China Nature Energy Technology Holdings Limited
中國納泉能源科技控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1597)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2026

The Board of Directors (the "**Directors**" or "**Board**") of China Nature Energy Technology Holdings Limited (the "**Company**") is pleased to announce the unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively the "**Group**") for the six months ended 30 June 2026.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the six months ended 30 June 2026

		Six months ended 30 June	
		2026	2025
	Note	***RMB'000***	*RMB'000*
Revenue	4	**46,020**	47,505
Cost of sales		**(46,347)**	(51,265)
Gross loss		**(327)**	(3,760)
Other income	5(a)	**644**	1,427
Other net loss	5(b)	**(1,673)**	(108)
Selling and distribution expenses		**(3,048)**	(4,092)
Administrative and other operating expenses		**(7,071)**	(11,261)
Impairment loss reversed/(recognised) on trade receivables and contract assets	6(b)	**3,919**	(6,026)
Loss from operations		**(7,556)**	(23,820)
Net finance costs	6(a)	**(754)**	(945)
Loss before taxation	6	**(8,310)**	(24,765)
Income tax	7	**(1,219)**	1,216
Loss for the period		**(9,529)**	(23,549)
Attributable to:			
Equity shareholders of the Company		**(9,529)**	(20,018)
Non-controlling interests		**—**	(3,531)
Loss for the period		**(9,529)**	(23,549)
Loss per share	8		
Basic and diluted (RMB)		**(0.038)**	(0.080)

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the six months ended 30 June 2026

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Loss for the period	**(9,529)**	(23,549)
Other comprehensive income for the period (after nil tax)		
Item that will not be reclassified to profit or loss:		
Exchange differences on translation from functional currency to presentation currency	**(750)**	(276)
Item that may be reclassified subsequently to profit or loss:		
Exchange differences on translation of financial statements of overseas subsidiaries	**1,291**	372
Other comprehensive income for the period	**541**	96
Total comprehensive income for the period	**(8,988)**	(23,453)
Attributable to:		
Equity shareholders of the Company	**(8,988)**	(19,922)
Non-controlling interests	**—**	(3,531)
Total comprehensive income for the period	**(8,988)**	(23,453)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 30 June 2026

	Note	At 30 June 2026 *RMB'000*	At 31 December 2025 *RMB'000*
Non-current assets			
Property, plant and equipment		**91,530**	96,466
Contract assets		**19,895**	20,455
Deferred tax assets		**4,582**	5,180
		116,007	122,101
Current assets			
Inventories		**12,917**	18,426
Contract assets		**26,693**	25,370
Trade and other receivables	10	**180,585**	179,628
Loans to third parties		**4,441**	4,441
Pledged and restricted deposits		**5,122**	12,855
Cash and cash equivalents		**14,514**	15,779
		244,272	256,499
Current liabilities			
Trade and other payables	11	**103,332**	108,358
Contract liabilities		**2,122**	715
Bank loans and other borrowings		**79,179**	83,650
Lease liabilities		**3,368**	3,634
Current taxation		**1,303**	762
		189,304	197,119
Net current assets		**54,968**	59,380
Total assets less current liabilities		**170,975**	181,481

	Note	At 30 June 2026 RMB'000	At 31 December 2025 RMB'000
Non-current liabilities			
Trade and other payables	11	**646**	494
Lease liabilities		**1,701**	3,367
		2,347	3,861
Net assets		**168,628**	177,620
Capital and reserves			
Share capital		**2,168**	2,168
Reserves		**166,464**	175,452
Total equity attributable to equity shareholders of the Company		**168,632**	177,620
Non-controlling interests		**(4)**	—
Total equity		**168,628**	177,620

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

1 GENERAL INFORMATION

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

The functional currency of the Company is Hong Kong dollar ("**HK$**"). The condensed consolidated financial statements are presented in Renminbi ("**RMB**"), which is the presentation currency.

2 BASIS OF PREPARATION

This interim financial report has been prepared in accordance with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, including compliance with International Accounting Standard ("**IAS**") 34, *Interim financial reporting*, issued by the International Accounting Standards Board ("**IASB**"). It was authorised for issue on 28 August 2026.

The interim financial report has been prepared in accordance with the same accounting policies adopted in the 2025 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2026 annual financial statements. Details of any changes in accounting policies are set out in Note 3.

