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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in CM Energy Tech Co., Ltd., you should at once hand this circular, together with the enclosed form of proxy to the purchaser(s) or transferee(s) or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

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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)

**(1) MAJOR AND CONNECTED TRANSACTION
PROPOSED ACQUISITION OF VESSEL;
(2) DISCLOSEABLE AND CONNECTED TRANSACTION
FORMATION OF JOINT VENTURE;
AND
(3) NOTICE OF EXTRAORDINARY GENERAL MEETING**

**Independent Financial Adviser to
the Independent Board Committee and the Independent Shareholders**



Capitalised terms used in this cover page have the same meanings as defined in this circular. A letter from the Board is set out on pages 6 to 33 of this circular.

A notice convening the EGM to be held at 5th Floor, China Merchants Development Center, No. 1089 Nanhai Avenue, Nanshan District, Shenzhen, the PRC on Monday, 29 June 2026 at 10:30 a.m. (or immediately after the conclusion of the annual general meeting of the Company to be held on the same date at 10:00 a.m., whichever is later) or any adjournment thereof is set out on pages 90 to 91 of this circular. A form of proxy for use at the EGM of the Company or any adjournment thereof is enclosed.

Whether or not you propose to attend the EGM, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return the same to the branch share registrar and transfer office of the Company in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the EGM (i.e. at 10:30 a.m. on 27 June 2026) or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish.

12 June 2026

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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions have the following meanings:

“Acquisition”	the proposed acquisition of the Vessel pursuant to the Memorandum of Agreement
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Banking Day”	a day (other than a Saturday, Sunday or public holiday) on which banks are open for general business in Hong Kong, Singapore, the PRC and New York
“Board”	the board of Directors
“Buyer”	the Company
“Closing”	the documentary closing of the sale and purchase of the Vessel in accordance with the Memorandum of Agreement
“Closing Date”	the Banking Day on which the Closing takes place, being not later than the Long Stop Date
“CM Group”	China Merchants Group Limited* (招商局集團有限公司), a company incorporated in the PRC with limited liability. It is a large integrated state-owned conglomerate directly administered by the Central Government of the PRC
“CM Shipbuilding Industry”	China Merchants Shipbuilding Industry Group Co., Limited (formerly known as China Merchants Industry Holdings Co., Limited), a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of CM Group
“CMHI (Jiangsu)”	China Merchants Heavy Industry (Jiangsu) Co., Ltd.* (招商局重工(江蘇)有限公司), a company established in the PRC with limited liability and a wholly-owned subsidiary of CM Shipbuilding Industry
“Company”	CM Energy Tech Co., Ltd., a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the Main Board of the Stock Exchange (stock code: 206)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“controlling shareholder(s)”	has the meaning ascribed to it under the Listing Rules

DEFINITIONS

“Director(s)”	the director(s) of the Company
“DSCV”	diving support construction vessel
“EGM”	the extraordinary general meeting to be held by the Company on 29 June 2026 for the Independent Shareholders to consider, and if thought fit, approve (i) the Memorandum of Agreement and the transactions contemplated thereunder; and (ii) the JV Agreements and the transactions contemplated thereunder
“EPC”	engineering, procurement and construction
“Existing Bareboat Charter”	the existing bareboat charter under which the Vessel is chartered from the Seller to TSC Offshore, as supplemented by the parties from time to time
“Facility”	a committed term loan facility of USD100 million to be made available to the Buyer by a bank, which is an independent third party
“FPSO”	floating production storage and offloading
“Funding Investment Agreement”	the funding investment agreement dated 12 May 2026 and entered into between OSE and TSC Offshore in relation to the proportionate equity contributions to the Joint Venture
“Group”	the Company and its subsidiaries from time to time
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	the independent board committee of the Company formed to consider and advise the Independent Shareholders in relation to (i) the Memorandum of Agreement and the transactions contemplated thereunder; and (ii) the JV Agreements and the transactions contemplated thereunder

DEFINITIONS

“Independent Financial Adviser”	Red Sun Capital Limited, a corporation licensed to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, being the independent financial adviser appointed to advise the Independent Board Committee and the Independent Shareholders in relation to (i) the Memorandum of Agreement and the transactions contemplated thereunder; and (ii) the JV Agreements and the transactions contemplated thereunder
“Independent Shareholders”	Shareholders other than CM Shipbuilding Industry and its associates
“Initial Capital Contribution”	the initial capital contribution of TSC Offshore in the amount of RM1,185,000 under the Joint Venture Agreement
“Joint Venture”	Oceanstar FPSO Asset 01 Sdn. Bhd., the joint venture entity established in Malaysia by the JV Partners under the Joint Venture Agreement
“Joint Venture Agreement”	the joint venture agreement dated 30 March 2026 and entered into between OSE, TSC Offshore, Rozali Bin Hamzah, Andy Goh Beng Kwang, Chuah Choong Keat and the Joint Venture for the purpose of participating in the Relevant Project
“JV Agreements”	the Joint Venture Agreement and the Funding Investment Agreement
“JV Partners”	OSE, TSC Offshore, Rozali Bin Hamzah, Andy Goh Beng Kwang and Chuah Choong Keat, being the shareholders of the Joint Venture
“Latest Practicable Date”	9 June 2026, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date”	31 October 2026, or such later date as the parties may agree in writing
“Malaysia”	the Federation of Malaysia

DEFINITIONS

“Memorandum of Agreement”	the memorandum of agreement dated 12 May 2026 and entered into between the Buyer and the Seller in relation to the Acquisition of the Vessel
“OSE”	Oceanstar Marine & Offshore Investment Pte Ltd., a limited liability company incorporated in Singapore
“Prime Force”	Prime Force Investment Corporation, a company incorporated in the British Virgin Islands with limited liability and a wholly-owned subsidiary of CM Shipbuilding Industry. It held 1,530,372,000 Shares (representing approximately 47.18% of the issued share capital of the Company) as at the Latest Practicable Date
“PRC”	the People’s Republic of China, for the purpose of this circular, excluding Hong Kong, the Macao Special Administrative Region of the PRC and Taiwan region
“Purchase Price”	the agreed consideration for the Acquisition of the Vessel of USD110,000,000
“Relevant Project”	the provision of Lease, Operate, and Maintain (O&M) of Floating Production Storage and Offloading (FPSO) (including provision of an appropriate vessel) for the Sepat Integrated Redevelopment Project awarded by Petronas Carigali Sdn Bhd in Malaysia, together with any formal upstream contracts, approved variations, or extensions executed pursuant thereto. The JV Partners intend that, for such purpose, the Joint Venture will enter into a shipyard EPC contract with CMHI (Jiangsu) for the provision of EPC services for the FPSO system
“RM”	Malaysian ringgit, the lawful currency of Malaysia
“Seller”	Well Target One O One Limited, a company incorporated in the British Virgin Islands with limited liability and a wholly-owned subsidiary of CM Shipbuilding Industry
“SFO”	the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Shares

DEFINITIONS

“Singapore”	the Republic of Singapore
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“TSC Offshore”	TSC Offshore Pte. Ltd., a company incorporated in Singapore with limited liability and a wholly-owned subsidiary of the Company as at the Latest Practicable Date
“Time Charter”	the time charter by which the Vessel is chartered to an independent third party by TSC Offshore, as supplemented by the parties from time to time
“Total Equity Contribution”	the equity contribution from the JV Partners to the Joint Venture under the Funding Investment Agreement in the total amount of USD79,540,874
“USD”	United States dollar, the lawful currency of the United States of America
“Valuer”	Valor Appraisal & Advisory Limited, an independent professional valuer
“Vessel”	the diving support construction vessel “DSCV Lichtenstein”, IMO 9758296, flagged in the Bahamas (Nassau), classed with DNV (1A1 DSV(SAT) DYNPOS(AUTR)), built 2017
“%”	per cent.

LETTER FROM THE BOARD



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)

Executive Directors:

Mr. Zhan Huafeng

Non-executive Directors:

Mr. Mei Zhonghua (*Chairman*)

Mr. Liu Jiancheng

Mr. Tam Wing Tim

Mr. Zhang Xizheng

Mr. Zhang Menggui, Morgan

Independent non-executive Directors:

Mr. Zou Zhendong

Ms. Zhang Zhen

Mr. Xue Jianzhong

Registered office:

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

*Head office and principal place of
business in Hong Kong:*

3/F, Office Building

No. 1-7 Sai Tso Wan Road

Tsing Yi Island

New Territories

Hong Kong

12 June 2026

To the Shareholders

Dear Sir or Madam,

**(1) MAJOR AND CONNECTED TRANSACTION
PROPOSED ACQUISITION OF VESSEL;
(2) DISCLOSEABLE AND CONNECTED TRANSACTION
FORMATION OF JOINT VENTURE;
AND
(3) NOTICE OF EXTRAORDINARY GENERAL MEETING**

INTRODUCTION

References are made to (i) the announcements of the Company dated 12 May 2026 and 26 May 2026 in relation to the Memorandum of Agreement and the transactions contemplated thereunder; and (ii) the announcement of the Company dated 12 May 2026 in relation to the JV Agreements and the transactions contemplated thereunder.

LETTER FROM THE BOARD

Memorandum of Agreement

On 12 May 2026 (after trading hours), the Company, as Buyer, entered into the Memorandum of Agreement with the Seller for the Acquisition of the Vessel, a diving support construction vessel, at the Purchase Price of USD110,000,000. The Vessel is presently on bareboat charter from the Seller to TSC Offshore, a wholly-owned subsidiary of the Company, under the Existing Bareboat Charter. TSC Offshore has time-chartered the Vessel to an independent third party under the Time Charter, which shall continue in force notwithstanding the Memorandum of Agreement.

JV Agreements

On 30 March 2026, TSC Offshore (a wholly-owned subsidiary of the Company) entered into the Joint Venture Agreement with the other JV Partners, pursuant to which the JV Partners have agreed to establish the Joint Venture for the purpose of participating in the Relevant Project through the entering into of a shipyard EPC contract with CMHI (Jiangsu).

On 12 May 2026 (after trading hours), TSC Offshore (a wholly-owned subsidiary of the Company) and OSE entered into the Funding Investment Agreement, pursuant to which, amongst others, TSC Offshore has agreed to make proportionate equity contribution to the Joint Venture in the amount of USD15,908,175 (inclusive of the Initial Capital Contribution).

The primary purpose of this circular is to provide you with, among other matters, (1) details of the Memorandum of Agreement and the transactions contemplated thereunder; (2) details of the JV Agreements and the transactions contemplated thereunder; (3) a letter of recommendation from the Independent Board Committee to the Independent Shareholders; (4) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders; (5) a notice of the EGM; and (6) other information in relation to the Company as required under the Listing Rules.

MEMORANDUM OF AGREEMENT

Principal Terms

Particulars of the Memorandum of Agreement are set out as follows:

Date

12 May 2026

Parties

- (1) Seller: Well Target One O One Limited
- (2) Buyer: CM Energy Tech Co., Ltd.

LETTER FROM THE BOARD

Vessels to be acquired

The Vessel proposed to be acquired under the Memorandum of Agreement is the diving support construction vessel “DSCV Lichtenstein”, IMO 9758296, flagged in the Bahamas (Nassau), classed with DNV (1A1 DSV(SAT) DYNPOS(AUTR)), built 2017.

The Vessel is presently on bareboat charter from the Seller to TSC Offshore, a wholly-owned subsidiary of the Company, under the Existing Bareboat Charter. TSC Offshore has time-chartered the Vessel to an independent third party under the Time Charter, which shall continue in force notwithstanding the Memorandum of Agreement. The legal title to the Vessel will be purchased on a documentary, “as is, where is” basis, with the Vessel remaining throughout in the possession of TSC Offshore under the Existing Bareboat Charter.

Set out below are the net profits before and after tax attributable to the Vessel for the financial years ended 31 December 2024 and 2025:

	For the year ended 31 December	
	2025	2024
	<i>US\$'000</i>	<i>US\$'000</i>
Profit/(Loss) before tax	11,574	(1,550)
Profit/(Loss) after tax	11,709	(1,550)

The Seller’s original acquisition cost of the Vessel (which was delivered in June 2017) was approximately USD110.8 million.

Key terms of the Existing Bareboat Charter are set out as follows:

Date	:	30 April 2023
Parties	:	Owner: the Seller Charterer: TSC Offshore
Vessel	:	The Vessel
Charter period	:	From 30 April 2023 to 31 July 2026
Current charter hire	:	USD48,000/day
Option to purchase	:	Option and right of first refusal to purchase the Vessel exercisable within six (6) months after the delivery date of the Vessel (i.e. 30 March 2023), which has expired.

LETTER FROM THE BOARD

Termination right : No termination right other than customary right of termination upon default or bankruptcy of the owner.

Renewal right : No renewal right.

Key terms of the Time Charter are set out as follows:

Date : 31 January 2023

Parties : Owner: TSC Offshore

Charterer: An independent third party

Vessel : The Vessel

Charter period : From 8 January 2024 to 30 July 2026

Current charter hire : USD83,000/day

Consideration

The Purchase Price for the Vessel is USD110,000,000.

The Purchase Price has been determined by the parties to the Memorandum of Agreement after arm's length negotiation based on (i) the appraised value of the Vessel as at 30 April 2026 of USD111,000,000 based on a valuation report (the full text of which is set out in Appendix IV to this circular) prepared by the Valuer using market approach, (ii) the current conditions of the Vessel, and (iii) market information (including current market values of similar type of vessels).

The Buyer shall fund the Purchase Price from drawdown under the Facility and its internal resources.

LETTER FROM THE BOARD

Valuation

Qualification, industry expertise and track record of the Valuer

Mr. Haydn Lee, a director of the Valuer and the person in charge of the valuation report, is a Chartered Financial Analyst, member of CPA Australia, professional member of Royal Institution of Chartered Surveyors, member of the Australasian Institute of Mining & Metallurgy and Registered Business Valuer. He has over 17 years' experience in business and asset valuation. He oversees the business and asset valuation services of the Valuer and has provided a wide range of valuation services to listed companies and private entities in different industries in the PRC, Hong Kong and Singapore. Mr. Haydn Lee and the Valuer has plenty of practical experience in the valuation of offshore vessels including DSCVs and jack-up drilling rigs, primarily servicing the oil and gas industry, offshore wind farms and subsea construction.

The Directors have assessed the qualifications, experience and track record of the Valuer and are of the view that the Valuer has sufficient experience and the relevant professional qualifications required to perform the valuation of the Vessel.

Independence of the Valuer

As confirmed by the Valuer, and to the best of the knowledge, information and belief of the Directors having made all reasonable enquiry, the Valuer is independent of and not connected with the Company, the Seller, CM Shipbuilding Industry, CMHI (Jiangsu), their respective associates and the connected persons of the Company.

Valuation approach and methodology

In carrying out the valuation exercise, the cost approach, income approach and market approach have been considered by the Valuer.

The market approach compares the subject asset to similar assets, business ownership interests and securities that have been exchanged in the market and any relevant transactions of shares in the same business. Prior transactions or offers for any component of the business may be also indicative of value.

In the valuation, the value of the subject asset was developed through the application of the market approach technique known as guideline transactions. The guideline transaction method utilizes information on transactions involving assets that are the same or similar to the subject asset to arrive at an indication of value.

Unlike market and income approaches which either incorporate market sentiments or future earnings capacity of an asset as a function to determine its current value, cost approach considers the fundamental cost it takes to form the asset. It was in the Valuer's opinion that this approach is inapplicable to the analysis as there is no convincing association of the value of the subject asset with its cost.

LETTER FROM THE BOARD

The income approach was not preferred in the valuation exercise because there were relevant market comparables to the subject asset and reliable projection of the amounts and timing of future income streams is not available for the subject asset as at 30 April 2026 (i.e. the valuation date).

The Valuer advised that the market approach and the guideline transaction method used in the valuation of the Vessel is one of the commonly adopted approaches for appraisal of marine assets. Having considered the Valuer's advice and the Valuer's analysis on the reliability of other valuation methodologies and approaches set out above, the Board considers the methodologies and bases adopted by the Valuer for the valuation are commonly used and reasonable in establishing the appraised value of the Vessel.

Apart from the valuation conducted by the Valuer, as part of the Group's market research, the Company has also made reference to a valuation certificate prepared by a leading and reputable international shipbroker. The appraised value of the Vessel of USD111,000,000 based on the valuation report prepared by the Valuer and the Purchase Price of USD110,000,000 both fall within the range of indicative market value of the Vessel (i.e. USD100 million to USD120 million) shown in the aforesaid valuation certificate.

Key inputs

Comparable Transactions

Since the subject asset is a DSCV, with a view to selecting appropriate comparable transactions, the Valuer focused on those recent transactions and asking prices of DSCV.

Selection criteria of comparable transactions are listed as follows:

1. Transactions and asking prices of DSCV; and
2. The transaction dates or listing dates within 1 year from 30 April 2026 (i.e. the valuation date).

As advised by the Valuer, transactions of DSCVs are infrequent and information on comparable transactions of the Vessel are limited. Therefore, the Valuer has also considered the prices of DSCVs that are recently listed or offered for sale (within one (1) year). The adjusted prices of comparables are within a narrow range (US\$110.74 million to US\$111.50 million), which is considered to be an indication that the selected comparables are appropriate and sufficiently representative. In view of the Valuer's advice and the circumstances (e.g. the relevant sampling conditions and deviations amongst the comparable transactions), the Board considers the comparable transactions adopted by the Valuer for the valuation to be appropriate and sufficiently representative.

LETTER FROM THE BOARD

Based on the above selection criteria, the Valuer has selected the following comparable transactions:

Transaction	1	2	3
Transaction Date	December 2025	Not applicable (Note 1)	Not applicable (Note 2)
Vessel Name	Picasso	Andy Warhol	Van Gogh
Transaction Price	US\$115,940,000 (including US\$5.94 million bank interest)	US\$115,000,000	US\$98,000,000 (derived from internal source provided by the management)
Length Overall	120.80m	103.15m	111.58m
Breadth	25.00m	23.00m	23.00m
Summer/Max Draught	7.70m	7.70m	7.00m
Gross Tonnage	11,117t	8,745t	9,173t
Deadweight Tonnage	7,000t	5,600t	5,500t
Year of Build	2018	2026	2019
DP Class	DP-2	DP-2	DP-2
System Type	Twin-bell saturation	Single-bell saturation	Single-bell saturation
Max Working Depth	300m	300m	300m
Saturation Capacity	18 men	18 men	18 men
Main Crane	140t	150t	150t
Working/Cargo Deck Area	1,300m ²	800m ²	1,000m ²
Total Persons	130	120	120

Note:

1. The Andy Warhol was new built in 2026, with its listing date between January to May 2026.
2. The listing date of Van Gogh is 6 April 2026.

Adjustments

1. Specification adjustment, commissioning adjustment, age adjustment and asking price adjustment have been applied to the transaction or asking prices of comparable transactions.
2. According to the management, the construction cost of twin-bell system is approximately US\$5 million higher than that of single-bell system.
3. According to the management, keeping other factors constant, the higher the gross tonnage, the more expensive of the construction cost of a DSCV.
4. According to the management, the commissioning cost of a typical DSCV is approximately US\$8 million to US\$10 million. For conservative purpose, the lower end US\$8 million commissioning cost is assumed for DSCV Andy Warhol.
5. According to the management, the useful life of a DSCV is 25 years.
6. According to the management, asking price adjustment is around -1% to -2%. For conservative purpose, the asking price adjustment is assumed to be -5%.

LETTER FROM THE BOARD

The adjustments to the transaction or asking prices of comparable transactions are summarized as follows:

Transaction	1	2	3
Transaction Date	December 2025	Not applicable	Not applicable
Vessel Name	Picasso	Andy Warhol	Van Gogh
Transaction Price	US\$115,940,000 (including US\$5.94 million bank interest)	US\$115,000,000	US\$98,000,000 (derived from internal source provided by the management)
Year of Build	2018	2026	2019
Specification Adjustment	0%	31%	26%
Commissioning Adjustment	0%	7%	0%
Age Adjustment	-4%	-36%	-8%
Asking Price Adjustment	0%	-5%	-5%
Adjusted Price	US\$111,302,400	US\$111,500,000	US\$110,740,000

Assumptions

The key assumptions are listed as follows:

- there will be no material change in the existing political, legal, technological, fiscal or economic conditions which might adversely affect the economy in general and the operation of the subject asset;
- there will be no major changes in the current taxation laws;
- there will be no material fluctuation of the finance costs and availability of finance;
- the Vessel will fulfil all legal and regulatory requirements for the principal business;
- the development of the subject asset will not be constrained by the availability of finance and there will be no material fluctuation of the finance costs;
- there will not be any adverse events beyond the control of the management of the Vessel, including natural disasters, catastrophes, fire, explosion, flooding, acts of terrorism and terrorism, pandemics and epidemics that may adversely affect the operation of the subject asset;
- the future movement of exchange rates and interest rates will not differ materially from prevailing market rates; and
- the Vessel will retain competent management, key personnel and technical staff for its operation.

