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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)**

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

**HIGHLIGHTS**

- Revenue amounted to approximately US\$135.4 million for the year ended 31 December 2025, representing a decrease of 18.8% as compared with 2024;
- Gross profit amounted to approximately US\$31.3 million for the year ended 31 December 2025, representing a decrease of 24.4% as compared with 2024;
- Gross profit margin decreased from 24.9% for 2024 to 23.2% for 2025, representing a decrease of 1.7 percentage points as compared with 2024;
- Profit attributable to owners of the Company amounted to approximately US\$1.6 million for the year ended 31 December 2025, representing a decrease of 82.8% from US\$9.2 million for 2024; and
- The Board does not recommend the declaration of any final dividend for the year ended 31 December 2025.

## ANNUAL RESULTS

The board (the “**Board**”) of the directors (the “**Directors**”) announces the audited consolidated results of CM Energy Tech Co., Ltd. (the “**Company**” or “**CM Energy**”) and its subsidiaries (collectively the “**Group**”) for the year ended 31 December 2025 (the “**Year**”) together with the comparative figures for the year ended 31 December 2024 as follows using United States dollars as presentation currency:

### CONSOLIDATED STATEMENT OF PROFIT OR LOSS

*For the year ended 31 December 2025 (Expressed in United States dollars)*

	<i>NOTES</i>	<b>2025</b> <i>US\$'000</i>	2024 <i>US\$'000</i>
<b>Revenue</b>	4	<b>135,362</b>	166,773
Cost of sales		<u>(104,024)</u>	<u>(125,294)</u>
<b>Gross profit</b>		<b>31,338</b>	41,479
Other income, gains and losses, net		<b>4,982</b>	2,732
Selling and distribution expenses		<b>(3,168)</b>	(2,600)
General and administrative expenses		<b>(25,667)</b>	(26,002)
Other expenses		<b>(314)</b>	(219)
Impairment losses under expected credit loss model, net of reversal		<u><b>(2,158)</b></u>	<u>(1,257)</u>
<b>Profit from operations</b>		<b>5,013</b>	14,133
Finance costs		<b>(81)</b>	(80)
Share of results of associates		<u><b>(2,151)</b></u>	<u>(1,893)</u>
<b>Profit before taxation</b>	5	<b>2,781</b>	12,160
Income tax expense	6	<u><b>(1,007)</b></u>	<u>(2,966)</u>
<b>Profit for the year</b>		<u><b>1,774</b></u>	<u>9,194</u>
<b>Profit for the year attributable to:</b>			
– Owners of the Company		<b>1,580</b>	9,160
– Non-controlling interests		<b>194</b>	34
		<u><b>1,774</b></u>	<u>9,194</u>
<b>Earnings per share</b>	8		
– Basic and diluted		<u><b>US0.05 cent</b></u>	<u>US0.29 cent</u>

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

*For the year ended 31 December 2025 (Expressed in United States dollars)*

	<b>2025</b>	2024
	<i>US\$'000</i>	<i>US\$'000</i>
<b>Profit for the year</b>	<u><b>1,774</b></u>	<u>9,194</u>
<b>Other comprehensive income (expense) for the year:</b>		
Item that will not be reclassified subsequently to profit or loss:		
– Fair value gain (loss) on investments in equity instruments at fair value through other comprehensive income (“FVTOCI”)	2,373	(3,774)
Item that may be reclassified subsequently to profit or loss:		
– Exchange differences arising on translation of foreign operations	<u>3,428</u>	<u>(3,545)</u>
<b>Other comprehensive income (expense) for the year</b>	<u><b>5,801</b></u>	<u>(7,319)</u>
<b>Total comprehensive income for the year</b>	<u><u><b>7,575</b></u></u>	<u><u>1,875</u></u>
<b>Total comprehensive income for the year attributable to:</b>		
– Owners of the Company	7,381	1,841
– Non-controlling interests	<u>194</u>	<u>34</u>
	<u><u><b>7,575</b></u></u>	<u><u>1,875</u></u>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2025 (Expressed in United States dollars)

	NOTES	2025 US\$'000	2024 US\$'000
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment		21,306	31,364
Investment properties		1,996	1,038
Goodwill		378	362
Intangible assets		1,401	1,443
Interests in associates		13,700	15,349
Financial assets at FVTOCI		–	1,648
Prepayments		668	438
Deferred tax assets		3,514	1,647
		<u>42,963</u>	<u>53,289</u>
<b>CURRENT ASSETS</b>			
Inventories	9	50,482	37,184
Trade and other receivables	10	90,935	101,757
Lease receivables		17,279	33,266
Tax recoverable		–	15
Pledged bank deposits		200	759
Cash and cash equivalents		133,098	84,100
		<u>291,994</u>	<u>257,081</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	11	54,195	50,755
Contract liabilities		63,056	28,167
Lease liabilities		30,862	45,399
Tax payable		2,139	3,223
		<u>150,252</u>	<u>127,544</u>

	<i>2025</i> <i>US\$'000</i>	<i>2024</i> <i>US\$'000</i>
<b>NET CURRENT ASSETS</b>	<b><u>141,742</u></b>	<b><u>129,537</u></b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>	<b><u>184,705</u></b>	<b><u>182,826</u></b>
<b>NON-CURRENT LIABILITIES</b>		
Deferred tax liabilities	<b>243</b>	–
Lease liabilities	<b><u>1,105</u></b>	<b><u>3,579</u></b>
	<b><u>1,348</u></b>	<b><u>3,579</u></b>
<b>NET ASSETS</b>	<b><u>183,357</u></b>	<b><u>179,247</u></b>
<b>CAPITAL AND RESERVES</b>		
Share capital	<b>41,418</b>	41,418
Reserves	<b><u>140,345</u></b>	<b><u>136,773</u></b>
<b>Total equity attributable to owners of the Company</b>	<b><u>181,763</u></b>	<b><u>178,191</u></b>
<b>Non-controlling interests</b>	<b><u>1,594</u></b>	<b><u>1,056</u></b>
<b>TOTAL EQUITY</b>	<b><u>183,357</u></b>	<b><u>179,247</u></b>

## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

*(Expressed in United States dollars unless otherwise indicated)*

### 1. GENERAL INFORMATION

CM Energy Tech Co., Limited (the “**Company**”) was incorporated and registered as an exempted company in the Cayman Islands with limited liability. The shares of the Company are listed on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). The Company’s controlling shareholder is Prime Force Investment Corporation, which shares are indirectly owned by China Merchants Shipbuilding Industry Group Co., Limited (“**CMI**”), a company established in the People’s Republic of China (the “**PRC**”). CMI’s ultimate holding company is China Merchants Group Limited (“**CM Group**”), which is a PRC enterprise regulated and directly managed by the State-Owned Assets Supervision and Administration Commission of the State Council. CM Group is owned and controlled by the PRC Government.