The preparation of an interim financial report in conformity with IAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

This interim financial report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the 2025 annual financial statements. The condensed consolidated interim financial statements and accompanying notes thereon do not include all of the information required for a full set of financial statements prepared in accordance with the IFRS Accounting Standards.

The interim financial report is unaudited.

The financial information relating to the financial year ended 31 December 2025 that is included in the interim financial report as comparative information does not constitute the Company's annual consolidated financial statements for that financial year but is derived from those financial statements.

3 CHANGES IN ACCOUNTING POLICIES

The IASB has issued a number of amendments to IFRS Accounting Standards that are first effective for the current accounting period. None of these developments have had a material effect on these financial statements. The Group has not applied any new standard or interpretation that is not yet effective for the current accounting period.

4 REVENUE AND SEGMENT REPORTING

(a) Revenue

The principal activities of the Group are the research and development, integration, manufacture and sales of pitch control systems and related components, sales of wind power, wind farm operation and maintenance business and energy storage business. Further details regarding the Group's principal activities are disclosed in Note 4(b).

(i) Disaggregation of revenue

Disaggregation of revenue by business lines is as follows:

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Revenue from contracts with customers within the scope of IFRS 15		
— Sales of pitch control systems and related components	**29,941**	29,807
— Sales of wind power	**7,337**	11,602
— Wind farm operation and maintenance business	**3,056**	2,218
— Energy storage business	**5,686**	3,878
	46,020	47,505

The Group's revenue from contracts with customers were recognised at a point in time. Disaggregation of revenue from contracts with customers by geographic markets is disclosed in Note 4(b)(iii).

(b) Segment reporting

The Group manages its businesses by division, which is organised by business lines (sales of pitch control systems and related components, sales of wind power, wind farm operation and maintenance business and energy storage business). In a manner consistent with the way in which information is reported internally to the Group's most senior executive management for the purposes of resource allocation and performance assessment, the Group has presented the following four reportable segments. No individually mentioned operating segments have been aggregated to form the following reportable segments.

- Sales of pitch control systems and related components: it engages in the research and development, integration, manufacture and sales of the pitch control systems and related components in wind turbines manufacture;

- Sales of wind power: it engages in the sales of wind power electricity generated from wind farms;

- Wind farm operation and maintenance business: it provides wind farm operation and maintenance, upgrade and modification services and engages in the sales of wind farm consumables; and

- Energy storage business: it engages in research and development, integration, manufacture and sales of energy storage products and provision of related services.

(i) Segment results, assets and liabilities

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

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

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

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

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

Information regarding the Group's reportable segments as provided to the Group's most senior executive management for resources allocation and performance assessment for the period is set out below:

	Sales of pitch control systems and related components *RMB'000*	**Sales of wind power** *RMB'000*	**Wind farm operation and maintenance business** *RMB'000*	**Energy storage business** *RMB'000*	**Total** *RMB'000*
For the six months ended 30 June 2026					
Reportable segment revenue	**29,941**	**7,337**	**3,056**	**5,686**	**46,020**
Reportable segment profit/(loss)	**206**	**2,925**	**935**	**(4,393)**	**(327)**
As at 30 June 2026					
Reportable segment assets	**94,984**	**159,117**	**1,685**	**75,834**	**331,620**
Reportable segment liabilities	**(91,200)**	**(17,980)**	**(37,834)**	**(32,083)**	**(179,097)**

	Sales of pitch control systems and related components *RMB'000*	Sales of wind power *RMB'000*	Wind farm operation and maintenance business *RMB'000*	Energy storage business *RMB'000*	Total *RMB'000*
For the six months ended 30 June 2025					
Reportable segment revenue	29,807	11,602	2,218	3,878	47,505
Reportable segment (loss)/profit	(4,852)	6,312	674	(5,894)	(3,760)
As at 31 December 2025					
Reportable segment assets	103,927	154,705	4,324	77,389	340,345
Reportable segment liabilities	(98,113)	(14,331)	(29,008)	(36,450)	(177,902)

(ii) ***Reconciliations of reportable segment profit or loss***

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Reportable segment loss	**(327)**	(3,760)
Other income	**644**	1,427
Other net loss	**(1,673)**	(108)
Selling and distribution expenses	**(3,048)**	(4,092)
Administrative and other operating expenses	**(7,071)**	(11,261)
Impairment loss reversed/(recognised) on trade receivables and contract assets	**3,919**	(6,026)
Net finance costs	**(754)**	(945)
Consolidated loss before taxation	**(8,310)**	(24,765)

