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## **PERFECTECH INTERNATIONAL HOLDINGS LIMITED**

**威發國際集團有限公司\***

**(the “Company”)**

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 00765)**

### **VOLUNTARY ANNOUNCEMENT**

#### **(1) BUSINESS UPDATE**

#### **(2) COOPERATION FRAMEWORK AGREEMENT**

This announcement is made by Perfectech International Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) on a voluntary basis. The purpose of this announcement is to keep the shareholders of the Company (the “**Shareholders**”) and potential investors informed of the latest business development of the Group.

#### **POTENTIAL DEVELOPMENT OF NEW BUSINESS**

The Group is principally engaged in the manufacture and sale of novelties, decoration and toy products. In order to diversify its products and broaden its source of revenue, the board (the “**Board**”) of directors (the “**Directors**”) of the Company is pleased to announce that the Group intends to develop the businesses of manufacturing and construction of new energy infrastructure, including power storage facilities and power transmission stations.

The Board has observed that as the People’s Republic of China (the “**PRC**”) recognises the importance of developing sustainable sources of energy, governments of various levels begin introducing policies to encourage development of sustainable energy infrastructure in the local regions under their control. The Board is of the view that the new energy sector, supported by governmental policies as well as advancement in technology facilitating mass production of related infrastructure and devices, provides a good opportunity for the Group to develop in such market by investing in the construction and supply of such infrastructure and facilities.

\* *For identification purposes only*

## THE COOPERATION FRAMEWORK AGREEMENT

To execute the abovementioned plan, the Board is pleased to announce that the Company has, on 1 August 2023, entered into a non-binding cooperation framework agreement (the “**Framework Agreement**”) with the People’s Government of Liangzhou District<sup>#</sup>, Wuwei City, Gansu Province, the PRC (武威市涼州區人民政府) (the “**Liangzhou Government**”) and Huaneng Jinxin Hengshun New Energy Co., Ltd.<sup>#</sup> (華能金鑫恒順新能源股份有限公司) (“**Huaneng New Energy**”) under which the parties to the Framework Agreement agreed to, subject to the execution of formal project agreement(s), join forces in providing infrastructure and facilities to boost the new energy sector in Liangzhou District.

Under the Framework Agreement, the Group shall, among other things, establish corporate entity(-ies) in the PRC which shall in turn invest in (a) the construction, operation and management of a factory of power storage systems (the “**Factory**”) in Liangzhou District; and (b) the construction of a power transmission station in Liangzhou District. The Liangzhou Government shall, among other things, introduce favourable policies and procedures for the Group’s aforesaid investment, give priority to the Group’s products in its procurement of power storage facilities and systems, as well as power transmission station. Huaneng New Energy shall, among other things, co-invest with and monitor the Group in commencing and completing the construction of the Factory.

The Board considers that the business plan envisaged in the Framework Agreement (the “**Business Plan**”), if materialised, could diversify the Group’s product portfolio and income streams, thereby improving the profitability in the long term. Depending on the actual timeframe of eventual implementation of the Business Plan, the Group plans to fund the Business Plan by the Group’s internal resources at this stage, and may seek external financing when such needs arise. Accordingly, the Board is of the view that the commencement of the Business Plan Agreement will be in the interest of the Company and the Shareholders as a whole.

The Company will further make announcement(s) in accordance with the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited, where necessary.

**Shareholders and potential investors of the Company should note that the Business Plan may or may not materialise. Shareholders and potential investors of the Company should exercise caution when dealing in the shares and other securities of the Company.**

By order of the Board  
**Perfectech International Holdings Limited**  
**Li Shaohua**  
*Executive Director*

Hong Kong, 1 August 2023

*As at the date of this announcement, the Board comprises Mr. Li Shaohua, Mr. Poon Wai Yip, Albert and Mr. Fang Guohong as executive Directors, and Mr. Lau Shu Yan, Mr. Xie Xiaohong and Mr. Geng Jianhua as independent non-executive Directors.*

# *The English transliteration of the Chinese names in this announcement, where indicated, is included for information only, and should not be regarded as the official English names of such Chinese names.*