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## **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 2025 AND RESUMPTION OF TRADING**

#### **KEY HIGHLIGHTS**

- Revenue decreased by 20.9% to approximately HK\$1,202.7 million with revenue from SI business and IBO business amounting to approximately HK\$248.0 million and approximately HK\$954.7 million respectively.
- Gross profit decreased by 29.7% to approximately HK\$204.9 million with gross profit of SI business and IBO business amounting to approximately HK\$57.0 million and approximately HK\$147.9 million respectively.
- Loss attributable to the owners of the Company decreased by 13.6% to approximately HK\$201.5 million.
- New projects secured during the year are progressing in an orderly manner, positioning the Group to realise financial contributions in the near term. Meanwhile, the Myanmar joint venture has managed to restore the operation of a large part of its generation capacity, marking a return to profitability in the foreseeable future.

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 2025, together with comparative figures of the last financial year in 2024 as follows:

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Year ended 31 December 2025

	<i>Notes</i>	<b>2025</b> <i>HK\$'000</i>	2024 <i>HK\$'000</i>
REVENUE	5	<b>1,202,653</b>	1,520,482
Cost of sales		<u><b>(997,764)</b></u>	<u>(1,229,207)</u>
Gross profit		<b>204,889</b>	291,275
Other income and gains, net	5	<b>203,857</b>	153,062
Selling and distribution expenses		<b>(27,691)</b>	(11,624)
Administrative expenses		<b>(269,817)</b>	(268,460)
Provision for impairment losses under expected credit loss model, net		<b>(43,925)</b>	(24,982)
Other expenses, net		<b>(20,946)</b>	(19,316)
Finance costs		<b>(304,682)</b>	(341,539)
Share of results of joint ventures		<u><b>59,014</b></u>	<u>16,129</u>
LOSS BEFORE TAX	6	<b>(199,301)</b>	(205,455)
Income tax expense	7	<u><b>(1,894)</b></u>	<u>(27,115)</u>
LOSS FOR THE YEAR		<u><b>(201,195)</b></u>	<u>(232,570)</u>
Attributable to:			
Owners of the Company		<b>(201,457)</b>	(233,080)
Non-controlling interests		<u><b>262</b></u>	<u>510</u>
		<u><b>(201,195)</b></u>	<u>(232,570)</u>
LOSS PER SHARE	9		
Basic		<u><b>HK(3.02) cents</b></u>	<u>HK(3.49) cents</u>
Diluted		<u><b>HK(3.02) cents</b></u>	<u>HK(3.49) cents</u>

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December 2025

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
LOSS FOR THE YEAR	(201,195)	(232,570)
OTHER COMPREHENSIVE INCOME/(LOSS)		
Items that may be reclassified to profit or loss in subsequent periods:		
Exchange differences on translation of foreign operations	24,795	(68,886)
Release of exchange fluctuation reserve upon deconsolidation of subsidiaries	<u>—</u>	<u>(638)</u>
OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR, NET OF TAX	<u>24,795</u>	<u>(69,524)</u>
TOTAL COMPREHENSIVE LOSS FOR THE YEAR	<u>(176,400)</u>	<u>(302,094)</u>
Attributable to:		
Owners of the Company	(176,662)	(302,604)
Non-controlling interests	<u>262</u>	<u>510</u>
	<u>(176,400)</u>	<u>(302,094)</u>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 December 2025

	<i>Notes</i>	<b>2025</b> <i>HK\$'000</i>	2024 <i>HK\$'000</i>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment		<b>619,131</b>	462,628
Right-of-use assets		<b>147,671</b>	227,968
Interests in joint ventures		<b>922,991</b>	888,541
Originated credit-impaired receivables	<i>10</i>	<b>217,373</b>	—
Deposits and other receivables		<b>54,059</b>	47,755
Deferred tax assets		<b>2,516</b>	2,881
		<hr/>	<hr/>
Total non-current assets		<b>1,963,741</b>	1,629,773
<b>CURRENT ASSETS</b>			
Inventories		<b>601,511</b>	659,555
Trade and bills receivables	<i>10</i>	<b>1,439,063</b>	1,618,694
Prepayments, deposits, other receivables and other assets		<b>592,317</b>	839,867
Derivative financial instruments		—	6,146
Tax recoverable		<b>4,605</b>	2,338
Restricted cash		<b>12,334</b>	12,315
Pledged deposits		<b>382</b>	—
Cash and cash equivalents		<b>369,183</b>	122,808
		<hr/>	<hr/>
Assets held for sale	<i>12</i>	<b>3,019,395</b>	3,261,723
		<b>340,449</b>	969,328
		<hr/>	<hr/>
Total current assets		<b>3,359,844</b>	4,231,051
<b>CURRENT LIABILITIES</b>			
Trade and bills payables	<i>11</i>	<b>537,235</b>	503,116
Other payables and accruals		<b>1,488,599</b>	1,136,587
Contract liabilities		<b>57,403</b>	116,734
Derivative financial instruments		<b>2,624</b>	—
Interest-bearing bank and other borrowings		<b>1,598,148</b>	2,236,637
Lease liabilities		<b>75,187</b>	73,281
Tax payable		<b>4,338</b>	3,167
Provision for restoration		<b>3,493</b>	4,273
		<hr/>	<hr/>
Total current liabilities		<b>3,767,027</b>	4,073,795
		<hr/>	<hr/>
NET CURRENT (LIABILITIES)/ASSETS		<b>(407,183)</b>	157,256
		<hr/>	<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES		<b>1,556,558</b>	1,787,029
		<hr/>	<hr/>

	<b>2025</b> <i>HK\$'000</i>	2024 <i>HK\$'000</i>
<b>NON-CURRENT LIABILITIES</b>		
Other payables	<b>39,988</b>	1,090
Interest-bearing other borrowings	<b>23,591</b>	35,556
Lease liabilities	<b>79,333</b>	155,073
Provision for restoration	<b>2,147</b>	2,166
Deferred tax liabilities	<b>6,483</b>	11,728
	<u>          </u>	<u>          </u>
Total non-current liabilities	<b>151,542</b>	205,613
	<u>          </u>	<u>          </u>
Net assets	<b>1,405,016</b>	1,581,416
	<u>          </u>	<u>          </u>
<b>EQUITY</b>		
<b>Equity attributable to owners of the Company</b>		
Share capital	<b>668,315</b>	668,315
Reserves	<b>735,949</b>	912,611
	<u>          </u>	<u>          </u>
	<b>1,404,264</b>	1,580,926
Non-controlling interests	<b>752</b>	490
	<u>          </u>	<u>          </u>
Total equity	<b>1,405,016</b>	1,581,416
	<u>          </u>	<u>          </u>

## NOTES:

### 1. CORPORATE INFORMATION

VPower Group International Holdings Limited is a limited liability company incorporated in the Cayman Islands. The registered office of the Company is located at Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands, and the principal place of business of the Company is located at 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 established 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 established 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.

