CM Energy Tech Co., Ltd.
华商能源科技股份有限公司

(Incorporated in Cayman Islands with limited liability)

(Stock Code: 206)

INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2025

The board (the "**Board**") of directors (the "**Directors**") of CM Energy Tech Co., Ltd. (the "**Company**" or "**CM Energy**") announces the unaudited results of the Company and its subsidiaries (collectively the "**Group**") for the six months ended 30 June 2025, together with the unaudited comparative figures for the corresponding period in 2024 as follows:

RESULTS HIGHLIGHTS

- The Group's revenue for the six months ended 30 June 2025 reached approximately US$62.6 million, representing a decrease of approximately 19.3% from approximately US$77.6 million for the same period in 2024.
- Gross profit amounted to approximately US$15.5 million for the six months ended 30 June 2025, representing a decrease of approximately 11.5% from approximately US$17.5 million for the same period in 2024.
- Net profit attributable to owners of the Company amounted to approximately US$2.7 million for the six months ended 30 June 2025, representing a decrease of approximately 43.1% from approximately US$4.8 million for the same period in 2024.
- Earnings per share for the six months ended 30 June 2025 was US0.09 cent, representing a decrease of 40% compared with US0.15 cent for the same period in 2024.
- The Board has resolved not to declare an interim dividend for the six months ended 30 June 2025.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS – UNAUDITED

For the six months ended 30 June 2025

		For the six months ended 30 June	
		2025	2024
	Notes	***US$'000***	*US$'000*
Revenue	*3, 4*	**62,630**	77,601
Cost of sales		**(47,112)**	(60,063)
Gross profit		**15,518**	17,538
Other income, gains and losses, net	*5*	**1,051**	(101)
Selling and distribution expenses		**(1,341)**	(1,134)
General and administrative expenses		**(10,391)**	(10,451)
Other expenses		**(24)**	(137)
Profit from operations		**4,813**	5,715
Finance costs	*6(a)*	**(21)**	(73)
Share of results of associates		**(368)**	446
Profit before taxation	*6*	**4,424**	6,088
Income tax expenses	*7*	**(1,643)**	(1,304)
Profit for the period		**2,781**	4,784
Profit for the period attributable to:			
Owners of the Company		**2,724**	4,786
Non-controlling interests		**57**	(2)
		2,781	4,784
Earnings per share			
Basic and diluted	*9*	**US0.09 cent**	US0.15 cent

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME – UNAUDITED

For the six months ended 30 June 2025

	For the six months ended 30 June	
	2025	2024
	US$'000	*US$'000*
Profit for the period	**2,781**	4,784
Other comprehensive income (expense) for the period:		
Items that will not be reclassified subsequently to profit or loss:		
–Fair value changes on investments in equity instruments at fair value through other comprehensive income ("**FVTOCI**")	**4,643**	(1,655)
–Share of other comprehensive income of associates and a joint venture	**–**	1
Item that may be reclassified subsequently to profit or loss:		
–Exchange differences arising on translation of foreign operations	**3,873**	(1,863)
Other comprehensive expense for the period	**8,516**	(3,517)
Total comprehensive income for the period	**11,297**	1,267
Total comprehensive income for the period attributable to:		
–Owners of the Company	**11,240**	1,269
–Non-controlling interests	**57**	(2)
	11,297	1,267

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2025

	Notes	**Unaudited As at 30 June 2025** *US$'000*	Audited As at 31 December 2024 *US$'000*
NON-CURRENT ASSETS			
Property, plant and equipment	*10*	**24,682**	31,364
Investment properties		**971**	1,038
Goodwill		**379**	362
Intangible assets		**1,431**	1,443
Interest in associates		**15,222**	15,349
Financial assets at FVTOCI		**1,629**	1,648
Prepayments		**563**	438
Deferred tax assets		**1,734**	1,647
		46,611	53,289
CURRENT ASSETS			
Inventories		**41,725**	37,184
Trade and other receivables	*11*	**92,085**	101,757
Lease receivables		**28,957**	33,266
Tax recoverable		**15**	15
Pledged bank deposits		**200**	759
Cash and cash equivalents		**90,564**	84,100
		253,546	257,081

	Notes	Unaudited As at 30 June 2025 *US$'000*	Audited As at 31 December 2024 *US$'000*
CURRENT LIABILITIES			
Trade and other payables	*12*	**40,546**	50,755
Contract liabilities		**34,139**	28,167
Lease liabilities		**39,596**	45,399
Tax payable		**3,077**	3,223
		117,358	127,544
NET CURRENT ASSETS		**136,188**	129,537
TOTAL ASSETS LESS CURRENT LIABILITIES		**182,799**	182,826
NON-CURRENT LIABILITIES			
Lease liabilities		**514**	3,579
NET ASSETS		**182,285**	179,247
CAPITAL AND RESERVES			
Share capital		**41,418**	41,418
Reserves		**139,754**	136,773
Total equity attributable to owners of the Company		**181,172**	178,191
Non-controlling interests		**1,113**	1,056
TOTAL EQUITY		**182,285**	179,247

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY – UNAUDITED

For the six months ended 30 June 2025

	Attributable to owners of the Company													
	Share capital *US$'000*	Share premium *US$'000*	Merger reserve *US$'000*	Exchange reserve *US$'000*	Shares held for share award scheme reserve *US$'000*	Capital reserve *US$'000*	Revaluation reserve *US$'000*	Statutory Reserve funds *US$'000*	Safety fund surplus reserve *US$'000*	Fair value reserve (non-recycling) *US$'000*	Accumulated losses *US$'000*	Total *US$'000*	Non-controlling interests *US$'000*	Total equity *US$'000*
Balance at 1 January 2024	41,418	250,580	2,161	(19,826)	(3,631)	5,482	627	11,961	813	(3,544)	(111,000)	175,041	783	175,824
Changes in equity for the six months ended 30 June 2024:														
Profit for the period	–	–	–	–	–	–	–	–	–	–	4,786	4,786	(2)	4,784
Other comprehensive expense	–	–	–	(1,863)	–	–	–	–	–	(1,654)	–	(3,517)	–	(3,517)
Total comprehensive (expense) income	–	–	–	(1,863)	–	–	–	–	–	(1,654)	4,786	1,269	(2)	1,267
Balance at 30 June 2024	41,418	250,580	2,161	(21,689)	(3,631)	5,482	627	11,961	813	(5,198)	(106,214)	176,310	781	177,091
Balance at 1 January 2025	**41,418**	**250,580**	**2,161**	**(23,371)**	**(3,631)**	**5,482**	**627**	**12,398**	**2,305**	**(7,318)**	**(102,460)**	**178,191**	**1,056**	**179,247**
Changes in equity for the six months ended 30 June 2025:														
Profit for the period	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**2,724**	**2,724**	**57**	**2,781**
Other comprehensive income	**-**	**-**	**-**	**3,873**	**-**	**-**	**-**	**-**	**-**	**4,643**	**-**	**8,516**	**-**	**8,516**
Total comprehensive income	**-**	**-**	**-**	**3,873**	**-**	**-**	**-**	**-**	**-**	**4,643**	**2,724**	**11,240**	**57**	**11,297**
Dividends recognised as distributions[1]	**-**	**(4,052)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(4,052)**	**-**	**(4,052)**
Transfer to Accumulated losses	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(3,989)**	**(3,989)**	**-**	**(3,989)**
Change for safety fund surplus reserve	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(218)**	**-**	**-**	**(218)**	**-**	**(218)**
Balance at 30 June 2025	**41,418**	**246,528**	**2,161**	**(19,498)**	**(3,631)**	**5,482**	**627**	**12,398**	**2,087**	**(2,675)**	**(103,725)**	**181,172**	**1,113**	**182,285**

1 A final dividend of HK$0.01 per share for the year ended 31 December 2024 was paid.

CONDENSED CONSOLIDATED CASH FLOW STATEMENT – UNAUDITED

For the six months ended 30 June 2025

	For the six months ended 30 June	
	2025	2024
	US$'000	*US$'000*
Operating activities		
Cash generated from operations	**35,285**	3,864
Income tax paid	**(1,789)**	(1,619)
Net cash generated from operating activities	**33,496**	2,245
Investing activities		
Payment for purchase of property, plant and equipment	**(593)**	(391)
Capital contribution to associates	**(1,378)**	(5,305)
Proceeds from disposal of an associate	**–**	11
Interest received	**–**	75
Proceeds received from disposal of financial assets at FVTOCI	**570**	–
Proceeds from disposal of property, plant and equipment	**–**	39
Amount received from a joint venture	**–**	16,586
Decrease in pledged bank deposits and time deposits	**559**	3,764
Net cash (used in) generated from investing activities	**(842)**	14,779
Financing activities		
Dividends paid	**(4,052)**	–
Capital element of lease rentals paid	**(22,107)**	(18,308)
Interest element of lease rentals paid	**(745)**	(698)
Capital injection from non-controlling interests	**–**	164
Net cash used in financing activities	**(26,904)**	(18,842)
Net increase (decrease) in cash and cash equivalents	**5,750**	(1,818)
Cash and cash equivalents at 1 January	**84,100**	73,366
Effect of foreign exchange rate changes	**714**	(768)
Cash and cash equivalents at 30 June	**90,564**	70,780

NOTES TO THE INTERIM FINANCIAL INFORMATION – UNAUDITED

1. CORPORATE INFORMATION

The Company was incorporated in the Cayman Islands as an exempted company with limited liability on 22 February 2005 under the Companies Act, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands and was listed on the Main Board (the "**Main Board**") of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on 5 June 2009.

