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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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**If you are in any doubt** as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in **Great Harvest Maeta Holdings Limited** (the “Company”), you should at once hand this circular to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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**Great Harvest Maeta Holdings Limited**

**榮 豐 億 控 股 有 限 公 司**

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

**(Stock code: 3683)**

**MAJOR TRANSACTION  
DISPOSAL OF VESSEL**

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

23 February 2024

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## DEFINITIONS

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

|                             |  |
|-----------------------------|--|
| “2011 Share Option Scheme”  | the share option scheme of the Company approved and adopted by an ordinary resolution of the Shareholders at the annual general meeting held on 19 August 2011 and expired on 18 August 2021   |
| “Ablaze Rich”               | Ablaze Rich Investments Limited, a company incorporated in the British Virgin Islands, the controlling shareholder of the Company (as defined under the Listing Rules) holding approximately 64.58% of the issued share capital of the Company as at the date of the MOA |
| “Banking Day(s)”            | any day(s) on which banks are open in Hong Kong, Singapore, London and New York  |
| “Board”                     | the board of Directors   |
| “Buyer”                     | Fu Bang Shipping Limited (富邦海運有限公司), the buyer of the Vessel pursuant to the MOA   |
| “Company”                   | Great Harvest Maeta Holdings Limited (榮豐億控股有限公司), a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange  |
| “Directors”                 | directors of the Company   |
| “Disposal”                  | the disposal of the Vessel by the Seller under the MOA   |
| “dwt”                       | deadweight tonnage, a measure expressed in metric tons or long tons of a ship’s carrying capacity, including cargoes, bunker, fresh water, crew and provisions   |
| “Group”                     | the Company and its subsidiaries   |
| “HK\$”                      | Hong Kong dollars, the lawful currency of Hong Kong  |
| “Hong Kong”                 | the Hong Kong Special Administrative Region of the PRC   |
| “Independent Third Parties” | person(s) who or company(ies) who is/are third party(ies) independent of the Company and its connected persons   |

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## DEFINITIONS

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|---------------------------|---|
| “Latest Practicable Date” | 19 February 2024, being the latest practicable date for ascertaining certain information contained in this circular prior to its publication  |
| “Listing Rules”           | the Rules Governing the Listing of Securities on the Stock Exchange   |
| “MOA”                     | the written memorandum of agreement dated 12 January 2024 and entered into between the Seller and the Buyer in respect of the Disposal  |
| “PRC”                     | The People’s Republic of China  |
| “Seller”                  | United Edge Holdings Limited, a wholly owned subsidiary of the Company  |
| “SFO”                     | Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong  |
| “Share(s)”                | ordinary share(s) of the Company of HK\$0.01 each   |
| “Shareholder(s)”          | holder(s) of the Share(s)   |
| “Stock Exchange”          | The Stock Exchange of Hong Kong Limited   |
| “Vessel”                  | a vessel named “GH Harmony”, brief particulars of which are set out in the paragraph headed “Letter from the Board – 2. The Disposal and the MOA – Asset to be disposed” in this circular |
| “US\$”                    | United States Dollars, the lawful currency of the United States of America  |
| “%”                       | per cent.   |

*In this circular, for illustration purpose only and unless otherwise specified, amounts quoted in US\$ have been converted into HK\$ at the rate of US\$1 to HK\$7.80. Such exchange rate has been used, where applicable, for illustration purpose only and does not constitute a representation that any amounts were or may have been exchanged at these or any other rates or at all.*

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## LETTER FROM THE BOARD

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**Great Harvest Maeta Holdings Limited**  
**榮豐億控股有限公司**  
*(Incorporated in the Cayman Islands with limited liability)*  
**(Stock code: 3683)**

*Executive Directors:*

Ms. Lam Kwan  
Mr. Pan Zhongshan

*Independent non-executive Directors:*

Mr. Cheung Kwan Hung  
Dr. Chan Chung Bun, Bunny  
Ms. Wong Tsui Yue Lucy

*Registered office:*

Cricket Square  
Hutchins Drive  
P.O. Box 2681  
Grand Cayman KY1-1111  
Cayman Islands

*Headquarters and principal place of  
business in Hong Kong:*

12th Floor  
200 Gloucester Road  
Wanchai  
Hong Kong

23 February 2024

*To the Shareholders*

Dear Sir or Madam,

### **MAJOR TRANSACTION DISPOSAL OF VESSEL**

#### **1. INTRODUCTION**

Reference is made to the announcement of the Company dated 12 January 2024.

