**CIMC Enric Holdings Limited**
**中集安瑞科控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 3899)**

# ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2024, THE 2024 FINAL DIVIDEND, CLOSURE OF REGISTER OF MEMBERS, AND WITHHOLDING AND PAYMENT OF ENTERPRISE INCOME TAX FOR NON-RESIDENT ENTERPRISES ON DISTRIBUTION OF THE 2024 FINAL DIVIDEND

## FINANCIAL HIGHLIGHTS

| | **2024** | 2023 | Change |
|---|---|---|---|
| Revenue *(RMB'000)* | **24,755,737** | 23,626,279 | 4.8% |
| Net profit *(RMB'000)* | **1,143,835** | 1,163,561 | (1.7)% |
| Profit attributable to equity shareholders *(RMB'000)* | **1,094,871** | 1,113,972 | (1.7)% |
| Core profit* *(RMB'000)* | **1,335,782** | 1,281,381 | 4.2% |
| Basic earnings per share *(RMB)* | **0.542** | 0.554 | (2.2)% |
| Gross profit margin | **14.4%** | 15.7% | (1.3) ppt |
| Proposed final dividend per ordinary share# *(HKD)* | **0.30** | 0.30 | 0% |

* Core profit – Profit for the year excluding share-based payment expenses and convertible bonds imputed interest expenses. It is a non-HKFRS measure which facilitates evaluation of the cash-based financial performance of the Group's core operations. Such non-HKFRS measure may be defined differently from similar terms used by other companies.

\# Proposed final dividend per ordinary share of HKD0.30 is equivalent to approximately RMB0.27, the actual RMB amount depends on exchange rate at the time of payment

The Board of Directors (the "**Board**") of CIMC Enric Holdings Limited (the "**Company**", and together with its subsidiaries, the "**Group**") announces the financial results of the Group for the year ended 31 December 2024 together with the comparative figures for the year ended 31 December 2023.

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS

*For the year ended 31 December 2024*

| | Note | Year ended 31 December **2024** *RMB'000* | 2023 *RMB'000* |
|---|---|---|---|
| **Revenue** | 3 & 8 | **24,755,737** | 23,626,279 |
| Cost of sales | | **(21,201,503)** | (19,905,455) |
| **Gross profit** | | **3,554,234** | 3,720,824 |
| Other operating income | 4(a) | **443,024** | 331,689 |
| Other gains/(losses), net | 4(b) | **66,409** | (136,790) |
| Reversal of impairment losses on financial and contract assets | 5(d) | **16,776** | 36,479 |
| Selling expenses | | **(520,308)** | (467,140) |
| Administrative expenses | | **(2,021,689)** | (1,960,235) |
| **Profit from operations** | | **1,538,446** | 1,524,827 |
| Finance costs | 5(a) | **(104,404)** | (93,536) |
| Share of results of associates and a joint venture | | **9,880** | 25,997 |
| **Profit before taxation** | 5 | **1,443,922** | 1,457,288 |
| Income tax expenses | 6 | **(300,087)** | (293,727) |
| **Profit for the year** | | **1,143,835** | 1,163,561 |
| **Attributable to:** | | | |
| Equity shareholders of the Company | | **1,094,871** | 1,113,972 |
| Non-controlling interests | | **48,964** | 49,589 |
| **Profit for the year** | | **1,143,835** | 1,163,561 |
| **Earnings per share for profit attributable to the ordinary equity holders of the Company:** | 7 | | |
| – Basic earnings per share | | **RMB0.542** | RMB0.554 |
| – Diluted earnings per share | | **RMB0.515** | RMB0.499 |

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**
*For the year ended 31 December 2024*

| | **Year ended 31 December** | |
|---|---|---|
| | **2024** | 2023 |
| | ***RMB'000*** | *RMB'000* |
| **Profit for the year** | **1,143,835** | 1,163,561 |
| **Other comprehensive income** | | |
| Items that may be reclassified to profit or loss: | | |
| Exchange differences on translation of foreign operations | **(125,946)** | 744 |
| **Other comprehensive (loss)/income for the year, net of tax** | **(125,946)** | 744 |
| **Total comprehensive income for the year** | **1,017,889** | 1,164,305 |
| **Attributable to:** | | |
| Equity shareholders of the Company | **968,384** | 1,114,729 |
| Non-controlling interests | **49,505** | 49,576 |
| **Total comprehensive income for the year** | **1,017,889** | 1,164,305 |

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

*As at 31 December 2024*

| | Note | As at 31 December 2024 RMB'000 | 2023 RMB'000 |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-current assets** | | | |
| Property, plant and equipment | | **4,368,886** | 3,837,906 |
| Construction in progress | | **581,782** | 606,581 |
| Right-of-use assets | | **167,919** | 141,006 |
| Investment properties | | **23,151** | 37,557 |
| Lease prepayments | | **547,046** | 545,755 |
| Intangible assets | | **211,183** | 217,461 |
| Goodwill | | **283,858** | 293,714 |
| Deferred tax assets | | **167,972** | 166,574 |
| Interests in associates and a joint venture | | **641,882** | 623,862 |
| Financial instruments at fair value through profit or loss | | **10,343** | 1,714 |
| Total non-current assets | | **7,004,022** | 6,472,130 |
| **Current assets** | | | |
| Inventories | | **5,221,465** | 4,776,509 |
| Contract assets | | **2,500,869** | 2,237,236 |
| Trade and bills receivables | 9 | **3,589,274** | 3,660,256 |
| Deposits, other receivables and prepayments | | **2,084,554** | 2,157,619 |
| Amounts due from related parties | | **142,864** | 66,438 |
| Financial instruments at fair value through profit or loss | | **20,319** | 35,722 |
| Term and restricted bank deposits | | **1,553,940** | 1,183,323 |
| Cash and cash equivalents | | **7,264,358** | 6,998,191 |
| Total current assets | | **22,377,643** | 21,115,294 |
| **Total assets** | | **29,381,665** | 27,587,424 |
| **LIABILITIES** | | | |
| **Non-current liabilities** | | | |
| Bank loans | | **130,122** | 385,038 |
| Warranty provision | | **266,118** | 112,231 |
| Deferred tax liabilities | | **234,758** | 257,786 |
| Deferred income | | **295,070** | 310,748 |
| Employee benefit liabilities | | **12,487** | 4,482 |
| Medium-term notes | | **1,992,087** | – |
| Lease liabilities | | **146,856** | 125,623 |
| Financial instruments at fair value through profit or loss | | **611** | 611 |
| Total non-current liabilities | | **3,078,109** | 1,196,519 |

| | Note | As at 31 December 2024 RMB'000 | 2023 RMB'000 |
|---|---|---|---|
| **Current liabilities** | | | |
| Bank loans | | **234,500** | 93,500 |
| Convertible bonds | | **–** | 1,452,871 |
| Short-term notes | | **500,000** | – |
| Lease liabilities | | **26,537** | 25,908 |
| Loans from related parties | | **129,152** | 695,526 |
| Trade and bills payables | 10 | **5,429,625** | 4,441,204 |
| Contract liabilities | | **4,613,795** | 4,442,324 |
| Other payables and accrued expenses | | **1,787,773** | 2,069,149 |
| Amounts due to related parties | | **201,952** | 512,955 |
| Warranty provision | | **73,838** | 66,579 |
| Financial instruments at fair value through profit or loss | | **74,868** | 140,728 |
| Income tax payable | | **126,478** | 76,517 |
| Total current liabilities | | **13,198,518** | 14,017,261 |
| **Total liabilities** | | **16,276,627** | 15,213,780 |
| **Net assets** | | **13,105,038** | 12,373,644 |
| **EQUITY** | | | |
| Share capital | | **18,521** | 18,521 |
| Reserves | | **11,480,553** | 11,213,731 |
| Equity attributable to equity shareholders of the Company | | **11,499,074** | 11,232,252 |
| Non-controlling interests | | **1,605,964** | 1,141,392 |
| **Total equity** | | **13,105,038** | 12,373,644 |

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

*For the year ended 31 December 2024*

| | Attributable to equity shareholders of the Company | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Share capital *RMB'000* | Share premium *RMB'000* | Shares held for share award scheme *RMB'000* | Contributed surplus *RMB'000* | Capital reserve *RMB'000* | Exchange reserve *RMB'000* | General reserve fund *RMB'000* | Retained earnings *RMB'000* | Convertible bonds reserve *RMB'000* | Other reserve *RMB'000* | Total *RMB'000* | Non-controlling interests *RMB'000* | Total equity *RMB'000* |
| **At 31 December 2022** | 18,521 | 620,580 | (88,359) | 1,124,571 | 1,593,017 | (467,365) | 639,486 | 5,567,083 | 123,944 | 10,289 | 9,141,767 | 385,740 | 9,527,507 |
| Profit for the year | – | – | – | – | – | – | – | 1,113,972 | – | – | 1,113,972 | 49,589 | 1,163,561 |
| Exchange differences on translation of foreign operations | – | – | – | – | – | 757 | – | – | – | – | 757 | (13) | 744 |
| **Total comprehensive income for the year** | – | – | – | – | – | 757 | – | 1,113,972 | – | – | 1,114,729 | 49,576 | 1,164,305 |
| Shares held for share award scheme – vesting of awarded shares | – | 42,536 | 36,312 | – | (39,939) | – | – | – | – | – | 38,909 | – | 38,909 |
| Acquisition of subsidiaries | – | – | – | – | – | – | – | – | – | – | – | 39,563 | 39,563 |
| Lapse of share options | – | – | – | – | (5,063) | – | – | 5,063 | – | – | – | – | – |
| Transfer to general reserve | – | – | – | – | – | – | 107,060 | (107,060) | – | – | – | – | – |
| Capital contribution from non-controlling interests | – | – | – | – | 1,271,131 | – | – | – | – | – | 1,271,131 | 786,977 | 2,058,108 |
| Equity-settled share-based transactions | – | – | – | – | 33,664 | – | – | – | – | – | 33,664 | – | 33,664 |
| 2022 final dividends paid | – | – | – | – | – | – | – | (432,899) | – | – | (432,899) | – | (432,899) |
| Dividends distribution made by subsidiaries to non-controlling interests | – | – | – | – | – | – | – | – | – | – | – | (115,150) | (115,150) |
| Special reserve – safe production fund | – | – | – | – | – | – | – | – | – | 9,115 | 9,115 | – | 9,115 |
| Transactions with non-controlling interests | – | – | – | – | (9,253) | – | – | – | – | – | (9,253) | 9,253 | – |
| Purchase of shares in connection with share award scheme | – | – | (4,380) | – | – | – | – | – | – | – | (4,380) | – | (4,380) |
| Equity-settled share-based transactions of subsidiaries | – | – | – | – | 41,837 | – | – | – | – | – | 41,837 | 914 | 42,751 |
| Others | – | – | – | – | 27,632 | – | – | – | – | – | 27,632 | (15,481) | 12,151 |
| **Total contributions by and distributions to owners of the Company, recognised directly in equity** | – | 42,536 | 31,932 | – | 1,320,009 | – | 107,060 | (534,896) | – | 9,115 | 975,756 | 706,076 | 1,681,832 |
| **At 31 December 2023** | 18,521 | 663,116 | (56,427) | 1,124,571 | 2,913,026 | (466,608) | 746,546 | 6,146,159 | 123,944 | 19,404 | 11,232,252 | 1,141,392 | 12,373,644 |

