INTERNATIONAL

NVC International Holdings Limited
雷士國際控股有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock code: 2222)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2024

HIGHLIGHTS FOR THE YEAR ENDED 31 DECEMBER 2024:

- The Group's revenue amounted to US$236,603,000, representing an increase of 0.3% as compared with the Corresponding Period.
- The Group's gross profit amounted to US$74,651,000, representing an increase of 10.9% as compared with the Corresponding Period.
- The Group's loss for the year amounted to US$15,355,000, as compared with the profit for the year amounted to US$37,650,000 in the Corresponding Period.
- Loss attributable to owners of the Company amounted to US$17,450,000, as compared with the profit attributable to owners of the Company amounted to US$35,713,000 in the Corresponding Period.
- Basic loss per share attributable to owners of the Company amounted to US$3.44 cents (basic earnings per share in the Corresponding Period: US$7.79 cents).
- The Board has proposed not to declare final dividend (2023: no final dividend declared).

The Board announces the annual results of the Group for the Reporting Period. The annual results have been reviewed by the audit committee of the Company (the "**Audit Committee**").

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

FOR THE YEAR ENDED 31 DECEMBER 2024

	NOTES	**2024** **US$'000**	2023 *US$'000*
Revenue	*3*	**236,603**	235,978
Cost of sales		**(161,952)**	(168,660)
GROSS PROFIT		**74,651**	67,318
Other income	*5*	**6,699**	6,605
Other gains and losses	*6*	**(850)**	2,253
Selling and distribution expenses		**(30,843)**	(34,851)
Administrative expenses		**(33,939)**	(36,572)
(Impairment losses recognised) reversal of impairment losses in respect of interests in associates		**(26,562)**	24,229
Reversal of impairment losses under expected credit loss model		**766**	350
Other expenses	*7*	**(7,398)**	(5,184)
Finance costs	*8*	**(709)**	(875)
Share of results of associates		**5,878**	17,163
(LOSS) PROFIT BEFORE TAX		**(12,307)**	40,436
Income tax expense	*9*	**(3,048)**	(2,786)
(LOSS) PROFIT FOR THE YEAR	*10*	**(15,355)**	37,650
(Loss) profit for the year attributable to owners of the Company		**(17,450)**	35,713
Profit for the year attributable to non-controlling interests		**2,095**	1,937
		(15,355)	37,650

		2024	2023
(LOSS) EARNINGS PER SHARE			
Basic *(US$ cents)*	*11*	**(3.44)**	7.79

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2024

	2024	2023
	US$'000	*US$'000*
(LOSS) PROFIT FOR THE YEAR	**(15,355)**	37,650
OTHER COMPREHENSIVE INCOME (EXPENSE)		
Items that will not be reclassified to profit or loss:		
– Fair value gain (loss) on investments in equity instruments at fair value through other comprehensive income ("**FVTOCI**"), net of related income tax	**430**	(160)
Items that may be reclassified subsequently to profit or loss:		
– Exchange differences arising on translation of foreign operations	**(5,575)**	(12,647)
– Share of other comprehensive expense of associates, net of related income tax	**(2,109)**	(2,080)
	(7,684)	(14,727)
OTHER COMPREHENSIVE EXPENSE FOR THE YEAR	**(7,254)**	(14,887)
TOTAL COMPREHENSIVE (EXPENSE) INCOME FOR THE YEAR	**(22,609)**	22,763
Total comprehensive (expense) income attributable to:		
– Owners of the Company	**(25,138)**	20,334
– Non-controlling interests	**2,529**	2,429
	(22,609)	22,763

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 31 DECEMBER 2024

	NOTES	31 December 2024 US$'000	31 December 2023 US$'000
NON-CURRENT ASSETS			
Property, plant and equipment		**62,678**	50,195
Right-of-use assets		**21,938**	24,627
Investment properties		**1,438**	1,540
Goodwill		**29,406**	29,845
Other intangible assets		**37,217**	42,481
Interests in associates		**114,523**	156,478
Equity instruments at FVTOCI		**2,349**	1,919
Deferred tax assets		**1,485**	1,518
Deposits		**41,148**	41,993
		312,182	350,596
CURRENT ASSETS			
Inventories	*13*	**40,361**	45,236
Trade and bills receivables	*14*	**49,535**	49,464
Other receivables, deposits and prepayments		**10,671**	13,437
Tax recoverable		**12**	–
Financial assets at fair value through profit or loss ("**FVTPL**")		**54,731**	3,939
Fixed deposits with maturity of more than three months		**–**	21,158
Cash and cash equivalents		**93,928**	108,273
		249,238	241,507
CURRENT LIABILITIES			
Trade payables	*15*	**40,854**	39,445
Other payables and accruals		**32,498**	29,501
Contract liabilities		**2,184**	5,516
Borrowings	*16*	**2,603**	1,699
Deferred income		**140**	142
Lease liabilities		**1,436**	1,793
Financial liabilities at FVTPL		**334**	–
Tax liabilities		**2,492**	1,082
		82,541	79,178
NET CURRENT ASSETS		**166,697**	162,329
TOTAL ASSETS LESS CURRENT LIABILITIES		**478,879**	512,925

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

AT 31 DECEMBER 2024

		31 December 2024	31 December 2023
	NOTES	***US$'000***	*US$'000*
NON-CURRENT LIABILITIES			
Deferred income		**218**	221
Lease liabilities		**2,134**	3,438
Deferred tax liabilities		**6,456**	6,665
Financial liabilities at FVTPL		**2,141**	–
		10,949	10,324
NET ASSETS		**467,930**	502,601
CAPITAL AND RESERVES			
Share capital	*17*	**1**	1
Reserves		**456,497**	483,770
Equity attributable to owners of the Company		**456,498**	483,771
Non-controlling interests		**11,432**	18,830
TOTAL EQUITY		**467,930**	502,601

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2024

1. GENERAL INFORMATION

NVC International Holdings Limited (the "**Company**") is a public limited company incorporated in the territory of the British Virgin Islands (the "**BVI**") as a limited liability company on 2 March 2006 and was redomiciled to the Cayman Islands on 30 March 2010 as an exempted company with limited liability under the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands. Its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited. Its substantial shareholder is Elec-Tech International Co. Ltd., with its shares listed on the Shenzhen Stock Exchange in the People's Republic of China (the "**PRC**"). The addresses of the registered office and principal place of business of the Company are disclosed in the corporate information section to the annual report.

The principal activities of the Company and its subsidiaries (collectively referred to as the "**Group**") are the manufacture and sale of lamps, luminaries, lighting electronic products and related products.

The functional currency of the Company is United States dollars ("**US$**"), and the consolidated financial statements are presented in US$ and all values are rounded to the nearest thousand except when otherwise indicated.

2. APPLICATION OF NEW AND AMENDMENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS ACCOUNTING STANDARDS ("IFRS ACCOUNTING STANDARDS")

Amendments to IFRSs Accounting Standards that are mandatorily effective for the current year

In the current year, the Group has applied the following amendments to IFRSs Accounting Standards issued by the International Accounting Standards Board ("**IASB**") for the first time, which are mandatorily effective for the Group's annual period beginning on 1 January 2024 for the preparation of the consolidated financial statements:

Amendments to IFRS 16	Lease Liability in a Sale and Leaseback
Amendments to IAS 1	Classification of Liabilities as Current or Non-current
Amendments to IAS 1	Non-current Liabilities with Covenants
Amendments to IAS 7 and IFRS 7	Supplier Finance Arrangements

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

2. APPLICATION OF NEW AND AMENDMENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS ACCOUNTING STANDARDS ("IFRS ACCOUNTING STANDARDS") (Continued)

New and amendments to IFRSs Accounting Standards in issue but not yet effective

The Group has not early applied the following new and amendments to IFRS Accounting Standards that have been issued but are not yet effective:

Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments[3]
Amendments to IFRS 9 and IFRS 7	Contracts Referencing Nature-dependent Electricity[3]
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[1]
Amendments to IFRS Accounting Standards	Annual Improvements to IFRS Accounting Standards - Volume 11[3]
Amendments to IAS 21	Lack of Exchangeability[2]
IFRS 18	Presentation and Disclosure in Financial Statements[4]

[1] Effective for annual periods beginning on or after a date to be determined.
[2] Effective for annual periods beginning on or after 1 January 2025.
[3] Effective for annual periods beginning on or after 1 January 2026.
[4] Effective for annual periods beginning on or after 1 January 2027.

Except as described below, the directors of the Company anticipate that the application of all other amendments to IFRS Accounting Standards will have no material impact on the consolidated financial statements in the foreseeable future.

IFRS 18 Presentation and Disclosure in Financial Statements

IFRS 18 *Presentation and Disclosure in Financial Statements*, which sets out requirements on presentation and disclosures in financial statements, will replace IAS 1 *Presentation of Financial Statements*. This new IFRS Accounting Standard, while carrying forward many of the requirements in IAS 1, introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provide disclosures on management-defined performance measures in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. In addition, some IAS 1 paragraphs have been moved to IAS 8 and IFRS 7. Minor amendments to IAS 7 *Statement of Cash Flows* and IAS 33 *Earnings per Share* are also made.

IFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. The application of the new standard is expected to affect the presentation of the statement of profit or loss and disclosures in the future financial statements. The Group is in the process of assessing the detailed impact of IFRS 18 on the Group's consolidated financial statements.

