

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



**GREEN LEADER HOLDINGS GROUP LIMITED**

**綠領控股集團有限公司**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 61)**

**CONNECTED TRANSACTIONS IN RELATION TO  
PROPOSED EXTENSION OF  
MATURITY DATE OF CONVERTIBLE NOTES**

**BACKGROUND**

References are made to the announcements of the Company dated 22 July 2020, 29 July 2020, 19 October 2020 and 20 October 2022, and the circular of the Company dated 30 September 2020 in relation of the issue of the Convertible Notes in the aggregate principal amount of HK\$380,000,000 to China OEPC and HK\$15,000,000 to Ms. Hao.

The Convertible Notes reached the maturity date on 20 October 2022 pursuant to the existing terms and conditions of the Convertible Notes and remains outstanding in full as at the date of this announcement.

**AMENDMENT DEEDS**

On 24 April 2024 (after trading hours of the Stock Exchange), the Company, China OEPC and Ms. Hao entered into the Amendment Deeds, pursuant to which the Company, China OEPC and Ms. Hao conditionally agreed to extend the maturity date of the Convertible Notes from 20 October 2022 to the CN Extended Maturity Date (i.e. the date falling on the second (2nd) anniversary of the date of Completion) with all other terms and conditions of the Convertible Notes unchanged.

## LISTING RULES IMPLICATIONS

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

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

**Shareholders and potential investors of the Company should note that Completion is subject to the fulfillment of the conditions precedent set out in the Amendment Deeds. Each of the CN Extensions may or may not proceed. Shareholders and potential investors of the Company are therefore urged to exercise caution when dealing in the Shares and other securities of the Company.**

## BACKGROUND

References are made to the announcement of the Company dated 22 July 2020, 29 July 2020, 19 October 2020 and 20 October 2022, and the circular of the Company dated 30 September 2020 in relation of the issue of the Convertible Notes in the aggregate principal amount of HK\$380,000,000 to China OEPC and HK\$15,000,000 to Ms. Hao.

The Convertible Notes reached the maturity date on 20 October 2022 pursuant to the existing terms and conditions of the Convertible Notes and remains outstanding in full as at the date of this announcement.

## AMENDMENT DEEDS

On 24 April 2024 (after trading hours of the Stock Exchange), the Company, China OEPC and Ms. Hao entered into the Amendment Deeds, pursuant to which the Company, China OEPC and Ms. Hao conditionally agreed to extend the maturity date of the Convertible Notes from 20 October 2022 to the CN Extended Maturity Date (i.e. the date falling on the second (2nd) anniversary of the date of Completion) with all other terms and conditions of the Convertible Notes unchanged.

The principal terms of the Amendment Deeds are summaries below:

Date : 24 April 2024

Parties : (i) the Company;

(ii) China OEPC; and

(iii) Ms. Hao.

China OEPC, being one of the Noteholders, is indirectly wholly-owned by Mr. Zhang. China OEPC is a company incorporated in the British Virgin Islands with limited liability and is principally engaged in investment holdings. As at the date of this announcement, China OEPC is a substantial Shareholder holding 94,262,961 Shares, representing approximately 17.92% of the issued share capital of the Company. China OEPC also holds the Convertible Notes in the outstanding principal amount of HK\$380,000,000 which have fallen due on 20 October 2022. Accordingly, China OEPC is a connected person of the Company.

Ms. Hao, being one of the Noteholders, is the spouse of Mr. Zhang. Accordingly, Ms. Hao is a connected person of the Company. As at the date of this announcement, Ms. Hao holds the Convertible Notes in the outstanding principal amount of HK\$15,000,000 which have fallen due on 20 October 2022.

Subject to the fulfilment of the conditions precedent to the Amendment Deeds as set out below, the Company, China OEPC and Ms. Hao conditionally agreed to extend the maturity date of the Convertible Notes from 20 October 2022 to the CN Extended Maturity Date (i.e. the date falling on the second (2nd) anniversary of the date of Completion) with all other terms and conditions of the Convertible Notes unchanged.

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

### **Conditions precedent**

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

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

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

## **Principal terms of the Convertible Notes immediately after the CN Extensions**

All the terms of the Convertible Notes shall remain unchanged save as revised by the CN Extensions. The principal terms of the Convertible Notes as disclosed in the announcements of the Company dated 22 July 2020 and the circular of the Company dated 30 September 2020 are summarised below (with only the initial maturity date of Convertible Notes (i.e. 20 October 2022) revised to the CN Extended Maturity Date).