On 12 January 2024 (after trading hours), the Seller (a wholly owned subsidiary of the Company) and the Buyer entered into the MOA, pursuant to which the Seller agreed to sell, and the Buyer agreed to purchase, the Vessel at a consideration of US\$11 million (equivalent to approximately HK\$85.80 million) according to the terms and conditions set out therein.

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## LETTER FROM THE BOARD

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The purpose of this circular is to give you further information regarding the Disposal, and financial and other information of the Group.

### 2. THE DISPOSAL AND THE MOA

The principal terms of the MOA are set out below.

**Date:**

12 January 2024 (after trading hours)

**Parties:**

Seller: United Edge Holdings Limited, a wholly owned subsidiary of the Company

Buyer: Fu Bang Shipping Limited

As at the date of the MOA, to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Buyer and its ultimate beneficial owners were Independent Third Parties.

**Asset to be disposed:**

The Vessel, a bulk carrier built in 2010 with 50,697 gross tonnage and 30,722 net tonnage. Pursuant to the MOA, the Seller shall deliver the Vessel to the Buyer free from all charters, encumbrances, mortgages and maritime liens or any other debts whatsoever, and is not subject to Port State or other administrative detentions.

**Consideration:**

The consideration payable by the Buyer is US\$11 million (equivalent to approximately HK\$85.80 million) and is payable by the Buyer on delivery of the Vessel, but not later than three Banking Days after the date that a notice of readiness has been given in accordance with the terms and conditions of the MOA.

The consideration for the Vessel was determined after arm's length negotiations between the Seller and the Buyer on normal commercial terms with reference to, among other things:

- (i) the recently concluded sale and purchase transactions of second hand vessels of comparable type, size, condition of maintenance and year of build conducted in the market;

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## LETTER FROM THE BOARD

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- (ii) the quotations for the Vessel provided by reputable brokers in the shipping industry, including quotation obtained in November 2023 from (a) Howe Robinson Partners which quoted US\$11 million; and (b) Clarksons Hong Kong Limited which quoted US\$10 million; and
- (iii) the book value and market value of the Vessel.

### **Delivery:**

The Vessel shall be delivered to the Buyer in Xiamen, the PRC between 12 January 2024 and 25 January 2024 (“Cancellation Date”).

On 19 January 2024, delivery of the Vessel and completion of the Disposal had taken place, and the Seller had received all of the consideration payable to it pursuant to the MOA in full.

### **Inspection:**

The Buyer has inspected and accepted the Vessel’s classification records. The Buyer has waived physical inspection of the Vessel and has accepted the Vessel without inspection and therefore, the sale is outright and definite, subject only to the terms and conditions of the MOA.

### **Cancellation and compensation:**

#### ***Cancellation by the Seller***

Should the consideration not be paid by the Buyer in accordance with the terms and conditions of the MOA, the Seller has the right to cancel the MOA. The Seller shall be entitled to claim further compensation for its losses and for all expenses incurred.

#### ***Cancellation by the Buyer***

If the Seller anticipates that the Vessel will not be ready for delivery by the Cancellation Date, it may notify the Buyer in writing stating the date when the Seller anticipates that the Vessel will be ready for delivery and proposing another new cancellation date. Upon receipt of such notification the Buyer shall have the option of either (1) cancelling the MOA in accordance with its terms and conditions within three Banking Days of receipt of the notice; or (2) accepting the new date as the new cancellation date. If the Buyer has not declared its option within three Banking Days of receipt of the Seller’s notification or if the Buyer accepts the new cancellation date, the date proposed in the Seller’s notification shall be deemed to be the new cancellation date, substituting the original Cancellation Date, but without prejudice to the Buyer’s entitlement to any claim for damages the Buyer may have if the Vessel not being ready by the original Cancellation Date is due to Seller’s proven negligence.

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## LETTER FROM THE BOARD

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The Buyer may also at its option to cancel the MOA if the Seller fails to (1) give a notice of readiness; or (2) be ready to validly complete a legal transfer by the Cancellation Date. Under such circumstances, the Seller shall make due compensation to the Buyer for its loss and for all expenses if the Seller's failure is due to proven negligence and whether or not the Buyer cancels the MOA.

The Buyer may also at its option to cancel the MOA if after a notice of readiness has been given but before the Buyer has taken delivery, the Vessel ceases to be physically ready for delivery and is not made physically ready again by the Cancellation Date and a new notice of readiness is given.

