company and the Shareholders as a whole, after taking into account that (i) the Qualifying Shareholders who do not wish to take up their provisional entitlements under the Rights Issue can sell the nil-paid rights in the market; (ii) the Rights Issue allows the Qualifying Shareholders to subscribe for their pro-rata Rights Shares for the purpose of maintaining their respective existing shareholding interests in the Company and the Qualifying Shareholders (other than the PRC Southbound Trading Investors) to apply for excess Rights Shares subject to the level of acceptance; and (iii) the Subscription Price was determined taking into consideration the prevailing market prices of the Shares and the financial position of the Group.

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## LETTER FROM THE BOARD

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### Conditions of the Rights Issue

The Rights Issue is conditional upon the fulfillment of each of the following conditions:

- (i) the Listing Committee granting or agreeing to grant (subject to allotment) and not having withdrawn or revoked the listing of and permission to deal in the Rights Shares (in their nil-paid and fully-paid forms);
- (ii) the delivery to the Stock Exchange and registration with the Registrar of Companies in Hong Kong respectively one copy of each of the Prospectus Documents duly signed by two Directors (or by their agents duly authorised in writing) as having been approved by resolution of the Directors (and all other documents required to be attached thereto) not later than the Prospectus Posting Date and otherwise in compliance with the Listing Rules and the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong);
- (iii) the Prospectus Documents having been made available to the Qualifying Shareholders on the Prospectus Posting Date, and the Prospectus and a letter having been made available to the Excluded Shareholders, if any, for information purpose only explaining the circumstances in which they are not permitted to participate in the Rights Issue within two Business Days after the Prospectus Posting Date; and
- (iv) the filing and registration of all relevant documents with the Registrar of Companies in Hong Kong by no later than the Prospectus Posting Date.

None of the conditions set out above can be waived. If any of the above conditions is not satisfied at or prior to the respective time stipulated therein, the Rights Issue will not proceed.

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

**The Rights Issue is subject to the fulfilment of conditions including the Stock Exchange granting the listing of, and permission to deal in, the Rights Shares in their nil-paid and fully-paid forms. If the conditions to the Rights Issue are not fulfilled, the Rights Issue will not proceed.**

### Basis of provisional allotments

The basis of the provisional allotment shall be one (1) Rights Share for every two (2) Shares in issue and held by the Qualifying Shareholders at the close of business on the Record Date at the Subscription Price payable in full on acceptance and otherwise on the terms and subject to the conditions set out in the Prospectus Documents.

Application for all or any part of a Qualifying Shareholder's provisional allotment should be made by lodging a duly completed PAL and a cheque or a banker's cashier order for the sum payable for the Rights Shares being applied for with the Registrar on or before the Latest Time for

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## LETTER FROM THE BOARD

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Acceptance. Any holding (or balance of holdings) of less than two (2) Shares will not entitle the holders to be provisionally allotted a Rights Share. Please refer to the arrangement as referred to in the section headed “Fractional entitlements of the Rights Shares” below.

### Qualifying Shareholders

The Rights Issue is only available to the Qualifying Shareholders. To qualify for the Rights Issue, a Shareholder must be registered as a member of the Company and not being an Excluded Shareholder as at the close of business on the Record Date.

The last day of dealings in the Shares on a cum-rights basis was Friday, 8 March 2024. The Shares have been dealt with on an ex-rights basis from Monday, 11 March 2024.

Qualifying Shareholders who take up their pro rata assured entitlement in full will not suffer any dilution to their interests in the Company. **If a Qualifying Shareholder does not take up any of his/her/its entitlement in full under the Rights Issue, his/her/its proportionate shareholding in the Company may be diluted.**

### Rights of Overseas Shareholders

The Prospectus Documents to be issued in connection with the Rights Issue will not be registered or filed under the applicable securities law of any jurisdiction other than (a) Hong Kong; and (b) the PRC in accordance with the CSRC Notice and, if necessary, the Trial Administrative Measures. Overseas Shareholders may not be eligible to take part in the Rights Issue as explained below.

As at the Latest Practicable Date, there were 12 Overseas Shareholders with registered addresses situated in the PRC, 3 Overseas Shareholders with registered addresses situated in the BVI and 1 Overseas Shareholder with registered addresses situated in the Republic of Seychelles, holding in aggregate 93,981,750 Shares (representing approximately 20.88% of the issued Shares).

The Company has, in compliance with Rule 13.36(2)(a) of the Listing Rules, made necessary enquiries regarding the feasibility of extending the Rights Issue to the Overseas Shareholders. Based on legal advice provided by the legal advisers as to PRC law, BVI law and Republic of Seychelles law engaged by the Company respectively as at the Latest Practicable Date and having considered the circumstances, the Board is of the opinion that there is no legal restriction or requirement of any relevant regulatory body or stock exchange in the PRC, BVI and Republic of Seychelles with respect to extending the Rights Issue to the Overseas Shareholders with registered addresses in the PRC, BVI and Republic of Seychelles. Accordingly, the Rights Issue will be offered to the Overseas Shareholders in the PRC, BVI and Republic of Seychelles and they are considered as Qualifying Shareholders.

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## LETTER FROM THE BOARD

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If a Shareholder resident in the PRC or in the BVI or in the Republic of Seychelles and/or any other PRC or BVI or Republic of Seychelles resident (including both individuals and companies) wishes to invest in the nil-paid Rights Shares or the fully-paid Rights Shares, he/she/it shall be responsible for complying with the relevant laws of the PRC or of the BVI or of the Republic of Seychelles. The Company will not be responsible for verifying the PRC or BVI or Republic of Seychelles legal qualification of such Shareholder and/or resident and thus, should the Company suffer any losses or damages due to non-compliance with the relevant laws of the PRC or of the BVI or of the Republic of Seychelles by any such Shareholder and/or resident, the Company shall not be obliged to issue the nil-paid Rights Shares or the fully-paid Rights Shares to any such Shareholder and/or resident, if issuing the nil-paid Rights Shares or the fully-paid Rights Shares to them is not compliant with the relevant laws or requirements of the PRC or of the BVI or of the Republic of Seychelles.

As at the Latest Practicable Date, there were no Excluded Shareholders. Since the register of members is closed from Wednesday, 13 March 2024 to Tuesday, 19 March 2024, there will be no Excluded Shareholders as at the Record Date. Accordingly, there will be no Excluded Shareholders for the purpose of the Rights Issue.

The Excluded Shareholders (which are excluded from the Rights Issue) will not have any entitlement under the Rights Issue. However, arrangements will be made for the Rights Shares, which would otherwise have been provisionally allotted to the Excluded Shareholders, to be sold in their nil-paid form as soon as practicable after dealings in the nil-paid Rights Shares commence, if a premium (net of expenses) can be obtained. The proceeds of such sale, less expenses, will be paid pro-rata (but rounded down to the nearest cent) to the Excluded Shareholders in Hong Kong dollars, except that the Company will retain individual amounts of less than HK\$100 for its own benefit. Any unsold entitlement of Excluded Shareholder(s) to the Rights Shares, and any Rights Shares provisionally allotted but not accepted by the Qualifying Shareholders or otherwise not subscribed for by transferees of nil-paid Rights Shares, will be made available for excess applications by the Qualifying Shareholders (other than the PRC Southbound Trading Investors) under the EAF(s).

The Company reserves the right to treat as invalid any acceptance of Rights Shares where it believes that such acceptance or application would violate the applicable securities or other laws or regulations of any territory or jurisdiction. Accordingly, Overseas Shareholders and beneficial owners of the Shares who are residing outside Hong Kong should exercise caution when dealing in the Shares and the nil-paid Rights Shares.

The Rights Issue does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to acquire, nil-paid Rights Shares or fully-paid Rights Shares or to take up any entitlements to nil-paid Rights Shares or fully-paid Rights Shares in any jurisdiction in which such an offer or solicitation is unlawful. Shareholders and beneficial owners of the Shares (including, without limitation, their respective agents, custodians, nominees and trustees) should inform themselves of and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

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## LETTER FROM THE BOARD

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### Overseas Shareholders in the BVI

This Prospectus does not constitute and shall not be construed as an offer or solicitation to the public in the BVI to subscribe for the Rights Shares. The Rights Shares shall not be acquired for the account or benefit of any person who is a resident of, or who is domiciled in, the BVI, other than a BVI Business Company (as defined under the BVI Business Companies Act (as amended from time to time)) incorporated in the BVI that is not resident in the BVI, nor carry on any activities which would require it to be licensed under BVI financial services legislation.

### Rights of PRC Southbound Trading Investors

According to the “Stock Connect Southbound Shareholding Search” available on the Stock Exchange’s website, as of the Latest Practicable Date, China Clear held 37,974,845 Shares, representing approximately 8.44% of the total number of Shares in issue.

The PRC Southbound Trading Investors may participate in the Rights Issue through China Clear. China Clear will provide nominee services for the PRC Southbound Trading Investors to (a) sell their nil-paid Rights Shares on the Stock Exchange; and/or (b) subscribe for their provisional allotment in respect of Shares held on the Record Date at the Subscription Price under the Rights Issue in accordance with the relevant laws and regulations. However, China Clear will not support applications by such PRC Southbound Trading Investors for excess Rights Shares under the Rights Issue through the Shanghai-Hong Kong Stock Connect or Shenzhen-Hong Kong Stock Connect. In addition, the PRC Southbound Trading Investors (or the relevant China Clear participants as the case may be) whose stock accounts are credited with nil-paid Rights Shares could only sell those nil-paid Rights Shares on the Stock Exchange under Shanghai-Hong Kong Stock Connect or Shenzhen-Hong Kong Stock Connect but could not purchase any other nil-paid Rights Shares nor transfer any nil-paid Rights Shares to other PRC Southbound Trading Investors.

