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## **China Nature Energy Technology Holdings Limited**

## **中國納泉能源科技控股有限公司**

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

**(Stock Code: 1597)**

### **ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2025**

The board of directors (the “**Board**”) of China Nature Energy Technology Holdings Limited (the “**Company**”) is pleased to announce the consolidated annual results of the Company and its subsidiaries (collectively the “**Group**”) for the year ended 31 December 2025 as follows:

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31 December 2025

	Note	2025 RMB'000	2024 RMB'000
<b>Revenue</b>	3	<b>139,129</b>	148,280
Cost of sales		<u>(141,946)</u>	<u>(157,248)</u>
<b>Gross loss</b>		<b>(2,817)</b>	(8,968)
Other income	4(a)	<b>2,327</b>	1,642
Other net (loss)/gain	4(b)	<b>(144)</b>	2,122
Selling and distribution expenses		<b>(8,687)</b>	(8,486)
Administrative and other operating expenses		<b>(20,220)</b>	(21,802)
Impairment losses on trade receivables, contract assets and loans to third parties	5(c)	<u><b>(12,726)</b></u>	<u>(3,388)</u>
<b>Loss from operations</b>		<b>(42,267)</b>	(38,880)
Net finance costs	5(a)	<u><b>(1,708)</b></u>	<u>(3,200)</u>
<b>Loss before taxation</b>	5	<b>(43,975)</b>	(42,080)
Income tax	6	<u><b>(802)</b></u>	<u>2,652</u>
<b>Loss for the year</b>		<u><b>(44,777)</b></u>	<u>(39,428)</u>
<b>Attributable to:</b>			
Equity shareholders of the Company		<b>(41,246)</b>	(34,733)
Non-controlling interests		<u><b>(3,531)</b></u>	<u>(4,695)</u>
<b>Loss for the year</b>		<u><b>(44,777)</b></u>	<u>(39,428)</u>
<b>Loss per share</b>			
Basic and diluted (RMB)	7	<u><b>(0.165)</b></u>	<u>(0.139)</u>

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

*For the year ended 31 December 2025*

	<b>2025</b> <i>RMB'000</i>	2024 <i>RMB'000</i>
<b>Loss for the year</b>	<u>(44,777)</u>	<u>(39,428)</u>
<b>Other comprehensive income for the year (after nil tax)</b>		
<i>Item that will not be reclassified to profit or loss:</i>		
Exchange differences on translation from functional currency to presentation currency	(638)	1,237
<i>Item that may be reclassified subsequently to profit or loss:</i>		
Exchange differences on translation of financial statements of overseas subsidiaries	<u>831</u>	<u>(1,159)</u>
<b>Other comprehensive income for the year</b>	<u>193</u>	<u>78</u>
<b>Total comprehensive income for the year</b>	<u><u>(44,584)</u></u>	<u><u>(39,350)</u></u>
<b>Attributable to:</b>		
Equity shareholders of the Company	(41,053)	(34,655)
Non-controlling interests	<u>(3,531)</u>	<u>(4,695)</u>
<b>Total comprehensive income for the year</b>	<u><u>(44,584)</u></u>	<u><u>(39,350)</u></u>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2025

	<i>Note</i>	<b>2025</b> <b>RMB'000</b>	2024 <i>RMB'000</i>
<b>Non-current assets</b>			
Property, plant and equipment		<b>96,466</b>	111,749
Contract assets		<b>20,455</b>	17,102
Other receivables	9	—	416
Deferred tax assets		<b>5,180</b>	4,480
		<u><b>122,101</b></u>	<u>133,747</u>
<b>Current assets</b>			
Inventories		<b>18,426</b>	15,446
Contract assets		<b>25,370</b>	47,955
Trade and other receivables	9	<b>179,628</b>	136,706
Loans to third parties		<b>4,441</b>	4,913
Pledged and restricted deposits		<b>12,855</b>	8,567
Cash and cash equivalents		<b>15,779</b>	51,005
		<u><b>256,499</b></u>	<u>264,592</u>
<b>Current liabilities</b>			
Trade and other payables	10	<b>108,358</b>	97,886
Contract liabilities		<b>715</b>	148
Bank loans and other borrowings		<b>83,650</b>	67,053
Lease liabilities		<b>3,634</b>	3,150
Current taxation		<b>762</b>	297
		<u><b>197,119</b></u>	<u>168,534</u>
<b>Net current assets</b>		<u><b>59,380</b></u>	<u>96,058</u>
<b>Total assets less current liabilities</b>		<u><b>181,481</b></u>	<u>229,805</u>

	<i>Note</i>	<b>2025</b> <b><i>RMB'000</i></b>	2024 <i>RMB'000</i>
<b>Non-current liabilities</b>			
Trade and other payables	10	<b>494</b>	577
Lease liabilities		<u><b>3,367</b></u>	<u>7,024</u>
		<u><b>3,861</b></u>	<u>7,601</u>
<b>Net assets</b>		<u><b>177,620</b></u>	<u>222,204</u>
<b>Capital and reserves</b>			
Share capital	11	<b>2,168</b>	2,168
Reserves		<u><b>175,452</b></u>	<u>221,069</u>
<b>Total equity attributable to equity shareholders of the Company</b>		<b>177,620</b>	223,237
<b>Non-controlling interests</b>		<u>—</u>	<u>(1,033)</u>
<b>Total equity</b>		<u><b>177,620</b></u>	<u>222,204</u>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

*(Expressed in Renminbi unless otherwise indicated)*

### 1. GENERAL INFORMATION

China Nature Energy Technology Holdings Limited (the “**Company**”) was incorporated in the Cayman Islands on 28 November 2019 as an exempted company with limited liability under the Companies Law of the Cayman Islands. The Company’s shares were listed on the Main Board of the Stock Exchange of Hong Kong Limited on 20 October 2020. The Company and its subsidiaries (together referred to as the “**Group**”) are principally engaged in the research and development, integration, manufacture and sales of pitch control systems and related components, wind power generation, wind farm operation and maintenance business and energy storage business in the People’s Republic of China (the “**PRC**”).