### 3. INFORMATION ABOUT THE GROUP AND THE PARTIES

The principal activity of the Company is investment holding, and through its subsidiaries, principally engaged in chartering of dry bulk vessels and property investment and development.

The Seller is a company incorporated in the British Virgin Islands and a direct wholly owned subsidiary of the Company. The Seller is a special purpose company for the holding and operation of the Vessel.

The Buyer is a company incorporated in Hong Kong and is principally engaged in ship operation and international route cargo ship transportation. As at the date of the MOA, to the best of the Directors' knowledge upon making all reasonable enquiries, the Buyer was ultimately beneficially owned as to 60% by Lin Feiyang (林斐颺) and 40% by Wu Zijian (吳子健), who were Independent Third Parties.

### 4. FINANCIAL EFFECT OF THE DISPOSAL AND USE OF PROCEEDS

Set out below is the net profit or loss (both before and after taxation) of the Seller for the financial years ended 31 March 2022 and 2023:

|   | <b>For the<br/>year ended<br/>31 March<br/>2022<br/><i>US\$ million</i><br/>(audited)</b> | <b>For the<br/>year ended<br/>31 March<br/>2023<br/><i>US\$ million</i><br/>(audited)</b> |
|---|---|---|
| Net profit/(loss) before and after taxation | 6.33  | (2.24)  |



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## LETTER FROM THE BOARD

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On the basis of the net book value of the Vessel of approximately US\$14.76 million as at 30 September 2023, it is expected that a loss after taxation and expenses of approximately US\$3.92 million would be recognized by the Group as a result of the Disposal, which is calculated on the basis of the difference between the net book value of the Vessel as at 30 September 2023 and the consideration for the Vessel (after deducting the associated cost and tax of the Disposal).

Following closing of the Disposal and as a result of the Disposal and repayment of the related loan, besides recognizing a loss on the Disposal, it is expected that the total assets and total liabilities of the Group will decrease by approximately US\$13.74 million and US\$9.76 million respectively, and the Group's revenue, cost of services, depreciation expenses and interest expenses will also decrease.

Shareholders should note that the actual amount of the gain or loss on the Disposal can only be ascertained when the net book value of the Vessel and the incidental transaction costs are determined upon completion of the Disposal. Therefore the actual amount of the gain or loss on the Disposal will be subject to audit and may be different from the amount mentioned above.

The Group intends to use the net sale proceeds of approximately US\$10.84 million received pursuant to the Disposal as to (i) approximately US\$9.82 million for repayment of certain outstanding indebtedness; and (ii) the remainder for replenishing the general working capital of the Group.

Save as disclosed above, the Disposal is not expected to have any material impact on the earnings and assets and liabilities of the Group.

### **5. REASONS FOR AND BENEFITS OF THE DISPOSAL**

In light of the complex external operating environment and the market challenges in recent period, the Directors consider that the Disposal represent an opportunity to dispose of the Vessel at a reasonable price which will enable the Group to enhance its working capital position and further strengthen its liquidity and overall financial position. In addition to the competition in the marine transportation industry, from the macro-environment perspective, the Directors are of the view that the Russia-Ukraine conflict continuing to impact energy and food supply, and the US dollar maintaining high interest rates, are posing a significant obstacle to global economic growth. The international dry bulk shipping market is overly dependent on the growth of China's import market. As a result, the global shipping market will continue to experience an oscillating trend of weakening demand for shipping and continued divergence in market freight rates. The consideration for the Vessel is considered reasonable with reference to the recently reported market sales of second hand bulk carriers with similar type, size, condition of maintenance and year of build in the international market.

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## LETTER FROM THE BOARD

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Prior to the Disposal, the Group's fleet had 4 vessels with a total size of 319,923 dwt and an average age of 17 years. Following the Disposal, the Group's remaining fleet has 3 vessels with a total size of 226,608 dwt and an average age of 18 years. As such, the Directors believe that the Disposal will not have any material adverse effect on the operations of the Group. Furthermore, the Group has its strengths to maintain competitiveness in the marine transportation industry. With an experienced management team to adopt suitable long term and short term strategies to cater for market challenges and risks, and stringently maintained and managed vessels to offer high standard, safe and reliable marine transportation services to its customers, the Group will continue to uphold its proactive and prudent operating strategies and seek to charter out vessels to reputable charterers while endeavouring to offer them the best services, so as to maintain a favourable market image for the fleet.