| | Attributable to equity shareholders of the Company | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Share capital *RMB'000* | Share premium *RMB'000* | Shares held for share award scheme *RMB'000* | Contributed surplus *RMB'000* | Capital reserve *RMB'000* | Exchange reserve *RMB'000* | General reserve fund *RMB'000* | Retained earnings *RMB'000* | Convertible bonds reserve *RMB'000* | Other reserve *RMB'000* | Total *RMB'000* | Non-controlling interests *RMB'000* | Total equity *RMB'000* |
| **At 31 December 2023** | 18,521 | 663,116 | (56,427) | 1,124,571 | 2,913,026 | (466,608) | 746,546 | 6,146,159 | 123,944 | 19,404 | 11,232,252 | 1,141,392 | 12,373,644 |
| Profit for the year | – | – | – | – | – | – | – | 1,094,871 | – | – | 1,094,871 | 48,964 | 1,143,835 |
| Exchange differences on translation of foreign operations | – | – | – | – | – | (126,487) | – | – | – | – | (126,487) | 541 | (125,946) |
| **Total comprehensive income for the year** | – | – | – | – | – | (126,487) | – | 1,094,871 | – | – | 968,384 | 49,505 | 1,017,889 |
| Special reserve-safe production fund | – | – | – | – | – | – | – | – | – | 18,707 | 18,707 | – | 18,707 |
| Capital contribution from non-controlling interests | – | – | – | – | – | – | – | – | – | – | – | 117,199 | 117,199 |
| Equity-settled share-based payments | – | 41,846 | 42,325 | – | (300,051) | – | – | 133,178 | – | – | (82,702) | 383,784 | 301,082 |
| Transfer to general reserve | – | – | – | – | – | – | 91,601 | (91,601) | – | – | – | – | – |
| 2023 final dividends paid | – | – | – | – | – | – | – | (563,504) | – | – | (563,504) | – | (563,504) |
| Dividends distribution made by subsidiaries to non-controlling interests | – | – | – | – | – | – | – | – | – | – | – | (85,916) | (85,916) |
| Redemption of convertible bonds | – | – | – | – | 123,944 | – | – | – | (123,944) | – | – | – | – |
| Others | – | – | – | – | (74,063) | – | – | – | – | – | (74,063) | – | (74,063) |
| **Total contributions by and distributions to owners of the Company, recognised directly in equity** | – | 41,846 | 42,325 | – | (250,170) | – | 91,601 | (521,927) | (123,944) | 18,707 | (701,562) | 415,067 | (286,495) |
| **At 31 December 2024** | 18,521 | 704,962 | (14,102) | 1,124,571 | 2,662,856 | (593,095) | 838,147 | 6,719,103 | – | 38,111 | 11,499,074 | 1,605,964 | 13,105,038 |

# NOTES

## 1 BASIS OF PREPARATION

The consolidated results set out in this announcement are extracted from the financial statements of the Group for the year ended 31 December 2024. The consolidated financial statements are presented in Renminbi ("**RMB**") unless otherwise stated.

The consolidated financial statements of CIMC Enric Holdings Limited have been prepared in accordance with Hong Kong Financial Reporting Standards ("**HKFRSs**") issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**") and the disclosure requirements of the Hong Kong Companies Ordinance Cap. 622. The consolidated financial statements have been prepared on a historical cost basis, except for the certain financial assets and liabilities (including derivative instruments), which are measured at fair value.

The preparation of consolidated financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in the soon to be published Annual Report 2024.

## 2 CHANGES IN ACCOUNTING POLICIES

### (a) Amended standards adopted by the Group

The Group has applied the following amended standards for the first time for their annual reporting period commencing 1 January 2024:

- Amendments to HKAS 1, *Presentation of financial statements – Classification of liabilities as current or non-current* and amendments to HKAS 1, *Presentation of financial statements – Non-current liabilities with covenants*

- Amendments to HKFRS 16, *Leases – Lease liability in a sale and leaseback*

- Amendments to HKAS 7, *Statement of cash flows* and HKFRS 7, *Financial instruments: Disclosures – Supplier finance arrangements*

The adoption of the amended standards does not have a significant impact on the consolidated financial statements.

### (b) New standards and amendments not yet adopted

Certain new accounting standards and amendments have been published that are not mandatory for the year ended 31 December 2024 and have not been early adopted by the Group. These standards are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

| | **Effective for accounting periods beginning on or after** |
|---|---|
| Amendments to HKAS 21, The effects of changes in foreign exchange rates – Lack of exchangeability | 1 January 2025 |
| Amendments to HKFRS 9, Financial instruments and HKFRS 7, Financial instruments: disclosures – Amendments to the classification and measurement of financial instruments | 1 January 2026 |
| Annual improvements to HKFRS Accounting Standards – Volume 11 | 1 January 2026 |
| HKFRS 18, Presentation and disclosure in financial statements | 1 January 2027 |
| HKFRS 19, Subsidiaries without public accountability: disclosures | 1 January 2027 |

## 3 REVENUE

The Group is principally engaged in the design, development, manufacturing, engineering, sales and operation of, and the provision of technical maintenance services for, a wide spectrum of transportation, storage and processing equipment that is widely used in the clean energy, chemical and environmental and liquid food industries.

Revenue represents: (i) the sales value of goods sold after allowances for returns of goods, excluding value-added tax or other sales taxes and after the deduction of any trade discounts; and (ii) revenue from project engineering contracts. The amount of each significant category of revenue recognised in revenue during the year is as follows:

| | **2024** | 2023 |
|---|---|---|
| | ***RMB'000*** | *RMB'000* |
| Sales of goods | **15,610,859** | 14,752,277 |
| Revenue from project engineering contracts | **9,144,878** | 8,874,002 |
| | **24,755,737** | 23,626,279 |

## 4 OTHER OPERATING INCOME AND OTHER GAINS/(LOSSES), NET

| | | 2024<br>*RMB'000* | 2023<br>*RMB'000* |
|---|---|---|---|
| **(a) Other operating income** | | | |
| Government grants | (i) | **131,392** | 76,949 |
| Other operating revenue | (ii) | **123,155** | 123,443 |
| Interest income from bank deposits | | **188,477** | 131,297 |
| | | **443,024** | 331,689 |

(i) Government grants represent various forms of incentives and subsidies given to the Company's subsidiaries by the PRC government.

(ii) Other operating revenue consists mainly of income earned from the sale of scrap materials and provision of repair work and subcontracting service.

| | 2024<br>*RMB'000* | 2023<br>*RMB'000* |
|---|---|---|
| **(b) Other gains/(losses), net** | | |
| Foreign exchange loss | **(223)** | (21,304) |
| Net fair value loss on financial instruments at fair value through profit or loss | **(122,411)** | (148,522) |
| Write-back of payables and advances from customers (i) | **107,233** | 7,845 |
| Net gains/(losses) on disposal of property, plant and equipment and lease prepayment | **52,248** | (14,295) |
| Compensation received | **4,504** | 28,992 |
| Gains on disposal of investments in an associate and a subsidiary | **21,610** | 1,853 |
| Donation expenses | **(590)** | (453) |
| Other net gains | **4,038** | 9,094 |
| | **66,409** | (136,790) |

(i) Amounts represented the write-back of long aged payables and advances from customers.

## 5 PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging/(crediting):

### (a) Finance costs

| | 2024 RMB'000 | 2023 RMB'000 |
|---|---|---|
| Interest on bank loans and loans from related parties | 30,304 | 43,109 |
| Interest on lease liabilities | 3,287 | 3,104 |
| Interest on convertible bonds | 39,921 | 41,404 |
| Interest on medium-term and short-term notes | 24,820 | – |
| Less: interest capitalised | (4,689) | (1,668) |
| Bank charges | 10,761 | 7,587 |
| | 104,404 | 93,536 |

### (b) Staff costs

| | 2024 RMB'000 | 2023 RMB'000 |
|---|---|---|
| Salaries, wages and allowances | 2,308,999 | 1,922,146 |
| Contributions to retirement schemes | 158,629 | 169,983 |
| Equity-settled share-based payment expenses | 152,026 | 76,416 |
| | 2,619,654 | 2,168,545 |

### (c) Other items

| | 2024 RMB'000 | 2023 RMB'000 |
|---|---|---|
| Cost of inventories# | 12,975,010 | 13,316,349 |
| Cost from project engineering contracts# | 8,226,493 | 6,589,106 |
| Auditor's remuneration | | |
| – Audit services | 7,727 | 7,242 |
| – Non-audit services* | 5,361 | 3,085 |
| Depreciation of property, plant and equipment | 363,516 | 329,866 |
| Depreciation of investment properties | 1,018 | 1,320 |
| Depreciation of right-of-use assets | 38,858 | 37,470 |
| Amortisation of lease prepayments | 15,415 | 15,605 |
| Amortisation of intangible assets | 62,578 | 30,046 |
| Impairment losses on property, plants and equipment | – | 4,362 |
| Write-down of inventories | 38,122 | 74,986 |
| Reversal of write-down of inventories | (8,679) | (3,491) |
| Research and development costs | 734,519 | 690,440 |
| Lease charges for property rental | 9,897 | 20,029 |
| Provision for product warranties | 249,838 | 116,152 |
| Reversal of provision for product warranties | (71,878) | (58,808) |

* In 2024, the amount included fees of RMB810,000 where the service was provided before the appointment of KPMG as auditors

\# Cost of inventories and costs from project engineering contracts included costs relating to staff costs, depreciation and amortisation expenses, which amount is also included in the respective total amounts disclosed separately above or in note 5(b) for each of these types of expenses.

**(d) Reversal of impairment losses on financial and contract assets**

| | **2024** | 2023 |
|---|---|---|
| | ***RMB'000*** | *RMB'000* |
| Impairment provision for trade receivables | **(52,770)** | (72,222) |
| Reversal of impairment provision for trade receivables | **48,880** | 63,272 |
| Impairment provision for contract assets | **(4,914)** | (12,440) |
| Reversal of impairment provision for contract assets | **33,937** | 31,680 |
| Impairment provision for other receivables | **(8,524)** | (132) |
| Reversal of impairment provision for other receivables | **167** | 26,321 |
| | **16,776** | 36,479 |

## 6 INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS

**(a) Taxation in the consolidated statement of profit or loss represents:**

| | **2024** | 2023 |
|---|---|---|
| | ***RMB'000*** | *RMB'000* |
| **Current tax** | | |
| Provision for the year | **281,648** | 221,576 |
| Under/(over) provision in respect of prior years | **38,198** | (34,610) |
| | **319,846** | 186,966 |
| **Deferred tax** | | |
| Origination and reversal of temporary differences | **(19,759)** | 106,761 |
| | **300,087** | 293,727 |

(i) No provision has been made for Hong Kong Profits Tax as the Group did not have assessable profits subject to Hong Kong Profits Tax during the years.

(ii) According to the Corporate Income Tax Law of the People's Republic of China (the "**Tax Law**"), the Company's subsidiaries in the PRC are subject to statutory income tax rate of 25%, except for those which are entitled to a preferential tax rate applicable to advanced and new technology enterprises of 15%.

(iii) Pursuant to the Tax Law, "Notice of the State Administration of Taxation on Issues Concerning the Determination of Chinese-Controlled Enterprises Registered Overseas as Resident Enterprises on the Basis of Their Bodies of Actual Management" and "Announcement of the State Administration of Taxation on Issues Concerning the Determination of Resident Enterprises on the Basis of Their Actual Management Bodies", the Administration of Local Taxation of Shenzhen Municipality issued an approval under which the Company and all the foreign incorporated subsidiaries with shareholdings in the PRC subsidiaries of the Group are regarded as Chinese resident enterprises. Therefore, during the year, no withholding tax liability was provided for the distributable profits of PRC subsidiaries.

(iv) Taxation of subsidiaries in the Netherlands, Belgium, Denmark, Germany, United Kingdom, Canada, United States, and Singapore are charged at the prevailing rates of 26%, 25%, 22%, 29%, 25%, 31%, 21% and 17% respectively in the relevant countries and are calculated on a stand-alone basis.

(v) Amendments to HKAS 12 "International Tax Reform – Pillar Two Model Rules" were issued in July 2023 which are effective upon issuance and require retrospective application. The Group applied the temporary exception from deferred tax accounting for Pillar Two top-up taxes immediately upon the release of the amendments in July 2023.

The Organization for Economic Co-operation and Development ("**OECD**") published Pillar Two model rules in December 2021, with the effect that a jurisdiction may enact domestic tax laws ("**Pillar Two legislation**") to implement the Pillar Two model rules on a globally agreed common approach. Pillar Two legislation applies to a member of a multinational group within the scope of the Pillar Two model rules, which the Group is reasonably expected to fall into. It imposes a top-up tax on profits arising in a jurisdiction whenever the effective tax rate determined by the Pillar Two model rules on a jurisdictional basis is below a minimum rate of 15%.