The financial statements are presented in Hong Kong dollars (“HK\$”), which is also the functional currency of the Company.

### 2. APPLICATION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

#### **Amendments to an HKFRS Accounting Standard that are mandatorily effective for the current year**

In the current year, the Group has applied the following amendments to an HKFRS Accounting Standard as issued by the Hong Kong Institute of Certified Public Accountants for the first time, which are mandatorily effective for the Group’s annual period beginning on 1 January 2025 for the preparation of the consolidated financial statements:

Amendments to HKAS 21

*Lack of Exchangeability*

The application of the amendments to an HKFRS Accounting Standard in the current year has had no material impact on the Group’s financial performance and positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

### 3. BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with HKFRS Accounting Standards as issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”). For the purpose of preparation of the consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“**Listing Rules**”) and by the Hong Kong Companies Ordinance.

#### *Going concern basis*

During the year ended 31 December 2025, the Group incurred a loss of HK\$201.2 million and net operating cash outflows of HK\$222.7 million and the Group had net current liabilities of HK\$407.2 million as at 31 December 2025. The current liabilities included bank and other borrowings of HK\$1,478.1 million which have been classified as current liabilities because the Group has failed to repay these bank and other borrowings in accordance with the repayment schedules and related interest during the year. The Group had cash and cash equivalents amounted to HK\$369.2 million as at 31 December 2025. Subsequent to the end of the reporting period and up to the date of approval of these consolidated 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 and related interest due, and its non-compliance with certain loan covenants.

In addition, on 28 November 2025, winding-up petitions (the “**Petitions**”) were filed by CRRC Hongkong Capital Management Co., Limited (the “**Petitioner**”) at the High Court of the Hong Kong Special Administrative Region (the “**Court**”) against each of the Company and VPower Group Holdings Limited (“**VGHL**”), an indirect wholly-owned subsidiary of the Company, in relation to the alleged non-payment of debts relating to, among other things, certain finance lease agreements entered into between the Petitioner and each of VGHL and VPower Technology Company Limited (“**VPT**”, for the avoidance of doubt, it is not a subsidiary of the Company), a repayment undertaking provided by VGHL and VPT, and a guarantee provided by the Company for the liabilities of its subsidiaries in favour of the Petitioner.

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 Company has been undertaking a number of plans and measures to improve the Group’s liquidity and financial position and oppose the Petitions, including, *inter alia*:

- (i) working closely with the relevant lending banks to implement the arrangements agreed under the restructuring master agreement entered into on 14 November 2025, details of which are available in the announcement of the Company on the same day;
- (ii) obtaining legal advice and taking actions to oppose the Petitions to prevent any winding-up orders being made against the Company and the relevant subsidiary while concurrently seeking a consensual agreement with the Petitioner with the support of the controlling shareholder of the Company;
- (iii) engaging financial and legal advisors to assist the Group in formulating and implementing a holistic restructuring solution for its debts;
- (iv) obtaining ongoing support from a fellow subsidiary of controlling shareholder of the Company, which has 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 date of approval of these consolidated financial statements;
- (v) continuing the disposal of power generation equipment to the fellow subsidiary(ies) of the controlling shareholder of the Company, cash proceeds of which are intended to be utilised for loan repayment and as working capital; and

(vi) pursuing timely commencement of new projects to enhance operating cash inflow.

The directors of the Company have assessed the likelihood of successful implementation of these plans and measures, and reviewed the Group's cash flow projections prepared by management, which cover a period of not less than 12 months from 31 December 2025. Based on the assessment, they are of the opinion that, 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 2025. 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 management of the Group is able to successfully (a) preventing any winding-up orders being made against the Company and the relevant subsidiary and seeking a consensual agreement with the Petitioner and (b) formulating and implementing a holistic restructuring solution for its offshore bank and other borrowings, or implementing the arrangements agreed under the restructuring master agreement. Should the Group be unable to achieve the above-mentioned plans and measures, it might not be able to continue to operate as a going concern, and adjustments might have to be made to the consolidated financial information including but not limited to write-down of the carrying values of the Group's assets to their recoverable amounts, re-classification of non-current liabilities as current liabilities with consideration of the contractual terms or recognition of a liability for any contractual commitments that may have become onerous, where appropriate. The effects of these adjustments are not reflected in these consolidated financial statements.

#### 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 resources 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 profit/loss before tax except that bank interest income, intercompany transactions, certain share of results of joint ventures, non-lease-related finance costs, as well as head office and corporate expenses are excluded from such measurement.