(iii) ***Geographic information***

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

5 OTHER INCOME AND OTHER NET LOSS

(a) Other income

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
VAT refund and deduction *(Note (i))*	**376**	1,171
Government subsidies *(Note (ii))*	**125**	96
Others	**143**	160
	644	1,427

Notes:

(i) Pursuant to Taxation Policy for Encouraging the Development of Software and Integrated Circuits Industry (Guofa [2011] No. 4), enterprises engaged in the sales of self-developed software in the PRC are entitled to a VAT refund to the extent that the effective VAT rate of the sales of the software products in the PRC exceeds 3% of the sales amounts. During the six months ended 30 June 2026 and 2025, the Group received such VAT refund of RMB376,000 and RMB311,000 respectively.

Pursuant to the VAT Policy on Wind Power Generation (Caishui [2015] No. 74), enterprises selling self-generated wind power will be entitled to a 50% refund of VAT. During the six months ended 30 June 2026 and 2025, the Group received such VAT refund of RMB Nil and RMB860,000 respectively.

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

(b) Other net loss

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Net exchange (losses)/gains	**(13)**	19
Loss on disposal of property, plant and equipment	**(1,538)**	—
Others	**(122)**	(127)
	(1,673)	(108)

6 LOSS BEFORE TAXATION

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

(a) Net finance costs

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Interest expenses on bank loans	**291**	612
Interest expenses on loans due to third parties	**495**	450
Interest expenses on loans due to related parties	**525**	—
Interest expenses on lease liabilities	**110**	185
	1,421	1,247
Interest income on financial assets measured at amortised cost	**(667)**	(302)
Net finance costs	**754**	945

(b) Other items

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Cost of inventories recognised as expenses *(Note)*	**42,653**	46,364
Depreciation charges		
— owned property, plant and equipment	**7,509**	9,037
— right-of-use assets	**1,793**	1,844
Impairment loss (reversed)/recognised on		
— trade receivables and contract assets	**(3,919)**	6,026
Provision for write-down of inventories	**—**	1,285
Research and development costs included in		
— cost of sales	**3,701**	4,901
— administrative and other operating expenses	**930**	997

Note:

Cost of inventories recognised as expenses include staff costs, depreciation changes of property, plant and equipment and provision for write-down of inventories which are also included in the respective total amounts disclosed separately above for each of these types of expenses.

7 INCOME TAX

	Six months ended 30 June	
	2026	2025
	RMB'000	*RMB'000*
Current tax — PRC Corporate Income Tax		
Provision for the period	**621**	861
Over-provision in respect of prior years	**—**	(62)
Deferred tax		
Origination and reversal of temporary differences	**598**	(2,015)
	1,219	(1,216)

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

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

8 LOSS PER SHARE

(a) Basic loss per share

The calculation of basic loss per share is based on the loss attributable to ordinary equity shareholders of the Company of RMB9,529,000 (six months ended 30 June 2025: RMB20,018,000) and the weighted average of 250,000,000 ordinary shares (2025: 250,000,000 shares) in issue during the interim period.

(b) Diluted loss per share

Diluted loss per share for the six months ended 30 June 2026 and 2025 are the same as the basic loss per share as there were no potentially dilutive ordinary shares issued.

9 DIVIDENDS

No dividend was paid or declared by the Company for the six months ended 30 June 2026 and 2025.

10 TRADE AND OTHER RECEIVABLES

	At 30 June 2026 *RMB'000*	At 31 December 2025 *RMB'000*
Trade and bills receivable, net of loss allowance	**171,229**	168,291
Prepayments	**398**	1,539
Other receivables	**8,958**	9,798
	180,585	179,628

All of trade and other receivables balances are expected to be recovered or recognised as an expense within one year.