The Valuer has confirmed that the key assumptions adopted in the valuation are those commonly adopted in similar valuation exercises in the market. The Board therefore considers the assumptions adopted by the Valuer for the valuation are fair and reasonable.

LETTER FROM THE BOARD

Payment

At Closing, the Buyer shall pay the Purchase Price in immediately available funds to the designated account as notified by the Seller.

Conditions precedent

Closing is conditional upon fulfilment or, where applicable, waiver of the following conditions precedent on or before the Long Stop Date:

- (a) the Company having convened any general meeting required under Chapters 14 and 14A of the Listing Rules and the Independent Shareholders having approved the Memorandum of Agreement and the transactions contemplated by it;
- (b) the agreement for the Facility having been executed and all conditions precedent thereunder (other than those relating to the Memorandum of Agreement and evidence of title transfer) having been satisfied or waived, and the Buyer being in a position to draw down on the Facility in the full amount in partial satisfaction of the Purchase Price in accordance with the Memorandum of Agreement;
- (c) completion of any filing or registration with the National Development and Reform Commission of the PRC required in connection with the Facility, or confirmation from PRC counsel that no such filing is required;
- (d) pre-approval from the Bahamas Maritime Authority of the form of bill of sale transferring title to the Vessel to the Buyer free and clear of all encumbrances and of the change of ownership, and confirmation of continued Bahamas registration following Closing;
- (e) the representations and warranties in the Memorandum of Agreement being true and accurate in all material respects on the Closing Date; and
- (f) CM Shipbuilding Industry having completed the asset valuation filing process in accordance with the relevant provisions.

The Buyer will use reasonable endeavours to satisfy conditions (a) to (c), and the Seller will use reasonable endeavours to satisfy or procure the satisfaction of conditions (d) and (f). Condition (d) may be waived by the Buyer.

If any of the conditions has not been satisfied or waived by the Long Stop Date, the Memorandum of Agreement shall automatically lapse and terminate with immediate effect, upon which, amongst others, neither party shall have any further rights or obligations under the Memorandum of Agreement, save in respect of any antecedent breach and save for surviving provisions.

LETTER FROM THE BOARD

Closing

Closing shall take place at Hong Kong (or by exchange of documents by electronic means) on the Closing Date.

At Closing, the Existing Bareboat Charter shall terminate automatically with effect from the moment of passing of legal title by operation of merger, the Buyer acquiring the reversionary interest as sole shareholder of TSC Offshore.

JOINT VENTURE AGREEMENT

Principal Terms

Particulars of the Joint Venture Agreement are set out as follows:

Date

30 March 2026

Parties

- (1) Oceanstar Marine & Offshore Investment Pte. Ltd. (as a JV Partner)
- (2) TSC Offshore Pte. Ltd. (as a JV Partner)
- (3) Rozali Bin Hamzah (as a JV Partner)
- (4) Andy Goh Beng Kwang (as a JV Partner)
- (5) Chuah Choong Keat (as a JV Partner)
- (6) Oceanstar FPSO Asset 01 Sdn. Bhd. (the Joint Venture)

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, as at the Latest Practicable Date, OSE, Rozali Bin Hamzah, Andy Goh Beng Kwang, Chuah Choong Keat and their respective ultimate beneficial owner(s) (to the extent applicable) were third parties independent of and not connected with the Company and its connected persons.

LETTER FROM THE BOARD

Formation of the Joint Venture

The Joint Venture is formed, pursuant to the Joint Venture Agreement, for the sole purpose of participating in the Relevant Project. Any involvement by the Joint Venture in projects, business activities or ventures outside the scope of the Relevant Project shall require the prior written approval of OSE and TSC Offshore.

Capital Contribution

The JV Partners (each a shareholder) of the Joint Venture and their respective capital contribution commitments are set out in the table below:

Shareholder	Amount Contributed (RM)	Shares Issued	Shareholding Proportion
OSE	1,718,250	1,718,250	29%
TSC Offshore	1,185,000	1,185,000	20%
Rozali Bin Hamzah	1,303,500	1,303,500	22%
Andy Goh Beng Kwang	1,303,500	1,303,500	22%
Chuah Choong Keat	414,750	414,750	7%
Total	5,925,000	5,925,000	100 %

The Initial Capital Contribution is determined after arm's length negotiation between the JV Partners with reference to the estimated initial funding needs of the Joint Venture required for the Relevant Project and the shareholding proportion of the JV Partners in the Joint Venture.

The Group expects to fund its Initial Capital Contribution under the Joint Venture Agreement by its internal resources.

The Joint Venture will not become a subsidiary of the Company and its financial results will not be consolidated into the financial statements of the Group.

LETTER FROM THE BOARD

Management of the Joint Venture

The business and affairs of the Joint Venture shall be managed by its board of directors.

OSE shall be entitled to, from time to time, appoint four (4) directors and TSC Offshore shall be entitled to, from time to time, appoint one (1) director. The chairman of the board of directors of the Joint Venture shall be one of the directors appointed by OSE.

The Board shall be responsible for, without prejudice to the generality of the foregoing, (a) set the objectives of the Joint Venture, (b) monitor the financial performance of the Joint Venture and (c) agree on annual financial targets and capital expenditure of the Joint Venture.

Each director of the Joint Venture shall have one vote. A valid resolution of the board of directors of the Joint Venture requires the affirmative vote of a majority of directors present at any meeting of the board of directors.

Funding

The JV Partners shall each use reasonable endeavours to procure that the requirements of the Joint Venture for working capital to finance the business of the Joint Venture are met as far as practicable by borrowing from banks and other similar sources on the most favourable terms reasonably obtainable as to interest, repayment and security. No JV Partner shall be obliged to provide any shareholder loan or guarantee without its prior written agreement.

Distribution

Distribution of dividends by the Joint Venture, if any, shall be approved in accordance with the company law of Malaysia.

The JV Partners agreed that subject to the payment of all expenses and other debts of the Joint Venture as well as any working capital requirements of the Joint Venture, the balance of all monies legally available for distribution by way of dividend will be distributed immediately to the JV Partners and any retention requires the prior written approval of OSE and TSC Offshore.

Transfer Restrictions

Transfer of all or any part of the interests in the Joint Venture held by the JV Partners shall be subject to conventional transfer restrictions including right of first refusal, tag-along right and drag-along right at fair market value.

Except with the prior written consent of OSE and TSC Offshore, no shareholder of the Joint Venture shall transfer any shares within 36 months after the date of the Joint Venture Agreement.

LETTER FROM THE BOARD

FUNDING INVESTMENT AGREEMENT

Principal Terms

Particulars of the Funding Investment Agreement are set out as follows:

Date

12 May 2026

Parties

- (1) Oceanstar Marine & Offshore Investment Pte. Ltd.
- (2) TSC Offshore Pte. Ltd

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, as at the Latest Practicable Date, OSE and its ultimate beneficial owner were third parties independent of and not connected with the Company and its connected persons.

Equity Contribution

OSE and TSC Offshore have agreed to make equity contributions to the Joint Venture in the total amount of USD79,540,874, amongst which, TSC Offshore shall contribute its proportionate share (20%) of the Total Equity Contribution, being USD15,908,175.

OSE has represented, warranted and undertaken to TSC Offshore that it is responsible for the funding of 80% of the Total Equity Contribution, being USD63,632,699, which will be contributed directly by OSE in respect of its 29% shareholding and/or funded by OSE via shareholder loans to Rozali Bin Hamzah, Andy Goh Beng Kwang and Chuah Choong Keat in respect of their aggregate 51% shareholding in the Joint Venture.

The equity contribution of TSC Offshore is determined after arm's length negotiation between the parties with reference to the funding needs and plan of the Joint Venture required for the Relevant Project. Taking into account the construction schedule of the Relevant Project, the JV Partners shall make the Total Equity Contribution, amongst which USD15,908,175 (representing its proportionate share (20%) of the Total Equity Contribution) shall be contributed by TSC Offshore. The total equity contribution of TSC Offshore under the JV Agreements is USD15,908,175, inclusive of the Initial Capital Contribution. The Initial Capital Contribution paid by TSC Offshore under the Joint Venture Agreement will be set off against the equity contribution of TSC Offshore under the Funding Investment Agreement.

The Total Equity Contribution of approximately USD79.5 million was determined based on the anticipated initial funding requirements of the Relevant Project, mainly comprising milestone payments to be made pursuant to the shipyard EPC contract.

LETTER FROM THE BOARD

Set forth below is a breakdown of the expected use of the funds by the Joint Venture raised from the Total Equity Contribution:

	Use of funds <i>(USD' million)</i>
Payment upon signing of shipyard EPC contract	12.9
Strike Steel	18.0
Upon signing of engineering design contract	11.7
Completion of front-end engineering design	11.7
60% model review	11.7
90% model review	11.7
Other expenses	1.8
Total	79.5

It is expected that any further funding needs of the Joint Venture will be financed by external financings to be sourced by the Joint Venture. The Company understands that the Joint Venture (led by OSE, being the principal operator of the Relevant Project) is currently sourcing and is in negotiations with third party financier(s) in respect of future financings to support further funding requirements of the Joint Venture.

The Group expects to fund its equity contribution under the Funding Investment Agreement by its internal resources.

Condition

The obligations of the parties under the Funding Investment Agreement (other than the specified surviving provisions) shall not become effective and binding unless and until the approval of the Shareholders has been obtained at a duly convened general meeting of the Company in accordance with the Listing Rules and regulations of the Stock Exchange and the constitution of the Company.

TSC Offshore shall use its reasonable endeavours to procure the convening of the general meeting of the Company and the obtaining of the Shareholders' approval as soon as reasonably practicable following the execution of the Funding Investment Agreement.

If the Shareholders' approval is not obtained within two (2) months from the date of the Funding Investment Agreement (or such later date as the parties may agree in writing), either party may terminate the Funding Investment Agreement by written notice to the other party, and upon such termination, neither party shall have any further obligation or liability to the other under the Funding Investment Agreement (save for any antecedent breach).

LETTER FROM THE BOARD

Payment

The specific funding timeline and the corresponding funding schedule shall be agreed in writing between the parties, having regard to: (a) the Relevant Project's capital expenditure requirements and construction milestones; (b) TSC Offshore's and the Company's internal approval processes and any Stock Exchange requirements; (c) TSC Offshore's cash flow and treasury management requirements; and (d) such other factors as the parties may consider relevant.

OSE shall procure that Rozali Bin Hamzah, Andy Goh Beng Kwang and Chuah Choong Keat comply with all funding obligations in respect of the Relevant Project on the same payment timetable as applicable to the equity contribution from TSC Offshore. TSC Offshore shall not be required to advance any portion of its equity contribution unless and until the corresponding equity contributions of the other JV Partners are concurrently funded or irrevocably committed.

REASONS FOR AND BENEFITS OF ENTERING INTO THE TRANSACTIONS

Memorandum of Agreement

The Group is principally engaged in developing clean energy and marine fuels businesses, including deep-sea resource development and vessels chartering.

The Company considers that the Acquisition aligns with the Group's strategic layout and strengthens its core business competitiveness.

The Vessel is presently on bareboat charter from the Seller to the Group under the Existing Bareboat Charter, and has been time-chartered by the Group to an independent third party under the Time Charter. While the Group intends to develop its marine asset management business, the control over the Vessel (including decisions of acquisition and disposal and operational schedule) lies in the owner, leading to limitations to the Group in carrying out its initiatives and business plans. Following the Acquisition, the Group will own the Vessel and gain full autonomy and control in the operations, chartering and disposal of the Vessel, which will give the Group full operational flexibility.

The Acquisition will help create a portfolio of owned and leased marine assets, which will enable the Group to on one hand accumulate assets and enhance value in the long run and on the other hand retain flexibility through leased marine assets. This asset allocation would allow the Group to adapt to market demands and optimize its asset structure, which will effectively strengthen the Group's core competitiveness and lay a solid foundation for its long-term development.

The Group considers the Vessel to be a quality asset that would match the operational needs of the Group. The Vessel was built in 2017 and having passed the initial commissioning and warranty phases. The Vessel possesses complete classification, certifications and oil company approvals, has a clear operational and maintenance record, and has experience operating across regions in the world. Furthermore, the Vessel is currently on bareboat charter to the Group. The fact that the Vessel has been possessed and operated by the Group would eliminate the need for complex commissioning and sea trials, which effectively mitigates the risks associated with new vessel delivery and commissioning. The Acquisition would also reduce transaction costs and operational risks, given that the Group will be able to put the Vessel directly into operation based on a developed business model, thereby providing a stable source of income for the Group.

LETTER FROM THE BOARD

Moreover, compared to other DSCVs, the Vessel can operate more efficiently in deeper waters. It has already been in stable operation in the market for many years, gaining full recognition from well-known oil companies and oilfield service providers. This gives the Vessel a competitive advantage in securing long-term charters in the market. Through the Acquisition and the deployment of the Vessel in the core subsea engineering markets, the Group will develop its core businesses such as vessel chartering and subsea engineering services, improve its overseas business layout, and expand its market presence in the global marine engineering industry.

Financial analysis on the Acquisition

Set out below are the indicative principal terms of the Facility, which is subject to negotiation and finalisation by the parties:

Parties	:	Borrower: the Company						
		Lender: a reputable commercial bank in Hong Kong, being an independent third party						
Facility limit	:	USD100,000,000 or its equivalent in HK\$						
Term	:	The final repayment date shall be the date falling 12 months from the date of drawdown, subject to an extension option exercisable by the borrower to extend the final repayment date to 35 months from the date of drawdown.						
Repayment	:	For drawdown with extension option, principal is to be repaid by 11 quarterly instalments and a final instalment, commencing three (3) months after each drawdown, with the following schedule.						
		<table><tr><td>Instalment no.</td><td>Repayment amount</td></tr><tr><td>1st – 11th</td><td>USD3,000,000 or 3% of the respective drawdown amount per instalment, whichever is higher</td></tr><tr><td>12th</td><td>67% of the respective drawdown amount or the remaining outstanding balance, whichever is higher</td></tr></table>	Instalment no.	Repayment amount	1st – 11th	USD3,000,000 or 3% of the respective drawdown amount per instalment, whichever is higher	12th	67% of the respective drawdown amount or the remaining outstanding balance, whichever is higher
Instalment no.	Repayment amount							
1st – 11th	USD3,000,000 or 3% of the respective drawdown amount per instalment, whichever is higher							
12th	67% of the respective drawdown amount or the remaining outstanding balance, whichever is higher							
Interest	:	SOFR (secured overnight financing rate) plus 0.56% per annum.						

LETTER FROM THE BOARD

The borrower may select an interest period of three (3) months in the drawdown notice for a loan.

Security : The Facility is secured by a charge over deposits (with balance equivalent to three (3) months' principal and interest payments) to be executed by the borrower.

Financial covenants : (a) CM Shipbuilding Industry shall undertake to maintain that the consolidated tangible net worth (including minority interests) shall not be less than RMB3,000,000,000.

(b) CM Shipbuilding Industry shall undertake to maintain the ratio of consolidated net borrowings to consolidated tangible net worth (including minority interests) shall not be greater than 3:1.

(c) The borrower shall undertake to maintain that consolidated tangible net worth (including minority interests) shall not less than USD150,000,000.

(d) The borrower shall undertake to maintain that the ratio of consolidated net borrowings to consolidated tangible net worth (including minority interests) shall not exceed 1.0:1.

Key undertakings : (a) The borrower shall procure that its Shares shall remain listed and not be suspended from trading on the Stock Exchange for a period of 15 consecutive trading days or more due to non-compliance with the Listing Rules or breach of any undertaking given to the Stock Exchange, save and except with prior written consent of the bank (which consent shall not be unreasonably delayed or withheld).

(b) The borrower undertakes not to create any security over the Vessel, and not to seek or obtain any lien or borrowing based on the Vessel's asset value; and shall ensure that no share mortgage is created over the issued and paid-up capital of the holding company of the Vessel.

LETTER FROM THE BOARD

- (c) Throughout the entire period of the Facility, the borrower shall undertake that: (i) the borrower shall procure that CM Shipbuilding Industry (and persons under the control of CM Group acting in concert with it) shall remain as the single largest shareholder (directly and indirectly) and maintain management control of the borrower; and (ii) the borrower shall procure that CM Shipbuilding Industry will remain at least 51% beneficially owned by (directly and indirectly) and under the management control of CM Group.
- (d) Other customary undertakings in term loan facilities, including but not limited to information undertakings, notification requirements of material changes or events, and compliance with laws etc.

For the avoidance of doubt, as at the Latest Practicable Date, the Facility (based on the terms and conditions set out above) has not been entered into by the Company.

With reference to the historical gross profits attributable to the Vessel of approximately USD6.2 million for both of the years ended 31 December 2024 and 2025, and taking into account the stable market trend in respect of DSCVs, the gross profit from the Vessel after the Acquisition is estimated to be sufficient to cover the highest annual interest expenses (the first year) of appropriately USD4.1 million expected to be incurred during the term of the Facility. The Group is currently in discussion with the charterer for a renewal of the Time Charter (which will expire on 30 July 2026). In view of the relatively optimistic market condition and trend, the Group considers that there is no material impediment to the renewal of the Time Charter or the entering into of a new time charter at a similar rate of charter fees.

Based on the total amount of the Facility of USD100 million, the term and repayment schedule (including an estimated interest rate of 4.32% per annum) set out above, it is estimated that the annual payout (principal plus interest) under the Facility is approximately USD14 million, while the estimated revenue during the term of the Facility is estimated to be more than USD22 million.

In addition, based on market data published by reputable international shipbrokers, there has been a growth in the demand and market charter fee for DSCVs since 2020, with charter fee level reaching or approaching a historical peak in 2025. The increasing market demand for underwater maintenance and repair of aged oilfields worldwide and offshore wind power and submarine cable engineering and the shortage of DSCVs in good conditions have resulted in a general reduction in operating capacity of DSCVs and an increasing trend in market charter fees.

Taking into account of the historical financial results of the Vessel (in particular, the gross profit attributable to the Vessel for the year ended 31 December 2025) and the estimated financial cost (including the expected highest annual interest expense and annual payout under the Facility), as well as the market trend of DSCVs, the Board considers that the Acquisition is fair and reasonable and in the interests of the Company and its Shareholders as a whole.

LETTER FROM THE BOARD

Cost-benefit analysis in deciding to acquire or continue charter the Vessel

The Board has considered, amongst others, the following factors in deciding to proceed with the Acquisition instead of a continuation of the charter of the Vessel:

- (a) It is estimated that the indicative daily finance cost under the Facility will be approximately USD44,000/day, while the current charter hire under the Existing Bareboat Charter is USD48,000/day. Therefore, there is expected to be a net increment of approximately USD4,000/day if the Group elects to pursue the Acquisition instead of a continuation of the Existing Bareboat Charter (assuming it can be renewed after expiry).
- (b) The charter period under the Existing Bareboat Charter will expire on 31 July 2026. As the Group has no renewal right, there is no guarantee that the Existing Bareboat Charter will be renewed at terms acceptable to the Group (taking into account especially the increasing market charter fees) or at all. It is possible that the Group may lose access to the Vessel after 31 July 2026 when the Existing Bareboat Charter expires, thereby losing a stable income stream in relation to the Vessel which enjoys a relatively optimistic market position.
- (c) The Vessel, built in 2017, still has an estimated remaining useful economic life of approximately 15 years, which supports a relatively long-term income generation.
- (d) The Group will retain the full residual value of the Vessel, estimated at USD110 million at acquisition, which will benefit the Group in the long run as compared to a continuation of the charter model where charter fees will be outgoing expenses with no accumulation of asset value.

Set forth below is an illustrative comparison of the daily profit and loss attributable to the Vessel before and after the Acquisition:

	Before Closing of the Acquisition (USD per day)	After Closing of the Acquisition (USD per day)
Time charter income from chartering out the Vessel to customer(s)	83,000	83,000
Less: Charter fees under bareboat charter	(48,000)	—
Less: Estimated repayment amount under the Facility	—	(44,000)
Less: Operating/labour costs etc.	—Same—	
Daily margin	35,000	39,000

Based on the above, there will be a net improvement in the indicative daily margin of approximately USD4,000, primarily due to the difference between a smaller estimated daily repayment amount as compared to the estimated charter fees if the Group continues to charter the Vessel under a bareboat charter.

