GREENHEART GROUP LIMITED
綠心集團有限公司
(Incorporated in Bermuda with limited liability)
(Stock Code: 94)

INSIDE INFORMATION
UPDATE ON HK$400,000,000 LOAN FACILITY

This announcement is made by Greenheart Group Limited (the "**Company**", together with its subsidiaries, the "**Group**") pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong). Unless otherwise specified, capitalised terms used herein shall have the same meanings as those defined in the Publications (as defined below).

BACKGROUND

Reference is made to the announcements of the Company dated 1 June 2010, 22 November 2010, 4 November 2013, 12 December 2016, 26 January 2018, 15 June 2020 and 14 July 2023 and its circulars dated 30 November 2010, 6 November 2013, 6 January 2017, 15 February 2018, 16 July 2020 and 19 July 2023 (the "**Publications**").

Silver Mount Group Limited ("**Silver Mount**"), a wholly-owned subsidiary of the Company, is primarily engaged in investment in the forestry business in Suriname. In order to support and facilitate the forestry business development in Suriname, Silver Mount has, since 2008, granted a revolving Facility up to a maximum of HK$400 million to Greenheart Resources Holdings Limited ("**Greenheart Resources**").

Greenheart Resources is a non-wholly owned subsidiary of the Company, owned as to approximately 60.39% by Silver Mount and approximately 39.61% by Newforest Limited ("**Newforest**"). As at the date of this announcement, Newforest holds approximately 60.49% of the issued shares of the Company.

Greenheart Resources operated the forestry business in west Suriname (the "**West Suriname Business**") for a number of years. However, the West Suriname Business had been loss-making for a prolonged period and was not able to sustain itself.

As disclosed in the announcement of the Company dated 28 June 2024, having considered the difficult and highly uncertain operating environment in west Suriname and the continued loss-making position of the West Suriname Business, management of Greenheart Resources and its own subsidiaries (the "**Greenheart Resources Group**") ceased the West Suriname Business. Greenheart Resources also subsequently disposed of certain subsidiaries to an independent third party in order to stop further drain on the financial resources of the Greenheart Resources Group. The proceeds from the disposal were insignificant.

Following the cessation of the West Suriname Business and the disposal of the relevant subsidiaries, the Greenheart Resources Group no longer has any substantive operating business.

As at the date of this announcement, the outstanding principal balance and accrued interests under the Facility amounted to approximately HK$396.4 million and HK$170.9 million, respectively. Such amounts became due on 4 August 2026 but Greenheart Resources has not made any payments to Silver Mount in respect of such outstanding amounts so far.

ACTIONS TAKEN AND TO BE TAKEN BY SILVER MOUNT

Prior to the maturity date, Silver Mount had notified Greenheart Resources that it did not intend to extend, renew, roll over, waive or otherwise defer the maturity date of the loans granted under the Facility. Accordingly, the non-repayment of the outstanding amounts under the Facility constitutes an event of default under the relevant Facility Agreement and supplemental agreements.

Silver Mount will continue to assess and pursue all possible recovery actions available to it in respect of the outstanding amount under the Facility. Such actions may include, without limitation, issuing further demand for repayment, seeking legal advice, taking creditor enforcement action and, where appropriate, taking further steps to place Greenheart Resources into insolvent liquidation.

As at the date of this announcement, no liquidator has been appointed to Greenheart Resources. The Company will make further announcement(s) as and when appropriate in accordance with the Listing Rules.

FINANCIAL IMPACT ON THE GROUP

As Greenheart Resources is a subsidiary of the Company, the loan between Silver Mount and Greenheart Resources is an intra-group balance from the consolidated financial statements perspective of the Group. The Board is in the process of assessing the financial impact of the Group, if any, of the default under the Facility and any subsequent recovery action or possible liquidation process on Greenheart Resources.

Based on the information currently available to the Board, and taking into account the cessation of the West Suriname Business and the impairment and/or write-off of the relevant operating assets, the Board does not expect the non-repayment of loans drawn under the Facility to have any significant adverse impact on the existing business operations of the Group. The actual financial impact remains subject to review and finalisation by the Company and its auditors.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

By Order of the Board
Greenheart Group Limited
Ding Wai Chuen
Executive Director and Chief Executive Officer

Hong Kong, 5 August 2026

As at the date hereof, the Board comprises one executive Director, namely Mr. Ding Wai Chuen, three non-executive Directors, namely Mr. Cheng Chi-Him, Conrad, Mr. Lee Chi Hin, Jacob and Ms. Suen Chung Yan, Julia, and three independent non-executive Directors, namely Mr. Wong Man Chung, Francis, Mr. Cheung Pak To, Patrick and Mr. To Chun Wai.

Website: http://www.greenheartgroup.com