**The PRC Southbound Trading Investors should consult their intermediaries (including brokers, custodians, nominees or China Clear participants) and/or other professional advisers for details of the logistical arrangements as required by China Clear and provide such intermediary with instructions on the acceptance and/or sale of the nil-paid Rights Shares. Such instructions should be given in advance of the relevant dates stated under the section headed “Expected Timetable” of this Prospectus and otherwise in accordance with the requirements of the intermediary of the PRC Southbound Trading Investors and/or China Clear in order to allow sufficient time to ensure that such instructions are given effect.**

According to the PRC legal adviser of the Company, as the Prospectus Documents are not intended to be filed with or approved by the CSRC other than in accordance with the CSRC Notice and, if necessary, the Trial Administrative Measures, the Rights Shares in nil-paid and fully-paid forms issued to the PRC Southbound Trading Investors may not be offered or sold directly or indirectly in the PRC to any person or entity, unless through Shanghai-Hong Kong Stock Connect or Shenzhen-Hong Kong Stock Connect, or such person or entity has otherwise been exempt by or has obtained the necessary and appropriate approvals from the relevant PRC authorities in accordance with the applicable PRC laws and regulations.

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## LETTER FROM THE BOARD

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The Prospectus Documents may not be publicly distributed in or forwarded to the PRC or used in connection with any offer for subscription or sale of the Rights Shares (in nil-paid and fully-paid forms) in the PRC, except that the same may be despatched to China Clear or to the extent in compliance with applicable PRC laws and regulations, and the Prospectus Documents may not be made publicly available in the PRC.

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

A PAL and a EAF will be sent to the Qualifying Shareholder(s) by post in printed form which entitles the Qualifying Shareholder(s) to whom it is addressed to subscribe for the number of the Rights Shares shown therein.

If the Qualifying Shareholders wish to accept all the Rights Shares provisionally allotted to them as specified in the PAL, they must lodge the PAL in accordance with the instructions printed thereon, together with a remittance for the full amount payable on acceptance, with the Registrar in Hong Kong, Union Registrars Limited, at Suites 3301–04, 33/F., Two Chinachem Exchange Square, 338 King’s Road, North Point, Hong Kong by no later than 4:00 p.m. on Monday, 8 April 2024 (or, under bad weather conditions, such later date as mentioned in the paragraph “Effect of bad weather and/or extreme conditions on the latest time for acceptance of and payment for the Rights Shares” in the section headed “Expected Timetable” in this Prospectus). All remittances must be made in Hong Kong dollars by cheques which must be drawn on an account with, or by banker’s cashier orders which must be issued by, a licensed bank in Hong Kong and made payable to “GREEN ECONOMY DEVELOPMENT LIMITED — RIGHTS ISSUE ACCOUNT” and crossed “Account Payee Only”.

It should be noted that unless the PAL, together with the appropriate remittance, has been lodged with the Registrar by no later than 4:00 p.m. on Monday, 8 April 2024, whether by the original allottee or any person in whose favour the rights have been validly transferred, that provisional allotment and all rights thereunder will be deemed to have been declined and will be cancelled and such Rights Shares will be available for excess application under the EAF by other Qualifying Shareholders (other than the PRC Southbound Trading Investors). The Company may, at its sole discretion, treat a PAL as valid and binding on the person(s) by whom or on whose behalf it is lodged even if the PAL is not completed in accordance with the relevant instructions. The Company may require such incomplete PAL to be completed by the relevant applicants at a later stage.

If the Qualifying Shareholders wish to accept only part of his/her/its provisional allotment or transfer part of his/her/its rights to subscribe for the Rights Shares provisionally allotted to him/her/it under the PAL or to transfer part or all of his/her/its rights to more than one person, the original PAL must be surrendered and lodged for cancellation no later than 4:00 p.m. on Tuesday, 26 March 2024, with the Registrar, who will cancel the original PAL and issue new PAL(s) in the denominations required which will be available for collection from the Registrar, at Suites 3301–04, 33/F., Two Chinachem Exchange Square, 338 King’s Road, North Point, Hong Kong, after 9:00 a.m. on the second Business Day after the date of surrender of the original PAL. It should be noted

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## LETTER FROM THE BOARD

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that Hong Kong ad valorem stamp duty is payable in connection with the transfer of your rights to subscribe for the relevant Rights Shares to the transferee(s) and the acceptance by the transferee(s) of such rights.

The Company reserves the right to refuse to register any transfer in favour of any person in respect of which the Company believes such transfer may violate applicable legal or regulatory requirements.

The PAL contains further information regarding the procedures to be followed for acceptance and/or transfer of the whole or part of the provisional allotment of the Rights Shares by the Qualifying Shareholders. All cheques or banker's cashier orders accompanying completed PALs will be presented for payment immediately upon receipt and all interests earned on such monies (if any) will be retained for the benefit of the Company. Completion and lodgement of the PAL with a cheque or a banker's cashier order, whether by a Qualifying Shareholder or by any nominated transferees, will constitute a warranty by the applicant that the cheque or the banker's cashier order will be honoured on first presentation. Without prejudice to the other rights of the Company in respect thereof, the Company reserves the right to reject any PAL in respect of which the cheque or banker's cashier order is dishonoured on first presentation, and in that event the provisional allotment and all rights thereunder will be deemed to have been declined and will be cancelled. You must pay the exact amount payable upon application for the Rights Shares, underpaid application will be rejected. In the event of overpaid application, a refund cheque, without interest, will be made out to you if the overpaid amount is at least HK\$100.

No action has been taken by the Company to permit the offering of the Rights Shares or the distribution of the Prospectus Documents in any territory or jurisdiction outside Hong Kong. Accordingly, no person receiving the Prospectus Documents in any territory or jurisdiction outside Hong Kong may treat it as an offer or invitation to apply for Rights Shares, unless in the relevant territory or jurisdiction where such an offer or invitation could lawfully be made without compliance with any registration or other legal or regulatory requirements. Subject as referred to below, it is the responsibility of anyone outside Hong Kong wishing to make an application for the Rights Shares to satisfy himself/herself/itself, before subscribing for the provisionally allotted Rights Shares, as to the full observance of the laws and regulations of all relevant territories and jurisdictions, including the obtaining of any governmental or other consents and to pay taxes and duties required to be paid in such territory or jurisdiction in connection therewith. Any acceptance of the offer of the Rights Shares by any person will be deemed to constitute a representation and warranty from such person to the Company that these local laws and requirements have been or will be fully complied with. For the avoidance of doubt, neither HKSCC nor HKSCC Nominees Limited will give, or be subject to, any of the above representation or warranty. If you are in doubt as to your position, you should consult your own professional advisers. The Company reserves the right to refuse to accept any application for the Rights Shares where it believes that doing so would violate the applicable securities legislation or other laws and regulations of any territory or jurisdiction.

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## LETTER FROM THE BOARD

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If any of the conditions of the Rights Issue as set forth in the paragraphs under “Conditions of the Rights Issue” above is not fulfilled by the latest time for the Rights Issue to become unconditional, the remittance received in respect of acceptances of the Rights Shares will be returned to the Qualifying Shareholders or such other persons to whom the Rights Shares in the nil-paid form have been validly transferred or, in the case of joint acceptances, to the first-named person without interest, by means of cheques despatched by ordinary post at the risk of such Qualifying Shareholders or such other persons to their registered addresses by the Registrar on Tuesday, 16 April 2024.

It should be noted that no receipt will be issued in respect of any PAL and/or remittances received.

### Application for excess Rights Shares

Qualifying Shareholders (other than the PRC Southbound Trading Investors) are entitled to apply for, by way of excess application:

- (i) any unsold Rights Shares created by aggregating fractions of the Rights Shares; and
- (ii) any nil-paid Rights Shares provisionally allotted but not accepted by the Qualifying Shareholders or otherwise not subscribed for by renounees or transferees of nil-paid Rights Shares.

(i) and (ii) are collectively referred to as “Untaken Rights”.

Applications for the excess Rights Shares may be made by completing the EAF and lodging the same with a separate remittance for the excess Rights Shares being applied for with the Registrar on or before 4:00 p.m. on Monday, 8 April 2024. The Directors will, subject to the compliance with the Listing Rules (including but not limited to the public float requirement under Rule 8.08(1)(a) of the Listing Rules), allocate any excess Rights Shares at their discretion on a fair and equitable basis on the following principles:

- (i) any excess Rights Shares will be allocated to the Qualifying Shareholders (other than the PRC Southbound Trading Investors) applying such excess Rights Shares on a pro-rata basis by reference to the number of the excess Rights Shares applied for under each application;
- (ii) no reference will be made to the Rights Shares subscribed through applications by PAL(s) or the existing number of Shares held by Qualifying Shareholders;
- (iii) no preference will be given to applications for topping up odd-lot holdings to whole-lot holdings; and
- (iv) pursuant to Rule 7.21(3)(b) of the Listing Rules, the Company will also take steps to identify the applications for the excess Rights Shares made by any Controlling Shareholder or its associates (together, the “**Relevant Shareholders**”), whether in their

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## LETTER FROM THE BOARD

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own names or through nominees. The Company shall disregard the Relevant Shareholders' applications for the excess Rights Shares to the extent that the total number of the excess Rights Shares they have applied for exceeds a maximum number equivalent to the total number of Rights Shares offered under the Rights Issue minus the number of Rights Shares taken up by the Relevant Shareholders under their provisional allotment to the Rights Shares.

If the aggregate number of Rights Shares not taken up by the Qualifying Shareholders and/or transferees of nil-paid Rights Shares under PAL(s) is greater than the aggregate number of the excess Rights Shares being applied for under EAF(s), the Directors will allocate to each Qualifying Shareholder who is not a PRC Southbound Trading Investor applying for the excess Rights Shares the actual number of the excess Rights Shares being applied for.

Shareholders whose Shares are held by a nominee company (or which are deposited in CCASS) should note that for the purpose of the Rights Issue, the Board will regard a nominee company (including HKSCC Nominees Limited) as a single Shareholder according to the register of members of the Company. Accordingly, the Shareholders should note that the aforesaid arrangement in relation to the allocation of the excess Rights Shares will not be extended to beneficial owners individually.

In the event that the Board notes unusual patterns of excess applications and has reason to believe that any excess applications may have been made with the intention to abuse the mechanism, such application(s) for the excess Rights Shares may be rejected at the sole discretion of the Board.