LETTER FROM THE BOARD

The Acquisition is consistent with and integral to the Group's long-term marine asset management strategy. Specifically, it is the Group's strategy is to build a portfolio of self-owned marine assets, transitioning from a charter-based operator to an asset owner-operator model. Ownership of vessels such as the Vessel provides the Group with stable, long-term (with a remaining economic useful life of approximately 15 years) income streams and enhances the Group's ability to offer integrated marine asset management services to third-party customers. Moreover, ownership model would enable the Group to accumulate asset value with a sustainable business model leveraging affordable debt financings and the income stream of quality assets, thereby enhancing shareholders' value.

The Group will continue to evaluate future acquisition opportunities under its self-owned marine asset management model on a case-by-case basis, subject to market conditions and funding availability. As at the Latest Practicable Date, the Group had no immediate or concrete plan to further acquire self-owned and self-operated marine assets.

JV Agreements

The Company considers that the establishment of the Joint Venture would allow the JV Partners to fully leverage synergistic advantages and therefore create long-term and stable value for all parties involved.

Located in the heart of Southeast Asia, Malaysia serves as a crucial bridge to the ASEAN, Middle East, and Australia/New Zealand markets. Its stable political environment and the Government's encouragement of oil and gas and petrochemical industries, coupled with the East Coast Economic Zone's policy support for oil and gas projects, make Malaysia an ideal location to carry out the Relevant Project. Oceanstar Engineering Holdings Sdn. Bhd. ("**OSE Malaysia**") has won the bid for the Relevant Project in 2025 for the provision of Lease, Operate, and Maintain of FPSO (including provision of an appropriate vessel) for the Sepat Integrated Redevelopment Project awarded by PETRONAS Carigali Sdn. Bhd. ("**Petronas**") in Malaysia. The Sepat oil field is located in the offshore waters of Malaysia and is developed and wholly owned by Petronas, a key state-owned oil company in Malaysia and a company consistently listed in the Fortune Global 500. The Relevant Project primarily involves the replacement of the existing equipment with a new FPSO in the Sepat oil field. The JV Partners intend to jointly participate in the Relevant Project by the establishment of the Joint Venture for the supply of the Vessel to OSE Malaysia. As part of the arrangement and for the purpose of the Relevant Project, the Joint Venture is expected to enter into a shipyard EPC contract with CMHI (Jiangsu), in relation to which CMHI (Jiangsu) will provide EPC service for FPSO to the Joint Venture.

LETTER FROM THE BOARD

OSE Malaysia, an affiliate of OSE, has been awarded a contract (the “**Award**”) by Petronas in respect of the Relevant Project in 2025, pursuant to which OSE Malaysia is to provide lease, operate and maintain (O&M) of FPSO, which will serve as the core facilities for offshore oil and gas extraction, production, storage and export in the Sepat oilfield located in the offshore waters around 130 kilometres away south of Malaysia. Under the Award, the engineering, procurement, construction, installation and commissioning of the FPSO are to be completed within 30 months from November 2025, after which the OSE Malaysia shall provide bareboat charter and operation and maintenance (O&M) in respect of the FPSO to Petronas for a period of 15 years.

In order to perform the obligations under the Award, OSE Malaysia will be required to complete the procurement, construction, installation and commissioning of the FPSO within 30 months from November 2025. It was agreed that the JV Partners would establish the Joint Venture as the dedicated asset holding company for the purpose of procuring and holding the FPSO. Upon delivery of the FPSO to the Joint Venture, OSE Malaysia will charter such FPSO from the Joint Venture (for an indicative term of 15 years at the average daily charter rate of approximately USD127,000). Petronas will then sub-charter the FPSO from OSE Malaysia (together with operate and maintain (O&M) of the FPSO) as per the Award.

The Joint Venture (as buyer) has entered into the shipyard EPC contract with CMHI (Jiangsu) (as seller) for the construction of a FPSO (to be chartered by OSE Malaysia). Particulars of the shipyard EPC contract are set out as follows:

Date	:	28 April 2026
Parties	:	Seller: CMHI (Jiangsu) Buyer: the Joint Venture
Description	:	The Seller shall construct, equip and complete a FPSO in accordance with the specifications specified in the shipyard EPC contract.
Contract price	:	USD257,145,713
Sailaway date	:	21 April 2028
Payment	:	(i) An aggregate of 35% of the contract price payable upon various milestones; (ii) 5% of the contract price payable upon ready for sailaway; and (iii) 60% payable upon issue of performance acceptance certificate.

The Relevant Project and the shipyard EPC contract are not inter-conditional.

LETTER FROM THE BOARD

OSE provides one-stop engineering design and innovative EPCIC (design, procurement, construction, installation, and commissioning) solutions for the marine energy sector, and has successfully completed various marine engineering projects. OSE possesses full qualifications in Malaysia and has mature capabilities in FPSO project design, operation, and business development. The establishment of the Joint Venture with a partner with extensive local experience will be beneficial to the success of the Relevant Project in Malaysia. Taking into account OSE's expertise and experience, it is expected that the parties will exert their respective advantages and contribute to the successful development of the Joint Venture and the Relevant Project.

The Company considers that the Joint Venture represents an excellent investment opportunity to the Group, through which the Group will be able to hold an investment interest in the Joint Venture and indirectly enjoy the estimated earnings of the Relevant Project. The costs and funding needs (other than those satisfied by external financing to be obtained by the Joint Venture) of the Joint Venture (i.e. the Total Equity Contribution) could be shared between the Group and the other JV Partners in proportion to their respective shareholdings in the Joint Venture. The Directors consider that the formation of the Joint Venture would enable the Group to participate in a sizeable project and grow its footprint in Malaysia and the ASEAN with limited capital commitment obligations and exposure, which will enable the Group to maintain a healthy risk management and cashflow position and will be beneficial to the Group's financial performance in the long run.

Moreover, the Group's participation in the Relevant Project will also create wider synergistic effect. The Company has entered into a master supply and purchase agreement with CM Shipbuilding Industry on 14 November 2025 in relation to the sale of equipment used on various offshore platforms and vessels to CM Shipbuilding Industry and its subsidiaries (including CMHI (Jiangsu)). It is expected that the Group will sell its high-end offshore engineering equipment, including E-House, Integrated Control and Safety System (ICSS) and deck cranes, to CMHI (Jiangsu) for the construction of the FPSO under the shipyard EPC contract, thereby addressing the technology bottlenecks in key equipment and system integration in the field of offshore oil and gas development. By participating in the process of construction of FPSO for the Relevant Project, the Group would be able to embed its proprietary products into the offshore engineering construction system of CMHI (Jiangsu), which will help expand the Group's presence in the Southeast-Asian FPSO market. This is consistent with the Group's strategy to continuously increase its international market share and brand influence. The orders for sale of equipment to CMHI (Jiangsu) would expand the source of income and improve the cash flow position of the Group, which would in turn enhance the operating results of the Company. The income from sale of products can also be used to fund the equity contribution of the Group in the Joint Venture. It is therefore the Company's view that the cooperations relating to the Relevant Project (including the participation in the Joint Venture and the equity contribution thereto) is in line with the Group's long-term strategy and is beneficial to the Group in the long run.

The terms of the shipyard EPC contract (including the contract price) were determined after arm's length negotiation between the Joint Venture (led by OSE, being the key operator of the Relevant Project) and CMHI (Jiangsu) with reference to, amongst others, (i) market data sourced from a leading and internationally reputable shipbroker in respect of contract prices for the construction of FPSOs in the market; and (ii) the relevant offshore and marine experience, technical capabilities, available yard capacity and ability to meet the requirements and schedule of the Relevant Project of CMHI (Jiangsu).

The Company notes that the per barrel contract price (i.e. contract price/barrel of oil per day) under the shipyard EPC contract is lower than the per barrel contract prices (i.e. contract price/barrel of oil per day) in the market transactions sourced by the Joint Venture.

LETTER FROM THE BOARD

CMHI (Jiangsu) has also provided favourable payment terms to the Joint Venture. Under the shipyard EPC contract, only 40% of the total contract price is required to be paid prior to the FPSO's sailaway, with the remaining 60% payable upon successful installation of the FPSO at the designated offshore location and formal acceptance by Petronas under the Relevant Project. The payment terms represent a materially advantageous arrangement when compared to prevailing industry practice, where shipyards typically require substantial payment to be settled before the vessel sails away from the shipyard. The deferral of payment of 60% of the contract price to a post-acceptance milestone, (i) significantly reduces the Joint Venture's upfront capital outlay and near-term funding requirements; and (ii) preserves liquidity and provides greater financial flexibility during the construction period.

Based on the above, the Company considers that the terms of the shipyard EPC contract are on normal commercial terms and are no less favourable to the Joint Venture than those offered by independent third parties, and the transaction contemplated thereunder are fair and reasonable.

In view of the above, the Directors (including the independent non-executive Directors whose views are set out in the letter from Independent Board Committee in this circular) consider that although the Memorandum of Agreement and the JV Agreements are not entered into in the ordinary and usual course of business of the Group, the terms of the Memorandum of Agreement and the JV Agreements are on normal commercial terms, and the transactions contemplated thereunder are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

INFORMATION ON THE PARTIES

Information on the Company and the Group

The Company is a company incorporated in the Cayman Islands with limited liabilities. The Group focuses on developing clean energy and low-carbon marine fuels businesses, including deep-sea resource development and turnkey equipment design, manufacturing and services in relation to offshore engineering platforms, as well as vessels chartering, manufacturing of carbon reduction products for vessels and comprehensive integrated solutions.

Information on CMHI (Jiangsu)

CMHI (Jiangsu) is company established in the PRC with limited liability. It is a leading global provider of marine and ocean engineering equipment solutions. It focuses on the research and development and construction of five (5) major product lines: high-end marine engineering, luxury cruise ships, gas carriers, module manufacturing and ship conversion, with businesses covering multiple countries and regions worldwide. CMHI (Jiangsu) is a wholly-owned subsidiary of CM Shipbuilding Industry, which is in turn an indirect wholly-owned subsidiary of CM Group. CM Group is a large integrated state-owned conglomerate directly administered by the Central Government of the PRC which is principally engaged in core industries such as transportation, finance, comprehensive development and operation of cities and parks and technology and innovation related businesses.

Information on the Seller

The Seller is a company incorporated in the British Virgin Islands with limited liability, which is the holding company of the Vessel and is engaged in chartering out of the Vessel. It is a wholly-owned subsidiary of CM Shipbuilding Industry, a controlling shareholder of the Company. CM Shipbuilding Industry is an indirect wholly-owned subsidiary of CM Group.

LETTER FROM THE BOARD

Information on TSC Offshore

TSC Offshore is a company incorporated in Singapore with limited liability and a wholly-owned subsidiary of the Company. TSC Offshore is principally engaged in trading of rig equipment and oilfield expendables and supplies, provisions of management and engineering services and leases of vessels.

Information on the Joint Venture

The Joint Venture is a company incorporated in Malaysia with limited liability. The shareholding structure of the Joint Venture is set out in the sub-section headed “Joint Venture Agreement – Capital Contribution” in this circular. It is a vehicle set up by the JV Partners for the purpose of participating in the Relevant Project by the construction of the Vessel.

Information on OSE

OSE is a company incorporated in Singapore with limited liability and is principally engaged in investment holding. It is the holding company of the OceanSTAR group of companies operating in the marine and offshore oil and gas industry. The shares in OSE are held as to 90.5% by Zhu Xiaoming and 9.5% by Zhang Zhiqiang.

Information on Rozali Bin Hamzah

Datuk Rozali Bin Hamzah has over 40 years of experience in the marine and offshore oil and gas industry, covering vessel operations, engineering and executive management, with experience in offshore floating assets including FPSO, FSRU, semi-submersibles, MOPU and FSO. He is currently the Executive Director of OceanSTAR Elite Engineering Group Pte. Ltd. (being part of the OceanSTAR group).

Information on Andy Goh Beng Kwang

Andy Goh Beng Kwang has over 20 years of experience in finance, corporate strategy and management across public listed companies, multinational corporations and private enterprises. His experience includes capital markets, fund raising, mergers and acquisitions, treasury management and corporate governance. He is currently the Chief Financial Officer of OSE.

Information on Chuah Choong Keat

Chuah Choong Keat has over 19 years of experience in the marine and offshore oil and gas industry, with experience in EPC projects involving FPSO, FPU, FSO, FLNG, LNG FSRU and offshore drilling rigs. He is currently the Head of Department (Engineering Management) of OceanSTAR Elite Engineering Group Pte. Ltd. (being part of the OceanSTAR group).

LETTER FROM THE BOARD

FINANCIAL EFFECTS

Memorandum of Agreement

Upon the completion of the Acquisition of the Vessel, it is expected that the Group's non-current assets will be increased by approximately USD110 million, being the recognition as property, plant and equipment, and the Group's total liabilities will be increased by USD100 million, being approximately 91% of the total consideration paid for the Vessel from bank financing, and the Group's current assets will be decreased by approximately USD10 million, being the remaining consideration paid for the Vessel from bank balances and cash.

The Vessel will generate recurring chartering hire income, which will be recorded as revenue for the Group and the relevant shipping-related expenses and depreciation will be recorded as expenses of the Group.

JV Agreements

Regarding the formation of the Joint Venture, it will not be a subsidiary of the Group; therefore, its financial results will not be consolidated into the financial statements of the Group. Initially, the capital contribution will be recognized as an investment in the Joint Venture on the balance sheet. Subsequently, the annual financial performance will be recorded as a share of profit or loss in the Group's profit and loss account, with the carrying amount adjusted accordingly in the balance sheet.

LISTING RULES IMPLICATIONS

Memorandum of Agreement

As at the Latest Practicable Date, the Seller was a wholly-owned subsidiary of CM Shipbuilding Industry, a controlling shareholder of the Company. Hence, the Seller was a connected person of the Company under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the Memorandum of Agreement and the transactions contemplated thereunder exceed 25% but are all less than 100%, the Memorandum of Agreement and the transactions contemplated thereunder constitute a major and connected transaction for the Company and is subject to the reporting, announcement, circular and independent shareholders' approval requirements under Chapters 14 and 14A of the Listing Rules.

JV Agreements

As at the Latest Practicable Date, CMHI (Jiangsu) was a wholly-owned subsidiary of CM Shipbuilding Industry, a controlling shareholder of the Company. Hence, CMHI (Jiangsu) is a connected person of the Company under Chapter 14A of the Listing Rules. In view that the sole purpose of the Joint Venture is to participate in the Relevant Project through the entering into of a shipyard EPC contract with CMHI (Jiangsu), the JV Agreements and the transactions contemplated thereunder are treated as a connected transaction of the Company.

LETTER FROM THE BOARD

As one or more of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the JV Agreements and transactions contemplated thereunder (on an aggregate basis) exceed 5% but are all less than 25%, the JV Agreements and the transactions contemplated thereunder constitute a discloseable and connected transaction for the Company and is subject to the reporting, announcement, circular and independent shareholders' approval requirements under Chapters 14 and 14A of the Listing Rules. For the avoidance of doubt, the Joint Venture Agreement and the transactions contemplated thereunder (on a standalone basis) were fully exempt as all the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) were less than 5% and the total commitment of the Group was less than HK\$3,000,000.

As Mr. Mei Zhonghua, Mr. Liu Jiancheng and Mr. Tam Wing Tim hold positions in CM Shipbuilding Industry and/or its subsidiaries, each of them is deemed to be materially interested in, and has abstained from voting on the Board resolutions in relation to (i) the Memorandum of Agreement and the transactions contemplated thereunder; and (ii) the JV Agreements and the transactions contemplated thereunder.

INDEPENDENT BOARD COMMITTEE

The Independent Board Committee comprising all three independent non-executive Directors has been formed to advise the Independent Shareholders in relation to (i) the Memorandum of Agreement and the transactions contemplated thereunder; and (ii) the JV Agreements and the transactions contemplated thereunder.

Mr. Zou Zhendong, Ms. Zhang Zhen and Mr. Xue Jianzhong, being all the independent non-executive Directors, have been appointed by the Board to serve as members of the Independent Board Committee. To the best of the knowledge, information and belief of the Directors, no member of the Independent Board Committee has any material interest in (i) the Memorandum of Agreement and the transactions contemplated thereunder; and (ii) the JV Agreements and the transactions contemplated thereunder. A letter from the Independent Board Committee is set out on pages 34 to 35 of this circular.

INDEPENDENT FINANCIAL ADVISER

Red Sun Capital Limited has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders on (i) the Memorandum of Agreement and the transactions contemplated thereunder; and (ii) the JV Agreements and the transactions contemplated thereunder. A letter from the Independent Financial Adviser is set out on pages 36 to 58 of this circular.

EGM

The EGM will be convened and held at 5th Floor, China Merchants Development Center, No. 1089 Nanhai Avenue, Nanshan District, Shenzhen, the PRC on Monday, 29 June 2026 at 10:30 a.m. (or immediately after the conclusion of the annual general meeting of the Company to be held on the same date at 10:00 a.m., whichever is later) for the Independent Shareholders to consider, and if thought fit, approve (i) the Memorandum of Agreement and the transactions contemplated thereunder; and (ii) the JV Agreements and the transactions contemplated thereunder.

LETTER FROM THE BOARD

Whether or not you propose to attend the EGM, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return the same to the branch share registrar and transfer office of the Company in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the EGM or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish.

As at the Latest Practicable Date, as CM Shipbuilding Industry was indirectly interested in 1,530,372,000 Shares (representing approximately 47.18% of the issued share capital of the Company) through Prime Force, CM Shipbuilding Industry and its associates (including Prime Force) are therefore deemed to have material interest in, and will be required to abstain from voting on the resolutions in relation to (i) the Memorandum of Agreement and the transactions contemplated thereunder; and (ii) the JV Agreements and the transactions contemplated thereunder at the EGM. Save as disclosed above, to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no other Shareholder has a material interest in (i) the Memorandum of Agreement and the transactions contemplated thereunder; and (ii) the JV Agreements and the transactions contemplated thereunder and will be required to abstain from voting at the EGM on the relevant resolutions.

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll. Therefore, all resolutions proposed at the EGM shall be voted by poll in accordance with the Listing Rules and the articles of association of the Company. The poll results will be announced in accordance with Rule 13.39(5) of the Listing Rules after the conclusion of the EGM.

RECOMMENDATION

Your attention is drawn to the letter from the Independent Board Committee set out on pages 34 to 35 of this circular and the letter from the Independent Financial Adviser set out on pages 36 to 58 of this circular. The Independent Shareholders are advised to read the aforesaid letters before deciding as to how to vote on the resolutions regarding (i) the Memorandum of Agreement and the transactions contemplated thereunder; and (ii) the JV Agreements and the transactions contemplated thereunder.

The Directors (including the independent non-executive Directors whose views are set out in the letter from the Independent Board Committee in this circular) consider that the terms of the Memorandum of Agreement and the JV Agreements are on normal commercial terms, and the transactions contemplated thereunder are fair and reasonable and in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors (including the independent non-executive Directors whose views are set out in the letter from the Independent Board Committee in this circular) recommend all Independent Shareholders to vote in favour of the relevant resolutions to be proposed at the EGM.

LETTER FROM THE BOARD

FURTHER INFORMATION

Your attention is drawn to the additional information set out in the appendices to this circular.

The equity contribution under the JV Agreements and the Closing under the Memorandum of Agreement are subject to the Independent Shareholders' approval at the EGM and the fulfillment of the conditions precedent thereunder, and hence may or may not proceed.

Shareholders and potential investors are advised to exercise caution when dealing in the Shares, and are recommended to consult their professional advisers if they are in any doubt about their position and as to actions that they should take.

Yours faithfully,

For and on behalf of
the Board of Directors of
CM Energy Tech Co., Ltd.
Mei Zhonghua
Chairman



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)

12 June 2026

To the Independent Shareholders

Dear Sir or Madam,

**(1) MAJOR AND CONNECTED TRANSACTION
PROPOSED ACQUISITION OF VESSEL;
AND
(2) DISCLOSEABLE AND CONNECTED TRANSACTION
FORMATION OF JOINT VENTURE**

We refer to the circular issued by the Company to its shareholders dated 12 June 2026 (the “**Circular**”) of which this letter forms part. Unless otherwise specified, terms defined in the Circular shall have the same meanings in this letter.

We have been appointed by the Board as members of the Independent Board Committee to advise the Independent Shareholders in respect of the terms of (i) the Memorandum of Agreement and the transactions contemplated thereunder; and (ii) the JV Agreements and the transactions contemplated thereunder, details of which are set out in the letter from the Board contained in the Circular.

