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## **GREEN LEADER HOLDINGS GROUP LIMITED**

**綠領控股集團有限公司**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 61)**

### **DISCLOSEABLE TRANSACTION IN RELATION TO LEASE AGREEMENT**

#### **LEASE AGREEMENT**

On 29 May 2024 (after trading hours of the Stock Exchange), Gujiao Jiayi as the lessor and Gujiao Hengbaitai, an indirect wholly-owned subsidiary, as the lessee entered into the Lease Agreement for the PRC Property for a term of 3 years from 1 June 2024 to 31 May 2027.

#### **LISTING RULES IMPLICATIONS**

In accordance with HKFRS 16 applicable to the Company, as a result of the entering into the Lease Agreement, the Group shall recognise an additional right-of-use asset representing its right to use the PRC Property in the total amount of approximately HK\$3,044,000. As such, the transactions under the Lease Agreement will be recognised as an acquisition of right-of-use assets which will constitute a transaction under Chapter 14 of the Listing Rules.

As the highest applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) in relation to the Lease Agreement are more than 5% but less than 25%, the entering into the Lease Agreement and the transactions contemplated thereunder constitute a discloseable transaction of the Company and is subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

## LEASE AGREEMENT

On 29 May 2024 (after trading hours of the Stock Exchange), Gujiao Jiayi as the lessor and Gujiao Hengbaitai, an indirect wholly-owned subsidiary, as the lessee entered into the Lease Agreement for the PRC Property for a term of 3 years from 1 June 2024 to 31 May 2027.

The principal terms of the Lease Agreement are summaries below:

**Date** : 29 May 2024

**Parties** : (i) Gujiao Jiayi as the lessor; and  
(ii) Gujiao Hengbaitai as the lessee

Gujiao Jiayi is a company established in the PRC with limited liability and is principally engaged in the processing and sales of cleaned coal, and the sales of coal products. Gujiao Jiayi is ultimately owned as to 90% by Cheng Ailin and as to 10% by Zhang Suye. Cheng Ailin is the supervisor of 山西瑞盈投資管理有限公司(Shanxi Ruiying Investment and Management Co., Ltd.\*) and 江西萬泰實業有限公司(Jiangxi Wan Tai Industrial Co., Ltd.\*), each an indirect wholly-owned subsidiary of the Company. To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, each of Gujiao Jiayi and its ultimate beneficial owners, Cheng Ailin and Zhang Suye, are Independent Third Parties.

**Premises** : the PRC Property, a steel construction coal storage shed of approximately 5,000 sq. m. located inside 嘉億洗煤廠 (Gujiao Jiayi Coal Washing Plant\*)

**Term** : three (3) years from 1 June 2024 to 31 May 2027

If the Lease Agreement is terminated due to any force majeure event, neither Gujiao Jiayi nor Gujiao Hengbaitai shall bear any responsibility. Gujiao Jiayi shall refund the remaining amount of the prepaid rent to Gujiao Hengbaitai.

If, after 12 months from the date of the Lease Agreement, Gujiao Hengbaitai is unable to continue to lease the PRC Property, Gujiao Hengbaitai is entitled to give 1 month prior notice to Gujiao Jiayi to terminate the Lease Agreement and neither Gujiao Jiayi nor Gujiao Hengbaitai shall bear any responsibility. Gujiao Jiayi shall refund the remaining amount of the prepaid rent to Gujiao Hengbaitai.

**Yearly rent** : The yearly rent for the PRC Property (including tax and all water, electricity, fee payable to any government authority and any cost in relation to construction of facility requested by any government authority shall be borne by Gujiao Jiayi) shall be RMB1,000,000 (equivalent to approximately HK\$1,083,000) per year.

Gujiao Hengbaitai shall pay the rent for the 12-month period ending 31 May 2025 before 1 July 2024.

Gujiao Hengbaitai shall pay the rent for the 12-month period ending 31 May 2026 before 1 July 2025.

Gujiao Hengbaitai shall pay the rent for the 12-month period ending 31 May 2027 before 1 July 2026.