Qualifying Shareholders (other than the PRC Southbound Trading Investors) who wish to apply for the excess Rights Shares in addition to their provisional allotment must complete and sign an EAF (in accordance with the instructions printed thereon) and lodge it, together with a separate remittance for the amount payable on application in respect of the excess Rights Shares applied for, with the Registrar in Hong Kong, Union Registrars Limited, at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong by no later than 4:00 p.m. on Monday, 8 April 2024. All remittances must be made in Hong Kong dollars by cheques which must be drawn on a bank account with, or by banker's cashier orders which must be issued by, a licensed bank in Hong Kong and made payable to "GREEN ECONOMY DEVELOPMENT LIMITED — EXCESS APPLICATION ACCOUNT" and crossed "Account Payee Only".

An announcement of results of acceptance of and excess applications for the Rights Issue will be published on the websites of the Stock Exchange and the Company on Monday, 15 April 2024. If no excess Rights Shares are allotted to a Qualifying Shareholder who has applied for the excess Rights Shares, the remittance tendered on application is expected to be returned to the Qualifying Shareholder in full without interest by means of cheques despatched by ordinary post at the risk of such Qualifying Shareholders to their registered addresses by the Registrar on Tuesday, 16 April 2024. If the number of the excess Rights Shares allotted to a Qualifying Shareholder is fewer than

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## LETTER FROM THE BOARD

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that applied for, the surplus application monies without interest are also expected to be returned by refund cheque to that Qualifying Shareholder by ordinary post at the risk of such Qualifying Shareholders to their registered addresses by the Registrar on Tuesday, 16 April 2024.

### **Fractional entitlements of the Rights Shares**

In any event, fractions of the Rights Shares will not be provisionally allotted to any of the Qualifying Shareholders. Fractional entitlements will be rounded down to the nearest whole number of Rights Shares. All nil-paid Rights Shares created from the aggregation of fractions of the Rights Shares will be provisionally allotted (in nil-paid form) and sold in the market for the benefit of the Company if a premium (net of expenses) can be obtained, and the Company will retain the proceeds from such sale. Any unsold fractions of Rights Shares will be made available for excess application by the Qualifying Shareholders (other than the PRC Southbound Trading Investors) as described in the paragraph headed “Application for excess Rights Shares” above.

### **Arrangement on odd lot trading**

Upon completion of the Rights Issue, the board lots of the Company will remain as 10,000 Shares. In order to facilitate the trading of odd lots of Shares which will arise upon completion of the Rights Issue, the Company has appointed Lego Securities Limited to stand in the market and provide matching services on a best effort basis for the holders of odd lots of Shares during the period from 9:00 a.m. on Wednesday, 17 April 2024 to 4:00 p.m. on Wednesday, 8 May 2024 (both days inclusive).

Shareholders who wish to take advantage of this facility either to dispose of their odd lots of the Shares or to top up their odd lots to a full board lot may directly or through their brokers contact Mr. Kelvin Li of Lego Securities Limited at Room 1506, 15/F, Wheelock House, 20 Pedder Street, Central, Hong Kong (telephone: (852) 2128 9433) during office hours (i.e., from 9:00 a.m. to 6:00 p.m.) within such period.

Holders of Shares in odd lots should note that the matching services mentioned above are on a best effort basis only and successful matching of the sale and purchase of odd lots of Shares is not guaranteed and will depend on there being adequate number of odd lots of Shares available for matching. Shareholders are advised to consult their professional advisers if they are in doubt about the above arrangements.

### **Status of the Rights Shares**

The Rights Shares, when allotted and issued, shall rank *pari passu* in all respects with the Shares then in issue. Holders of fully-paid Rights Shares will be entitled to receive all future dividends and distributions which are declared, made or paid by the Company after the date of allotment and issue of the Rights Shares in their fully-paid form.

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## LETTER FROM THE BOARD

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### **Share certificates and refund cheques for the Rights Issue**

Subject to the fulfillment of the conditions of the Rights Issue, share certificates for all fully-paid Rights Shares are expected to be posted to those entitled thereto by ordinary post to their registered addresses, at their own risk, on Tuesday, 16 April 2024.

Refund cheques in respect of wholly or partially unsuccessful applications for excess Rights Shares (if any) are expected to be posted on Tuesday, 16 April 2024 by ordinary post to the applicants' registered addresses, at their own risk.

### **Application for listing of the Rights Shares**

The Company has applied to the Listing Committee of the Stock Exchange for the listing of, and the permission to deal in, the Rights Shares, in both their nil-paid and fully-paid forms.

The board lot size of the nil-paid Rights Shares will be the same as that of the fully-paid Rights Shares, i.e. 10,000 Shares in one board lot.

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

Subject to the granting of the listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange, as well as compliance with the stock admission requirements of HKSCC, the Rights Shares in both their nil-paid and fully-paid forms will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement dates of the dealings in the Rights Shares in both their nil-paid and fully-paid forms or such other dates as may be 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 trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. Shareholders should seek advice from their licensed securities dealer(s) or professional adviser(s) for details of those settlement arrangements and how such arrangements will affect their rights and interests.

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

Dealing in the Rights Shares in both their nil-paid and fully-paid forms which are registered in the register of members of the Company in Hong Kong will be subject to the payment of stamp duty, Stock Exchange trading fee, SFC transaction levy, AFRC transaction levy or any other applicable fees and charges in Hong Kong.

### **Taxation**

Shareholders are advised to consult their professional advisers if they are in doubt as to the taxation implications of the receipt, purchase, holding, exercising, disposing of or dealing in, the nil-paid Rights Shares or the fully-paid Rights Shares.

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## LETTER FROM THE BOARD

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### **Non-underwritten basis**

Subject to the fulfillment of the conditions of the Rights Issue, the Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptance of the provisionally allotted Rights Shares and the level of subscription of the excess Rights Shares. There is no minimum subscription level and no minimum amount is required to be raised under the Rights Issue. There is also no statutory requirement regarding minimum subscription level in respect of the Rights Issue.

As the Rights Issue will proceed on a non-underwritten basis, the Shareholder who applies to take up all or part of his/her/its entitlement under the PAL(s) may unwittingly incur an obligation to make a general offer for the Shares under the Takeovers Code. Accordingly, the Rights Issue will be made on terms that the Company will provide for the Shareholders to apply on the basis that if the Rights Shares are not fully taken up, the application of any Shareholder (except for HKSCC Nominees Limited) for his/her/its assured entitlement under the PAL or for excess Rights Shares under the EAF (where applicable) can be scaled down to a level which does not trigger an obligation on part of the relevant Shareholder to make a general offer under the Takeovers Code in accordance with the note to Rule 7.19(5)(b) of the Listing Rules.

Mr. Zhu Feng, an executive Director and a substantial Shareholder, has expressed to the Board his intention to subscribe for, and procure Ensure Prestige Limited to subscribe for, in full the Rights Shares to be provisionally allotted to him and Ensure Prestige Limited, and Mega Start Limited, a Shareholder which is indirectly wholly-owned by Mr. Chan Chit, an executive Director, has expressed to the Board its intention to subscribe for in full the Rights Shares to be provisionally allotted to it. Further, Mr. Zhu Feng has also indicated his intention in applying for excess Rights Shares himself and/or through Ensure Prestige Limited. As at the Latest Practicable Date, save for the above and the Optionholder's Undertakings, the Board has not received any information or other undertakings from any Shareholders of their intention to take up or not to take up the securities of the Company to be offered to them under the Rights Issue.

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

The Group is principally engaged in the provision of building construction services, property maintenance services, alterations, renovation, upgrading and fitting-out works services, trading of materials, and transportation services.

Assuming all Rights Shares to be issued under the Rights Issue have been taken up in full, the gross proceeds from the Rights Issue will be approximately HK\$36.2 million. The net proceeds from the Rights Issue (after deduction of estimated professional fees and other related expenses of approximately HK\$1.7 million) are estimated to be approximately HK\$34.5 million, which are intended to be applied in following manner on or before 31 March 2025:

- (i) as to approximately 35% or HK\$12.1 million for investment in other business opportunities to be identified by the Group from time to time; and

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- (ii) as to approximately 65% or HK\$22.4 million for general administrative expenses and other general working capital purposes, such as overhead expenses including salary, rental and other expenses of the Company.

As at the Latest Practicable Date, the Company has not identified any particular potential business opportunities and currently does not have any negotiation, agreement, arrangement and understanding (concluded or otherwise) in relation thereof.

In the event that the Rights Issue is not subscribed in full, the net proceeds will be allocated on a pro-rata based on the proposed uses abovementioned. The net proceeds from the Rights Issue are expected to be used to support the on-going business development of the Group and also for the Group's general working capital purpose to enhance the Group's capital base and financial position. Such intended use of proceeds is not expected to change regardless of the subscription level of the Rights Issue.

The Board has considered other fundraising alternatives before resolving to the proposed Rights Issue, including but not limited to debt financing, placing and open offer. As debt financing would result in additional interest burden, particularly given the recent global interest rate hikes, and result in a higher gearing ratio of the Group and subject the Group to repayment obligations, the Board does not consider any debt financing by the Company to be optimal for the Group. In addition, debt financing may not be achievable on favourable terms in a timely manner. As for placing of new Shares, taking into account that (i) a placing is relatively smaller in scale as compared to fund raising through rights issue; and (ii) it would lead to immediate dilution in the shareholding interest of existing Shareholders without offering them the opportunity to participate in the enlarged capital base of the Company, which is not the intention of the Company, it was not considered by the Board to be the most suitable fundraising method for the Company. As for open offer, while it is similar to a rights issue, offering Qualifying Shareholders to participate, it does not allow free trading of rights entitlements in the open market unlike a rights issue, which would allow Shareholders to have more flexibility in dealing with the Shares and the nil-paid rights attaching thereto.