The Group is subject to the global minimum top-up tax under the Pillar Two model rules published by OECD. The Pillar Two income tax are levied on certain subsidiaries under the local new tax laws which introduced a domestic minimum top-up tax effective from 1 January 2024.

The Group has applied the temporary mandatory exception from deferred tax accounting for the top-up tax and accounted for the tax as current tax when incurred. This new tax policy did not have a material impact on the consolidated financial report of the Group for the year ended 31 December 2024.

**(b) Reconciliation between tax expense and accounting profit at applicable tax rates:**

| | **2024** | 2023 |
|---|---|---|
| | ***RMB'000*** | *RMB'000* |
| Profit before taxation | **1,443,922** | 1,457,288 |
| Notional tax on profit before taxation, calculated at the applicable rates | **357,109** | 393,469 |
| Effect of tax concessions 6(a)(ii) | **(147,864)** | (126,786) |
| Super deduction for research and development expenditure | **(57,959)** | (55,848) |
| Tax effect of non-deductible expenses | **28,475** | 19,351 |
| Tax effect of tax losses not recognised as deferred tax assets | **78,766** | 82,381 |
| Tax effect of temporary differences not recognised as deferred tax assets | **20,328** | 19,238 |
| Under/(over) provision in respect of prior years | **38,198** | (34,610) |
| Utilisation of tax losses which no deferred tax assets were recognised before | **(16,966)** | (3,468) |
| Income tax expenses | **300,087** | 293,727 |

## 7 EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share attributable to equity shareholders of the Company is based on the following data:

| | **2024** | 2023 |
|---|---|---|
| | ***RMB'000*** | *RMB'000* |
| **Earnings** | | |
| Earnings for the purposes of basic earnings per share | **1,094,871** | 1,113,972 |
| Earnings for the purposes of diluted earnings per share | **1,117,109** | 1,076,966 |

| | **2024** | 2023 |
|---|---|---|
| **Number of shares** | | |
| Weighted average number of shares for the purpose of basic earnings per share | **2,021,181,355** | 2,009,829,866 |
| Effect of dilutive potential ordinary shares in respect of the convertible bonds and the Company's share option and share award schemes | **148,009,819** | 149,166,446 |
| Weighted average number of shares for the purpose of diluted earnings per share | **2,169,191,174** | 2,158,996,312 |

| | 2024 | 2023 |
|---|---|---|
| | ***RMB*** | *RMB* |
| **Earnings per share** | | |
| Basic earnings per share | **0.542** | 0.554 |
| Diluted earnings per share | **0.515** | 0.499 |

## 8 SEGMENT REPORTING

The Group manages its businesses by divisions organised by business lines (products and services). In a manner consistent with the way in which information is reported internally to the Group's most senior executive management, which is the Group's chief operating decision-maker, for the purposes of resource allocation and performance assessment, the Group has identified the following three reportable segments based on the economic characteristics of the business units.

- Clean energy: this segment specialises in the manufacture and sale of a wide range of equipment and construction for the storage, transportation, application, processing and distribution of natural gas, liquefied petroleum gas ("**LPG**") and hydrogen such as compressed natural gas and hydrogen trailers, seamless pressure cylinders, liquefied natural gas ("**LNG**") trailers, LNG and hydrogen storage tanks, LPG tanks, LPG trailers, natural gas and hydrogen refuelling station systems and natural gas compressors; and the provision of engineering, procurement and construction services for the natural gas and hydrogen industries; the design, production and sale of small and medium-sized offshore liquefied gas carriers; natural gas and hydrogen processing and distribution services and the provision of value-added services for the clean energy industry.

- Chemical and environmental: this segment specialises in the manufacture and sale of a wide range of equipment, such as tank containers, for the storage and transportation of liquefied or gaseous chemicals and powder chemicals; the provision of maintenance and value-added service for tank containers; and explores business in environmental protection.

- Liquid food: this segment specialises in the engineering, manufacture and sale of stainless steel tanks for storage and processing liquid food such as beer, distilled spirits, fruit juice and milk; the provision of turnkey service for the brewery industry as well as other liquid food industries; and the provision of peripheral logistics service.

### (a) Segment results, assets and liabilities

For the purposes of assessing segment performance and allocating resources between segments, the Group's chief operating decision-maker monitors the results, assets and liabilities attributable to each reportable segment on the following bases:

Segment assets include non-current assets and current assets with the exception of deferred tax assets and certain assets unallocated to an individual reportable segment. Segment liabilities include non-current liabilities and current liabilities with the exception of income tax payable, deferred tax liabilities, convertible bonds, medium-term and short-term notes, and certain liabilities unallocated to an individual reportable segment.

Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those segments or which otherwise arise from the depreciation or amortisation of assets attributable to those segments.

The measure used for reporting segment profit is "adjusted profit from operations". To arrive at the Group's profits, the reporting segments' adjusted profits from operations are further adjusted by excluding items not specifically attributed to an individual reportable segment, such as directors' remuneration, auditors' remuneration and other head office or corporate administrative expenses.

In addition to receive segment information concerning adjusted profit from operations, management is provided with segment information concerning revenue (including inter-segment sales), interest income from bank deposits, interest expenses, depreciation and amortisation and additions to non-current segment assets used by the segments in their operations. Inter-segment sales are priced with reference to prices charged to external parties for similar orders.

Information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purposes of resource allocation and assessment of segment performance for the year is set out below.

| | Clean energy | | Chemical and environmental | | Liquid food | | Total | |
|---|---|---|---|---|---|---|---|---|
| | **2024** | 2023 | **2024** | 2023 | **2024** | 2023 | **2024** | 2023 |
| | ***RMB'000*** | *RMB'000* | ***RMB'000*** | *RMB'000* | ***RMB'000*** | *RMB'000* | ***RMB'000*** | *RMB'000* |
| Revenue from external customers | **17,183,412** | 14,907,121 | **3,116,028** | 4,414,336 | **4,451,333** | 4,292,702 | **24,750,773** | 23,614,159 |
| Inter-segment revenue | **572** | – | **40,485** | 44,491 | **–** | – | **41,057** | 44,491 |
| **Reportable segment revenue** | **17,183,984** | 14,907,121 | **3,156,513** | 4,458,827 | **4,451,333** | 4,292,702 | **24,791,830** | 23,658,650 |
| Timing of revenue recognition | | | | | | | | |
| At a point in time | **11,546,443** | 10,254,475 | **3,156,513** | 4,458,827 | **943,996** | 71,346 | **15,646,952** | 14,784,648 |
| Over time | **5,637,541** | 4,652,646 | **–** | – | **3,507,337** | 4,221,356 | **9,144,878** | 8,874,002 |
| **Reportable segment profit (adjusted profit from operations)** | **960,951** | 560,536 | **353,837** | 703,394 | **352,263** | 446,250 | **1,667,051** | 1,710,180 |
| Interest income from bank deposits | **52,040** | 30,154 | **79,020** | 57,063 | **52,173** | 35,281 | **183,233** | 122,498 |
| Interest expense | **(19,199)** | (23,260) | **(4,245)** | (6,986) | **(1,125)** | (937) | **(24,569)** | (31,183) |
| Depreciation and amortisation for the year | **(303,513)** | (282,166) | **(61,943)** | (42,025) | **(69,262)** | (51,131) | **(434,718)** | (375,322) |
| **Reportable segment assets** | **17,158,956** | 15,176,516 | **5,447,497** | 5,548,587 | **4,543,242** | 4,633,142 | **27,149,695** | 25,358,245 |
| Additions to non-current assets during the year | **817,583** | 567,907 | **35,255** | 76,804 | **187,934** | 204,232 | **1,040,772** | 848,943 |
| **Reportable segment liabilities** | **10,584,830** | 9,391,170 | **732,111** | 905,358 | **1,870,849** | 2,117,627 | **13,187,790** | 12,414,155 |

**(b) Reconciliations of reportable segment revenues, profit or loss, assets and liabilities**

| | **2024** | 2023 |
|---|---|---|
| | ***RMB'000*** | *RMB'000* |
| **Revenue** | | |
| Reportable segment revenue | **24,791,830** | 23,658,650 |
| Elimination of inter-segment revenue | **(41,057)** | (44,491) |
| Unallocated revenue | **4,964** | 12,120 |
| Consolidated revenue | **24,755,737** | 23,626,279 |

| | **2024** | 2023 |
|---|---|---|
| | ***RMB'000*** | *RMB'000* |
| **Profit** | | |
| Reportable segment profit | **1,667,051** | 1,710,180 |
| Elimination of inter-segment profit | **(763)** | (4,703) |
| Reportable segment profit derived from Group's external customers | **1,666,288** | 1,705,477 |
| Finance costs | **(104,404)** | (93,536) |
| Share of results of associates and a joint venture | **9,880** | 25,997 |
| Unallocated operating income and expenses | **(127,842)** | (180,650) |
| Consolidated profit before taxation | **1,443,922** | 1,457,288 |

| | **2024** | 2023 |
|---|---|---|
| | ***RMB'000*** | *RMB'000* |
| **Assets** | | |
| Reportable segment assets | **27,149,695** | 25,358,245 |
| Elimination of inter-segment receivables | **(6,299)** | (9,422) |
| | **27,143,396** | 25,348,823 |
| Deferred tax assets | **167,972** | 166,574 |
| Unallocated assets | **2,070,297** | 2,072,027 |
| Consolidated total assets | **29,381,665** | 27,587,424 |

| | 2024 RMB'000 | 2023 RMB'000 |
|---|---|---|
| **Liabilities** | | |
| Reportable segment liabilities | **13,187,790** | 12,414,155 |
| Elimination of inter-segment payables | **(6,299)** | (9,422) |
| | **13,181,491** | 12,404,733 |
| Income tax payable | **126,478** | 76,517 |
| Deferred tax liabilities | **234,758** | 257,786 |
| Convertible bonds | **–** | 1,452,871 |
| Medium-term notes | **1,992,087** | – |
| Short-term notes | **500,000** | – |
| Unallocated liabilities | **241,813** | 1,021,873 |
| Consolidated total liabilities | **16,276,627** | 15,213,780 |

**(c) Geographic information**

The following table sets out information about the geographical location of (i) the Group's revenue from external customers and (ii) the Group's property, plant and equipment, right-of-use assets, intangible assets, construction in progress, lease prepayments, investment properties, and goodwill ("**specified non-current assets**"). The geographical location of customers is based on the location at which the services were provided or the goods delivered. The geographical location of the specified non-current assets is based on the physical location of the assets, in the case of property, plant and equipment and construction in progress, and the location of the operation to which they are allocated, in the case of lease prepayments, investment properties, intangible assets, right-of-use assets and goodwill.

| | **Revenues from external customers** | | **Specified non-current assets** | |
|---|---|---|---|---|
| | **2024** ***RMB'000*** | 2023 *RMB'000* | **2024** ***RMB'000*** | 2023 *RMB'000* |
| PRC (place of domicile) | **13,262,274** | 12,178,415 | **5,497,159** | 5,056,587 |
| United States | **1,332,757** | 1,392,543 | **–** | – |
| European countries | **3,698,800** | 3,246,945 | **685,858** | 624,889 |
| Asian countries (other than PRC) | **2,743,187** | 3,340,034 | **808** | 218 |
| Other American countries | **2,861,145** | 2,884,489 | **–** | – |
| Other countries | **857,574** | 583,853 | **–** | – |
| | **11,493,463** | 11,447,864 | **686,666** | 625,107 |
| | **24,755,737** | 23,626,279 | **6,183,825** | 5,681,694 |

For the year ended 31 December 2024, there was no single external customer that accounted for 10% or more of the Group's total revenue (2023: nil).

