VPOWER GROUP INTERNATIONAL HOLDINGS LIMITED
偉能集團國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1608)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2023 AND RESUMPTION OF TRADING

KEY HIGHLIGHTS

- Revenue decreased by 55.4% to approximately HK$1,497.6 million with revenue from SI business and IBO business amounting to approximately HK$675.3 million and approximately HK$822.3 million respectively.

- Gross profit decreased by 93.0% to approximately HK$46.2 million among which SI business recorded a gross loss of approximately HK$50.6 million.

- A loss attributable to the owners of the Company of approximately HK$2,854.0 million was recorded due to the decrease in gross profit; the impairment of trade receivables, property, plant and equipment and intangible assets; and the share of loss from the joint venture with investments of three power projects in Myanmar.

- During the year, China National Technical Import & Export Corporation, a wholly-owned subsidiary of China General Technology (Group) Holding Co., Ltd. which is under the direct supervision of SASAC, became the controlling shareholder of the Company through subscription of 3,290,457,511 shares of the Company.

The board of directors (the "**Board**") of VPower Group International Holdings Limited (the "**Company**") announces the consolidated annual results of the Company and its subsidiaries (collectively the "**Group**") for the year ended 31 December 2023, together with comparative figures of the last financial year in 2022 as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Year ended 31 December 2023

	Notes	**2023** *HK$'000*	2022 *HK$'000*
REVENUE	*5*	**1,497,643**	3,361,325
Cost of sales		**(1,451,485)**	(2,699,447)
Gross profit		**46,158**	661,878
Other income and gains, net	*5*	**4,334**	7,928
Selling and distribution expenses		**(14,758)**	(22,179)
Administrative expenses		**(398,142)**	(377,739)
Impairment of trade receivables, net		**(1,168,325)**	(75,519)
Impairment of contract assets		**(970)**	(111)
Other expenses, net		**(301,215)**	(78,911)
Finance costs		**(316,181)**	(232,814)
Share of profits and losses of joint ventures		**(705,903)**	(198,732)
LOSS BEFORE TAX	*6*	**(2,855,002)**	(316,199)
Income tax credit	*7*	**957**	35,489
LOSS FOR THE YEAR		**(2,854,045)**	(280,710)
Attributable to:			
Owners of the Company		**(2,853,972)**	(316,852)
Non-controlling interests		**(73)**	36,142
		(2,854,045)	(280,710)
LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY	*9*		
Basic		**HK(76.18) cents**	HK(11.78) cents
Diluted		**HK(76.18) cents**	HK(11.78) cents

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December 2023

	2023	2022
	HK$'000	*HK$'000*
LOSS FOR THE YEAR	**(2,854,045)**	(280,710)
OTHER COMPREHENSIVE INCOME/(LOSS)		
Other comprehensive income/(loss) that may be reclassified to profit or loss in subsequent periods:		
Cash flow hedges:		
Changes in fair value of hedging instruments arising during the year	**(73)**	9,490
Reclassification adjustments included in the consolidated statement of profit or loss	**(7,784)**	(262)
	(7,857)	9,228
Exchange differences on translation of foreign operations	**10,270**	(24,950)
OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR, NET OF TAX	**2,413**	(15,722)
TOTAL COMPREHENSIVE LOSS FOR THE YEAR	**(2,851,632)**	(296,432)
Attributable to:		
Owners of the Company	**(2,851,559)**	(332,574)
Non-controlling interests	**(73)**	36,142
	(2,851,632)	(296,432)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 December 2023

	Notes	2023 HK$'000	2022 HK$'000
NON-CURRENT ASSETS			
Property, plant and equipment		**2,177,427**	2,463,736
Right-of-use assets		**35,920**	101,509
Other intangible assets		**8,997**	39,674
Interests in joint ventures		**991,780**	1,736,089
Deposits and other receivables		**54,169**	5,227
Deferred tax assets		**20,807**	15,070
Total non-current assets		**3,289,100**	4,361,305
CURRENT ASSETS			
Inventories		**1,029,465**	1,169,538
Trade and bills receivables	*10*	**1,616,207**	2,903,136
Prepayments, deposits, other receivables and other assets		**141,368**	310,743
Derivative financial instruments		**—**	7,857
Tax recoverable		**591**	1,425
Restricted cash		**12,259**	11,981
Pledged deposits		**1,100**	22,996
Cash and cash equivalents		**131,233**	122,347
		2,932,223	4,550,023
Assets held for sale	*13*	**14,304**	—
Total current assets		**2,946,527**	4,550,023
CURRENT LIABILITIES			
Trade and bills payables	*11*	**518,638**	2,045,924
Other payables and accruals		**753,481**	409,732
Contract liabilities		**233,777**	227,539
Derivative financial instruments		**6,508**	2,361
Interest-bearing bank and other borrowings		**2,717,007**	2,921,234
Lease liabilities		**13,016**	14,764
Tax payable		**4,808**	6,353
Provision for restoration		**5,205**	3,523
Total current liabilities		**4,252,440**	5,631,430
NET CURRENT LIABILITIES		**(1,305,913)**	(1,081,407)
TOTAL ASSETS LESS CURRENT LIABILITIES		**1,983,187**	3,279,898

	Notes	2023 HK$'000	2022 HK$'000
NON-CURRENT LIABILITIES			
Other payables		**1,259**	40,738
Interest-bearing other borrowings		**50,194**	—
Lease liabilities		**42,392**	88,061
Provision for restoration		**279**	2,960
Deferred tax liabilities		**5,553**	8,082
Total non-current liabilities		**99,677**	139,841
Net assets		**1,883,510**	3,140,057
EQUITY			
Equity attributable to owners of the Company			
Share capital	*12*	**668,315**	270,169
Reserves		**1,215,215**	2,869,235
		1,883,530	3,139,404
Non-controlling interests		**(20)**	653
Total equity		**1,883,510**	3,140,057

NOTES:

1. CORPORATE INFORMATION

VPower Group International Holdings Limited is a limited liability company incorporated in the Cayman Islands. The principal place of business of the Company is located at Units 2701–05, 27/F, Office Tower 1, The Harbourfront, 18–22 Tak Fung Street, Hung Hom, Kowloon, Hong Kong.