On the other hand, the Directors consider raising funds by way of the Rights Issue is more appropriate as the Rights Issue will enable the Company to strengthen its working capital base and enhance its financial position, while at the same time, allowing the Qualifying Shareholders to maintain their proportional shareholdings in the Company. The Rights Issue, being pre-emptive in nature, would allow all Qualifying Shareholders to participate in the future development of the Company and at the same time offer more flexibility to the Qualifying Shareholders to choose whether to maintain, increase or decrease their respective pro rata shareholdings in the Company by taking up only their respective rights entitlement, acquiring additional rights entitlement or disposing of their rights entitlements in the open market (subject to availability).

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## LETTER FROM THE BOARD

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The Board considers that the terms of the Rights Issue are fair and reasonable and in the best interest of the Shareholders as a whole as it allows the Qualifying Shareholders to maintain their respective pro rata shareholding interests in the Company and to continue to participate in the future development of the Company and it will improve the capital base and gearing ratio of the Company.

In addition, prior to proceeding with the Rights Issue, the Company had explored the viability of an underwritten rights issue. The Company had consulted multiple securities firms and the substantial Shareholders to arrange underwriting services in respect of the Rights Issue. Unfortunately, the Company had received negative feedback due to the prevailing market conditions. Further, the Board considered that the current state of the Hong Kong capital market is expected to command a high underwriting fee for the Rights Issue. Despite the Rights Issue is not underwritten, the Board took into account the fact that two Shareholders, namely Mr. Zhu Feng and Mega Start Limited, which held approximately 23.86% of the issued share capital of the Company in aggregate as at the Latest Practicable Date, have expressed their intentions to subscribe for in full the Rights Shares to be provisionally allotted to them. Mr. Zhu Feng has also expressed his intention to apply for excess Rights Shares.

Having considered (i) the prospects of other fundraising alternatives; (ii) the expected costs and unfavourable feedback received in connection with underwriting services; (iii) the proposed terms of the Rights Issue (including the Subscription Price); and (iv) the intentions of Mr. Zhu Feng and Mega Start Limited in respect of the Rights Issue, the Board took the view that raising capital through the Rights Issue on a non-underwritten basis is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

**However, those Qualifying Shareholders who do not take up the Rights Shares to which they are entitled should note that their shareholdings will be diluted.**

## LETTER FROM THE BOARD

### EFFECTS ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

Set out below is the shareholding structure of the Company (i) as at the Latest Practicable Date; (ii) immediately upon completion of the Rights Issue (assuming all Shareholders have taken up their entitled Rights Shares); and (iii) immediately after completion of the Rights Issue (assuming none of the Shareholders has taken up any entitled Rights Share(s) other than Mr. Zhu Feng, his associate and Mega Start Limited), for illustration purposes only:

Assuming there are no changes in the share capital of the Company on or before the Record Date:

	As at the Latest Practicable Date		Immediately after completion of the Rights Issue (assuming all Shareholders have taken up their entitled Rights Shares)		Immediately after completion of the Rights Issue (assuming none of the Shareholders has taken up any entitled Rights Share other than Mr. Zhu Feng, his associate and Mega Start Limited) (Note 2)	
	No. of Shares	Approximate %	No. of Shares	Approximate %	No. of Shares	Approximate %
Mr. Zhu Feng (Note 1)	69,865,100	15.53%	104,797,650	15.53%	170,950,647	29.99%
Mega Start Limited (Note 3)	37,500,000	8.33%	56,250,000	8.33%	56,250,000	9.87%
Fount Holdings Limited (Note 4)	23,750,000	5.28%	35,625,000	5.28%	23,750,000	4.17%
Mr. Wong Wai Kwan (Note 5)	312,500	0.07%	468,750	0.07%	312,500	0.05%
Public Shareholders	<u>318,572,344</u>	<u>70.79%</u>	<u>477,858,816</u>	<u>70.79%</u>	<u>318,572,344</u>	<u>55.91%</u>
Total	<u>449,999,944</u>	<u>100.00%</u>	<u>674,999,916</u>	<u>100.00%</u>	<u>569,835,491</u>	<u>100.00%</u>

*Notes:*

- Mr. Zhu Feng is directly interested in 52,347,300 Shares and is the ultimate beneficial owner of Ensure Prestige Limited. By virtue of the SFO, Mr. Zhu Feng is deemed to be interested in all the 17,517,800 Shares held by Ensure Prestige Limited. Therefore, Mr. Zhu Feng is deemed to be interested in 69,865,100 Shares.
- As at the Latest Practicable Date, (i) Mr. Zhu Feng, an executive Director and a substantial Shareholder, has expressed to the Board his intention to subscribe for and procure Ensure Prestige Limited to subscribe for in full the Rights Shares to be provisionally allotted to him and Ensure Prestige Limited; and (ii) Mega Start Limited, a Shareholder, has expressed to the Board its intention to subscribe for in full the Rights Shares to be provisionally allotted to it. Besides, Mr. Zhu Feng has also indicated his intention in applying for excess Rights Shares himself and/or through Ensure Prestige Limited. This scenario assumed that only Mr. Zhu Feng and Ensure Prestige Limited have taken up in full the Rights Shares to be provisionally allotted to them and excess Rights Shares have been allotted and issued to them to be extend which do not trigger an obligation on part of Mr. Zhu Feng and/or Ensure Prestige Limited to make a general offer under the Takeovers Code.
- Mr. Chau Chit, an executive Director, was the ultimate beneficial owner of Mega Start Limited. By virtue of the SFO, Mr. Chau Chit was deemed to be interested in the 37,500,000 Shares held by Mega Start Limited.
- Mr. Tang Hao owns the entire issued share capital of Fount Holdings Limited. By virtue of the SFO, Mr. Tang Hao is deemed to be interested in the 23,750,000 Shares held by Fount Holdings Limited.
- Mr. Wong Wai Kwan is an independent non-executive Director.

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## LETTER FROM THE BOARD

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### FUNDRAISING EXERCISE OF THE COMPANY DURING THE PAST 12 MONTHS

The Company did not conduct any equity fundraising activities during the 12 months immediately preceding the Latest Practicable Date.

### LISTING RULES IMPLICATIONS

As the Rights Issue will not increase the total number of the issued share capital or the market capitalisation of the Company by more than 50% within the 12-month period immediately preceding the Latest Practicable Date, and the Rights Issue is not underwritten by a Director, chief executive or substantial shareholder of the Company (or any of their respective close associates), the Rights Issue is not subject to minority Shareholders' approval pursuant to Rule 7.19A of the Listing Rules.

The Company has not conducted any rights issue, open offer or specific mandate placing within the 12-month period immediately preceding the Latest Practicable Date, or prior to such 12-month period where dealing in respect of the Shares issued pursuant thereto commenced within such 12-month period, nor has it issued any bonus securities, warrants or other convertible securities within such 12-month period. The Rights Issue does not result in a theoretical dilution effect (as defined under Rule 7.27B of the Listing Rules) of 25% or more on its own.

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

**Shareholders and potential investors of the Company should note that the Rights Issue is subject to the fulfilment of conditions set out in the section headed "Conditions of the Rights Issue" in the "Letter from the Board" in this Prospectus. Accordingly, the Rights Issue may or may not proceed. Shareholders and potential investors of the Company should note that if the conditions to the Rights Issue are not satisfied, the Rights Issue will not proceed.**

**Any dealing in the Shares up to the date on which all conditions of the Rights Issue are fulfilled, and any Shareholder dealing in the Rights Shares in nil-paid form will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed. Shareholders or other persons contemplating any dealing in the Shares or Rights Shares in their nil-paid form are recommended to consult their professional advisers.**

**Subject to the fulfillment of the conditions of the Rights Issue, the Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptance of the provisionally allotted Rights Shares.**

**Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares and/or the nil-paid Rights Shares.**

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## LETTER FROM THE BOARD

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### ADDITIONAL INFORMATION

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

Yours faithfully,  
For and on behalf of the Board  
**Green Economy Development Limited**  
**Chau Chit**  
*Chairman and Chief Executive Officer*

**1. FINANCIAL SUMMARY OF THE GROUP**

Financial information of the Group for each of the three years ended 31 March 2021, 2022 and 2023, and the six months ended 30 September 2023 are disclosed in the following documents which have been published on the respective websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.greeneconomy.com.hk](http://www.greeneconomy.com.hk)) (details of website addresses as set out below):

- (i) annual report of the Company for the year ended 31 March 2021 published on 28 July 2021 (pages 48–120)

*(<https://www1.hkexnews.hk/listedco/listconews/sehk/2021/0728/2021072800405.pdf>);*

- (ii) annual report of the Company for the year ended 31 March 2022 published on 15 August 2022 (pages 49–114)

*(<https://www1.hkexnews.hk/listedco/listconews/sehk/2022/0815/2022081500076.pdf>);*

- (iii) annual report of the Company for the year ended 31 March 2023 published on 28 July 2023 (pages 48–122)

*(<https://www1.hkexnews.hk/listedco/listconews/sehk/2023/0728/2023072800633.pdf>); and*

- (iv) interim report of the Company for the six months ended 30 September 2023 published on 28 December 2023 (pages 14–38)

*(<https://www1.hkexnews.hk/listedco/listconews/sehk/2023/1228/2023122800633.pdf>)*

## 2. STATEMENT OF INDEBTEDNESS

At the close of business on 31 January 2024, being the latest practicable date for the purpose of this statement of indebtedness prior to the printing of this Prospectus, the Group had the following indebtedness:

	<i>HK\$'000</i>
Loans from a related party (non-secured)	
— principal	207,124
— interest payable	295
Other loans (non-secured)	
— principal	1,764
— interest payable	8
Lease liabilities	4,765
Due to related parties (non-secured)	11,499
Due to a director (non-secured)	2,330
	227,785

### **Contingent liabilities**

As at 31 January 2024, performance bonds amounting to approximately HK\$12,979,000 were given by banks or insurance companies in favour of some of the Group's customers as security for the due performance and observances of the Group's obligations under the construction contracts entered into between the Group and these customers.