Trade and bills receivable

	At 30 June 2026 *RMB'000*	At 31 December 2025 *RMB'000*
Measured at amortised cost		
— Trade receivables	**148,134**	161,114
— Bills receivable	**22,170**	3,077
Less: loss allowance	**(5,061)**	(8,476)
	165,243	155,715
Measured at fair value through other comprehensive income (FVOCI)		
— Bills receivable *(Note)*	**5,986**	12,576
	171,229	168,291

Note:

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

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

	At 30 June 2026 *RMB'000*	At 31 December 2025 *RMB'000*
Within 1 year	**86,769**	98,326
Over 1 year but within 2 years	**20,326**	10,972
Over 2 years but within 3 years	**11,050**	12,051
Over 3 years	**53,084**	46,942
	171,229	168,291

Generally, the Group's trade receivables are due within 30 to 180 days from the date of billing, except for the revenue from tariff premium. The collection of such tariff premium is subject to the allocation of funds by relevant government authorities to local grid company, which takes a relatively long time for settlement. As at 30 June 2026, the tariff premium receivables included in trade and other receivables amounted to RMB86,875,000 (31 December 2025: RMB81,229,000).

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

In March 2025, Naquan Granary (Duolun) New Energy Co., Ltd ("Naquan Granary") (an indirect wholly-owned subsidiary of the Company) changed its company name. In accordance with the relevant rules and regulations, Naquan Granary was required to complete certain registration procedures within the State Grid system to update its latest company information. Consequently, settlement of the trade receivables arising from wind power sales due from the local grid company has been suspended. The registration procedures were completed in April 2026. As at 30 June 2026, these trade receivables amounted to approximately RMB9,773,000 (31 December 2025: RMB8,020,000) was in the process of reapplying for settlement of the outstanding trade receivables due from the local grid company. Up to the date of issuance of these condensed consolidated financial statements, these trade receivables are fully settled by the local grid company.

The directors of the Company are of the opinion that these trade receivables are fully recoverable, having considered that there is no loss experience with the state-owned grid company in the past.

11 TRADE AND OTHER PAYABLES

	At 30 June 2026 ***RMB'000***	At 31 December 2025 *RMB'000*
Current		
Trade payables	**59,523**	58,661
Bills payable	**5,000**	12,755
Other payables *(Note)*	**38,809**	36,942
	103,332	108,358
Non-current		
Trade payables	**646**	494
	103,978	108,852

Note:

The amount includes interest payable for other borrowings of approximately RMB32,591,000 (31 December 2025: RMB31,939,000).

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

	At 30 June 2026 *RMB'000*	At 31 December 2025 *RMB'000*
Within 3 months	**28,475**	32,782
3 to 6 months	**12,187**	2,153
6 to 12 months	**346**	389
Over 12 months	**18,515**	23,337
	59,523	58,661

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

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

As a leading wind power and pitch control system solution provider in the PRC, we have established a comprehensive business system covering multiple fields. In the core business segment, we have formed a full-chain capability in the research and development, integration, manufacturing, and sales of high-voltage pitch control systems for wind turbines, providing critical technical support for the stable operation of wind power equipment. The Company is also in the wind power generation business, participating in the production of clean energy, and expanding after-market operation and maintenance services of wind power to ensure the efficient operation of wind farms.

In the extended fields of the new energy industry, the Company's energy storage business possesses multi-scenario adaptability and can widely serve different energy forms such as wind power, photovoltaic, and thermal power. Not only do we provide "source-grid-load-storage" full-chain storage solutions, but also create a smart energy service system through dispatch optimisation, comprehensively assisting in building a more stable, efficient, and sustainable modern energy ecosystem.

PITCH CONTROL SYSTEM RELATED INTEGRATION, MANUFACTURE AND SALES

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

During the six months ended 30 June 2026, the Group delivered a total of 345 sets of pitch control system products, an increase of 2% compared with the delivery volume for the same period in 2025, and the delivered product types covered different models ranging from 5 MW to 10 MW.

WIND POWER GENERATION

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

During the six months ended 30 June 2026, the annual utilisation hours of our Duolun Wind Farm were 1,275 hours, and the semi-annual total wind power admitted to the power grid was 24.86 million kWh.

WIND FARM OPERATION AND MAINTENANCE

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

ENERGY STORAGE

Providing a wide range of products and services for multiple scenarios, including wind power, photovoltaic, and thermal power, such as energy storage products and solutions, energy storage modules, pack and system equipment, EMS, intelligent energy cloud platform, and integrated energy simulation and calculation platform, covering smart energy services for energy storage and dispatch optimisation, to build a more stable and efficient energy ecosystem.