The functional currency of the Company is Hong Kong dollar (“**HKS**”). The consolidated financial statements are presented in Renminbi (“**RMB**”), which is the presentation currency.

The consolidated financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (“**IASB**”). In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange and by the Hong Kong Companies Ordinance.

The measurement basis used in the preparation of the consolidated financial statements is the historical cost basis except certain bill receivables are stated at their fair value.

### 2. CHANGES IN ACCOUNTING POLICIES

The Group has applied amendments to IAS 21, The effects of changes in foreign exchange rates — Lack of exchangeability issued by the IASB to these consolidated financial statements for the current accounting period. The amendments do not have a material impact on these consolidated financial statements as the Group has not entered into any foreign currency transactions in which the foreign currency is not exchangeable into another currency.

The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

### 3. REVENUE AND SEGMENT REPORTING

#### (a) Revenue

The principal activities of the Group are the research and development, integration, manufacture and sales of pitch control systems and related components, sales of wind power, wind farm operation and maintenance business and energy storage business. Further details regarding the Group’s principal activities are disclosed in Note 3(b).

(i) **Disaggregation of revenue**

Disaggregation of revenue by business lines is as follows:

	<b>2025</b>	2024
	<b>RMB'000</b>	RMB'000
<b>Revenue from contracts with customers within the scope of IFRS 15</b>		
— Sales of pitch control systems and related components	<b>106,566</b>	53,669
— Sales of wind power	<b>18,439</b>	15,568
— Wind farm operation and maintenance business	<b>3,694</b>	10,357
— Energy storage business	<b>10,430</b>	68,686
	<b>139,129</b>	148,280

The Group's revenue from contracts with customers were recognised on a point in time basis. Disaggregation of revenue from contracts with customers by geographic markets is disclosed in note 3(b)(iii).

Revenue from customers contributing over 10% of the total revenue of the Group are as follows:

	<b>2025</b>	2024
	<b>RMB'000</b>	RMB'000
Customer A from the sales of pitch control systems and related components segment	<b>86,329</b>	24,987
Customer B from the sales of wind power segment	<b>18,439</b>	15,568
Customer C from the sales of pitch control systems and related components segment	N/A*	18,285
Customer D from the energy storage business segment	N/A*	39,540

\* The corresponding revenue did not contribute over 10% of the total revenue of the Group.

(ii) **Revenue expected to be recognised in the future arising from contracts with customers in existence at the reporting date**

As at 31 December 2025, the Group has applied the practical expedient in paragraph 121(a) of IFRS 15 to its sales contracts for not disclosing the information in respect of revenue that the Group will be entitled to when it satisfies the remaining performance obligations under the sales contracts that had an expected duration of one year or less.

**(b) Segment reporting**

The Group manages its businesses by division, which is organised by business lines (sales of pitch control systems and related components, sales of wind power, wind farm operation and maintenance business and energy storage business). 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 four reportable segments. No individually mentioned operating segments have been aggregated to form the following reportable segments.

- Sales of pitch control systems and related components: it engages in the research and development, integration, manufacture and sales of the pitch control systems and related components in wind turbines manufacture;
- Sales of wind power: it engages in the sales of wind power electricity generated from wind farms;
- Wind farm operation and maintenance business: it provides wind farm operation and maintenance, upgrade and modification services and engages in the sales of wind farm consumables; and
- Energy storage business: it engages in research and development, integration, manufacture and sales of energy storage products and provision of related services.

**(i) Segment results, assets and liabilities**

For the purpose 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 trade and other receivables, inventories, contract assets and property, plant and equipment, with the exception of deferred tax assets, loans to third parties, cash and cash equivalents and pledged and restricted deposits.

Segment liabilities include trade and other payables, contract liabilities and lease liabilities attributable to the operating activities of the individual segments and bank loans and other borrowings managed directly by those segments.

Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and expenses incurred by those segments.

The measure used for reporting segment profit/(loss) is gross profit/(loss).

Information regarding the Group's reportable segments as provided to the Group's most senior executive management for the purposes of resources allocation and assessment of segment performance for the years ended 31 December 2025 and 2024 is set out below:

	Sales of pitch control systems and related components <i>RMB'000</i>	Sales of wind power <i>RMB'000</i>	2025 Wind farm operation and maintenance business <i>RMB'000</i>	Energy storage business <i>RMB'000</i>	Total <i>RMB'000</i>
Reportable segment revenue	<u>106,566</u>	<u>18,439</u>	<u>3,694</u>	<u>10,430</u>	<u>139,129</u>
Reportable segment profit/(loss)	<u>869</u>	<u>7,372</u>	<u>1,072</u>	<u>(12,130)</u>	<u>(2,817)</u>
Reportable segment assets	<u>103,927</u>	<u>154,705</u>	<u>4,324</u>	<u>77,389</u>	<u>340,345</u>
Reportable segment liabilities	<u>(98,113)</u>	<u>(14,331)</u>	<u>(29,008)</u>	<u>(36,450)</u>	<u>(177,902)</u>
			2024		
	Sales of pitch control systems and related components <i>RMB'000</i>	Sales of wind power <i>RMB'000</i>	Wind farm operation and maintenance business <i>RMB'000</i>	Energy storage business <i>RMB'000</i>	Total <i>RMB'000</i>
Reportable segment revenue	<u>53,669</u>	<u>15,568</u>	<u>10,357</u>	<u>68,686</u>	<u>148,280</u>
Reportable segment (loss)/profit	<u>(9,423)</u>	<u>6,496</u>	<u>2,466</u>	<u>(8,507)</u>	<u>(8,968)</u>
Reportable segment assets	<u>68,270</u>	<u>141,770</u>	<u>3,906</u>	<u>115,428</u>	<u>329,374</u>
Reportable segment liabilities	<u>(71,006)</u>	<u>(8,973)</u>	<u>(27,872)</u>	<u>(54,226)</u>	<u>(162,077)</u>

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

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
<b>Revenue</b>		
Reportable segment revenue	<u>139,129</u>	<u>148,280</u>
<b>Profit or loss</b>		
Reportable segment loss	(2,817)	(8,968)
Other income	2,327	1,642
Other net (loss)/gain	(144)	2,122
Selling and distribution expenses	(8,687)	(8,486)
Administrative and other operating expenses	(20,220)	(21,802)
Impairment losses on trade receivables, contract assets and loans to third parties	(12,726)	(3,388)
Net finance costs	<u>(1,708)</u>	<u>(3,200)</u>
Consolidated loss before taxation	<u>(43,975)</u>	<u>(42,080)</u>
<b>Assets</b>		
Reportable segment assets	340,345	329,374
Deferred tax assets	5,180	4,480
Loans to third parties	4,441	4,913
Pledged and restricted deposits	12,855	8,567
Cash and cash equivalents	<u>15,779</u>	<u>51,005</u>
Consolidated total assets	<u>378,600</u>	<u>398,339</u>
<b>Liabilities</b>		
Reportable segment liabilities	(177,902)	(162,077)
Unallocated bank loans and other borrowings	(8,850)	—
Unallocated other payables	(13,466)	(13,761)
Current taxation	<u>(762)</u>	<u>(297)</u>
Consolidated total liabilities	<u>(200,980)</u>	<u>(176,135)</u>

**(iii) Geographic information**

The Group operates within one geographical location because all of its revenue was generated in the PRC and substantially all of its non-current assets and capital expenditure were located/incurred in the PRC. Accordingly, no geographical information is presented.

**4. OTHER INCOME AND OTHER NET (LOSS)/GAIN**

**(a) Other income**

	<b>2025</b>	2024
	<b><i>RMB'000</i></b>	<i>RMB'000</i>
VAT refund and deduction ( <i>Note i</i> )	<b>1,432</b>	1,314
Government subsidies ( <i>Note ii</i> )	<b>548</b>	113
Others	<b>347</b>	215
	<b><u>2,327</u></b>	<u>1,642</u>

*Notes:*

- (i) Pursuant to Taxation Policy for Encouraging the Development of Software and Integrated Circuits Industry (Guofa [2011] No.4), enterprises engaged in the sales of self-developed software in the PRC are entitled to a VAT refund to the extent that the effective VAT rate of the sales of the software products in the PRC exceeds 3% of the sales amounts. During the years ended 31 December 2025 and 2024, the Group received such VAT refund of RMB499,000 and RMB362,000 respectively.

Pursuant to the VAT Policy on Wind Power Generation (Caishui [2015] No.74), enterprises selling self-generated wind power are entitled to a 50% refund of VAT. During the years ended 31 December 2025 and 2024, the Group received such VAT refund of RMB933,000 and RMB777,000 respectively.

Pursuant to the Announcement on the Weighted VAT Deduction Policy for Advanced Manufacturing Enterprises, advanced manufacturing enterprises are allowed to deduct weighted 5% of the input VAT against the output VAT. During the years ended 31 December 2025 and 2024, such VAT deduction amounted to RMBnil and RMB175,000 respectively.

- (ii) Government subsidies represented immediate financial support granted by the local governments. There were no specific conditions attached to the subsidies and the amounts were recognised in profit or loss upon the receipt of relevant subsidies.

**(b) Other net (loss)/gain**

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Net exchange gain/(loss)	9	(72)
Gain on disposal of interests in joint ventures	—	2,285
Others	<u>(153)</u>	<u>(91)</u>
	<u><u>(144)</u></u>	<u><u>2,122</u></u>

**5. LOSS BEFORE TAXATION**

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

**(a) Net finance costs**

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Interest expenses on bank loans	938	1,047
Interest expenses on loans due to third parties	899	1,665
Interest expenses on loans due to related parties	334	883
Interest expenses on lease liabilities	<u>319</u>	<u>566</u>
	2,490	4,161
Interest income on financial assets measured at amortised cost	<u>(782)</u>	<u>(961)</u>
Net finance costs	<u><u>1,708</u></u>	<u><u>3,200</u></u>

**(b) Staff costs**

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Salaries, wages and other benefits	24,159	31,770
Contributions to defined contribution retirement plans	<u>2,007</u>	<u>2,488</u>
	<u><u>26,166</u></u>	<u><u>34,258</u></u>

Employees of the Group's PRC subsidiaries are required to participate in a defined contribution retirement plan administered and operated by the local municipal government. The Group's PRC subsidiaries contribute funds which are calculated on certain percentages of the average employee salary as agreed by the local municipal government to the plan to fund the retirement benefits of the employees.