During the year, the Group was principally engaged in the design, integration, sale and installation of engine-based electricity generation units and the provision of distributed power solutions, including the design of, investment in, building and operation of distributed power generation stations.

In the opinion of the directors, the immediate holding company of the Company is China National Technical Import & Export Corporation ("**CNTIC**"), a company incorporated under the laws of the People's Republic of China ("**PRC**") with limited liability, and the ultimate holding company of the Company is China General Technology (Group) Holding Co., Ltd., a company incorporated under the laws of the PRC with limited liability and under the direct supervision of State-owned Assets Supervision and Administration Commission of the State Council of the PRC ("**SASAC**").

2. BASIS OF PREPARATION

The financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards ("**HKFRSs**") (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("**HKASs**") and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**") and the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for derivative financial instruments which have been measured at fair value. Non-current assets held for sale are stated at the lower of their carrying amounts and fair value less costs to sale. The financial statements are presented in Hong Kong dollars ("**HK$**") and all values are rounded to the nearest thousand except when otherwise indicated.

Going concern basis

During the year ended 31 December 2023, the Group incurred a net loss of HK$2,854.0 million and the Group had net current liabilities of HK$1,305.9 million as at 31 December 2023. The current liabilities included bank and other borrowings of HK$2,330.6 million which have all been classified as current liabilities because the Group has failed to repay these bank and other borrowings in accordance with the repayment schedules during the year and up to the date of approval of the financial statements, and the Group also did not meet certain loan covenants of the relevant bank borrowings. The Group has cash and cash equivalents amounted to HK$131.2 million as at 31 December 2023. Subsequent to the end of the reporting period and up to the date of approval of the financial statements, the Group has not yet obtained any waiver confirmation in writing from the relevant banks on its non-repayment of outstanding loan amounts due, and non-compliance with certain loan covenants.

The above conditions indicate the existence of a material uncertainty which may cast significant doubt on the Group's ability to continue as a going concern. In view of such circumstances, the directors of the Company are undertaking a number of plans and measures to improve the Group's liquidity and financial position, including, *inter alia*:

(i) During the year and subsequent to the reporting period end, the Company's controlling shareholder and its affiliates have provided and will continue to provide financial support to enable the Group to continue operating as a going concern for the next 12 months from the reporting period end;

(ii) In March and April 2024, some of the existing creditor banks have agreed to extend the repayment dates of certain outstanding bank loans;

(iii) Ongoing discussions with creditor banks on obtaining the waiver for breach of covenants and non-repayment of outstanding loans until the Company can complete its contemplated funding plan together with its controlling shareholder which may include, *inter alia*, renewal of existing bank borrowings and obtaining a new syndicated loan and/or other financing arrangements;

(iv) Implementing measures to speed up the collection of outstanding trade and other receivables; and

(v) Exploring other debt or equity financing arrangements.

The directors of the Company have reviewed the Group's cash flow projections prepared by management, which cover a period of not less than 12 months from 31 December 2023. They are of the opinion that, taking into account of the above-mentioned plans and measures, the Group will have sufficient working capital to finance its operations and meet its financial obligations as and when they fall due within the next 12 months from 31 December 2023. Accordingly, the directors of the Company are satisfied that it is appropriate to prepare these consolidated financial statements on a going concern basis.

Notwithstanding the above, significant uncertainties exist as to whether the Group is able to achieve its plans and measures as described above. Should the Group be unable to achieve the above-mentioned plans and measures and operate as a going concern, adjustments would have to be made to write down the carrying values of the Group's assets to their recoverable amounts, to provide for any further liabilities which might arise, and to reclassify non-current assets and non-current liabilities as current assets and current liabilities, respectively. The effects of these adjustments have not been reflected in these consolidated financial statements.

3. CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The Group has adopted the following new and revised HKFRSs for the first time for the current year's financial statements.

HKFRS 17	*Insurance Contracts*
Amendments to HKAS 1 and HKFRS Practice Statement 2	*Disclosure of Accounting Policies*
Amendments to HKAS 8	*Definition of Accounting Estimates*
Amendments to HKAS 12	*Deferred Tax related to Assets and Liabilities arising from a Single Transaction*
Amendments to HKAS 12	*International Tax Reform — Pillar Two Model Rules*

The nature and the impact of the new and revised HKFRSs that are applicable to the Group are described below:

(a) Amendments to HKAS 1 require entities to disclose their material accounting policy information rather than their significant accounting policies. Accounting policy information is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements. Amendments to HKFRS Practice Statement 2 *Making Materiality Judgements* provide non-mandatory guidance on how to apply the concept of materiality to accounting policy disclosures. The Group has disclosed the material accounting policy information in the financial statements. The amendments did not have any impact on the measurement, recognition or presentation of any items in the Group's financial statements.

(b) Amendments to HKAS 8 clarify the distinction between changes in accounting estimates and changes in accounting policies. Accounting estimates are defined as monetary amounts in financial statements that are subject to measurement uncertainty. The amendments also clarify how entities use measurement techniques and inputs to develop accounting estimates. Since the Group's approach and policy align with the amendments, the amendments had no impact on the Group's financial statements.

(c) Amendments to HKAS 12 *Deferred Tax related to Assets and Liabilities arising from a Single Transaction* narrow the scope of the initial recognition exception in HKAS 12 so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences, such as leases and decommissioning obligations. Therefore, entities are required to recognise a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability for temporary differences arising from these transactions. Upon the application of the amendments, the Group has determined the temporary differences arising from right-of-use assets and lease liabilities separately, which have been reflected in the reconciliation disclosed in the financial statements. However, they did not have any material impact on the overall deferred tax balances presented in the consolidated statement of financial position as the related deferred tax balances qualified for offsetting under HKAS 12. Apart from the above, the amendments did not have any significant impact on the financial position or performance of the Group upon initial application.