The Directors will continuously monitor the prevailing market conditions of the shipping industry as well as the operations of the Group going forward and look out for opportunities to maintain a reasonably modern and competitive fleet, not ruling out any potential disposal of existing vessels and replacement with newer vessels or chartering of vessels in the future. The Directors will make such decisions on a case-by-case basis to maintain financial flexibility and operational competitiveness.

While the Disposal will result in a disposal loss, taking into account the aforesaid reasons and benefits as well as the factors set out in the paragraph headed "Letter from the Board – 2. The Disposal and the MOA – Consideration" in this circular, the Directors (including the independent non-executive Directors) are of the view that the terms of the Disposal are fair and reasonable, on normal commercial terms and in the interests of the Company and the Shareholders as a whole.

Accordingly, the Directors would recommend Shareholders to vote in favour of the relevant resolutions put to vote at a general meeting of the Company if a general meeting were required to be convened to approve the transactions contemplated under the MOA and the Disposal.

### **6. LISTING RULES IMPLICATIONS**

As the highest of the applicable percentage ratios (as defined under the Listing Rules) in respect of the Disposal exceeds 25% but is less than 75%, the Disposal constitutes a major transaction for the Company under Chapter 14 of the Listing Rules, and therefore is subject to reporting, announcement and Shareholders' approval requirements pursuant to Chapter 14 of the Listing Rules.

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## LETTER FROM THE BOARD

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Under Rule 14.44 of the Listing Rules, Shareholders' approval for a major transaction may be obtained by way of written shareholders' approval in lieu of holding a general meeting if (a) no shareholder is required to abstain from voting if the issuer were to convene a general meeting for the approval of the transaction; and (b) the written shareholders' approval has been obtained from a shareholder or a closely allied group of shareholders (as defined under the Listing Rules) who together hold more than 50% of the voting rights at that general meeting to approve the transaction.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholders or any of their respective close associates have any material interest in the transaction contemplated under the MOA, and therefore none of them is required to abstain from voting if the Company were to convene a general meeting for the approval of the transaction contemplated under the MOA. As such, written shareholders' approval may be accepted in lieu of holding a general meeting pursuant to Rule 14.44(2) of the Listing Rules.

On 12 January 2024, Ablaze Rich, a Shareholder then holding 615,160,000 Shares, representing approximately 64.58% of the issued share capital of the Company as at such date, had given its written approval on the transaction contemplated under the MOA. As at the Latest Practicable Date, Ablaze Rich was owned as to 49% by Ms. Lam Kwan, the chairperson of the Board, the chief executive officer of the Company and an executive Director, and 51% by Mr. Yan Kim Po, the spouse of Ms. Lam Kwan. Accordingly, no extraordinary general meeting of the Company will be convened for the purpose of approving the transaction contemplated under the MOA as a major transaction.

### 7. ADDITIONAL INFORMATION

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

Yours faithfully,  
For and on behalf of the Board  
**Great Harvest Maeta Holdings Limited**  
**Lam Kwan**  
*Chairperson*

## 1. STATEMENT OF INDEBTEDNESS

As at the close of business on 31 December 2023, being the latest practicable date for the purpose of preparing this indebtedness statement prior to the printing of this circular, the Group had total outstanding indebtedness as follows:

|   | <b>At<br/>31 December<br/>2023<br/>US\$'000</b> |
|---|---|
| Bank borrowings – secured and unguaranteed                          | 9,789   |
| Bank borrowings – unsecured and guaranteed                          | <u>544</u>                                      |
| Sub-total   | <u><u>10,333</u></u>                            |
| Convertible bonds – secured and guaranteed                          | 55,120  |
| Loan from the ultimate holding company – unsecured and unguaranteed | 7,357   |
| Lease liabilities – unsecured and guaranteed                        | 227   |
| Lease liabilities – unsecured and unguaranteed                      | <u>177</u>                                      |
| Total   | <u><u>73,214</u></u>                            |

The Group's guaranteed bank borrowings were guaranteed by a Director, a close family member of the Director and the Government of Hong Kong under the SME Financing Guarantee Scheme. The Group's secured bank borrowings were secured by certain vessels and bank deposits of the Group.