3. REVENUE

(i) Disaggregation of revenue from contracts with customers

	For the year ended 31 December 2024			
Segments	**International NVC brand**	**Domestic non-NVC brand**	**International non-NVC brand**	**Total**
	US$'000	***US$'000***	***US$'000***	***US$'000***
Sales to external customers	**31,986**	**11,458**	**193,159**	**236,603**
Geographical markets				
United States	**–**	**–**	**150,840**	**150,840**
Japan	**18**	**–**	**36,232**	**36,250**
The PRC	**–**	**11,458**	**–**	**11,458**
Netherland	**–**	**–**	**1,833**	**1,833**
United Kingdom	**17,741**	**–**	**1,367**	**19,108**
Other countries	**14,227**	**–**	**2,887**	**17,114**
Total	**31,986**	**11,458**	**193,159**	**236,603**
Timing of revenue recognition				
A point in time	**31,986**	**11,458**	**193,159**	**236,603**

	For the year ended 31 December 2023			
Segments	International NVC brand	Domestic non-NVC brand	International non-NVC brand	Total
	US$'000	*US$'000*	*US$'000*	*US$'000*
Sales to external customers	36,839	14,041	185,098	235,978
Geographical markets				
United States	–	–	132,372	132,372
Japan	7	–	39,926	39,933
The PRC	–	14,041	–	14,041
Netherland	–	–	4,582	4,582
United Kingdom	24,235	–	1,074	25,309
Other countries	12,597	–	7,144	19,741
Total	36,839	14,041	185,098	235,978
Timing of revenue recognition				
A point in time	36,839	14,041	185,098	235,978

3. REVENUE (Continued)

(ii) Performance obligations for contracts with customers

The Group sells lighting products to the retailers over the world.

Revenue is recognised when control of the goods has transferred, being when the goods have been shipped to the specific location (delivery). Following the delivery, the customers have full discretion over the manner of distribution and price to sell the goods, has the primary responsibility when selling the goods and bears the risks of obsolescence and loss in relation to the goods. The normal credit term is 30 to 90 days upon delivery.

Under the Group's standard contract terms, customers have a right to exchange for defective products within 30 days. The Group uses its accumulated historical experience to estimate the number of exchange on a portfolio level using the expected value method. Revenue is recognised for sales which are considered highly probable that a significant reversal in the cumulative revenue recognised will not occur. A contract liability is recognised for sales in which revenue has yet been recognised. The Group's right to recover the product when customers exercise their right is recognised as a right to returned goods and a corresponding adjustment to cost of sales.

(iii) Transaction price allocated to the remaining performance obligation for contracts with customers

All goods provided by the Group are for contracts with original expected duration of one year or less. As permitted under IFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

4. OPERATING SEGMENTS

Information reported to the executive directors of the Company, being the Chief Operating Decision Maker ("**CODM**"), for the purposes of resource allocation and assessment of segment performance focuses on types of goods or services delivered or provided.

Specifically, the Group's reportable segments under IFRS 8 Operating Segments are as follows:

- International NVC brand – sales of NVC branded lighting products outside the PRC
- Domestic non-NVC brand – domestic sales of non-NVC branded lighting products in the PRC
- International non-NVC brand – sales of non-NVC branded lighting products outside the PRC

4. OPERATING SEGMENTS (Continued)

The following is an analysis of the Group's revenue and results by reportable segments:

For the year ended 31 December 2024

	International NVC brand *US$'000*	Domestic non-NVC brand *US$'000*	International non-NVC brand *US$'000*	Consolidated *US$'000*
Segment revenue:				
Sales to external customers	**31,986**	**11,458**	**193,159**	**236,603**
Cost of sales	**(18,756)**	**(9,890)**	**(133,306)**	**(161,952)**
Segment results	**13,230**	**1,568**	**59,853**	**74,651**
Reconciliation				
Other income				**6,699**
Other gains and losses				**(850)**
Unallocated expenses				**(72,180)**
Impairment losses recognised in respect of interests in an associate				**(26,562)**
Reversal of impairment losses under ECL model				**766**
Finance costs				**(709)**
Share of results of associates				**5,878**
Loss before tax				**(12,307)**

4. OPERATING SEGMENTS (Continued)

For the year ended 31 December 2023

	International NVC brand *US$'000*	Domestic non-NVC brand *US$'000*	International non-NVC brand *US$'000*	Consolidated *US$'000*
Sales to external customers	36,839	14,041	185,098	235,978
Cost of sales	(24,151)	(12,322)	(132,187)	(168,660)
Segment results	12,688	1,719	52,911	67,318
Reconciliation				
Other income				6,605
Other gains and losses				2,253
Unallocated expenses				(76,607)
Reversal of impairment losses in respect of interests in an associate				24,229
Reversal of impairment losses under expected credit loss model				350
Finance costs				(875)
Share of results of associates				17,163
Profit before tax				40,436

Segment profit represents the profit earned by each segment without allocation of other income, other gains and losses, impairment losses and reversal of impairment losses in respect of interests in associates, reversal of impairment losses recognised under expected credit loss model, unallocated expenses, finance costs and share of results of associates. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

The CODM makes decisions according to operating results of each segment. No analysis of segment asset and segment liability is presented as the CODM does not regularly review such information for the purposes of resources allocation and performance assessment. Therefore, only segment revenue and segment results are presented.

4. OPERATING SEGMENTS (Continued)

For the year ended 31 December 2024

	International NVC brand *US$'000*	Domestic non-NVC brand *US$'000*	International non-NVC brand *US$'000*	Total reportable segments *US$'000*	Others *US$'000*	Consolidated *US$'000*
Amounts included in the measure of segment profit or loss or segment assets:						
Capital expenditure*	**484**	**157**	**19,713**	**20,354**	**598**	**20,952**
Right-of-use assets	**–**	**–**	**115**	**115**	**–**	**115**
Write-down of inventories	**34**	**(28)**	**1,546**	**1,552**	**–**	**1,552**
Depreciation and amortisation	**3,048**	**1,349**	**8,224**	**12,621**	**230**	**12,851**
Amounts regularly provided to the CODM but not included in the measure of segment profit or loss or segment assets:						
Reversal of impairment losses on trade receivables and other receivables, net	**(766)**	**–**	**–**	**(766)**	**–**	**(766)**
Impairment losses recognised in respect of interests in associates	**26,562**	**–**	**–**	**26,562**	**–**	**26,562**

4. OPERATING SEGMENTS (Continued)

For the year ended 31 December 2023

	International NVC brand *US$'000*	Domestic non-NVC brand *US$'000*	International non-NVC brand *US$'000*	Total reportable segments *US$'000*	Others *US$'000*	Consolidated *US$'000*
Amounts included in the measure of segment profit or loss or segment assets:						
Capital expenditure*	976	150	5,796	6,922	2	6,924
Right-of-use assets	985	1	607	1,593	576	2,169
Write-down of inventories	(408)	(139)	1,875	1,328	12	1,340
Depreciation and amortisation	1,120	1,569	12,078	14,767	308	15,075
Amounts regularly provided to the CODM but not included in the measure of segment profit or loss or segment assets:						
Reversal of impairment losses on trade receivables and other receivables, net	(256)	–	(94)	(350)	–	(350)
Reversal of impairment losses in respect of interests in associates	(24,229)	–	–	(24,229)	–	(24,229)

* Capital expenditure consists of additions to property, plant and equipment and other intangible assets.

4. OPERATING SEGMENTS (Continued)

Geographical information

The Group's operations are located in the PRC and other countries.

Information about the Group's revenue from external customers is presented based on the location of the customers' operations. Information about the Group's non-current assets is presented based on the geographical location of the assets.

	Revenue from external customers Year ended		Non-current assets	
	31/12/2024	31/12/2023	**31/12/2024**	31/12/2023
	US$'000	*US$'000*	***US$'000***	*US$'000*
United States	**150,840**	132,372	**16,993**	676
Japan	**36,250**	39,933	**1,912**	2,201
United Kingdom	**19,108**	25,309	**7,530**	7,897
The PRC	**11,458**	14,041	**254,026**	306,081
Netherland	**1,833**	4,582	**–**	–
Other countries	**17,114**	19,741	**27,887**	30,304
	236,603	235,978	**308,348**	347,159

Note: Non-current assets excluded equity instruments at FVTOCI and deferred tax assets.

Information about major customers

Revenue from customers of the corresponding years contributing over 10% of the total sales of the Group are as follows:

	2024	2023
	US$'000	*US$'000*
Customer A[1]	**67,130**	65,305
Customer B[1]	**68,090**	55,253
Customer C[1]	**35,146**	39,933

[1] Revenue from International non-NVC brand segment.

5. OTHER INCOME

	2024	2023
	US$'000	*US$'000*
Bank interest income	**2,819**	1,432
Trademark licensing fee	**1,449**	1,525
Consultancy service income	**1,000**	1,063
Government grants and other subsidies *(Note)*	**891**	987
Rental income – lease payments that are fixed	**441**	472
Surcharges from suppliers	**36**	15
Others	**63**	1,111
	6,699	6,605

Note: Government grants of US$886,000 (2023: US$980,000) that have been received in the current year. The government grants were unconditional and therefore recognised in the consolidated statement of profit or loss in the current year. Other government grants have been received by the Group's PRC subsidiaries as tax subsidies and incentives for research and development activities and the expansion of production capacity of energy-saving lamps. Government grants associated with assets are recognised as deferred income in the consolidated statement of financial position.