Segment assets exclude deferred tax assets, certain share of results of joint ventures, 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 2025**

	<b>SI</b> <i>HK\$'000</i>	<b>IBO</b> <i>HK\$'000</i>	<b>Total</b> <i>HK\$'000</i>
<b>Segment revenue:</b>			
Sales to external customers	248,012	954,641	1,202,653
Intersegment sales	<u>105,339</u>	<u>—</u>	<u>105,339</u>
Total segment revenue	353,351	954,641	1,307,992
<i>Reconciliation:</i>			
Elimination of intersegment sales			<u>(105,339)</u>
Revenue			<u><u>1,202,653</u></u>
<b>Segment results</b>	<b>(4,718)</b>	<b>116,520</b>	<b>111,802</b>
<i>Reconciliation:</i>			
Elimination of intersegment results			(7,206)
Bank interest income			7,239
Corporate and unallocated expenses, net			(25,926)
Finance costs (other than interest on lease liabilities)			<u>(285,210)</u>
Loss before tax			<u><u>(199,301)</u></u>
<b>Segment assets</b>	<b>2,474,507</b>	<b>1,695,711</b>	<b>4,170,218</b>
<i>Reconciliation:</i>			
Corporate and unallocated assets			<u>1,153,367</u>
Total assets			<u><u>5,323,585</u></u>
<b>Segment liabilities</b>	<b>1,320,350</b>	<b>572,039</b>	<b>1,892,389</b>
<i>Reconciliation:</i>			
Corporate and unallocated liabilities			<u>2,026,180</u>
Total liabilities			<u><u>3,918,569</u></u>

Year ended 31 December 2024

	SI HK\$'000	IBO HK\$'000	Total HK\$'000
<b>Segment revenue:</b>			
Sales to external customers	602,924	917,558	1,520,482
Intersegment sales	<u>25,624</u>	<u>—</u>	<u>25,624</u>
Total segment revenue	628,548	917,558	1,546,106
<i>Reconciliation:</i>			
Elimination of intersegment sales			<u>(25,624)</u>
Revenue			<u><u>1,520,482</u></u>
<b>Segment results</b>	(307)	178,956	178,649
<i>Reconciliation:</i>			
Elimination of intersegment results			(1,784)
Bank interest income			677
Corporate and unallocated expenses, net			(44,405)
Finance costs (other than interest on lease liabilities)			<u>(338,592)</u>
Loss before tax			<u><u>(205,455)</u></u>
<b>Segment assets</b>	2,105,110	2,869,458	4,974,568
<i>Reconciliation:</i>			
Corporate and unallocated assets			<u>886,256</u>
Total assets			<u><u>5,860,824</u></u>
<b>Segment liabilities</b>	997,456	599,932	1,597,388
<i>Reconciliation:</i>			
Corporate and unallocated liabilities			<u>2,682,020</u>
Total liabilities			<u><u>4,279,408</u></u>

## Geographical information

### (a) Revenue from external customers

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Hong Kong and Chinese Mainland	117,786	408,117
Other Asian countries	297,748	239,533
Latin America	775,870	736,665
Other countries	<u>11,249</u>	<u>136,167</u>
	<u><u>1,202,653</u></u>	<u><u>1,520,482</u></u>

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

### (b) Non-current assets

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Hong Kong and Chinese Mainland	791,948	986,959
Other Asian countries	333,557	92,287
Latin America	519,400	443,016
Other countries	<u>44,888</u>	<u>56,875</u>
	<u><u>1,689,793</u></u>	<u><u>1,579,137</u></u>

The non-current assets 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:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Customer A <sup>#</sup>	775,870	736,665
Customer B <sup>^</sup>	<u>N/A*</u>	<u>200,107</u>

<sup>#</sup> Reported in the IBO segment

<sup>^</sup> Reported in the SI segment

\* The corresponding customer did not contribute over 10% of the total revenue of the Group for the year ended 31 December 2025.

## 5. REVENUE, OTHER INCOME AND GAINS, NET

An analysis of revenue is as follows:

### For the year ended 31 December 2025

Segments	SI <i>HK\$'000</i>	IBO <i>HK\$'000</i>	Total <i>HK\$'000</i>
Total revenue from contracts with customers	<u>248,012</u>	<u>954,641</u>	<u>1,202,653</u>

### For the year ended 31 December 2024

Segments	SI <i>HK\$'000</i>	IBO <i>HK\$'000</i>	Total <i>HK\$'000</i>
Total revenue from contracts with customers	<u>602,924</u>	<u>917,558</u>	<u>1,520,482</u>

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

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Bank interest income	7,239	677
Government grants*	125	229
Notional interest income	3,823	5,328
Reversal of impairment on property, plant and equipment	8,820	10,405
Gain on disposal of items of property, plant and equipment, net	164,454	94,635
Fair value gain on derivative financial instruments	—	13,250
Proceeds before intended use of power stations	6,092	22,202
Others	<u>13,304</u>	<u>6,336</u>
	<u>203,857</u>	<u>153,062</u>

\* 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):

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Depreciation of property, plant and equipment*	64,137	139,096
Depreciation of right-of-use assets*	79,780	12,376
Fair value loss/(gain) on derivative financial instruments	656	(13,250)
Foreign exchange differences, net <sup>#</sup>	9,072	4,809
Impairment of property, plant and equipment <sup>#</sup>	—	1,010
Reversal of impairment on property, plant and equipment disposed of during the year	(8,820)	(10,405)
Impairment of trade receivables, net	44,320	23,158
Impairment of other receivables, net	—	613
(Reversal of impairment)/impairment of contract assets, net	(395)	1,211
Gain on disposal of items of property, plant and equipment, net <sup>^</sup>	(164,454)	(94,635)
Loss on deconsolidation of subsidiaries <sup>#</sup>	—	9,718
Write-down of inventories to net realisable value <sup>#</sup>	5,273	4,219
Reversal of write-down of inventories to net realisable value*	<u>(4,422)</u>	<u>(6,709)</u>

\* The cost of sales for the year included depreciation charges of HK\$50,691,000 (2024: HK\$106,582,000), depreciation charges of right-of-use assets of HK\$71,523,000 (2024: HK\$2,794,000) and reversal of write-down of inventories to net realisable value of HK\$1,629,000 (2024: HK\$5,378,000).

<sup>#</sup> Included in “Other expenses, net” in the consolidated statement of profit or loss.

<sup>^</sup> Gain on disposal of items of property, plant and equipment, net amounting to HK\$164,454,000 is included in other income and gains, net. The loss of disposal of items of property, plant and equipment of HK\$6,000 is included in other expenses.

## 7. INCOME TAX EXPENSES

Hong Kong Profits Tax is provided at the rate of 16.5% on the estimated assessable profits arising in Hong Kong. No provision for Hong Kong Profits Tax has been made as the Group did not generate any assessable profits arising in Hong Kong during both years. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries/jurisdictions in which the Group operates.