**(d) Assets and liabilities related to contracts with customers**

The Group has recognised the following assets and liabilities related to contracts with customers:

| | **2024** | 2023 |
|---|---|---|
| | ***RMB'000*** | *RMB'000* |
| Contract assets | **2,523,950** | 2,292,362 |
| Less: Loss allowance | **(23,081)** | (55,126) |
| Total contract assets | **2,500,869** | 2,237,236 |
| Contract liabilities – Sales of goods | **1,774,604** | 1,930,258 |
| Contract liabilities – Project engineering contracts | **2,839,191** | 2,512,066 |
| Total contract liabilities | **4,613,795** | 4,442,324 |

***(i) Changes in contract assets and liabilities***

Contract assets balances of the Group increased as at 31 December 2024 as the Group had several ongoing projects at the end of 2024.

The increase of contract liabilities of the Group was due to down payment received from customers relating to several large-scale engineering projects undertaken by the Group during the year ended 31 December 2024.

***(ii) Revenue recognised in relation to contract liabilities***

The following table discloses the amount of revenue recognised in the current reporting period relating to carried-forward contract liabilities.

| | **2024** | 2023 |
|---|---|---|
| | ***RMB'000*** | *RMB'000* |
| Revenue recognised that was included in the contract liabilities balance at the beginning of the year | | |
| – Sales of goods | **1,310,104** | 1,164,505 |
| – Project engineering contracts | **1,948,354** | 1,903,124 |
| | **3,258,458** | 3,067,629 |

## 9 TRADE AND BILLS RECEIVABLES

| | 2024<br>*RMB'000* | 2023<br>*RMB'000* |
|---|---|---|
| Trade receivables | **3,380,160** | 3,549,837 |
| Less: allowance for excepted credit loss | **(255,296)** | (267,366) |
| | **3,124,864** | 3,282,471 |
| Bills receivables (i) | **464,410** | 377,785 |
| | **3,589,274** | 3,660,256 |

(i) As at 31 December 2024, amounts of RMB288,307,000 represent bank acceptance bills classified as financial assets at fair value through other comprehensive income, which the Group had endorsed to financial institutions for treasury management purposes (31 December 2023: RMB292,804,000). Amounts of RMB54,681,000 and RMB121,422,000 represent trade acceptance bills and bank acceptance bills, respectively classified as financial assets at amortised cost, which the Group has intended to hold until maturity (31 December 2023: RMB39,683,000 and RMB45,298,000).

### (a) Ageing analysis

An ageing analysis of trade and bills receivables based on due date (net of allowance for expected credit loss) is as follows:

| | 2024<br>*RMB'000* | 2023<br>*RMB'000* |
|---|---|---|
| Current | **2,887,397** | 3,021,998 |
| Less than 3 months past due | **392,671** | 337,288 |
| More than 3 months but less than 12 months past due | **237,342** | 239,681 |
| More than 1 year but less than 2 years past due | **50,903** | 33,243 |
| More than 2 years but less than 3 years past due | **15,203** | 24,084 |
| More than 3 years but less than 5 years past due | **5,758** | 3,962 |
| Amounts past due | **701,877** | 638,258 |
| | **3,589,274** | 3,660,256 |

In general, debts are due for payment upon 30-90 days after billing. Subject to negotiation, credit terms up to twelve months are available for certain customers with well-established trade and payment history on a case-by-case basis.

## 10 TRADE AND BILLS PAYABLES

| | **2024** | 2023 |
|---|---|---|
| | ***RMB'000*** | *RMB'000* |
| Trade creditors | **4,586,628** | 3,801,102 |
| Bills payables | **842,997** | 640,102 |
| | **5,429,625** | 4,441,204 |

An ageing analysis of trade and bills payables of the Group as at the end of each of the year, based on the invoice date, is as follows:

| | **2024** | 2023 |
|---|---|---|
| | ***RMB'000*** | *RMB'000* |
| Within 3 months | **3,752,398** | 3,429,315 |
| 3 months to 12 months | **1,375,376** | 697,272 |
| Over 12 months | **301,851** | 314,617 |
| | **5,429,625** | 4,441,204 |

All the trade and bills payables are expected to be settled within one year.

## 11 DIVIDENDS

Final dividend of RMB563,504,000 in relation to the year ended 31 December 2023 was paid in 2024.

A final dividend in respect of the year ended 31 December 2024 of HKD 0.30 (equivalent to approximately RMB 0.27) per share has been proposed by the Directors. The proposed final dividend in respect of 2024 is subject to the approval of shareholders in the forthcoming annual general meeting. These financial statements do not reflect this dividend payable as it was not approved as at the balance sheet date.

## MANAGEMENT DISCUSSION AND ANALYSIS

The financial and operational data highlights of the Group for the year ended 31 December 2024 together with the comparative figures for the year ended 31 December 2023 are as follows:

| Key financial data | 2024 | 2023 | Change<br>% |
|---|---|---|---|
| Revenue *(RMB'000)* | **24,755,737** | 23,626,279 | 4.8% |
| Revenue from clean energy segment *(RMB'000)* | **17,183,412** | 14,907,121 | 15.3% |
| Revenue from chemical and environmental segment *(RMB'000)* | **3,116,028** | 4,414,336 | (29.4)% |
| Revenue from liquid food segment *(RMB'000)* | **4,451,333** | 4,292,702 | 3.7% |
| Gross profit *(RMB'000)* | **3,554,234** | 3,720,824 | (4.5)% |
| Net profit *(RMB'000)* | **1,143,835** | 1,163,561 | (1.7)% |
| Profit attributable to equity shareholders *(RMB'000)* | **1,094,871** | 1,113,972 | (1.7)% |
| Core profit* *(RMB'000)* | **1,335,782** | 1,281,381 | 4.2% |
| Basic earnings per share *(RMB)* | **0.542** | 0.554 | (2.2)% |

* Core profit – Profit for the year excluding share-based payment expenses and convertible bonds imputed interest expenses. It is a non-HKFRS measure which facilitates evaluation of the cash-based financial performance of the Group's core operations. Such non-HKFRS measure may be defined differently from similar terms used by other companies.

## FINANCIAL REVIEW

### Revenue

During 2024, stimulated by favourable factors such as the recovery of domestic natural gas consumption and recovery of the Chinese economy and favourable government policies, the Group's clean energy and liquid food segments grew steadily during the year. At the same time, the slowdown in demand for tank containers has negatively impacted our chemical and environmental segment. As a result, the Group's consolidated revenue for 2024 rose by 4.8% to RMB24,755,737,000 (2023: RMB23,626,279,000). The performance of each segment is discussed below:

With the continuous tightening of the country's requirements for environmental protection, energy conservation and emission reduction, the demand for LNG and industrial gases in many fields continues to grow, driving the sales of our storage and transportation equipment such as on-vehicle LNG fuel tanks, cryogenic storage tanks, industrial gas storage tanks and tank containers. As a result, the clean energy segment's revenue for 2024 rose by 15.3% to RMB17,183,412,000 (2023: RMB14,907,121,000), among which the hydrogen related business's revenue grew by 21.7% year-on-year to RMB852,491,000. The clean energy segment remained the top grossing segment and contributed 69.4% (2023: 63.1%) of the Group's total revenue.

Compared with the previous year's high-speed growth rate, the demand for tank containers has significantly slowed down during the year. As a result, the chemical and environmental segment's revenue was down by 29.4% to RMB3,116,028,000 (2023: RMB4,414,336,000). The segment made up 12.6% of the Group's total revenue (2023: 18.7%).

During 2024, benefiting from the execution and acceptance of key projects, the liquid food segment's revenue saw an increase of 3.7% to RMB4,451,333,000 during the year (2023: RMB4,292,702,000). The segment accounted for 18.0% of the Group's total revenue (2023: 18.2%).

The unallocated revenue was RMB4,964,000 (2023: RMB12,120,000) and made up 0.0% of the Group's total revenue (2023: 0.0%).

The Group's accumulated new orders received in 2024 reached a record high, with a total of RMB27,490 million new orders signed in 2024 and the backlog orders of RMB28,298 million by the end of 2024. In particular, orders for the clean energy segment increased significantly, with new orders signed for the clean energy segment reaching RMB21,793 million during the period and the backlog orders by the end of 2024 amounting to RMB23,213 million. Among them, the new orders signed for hydrogen business in 2024 and the backlog orders by the end of 2024 were RMB850 million and RMB251 million, respectively. In 2024, the new orders for chemical and environmental and liquid food segments amounted to RMB2,994 million and RMB2,703 million, respectively, and the backlog orders by the end of 2024 amounted to RMB937 million and RMB4,148 million, respectively.

**Gross Profit Margin and Profitability**

The Group's overall gross profit margin ("**GP margin**") fell to 14.4% in 2024 from 15.7% in 2023. While liquid food segment's GP margin rose slightly, chemical and environmental and clean energy segments' decreased at varying degrees. The clean energy segment's GP margin decreased slightly to 12.6% (2023: 12.8%), basically remaining at the same level as last year. During the year, the GP margin of chemical and environmental segment decreased to 16.4% (2023: 21.0%), which was mainly due to the global tank container supply and demand having reached a balance, the demand for standard tank containers having returned to normal, which was lower than the high level in 2023, leading to the reduction in the capacity utilisation rate of the production line, thereby affecting the gross profit margin. The GP margin of the liquid food segment increased to 21.4% (2023: 20.7%), which was mainly benefitting from smooth progress of the projects.

Profit from operations expressed as a percentage of revenue fell slightly to 6.2% (2023: 6.5%), which was mainly due to a decrease in GP margin.

Other operating income totalling RMB443,024,000 in 2024 (2023: RMB331,689,000) consisted of interest income from bank deposits, government grants and other operating revenue. The rise in other operating income during the year was mainly attributed to an increase in interest income from bank deposits, as a result of the increase in term and restricted bank deposits in 2024.

Selling expenses increased by 11.38% to RMB520,308,000 (2023: RMB467,140,000). Such expenses comprised provision for product warranty, royalty fee, human resources, commission and other expenses directly attributable to selling activities. Selling expenses increased mainly because of a rise in provision for product warranty and staff cost in line with an expanding scale of sales activities.

Administrative expenses rose by 3.13% to RMB2,021,689,000 (2023: RMB1,960,235,000) which was mainly due to increase in salaries and wages, and research and development spending.

During the year, impairment losses on financial and contract assets turned to a gain of RMB16,776,000 (2023: gain of RMB36,479,000), which was mainly attributable to the continuing effective implementation of the Group's credit control measures.

Other net gains of RMB66,409,000 in 2024 (2023: losses of RMB136,790,000) mainly comprised foreign exchange loss, net fair value losses on financial assets at fair value through profit or loss, compensation received, write-back of payables and advances from customers, gains on disposal of property, plant and equipment, gain on disposal of investment in an associate and a subsidiary, charitable donations and miscellaneous gains. The change in 2024 was mainly due to a drop in foreign exchange loss, a decrease in losses on settlement of derivative financial instruments, and an increase in net gains on disposal of property, plant and equipment and lease prepayment, write-back of payables and advances from customers during the year.

During 2024, finance costs increased by 11.6% to RMB104,404,000 (2023: RMB93,536,000). Finance costs mainly comprised interest on bank loans, loans from related parties, convertible bonds and medium-term and short-term notes of RMB 95,045,000 (2023: RMB87,617,000). The rise in interest expenses was mainly due to an increase in the amount of interest bearing debts during the year.

Income tax expenses for the Group increased by 2.2% to RMB300,087,000 in 2024 (2023: RMB293,727,000). The amount of income tax expense has not fluctuated significantly compared with last year.

**Liquidity and Financial Resources**

As at 31 December 2024, the cash and cash equivalents of the Group amounted to RMB7,264,358,000 (2023: RMB6,998,191,000). A portion of the Group's bank deposits totaling RMB1,553,940,000 (2023: RMB1,183,323,000), which had more than three months of maturity at acquisition, were restricted for investments purposes or for guarantee of banking facilities. The Group has maintained sufficient cash on hand for repayment of bank loans as they fall due and continued to take a prudent approach in future development and capital expenditure. The Group has been cautiously managing its financial resources and constantly reviews and maintains an optimal gearing level.

As at 31 December 2024, the Group's bank loans and overdrafts amounted to RMB364,622,000 (2023: RMB478,538,000) and other than the long-term bank loans that are repayable in 2036, the remaining are repayable within three years. All bank loans bore interest at rates from 2.40% to 3.94% per annum (2023: 2.70% to 4.14%).

