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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: 424)

VOLUNTARY ANNOUNCEMENT INTENTION TO CONDUCT ON-MARKET SHARE REPURCHASE

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 with information in relation to the latest development regarding the Company.

UNUSUAL PRICE AND TRADING VOLUME MOVEMENTS

The board (the “**Board**”) of directors (the “**Directors**”) of the Company has noted the unusual fluctuation in the price and trading volume of the shares of the Company (the “**Shares**”) on 18 September 2023. Having made such enquiry with respect to the Company as may be reasonable in the circumstances, save that the Company repurchased a total of 1,800,000 Shares at an average price of HK\$0.514 per Share in the open market on 18 September 2023 pursuant to the Repurchase Mandate (as defined below), the Board confirms that it is not aware of any reasons for such fluctuation in the price and trading volume of the Shares or of any information which must be announced to avoid a false market in the Shares or of any inside information that needs to be disclosed under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

SHARE REPURCHASE

The Board wishes to announce that it has an intention to exercise its powers under the general mandate (the “**Repurchase Mandate**”) given to the Board pursuant to the resolutions of the shareholders of the Company (the “**Shareholders**”) passed on 30 May 2023, to repurchase Shares not exceeding 10% of the total number of Shares in issue as at 30 May 2023 (the “**Share Repurchase**”). The Repurchase Mandate shall continue to be in force during the period from 30 May 2023 up to the earliest of (i) the date of the next annual general meeting of the Company; (ii) the date by which the next annual general meeting of the Company is required to be held by law or the articles of association of the Company; or (iii) the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders at a general meeting of the Company.

The Board has resolved to utilise the Repurchase Mandate to repurchase Shares in the open market from time to time. The Company will conduct the Share Repurchase in compliance with the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

Under the Listing Rules, the actual repurchase price of each Share shall be no more than 5% higher than the average closing market price for the Shares over the five trading days immediately preceding each repurchase. The Company will finance the Share Repurchase from its existing available cash reserves and free cash flow.

The Company will conduct the Share Repurchase in compliance with the memorandum of association and articles of association of the Company, the Listing Rules, the Codes on Takeovers and Mergers and Share Buy-backs, the Companies Law of the Cayman Islands and all applicable laws and regulations to which the Company is subject to. Any Shares repurchased pursuant to the Repurchase Mandate will be cancelled in due course.

The Board considers that the current trading price of the Shares does not reflect their intrinsic value and business prospects of the Company and that it presents a good opportunity for the Company to repurchase Shares. The Board believes that a share repurchase in the present conditions will demonstrate the Company’s confidence in its own business outlook and prospects and would, ultimately, benefit the Company and create value to the Shareholders. The Board believes that the current financial resources of the Company would enable it to implement the Share Repurchase while maintaining a solid financial position.

Shareholders and potential investors should note that any repurchase of Shares may be done subject to market conditions and at the Board’s absolute discretion. There is no assurance of the timing, quantity or price of any repurchase. Shareholders and potential investors should therefore exercise caution when dealing in the Shares.

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

Hong Kong, 19 September 2023

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