(d) Amendments to HKAS 12 *International Tax Reform — Pillar Two Model Rules* introduce a mandatory temporary exception from the recognition and disclosure of deferred taxes arising from the implementation of the Pillar Two model rules published by the Organisation for Economic Co-operation and Development. The amendments also introduce disclosure requirements for the affected entities to help users of the financial statements better understand the entities' exposure to Pillar Two income taxes, including the disclosure of current tax related to Pillar Two income taxes separately in the periods when Pillar Two legislation is effective and the disclosure of known or reasonably estimable information of their exposure to Pillar Two income taxes in periods in which the legislation is enacted or substantively enacted but not yet in effect. Since the Group did not fall within the scope of the Pillar Two model rules, the amendments did not have any impact to the Group.

4. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services and has two reportable operating segments as follows:

(a) the system integration ("**SI**") segment designs, integrates, sells and installs engine-based electricity generation units; and

(b) the investment, building and operating ("**IBO**") segment designs, invests in, builds and operates distributed power generation stations to provide distributed power solutions.

Management monitors the results of the Group's operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/loss, which is a measure of adjusted profit/loss before tax. The adjusted profit/loss before tax is measured consistently with the Group's loss before tax except that bank interest income, non-lease-related finance costs, fair value losses from the Group's derivative financial instruments as well as head office and corporate expenses are excluded from such measurement.

Segment assets exclude deferred tax assets, derivative financial instruments, tax recoverable, restricted cash, pledged deposits, cash and cash equivalents, and other unallocated head office and corporate assets as these assets are managed on a group basis.

Segment liabilities exclude derivative financial instruments, interest-bearing bank and other borrowings, tax payable, deferred tax liabilities, and other unallocated head office and corporate liabilities as these liabilities are managed on a group basis.

Intersegment sales and transfers are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices.

Year ended 31 December 2023

	SI *HK$'000*	IBO *HK$'000*	Total *HK$'000*
Segment revenue:			
Sales to external customers	**675,322**	**822,321**	**1,497,643**
Intersegment sales	**14,283**	**—**	**14,283**
Total segment revenue	**689,605**	**822,321**	**1,511,926**
Reconciliation:			
Elimination of intersegment sales			**(14,283)**
Revenue			**1,497,643**
Segment results	**(1,399,696)**	**(1,090,121)**	**(2,489,817)**
Reconciliation:			
Elimination of intersegment results			**(923)**
Bank interest income			**1,063**
Corporate and unallocated expenses, net			**(52,827)**
Finance costs (other than interest on lease liabilities)			**(312,498)**
Loss before tax			**(2,855,002)**
Segment assets	**2,376,048**	**2,841,145**	**5,217,193**
Reconciliation:			
Corporate and unallocated assets			**1,018,434**
Total assets			**6,235,627**
Segment liabilities	**1,053,887**	**496,087**	**1,549,974**
Reconciliation:			
Corporate and unallocated liabilities			**2,802,143**
Total liabilities			**4,352,117**

Year ended 31 December 2022

	SI *HK$'000*	IBO *HK$'000*	Total *HK$'000*
Segment revenue:			
Sales to external customers	1,945,437	1,415,888	3,361,325
Intersegment sales	11,383	—	11,383
Total segment revenue	1,956,820	1,415,888	3,372,708
Reconciliation:			
Elimination of intersegment sales			(11,383)
Revenue			3,361,325
Segment results	146,872	(164,874)	(18,002)
Reconciliation:			
Elimination of intersegment results			(353)
Bank interest income			1,846
Corporate and unallocated expenses, net			(70,378)
Finance costs (other than interest on lease liabilities)			(229,312)
Loss before tax			(316,199)
Segment assets	3,853,241	3,988,437	7,841,678
Reconciliation:			
Corporate and unallocated assets			1,069,650
Total assets			8,911,328
Segment liabilities	2,282,857	539,641	2,822,498
Reconciliation:			
Corporate and unallocated liabilities			2,948,773
Total liabilities			5,771,271

Geographical information

(a) ***Revenue from external customers***

	2023	2022
	HK$'000	*HK$'000*
Hong Kong, Macau and Chinese Mainland	**194,502**	201,295
Other Asian countries	**571,258**	2,095,549
Latin America	**692,103**	974,814
Other countries	**39,780**	89,667
	1,497,643	3,361,325

The revenue information above is based on the locations of the customers.

(b) ***Non-current assets***

	2023	2022
	HK$'000	*HK$'000*
Hong Kong and Chinese Mainland	**895,195**	1,667,677
Other Asian countries	**1,571,144**	1,862,740
Latin America	**515,890**	477,075
Other countries	**231,895**	336,448
	3,214,124	4,343,940

The non-current asset information above is based on the locations of the assets and excludes deferred tax assets and financial assets.

Information about major customers

Revenue from external customers contributing over 10% of the total revenue of the Group is as follows:

	2023	2022
	HK$'000	*HK$'000*
Customer A#	**692,103**	691,398
Customer B^	**403,510**	1,202,691

^ Reported in the SI segment

Reported in the IBO segment

5. REVENUE, OTHER INCOME AND GAINS, NET

An analysis of revenue is as follows:

For the year ended 31 December 2023

Segments	**SI**	**IBO**	**Total**
	HK$'000	***HK$'000***	***HK$'000***
Total revenue from contracts with customers	**675,322**	**822,321**	**1,497,643**

For the year ended 31 December 2022

Segments	SI	IBO	Total
	HK$'000	*HK$'000*	*HK$'000*
Total revenue from contracts with customers	1,945,437	1,415,888	3,361,325

An analysis of other income and gains, net is as follows:

	2023	2022
	HK$'000	*HK$'000*
Bank interest income	**1,063**	1,846
Government grants*	**632**	934
Sales deposit forfeited	**—**	1,166
Gain on disposal of items of property, plant and equipment, net	**1,087**	—
Gain on deconsolidation of subsidiaries	**—**	2,189
Others	**1,552**	1,793
	4,334	7,928

* A subsidiary was qualified as a high-and-new technology enterprise in Chinese Mainland and it received various related government grants. There are no unfulfilled conditions or contingencies relating to these grants.