In addition, certain subsidiaries of the Company are defendants in certain claims, lawsuits, arbitrations and potential claims relating to subcontracting fees, damages of personal injuries and breach of construction contracts. The Directors considered that the possibility of any outflow in settling the legal claims is remote, after due consideration of each case and with reference to legal advice.

Save as disclosed above, the Group did not have any other material contingent liabilities.

### **Operating lease commitment**

As at 31 January 2024, the outstanding lease commitments relating to the office of the Group amounted to approximately HK\$95,000.

### **Capital commitment**

As at 31 January 2024, the Group did not have any material capital commitment.

### Disclaimers

Save as aforesaid or otherwise disclosed herein, and apart from intra-group liabilities, normal trade and other payables and contract liabilities, as at 31 January 2024, the Group did not have any material debt securities issued and outstanding, or authorised or otherwise created but unissued, or term loans, other borrowings or indebtedness in the nature of borrowings, including bank overdrafts and liabilities under acceptance (other than normal trade bills), acceptance credits, hire purchase commitments, mortgages, charges or other material contingent liabilities or guarantees.

### 3. WORKING CAPITAL STATEMENT

As at 31 January 2024, there were loans advanced by Mr. Wong Law Fai (“**Mr. Wong**”), the managing director of Wan Chung Construction Company Limited (“**Wan Chung**”), a wholly-owned subsidiary of the Company, to the Company’s wholly-owned subsidiaries, Magic Choice Holdings Limited (“**Magic Choice**”) and Wan Chung. As at 31 January 2024, the amounts of outstanding principals owed by Magic Choice and Wan Chung to Mr. Wong amounted to HK\$102,124,000 and HK\$105,000,000, respectively. The loans were unsecured and bear interest at 13% per annum. The maturity dates of the loans to Magic Choice and Wan Chung are 31 October 2024 and 30 September 2025, respectively.

The Directors would like to draw attention to the fact that the sufficiency of working capital of the Group in the next twelve months from the date of this Prospectus would depend upon the following:

- (i) whether the Group can renew or extend the loans from Mr. Wong for at least 12 months from the loan maturity dates;
- (ii) whether the Group can drawdown loans from available banking facilities provided by the banks as and when needed and whether the Group can continuously fulfil the loan covenants; and
- (iii) whether the Rights Issue can be successfully proceeded.

If the Group cannot reach renewal or extension agreements regarding the loans due to Mr. Wong, the Group will have insufficient working capital for its present requirements. As at the Latest Practicable Date, the Group has not received any notification from Mr. Wong for the loan renewal or extensions.

To ensure a sufficient level of working capital, the Company will seek to renew or extend the loan maturity dates of the loans due to Mr. Wong, to renew the Group’s banking facility in the amount of approximately HK\$69.5 million and to proceed the Rights Issue successfully. On this basis, the Directors have estimated the Group’s cash requirements by preparing a Group cashflow forecast for the next twelve months from the date of this Prospectus on the assumptions that (i) the Group would be able to renew or extend the loans from Mr. Wong for at least 12 months from the

loan maturity dates; (ii) the Group would drawdown loans from available banking facilities provided by the banks as and when needed and the Group would continuously fulfil the loan covenants; and (iii) the Rights Issue would be successfully proceeded, and are of the opinion that the Group has sufficient working capital for its present requirement, that is for at least the next twelve months from the date of the Prospectus in the absence of any unforeseen circumstances.

#### 4. MATERIAL ADVERSE CHANGES

As at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position of the Group since 31 March 2023, being the date to which the latest published audited consolidated financial statements of the Company were made up.

#### 5. BUSINESS REVIEW AND PROSPECTS

The Group is principally engaged in the (i) provision of building construction services, property maintenance services; (ii) alterations, renovation, upgrading and fitting-out works services (collectively “A&A works”); (iii) trading of materials; and (iv) transportation services.

##### **Building construction, property maintenance and A&A works**

During the six months ended 30 September 2023, the Group’s revenue generated from building construction services and property maintenance services increased by approximately HK\$26.9 million compared to the same period in 2022, primarily due to a large scale property maintenance contract which was in full swing operation for the period. During the six months ended 30 September 2023, the Group’s revenue from A&A works decreased by approximately HK\$91.1 million compared to the same period in 2022, primarily due to the recognition of more revenue from several large scale A&A works projects which were in full swing operation in the same period in 2022.

Despite the slight improvement of inbound tourism and local consumption, the pace of recovery of Hong Kong economy has become somewhat slower than expected. While the Government has showed a clear commitment to long term investment in the construction industry, the highest interest rate would still be the major challenge to the private construction sector. The Group therefore are less optimistic and would expect a marginal growth in the construction market only. The Group are exploring more business opportunities in the public work sector, the shortage of labour supply and aging workers are still the major risks for the Group going forward. The Group would review and select suitable technologies and implement them in the project management. These would further streamline our project administration and would make the site management more efficient and effective.

The Group would continue to look about other construction business opportunities in order to lower the Group’s business risk.

**Trading of material business**

During the six months ended 30 September 2023, the Group's sales of materials such as iron ores, cast iron and coal increased by approximately HK\$356.3 million.

**I. *Rationality of the existence of trade agent market***

Given that domestic iron and steel enterprises purchase iron ore from foreign iron ore enterprises through a dual system, some qualified large steel enterprises adopt the benchmark price, while small unqualified steel enterprises adopt the spot price that is higher than the benchmark price. The international trade of iron ore is characterised by strong professionalism, frequent market fluctuations and unstable supply, which is extremely risky for buyers. Therefore, most small iron and steel enterprises entrust trader agents to import iron ore, and some large iron and steel enterprises with direct purchase agreements also entrust reputable trader agents to import iron ore, so as to ensure the stability of iron ore supply. This is the value of the existence of the iron ore trade agent market.

**II. *Industry status and trend***

Policy factor: According to the Outline of 14th Five-Year Plan for the Development of Iron Ore Industry of China, it is clearly required that the growth of iron ore industry shall increase 70% by 2021, which have made each local government correspondingly introduce local policies to improve the industry penetration.

Economic factor: Currently, the market size of iron ore has reached RMB500 billion, with a steady upward trend of the overall market. With the effective control of the epidemic, the demand for the iron and steel industry has increased, which was driven by gradual implementation of major national infrastructure projects and the recovery of the demand of downstream markets like automobile. It has increased the profit of the steel and improved the enthusiasm of the iron and steel enterprises to increase production, thereby generating strong demand for iron ores. The trade of iron ore and even the steel industry will continuously have a strong development under the effect of China's macro policies.

**III. *Development plan of the Company's business (partly selected from the business plan)***

The Group's corporate development goal: The Group will establish a port of ore blending integration platform based on modern supply chain management. Through scientific blending of ore, the final blended ore products can meet the production demand of various steel enterprises, so as to provide stable raw material supply guarantee for iron and steel enterprises. The Group will strive to develop into a core supply chain enterprise of large domestic iron and steel enterprises. Through the advantages of call auction, the Group will save logistics costs in multiple logistics links such as import order, shipping, port yard, scientific ore blending and inland transshipment. In the future, the Group will become a professional iron ore product and service integrator and service and product agent in iron ore industry. It will develop a supply chain management software system with independent

intellectual property rights, by using modern network information technology and listed company platform, so as to realise the integration of supply chain in the industry, optimise the cost, and achieve the smooth coordination of logistics, capital flow and information flow, as well as obtaining greater revenue from management services for the Group.

In the long run, the trading business will continue to generate income and contribute profit to the Group. Looking forward, the Group would continue to explore and strive to diversify and develop its trading businesses in 2024.

**Transportation service business**

During the six months ended 30 September 2023, the Group's revenue generated from transportation of materials of approximately HK\$14.1 million. The Group commenced transportation service business during the year ended 31 March 2023 and expects the continuing development of the business would generate constable revenue and profit to the Group.

**A. UNAUDITED PRO FORMA STATEMENT OF ADJUSTED CONSOLIDATED NET TANGIBLE ASSETS OF THE GROUP**

The unaudited pro forma statement of adjusted consolidated net tangible assets of the Group prepared in accordance with Paragraph 13 of Appendix D1B and Paragraph 29 of Chapter 4 of the Listing Rules is set out below to illustrate the effects of the Rights Issue on the unaudited consolidated net tangible assets of the Group as if the Rights Issue had taken place on 30 September 2023.

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

The following unaudited pro forma statement of adjusted consolidated net tangible assets of the Group is based on the unaudited consolidated net tangible assets of the Group as at 30 September 2023 extracted from the Group's published interim report for the six months ended 30 September 2023, adjusted as described below:

Unaudited consolidated net tangible assets of the Group attributable to owners of the Company as at 30 September 2023 <i>(Note 1)</i> HK\$'000	Unaudited estimated net proceeds from the Rights Issue <i>(Note 2)</i> HK\$'000	Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company as at 30 September 2023 <i>(Note 3)</i> HK\$'000
76,626	34,525	111,151
Unaudited consolidated net tangible assets per existing Share immediately before completion of the Rights Issue <i>(Note 4)</i>		<u>HK\$0.170</u>
Unaudited pro forma adjusted consolidated net tangible assets per adjusted share immediately after completion of the Rights Issue <i>(Note 5)</i>		<u>HK\$0.165</u>

*Notes:*

1. The unaudited consolidated net tangible assets of the Group attributable to equity holders of the Company at 30 September 2023 of approximately HK\$76,626,000 is based on the unaudited consolidated net assets of the Group attributable to the equity holders of the Company at 30 September 2023 of approximately HK\$76,946,000 adjusted to exclude the goodwill of approximately HK\$320,000 as shown on the unaudited condensed consolidated statement of financial position of the Group as at 30 September 2023 which is extracted from the published interim report of the Group for the six month ended 30 September 2023.
2. The estimated net proceeds from the Rights Issue are based on 224,999,972 Rights Shares at the Subscription Price of HK\$0.161 per Rights Share, after deduction of estimated share issue related expenses (including advisory fees for the professional parties, printing, registration, translation, legal, accounting and documentation charges) payable by the Company of approximately HK\$1,700,000.
3. The unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company after the completion of the Rights Issue represents the unaudited consolidated net tangible assets of the Group attributable to the owners of the Company as at 30 September 2023 plus the estimated net proceeds from the Rights Issue as set out in Note 2 above, as appropriate.
4. The unaudited consolidated net tangible assets per existing Share before completion of the Rights Issue is determined based on the amount as disclosed in note 1 above, divided by 449,999,949 Shares immediately before completion of the Rights Issue.
5. The unaudited pro forma adjusted consolidated net tangible assets per adjusted share immediately after completion of the Rights Issue is determined based on the amount as disclosed in note 3 above, divided by 674,999,921 adjusted shares, assuming that the 224,999,972 Rights Shares were issued as at 30 September 2023.
6. No adjustments have been made to reflect any trading results or other transactions of the Group entered into subsequent to 30 September 2023.