6. OTHER GAINS AND LOSSES

	2024	2023
	US$'000	*US$'000*
Net foreign exchange gains	**424**	3,469
Gain (loss) on fair value changes of held-for-trading investments	**792**	(668)
Loss on fair value of contingent consideration payable	**(1,193)**	–
Loss on disposal of property, plant and equipment	**(686)**	(385)
Others	**(187)**	(163)
	(850)	2,253

7. OTHER EXPENSES

	2024	2023
	US$'000	*US$'000*
Research and development costs	**7,398**	5,184

8. FINANCE COSTS

	2024	2023
	US$'000	*US$'000*
Interest on vendor financing	**127**	283
Interest on lease liabilities	**351**	320
Interest on borrowings	**231**	272
	709	875

9. INCOME TAX EXPENSE

	2024	2023
	US$'000	*US$'000*
Current tax:		
Hong Kong	**663**	1,443
PRC Enterprise Income Tax	**118**	364
Other countries	**2,003**	1,489
	2,784	3,296
(Over) under provision in prior years:		
Hong Kong	**(78)**	78
PRC Enterprise Income Tax	**(26)**	(45)
Other countries	**–**	47
	(104)	80
Deferred tax	**368**	(590)
Total	**3,048**	2,786

9. INCOME TAX EXPENSE (Continued)

Under the two-tiered profits tax rates regime, the first Hong Kong dollars ("**HK$**") 2,000,000 of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK$2,000,000 will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.

Under the Law of the PRC on Enterprise Income Tax (the "**EIT Law**") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% for both years.

ETi Solid State Lighting (Zhuhai) Limited ("**Zhuhai SSL**") and Zhejiang Jiangshan Sunny Electron Co., Ltd. ("**Sunny**") were recognised as high-tech enterprise by the PRC tax authority and entitled a preferential tax rate of 15% during both years.

Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

10. (LOSS) PROFIT FOR THE YEAR

(Loss) profit for the year has been arrived at after charging:

	2024	2023
	US$'000	*US$'000*
Auditor's remuneration	**522**	550
Cost of inventories recognised as expense	**160,400**	167,320
Amortisation of other intangible assets (included in "selling and distribution expenses")	**4,895**	6,457
Depreciation		
– Property, plant and equipment	**5,505**	5,675
– Investment properties	**79**	237
– Right-of-use-assets	**2,372**	2,706
Total amortisation and depreciation	**12,851**	15,075
Employee benefit expenses (including directors' and chief executive's remuneration):		
Wages and salaries	**43,918**	42,229
Pension scheme contributions	**4,140**	3,577
Other welfare expenses	**1,391**	1,114
Total staff costs	**49,449**	46,920
Write-down of inventories (included in "cost of sales")	**1,552**	1,340

11. (LOSS) EARNINGS PER SHARE

The calculation of the basic (loss) earnings per share attributable to the owners of the Company is based on the following data:

(Loss) earnings figures are calculated as follows:

	2024	2023
	US$'000	*US$'000*
(Loss) profit for the purpose of basic (loss) earnings per share	**(17,450)**	35,713

	2024	2023
	'000	*'000*
Weighted average number of ordinary shares for the purpose of basic (loss) earnings per share	**507,274**	458,168

No diluted (loss) earnings per share for both 2024 and 2023 were presented as there were no potential ordinary shares in issue for both 2024 and 2023.

During the year ended 31 December 2023, the weighted average number of ordinary shares of 458,168,000 in issue was adjusted to reflect the effect of the share consolidation.

12. DIVIDENDS

No dividend was paid or proposed for ordinary shareholders of the Company during the years ended 31 December 2024 and 2023, nor has any dividend been proposed since the end of the reporting period.

13. INVENTORIES

	2024	2023
	US$'000	*US$'000*
Raw materials and consumables	**8,414**	8,422
Work in progress	**4,075**	3,059
Finished goods	**27,872**	33,755
	40,361	45,236

During the current year, management of the Group considered the market performance and the expected net realisable value of the inventories. As a result, the Group has written down inventories, net of reversal, of US$1,552,000 (2023: US$1,340,000) to their net realisable values and included the charge in "Cost of sales".

14. TRADE AND BILLS RECEIVABLES

	2024	2023
	US$'000	*US$'000*
Trade receivables	**49,913**	50,787
Less: Allowance for credit losses	**(530)**	(1,569)
	49,383	49,218
Bills receivables	**152**	246
	49,535	49,464

As at 1 January 2023, trade receivables from contracts with customer amounted to US$45,229,000.

The credit period on sales of goods is ranging from 0 to 120 days.

Included in the Group's trade receivables are amounts due from related parties of US$161,000 (2023: US$166,000) which are repayable on similar credit terms to those offered to the major customers of the Group.

14. TRADE AND BILLS RECEIVABLES (Continued)

The following is an aged analysis of trade receivables, net of allowance for credit losses, presented based on the transaction date, and an analysis of bills receivables by age, net of allowance for credit losses, presented based on the bills issuance date at the end of the reporting period.

	2024	2023
	US$'000	*US$'000*
Trade receivables		
Within 3 months	**46,252**	42,658
4 to 6 months	**1,285**	5,501
7 to 12 months	**587**	435
1 to 2 years	**293**	134
Over 2 years	**966**	490
	49,383	49,218
Bills receivables		
Within 3 months	**152**	232
4 to 6 months	**–**	14
	152	246

As at 31 December 2024, included in the Group's trade receivables balance are debtors with aggregate carrying amount of US$5,505,000 (2023: US$5,081,000) which are past due as at the reporting date. Out of the past due balances, US$3,316,000 (2023: US$1,837,000) has been past due 90 days or more and is not considered as in default based on repayment records of those customers and continuous business with the Group.

As at 31 December 2024, total bills received amounted to US$152,000 (2023: US$246,000) are held by the Group for future settlement of trade receivables. All bills received by the Group are with a maturity period of less than six months. Other than bills receivables, the Group does not hold any collateral over these balances.

Trade receivables amounted to US$7,777,000 (2023: US$9,795,000) have been pledged as security for the Group's borrowings *(Note 18)*.

15. TRADE PAYABLES

	2024	2023
	US$'000	*US$'000*
Trade payables due to third parties	**37,714**	35,280
Trade payables due to related parties:		
– subsidiaries of entity with significant influence over the Company	**466**	1,080
– associates	**73**	3
Trade payables due to third parties under supplier finance arrangement *(Note)*	**2,601**	3,082
	40,854	39,445

Note: These relate to trade payables in which the Group has issued bills to the relevant suppliers and related parties for future settlement trade payables. The Group continues to recognise these trade payables as the relevant banks are obliged to make payments only on due dates of the bills, under the same conditions as agreed with the suppliers and related parties without further extension. In the consolidated statement of cash flows, settlements of these bills are included within operating cash flows based on the nature of the arrangements.

The followings is an aged analysis of trade payables not under supplier finance arrangement presented based on the transaction date.

	2024	2023
	US$'000	*US$'000*
Within 3 months	**36,660**	34,616
4 to 6 months	**401**	776
7 to 12 months	**270**	200
1 to 2 years	**170**	562
Over 2 years	**752**	209
	38,253	36,363

15. TRADE PAYABLES (Continued)

The followings is an aged analysis of trade payables under supplier finance arrangement presented based on the bills issuance date.

	2024	2023
	US$'000	*US$'000*
Within 3 months	**1,652**	1,403
4 to 6 months	**949**	1,679
	2,601	3,082

The average credit period on purchase of goods is 30 to 180 days (2023: 30 to 180 days).

16. BORROWINGS

	2024	2023
	US$'000	*US$'000*
Secured bank loans that are repayable within one year or contain a repayment on demand clause (shown under current liabilities)	**2,603**	1,699

Borrowings comprise:

	Maturity date	Contractual interest rate	Carrying amount 2024	2023
			US$'000	*US$'000*
Secured bank loans	on demand (2023: on demand)	Base*+1.90% p.a. (2023: Base*+1.90% p.a.)	**2,603**	1,699

* "Base" refers to the Bank of England base rate.

17. SHARE CAPITAL

	Number of shares		Share capital	
	2024	2023	**2024**	2023
	'000	*'000*	***US$***	*US$*
Ordinary share of US$0.000001 (2023: 0.0000001) each				
Authorised:				
At beginning of year	**50,000,000**	500,000,000	**46,977**	46,977
Decrease on 27 October 2023	**–**	(450,000,000)	**–**	–
At end of year	**50,000,000**	50,000,000	**46,977**	46,977
Issued and fully paid				
At beginning of year	**507,274**	4,227,281	**1,268**	423
Issue of shares *(note b)*	**–**	845,456	**–**	845
Share consolidation *(note a)*	**–**	(4,565,463)	**–**	–
At end of year	**507,274**	507,274	**1,268**	1,268

Notes:

a) On 27 October 2023, every ten issued shares of the Company were consolidated into one consolidated share and the number of consolidated shares was rounded down to the nearest whole number by disregarding each and every fractional consolidated share which would otherwise arise.

b) On 9 July 2023, 845,456,130 shares of the Company were issued at subscription price of totally US$8,944,985.