Red Sun Capital Limited has been appointed as the Independent Financial Adviser to advise the Independent Shareholders and us in respect of the terms of (i) the Memorandum of Agreement and the transactions contemplated thereunder; and (ii) the JV Agreements and the transactions contemplated thereunder. Details of the Independent Financial Adviser’s advice and the principal factors and reasons they have taken into consideration in giving such advice are set out on pages 36 to 58 of the Circular. Your attention is also drawn to the letter from the Board set out on pages 6 to 33 of the Circular and the additional information set out in the appendices thereto.

Having considered the terms of the Memorandum of Agreement and the JV Agreements, the advice of the Independent Financial Adviser and the principal factors and reasons taken into consideration by the Independent Financial Adviser, we are of the opinion that although the Memorandum of Agreement and the JV Agreements are not entered into in the ordinary and usual course of business of the Company, the terms of the Memorandum of Agreement and the JV Agreements are on normal commercial terms, and the transactions contemplated thereunder are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

LETTER FROM THE INDEPENDENT BOARD COMMITTEE

We, therefore, recommend the Independent Shareholders to vote in favour of the relevant resolutions to be proposed at the EGM to approve and ratify (i) the Memorandum of Agreement and the transactions contemplated thereunder; and (ii) the JV Agreements and the transactions contemplated thereunder.

Yours faithfully,
For and on behalf of
the Independent Board Committee of
CM Energy Tech Co., Ltd.

Mr. Zou Zhendong
*Independent non-executive
Director*

Ms. Zhang Zhen
*Independent non-executive
Director*

Mr. Xue Jianzhong
*Independent non-executive
Director*

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The following is the full text of the letter from the Independent Financial Adviser which sets out its advice to the Independent Board Committee and Independent Shareholders regarding the discloseable and connected transaction and the major and connected transaction for the purpose of inclusion in this circular.



红日资本有限公司
RED SUN CAPITAL LIMITED

Room 2703, Floor 27,
China Insurance Group Building,
141 Des Voeux Road Central,
Central,
Hong Kong

Tel: (852) 2857 9208
Fax: (852) 2857 9100

12 June 2026

*To: The Independent Board Committee and the Independent Shareholders of
CM Energy Tech Co., Ltd*

Dear Sir/Madam,

DISCLOSEABLE AND CONNECTED TRANSACTION FORMATION OF JOINT VENTURE MAJOR AND CONNECTED TRANSACTION PROPOSED ACQUISITION OF VESSEL

I. INTRODUCTION

We refer to our appointment as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders with regard to the discloseable and connected transaction and the major and connected transaction in relation to the formation of Joint Venture and the acquisition of vessel and the transactions contemplated thereunder. Details of which are set out in the letter from the Board (the “**Letter from the Board**”) contained in the circular of the Company (the “**Circular**”) to the Shareholders dated 12 June 2026, of which this letter forms part. Capitalised terms used in this letter shall have the same meanings as those defined in the Circular unless the context otherwise requires.

Reference is made to the announcement of the Company dated 12 May 2026. On 30 March 2026 (after trading hours), TSC Offshore (a wholly-owned subsidiary of the Company) entered into the Joint Venture Agreement with the other JV Partners, pursuant to which the JV Partners have agreed to establish the Joint Venture for the purpose of participating in the Relevant Project through the entering into of a shipyard EPC contract with CMHI (Jiangsu). On 12 May 2026 (after trading hours), TSC Offshore (a wholly-owned subsidiary of the Company) and OSE entered into the Funding Investment Agreement, pursuant to which, amongst others, TSC Offshore has agreed to make proportionate equity contribution to the Joint Venture in the amount of USD15,908,175 (inclusive of the Initial Capital Contribution).

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Reference is also made to the announcement of the Company dated 12 May 2026. On 12 May 2026 (after trading hours), the Company, as Buyer, entered into the Memorandum of Agreement with the Seller for the acquisition of the Vessel, a diving support construction vessel, at the Purchase Price of USD110,000,000. The Vessel is presently on bareboat charter from the Seller to TSC Offshore, a wholly-owned subsidiary of the Company, under the Existing Bareboat Charter. TSC Offshore has time-chartered the Vessel to an independent third party under the Time Charter, which shall continue in force notwithstanding the Memorandum of Agreement.

II. LISTING RULES IMPLICATIONS

As at the Latest Practicable Date, CMHI (Jiangsu) is a wholly-owned subsidiary of CM Shipbuilding Industry, a controlling shareholder of the Company. Hence, CMHI (Jiangsu) is a connected person of the Company under Chapter 14A of the Listing Rules. In view that the sole purpose of the Joint Venture is to carry out the Relevant Project through the entering into of a shipyard EPC contract with CMHI (Jiangsu), the JV Agreements and the transactions contemplated thereunder are treated as a connected transaction of the Company.

As one or more of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the JV Agreements and transactions contemplated thereunder (on an aggregate basis) exceed 5% but are all less than 25%, the JV Agreements and the transactions contemplated thereunder constitute a discloseable and connected transaction for the Company and is subject to the reporting, announcement, circular and independent shareholders' approval requirements under Chapters 14 and 14A of the Listing Rules. For the avoidance of doubt, the Joint Venture Agreement and the transactions contemplated thereunder (on a standalone basis) were fully exempt as all the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) were less than 5% and the total commitment of the Group was less than HK\$3,000,000.

As Mr. Mei Zhonghua, Mr. Liu Jiancheng and Mr. Tam Wing Tim hold positions in CM Shipbuilding Industry and/or its subsidiaries, each of them is deemed to be materially interested in, and has abstained from voting on the Board resolutions in relation to the JV Agreements and transaction contemplated thereunder.

As at the Latest Practicable Date, the Seller is a wholly-owned subsidiary of CM Shipbuilding Industry, a controlling shareholder of the Company. Hence, the Seller is a connected person of the Company under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios (as defined under Rule 14.07 of the Listing Rules) in respect of the Memorandum of Agreement and the transactions contemplated thereunder exceed 25% but are all less than 100%, the Memorandum of Agreement and the transactions contemplated thereunder constitute a major and connected transaction for the Company and is subject to the reporting, announcement, circular and independent shareholders' approval requirements under Chapters 14 and 14A of the Listing Rules.

As Mr. Mei Zhonghua, Mr. Liu Jiancheng and Mr. Tam Wing Tim hold positions in CM Shipbuilding Industry and/or its subsidiaries, each of them is deemed to be materially interested in, and has abstained from voting on the Board resolutions in relation to, the Memorandum of Agreement and the transactions contemplated thereunder.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

III. THE INDEPENDENT BOARD COMMITTEE

The Board currently comprises Mr. Zhan Huafeng as executive Director, Mr. Mei Zhonghua, Mr. Liu Jiancheng, Mr. Tam Wing Tim, Mr. Zhang Xizheng and Mr. Zhang Menggui, Morgan as non-executive Directors, and Mr. Zou Zhendong, Ms. Zhang Zhen and Mr. Xue Jianzhong as independent non-executive Directors.

The Independent Board Committee comprising all the aforementioned independent non-executive Directors has been formed to advise the Independent Shareholders as to whether the JV Agreements, the Memorandum of Agreement and transactions contemplated thereunder are on normal commercial terms and are fair and reasonable, in the ordinary and usual course of business of the Group, and in the interests of the Company and the Shareholders as a whole.

We, Red Sun Capital Limited, have been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders for the purpose of advising the Independent Board Committee and the Independent Shareholders whether the terms of the JV Agreements, the Memorandum of Agreement and transactions contemplated thereunder are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

IV. OUR INDEPENDENCE

As at the Latest Practicable Date, we were independent from and not connected with the Company, CM Shipbuilding Industry, the JV Partners, the Seller and their respective shareholders, directors or chief executives, or any of their respective associates and accordingly, are qualified to give independent advice to the Independent Board Committee and the Independent Shareholders regarding the JV Agreements, the Memorandum of Agreement and transactions contemplated thereunder.

As at the Latest Practicable Date, we did not have any interest or ongoing business relationship with the Company that would make us not independent according to Rule 13.84 of the Listing Rules. Save for this appointment and our appointment as the independent financial adviser in relation to (i) the continuing connected transaction in relation to product sales and continuing connected transaction and major transactions in relation to vessels chartering, details of which is set out in the circular dated 10 December 2025; and (ii) the subscription of shares under specific mandate and the application of whitewash waiver, details of which is set out in the circular dated 13 February 2025, Red Sun Capital Limited have not acted as the independent financial adviser to the Company under the Listing Rules in the past two years. Apart from the normal advisory fee payable to us in connection with our appointment as the Independent Financial Adviser, no arrangements exist whereby we have received or will receive any fees or benefits from the Group or any other parties that could reasonably be regarded as relevant to our independence. Accordingly, we consider that we are independent from the Group pursuant to Rule 13.84 of the Listing Rules.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

V. BASIS AND ASSUMPTIONS OF THE ADVICE

In formulating our advice, we have relied solely on the statements, information, opinions, beliefs and representations for matters relating to the Group, TSC Offshore, CMHI (Jiangsu), CM Group, Well Target One O One Limited, CM Shipbuilding Industry and their respective shareholders and management contained in the Circular and the information and representations provided to us by the Group and/or its senior management (the “**Management**”) and/or the Directors. We have assumed that all information, representations and opinions contained or referred to in the Circular, which have been provided by the Company, the Directors and the Management and for which they are solely and wholly responsible, were true and accurate at the time when they were made and continue to be so as at the Latest Practicable Date. We have assumed that all the opinions, beliefs and representations for matters relating to the Group, TSC Offshore, CMHI (Jiangsu), CM Group, Well Target One O One Limited, CM Shipbuilding Industry made or provided by the Management and/or the Directors contained in the Circular have been reasonably made after due and careful enquiry. We have no reason to doubt the truth, accuracy and completeness of the information and representations provided to us by the management of the Group and have been advised that no material facts have been withheld or omitted from the information provided and referred to in the Circular.

We have not, however, carried out any independent verification nor have we conducted any independent investigation into information provided by the Directors and the Management, background, business or affairs or future prospects of the Company, TSC Offshore, CMHI (Jiangsu), CM Group, Well Target One O One Limited, CM Shipbuilding Industry and their respective shareholder(s) and subsidiaries or affiliates, and their respective history, experience and track records, or the prospects of the markets in which they respectively operate.

This letter is issued to the Independent Board Committee and the Independent Shareholders solely in connection with their consideration of the JV Agreements, the Memorandum of Agreement and transaction contemplated thereunder, and except for its inclusion in the Circular, is not to be quoted or referred to, in whole or in part, nor shall this letter be used for any other purposes, without our prior written consent.

VI. PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion to the Independent Board Committee and the Independent Shareholders in respect of the terms of the JV Agreements, the Memorandum of Agreement and the transactions contemplated thereunder, we have taken into consideration the following principal factors and reasons:

Background information of the Group

With reference to the Letter from the Board, the Group focuses on developing clean energy and low-carbon marine fuels businesses, including deep-sea resource development and turnkey equipment design, manufacturing and services in relation to offshore engineering platforms, as well as vessels chartering, manufacturing of carbon reduction products for vessels and comprehensive integrated solutions.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Set out below is a summary of the Group's financial information for the years ended 31 December 2024 and 2025 and for the six months ended 30 June 2024 and 2025, as extracted from the annual report for the year ended 31 December 2025 (the “**2025 Annual Report**”) and the interim report for the six months ended 30 June 2025 (the “**2025 Interim Report**”), respectively:

Summary of the Group's statement of profit or loss

	For the six months ended 30 June		For the year ended 31 December	
	2024	2025	2024	2025
	US\$'000	US\$'000	US\$'000	US\$'000
	(unaudited)	(unaudited)	(audited)	(audited)
Revenue				
– Equipment manufacturing and packages	38,247	28,548	–	–
– Supply chain and integration services	14,526	10,341	–	–
– Asset management and engineering services	24,828	23,741	–	–
– Hydrogen-based energy	–	–	387	522
– Shipbuilding and offshore equipment support	–	–	40,995	59,411
– Smart electronic control	–	–	32,692	12,340
– Marine services	–	–	92,699	63,089
Total Revenue	77,601	62,630	166,773	135,362
Profit for the period/year	4,784	2,781	9,194	1,774

For the year ended 31 December 2024 (“FY2024”) compared to the year ended 31 December 2025 (“FY2025”)

As set out in the 2025 Annual Report, the Group's total revenue decreased by approximately USD31.4 million or 18.8% from approximately USD166.8 million for FY2024 to approximately USD135.4 million for FY2025. The decrease in revenue was mainly driven by the decrease in revenue recognised in the smart electronic control and marine services segment.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The total revenue for FY2025 comprised revenue recognised in: (i) hydrogen-based energy of approximately USD0.5 million, representing an increase of approximately 34.9% as compared to approximately USD0.4 million for FY2024, due to increase in sales of green energy equipment; (ii) shipbuilding and offshore equipment support of approximately USD59.4 million, recording an increase of approximately 44.9% from approximately USD41.0 million for FY2024, primarily attributable to the growth in rigid sail deliveries in 2025; (iii) smart electronic control of approximately USD12.3 million, recording a decrease of approximately 62.3% from approximately USD32.7 million for FY2024, mainly due to the decrease in orders for electronic control-related equipment; and (iv) marine services segment of approximately USD63.1 million which recorded a decrease of approximately 31.9% as compared to approximately USD92.7 million for FY2024, mainly in connection with the decline in delivered orders in the Mexican market.

The profit for the year decreased by approximately USD7.4 million or 80.7% from approximately USD9.2 million for FY2024 to approximately USD1.8 million for FY2025. Such decrease was mainly due to the decrease in revenue as discussed above.

For the six months ended 30 June 2024 (the “6M2024”) compared to the six months ended 30 June 2025 (the “6M2025”)

As set out in the 2025 Interim Report, the revenue of the Group decreased by approximately USD15.0 million or 19.3% from approximately USD77.6 million for 6M2024 to approximately USD62.6 million for 6M2025. The decrease in revenue was mainly due to the reduction in delivery order volume.

The total revenue for 6M2025 comprised: (i) revenue from the equipment manufacturing and packages segment of approximately USD28.5 million, representing a decrease of approximately 25.4% from approximately USD38.2 million for 6M2024, which was mainly due to decrease in completed and delivered projects; (ii) revenue from the supply chain and integration services of approximately USD10.3 million, recording a decrease of approximately 28.8% from approximately USD14.5 million for 6M2024 and was mainly due to a year-on-year decrease in completed orders in the Mexico market; and (iii) asset management and engineering services segment of approximately USD23.7 million, which was broadly in line with 6M2024 of approximately USD24.8 million.

The profit for the period decreased by approximately USD2.0 million or 41.9% from approximately USD4.8 million for 6M2024 to approximately USD2.8 million for 6M2025, such was mainly due to the aforesaid overall decrease in revenue.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Summary of consolidated statement of financial position of the Group

	As at 31 December		
	2023	2024	2025
	USD'000	USD'000	USD'000
	(audited)	(audited)	(audited)
Non-current assets	81,446	53,289	42,963
Current assets	244,855	257,081	291,994
Total assets	326,301	310,370	334,957
Non-current liabilities	22,136	3,579	1,348
Current liabilities	128,341	127,544	150,252
Total liabilities	150,477	131,123	151,600
Total equity attributable to equity shareholders of the Company	175,041	178,191	181,763

Note: For the avoidance of doubt, only selected major asset and liability components are disclosed in the table above.

Financial position of the Group as at 31 December 2025

As at 31 December 2025, the total assets of the Group were approximately USD335.0 million, the total liabilities of the Group were approximately USD151.6 million and the total equity attributable to owners of the Company was approximately USD181.8 million.

As at 31 December 2025, the assets of the Group mainly comprised of (i) cash and cash equivalents of approximately USD133.1 million; (ii) trade and other receivables of approximately USD90.9 million; and (iii) inventories of approximately USD50.5 million.

As at 31 December 2025, the liabilities of the Group mainly comprised of (i) contract liabilities of approximately USD63.1 million; (ii) trade and other payables of approximately USD54.2 million; and (iii) lease liabilities (current and non-current portion) of approximately USD32.0 million.

Financial position of the Group as at 31 December 2023 and 31 December 2024

As at 31 December 2024, the Group's total assets amounted to approximately USD310.4 million, representing a decrease of approximately USD15.9 million or 4.9% from approximately USD326.3 million as at 31 December 2023. Such decrease was primarily due to the net effects of the (i) decrease in property, plant and equipment of approximately USD21.9 million; (ii) decrease in trade and other receivables of approximately USD8.7 million; (iii) the increase in lease receivables of approximately USD17.8 million; and (iv) decrease in inventories of approximately USD2.8 million, as compared as at 31 December 2023.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

As at 31 December 2024, the Group's total liabilities amounted to approximately USD131.1 million, representing a decrease of approximately USD19.4 million from approximately USD150.5 million as at 31 December 2023. Such decrease was mainly attributable to the (i) decrease in trade and other payables of approximately USD9.4 million; and (ii) decrease in lease liabilities (non-current portion) of USD18.6 million, and were partially offset by the increase in lease liabilities (current portion) of approximately USD15.7 million.

The equity attributable to owners of the Company of approximately USD178.2 million as at 31 December 2024 remained broadly in line with approximately USD175.0 million as at 31 December 2023.

(A) Formation of Joint Venture

Background for the formation of Joint Venture

The Joint Venture is formed, pursuant to the Joint Venture Agreement, for the sole purpose of carrying out the Relevant Project. Any involvement by the Joint Venture in projects, business activities or ventures outside the scope of the Relevant Project shall require the prior written approval of OSE and TSC Offshore.

The Initial Capital Contribution is determined after arm's length negotiation between the JV Partners with reference to the estimated initial fundings needs of the Joint Venture required for the Relevant Project and the shareholding proportion of the JV Partners in the Joint Venture.

The Group expects to fund its Initial Capital Contribution under the Joint Venture Agreement by its internal resources.

The Joint Venture will not become a subsidiary of the Company and its financial results will not be consolidated into the financial statements of the Group.

Background information of the parties

Joint Venture

The Joint Venture is a company incorporated in Malaysia with limited liability. The shareholding structure of the Joint Venture is set out in the sub-section headed "Joint Venture Agreement – Capital Contribution" in the Letter from the Board. It is a vehicle set up by the JV Partners for the purpose of participating in the Relevant Project.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

CMHI (Jiangsu)

As set out in the Letter from the Board, CMHI (Jiangsu) is company established in the PRC with limited liability. It is a leading global provider of marine and ocean engineering equipment solutions. It focuses on the research and development and construction of five (5) major product lines: high-end marine engineering, luxury cruise ships, gas carriers, module manufacturing and ship conversion, with businesses covering multiple countries and regions worldwide. CMHI (Jiangsu) is a wholly-owned subsidiary of CM Shipbuilding Industry, which is in turn an indirect wholly-owned subsidiary of CM Group. CM Group is a large integrated state-owned conglomerate directly administered by the Central Government of the PRC which is principally engaged in core industries such as transportation, finance, comprehensive development and operation of cities and parks and technology and innovation related businesses.

TSC Offshore

TSC Offshore is a company incorporated in Singapore with limited liability and a wholly-owned subsidiary of the Company. TSC Offshore is principally engaged in trading of rig equipment and oilfield expendables and supplies, provisions of management and engineering services and leases of vessels.

OSE

OSE is a company incorporated in Singapore with limited liability and is principally engaged in investment holding. It is the holding company of the OceanSTAR group of companies operating in the marine and offshore oil and gas industry. The shares in OSE are held as to 90.5% by Zhu Xiaoming and 9.5% by Zhang Zhiqiang.

Rozali Bin Hamzah

Datuk Rozali Bin Hamzah has over 40 years of experience in the marine and offshore oil and gas industry, covering vessel operations, engineering and executive management, with experience in offshore floating assets including FPSO, FSRU, semi-submersibles, MOPU and FSO. He is currently the Executive Director of OceanSTAR Elite Engineering Group Pte. Ltd. (being part of the OceanSTAR group).

Andy Goh Beng Kwang

Andy Goh Beng Kwang has over 20 years of experience in finance, corporate strategy and management across public listed companies, multinational corporations and private enterprises. His experience includes capital markets, fund raising, mergers and acquisitions, treasury management and corporate governance. He is currently the Chief Financial Officer of OSE.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Chuah Choong Keat

Chuah Choong Keat has over 19 years of experience in the marine and offshore oil and gas industry, with experience in EPC projects involving FPSO, FPU, FSO, FLNG, LNG FSRU and offshore drilling rigs. He is currently the Head of Department (Engineering Management) of OceanSTAR Elite Engineering Group Pte. Ltd. (being part of the OceanSTAR group).