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

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

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

Upon issue of the Convertible Notes, the initial Conversion Price will be HK\$0.22 per Conversion Share (subject to adjustments).

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

- (i) an alteration of the number of the Shares by reason of any consolidation or subdivision;
- (ii) an issue (other than in lieu of a cash dividend) by the Company of Shares credited as fully paid by way of capitalisation of profits or reserves (including any share premium account, contributed surplus account or capital redemption reserve fund);
- (iii) a capital distribution (as defined in the Convertible Notes instrument) being made by the Company, whether on a reduction of capital or otherwise, to holders of the Shares in their capacity as such;

- (iv) an offer or grant being made by the Company to holders of Shares by way of rights or of options or warrants to subscribe for new Shares at a price which is less than 80% of the market price;
- (v) an issue wholly for cash or for reduction of liabilities being made by the Company of securities convertible into or exchangeable for or carrying rights of subscription for new Shares, if in any case the total effective consideration per Share (as defined in the Convertible Notes instrument) initially receivable (or in the case of reduction in liabilities, the amount of liabilities to be reduced) for such securities is less than 80% of the market price, or the terms of any such rights of conversion or exchange or subscription attached to any such securities being modified so that the said total effective consideration per Share initially receivable for such securities is less than 80% of the market price;
- (vi) an issue being made by the Company wholly for cash or for reduction of liabilities of Shares at a price per Share less than 80% of the market price;
- (vii) an issue being made by the Company of Shares for the acquisition of asset at a total effective consideration per Share (as defined in the Convertible Notes instrument) less than 80% of the market price; and
- (viii) an issue wholly made by the Company of securities convertible into or exchangeable for or carrying rights of subscription for new Shares for the acquisition of asset, if in any case the total effective consideration per Share (as defined in the Convertible Notes instrument) initially receivable for such securities is less than 80% of the market price.

Voting Rights

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

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

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

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

### **Conversion Shares**

Based on the initial Conversion Price of HK\$0.22 per Conversion Share, a maximum number of 1,795,454,545 Conversion Shares will be allotted and issued upon exercise of the conversion rights attached to the Convertible Notes in full, which represent: (i) approximately 341.17% of the issued share capital of the Company as at the date of this announcement; and (ii) approximately 77.33% of the issued share capital of the Company as to be enlarged by the allotment and issue of the Conversion Shares to be allotted and issued upon the exercise of the conversion rights attaching to the Convertible Notes in full.

### **Conversion Price**

The initial Conversion Price of HK\$0.22 per Conversion Share would represent:

- (i) an premium of approximately 233.33% over the closing price of HK\$0.066 per Share as quoted on the Stock Exchange on 24 April 2024, being the date of the Amendment Deeds; and
- (ii) an premium of approximately 239.51% over the average of the closing prices of the Share as quoted on the Stock Exchange for the last five (5) consecutive trading days immediately prior to 24 April 2024 of HK\$0.0648 per Share.

## **Mandate to issue the Conversion Shares**

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

## **REASONS AND BENEFITS FOR THE AMENDMENT DEEDS**

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

The Convertible Notes reached the maturity date on 20 October 2022 pursuant to the existing terms and conditions of the Convertible Notes and remains outstanding in full as at the date of this announcement. As disclosed in the annual results announcement of the Company for the year ended 31 December 2023, the Company has cash and cash equivalents of approximately HK\$101,430,000. As such, the Company does not have sufficient internal resources to redeem all the Convertible Notes. Further, taking into account the financial position of the Group and given the size of the Convertible Notes, the Directors consider it impracticable to secure third party financing on terms favourable to the Company to settle the Convertible Notes.

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

Based on the above, the Board (excluding the independent non-executive Directors whose views will be given after taking into account the advice from the independent financial adviser) considers that the Amendment Deeds are entered into upon normal commercial terms following arm's length negotiations between the Company and the Noteholders and that the terms and conditions of the Amendment Deeds are fair and reasonable so far as the Independent Shareholders are concerned and the extension of the maturity date of the Convertible Notes are in the interests of the Company and the Shareholders as a whole.