18. PLEDGE OF ASSETS

The Group's borrowings had been secured by the pledge of the Group's assets and the carrying amounts of the respective assets are as follows:

	2024	2023
	US$'000	*US$'000*
Property, plant and equipment	**5,618**	5,715
Trade receivables *(Note 14)*	**7,777**	9,795

19. CONTINGENT LIABILITY

During the year ended 31 December 2024, a subsidiary of the Group was involved in a legal dispute concerning patent infringement, arising in the normal course of business. At the end of the reporting period and up to the date on which these consolidated financial statements are authorised for issue, the directors of the Company are of the opinion, taking into account of the advice from the Group's external legal counsel, the expected outcome of this legal dispute is uncertain. Therefore it is not practicable for the directors of the Company to estimate reliably the amount of the obligation that may arise from this dispute, and the timing and any potential impact on the Group.

MANAGEMENT DISCUSSION AND ANALYSIS

MARKET AND PERFORMANCE REVIEW

In 2024, in the face of the global economic slowdown, coupled with the Russian-Ukrainian war and the high inflation index, the market economy environment was constantly changing, and all the industries were facing major challenges in their operation. Major banks and financial institutions had lowered their GDP growth forecasts for various countries one after another, resulting in a sharp drop in their confidence in economic growth this year. The global economy growth was expected to remain stable at 3.2% in 2024 according to the latest World Economic Outlook published by the International Monetary Fund.

With the continued downturn in the economic environment, the demand in the consumer market has declined as a whole, and the competitive pressure in the terminal market has further increased. It is of particular importance to reduce product costs to enhance the competitiveness of the Group's products. The Group has been adjusting its procurement strategy, using bidding, price negotiation processes for large-value orders, monitoring the trend of bulk raw materials and its correlation with the pricing of purchased materials, and expanding in-house proportion of blow molded, extruded and roll-formed parts to ensure the reduction of procurement costs.

During the Reporting Period, international lighting business was still the Group's core business and contributed a majority of revenue to Group. Despite the challenging economic environment, the Group implemented several reforms to maintain its business health. These include, among others, the development of new products designs, launch of new products, evaluation of the Group's procurement strategies, all of which helped to enhance the competitiveness of the Group's products in term of prices and functionalities.

Selling and Distribution

The Group has established sales networks and channels in major countries and regions including North America, Europe, Australia, East Asia, Middle East, Southeast Asia and the PRC leveraging its extensive marketing experience and superior globe-based operation team.

North American Market

In 2024, the global lighting market continued to grow, driven by technology, environmental protection needs and smart home trends. The Asia-Pacific region remained the world's largest lighting market, with urbanization and infrastructure construction in emerging economies such as China and India driving demand growth. Developed markets such as North America and Europe had strong demand for energy-saving and smart lighting products, with policy support further promoting market expansion. The lighting market in the Middle East and Africa also grow steadily due to urbanization and the need to improve energy efficiency.

In 2024, the U.S. dollar remained strong. Due to the weak global economy and the noticeable slowdown in the real estate market, end consumers reduced their spending, market demand was suppressed. The United States LED general lighting market was generally weak in 2024. Having said that, the Group's largest customer in the United States, a global home improvement retailer, recorded a positive sales growth throughout the year, mainly benefiting from its strategic transformation from a retail company to a service-oriented company.

The development direction in 2024 and the next few years will continue to focus on product optimization and maintain strong competitive advantages. We will consistently uphold our advantages in terms of pricing and specifications for hot-selling products, and analyze the reasons for less popular products and decisively make technical improvements or replace them with new product offerings.

In 2024, new customers and new projects brought considerable sales to the retail channels and project channels. However, sales in the commercial channel were lower than expected mainly because of the underperformance and the unsatisfactory sales completion rate of agents. Additionally, the construction projects, especially those involving high-priced products, started slowly with stagnated demand.

Japanese Market

In 2024, the U.S. dollar continued to strengthen, and the exchange rate once fell to 161.5 Japanese yen to 1 US dollar, setting the lowest level of Japanese yen depreciation in 34 years since 1990. The trend of rising prices caused by the depreciation of the Japanese Yen has not changed, which has had a significant impact on residents' consumption. Japan's actual economic growth rate in 2024 was –0.3%.

Rising prices have led to an increase of the cost of living for residents, thereby suppressing overall consumer spending. As a result, consumers may turn to cheaper alternatives or reduce consumption. The overall demand for lighting products at the retail end has shrunk compared with the year of 2023. The demand for both ceiling lamps and light bulbs have dropped significantly as compared with 2023. Coupled with the market recession in 2023, the lighting-related market has become increasingly grim. According to the statistics of the Japanese Industrial Association on the market situation in 2024, the demand for domestic LED lighting products in 2024 was only 90% of that in 2023, and the market has shrunk relatively. Sales in the Japanese market fell year-on-year, mainly due to the depreciation of the Japanese Yen and reduced demand.

UK and Nordic Markets

The UK and European markets continued to be impacted by slow economic growth, high interest rates, and a lack of liquidity. The security crisis in Ukraine has specifically affected the Finnish market, where there is a shared border with Russia.

Regarding the UK market, some of the largest wholesalers introduced cost-cutting measures in the latter part of 2024, primarily targeting reductions in headcount within their branch networks. Notably, the upper segment of the residential, hospitality, and heritage markets in the UK, where DERNIER & HAMLYN ("**D&H**"), a century-old high-quality luxury lighting manufacturer, operates, remained relatively unaffected by the broader macro-economic challenges facing the UK.

This situation continues to validate the "channel-only" sales approach, despite the efforts invested to drive demand for the NVC Lighting brand and our focus on larger, more financially robust wholesalers.

UK NVC also retains its commitment to managing processes using International Organization for Standardization (ISO) standards, and along with the ISO 9001/14001/45001 in place at the end of 2022 in the UK and Nordics, and added ISO 22301 (Business Continuity), and ISO 50001 (Energy Management) to the operating standards. The lighting test facility continues to be certified by the UK Lighting Industry Association.

In addition, we have invested in EPD (Environmental Product Declaration) Certification for our professional product offering, being relaunched as “PROe”, to reflect our commitment.

Other Overseas Markets

The Southeast Asian market mainly comprises of three parts, namely the overseas markets, the local market in Singapore and the local market in Vietnam. The overseas market mainly includes countries such as Pakistan, Sri Lanka, Uruguay and Mongolia. The dual-channel (project and distribution) business strategy formulated at the beginning of 2024 yielded obvious results throughout the year.

First of all, the project channel performed strongly in the Vietnamese market in 2024, mainly in the fields of outdoor landscape and street lighting, indoor office building lighting and factory and industrial lighting, and secured considerable orders. We also gained certain profits in the Singapore local market. We worked directly with local terminal home owners to provide public lighting project solutions and won orders from competitors. In terms of overseas markets, our projects in Uruguay grew rapidly, making breakthroughs in both commercial and retail projects. In the distribution channels, our Vietnamese team entered the home distribution channel, opened up the situation and secured orders, laying a solid foundation for long-term cultivation of this target market in the future. In the overseas market of New Guinea, we achieved very significant business breakthroughs by cooperating with a large local supermarket chain. In terms of brand marketing activities, we focused on the local markets of Vietnam and Singapore by holding customer seminars, participating in key exhibitions and building office showrooms to invite customers for one-on-one product introductions and business negotiations.

Through the above efforts, we not only effectively introduced and promoted our product solutions, but also created great influence on the brand. We are very gratified to see that the activities we held directly led to the placement of sales orders and the promotion of the brand, establishing a solid foundation for building a credible, professional and quality brand. At the same time, we were also facing some market challenges. In Pakistan, due to the local general election in the first quarter of 2024, government projects were directly affected, resulting in a direct impact on and delays of our business. Commercial projects in Sri Lanka continued to suffer from past national bankruptcies/economic crises and were slow to progress.

In 2024, in the Middle East and North Africa, we began to participate in the quotations of large-scale projects in different regions, including hotels and villa complexes in Saudi Arabia, real estate projects in the UAE, and projects of the Kuwait Ministry of Housing and Urban-Rural Development. At the same time, we have carried out further product updates and brand promotions for existing distributors to improve brand competitiveness and strengthen the investment of the designer team.

Brand Image Building and New Product Research and Development

“Light”, “Air”, and “Water” are the three key elements of the Group’s business development and also the three main threads of brand building. In 2024, “Light” remained the continuous driving force and core foundation of the Group’s development. The Group has not only completed the brand upgrade and re-launch of the Group’s brand and a number of its lighting sub-brands this year, giving them a younger vitality; it has also re-integrated and repositioned its other businesses and brands. In the business areas where each brand operates, each sub-brand has been actively utilizing various marketing activities and social media to continually build up its brand image, enhance brand recognition and loyalty, and help capture more market share.

In 2024, the Group continued to review and upgrade its owned brands, in line with its branding strategy of “Advancement through Stability” in 2023. First of all, the brand image of “ETI”, the lighting brand in North America, was renewed. On the basis of the continuation of the original brand color and key identifying graphics, the “ETI” brand logo has been optimized to a greater extent, and a new interpretation of the brand concept has been injected to make “ETI” more youthful and approachable.