The Funding Investment Agreement

On 12 May 2026 (after trading hours), TSC Offshore (a wholly-owned subsidiary of the Company) and OSE entered into the Funding Investment Agreement, pursuant to which, amongst others, TSC Offshore has agreed to make proportionate equity contribution to the Joint Venture in the amount of USD15,908,175 (inclusive of the Initial Capital Contribution).

Parties

- (1) Oceanstar Marine & Offshore Investment Pte. Ltd.
- (2) TSC Offshore Pte. Ltd.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, as at the Latest Practicable Date, OSE and its ultimate beneficial owner are third parties independent of and not connected with the Company and its connected persons.

Equity Contribution

OSE and TSC Offshore have agreed to make equity contributions to the Joint Venture in the total amount of USD79,540,874, amongst which, TSC Offshore shall contribute its proportionate share (20%) of the Total Equity Contribution, being USD15,908,175.

OSE has represented, warranted and undertaken to TSC Offshore that it is responsible for the funding of 80% of the Total Equity Contribution, being USD63,632,699, which will be contributed directly by OSE in respect of its 29% shareholding and/or funded by OSE via shareholder loans to Rozali Bin Hamzah, Andy Goh Beng Kwang and Chuah Choong Keat in respect of their aggregate 51% shareholding in the Joint Venture.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The equity contribution of TSC Offshore is determined after arm's length negotiation between the parties with reference to the fundings needs and plan of the Joint Venture required for the Relevant Project. Taking into account the construction schedule of the Relevant Project, the JV Partners shall make the Total Equity Contribution, amongst which USD15,908,175 (representing its proportionate share (20%) of the Total Equity Contribution) shall be contributed by TSC Offshore. The total equity contribution of TSC Offshore under the JV Agreements is USD15,908,175, inclusive of the Initial Capital Contribution. The Initial Capital Contribution paid by TSC Offshore under the Joint Venture Agreement will be set off against the equity contribution of TSC Offshore under the Funding Investment Agreement.

The Group expects to fund its equity contribution under the Funding Investment Agreement by its internal resources.

Reasons for and benefits of entering into the JV Agreements

As set out in the Letter from the Board, the Company considers that the establishment of the Joint Venture would allow the JV Partners to fully leverage synergistic advantages and therefore create long-term and stable value for all parties involved.

As extracted and summarized from the Letter from the Board, Malaysia's strategic location, stable political environment, and government support for oil and gas projects make it an ideal base for the Sepat Integrated Redevelopment Project, where OSE secured a bid in late 2025 to provide and operate a new FPSO for Petronas. To execute the project, OSE and its partners will form a Joint Venture, which will enter into an EPC contract with CMHI (Jiangsu), leveraging OSE's proven EPCIC expertise and full qualifications in Malaysia. The Joint Venture offers the Group a sizeable investment opportunity with limited capital exposure, while also creating synergies through the Group's existing master supply agreement with CM Shipbuilding Industry. By supplying proprietary offshore engineering equipment such as E-House, ICSS, and deck cranes for FPSO construction, the Group will strengthen its presence in the Southeast Asian FPSO market, expand income sources, and enhance cash flow. Overall, participation in the Joint Venture aligns with the Group's long-term strategy to grow its international footprint, embed its technology in regional projects, and improve financial performance.

As stated in the Letter from the Board, the Group considers the formation of the Joint Venture for the Sepat Integrated Redevelopment Project to be a strategic opportunity to expand its footprint in Malaysia and the ASEAN region. OSE, with its extensive EPCIC expertise and full qualifications in Malaysia, will lead the Joint Venture alongside partners with strong local experience. The capital contribution commitments of the JV Partners amount to RM5,925,000 in aggregate, with OSE holding 29% of the shareholding. The Joint Venture will be managed by a board of directors, with OSE entitled to appoint four directors and TSC Offshore entitled to appoint one director, ensuring OSE's leadership role in setting objectives, monitoring financial performance, and approving annual targets. This governance structure is expected to provide stability and effective oversight for the execution of the Relevant Project.

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In light of the sizable investment required for the FPSO replacement project, the Joint Venture arrangement allows the Group to share capital commitments with its partners while leveraging OSE's proven track record in marine engineering and FPSO operations. Funding requirements will primarily be met through external financing, with no obligation on JV Partners to provide shareholder loans or guarantees unless agreed in writing. Dividend distributions will be made in accordance with Malaysian company law, with immediate distribution of legally available funds subject to working capital needs, and any retention requiring approval from OSE and TSC Offshore. These arrangements ensure prudent financial management and healthy cash flow, while enabling the Group to participate in a sizeable project with limited capital exposure.

Taking into consideration the Group's existing master supply and purchase agreement with CM Shipbuilding Industry, the Joint Venture also creates synergistic benefits by embedding the Group's proprietary offshore engineering equipment, such as E-House, ICSS, and deck cranes into the FPSO construction system of CMHI (Jiangsu). This not only expands the Group's income sources and strengthens its cash flow position, but also enhances its presence in the Southeast Asian FPSO market. With conventional transfer restrictions in place, including rights of first refusal, tag-along, and drag-along provisions, as well as a 36-month lock-up period, the Joint Venture structure provides both stability and flexibility. Based on the above, we concur with the view of the Directors that the formation of the Joint Venture is consistent with the Group's long-term strategy, will generate synergies, and is in the interest of the Group as a whole.

Our review on the major terms of the Joint Venture Agreement and the Funding Investment Agreement

(i) Equity contribution to the Joint Venture

Pursuant to the Funding Investment Agreement entered into between OSE and TSC Offshore, the parties agreed to make equity contributions to the Joint Venture in the total amount of USD79,540,874. TSC Offshore shall contribute USD15,908,175, representing its 20% proportionate share of the Total Equity Contribution, while OSE shall be responsible for funding the remaining 80% (USD63,632,699), either directly in respect of its 29% shareholding or indirectly by way of shareholder loans to the other Malaysian partners holding an aggregate of 51% shareholding. The equity contribution of TSC Offshore was determined after arm's length negotiation with reference to the funding needs and construction schedule of the Relevant Project. The Initial Capital Contribution already paid under the Joint Venture Agreement will be set off against this commitment. We are of the view that the terms relating to equity contribution are fair, reasonable, and consistent with normal commercial practice. In assessing whether the basis for determining the Total Equity Contribution of approximately US\$79.5 million is fair and reasonable, we have obtained and reviewed a cost breakdown provided by the Company in relation to the Relevant Project, with detailed timeline on the relevant cost contribution to the project. We have also identified and obtained market data sourced from a leading and internationally reputable shipbroker in respect of contract prices for the construction of FPSOs in the market. We noted that the per barrel contract price (i.e. contract price / barrel of oil per day) under the shipyard EPC contract is lower than the per barrel contract prices (i.e. contract price / barrel of oil per day) in the market transactions sourced by the Joint Venture. It is noted that the

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work scope, complexities, deliverables and/or project scales may vary from contract to contract, thus no contracts are entirely identical. Nonetheless, given the nature of the engineering, consulting and technical services provided by the Group under such segment, we considered that our analysis as set out above to be a useful reference to assess the fairness and reasonableness for determining the Total Equity Contribution. In addition, we have carried out independent verification of the information supplied in the market data and conducted our own independent calculation on the per barrel contract price, which shows that the range is from approximately US\$12,000 to approximately US\$18,000, while the per barrel contract price under the shipyard EPC contract is approximately US\$8,600, lower than the per barrel contract prices (i.e. contract price/barrel of oil per day) in the market transactions sourced by the Joint Venture. These independent works performed further support our view that the Total Equity Contribution is fair and reasonable.

(ii) Terms of the shipyard EPC contract with CMHI (Jiangsu)

Major terms of the shipyard EPC contract with CMHI (Jiangsu) are extracted from the Letter from the Board and listed as follows, for further details please refer to the section headed “JV Agreements” in the Letter from the Board:

Date	:	28 April 2026
Parties	:	Seller: CMHI (Jiangsu) Buyer: the Joint Venture
Description	:	The Seller shall construct, equip and complete a FPSO in accordance with the specifications specified in the shipyard EPC contract.
Contract price	:	USD257,145,713
Sailaway date	:	21 April 2028
Payment	:	(i) An aggregate of 35% of the contract price payable upon various milestones; (ii) 5% of the contract price payable upon ready for sailaway; and (iii) 60% payable upon issue of performance acceptance certificate.

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The shipyard EPC contract with CMHI (Jiangsu) provides for the construction of the FPSO for the Relevant Project, under which the Group will supply its proprietary offshore engineering equipment, including E-House, Integrated Control and Safety System (ICSS) and deck cranes, to be embedded into CMHI (Jiangsu)'s offshore engineering construction system. Such integration is expected to resolve technology bottlenecks in equipment and system integration for offshore oil and gas development, while simultaneously expanding the Group's presence in the Southeast Asian FPSO market. The orders under the EPC contract will broaden the Group's income sources and strengthen its cash flow, with proceeds from product sales available to fund the Group's equity contribution in the Joint Venture. Accordingly, the EPC contract is consistent with the Group's long-term strategy of increasing international market share and brand influence, and is considered beneficial to the Group in the long run.

(iii) Conditions and shareholder approval

The Funding Investment Agreement is conditional upon the approval of the Shareholders at a duly convened general meeting of the Company in accordance with the Listing Rules and the Company's constitution. TSC Offshore shall use reasonable endeavours to procure such approval as soon as practicable. If approval is not obtained within the agreed timeframe, either party may terminate the agreement without further liability, save for any antecedent breach. This condition provides appropriate safeguards to ensure compliance with regulatory requirements and protects the interests of the Company and its Shareholders. We are of the view that such conditionality is prudent and in line with market practice for transactions of this nature.

(iv) Funding schedule and payment obligations

The specific funding timeline and schedule will be agreed in writing between the parties, taking into account the capital expenditure requirements and construction milestones of the Relevant Project, as well as TSC Offshore's internal approval processes, cash flow, and treasury management. OSE shall procure that the Malaysian partners comply with their funding obligations on the same timetable as applicable to TSC Offshore. The Group expects to fund its equity contribution by internal resources, thereby avoiding reliance on external shareholder loans or guarantees. Given that the funding obligations are proportionate to the respective shareholdings and subject to clear payment schedules, we are of the view that the terms relating to future funding are fair and reasonable, and in the interests of the Company and its Shareholders as a whole.

(v) Future funding

The working capital requirements of the Joint Venture in relation to the Sepat Integrated Redevelopment Project are expected to be financed primarily through external borrowings from banks and other financial institutions on the most favourable terms reasonably obtainable. The JV Partners are not obliged to provide shareholder loans or guarantees unless agreed in writing, which ensures that capital commitments remain proportionate to equity interests and protects the Group from undue financial exposure. Given that (i) the funding obligations are structured to align with the respective shareholdings of the JV Partners, and (ii) OSE shall procure that the Malaysian partners comply with their funding obligations on the same timetable as applicable to TSC Offshore, we are of the view that the terms in relation to future funding are fair and reasonable.

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(vi) Management

The Joint Venture will be governed by a board of directors, with OSE entitled to appoint four directors and TSC Offshore entitled to appoint one director. The chairman of the board shall be one of the directors appointed by OSE, thereby ensuring OSE's leadership role in strategic oversight. Each director shall have one vote, and resolutions require a majority vote of directors present. This composition reflects the relative equity contributions and ensures proportionate representation while safeguarding the Group's interests. We are of the view that the management structure is fair, reasonable, and consistent with market practice for joint ventures of this nature.

(vii) Distributions and transfer restrictions

Dividend distributions by the Joint Venture will be made in accordance with Malaysian company law, subject to repayment of debts and working capital requirements. Any retention of distributable funds requires the prior written approval of OSE and TSC Offshore, ensuring that the Group retains influence over dividend policy. In addition, conventional transfer restrictions apply, including rights of first refusal, tag-along and drag-along rights, and a 36-month lock-up period, which provide stability and protect shareholder value. We are of the view that the terms of distributions and transfer restrictions are fair and reasonable, and in the interests of the Company and its Shareholders as a whole.

We have attempted to compare joint venture arrangements entered into by the Group during the last three years, however the Group had not entered into any such arrangements during the abovementioned time slot, therefore we relaxed the selection criteria to any joint venture arrangements entered into between the Group and independent third party during the last five years. We therefore identified and obtained one joint venture sample entered into by the Group with an independent third party in 2021, we noted that the business activity in such arrangement may not be identical to the Joint Venture but still can provide a useful benchmark given the Group's limited experience in such arrangements over the past five years. The current joint venture adopts a substantially similar contractual framework, with equity contributions determined by reference to project specific cost breakdowns and allocated proportionately among partners, funding schedules aligned with construction milestones and internal approval processes, management structured to reflect relative shareholdings while safeguarding minority interests, and dividend and transfer restrictions consistent with the JV Agreement.

Based on the above, we concur with the view of the Directors that the terms of the JV Agreements are on normal commercial terms, and are fair and reasonable so far as the Independent Shareholders are concerned.

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(B) Acquisition of Vessel

Background information of the parties

Seller

The Seller is a company incorporated in the British Virgin Islands with limited liability, which is the holding company of the Vessel and is engaged in chartering out of the Vessel. It is a wholly-owned subsidiary of CM Shipbuilding Industry, a controlling shareholder of the Company. CM Shipbuilding Industry is an indirect wholly-owned subsidiary of CM Group. CM Group is a large integrated state-owned conglomerate directly administered by the Central Government of the PRC which is principally engaged in core industries such as transportation, finance, comprehensive development and operation of cities and parks and technology and innovation related businesses.

The Company (i.e. the Buyer) and the Group

The Company (i.e. the Buyer) is a company incorporated in the Cayman Islands with limited liabilities. The Group focuses on developing clean energy and low-carbon marine fuels businesses, including deep-sea resource development and turnkey equipment design, manufacturing and services in relation to offshore engineering platforms, as well as vessels chartering, manufacturing of carbon reduction products for vessels and comprehensive integrated solutions.

Reasons for and benefits of entering into the Memorandum of Agreement

As set out in the Letter from the Board, the Group's proposed Acquisition of the Vessel represents a strategic move to strengthen its clean energy and marine fuels businesses by gaining full ownership and operational control over a quality asset that has already been successfully operated under its charter. Ownership will eliminate limitations imposed by the current bareboat arrangement, providing autonomy in operations, chartering, and disposal, while reducing commissioning risks and transaction costs. The Vessel, built in 2017 with complete certifications, approvals, and a proven track record in deep-sea operations, offers competitive advantages in securing long-term charters and supports the Group's expansion in subsea engineering and global marine markets. By combining owned and leased marine assets, the Group will optimize its asset structure, enhance flexibility, and build a solid foundation for long-term development, thereby reinforcing its core competitiveness and overseas business presence.

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To understand the shipping market, we performed an analysis on the ClarkSea Index, a weighted average index of earnings for the main vessel types where the weighting is based on the number of vessels in each fleet sector created by Clarkson Research Services Limited (“**Clarkson**”), the research arm of Clarkson Plc (<https://www.clarksons.com/>). From the last five years since 2021, the ClarkSea Index has demonstrated a sustained upward trajectory, reflecting the strengthening of vessel earnings across multiple shipping segments. The Index rose from an average of approximately USD28,700/day in 2021 to levels consistently above USD30,000/day in subsequent years, peaking at nearly USD50,000/day in March 2026 before easing to approximately USD40,620/day in May 2026. This performance underscores both the resilience and volatility of the shipping market, driven by factors such as geopolitical disruptions, energy trade flows, and evolving regulatory requirements. Having considered the above, we are of the view that the prevailing market conditions, as evidenced by the ClarkSea Index, provide a favorable backdrop for the Group’s marine asset strategy and support the long-term competitiveness and sustainable development of its core businesses.

Principal terms of the Memorandum of Agreement

Date

12 May 2026

Parties

- (1) Seller: Well Target One O One Limited
- (2) Buyer: CM Energy Tech Co., Ltd.

Vessel to be acquired

The Vessel proposed to be acquired under the Memorandum of Agreement is the diving support construction vessel “DSCV Lichtenstein”, IMO 9758296, flagged in the Bahamas (Nassau), classed with DNV (1A1 DSV(SAT) DYNPOS(AUTR)), built 2017.

The Vessel is presently on bareboat charter from the Seller to TSC Offshore, a wholly-owned subsidiary of the Company, under the Existing Bareboat Charter. TSC Offshore has time-chartered the Vessel to an independent third party under the Time Charter, which shall continue in force notwithstanding the Memorandum of Agreement. The legal title to the Vessel will be purchased on a documentary, “as is, where is” basis, with the Vessel remaining throughout in the possession of TSC Offshore under the Existing Bareboat Charter.

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Consideration

The Purchase Price for the Vessel is USD110,000,000.

The Purchase Price has been determined by the parties to the Memorandum of Agreement after arm's length negotiation based on (i) the appraised value of the Vessel as at 30 April 2026 of USD111,000,000 million based on a valuation report (the full text of which is set out in Appendix IV to the Circular) prepared by the Valuer using market approach, (ii) the current conditions of the Vessel, and (iii) market information (including current market values of similar type of vessels).

The Buyer shall fund the Purchase Price from drawdown under the Facility and its internal resources.

Under the Acquisition, the Purchase Price for the Vessel is USD110,000,000, payable by the Buyer to the Seller in immediately available funds at Closing. As advised by the Management, such payment arrangement (i.e. full settlement of the consideration at Closing) was determined after arm's length negotiation between the parties to the Memorandum of Agreement, taking into account (i) the appraised value of the Vessel as at 30 April 2026 of approximately USD111,000,000 based on a valuation report prepared by an independent professional valuer adopting the market approach, (ii) the current conditions of the Vessel, and (iii) prevailing market information including values of similar type of vessels. For our due diligence purpose, we have reviewed recent vessel acquisitions announced by companies listed on the Stock Exchange and noted that the purchase price is generally determined with reference to independent valuation reports, prevailing market values of comparable vessels, and arm's length negotiations between buyer and seller. Accordingly, we are of the view that the determination of Purchase Price is fair and reasonable.

For our due diligence purpose, we also enquired of the Management the internal procedures of the Group in relation to the purchase of vessels for leasing and operational purposes. As advised by the Management, for such projects the business department shall prepare relevant project reports and/or supporting documents (including price justification documents) for assessment by the risk management department; and the projects shall be reviewed and approved by the Board/general manager's committee (comprising the Company's managers and chaired by the general manager). The project reports and supporting documents include analyses of vessel purchase prices, with reference to prevailing market values for similar vessels ascertained from industry reports prepared by research companies and/or recent comparable transactions announced by Clarkson ("**Internal Procedures**"). Having considered the above, we are satisfied that the Purchase Price and payment terms of the Acquisition are consistent with market practice and the Group's internal procedures, and are fair and reasonable so far as the Independent Shareholders are concerned.

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Fairness and reasonableness of the Purchase Price

The Purchase Price for the Vessel is approximately USD110,000,000, which is determined by the parties at arm's length with reference to the appraisal value of the Vessel as at 30 April 2026. The Company and the Seller have appointed Valor Appraisal & Advisory Limited (the “**Valuer**”) to appraise the value of the Vessel. The valuation report of the Vessel is disclosed in Appendix IV of the Circular (the “**Valuation Report**”). In assessing the fairness and reasonableness of the Purchase Price, as part of our independent work performed, we have discussed with the Valuer to understand the methodologies and assumptions used by the Valuer to derive the value of the Vessel.

In order to evaluate the basis in determining the appraised value of the Vessel, we have reviewed the Valuation Report and have discussed with the Valuer and Management. We noted that the Valuer has considered the market approach in providing their opinions on appraised value of the Vessel.

In preparing their opinions on the appraised value of the Vessel, the Valuer has also relied on and adopted the following information and assumptions (some of the key information or assumptions have been extracted and listed out as below):

- (i) there will be no material change in the existing political, legal, technological, fiscal or economic conditions which might adversely affect the economy in general and the operation of the subject asset;
- (ii) there will be no major changes in the current taxation laws;
- (iii) there will be no material fluctuation of the finance costs and availability of finance;
- (iv) DSCV Lichtenstein will fulfil all legal and regulatory requirements for the principal business;
- (v) the development of the subject asset will not be constrained by the availability of finance and there will be no material fluctuation of the finance costs;
- (vi) there will not be any adverse events beyond the control of the management of DSCV Lichtenstein, including natural disasters, catastrophes, fire, explosion, flooding, acts of terrorism and terrorism, pandemics and epidemics that may adversely affect the operation of the subject asset;
- (vii) the future movement of exchange rates and interest rates will not differ materially from prevailing market rates; and
- (viii) DSCV Lichtenstein will retain competent management, key personnel and technical staff for its operation.