The condensed consolidated financial statements for the six months ended 30 June 2025 have not been audited nor reviewed by the Company's auditors, but have been reviewed by the Company's audit committee. The Company's audit committee has no disagreement with the accounting treatments which had been adopted by the Group.

2. BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES

The unaudited condensed consolidated financial statements have been prepared in accordance with the applicable disclosure requirements of the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**"), including compliance with the Hong Kong Accounting Standard ("**HKAS**") 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants ("**HKICPA**").

The unaudited condensed consolidated financial statements have been prepared on the historical cost basis, except for investments in equity securities which are stated at fair value.

The accounting policies used in the unaudited condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual financial statements for the year ended 31 December 2024.

In the current period, the HKICPA has issued several amendments to Hong Kong Financial Reporting Standards ("**HKFRSs**") that are first effective for the current accounting period of the Group. The adoption of these amendments had no significant financial impact on the unaudited condensed consolidated financial statements.

The Group has not applied any new or revised HKFRSs that have been issued but are not yet effective for the current accounting period.

3. REVENUE

Disaggregation of revenue by major products or service lines is as follows:

	Unaudited For the six months ended 30 June	
	2025	2024
	US$'000	*US$'000*
Revenue from contracts with customers within the scope of HKFRS 15		
Sales of land drilling equipments, offshore equipments and marine equipments	**28,228**	37,859
Oilfield supply chain and integration services	**10,341**	14,526
Assets management and engineering service fee income	**8,537**	12,802
Sub-total	**47,106**	65,187
Revenue from other sources		
Rental income arising from leasing of land and offshore drilling rigs classified as operating leases	**320**	388
Rental income arising from sub-leasing of diving support construction vessels classified as operating leases	**14,623**	11,444
Gain on sub-leasing of offshore drilling rigs classified as finance leases	**431**	431
Interest income from sub-leasing of offshore drilling rigs classified as finance leases	**150**	151
Sub-total	**15,524**	12,414
Total	**62,630**	77,601

4. SEGMENT REPORTING

The Group manages its business by divisions. In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has presented the following three reportable segments. No operating segments have been aggregated to form the following reportable segments.

- Equipment manufacturing and packages: Design, manufacturing, installation and commissioning of equipments related to land and offshore drilling rigs and equipments related to offshore wind power installation platform and rigs, leasing of self-owned land drilling rigs, and manufacturing and sales of windwings

- Supply chain and integration services: Provision of supply chain and integration services in relation to oilfield expendables and supplies

- Assets management and engineering services: Provision of assets management, engineering services and sub-leasing of land and offshore drilling rigs and diving support construction vessels

(a) Segment results, assets and liabilities

For the purposes of assessing segment performance and allocating resources between segments, the Group's senior executive management monitors the results, assets and liabilities attributable to each reportable segment on the following bases:

Segment assets include all tangible assets, intangible assets and current assets with the exception of goodwill, interests in associates, financial assets at FVTOCI, amounts due from China Merchants Industry Holdings Co., Ltd ("**CM Industry**"), pledged bank deposits, cash and cash equivalents, deferred tax assets, tax recoverable and other unallocated head office and corporate assets. Segment liabilities include all payables and liabilities attributable to the activities of the individual segment, with the exception of tax payable and other unallocated head office and corporate liabilities.

Revenue and expenses are allocated to the reportable segments with reference to revenue 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/loss is "segment results" i.e. "adjusted earnings before finance costs and taxes" of individual segment. To arrive at segment results, the Group's earnings are further adjusted for finance costs and items not specifically attributed to individual segment, such as share of results of associates and a joint venture and other unallocated head office and corporate income and expenses.

In addition to receiving segment information concerning segment results, management is provided with segment information concerning revenue (including inter-segment revenue), depreciation and amortisation, additions to property, plant and equipment and intangible assets used by the segments in their operations. Inter-segment revenue is priced with reference to prices charged to external parties for similar orders.

Disaggregation of revenue from contracts with customers by major products or service lines, as well as 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 periods are set out below.

	Equipment manufacturing and packages		Supply chain and integration services		Assets management and engineering services		Total	
	Unaudited		Unaudited		Unaudited		Unaudited	
	For the six months ended 30 June		For the six months ended 30 June		For the six months ended 30 June		For the six months ended 30 June	
	2025	2024	**2025**	2024	**2025**	2024	**2025**	2024
	US$'000	*US$'000*	***US$'000***	*US$'000*	***US$'000***	*US$'000*	***US$'000***	*US$'000*
Revenue from external customers	**28,548**	38,247	**10,341**	14,526	**23,741**	24,828	**62,630**	77,601
Inter-segment revenue	**10,403**	14,413	**1,026**	3,600	**1,112**	256	**12,541**	18,269
Reportable segment revenue	**38,951**	52,660	**11,367**	18,126	**24,853**	25,084	**75,171**	95,870
Reportable segment results	**1,535**	6,100	**516**	1,691	**4,574**	330	**6,625**	8,121

The segment assets and liabilities as at 30 June 2025 and 31 December 2024 are set out below:

	Equipment manufacturing and packages		Supply chain and integration services		Assets management and engineering services		Total	
	Unaudited	Audited	**Unaudited**	Audited	**Unaudited**	Audited	**Unaudited**	Audited
	As at 30 June 2025	As at 31 December 2024	**As at 30 June 2025**	As at 31 December 2024	**As at 30 June 2025**	As at 31 December 2024	**As at 30 June 2025**	As at 31 December 2024
	US$'000	*US$'000*	***US$'000***	*US$'000*	***US$'000***	*US$'000*	***US$'000***	*US$'000*
Reportable segment assets	**100,684**	104,071	**8,543**	10,561	**76,987**	88,411	**186,214**	203,043
Reportable segment liabilities	**(55,261)**	(56,025)	**(1,748)**	(2,683)	**(54,597)**	(64,326)	**(111,606)**	(123,034)

(b) **Reconciliation of reportable segment revenue, results, assets and liabilities**

	Unaudited	
	For the six months ended 30 June	
	2025	2024
	US$'000	*US$'000*
Revenue		
Reportable segment revenue	**75,172**	95,870
Elimination of inter-segment revenue	**(12,542)**	(18,269)
Consolidated revenue *(note 3)*	**62,630**	77,601
Results		
Segment results	**6,625**	8,121
Finance costs	**(21)**	(73)
Share of results of associates	**(368)**	446
Unallocated head office and corporate income and expenses	**(1,812)**	(2,406)
Consolidated profit before taxation	**4,424**	6,088

	Unaudited	Audited
	As at	As at
	30 June 2025	31 December 2024
	US$'000	*US$'000*
Assets		
Reportable segment assets	**186,214**	203,043
Goodwill	**379**	362
Interest in associates	**15,222**	15,349
Financial assets at FVTOCI	**1,629**	1,648
Cash and cash equivalents	**90,564**	84,100
Pledged bank deposits	**200**	759
Deferred tax assets	**1,734**	1,647
Tax recoverable	**15**	15
Unallocated head office and corporate assets	**4,200**	3,447
Consolidated total assets	**300,157**	310,370
Liabilities		
Reportable segment liabilities	**111,606**	123,034
Tax payable	**3,077**	3,223
Unallocated head office and corporate liabilities	**3,189**	4,866
Consolidated total liabilities	**117,872**	131,123

(c) Geographic information

The following table sets out information about the geographical locations of (i) the Group's revenue from external customers and (ii) the Group's property, plant and equipment, investment properties, goodwill, intangible assets, interests in associates, financial assets at FVTOCI and non-current portion of prepayments ("**specified non-current assets**"). The geographical location of customers is based on the location of the customers. The geographical location of the specified non-current assets is based on the physical location of the asset, in the case of property, plant and equipment and investment properties, the location of the operation to which they are allocated, in the case of goodwill and intangible assets, and the location of operations, in the case of interests in associates, financial assets at FVTOCI and non-current portion of prepayments.