**B. ACCOUNTANT’S REPORT ON UNAUDITED PRO FORMA FINANCIAL INFORMATION**

*The following is the text of a report, prepared for the sole purpose of inclusion in this circular, from the independent reporting accountant, RSM Hong Kong, Certified Public Accountants, Hong Kong.*

**RSM Hong Kong**  
羅申美會計師事務所  
*Certified Public Accountants*



20 March 2024

The Board of Directors  
Green Economy Development Limited

Dear Sirs,

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of Green Economy Development Limited (the “**Company**”) and its subsidiaries (hereinafter collectively referred to as the “**Group**”) by the directors of the Company (the “**Directors**”) for illustrative purposes only. The unaudited pro forma financial information consists of the unaudited pro forma adjusted consolidated net tangible assets as at 30 September 2023 and related notes as set out on pages II-1 to II-2 of Appendix II to the prospectus issued by the Company dated 20 March 2024 (the “**Prospectus**”). The applicable criteria on the basis of which the Directors have compiled the unaudited pro forma financial information are described on pages II-1 to II-2 of Appendix II to the Prospectus.

The unaudited pro forma financial information has been compiled by the Directors to illustrate the impact of the Rights Issue (as defined in the Prospectus) on the Group’s unaudited consolidated net tangible assets as at 30 September 2023 as if the transaction had been taken place at 30 September 2023. As part of this process, information about the Group’s unaudited net tangible assets has been extracted by the Directors from the Group’s condensed consolidated financial statements as included in the interim report for the six months ended 30 September 2023.

**Directors’ Responsibility for the Unaudited Pro Forma Financial Information**

The Directors are responsible for compiling the unaudited pro forma financial information in accordance with paragraph 13 of Appendix D1B and paragraph 29 of Chapter 4 of the Rules Governing the Listing of Securities on The Stock exchange of Hong Kong Limited (the “**Listing**

Rules”) and with reference to Accounting Guideline 7 “Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars” (“AG 7”) issued by the Hong Kong Institute of Certified Public Accountants (the “HKICPA”).

### **Our Independence and Quality Management**

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

The firm applies Hong Kong Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

### **Reporting Accountant’s Responsibilities**

Our responsibility is to express an opinion, as required by paragraph 29(7) of Chapter 4 of the Listing Rules, on the pro forma financial information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the pro forma financial information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3420 “Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus” issued by the HKICPA. This standard requires that the reporting accountant plans and performs procedures to obtain reasonable assurance about whether the Directors have compiled the unaudited pro forma financial information in accordance with paragraph 29 of Chapter 4 of the Listing Rules and with reference to AG 7 issued by the HKICPA.

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

The purpose of unaudited pro forma financial information included in the Prospectus is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the Group as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction at 30 September 2023 would have been as presented.

A reasonable assurance engagement to report on whether the unaudited pro forma financial information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Directors in the compilation of the

unaudited pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

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

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

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

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

### **Opinion**

In our opinion:

- (a) the unaudited pro forma financial information has been properly compiled on the basis stated;
- (b) such basis is consistent with the accounting policies of the Group; and
- (c) the adjustments are appropriate for the purposes of the unaudited pro forma financial information as disclosed pursuant to paragraph 29(1) of Chapter 4 of the Listing Rules.

Yours faithfully,

**RSM Hong Kong**

*Certified Public Accountants*

Hong Kong

## 1. RESPONSIBILITY STATEMENT

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

## 2. SHARE CAPITAL

The authorised and issued share capital of the Company as at the Latest Practicable Date and immediately following completion of the Rights Issue (assuming no further issue of the Shares from the Latest Practicable Date up to completion of the Rights Issue) were and will be as follows:

<b>As at the Latest Practicable Date</b>	<i>HK\$</i>
<i>Authorised:</i>	
<u>2,000,000,000</u> Shares	<u>20,000,000.00</u>
<i>Issued and fully paid-up share capital:</i>	
<u>449,999,944</u> Shares	<u>4,499,999.44</u>
 <b>Immediately after completion of the Rights Issue (assuming full subscription under the Rights Issue)</b>	
<i>Authorised:</i>	
<u>2,000,000,000</u> Shares	<u>20,000,000.00</u>
<i>Issued and fully paid-up share capital:</i>	
449,999,944 Shares in issue as at the Latest Practicable Date	4,499,999.44
<u>224,999,972</u> Shares to be allotted and issued under the Rights Issue	<u>2,249,999.72</u>
<u>674,999,916</u> Shares	<u>6,749,999.16</u>

All the Shares in issue are fully-paid and rank *pari passu* in all respects including as regards to dividends, voting rights and return of capital. All Rights Shares to be issued will rank *pari passu* with the then existing Shares in issue in all respects. Holders of fully-paid Rights Shares will be entitled to receive all future dividends and distributions which may be declared, made or paid on or after the date of allotment and issue of the Rights Shares.

The Company has applied to the Listing Committee for the listing of and permission to deal in the Rights Shares (in both their nil-paid and fully-paid forms). 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 Rights 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, the Company has 7,499,998 outstanding Share Options granted under the Company's Share Option Scheme.

The details of Share Options are set out below:

<b>Name of the grantee</b>	<b>Date of grant</b>	<b>Exercise price per Share of Share Options</b>	<b>Exercise Period of Share Options</b>	<b>Number of Share Options outstanding as at the Latest Practicable Date</b>
Michael Ngai Ming Tak	13 August 2021	HK\$0.6	13 August 2021 – 12 August 2026	3,749,999
Fung Ka Lun	13 August 2021	HK\$0.6	13 August 2021 – 12 August 2026	3,749,999

As at the Latest Practicable Date, save for the outstanding Share Options as disclosed above, the Company has no other outstanding derivatives, options, warrants, convertible securities or other similar securities which are convertible or exchangeable into or confer any right to subscribe for the Shares.

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

### 3. DISCLOSURE OF INTERESTS

#### (a) Directors' and chief executive's interests and short positions in the securities of the Company and its associated corporations

##### (i) Directors' interests in securities of the Company

As at the Latest Practicable Date, the interests or short positions of the Directors and the chief executive of the Company or their respective close associates in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which were required (i) 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) pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix C3 to the Listing Rules, were as follows:

##### *Long position*

Name	Capacity/Nature of Interest	Number of Shares interested	Approximate percentage of the total issued share capital of the Company
Mr. Zhu Feng ( <i>note 1</i> )	Interest of Controlled Corporation and beneficial owner	69,685,100	15.53%
Mr. Chau Chit ( <i>note 2</i> )	Interest of Controlled Corporation	37,500,000	8.33%
Mr. Fung Ka Lun ( <i>note 3</i> )	Beneficial owner	3,749,999	0.83%
Mr. Wong Wai Kwan	Beneficial owner	312,500	0.07%

##### *Notes:*

- Mr. Zhu Feng is directly interested in 52,347,300 Shares and is the ultimate beneficial owner of Ensure Prestige Limited. By virtue of the SFO, Mr. Zhu Feng is deemed to be interested in all the 17,517,800 Shares held by Ensure Prestige Limited. Therefore, Mr. Zhu Feng is deemed to be interested in 69,865,100 Shares.

2. Mr. Chau Chit, the executive Director, was the ultimate beneficial owner of Mega Start Limited (“Mega Start”). By virtue of the SFO, Mr. Chau Chit was deemed to be interested in the 37,500,000 Shares held by Mega Start.
3. The interests are unlisted physically settled options granted pursuant to the Share Option Scheme. Upon exercise of the share options, at the exercise price of HK\$0.6 for each option granted, in accordance with the Share Option Scheme, ordinary shares in the share capital of the Company are issuable. The share options are personal to the director.

Save as disclosed above, none of the Directors or 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 were required to be recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

**(ii) *Substantial shareholders’ interests***

As at the Latest Practicable Date so far as is known to any Director or chief executive of the Company, other than the interests disclosed above in respect of certain Directors and chief executive of the Company, the interests and short positions of persons in the Shares and underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or as recorded in the register required to be kept by the Company under section 336 of the SFO, were as follows:

*Long position*

Name of Shareholder	Capacity/Nature of Interest	Number of Shares held	Approximate percentage of the issued share capital of the Company
Mega Start Limited	Beneficial owner	37,500,000	8.33%
Fount Holdings Limited	Beneficial owner	23,750,000	5.28%
Mr. Tang Hao ( <i>note 1</i> )	Interest of controlled corporation	23,750,000	5.28%

*Note:*

1. Mr. Tang Hao owns the entire issued share capital of Fount Holdings Limited. By virtue of the SFO, Mr. Tang Hao is deemed to be interested in the 23,750,000 Shares held by Fount Holdings Limited.

Save as disclosed above, as at the Latest Practicable Date, the Directors and the senior management of the Company are not aware of any other person who had an interest or short position in the Shares or underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to section 336 of Part XV of the SFO.

#### **4. LITIGATION**

As at the Latest Practicable Date, none of the members of the Group was engaged in any litigation or arbitration of material importance and there was no litigation or arbitration of material importance known to the Directors to be pending or threatened by or against any members of the Group.