The principal activities of the Company and its subsidiaries (hereinafter collectively referred to as the “**Group**”) are divided into four business segments, namely (i) Hydrogen-based energy, (ii) Shipbuilding and offshore equipment support, (iii) Smart electronic control and (iv) Marine services. Details are set out in note 4(b).

The functional currency of the Company is Hong Kong dollars (“**HK\$**”). Subsidiaries of the Company have their functional currencies other than HK\$, mainly Renminbi (“**RMB**”), Singapore dollars (“**SGD**”), United States dollars (“**US\$**”), Pound Sterling (“**GBP**”) and Mexican Peso (“**MXN**”). In view of the Group operates in various foreign countries, the directors of the Company consider United States dollars, being an internationally well-recognised currency, can provide more meaningful information to the Company’s investors and meet the needs of the Group’s global customers. Therefore, the directors of the Company choose United States dollars as the presentation currency of the consolidated financial statements.

## 2. APPLICATION OF AMENDMENTS TO A HKFRS ACCOUNTING STANDARD

In the current year, the Group has applied, for the first time, the following amendments to a HKFRS Accounting Standard issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) which are effective for the Group’s financial year beginning on 1 January 2025:

Amendments to HKAS 21 *Lack of Exchangeability*

The application of the amendments to HKAS 21 in the current year has had no material impact on the Group’s financial positions and performance for the current and prior periods and/or on the disclosures set out in these consolidated financial statements.

### **New and amendments to HKFRS Accounting Standards issued but not yet effective**

The Group has not early applied the following new and amendments to HKFRS Accounting Standards that have been issued but are not yet effective:

HKFRS 18	<i>Presentation and Disclosure in Financial Statements</i> <sup>2</sup>
Amendments to HKFRS 9 and HKFRS 7	<i>Amendments to the Classification and Measurement of Financial Instruments</i> <sup>1</sup>
Amendments to HKFRS 9 and HKFRS 7	<i>Contracts Referencing Nature-dependent Electricity</i> <sup>1</sup>
Amendments to HKFRS Accounting Standards	<i>Annual Improvements to HKFRS Accounting Standards – Volume 11</i> <sup>1</sup>
Amendments to HKFRS 10 and HKAS 28	<i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i> <sup>3</sup>
Amendments to HKAS 21	<i>Translation to a Hyperinflationary Presentation Currency</i> <sup>2</sup>

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2026

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2027

<sup>3</sup> Effective for annual periods beginning on or after a date to be determined

Except as described below, the directors of the Company anticipate that the application of all other new and amendments to HKFRS Accounting Standards will have no material impact on the results and the financial position of the Group.

## 2. APPLICATION OF AMENDMENTS TO A HKFRS ACCOUNTING STANDARD *(Continued)*

### **New and amendments to HKFRS Accounting Standards issued but not yet effective *(Continued)***

#### ***HKFRS 18 – Presentation and Disclosure in Financial Statements***

HKFRS 18 sets out requirements on presentation and disclosures in financial statements and it will replace HKAS 1 Presentation of Financial Statements. HKFRS 18 introduces new requirements to present specified categories and defined subtotals in the consolidated statement of profit or loss; provide disclosures on management-defined performance measures in the notes to the consolidated financial statements and improve aggregation and disaggregation of information to be disclosed in the consolidated financial statements. Minor amendments to HKAS 7 Statement of Cash Flows and HKAS 33 Earnings per Share are also made.

HKFRS 18, and the consequential amendments to other HKFRS Accounting Standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted.

The application of HKFRS 18 is not expected to have material impact on the consolidated statement of financial position of the Group but is expected to affect the presentation of the consolidated statement of profit or loss and consolidated statement of cash flows and disclosures in the future consolidated financial statements. The Group will continue to assess the impact of HKFRS 18 on the consolidated financial statements of the Group.

## 3. MATERIAL ACCOUNTING POLICY INFORMATION

The consolidated annual results set out in this announcement do not constitute the Group's consolidated financial statements for the year ended 31 December 2025 but are extracted from those financial statements.

The consolidated financial statements have been prepared in accordance with HKFRS Accounting Standard issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the Stock Exchange ("**Listing Rules**") and by the Hong Kong Companies Ordinance.

#### 4. REVENUE AND SEGMENT REPORTING

##### (a) Disaggregation of revenue

The following presents disaggregation of revenue from contracts with customers and reconciliation of disaggregated revenue with the Group's reportable segments:

	Hydrogen-based energy		Shipbuilding and offshore equipment support		Smart electronic control		Marine services		Total	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
<b>Revenue from external customers within the scope of HKFRS 15</b>										
Alkaline water electrolysis hydrogen production, green fuel production and refueling services, core equipment for hydrogenation stations	522	387	-	-	-	-	-	-	522	387
Manufacturing and sales of windwings, LNG/methanol/ammonia fuel supply systems, sales of equipment related offshore drilling rigs, smart electronic control system	-	-	37,061	24,070	11,446	31,839	1,956	30,159	50,463	86,068
Marine services and sales of oilfield expendables and supplies and related installation services	-	-	18,674	15,683	85	227	11,791	9,458	30,550	25,368
Assets management and engineering service fee income	-	-	3,237	1,242	76	132	19,281	27,427	22,594	28,801
Sub-total	522	387	58,972	40,995	11,607	32,198	33,028	67,044	104,129	140,624
<b>Revenue from other sources</b>										
Rental income arising from leasing of land and offshore drilling rigs classified as operating leases	-	-	439	-	733	494	-	-	1,172	494
Rental income arising from sub-leasing of diving support construction vessels classified as operating leases	-	-	-	-	-	-	29,428	24,496	29,428	24,496
Gain on sub-leasing of offshore drilling rigs classified as finance leases	-	-	-	-	-	-	444	856	444	856
Interest income from sub-leasing of offshore drilling rigs classified as finance leases	-	-	-	-	-	-	189	303	189	303
Sub-total	-	-	439	-	733	494	30,061	25,655	31,233	26,149
External revenue as reported in segment	522	387	59,411	40,995	12,340	32,692	63,089	92,699	135,362	166,773

#### 4. REVENUE AND SEGMENT REPORTING *(Continued)*

##### (b) Segment reporting

In prior years, the Group had three reportable segments: “Equipment manufacturing and packages”, “Supply chain and integration services” and “Assets management and engineering services”. In 2025, the Group’s operating segments have been reorganised to better reflect the strategic and business development. The Group has adopted the new business group structure as the reporting format effective for the year ended 31 December 2025 and the comparative figures have been restated to conform to the current year’s presentation.