6. LOSS BEFORE TAX

The Group's loss before tax is arrived at after charging/(crediting):

	2023	2022
	HK$'000	*HK$'000*
Depreciation of property, plant and equipment*	**241,041**	254,820
Depreciation of right-of-use assets	**16,211**	17,005
Amortisation of intangible assets	**—**	1,439
Equity-settled share-based payment expense	**—**	800
Fair value losses on derivative financial instruments#	**5,107**	1,749
Foreign exchange differences, net#	**47,848**	58,989
Impairment of property, plant and equipment#	**13,312**	9,805
Impairment of right-of-use assets#	**10,511**	—
Impairment of intangible assets#	**32,045**	—
Loss/(gain) on disposal of items of property, plant and equipment, net	**(1,087)**	2,734#
Loss on disposal of subsidiaries#	**7,166**	—
Loss on reassessment of lease term#	**3,601**	—
Write-off of property, plant and equipment#	**55,464**	—
Write-down of inventories to net realisable value#	**17,050**	4,325
Reversal of write-down of inventories to net realisable value*	**(1,331)**	(8,250)

* The cost of sales for the year included depreciation charges of HK$126,912,000 (2022: HK$167,857,000) and reversal of write-down of inventories to net realisable value of HK$1,331,000 (2022: HK$8,250,000).

Included in "Other expenses, net" in the consolidated statement of profit or loss.

7. INCOME TAX

No provision for Hong Kong profits tax has been made as the Group did not generate any assessable profits arising in Hong Kong during the year. Hong Kong profits tax was provided in the prior year at the rate of 16.5% on the estimated assessable profits arising in Hong Kong during that year. One subsidiary of the Group was a qualifying entity under the two-tiered profits tax rates regime in the prior year. The first HK$2,000,000 of assessable profits of that subsidiary were taxed at 8.25% and the remaining assessable profits were taxed at 16.5%. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries/jurisdictions in which the Group operates.

	2023	2022
	HK$'000	*HK$'000*
Current — Hong Kong		
Charge for the year	**—**	1,791
Overprovision in prior years	**(145)**	(2,731)
Current — Elsewhere		
Charge for the year	**4,539**	21,719
Underprovision/(overprovision) in prior years	**1,669**	(419)
Deferred	**(7,020)**	(55,849)
Total tax credit for the year	**(957)**	(35,489)

8. DIVIDENDS

The Board of the Company does not recommend the payment of a final dividend in respect of the year ended 31 December 2023 (2022: Nil).

9. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

The calculation of the basic loss per share amount is based on the loss for the year attributable to ordinary equity holders of the Company of HK$2,853,972,000 (2022: loss of HK$316,852,000), and the weighted average number of ordinary shares of 3,746,112,000 (2022: 2,690,427,000) in issue during the year, as adjusted to exclude the shares held under the share award scheme.

No adjustment has been made to the basic loss per share amount presented for the year ended 31 December 2023 as the Company had no potential dilutive ordinary shares. No adjustment was made to the basic loss per share amount presented for the year ended 31 December 2022 in respect of a dilution as the impact of the share options outstanding had no dilutive effect on the basic loss per share amount presented.

10. TRADE AND BILLS RECEIVABLES

	2023	2022
	HK$'000	*HK$'000*
Trade and bills receivables	**2,874,217**	3,000,738
Impairment	**(1,258,010)**	(97,602)
	1,616,207	2,903,136

The Group's trading terms with its customers are mainly on credit, except for new customers, where payment in advance is normally required. The credit periods range from 30 to 360 days. The Group seeks to maintain strict control over its outstanding receivables to minimise credit risk. Overdue balances are reviewed regularly by management. The Group does not hold any collateral or other credit enhancements over its trade and bills receivable balances. Trade and bills receivables are non-interest-bearing.

An ageing analysis of the trade and bills receivables as at the end of the reporting period, based on the invoice date and net of loss allowance, is as follows:

	2023	2022
	HK$'000	*HK$'000*
Within 90 days	**106,477**	566,405
91 to 180 days	**77,514**	152,765
181 to 360 days	**344,673**	328,209
Over 360 days	**1,087,543**	1,855,757
	1,616,207	2,903,136

11. TRADE AND BILLS PAYABLES

An ageing analysis of the trade and bills payables as at the end of the reporting period, based on the invoice date, is as follows:

	2023	2022
	HK$'000	*HK$'000*
Within 90 days	**112,178**	164,962
91 to 180 days	**12,891**	127,878
181 to 360 days	**4,605**	157,291
Over 360 days	**388,964**	1,595,793
	518,638	2,045,924

The trade and bills payables are non-interest-bearing and are normally settled on terms ranging from 30 to 360 days.

12. SHARE CAPITAL

	2023	2022
	HK$'000	*HK$'000*
Authorised:		
10,000,000,000 (2022: 5,000,000,000) ordinary shares of HK$0.1 each	**1,000,000**	500,000
Issued and fully paid:		
6,683,150,524 (2022: 2,701,693,013) ordinary shares of HK$0.1 each	**668,315**	270,169

A summary of movements in the Company's authorised and issued share capital is as follows:

	Note	**Number of ordinary shares**	**Nominal value of ordinary shares**
			HK$'000
At 1 January 2022, at 31 December 2022 and at 1 January 2023		5,000,000,000	500,000
Increase in authorised share capital	*(a)*	5,000,000,000	500,000
At 31 December 2023		10,000,000,000	1,000,000

	Note	Number of ordinary shares	Nominal value of ordinary shares HK$'000
At 1 January 2022, at 31 December 2022 and at 1 January 2023		2,701,693,013	270,169
Issue of shares for subscription of the new controlling shareholder	*(b)*	3,290,457,511	329,046
Issue of shares for placing of shares to public shareholders	*(b)*	691,000,000	69,100
At 31 December 2023		6,683,150,524	668,315

(a) On 15 September 2023, an ordinary resolution was passed in the extraordinary general meeting of the Company to increase the authorised share capital of the Company from HK$500,000,000 divided into 5,000,000,000 shares to HK$1,000,000,000 divided into 10,000,000,000 shares by creation of an additional 5,000,000,000 new shares.