	<b>2025</b>	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
Current tax — Hong Kong		
Overprovision in prior years	—	(287)
Current tax — Elsewhere		
Charge for the year	<b>6,556</b>	7,458
Underprovision in prior years	<u>—</u>	<u>685</u>
	<b>6,556</b>	7,856
Deferred tax	<u>(4,662)</u>	<u>19,259</u>
Total tax expense for the year	<u><b>1,894</b></u>	<u>27,115</u>

## 8. DIVIDENDS

The board of directors of the Company does not recommend the payment of any final dividend in respect of the year ended 31 December 2025 (2024: Nil).

## 9. LOSS PER SHARE

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\$201,457,000 (2024: HK\$233,080,000), and the weighted average number of ordinary shares of 6,669,484,000 (2024: 6,669,484,000) 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 years ended 31 December 2025 and 2024 as the Company had no potential dilutive ordinary shares.

## 10. ORIGINATED CREDIT-IMPAIRED RECEIVABLES AND TRADE AND BILLS RECEIVABLES

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Trade receivables	2,062,616	2,899,320
Originated credit-impaired receivables	278,633	—
Bills receivables	775	468
Impairment	<u>(685,588)</u>	<u>(1,281,094)</u>
Net carrying amount	1,656,436	1,618,694
Current portion included in trade and bills receivables	<u>(1,439,063)</u>	<u>(1,618,694)</u>
Non-current portion	<u>217,373</u>	<u>—</u>

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:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Within 90 days	204,547	136,693
91 to 180 days	8,339	6,387
181 to 360 days	2,917	11,322
Over 360 days	<u>1,440,633</u>	<u>1,464,292</u>
	<u>1,656,436</u>	<u>1,618,694</u>

## 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:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Within 90 days	50,147	50,504
91 to 180 days	5,527	1,792
181 to 360 days	32,469	112,548
Over 360 days	<u>449,092</u>	<u>338,272</u>
	<u>537,235</u>	<u>503,116</u>

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

## 12. ASSETS HELD FOR SALE

- (a) On 4 September 2024, CNTIC Capital (Hong Kong) Co., Limited (“**CNTIC Capital**”), a 95% owned subsidiary of CNTIC, and CNTIC (collectively the “**Buyers**”) and certain subsidiaries of the Company (the “**Sellers**”) entered into an equipment purchase agreement. Pursuant to which, each of the Sellers agreed to sell to the Buyers, and CNTIC Capital agreed to purchase from the Sellers certain mobile power generating sets and their ancillary equipment and accessories (“**Batch 1 Equipment**”), CNTIC agreed to purchase from the Sellers certain mobile power generating sets and their related ancillary equipment and accessories (“**Batch 2 Equipment**”) and certain mobile power generating sets and their ancillary equipment and accessories (“**Batch 3 Equipment**”) at a consideration of RMB610,488,119 (equivalent to approximately HK\$671,537,000), RMB660,811,889 (equivalent to approximately HK\$726,893,000) and RMB341,668,962 (approximately HK\$375,836,000), respectively. The directors of the Company considered that the held-for-sale criteria as set out in HKFRS 5 were met, by taking into account the fact that the subject assets were immediately available for sale, and the sale is to be highly probable as appropriate level of management had committed to a plan to sell the assets. The sale of Batch 1 Equipment with net carrying value of HK\$565,554,000 was completed on 31 December 2024 and cleared funds for the consideration of RMB610,488,119 (equivalent to approximately HK\$652,001,000) was received on 2 January 2025. During the year ended 31 December 2025, the sales of Batch 2 Equipment and Batch 3 Equipment with the respective net carrying value of HK\$553,866,000 and HK\$75,013,000 were completed and the consideration amounting to RMB660,812,000 (equivalent to approximately HK\$713,809,000) and RMB85,605,000 (equivalent to approximately HK\$92,616,000) respectively were received during the year. As at 31 December 2025, equipment with net carrying value of HK\$248,939,000 remained unsold as assets held for sale.
- (b) During the year ended 31 December 2024, the Group had an arrangement with CNTIC to transfer back certain power generating sets along with their associated ancillary equipment and accessories. The directors of the Company determined that the criteria for held-for-sale classification as outlined in HKFRS 5 were met. The determination was based on the fact that the assets were readily available for sale, and the likelihood of the arrangement was highly probable due to the management had committed to such arrangement. Accordingly, the total respective assets of HK\$91,510,000 in which HK\$90,240,000 under “Property, plant and equipment” and HK\$1,270,000 under “Inventories” were reclassified as assets held for sale as of 31 December 2024. As at 31 December 2025, total respective assets of HK\$91,510,000 remained unsold as assets held for sale.

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **Market Review**

In 2025, the global energy market entered a pivotal phase of adjustment and transformation amid rising demand and deepening structural challenges. According to an International Energy Agency (IEA) report, the global power demand is growing at a pace well above the average of the past decade, underlining the increasingly vital role of energy as the backbone of the economy. Currently, clean energy has emerged as the primary driver of power generation growth, accounting for more than 90% of incremental electricity demand. As investment in clean energy continues to accelerate, the global electricity system is rapidly evolving towards diversification and low-carbon development, unlocking unprecedented growth potential for the energy market.

However, the energy transition continues to confront a series of formidable challenges. On one hand, the development of grid infrastructure and the deployment of flexible resources have yet to keep pace with the rapid expansion of renewables, leading to prominent bottlenecks in grid integration and consumption and an increasing incidence of wind and solar curtailment. In regions with high renewable penetration, negative pricing has emerged in wholesale electricity markets, exposing shortfalls in the system flexibility and market adjustment mechanisms. On the other hand, energy security has risen to the core of national economic and strategic security. Geopolitical tensions continue to disrupt traditional fuel supplies, while extreme weather and physical disruptions pose growing threats to critical energy infrastructure. According to IEA data, more than 200 million energy users worldwide experience operational interruptions each year, with approximately 85% of incidents involving damage to transmission and distribution grids.