OUTLOOK OF THE GROUP

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

FINANCIAL POSITION AND OPERATING RESULTS

In the first half of 2026, the Group maintained its wind power generation and operation and maintenance business and actively explored market development of the energy storage industry.

REVENUE

During the six months ended 30 June 2026, the Group recorded a total revenue of approximately RMB46 million, representing a decrease of 3% from approximately RMB47.5 million in the first half of 2025, which was mainly due to the decrease in wind power sales business in 2026, resulting in a decrease in overall business revenue.

The table below sets forth a breakdown of the Group's revenue during the reporting period:

	As of 30 June 2026	As of 30 June 2025
	RMB'000	*RMB'000*
Sales of pitch control systems and related components	**29,941**	29,807
Wind power sales	**7,337**	11,602
Wind farm operation and maintenance business	**3,056**	2,218
Energy storage business	**5,686**	3,878
Total	**46,020**	47,505

In the first half of 2026, revenue generated from the pitch control systems business amounted to approximately RMB29.9 million, representing an increase of approximately RMB0.1 million or approximately 0.4% from the first half of 2025, which was basically the same as that in the first half of 2025.

In the first half of 2026, revenue generated from the wind power generation business amounted to approximately RMB7.3 million, representing a decrease of RMB4.3 million or approximately 37% from the first half of 2025, which was mainly due to poor wind resources this year resulting in low power generation and changes in trading methods resulting in low trading electricity prices

Revenue from wind farm operation and maintenance business amounted to approximately RMB3 million in the first half of 2026, representing an increase of approximately RMB0.8 million or approximately 38% from the first half of 2025, which was mainly due to the increase in the Group's operation and maintenance business volume in the first half of 2026.

Revenue from the energy storage business was approximately RMB5.7 million in the first half of 2026, representing an increase of approximately RMB1.8 million or approximately 47% from the first half of 2025, which was mainly due to the increase in the order of EMS energy storage system during the year.

COST OF SALES

The Group's cost of sales during the six months ended 30 June 2026 was approximately RMB46.3 million, representing a decrease of approximately RMB5 million or approximately 10% compared with the cost of sales in the first half of 2025.

Among them, the cost of sales of the pitch control systems business mainly includes raw materials, labor and depreciation, etc., and the cost of sales of the Group's pitch control system business in the first half of 2026 was approximately RMB29.7 million, representing a decrease of RMB5 million or approximately 14% from approximately RMB34.7 million in the first half of 2025, mainly due to the control of raw material costs and rational optimisation of human resource allocation.

The cost of sales of the wind power generation business is mainly depreciation, labor costs as well as spare parts and maintenance after the warranty period, and the cost of sales of the wind power generation business in the first half of 2026 is approximately RMB4.4 million, representing a decrease of RMB0.9 million or approximately 17% from approximately RMB5.3 million in the first half of 2025, mainly due to the decrease in repair costs during the year.

The cost of sales of wind farm operation and maintenance business is mainly raw material and labor costs. The total cost of sales of the Group's operation and maintenance business in the first half of 2026 was approximately RMB2.1 million, representing an increase of approximately RMB0.6 million or approximately 37% from approximately RMB1.5 million in the first half of 2025, mainly due to the increase in revenue from the operation and maintenance of wind farms, resulting in higher costs.

The cost of sales of the energy storage business mainly consists of materials, labor and depreciation. The cost of sales of the energy storage business in the first half of 2026 was approximately RMB10.1 million, an increase of RMB0.3 million or approximately 3% from the cost of sales of the business of approximately RMB9.8 million in the first half of 2025, mainly due to the increase in sales revenue of energy storage business, resulting in an increase in materials and rational planning of human resources.

GROSS LOSS AND GROSS MARGIN

During the six months ended 30 June 2026, the Group's gross loss was approximately RMB0.3 million, representing a decrease of approximately RMB3.5 million from loss of approximately RMB3.8 million in the first half of 2025, mainly due to the measures taken to control raw material costs and labor costs in face with fierce market competition. The overall gross margin increased back from −7.9% in the first half of 2025 to −0.7% in the first half of 2026, mainly due to the control of the supply chain for pitch control system business and energy storage business.

The gross margin of the pitch control systems business increased back from −16% in the first half of 2025 to 1% in the first half of 2026, mainly due to the optimisation of costs structure.