Subsequently, the Group has revamped logo and visual identity system of the Group’s own brand “NVC International”, refocusing on the core elements of NVC and injecting more vitality by increasing the saturation and brightness of the colors. The new version of the Group’s brand identity has been put into use in the third quarter of this year, while a new promotional video, introduction brochure of the Group and a series of office document sets have also been released simultaneously.

In the fourth quarter of 2024, on the occasion of the fifth anniversary of the establishment of the Vietnam Branch, the Group's first integrated brand showroom was inaugurated at the Vietnam Manufacturing Centre, bringing together four of the Group's most important lighting brands and showcasing their brand strength, R&D innovation capabilities and core products.

In addition, the Group's sub-brands have also been actively engaged in local market activities. AURA and NVC Lighting made their debut at industry exhibitions in North America and Southeast Asia, both of which were well received by the market.

The Group's strategy is to illuminate the world with an unmatched portfolio of LED lighting solutions. We accomplish this through a vertically integrated global supply chain, deep partnership with our global network of independent distributors and a diverse portfolio of brands, applications, and products in the lighting and electricals sectors. The Group attaches great importance to the research and development of innovative technologies. The research department propelled the operating model of "synchronous development and concurrent engineering" within the Company by adhering to the R&D concept of "innovation, speed, quality and cost" and the R&D ideas of "three generations (production generation, development generation and pre-research generation)", greatly speeding up the efficiency of new product research and development. In the process of developing a series of new products in 2024, the focus was on platformization, serialization, modularization and standardization of key product categories. The platformization and serialization work of major product categories was successfully completed, and the introduction of some new processes and new materials enhanced the competitiveness of the manufacturing system.

FUTURE PROSPECTS

In 2025, international lighting business will still be the core business of the Group. In additional to this, the Group will continue to promote the development of the indoor air quality business to enhance the Group's revenue stream in the future. Although it is expected that the global economic environment will remain uncertain for 2025, the Group believes that a series of reforms conducted in 2024 will bring benefits to the Group in 2025, in particular the efforts from the Group's research and development team, whose innovation allows the Group to expand its current products portfolio in a speedy and cost-efficient way. The Group intends to promote cost-effective and intelligent products to the customers. Further, the Group will proactively improve its brand image to enhance its brand awareness in the international markets.

North American Market

Due to the uncertain macroeconomic conditions in 2025, the rising interest rate environment affects the demand for home improvement. In 2025, the Group will continue to increase investment in the development of the ETI brand, promote sales on online platforms, and form a basis for offline store sales growth by reaching end consumers online.

In addition, we will continue to optimize our product lines through principles such as platformization, modularization and standardization to maintain our position as a strategic supplier. On the other hand, based on our insights into the retail market, we will use new technologies and materials to develop new product lines such as outdoor decorative lights, outdoor commercial products, safety lights and PRO mirror lights. Due to fierce external competition, we will adopt a strategy combining self-production and outsourcing, arrange the product roadmap in advance, and grasp the opportunity of cooperation with customers, so as to lay a solid foundation for the business take-off in 2025.

In 2025, we will summarize the experiences from bidding with new customers in 2024 and recommend new products more accurately based on customer needs, so as to be well prepared for each bidding and strive to secure more new projects.

In addition to the retail channels, OEM business has also improved. In 2025, we will strive to develop more OEM customers, which will become another growth point for sales.

ETI brand will launch more than 60 new products across various channels in 2025, and the linear light series will also be available in early 2025. The key task is to ensure that every key point of these products will be implemented as planned, and that these products will be launched in time and become a growth point for sales in 2025.

Japanese Market

The Japanese economy is expected to face certain uncertainties in 2025, and although the government may take measures to stimulate the economy, the overall growth may still be limited. Among the growth of prices, wages and interest rates, wage increases are the most important factor determining Japan's economy. Japan now looks set to record a third straight year of wage increases next year, which will change consumer behavior. As the cost of living increases due to rising prices, consumers will continue to prefer more cost-effective products and services. Therefore, lighting products in retail channels need to pay more attention to price competitiveness and energy efficiency.

It is expected that the demand for lighting products at the retail end will not rebound significantly in 2025 and may remain at a relatively low level. Competition among lighting companies is fierce, with price wars compressing profit margins. The lighting demand in the Japanese market is expected to remain flat in 2025. E-commerce continues to develop in the Japanese market, but physical stores will still play an important role. In the future, the online-and-offline integration model may become more common. The Company intends to add new product lines in retail channels, including small ceiling lamps, small chandeliers and other new products.

The Japanese team will strive to expand sales in 2025, with the main task of promoting the ceiling lamp own-brand business while focusing on developing new customers. We will continue to optimize production processes to reduce costs and improve product competitiveness, and will expand sales channels and strengthen online sales.

UK and Nordic Markets

The economic indicators for 2025 closely reflect the trends observed in the second half of 2024.

The increase in container and insurance costs moderated in the latter part of 2024; however, the margin benefits will materialize in 2025 due to lead times and stock consumption. Weak domestic demand in China has significantly improved our negotiating position with suppliers, creating opportunities for margin enhancement. However, weak market demand particularly in the UK may prompt competitors to leverage these lower ex-factory costs to reduce their own prices in 2025.

In 2025, we plan to focus on enhancing performance in the Danish market, re-entering the Norwegian market more seriously, and piloting the AURA linear product offering. The 2025 plan commits to a recovery in sales, further positive development in gross margin, and the introduction of new sales leadership to the business in early 2025. Efforts are also underway to address structural overhead.

Other Overseas Markets

In terms of markets and channels in 2025, for the Vietnamese market, we will continue to follow up on key projects by promoting the conversion rate of project reserves and facilitating the implementation of orders. In particular, we will follow up with distributors, contractors, designers and homeowners on related projects, while preparing for key projects in the coming year. In 2025, we will focus on following up on the distribution channels. We have already contacted several key distribution channel distributors in the south and the north. We need to prepare for the launch of distribution products as soon as possible in order to sign orders with customers. Finally, we are also starting to promote electrical products in the Vietnamese market, hoping to first expand through distribution channels and open up the entire local and regional markets.

For the Singapore market, we will continue to drive business growth through three aspects. Firstly, in terms of projects, we will continue to follow up on key projects by promoting the conversion rate of project reserves and facilitating the implementation of orders. Secondly, we will expand into new projects and acquire new customers such as project distributors, contractors, homeowners or designers. Finally, we will expand our business in distribution and retail channels. We hope that through these efforts, we can fully open up our business.

For overseas markets, we will continue to focus on the development of key new markets, such as Indonesia, Malaysia and other Southeast Asian countries, entering local markets through project and distribution channels to prepare for future business growth.

In terms of products, we will continue to focus on key product lines and enrich product lines to maintain our gross profit, and will also follow up on newly launched product lines and enhance the implementation of potential new orders. In terms of product management, we will maintain the competitiveness of product performance and pricing to manage updates. We will introduce new product lines such as AURA, linear lighting for data center applications, and electrical products.

In terms of operations, we will establish effective project sales-related demand forecasts and streamline the entire operational process to increase efficiency and control costs.

In terms of branding, for the local markets of Singapore and Vietnam, we will continue to organize one-to-one communication with customers in the office through the showrooms. In terms of brand promotion, we will continue to carry out targeted promotion on relevant platforms. For overseas markets, we will focus on participating in important exhibitions in some key countries as important platforms for the continued exposure of NVC Lighting products and brands.

Brand Building, Product Development and Internal Management

Brand growth and business development complement each other. In 2025, the Group's branding strategy continues to emphasize steady and continuous investment, consolidating and maintaining a matrix of sub-brands covering different consumer levels, including "high, medium and new", and continuing to give each brand a suitable image and clear connotation. In 2025, some sub-brands will also see a complete revitalization of their brand images, promotional videos, official websites and social media. At the same time, the Group will also invest in marketing and promotional resources to enhance the visibility of each brand and help develop business opportunities.

In future product research and development, we will further promote the core value of "NVCI – driven by nature and presented with technology". We will research lighting technologies that improve the human environment, expand the application of core patented technologies and continue to improve the cost performance of our products in the depth and breadth of our existing product lines. We will also rationally utilize platformization, serialization, modularization and standardization to continuously provide new products and services that meet market needs, thereby empowering consumers and users, providing a comfortable and healthy lighting environment and improving people's quality of life.

As market competition further intensifies, the cost competitiveness of products needs to be further improved. In terms of the supply chain, price control of raw materials will be a key concern of the Group. The Group will strengthen management in terms of material prices, inventory control and team personnel optimization. The Group intends to further improve the competitiveness of its future products and transformed the same into the Group's comprehensive strength through the following means: annual bidding and price negotiation; expanding localized procurement in Vietnam; and accelerating the comprehensive self-production of blow moulding, extrusion and roll parts. In addition, the Group will continue to promote the digitalisation and informatisation construction throughout the Group. In 2025, the Group is devoted to promoting the ERP system transformation of its subsidiaries, so as to achieve globally cross-regional cooperation and resource sharing among main businesses, thereby enhancing the overall operating efficiency of the Group. Meanwhile, the Group will enhance its ERP function and, by adding different functions, further enhance its governance effectiveness.