The Group's secured and guaranteed convertible bonds were secured by a vessel, land use right of a parcel of land and the equity interests in a non-wholly owned subsidiary of the Company in the PRC (the "PRC Subsidiary") held by a wholly owned subsidiary of the Company in Hong Kong (the "Hong Kong Subsidiary") and guaranteed by the PRC Subsidiary and the Hong Kong Subsidiary.

Save as aforesaid and apart from the intra-group liabilities, as at the close of business on 31 December 2023, the Group did not have any debt securities issued and outstanding, any authorised or otherwise created but unissued, term loans, other borrowings, indebtedness in nature of borrowings including bank overdrafts, liabilities under acceptances (other than normal trade bills) or acceptance credits, hire purchase commitments, debentures, mortgages, charges, recognised lease liabilities, which are either guaranteed, unguaranteed, secured, or unsecured, or other material contingent liabilities or guarantees.

## **2. FINANCIAL AND TRADING PROSPECTS**

Prior to the Disposal, the Group's fleet has a size of 319,923 dwt and an average age of 17 years. The fleet maintained a relatively high operating performance with an average vessel charter-out percentage of 99.9% for the six months ended 30 September 2023. The average daily charter hire income of each vessel in the fleet was approximately US\$9,407 per day for the six months ended 30 September 2023. All freight rates and charter hires were basically received in full without huge amounts of account receivables. In view of a good track record of safe operation with no adverse incident and limited downtime, the fleet managed to maintain a relatively high operating rate during the six months ended 30 September 2023.

Due to changes in the vessel age and the market demand, the Company made timely adjustments to the fleet's main shipping capacity to the Australian and Indonesian coal shipment routes. Benefiting from the substantial increase in China's coal imports this year, the fleet achieved better operating results. The Group was able to exert stringent control over costs and expenses in the management of its fleet and strived to minimize voyage expenses. Thus the management expenses of its vessels were basically within budget.

According to a market research conducted by a market research institution, it expects the "tepid" state of the bulk carrier market to continue till early 2024, despite the seasonal upturn. Overall, the bulk carrier market is expected to see relatively modest returns in 2023 compared to the strong growth in 2021 to 2022. Looking forward to next year's market, it is expected that the market fleet will increase by 2.4% in terms of dwt and increase by 3.0% in terms of dry bulk trade volume in 2024. Theoretically, there is a possibility of improvement in the earnings of the bulk carrier market in 2024, but it is still difficult to return to the high earnings level in 2021.

The macro-environment will remain complex and volatile, with the Russia-Ukraine conflict continuing to impact energy and food supply, and the US dollar maintaining high interest rates, posing a significant obstacle to global economic growth. The international dry bulk shipping market is overly dependent on the growth of China's import market. As a result, the global shipping market will continue to experience an oscillating trend of weakening demand for shipping and continued divergence in market freight rates.

Given the fluctuation in spot freight rates, the Group will maintain its prudent operating strategies by enhancing its daily management of vessels, providing better transportation services to its customers and chartering out its vessels to reputable and reliable charterers at higher rates, thus generating more operating income for the Group. Meanwhile, the Group will strictly control its operating costs and curb all unnecessary expenses.

The Directors consider that competition in the marine transportation industry will continue to present challenges for the Group. However, the Directors believe that the Group has its strengths to maintain competitiveness in the industry. The Group has an experienced management team so as to adopt suitable long term and short term strategies to cater for market challenges and risks, and stringently maintained and managed vessels to offer high standard, safe and reliable marine transportation services to its customers. The Group will continue to uphold its proactive and prudent operating strategies and seek to charter out vessels to reputable charterers while endeavouring to offer them the best services, so as to maintain a favourable market image for the fleet. The Directors expect that with the financial resources available to the Group, including cash generated from operating activities and bank loans and means available to raise funds in the capital market and from banks and financial institutions, the Group's financial position will improve for the current financial year. The Directors view the future prospects with confidence and believe the Group is well placed to continue its business in line with its strategies.

### **3. WORKING CAPITAL STATEMENT**

In the preparation of the Group's working capital forecast, the Directors have given careful consideration to the Group's future liquidity, its performance and its currently available sources of financing. In the opinion of the Directors, the working capital forecast have been prepared with the following assumptions:

- (i) the Group is able to obtain cash proceeds generated from the Disposal;
- (ii) the Group is able to obtain cash proceeds generated from further assets realisation as and when needed;
- (iii) the Group is able to obtain further funding under a deed of funding undertakings from its ultimate holding company, as and when needed; and
- (iv) the Group is able to maintain sufficient working capital to realise its assets and discharge its liabilities in the normal course of businesses.

