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MECOM POWER AND CONSTRUCTION LIMITED

澳能建設控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1183)

(Warrant code: 2242)

VOLUNTARY ANNOUNCEMENT

ENTERING INTO MEMORANDUM OF UNDERSTANDING IN RELATION TO POTENTIAL BUSINESS COOPERATION

This is a voluntary announcement made by MECOM Power and Construction Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) to provide the shareholders and potential investors of the Company an update on the latest business development of the Group.

MEMORANDUM OF UNDERSTANDING

The board (the “**Board**”) of directors (the “**Directors**”) of the Company is pleased to announce that on 4 May 2023, the Company entered into a memorandum of understanding (the “**MOU**”) with State Power Investment Qinao Smart Energy (Guangdong) Company Limited* (國電投琴澳智慧能源(廣東)有限公司) (the “**Prospective Partner**”), a subsidiary of State Power Investment Corporation Limited* (國家電力投資集團有限公司) (“**SPIC**”).

Under the MOU, the Company and the Prospective Partner proposed to be strategic business partners in relation to the energy management and electric vehicle (“**EV**”) business (the “**Strategic Cooperation**”) for a term of three years commencing from the date of the MOU.

Subject to the terms of the definitive legally binding agreement(s) as may be entered into between the Company and the Prospective Partner, the Strategic Cooperation shall include but not limited to the following:

- (a) conduct research and development with collaboration on project investment and financing in:
 - (i) energy management and facility maintenance for building, air conditioning, and other systems in Macau;
 - (ii) installation and operation of EV charging systems in Macau and the Guangdong Province; and
 - (iii) installation and operation of electric and mechanical energy-saving systems in Macau.

- (b) set up a liaison mechanism and joint working group to regularly share and exchange technical and industry information related to the above areas and seek opportunities for joint investment in related projects.

The MOU does not create legally binding obligations on the parties in relation to the Strategic Cooperation save for certain provisions relating to confidentiality, governing law and dispute resolution, etc.

REASONS FOR AND BENEFITS OF ENTERING INTO THE MOU

SPIC is a key state-owned enterprise directly under the central government of China. As one of the five major power generation groups in China and the largest solar power generation enterprise in the world, SPIC ranked 260th among the Fortune Global 500 in 2022 with its businesses covering 46 countries and regions. SPIC is entrusted with the important mission of ensuring national energy security.

It has been the business strategy of the Group to consider business opportunities in the new energy vehicle business from time to time which will enable themselves to further penetrate into the new energy vehicle market. The Group is expected to benefit through the Strategic Cooperation with SPIC whose expertise and leading position in the power industry could facilitate the development and bring new opportunities to the EV business of the Group.

The Board believes that the Strategic Cooperation contemplated under the MOU could facilitate the Group's further broadening of business scope, thus achieving business diversification. The Board considers that the terms of the MOU are based on normal commercial terms and are fair and reasonable and are beneficial to the Group and its shareholders as a whole.

GENERAL

The Board wishes to emphasise that the Strategic Cooperation contemplated under the MOU may or may not proceed and that the Group has not entered into any legally binding agreement with the Prospective Partner in relation to the transactions contemplated under the MOU as at the date of this announcement. If the transactions contemplated under the MOU materialise, the Group will make further announcement(s) as and when appropriate in accordance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Shareholders and potential investors of the Company should exercise caution when dealing in the securities of the Company.

By Order of the Board
MECOM Power and Construction Limited
Kuok Lam Sek
Chairman

Hong Kong, 10 May 2023

As at the date of this announcement, the executive Directors are Mr. Kuok Lam Sek and Mr. Sou Kun Tou, and the independent non-executive Directors are Ms. Chan Po Yi, Patsy, Mr. Cheung Kiu Cho, Vincent and Mr. Lio Weng Tong.

* *For identification purposes only*