## 5. MATERIAL CONTRACTS

The following contract (not being a contract entered into in the ordinary course of business of the Group) had been entered into by the members of the Group within the two years immediately preceding the issue of this Prospectus and are or may be material:

- (a) the subscription agreement dated 10 February 2023 entered into between the Company (as issuer) and Runroc Holdings Limited (潤鵬控股有限公司) (as subscriber) in relation to the subscription of 350,000,000 shares of the Company at a subscription price of HK\$0.015 per subscription share, details of which are set out in the announcements of the Company dated 10 February 2023 and 15 February 2023;
- (b) the subscription agreement dated 10 February 2023 entered into between the Company (as issuer) and Mr. Liu Yongshun (劉永順) (as subscriber) in relation to the subscription of 350,000,000 shares of the Company at a subscription price of HK\$0.015 per subscription share, details of which are set out in the announcements of the Company dated 10 February 2023 and 15 February 2023;
- (c) the subscription agreement dated 10 February 2023 entered into between the Company (as issuer) and Ms. Sun Qian (孫倩) (as subscriber) in relation to the subscription of 250,000,000 shares of the Company at a subscription price of HK\$0.015 per subscription share, details of which are set out in the announcements of the Company dated 10 February 2023 and 15 February 2023;
- (d) the subscription agreement dated 10 February 2023 entered into between the Company (as issuer) and Mr. Yan Tingkai (顏廷凱) (as subscriber) in relation to the subscription of 250,000,000 shares of the Company at a subscription price of HK\$0.015 per subscription share, details of which are set out in the announcements of the Company dated 10 February 2023 and 15 February 2023;
- (e) the subscription agreement dated 10 February 2023 entered into between the Company (as issuer) and Ms. Zeng Yuqi (曾毓麒) (as subscriber) in relation to the subscription of 150,000,000 shares of the Company at a subscription price of HK\$0.015 per subscription share, details of which are set out in the announcements of the Company dated 10 February 2023 and 15 February 2023;
- (f) the subscription agreement dated 10 February 2023 entered into between the Company (as issuer) and Mr. Du Yipeng (杜一鵬) (as subscriber) in relation to the subscription of 149,999,000 shares of the Company at a subscription price of HK\$0.015 per subscription share, details of which are set out in the announcements of the Company dated 10 February 2023 and 15 February 2023;
- (g) the contract of stock transfer dated 26 January 2024 entered into between Hong Kong Dakyun International Trade Company Limited, a wholly-owned subsidiary of the Company, (as purchaser) (“**Hong Kong Dakyun**”) and Kim Hongseok (as seller) in relation to the acquisition of 115,000 shares of R-TECHO Co., Ltd. at a consideration of 609,500,000 Korean Wons, details of which are set out in the announcement of the Company dated 26 January 2024; and

- (h) the contract of stock transfer dated 26 January 2024 entered into between Hong Kong Dakyun, a wholly owned subsidiary of the Company, (as purchaser) and Kim Inho (as seller) in relation to the acquisition of 22,000 shares of R-TECHO Co., Ltd. at a consideration of 132,000,000 Korean Wons, details of which are set out in the announcement of the Company dated 26 January 2024.

Save for the above, the Group did not enter into any contract which was or might be material other than those entered into in the ordinary course of business carried on or intended to be carried on by the Company or any of its subsidiaries within two years immediately preceding the date of this Prospectus.

## 6. DIRECTORS' INTEREST IN CONTRACTS AND ASSETS

As at the Latest Practicable Date, there is no contract or arrangement entered into by any member of the Group subsisting at the Latest Practicable Date in which any Director is materially interested in and which is significant to the business of the Group.

None of the Directors had any direct or indirect interest in any assets which had been, since 31 March 2023 (being the date to which the latest published annual report for the audited consolidated financial statements of the Company were made up), acquired, disposed of by, or leased to, or were proposed to be acquired, disposed of by, or leased to any member of the Group.

## 7. QUALIFICATION AND CONSENT OF THE EXPERT

The following is the qualification of the professional adviser who has given opinion or advice contained in this Prospectus:

<b>Name</b>	<b>Qualification</b>
RSM Hong Kong	Certified Public Accountants, Hong Kong

As at the Latest Practicable Date, RSM Hong Kong has given and has not withdrawn its written consent to the issue of this Prospectus with the inclusion of its report and/or references to its name in the form and context in which they appear in this Prospectus.

As at the Latest Practicable Date, RSM Hong Kong did not have any shareholding in any member of the Group and 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.

As at the Latest Practicable Date, RSM Hong Kong did not have any direct or indirect interest in any assets which have been, since 31 March 2023 (the date to which the latest published audited consolidated financial statements of the Group were made up), acquired or disposed of by or leased to any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Group.

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

Registered Office	Windward 3 Regatta Office Park P.O. Box 1350 Grand Cayman KY1-1108 Cayman Islands
Head Office and Principal Place of Business in Hong Kong	Room 1001, 10/F China Huarong Tower 60 Gloucester Road Wan Chai Hong Kong
Authorised Representatives	Mr. Chau Chit Room 1001, 10/F China Huarong Tower 60 Gloucester Road Wan Chai Hong Kong  Mr. Cheung Yiu Kuen Room 1001, 10/F China Huarong Tower 60 Gloucester Road Wan Chai Hong Kong
Company Secretary	Mr. Cheung Yiu Kuen Room 1001, 10/F China Huarong Tower 60 Gloucester Road Wan Chai Hong Kong
Independent Auditor	RSM Hong Kong 29th Floor Lee Garden Two 28 Yun Ping Road Causeway Bay Hong Kong
Legal Advisers as to Hong Kong Law	Simmons & Simmons 30th Floor, One Taikoo Place 979 King's Road Hong Kong

Principal Bankers	Bank of China (Hong Kong) Limited Bank of China Tower 1 Garden Road Hong Kong
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Hong Kong Branch Share Registrar and Transfer Office	Union Registrars Limited Suites 3301–04, 33/F. Two Chinachem Exchange Square 338 King's Road North Point Hong Kong
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## 9. PARTICULARS OF DIRECTORS

### a. Name and address of the Directors

Name	Residential Address
Mr. Chau Chit	Flat D, 28/F, Primrose Mansion, Tower 43 Harbour View Gardens, Taikoo Shing, Hong Kong
Mr. Fung Ka Lun	Flat 9E, Yen Yuen Mansion, 2 Tin Heung Street Kwun Tong, Hong Kong
Mr. Tang Hongyang	Room 204, Building 4, No. 2 Fuxiang Street Futian District, Shenzhen City Guangdong Province, PRC
Mr. Zhu Feng	Flat C, 22/F, Blk 1, Starcrest, 9 Star Street Wan Chai, Hong Kong
Mr. Zhu Xiaodong	Room 702, Building 2, Lane 851, Yushan Road Shanghai, PRC
Dr. Wong Lee Ping	Room B, 12/F, Vision Court 286 Prince Edward Road West, Kowloon Tsai Kowloon, Hong Kong
Mr. Wong Wai Kwan	Room 3C, 3/F., Block 3, Riviera Gardens Tsuen Wan, New Territories, Hong Kong
Mr. Zhang Shengman	Flat A, 31/F, Tower 1, 2 Bowen Road Regence Royale, Mid-levels, Hong Kong

**b. Profiles of the Directors***Executive Directors***Mr. Chau Chit**

Mr. Chau Chit (“**Mr. Chau**”), aged 58, was appointed as an executive Director on 22 July 2015 and the Chairman of the Board on 23 September 2015. On 1 March 2017, he was re-designated as co-chairman of the Board and was appointed as the chief executive officer of the Company. On 7 September 2018, he was re-designated as chairman of the Board. Mr. Chau is also the chairman of the nomination committee, a member of each of the remuneration committee and the risk management committee, one of the authorised representatives and the director of certain subsidiaries of the Company. Mr. Chau currently serves as the chairman of the Hong Kong Jiangyin Trade Association and the vice president of Federation of HK Jiangsu Community Organisations Limited. He holds a bachelor’s degree in Chemistry from Zhejiang University and an EMBA degree (Executive Master of Business Administration) from Zhejiang University. Mr. Chau has extensive experience in operation management. He was an executive director, the managing director, and the chairman of the executive committee and a member of the investment committee of Shougang Concord Technology Holdings Limited (Now known as CWT International Limited) (stock code: 0521) during June 2006 to October 2013. He has been an executive director of Starlight Culture Entertainment Group Limited (“**Starlight Culture**”, formerly known as Jimei International Entertainment Group Limited (stock code: 1159) during July 2013 to September 2023 and was the chairman of the nomination committee of Starlight Culture during May 2017 to September 2023 and was the deputy chairman of Starlight Culture during June 2017 to September 2023.

**Mr. Fung Ka Lun**

Mr. Fung Ka Lun (“**Mr. Fung**”), aged 48, was appointed as an executive Director on 13 August 2021. Mr. Fung has extensive experience in corporate management, development and finance, financial management and accounting. Mr. Fung is currently the Chief Financial Officer and Company Secretary of Richly Field China Development Limited, whose shares are listed on the Stock Exchange (stock code: 313) and a partner of Asia GreenTech Fund. Previously, Mr. Fung worked in the Investment Banking Division of UBS AG and Audit Division of KPMG respectively. From June 2010 to August 2013, Mr. Fung was an executive director of China Metal Recycling (Holdings) Limited, whose shares were listed on the Main Board of the Stock Exchange, subsequently under liquidation and cancellation of listing in February 2016. Mr. Fung is a member of the Chinese People’s Political Consultative Conference of Heilongjiang Province. Mr. Fung graduated from the Imperial College of Science, Technology and Medicine, the University of London, with a Master of Science degree in Finance and is a member of the Hong Kong Institute of Certified Public Accountants.

**Mr. Tang Hongyang**

Mr. Tang Hongyang (“**Mr. Tang**”), aged 62, obtained his undergraduate degree in metal corrosion and protection engineering at the Chemistry and Chemical Engineering Department from Hunan University (湖南大學) in July 1982. Mr. Tang has more than 20 years’ experience in banking, risk management and asset management. Mr. Tang worked as various senior positions at headquarter and different branches, including its Hong Kong branch, of China Minsheng Banking Corp., Ltd. from September 1997 to December 2021. Prior to joining the Company, he worked at WallStone Partners & Company Limited and was assigned to work at China Minsheng Banking Corp., Ltd., Hong Kong Branch as Special Assets Management Consultant from January 2022 to September 2023.