The Group's contributions to the defined contribution retirement plan are expensed as incurred and not reduced by contributions forfeited by those employees who leave the plan prior to vesting fully in the contributions. The Group has no other material obligation for the payment of retirement benefits associated with the scheme beyond the annual contributions described above.

(c) **Other items**

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Cost of inventories recognised as expenses ( <i>Note</i> )	132,519	141,834
Depreciation charges		
— owned property, plant and equipment	13,621	13,203
— right-of-use assets	3,721	5,876
Impairment losses recognised/(reversed) on		
— trade receivables and contract assets	12,559	(20)
— loans to third parties	167	3,408
(Reversal of)/provision for write-down of inventories	(878)	947
Research and development costs included in		
— cost of sales	9,427	15,214
— administrative and other operating expenses	1,956	2,168
Auditors' remuneration		
— audit services	800	1,090
— non-audit services	267	300
	<u>132,519</u>	<u>141,834</u>

*Note:*

Cost of inventories recognised as expenses included staff costs, depreciation charges of property, plant and equipment and (reversal of)/provision for write-down of inventories which are also included in the respective total amounts disclosed separately above or in Note 5(b) for each of these types of expenses.

**6. INCOME TAX IN THE CONSOLIDATED STATEMENT OF PROFIT OR LOSS**

Taxation in the consolidated statements of profit or loss represents:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
<b>Current tax — PRC Corporate Income Tax</b>		
Provision for the year	1,502	741
Over-provision in respect of prior years	—	(36)
<b>Deferred tax</b>		
Origination and reversal of temporary differences	<u>(700)</u>	<u>(3,357)</u>
	<u>802</u>	<u>(2,652)</u>

Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands, the Group is not subject to any income tax in the Cayman Islands and the British Virgin Islands.

Pursuant to the Law of the PRC on Enterprise Income Tax (the “EIT Law”) and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% for both years, except for certain subsidiaries which are entitled to preferential tax rates, as determined in accordance with the relevant tax rules and regulations in the PRC.

## 7. LOSS PER SHARE

### (a) Basic loss per share

The calculation of basic loss per share is based on the loss attributable to ordinary equity shareholders of the Company of RMB41,246,000 (2024: RMB34,733,000) and the weighted average of 250,000,000 (2024: 250,000,000) ordinary shares in issue during the year.

### (b) Diluted loss per share

For the years ended 31 December 2025 and 2024, diluted loss per share are the same as the basic loss per share as there were no potentially dilutive ordinary shares in issue.

## 8. DIVIDENDS

No dividend was paid or declared by the Company for the years ended 31 December 2025 and 2024.

## 9. TRADE AND OTHER RECEIVABLES

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
<b>Current</b>		
Trade and bills receivable, net of loss allowance	168,291	128,193
Prepayments	1,539	645
Other receivables	9,798	7,868
	<u>179,628</u>	<u>136,706</u>
Total	179,628	136,706
<b>Non-current</b>		
Other receivables	—	416
	<u>—</u>	<u>416</u>
	<u>179,628</u>	<u>137,122</u>

Except for the non-current other receivables as at 31 December 2024, all of trade and other receivables balances are expected to be recovered or recognised as an expense within one year.

**Trade and bills receivable**

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Measured at amortised cost		
— Trade receivables	161,114	115,131
— Bills receivable	3,077	5,694
Less: loss allowance	<u>(8,476)</u>	<u>(1,993)</u>
	155,715	118,832
Measured at fair value through other comprehensive income (FVOCI)		
— Bills receivable ( <i>Note</i> )	<u>12,576</u>	<u>9,361</u>
	<u>168,291</u>	<u>128,193</u>

*Note:*

Certain amounts of the Group's bills receivable measured at FVOCI were held for collection of contractual cash flows and for selling the financial asset, where cash flows of the bills receivable represented solely payments of principal and interest.

The bills accepted by banks with high credit quality were derecognised when they were endorsed or discounted. In the opinion of the directors of the Company, the Group did not retain substantially all the risks and rewards of ownership of these bills, because the credit risk of the acceptance banks was very low and the Group had transferred out all interest risk of the bills upon endorsement or discount. As the transferees had the practical ability to further endorse or discount the bills, control of these bills were transferred upon endorsement or discount and thus they were derecognised. As at 31 December 2025, bills endorsed or discounted and derecognised, but that had not reached maturity amounted to RMB5,718,000 (2024: RMB5,880,000). This represents the Group's maximum exposure to loss should the acceptance banks fail to settle the bills on their maturity date. However, non-settlement by those acceptance banks was considered unlikely.

As of the end of the reporting period, the aging analysis of trade and bills receivable, based on the revenue recognition date and net of loss allowance, is as follows:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Within 1 year	98,326	69,200
Over 1 year but within 2 years	10,972	12,051
Over 2 years but within 3 years	12,051	12,376
Over 3 years	<u>46,942</u>	<u>34,566</u>
	<u>168,291</u>	<u>128,193</u>

Generally, the Group's trade receivables are due within 30 to 180 days from the date of billing, except for the receivable of revenue from tariff premium, representing 63% (2024: 60%) of total sales at wind power for the year ended 31 December 2025. The collection of such tariff premium is subject to the allocation of funds by relevant government authorities to local grid company, which takes a relatively long time for settlement. As at 31 December 2025, the tariff premium receivables included in trade and other receivables amounted to RMB81,229,000 (2024: RMB69,547,000).