FINANCIAL REVIEW

Sales Revenue

Sales revenue represents the invoiced value of goods sold, after allowances for returns and trade discounts. During the Reporting Period, the sales revenue of the Group amounted to US$236,603,000, representing an increase of 0.3% as compared with the sales revenue in the Corresponding Period.

For business management need and the nature of business units based on the products and market, the Group classified the reportable operating segments as follows:

Revenue by geographical locations, NVC brand sales and non-NVC brand sales

The table below sets forth the sales revenue by geographical locations, NVC brand products and non-NVC brand products and the growth rate of each item. Our non-NVC brand products primarily consist of ODM products.

	Year ended 31 December		
	2024	2023	Growth rate
	US$'000	*US$'000*	
Sales revenue from the PRC market			
Non-NVC brands	**11,458**	14,041	(18.4%)
Subtotal	**11,458**	14,041	(18.4%)
Sales revenue from international markets			
NVC brands	**31,986**	36,839	(13.2%)
Non-NVC brands	**193,159**	185,098	4.4%
Subtotal	**225,145**	221,937	1.4%
Total	**236,603**	235,978	0.3%

The Group continues to focus on the lighting products in overseas markets. During the Reporting Period, sales revenue from the PRC decreased by 18.4%, due to the increasingly fierce competition from other competitors. Meanwhile, international sales slightly increased by 1.4%. This led to a slight increase in the overall sales revenue by 0.3% comparing with the Corresponding Period.

Cost of Sales

Cost of sales mainly consists of the cost of raw materials, outsourced manufacturing costs, labor costs and indirect costs. Major raw materials of the Group include iron, aluminum and alloys, glass tubes, electronics components and LED packaged chips. Outsourced manufacturing costs primarily include the cost of purchased semi-finished products used in the production of our products and finished products produced by other manufacturers. Indirect costs primarily include water, electricity, depreciation and amortisation and others. The table below sets forth the composition of our cost of sales:

	Year ended 31 December			
	2024		2023	
	US$'000	***Percentage in revenue (%)***	*US$'000*	*Percentage in revenue (%)*
Raw materials (including outsourced manufacturing costs)	**131,273**	**55.5%**	136,557	57.9%
Labor costs	**16,915**	**7.1%**	15,373	6.5%
Indirect costs	**13,764**	**5.8%**	16,730	7.1%
Total	**161,952**	**68.4%**	168,660	71.5%

During the Reporting Period, the cost of sales as a percentage in revenue decreased from 71.5% to 68.4%, while the gross profit margin increased from 28.5% to 31.6%, which was mainly attributable to the adjustments on procurement strategy and shipping cost have become normalised.

Gross Profit and Gross Profit Margin

Gross profit is calculated as the net value of sales revenue less cost of sales.

During the Reporting Period, gross profit was US$74,651,000, representing an increase of 10.9% as compared with the gross profit of sales from the continuing operations of the Corresponding Period, and gross profit margin of sales increased from 28.5% to 31.6%.

The table below shows the gross profit and gross profit margin by geographical locations and NVC brand products and non-NVC brand products for the periods indicated:

	Year ended 31 December			
	2024		2023	
	US$'000	***(%)***	*US$'000*	*(%)*
Gross profit from PRC sales:				
Non-NVC brands	**1,568**	**13.7%**	1,719	12.2%
Subtotal	**1,568**	**13.7%**	1,719	12.2%
Gross profit from international sales:				
NVC brands	**13,230**	**41.4%**	12,688	34.4%
Non-NVC brands	**59,853**	**31.0%**	52,911	28.6%
Subtotal	**73,083**	**32.5%**	65,599	29.6%
Total	**74,651**	**31.6%**	67,318	28.5%

With the continued downturn in the economic environment, overall demand in the consumer market has declined, and competitive pressure in the terminal market has intensified. It is particularly important to reduce product costs to enhance the competitiveness of the Group's products. Firstly, the Group transferred its best-selling product lines to factories in Vietnam, where more favorable trade policies are in place. Additionally, the Group strengthened its procurement strategy and technology to reduce costs. Secondly, the Group implemented self-production processes for blow molding, extrusion, and roll parts, replacing purchases from third-party vendors for assembly. With the combined effects, the overall gross profit margin of the Group during the Reporting Period increased from 28.5% to 31.6% as compared with the Corresponding Period.

Other Income

Our other income mainly consists of government grants and other subsidies, bank and other interest income, surcharges from suppliers, rental income, consultancy service income, trademark licensing fee and others (the breakdown of which is provided in Note 5 to the consolidated financial statement in this announcement). We received various types of government grants in the form of tax subsidies, incentives for research and development activities and expansion of production capacity of energy-saving lamp.

Other Gains and Losses

This item represents the Group's net foreign exchange gains, gains (losses) on fair value changes of held-for-trade investments, loss on disposal of property, plant and equipment and, loss on fair value of contingent consideration payable and others during the Reporting Period. During the Reporting Period, other gains and losses of the Group decreased as compared with the other gains and losses from the Corresponding Period, which was mainly due to combined effects of decrease in net foreign exchange gains, loss on fair value of contingent consideration payable, loss on disposal of property, plant and equipment, and increase of gain (loss) on fair value changes of held-for-trading investments and others.

Selling and Distribution Costs

Our selling and distribution costs mainly consist of freight costs, advertising and promotion expenses, staff costs and other costs including office expenses, customs clearance expenses, travelling expenses, depreciation and amortisation, insurance fees and other miscellaneous costs.

During the Reporting Period, the selling and distribution costs were US$30,843,000, representing a decrease of 11.5% as compared with the selling and distribution costs from the Corresponding Period. The selling and distribution costs as a percentage in revenue decreased from 14.8% to 13.0%, which is mainly resulted from a decrease of market research fee.

Administrative Expenses

Our administrative expenses mainly consist of staff costs, amortisation and depreciation, office expenses and other expenses including tax expenses, audit fees, other professional fees, and other miscellaneous expenses. These taxes mainly include land use tax and stamp duty in connection with our administrative functions.

During the Reporting Period, the administrative expenses were US$33,939,000, representing a decrease of 7.2% as compared with the administrative expenses from continuing operations of the Corresponding Period, which was mainly resulted from a decrease of depreciation and amortisation. Our administrative expenses as a percentage in revenue decreased from 15.5% for the Corresponding Period to 14.3% for the Reporting Period.

Finance Costs

Finance costs represent the expenses of interest on bank loans, interest on lease liabilities and interest on vendor financing.

Share of Results of Associates

This item represents the Group's share of net profits or net losses in the associates during the Reporting Period.

Impairment assessment of interests in an associate, Brilliant Lights International Holding Pte. Ltd. ("BLIHP")

As at 31 December 2024, the Group had interest in BLIHP with carrying amount of approximately US$112,715,000 which represented 24.1% of the net assets of the Group. BLIHP is engaged in investment holding, manufacture and sales of lamps, luminaries, lamp transformers, lighting electronic products and other appliances.

Triggered by the economic uncertainties in the PRC, BLIHP's offline business had been adversely affected during the year ended 31 December 2024, resulting in a substantial shortfall in operating profit when compared to previous year's financial budgets approved by management. As at 31 December 2024, the accumulated impairment loss amounting to US$26,562,000 (2023: Nil) was recognised.

The Group's management engaged an independent qualified professional valuer to assist them to determine the recoverable amount of interest in BLIHP, based on the past performance of BLIHP and the expectations from the Group's management on the market development.

The recoverable amount of the interest in BLIHP is determined based on a value in use calculation. That calculation uses cash flow projections based on financial budgets approved by management covering a five-year period, and discount rate of 14.5% (2023: 14.5%). BLIHP's cash flows beyond the five-year period are extrapolated using a steady 2.0% (2023: 2.2%) growth rate. This growth rate is based on the relevant industry growth forecasts and does not exceed the average consumer price index growth rate in the PRC for the relevant industry. Other key assumptions for the value in use calculations relate to the estimation of cash inflows/outflows which include sales growth rates and gross margin, such estimation is based on the unit's past performance and management's expectations for the market development.

The results of the valuation assessment using these assumptions show that the recoverable amount amounting to US$112,715,000 is below the carrying amount of interest in BLIHP as at 31 December 2024. Accordingly, an impairment loss of US$26,562,000 was recognised in profit or loss during the year ended 31 December 2024.

Income Tax

During the Reporting Period, the Group's income tax increased to US$3,048,000 as compared with the income tax from the Corresponding Period. It is mainly due to the increase of current income tax provision from other countries including Vietnam, during the Corresponding Period.

Loss for the Year (including Profit Attributable to Non-controlling Interests)

Due to the factors mentioned above, our loss for the year (including profit attributable to non-controlling interests) was US$15,355,000 during the Reporting Period.

Loss Attributable to Owners of the Company for the Year

Due to the factors mentioned above, loss attributable to owners of the Company was US$17,450,000 during the Reporting Period.

Profit for the Year Attributable to Non-controlling Interests

During the Reporting Period, profit for the year attributable to non-controlling interests was US$2,095,000.

Liquidity

Sufficiency of net current assets and working capital

The table below sets out our current assets, current liabilities and net current assets as at the end of the Reporting Period.