As at 31 December 2024, the Group had bank loans amounting to RMB80,000,000 guaranteed by the Company's subsidiaries (2023: nil). The Group did not have any secured bank loans as at 31 December 2024 (2023: nil). As at 31 December 2024, loans from related parties amounted to RMB129,152,000 (2023: RMB695,526,000), which are unsecured, bearing interest at 3.00% per annum (2023: 2.95% to 4.75%) and repayable within one year.

As at 31 December 2024, the Group fully redeemed and cancelled all its previously issued zero coupon convertible bonds (in the aggregate principal amount of HK$1,680,000,000) and the convertible bonds were withdrawn from listing on the Stock Exchange on 10 December 2024. No conversion of the convertible bonds had been made since their issue and up to their redemption.

As at 31 December 2024, the Group had no convertible bonds in issue (31 December 2023: RMB1,452,871,000) and recognised imputed interest expenses of RMB39,921,000 for the year (2023: RMB41,404,000).

In April 2024 and September 2024, the Group issued three-year 2.43% and five-year 2.37% medium-term notes with par value totaling RMB500,000,000 and RMB 1,500,000,000 respectively. In September 2024, the Group issued 270-day tenure short-term notes with principal totaling RMB500,000,000 and bearing interest at 2.02% per annum. The proceeds from the aforementioned commercial papers after deducting the issuance costs were used for repayment of the Group's indebtedness and to supplement the Group's operating capital.

The net gearing ratio, which is calculated by dividing net debt over equity, was zero times (2023: zero times) as the Group retained a net cash balance of RMB4,278,497,000 (2023: RMB4,371,256,000). The decrease in net cash balance was mainly attributable to a cash outflow from investing and financing activities which is partially offset by the cash inflow from operating during the year.

The Group's interest coverage was 15.6 times for the year (2023: 17.6 times), which represented a decrease that was mainly due to an increase in interest expense for the year. However, the Group's profit from operation and strong operating cash flow demonstrate that the Group is fully capable of meeting its interest expense commitments.

During 2024, net cash generated from operating activities amounted to RMB2,486,370,000 (2023: RMB1,780,476,000), by consistently applying the right measures and controls, the Company is confident to maintain a net operating cash inflow in the long run.

The net cash used in investing activities amounted to RMB1,897,544,000 (2023: RMB2,081,077,000), this is mainly due to the payment for acquisition of property, plant, equipment and construction in progress, acquisition of intangible assets, settlement of derivative financial instruments and placement of term deposits which totaled RMB2,644,669,000 (2023: RMB2,160,798,000).

During the year, the net cash used in financing activities amounted to RMB375,425,000 (2023: inflow of RMB1,979,683,000), this is mainly due to the repayment of convertible bonds which amounted to RMB1,596,406,000 (2023: nil) and the repayment of loans from related parties RMB878,812,000 (2023: RMB234,814,000) , which is partially offset by the cash inflow from the issuance of medium-term and short-term notes amounted to RMB2,490,625,000 (2023: nil). In 2024, a final dividend of approximately RMB563,504,000 (2023: RMB432,899,000 was paid for the financial year 2022) was paid for the financial year of 2023.

**Assets and Liabilities**

As at 31 December 2024, total assets of the Group amounted to RMB29,381,665,000 (2023: RMB27,587,424,000) while total liabilities were RMB16,276,627,000 (2023: RMB15,213,780,000). The net asset value rose by 5.9% to RMB13,105,038,000 (2023: RMB12,373,644,000), which was mainly net profit RMB1,143,835,000 which was partially offset by dividend pay-out of RMB563,504,000. As a result, the net asset value per share increased from RMB6.101 at 31 December 2023 to RMB6.461 at 31 December 2024.

## Contingent Liabilities

As at 31 December 2024, the Group had outstanding procurement performance guarantees issued by relevant banks totaling RMB4,945,031,000 (31 December 2023: RMB3,328,102,000). Apart from these, the Group did not have other material contingent liabilities.

## Future Plans for Source of Funding and Capital Commitments

Traditionally, the Group's operating and capital expenditures are mainly financed by its internal resources such as operating cash flow and shareholders' equity, and to an extent by external borrowings (such as bank loans and related party loans). In addition, CIMC Safeway (one of the Company's subsidiaries) successfully completed its IPO in 2023 and has the option to raise funding on the stock market. With the experience of financing in the PRC inter-bank market, the Company has expanded its financing option.

At the same time, the Group will continuously take particular caution on the inventory level, credit policy as well as receivable management in order to enhance its future operating cash flow. The Group has sufficient resources of funding and unutilised banking facilities to meet future capital expenditure and working capital requirement. As at 31 December 2024, the Group had contracted but not provided for capital commitments of RMB164,806,000 (2023: RMB347,159,000). As of 31 December 2024, the Group did not have any authorised but not contracted for capital commitments (31 December 2023: nil).

## Foreign Exchange Exposure

The Group is exposed to foreign currency risk primarily through trade transactions that are denominated in currencies other than its functional currency. The currencies giving rise to this risk to the Group are primarily US dollar and Euro. The Group continuously monitors its foreign exchange exposure and controls such exposure by conducting its business activities and raising funds primarily in the denominations of its principal operating assets and revenue. Moreover, if necessary, the Group can enter into foreign exchange forward contracts with reputable financial institutions to hedge foreign exchange risk.

### Significant Investment Held and Future Plans for Material Investment and Capital Assets

During the year ended 31 December 2024, the Group did not have any significant investment, and there was no plan for other material investments or additions of capital assets as at the date of this announcement.

### Material Acquisitions and Disposals of Subsidiaries, Associates and Joint Ventures

For the year ended 31 December 2024, there were no material acquisitions or disposals of subsidiaries, associates and joint ventures.

### Charge on Assets

As at 31 December 2024, no property, plant and equipment was pledged.

### Employees and Remuneration Policies

As at 31 December 2024, the total number of employees of the Group was approximately 12,000 (2023: approximately 11,000). Total staff costs (including directors' emoluments, retirement benefits scheme contributions and equity-settled share-based payment expenses) were approximately RMB2,619,654,000 (2023: RMB2,168,545,000).

As an equal opportunity employer, the Group's remuneration and bonus policies are determined with reference to the performance, qualifications, and experience of individual employee and prevailing market rate. Other benefits include contributions to statutory mandatory provident fund scheme to employees in Hong Kong, contributions to government pension schemes to employees in Mainland China, and operation of various pension plans which are funded through payments to insurance companies for employees in Europe.

During the year ended 31 December 2024, no Directors waived their remuneration.

## BUSINESS REVIEW

The Group is principally engaged in the design, development, manufacturing, engineering, sales and operation of, and the provision of technical maintenance and integrated services for, a wide spectrum of transportation, storage and processing equipment that is widely used for the clean energy, chemical and environmental, and liquid food industries.

## BUSINESS REVIEW BY SEGMENTS

### Clean Energy

#### *Onshore Clean Energy Business*

CIMC Enric is the only comprehensive service provider in China with a full industrial chain layout focusing on clean energy, providing one-stop system solutions for LNG, LPG, CNG and industrial gases. Having been highly recognised by our customers, we are one of those with the highest market share in all product lines. In 2024, benefiting from favourable factors such as both increase in China's apparent natural gas consumption and LNG imports, and stabilised LNG prices, the onshore clean energy business achieved remarkable growth.

In the key equipment field, the Group maintained its leading position in the industry during the period, with significant growth in the sales volume of LNG tank containers, LNG trailers and other equipment. In addition, the Group achieved large-scale, standardised and modularised production of gas energy storage equipment, providing customers with eco-friendly and efficient gas energy storage solutions, and delivered 4,500$m^3$ gas storage units with compressed air energy storage standard to Three Gorges Corporation in bulk. Furthermore, the LNG heavy-duty truck market maintained a rapid pickup during the period, reaching a record high in sales volume, and the Group's sales revenue of on-vehicle LNG cylinders increased accordingly. In 2024, the Group's sales revenue of on-vehicle LNG cylinders amounted to RMB1.1 billion, representing a year-on-year (YoY) growth of 31%.

The overseas clean energy markets expansion also showed promising development. Focusing on Africa, the Middle East, Southeast Asia and other countries and regions with abundant natural gas resources or fast-growing demand, the Group continued to expand its business layout, providing comprehensive solutions for emerging business scenarios such as island power generation. In 2024, the Group signed overseas bulk orders for LNG tank containers, LNG storage tanks and LNG trailers, and won the tenders for a number of overseas projects such as gasification station and liquefaction plant, resulting in a significant increase of 25.1% YoY in the new overseas orders for onshore clean energy, reaching RMB2.5 billion. During the period, overseas income from onshore clean energy reached RMB2.2 billion, hitting a new high in history.

In the core process field, Angang CIMC project for joint production of hydrogen and LNG from coke oven gas, in which the Group participated in the construction, was smoothly put into production in 2024. The Group has further absorbed the core team of Beijing Zhongliansheng (北京眾聯盛), an engineering design expert, aiming to enhance the process design and technical capabilities of comprehensive utilisation of coke oven gas to produce hydrogen, LNG, methanol, synthetic ammonia, etc. At present, the Group has possessed the core process and engineering capabilities of natural gas and hydrogen-ammonia-methanol production, which lays a solid foundation for the subsequent replication in the EPC of hydrogen and LNG from coke oven gas project and the expansion of new projects in this field.

In the comprehensive service field, the Group continued to expand its business chain to the upstream resource end and the downstream application end, realising an "end-to-end" industrial ecology and transforming into a comprehensive service provider. Angang CIMC project for production of hydrogen and LNG from coke oven gas, in which the Group cooperated with Angang Steel, was smoothly put into production, realising a stable supply of high-purity hydrogen and LNG and achieving profitability in the first year of operation through sales to neighbouring areas. Such business model was further replicated and promoted with Lingang Steel and Shougang Shuigang projects in the process of construction. The improved business capability in the upstream resource end has also increasingly enhanced the Group's core competitiveness in transforming from "equipment + engineering" to "comprehensive service provider". Furthermore, leveraging the full scenarios of production, storage, transportation, refuelling and use in the Angang CIMC project, the Group independently developed and launched an energy "end-to-end" digital demonstration application platform. This marks the first project in China that has realised the integration of digital and intelligent technology with business scenarios for energy production, storage, transportation, refuelling and use, injecting new quality productivity into the traditional industry and significantly enhancing project operational efficiency.

The Group also extended to low-carbon integrated energy system solutions. Focusing on four major areas, namely industrial energy conservation, building energy conservation, agricultural energy conservation and mobile energy supply, it emphasised on the research and development of SL Blue Sky series and AM Amethyst series of modularised intelligent low-carbon energy station products, to provide customers with zero-carbon, safe and intelligent integrated energy system solutions with the support from CIMC Digital Intelligent Energy System platform. During the period, the Group signed a strategic cooperation agreement with Shenergy to deepen cooperation in the areas of low-carbon integrated energy supply, energy supply guarantee and green power, with a view to building a "zero carbon factory".

### *Offshore Clean Energy Business*

The Group has proprietary capabilities in the design, construction and project management of LNG marine liquid cargo tanks, fuel tanks and complete vessels. It is a world leader in the niche market of the small and medium-sized liquefied gas vessels with the top-ranking global market share, offering a product chain that covers full pressurised, semi-refrigerated & semi-pressurised carriers for various liquefied gases such as LPG, ethane, LEG, LNG and liquid ammonia, as well as LNG bunkering vessels. In the construction and renewal of inland waterway vessels, the Group possesses the capability to provide integrated solutions such as LNG shore refuelling, LNG tank swap and LNG/methanol fuel power packages.

During the period under review, as the global shipbuilding market maintained a high level of prosperity, the Group's business orders related to shipbuilding and LNG fuel tanks for marine applications grew significantly. In 2024, the accumulated newly signed orders exceeded RMB10 billion, setting a new record, and the backlog orders exceeded RMB16 billion by the end of 2024.