Against this backdrop, flexible and reliable distributed power generation solutions have become an important focus in global power system planning. Whether in regions with relatively weak grid infrastructure but abundant renewable resources, such as Central Asia, Southeast Asia, and South America, or in areas characterised by highly concentrated new loads, including data centres and AI computing clusters, the application value of distributed power stations is becoming increasingly evident. Leveraging the advantages of rapid response, stable operation, and flexible deployment, distributed power generation effectively mitigates the intermittency of renewable energy, provides peak-shaving and backup support for grids, and significantly bolsters the overall resilience of the power system.

### **Business Review**

In 2025, the Group capitalised on the opportunities arising from the shifting global energy landscape by prudently advancing its overseas business footprint and continuously optimising its asset portfolio and regional deployment, achieving meaningful progress in several strategic markets. The Group maintained stable operational performance and continuously reinforced operational resilience in addressing external challenges, thereby building intrinsic vitality for sustainable development.

## ***SI Business***

For the year ended 31 December 2025, the Group recorded SI business revenue of approximately HK\$248.0 million, reflecting a 58.9% decline compared to approximately HK\$602.9 million of last year.

Revenue declined primarily due to geopolitical constraints that restricted market access and increased execution risks, along with extended delivery cycles from international suppliers, which slowed the Group's order conversion compared to last year. With prudent considerations for capital turnover efficiency and project certainty, the Group has selectively reduced its participation in projects with large upfront investments and long settlement cycles. While this measure has affected the business scale and revenue in the short term, the optimisation of customer portfolio and resource allocation is expected to gradually strengthen the Group's business resilience and development quality.

Despite revenue adjustments, the Group made substantive progress in optimising the business structure. Building on its core presence in the Asia Pacific markets, the Group has expanded into emerging growth markets such as Central Asia, Southeast Asia, and Australia. Its customer portfolio has become more focused on high-potential industries, including power and gas supply, energy development, and data centres. Through targeted customer screening and disciplined resource deployment toward premium customers, the Group has improved project success rate and resource utilisation efficiency within a complex market landscape, creating more stable conditions for the next stage of SI business growth.

## ***IBO Business***

For the year ended 31 December 2025, the Group recorded IBO business revenue of approximately HK\$954.6 million, reflecting a 4.0% year-on-year increase from approximately HK\$917.6 million in 2024. This performance was primarily driven by business expansion and growth in the Brazil and Indonesia markets. The overall gross profit and gross profit margin were adjusted to HK\$147.9 million and 15.5% respectively. The indicator fluctuations were due to the Group's exit from the higher-margin Myanmar project in 2025, as well as several newly expanded overseas projects being in the construction or early operation stages, whose financial contributions have not yet materialised. Despite transitional impacts on profitability, the Group has strengthened its position in key markets, accumulating the necessary groundwork for long-term value realisation.

In the Central Asian market, the Group capitalised on the region's strategic role along the Belt and Road Initiative, leveraging the profound international resources, extensive project experience, and solid collaborative network of its controlling shareholder to achieve phased breakthroughs in its business. The 100 MW gas-fired combined heat and power project in Uzbekistan successfully commenced power transmission to the grid since September 2025. The Group also made initial progress in the oilfield power generation sector in Kazakhstan by securing a 22 MW gas processing power generation project during the year. The project has entered the construction phase and is expected to commence operations

upon completion in mid-2026. It will serve as a demonstration for the fast-track natural gas power solution in Kazakhstan and provide valuable experience for the Group's continued expansion in the oilfield power generation market in Central Asia.

In Brazil, the operation of the Group's existing power generation projects remained stable, delivering sound financial performance. In alignment with the country's energy transition agenda, the Group has integrated renewable energy supply capacity into its long-term regional business plans. Phased implementation of hybrid energy upgrade solutions, tailored to the operating conditions of each existing power station, is underway. Building on the successful completion of the first solar-storage-diesel hybrid energy retrofit project last year, the application of multi-energy complementary solutions is progressing in an orderly manner, serving as a practical model for optimising the local energy mix.

In Indonesia, the power stations in operation have maintained steady generation. Notably, three power stations in Batam, with a combined contract capacity of 150 MW, delivered particularly outstanding performance, standing out as a key driver of the improved regional financial performance. The Group constantly optimises the coordinated utilisation of established and new capacities and dynamically adjusts power station operation strategies in response to the demand from isolated off-grid and industrial captive power markets, effectively enhancing the operating efficiency and overall quality of business. Meanwhile, to further revitalise assets and stimulate revenue growth, the Group expects to continue exploring potential gas-fired projects in the country.

### ***Significant Investment***

#### ***(i) CNTIC VPower Group Holdings Limited (“CNTIC VPower”)***

Since December 2021, CNTIC VPower has progressively suspended the operation of its projects in Myanmar in the face of the challenging operating environment. To address the suspension and help alleviate the local electricity shortage, CNTIC VPower, supported by its shareholders, has actively engaged with relevant parties to identify practical and workable solutions. Through the sustained efforts of all stakeholders, CNTIC VPower managed to bring 500MW of gas-fired power generation capacity back into operation in late 2025.

The resumption of CNTIC VPower's operations marks a significant step in its recovery from a prolonged period of shutdown and reflects its ongoing efforts to rebuild profitability. Owing to the substantial losses incurred by CNTIC VPower in the early years, the carrying amount of the Group's investment in the company had been written down to zero, and the recent progress has not yet had a positive impact on the Group's financial results of 2025. The Group expects to adjust the value of such investment if CNTIC VPower returns to a healthier development trajectory with its operating and financial performance starting to improve.

(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 includes a company in the Middle East and two companies in China. As at 31 December 2025, the Group’s total investment cost in the Fund was approximately HK\$820.1 million, and its carrying value was approximately HK\$719.8 million, representing around 13.5% of the Group’s total assets.

At the end of 2025, the Fund structured a deal with strategic investors in relation to the disposal of part of its equity interests in and the subsequent joint venture arrangements of the Middle East-based operating investee. The Fund will continue to implement the exit plans of its investments.