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We have discussed with the Valuer on the background and basis of the Valuation Report. We note that the Valuer has not inspected DSCV Lichtenstein, which is currently located in the Persian Gulf, and has relied on the information provided by the Group to prepare the valuation. DSCV Lichtenstein is a specialized equipment, and no technical report, mechanical survey or test was carried out to support its function or specification. The Valuer has assumed that DSCV Lichtenstein is in good physical condition and, in the absence of mechanical testing, can perform efficiently according to its intended design and age.

The Valuer has not investigated any financial data pertaining to the present or prospective earning capacity of the operation in which DSCV Lichtenstein is used, but has assumed that prospective earnings will provide a reasonable return on its market value and that adequate net working capital will be available. The records furnished by the Group have been accepted as properly describing DSCV Lichtenstein, and the Valuer has relied to a considerable extent on such records in arriving at the opinion of value.

The Valuer has not investigated any industrial safety, environmental or health-related regulations in association with the operation using DSCV Lichtenstein, and has assumed that all necessary licenses, procedures and measures for the operations have been implemented in accordance with relevant government legislations and guidance.

In arriving at the market value of the Vessel, the Valuer has adopted market approach by making reference to comparable DSCV with the selection criteria of (i) recent transactions or asking prices of DSCV available in the market; and (ii) transaction dates or listing dates within one year from the valuation date. After obtaining the comparable transactions, the Valuer adopted market approach to assess the transaction prices with certain adjustments in order to generate the Valuation. As discussed with the Valuer and the Management, we are of the view that the adoption of such valuation methodology is reasonable.

We concur with the Valuer that the market approach represents the most appropriate methodology for valuing the subject asset, given the unique characteristics of DSCVs and the availability of relevant market transactions. The cost approach is not applicable, as there is no persuasive linkage between the asset's value and its construction cost. Likewise, the income approach is unsuitable, since reliable forecasts of future income streams were not available as at the Valuation Date. By contrast, the market approach, applied through the guideline transactions method, draws upon actual transactions involving assets that are the same as, or comparable to, the subject asset, thereby providing a sound basis for determining value.

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We have obtained and reviewed the comparable transactions and the adjustments adopted by the Valuer. Specifically, specification adjustment, commissioning adjustment, age adjustment and asking price adjustment have been applied to the transaction or asking prices of comparable transactions. According to the Management, the construction cost of a twin-bell system is approximately USD5 million higher than that of a single-bell system. Further, keeping other factors constant, the higher the gross tonnage, the more expensive the construction cost of a DSCV. The commissioning cost of a typical DSCV is approximately USD8 million to USD10 million, and for conservative purpose, the lower end USD8 million commissioning cost has been assumed for DSCV Andy Warhol. The useful life of a DSCV is considered to be 25 years. In addition, the asking price adjustment is generally around -1% to -2%, but for conservative purpose, a -5% asking price adjustment has been assumed. We are of the view that adopting such adjustments to the comparable transactions are reasonable and acceptable.

In order to further verify the source of information considered in the opinion, we have conducted our own research on the referencing information to cross check the comparable transactions. Through this process, we identified five comparable transactions based on selection criteria consistent with those adopted by the Valuer, which are also the comparable transactions relied upon by the Valuer. Accordingly, we concur with the Valuer that, based on publicly available information and the adopted selection criteria, the identified comparables are representative. We have obtained and reviewed the comparable transactions and the adjustments adopted by the Valuer. Specifically, the single-bell versus twin-bell adjustment and the commissioning adjustment were made on the basis of the Management's representation and experience. The asking price adjustment was derived from the Management's representation and supplemented by a conservative additional adjustment adopted by the Valuer. The age adjustment was calculated by reference to the vessel's useful life of 25 years, applying a straight-line methodology akin to depreciation. The gross tonnage adjustment was made on the rationale that, keeping other factors constant, a larger vessel requires more material and therefore entails higher construction costs. We are of the view that adopting such adjustments to the comparable transactions is reasonable and acceptable.

Accordingly, we are of the view that the referencing information considered in the Valuation Report is true and fair and the comparable transactions with certain adjustments adopted by the Valuer are fair and reasonable so far as the Company and Independent Shareholders are concerned.

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Besides, we have discussed with the Valuer in relation to their experiences and understood that Mr. Haydn Lee, the Director of the Valuer and the person in charge of the fair opinion letters, is a Chartered Financial Analyst charterholder, member of CPA Australia, professional member of Royal Institution of Chartered Surveyors, member of the Australasian Institute of Mining & Metallurgy and Registered Business Valuer. He has over 17 years' experience in business and asset valuation. He oversees the business and asset valuation services of the Valuer and has provided a wide range of valuation services to listed companies and private entities in different industries in the People's Republic of China, Hong Kong and Singapore. Given Mr. Lee and the Valuer has plenty of practical experience in the valuation of offshore vessels primarily servicing the oil and gas industry, offshore wind farms and subsea construction, we are of the view that he is qualified to provide reliable opinions in the Valuation Report. As discussed with the Valuer, they have no prior relationships with the Group or other parties and connected persons to the parties involved in the Acquisition, and we are of the view that the independence and objectivity of the Valuer is fair and equitable in providing opinion in the Valuation Report. We also reviewed the terms of the engagement for providing opinion in the Valuation Report and the scope of work performed by the Valuer is appropriate to give the opinion. Based on the above, we are not aware of any major factor which caused us to doubt the fairness and reasonableness of the assumptions and methodologies adopted for the Valuation Report.

Financial impact on the Group

Based on our discussion with and the representation from the Management, we understand from the Management that they have taken into account the following factors when they considered the potential impact of the establishment of Joint Venture, the Funding Investment Agreement and the Acquisition on the financial positions of the Group.

Earnings

According to the 2025 Annual Report, the Group's net profit attributable to equity holders was approximately USD1.58 million. Since the Vessel is presently on bareboat charter from the Seller to TSC Offshore till end of July 2026, the Acquisition will eliminate limitations imposed by the current bareboat arrangement, providing autonomy in operations, secure in chartering for the forthcoming years. It is expected that the Acquisition shall have a positive effect on the revenue generating and profitability of the Group's Marine services segment. Regarding to establish of the Joint Venture, it offers the Group a sizeable investment opportunity and it is expected that FPSO construction will be completed approximately in 2.5 years. It is expected that the establishment of Joint Venture shall have a positive effect on the return of investment.

Net assets

As at 31 December 2025, the audited consolidated net assets of the Group were approximately USD183 million. It is expected that the Acquisition and establishment of Joint Venture would not have material adverse impact on the net assets of the Group upon Completion.

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Cash flow

The Purchase Price of USD110 million shall be paid by the Company to the seller in cash. The Group has secured a USD100 million project bank loan to fund the purchase, and the remaining USD10 million shall be self-financed. With respect to the Joint Venture Equity Contribution, the Group shall contribute its 20% proportionate share, totaling USD15,908,175, from its internal financial resources.

VII. RECOMMENDATION

Having considered the factors as set out in this letter above, in particular,

- (i) the reasons for and benefits of the for entering into the JV Agreements and the Memorandum of Agreement;
- (ii) the entering into of the the JV Agreements and the Memorandum of Agreement are conducted in the ordinary and usual course of business of the Group and in the interests of the Group and the Shareholders as a whole; and
- (iii) the terms of the JV Agreements and the Memorandum of Agreement are on normal commercial terms, are fair and reasonable so far as the Company and the Independent Shareholders are concerned and are in the interests of the Group and the Shareholders as a whole.

Accordingly, we advise the Independent Board Committee to recommend, and we recommend, the Independent Shareholders to vote in favour of the relevant ordinary resolution to approve the JV Agreements and the Memorandum of Agreement and the transactions contemplated thereunder at the EGM.

Yours faithfully
For and on behalf of
Red Sun Capital Limited
Robert Siu
Managing Director

Mr. Robert Siu is a licensed person registered with the Securities and Futures Commission of Hong Kong and a responsible officer of Red Sun Capital Limited to carry out type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities under the SFO and has over 26 years of experience in corporate finance industry.

1. FINANCIAL INFORMATION OF THE GROUP

Financial information of the Group for each of the financial years ended 31 December 2023, 2024 and 2025, is disclosed in the following documents which have been published both on the websites of the Stock Exchange at www.hkexnews.hk and the Company at www.cm-energy.com, respectively:

- Annual report of the Company for the year ended 31 December 2023 (pages 171 to 285);
<https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0419/2024041900041.pdf>
- Annual report of the Company for the year ended 31 December 2024 (pages 163 to 281); and
<https://www1.hkexnews.hk/listedco/listconews/sehk/2025/0417/2025041700005.pdf>
- Annual report of the Company for the year ended 31 December 2025 (pages 205 to 321).
<https://www1.hkexnews.hk/listedco/listconews/sehk/2026/0430/2026043001000.pdf>

2. STATEMENT OF INDEBTEDNESS

As at 30 April 2026, being the latest practicable date for the purpose of this statement of indebtedness of the Group prior to the printing of this circular, the Group had the following indebtedness.

Lease liabilities

As at 30 April 2026, the Group had lease liabilities of approximately USD2,034,288,066.

Save as aforesaid or as otherwise disclosed herein, as at 30 April 2026, being the latest practicable date for the purpose of this statement of indebtedness of the Group prior to the printing of this circular, apart from intra-group liabilities and normal trade and other payables in the ordinary course of business, the Group did not have any other bank overdrafts, loans, debt securities of other similar indebtedness, mortgages, charges, guarantees or other material contingent liabilities.

3. WORKING CAPITAL

The Directors, after due and careful consideration and taking into account the effects of the Memorandum of Agreement, the JV Agreements and the transactions contemplated thereunder and the financial resources available to the Group, including but not limited to internally generated funds and the available facilities, the Group will have sufficient working capital for at least the next twelve months from the date of this circular.

The Company has obtained the relevant confirmation as required under Rule 14.66(12) of the Listing Rules.

4. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors are not aware of any material adverse change in the financial or trading position of the Group since 31 December 2025, being the date to which the latest published audited financial statements of the Group were made up.

5. FINANCIAL AND TRADING PROSPECT OF THE GROUP

In alignment with the 15th Five-Year Plan, the Company will adhere to its development philosophy of integrating foundational and innovative businesses, fostering dual circulation in domestic and international markets, and pursuing scenario-driven value co-creation through industrial synergy. We will continue to deepen our presence across our four core business segments of “hydrogen energy, marine vessels, smart technology, and maritime industries”, build core competencies in “research and development” and “marketing”, and strive to establish itself as a “leading China-based provider of green energy and equipment services”.

Development Philosophy

Driven by diverse scenarios focused on the marine and maritime sector, the Company will establish two core business pillars: maritime support services as its foundational business, and the green energy business as its innovative business. By leveraging the extensive application scenarios and profound accumulated strengths within CM Group and CMI, the Company will connect domestic and international markets through its global service center, creating a development paradigm characterized by the dual drive of green energy and equipment manufacturing, the internal and external circulation of domestic and international markets, and scenario-driven value co-creation through industrial synergy.

Development Path

With the long-term vision of becoming an “ecological enterprise” and a business orientation focused on delivering “one-stop solutions”, the Company will focus on the upstream and downstream of the industrial chain and its ecological network, prioritizing customer lifetime value. By enhancing management of efficiency and quality, we will forge integrated service capabilities, thereby elevating customer stickiness, market share, and industry influence.

Development Strategy

The Company will advance through the dual approach of “organic incubation to consolidate foundations and merger and acquisition to expand reach”, achieving steady improvement in core technologies and management capabilities through endogenous growth complemented by targeted M&A activities. Concurrently, we will drive organic growth through the rapid expansion of market share and the enrichment of our project pipeline, and scale up our green energy business to build a stronger and more substantial business portfolio. In terms of business deployment, we will adhere to the principle of scenario-driven product positioning. Building on the industrial ecological synergy within CM Group, we will establish an industrial development consortium. This consortium will provide the Company with critical initial market access, scenario-based data, and credit endorsement, thereby constructing a core competitive moat that differentiates us from independent equipment manufacturers.

**APPENDIX II UNAUDITED PROFIT AND LOSS STATEMENTS ON THE IDENTIFIABLE
NET INCOME STREAM IN RELATION TO THE VESSEL**

UNAUDITED PROFIT AND LOSS STATEMENTS OF THE VESSEL

In accordance with Rule 14.69(4)(b)(i) of the Listing Rules, the Company is required to include in this circular a profit and loss statement on the identifiable net income stream (the “**Identifiable Net Income Stream**”) in relation to the Vessel for the three preceding financial years, referring to the years ended 31 December 2023, 2024 and 2025, which are compiled and derived from the accounting records of the Vessel which are prepared using accounting policies consistent with those of the Group. In the opinion of the Directors, the Identifiable Net Income Stream of the Vessel set out below has been properly compiled and derived from the underlying books and records of the Vessel and prepared in accordance with the accounting policies consistent with those of the Group.

The unaudited profit and loss statements (the “**Unaudited Profit and Loss Statements**”) on the Identifiable Net Income Stream of the Vessel for the years ended 31 December 2023, 2024 and 2025 prepared by the Directors based on the information provided by the Group are set out below:

	For the year ended		
	31 December		
	2025	2024	2023
	<i>US\$'000</i>	<i>US\$'000</i>	<i>US\$'000</i>
Revenue	15,882	10,598	6,370
Depreciation	(4,281)	(4,281)	(4,281)
Net impairment loss (recognized)/reversal	(22)	56	(3,536)
Other operating expense	(5)	(7,923)	(4,765)
Finance costs	–	–	(6,882)
Profit/(Loss) before tax	11,574	(1,550)	(13,094)
Income tax	135	–	–
Profit/(Loss) for the year	11,709	(1,550)	(13,094)

In accordance with paragraph 14.69(4)(b)(i) of the Listing Rules, the Directors engaged SHINEWING (HK) CPA Limited, the auditors of the Company, to perform certain agreed upon procedures on the compilation of the Unaudited Profit and Loss Statements on the Identifiable Net Income Stream of the Vessel for the years ended 31 December 2023, 2024 and 2025 as shown above in accordance with Hong Kong Standard on Related Services 4400 (Revised) “Agreed-Upon Procedures Engagements” issued by the Hong Kong Institute of Certified Public Accountants. The auditors have compared the amounts shown on the Unaudited Profit and Loss Statements to the corresponding amounts in the underlying books and records of the Vessel and reported its findings based on the agreed-upon procedures to the Directors of the Company.

The work performed by the auditors in this respect did not constitute assurance engagement and consequently no opinion or assurance conclusion has been expressed by the auditors on the Unaudited Profit and Loss Statements.

A. UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE GROUP

The following is the unaudited pro forma financial information of the Company and its subsidiaries (collectively referred to as the “**Group**”), comprising the unaudited pro forma consolidated net assets statement as at 31 December 2025 and related notes (collectively, the “**Unaudited Pro Forma Financial Information**”) in connection with Acquisition. Details of the Acquisition are set out in the section headed “Letter from the Board” contained in this circular.

The Unaudited Pro Forma Financial Information is prepared based on the consolidated statement of financial position of the Group as at 31 December 2025, which was extracted from the published annual report of the Group for the year ended 31 December 2025, after making pro forma adjustments as summarised in the accompanying notes attributable to the Acquisition, as if it had been completed on 31 December 2025 and not related to future events or decisions, and factually supportable.

The Unaudited Pro Forma Financial Information has been prepared by the directors of the Company in accordance with paragraph 4.29(7) of the Rules Governing the Listing of Securities of The Stock Exchange of Hong Kong Limited for illustrative purposes only, and is based on a number of assumptions, estimates, uncertainties and currently available information. Accordingly, the Unaudited Pro Forma Financial Information does not purport to describe the actual net assets of the Group that would have been attained had the Acquisition been completed on 31 December 2025 nor purport to predict the Group’s future net assets.

The Unaudited Pro Forma Financial Information of the Group should be read in conjunction with the financial information of the Group as set out in the published annual report of the Group for the year ended 31 December 2025 and other financial information included elsewhere in this circular.

	Consolidated statement of assets and liabilities of the Group as at 31 December 2025 US\$'000 (Note i)	Pro Forma adjustments US\$'000 (Note ii)		Unaudited Pro Forma Consolidated net assets statement of the Group as at 31 December 2025 US\$'000
			US\$'000 (Note iii)	
Non-current assets				
Property, plant and equipment	21,306	110,000	(6,262)	125,044
Investment properties	1,996	–	–	1,996
Goodwill	378	–	–	378
Intangible assets	1,401	–	–	1,401
Interest in associates	13,700	–	–	13,700
Prepayments	668	–	–	668
Deferred tax assets	3,514	–	–	3,514
	42,963	110,000	(6,262)	146,701

	Consolidated statement of assets and liabilities of the Group as at 31 December 2025 US\$'000 (Note i)	Pro Forma adjustments US\$'000 (Note ii)		US\$'000 (Note iii)	Unaudited Pro Forma Consolidated net assets statement of the Group as at 31 December 2025 US\$'000
Current assets					
Inventories	50,482	–	–	–	50,482
Trade and other receivables	90,935	–	–	–	90,935
Lease receivables	17,279	–	–	–	17,279
Pledged bank deposits	200	–	–	–	200
Cash and cash equivalents	133,098	(10,000)	–	–	123,098
	291,994	(10,000)	–	–	281,994
Current liabilities					
Trade and other payables	54,195	–	–	–	54,195
Contract liabilities	63,056	–	–	–	63,056
Lease liabilities	30,862	–	(5,689)	–	25,173
Tax payable	2,139	–	–	–	2,139
Short term loan	–	12,000	–	–	12,000
	150,252	12,000	(5,689)	–	156,563
Non-current liabilities					
Deferred tax liabilities	243	–	–	–	243
Long term loan	–	88,000	–	–	88,000
Lease liabilities	1,105	–	–	–	1,105
	1,348	88,000	–	–	89,348
NET ASSETS	183,357	–	(573)	–	182,784

Notes:

- (i) The consolidated statement of assets and liabilities of the Group as at 31 December 2025 was extracted without adjustment from the consolidated statement of financial position of the Group included in the annual report for the year ended 31 December 2025 published on 30 April 2026.
- (ii) Regarding the Acquisition, the Vessel's purchase price is US\$110 million. The Group has borrowed a US\$100 million secured project bank loan with a bank to fund the purchase, with the remaining US\$10 million being self-financed. Such Vessel is recognised as property, plant and equipment upon the completion of Acquisition. The transaction cost incurred in the Acquisition is minimal.
- (iii) As at 31 December 2025, the Vessel was leased by the Group from the Seller under a bareboat charter agreement and recognised as a right-of-use asset with a corresponding lease liability accordingly. Had the acquisition been completed on 31 December 2025, the existing lease arrangement with the Seller would have ceased, and the related carrying amounts of right-of-use asset and lease liability would have been derecognised.
- (iv) The above pro forma adjustments are not expected to have a continuing effect on financial performance of the Group. Apart from the above, no other adjustment has been made to reflect any trading results or other transactions of the Group entered into subsequent to 31 December 2025.

**B. INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE
COMPILATION OF PRO FORMA FINANCIAL INFORMATION**

The following is the text of a report received from the reporting accountants, SHINEWING (HK) CPA Limited, Certified Public Accountants, Hong Kong, in respect of the Group's pro forma financial information for the purpose of incorporation in this circular.

The Board of Directors
CM Energy Tech Co., Ltd.
3rd Floor, Office Building
1-7 Sai Tso Wan Road
Tsing Yi Island, New Territories
Hong Kong

Dear Sirs,

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of CM Energy Tech Co., Ltd. (the “**Company**”) and its subsidiaries (collectively referred to as the “**Group**”) by the directors of the Company for illustrative purposes only. The unaudited pro forma financial information consists of the unaudited pro forma consolidated net assets statement as at 31 December 2025, and related notes as set out on pages 62 to 63 of the circular in connection with acquisition of a vessel (the “**Transaction**”) issued by the Company. The applicable criteria on the basis of which the directors of the Company have compiled the unaudited pro forma financial information are described on pages 62 to 63 of the circular.

The unaudited pro forma financial information has been compiled by the directors of the Company to illustrate the impact of the Transaction on the Group's financial position as 31 December 2025 as if the Transaction had taken place at 31 December 2025. As part of this process, information about the Group's financial position has been extracted by the directors of the Company from the Group's consolidated statement of financial position as at 31 December 2025, on which an audit report has been published.

Directors' Responsibility for the Unaudited pro forma Financial Information

The directors of the Company are responsible for compiling the unaudited pro forma financial information in accordance with paragraph 29 of Chapter 4 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and with reference to Accounting Guideline 7 “Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars” (“**AG7**”) issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”).