During the year, the Group signed a total of 21 new shipbuilding orders, of which 15 were liquefied gas carriers, LNG bunkering vessels and other vessel types, including four 40,000$m^3$ MGC vessels signed with Capital Gas, four 20,000$m^3$ LNG carriers signed with domestic shipowners, four 20,000$m^3$ LNG carrier and bunkering vessels signed with Avenir LNG Limited, one 12,500$m^3$ LNG bunkering vessel and one 20,000$m^3$ LNG carrier and bunkering vessel signed with Vitol International Shipping Pte Ltd and one 20,000$m^3$ LNG carrier and bunkering vessel signed with EMF. In 2024, the Group ranked first in the global market share of LNG bunkering vessels. The Group owns core assets related to shipbuilding such as terminals, slipways and shipyards along the Yangtze River. During the period, its shipbuilding capacity was also released, and 14 vessels were delivered, including "Offshore Oil 302 built for CNOOC", the first river-to-sea LNG carrier and bunkering vessel in China.

Benefiting from the growing demand for alternative fuel vessels, the Group's liquid marine cargo tanks and fuel tanks products also recorded remarkable growth and continued to lead the industry in technology research and development. In 2024, the Group delivered the first set of high manganese steel LNG marine fuel tanks in China, marking a successful start of the commercialisation of a new generation of independently-developed, low-cost, ultra-low-temperature and high manganese steel materials. In addition, we delivered the world's first 3x4,650$m^3$ vertical LNG double ear marine fuel tank and the world's first 7,500$m^3$ stacked LNG double ear marine fuel tank, and successfully received orders for liquid ammonia marine fuel tanks for the world's first liquid ammonia-powered bulk carrier, demonstrating our international influence and strength in the marine fuel tank market.

In the clean energy business of inland waterway shipping in China, the Group has established a presence in major waterways such as the Beijing-Hangzhou Grand Canal, Yangtze River, Xijiang and Jiujiang, providing integrated solutions for LNG bunkering of inland vessels, LNG/methanol power systems and vessel conversion, and creating "One Network on Water" through intelligent interconnected products. During the period, the Group's whole industry chain of "Manufacturing + Equipment + Intelligence + Service" assisted in the first LNG refuelling for "Jining Harbour Navigation 9001", the first 90-metre LNG-powered vessel in the Beijing-Hangzhou Grand Canal. In August 2024, the Ministry of Transport and the National Development and Reform Commission published the Implementation Rules for Scrapping and Updating Subsidies for Old Operating Ships in Transportation (《交通運輸老舊營運船舶報廢更新補貼實施細則》), promoting the inland waterway clean energy shipbuilding and renewal industry into a period of rapid growth. Within three months after the implementation of the policy, the Group quickly secured orders for power packages for a total of 100 clean energy vessels.

***Hydrogen Energy Business***

The Group is a leading provider of hydrogen storage and transportation equipment and engineering services in China. Since 2006, the Group has commenced the hydrogen energy business with products covering various areas such as "production, storage, transportation, refuelling and application". As an international leading supplier of hydrogen energy equipment and solutions, the Group continued to expand its layout and development in the hydrogen energy industry during the year, and made continuous improvement to its capability of integrated solutions.

In terms of hydrogen production, the first project for joint production of hydrogen and LNG from coke oven gas launched by the Group and Angang Steel, namely Angang CIMC project, was successfully put into production in September 2024, creating an "end-to-end" demonstration green industrial ecosystem from the resource end to the application end. On the resources side, the project involves separating and purifying coke oven gas, a byproduct of steel enterprises, to produce high-purity hydrogen and LNG. This process transforms coke oven gas from a "waste" into a "treasure," achieving high value-added utilisation. It's estimated that the project would reduce annual emissions by 470,000 tons of carbon dioxide, 174 tons of sulfur dioxide, and 1,344 tons of nitrogen oxides. The project produces "blue hydrogen" according to local conditions with an annual production capacity of 15,000 tons of hydrogen.

In the storage and transportation business, high-pressure hydrogen storage and transportation equipment continued to lead the development trend in the industry, with market share further consolidated and increased. The "30MPa carbon fiber winding hydrogen bottles and tube bundle containers (30MPa碳纖維纏繞氫氣瓶及管束集裝箱)" were recognised as "the first (set of) major technical equipment in the energy field" by National Energy Administration, and have achieved mass application among several major customers, contributing to a reduction in the cost of hydrogen transportation. The national standard GB/T44457-2024 "Hydrogen Storage Pressure Vessel used in Hydrogen Refilling Station" (《加氫站用儲氫壓力容器》), which we participated in the drafting of, and the industry standard NB/T11661-2024 Compressed Hydrogen Aluminum Carbon Fiber-wrapped Cylinder-Style Container (《壓縮氫氣鋁內膽碳纖維全纏繞瓶式集裝箱》), which we presided over the drafting of, have been approved and formally released. In terms of medium-pressure hydrogen and ammonia storage spherical tanks, the Group's performance in medium-pressure hydrogen storage spherical tanks and liquid ammonia storage spherical tanks continued to grow in 2024. The first batch of green hydrogen demonstration projects in the Huadian Damaoqi Wind and Solar Hydrogen Generation Project (華電達茂旗風光制氫項目) in Inner Mongolia, which the Group participated in, was put into production, and the hydrogen storage spherical tanks and related ancillary facilities constructed by the Group were running in good conditions. Benefiting from the branding effect brought by this major demonstration project, the Group was awarded the tender for the Hydrogen Storage Equipment for the Zhongnengjian Songyuan Hydrogen Industrial Park Project (中能建松原氫能產業園項目儲氫裝備) in August 2024, which will provide 15 hydrogen storage spherical tanks and eight sets of compressor buffer tanks to the customer. The project has been selected as one of the first batch of green and low-carbon advanced technology demonstration projects by the National Development and Reform Commission (NDRC); it is the largest innovative demonstration project for the synthesis of green hydrogen into green ammonia and green alcohols under construction in China, and also represents a hydrogen storage spherical tank order with the largest total storage capacity of green hydrogen and the largest number of spherical tanks under construction in China. In addition, the Group's first overseas hydrogen storage spherical tank project was successfully secured in September 2024, which will build 12 units of 2,953 cubic metres of hydrogen storage spherical tanks for a customer's green hydrogen and green ammonia project in Oman, Middle East, with a total value of over US$10 million. In terms of liquid hydrogen storage and transportation equipment, the Group continues to develop and test serial equipment for liquid hydrogen storage and transportation, and the liquid hydrogen storage tank and tank carrier are the first in China to complete the liquid hydrogen test and obtain the type test certificate. The industry standard "Mobile Vacuum Insulated Liquid Hydrogen Pressure Vessel", which we participated in the drafting of, was officially released on 25 December 2024. On the market side, a series of important advances were made in commercialised liquid hydrogen storage and transportation equipment, with the successful delivery of the first 20-cubic-metre liquid hydrogen storage tank for hydrogen refuelling stations and the first 400-cubic-metre liquid hydrogen spherical tank in China; two 100-cubic-metre liquid hydrogen storage tanks for a large-scale green hydrogen project in Hebei were also under construction.

In terms of terminal application, the national standards for the "On-vehicle Compressed Hydrogen Carbon Fiber-wrapped Cylinders with Plastic Inner Tube" and the "Regular Inspection and Evaluation of On-vehicle Compressed Hydrogen Fiber-wrapped Cylinders", which CIMC Enric participated in compilation, was formally implemented from 1 June 2024. The newly developed domestic first 450L Type Ⅲ ultra-large volume on-vehicle hydrogen cylinders were released in October of the same year, which makes CIMC Enric one of the suppliers with the most complete product range in the market, with its market share ranking first in the industry. In terms of hydrogen refuelling stations, benefiting from the development opportunities brought about by the hydrogen expressway, the Group has provided a bunch of complete sets of equipment of hydrogen refuelling stations for the hydrogen expressways in Hebei, Guangdong and Shaanxi, etc. The small skid-mounted hydrogen refuelling equipment in the park has also successfully achieved product iterations and continuous shipments. The supporting hydrogen refuelling stations built by the Group for the Angang CIMC project has successfully guaranteed the hydrogen refuelling demand of Angang's hydrogen logistics scenario, laying a foundation for the replication of the overall solution.

In addition, the Group entered into a strategic cooperation agreement with HK & China Gas to reach a cooperation intention on the further development and utilisation of hydrogen projects in the Hong Kong Special Administrative Region. Both parties will carry out comprehensive cooperation in the purification, storage and utilisation of hydrogen. The first project of the strategic cooperation has been confirmed, and both parties will jointly promote the hydrogen fuel cell application and electric vehicle charging system project of Hong Kong Science and Technology Parks.

**Chemical and Environmental**

***Business Review***

The operating entity of this segment is CIMC Safeway Technologies Co., Ltd.* ("**CIMC Safeway**", a subsidiary of the Company whose shares are listed on the ChiNext Market of the Shenzhen Stock Exchange (stock code: 301559.SZ)), which focuses on the design, research and development, production, manufacturing and sales of tank containers. It is a global leading manufacturer and full lifecycle service provider of containerised logistics equipment for liquids and liquefied gases (room temperature). Its main products include a full range of tank containers, covering standard stainless steel liquid tank containers, special stainless steel liquid tank containers, carbon steel gas tank containers, carbon steel powder tank containers, etc. At the same time, the segment provides cleaning, repair, regular inspection, stockpiling and other after-sales services for tank containers, and provides customised information services for tank containers based on the Internet of Things technology. Based on its strong manufacturing capability and comprehensive quality control system, this segment has developed medical equipment components businesses.

In 2024, the complicated international environment imposed much pressure on the global chemical industry, and plus higher US dollar interest rate increasing finance costs of tank container lessors, the market demand for tank containers declined year-on-year. However, in the long run, tank containers are internationally recognised as the ideal choice for containerized transportation of liquids and liquefied gases (room temperature). With the increasingly strict environmental policies and growing public safety awareness, tank containers will continue to expand their application scenarios in sectors such as chemicals, food and new energy batteries by virtue of characteristics of efficient, safe and green, indicating a vast space for future development of the industry.

In the face of challenges, the segment has steadfastly adhered to the keynote of high-quality development, vigorously advancing new productive forces through initiatives such as intelligent manufacturing and digital transformation to achieve steady progress while consolidating long-term competitiveness in the new landscape.

The segment has consistently supplied customers with a comprehensive range of cost-effective, high-quality new tank containers while upholding our business ethos of "manufacturing + services + intelligence". By delivering reliable, top-tier products and services across the entire industry chain of tank container and its adjacent sectors, it has earned widespread acclaim from clients, generating substantial economic and social benefits. Our tank container after-sales services are provided to customers in regions such as the Netherlands, Zhejiang and Jiangsu.

In the meantime, through over a decade of diligent effort and continuous improvement, the key part and component products of high-end medical imaging equipment in this segment were highly recognised by more and more industry giants, which gradually became its strategic partner. With the constant improvement of brand image, new domestic customers are gradually increasing and the product range continues to expand. In 2024, the high-end medical nuclear magnetic business of the segment closely followed the technological progress and market development of leading enterprises, and developed in step with the industry through continuous innovation and management upgrading, achieving sustained growth in performance.

In the field of intelligent business, this segment not only deepens the intelligent upgrading of tank container ancillary products, but also actively responds to market demand to successfully expand its business horizontally to the intermediate bulk container industry. In order to improve the safety and efficiency of pressure vessel operation, it integrates the Internet of Things and sensing technology to enable the intelligent monitoring system to collect and analyse key data in real time, so as to provide early warning services. In addition, customised liquid level sensor for railway tanks has successfully entered overseas markets. In 2024, the segment made significant progress in intelligent upgrading, timely detecting potential safety hazards through the intelligent early warning function to provide users with comprehensive monitoring services and quality assurance, as thus more than 8,000 intelligent monitoring systems were delivered and applied to intermediate bulk containers.