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

- **Hydrogen-based energy:** Core products and technologies include alkaline water electrolysis hydrogen production, green fuel production and refueling services, ISCC certification services, skid-mounted hydrogen production systems, core equipment for hydrogenation stations and hydrogen energy bicycle operation services.
- **Shipbuilding and offshore equipment support:** Design, manufacturing, installation and commissioning of equipments related to land and offshore drilling rigs and equipments related to offshore wind power installation platform and rigs. Our product range includes jacking systems, pile legs and racks, cranes, deep-water active wave compensation gangways, and launch and recovery systems. Leasing of self-owned land drilling rigs, and manufacturing and sales of windwings, LNG/methanol/ammonia fuel supply systems, and liquid cargo system.
- **Smart electronic control:** Design, manufacture, and install smart electronic control related to offshore drilling and wind power installation platforms and vessels.
- **Marine services:** Leveraging our global service network, provision of supply chain and integration services in relation to oilfield expendables and supplies. Provision of assets management, engineering services, marine services and subleasing of land and offshore drilling rigs and diving support construction vessels.

#### 4. REVENUE AND SEGMENT REPORTING (Continued)

##### (b) Segment reporting (Continued)

	Hydrogen-based energy		Shipbuilding and offshore equipment support		Smart electronic control		Marine services		Total	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Revenue from external customers	522	387	59,411	40,995	12,340	32,692	63,089	92,699	135,362	166,773
Inter-segment revenue	-	-	19,504	21,293	3,308	6,273	4,382	4,828	27,194	32,394
Reportable segment revenue	<u>522</u>	<u>387</u>	<u>78,915</u>	<u>62,288</u>	<u>15,648</u>	<u>38,965</u>	<u>67,471</u>	<u>97,527</u>	<u>162,556</u>	<u>199,167</u>
Reportable segment results	<u>(2,696)</u>	<u>(1,899)</u>	<u>5,565</u>	<u>11,481</u>	<u>1,513</u>	<u>4,089</u>	<u>2,169</u>	<u>7,635</u>	<u>6,551</u>	<u>21,306</u>

#### 5. PROFIT BEFORE TAXATION

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

	2025 US\$'000	2024 US\$'000
<b>Finance costs</b>		
Interest on lease liabilities	1,097	1,603
Interest on consideration payable	<u>28</u>	<u>29</u>
	1,125	1,632
Less: Interest on lease liabilities relating to sub-leasing of leased offshore drilling rigs included in costs of sales	(350)	(559)
Interest on lease liabilities relating to leased vessels included in costs of sales	<u>(694)</u>	<u>(993)</u>
	<u>81</u>	<u>80</u>

## 6. INCOME TAX EXPENSE

An analysis of income tax expense is as follows:

	2025 <i>US\$'000</i>	2024 <i>US\$'000</i>
<b>Current taxation</b>		
Provision for the year		
• The PRC enterprise income tax	1,944	1,800
• Overseas corporation income tax	555	1,108
	<u>2,499</u>	<u>2,908</u>
Under provision in respect of prior years	123	20
	<u>2,622</u>	<u>2,928</u>
<b>Deferred taxation</b>		
Origination of temporary difference	(1,615)	38
	<u>1,007</u>	<u>2,966</u>

## 7. DIVIDENDS

	2025 <i>US\$'000</i>	2024 <i>US\$'000</i>
Final dividend paid out of the share premium account during 2025 in respect of the year ended 31 December 2024 of HK\$0.01 (2024: Nil) per ordinary share	<u>4,052</u>	<u>–</u>

No dividend has been proposed since the end of the reporting period.

## 8. EARNINGS PER SHARE

### (a) Basic earnings per share

The calculation of basic earnings per share is based on the profit attributable to owners of the Company of approximately US\$1,580,000 (2024: US\$9,160,000) and the weighted average number of ordinary shares in issue during the year calculated as follows:

#### Weighted average number of ordinary shares

	2025 '000	2024 '000
Issued ordinary shares at 1 January	3,243,434	3,243,434
Effect of shares held for share award scheme (including the effect of share granted under share award scheme)	<u>(70,499)</u>	<u>(70,499)</u>
Weighted average number of ordinary shares at 31 December	<u><u>3,172,935</u></u>	<u><u>3,172,935</u></u>

### (b) Diluted earnings per share

Diluted earnings per share equals to basic earnings per share for the years ended 31 December 2025 and 2024 because there were no potential dilutive ordinary shares outstanding.

## 9. INVENTORIES

Inventories in the consolidated statement of financial position comprise:

	2025 US\$'000	2024 US\$'000
Raw materials	6,818	7,818
Work in progress	30,584	19,567
Finished goods	<u>13,080</u>	<u>9,799</u>
	<u><u>50,482</u></u>	<u><u>37,184</u></u>

## 10. TRADE AND OTHER RECEIVABLES

	2025 US\$'000	2024 US\$'000
Trade receivables and bills receivables ( <i>note</i> )	72,657	140,059
Less: Allowance for impairment losses	<u>(7,337)</u>	<u>(60,393)</u>
	65,320	79,666
Other receivables, prepayments and deposits ( <i>note</i> )	<u>26,283</u>	<u>22,529</u>
	91,603	102,195
Less: Non-current portion of prepayments	<u>(668)</u>	<u>(438)</u>
	<u><u>90,935</u></u>	<u><u>101,757</u></u>

### *Note:*

As at 31 December 2025, trade receivables and bills receivables included approximately US\$2,297,000 (2024: US\$4,044,000) due from, and other receivables and rental deposits of approximately US\$54,000 (2024: US\$95,000) paid to, subsidiaries of CMI, in connection with the sales of products to and lease arrangements with these related parties respectively.