## EFFECT ON SHAREHOLDING STRUCTURE OF THE COMPANY

The following table sets out the shareholding structure of the Company (i) as at the date of this announcement; (ii) immediately after the allotment and issue of the Conversion Shares upon full conversion of the Convertible Notes at the initial Conversion Price (assuming that there are no other changes to the issued share capital of the Company from the date of this announcement and prior to conversion); and (iii) immediately after the allotment and issue of the Conversion Shares upon conversion of the Convertible Notes at the initial Conversion Price to the extent that China OEPC and Ms. Hao will hold 29.99% of the enlarged issued share capital of the Company (assuming that there are no other changes to the issued share capital of the Company from the date of this announcement and prior to conversion).

Shareholders	(i) as at the date of this announcement		(ii) immediately after the allotment and issue of the Conversion Shares upon full conversion of the Convertible Notes at the initial Conversion Price (assuming that there are no other changes to the issued share capital of the Company from the date of this announcement and prior to conversion)		(iii) immediately after the allotment and issue of the Conversion Shares upon conversion of the Convertible Notes at the initial Conversion Price to the extent that China OEPC and Ms. Hao will hold 29.99% of the enlarged issued share capital of the Company (assuming that there are no other changes to the issued share capital of the Company from the date of this announcement and prior to conversion)	
	<i>Number of Shares</i>	<i>Approximate percentage</i>	<i>Number of Shares</i>	<i>Approximate percentage</i>	<i>Number of Shares</i>	<i>Approximate percentage</i>
China OEPC ( <i>Note 1</i> )	94,292,961	17.92%	1,821,565,688	78.46%	185,040,760	29.99%
Ms. Hao ( <i>Note 2</i> )	-	-	68,181,818	2.94%	-	-
Other Shareholders	431,967,443	82.08%	431,967,443	18.60%	431,967,443	70.01%
	<u>526,260,404</u>	<u>100%</u>	<u>2,321,714,949</u>	<u>100%</u>	<u>617,008,203</u>	<u>100%</u>

### Notes:

- China OEPC beneficially owns 94,262,961 Shares and the Convertible Notes in the principal amount of HK\$380,000,000. China OEPC is beneficially owned by Best Growth Enterprises Limited. Best Growth Enterprises Limited is beneficially owned by Mr. Zhang. By virtue of the SFO, Mr. Zhang and Best Growth Enterprises Limited are deemed to be interested in those Shares and derivative interest held by China OEPC.
- Ms. Hao is the spouse of Mr. Zhang, holding the Convertible Notes in the principal amount of HK\$15,000,000. By virtue of the SFO, Ms. Hao is also deemed to be interested in the Shares and derivative interest held by China OEPC.
- This is for illustrative purpose only as there are restrictions under the terms of the Convertible Notes that prohibit any conversion which will trigger a mandatory offer obligation under Rule 26 of the Takeovers Code or will cause the public float of the Shares to be less than 25% (or any given percentage under the Listing Rules).

## **EQUITY FUND RAISING ACTIVITIES IN THE PAST TWELVE-MONTH PERIOD**

The Company has not conducted any other equity fund raising activities in the past twelve months immediately preceding the date of this announcement.

## **LISTING RULES IMPLICATIONS**

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

As Mr. Zhang has a material interest in the Amendment Deeds and the transactions contemplated thereunder, Mr. Zhang has abstained from voting on the relevant Board resolution.

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

## **SGM**

The SGM will be held and convened for the Independent Shareholders to consider, and if thought fit, approve the Amendment Deeds and the transactions contemplated thereunder (including the grant of the Specific Mandate). Any Shareholder who is interested in the Amendment Deeds shall abstain from voting on the resolution(s) to approve the Amendment Deeds and the transactions contemplated thereunder at the SGM. To the best of the Director's knowledge, information and belief after having made all reasonable enquiries, save for China OEPC and its associates, no Shareholder is interested in the CN Extensions and will be required to abstain from voting on the resolution(s) to approve the Amendment Deeds and the transaction contemplated thereunder at the SGM.

## GENERAL

The Independent Board Committee comprising all the independent non-executive Directors will be formed to advise the Independent Shareholders on the Amendment Deeds and the transactions contemplated thereunder. An independent financial adviser will be appointed to make recommendation to the Independent Board Committee and the Independent Shareholders in this regard.