The gross margin of the wind power generation business in the first half of 2025 was approximately 40%, representing a decrease of 14% from the gross margin of 54% in the first half of 2025, mainly due to the decrease in revenue of wind power and a relatively fixed costs during the year.

The gross margin of the wind farm operation and maintenance business in the first half of 2026 was approximately 31%, which was about the same as the gross margin in 2025.

The gross margin of the energy storage business in the first half of 2026 was approximately −77%, representing an increase of 75% from the gross margin of −152% in the first half of 2025, mainly due to the adjustments in business strategies and reasonable cost control based on changes in the market environment.

OTHER INCOME

For the six months ended 30 June 2026, the Group's other revenue amounted to approximately RMB0.6 million, representing a decrease of RMB0.8 million from approximately RMB1.4 million in the first half of 2025, mainly due to reduced VAT refund for wind power generation.

OTHER NET LOSS

For the six months ended 30 June 2026, the Group's other loss amounted to approximately RMB1.7 million, representing an increase of RMB1.6 million from approximately RMB0.1 million in the first half of 2025, mainly due to the loss on disposal of fixed assets.

SELLING AND DISTRIBUTION EXPENSES

For the six months ended 30 June 2026, the Group's selling and distribution expenses amounted to approximately RMB3 million, representing a decrease of RMB1.1 million from approximately RMB4.1 million in the first half of 2025, mainly due to reduced labor costs and marketing expenses.

ADMINISTRATIVE AND OTHER OPERATING EXPENSES

For the six months ended 30 June 2026, the Group's administrative and other operating expenses amounted to approximately RMB7.1 million, representing a decrease of RMB4.2 million as compared to approximately RMB11.3 million in the first half of 2025, mainly due to the decrease in labor costs.

IMPAIRMENT LOSSES REVERSAL/(RECOGNISED) ON TRADE RECEIVABLES AND CONTRACT ASSETS

For the six months ended 30 June 2026, the Group's impairment losses reversal on trade receivables and contract assets amounted to approximately RMB3.9 million, representing a change of RMB9.9 million as compared to impairment losses recognised in the first half of 2025 of approximately RMB6 million in the first half of 2025, mainly due to the timely collection of customer payments for pitch control systems business.

NET FINANCE COSTS

Net finance costs mainly represent the interest expenses on bank loans and loans due to third parties and related parties. For the six months ended 30 June 2026, the Group's net finance costs amounted to approximately RMB0.8 million, representing a decrease of approximately RMB0.1 million as compared to approximately RMB0.9 million in the first half of 2025, which had no significant changes.

LOSS FOR THE PERIOD

Based on the above reasons, as of 30 June 2026, the Group's loss for the period amounted to approximately RMB9.5 million, representing a decrease of approximately RMB14 million from loss for the period of approximately RMB23.5 million in the first half of 2025.

LOSS ATTRIBUTABLE TO EQUITY SHAREHOLDERS OF THE COMPANY

As of 30 June 2026, the loss attributable to the equity shareholders of the Company amounted to approximately RMB9.5 million, representing a decrease of approximately RMB10.5 million as compared to the loss attributable to the equity shareholders of the Company of approximately RMB20 million for the first half of 2025.

GEARING RATIO

Gearing ratio is calculated as the Group's total liabilities divided by total assets. For the six months ended 30 June 2026, the Group's gearing ratio was approximately 53%, which is basically the same as compared to the gearing ratio of 53% at 31 December 2025.

LIQUIDITY AND CAPITAL SOURCE

The working capital of the Group is derived from the cash flows generated from our operating activities, the existing cash and cash equivalents of the Company and bank loans. After prudent financial management and analysis, the Directors believe that the Group has sufficient working capital to meet the Group's current and future operating needs for a full year.

CASH FLOWS

As of 30 June 2026, the Group's cash and cash equivalents amounted to approximately RMB14.5 million, representing a decrease of approximately RMB1.3 million or approximately 8% from approximately RMB15.8 million as of 31 December 2025, which was primarily used for repayment of bank loans, upgrading pitch control equipment and investing in new energy storage systems.

CAPITAL EXPENDITURE

In the first half of 2026, the Group's capital expenditure amounted to approximately RMB4.9 million in total, as compared to the capital expenditure of RMB3.9 million in the first half of 2025. This was mainly due to upgrading pitch control equipment and investing in new energy storage systems.