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

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

	2025 US\$'000	2024 US\$'000
<b>Trade receivables and bills receivables</b>		
Within 1 month	17,900	19,915
More than 1 month but within 3 months	4,987	19,743
More than 3 months but within 12 months	4,815	36,250
More than 12 months but within 24 months	30,122	2,873
More than 24 months	<u>7,496</u>	<u>885</u>
	<u><u>65,320</u></u>	<u><u>79,666</u></u>

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

## 11. TRADE AND OTHER PAYABLES

	<b>2025</b>	2024
	<i>US\$'000</i>	<i>US\$'000</i>
Trade payables and bills payables	<b>22,851</b>	24,152
Payable for capital injection into associates	<b>1,419</b>	2,740
Amount due to a non-controlling interest of a subsidiary	<b>102</b>	251
Other payables and accrued charges	<b>29,823</b>	23,612
	<u><b>54,195</b></u>	<u>50,755</u>

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

	<b>2025</b>	2024
	<i>US\$'000</i>	<i>US\$'000</i>
Within 1 month	<b>11,477</b>	8,074
More than 1 month but within 3 months	<b>2,630</b>	9,212
More than 3 months but within 12 months	<b>4,338</b>	2,337
More than 12 months but within 24 months	<b>2,207</b>	1,256
More than 24 months	<b>2,199</b>	3,273
	<u><b>22,851</b></u>	<u>24,152</u>

## OVERVIEW

In 2025, the global energy sector has entered a critical phase of transition towards new energy sources, driven by the deep integration of carbon neutrality goals and energy security demands. This evolution is further shaped by multiple factors including geopolitical fragmentation, technological innovation, and infrastructure bottlenecks, accelerating the diversification, intelligentization, and clean energy transition of the global energy structure. Adhering to its core philosophy of “Technological Innovation Drives a Green Future”, CM Energy has closely aligned with its strategic positioning as a “Leading Green Energy and Equipment Service Provider in China,” further deepening its business layout in “hydrogen, vessels, intelligence, and offshore.” The Company has continued to advance breakthroughs in green energy technologies and the synergistic upgrading of the marine and shipping industry. Despite a complex and volatile market environment, the Company achieved revenue of US\$135.4 million (equivalent to approximately RMB970 million), fully demonstrating the solid foundation of its business deployment and inherent resilience in development.

In terms of the green energy business, the Company has made systematic inroads along three core technological pathways, namely hydrogen, ammonia, and methanol, achieving landmark results across each track. In the green methanol field, the Company completed the revamp of its core process technology package and successfully validated the biochar co-processing preparation process. After passing the rigorous ISCC certification, it became the world’s first green methanol project to be fully certified in accordance with the ISCC Co-processing v2.0 guidance document. In addition, the Company successfully completed the first green methanol bunkering operation for the “Gangrong,” the inaugural methanol dual-fuel Ro-Ro vessel of China Merchant Energy Shipping Co., Ltd. (“**CMES Shipping**”). In the hydrogen sector, alkaline electrolyser products of Huaxia Hydrogen Technology Co., Ltd. (“**Huaxia Hydrogen**”) successfully entered overseas markets including Indonesia and Italy. The 2.2m-width composite diaphragm production line for alkaline electrolysers was officially completed and put into operation, marking a dual breakthrough in equipment export and the independent control of core materials. Moreover, the Company has forward-positioned itself in the offshore floating green ammonia synthesis sector, laying a solid foundation for its future expansion into the offshore green energy infrastructure arena.

In terms of the marine equipment support business, the Company has seized the green and intelligent transformation opportunities within the vessel equipment industry. As a flagship product, the Wing-Shaped Rigid Sail completed its first-unit delivery and underwent offshore testing, achieving fuel savings outperforming predetermined targets and earning high recognition from the shipowner. Throughout the year, the cumulative effective orders for the rigid sail business reached 21 units, demonstrating rapid growth momentum. In addition, the methanol fuel supply system has secured a cumulative total of 13 vessel sets in hand, quickly placing the Company among the frontrunners in the domestic market. The Company also achieved a key breakthrough in the high-end equipment sector, securing its first order for wave compensation cranes used in cable-laying vessels and research vessels.

In overseas markets, the Company has coordinated the operation of the CMI Global Service Center. With its headquarters in Hong Kong, the Center extends its reach across countries and regions including Europe, the Middle East, Asia-Pacific, and the Americas, enabling centralized global resource deployment and 24-hour, 7-day-a-week response. This has not only enhanced the Company's service efficiency in international markets, but also opened up new market channels for the export of its products.

In terms of technological innovation, the Company undertook a major national-level scientific research task for the first time to lead the development of deep-water active heave compensation cranes, proactively tackling the bottleneck challenge of deep-sea operations. Meanwhile, the Company achieved substantial results in proprietary technology R&D and industrialization, including the completion of a prototype for an intelligent bottom-layer control system for ocean mining equipment developed based on the Industrial HarmonyOS, obtaining classification society certification for the wave compensation trestle, and officially launching the production line for its self-developed hydrogen production power supply. These breakthrough achievements not only solidify the Company's core technology base in the marine engineering and green energy sectors but also establish a robust technical foundation for deepening its expertise in the intelligent and green transformation of the marine and shipbuilding industry, thereby continuously strengthening its core competitive barriers.

In terms of talent development, CM Energy closely aligns with CM Group’s “Third Entrepreneurship” development strategy and high-quality development requirements, positioning itself as a leader and pioneer in technological innovation and strategic emerging industries. The Company organized its inaugural CM Energy E-Youth Training Camp which emphasizes the “integration of training and practice”, establishing a critical linkage channel between strategy execution and talent development and initially forming a sustainable and replicable model for cultivating core talent. The Company continuously built and fostered a high-quality, professional and innovative talent team to empower its green transformation and high-quality development, thus enabling it to maintain stable and sustainable growth amidst future industrial competition and strategic expansion.

