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

# DISCLOSEABLE TRANSACTIONS: DISPOSALS OF REAL ESTATE AND ASSETS

**THE DISPOSALS**

The Board announced that on 20 March 2026 (after trading hours):

(i) the Real Estate Vendor and the Real Estate Purchaser entered into the Real Estate Purchase Agreement in respect of the disposal of the Real Estate at the Real Estate Consideration of EUR565,000 (equivalent to approximately HK$5,288,000); and

(ii) the Asset Vendor and the Asset Purchaser entered into the Asset Purchase and Transfer Agreement in respect of the disposal of the Assets at the Asset Consideration of EUR80,000 (equivalent to approximately HK$749,000).

The assets to be sold under the Disposal Agreements comprise the Real Estate and the Assets.

**IMPLICATIONS UNDER THE LISTING RULES**

As Mr. Pek owns the entire interest in the Real Estate Purchaser and 88% of the interest in the Asset Purchaser, both of the Real Estate Purchaser and the Asset Purchaser are the associates of Mr. Pek and thus the transactions contemplated under the Real Estate Purchase Agreement and the Asset Purchase and Transfer Agreement shall be aggregated.

Given that one of the relevant percentage ratios (as defined under the Listing Rules) in respect of the Disposals is more than 5% but less than 25%, the Disposals constitute discloseable transactions for the Company under Chapter 14 of the Listing Rules and are subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

## THE DISPOSALS

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(i) the Real Estate Vendor and the Real Estate Purchaser entered into the Real Estate Purchase Agreement in respect of the disposal of the Real Estate at the Real Estate Consideration of EUR565,000 (equivalent to approximately HK$5,288,000); and

(ii) the Asset Vendor and the Asset Purchaser entered into the Asset Purchase and Transfer Agreement in respect of the disposal of the Assets at the Asset Consideration of EUR80,000 (equivalent to approximately HK$749,000).

## THE DISPOSAL AGREEMENTS

The principal terms of the Disposal Agreements are summarised below:

| Disposal Agreement | Date | Parties to the Disposal Agreement | Assets to be disposed of under the Disposal Agreement | Amount of the consideration and the manner of settlement |
|---|---|---|---|---|
| (i) Real Estate Purchase Agreement | 20 March 2026 | (1) The Real Estate Vendor as vendor; and (2) the Real Estate Purchaser as purchaser. | The Real Estate | The Real Estate Consideration of EUR565,000 (equivalent to approximately HK$5,288,000) shall be payable three days before the date on which the Real Estate is transferred (i.e. 30 April 2026). However, the Real Estate Consideration shall be payable at the earliest ten days after the Real Estate Purchaser receives a notification from the certifying notary that (a) the priority notice to secure the Real Estate Purchaser's claim to the transfer of ownership of the Real Estate ("**Priority Notice**") has been entered in the relevant land register in Germany in the order of priority as specified in the Real Estate Purchase Agreement ("**Priority Notice Entry**"); (b) all documents required for the transfer of ownership of the Real Estate have been received by the notary without any conditions; and (c) the right to withdraw from the Real Estate Purchase Agreement has expired or has been waived by the parties to the Real Estate Purchase Agreement by mutual agreement. The Asset Vendor will provide the necessary shareholders' resolution without undue delay. The notary is directed to proceed the application procedure in the land register in Germany, including the Real Estate Purchase Agreement, only after receipt of the approving shareholders' resolution of the Asset Vendor. |
| (ii) Asset Purchase and Transfer Agreement | 20 March 2026 | (1) The Asset Vendor as vendor; and (2) the Asset Purchaser as purchaser. | The Assets | The Asset Consideration of EUR80,000 (equivalent to approximately HK$749,000) shall be payable in cash upon the signing of the Asset Purchase and Transfer Agreement, but shall not be due until five calendar days after the signing date. |

**Basis of the considerations of the Disposals**

The Real Estate Consideration was determined after arm's length negotiations between the Real Estate Vendor and the Real Estate Purchaser on normal commercial terms with reference to the unaudited carrying value of the Real Estate as at 28 February 2026 of approximately EUR660,000 (equivalent to approximately HK$6,178,000).

The Asset Consideration was determined after arm's length negotiations between the Asset Vendor and the Asset Purchaser on normal commercial terms with reference to the unaudited carrying value of the Assets as at 28 February 2026 of approximately EUR82,000 (equivalent to approximately HK$767,000), and the quality and condition of the Assets.