## **Outlook**

Amid escalating international geopolitical tensions, ongoing conflicts in resource-rich regions such as Ukraine and the Middle East continue to disrupt the stability of the global energy supply chains, prompting countries to expedite their shift towards renewable energy to cope with external uncertainties. In light of this, the steady development of clean and low-carbon energy infrastructure, together with the exponential growth in electricity demand driven by artificial intelligence and data centres, is reshaping the global energy landscape on both the supply and demand sides, bringing profound challenges and opportunities to the industry.

Riding the momentum of the global energy transition, the Group will adopt more targeted development strategies for the IBO business, advancing its footprint based on different market characteristics. In Central Asia, the Group will evaluate the opportunities to replicate proven business models, explore the field of associated petroleum gas power generation, and develop data centres and urban combined heat and power projects, expanding power generation capacity as appropriate. In Brazil, the Group will maintain the healthy and stable operation of existing assets, while deepening hybrid energy upgrade paths in line with power station operating conditions to enhance operational efficiency. As the Group plans to expand the business footprint in Indonesia, it will strengthen the unified management and maintenance systems across operating power stations. Building upon the internal combustion engine-based business development, the Group will also consider other energy sectors and monitor projects that align with local decarbonisation priorities.

The Group acknowledges the SI business constraint caused by capital rearrangement and inventory shortage over the past year, and will rebuild its market reputation as a system integration service provider and enhance bargaining power by implementing more targeted capital investments and optimising procurement prepayment processes. Furthermore, the Group will re-establish closer long-term strategic partnerships with leading global gen-set suppliers to secure production capacity for core equipment, ensuring tighter alignment between business planning and delivery timelines. In response to geopolitical risks and entry barriers in markets such as Europe, the Group will continue to adopt a prudent risk management approach. Despite short-term limitations on the pace of business implementation, the Group is well-positioned to safeguard high-quality delivery of future major projects through proactive procurement and inventory management.

Despite the complex and volatile external operating environment, the Group remains firmly committed to providing a stable, reliable, and cost-effective power supply. The Group will fully leverage the resource synergies with its controlling shareholder to actively promote the development and execution of high-quality projects, while strengthening its capital structure and enhancing financial resilience. By effectively transforming diverse resource inputs into intrinsic growth drivers, the Group aims to resume the creation of sustainable value for all stakeholders.

## 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.

	<b>Year ended 31 December</b>	
	<b>2025</b>	2024
	<i>HK\$'000</i>	<i>HK\$'000</i>
SI	<b>248,012</b>	602,924
IBO	<b>954,641</b>	917,558
Total	<b><u>1,202,653</u></b>	<u>1,520,482</u>

In 2025, the Group recorded a revenue of approximately HK\$1,202.7 million, representing a decrease of 20.9% as compared with approximately HK\$1,520.5 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:

	<b>Year ended 31 December</b>			
	<b>2025</b>		<b>2024</b>	
	<i>HK\$'000</i>	<i>% of total revenue</i>	<i>HK\$'000</i>	<i>% of total revenue</i>
Other Asian countries <sup>(1)</sup>	<b>133,579</b>	<b>11.1</b>	78,709	5.2
Hong Kong and Chinese Mainland	<b>103,184</b>	<b>8.6</b>	389,619	25.6
Other countries	<b>11,249</b>	<b>0.9</b>	134,596	8.9
<b>Total</b>	<b><u>248,012</u></b>	<b><u>20.6</u></b>	<b><u>602,924</u></b>	<b><u>39.7</u></b>

*Note:*

(1) Other Asian countries mainly include Indonesia and United Arab Emirates.

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:

	<b>Year ended 31 December</b>			
	<b>2025</b>		<b>2024</b>	
	<i>HK\$'000</i>	<i>% of total revenue</i>	<i>HK\$'000</i>	<i>% of total revenue</i>
Brazil <sup>(1)</sup>	<b>775,870</b>	<b>64.5</b>	736,665	48.4
Indonesia	<b>140,504</b>	<b>11.7</b>	90,963	6.0
Myanmar	<b>23,665</b>	<b>2.0</b>	69,861	4.6
Chinese Mainland	<b>14,602</b>	<b>1.2</b>	18,498	1.2
United Kingdom	<b>—</b>	<b>—</b>	1,571	0.1
<b>Total</b>	<b><u>954,641</u></b>	<b><u>79.4</u></b>	<b><u>917,558</u></b>	<b><u>60.3</u></b>

*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 gen-sets 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 2025 and 2024, our costs of sales were approximately HK\$997.8 million and approximately HK\$1,229.2 million, respectively.

### *Gross profit and gross profit margin*

	Year ended 31 December			
	2025		2024	
	<i>HK\$'000</i>	<i>gross profit margin %</i>	<i>HK\$'000</i>	<i>gross profit margin %</i>
SI	56,975	23.0	95,136	15.8
IBO	<u>147,914</u>	<u>15.5</u>	<u>196,139</u>	<u>21.4</u>
Total	<u><u>204,889</u></u>	<u><u>17.0</u></u>	<u><u>291,275</u></u>	<u><u>19.2</u></u>

Gross profit of the Group was approximately HK\$204.9 million, representing a decrease of HK\$86.4 million as compared with approximately HK\$291.3 million of the previous year. Gross profit margin decreased to 17.0% from 19.2% in 2024, which was mainly attributable to less contribution from the higher-margin IBO project despite improved margin of SI business.

### *Loss before tax*

For the year ended 31 December 2025, the Group recorded a loss of approximately HK\$199.3 million as compared with a loss of HK\$205.5 million of the previous year. The decrease in loss was mainly due to the increase in gain on disposal of property, plant and equipment.

### *Other income and gains, net*

In 2025, other income and gains, net of the Group amounted to approximately HK\$203.9 million as compared with approximately HK\$153.1 million of the previous year. The increase was mainly attributable to the increase in gain on disposal of property, plant and equipment in current year.

### ***Selling and distribution expenses***

Selling and distribution expenses of the Group primarily consist of costs for transportation and traveling expenses, insurance expense, staff costs and others. In 2025, selling and distribution expenses of the Group increased by 138.8% from approximately HK\$11.6 million in 2024 to HK\$27.7 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 2025, administrative expenses of the Group were approximately HK\$269.8 million, slightly increased by 0.5% as compared with approximately HK\$268.5 million of the previous year.