## FINANCIAL REVIEW

	<b>2025</b>	2024	(decrease)	
	<i>US\$'000</i>	<i>US\$'000</i>	<i>US\$'000</i>	%
Revenue	<b>135,362</b>	166,773	(31,411)	(18.8)
Gross profit	<b>31,338</b>	41,479	(10,141)	(24.4)
Gross profit margin	<b>23.2%</b>	24.9%		
Profit from operations	<b>5,013</b>	14,133	(9,120)	(64.5)
Net profit attributable to owners	<b>1,580</b>	9,160	(7,580)	(82.8)
Profit for the year	<b>1,774</b>	9,194	(7,420)	(80.7)
Net profit margin	<b>1.2%</b>	5.5%		
Earnings per share (Basic and diluted)	<b><u>US0.05 cent</u></b>	<u>US0.29 cent</u>	<u>US(0.24) cent</u>	(82.8)

## Segment Information by Business Segments

	2025		2024		Increase/(decrease)	
	US\$'000	%	US\$'000	%	US\$'000	%
Hydrogen-based energy	522	0.4	387	0.2	135	34.9
Shipbuilding and offshore equipment support	59,411	43.9	40,995	24.6	18,416	44.9
Smart electronic control	12,340	9.1	32,692	19.6	(20,352)	(62.3)
Marine services	63,089	46.6	92,699	55.6	(29,610)	(31.9)
Total revenue	<u>135,362</u>	<u>100.0</u>	<u>166,773</u>	<u>100.0</u>	<u>(31,411)</u>	(18.8)

The Group's overall revenue for 2025 was approximately US\$135.4 million, a decrease of US\$31.4 million or approximately 18.8% as compared to US\$166.8 million for last year. The decrease in revenue was primarily due to business expansion slowdown and a reduction in the volume of orders delivered.

### Hydrogen-based Energy

Revenue from the Group's hydrogen-based energy business increased by 34.9% from US\$0.4 million in 2024 to US\$0.5 million in 2025. Mainly due to increase in sales of green energy equipment.

### Shipbuilding and Offshore Equipment Support

Revenue from shipbuilding and offshore equipment support rose from US\$41.0 million in 2024 to US\$59.4 million in 2025, an increase of 44.9%, primarily attributable to the growth in rigid sail deliveries in the current year.

### Smart Electronic Control

Revenue from smart electronic control dropped from US\$32.7 million in 2024 to US\$12.3 million in 2025, a decrease of 62.3%. Mainly due to the decrease in orders for electronic control-related equipment.

### Marine Services

Revenue from the marine services business decreased from US\$92.7 million in 2024 to US\$63.1 million in 2025, a fall of 31.9%, mainly in connection with the decline in delivered orders in the Mexican market.

## Segment Information by Geographical Regions

	2025		2024		Increase/(decrease)	
	US\$'000	%	US\$'000	%	US\$'000	%
Hong Kong Special						
Administrative Region	5,709	4.2	45	0.0	5,664	12,586.7
Chinese mainland	54,292	40.1	78,879	47.3	(24,587)	(31.2)
North America	5,435	4.0	5,205	3.1	230	4.4
South America	18,628	13.8	46,113	27.7	(27,485)	(59.6)
Europe	472	0.3	2,649	1.6	(2,177)	(82.2)
Singapore	603	0.5	229	0.1	374	163.3
Indonesia	9,467	7.0	1,046	0.6	8,421	805.1
Middle East	37,375	27.6	29,687	17.8	7,688	25.9
Others	3,381	2.5	2,920	1.8	461	15.8
	<u>135,362</u>	<u>100.0</u>	<u>166,773</u>	<u>100.0</u>	<u>(31,411)</u>	<u>(18.8)</u>
Total revenue						

## Gross Profit and Gross Profit Margin

The gross profit was US\$31.3 million in 2025, representing a decrease of 24.4% compared with US\$41.5 million in 2024. Gross profit margin decreased from 24.9% in 2024 to 23.2% in 2025. As the revenue in 2025 decreased from that in 2024, the gross profit amount declined year-on-year accordingly. In addition, projects with lower gross profit margins accounted for a higher proportion of the Group's total revenue, which resulted in a lower gross profit margin compared with the same period last year.

## Other income, gains and losses, net

Other income and gain, net increased by US\$2.3 million from US\$2.7 million in 2024 to US\$5.0 million in 2025, mainly due to an increase in exchange gains.

## Selling and Distribution, General and Administrative Expenses

Selling and distribution, general and administrative expenses increased by approximately 0.8% from US\$28.6 million in 2024 to US\$28.8 million in 2025, mainly due to an increase in business activity.

## **Other Expenses**

Other operating expenses increased from US\$0.2 million in 2024 to US\$0.3 million in 2025, mainly due to the rise in related miscellaneous expenses.

## **Finance Costs**

Finance costs mainly comprise interest on lease liabilities, amounting to approximately US\$0.1 million in 2025, flat compared with US\$0.1 million in 2024.

## **Share of results of associates**

Share of profit of associates turned from a share of loss of US\$1.9 million in 2024 to a share of loss of US\$2.2 million in 2025. The increase in loss was mainly due to the operating losses incurred by the associates.

## **Group's Liquidity and Capital Resources**

As at 31 December 2025, the Group carried tangible assets of approximately US\$23.3 million (31 December 2024: US\$32.4 million) being property, plant and equipment and investment property.

As at 31 December 2025, the Group's intangible assets were approximately US\$1.4 million (31 December 2024: US\$1.4 million), the Group's interest in associates was approximately US\$13.7 million (31 December 2024: US\$15.3 million) and deferred tax assets were approximately US\$3.5 million (31 December 2024: US\$1.6 million).

As at 31 December 2025, the Group's current assets amounted to approximately US\$292.0 million (31 December 2024: US\$257.1 million). Current assets mainly comprised inventories of approximately US\$50.5 million (31 December 2024: US\$37.2 million), trade and other receivables of approximately US\$90.9 million (31 December 2024: US\$101.8 million), lease receivables (current) of approximately US\$17.3 million (31 December 2024: US\$33.3 million), and pledged bank deposits and time deposits of approximately US\$0.2 million (31 December 2024: US\$0.8 million), and cash and cash equivalents of approximately US\$133.1 million (31 December 2024: US\$84.1 million).

As at 31 December 2025, current liabilities amounted to approximately US\$150.3 million (31 December 2024: US\$127.5 million), mainly comprised trade and other payables of approximately US\$54.2 million (31 December 2024: US\$50.8 million), tax payable of approximately US\$2.1 million (31 December 2024: US\$3.2 million), contract liabilities of approximately US\$63.1 million (31 December 2024: US\$28.2 million), and current lease liabilities amounted to approximately US\$30.9 million (31 December 2024: US\$45.4 million).

As at 31 December 2025, the Group had non-current liabilities of approximately US\$1.3 million (31 December 2024: US\$3.6 million), mainly representing non-current portion of lease liabilities. The Group monitors capital with reference to its debt profile. The Group's strategy is to maintain a sound gearing ratio, being the Group's total liabilities to total assets below 100%. The gearing ratio as at 31 December 2025 was 45.2% (31 December 2024: 42.2%).