**Completion**

Subject to the Priority Notice Entry having taken place and the Real Estate Consideration having been received by the Real Estate Vendor, Completion of Real Estate Disposal shall take place on 30 April 2026, whereupon the possession, use, encumbrances, risk, liability and traffic safety obligations in relation to the Real Estate shall be transferred to the Real Estate Purchaser.

If the transfer of the Real Estate from the Real Estate Vendor to the Real Estate Purchaser fails to take place by the Long-Stop Date due to the absence of the Priority Notice Entry by then, both the Real Estate Vendor and the Real Estate Purchaser shall be entitled to withdraw from the Real Estate Purchase Agreement up to and including 31 May 2026, and the notary shall apply to the land registry office in Germany for the deletion of the Priority Notice that has been previously entered in the land register. Such right of withdrawal shall expire automatically as soon as the Priority Notice Entry has taken place.

Subject to the fulfilment of the applicable terms and conditions of the Real Estate Purchase Agreement, Completion of Asset Disposal shall take place on the date of the Completion of Real Estate Disposal, whereby the ownership and possession of the Assets shall be transferred from the Asset Vendor to the Asset Purchaser.

The Asset Vendor shall have the right to rescind the Asset Purchase and Transfer Agreement if the transfer of the Real Estate from the Real Estate Vendor to the Real Estate Purchaser has not taken place by the Long-Stop Date. Such right of recission shall expire automatically as soon as the Priority Notice Entry has taken place. Upon recission or termination of the Asset Purchase and Transfer Agreement, all obligations of the parties thereunder shall cease.

Upon Completion of Asset Disposal, the employment relationship with the employees of the Asset Vendor relating exclusively or primarily to the Business shall be transferred to the Asset Purchaser, except for any employee whose employment relationship has been terminated with effect prior to the Completion Date of Asset Disposal ("**Transferred Employees**").

The Real Estate Purchase Agreement and the Asset Purchase and Transfer Agreement shall stand and fall together and shall only be executed together. The invalidity or reversal of either one of these agreements shall also result in the invalidity or reversal of the other.

Upon completion of the Disposals, the Real Estate and the Assets shall cease to be owned by the Group and consolidated into the accounts of the Group.

## INFORMATION OF THE REAL ESTATE PURCHASER AND THE ASSET PURCHASER

The Real Estate Purchaser is a company incorporated in Germany with limited liability, which is solely owned by Mr. Pek. The Real Estate Purchaser is principally engaged in real estate consulting, management of its own and third-party real estate, real estate purchase and sale, and real estate brokerage. To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, the Real Estate Purchaser and its ultimate beneficial owner are Independent Third Parties.

The Asset Purchaser is a company incorporated in Germany with limited liability, which is owned as to 88% by Mr. Pek, and as to 12% by Mr. Kolthoff, who is employed as the deputy production manager by the Asset Vendor. The Asset Purchaser is principally engaged in the plastic recycling business. To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, save for the employment relationship of Mr. Kolthoff with the Asset Vendor as disclosed above, the Asset Purchaser and its ultimate beneficial owners are Independent Third Parties.

## INFORMATION OF THE REAL ESTATE AND THE ASSETS

The Real Estate consists of two parcels of land of areas of 3,602 square metres and 4,519 square metres, respectively, which are located in the district of Bunde, Germany, and the industrial building and warehouse developed on the land. The Real Estate had been used by the Group to operate the Business until the suspension of the operation of the processing plant by the Group in August 2025 to save costs.

The Assets include the machineries and office equipment owned by the Group, which were used by the Group to operate the Business until the operation suspension in August 2025.

The aggregate carrying value of the Real Estate and the Assets as at 28 February 2026 was approximately EUR742,000 (equivalent to approximately HK$6,945,000).

## REASONS AND BENEFITS FOR THE DISPOSALS

The Group is principally engaged in the (a) renewable energy business; (b) waste construction materials and processing service; and (c) plastic recycling/metal scrap business.

The Group commenced the operation of the Business in Germany in 2016. In recent years, the plastic recycling industry in Germany has faced significant and persistent challenges. The sector has been adversely affected by a combination of factors, including low demand for recyclates, low prices for virgin plastics, reduced industrial production within the EU and high energy and labour costs. Despite rising operational costs, recyclers have been unable to pass these costs on to customers, resulting in eroded margins. The lack of regulatory commitment to mandate the use of recycled materials in new products, coupled with the influx of cheaper recycled plastics from outside the EU, have further hindered the development and circularity of the recycling industry in Germany. There were significant slumps in the recyclate markets in 2024 as a result of the weak macroeconomic environment, massive drops in the demand for recyclate and the growing price pressure caused by inexpensive primary plastics. The Group's sales revenue from the Business had decreased from approximately HK$2.9 million for the year ended 30 June 2024 to approximately HK$2.8 million for the year ended 30 June 2025, while the net loss incurred by the Business had increased from approximately HK$4.4 million for the year ended 30 June 2024 to approximately HK$6.2 million for the year ended 30 June 2025.