Our Independence and Quality Management

We have complied with the independence and other ethical requirement of the Code of Ethics for Professional Accountants issued by the HKICPA, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The firm applies Hong Kong Standard on Quality Management (“**HKSQM**”) 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting Accountants’ Responsibilities

Our responsibility is to express an opinion, as required by paragraph 29(7) of Chapter 4 of the Listing Rules, on the unaudited pro forma financial information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the unaudited pro forma financial information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3420 “Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus” issued by the HKICPA. This standard requires that the reporting accountants plan and perform procedures to obtain reasonable assurance about whether the directors of the Company have compiled the unaudited pro forma financial information in accordance with paragraph 29 of Chapter 4 of the Listing Rules and with reference to AG7 issued by the HKICPA.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the unaudited pro forma financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the unaudited pro forma financial information.

The purpose of unaudited pro forma financial information included in an investment circular is solely to illustrate the impact of the Transaction on unadjusted financial information of the Group as if the Transaction had occurred at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the Transaction at 31 December 2025 would have been as presented.

A reasonable assurance engagement to report on whether the unaudited pro forma financial information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the directors of the Company in the compilation of the unaudited pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- the related unaudited pro forma adjustments give appropriate effect to those criteria; and
- the unaudited pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountants’ judgment, having regard to the reporting accountants’ understanding of the nature of the Group, the event or transaction in respect of which the unaudited pro forma financial information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the unaudited pro forma financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion:

- (a) the unaudited pro forma financial information has been properly compiled on the basis stated;
- (b) such basis is consistent with the accounting policies of the Group; and
- (c) the adjustments are appropriate for the purposes of the unaudited pro forma financial information as disclosed pursuant to paragraph 29(1) of Chapter 4 of the Listing Rules.

SHINEWING (HK) CPA Limited
Certified Public Accountants
Cheung Wang Kei
Practising Certificate Number: P07788

Hong Kong
12 June 2026

The following is the full text of the valuation report received from Valor Appraisal & Advisory Limited, an independent valuer, in connection with its opinion on the market value of the Vessel as of 30 April 2026 prepared for the purpose of incorporation in this circular.



VALUE WITH VIRTUES

VALOR APPRAISAL & ADVISORY LIMITED

Valor Appraisal & Advisory Limited

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Hong Kong
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滙來評估及顧問有限公司

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電話: +852 3468 8488 傳真: +852 3971 0998

Date: 12 June 2026

CM Energy Tech Co., Ltd.

3/F, Office Building,
No. 1-7 Sai Tso Wan Road,
Tsing Yi Island, New Territories,
Hong Kong

Dear Sir/Madam,

RE: Valuation Report of a Diving Support Construction Vessel for Circular Reference

In accordance with the instruction of CM Energy Tech Co., Ltd. (“**CM Energy**”), we have made an appraisal of the market value of a diving support construction vessel named Lichtenstein for circular reference as at the valuation date (30 April 2026).

The details and conclusion of the valuation are presented in the attached valuation report, which outlines the factors considered, valuation methodology, basis and assumptions employed in formulating our opinion of value.

Valor Appraisal & Advisory Limited (“**Valor**”) is an independent firm providing full range of valuation and advisory services. This report has been prepared independently. Neither Valor nor any authors of this report hold any interest in CM Energy or its related parties. The fee for providing this report is based on Valor’s normal professional rates, whilst expenses (if incurred) are being reimbursed at cost. Payment of fees and reimbursements are not contingent upon the conclusions drawn in the report.

Yours faithfully,

For and on behalf of

Valor Appraisal & Advisory Limited**Haydn Y.C. Lee**

CFA CPA (Aust.) MRICS MAusIMM RBV
Director

1. INTRODUCTION & PURPOSE OF VALUATION

In accordance with the instruction of CM Energy Tech Co., Ltd. (“**CM Energy**” or the “**Company**”), Valor Appraisal & Advisory Limited (“**Valor**”) is required to provide an independent valuation report (the “**Valuation Report**”) to assess the market value (the “**Market Value**”) of a diving support construction vessel (“**DSCV**”) named Lichtenstein as at 30 April 2026 (the “**Valuation Date**”).

Relevant enquiries have been made and required information have been obtained that Valor considers to be necessary in forming an independent opinion of the Market Value of DSCV Lichtenstein, as at the Valuation Date.

This Valuation Report states valuation methodology and approach adopted in assessing the Market Value of DSCV Lichtenstein, as well as outlines Valor’s latest findings and valuation conclusion, which is prepared solely for the purpose of circular reference for CM Energy and its subsidiaries (collectively referred to as the “**Group**”).

In this Valuation Report, words in the singular number include the plural and vice versa; the words asset or assets are deemed to include liability or liabilities, except where it is expressly stated otherwise, or is clear from the context that liabilities are excluded; headings are inserted for convenient reference only and have no effect in limiting or extending the language to which they refer.

2. BACKGROUND INFORMATION OF DSCV LICHTENSTEIN

The following background information of DSCV Lichtenstein has been compiled with reference to public information and the documents received from and representation by the management of the Group (the “**Management**”), which are assumed to be accurate and relied upon when conducting this valuation exercise.

DSCV, as the name suggests is a vessel that is used for the objective of diving into oceans. Divers, who dive into the middle of the seas as a part of professional diving process, need proper diving support. This necessary support is provided by such a dive support vessel.

The concept of a DSCV came into existence four to five decades ago. From that time onwards, these ships have been extremely important to the field of commercial diving which forms a vital part of professional diving.

It has to be noted that professional diving means diving for the prospect of construction, repairing and maintenance of oil-rigs and other important offshore naval constructions. Such DSCVs are mainly used in the North Sea and the Gulf of Mexico since these are the areas from where crude oil is majorly excavated from subsea sources.

DSCV is a sub-category of offshore support vessels (“**OSVs**”), also known as offshore supply vessels, are specialty ships designed for operating on the ocean, serving multiple purposes. They can serve as platform support, anchor handling, construction, maintenance, and more.

OSVs provide support offshore – anything from bringing equipment to rigs to repairing offshore wind turbines. They are integral to getting supplies and materials where they need to go, as well as building and repairing offshore equipment. Their versatility means they can be built for just about any type of project. Some of the main types of OSVs are seismic survey ships, platform supply vessels (“PSVs”), anchor handling tug supply vessels, construction support vessels, DSCVs, inspection, maintenance, and repair vessels and remotely operated vehicles support vessels.

The profile of DSCV Lichtenstein is as follows:

Vessel Name	Lichtenstein
Description	DSCV Lichtenstein is advanced designed and built for deepwater deployment worldwide. DSCV Lichtenstein is a state of art DP-2 Multipurpose Diving Support Vessel, with an 18 men twin bell saturation system for depth down to 300m. The vessel is equipped with diesel electric frequency controlled propulsion, highly efficient azimuth thrusters, dynamic positioning system and 140t offshore cranes (3,000m water depth). A large platform deck 1,300m² deck space suitable for wellhead servicing, inspection and construction diving and ROV support. The vessel accommodates up to 130 personnel. DSCV Lichtenstein is an optimized hull design with excellent characteristic for deployment worldwide.
Length Overall	120.80m
Breadth	25.00m
Summer/Max Draught	7.70m
Gross Tonnage	11,115t
Deadweight Tonnage	7,000t
Year of Build	2017
DP Class	DP-2

System Type	Twin-bell saturation
Max Working Depth	300m
Saturation Capacity	18 men
Main Crane	140t
Working/Cargo Deck Area	1,300m ²
Total Persons	130

3. BASIS OF VALUATION

The valuation was carried out on a Market Value basis. According to International Valuation Standards 2025 (“**IVS 2025**”) issued by International Valuation Standards Council (“**IVSC**”), Market Value is defined as “*the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm’s length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion*”.

4. BASIS OF OPINION

The valuation was conducted in accordance with IVS 2025 issued by IVSC. The valuation procedure includes review of the financial and economic conditions of the subject business interest, an assessment of key assumptions, estimates, and representations made by the Management. All matters essential to the proper understanding of the valuation are disclosed in the valuation report. Opinion of value included in the valuation report is impartial, independent and unbiased.

The following factors also form a considerable part of the basis of opinion:

- assumptions on the market and on the subject asset that are considered to be fair and reasonable;
- financial performance that shows a consistent trend of the operation of the subject asset;
- consideration and analysis on the micro and macro economic factors; and
- analytical review of the subject asset.

In the course of conducting the valuation, all the information and explanations considered necessary have been obtained so that there are sufficient evidences and reasonable basis in forming the opinion of value on the subject asset.

5. SOURCES OF INFORMATION

In conducting the valuation of the subject asset, the following key information, including but not limited to those provided by the Management and derived from the public have been considered, reviewed, and relied upon:

- Offshore Vessel Technical Comparison provided by the Management;
- Agreement related to chartering, purchase rights and purchase obligation of DSCV Picasso dated 5 December;
- IVS 2025 issued by IVSC;
- Overview of the nature of the subject asset;
- Discussion with the Management;
- Google, Apollo Duck Media Ltd., SHIPSELECTOR.COM and other reliable sources of market data.

In arriving at the opinion of the Market Value of DSCV Lichtenstein, the accuracy and completeness of the information reviewed for the purpose of this valuation have been assumed and relied on. In addition, the statements, information, opinion and representations provided by the Group have been relied upon.

Research was conducted using various sources including government statistical releases and other publications to assess the reasonableness and fairness of information provided.

The opinion is based upon economic, market, financial and other conditions as exist and can be evaluated on the date of this report and no responsibility is assumed to update or revise the opinion based on events or circumstances occurring after the date of this report. In reaching the opinion, assumptions have been made with respect to such economic, market, financial and other conditions and other matters, many of which are beyond the control of Valor or any party involved in this valuation exercise.

6. VALUATION APPROACH AND METHODOLOGY

In carrying out this valuation exercise, the following approaches and methodologies have been considered:

Cost Approach – The cost approach provides an indication of value using the economic principal that a buyer will pay no more for an asset than the cost to obtain an asset of equal utility, whether by purchase or by construction. This approach is based on the principle that the price that a buyer in the market would pay for the asset being valued would, unless undue time, inconvenience, risk or other factors are involved, be not more than the cost to purchase or construct an equivalent asset. Often the asset being valued will be less attractive than the alternative that could be purchased or constructed because of age or obsolescence. Where this is the case, adjustments may need to be made to the cost of the alternative asset depending on the required basis of value.

Unlike market and income approaches which either incorporate market sentiments or future earnings capacity of an asset as a function to determine its current value, cost approach considers the fundamental cost it takes to form the asset. In our opinion this approach is inapplicable to the current analysis as there is no convincing association of the value of the subject asset with its cost.

Income Approach – The income approach provides an indication of value by converting future cash flows to a single current capital value. This approach considers the income that an asset will generate over its useful life and indicates value through a capitalisation process. Capitalisation involves the conversion of income into a capital sum through the application of an appropriate discount rate. The income stream may be derived under a contract or contracts, or be non-contractual, for example the anticipated profit generated from either the use of or holding of the asset.

Enterprise value is typically derived through the capitalisation of profits or cash flows through the application of a capitalisation rate or discount rate before debt servicing costs. The capitalisation or discount rate applied is the weighted average cost of capital of an appropriate mix of debt and equity. The market value of the interest bearing debt is deducted from the enterprise value to determine the overall equity value. Redundant, ie non-operating, assets need to be considered when calculating enterprise or equity value.

This approach is not preferred in this exercise because there are relevant market comparables to the subject asset and reliable projection of the amounts and timing of future income streams is not available for the subject asset as at the Valuation Date.

Market Approach – The market approach provides an indication of value by comparing the subject asset with identical or similar assets for which price information is available. Under this approach the first step is to consider the prices for transactions of identical or similar assets that have occurred recently in the market. If few recent transactions have occurred, it may also be appropriate to consider the prices of identical or similar assets that are listed or offered for sale provided the relevance of this information is clearly established and critically analysed. It may be necessary to adjust the price information from other transactions to reflect any differences in the terms of the actual transaction and the basis of value and any assumptions to be adopted in the valuation being undertaken. There may also be differences in the legal, economic or physical characteristics of the assets in other transactions and the asset being valued.

The market approach compares the subject asset to similar assets, business ownership interests and securities that have been exchanged in the market and any relevant transactions of shares in the same business. Prior transactions or offers for any component of the business may be also indicative of value.

In this valuation exercise, the value of the subject asset was developed through the application of the market approach technique known as guideline transactions. The guideline transaction method utilizes information on transactions involving assets that are the same or similar to the subject asset to arrive at an indication of value.

7. KEY ASSUMPTIONS

Key Assumptions

The assumptions considered having significant sensitivity effects in this valuation have been evaluated in arriving at the assessed value with key assumptions listed as follows:

- there will be no material change in the existing political, legal, technological, fiscal or economic conditions which might adversely affect the economy in general and the operation of the subject asset;
- there will be no major changes in the current taxation laws;
- there will be no material fluctuation of the finance costs and availability of finance;
- DSCV Lichtenstein will fulfil all legal and regulatory requirements for the principal business;
- the development of the subject asset will not be constrained by the availability of finance and there will be no material fluctuation of the finance costs;
- there will not be any adverse events beyond the control of the management of DSCV Lichtenstein, including natural disasters, catastrophes, fire, explosion, flooding, acts of terrorism and terrorism, pandemics and epidemics that may adversely affect the operation of the subject asset;
- the future movement of exchange rates and interest rates will not differ materially from prevailing market rates; and
- DSCV Lichtenstein will retain competent management, key personnel and technical staff for its operation.

8. GUIDELINE TRANSACTIONS METHOD

Comparable Transactions

Since the subject asset is a DSCV, with a view to selecting appropriate comparable transactions, we focus on those recent transactions and asking prices of DSCV.

Selection criteria of comparable transactions are listed as follows:

1. Transactions and asking prices of DSCV; and
2. The transaction dates or listing dates within 1 year from the Valuation Date.

Based on the above selection criteria, we have selected the following comparable transactions:

Transaction	1
Transaction Date	December 2025
Vessel Name	Picasso
Transaction Price	US\$115,940,000 (including US\$5.94 million bank interest)
Length Overall	120.80m
Breadth	25.00m
Summer/Max Draught	7.70m
Gross Tonnage	11,117t
Deadweight Tonnage	7,000t
Year of Build	2018
DP Class	DP-2
System Type	Twin-bell saturation
Max Working Depth	300m
Saturation Capacity	18 men
Main Crane	140t
Working/Cargo Deck Area	1,300m ²
Total Persons	130

Transaction	2
Transaction Date	Not applicable
Vessel Name	Andy Warhol
Asking Price	US\$115,000,000
Length Overall	103.15m
Breadth	23.00m
Summer/Max Draught	7.70m
Gross Tonnage	8,745t
Deadweight Tonnage	5,600t
Year of Build	2026
DP Class	DP-2
System Type	Single-bell saturation
Max Working Depth	300m
Saturation Capacity	18 men
Main Crane	150t
Working/Cargo Deck Area	800m ²
Total Persons	120

Transaction	3
Transaction Date	Not applicable
Vessel Name	Van Gogh
Asking Price	US\$98,000,000 (derived from internal source provided by the Management)
Length Overall	111.58m
Breadth	23.00m
Summer/Max Draught	7.00m
Gross Tonnage	9,173t
Deadweight Tonnage	5,500t
Year of Build	2019
DP Class	DP-2
System Type	Single-bell saturation
Max Working Depth	300m
Saturation Capacity	18 men
Main Crane	150t
Working/Cargo Deck Area	1,000m ²
Total Persons	120

Adjustments

1. Specification adjustment, commissioning adjustment, age adjustment and asking price adjustment have been applied to the transaction or asking prices of comparable transactions.
2. According to the Management, the construction cost of twin-bell system is approximately US\$5 million higher than that of single-bell system.
3. According to the Management, keeping other factors constant, the higher the gross tonnage, the more expensive of the construction cost of a DSCV.

4. According to the Management, the commissioning cost of a typical DSCV is approximately US\$8 million to US\$10 million. For conservative purpose, the lower end US\$8 million commissioning cost is assumed for DSCV Andy Warhol.
5. According to the Management, the useful life of a DSCV is 25 years.
6. According to the Management, asking price adjustment is around -1% to -2%. For conservative purpose, the asking price adjustment is assumed to be -5%.
7. The adjustments to the transaction or asking prices of comparable transactions are summarized as follows:

Transaction	1
Transaction Date	December 2025
Vessel Name	Picasso
Transaction Price	US\$115,940,000 (including US\$5.94 million bank interest)
Year of Build	2018
Specification Adjustment	0%
Commissioning Adjustment	0%
Age Adjustment	-4%
Asking Price Adjustment	0%
Adjusted Price	US\$111,302,400

Transaction	2
Transaction Date	Not applicable
Vessel Name	Andy Warhol
Asking Price	US\$115,000,000
Year of Build	2026
Specification Adjustment	31%
Commissioning Adjustment	7%
Age Adjustment	-36%
Asking Price Adjustment	-5%
Adjusted Price	US\$111,500,000
Transaction	3
Transaction Date	Not applicable
Vessel Name	Van Gogh
Asking Price	US\$98,000,000 (derived from internal source provided by the Management)
Year of Build	2019
Specification Adjustment	26%
Commissioning Adjustment	0%
Age Adjustment	-8%
Asking Price Adjustment	-5%
Adjusted Price	US\$110,740,000

9. VALUATION COMMENTS AND LIMITING CONDITIONS

As part of the analysis, the information and documents provided by the Management, the financial and business information from public sources with such available financial information, client representation, project documentation and other pertinent data concerning DSCV Lichtenstein have been reviewed. The accuracy of such information have been assumed and relied on to a considerable extent in arriving at the opinion of value.

Relevant searches and enquiries have been made and such further information as considered necessary has been obtained for the purpose of this valuation exercise.

The opinion of value is based on accepted valuation procedures and practices that rely substantially on the use of numerous assumptions and the consideration of many uncertainties, not all of which can be easily quantified or ascertained. Further, while the assumptions and consideration of such matters are regarded to be reasonable, they are inherently subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond the control of the Group and Valor. No assurance is provided on the achievability of any financial results estimated by the Group because events and circumstances frequently do not occur as expected; differences between actual and expected results may be material; and achievement of the forecasted results is dependent on actions, plans and assumptions of the management.

We have not inspected DSCV Lichtenstein which is currently located in the Persian Gulf and we relied on the information provided by the Group to prepare the valuation. DSCV Lichtenstein is a specialized equipment and we have not tested, checked or obtained any technical report to support the function or the specification of DSCV Lichtenstein. No mechanical survey and test were carried out.

We have assumed that DSCV Lichtenstein is in a good physical condition. In the absence of any mechanical testing, we have assumed that DSCV Lichtenstein can perform efficiently according to the purposes for which it was designed and built and is in a physical condition commensurate with its post installation age.

We have not investigated any financial data pertaining to the present or prospective earning capacity of the operation in which DSCV Lichtenstein is used. It is assumed that prospective earnings will provide a reasonable return on the Market Value of DSCV Lichtenstein, and there will be adequate net working capital.

We have accepted the records furnished by the Group as properly describing DSCV Lichtenstein. We have relied to a very considerable extent on such records in arriving at the opinion of value.

We have not investigated any industrial safety, environmental and health related regulations in association with the operation using DSCV Lichtenstein. It is assumed that all necessary licenses, procedures and measures for the operations using the DSCV Lichtenstein have been implemented in accordance with relevant government legislations and guidance.

In the course of our investigation, we have not investigated the title or any liabilities against DSCV Lichtenstein. No consideration was made for outstanding amount owed under financing agreement, if any.

In addition, the other limiting and general service conditions are attached in Appendix I.

10. RISK FACTORS

Economic, political and social considerations

Any unfavourable global and regional economic and geopolitical condition such as the trade war initiated by the United States and the Iran war may have a detrimental impact on the operation of DSCV Lichtenstein. Due to the uncertainties in economic situation, there is no guarantee that the expected financial performance will materialize. Any changes in global political, economic and social conditions, laws, regulations and policies may have significant impacts on the projections of the future income of DSCV Lichtenstein. In view of the current situation, the possibility of trade protectionism cannot be ruled out. None of these changes can be foreseen with certainty.

Technological changes

Any change in the technological developments and advancements may have significant impact on the operating and financial performance of DSCV Lichtenstein. To remain competitive in the industry, DSCV Lichtenstein may be required to make substantial capital expenditure to keep up with technological changes.