	Year ended 31 December	
	2024	2023
	US$'000	*US$'000*
CURRENT ASSETS		
Inventories	**40,361**	45,236
Trade and bills receivables	**49,535**	49,464
Other receivables, deposits and prepayments	**10,671**	13,437
Tax recoverable	**12**	–
Financial assets at fair value through profit or loss ("**FVTPL**")	**54,731**	3,939
Fixed deposits with maturity of more than three months	**–**	21,158
Cash and cash equivalents	**93,928**	108,273
Subtotal current assets	**249,238**	241,507
CURRENT LIABILITIES		
Trade payables	**40,854**	39,445
Other payables and accruals	**32,498**	29,501
Contract liabilities	**2,184**	5,516
Borrowings	**2,603**	1,699
Deferred income	**140**	142
Lease liabilities	**1,436**	1,793
Financial liabilities at FVTPL	**334**	–
Tax liabilities	**2,492**	1,082
Subtotal current liabilities	**82,541**	79,178
NET CURRENT ASSETS	**166,697**	162,329

As at 31 December 2024 and 31 December 2023, the total net current assets of the Group amounted to US$166,697,000 and US$162,329,000, respectively, and the current ratio was 3.02 and 3.05, respectively. In light of our current liquidity position and our projected cash inflows generated from operations, the Directors believe that the Group has sufficient working capital for our present requirements and for the next 12 months.

Financial assets at fair value through profit or loss

The Group's financial assets at fair value through profit or loss increased to US$54,731,000 as at 31 December 2024 (31 December 2023: US$3,939,000). The increase was mainly attributable to the entering into of a discretionary investment management agreement (the "**Investment Management Agreement**") between the Company and Parametric Portfolio Associates LLC (the "**Manager**") (being part of the asset management division of Morgan Stanley) on 24 October 2024, pursuant to which the Company agreed to appoint the Manager to provide discretionary investment management services to the Company. The investment made by the Company to the relevant investment advisory account maintained with Morgan Stanley is not more than US$50 million. The transactions contemplated under the Investment Management Agreement constitute a major transaction for the Company under Chapter 14 of the Listing Rules. For further details, please refer to the Company's announcement dated 24 October 2024 and circular dated 25 November 2024.

Capital Management

The table below sets out our gearing ratio as at the end of the Reporting Period.

	Year ended 31 December	
	2024	2023
	US$'000	*US$'000*
Borrowings	**2,603**	1,699
Total debt	**2,603**	1,699
Less: cash and cash equivalents and Fixed deposits with maturity of more than three months	**(93,928)**	(129,431)
Net debt	**N/A**	N/A
Total equity attributable to owners of the Company	**456,498**	483,771
Gearing ratio	**N/A**	N/A

The primary goal of our capital management is to maintain the stability and growth of our financial position. We regularly review and manage our capital structure and make corresponding adjustments, after taking into consideration changes in economic conditions, our future capital requirements, prevailing and projected profitability and operating cash flows, projected capital expenditures and projected strategic investment opportunities. We manage our capital by monitoring our gearing ratio (which is calculated as net debt divided by the total equity attributable to owners of the Company). Net debt is the balance of borrowings less cash and cash equivalents.

Capital Expenditure

We funded our capital expenditure with cash generated from operations and bank loans. Our capital expenditure is primarily related to expenditure on property, plant and equipment and other intangible assets. During the Reporting Period, the Group's capital expenditure amounted to US$20,952,000, mainly attributable to the increase in cost of machinery equipment and other intangible assets.

Off-balance Sheet Arrangement

As at 31 December 2024, the Group did not have any outstanding derivative financial instruments and off-balance sheet guarantees for outstanding loans. The Group did not engage in trading activities involving non-exchange traded contracts during the Reporting Period.

Capital Commitments

As at 31 December 2024, the capital commitments in respect of purchase of property, plant and equipment were US$484,000 (31 December 2023: US$971,000).

CONTINUING CONNECTED TRANSACTIONS

During the Reporting Period, the continuing connected transactions of the Group did not exceed the annual caps previously disclosed in the relevant announcements of the Company.

MERGERS, ACQUISITIONS, INVESTMENTS AND DISPOSALS AND SIGNIFICANT INVESTMENTS HELD

On 8 March 2024, NVC Lighting Limited (as purchaser, a direct wholly-owned subsidiary of the Company) ("**NVC Lighting**") on one part, and Shining Beauty AB and Opeco AB (as vendors) on the other part, entered into a share purchase agreement, pursuant to which NVC Lighting agreed to purchase shares in NVC Lighting AB (being a non-wholly-owned subsidiary of the Group), which represented the remaining 40% interest in NVC Lighting AB, for an initial consideration of SEK6,000,000 (equivalent to US$582,000) (the "**Acquisition**"). Based on NVC Lighting AB's earnings before interest, taxation, depreciation and amortisation in years 2024 to 2027, the vendors may be entitled to a separate earn-out consideration, provided that the maximum total consideration for the Acquisition shall be no more than SEK100 million (equivalent to approximately US$9.7 million) in aggregate. NVC Lighting AB has become a wholly-owned subsidiary of the Group with effect from 8 March 2024. For further details of the Acquisition, please refer to the Company's announcements dated 8 March 2024 and 29 April 2024, respectively.

On 12 June 2024, ETI Solid State Lighting Inc. (as purchaser, an indirect wholly-owned subsidiary of the Company) ("**ETI Solid State**") and Thurmon Tanner Logistics II Owner LLC (as seller) ("**Thurmon Tanner**") entered into a sale and purchase agreement, pursuant to which ETI Solid State conditionally agreed to acquire, and Thurmon Tanner conditionally agreed to dispose of, certain parcel of land lying and being in Land Lots 97 and 113, 8th Land District, City of Flowery Branch, Hall County, Georgia, the United States (the "**Real Property**"), all buildings, structures, fixtures, parking areas and improvements owned by Thurmon Tanner and located on the Real Property (the "**Improvements**") thereon, all of Thurmon Tanner's right, title and interest in and to the ownership or operation of the Improvements, and all of Thurmon Tanner's right, title and interest in, to and under the licenses and permits, the intangible property and the engineering product as relate solely to the Real Property (collectively, the "**Property**"), at the consideration of US$15,250,000. Completion of the acquisition of the Property took place on 28 August 2024. For further details, please refer to the Company's announcements dated 12 June 2024 and 29 August 2024 respectively.

Save as disclosed above and in this announcement, the Group made no material acquisition, merger, investment or disposal of subsidiaries, associates and joint ventures and there were no significant investments held during the Reporting Period.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

Save as disclosed in this announcement, the Group had not authorised any plans for any other material investments or additions of capital assets as at 31 December 2024.

MARKET RISKS

We are exposed to various market risks in the ordinary course of business. Our risk management strategy aims to minimise the adverse effects of these risks to our financial results.

Foreign Currency Risk

We are exposed to transactional currency risk. Such risk arises from sales or procurement by an operating unit in currencies other than its functional currency. As a result, we are exposed to fluctuations in the exchange rate between the functional currencies and foreign currencies. During the Reporting Period, the Group had entered into several forward exchange contracts in place to hedge the foreign exchange exposure and did not experience any material difficulties or negative impacts on our operations or liquidity as a result of fluctuations on currency exchange rates.

Commodity Price Risk

We are exposed to fluctuations in the prices of raw materials which are influenced by global changes as well as regional supply and demand conditions. Fluctuations in the prices of raw materials could adversely affect our financial performance. We did not enter into any commodity derivative instruments to hedge the potential commodity price changes.

Liquidity Risk

We monitor our risk of having a shortage of funds by managing the maturity of our financial instruments, financial assets and liabilities and projected cash flows from operations. Our goal is to maintain a balance between continuity and flexibility of funding through the use of bank loans and other interest-bearing loans. Our Directors have reviewed our working capital and capital expenditure requirements and determined that we have no significant liquidity risk.

Credit Risk

Our major credit risk arises from exposure to a substantial number of trade and bills receivables, deposits and other receivables from debtors. We have policies in place to ensure that the sales of products are made to customers with an appropriate credit limit, and we have strict control over credit limits of trade receivables. Our cash and short-term deposits are mainly deposited with registered banks in Mainland China, Hong Kong and Singapore. We also have policies that limit our credit risk exposure to any financial institutions. The carrying amounts of trade and bills receivables, deposits and other receivables, cash and cash equivalents and short-term deposits included in the consolidated statement of financial position represent our maximum exposure to credit risk in relation to our financial assets. We have no other financial assets which carry significant exposure to credit risk. In 2024, we entered into a number of one-year insurance contracts with China Export & Credit Insurance Corporation, which covered 90% uncollectible receivables from international sales during the period from 1 July 2024 to 30 June 2025 with a maximum compensation amount of US$20,000,000. We purchased such insurance in order to minimise our exposure to credit risk as we expand our business. We plan to renew such insurance contracts when they become due.

IMPORTANT EVENTS AFTER THE REPORTING PERIOD

No important events affecting the Company occurred since 31 December 2024 and up to the date of this announcement.

FINAL DIVIDEND

The Board has proposed not to declare final dividend for the year ended 31 December 2024 (2023: Nil).