(b) On 26 September 2023, the Company completed a share subscription and allotted and issued 3,290,457,511 ordinary shares, at the subscription price of HK$0.42 per share, for a total subscription amount of approximately HK$1,381,992,000 which was satisfied in full by way of application of and offsetting the trade payable by the Group to the subscriber. On the same day and simultaneously with the subscription, the Company allotted and issued 691,000,000 ordinary shares by placing to public placees at a placing price of HK$0.33 per share for a total proceeds of approximately HK$228,030,000 in cash, before expense of HK$14,337,000 (including a payable of HK$2,866,000).

13. ASSETS HELD FOR SALE

During the year, the Group negotiated with an independent third party to dispose a distributed power station and sales agreement was signed between the Group and the independent third party while certain testing criteria has not yet been fulfilled in Myanmar as at period end. In the opinion of the directors, the sale was considered highly probable and was expected to be completed within one year from the date of reclassification. Accordingly, the related power station of HK$14,304,000 included in "Property, plant and equipment" were classified as assets held for sale as at 31 December 2023.

EXTRACT FROM INDEPENDENT AUDITOR'S REPORT

The following is an extract of the independent auditor's report on the Group's consolidated financial statements for the year ended 31 December 2023.

Opinion (Extract)

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2023, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with HKFRSs issued by the HKICPA and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

Extract of an Emphasis of Matter paragraph in the auditors' report

We draw attention to note 2.1 to the consolidated financial statements, which indicates that the Group incurred a net loss of HK$2,854.0 million during the year ended 31 December 2023 and, as of that date, the Group had net current liabilities of HK$1,305.9 million. The Group has failed to repay some of the bank and other borrowings in accordance with the repayment schedules during the year and up to the date of approval of these financial statements, and the Group has also breached certain loan covenants. These conditions, along with other matters as set forth in note 2.1 to the consolidated financial statements, indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

MANAGEMENT DISCUSSION AND ANALYSIS

MARKET OVERVIEW

Market Review

Entering the post-pandemic era in 2023, the macroeconomic was rather pessimistic with stubborn inflation, higher borrowing costs and elevated debt levels, prolonging the difficult time for businesses.

Some immediate pressures from the global energy crisis were eased through the concerted efforts and active response of countries, but the energy markets remained fragile as the geopolitics and the global economy continued to be unsettling. As a result of the weakened economic activities in several countries, the growth of global oil demand slowed down with huge fluctuation in international crude oil prices. Meanwhile, the natural gas prices fell from their highs in 2022, driving global natural gas consumption to rise. The energy crisis continued to stimulate the development of renewable energy. According to statistics, more than 500GW of renewable capacity was added in 2023.

The global electricity demand grew moderately with China, India and several Southeast Asian countries having a strong growth as supported by their local economic development. However, the frequent occurrence of various extreme weather events led to an increased number of power outage across the world with extensive influences. On the other side, the impact of weather on power systems became increasingly prominent. The global generation of hydropower, for example, reduced due to weather impacts such as droughts and below average rainfall, pushing the hydropower-reliant countries to increase the use of fossil fuels and arousing public concern over stability of electricity supply.

Business Review

2023 was a critical year of adjustment and consolidation to the Group. In the face of the challenging business environment, the Group anchored itself to achieve the objectives of integrating internal and external resources, reinforcing corporate resilience and accelerate business vitalisation. Overwhelmed by the actual impact brought by the geopolitical changes which had not been fully absorbed and the persistently increasing financing costs, the Group recorded unsatisfactory full-year financial performance with the total revenue decreasing 55.4% year-on-year to approximately HK$1,497.6 million.

System Integration (SI) Business

The Group recorded approximately HK$675.3 million of revenue from SI business for the year ended 31 December 2023 (2022: HK$1,945.4 million), representing a year-on-year decrease of 65.3% and resulting in a gross loss of approximately HK$50.6 million (2022: gross profit of HK$284.5 million). The decrease in revenue was mainly due to the decrease in sales of engine-based generating units to one of the major customers in Asia.

Investment, Building and Operating ("IBO") Business

The revenue and gross profit of the Group's IBO business for the year ended 31 December 2023 were approximately HK$822.3 million (2022: HK$1,415.9 million) and approximately HK$96.7 million (2022: HK$ 377.4 million) respectively, representing a respective year-on-year decrease of 41.9% and 74.4%. The decreases in revenue and gross profit of IBO business were mainly attributable to the ongoing curtailment of business presence in Myanmar resulting in a decrease in electricity generation, the deconsolidation of the financial performance of the project in Peru since mid-2022, and also the reduction in electricity generation of the project in the United Kingdom.

As at 31 December 2023, the Group had wholly owned projects in Brazil, Indonesia, Myanmar, China and the United Kingdom with generation capacity of 70.3MW, 218.1MW, 109.7MW, 14.4MW and 20.3MW respectively; and a joint venture project in Peru with generation capacity of 79.8MW. Seeing the higher load factor of the Brazilian projects and the local government's support of renewables, the Group commenced feasibility study with a local partner on adding electricity capacity of projects with solar panels. In Indonesia, the Group entered into agreements for new projects with 130.8MW capacity which were under construction.

At the time of scaling down the business in Myanmar, the Group also actively formulated plans for the asset portfolio adjustment and geographical distribution. With a goal to drive profits, the Group pursued business opportunities in Middle Asian region and Southeast Asian countries leveraging the strong resources and business network of the controlling shareholder and its parent company with new projects secured.