The yearly rent for the PRC Property was determined with reference to the market rent of the comparable properties located in the proximity of the PRC Property.

**Renewal** : If Gujiao Hengbaitai intends to renew the Lease Agreement, Gujiao Hengbaitai shall negotiate with Gujiao Jiayi for the entering into of a new lease agreement 1 month prior to the expiry of the term.

## **REASONS AND BENEFITS FOR THE ENTERING INTO OF THE LEASE AGREEMENT**

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.

As disclosed in the announcements of the Company dated 19 January 2024 and 7 February 2024, the financial information of 山西煤炭運銷集團能源投資開發有限公司(Shanxi Coal Transportation and Marketing Group Energy Investment Development Company Limited\*) and its subsidiaries would only be consolidated into the financial information of the Group up to 19 January 2024 which is subject to the audit work to be performed by the auditors of the Company for confirmation. In the circumstances, in order to further increase the profitability of the coal operation business of the Group, the Group plans to commence coal mixing and sale of mixed coal business, building upon its existing coal related business. It is intended that the mixing and processing facility of coal mixing and sale of mixed coal business will be located at the PRC Property.

Having considered the aforementioned reasons and taking into account the market rent of the PRC Property, the Board (including the independent non-executive Directors) considers that the terms of the Lease Agreement are fair and reasonable and the transactions contemplated thereunder are on normal commercial terms and are in the interests of the Company and its Shareholders as a whole.

## **LISTING RULES IMPLICATIONS**

In accordance with HKFRS 16 applicable to the Company, as a result of the entering into the Lease Agreement, the Group shall recognise an additional right-of-use asset representing its right to use the PRC Property in the total amount of approximately HK\$3,044,000. As such, the transactions under the Lease Agreement will be recognised as an acquisition of right-of-use assets which will constitute a transaction under Chapter 14 of the Listing Rules.

As the highest applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) in relation to the Lease Agreement are more than 5% but less than 25%, the entering into the Lease Agreement and the transactions contemplated thereunder constitute a discloseable transaction of the Company and is subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

## DEFINITIONS

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

“associates”	has the meaning ascribed to this term under in the Listing Rules
“Board”	the board of Directors
“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)
“connected person(s)”	has the meaning ascribed to this term under the Listing Rules
“Directors”	directors of the Company
“Group”	the Company and its subsidiaries
“Gujiao Hengbaitai”	古交市恒佰泰煤炭貿易有限公司(Gujiao Hengbaitai Coal Trading Co., Ltd.*), a company established in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company
“Gujiao Jiayi”	古交市嘉億煤業有限公司(Gujiao Jiayi Coal Co., Ltd.*), a company established in the PRC with limited liability
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Independent Third Party(ies)”	third party(ies) independent of the Company and connected persons of the Company
“Lease Agreement”	the lease agreement dated 29 May 2024 and entered into between Gujiao Jiayi as the lessor and Gujiao Hengbaitai as the lessee for the PRC Property for a term of 3 years from 1 June 2024 to 31 May 2027
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

“PRC”	The People’s Republic of China
“PRC Property”	a steel construction coal storage shed of approximately 5,000 sq. m. located inside 嘉億洗煤廠(Gujiao Jiayi Coal Washing Plant*), situated at 中國山西省太原市古交市馬蘭鎮武家莊村水陰溝(Shuiyingou, Wujiazhuang Village, Malan Town, Gujiao City, Taiyuan City, Shanxi Province, the PRC*)
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	ordinary shares(s) of HK\$0.001 each
“Shareholder(s)”	holder(s) of the Share(s)
“sq.m.”	square metre
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent.

*For ease of reference and unless otherwise specified in this announcement, sums in HK\$ and RMB in this announcement have been translated at the rate RMB1.0 = HK\$1.083. This does not mean that HK\$ could be converted into RMB, or vice versa, based on such exchange rate.*

*\* The English translation or transliteration of the Chinese name(s) in this announcement, where indicated, is included for information purposes only, and should not be regarded as the official English name(s) of such Chinese name(s).*

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

Hong Kong, 29 May 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.*