	Revenue from external customers		**Specified non-current assets**	
	Unaudited For the six months ended 30 June 2025	Unaudited For the six months ended 30 June 2024	**Unaudited As at 30 June 2025**	Audited As at 31 December 2024
	US$'000	*US$'000*	***US$'000***	*US$'000*
Hong Kong Special Administrative Region	**943**	–	**2,532**	2,635
Mainland China	**24,023**	45,355	**29,439**	29,826
North America	**2,103**	3,079	**1,486**	1,477
South America	**6,288**	9,349	**527**	444
Europe	**2,030**	1,150	**70**	74
Singapore	**1,576**	156	**10,822**	17,185
Indonesia	**6,729**	855	**–**	–
Middle East	**17,527**	12,220	**1**	1
Others	**1,411**	5,437	**–**	–
	62,630	77,601	**44,877**	51,642

5. OTHER INCOME, GAINS AND LOSSES, NET

	Unaudited For the six months ended 30 June **2025** ***US$'000***	 2024 *US$'000*
Bank Interest income	**427**	599
Finance income from lease receivables	**4**	166
Rental income	**100**	69
Net foreign exchange gain (loss)	**195**	(1,346)
Government grant	**94**	10
Others	**231**	401
	1,051	(101)

6. PROFIT BEFORE TAXATION

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

(a) Finance costs

	Unaudited For the six months ended 30 June **2025** ***US$'000***	 2024 *US$'000*
Interest on lease liabilities	**745**	1,023
	745	1,023
Less: Interest on lease liabilities relating to sub-leasing of leased offshore drilling rigs included in costs of sales	**(277)**	(279)
Interest on lease liabilities relating to leased vessels included in costs of sales	**(447)**	(671)
	21	73

(b) Other items

	Unaudited For the six months ended 30 June	
	2025	2024
	US$'000	*US$'000*
Amortisation of intangible assets	**94**	95
Depreciation charge	**703**	1,648

7. INCOME TAX EXPENSES

	Unaudited For the six months ended 30 June	
	2025	2024
	US$'000	*US$'000*
Current taxation		
Provision for the period		
–The People's Republic of China ("**PRC**") enterprise income tax	**393**	557
–Overseas corporate income tax	**885**	686
	1,278	1,243
Under provision in respect of prior years	**363**	61
	1,641	1,304
Deferred taxation		
Origination of temporary difference	**2**	–
	1,643	1,304

No provision for Hong Kong Profits Tax has been made as the Group did not have any assessable profits subject to Hong Kong Profits Tax for the current and prior periods. Taxation for subsidiaries in other jurisdictions is charged at the corresponding current rates of taxation ruling in the relevant jurisdictions. During both periods, the statutory tax rate in the PRC is 25% and certain PRC subsidiaries are subject to tax at a reduced rate of 15% under the relevant PRC tax rules and regulations.

8. DIVIDENDS

The Board has resolved not to declare an interim dividend for the six months ended 30 June 2025 (six months ended 30 June 2024: Nil).

9. EARNINGS PER SHARE

(a) Basic earnings per share

The calculation of the basic earnings per share for the six months ended 30 June 2025 is based on the profit attributable to owners of the Company of approximately US$2,724,000 (six months ended 30 June 2024: US$4,786,000) and the weighted average number of 3,172,935,000 (six months ended 30 June 2024: 3,172,935,000) ordinary shares in issue during the period.

(b) Diluted earnings per share

Diluted earnings per share equals to basic earnings per share for the six months ended 30 June 2025 and 2024 because there were no potential dilutive ordinary shares outstanding.

10. PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2025, additions to property, plant and equipment amounted to approximately US$1,175,000 (six months ended 30 June 2024: US$597,000).

11. TRADE AND OTHER RECEIVABLES

	Unaudited As at 30 June 2025 *US$'000*	Audited As at 31 December 2024 *US$'000*
Trade receivables and bills receivables	**127,425**	140,059
Less: Allowance for impairment losses	**(61,159)**	(60,393)
	66,266	79,666
Other receivables, prepayments and deposits	**26,382**	22,529
	92,648	102,195
Less: Non-current portion of prepayments	**(563)**	(438)
	92,085	101,757

As at 30 June 2025, trade receivables and bills receivables included approximately US$2,105,000 (31 December 2024: US$4,044,000) due from, and other receivables and rental deposits of approximately US$28,000 (31 December 2024: US$95,000) paid to, subsidiaries of CM Industry, in connection with the sales of products to and lease arrangements with these related parties respectively.

All of the trade receivables and bills receivables from contracts with customers are within the scope of HKFRS 15.

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

	Unaudited As at 30 June 2025 ***US$'000***	Audited As at 31 December 2024 *US$'000*
Trade receivables and bills receivables		
Within 1 month	**16,759**	19,915
More than 1 month but within 3 months	**4,931**	19,743
More than 3 months but within 12 months	**34,182**	36,250
More than 12 months but within 24 months	**6,063**	2,873
More than 24 months	**4,331**	885
	66,266	79,666

The credit terms offered by the Group to its customers differ with each product/service. The credit terms offered to customers under the business segment of supply chain and integration services and assets management and engineering services are normally 30 to 90 days. The credit terms offered to customers under the business segments of equipment manufacturing and packages are negotiated on a case-by-case basis. Deposits ranging from 0% to 30% of the contract sum are usually required in relation to the reportable segments under equipment manufacturing and packages.

12. TRADE AND OTHER PAYABLES

	Unaudited As at 30 June 2025 ***US$'000***	Audited As at 31 December 2024 *US$'000*
Trade payables and bills payables	**19,618**	24,152
Payable for capital injection into associates	**1,392**	2,740
Amount due to a non-controlling interest of a subsidiary *(Note)*	**263**	251
Other payables and accrued charges	**19,273**	23,612
	40,546	50,755

Note: The amount is unsecured, interest-free and repayable on demand.

As of the end of reporting period, the ageing analysis of trade payables and bills payables, based on invoice date and bills issuance date respectively, is as follows:

	Unaudited As at 30 June 2025 ***US$'000***	Audited As at 31 December 2024 *US$'000*
Within 1 month	**7,826**	8,074
More than 1 month but within 3 months	**4,009**	9,212
More than 3 months but within 12 months	**1,975**	2,337
More than 12 months but within 24 months	**3,215**	1,256
More than 24 months	**2,593**	3,273
	19,618	24,152

13. CONTINGENT LIABILITIES

The Group had no material contingent liabilities outstanding as at 30 June 2025 and 31 December 2024.

MANAGEMENT DISCUSSION AND ANALYSIS

OVERVIEW

In the first half of 2025, the global economic recovery experienced increasing divergence and insufficient growth momentum. The IMF estimated the global economic growth of 2.8%, with developed economies expanding by only 1.2% and emerging markets by 4.1%. Trade contraction, emerging investment protectionism, geopolitical conflicts, and debt pressure also posed risks. the PRC's economy, on the other hand, has been stable and has shown steady improvement, with real GDP growing by 5.3% year on year in the first half of the year. High-tech industries and green transformation have yielded significant results, with increased value added in high-tech manufacturing and an increased proportion of non-fossil energy consumption. Policy initiatives have taken effect, with equipment upgrade driving investment and consumption-boosting policies boosting sales, leading to a shift from decline to growth in private investment. However, the PRC also faces challenges such as external trade protectionism and declining domestic real estate investment. Authoritative organizations are of the view that the world needs to strengthen multilateral cooperation to repair mechanism and build reserves to cushion the impacts. The PRC, on the other hand, shall continue to promote equipment upgrade and consumption upgrade, expand opening up, optimize the environment for economic development for the private sector, and promote high-quality economic development through new productivity.

Encountering slowdown of global growth and the challenges of domestic transformation, the Company further optimized its strategic plan in 2025, establishing an industrial layout encompassing "Hydrogen (green energy), Ships (high-end equipment), Intelligence (drive control), and Maritime (maritime services)." With high-end equipment and green energy as the two wings of development, the Company has focused on hydrogen-based energy, energy equipment, intelligent electronic control, maritime services and other aspects, striving to become a green energy and equipment service provider serving the shipping industry.