### **Significant Investment, Acquisition and Disposals**

The Group did not make any material acquisition or disposal of subsidiaries, associates and joint ventures and do not hold any significant investments during the year ended 31 December 2025.

### **Capital Structure**

At 31 December 2025, there were 3,243,433,914 shares issued and the Company carried a share capital of approximately US\$41,418,000. There was no issue of shares during the year.

### **Foreign Currency Exchange Exposures**

The Group is exposed to currency risk primarily through sales and purchases that are denominated in a currency other than the functional currency of the operations to which they relate. The Group has foreign exchange exposure resulting from most of the Group's subsidiaries in the PRC carrying out production locally using Renminbi while majority of the Group's revenue was denominated in US\$. As at 31 December 2025 and 31 December 2024, no related hedges were made by the Group.

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

### **Charge on Group's Assets**

As at 31 December 2025, except for pledged deposits, the Group had no other assets pledged.

### **Contingent Liabilities**

As at 31 December 2025, there was no significant contingent liabilities.

### **Employees and Remuneration Policy**

As at 31 December 2025, the Group had a total of 605 full-time staff in the United States, the United Kingdom, Brazil, Mexico, Singapore, Middle East, Hong Kong and Chinese mainland. The Group's remuneration policy is determined by the salary levels in different regions, employee rank and performance and the market conditions. The Group also provides other benefits to all of its employees, including medical schemes, pension contribution schemes, share award incentive schemes, etc.

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

## MARKET REVIEW AND PROSPECTS

### Market Analysis of the Industry

#### *1. Macroeconomics*

In 2025, global economic growth demonstrated resilience, yet challenges intensified amidst an uneven recovery landscape. The global economy progressed with difficulty under the multiple impacts of policy uncertainty, the profound restructuring of industrial and supply chains, and frequent geopolitical risks. Notably, growth momentum in developed economies continued to weaken, while structural divergences widened among emerging economies.

The World Bank projects global economic growth to remain at 2.7% in 2025. Growth in developed economies is expected to stabilize at 1.7%, generally on par with the levels of the previous two years. Meanwhile, growth in emerging markets and developing economies is forecast at 4.2%, slightly lower than the rates seen in the preceding two years.

In October 2025, the International Monetary Fund (IMF) released its World Economic Outlook, projecting global economic growth of 3.2% for 2025, a figure below the average growth rate of 3.8% recorded between 2000 and 2019. Among these, developed economies are experiencing a continued deceleration in growth momentum, with their 2025 economic growth rate forecast at 1.6%, representing a year-on-year decline of 0.2%. Growth trajectories for emerging economies have diverged, influenced by variations in the resilience of their internal industrial structures, the extent of policy flexibility, and the robustness of their external accounts. The IMF projects that emerging market and developing economies will achieve an economic growth rate of 4.2% in 2025, a slight year-on-year decrease of 0.1%.

## 2. *Shipping and Offshore Market*

Since 2025, the international shipping market has experienced overall fluctuation with an upward trend, remaining at a historical median level. The Clarkson Shipping Index rose to US\$26,836 per day, representing an increase of 7% year-on-year compared to 2024. This increase was driven by both the robust performance of the container charter market and the significant improvement in tanker and dry bulk carriers during the second half of the year. Looking ahead, the global shipping market continues to face a complex and volatile external environment. Multiple factors, including slowing economic growth, persistent geopolitical tensions, and unresolved environmental regulations, will profoundly influence market trends. It is projected that the growth rate of global seaborne trade in 2026 will remain at a low level. However, structural divergence across various market segments is expected to become more pronounced. Specifically, the crude oil tanker and bulk carrier markets are anticipated to maintain relatively favorable freight rate levels, supported by short-term supply-side drivers. In contrast, freight rates for product tankers, car carriers and liquefied gas carriers are unlikely to improve under short-term overcapacity. Freight rates for container ships will become increasingly complex, influenced by international geopolitics, global economic growth and the supply-demand balance of the segment.

In terms of global shipbuilding market, following several consecutive years of growth, 2025 entered a phase of adjustment at a high level. Although total new shipbuilding orders for the year declined by 27% from the historical high recorded in 2024, the new orders remained broadly in line with the average level for 2021 to 2023. In particular, new orders amounted to 151.17 million deadweight tons (“dwt”), representing a year-on-year decrease of 24.2%, yet still ranking as the second highest level in the past decade. Shipbuilding completions reached 96.83 million dwt, up 8.6% year-on-year, reflecting continued capacity release. As at year end, the orderbook stood at 395 million dwt, representing a year-on-year increase of 36.7%.

Market performance across vessel types exhibited significant divergence. In 2025, investment in container vessel orders remained robust and active at historically high levels, supported by liner companies' green fleet renewal needs and intensifying geopolitical conflicts, with the number of orders reaching a record high. Strong tanker freight rates in the second half of the year spurred a robust rebound in tanker order demand. Passenger vessel orders showed strong growth, becoming a market highlight, while offshore support vessels attracted a certain degree of investment interest. On the other hand, the gas carrier segment generally moderated. Orders for bulk carriers, product tankers, chemical tankers and roll-on/roll-off vessels all declined significantly year-on-year. The car carrier segment reached a turning point in supply-demand dynamics, with newbuilding investment demand contracting sharply and experiencing a precipitous decline.

Looking ahead to 2026, the shipbuilding market will evolve under the interplay of multiple factors. Positive drivers include the continued strength of freight rates in certain vessel segments, which is expected to sustain newbuilding investment, while lengthening delivery schedules will prompt shipowners to expedite contracting decisions to align with chartering schedules. However, downside risks and uncertainties remain equally pronounced. The industry faces concentrated delivery pressure, with a significant increase in deliveries anticipated in 2026. In addition, geopolitical and non-market factors continue to cast a long shadow; the wave of anti-globalization policies, notably led by the United States, poses persistent challenges to the competitive landscape of global shipbuilding. China's shipbuilding industry, despite commanding a dominant global market share, must contend with a challenging external environment. Meanwhile, the pathway to green transition has grown more complex due to, among other factors, the deferral of key votes within the International Maritime Organization ("IMO") Net-Zero framework, which may delay fleet renewal decisions. With premium berths at mainstream builders largely sold out, the focus of shipyard market competition is shifting from order intake volume to order quality and execution certainty.