In view of the challenges and enormous pressure on the plastic recycling industry in Germany, the Business has become increasingly unviable. The Group has made considerable efforts to maintain sales levels amidst these challenges, but the overall market environment remains extremely difficult. Demand continued to be low in most cases, and no evidence of a sustained turnaround could be seen.

In 2025, taking into account the continuous underperformance of the Business, the Board made a reassessment of its commercial viability and decided that the Group should cut its losses by disposing of the Real Estate and the Assets used in the operation of the Business and terminating the operation. The view of the Board was that resources of the Group should be re-allocated to its other more profitable business segments or opportunities that offer greater potential for sustainable growth and better returns for the Company and the Shareholders.

As the economic environment remained volatile and improvement in the prospect of the Business in Germany was yet to be seen, the Group had been having difficulties in identifying potential buyers for the Real Estate and the Assets. On 15 July 2025, the Group entered into a non-binding term sheet with the Real Estate Purchaser and a company wholly-owned by Mr. Pek in relation to the Disposals, after making every effort in securing buyers for the Real Estate and the Assets. The Group subsequently entered into lengthy negotiations with the Real Estate Purchaser and the Asset Purchaser to finalise the terms of the Disposal Agreements. In August 2025, while the negotiations in relation to the Disposal Agreements proceeded, the Group suspended the operation of the processing plant situated in the Real Estate through which the Group conducted the Business, so as to avoid further strain on the resources and cash flow of the Group. The loss recorded by the Group for its plastic recycling/metal scrap business segment for the six months ended 31 December 2025 decreased by approximately 33.0% as compared with that for the corresponding period in 2024. Taking into consideration that the metal scrap business was inactive during the two financial periods mentioned above, the improvement in the performance of the plastic recycling/metal scrap business segment was primarily attributed to the suspension of the operation of the Business, underpinning the view of the Board that the operation of the Business should be terminated with the Real Estate and the Assets disposed of to allow the Group to mitigate its costs and re-allocate its resources to other more profitable business segments and/or new projects with higher growth potential.

As the Business was operated by the Group solely through the Real Estate and the Assets with support provided solely by the Transferred Employees while the metal scrap business of the Group has remained inactive, the operations of the Group's plastic recycling/metal scrap business segment will be classified by the Group as discontinued operations after completion of the Disposals.

The Directors expect that (i) the net proceeds from the Real Estate Disposal, after deducting the expenses directly attributable thereto and the taxes, will be approximately EUR522,000 (equivalent to approximately HK$4,886,000); and (ii) the net proceeds from the Asset Disposal, after deducting the expenses directly attributable thereto and the taxes, will be approximately EUR74,000 (equivalent to approximately HK$693,000). The above net proceeds from the Disposals will be used by the Group as general working capital.

The Group expects to recognise an unaudited loss of approximately HK$1,408,000 from the Real Estate Disposal, which is calculated with reference to the difference between (i) the Real Estate Consideration; and (ii) the aggregate of (a) the carrying value of the Real Estate recorded in the Group's unaudited financial statements as at 28 February 2026; and (b) the estimated expenses and taxes to be incurred by the Group in connection with the Real Estate Disposal.

The Group expects to recognise an unaudited loss of approximately HK$78,000 from the Asset Disposal, which is calculated with reference to the difference between (i) the Asset Consideration; and (ii) the aggregate of (a) the carrying value of the Assets recorded in the Group's unaudited financial statements as at 28 February 2026; and (b) the estimated expenses and taxes to be incurred by the Group in connection with the Asset Disposal.

The actual amounts of the respective gain(s) or loss(es) as a result of the Disposals to be recorded by the Group are subject to the review and the final audit to be performed by the Company's auditors.

In view of the above, the Directors (including the independent non-executive Directors) consider that the terms of the Disposal Agreements are on normal commercial terms, which are fair and reasonable and in the interest of the Company and the Shareholders as a whole.

## IMPLICATIONS UNDER THE LISTING RULES

As Mr. Pek owns the entire interest in the Real Estate Purchaser and 88% of the interest in the Asset Purchaser, both of the Real Estate Purchaser and the Asset Purchaser are the associates of Mr. Pek and thus the transactions contemplated under the Real Estate Purchase Agreement and the Asset Purchase and Transfer Agreement shall be aggregated.