Notwithstanding the above, material uncertainties exist that may cast significant doubt on the Group's working capital sufficiency, which is subject to (i) whether the Group can obtain cash proceeds generated from the Disposal; (ii) whether the Group can obtain cash proceeds generated from further assets realisation; (iii) whether the Group is able to obtain further funding from its ultimate holding company and (iv) the successful implementation of measures described above in the normal course of businesses.

Should the Group fail to achieve the above-mentioned measures, the Group may not have sufficient working capital for its requirements within the next 12 months from the date of this circular.

The Directors, after due and careful enquiry, are of the opinion that, in the absence of unforeseeable circumstances and after taking into account of financial resources available to the Group including internally generated funds, available banking facilities, the above-mentioned measures and proceeds from the Disposal, the Group has sufficient working capital for its present requirements, that is for at least 12 months from the date of this circular.

The Company has obtained the working capital sufficiency confirmation letter from its auditor as required under Rule 14.66(12) of the Listing Rules.

## 1. DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATION

As at the Latest Practicable Date, the interests and short positions of the Directors and the chief executives of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which were required to be (i) notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which he or she was taken or deemed to have under such provisions of the SFO); or (ii) recorded in the register required to be kept by the Company under Section 352 of the SFO; or (iii) notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") as set out in Appendix C3 to the Listing Rules, were as follows:

Interest and Short Position in Shares, underlying Shares and debentures of the Company:

| Name of Director            | Capacity/<br>Nature of interest                     | Number of<br>Shares held<br>(Note 1) | Number of<br>underlying<br>Shares held<br>(Note 1) | Approximate<br>percentage of<br>interest (%)<br>(Note 6) |
|-----------------------------|---|--------------------------------------|--|--|
| Ms. LAM Kwan<br>("Ms. Lam") | Interest of controlled corporation<br>(Note 2)      | 645,177,500 (L)                      | -  | 67.73  |
|                             | Beneficial owner                                    | 11,370,000 (L)                       | -  | 1.19   |
|                             | Beneficial owner and interest of<br>spouse (Note 3) | -                                    | 381,843,064 (S)                                    | 40.08  |
| Mr. PAN Zhongshan           | Beneficial owner                                    | 602,500 (L)                          | -  | 0.06   |
| Mr. CHEUNG Kwan Hung        | Beneficial owner (Note 4)                           | -                                    | 800,000 (L)  | 0.08   |
| Dr. CHAN Chung Bun Bunny    | Beneficial owner (Note 5)                           | -                                    | 800,000 (L)  | 0.08   |

Notes:

- The letter "L" denotes the person's long position and "S" denotes the person's short position in the Shares and underlying Shares of the Company.
- These 645,177,500 Shares were held as to 614,985,000 Shares by Ablaze Rich and as to 30,192,500 Shares by All Ages Holdings Limited ("All Ages"). The entire issued share capital of Ablaze Rich was owned as to 51% by Mr. Yan Kim Po ("Mr. Yan") and 49% by Ms. Lam, who were also directors of Ablaze Rich. As such, each of Mr. Yan and Ms. Lam was deemed to be interested in the Shares held by Ablaze Rich by virtue of the SFO. The entire issued share capital of All Ages was owned as to 50% by Ms. Lam. As such, Ms. Lam was deemed to be interested in the Shares held by All Ages by virtue of the SFO.



3. These 381,843,064 Shares represented the total number of Shares which may be allotted and issued to Sfund International Investment Fund Management Limited (“Sfund”) upon the exercise of the conversion rights attaching to the convertible bonds in the total principal amount of US\$54,000,000 due on 10 May 2021 issued by the Company to Mr. Yan, Ms. Lam and Mr. Yin Hai and subsequently transferred to Sfund (“Top Build Convertible Bonds”) at the initial conversion price of HK\$1.096 per Share and the exchange rate of HK\$7.75 to US\$1.00. Mr. Yan and Ms. Lam have granted the put option in favour of Sfund pursuant to which Sfund may request Mr. Yan and Ms. Lam to purchase these Top Build Convertible Bonds. On 15 July 2020, Sfund has exercised the put options. As at the Latest Practicable Date, the completion of the put option has not taken place. The exercise of the conversion rights attaching to the Top Build Convertible Bonds is subject to the terms and conditions thereof, including the restriction against conversion which would cause the Company to be in breach of the minimum public float requirement under the Listing Rules. As Mr. Yan and Ms. Lam have a spousal relationship, each of Mr. Yan and Ms. Lam was deemed to be interested in the Shares in which the other was interested by virtue of the SFO.
4. On 30 April 2015, Mr. CHEUNG Kwan Hung was granted share options of the Company in respect of 800,000 Shares pursuant to the 2011 Share Option Scheme. All these share options remained outstanding as at the Latest Practicable Date.
5. On 30 April 2015, Dr. CHAN Chung Bun Bunny was granted share options of the Company in respect of 800,000 Shares pursuant to the 2011 Share Option Scheme. All these share options remained outstanding as at the Latest Practicable Date.
6. The percentage is calculated on the basis of 952,613,513 Shares in issue as at the Latest Practicable Date.