In the hydrogen-based energy industry, CM Green Energy Technology (SHENZHEN) Co., Ltd. ("**CM Green Energy**") is steadily deepening its presence across the entire green energy industry chain, actively planning and promoting the implementation of multiple hydrogen energy application scenarios, and continuously accumulating valuable industry experience in the process. Meanwhile, Hua Xia Hydrogen Technology Co., Ltd. (華商厦庚氫能技術（厦門）有限公司) ("**Huaxia Hydrogen**") has successfully secured orders for three large-format electrolyzers, one of which was successfully sold overseas, which has symbolized a solid step forward in CM Energy's global production capacity expansion and strengthens the Company's foundation for future market expansion in Europe, the Middle East and other regions. Furthermore, the electrode and diaphragm production lines are currently entering the commissioning phase prior to commissioning.

In the field of marine equipment manufacturing, in the first half of the year, the Company successfully obtained orders for multiple sets of wave compensation cranes for cable-laying vessels and scientific research vessels, achieving a breakthrough in orders and opening up new business growth space; the first set of 37.5-meter wing-shaped sails produced by CM Energy completed sea trials and delivery, with fuel-saving performance exceeding expectation and gaining good industry reputation. It had nearly orders of 20 units on hand and it is expected to sell over 40 units throughout the year; while having gradually delivered methanol fuel supply system, the Company has actively carried out technical and market development of LNG, ammonia fuel system and liquid cargo system; in addition, the Company has successfully delivered two Liftboat lifting system with excellent performance; the development of new marine supporting products has progressed steadily.

In the field of intelligent control, the Company successfully delivered the first two onshore drilling rig electronic control systems for the Pemex project in Mexico and officially rolled off the production line of a DC/DC hydrogen generator, a core piece of equipment for the hydrogen energy industry. This achievement will drive the Company's in-depth development in the industry. Meanwhile, the Company's first independently developed hybrid power system and shaft generator are expected to be delivered in the second half of the year.

In the field of maritime services, after the global service center was listed in Hong Kong at the beginning of the year, CM International Holdings Limited ("**CM International**") was listed in Hong Kong as the first-level dispatch center of the service center. On the basis of the original branches in the US, Canada, Mexico, Brazil, the UK, Singapore and other countries, two new branches were established in the UAE and the Netherlands. The current layout of service outlets has covered major oil and gas producing countries and major shipping ports.

In the first half of 2025, the sales revenue for the first half of the year amounted to US$62.6 million, representing a year-on-year decrease of 19.3%; and the profit for the period amounted to US$2.8 million, representing a year-on-year decrease of 41.9%.

FINANCIAL REVIEW

	For the six months ended 30 June		Change	
	2025	2024		
	US$'000	*US$'000*	*US$'000*	*%*
	(unaudited)	(unaudited)		
Revenue	**62,630**	77,601	(14,971)	(19.3)
Gross profit	**15,518**	17,538	(2,020)	(11.5)
Gross profit margin	**24.8%**	22.6%		
Profit from operations	**4,813**	5,715	(902)	(15.8)
Net profit attributable to owners of the company	**2,724**	4,786	(2,062)	(43.1)
Profit for the period	**2,781**	4,784	(2,003)	(41.9)
Net profit margin	**4.3%**	6.2%		
Earnings per share (basic and diluted)	**US0.09 cent**	US0.15 cent		

Revenue

The Group's revenue decreased from US$77.6 million in the first half of 2024 to US$62.6 million in the first half of 2025. It was mainly due to the reduction in delivery order volume.

Segment Information by Business Segments

	Unaudited For the six months ended 30 June					
	2025		2024		Change	
	US$'000	***%***	*US$'000*	*%*	*US$'000*	*%*
Equipment manufacturing and packages	**28,548**	**45.6**	38,247	49.3	(9,699)	(25.4)
Supply chain and integration services	**10,341**	**16.5**	14,526	18.7	(4,185)	(28.8)
Assets management and engineering services	**23,741**	**37.9**	24,828	32.0	(1,087)	(4.4)
Total revenue	**62,630**	**100.0**	77,601	100.0	(14,971)	(19.3)

Equipment manufacturing and packages

Revenue recognised in equipment manufacturing and packages projects decreased by 25.4% from US$38.2 million in the first half of 2024 to US$28.5 million in the first half of 2025, which was mainly related to the decrease in completed and delivered projects.

Supply chain and integration services

The decrease in revenue of supply chain and integration services of 28.8% from US$14.5 million in the first half of 2024 to US$10.3 million in the first half of 2025 was mainly due to a year-on-year decrease in completed orders in the Mexico market.

Assets management and engineering services

Assets management and engineering services revenue decreased by 4.4% from US$24.8 million in the first half of 2024 to US$23.7 million in the first half of 2025, which was mainly related to business in managing and leasing of diving support construction vessels.

Gross Profit and Gross Profit Margin

Gross profit decreased by 11.5% from US$17.5 million in the first half of 2024 to US$15.5 million in the first half of 2025. Gross profit margin increased from 22.6% in the first half of 2024 to 24.8% in the first half of 2025. It was mainly because the projects with higher gross profit margin during the period accounted for a larger proportion of the Group's total revenue compared to the same period last year, which resulted in a higher gross profit margin compared to the same period last year.

Other Income, Gains and Losses, Net

Other income, gains and losses, net increased by US$1.2 million from net losses US$0.1 million in the first half of 2024 to net gains US$1.1 million in the first half of 2025, which was mainly due to the decrease in foreign exchange loss.

Selling and Distribution, General and Administrative Expenses

Selling and distribution, general and administrative expenses increased by approximately 1.3% from US$11.6 million in the first half of 2024 to US$11.7 million in the first half of 2025. This increase was mainly due to the increase in the selling activities.

Other Expenses

Other expenses decreased from US$137,000 in the first half of 2024 to US$24,000 in the first half of 2025. It was mainly due to reduction of expenditure.

Finance Costs

Finance costs, being mainly interest on lease liabilities, amounted to approximately US$21,000 in the first half of 2025, representing a decrease of US$52,000 from US$73,000 in the first half of 2024. It was mainly because the finance cost from lease liabilities in the first half of 2025 decreased compared with the same period last year.

Share of Results of Associates

Share of profit of associates amounted to US$0.4 million in the first half of 2024, whereas a loss of US$0.4 million was recorded in the first half of 2025, which was mainly due to operating losses incurred by the associates in the first half of 2025.

Cash Flows of the Group

For the six months ended 30 June 2025, the operating cash flows of the Group was net inflow of US$33.5 million. In accordance with the requirements of HKFRS 16 – "Leases", principal and interest related to finance leases have been included in the cash flows from financing activities. If the above-mentioned capital and interest was consolidated into operating cash flows on a management statement basis, cash generated from operations would be a net inflow of US$10.6 million.

Group's Liquidity and Capital Resources

As at 30 June 2025, the carrying amount of the Group's tangible assets was approximately US$25.7 million (31 December 2024: US$32.4 million), including property, plant and equipment and investment properties.

As at 30 June 2025, the Group's intangible assets was approximately US$1.4 million (31 December 2024: US$1.4 million), interest in associates was approximately US$15.2 million (31 December 2024: US$15.3 million), and deferred tax assets was approximately US$1.7 million (31 December 2024: US$1.6 million).

As at 30 June 2025, the Group's current assets amounted to approximately US$253.5 million (31 December 2024: US$257.1 million). Current assets mainly comprised of inventories of approximately US$41.7 million (31 December 2024: US$37.2 million), trade and other receivables of approximately US$92.1 million (31 December 2024: US$101.8 million), lease receivables (current) of approximately US$29.0 million (31 December 2024: US33.3 million), pledged bank deposits and time deposits of approximately US$0.2 million (31 December 2024: US$0.8 million) and cash and cash equivalents of approximately US$90.6 million (31 December 2024: US$84.1 million).

As at 30 June 2025, current liabilities amounted to approximately US$117.4 million (31 December 2024: US$127.5 million), mainly comprised of trade and other payables of approximately US$40.5 million (31 December 2024: US$50.8 million), tax payable of approximately US$3.1 million (31 December 2024: US$3.2 million), contract liabilities of US$34.1 million (31 December 2024: US$28.2 million) and lease liabilities (current) of approximately US$39.6 million (31 December 2024: US$45.4 million).

As at 30 June 2025, the Group had non-current liabilities of approximately US$0.5 million (31 December 2024: US$3.6 million), representing the non-current portion of lease liabilities. The Group monitors capital with reference to its debt position. The Group's strategy is to maintain a sound gearing ratio, being the Group's total liabilities to total assets. The gearing ratio as at 30 June 2025 was 39.3% (31 December 2024: 42.2%).