Given that one of the relevant percentage ratios (as defined under the Listing Rules) in respect of the Disposals is more than 5% but less than 25%, the Disposals constitute discloseable transactions for the Company under Chapter 14 of the Listing Rules and are subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

## DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context otherwise requires:

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| "Asset Consideration" | the total consideration for the Asset Disposal |
| "Asset Disposal" | the disposal of the Assets by the Asset Vendor to the Asset Purchaser pursuant to the terms and conditions of the Asset Purchase and Transfer Agreement |
| "Asset Purchase and Transfer Agreement" | the asset purchase and transfer agreement dated 20 March 2026 entered into between the Asset Vendor and the Asset Purchaser in relation to the Asset Disposal |
| "Asset Purchaser" | Reva Polymers GmbH, a company incorporated under the laws of Germany with limited liability |

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| "Asset Vendor" | EnviroPlastics GmbH, a company incorporated under the laws of Germany with limited liability and indirectly owned as to 90% by the Company as at the date of this announcement |
| "Assets" | the assets owned by the Group and used in the Business, including machineries and office equipment |
| "associate(s)" | has the meaning ascribed to it under the Listing Rules |
| "Board" | the board of Directors |
| "Business" | the plastic recycling business of the Group, involving the sorting, washing and shredding of plastic materials |
| "Company" | Green Energy Group Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange |
| "Completion Date of Asset Disposal" | the date on which Completion of Asset Disposal occurs |
| "Completion of Asset Disposal" | the completion of the disposal of the Assets pursuant to the terms and conditions of the Asset Purchase and Transfer Agreement |
| "Completion of Real Estate Disposal" | the completion of the disposal of the Real Estate pursuant to the terms and conditions of the Real Estate Purchase Agreement |
| "connected person(s)" | has the meaning ascribed to it under the Listing Rules |
| "Directors" | the directors of the Company |
| "Disposal Agreements" | the Real Estate Purchase Agreement and the Asset Purchase and Transfer Agreement |
| "Disposals" | the Real Estate Disposal and the Asset Disposal |
| "EU" | the European Union |
| "EUR" | Euro, the lawful currency of the EU |
| "Germany" | the Federal Republic of Germany |
| "Group" | the Company and its subsidiaries |

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| "HK$" | Hong Kong Dollars, the lawful currency of Hong Kong |
| "Hong Kong" | the Hong Kong Special Administrative Region of the People's Republic of China |
| "Independent Third Party(ies)" | third party(ies) independent of the Company and its connected persons |
| "Listing Rules" | the Rules Governing the Listing of Securities on the Stock Exchange |
| "Long-Stop Date" | 31 May 2026 |
| "Mr. Pek" | Mr. Burak Pek |
| "Mr. Kolthoff" | Mr. Stefan Kolthoff |
| "Real Estate" | the real estate registered at page 1402 of the land register of Bunde maintained at the District Court of Leer, Germany, and located at Industriestraße 3, parcel 5, 26831 Bunde, Germany, on which the Group operated the Business, and more particularly described as:<br>(i) serial no. 2, land parcel 12/15, comprising an area of 3,602 square metres; and<br>(ii) serial no. 3, land parcel 12/11, comprising an area of 4,519 square metres |
| "Real Estate Consideration" | the total consideration for the Real Estate Disposal |
| "Real Estate Disposal" | the disposal of the Real Estate by the Real Estate Vendor to the Real Estate Purchaser pursuant to the terms and conditions of the Real Estate Purchase Agreement |
| "Real Estate Purchase Agreement" | the purchase agreement dated 20 March 2026 entered into between the Real Estate Vendor and the Real Estate Purchaser in relation to the Real Estate Disposal |
| "Real Estate Purchaser" | Hanse Prometheus GmbH, a company incorporated under the laws of Germany with limited liability |

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| "Real Estate Vendor" | EnviroAssets GmbH, a company incorporated under the laws of Germany with limited liability and an indirect wholly-owned subsidiary of the Company as at the date of this announcement |
| "Share(s)" | ordinary share(s) of HK$0.01 each in the capital of the Company |
| "Shareholders" | shareholder(s) of the Company |
| "Stock Exchange" | The Stock Exchange of Hong Kong Limited |
| % | per cent. |

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

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

Hong Kong, 20 March 2026

*As at the date hereof, the Company has three executive Directors, namely Mr. Lo Kam Wing JP, Mr. Luo Xian Ping and Mr. Ho Wai Hung, and three independent non-executive Directors, namely Mr. Tam Chun Wa, Mr. Man Kwok Leung and Ms. Jiang Zhihua.*

* *For identification purposes only*