Pursuant to Caijian [2020] No.5 Notice on the Measures for Administration of Subsidy Funds for Tariff Premium of Renewable Energy (可再生能源電價附加補助資金管理暫行辦法) jointly issued by the Ministry of Finance, the National Development and Reform Commission and the National Energy Administration in January 2020, a set of standardised procedures for the settlement of the tariff premium came into effect from 2020 and approvals on a project by project basis are required before the allocation of funds to local grid companies. The directors of the Company are of the opinion that the tariff premium receivables are fully recoverable considering that there are no loss experiences with the state owned grid company in the past and the tariff premium is funded by the PRC government.

In March 2025, Naquan Granary (Duolun) New Energy Co., Ltd. (“**Naquan Granary**”) (formerly known as “**Datang Gucang Duolun New Energy Co., Ltd.**”) (an indirect wholly-owned subsidiary of the Company) changed its company name. In accordance with the relevant rules and regulations, Naquan Granary was required to complete certain registration procedures within the State Grid system to update its latest company information. These registration procedures were still in progress up to the date of these consolidated financial statements. Consequently, the settlement of Naquan Granary's trade receivables arising from sales of wind power due from the local grid company has been suspended. As at 31 December 2025, these trade receivables amounted to approximately RMB8,020,000 (2024: nil).

The directors of the Company are of the opinion that these trade receivables are fully recoverable upon the completion of the above-mentioned registration procedures considering that there are no loss experience with the state owned grid Company in the past.

As at 31 December 2025 and 31 December 2024, no bills receivable were pledged as security for issuance of bills payable.

## 10. TRADE AND OTHER PAYABLES

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
<b>Current</b>		
Trade payables	58,661	55,392
Bills payable	12,755	7,208
Other payables ( <i>Note</i> )	36,942	35,286
	<u>108,358</u>	<u>97,886</u>
<b>Non-current</b>		
Trade payables	494	577
	<u>108,852</u>	<u>98,463</u>

*Note:*

The amount includes interest payable for other borrowings of approximately RMB31,939,000 (2024: RMB31,007,000).

As of the end of the reporting period, the aging analysis of trade payables based on the invoice date, is as follows:

	<b>2025</b>	2024
	<b><i>RMB'000</i></b>	<i>RMB'000</i>
Within 3 months	<b>32,782</b>	22,635
3 to 6 months	<b>2,153</b>	3,384
6 to 12 months	<b>389</b>	3,906
Over 12 months	<b>23,337</b>	25,467
	<b><u>58,661</u></b>	<u>55,392</u>

Except for non-current portion which is retention payables to certain suppliers, all of trade and other payables are expected to be settled within one year or are repayable on demand.

## 11. SHARE CAPITAL

	<b>2025</b>		2024	
	<i>No. of shares</i>	<i>RMB'000</i>	<i>No. of shares</i>	<i>RMB'000</i>
<b>Ordinary shares, issued and fully paid:</b>				
At 1 January and 31 December	<b><u>250,000,000</u></b>	<b><u>2,168</u></b>	<u>250,000,000</u>	<u>2,168</u>

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regards to the Company's residual assets.

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **BUSINESS REVIEW**

As a leading wind power and pitch control system solution provider in China, we have built a comprehensive business framework spanning multiple areas. In our core business segment, we have developed end-to-end capabilities in the R&D, integration, manufacture and sales of high-voltage wind turbine pitch control systems, providing critical technological support for the stable operation of wind power equipment. Meanwhile, we have expanded into wind power generation, participating in the clean energy production sector, and has developed post market operation and maintenance services for wind farms to ensure their efficient operation.

In the extended segments of the new energy industry, the Company's energy storage business is capable of multi-scenario adaptation, serving a wide range of energy forms including wind, solar, and thermal power. We not only provide end-to-end storage solutions covering "generation, grid, load, and storage," but also leverages optimisation and scheduling to create a smart energy service system, supporting the development of a more stable, efficient and sustainable modern energy ecosystem.

### **PITCH CONTROL SYSTEM RELATED INTEGRATION, MANUFACTURE AND SALES**

We develop, manufacture and sell (1) customised pitch control systems and (2) customised core components of pitch control systems, such as pitch drive controllers, and motors, according to the requirements of our customers and generate revenue from product sales and integration charges. The customers of the pitch control systems have grown from Envision Energy at the beginning to the current quality wind turbine manufacturers such as Zhejiang Windey, CRRC Group and Sinovel. The customers of the core components include Guoneng I&C.

In 2025, the Group delivered a total of 1,152 sets of pitch control system products, an increase of 133% compared with the delivery volume in 2024, and the delivered product types covered different models ranging from 5 MW to 10 MW.

### **WIND POWER GENERATION**

We commenced our wind power generation business in 2015 by operating our Duolun Wind Farm in Inner Mongolia. Our Duolun Wind Farm is installed with 13 wind turbines with a total installed capacity of 19.5 MW, where we admit electricity generated to the local power grid and sell electricity generated to the local power grid company. We collect on-grid tariff from the local power grid company at an agreed rate based on the meter readings on a monthly basis.

In 2025, the annual utilisation hours of the Duolun Wind Farm were 2,638 hours, and the annual total wind power generated and admitted to the power grid was 51.44 million kWh.