CONTINGENT LIABILITIES

As at 30 June 2026, the Group did not have any material contingent liabilities.

PLEDGE OF THE GROUP'S ASSETS

As of 30 June 2026, the Group had pledged deposits for issuance of bills payable amounted to RMB5.1 million.

HUMAN RESOURCES

The Group has offices in Beijing, Shanghai, Wuxi, Shenzhen, Hong Kong and Inner Mongolia. As at 30 June 2026, the Group employed a total of 104 employees (31 December 2025: 134 employees), of which all full-time employees entered into labor contracts. According to the PRC labor Law and the relevant laws and regulations, the contracts of such employees expressly stipulate the position, responsibilities, remuneration, staff benefit, training, obligation of confidentiality and other related matters of each employee.

SIGNIFICANT INVESTMENTS HELD, MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES, AND FUTURE PLANS FOR SIGNIFICANT INVESTMENTS AND CAPITAL ASSETS

The EPC Contract

On 9 June 2026 (after trading hours), Wuchuan Tongli Energy Technology Co.* ("**Wuchuan Tongli**") entered into the EPC Contract with POWERCHINA Chengdu Engineering Corporation Limited* ("**POWERCHINA**") in relation to, among other things, the construction of the energy storage power station in Wuchuan City, in Guangdong Province in the PRC (the "**Project**"). Pursuant to the EPC Contract, POWERCHINA shall be responsible as the EPC contractor for the works in relation to the design, implementation, completion, and remediation of the Project, including survey and design, procurement of equipment and materials, construction and installation, testing, and acceptance work within the scope of the Project. The total contract price is in the amount of RMB184,853,005.95 (inclusive of 10% tax). Details of the transaction has been set out in the announcement and the supplemental announcement of the Company dated 9 June 2026 and 15 June 2026 respectively.

Save for the information disclosed in this announcement, the Group did not have any other significant investment or material acquisition or disposal of subsidiaries, affiliated companies and joint ventures during the six months ended 30 June 2026. Save for the information disclosed in this announcement, as at the date of the announcement, the Group did not have any other significant investments or acquire any capital assets approved by the Board.

POTENTIAL RISK EXPOSURES

Policy uncertainty risk

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

* The English translation of these entities is for reference only. The official names of the entities established in the PRC are in Chinese.

Financial risk

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

Exchange rate risk

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

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

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

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities for the six months ended 30 June 2026.

EVENTS AFTER THE REPORTING PERIOD

There have been no other material events occurring after the reporting period and up to the date of this announcement.

CORPORATE GOVERNANCE

The Board is committed to achieving good corporate governance standards.

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

The Company has adopted the principles and code provisions set out in the Corporate Governance Code (the "**CG Code**") contained in Appendix C1 to the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**"). To the best knowledge of the Directors, the Company has complied with all applicable code provisions under the CG Code during the six months ended 30 June 2026.

COMPLIANCE WITH THE MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS OF LISTED ISSUERS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix C3 of the Listing Rules as its own code of conduct regarding directors' securities transactions.

The specific enquiry has been made to all the Directors and the Directors have confirmed that they have complied with the Model Code during the six months ended 30 June 2026.

AUDIT COMMITTEE AND REVIEW OF INTERIM RESULTS

The Company established the audit committee with written terms of reference in compliance with the CG Code (the "**Audit Committee**"). As at the date of this announcement, the Audit Committee consists of three independent non-executive Directors, namely Ms. Hung Pui Yu, Mr. Kang Jian and Mr. Li Shusheng. The Audit Committee is chaired by Ms. Hung, who has appropriate professional qualifications and experience as required by Rule 3.10(2) of the Listing Rules.

The Audit Committee of the Company has discussed with the management the accounting principles and policies adopted by the Group and has reviewed the Group's unaudited interim consolidated financial statements for the six months ended 30 June 2026.

INTERIM DIVIDEND

The Board did not recommend the payment of an interim dividend for the six months ended 30 June 2026.

PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

This interim results announcement is published on the Company's website at www.natureenergytech.com and the Stock Exchange's website at www.hkexnews.hk. The interim report for the six months ended 30 June 2026 will be dispatched to the shareholders of the Company (if requested) and will be available on the websites of the Stock Exchange and the Company in due course.

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

Hong Kong, 28 August 2026

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