Capital Structure

As at 30 June 2025, the Company had 3,243,433,914 shares in issue and carried a share capital of approximately US$41,418,000. There was no issue of shares during the first six months of 2025.

Foreign Currency Exchange Exposures

The Group is exposed to currency risk primarily through sales and purchases that are denominated in a currency other than the functional currency of the operations to which they relate. The Group has foreign exchange exposure resulting from most of the Group's subsidiaries in the PRC carrying out production locally using Renminbi while majority of the Group's revenue was denominated in US$. As at 30 June 2025, no related hedges were made by the Group.

In order to mitigate that foreign exchange exposure, the Company may utilize foreign currency forward contracts to better match the currency of its revenues and associated costs in the future. However, the Company does not use foreign currency forward contracts for trading or speculative purposes. The Group will actively explore ways to hedge or reduce currency exchange risk and implement measures as appropriate in future.

Charge on Group's Assets

As at 30 June 2025, except for the pledged deposits, there was no charge on the other assets of the Group.

Contingent Liabilities

As at 30 June 2025, the Group had no significant contingent liabilities.

Employees and Remuneration Policy

As at 30 June 2025, the Group had a total of 568 full-time staff (31 December 2024: 538) in the United States, the United Kingdom, Brazil, Mexico, Singapore, Hong Kong, China and Mainland China. The remuneration of an employee under the Group's remuneration policy is normally determined based on the salary levels in different regions, employee rank and performance and market conditions. The Group also provides other benefits to all of its employees, including medical schemes, pension contributions scheme and share award incentive scheme, etc.

The Directors' remuneration shall be determined by the Board with the recommendation of the remuneration committee of the Company (the "**Remuneration Committee**") with reference to the prevailing market rate, experience, qualifications, performance and contribution and commitments of the Directors to the Company, and is reviewed from time to time.

STRATEGY AND PROSPECTS

Industry Review

In 2025, the Federal Reserve adopted a cautious approach to interest rate cuts due to unexpected US economic data and the risk of reflation. The federal funds rate is projected to gradually decline to 3.75%-4.0%. The Eurozone, weighed down by weak consumption and industry, maintained its easing pace, with deposit rates potentially falling to 2.0%. The Global Trade Policy Uncertainty Index has reached a record high, and the WTO predicted that global merchandise trade would grow by only 1.6% in 2025, while services trade would maintain a 4.0% growth rate driven by digitalization.

In the first half of 2025, the global oil and gas industry showed a volatile trend due to the interweaving of multiple factors. After a sharp drop in May, international oil prices saw an increase in June. In June, the average prices of WTI, Brent and Oman crude oil futures were US$67.33/barrel, US$69.80/barrel and US$69.12/barrel, respectively, representing a month-to-month increase in US$6.39/barrel, US$5.79/barrel and US$5.24/barrel, respectively; the supply and demand pattern was loose, and the International Energy Agency lowered its forecast for global oil demand growth in 2025 by 20,000 barrels/day to a year-on-year increase of 720,000 barrels/day, with daily demand reaching 103.8 million barrels. China's crude oil imports from January to June reached 279.386 million tonnes, representing a year-on-year increase of 1.4%, but the import value decreased by 2%. OPEC+ has shifted its policy toward market share, with a planned production increase of 548,000 barrels/day in August, far exceeding market expectation of 411,000 barrels/day. Although actual implementation may fall short of plan due to member countries' overproduction compensation, it signals a strategic shift from "production restriction to price stability" to a focus on market share. New energy vehicle penetration has accelerated, with sales in the PRC estimated to reach 6.796 million units in the first half of the year, representing a year-on-year increase of 36.94%, bringing the total number of vehicles on the road to 38.2 million. The proportion of alternative gasoline consumption has increased to 18.18%. Globally, renewable energy installations reached 585 gigawatts, accounting for 92.5% of new power generation capacity, further squeezing demand for traditional oil and gas. In terms of geopolitics, the Iran-Israel conflict has heightened the threat to shipping security in the Strait of Hormuz, but the actual supply has remained largely unaffected. Meanwhile, US tariffs are dampening global economic growth and exacerbating downward pressure on oil prices. The industry, as a whole, faces the dual challenges of short-term price pressure and long-term energy transition.

Since the beginning of 2025, the global new ship orders have fallen 54% year on year, reflecting the slowdown of global shipbuilding demand. The Newbuilding Price Index has fallen 1% year-on-year, highlighting overall pressures in the industry. Container ship orders reached 1.9 million TEUs, and the cruise and ferry markets remained active, but investment in gas carriers and tankers experienced significant slowdown. New ship deliveries remained stable, with Chinese shipyards accounting for 48%, South Korea for 31%, and Japan for 13%. China's share of new ship orders has fallen from 70% in 2024 to 52%. Meanwhile, the global shipping market is entering a critical juncture in its green transition. In the first half of 2025, orders for alternative fuel vessels surged 78% year-on-year in terms of gross tonnage. Despite a 15.6% year-on-year decrease in the number of orders, the total tonnage of 14.6 million DWT reached a record high for the same period. Chinese, South Korean and Japanese shipbuilders accounted for 85% of the orders for alternative fuel vessels. Among which, the three largest shipbuilders of South Korea, namely Hyundai Heavy Industries, Samsung Heavy Industries, Daewoo Shipbuilding & Marine Engineering, received a total of 62 orders, representing 41% of global market share. Although European shipbuilders only took 5% of the orders, they have dominated the core supporting areas such as engines and fuel system. Meanwhile, emerging shipbuilding countries such as Vietnam and India have begun to get involved in the field of alternative fuel ships.

In 2025, the global hydrogen energy industry has entered a period of rapid, large-scale development, driven by a synergy of policies, capital, and technology. The European Union (EU) launched the "IPCEL Hy2Infra" initiative, with 32 companies participating in 33 hydrogen energy projects, covering electrolyzer production, hydrogen pipeline construction, and hydrogen storage facility development. Seven countries provided EUR6.9 billion in public funding, spurring over EUR5.4 billion in private investment. The US Department of Energy updated its Hydrogen Energy Development Plan, setting a target of reducing the cost of clean hydrogen production to US$1/kg by 2030, with a focus on development of high-temperature electrolyzer technology. China has incorporated hydrogen energy into its management mechanism of the Energy Law, clearly defining it as a vital component of the national energy system. In the first half of the year, tenders for alkaline electrolyzers reached 3,752.1MW, surpassing the sum of orders placed in the previous two years. On the technological end, proton exchange membrane (PEM) electrolyzer efficiency has surpassed 75%, solid-state hydrogen storage technology has achieved commercial application, and demonstration projects in transportation sectors such as hydrogen energy heavy-duty trucks and ships have been accelerating. On the market side, Europe is promoting hydrogen substitution in the industrial sector through carbon tariff, leading to a surge in demand in the steel and chemical industries. However, the industry still faces challenges such as infrastructure gaps, inconsistent cross-regional trade standards, and insufficient public awareness of safety. The International Hydrogen Energy Commission predicts that by 2030, global direct investment in the hydrogen energy industry will reach US$320 billion, with the PRC, the EU and the US holding the majority of the market share, and an initial competitive landscape for the industry taking shape.

Strategy, Prospects and Orders

In the first half of 2025, the Company, with green energy terminal products as its core, developed integrated technology-manufacturing-service capabilities through the research and development and industrialization of core technologies such as electrolyzers and electrodes/diaphragms in the hydrogen energy field, technological breakthroughs in high-end equipment and clean fuel system in the marine equipment field, and the transformation of achievement in electronic control system and hydrogen production power supplies in the intelligent control field. Meanwhile, the Company has accelerated global market expansion, using the Hong Kong Global Service Center as a hub, and collaborated with branches in the UAE, the Netherlands and other countries to build a service network covering major oil and gas countries and shipping ports. Ultimately, through the implementation of green energy scenarios and the upgrade of high-end equipment, the Company has promoted the transformation from a traditional manufacturer to a technology-innovative green energy service provider, thereby achieving in-depth industrial development and enhancing global competitiveness.