ANNUAL GENERAL MEETING

The annual general meeting (the "**Annual General Meeting**") of the Company is scheduled to be held on Friday, 13 June 2025. A notice convening the Annual General Meeting will be published on the website of the Stock Exchange at www.hkexnews.hk and the Company's website at www.nvc-international.com in due course.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Tuesday, 10 June 2025 to Friday, 13 June 2025 (both days inclusive), during which period no transfer of Shares will be registered. In order to qualify for attending and voting at the Annual General Meeting, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited, Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong before 4:30 p.m. on Monday, 9 June 2025.

EMPLOYEES AND REMUNERATION POLICY

As at 31 December 2024, the Group had approximately 2,163 employees in total (31 December 2023: 1,967). The Group regularly reviews remuneration and benefits of its employees according to the relevant market practice and individual performance of the employees. In addition to basic salary, employees are entitled to other benefits including social insurance contributions, employee provident fund schemes, discretionary incentive and restricted above unit schemes.

The Group regards training management as a part of its daily operations, and continuously improves its internal staff training system to better help staff to improve their professional skills. According to the work and training needs of each department, we formulate scientific and reasonable employee training and development plans. In terms of training forms, we combine classroom lectures with practical operations to encourage employees to apply what they have learned. After the training, the Group also conducts an effectiveness assessment to understand the learning outcomes of employees. If the assessment result is not satisfactory, we will improve the training method or reorganise the training according to the situation.

The Group's remuneration policy is to compensate our employees based on their performance, qualifications and our results of operations.

The emoluments of our Directors and senior management are determined by the remuneration committee of the Company (the "**Remuneration Committee**") with reference to our results of operations, their individual performance and the comparable market statistics.

The Company was not aware of any arrangement under which a Director has waived or agreed to waive any emoluments.

USE OF NET PROCEEDS

On 9 July 2023, the Company and Canopy Capital Limited (being the "**Subscriber**") entered into a subscription agreement (the "**Subscription Agreement**"), pursuant to which the Subscriber conditionally agreed to subscribe and the Company conditionally agreed to allot and issue a total of 845,456,130 new Shares (the "**Subscription Shares**"). The subscription price of HK$0.083 per Subscription Share. The net proceeds from the issue of the Subscription Shares amounted to approximately HK$69.7 million (equivalent to US$8.9 million).

During the Reporting Period, the remaining unutilized net proceeds of US$7.2 million, carried forward from 31 December 2023, had been fully utilized with their intended purposes, US$6.3 million of the net proceeds had been used for the overseas business development and expansion and US$0.9 million of the net proceeds had been used for general working capital.

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

During the Reporting Period, neither the Company nor any of its subsidiaries purchased, sold or redeemed any listed securities of the Company (including sale of treasury shares, if any). The Company did not have any treasury shares as defined under the Listing Rules as at 31 December 2024.

CORPORATE GOVERNANCE

The Directors are of the opinion that, during the Reporting Period, the Company had fully complied with the code provisions set out in part 2 of the CG Code.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code as its code of conduct regarding directors' securities transactions. Specific enquiry has been made to all the Directors, and all the Directors have confirmed that they have complied with all relevant requirements as set out in the Model Code during the Reporting Period.

AUDIT COMMITTEE

The Company established the Audit Committee in compliance with the Listing Rules with written terms of reference. The primary duties of the Audit Committee include maintaining relationship with the auditor of the Group, reviewing financial information of the Group, supervising the financial reporting system, risk management and internal control system of the Group, and the duties of corporate governance designated by the Board. As of the date of this announcement, the Audit Committee consists of three independent non-executive Directors as members, namely, Mr. LEE Kong Wai, Conway, Mr. WANG Xuexian and Mr. CHEN Hong, respectively. Mr. LEE Kong Wai, Conway is the chairman of the Audit Committee. The Audit Committee has reviewed and discussed the annual results for the Reporting Period.

REMUNERATION COMMITTEE

The Company established the Remuneration Committee in compliance with the Listing Rules with written terms of reference. The primary duties of the Remuneration Committee include reviewing and making recommendations to the Board on the remuneration packages of individual executive Directors and senior management, the remuneration policy and structure for all Directors and senior management, and establishing transparent procedures for developing such remuneration policy and structure to ensure that no Director or any of his/her associates will participate in deciding his/her own remuneration. As of the date of this announcement, the Remuneration Committee consists of one executive Director and two independent non-executive Directors as members, namely, Ms. CHAN Kim Yung, Eva, Mr. LEE Kong Wai, Conway and Mr. WANG Xuexian, respectively. Mr. LEE Kong Wai, Conway is the chairman of the Remuneration Committee.

NOMINATION COMMITTEE

The Company established a nomination committee (the "**Nomination Committee**") in compliance with the Listing Rules with written terms of reference. The primary duties of the Nomination Committee include reviewing the Board composition, developing and formulating relevant procedures for the nomination and appointment of Directors, making recommendations to the Board on the appointment and succession planning of Directors, and assessing the independence of independent non-executive Directors. As of the date of this announcement, the Nomination Committee consists of one executive Director and two independent non-executive Directors as members, namely, Mr. WANG Donglei, Mr. LEE Kong Wai, Conway and Mr. CHEN Hong, respectively. Mr. WANG Donglei is the chairman of the Nomination Committee.

STRATEGY AND PLANNING COMMITTEE

The Company established a strategy and planning committee (the "**Strategy and Planning Committee**") under the Board with written terms of reference. The primary duty of the Strategy and Planning Committee is to propose and formulate the strategic development plan of the Company for the Board's consideration.

As of the date of this announcement, the Strategy and Planning Committee consists of four executive Directors and one independent non-executive Director as members, namely, Mr. WANG Donglei, Ms. CHAN Kim Yung, Eva, Mr. XIAO Yu, Mr. WANG Keven Dun and Mr. WANG Xuexian, respectively. Mr. WANG Donglei is the chairman of the Strategy and Planning Committee.

CHANGES OF DIRECTORS AND CHANGES IN THEIR INFORMATION

From 1 January 2024 and up to the date of this announcement, there is no change in the Board and the information of Directors that should be disclosed under Rule 13.51B(1) of the Listing Rules.

PUBLICATION OF ANNUAL REPORT ON THE WEBSITES OF THE STOCK EXCHANGE AND THE COMPANY

The Group's audited annual results for the Reporting Period will be included in the Company's annual report which will be published on the website of the Stock Exchange at www.hkexnews.hk and the Company's website at www.nvc-international.com and will be despatched to the Shareholders upon request in due course.

REVIEW OF ACCOUNTS

The Group's annual results for the Reporting Period have been reviewed by the Audit Committee and approved by the Board.

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 profit or loss and other comprehensive income and the related notes thereto for the year ended 31 December 2024 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 of Directors on 28 March 2025. 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.

APPRECIATION

The Board would like to take this opportunity to express its appreciation to the management team and employees of the Group for their contribution during the Reporting Period and also to give its sincere gratitude to all the Shareholders for their continued support.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following words and expressions shall have the following meanings.

"Board"	the board of directors of the Company.
"China" or "PRC"	the People's Republic of China, but for the purpose of this announcement and for geographical reference only and except where the context requires, references in this announcement to "China" and the "PRC" do not apply to Taiwan, the Macau Special Administrative Region and Hong Kong.
"CG Code"	the Corporate Governance Code as set out in Appendix C1 to the Listing Rules.

"Company"	NVC International Holdings Limited (雷士國際控股有限公司) (formerly known as NVC Lighting Holding Limited (雷士照明控股有限公司)), a company incorporated in the British Virgin Islands on 2 March 2006 and subsequently redomiciled to the Cayman Islands on 30 March 2010 as an exempted company with limited liability under the laws of the Cayman Islands. The shares of the Company are listed on the Main Board of the Stock Exchange (stock code: 2222).
"Corresponding Period"	the year ended 31 December 2023.
"Director(s)"	the director(s) of the Company.
"Group"	the Company and its subsidiaries.
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong.
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China.
"LED"	light-emitting diode.
"Listing Rules"	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.
"Model Code"	the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix C3 to the Listing Rules.
"ODM"	original design manufacturing, a type of manufacturing under which the manufacturer is responsible for the design and production of the products and the products are marketed and sold under the customer's brand name.
"OEM"	Original Equipment Manufacturer
"Reporting Period"	the year ended 31 December 2024.

"Share(s)"	ordinary share(s) of US$0.000001 each in the share capital of the Company.
"Shareholder(s)"	holder(s) of Share(s).
"Stock Exchange"	The Stock Exchange of Hong Kong Limited.
"Subsidiary"	has the meaning ascribed thereto under the Listing Rules.
"UK"	the United Kingdom of Great Britain and Northern Ireland.
"UK NVC"	NVC Lighting Limited (formerly known as NVC (Manufacturing) Limited), a private company incorporated in England and Wales on 31 May 2007, and our direct wholly-owned subsidiary.
"U.S." or "United States"	the United States of America, its territories, its possessions and all areas subject to its jurisdiction.
"US$"	United States dollars, the lawful currency of the United States.
"we", "us" or "our"	the Company or the Group (as the context may require).

On behalf of the Board
NVC International Holdings Limited
WANG Donglei
Chairman

Hong Kong, 28 March 2025

As at the date of this announcement, the Directors are:

Executive Directors:
WANG Donglei
CHAN Kim Yung, Eva
XIAO Yu
WANG Keven Dun

Non-executive Director:
YE Yong

Independent Non-executive Directors:
LEE Kong Wai, Conway
WANG Xuexian
CHEN Hong