A circular containing, among other things, (i) further details of the CN Extensions; (ii) a letter of advice from the Independent Board Committee to the Independent Shareholders in respect of the Amendment Deeds and the transactions contemplated thereunder; (iii) a letter of recommendation from the independent financial adviser to the Independent Board Committee and the Independent Shareholders in respect of the Amendment Deeds and the transactions contemplated thereunder; and (iv) a notice convening the SGM, will be despatched to the Shareholders as soon as practicable in accordance with the Listing Rules. The despatch date of the circular is expected to be on or before 17 May 2024 so as to allow sufficient time for the preparation of the relevant information for inclusion in the circular.

**Shareholders and potential investors of the Company should note that Completion is subject to the fulfillment of the conditions precedent set out in the Amendment Deeds. Each of the CN Extensions may or may not proceed. Shareholders and potential investors of the Company are therefore urged to exercise caution when dealing in the Shares and other securities of the Company.**

## DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meaning:

“Amendment Deeds”	the deed of amendments dated 24 April 2024 and entered into between the Company and China OEPC, and between the Company and Ms. Hao in relation to the CN Extensions
“associates”	has the meaning as defined in the Listing Rules
“Board”	the board of Directors
“China OEPC”	China OEPC Limited, a company incorporated in the British Virgin Islands with limited liability and is indirectly wholly-owned by Mr. Zhang

“CN Extended Maturity Date”	the date falling on the second (2nd) anniversary of the date of Completion
“CN Extensions”	the proposed extensions of the maturity date of the Convertible Notes from 20 October 2022 to the CN Extended Maturity Date
“Company”	Green Leader Holdings Group Limited, a company incorporated in Bermuda with limited liability and the issued Shares of which are listed on the Stock Exchange (stock code: 0061)
“Completion”	completion of the Amendment Deeds in accordance with the terms and conditions thereof
“connected person(s)”	has the meaning ascribed to this term under the Listing Rules
“Conversion Price”	the conversion price per Conversion Share and initially at HK\$0.22 per Conversion Share (subject to adjustments)
“Conversion Share(s)”	the Share(s) to be allotted and issued upon conversion of the Convertible Notes or otherwise pursuant to the terms and conditions of the Convertible Notes
“Convertible Notes”	the zero coupon unsecured unlisted convertible notes due on 20 October 2022 in the aggregate principal amount of HK\$395,000,000 issued by the Company as at the date of this announcement
“Directors”	directors of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	an independent committee of the Board comprising all the independent non-executive Directors to be established to advise the Independent Shareholders on the Amendment Deeds and the transactions contemplated thereunder

“Independent Shareholders”	the Shareholders not required under the Listing Rules to abstain from voting on the resolution(s) approving the Amendment Deeds and the transactions contemplated thereunder including but not limited to the grant of the Specific Mandate
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date”	30 June 2024 or such other date as may be agreed by the Company and the Noteholders
“Mr. Zhang”	Mr. Zhang Sanhuo, an executive Director
“Ms. Hao”	Ms. Hao Ting, the spouse of Mr. Zhang
“Noteholder(s)”	the holder(s) of the Convertible Notes
“PRC”	The People’s Republic of China, which, for the purposes of this announcement, excludes Hong Kong, the Macau Special Administrative Region and Taiwan
“SFO”	The Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“SGM”	the special general meeting of the Company to be convened and held for the Independent Shareholders to consider and, if thought fit, to approve the Amendment Deeds and the transactions contemplated thereunder
“Share(s)”	ordinary shares(s) of HK\$0.001 each
“Shareholder(s)”	holder(s) of the Share(s)
“Specific Mandate”	the specific mandate to be granted by the Independent Shareholders at the SGM to allot and issue the Conversion Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers

“HK\$” Hong Kong dollars, the lawful currency for the time being of Hong Kong

“%” per cent.

By the order of the Board of  
**Green Leader Holdings Group Limited**  
**Mr. Tse Michael Nam**  
*Executive Director*

Hong Kong, 24 April 2024

*As at the date of this announcement, the executive Directors are Mr. Tse Michael Nam (Chairman and Chief Executive Officer) and Mr. Zhang Sanhuo; and the independent non-executive Directors are Mr. Ho Kin Cheong Kelvin, Mr. Shen Weidong and Mr. Tian Hong.*