Inflation

The concurrent loosening of monetary policies by the central banks in many developed and developing countries poses a significant risk of inflation, which may erode the profitability of DSCV Lichtenstein. The escalation of tariff and trade wars initiated by the Trump administration and the recent Iran war has further exacerbated inflationary pressures, with import prices rising significantly across multiple sectors. These protectionist measures have disrupted global supply chains and increased production costs, potentially amplifying the negative effects of monetary policy on purchasing power and asset valuations.

Company specific risk

The operation of DSCV Lichtenstein may perform better or worse than the expectation, and the resulting operating and financial performance will be very different from the estimates. The possibility of severe operational incidence, whether it is exogenous or endogenous, cannot be precluded.

11. OPINION OF VALUE

Based on the investigation and analysis outlined in this report, we are of the opinion that as at the Valuation Date, which is **30 April 2026**, the Market Value of DSCV Lichtenstein is **US\$111,000,000** (US DOLLAR ONE HUNDRED AND ELEVEN MILLION).

Yours faithfully,

For and on behalf of

Valor Appraisal & Advisory Limited

Haydn Y.C. Lee

CFA CPA (Aust.) MRICS MAusIMM RBV

Director

Mr. Haydn Y.C. Lee is a Chartered Financial Analyst charterholder, member of CPA Australia, professional member of Royal Institution of Chartered Surveyors, member of the Australasian Institute of Mining & Metallurgy and Registered Business Valuer. He has over 17 years' experience in business valuation. He oversees the business valuation services of Valor and has provided a wide range of valuation services to listed companies and private entities in different industries in the PRC, Hong Kong and Singapore.

Appendix I – Limiting and General Service Conditions

1. As part of the analysis, Valor's appraisers have reviewed financial and business information from public sources together with such financial information, client representation, project documentation and other pertinent data concerning the project made available to Valor during the course of the valuation. Valor's appraisers have assumed the accuracy of, and have relied on the information and client representations provided in arriving at the opinion of value. We have not audited, reviewed, or compiled the financial information provided to us and, accordingly, we express no audit opinion or any other form of assurance on this information.
2. Our report was used as part of the analysis of the Group in reaching their conclusion of value and the ultimate responsibility of the determination of value of the subject asset rests solely with the Group.
3. It is assumed that the Management is responsible to ensure proper books of accounts are maintained, and the financial statements give a true and fair view and have been prepared in accordance with the relevant companies' ordinance.
4. Valor shall not be required to give testimony or attendance in court or to any government agency by reason of this valuation and with reference to the project described herein unless prior arrangements have been made.

5. No opinion is intended to be expressed for matters which require legal or other specialised expertise or knowledge, beyond what is customarily employed by Valor's appraisers.
6. The conclusions assume continuation of prudent client policies over whatever period of time that is considered to be necessary in order to maintain the character and integrity of the asset valued.
7. It is assumed that there are no hidden or unexpected conditions associated with the asset valued that might adversely affect the reported value. Further, it is assumed that no responsibility for changes in market conditions after the date of this report.
8. This valuation report has been prepared solely for the use of the designated parties. The valuation report should not be otherwise referred to, in whole or in part, or quoted in any document, circular or statement in any manner, or distributed in whole or in part or copied to any third party without prior written consent from Valor.
9. This report is confidential to the client for the specific purpose to which it refers. In accordance with Valor's standard practice, it is stated that this report and valuation is for the use only of the party to whom it is addressed and no responsibility is accepted with respect to any third party for the whole or any part of its contents.
10. Valor have made no investigation of and assumed no responsibility for the title to or any liabilities against the asset appraised.
11. In the event that Valor becomes involved in any capacity in any action, proceedings or investigation brought by or against any person, in connection with or as a result of either the Valor's engagement or any matter referred to in the service engagement, the Group will reimburse the Valor for all legal and other expenses incurred in connection therewith. Except where it is determined by final judgement of a court to have resulted from wilful default or gross negligence of Valor or its officers, the Group will fully indemnify and hold Valor harmless against any and all losses, claims, damages or liabilities to any such person in connection with or as a result of either the Valor's engagement or any matter referred to in the service engagement. The reimbursement, indemnity and contributions to each of its associates shall ensure to the benefit of the Valor's successors, assigns, heirs and personal representatives of the Valor, any such affiliate and any such persons. In the event the Valor is subject to any liability in connection with this service engagement, such liability will be limited to the amount of fees received for this engagement.
12. The Group agrees that itself or any of its associates will make no claim against Valor or any of its associates in connection with the engagement of the Valor except as a result of the Valor's wilful default or gross negligence, and that neither Valor nor any of its associates will have any direct or indirect liability to the Group or except where it is determined by final judgement of a court to have resulted from wilful default or gross negligence of Valor or its officers.

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and is not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

2. DISCLOSURE OF INTERESTS

(a) Directors' and chief executive's interests and short positions in Shares, underlying Shares and debentures

As at the Latest Practicable Date, the interests and short positions of the Directors, proposed Directors and chief executives of the Company in the Shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which were required to be (i) notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interest and short positions which were taken or deemed to have been taken under such provisions of the SFO); (ii) recorded in the register maintained by the Company pursuant to Section 352 of the SFO; or (iii) notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of the Listed Issuers (the “**Model Code**”) set out in Appendix C3 to the Listing Rules as adopted by the Company, were as follows:

Name	Company	Capacity	Type of interest	Number of Shares	Approximate % of shareholding (Note 1)
Mr. Zhan Huafeng	the Company	Beneficial owner	Long Position	1,000,000	0.03%
Mr. Zhang Menggui, Morgan	the Company	Beneficial owner	Long Position	65,979,100	2.03%

Note:

1. The percentage is calculated on the basis of 3,243,433,914 Shares in issue as at the Latest Practicable Date.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors, proposed directors and chief executives of the Company had any interest or short position in the Shares, underlying shares or debentures of the Company and any of its associated corporations which were required to be (i) notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which were taken or deemed to have been taken under such provisions of the SFO) or the Model Code adopted by the Company; or (ii) entered in the register required to be kept under Section 352 of the SFO.

(b) **Substantial shareholders' and other persons' interests in the shares and underlying shares of the Company**

As at the Latest Practicable Date, so far as was known to the Directors or chief executive of the Company based on the register maintained by the Company pursuant to Part XV of the SFO, other than the interests of the Directors, proposed directors and chief executives of the Company as disclosed above, shareholders who had interests or short positions in the Shares or underlying shares of the Company of 5% or more which need to be disclosed to the Company under the provisions of Divisions 2 and 3 of part XV of the SFO, or which were recorded in the register to be kept by the Company under Section 336 of the SFO, were as follows:

Name of Shareholder	Capacity	Long Position/ Short Position	Number of Shares	Approximate% of issued share capital of the Company (Note 4)
CM Group (Note 1)	Interest of controlled corporation	Long Position	3,152,089,000	97.18%
China Merchants Steam Navigation Company Limited (“ CM Steam Navigation ”) (Note 1)	Interest of controlled corporation	Long Position	1,530,372,000	47.18%
CM Shipbuilding Industry (Note 1)	Interest of controlled corporation	Long Position	1,530,372,000	47.18%
China Merchants Heavy Industry Holdings Limited (“ CM Heavy Industry ”) (Note 1)	Interest of controlled corporation	Long Position	1,530,372,000	47.18%
Prime Force (Note 1)	Beneficial owner	Long Position	1,530,372,000	47.18%
Han Xiaosheng (Note 3)	Interest of controlled corporation	Long Position	517,684,000	15.96%
Lam Kin Hing Kenneth (Note 3)	Interest of controlled corporation	Long Position	517,684,000	15.96%
Quam Plus International Financial Limited (“ Quam Plus ”) (Note 3)	Beneficial owner	Long Position	517,684,000	15.96%

Name of Shareholder	Capacity	Long Position/ Short Position	Number of Shares	Approximate% of issued share capital of the Company (Note 4)
Quam Tonghai Holdings Limited (“ Quam Tonghai ”) (Note 3)	Beneficial owner	Long Position	517,684,000	15.96%
China International Marine Containers (Hong Kong) Ltd (Note 2)	Beneficial owner	Long Position	185,600,000	5.72%
China International Marine Containers (Group) Co., Ltd. (Note 2)	Interest of controlled corporation	Long Position	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. CM Heavy Industry is therefore deemed to be interested in the 1,530,372,000 Shares in which Prime Force is interested in under Part XV of the SFO.

CM Shipbuilding 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 Shipbuilding Industry, CM Steam Navigation and CM Group are respectively deemed to be interested in the 1,530,372,000 Shares in which 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 was 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.

Mr. Mei Zhonghua, Mr. Liu Jiancheng and Mr. Tam Wing Tim hold positions within CM Shipbuilding Industry and its subsidiaries.

2. China International Marine Containers (Group) Company Limited (“**CIMC Group**”) holds the entire issued share capital of China International Marine Containers (Hong Kong) Limited (“**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. Quam Securities Limited (“**Quam Securities**”) is beneficially interested in 92,933,000 Shares. Quam Securities is wholly-owned by Quam Capital (Holdings) Limited (“**Quam Capital**”), which is therefore deemed to be interested in the 92,933,000 Shares in which Quam Securities is interested under Part XV of the SFO.

Quam Finance Limited (“**Quam Finance**”) is beneficially interested in 424,751,000 Shares.

Both Quam Finance and Quam Capital are wholly-owned by Quam Plus, which is in turn wholly-owned by Quam Tonghai. Therefore, Quam Plus and Quam Tonghai are deemed to be interested in the aggregate of 517,684,000 Shares held by Quam Finance and Quam Capital under Part XV of the SFO.

Lam Kin Hing, Kenneth and Han Xiaosheng are interested in 51% and 49% of the shares in Quam Tonghai, respectively; each of them is therefore deemed to be interested in the 517,684,000 Shares held by Quam Tonghai under Part XV of the SFO.

4. The percentage is calculated on the basis of 3,243,433,914 Shares in issue as at the Latest Practicable Date.

Save as disclosed above, as at the Latest Practicable Date, the Directors were not aware of any other persons or companies who had any interest or short position in the Shares or underlying Shares of the Company that was required to be recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO, or which would fall to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO.

3. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had entered into or proposed to enter into a service contract with any member of the Group which is not determinable by the employer within one year without payment of compensation (other than statutory compensation).

4. COMPETING INTERESTS

As at the Latest Practicable Date, none of the Directors, proposed directors of the Company or their respective close associates had any interest in a business which competes or may compete, either directly or indirectly, with the business of the Group or any other conflicts of interests with the Group.

5. LITIGATION

As at the Latest Practicable Date and so far as the Directors are aware, no member of the Group was engaged in any litigation, claims or arbitration of material importance and there was no litigation or claim or arbitration of material importance known to the Directors to be pending or threatened by or against any member of the Group.

6. DIRECTORS' INTERESTS IN ASSETS, CONTRACTS OR ARRANGEMENTS

As at the Latest Practicable Date, save as disclosed in this circular:

- (a) none of the Directors nor their respective associates was materially interested, directly or indirectly, in any contract or arrangement subsisting, which was significant in relation to the business of the Group; and
- (b) none of the Directors nor their respective associates had any direct or indirect interests in any assets which had been acquired or disposed of by or leased to, or were proposed to be acquired or disposed of by or leased to, any member of the Group since 31 December 2025, being the date to which the latest published audited consolidated financial statements of the Group were made up.

7. MATERIAL CONTRACTS

The following contracts (not being contracts entered into in the ordinary and usual course of business of the Group) have been entered into by the members of the Group within the two years preceding the Latest Practicable Date and which are, or may be, material:

- (a) the Memorandum of Agreement;
- (b) the Joint Venture Agreement;
- (c) the Funding Investment Agreement;
- (d) the master supply and purchase agreement (the “**Master Supply and Purchase Agreement**”) entered into between the Company and CM Shipbuilding Industry on 14 November 2025 in relation to sale of the products by the Group to CM Shipbuilding Industry and its subsidiaries and associates and the purchase of structural parts and other components by the Group from CM Shipbuilding Industry and its subsidiaries and associates. The annual caps for the sale of the products under the Master Supply and Purchase Agreement for each of the three years ending 31 December 2026, 2027 and 2028 are USD90 million, USD105 million and USD33 million, respectively; and the annual caps for the purchase of structural parts and other component under the Master Supply and Purchase Agreement for each of the three years ending 31 December 2026, 2027 and 2028 are USD3.5 million, USD3.8 million and USD0.5 million, respectively;
- (e) the master vessels chartering and management services agreement (the “**Master Vessels Chartering and Management Services Agreement**”) entered into between the Company and CM Shipbuilding Industry on 14 November 2025 in relation to charter of vessels by the Group from CM Shipbuilding Industry and its subsidiaries and associates and the provision of vessels management services by the Group to the CM Industry and its subsidiaries and associates. The annual caps for charter of vessels under the Master Vessels Chartering and Management Services Agreement for each of the three years ending 31 December 2026, 2027 and 2028 are USD62 million, USD30 million and USD52 million, respectively; and the annual caps for the vessels management services under the Master Vessels Chartering and Management Services Agreement for each of the three years ending 31 December 2026, 2027 and 2028 are USD650,000, USD650,000 and USD650,000, respectively;
- (f) the master lease agreement dated 14 November 2025 (the “**Master Lease Agreement**”) entered into between the Company and CM Shipbuilding Industry in respect of the lease of premises by CM Shipbuilding Industry and its subsidiaries and associates (as lessor) to the Group (as lessee). The annual caps for the leases under the Master Lease Agreement (representing the total values of right-of-use assets relating to leases to be entered into by the Group) for each of the three years ending 31 December 2026, 2027 and 2028 are USD1.2 million, USD2.7 million and USD2.0 million, respectively; and the annual caps for the managements fees under the Master Lease Agreement for each of the three years ending 31 December 2026, 2027 and 2028 are USD60,000, USD60,000 and USD60,000, respectively; and

- (g) the conditional subscription agreement dated 30 December 2024 and entered into between the Company and CM Innovation (HK), pursuant to which CM Innovation (HK) has agreed to subscribe for 1,621,717,000 new Shares to be issued by the Company at the price of HK\$0.20 per Share for a total consideration of HK\$324,343,400 in cash.

8. EXPERTS' QUALIFICATIONS AND CONSENTS

The following are the qualifications of the experts who have given their opinions and advice which are included in this circular:

NAME	QUALIFICATION
Red Sun Capital Limited	A corporation licensed to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO
SHINEWING (HK) CPA Limited	Certified Public Accountants under the Professional Accountants Ordinance (Cap. 50 of the Laws of Hong Kong) and Public Interest Entity Auditor registered in accordance with the Accounting and Financial Reporting Council Ordinance (Cap. 588 of the Laws of Hong Kong)
Valor Appraisal & Advisory Limited	Independent professional valuer

As at the Latest Practicable Date, the above experts have given and have not withdrawn their written consents to the issue of this circular with the inclusion of their letter(s), report(s) or advice(s) in the form and context in which they are included and all references to their names in the form and context in which they appear.

As at the Latest Practicable Date, the above experts were not beneficially interested in the share capital of any member of the Group nor did they have any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group nor did they have any interest, either direct or indirect, in any assets which have been, since 31 December 2025, the date to which the latest published audited consolidated financial statements of the Group were made up, acquired, disposed of by or leased to or are proposed to be acquired or disposed of by or leased to any member of the Group.

9. DOCUMENTS ON DISPLAY

Copies of the following documents will be displayed on the websites of the Stock Exchange at www.hkexnews.hk and the Company at www.cm-energy.com for a period of 14 days from the date of this circular:

- (a) the Memorandum of Agreement;
- (b) the Joint Venture Agreement;

- (c) the Funding Investment Agreement;
- (d) the letter from the Independent Board Committee, the text of which is set out in the section headed “Letter from the Independent Board Committee” in this circular;
- (e) the letter from the Independent Financial Adviser, the text of which is set out in the section headed “Letter from the Independent Financial Adviser” in this circular;
- (f) the report on the unaudited pro forma financial information of the Group, the text of which is set out in Appendix III to this circular;
- (g) the valuation report prepared by the Valuer in relation to the Vessel, the text of which is set out in Appendix IV to this circular; and
- (h) the written consents referred to in the paragraph headed “Experts’ Qualifications and Consents” above.

10. GENERAL

- (a) The company secretary of the Company is Ms. Koo Ching Fan. Ms. Koo Ching Fan is a director of Fair Wind Secretarial Services Limited and currently holds various offices of listed companies as company secretary. She is an associate member of both The Hong Kong Chartered Governance Institute and The Chartered Governance Institute and a fellow member of The Association of Chartered Certified Accountants. She has over 20 years of experience in the company secretarial work.
- (b) The registered office of the Company is situated at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands.
- (c) The head office and principal place of business of the Company in Hong Kong is at 3/F, Office Building, No. 1–7 Sai Tso Wan Road, Tsing Yi Island, New Territories, Hong Kong.
- (d) The principal share registrar of the Company is Conyers Trust Company (Cayman) Limited, Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands.
- (e) The branch share registrar of the Company in Hong Kong is Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong.

NOTICE OF EGM



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)

NOTICE OF EXTRAORDINARY GENERAL MEETING

Words and expressions that are not expressly defined in this notice shall bear the same meaning as those defined in the circular to the shareholders of the Company dated 12 June 2026 (the “**Circular**”), unless the context requires otherwise.

NOTICE IS HEREBY GIVEN that an extraordinary general meeting of the Company will be held at 5th Floor, China Merchants Development Center, No. 1089 Nanhai Avenue, Nanshan District, Shenzhen, the PRC on Monday, 29 June 2026 at 10:30 a.m. (or immediately after the conclusion of the annual general meeting of the Company to be held on the same date at 10:00 a.m., whichever is later) to consider and, if thought fit, to pass with or without amendments the following resolutions as ordinary resolutions of the Company:

ORDINARY RESOLUTIONS

1. “**THAT:**

- (a) the Memorandum of Agreement, a copy of which has been produced to this meeting marked “A” for the purpose of identification, the terms and conditions thereof, and the transactions contemplated thereunder be and are hereby approved, confirmed and ratified in all respects; and
- (b) any one Director be and is hereby authorised to do all such acts and things and execute and deliver all such documents, deeds or instruments and take all such steps as such Director in his/her sole opinion and absolute discretion may consider necessary, appropriate or desirable to implement or give effect to the Memorandum of Agreement and the transactions contemplated thereunder.”

2. “**THAT:**

- (a) the Joint Venture Agreement, a copy of which has been produced to this meeting marked “B” for the purpose of identification, the Funding Investment Agreement, a copy of which has been produced to this meeting marked “C” for the purpose of identification, the terms and conditions thereof, and the transactions contemplated thereunder be and are hereby approved, confirmed and ratified in all respects; and

NOTICE OF EGM

- (b) any one Director be and is hereby authorised to do all such acts and things and execute and deliver all such documents, deeds or instruments and take all such steps as such Director in his/her sole opinion and absolute discretion may consider necessary, appropriate or desirable to implement or give effect to the Joint Venture Agreement, the Funding Investment Agreement and the transactions contemplated thereunder.”

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

Hong Kong, 12 June 2026

Notes:

1. The register of members of the Company will be closed from Wednesday, 24 June 2026 to Monday, 29 June 2026, both days inclusive, during which period no transfer of Shares can be registered. The record date for determining the eligibility of the Shareholders to attend and vote at the EGM will be 29 June 2026. In order to qualify for the entitlement to attend and vote at the meeting, all transfer documents, accompanied by the relevant share certificates, must be duly completed and lodged with the Hong Kong branch share registrar and transfer office of the Company, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on Tuesday, 23 June 2026.
2. Any member of the Company entitled to attend and vote at the meeting is entitled to appoint another person as his proxy to attend and vote in his/her stead. A member who is the holder of two or more Shares may appoint more than one proxy to attend and vote on his behalf. If more than one proxy is so appointed, the appointment shall specify the number and class of Shares in respect of which each such proxy is so appointed. A proxy need not be a member of the Company, but must attend the meeting in person to represent you.
3. To be valid, a form of proxy, together with the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy thereof, must be deposited at the Hong Kong branch share registrar and transfer office of the Company, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not less than 48 hours before the time appointed for the holding of the EGM (i.e. at 10:30 a.m. on 27 June 2026) (Hong Kong time) or any adjourned meeting.
4. Completion and delivery of the form of proxy will not preclude a member from attending and voting in person at the EGM if the member so desires and in such event, the instrument appointing a proxy shall be deemed to be revoked.
5. Where there are joint holders of any Share, any one of such persons may vote at any meeting, either in person or by proxy, in respect of such Share as if he was solely entitled thereto; but if more than one of such joint holders be present at any meeting the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the register of members in respect of the joint holding.
6. Pursuant to Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll. Therefore, all resolution(s) proposed at the EGM shall be voted by poll.