With respect to the green transition of the shipping industry, 2025 saw a deceleration in progress, against a backdrop of mounting global geopolitical tensions, international regulatory uncertainty, and persistently high costs of green fuels. According to Det Norske Veritas (“DNV”), the number of new orders for alternative fuel vessels globally totaled 275 in 2025, a year-on-year decrease of 47%, reflecting shipowners’ cautious stance in the face of market volatility, regulatory ambiguity and fuel supply bottlenecks. This also indicates that the green transition process has gradually shifted from overheated and radical to rational. Among various alternative fuels, liquefied natural gas (“LNG”) remained the mainstream choice due to its relative maturity. In 2025, the number of orders for LNG fuel vessels reached 188, accounting for 68% of the new orders for alternative fuel vessels globally. The number of orders for methanol fuel vessels dropped from 149 in 2024 to 61, a year-on-year decrease of 63%. New orders for ammonia fuel and liquefied petroleum gas (LPG) fuel vessels were very limited, with 5 and 17 vessels, respectively. Meanwhile, approximately 20% of newbuilding tonnage contracted during the year adopted alternative-fuel as reserve option, laying a solid foundation for future green retrofit market. In parallel, the accelerated adoption of energy-saving technologies—particularly wind-assisted propulsion—and carbon capture retrofitting projects underscores the industry’s pragmatic, multi-pronged approach to advance emissions reduction. In 2025, a total of 24 vessels equipped with wind-assisted propulsion systems (WAPS) were delivered globally, with the total number of installed wind units reaching 63, further increasing from the delivery of 22 vessels and the installation of 49 wind units in 2024. This reflects that, in addition to fuel pathway choices, shipowners are also simultaneously using energy efficiency technologies to hedge against emission reduction pressures and fuel cost fluctuations.

Looking forward, key votes on IMO’s mid-term emission reduction measures have been deferred to 2026, prolonged policy uncertainty and potentially continuing to weigh on certain ship owners’ investment decisions in the near term. Nonetheless, the long-term decarbonization trend and policy pressures remain unchanged. The ongoing compliance costs associated with the European Union (EU) Emissions Trading System (“ETS”) and the entry into force of FuelEU Maritime will continue to raise the cost of compliance, prompting ship owners to evaluate green investments more actively. The future market will undergo further stratification, with significant divergence in operating costs driven by differences in vessel age, technology, and energy efficiency performance. This will spur the adoption of energy-saving technologies—such as wind-assisted propulsion and carbon capture—and fleet renewal. While the proportion of new orders for alternative-fuel vessels may fluctuate, the ongoing development of infrastructure like LNG bunkering and the expansion of fuel supply networks for methanol will provide essential support for the transition. The green shipping industry is gradually shifting from its earlier phase of overheated aggressiveness toward a more rational and structured deep transformation phase centered on long-term economic viability and technological feasibility.

### 3. *Green Energy Market*

Amid the global push towards the “dual carbon” goals and the accelerating transition of the energy mix, the green energy market is experiencing explosive growth opportunities. Currently, the green energy market is at a critical juncture where transition and innovation go hand in hand: leveraging its clean and low-carbon advantages, LNG has become a core transitional energy source in the shift from traditional fossil fuels to new energy sources; green methanol and liquid ammonia, underpinned by breakthroughs in renewable energy-based production technologies, are gradually moving from laboratories to commercial applications, emerging as important pathways to achieve deep decarbonization. Concurrently, policy guidance across countries, technological iterations, and the expansion of application scenarios are collectively driving the green energy market’s transformation from “single-category driven” to “diversified synergistic development”. The future market space is expected to continue expanding.

In the context of LNG as a core clean energy during the transitional phase toward carbon neutrality, countries are introducing multiple policies to promote its application. Although the relevant IMO regulations focus on long-term decarbonization, they permit LNG as a short-term transitional fuel, which is expected to serve this role until 2035. The EU has enacted regulations to address methane slip from LNG, promoting its low-carbon application. Domestically, the National Development and Reform Commission and other departments, in their Guiding Opinions on Vigorously Implementing Renewable Energy Substitution Actions (《關於大力實施可再生能源替代行動的指導意見》), have explicitly promoted the integrated development of oil and gas exploration and renewable energy to create low-carbon and zero-carbon oil and gas fields. At the same time, they are improving the construction of LNG receiving terminals and gas pipelines, while encouraging the substitution of coal and heavy oil in industries such as manufacturing and transportation.

In 2025, China’s total consumption of marine fuels exceeded 25 million tonnes, with LNG as a marine fuel, although still niche, showing rapid growth. The total volume of LNG bunkering in China increased from 67,000 tonnes in 2022 to 713,000 tonnes in 2025, representing a compound annual growth rate of 120%. In terms of regional distribution, market demand is primarily concentrated in the three major port clusters of the Yangtze River Delta, Pearl River Delta, and Bohai Rim region. Key coastal ports such as Shanghai Port, Ningbo Zhoushan Port, Shenzhen Port, Xiamen Port, and Dalian Port have formed a market structure characterized by differentiated development.

On the supply side, the domestic LNG industry continued to strengthen its safeguarding capability. As of the end of 2025, the number of LNG receiving terminals national wide reached 33, with a total receiving capacity of approximately 155.85 million tonnes per annum, among which, 20 LNG bonded tanks across 16 receiving terminals have been commissioned. Meanwhile, the number of LNG bunkering vessels in operation in China reached five, with several more under construction. With the steady advancement and continuous improvement of domestic LNG bunkering infrastructure, the deployment of bunkering facilities at key coastal and inland river ports accelerated. Critical infrastructure, including bunkering vessels, terminals, and receiving stations, gradually formed integrated networks, further enhancing LNG bunkering capabilities. In terms of international LNG marine fuel bunkering, the global LNG bunkering network continued to expand. As of the end of 2025, 222 ports worldwide were capable of providing LNG bunkering services, with another 62 ports advancing relevant plans. The number of dedicated LNG bunkering vessels increased to 62 globally, with a further 38 vessels on order. Moreover, the environmental and cost advantages of LNG have driven more shipping companies to opt for LNG-fuelled vessels. Against the backdrop of the global shipping industry's green transformation, the LNG bunkering market has emerged as a rapidly developing sector and serves as a critical pillar supporting the industry's sustainable transition.