In 2024, the segment focused on the theme of intelligent and green development, and with operational excellence as the key, continued to promote digital transformation and upgrading, and the construction of green flexible intelligent plant of tanks, and therefore was selected the first batch of Excellence Class Intelligent Factory by the Ministry of Industry and Information Technology. The segment incorporated the concept of green development into all aspects of enterprise development, and in response to the customers' concerns about environmental protection, promoted the green transformation of the manufacturing industry, and thus was awarded as the "National Green Plant" by the Ministry of Industry and Information Technology. Leveraging on its sound internal control system, solid financial position, good compliance record and efficient safety management measures, the segment has successfully passed the re-examination of AEO high-level certification by the customs. It has established a robust quality management system, and was rated as a "Quality Credit Grade AAA Enterprise" in Jiangsu Province by virtue of its high standard of performance in product quality management and corporate reputation.

In addition, this segment has also actively explored industry-university-research cooperation with universities. It has established cooperative relationships with several universities to promote the research and development and innovation capabilities of the segment in the fields of optoelectronics, intelligent control, automated welding, etc., thus providing a strong support for the future business development.

**Liquid Food**

The business entity of this segment is CIMC Liquid Process Technologies Co., Ltd. ("**CLPT**", a subsidiary of the Company whose shares are quoted on the National Equities Exchange and Quotations System* (全國中小企業股份轉讓系統) (stock code: 872914.NEEQ)). This segment specializes in the field of bio fermentation intelligent equipment and production lines, providing "turnkey project" solutions for process design, equipment manufacturing, installation and integration systems for major customers in biomedicine, distillation, brewing and other industries. The segment possesses globally reputable and leading brands Ziemann Holvrieka, Briggs, DME, Künzel and McMillan, with major manufacturing plants in Europe and China.

The year 2024 presented a series of challenges for the liquid food segment, shaped by a combination of macroeconomic pressures and geopolitical factors that have influenced the global liquid food and beverage market. Fluctuating interest rates, particularly in the United States, alongside political instability, have led to a more cautious approach from key customers in North America, resulting in delays in capital expenditures. Significant projects, including a brewery project in Mexico and a beverage project in the USA, were deferred, which has impacted our expected revenue for the year.

Despite these setbacks, the segment showed resilience, with a slight decline in net profit, largely attributed to the strong performance from the segment's business operations in China. Key project completions in both brewing & distilling industries helped maintain momentum.

In the brewery and distilled spirits sectors, global challenges such as increased raw material and energy costs, along with shifts in consumer behavior, led to more conservative capital expenditure from clients. This caution in spending translated into delays in both ongoing and new projects, particularly in overseas markets. Nevertheless, the segment has remained agile, refocusing efforts on the domestic market, where substantial opportunities have emerged in the growing solid state fermentation, whiskey, and beer sectors. The segment continued to leverage their expertise in EPC project delivery, focusing on sustainability goals and advancing automation and intelligence levels, positioning itself as a trusted partner in the industry.

In addition to its core markets, significant progress was made in diversifying into sectors like pharmaceuticals and biopharmaceuticals. The growth of these industries globally, offers promising prospects. The segment's ongoing focus on operational excellence continues to strengthen its position across all markets. This includes refining processes to ensure higher quality and more profitable project delivery, as well as optimizing internal systems for improved efficiency and long-term cost reductions.

In August 2024, CLPT successfully quoted on the National Equities Exchange and Quotations System* (全國中小企業股份轉讓系統) (NEEQ). CLPT was awarded as China's national-level specialised, high-end and innovation-driven "Little Giant" enterprise during the period.

Looking ahead, while 2024 posed challenges, the liquid food segment remains well-positioned to weather the ongoing market uncertainties. With a strong focus on diversification, operational excellence, sustainability and innovation, the segment is optimistic about its ability to capture emerging opportunities and drive long-term growth.

## Future Plans and Strategies

### Clean Energy

The global trend towards green and low-carbon energy development is unstoppable, with over 150 countries having proposed carbon neutrality targets. The COP28 conference previously called for accelerated action in this critical decade, demanding the realisation of a net-zero energy system by around 2050. The International Maritime Organisation (IMO) has set targets for 2030 to reduce greenhouse gas emissions from shipping by 20%-30% compared to 2008 levels, to achieve a 5%-10% share of zero or near-zero emission fuels, and to accelerate the adoption of clean alternative fuels in the shipping industry.

Against the backdrop of global energy transition, natural gas plays a significant role in ensuring the reliability of energy systems and controlling emissions, and serve as an ideal transitional energy source with broad market prospects. Data from the IEA indicates that global natural gas consumption reached a new high in 2024 and is projected to maintain its growth momentum in 2025, with an increase of approximately 100 billion $m^3$. The Global Energy Outlook, released in early 2025 by Shell, demonstrates that in all simulated scenarios, global demand for LNG will surge at least until 2030. In an optimistic scenario, Shell expects both LNG demand and supply to continue growing beyond 2030, with LNG's market share in total global natural gas demand rising from around 14% in 2024 to approximately 25% by 2050, particularly in the Asian market. Multiple institutions forecast that China's natural gas consumption will continue to grow in 2025, reaching approximately 458 billion $m^3$, representing a YoY increase of approximately 6.6%, and that the share of natural gas in the energy consumption mix will continue to rise in the future.

Hydrogen energy and other renewable energy sources are steadily developing. As of 2024, more than 50 countries and regions have released hydrogen energy strategies, with the IEA predicting that global hydrogen demand will reach 520 million tons per year by 2050, accounting for 13% of total global energy consumption. In 2024, China introduced more than 20 top-level policies to support the accelerated development of hydrogen energy and incorporated hydrogen energy into the Energy Law of the People's Republic of China, designating it as one of the key clean energy sources for national development, promoting research and development of hydrogen energy technologies and their industrialisation, encouraging the application of hydrogen energy in sectors such as transportation, industry, and construction, and advancing the coordinated development of hydrogen energy with renewable energy sources. Domestically, green hydrogen projects are extending towards integrated applications, with downstream applications primarily in chemicals and transportation, while also expanding into energy storage and supply. Policies also support, in areas such as synthetic ammonia, synthetic methanol, petrochemicals, and steel, the encouragement of large-scale replacement of high-carbon hydrogen with low-carbon hydrogen, and endorse the initiation of pilot operations in the maritime and aviation sectors for biodiesel, bio-aviation kerosene, bio-natural gas, and green hydrogen-based ammonia and methanol in regions with favorable conditions.

Alternative fuels are one of the key strategies for the shipping industry to achieve its long-term carbon reduction goals. To meet the emission reduction targets set by the IMO for 2040, vessels representing at least one-third of the global tonnage will need to adopt alternative fuels, with the proportion of LNG and green methanol-powered vessels in new shipbuilding orders expected to continue rising. As an important component of global shipping, the Chinese shipping industry is progressively advancing its green and low-carbon transformation. In recent years, China has successively issued several policy documents, including the Implementation Opinions on Accelerating the Green and Smart Development of Inland Waterway Vessels (《關於加快內河船舶綠色智能發展的實施意見》), the "14th Five-Year" Development Plan for Green Transportation (《綠色交通「十四五」發展規劃》), the Action Plan for Green and Low-Carbon Development in Transportation (2021-2035) (《交通運輸綠色低碳發展行動計劃(2021-2035 年)》), and the Detailed Rules for the Implementation of Subsidies for the Scrapping and Renewal of Old Operating Vessels in Transportation (《交通運輸老舊營運船舶報廢更新補貼實施細則》), to promote the goals and measures of green shipping across multiple levels from inland waterways to coastal areas. According to research by the Water Transport Research Institute of the Ministry of Transport, carbon emissions from China's inland waterway shipping could be reduced by nearly 25% by 2030 through the combined effects of cleaner energy, improved energy efficiency, and optimised freight structure.

In the future, the Group will continue to maintain its leading edge in key equipment and core processes while deepening its business layout in the upstream resource end and the terminal-application end of clean energy. Transitioning from a provider of "equipment + engineering" services in the clean energy sector to a "comprehensive service provider", the Group will leverage its expertise in the smart equipment manufacturing, engineering services, and integrated solutions for renewable energy sources such as natural gas, hydrogen energy, green methanol and green ammonia, so as to help our customers across various niches of the industry chain to smoothly achieve low-carbon transformation. Through continuous technological research and innovation, we aim to promote the large scale application of clean energy in a faster, more efficient and safer way.

In terms of key equipment and core processes, the Group will bolster its research and development capabilities to maintain its leading position in the markets for LNG, high-pressure gaseous hydrogen, liquid hydrogen, liquid ammonia and methanol storage and transportation sectors. The Group will also proactively explore emerging business areas such as energy storage. At the upstream resource end, the Group will continue to promote the replication and implementation of strategic projects for clean alternative fuels, such as joint production of hydrogen and LNG from coke oven gas and biomass green methanol. It is expected that by 2025, the Group's first green methanol demonstration project with an annual production capacity of 50,000 tons will commence operations, establishing an industry benchmark. Simultaneously, the Group will strengthen its EPC capabilities in engineering projects related to hydrogen production from coke oven gas, methanol, and synthetic ammonia and pursue new project expansions. For downstream application, the Group will continue to focus on green upgrades in the transportation field, supporting the application of LNG heavy-duty trucks and hydrogen fuel cell vehicles in the transportation sector. The Group will also accelerate the development of distributed energy comprehensive services and expand into diversified application scenarios, helping customers in industries such as manufacturing, construction and agriculture to reduce carbon emissions and save energy, thus accelerating the decarbonisation process. In addition, the Group will also drive the development and platform construction of smart energy equipment, creating "one network on land" and "one network on water" and connecting clean energy equipment to achieve digital and intelligent management, and fostering new energy internet business models.

The Group will further intensify its efforts to expand into overseas markets and enhance its overseas sales network and the matrix of products and engineering services. It will put more efforts on market expansion in Asia-Pacific, Africa, the Middle East, and Europe, and develop new application scenarios such as island power generation, to fully seize the development opportunities in the global market.

In response to the development challenges in the green upgrade of global shipping and inland waterways, the Group will continuously develop new technologies and processes, comprehensively drive industry transformation and green development across all stages of alternative fuel production, transportation, storage and refueling, and seize new opportunities in the development of clean fuel power for inland waterways. The Group will also actively capitalise on the high-growth phase of the shipbuilding industry, further enhancing its product portfolio to cover a comprehensive range of small and medium-sized liquefied gas carriers, LNG bunkering vessels, and LNG fuel tanks for marine applications, to enhance its global brand influence and competitive advantage.

## Chemical and Environmental

### *Future Plans and Strategies*

The segment fully implemented the medium and long-term strategy of "lean innovation, intelligent renovation and digital transformation, tank containers linking the world, green development", with operational excellence as the key to constantly enhance innovation and research and development capabilities, expand the penetration rate of tank containers and explore emerging markets, fulfilling the development philosophy of low-carbon and green environmental protection.

1. *Consolidating the Core Business Foundation to Support Stable Operations*

   Through continuous iteration and lean innovation, the segment has explored and implemented both incremental and transformative improvements across multiple dimensions, including technology, products, services, management, and business models, steadily enhancing its core competitiveness. With the vigorous development of the new energy industry and the state's strong support for the high-end technology industries, the segment focuses on a number of key areas, actively responds to the changes in market demand, and promotes the use of tank containers for logistics and transportation by users in the new energy, wafer and semiconductor industries. On this basis, most of the international trade of products mentioned above utilises tank containers, and it is believed that this positive trend will sustain in the future. Moreover, the segment will further explore the field of food transportation and expand the application of tank containers in food transportation, striving to provide professional and reliable equipment for the efficient and safe transportation of global food, thereby contributing to the industry's development.

   By further enhancing the standard of on-site automation, reducing the intensity of manual operations and continuously promoting intelligent manufacturing, the segment has established a production environment that fosters human-machine collaboration and ensures worker-friendly operations. The segment actively explores practical application of AI in operations, empowers the upgrading of business management and establishes a data-driven decision-making mechanism, thus to comprehensively enhance the standard of integrated management. While strengthening the foundation of our manufacturing business, the segment places particular emphasis on providing full lifecycle services for tank containers, continuously optimises the business layout of tank container after-sales services to provide customers with a series of services including cleaning, maintenance, inspection and storage, thereby enhancing the overall customer service experience and further improving customer satisfaction.