## **WIND FARM OPERATION AND MAINTENANCE**

We offer post market operation and maintenance services to our customers. We charge service fees and cost of the sales of consumables through providing such services to customers.

## **ENERGY STORAGE**

The Group provides customers with energy storage products and solutions, energy storage modules, pack and system equipment, EMS, intelligent energy cloud platform and integrated energy simulation and calculation platform.

The Group has developed a proprietary energy storage EMS system, which has been optimised and upgraded for frequency regulation scenarios. The system features millisecond-level response, high-precision control, and multi-mode adaptability, and integrates functions such as AGC/AVC coordinated control, frequency response optimisation, and intelligent scheduling of charging and discharging plans, enabling the maximisation of revenue from frequency regulation services.

## **OUTLOOK OF THE GROUP**

In tandem with industry trends and policy directions, in 2026, the Company will focus on “innovation deepening, model upgrading and steady quality enhancement” by implementing four key initiatives: first, strengthen core technology R&D — closely align with the state’s “AI + Energy” pilot policies, focusing on the integration of “AI and new energy”, accelerating commercialisation, and applying for national new energy technology R&D subsidies to secure technological barriers; second, expedite the launch of new businesses and seize policy-driven opportunities to expand revenue growth; third, refine operations, strictly control costs and optimise cash flow, while establishing a dynamic risk assessment mechanism on policy and market risks, in order to respond effectively to altered electricity pricing, grid connection standards and other changes; fourth, deepen industry-chain collaboration and work with upstream and downstream partners to build a sustainable new energy ecosystem, share resources and development opportunities, and strengthen cooperation with power grid companies and industrial parks to improve project implementation efficiency and market coverage, thereby reinforcing the foundation for growth.

## **FINANCIAL POSITION AND OPERATING RESULTS**

In 2025, the Group adhered to the wind power generation and operation and maintenance business, and actively explored the market development of the energy storage industry.

## REVENUE

The Group's total revenue for 2025 amounted to approximately RMB139.1 million, representing a decrease of 6% from approximately RMB148.3 million in 2024, mainly due to a decrease in orders for the energy storage business and a reduction in wind farm operation and maintenance business in 2025, resulting in a decrease in overall business revenue.

The following table sets out the breakdown of the Group's revenue for the reporting period:

	<b>2025</b> <b>RMB'000</b>	2024 <i>RMB'000</i>
Sales of pitch control systems and related components	<b>106,566</b>	53,669
Wind power sales	<b>18,439</b>	15,568
Wind farm operation and maintenance business	<b>3,694</b>	10,357
Energy storage business	<b>10,430</b>	68,686
Total	<b>139,129</b>	148,280

The revenue of the pitch control systems business in 2025 amounted to approximately RMB106.6 million, representing an increase of approximately RMB52.9 million or approximately 99% from 2024, mainly due to the increase in undertaken and delivered orders for pitch control systems.

The revenue of the wind power generation business in 2025 amounted to approximately RMB18.4 million, representing an increase of RMB2.8 million or approximately 18% from 2024, mainly due to an increase in electricity consumption.

The revenue of wind farm operation and maintenance business in 2025 amounted to approximately RMB3.7 million, representing a decrease of approximately RMB6.7 million or approximately 64% from 2024, mainly due to a decrease in the Group's maintenance orders, resulting in lower revenue.

The revenue of the energy storage business in 2025 amounted to approximately RMB10.4 million, representing a decrease of approximately RMB58.3 million or approximately 85% from 2024, mainly due to a decrease in energy storage business orders as a result of power market reforms and changes in mandatory energy storage policies.

## **COST OF SALES**

The Group's cost of sales in 2025 was approximately RMB141.9 million, representing a decrease of approximately RMB15.3 million or approximately 10% compared with the cost of sales in 2024.

Among them, the cost of sales of the pitch control systems business mainly includes raw materials, labour and depreciation, and the cost of sales of the Group's pitch control system business in 2025 was approximately RMB105.7 million, representing an increase of RMB42.6 million or approximately 68% from approximately RMB63.1 million in 2024, mainly due to an increase in pitch control system business orders.

The cost of sales of the wind power generation business is mainly depreciation and operating expenses, and the cost of sales of the wind power generation business in 2025 was approximately RMB11.1 million, representing an increase of approximately RMB2.0 million or approximately 22% from approximately RMB9.1 million in 2024, mainly due to changes in the business model.

The cost of sales of wind farm operation and maintenance business is mainly raw material and labour costs. The total cost of sales of the Group's operation and maintenance business in 2025 was approximately RMB2.6 million, representing a decrease of approximately RMB5.3 million or approximately 67% from approximately RMB7.9 million in 2024, mainly due to the decrease in costs due to the decrease in revenue from the wind farm operation and maintenance business.

The cost of sales of the energy storage business mainly consists of materials, labour and depreciation. The cost of sales of the energy storage business in 2025 was approximately RMB22.6 million, a decrease of RMB54.6 million or approximately 71% from the cost of sales of the business of approximately RMB77.2 million in 2024, mainly due to lower material costs as a result of reduced orders of the energy storage business.

## **GROSS PROFIT AND GROSS PROFIT MARGIN**

In 2025, the Group's gross loss was approximately RMB2.8 million, representing a decrease of approximately RMB6.2 million or approximately 69% from approximately RMB9.0 million in 2024, mainly due to the fierce market competition and the adoption of corresponding cost-control measures. The overall gross profit margin improved from approximately -6% in 2024 to approximately -2% in 2025, mainly due to adjustments in the business and product mix and enhanced supply chain management during the year.