Significant Investments

(i) *CNTIC VPower Group Holdings Limited ("**CNTIC VPower**")*

CNTIC VPower owns three power projects, namely the Thaketa, Thanlyin and Kyauk Phyu III projects in Myanmar. Since the changes in overall political, economic, and social environment in Myanmar in the beginning of 2021, CNTIC VPower has faced with resistantly immense operating challenges. As all of its projects were put on a halt or had been temporary suspended, CNTIC VPower recorded a significant loss in 2023, dragging down the Group's investment in CNTIC VPower at a carrying value of HK$716.2 million to zero carrying value (investment cost: HK$700.4 million).

Nevertheless, the management of the Group and CNTIC VPower remained active in negotiating with relevant parties in reaching a feasible solution and formulating redeployment plans in order to restore the profitability of CNTIC VPower.

(ii) *Tamar VPower Energy Fund I, L.P. (the "**Fund**")*

The Group has joined hands with CITIC Pacific Limited to explore the opportunities in the energy sector in countries along the Belt and Road Initiative through the Fund since 2018. The investment portfolio of the Fund remained the same as disclosed in the annual report of 2019. As at 31

December 2023, the Group's total investment cost in the Fund was approximately HK$819.0 million; and its carrying value was approximately HK$804.9 million, representing around 12.9% of the Group's total assets.

Financial Review

Revenue

The revenue of the Group was mainly derived from: (i) SI business by providing gen-sets and power generation systems to customers; and (ii) IBO business based on the actual amount of electricity that we deliver to the off-takers (including fuel cost the Group expensed for its off-takers), as well as the contract capacity we make available to the off-takers.

	Year ended 31 December	
	2023	2022
	HK$'000	*HK$'000*
SI	**675,322**	1,945,437
IBO	**822,321**	1,415,888
Total	**1,497,643**	3,361,325

In 2023, the Group recorded a revenue of approximately HK$1,497.6 million, representing a decrease of 55.4% as compared with approximately HK$3,361.3 million of the previous year. Please refer to the paragraph headed "Business Review" for the reasons of the decrease in revenue.

Revenue by geographical locations

The table below sets forth a revenue breakdown for our SI business by geographical markets for the year indicated, both in actual amounts and as a percentage of total revenue:

	Year ended 31 December			
	2023		2022	
	HK$'000	***% of total revenue***	*HK$'000*	*% of total revenue*
Hong Kong, Macau and Chinese Mainland	**166,653**	**11.1**	174,127	5.2
Other Asian countries[(1)]	**473,189**	**31.6**	1,724,137	51.3
Other countries	**35,480**	**2.4**	47,173	1.4
Total	**675,322**	**45.1**	1,945,437	57.9

Note:

(1) Other Asian countries mainly include Singapore, United Arab Emirates, South Korea, Bangladesh and Myanmar.

The table below sets forth a revenue breakdown for our IBO business by geographical markets for the year indicated, both in actual amounts and as a percentage of total revenue:

	Year ended 31 December			
	2023		2022	
	HK$'000	***% of total revenue***	*HK$'000*	*% of total revenue*
Brazil[1]	**692,104**	**46.2**	691,398	20.5
Myanmar	**78,196**	**5.2**	328,765	9.8
Chinese Mainland	**27,849**	**1.9**	27,168	0.8
Indonesia	**19,872**	**1.3**	42,647	1.3
United Kingdom	**4,300**	**0.3**	42,494	1.3
Peru[1]	**—**	**—**	283,416	8.4
Total	**822,321**	**54.9**	1,415,888	42.1

Note:

(1) Revenue comprises amounts representing fuel cost expensed for off-takers.

Cost of sales

Under our SI business, our cost of sales mainly consists of cost of goods sold and services provided, staff costs and depreciation. We use engines, radiators, alternators, other parts and ancillary equipment to produce gensets and power generation systems.

Under our IBO business, our cost of sales mainly includes depreciation and operating expenses. We engage contractors for labour outsourcing.

For the years ended 31 December 2023 and 2022, our costs of sales were approximately HK$1,451.5 million and approximately HK$2,699.4 million, respectively.

Gross profit and gross profit margin

	Year ended 31 December			
	2023		2022	
	HK$'000	***gross profit margin %***	*HK$'000*	*gross profit margin %*
SI	**(50,563)**	**(7.5)**	284,499	14.6
IBO	**96,721**	**11.8**	377,379	26.7
Total	**46,158**	**3.1**	661,878	19.7

Gross profit of the Group was approximately HK$46.2 million, representing a decrease of HK$615.7 million as compared with approximately HK$661.9 million of the previous year. Gross profit margin decreased to 3.1% from 19.7% in 2022 which was mainly attributable to the gross loss of SI business.

Loss before tax

For the year ended 31 December 2023, the Group recorded a loss of approximately HK$2,855.0 million as compared with a loss of HK$316.2 million of the previous year. It was mainly due to the share of loss from the joint venture with investments in Myanmar, the decrease in revenue and gross loss of SI business and an increase in impairment of trade receivables, property, plant and equipment and intangible assets..

Other income and gains, net

In 2023, other income and gains, net of the Group amounted to approximately HK$4.3 million, representing a decrease of 45.6% as compared with approximately HK$7.9 million of the previous year. The decrease was mainly attributable to no gain on deconsolidation of subsidiaries and sales deposit forfeited in current year.

Selling and distribution expenses

Selling and distribution expenses of the Group primarily consist of costs for transportation and traveling expenses, commission expense, insurance expense, staff costs and others. In 2023, selling and distribution expenses of the Group decreased by 33.3% from approximately HK$22.2 million in 2022 to HK$14.8 million.

Administrative expenses

Administrative expenses primarily consist of administrative service fees, staff costs, legal and other professional fees, insurance expenses, and office and other expenses. Office and other expenses include bank charges, advertising, exhibition and related promotion expenses and headquarter expenses.

In 2023, administrative expenses of the Group were approximately HK$398.1 million, representing an increase of 5.4% as compared with approximately HK$377.7 million of the previous years. The increase was mainly due to an increase in depreciation charges on non-operating assets.

Other expenses, net

Other expenses, net of the Group mainly consist of foreign exchange loss, impairment of trade receivables, impairment of property, plant and equipment and write-down of inventories to net realisable value.