2. *Expanding Growth Momentum to Achieve Sustainable Development*

Focused diversification is a pivotal strategic initiative to achieve sustainable growth and strengthen resilience against risks. At present, having established a solid market position and scale advantage in tank container manufacturing, the segment will actively pursue new business opportunities in related fields, particularly high-end equipment industries, to further enhance competitiveness and foster effective synergy among scale, business scope and cutting-edge technology. By diversifying revenue streams, it aims to continuously expand and strengthen our business scale and achieve quality-driven expansion.

Medical equipment business: Rooted in China with a global outlook, the segment will focus on cutting-edge development technologies for medical MRI equipment, closely follow the lead of industry leaders to deliver more advanced high-end components for medical imaging equipment. It will continue to build precision machining capabilities for non-ferrous metals, expanding beyond the medical imaging sector into additional industries.

Intelligent equipment business: The segment has been building software and hardware and service capabilities of "sense, foresight and implementation", empowering digital intelligence transformation of the chemical logistics and intelligent manufacturing fields with reliable quality and innovative technologies.

**Liquid Food**

The segment's core purpose is to be the best in the world for safe, efficient, and sustainable liquid processing solutions. To sustain growth, several strategic initiatives have been advanced to guide the segment through 2024 and into the future.

A key focus in 2024 was enhancing current operations through implementing various operational excellence initiatives. The overall goal is to achieve efficiency and quality gains in global project deliver, through upgrading internal IT systems and streamlining supporting operational procedures. These initiatives will remain a central priority into the next period.

Additionally, the segment is committed to strengthening its product portfolio and expanding into new markets, particularly in non-beer sectors such as solid-state fermentation and beverages. Geographically, the segment made progress in enhancing its global footprint. This includes the development of a new manufacturing hub in Mexico to act closer to our customers in the Americas, and an expansion of the manufacturing operations in China with a multi-purpose facility for storage & process solutions for a wide range of industries.

In line with the capacity extension, the further development of the Chinese market will be prioritized, with a continued focus on the international spirits market, solid state fermentation and other diversification opportunities. Growth opportunities will be targeted in industries where the segment's expanded EPC capabilities and product portfolio can be leveraged to meet new customer demand.

Sustainability remains central to the segment's strategy, underpinned by ambitious goals across six key pillars. This includes reducing its carbon footprint, complying with international ESG standards, and supporting clients on their journey toward Net-Zero. Additionally, investment in a talented, diverse, and engaged workforce will drive innovation and help achieve the segments overall objectives.

Looking ahead, the segment is set to continue its growth as a global leader in the design and manufacturing of stainless steel storage tanks, processing equipment, and turnkey projects across various liquid food sectors.

## THE 2024 FINAL DIVIDEND

Having taken into account the Group's continued business development and efforts to increase return to shareholders, the Board proposed the dividend payout ratio to be keep to approximately 50% for the year ended 31 December 2024 (2023: approximately 50%).

The Board recommended a final dividend in respect of 2024 of HKD0.30 (equivalent to approximately RMB0.27, the actual RMB amount depends on exchange rate at the time of payment; 2023: HKD0.30) (the "**2024 Final Dividend**") per ordinary share payable in cash on or about 25 July 2025 to shareholders whose names appear on the register of members of the Company on 3 June 2025 (the "**Record Date**"), subject to shareholders' approval in the forthcoming annual general meeting ("**AGM**") on 20 May 2025.

### Closure of Register of Members

To ascertain shareholders' entitlements to the 2024 Final Dividend, the register of members of the Company will be closed from Thursday, 29 May 2025 to Tuesday, 3 June 2025 (both days inclusive). In order to qualify for the 2024 Final Dividend, all share transfers accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on Wednesday, 28 May 2025.

Moreover, for determination of the entitlement to attend and vote at the AGM, the transfer books and register of members will be closed from Tuesday, 13 May 2025 to Tuesday, 20 May 2025 (both days inclusive), during which period no transfer of Shares will be effected. In order to determine the identity of Shareholders who are entitled to attend and vote at the AGM, all Share transfers accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Rooms 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on Monday, 12 May 2025.

**Withholding and Payment of Enterprise Income Tax for Non-resident Enterprises on Distribution of the 2024 Final Dividend**

Pursuant to the "Enterprise Income Tax Law of the People's Republic of China" (the "**Enterprise Income Tax Law**"), "Notice of the State Administration of Taxation on Issues Concerning the Determination of Chinese-Controlled Enterprises Registered Overseas as Resident Enterprises on the Basis of Their Bodies of Actual Management" and "Announcement of the State Administration of Taxation on Issues Concerning the Determination of Resident Enterprises on the Basis of Their Actual Management Bodies", the Administration of Local Taxation of Shenzhen Municipality issued an approval under which the Company is regarded as a Chinese Resident Enterprise, effective from the year 2013.

Pursuant to the Enterprise Income Tax Law and the "Implementation Regulations for the Enterprise Income Tax Law of the People's Republic of China", the Company is required to withhold and pay 10% enterprise income tax when it distributes the 2024 Final Dividend and dividends in subsequent years to its non-resident enterprise shareholders.

In respect of all shareholders whose names appear on the Company's register of members as at the Record Date who are not individuals (including HKSCC Nominees Limited, corporate nominees or trustees such as securities companies and banks, and other entities or organisations, which are all considered as non-resident enterprise shareholders), the Company will distribute the 2024 Final Dividend after deducting an enterprise income tax of 10%. The Company will not withhold and pay the income tax in respect of the 2024 Final Dividend payable to any natural person shareholders whose names appear on the Company's register of members as at the Record Date.

If any resident enterprise (as defined in the Enterprise Income Tax Law) listed on the Company's register of members which is duly incorporated in the PRC or under the laws of a foreign country (or a region) but with a PRC-based de facto management body, does not desire to have the Company withhold and pay the said 10% enterprise income tax, it shall lodge with Computershare Hong Kong Investor Services Limited documents from its governing tax authority confirming that the Company is not required to withhold and pay enterprise income tax in respect of the dividend that it is entitled, at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, at or before 4:30 p.m. on Wednesday, 28 May 2025.

With respect to individual investors of Shanghai-Hong Kong Stock Connect who hold Shares through HKSCC Nominees Limited, Hong Kong Securities Clearing Company Limited will pay the amount of the 2024 Final Dividend net of the 10% enterprise withholding tax to China Securities Depository and Clearing Corporation Limited for dividend distribution in accordance with relevant requirements under the Notice Regarding Tax Policies Related to the Shanghai-Hong Kong Stock Connect (Cai Shui [2014] No. 81) (《關於滬港股票市場交易互聯互通機制試點有關稅收政策的通知(財稅[2014]81號)》) and Notice Regarding Tax Policies Related to the Shenzhen-Hong Kong Stock Connect (Cai Shui [2016] No. 127) (《關於深港股票市場交易互聯互通機制試點有關稅收政策的通知(財稅[2016]127號)》) jointly published by the Ministry of Finance of the PRC, State Administration of Taxation of the PRC and China Securities Regulatory Commission.

If anyone would like to change the identity of the holders in the register of members, please enquire about the relevant procedures with the nominees or trustees. The Company will withhold and pay the enterprise income tax for its non-resident enterprise shareholders strictly in accordance with the relevant laws and requirements of the relevant government departments and adhere strictly to the information set out in the Company's register of members on the Record Date. The Company assumes no liability whatsoever in respect of and will not entertain any claims arising from any delay in, or inaccurate determination of, the status of the shareholders or any disputes over the mechanism of withholding and payment of enterprise income tax.

## CORPORATE GOVERNANCE

Throughout the year ended 31 December 2024, the Company complied with all the code provisions set out in part 2 of Appendix C1 to the Rules (the "**Listing Rules**") Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**").

The Company's corporate governance report is set out in the soon published Annual Report 2024. Details of each of the audit committee, the remuneration committee, the nomination committee and sustainable committee of the Company are also given in the same report.

## AUDIT COMMITTEE

The audit committee of the Company (the "**Audit Committee**") was established with written terms of reference in compliance with Appendix C1 to the Listing Rules. The Audit Committee is responsible for assisting the Board to conduct an independent review of the effectiveness of financial reporting procedures, the internal control system and risk management system of the Group to review the course of audit and to discharge any other duties designated by the Board.

The Audit Committee has reviewed the annual results and the consolidated financial statements of the Group for the year ended 31 December 2024 and reviewed with the management of the Group regarding the accounting principles and practices adopted by the Group, and discussed with them the internal controls and financial reporting matters.

The Audit Committee comprises Ms. Wong Lai, Sarah, Mr. Tsui Kei Pang, Mr. Yang Lei and Ms. Qiu Hong, who are independent non-executive Directors.

## SCOPE OF WORK OF INDEPENDENT AUDITOR

The figures in respect of the Group's results for the year ended 31 December 2024 as set out in the announcement have been agreed by KPMG (the "**Auditor**") to the amounts set out in the Group's audited consolidated financial statements. The work performed by the Auditor in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by the Auditor on the announcement.

## PURCHASE, SALES OR REDEMPTION OF LISTED SECURITIES

For the year ended 31 December 2024, the trustee of Share Award Scheme 2020 purchased 310,000 shares on the Stock Exchange pursuant to the terms of the trust deed under the Share Award Scheme 2020.

Pursuant to the condition 8(d) (Redemption at the option of the Bondholders) of the terms and conditions of the zero coupon convertible bonds (in the aggregate principal amount of HK$1,680,000,000) (the "**Convertible Bonds**") set out in the offering circular dated 25 November 2021, the holder of each Convertible Bond can exercise the right, at such holder's option, to require the Company to redeem all or some only of such holder's Bond on 30 November 2024 at 102.27 per cent. of the principal amount, together with unpaid default interest (if any) accrued up to but excluding such date. Notices of redemption were accordingly served on the Company requiring the Company to redeem all outstanding Bonds with an aggregate principal amount of HK$1,680,000,000 (the "**Early Redemption**"). On 2 December 2024, the Company completed the Early Redemption at a total consideration of HK$1,718,136,000, which was funded by a combination of the Group's internal resources and external borrowings, and thereafter all Convertible Bonds (in the aggregate principal amount of HK$1,680,000,000) were redeemed and canceled and there were no outstanding Convertible Bonds in issue. The withdrawal of the listing of the Convertible Bonds has become effective upon the closure of business on 10 December 2024. For further details of the Convertible Bonds and the Early Redemption, please refer to the offering circular of the Company dated 25 November 2021 and the announcements of the Company dated 17 November 2021, 30 November 2021, 1 December 2021 and 2 December 2024.

Save as disclosed above, the Company nor any of its subsidiaries had purchased, sold or redeemed any listed securities (including sale of treasury shares (as defined under the Rules Governing the Listing of Securities on the Stock Exchange)) of the Company during the year ended 31 December 2024. The Company did not hold any treasury shares as at 31 December 2024.

## DIRECTORS

On 30 September 2024, Mr. Wang Caiyong retired to be an independent non-executive Director and a member of the audit committee and the nomination committee of the Company as he would like to devote more time to his other personal commitments. Ms. Qiu Hong has been appointed as an independent non-executive Director and a member of the audit committee and the nomination committee with effect from 30 September 2024. For further details, please refer to the announcement of the Company dated 30 September 2024.

As at the date of this announcement, the Board consists of Mr. Gao Xiang (Chairman) as non-executive Director; Mr. Yang Xiaohu (President) as executive Director; Mr. Yu Yuqun, Mr. Zeng Han and Mr. Wang Yu as non-executive Directors; and Mr. Tsui Kei Pang, Mr. Yang Lei, Ms. Wong Lai, Sarah and Ms. Qiu Hong as independent non-executive Directors.

By order of the Board
**CIMC Enric Holdings Limited**
**Gao Xiang**
*Chairman*

Hong Kong, 25 March 2025

*The Annual Report 2024 will be published on the websites of the Company and the Stock Exchange and dispatched to the Shareholders upon request as soon as practicable.*