Interests in shares and underlying shares of associated corporation:

| Name of Director | Name of associated corporation | Capacity/<br>Nature of interest | Approximate                     |                            |
|------------------|--------------------------------|---------------------------------|---------------------------------|----------------------------|
|                  |                                |                                 | Number of shares held<br>(Note) | percentage of interest (%) |
| Ms. Lam          | Ablaze Rich                    | Beneficial owner                | 9,800 (L)                       | 49.00                      |
| Ms. Lam          | All Ages                       | Beneficial owner                | 5,000 (L)                       | 50.00                      |

*Note:* The letter “L” denotes the person’s long position in the shares and underlying shares of an associated corporation.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors and chief executives of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or were required pursuant to the Model Code to be notified to the Company and the Stock Exchange.

**2. LITIGATION**

As at the Latest Practicable Date, no member of the Group was engaged in any litigation, arbitration or claim of material importance and no litigation, arbitration or claim of material importance was known to the Directors to be pending or threatened against any member of the Group that would have a material adverse effect on the Group's results of operations or financial condition.

**3. DIRECTORS' SERVICE CONTRACTS**

As at the Latest Practicable Date, none of the Directors had a service contract with the Company which was not determinable by the Company within one year without payment of compensation other than statutory compensation.

**4. DIRECTORS' INTEREST IN ASSETS**

As at the Latest Practicable Date, none of the Directors has since 31 March 2023, being the date to which the latest published audited financial information of the Company were made up, any direct or indirect interest in any assets which have been 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.

**5. DIRECTORS' INTEREST IN CONTRACTS**

None of the Directors had material interests in any contract or arrangement entered into by any member of the Group which was subsisting as at the Latest Practicable Date which was significant in relation to the business of the Group as a whole.

**6. COMPETING INTEREST**

As at the Latest Practicable Date, none of the Directors and their respective close associates (as defined in the Listing Rules) has (i) any business or interest which competes or may compete with the business of the Group; and (ii) any other conflict of interest which any such person has or may have with the Group.

**7. COMPANY SECRETARY**

The company secretary of the Company is Mr. Sze Wing Kin Pierre. He is a fellow member of the Association of Chartered Certified Accountants and the Hong Kong Institute of Certified Public Accountants.

**8. MATERIAL CONTRACTS**

Saved as disclosed below, no other contract (not being contracts in the ordinary course of business) had been entered into by any member of the Group within two years immediately preceding the issue of this circular which are or may be material:

- (a) the MOA; and
- (b) the supplemental agreement dated 29 June 2022 entered into between the Company, Mr. Yan, Ms. Lam, Ablaze Rich (as the guarantors) and Sfund to supplement the settlement agreement dated 24 November 2021 entered into between by such parties, in which the Sfund has agreed, among others, to (i) conditionally withdraw the winding-up petition dated 24 February 2022 filed by Sfund with the Court of First Instance of the High Court of the Hong Kong Special Administrative Region for winding-up of the Company; and (ii) withhold taking any further litigation or claims against the Company in respect of its default in the redemption of the Top Build Convertible Bonds in full in accordance with the terms and conditions thereof on 10 May 2021.

**9. MISCELLANEOUS**

- (a) The Hong Kong share registrar and transfer office of the Company is Union Registrars Limited at Suites 3301-04, 33/F, Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong.
- (b) In the event of inconsistency, the English version of this circular shall prevail over its Chinese version.

**10. DOCUMENT ON DISPLAY**

A copy of the MOA will be available for display on the websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.greatharvestmg.com](http://www.greatharvestmg.com)) during the period of 14 days from the date of this circular (both days inclusive).