**Mr. Zhu Feng**

Mr. Zhu Feng (“**Mr. Zhu Feng**”), aged 52, obtained his postgraduate degree in business administration from Central China Normal University (華中師範大學) in July 2004. Prior to joining the Company, he joined Jiangsu Suzhou Steel Group Company Limited\* (江蘇蘇鋼集團有限公司) working in different roles for over 10 years from 2003 to 2016 including serving as the chief executive. Mr. Zhu Feng was then appointed in 2017, and continues to serve as, the chairman and the chief executive of Baize Group Co., Ltd\* (佰澤集團有限公司), which is involved in businesses across various sectors including hospital management, import and export of goods and construction project management.

**Mr. Zhu Xiaodong**

Mr. Zhu Xiaodong (“**Mr. Zhu Xiaodong**”), aged 52, was appointed as an executive Director on 2 September 2019. On 20 April 2020, he was appointed as a member of the risk management committee. Mr. Zhu Xiaodong obtained a bachelor degree in Russian language from Beijing Foreign Studies University in July 1995. Mr. Zhu Xiaodong has extensive experience in the iron and steel industry, including the import and export of steel products, the trading of raw materials for iron and steel making, and developing business relations with suppliers and customers in China and wider Asia regions. He was the trading manager of Baoshan Iron & Steel Company Ltd, a company established in the People’s Republic of China engaging in the steel-making business, from July 1995 to May 2009. Mr. Zhu worked as the trading manager of H&C S Holdings Pte Ltd, a company incorporated in Singapore engaging in the iron and steel industry, from June 2009 to April 2011. He was the trading manager of SPR Resources Pte Ltd, a company incorporated in Singapore engaging in the iron and steel industry, from May 2011 to April 2012. Mr. Zhu Xiaodong served as the deputy general manager of H&C S Holding Pte Ltd. from May 2012 to August 2019.

*Independent Non-executive Directors***Dr. Wong Lee Ping**

Dr. Wong Lee Ping (“**Dr. Wong**”), aged 59, has over 30 years of experience in the fields of corporate finance, financial management and investment. He worked at KPMG Peat Marwick from August 1987 to August 1990. Subsequently, he held various management positions in Hong Kong listed companies, including serving as Chief Financial Officer and Vice President (M & A) of Loto Interactive Limited (formerly known as Wafer Systems Limited) (Stock Code: 8198 HK) from April 2001 to October 2002 and November 2002 to January 2003, respectively, the chief executive officer and company secretary of Century Entertainment International Holdings Limited (formerly known as A-Max Holdings Limited or Amax Entertainment Holdings Limited) (Stock Code: 00959 HK) from June 2010 to August 2011 and February 2009 to November 2009, respectively, and Group Chief Financial Officer of China Geothermal Industry Development Group Limited (formerly known as IIN International Limited) (Stock Code: 08128 HK) from November 1999 to March 2001 (prior to its listing). Since July 2015, Dr. Wong has been working as General Manager of a private equity fund registered in the Cayman Islands. Dr. Wong obtained a master’s degree in business administration from the University of Portsmouth in the United Kingdom in June 2002, and a doctorate’s degree in corporate management from Jinan University in the People’s Republic of China in December 2012. Dr. Wong was admitted as a fellow member of The Chartered Association of Certified Accountants in October 1995. He is a certified public accountant (non-practising) of Hong Kong Institute of Certified Public Accountants.

**Mr. Wong Wai Kwan**

Mr. Wong Wai Kwan (“**Mr. WK Wong**”), aged 56, was appointed as an independent non-executive Director, a member of the audit committee, remuneration committee and the nomination committee of the Company on 22 July 2015. On 20 April 2020, he was appointed as a member of the risk management committee. On 7 May 2021, he was designated as the chairman of the audit committee. Mr. WK Wong holds a bachelor’s degree in Accountancy from City University of Hong Kong and a master’s degree in Business Administration from Washington University in St. Louis, U.S.A. He is a member of The Hong Kong Institute of Certified Public Accountants, a fellow member of The Association of Chartered Certified Accountants and a fellow member of Certified Practising Accountants (Australia). Mr. WK Wong has extensive working experience in auditing and consulting areas, particularly in IPO exercise, risk management and mergers and acquisitions. During the period from August 1992 to March 2000 Mr. WK Wong was first employed by Ernst & Young’s Hong Kong office as Senior Accountant in its Assurance Department and then served in Ernst & Young’s Shanghai office as Manager in its Assurance Department. Mr. WK Wong served as the General Manager of the Financial Audit Department and the Managing Director of the

Internal Audit Department of Shanghai Fosun High Technology (Group) Co., Ltd., a wholly-owned subsidiary of Fosun International Limited (Stock Code: 0656) from December 2011 to June 2016. Mr. WK Wong was a consultant of VideoMobile Co., Ltd (a former holding company of Vobile Group Limited (Stock Code: 3738), which is listed on the Stock Exchange) from July 2016 to June 2017.

Mr. WK Wong was an independent non-executive director, and a member of the audit committee, nomination committee and remuneration committee of Shougang Concord Technology Holdings Limited (Now known as CWT International Limited) (Stock code: 0521) during the period from June 2010 to October 2013 and Mr. WK Wong was also an independent non-executive director and member of the audit committee, nomination committee, remuneration committee, and the investment steering committee of Starlight Culture from September 2013 to November 2014. During May 2017 to September 2023, he was an independent non-executive director of Starlight Culture and was the chairman of the audit committee, a member of the nomination committee, the remuneration committee, the investment steering committee and the anti-money laundering committee of that company. On 30 June 2023, Mr. WK Wong was appointed as an executive director of Vobile Group Limited (Stock Code: 3738).

#### **Mr. Zhang Shengman**

Mr. Zhang Shengman (“**Mr. Zhang**”), aged 66, was appointed as an independent non-executive Director, the chairman of remuneration committee, and a member of the audit committee and the nomination committee of the Company on 28 February 2023. Mr. Zhang has over 30 years of experience in corporate and financial matters. Prior to joining the Company, from August 2016 to March 2018, Mr. Zhang served as a director of Future Land Holdings Co., Ltd.\* (新城控股集團股份有限公司), the shares of which are listed on the Shanghai Stock Exchange. Future Land Holdings Co., Ltd. is a subsidiary of Future Land Development Holdings Limited 新城發展控股有限公司, a company listed on the Main Board of the Stock Exchange (stock code: 1030), where Mr. Zhang has served as an independent non-executive director since March 2018. From May 1981 to October 1992, Mr. Zhang served various positions in the Ministry of Finance of the People’s Republic of China, including as a deputy director. From November 1992 to October 2005, Mr. Zhang took up various roles in the World Bank, namely executive director for China, vice president and secretary and senior vice president, where he was responsible for the World Bank’s corporate and support functions. Mr. Zhang was then promoted as managing director of the World Bank and chairman of the World Bank’s operations committee, sanctions committee and corporate committee on fraud and corruption policy from January 2001 to December 2006. Subsequently, Mr. Zhang joined Citigroup (listed on the NYSE with stock code: C) in February 2006 as the chairman of the Public Sector. From February 2006 to May 2016, Mr. Zhang was the vice chairman of Global Banking and chief operating officer, president and chairman of Citigroup’s Asia Pacific Region. Since December 2006, Mr. Zhang has also been an independent non-executive director of Fosun International Limited, the issued shares of which are

listed on the Main Board of the Stock Exchange (stock code: 656). Mr. Zhang obtained a bachelor's degree in English literature from Fudan University in 1978 and a master's degree in public administration from University of the District of Columbia in 1986. Mr. Zhang completed the Harvard Advanced Management Program from Harvard University in June 1997.

#### **10. DIRECTOR'S SERVICE CONTRACTS**

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contract with any member of the Group (excluding contracts expiring or determinable by the employer within one year without payment of compensation (other than statutory compensation)).

#### **11. EXPENSES**

The expenses in connection with the Rights Issue, including the fees of legal and financial advisers and auditors, printing, registration, translation, legal and accountancy charges are estimated to be approximately HK\$1.7 million, which are payable by the Company.

#### **12. GENERAL**

The English language text of this Prospectus and the other Prospectus Documents shall prevail over its Chinese language text, in case of any inconsistency.

#### **13. LEGAL EFFECT**

This Prospectus, the PAL and the EAF, and all acceptances of any offer or application contained in such documents, are governed by and shall be construed in accordance with the laws of Hong Kong.

#### **14. BINDING EFFECT**

This Prospectus shall have the effect, if an application is made in pursuance hereof, of rendering all persons concerned bound by all of the provisions (other than the penal provisions) of sections 44A and 44B of the Companies (Winding Up and Miscellaneous Provisions) Ordinance so far as applicable.

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

A copy of this Prospectus, together with copies of the PAL and the EAF and the written consent referred to in the paragraph headed "7. Qualification and Consent of the Expert" in this Appendix III, have been registered with the Registrar of Companies in Hong Kong pursuant to section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

**16. DOCUMENTS ON DISPLAY**

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

- (i) the accountants' report on the unaudited pro forma financial information of the Group set out in Appendix II to this Prospectus;
- (ii) the material contracts referred to in the paragraph headed "5. Material Contracts" in this appendix;
- (iii) the written consent of the expert referred to in the section headed "7. Qualification and Consent of the Expert" in this appendix;
- (iv) the Optionholder's Undertakings;
- (v) the letter from the Board, the text of which is set out on pages 11 to 30 of this Prospectus; and
- (vi) the Prospectus Documents.

**17. MISCELLANEOUS**

The company secretary of the Company is Mr. Cheung Yiu Kuen, aged 41, obtained a Bachelor's degree in Social Science from the Chinese University of Hong Kong. He is a member of the Hong Kong Institute of Certified Public Accountants. He has over 10 years of working experience in an international audit firm and Hong Kong listed companies.