The gross profit margin of the pitch control systems business improved from approximately -18% in 2024 to approximately 1% in 2025, mainly due to an increase in orders and the coordinated supply chain management.

The gross profit margin of the wind power generation business in 2025 was approximately 40%, representing a decrease of 2% from approximately 42% in 2024, mainly due to a slight increase in wind farm operation and maintenance costs.

The gross profit margin of the wind farm operation and maintenance business in 2025 was approximately 29%, representing an increase of 5% from approximately 24% in 2024, mainly due to an enhanced product mix.

The gross profit margin of the energy storage system business in 2025 was approximately -116%, representing a deterioration of 104% from approximately -12% in 2024, mainly due to the Group's exploration of new business models against challenging market environment, resulting in lower order volumes that were insufficient to cover the high fixed costs, including labour and depreciation.

### **OTHER REVENUE**

The Group's other revenue in 2025 was approximately RMB2.3 million, representing an increase of approximately RMB0.7 million or approximately 44% from approximately RMB1.6 million in 2024, mainly due to the increase in technology subsidies.

### **SELLING AND DISTRIBUTION EXPENSES**

The Group's selling and distribution expenses amounted to approximately RMB8.7 million in 2025, which was basically the same as that in 2024.

### **ADMINISTRATIVE AND OTHER OPERATING EXPENSES**

In 2025, the Group's administrative and other operating expenses amounted to approximately RMB20.2 million, an decrease of RMB1.6 million or approximately 7% from approximately RMB21.8 million in 2024, mainly due to decrease in staff costs.

### **IMPAIRMENT LOSSES ON TRADE RECEIVABLES, CONTRACT ASSETS AND LOANS TO THIRD PARTIES**

The Group's impairment losses on trade receivables, contract assets and loans to third parties amounted to approximately RMB12.7 million in 2025, an increase of RMB9.3 million or approximately 274% from approximately RMB3.4 million in 2024, mainly due to the deterioration in customers' repayment ability.

### **FINANCE COSTS**

The finance costs mainly consist of interest expenses on bank borrowings and third-party borrowings. The Group's finance costs for 2025 amounted to approximately RMB1.7 million, a decrease of RMB1.5 million or approximately 47% from RMB3.2 million in 2024, mainly due to enhanced treasury management which reduced the overall borrowing interest rates.

## **INCOME TAX**

Income tax consists of current tax and deferred tax for PRC enterprise income tax. The Company primarily operated through its PRC subsidiaries which generally paid the PRC enterprise income tax at a statutory rate of 25% on its estimated assessable profits for the year ended 31 December 2025 (2024: 25%). Additionally, according to the relevant tax rules and regulations and preferential tax policies in the PRC, certain subsidiaries of the Group were entitled to a preferential PRC income tax rate of 15% in 2025.

## **LOSS FOR THE YEAR**

Based on the above reasons, the Group recorded a loss of approximately RMB44.8 million in 2025, representing an increase of approximately RMB5.4 million or approximately 14% from the loss of approximately RMB39.4 million in 2024.

## **LOSS ATTRIBUTABLE TO OWNERS OF THE GROUP**

In 2025, the loss attributable to owners of the Group was approximately RMB41.2 million, representing an increase of approximately RMB6.5 million or approximately 19% from the loss attributable to owners of the Group of approximately RMB34.7 million in 2024.

## **GEARING RATIO**

The gearing ratio is calculated by dividing the Group's total liabilities by total assets. The Group's gearing ratio in 2025 was approximately 53%, an increase of 9% from 44% in 2024, mainly due to increased external borrowings as a result of the loss.

## **LIQUIDITY AND CAPITAL SOURCE**

The Group's sources of working capital include cash flow from operating activities, the Company's existing cash and cash equivalents, bank loans and net proceeds from listing. After prudent financial management and analysis, the Directors believe that the Group has sufficient working capital to meet the Group's current and future operating needs for a full year.

## **CASH FLOWS**

The Group's cash and cash equivalents for 2025 amounted to approximately RMB15.8 million, representing a decrease of approximately RMB35.2 million or approximately 69% from approximately RMB51.0 million in 2024, mainly due to operating losses and long collection periods for trade receivables.

## **CAPITAL EXPENDITURES**

In 2025, the Group incurred capital expenditures totalling approximately RMB1.8 million (2024: capital expenditure of approximately RMB6.6 million), mainly for the upgrade of the Company's manufacturing facilities.

## **CONTINGENT LIABILITIES**

As at 31 December 2025, the Group did not have any material contingent liabilities.

## **PLEDGE OF THE GROUP'S ASSETS**

As at 31 December 2025, the Group had pledged deposits for issuance of bills payable amounted to RMB12.8 million (2024: RMB7.2 million).

## **HUMAN RESOURCES**

The Group has offices in Beijing, Shanghai, Wuxi, Shenzhen, Hong Kong and Inner Mongolia. As at 31 December 2025, the Group employed a total of 134 employees (31 December 2024: 160 employees), all of which entered into full-time labor contracts. According to the PRC Labor Law and the relevant laws and regulations, the contracts of such employees expressly stipulate the position, responsibilities, remuneration, staff benefit, training, obligation of confidentiality and other related matters of each employee.