The Company has established a strategic anchor in the green energy sector and is building a green energy ecosystem through a comprehensive industry chain layout. With "full-chain penetration of hydrogen energy" as its core initiative, the Company has driven the in-depth development of its green energy strategy. CM Energy, through its wholly-owned subsidiary CM Green Energy, has implemented multiple hydrogen energy application scenarios, gradually breaking the supply chain close loop from production to end-use applications and accumulating key industry experience. Huaxia Hydrogen, CM Energy's investing company, has capitalized on an order for 3 large-format electrolyzers (including 1 overseas order), marking not only the first export of hydrogen production equipment but also a substantial step forward in its global production capacity layout, laying the foundation for subsequent market expansion in Europe and the Middle East. Simultaneously, the electrode and diaphragm production lines have entered the pre-production commissioning phase, further strengthening the Company's in-house research and development capabilities for core components and providing support for independent control of the hydrogen energy industry chain. The series of actions has demonstrated the Company's strategic upgrade from "scenario exploration" to "capacity output". Through future technological iteration and market expansion, the Company is expected to become a key contributor to the global green energy ecosystem.

Technology has driven breakthroughs in ship building and offshore supporting equipment, high-end equipment and intelligent control. In the marine equipment and intelligent control sectors, CM Energy has leveraged its dual engines of "high-end development + intelligence" to significantly enhance its product competitiveness. In the marine equipment sector, the Company's wave-compensating marine cranes have achieved significant market orders. The rigid sails developed and produced in collaboration with the UK-based company BAR TECH have gained market recognition, securing orders for 17 ship sets. Products such as the clean fuel supply system have been deployed on the first ship. In the intelligent control sector, the rollout of the DC/DC hydrogen generator and the Company's first hybrid power system and shaft generator projects will provide a technological foundation for the Company's hydrogen energy industry development and drive the transition from "equipment manufacturing" to "intelligently driven" development.

Services empower overseas business, and a global network strengthens collaborative competitiveness. In field of the maritime services, building on existing branches in the US, Canada, Mexico, the UK and Singapore, we have expanded our presence in the UAE and the Netherlands, covering major oil and gas producing countries and shipping ports. The enhanced service network has achieved efficient synergy through "local demand – prompt response – resource allocation", which has not only enhanced customer retention and market coverage, but has also formed a closed-loop of "product + service" ecosystem, providing key support for the Company's transformation from an "equipment supplier" to a "solutions provider". In the future, we are expected to further consolidate our global competitiveness through service premiums and synergy effects.

In terms of scientific and technological innovation, the Company has focused on tackling the core technologies of heave compensation that are urgently needed in the field of marine engineering in order to break through foreign blockades; simultaneously promoted digital innovation, continued to expand the spectrum of marine products, focused on differentiation and intelligence, and increased research and development efforts in liquid cargo system, anchor winches, cranes and other equipment to enhance core competitiveness.

The Company has also adhered to steady development and attached great importance to talent development. In the first half of the year, the Company officially launched a training program for young key personnel to prepare for future development. Furthermore, the Company has strengthened corporate governance and actively put into practice environmental, social and governance ("**ESG**") sustainable development. At the Sustainable Value Hong Kong Summit and Shanghai-Hong Kong-Shenzhen Capital Market Outstanding Case Selection, co-hosted by Cailian Press and Shanghai Leading Investment Consulting Co., Ltd, the Company was awarded the Outstanding Sustainable Development Case Award.

FUTURE PLANS FOR MATERIAL INVESTMENTS, CAPITAL ASSETS AND CAPITAL INTEGRATION

In the first half of 2025, the Company will continue to focus on investment opportunities in high-tech and high-end energy equipment, including hydrogen energy, hydrogen-based fuel and carbon reduction products. The Company will also explore potential project opportunities and relevant investment integration opportunities across the supply chain, building on its existing energy equipment services.

In the field of green energy, based on investment operation in the early stage, the Company has become the relatively largest shareholder of Huaxia Hydrogen. In the first half of the year, the Company continued to optimize the governance capabilities of Huaxia Hydrogen, reorganized the structure of the Board, and continued to conduct in-depth exploration of market orders. Meanwhile, the Company also made strategic preparation by introducing social capital and strategic investors. In terms of the layout of green energy, the Company continued to anchor the development direction of green energy, conducted in-depth research on the development of hydrogen/alcohol/ammonia upstream projects, sought high-quality projects or targets with moderate scale and controllable risks for equity cooperation, and actively connected with the green fuel demand resources of the fleet ships to build a green energy production and sales system.

On the energy equipment side, the Company will continue to focus on the green shipping market under the new IMO rules and make efforts in vessel carbon reduction products. In addition to continuing to invest in product upgrade and iterations of already released products such as rigid sails and clean fuel supply systems, the Company will also continue to track the expansion of other low-carbon marine product portfolios through investment or cooperation.

In terms of overseas market, the Company has established a global service center and, in the first half of the year, established over 35 service stations in 22 countries and regions worldwide, covering major maritime and energy centers, including major shipping ports and major oil and gas producing countries. Over time, the Company will appropriately expand its service network based on the needs of business development. In terms of asset management, the Company will continue to operate and manage two jack-up rigs and one submersible saturation support vessel in an asset-light manner and will explore suitable sales opportunities. Meanwhile, the team will continue to focus on vessel assets that require market revitalization and expand the scale of its managed assets.

When evaluating potential investment or acquisition targets, the Company will consider a variety of factors, including alignment with the Company's medium-to long-term strategic plan, synergy effect, market positioning and strength, as well as capabilities, valuation, track record, financial performance and growth potential of management team. By expanding the Company's business direction and creating new profit models, the Company can inject new business elements and capital attention, improve its financial performance, thereby laying a solid foundation for future performance growth.

SIGNIFICANT INVESTMENT, ACQUISITION AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

The Group did not make any material acquisition or disposal of subsidiaries, associates and joint ventures as well as hold any significant investments during the six months ended 30 June 2025.

INTERIM DIVIDEND

The Board has resolved not to declare an interim dividend for the six months ended 30 June 2025 (six months ended 30 June 2024: Nil).

SHARE AWARD PLANS

2025 Share Award Plan

The Company adopted a share award plan (the "**2015 Share Award Plan**") on 16 January 2015. The Company amended the 2015 Share Award Plan ("**2025 Share Award Plan**") by way of adopting the amended and restated rules of the 2015 Share Award Plan, in order to, among others, extend the term of the 2015 Share Award Plan for a period of 10 years commencing from 14 January 2025 (the "**2025 Plan Amendment Date**") and ending on 13 January 2035.

Purpose

The purpose of the 2025 Share Award Plan is to remunerate, recognise and award the contributions of the 2025 Plan Eligible Persons (as defined below) to the growth and development of the Group through the award of shares of the Company (the "**Shares**").

Participants

The administration committee (which is delegated with the power and authority by the Board to administer the 2025 Share Award Plan) may, in its absolute discretion, make an award to any employee (whether full time or part time but excluding any excluded employee) of the Group who, in the sole opinion of the Board, will contribute or have contributed to any member of the Group (the "**2025 Plan Eligible Persons**"). Excluded employee is any employee who is resident in a place where the award of the Shares and/or the vesting and transfer of awarded shares pursuant to the terms of the 2025 Share Award Plan is not permitted under the laws and regulations of such place or where in the view of the Directors or the trustee (as the case may be) compliance with applicable laws and regulations in such place make it necessary or expedient to exclude such employee.

Scheme Mandate

The total number of Shares that may be purchased and held by the trustee of the 2025 Share Award Plan in order to satisfy the outstanding awards from time to time made under the 2025 Share Award Plan should not exceed 5% of the total issued Shares at the 2025 Plan Adoption Date (i.e. 162,171,695 Shares) (the "**2025 Plan Limit**"). The 2025 Plan Limit represents approximately 5% of the total issued Shares as at the date of this announcement.

Maximum entitlement of each participant

No maximum entitlement of each 2025 Plan Eligible Person is specified under the 2025 Share Award Plan.

Where any grant of awards to a selected person would result in the number of Shares subject to the awards granted under the 2025 Share Award Plan to such person in the 12-month period up to and including the date of such grant representing in aggregate over 1% of the total number of issued Shares as at the 2025 Plan Amendment Date, such grant shall be approved by the Remuneration Committee.

Exercise period

As the 2025 Share Award Plan is a share award plan of the Company instead of a share option scheme, the awards granted under the 2025 Share Award Plan are not subject to any exercise period nor are the 2025 Plan Eligible Persons entitled to any exercise rights.

Vesting period

The awards to be made under the 2025 Share Award Plan shall be subject to such vesting conditions and periods as may be determined by the Company.

Subscription/purchase price

No subscription/purchase price is payable by the 2025 Plan Eligible Persons upon acceptance of awards granted under the 2025 Share Award Plan.