In 2023, other expenses, net were approximately HK$1,470.5 million, which represented an increase of 851.8% over the previous year of approximately HK$154.5 million. The increase was mainly attributable to an increase in impairment of trade receivables, property, plant and equipment and intangible assets.

Finance costs

Finance costs of the Group primarily consist of interest and other finance costs on letters of credit, bank loans and overdrafts, notional interest on other payables and interest on lease liabilities and other borrowings. In 2023, finance costs were approximately HK$316.2 million, which represented an increase of 35.8% as compared with the previous year of approximately HK$232.8 million. The increase was primarily due to an increase in average borrowing interest rate despite a decrease in total interest-bearing bank borrowings.

Income tax credit

Income tax credit of the Group primarily consists of income tax recoverable by our subsidiaries in the People's Republic of China, Hong Kong, Brazil and Peru. In 2023, income tax credit was approximately HK$1.0 million, as compared with the income tax credit of approximately HK$35.5 million in the previous year, and our effective tax rate was 0.0% and 11.2% for 2023 and 2022, respectively.

Loss Attributable to Owners and Loss per Share

In 2023, loss attributable to owners of the Company was approximately HK$2,854.0 million, as compared with loss attributable to owners of the Company of approximately HK$316.9 million of the previous year.

Basic loss per share for the year ended 31 December 2023 was HK76.18 cents as compared with basic loss per share of HK11.78 cents of the previous year.

Liquidity, Financial and Capital Resources

As at 31 December 2023, total current assets of the Group amounted to approximately HK$2,946.5 million (2022: HK$4,550.0 million). In terms of financial resources as at 31 December 2023, cash and cash equivalents of the Group were approximately HK$131.2 million (2022: HK$122.3 million).

As at 31 December 2023, total bank and other borrowings of the Group amounted to approximately HK$2,767.2 million (2022: HK$2,921.2 million), representing a decrease of approximately 5.3% as compared to that of 31 December 2022. The Group's bank and other borrowings include short-term loans with one-year maturity and term loans with maturity within two years. As at 31 December 2023, the Group's bank and other borrowings were denominated in:

	2023	2022
	HK$'000	*HK$'000*
U.S. dollars	**2,310,133**	2,572,561
HK dollars	**132,039**	166,295
Brazilian Real ("**BRL**")	**183,295**	129,774
Euro	**52,902**	32,740
Renminbi ("**RMB**")	**77,878**	12,223
Great British Pound ("**GBP**")	**8,791**	7,641
United Arab Emirates Dirham ("**AED**")	**2,163**	—
	2,767,201	2,921,234

As at 31 December 2023, the Group's current ratio was 0.7 (2022: 0.8). The Group's liabilities to assets ratio was 69.8% (2022: 64.8%). The Group's net gearing ratio was approximately 139.2% (2022: 88.0%).

Charge of Assets

As at 31 December 2023, certain of the Group's inventories with a net book value of approximately HK$161.5 million (2022: HK$310.3 million), property, plant and equipment with a net book value of approximately HK$125.8 million (2022: HK$74.3 million), pledged deposit of HK$1.1 million (2022: HK$23.0 million) and equity interest of the Group in a subsidiary were charged for securing the Group's interest-bearing bank and other borrowings and the equity interest of the Group in Genrent del Peru S.A.C. was charged for securing its senior notes.

Exposure on Foreign Exchange Fluctuations

The Group's revenue and payments are mainly in U.S. dollars, Euro, RMB, GBP, Peruvian Sol ("**PEN**"), Myanmar Kyat ("**MMK**"), BRL, Indonesian Rupiah ("**IDR**"), AED and Sri Lankan Rupee ("**LKR**"). The impact of such difference would translate into our exposure to any particular currency fluctuations during the period. The Group has a hedging policy to manage such risks and costs associated with currency fluctuations.

The Group is exposed to foreign exchange risk through sales and purchases that are denominated in currencies other than the functional currency of the respective operations, which are primarily Euro, BRL, IDR, RMB, MMK, PEN, AED and GBP. A majority of the Group's purchases are either in Euro or U.S. dollar. During the year ended 31 December 2023, the Group entered into currency forward contracts to manage its partial foreign exchange exposure against Euro appreciation. The Group will closely follow the hedging policy and monitor its overall foreign exchange exposure from time to time to minimise the relevant exposures.

As market conditions continue to evolve, the Group's Investment Committee will continue to closely monitor the currency risk and adopt strategies that, if necessary, reduce the exposure of currency risks.

Contingent Liabilities

As at 31 December 2023, the Group had no contingent liabilities.

Capital Expenditures

For the year ended 31 December 2023, the Group invested approximately HK$99.3 million (2022: HK$156.8 million) in property, plant and equipment of which HK$99.1 million (2022: HK$156.6 million) was for IBO projects.

ISSUANCE OF EQUITY SECURITIES FOR SETTLEMENT OF DEBT AND CASH

On 12 June 2023, the Company and, among others, China National Technical Import & Export Corporation ("**CNTIC**") entered into a subscription agreement (amended by a supplemental agreement dated 28 August 2023), pursuant to which the Company allotted and issued 3,290,457,511 shares of HK$0.1 each of the Company ("**Shares**") to CNTIC at the subscription price of HK$0.42 per Share (the "**Subscription**"). The total subscription price of HK$1,381,992,155 payable by CNTIC was satisfied in full by way of application of and offsetting certain trade debts of the same amount payable by the Group to CNTIC. Completion of the Subscription took place on 26 September 2023.

On 24 August 2023, the Company and a placing agent entered into a placing agreement, pursuant to which the Company allotted and issued 691,000,000 Shares to placees procured by the placing agent at the placing price of HK$0.33 per Share for cash (the "**Placing**") for, among other things, ensuring compliance with the public float requirement under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") following completion of the Subscription. The net placing price, after deducting related fees and expenses, was approximately HK$0.32 per Share. Completion of the Placing took place, simultaneously with completion of Subscription, on 26 September 2023. The Company received net proceeds of approximately HK$216.6 million from the Placing, and such proceeds were utilised as to approximately 80% for repayment of bank borrowings and approximately 20% as general working capital, consistently with the intended use of proceeds as disclosed in the announcement of the Company in relation to the Placing published on 24 August 2023.