### ***Provision for impairment losses under expected credit loss model, net***

Provision for impairment losses under expected credit loss model, net of the Group mainly consists of impairment loss on trade and bills receivables.

In 2025, provision for impairment losses under expected credit loss model, net was approximately HK\$43.9 million, which represented an increase of 75.6% as compared with the previous year of approximately HK\$25.0 million.

### ***Other expenses, net***

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

In 2025, other expenses, net were approximately HK\$20.9 million, which represented an increase of 8.3% over the previous year of approximately HK\$19.3 million. The increase was mainly attributable to an increase in impairment on other receivables.

### ***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 2025, finance costs were approximately HK\$304.7 million, which represented a decrease of 10.8% as compared with the previous year of approximately HK\$341.5 million. The decrease was primarily due to the decrease in total interest-bearing bank borrowing.

### *Income tax expense*

Income tax expense of the Group primarily consists of income tax recoverable/payable by our subsidiaries in the PRC, Hong Kong and Brazil. In 2025, income tax expense was approximately HK\$1.9 million, as compared with the previous year of approximately HK\$27.1 million.

The effective tax rate was not applicable for 2025 and 2024 as the Group recorded loss before tax during both years.

### *Loss Attributable to Owners and Loss per Share*

In 2025, loss attributable to owners of the Company was approximately HK\$201.5 million, as compared with loss attributable to owners of the Company of approximately HK\$233.1 million of the previous year.

Basic loss per share for the year ended 31 December 2025 was HK3.02 cents as compared with basic loss per share of HK3.49 cents of the previous year.

### *Liquidity, Financial and Capital Resources*

As at 31 December 2025, total current assets of the Group amounted to approximately HK\$3,359.8 million (2024: HK\$4,231.1 million). In terms of financial resources as at 31 December 2025, cash and cash equivalents of the Group were approximately HK\$369.2 million (2024: HK\$122.8 million).

As at 31 December 2025, total bank and other borrowings of the Group amounted to approximately HK\$1,621.7 million (2024: HK\$2,272.2 million), representing a decrease of approximately 28.6% as compared to that of 31 December 2024. As at 31 December 2025, the Group's bank and other borrowings were denominated in:

	<b>2025</b>	2024
	<b>HK\$'000</b>	HK\$'000
United States dollars (“USD”)	<b>1,369,183</b>	1,987,961
Brazilian Real (“BRL”)	<b>95,574</b>	92,663
Hong Kong dollars	<b>84,457</b>	122,270
Renminbi (“RMB”)	<b>48,065</b>	47,765
Euro	<b>24,460</b>	21,534
	<b><u>1,621,739</u></b>	<u>2,272,193</u>

As at 31 December 2025, the Group's current ratio was 0.9 (2024: 1.0). The Group's liabilities to assets ratio was 73.6% (2024: 73.0%). The Group's net gearing ratio was approximately 88.2% (2024: 135.1%).

### *Charge of Assets*

As at 31 December 2025, certain of the Group's inventories with a net book value of approximately HK\$71.6 million (2024: HK\$146.5 million), property, plant and equipment with a net book value of approximately HK\$115.1 million (2024: HK\$107.7 million), pledged deposit of approximately HK\$0.4 million (2024: nil) and equity interest of the Group in subsidiaries 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 USD, Euro, BRL, Indonesian Rupiah, RMB, United Arab Emirates Dirham and Great British Pound. The impact of such difference would translate into our exposure to any particular currency fluctuations during the period.

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. The Group has a hedging policy to manage such risks and costs associated with currency fluctuations. The Group will closely follow the hedging policy and monitor its overall foreign exchange exposure from time to time to minimise the relevant exposures.

### *Contingent Liabilities*

In November 2025, winding-up petitions were filed by CRRC Hongkong Capital Management Co., Limited (the "**Petitioner**") at the High Court of the Hong Kong Special Administrative Region (the "**Court**") against each of the Company and VPower Group Holdings Limited ("**VGHL**"), an indirect wholly-owned subsidiary of the Company, in relation to the alleged non-payment of an amount of debt relating to, among other things, certain finance lease agreements entered into between the Petitioner and each of VGHL and VPower Technology Company Limited ("**VPT**", which is not a subsidiary of the Company), and a guarantee provided by the Company in favour of the Petitioner.

The Company is seeking legal advice to determine next steps and possible actions in respect of the Petitions. The management has duly considered the records and communication with the Petitioner prior to and in the course of negotiating and executing the Repayment Undertaking and Guarantee, along with all pertinent facts and circumstances surrounding the matter. Based on the legal advice that the Company has sought, the directors of the Company are of the view that the legal basis and enforceability of the Repayment Undertaking and Guarantee have been fundamentally compromised. The directors of the Company are of the view that no material losses will arise at the date of these consolidated financial statements and hence is disclosed as a contingent liability in accordance with HKAS 37 "Provisions, Contingent Liabilities and Contingent Assets".

As at 31 December 2025 and 2024, the Group had no material contingent liabilities save as disclosed above.

## ***Capital Expenditures***

For the year ended 31 December 2025, the Group invested approximately HK\$201.1 million (2024: HK\$76.2 million) in property, plant and equipment of which HK\$200.9 million (2024: HK\$75.9 million) was for IBO projects. Additionally, the Group did not have further investment (2024: HK\$208.9 million) in right-of-use assets specifically for the IBO projects during the year.

## **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.

## **MATERIAL ACQUISITIONS OR DISPOSALS**

On 4 September 2024, the Group entered into an equipment purchase agreement with the controlling shareholder, China National Technical Import & Export Corporation (“**CNTIC**”) and its subsidiary CNTIC Capital (Hong Kong) Co., Limited (“**CNTIC Capital**”), pursuant to which the Group conditionally agreed to sell certain mobile power generating sets and their ancillary equipment and accessories (“**Equipment**”) to CNTIC and CNTIC Capital in three batches at a total consideration equivalent to approximately RMB1,613 million. The transactions contemplated under the equipment purchase agreement constitute a connected transaction and a very substantial disposal for the Company under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”). Please refer to the announcements of the Company respectively dated 4 September 2024 and 15 May 2025.