## **POTENTIAL RISK EXPOSURES**

### **Policy uncertainty risk**

New energy power industry is significantly policy driven. If there is any adverse changes in the relevant supporting policy system, the whole new energy industry chain will be adversely affected, and lead to a slowdown in demand, insufficient investments in sectors such as pitch control systems, operation and maintenance and energy storage, and prolonged settlement of outstanding tariff premiums for the sales of wind power, which in turn may adversely affect the Company's operating results and its financial position, as well as its cash flow.

### **Financial risk**

If the Group fails to generate sufficient cash flows from its business execution, it may materially affect the normal management and operations of the Group. In addition, accounts receivable and bills receivable are affected by the uncertainty of the operation of our customers, which lead to the risk of delayed cash collection. The Group will strictly adhere to its cash management system and credit policy, actively follow up on the credit period of accounts receivable and customer operation status and monitor the real-time cash status on an ongoing basis, so as to effectively control the financial risk.

## **Exchange rate risk**

Exchange rate risk is the risk that the fair value or future cash flows of a financial instrument fluctuate as a result of changes in foreign exchange rates. Exchange rate risk arises from financial instruments denominated in foreign currencies other than the functional currency.

The Group operates primarily in the PRC and its main businesses are settled in Renminbi. However, the Company is still exposed to foreign exchange risk arising from the recognised assets and liabilities in foreign currencies and future transactions in foreign currencies (foreign-currency assets and liabilities and transactions are mainly denominated in USD). The Group has not entered into any forward foreign exchange contracts to hedge its foreign exchange risk, but management will continue to monitor foreign exchange risk and take prudent measures to reduce foreign exchange risk.

## **MATERIAL EVENTS AFTER THE REPORTING PERIOD**

Save as disclosed above, the Directors are not aware of any other material events relating to the business or financial performance of the Group during the year ended 31 December 2025 and up to the date of this report.

## **PURCHASE, SALE OR REDEMPTION OF THE SECURITIES**

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

## **CORPORATE GOVERNANCE CODE**

The Board is committed to achieving good corporate governance standards.

The Board believes that good corporate governance standards are essential in providing a framework for the Company to safeguard the interests of its shareholders, enhance corporate value, formulate its business strategies and policies, and enhance its transparency and accountability.

The Company has adopted the principles and code provisions set out in the Corporate Governance Code contained in Appendix C1 to the Listing Rules (the “**CG Code**”). To the best knowledge of the Directors, the Company has complied with all applicable code provisions under the CG Code during the year ended 31 December 2025.

## **MODEL CODE FOR SECURITIES TRANSACTIONS**

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 to the Listing Rules.

Specific enquiry has been made to all the Directors and the Directors have confirmed that they have complied with the Model Code throughout the year ended 31 December 2025.

## **FINAL DIVIDEND**

The Board does not recommend the payment of final dividend for the year ended 31 December 2025 (2024: Nil).

## **AUDIT COMMITTEE**

The Company has an Audit Committee which was established in accordance with the requirements of the Listing Rules for the purpose of reviewing and providing supervision over the Group's financial reporting process and internal controls. The Audit Committee has three members comprising three independent non-executive Directors, being Ms. Hung Pui Yu ("**Ms. Hung**"), Mr. Kang Jian and Mr. Li Shusheng. The Audit Committee is chaired by Ms. Hung, who has appropriate professional qualifications and experience as required by Rule 3.10(2) of the Listing Rules. The Audit Committee of the Company has reviewed the annual results of the Company for the year ended 31 December 2025 and the financial statements for the year ended 31 December 2025 prepared in accordance with the IFRSs.

## **SCOPE OF WORK OF AUDITOR**

The figures in respect of the Group's consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income, consolidated statement of financial position, and the related notes thereto for the year ended 31 December 2025 as set out in the preliminary announcement have been compared by the Group's auditor, Baker Tilly Hong Kong Limited, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by Baker Tilly Hong Kong Limited in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by Baker Tilly Hong Kong Limited on the preliminary announcement.

## **ANNUAL GENERAL MEETING**

The 2026 annual general meeting will be held on Friday, 26 June 2026 (the "**2026 AGM**"). Notice of the 2026 AGM will be published and issued to shareholders of the Company in due course.

## **CLOSURE OF REGISTER OF MEMBERS**

From Tuesday, 23 June 2026 to Friday, 26 June 2026 (both days inclusive), during that period no transfer of shares will be effected. In order to qualify for the right to attend and vote at the 2026 AGM, all 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, Shops 1712–1716, 17/F, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, no later than 4:30 p.m. on Monday, 22 June 2026 for registration of transfer.

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

This annual results announcement is published on the Company's website at [www.natureenergytech.com](http://www.natureenergytech.com) and the Stock Exchange's website at [www.hkexnews.hk](http://www.hkexnews.hk). The annual report for the year ended 31 December 2025 will be available on the websites of the Stock Exchange and the Company in due course, and dispatched to the shareholders of the Company (where applicable).

By order of the Board  
**China Nature Energy Technology Holdings Limited**  
**Cheng Liquan Richard**  
*Chairman*

Hong Kong, 27 March 2026

*As at the date of this announcement, the Board comprises two executive Directors, namely, Mr. Cheng Liquan Richard and Mr. Cheng Li Fu Cliff, two non-executive Directors, namely, Mr. Li Hao and Ms. Cheng Li Qin, and three independent non-executive Directors, namely, Ms. Hung Pui Yu, Mr. Kang Jian and Mr. Li Shusheng.*