After simultaneous completions of the Subscription and the Placing on 26 September 2023, CNTIC held 3,290,457,511 Shares, representing 49.42% of the issued share capital of the Company as enlarged by the issuance of Shares under the Subscription and the Placing, and became the controlling shareholder of the Company.

TREASURY POLICY

The Group has implemented a treasury policy that aims at better controlling its treasury management and financial resources. The treasury policy requires the Group to maintain an adequate level of cash and cash equivalents and available banking facilities to support daily operations and funding needs. The policy is regularly reviewed and evaluated to ensure its adequacy and effectiveness.

EMPLOYEES

As at 31 December 2023, the Group had 365 employees (2022: 400). The Group remunerates its employees based on their performance, experience and prevailing industry practice; and grants bonus motivate valued employees. In 2023, the Group provided internal and external training (e.g. orientation training, on-the-job training, product training and site safety training) to enrich the knowledge and skills of our employees.

FINAL DIVIDEND

The Board does not recommend the payment of a final dividend for the year ended 31 December 2023 (2022: Nil).

CLOSURE OF REGISTER OF MEMBERS

For the purpose of determining the entitlement to attend the forthcoming annual general meeting of the Company scheduled to be held on Tuesday, 18 June 2024 (the "**2024 AGM**"), the register of members of the Company will be closed during the period from Thursday, 13 June 2024 to Tuesday, 18 June 2024 (both days inclusive), during which period no transfer of share(s) of the Company will be effected. In order to qualify for attending and voting at the 2024 AGM, all transfer document(s), accompanied by the relevant share certificate(s), must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, for registration not later than 4:30 p.m. on Wednesday, 12 June 2024.

CORPORATE GOVERNANCE

During the year ended 31 December 2023, the Company had complied with the applicable code provisions of the Corporate Governance Code ("**Code Provision**") set out in Appendix C1 to the Listing Rules on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"), except for the following deviation during the period from 1 January 2023 to 4 December 2023:

Code Provision C.2.1 in Part 2 of the Corporate Governance Code provides that the roles of chairman and chief executive should be separate and should not be performed by the same individual. Mr. Lam Yee Chun ("**Mr. Lam**") was the Executive Chairman of the Company and a Co-Chief Executive Officer (i.e. chief executive) of the Group during the period from 1 January 2023 to 4 December 2023. In view of the profound knowledge and experience of Mr. Lam in the operation and business of the Group and in the industry, the Board was of the view that it was appropriate to vest the roles of the

Executive Chairman and a Co-Chief Executive Officer in Mr. Lam during the aforesaid period for effective and efficient execution of the Group's strategies and the management's decisions. Besides, the then existing composition of the management team and Mr. Lee Chong Man Jason's role as the other Co-Chief Executive Officer during the aforesaid period enabled the Group to achieve a balance of power and authority for Mr. Lam taking up the dual roles in the Group.

On 5 December 2023, the appointment of Dr. Kang Hubiao as the chairman of the Board became effective and Mr. Lam became the sole Chief Executive Officer of the Group, since then, the roles of chairman and chief executive were separate and were performed by two different individuals. Therefore, the aforesaid deviation from the Corporate Governance Code was remedied from 5 December 2023 to 31 December 2023. The Company reviews the structures of the Board and the management team as well as all relevant arrangements and measures from time to time to ensure that effective management and internal control systems are in place.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") set out in Appendix C3 to the Listing Rules as its own code of conduct regarding directors' securities transactions. Having made specific enquiry of all directors of the Company, the Company was not aware of any non-compliance with the required standard set out in the Model Code regarding securities transactions by the directors of the Company during the year ended 31 December 2023.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the year ended 31 December 2023, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities.

REVIEW OF ACCOUNTS

The audit committee of the Company has reviewed, among other things, the accounting principles and practices adopted by the Group, internal controls, risk management, auditing and financial reporting matters and the consolidated annual results of the Group for the year ended 31 December 2023 contained in this announcement.

SCOPE OF WORK OF THE COMPANY'S AUDITOR IN RESPECT OF THIS ANNOUNCEMENT

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of comprehensive income and the related notes thereto for the year ended 31 December 2023 as set out in the preliminary announcement have been agreed by the Company's auditor to the amounts set out in the Group's draft consolidated financial statements for the year. The work performed by the Company's auditor in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by the Company's auditors on the preliminary announcement.

PUBLICATION OF 2023 FINAL RESULTS AND ANNUAL REPORT

This results announcement is published on the Company's website at www.vpower.com under "Investors" and the HKEXnews at www.hkexnews.hk under "Listed Company Information". It is expected that the 2023 Annual Report will be published on the aforesaid websites before end of April 2024.

ANNUAL GENERAL MEETING

The 2024 AGM of the Company is scheduled to be held on Tuesday, 18 June 2024. Notice of the 2024 AGM will be published on the websites of both the Stock Exchange and the Company and despatched to the Company's shareholders in due course.

RESUMPTION OF TRADING

At the request of the Company, trading in its shares on the Stock Exchange has been suspended with effect from 9:00 a.m. on 2 April 2024, pending the release of the consolidated annual results of the Group for the year ended 31 December 2023 contained in this announcement. Application has been made to the Stock Exchange for the resumption of trading in the shares of the Company on the Stock Exchange with effect from 9:00 a.m. on 30 April 2024.

By Order of the Board
VPower Group International Holdings Limited
Kang Hubiao
Chairman

Hong Kong, 29 April 2024

As at the date hereof, the Board comprises Dr. Kang Hubiao, Mr. Lam Yee Chun, Mr. Lu Weijun, Mr. Li Haifeng and Mr. Jin Jiantang as executive directors; Mr. Wong Kwok Yiu as a non-executive director; and Mr. Suen Wai Yu, Dr. Wang Zheng and Dr. Lin Tun as independent non-executive directors.