Term

Subject to any early termination as may be determined by the Board and any resolutions by the Directors to renew the terms of the 2025 Share Award Plan, the 2025 Share Award Plan will remain in force for a period commencing on the 2025 Plan Amendment Date and ending on 13 January 2035.

Movement and position

There was no unvested award granted to the 2025 Plan Eligible Persons under the 2025 Share Award Plan as at 1 January 2025. No award was granted under the 2025 Share Award Plan during the six months ended 30 June 2025.

Accordingly, there was (i) no unvested award granted to the 2025 Plan Eligible Persons under the 2025 Share Award Plan as at 30 June 2025; and (ii) no award vested, cancelled or lapsed under the 2025 Share Award Plan during the six months ended 30 June 2025.

Under the 2025 Share Award Plan, the trustee held 8,446,456 Shares as at the date of this announcement, representing approximately 0.26% of the issued share capital of the Company.

2019 Share Award Plan

The Company adopted a share award plan (the "**2019 Share Award Plan**") on 31 October 2019 (the "**2019 Plan Adoption Date**").

Purpose

The purpose of the 2019 Share Award Plan is to recognise and reward the contribution of the 2019 Plan Eligible Persons (as defined below) towards the growth and development of the Group through the award of Shares.

Participants

The administration committee (which is delegated with the power and authority by the Board to administer the 2019 Share Award Plan) may, in its absolute discretion, make an award to any employee (whether full time or part time) of the Group, including directors, senior management and any other connected persons of the Company and any consultant of the Group (the "**2019 Plan Eligible Persons**").

Scheme Mandate

The total number of Shares that may be purchased and held by the trustee of the 2019 Share Award Plan in order to satisfy the outstanding awards from time to time made under the 2019 Share Award Plan should not exceed 3% of the total issued Shares on the 2019 Plan Adoption Date (i.e. 88,389,372 Shares) (the "**2019 Plan Limit**"). The 2019 Plan Limit represents approximately 2.73% of the total issued Shares as at the date of this announcement.

Maximum entitlement of each participant

No maximum entitlement of each 2019 Plan Eligible Person is specified under the 2019 Share Award Plan.

Exercise period

As the 2019 Share Award Plan is a share award plan of the Company instead of a share option scheme, the awards granted under the 2019 Share Award Plan are not subject to any exercise period nor are the 2019 Plan Eligible Persons entitled to any exercise rights.

Vesting period

The awards to be made under the 2019 Share Award Plan shall be subject to such vesting conditions and periods as may be determined by the Company.

Subscription/purchase price

No subscription/purchase price is payable by the 2019 Plan Eligible Persons upon acceptance of awards granted under the 2019 Share Award Plan.

Term

Subject to any early termination pursuant to the terms of the 2019 Share Award Plan, the 2019 Share Award Plan will remain in force for a period of 10 years commencing on the 2019 Plan Adoption Date and ending on 30 October 2029.

Movement and position

There was no unvested award granted to the 2019 Plan Eligible Persons under the 2019 Share Award Plan as at 1 January 2025. No award was granted under the 2019 Share Award Plan for the six months ended 30 June 2025. Accordingly, there was (i) no unvested award granted to the 2019 Plan Eligible Persons under the 2019 Share Award Plan as at 30 June 2025; and (ii) no award vested, cancelled or lapsed under the 2019 Share Award Plan during the six months ended 30 June 2025.

Under the 2019 Share Award Plan, the trustee held 62,052,544 Shares as at the date of this announcement, representing approximately 1.91% of the issued share capital of the Company.

SHARE AWARD INCENTIVE SCHEME

A share award incentive scheme (the "**Share Award Incentive Scheme**") of the Company was adopted by way of ordinary resolution at the annual general meeting of the Company held on 27 May 2016 (the "**Incentive Scheme Adoption Date**").

Purpose

The purposes of the Share Award Incentive Scheme are (i) to align the interests of the Incentive Scheme Eligible Persons (as defined below) with those of the Group through ownership of Shares, dividends and other distributions paid on Shares and/or the increase in value of the Shares; and (ii) to encourage and retain Incentive Scheme Eligible Persons (as defined below) to make contributions to the long-term growth and profits of the Group.

Participants

The persons eligible to participate in the Share Award Incentive Scheme are any individual, being any employee (whether full-time or part-time employee) of any members of the Group or any affiliate (who is not a connected person of the Company), officer, consultant or advisor of any member of the Group or any affiliate (who is not a connected person of the Company) who the Board considers, in its sole discretion, to have contributed or will contribute to the Group (the "**Incentive Scheme Eligible Persons**").

Scheme mandate

The total number of new Shares underlying all grants made pursuant to the Share Award Incentive Scheme shall not exceed 3% of the total number of issued Shares as at the Incentive Scheme Adoption Date (i.e. 21,213,606 Shares) (the "**Incentive Scheme Limit**"). The Incentive Scheme Limit was approved by the shareholders of the Company at the annual general meeting of the Company held on 27 May 2016. The Incentive Scheme Limit represents approximately 0.65% of the total issued Shares as at the date of this announcement.

Maximum entitlement of each participant

No maximum entitlement of each Incentive Scheme Eligible Person is specified under the Share Award Incentive Scheme.

Exercise period

As the Share Award Incentive Scheme is a share award plan of the Company instead of a share option scheme, the awards granted under the Share Award Incentive Scheme are not subject to any exercise period nor are the Incentive Scheme Eligible Persons entitled to any exercise rights.

Vesting period

The Board shall determine from time to time such vesting criteria and conditions or periods for the award to be vested under the Share Award Incentive Scheme.

Subscription/purchase price

No subscription/purchase price is payable by the Incentive Scheme Eligible Persons upon acceptance of awards granted under the Share Award Incentive Scheme.

Term

Subject to any early termination pursuant to the terms of the Share Award Incentive Scheme, the Share Award Incentive Scheme shall be valid and effective for 10 years from the Incentive Scheme Adoption Date and ending on 26 May 2026.

Movement and position

No award was granted made under the Share Award Incentive Scheme since its adoption and hence no Shares may be issued under the Share Award Incentive Scheme during the six months ended 30 June 2025. Accordingly, (i) there was no unvested award granted to the Incentive Scheme Eligible Persons under the Share Award Incentive Scheme as at 1 January 2025; (ii) no award was granted under the Share Award Incentive Scheme for the six months ended 30 June 2025; and (iii) there was (a) no unvested award granted to the Incentive Scheme Eligible Persons under the Share Award Incentive Scheme as at 30 June 2025; and (b) no award vested, cancelled or lapsed under the Share Award Incentive Scheme during the six months ended 30 June 2025.

21,213,606 awards and 21,213,606 awards were available for grant under the Incentive Scheme Limit as at 1 January 2025 and 30 June 2025, respectively.

Amendments to the Listing Rules relating to share scheme of listed issuers became effective on 1 January 2023. As provided under the transitional arrangements, the Company can continue to make grants to participants eligible under the amended Chapter 17 of the Listing Rules under existing schemes until refreshment or expiry of the existing scheme mandates.

As no option or share award was granted under all share schemes of the Company during the six months ended 30 June 2025, no Shares may be issued in respect thereof.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 30 June 2025, the interests and short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "**SFO**")), as recorded in the register required to be kept by the Company pursuant to the required standard of dealings by the Directors as referred to in Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") contained in Appendix C3 to the Listing Rules, were as follows:

Long Positions in Ordinary Shares and Underlying Shares of the Company:

	Number of issued ordinary Shares of HK$0.10 each in the Company					Approximate percentage of the Company's issued share capital *(Note 1)*
Name of Directors	**Personal interests**	**Family interests**	**Corporate interests**	**Other interests**	**Total**	
Mr. Zhan Huafeng	500,000	–	–	–	500,000	0.01%
Mr. Zhang Menggui, Morgan	65,979,100	–	–	–	65,979,100	2.03%

Notes:

1. The percentage is calculated on the basis of 3,243,433,914 Shares in issue as at 30 June 2025.

Save as disclosed above, as at 30 June 2025, none of the Directors or chief executives of the Company had registered any interest or short position in the shares, underlying shares or debentures of the Company or any of its associated corporations that was required to be recorded pursuant to the required standard of dealings by the Directors as referred to in Section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 30 June 2025, the following persons (other than the Directors and chief executives of the Company) had interests or short positions in the Shares or underlying Shares of the Company which are required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO and has been recorded in the register of interests required to be kept by the Company pursuant to section 336 of the SFO:

Long Positions in Ordinary Shares and Underlying Shares of the Company:

Name of Shareholders	Capacity and nature of interest	Number of Shares	Approximate percentage of the shareholding *(Note 4)*
China Merchants Group Limited *(Note 1)* ("**CM Group**")	Corporate	3,152,089,000	97.18
China Merchants Steam Navigation Company Limited *(Note 1)* ("**CM Steam Navigation**")	Corporate	1,530,372,000	47.18
China Merchants Industry Holdings Co., Ltd *(Note 1)* ("**CM Industry**")	Corporate	1,530,372,000	47.18
China Merchants Heavy Industry Holdings Limited *(Note 1)* ("**CM Heavy Industry**")	Corporate	1,530,372,000	47.18
Prime Force Investment Corporation *(Note 1)* ("**Prime Force**")	Beneficial Owner	1,530,372,000	47.18
Fok Hei Yu *(Note 3)*	Corporate	284,751,000	8.78
Aaron Luke Gardner *(Note 3)*	Corporate	284,751,000	8.78
Minyun Limited (in liquidation) *(Note 3)*	Beneficial Owner	284,751,000	8.78
China International Marine Containers (Group) Co., Ltd. *(Note 2)* ("**CIMC Group**")	Corporate	185,600,000	5.72
China International Marine Containers (Hong Kong) Ltd. *(Note 2)* ("**CIMC HK**")	Beneficial Owner	185,600,000	5.72

Notes:

1. Prime Force is a company incorporated in the British Virgin Islands and is wholly-owned by CM Heavy Industry and CM Heavy Industry is therefore deemed to be interested in the 1,530,372,000 Shares that Prime Force is interested in under Part XV of the SFO.

   CM Industry holds 100% of the equity interest in CM Heavy Industry, and is a wholly-owned subsidiary of CM Steam Navigation which is a wholly-owned subsidiary of CM Group. CM Industry, CM Steam Navigation and CM Group are respectively deemed to be interested in the 1,530,372,000 Shares that CM Heavy Industry is interested in under Part XV of the SFO.

   The Company has conditionally agreed to issue and allot, and China Merchants Innovation and Technology (Hong Kong) Co., Limited ("**CM Innovation (HK)**") has conditionally agreed to subscribe for, 1,621,717,000 Shares pursuant to a conditional subscription agreement dated 30 December 2024. CM Innovation (HK) is wholly-owned by Sinotrans Shipping (Holdings) Limited, which is in turn wholly-owned by China Economic and Trade Shipping Co., Ltd.* (中國經貿船務有限公司) ("**China Econ**"). China Econ is wholly-owned by China Merchants Investment Development Company Limited* (招商局投資發展有限公司), which is in turn wholly-owned by China Merchants Innovation Technology (Group) Co., Ltd.* (招商局創新科技(集團)有限公司) ("**CM Innovation Group**"). CM Innovation Group is a 100% owned subsidiary of CM Group. Therefore, CM Group is deemed to be interested in the 1,621,717,000 Shares in which CM Innovation (HK) is interested under Part XV of the SFO.

2. CIMC Group holds the entire issued share capital of CIMC HK. Therefore, CIMC Group is deemed to be interested in the 185,600,000 Shares held by CIMC HK under Part XV of the SFO.

3. On 2 December 2024, Minyun Limited (in liquidation) was placed into liquidation pursuant to an Order of the Eastern Caribbean Supreme Court in the High Court of Justice in the British Virgin Islands. Mr. Aaron Gardner and Mr. Fok Hei Yu were appointed as Joint and Several Liquidators of Minyun Limited (in liquidation) on the same day and hence were deemed to be interested in the 284,751,000 Shares in which Minyun Limited (in liquidation) was interested under Part XV of the SFO.

4. The percentage is calculated on the basis of 3,243,433,914 Shares in issue as at 30 June 2025.

Save as disclosed above and so far as the Directors are aware, as at 30 June 2025, no person (other than the Directors or chief executives of the Company) had an interest or a short position in Shares or underlying Shares of the Company as recorded in the register of interests required to be kept by the Company pursuant to section 336 of the SFO.

* *For identification purpose only*

COMPETITION AND CONFLICT OF INTERESTS

None of the Directors, the management shareholders or substantial shareholders of the Company or any of their respective associates (as defined under the Listing Rules) has engaged in any business that competes or may compete, either directly or indirectly, with the business of the Group, or has any other conflict of interests with the Group during the six months period ended 30 June 2025.

AUDIT COMMITTEE

The Company established an audit committee (the "**Audit Committee**") on 20 October 2005 with terms of reference in compliance with Rule 3.21 of the Listing Rules. The primary duties of the Audit Committee are to review and supervise the financial reporting process and internal controls of the Group.

The Audit Committee comprises three members, namely Mr. Xue Jianzhong (being the chairman of the Audit Committee), Mr. Zou Zhendong and Ms. Zhang Zhen. All of them are independent non-executive Directors. The Audit Committee has reviewed the unaudited financial results of the Group for the six months ended 30 June 2025 and is of the opinion that the preparation of such results complied with the applicable accounting standards and requirements and that adequate disclosures have been made. The Audit Committee has no disagreement with the accounting treatment adopted by the Group.

DIRECTORS' MATERIAL INTERESTS IN TRANSACTIONS, ARRANGEMENTS AND CONTRACTS

No transactions, arrangements and contracts of significance in relation to the Group's business to which the Company or any of its subsidiaries, fellow subsidiaries or its parent companies was a party or were parties and in which a Director or his/her connected entities had a material interest, whether directly or indirectly, subsisted during or at the end of the six months ended 30 June 2025.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted a code of conduct regarding Directors' securities transactions on terms no less exacting than the required standards of dealings as set out in the Model Code as set forth in Appendix C3 to the Listing Rules. Having made specific enquiry of all Directors, the Directors have complied with such code of conduct and the required standards of dealings as set out in the Model Code during the six months ended 30 June 2025.

COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE

The Company is committed to maintaining a high standard of corporate governance practices to ensure transparency so that the interests of the shareholders and the cooperative development among customers, employees and the Group can be safeguarded. The Company has adopted the Corporate Governance Code as set out in Appendix C1 to the Listing Rules (the "**CG Code**").

During the six months ended 30 June 2025, the Company has complied with all the applicable code provisions of the CG Code, except for a deviation from former code provision F.2.2 (renumbered as code provision F.1.3 with effect from 1 July 2025) as set out in the CG Code.

In respect of former code provision F.2.2 under the CG Code, Mr. Mei Xianzhi, the then Chairman of the Board, did not attend the annual general meeting of the Company held on 16 May 2025 ("**2025 AGM**") due to his other business commitments. In order to ensure effective communication with the shareholders, the chairman and/or members of each of the Audit Committee, the Remuneration Committee and the Nomination Committee of the Company, and other Board members and the external auditor attended the 2025 AGM to answer the shareholders' questions.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

For the six months ended 30 June 2025, neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities.

On 30 December 2024, the Company and China Merchants Innovation and Technology (Hong Kong) Co., Limited (the "**Subscriber**", a wholly owned subsidiary of China Merchants Group Limited* (招商局集團有限公司), a substantial shareholder of the Company) entered into a subscription agreement, pursuant to which the Company has conditionally agreed to issue and allot, and the Subscriber has conditionally agreed to subscribe for, 1,621,717,000 Shares at the price of HK$0.20 per Share for a total consideration of HK$324,343,400 in cash (the "**Share Subscription**"). The ordinary resolutions approving the Share Subscription and the specific mandate were passed at the extraordinary general meeting of the Company held on 28 February 2025, and the Whitewash Waiver was also granted by the Executive on 25 February 2025. Completion of the Share Subscription has not taken place as at the date of this announcement.

EVENTS AFTER THE REPORTING PERIOD

As of the date of this announcement, there has been no material subsequent events after 30 June 2025.

ACKNOWLEDGEMENT

The Directors would like to take this opportunity to express sincere thanks to all the shareholders for their continuous support and to all staff for their dedication and contribution to the Group during the six months ended 30 June 2025.

By Order of the Board
CM Energy Tech Co., Ltd.
Mei Zhonghua
Chairman

Hong Kong, 28 August 2025

As of the date of this announcement, the Board comprises one (1) executive Director, namely Mr. Zhan Huafeng; five (5) non-executive Directors, namely Mr. Mei Zhonghua, Mr. Liu Jiancheng, Mr. Tam Wing Tim, Mr. Zhang Xizheng and Mr. Zhang Menggui, Morgan; and three (3) independent non-executive Directors, namely Mr. Zou Zhendong, Ms. Zhang Zhen and Mr. Xue Jianzhong.

* *For identification purpose only*