The Group completed the sale of the first and second batches of Equipment at approximately RMB610.5 million and RMB660.8 million during the years ended 31 December 2024 and 2025, respectively. Completion of the sale of part of the last batch of Equipment at approximately RMB85.6 million took place during the year ended 31 December 2025.

## **EMPLOYEES**

As at 31 December 2025, the Group had 473 employees (2024: 380). The Group remunerates its employees based on their performance, experience and prevailing industry practice; and grants bonus motivate valued employees. In 2025, 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 any final dividend for the year ended 31 December 2025 (2024: Nil).

## **EVENT AFTER THE REPORTING PERIOD**

Save as disclosed in the announcement, there has been no other significant event since the end of the reporting period and up to the date of this announcement.

## **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 Thursday, 11 June 2026 (the “**2026 AGM**”), the register of members of the Company will be closed during the period from Monday, 8 June 2026 to Thursday, 11 June 2026 (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 2026 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 Friday, 5 June 2026.

## **CORPORATE GOVERNANCE**

During the year ended 31 December 2025, the Company had complied with all the applicable code provisions of the Corporate Governance Code set out in Appendix C1 to the Listing Rules.

## **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 2025.

## **PURCHASE, SALE OR REDEMPTION OF THE COMPANY’S LISTED SECURITIES**

During the year ended 31 December 2025, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company’s listed securities.

## **OFFSHORE DEBT RESTRUCTURING**

As disclosed in the announcement of the Company dated 14 November 2025, the Company and certain lending banks (the “**Lenders**”) entered into a restructuring master agreement (the “**Restructuring Master Agreement**”) to seek a restructuring in respect of the Group’s offshore debts in the aggregate principal amount of approximately HK\$2,077 million.

On 2 April 2026, the Company and the Lenders entered into a deed of extension and amendment to extend the longstop date of the Restructuring Master Agreement to 14 May 2026.

Please refer to the announcements of the Company respectively dated 14 November 2025, 15 February 2026 and 2 April 2026.

## **THE WINDING-UP PETITIONS AGAINST THE COMPANY AND A SUBSIDIARY**

As disclosed in the Company’s announcement dated 1 December 2025, winding-up petitions each dated 28 November 2025 (each of “**Petition**”, together the “**Petitions**”) were filed by the Petitioner at the Court against each of the Company and VGHL, an indirect wholly-owned subsidiary of the Company, in relation to the alleged non-payment of debt relating to, among other things, certain finance lease agreements entered into between the Petitioner and each of VGHL and VPower Technology Company Limited (which, for the avoidance of doubt, is not a subsidiary of the Company), and a guarantee provided by the Company in favour of the Petitioner.

On 21 January 2026, the first hearing for the Petitions initially scheduled on 11 February 2026 was adjourned to 13 May 2026, upon the joint applications of the Company and VGHL on one hand and the Petitioner on the other hand.

On 11 February 2026, the Company was informed by the Court that it had granted a validation order in respect of the Petition against the Company that, notwithstanding the presentation of the Petition against the Company, all transfers of issued and fully paid-up shares of the Company since 28 November 2025 and thereafter shall not be void by virtue of section 182 of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong) in the event that an order for the winding up of the Company is made.

Please refer to the announcements of the Company respectively dated 1 December 2025, 17 December 2025, 27 January 2026 and 15 February 2026.

## **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 2025 contained in this announcement.

## **SCOPE OF WORK OF MESSRS. DELOITTE TOUCHE TOHMATSU**

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 2025 as set out in the preliminary announcement have been agreed by the Group’s auditor, Messrs. Deloitte Touche Tohmatsu, to the amounts set out in the audited consolidated financial statements of the Group for the year as approved by the Board on 24 April 2026. The work performed by Messrs. Deloitte Touche Tohmatsu in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by Messrs. Deloitte Touche Tohmatsu on the preliminary announcement.

## **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 2025.

### **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 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with HKFRS Accounting Standards as issued by the HKICPA and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

### **Extract of Material Uncertainty related to Going Concern paragraph in the auditors’ report**

We draw attention to note 3.1 to the consolidated financial statements which indicates that the Group incurred a loss of HK\$201.2 million and an operating cash outflows of HK\$212.2 million during the year ended 31 December 2025 and, as of that date, the Group had net current liabilities of HK\$407.2 million. The Group has failed to repay certain bank and other borrowings in accordance with the repayment schedules and related accrued interest during the year. In addition, on 28 November 2025, the Petitions were filed by the Petitioner at the Court against each of the Company and a wholly-owned subsidiary of the Company, in relation to the alleged non-payment of debts relating to certain documents involving the Petitioner and each of the subsidiary and a connected person of the Company as set out in note 3.1. These events or conditions, along with other matters as set out in note 3.1 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.

The aforesaid “note 3.1 to the consolidated financial statements” are disclosed as note 3 of this announcement.

## **PUBLICATION OF 2025 ANNUAL RESULTS AND ANNUAL REPORT**

This results announcement is published on the Company’s website at [www.vpower.com](http://www.vpower.com) under “Investor Relations” and the HKEXnews at [www.hkexnews.hk](http://www.hkexnews.hk) under “Listed Company Information”. It is expected that the 2025 Annual Report will be published on the aforesaid websites before end of April 2026.

## **RESUMPTION OF TRADING**

Trading in the shares of the Company on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) has been suspended with effect from 9:00 a.m. on 1 April 2026, pending the release of the consolidated annual results of the Group for the year ended 31 December 2025 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 27 April 2026.

## **ANNUAL GENERAL MEETING**

The 2026 AGM of the Company is scheduled to be held on Thursday, 11 June 2026. Notice of the 2026 AGM will be published on the websites of both the Stock Exchange and the Company and, if required, despatched to the Company's shareholders in due course.

By Order of the Board  
**VPower Group International Holdings Limited**  
**Gao Zhan**  
*Chairman*

Hong Kong, 24 April 2026

*As at the date hereof, the Board comprises Mr. Gao Zhan, Mr. Lam Yee Chun, Mr. Liu Ruikun, Mr. Jin Jiantang and Mr. Wang Jiachang 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.*