In terms of green methanol, IMO's strategic target of "net-zero emissions for the maritime industry by 2050" has driven green methanol to become a core option for maritime decarbonization, and the EU's mandatory requirements for the use of low-carbon fuels have created vast market space for green methanol. Domestically, the state explicitly supports the research and development and industrialization of methanol production technologies using renewable energy. The Guiding Opinions on Vigorously Promoting the Renewable Energy Substitution Action Plan (《關於大力實施可再生能源替代行動的指導意見》) proposes exploring the construction of integrated wind-solar-hydrogen-ammonia-methanol bases and encouraging the promotion of low-carbon hydrogen substitution in the field of methanol synthesis; the Interim Rules on the Technology and Inspection of Methanol Fuel Refueling Ships (《甲醇燃料加注船舶技術與檢驗暫行規則》) has been issued to regulate the application of green methanol in the maritime sector.

Green methanol is mainly applied in the transportation sector, with the maritime industry standing out in particular. Since Maersk ordered the world's first methanol dual-fuel container ship in 2021, leading shipping companies such as CMA CGM Shipping CO., LTD. and China COSCO Shipping Corporation Limited have all followed suit. According to statistics from the Orange Group, as of 31 December 2025, the total number of globally confirmed methanol-powered vessels (including those in operation, on order, under construction or being retrofitted) has reached 439, among which 105 have been put into actual operation, accounting for 24% of the total number of globally deployed methanol-fueled vessels. It is estimated that if all 439 vessels are put into operation and use methanol fuel, their potential annual methanol demand will be approximately 11.073 million metric tons. Among this total, the 334 vessels on order have an annual methanol fuel demand of 8.462 million metric tons, accounting for 76% of the total demand; the 105 in-operation vessels have an annual methanol fuel demand of 2.611 million metric tons, accounting for 24% of the total demand.

At present, green methanol has taken the lead in establishing international certification and trade channels. Green methanol produced by enterprises in China, Denmark and the United States has successfully obtained certifications such as ISCC EU and RSB, and has begun to be supplied to shipowners. Meanwhile, ports such as Singapore, Rotterdam, Shanghai and Dalian have launched pilot programs for green methanol bunkering. However, the overall scale of green methanol application remains relatively small, mainly constrained by costs and production capacity. Currently, the production cost of green methanol remains relatively high, with prices at approximately US\$800–1,000 per tonne, and the large-scale application of carbon dioxide (CO<sub>2</sub>) capture and storage technologies still requires further optimization. Fuel oil costs have a significant impact on the overall operating costs of the shipping industry, therefore, the pace of green methanol adoption will largely depend on the price differential between green methanol and conventional fuel oil. As supporting infrastructure for green methanol continues to improve and production technologies mature, demand for green methanol is expected to increase rapidly alongside the expansion of the methanol-powered fleet. According to forecasts by Clarksons Research, the global methanol-powered fleet is expected to reach approximately 1,200 vessels by 2030, with the proportion of new orders likely to increase gradually.

In terms of green ammonia, under the background of China's "dual-carbon" goals and energy transition, multiple policies have been introduced to support the comprehensive development of the green ammonia industry. Relevant national policies have clearly identified green ammonia as a core pathway for industrial decarbonization. Through measures such as optimizing production capacity distribution, promoting research and development of production technologies, and strengthening the development of diversified application scenarios, these policies have created a favorable environment for the growth of the green ammonia sector. Green ammonia refers to ammonia produced using clean electricity to generate hydrogen via water electrolysis and to power air-separation units to produce nitrogen. The hydrogen and nitrogen then react to form ammonia. The carbon emission intensity of this production process is nearly zero.

The production volume, market share and demand of green ammonia in the globe and China will show a trend of significant increase. In accordance with the forecasts by organizations such as International Renewable Energy Agency and Ammonia Energy Association, in 2030, the production volume of green ammonia will amount to approximately 20 million tonnes, representing approximately 8% of total production volume of ammonia, and in 2050, global production volume of green ammonia will increase to over 80%. On the demand side, in 2030, total demand of domestic green ammonia will reach 70 million tonnes.

Currently, the cost of green ammonia mainly depends on the price of green electricity. When the electricity price reaches RMB0.1/kWh and the electricity consumption of hydrogen production dropped to 4 kWh/Nm<sup>3</sup>, the cost of green ammonia is expected to become comparable to those of grey ammonia. As technologies develop, coupled with the influence of carbon market and carbon tariff, the economic viability of green ammonia will gradually emerge in the future. Meanwhile, due to its advantages such as the relatively mild storage and transportation conditions of liquid ammonia, its ability to only produce nitrogen and water without producing sulfur oxide and CO<sub>2</sub> under the circumstance of complete combustion and its high energy density, liquid ammonia have a substantial potential in the fuel market of the shipping industry. International Renewable Energy Agency projects that, in 2050, the demand of green ammonia in the shipping industry will reach 180 million tonnes, representing 43% of shipping market.

## **Development Strategy of the Company**

In 2026, 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 equipment and 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. 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.

## **Advantages in Resources of CM Energy**

In terms of the product portfolio, CM Energy has secured market-proven cutting-edge technical capabilities in green shipping equipment; in the marine and maritime equipment sector, the Company has built a comprehensive product portfolio covering marine low-carbon energy-saving solutions (e.g., hard sails), fuel supply systems (e.g., methanol fuel supply systems) and compensated hoisting equipment (e.g., Active Heave Compensation cranes), with the order book for hard sails ranking among the world's top tier. Having strategically positioned itself in the green shipping and hydrogen energy industries, the Company has achieved full-chain technological breakthroughs in alkaline electrolyzers, completed the commissioning of core material production lines, exported its equipment to international markets, obtained authoritative international certifications for its green energy technologies and taken the lead in establishing an international professional association, while its smart control technology division has successfully migrated the Company's electronic control technologies to new fields such as hydrogen production power supplies. In terms of production organization, CM Energy boasts a well-established system of production bases, production organization and quality control, which enables the rapid commercialization and mass production of new and high-end equipment products. In terms of operation and maintenance services, CM Energy has the capability and experience in product operation and maintenance in various onshore and offshore scenarios at home and abroad, which is conducive to the establishment and improvement of new product operation and maintenance service system as well as the provision of product operation and maintenance service support. In terms of marketing, as CM Energy has been operating in Europe, North America, Southeast Asia, the Middle East and Latin America and other hotspots for new energy for years, it has extensive market resources and customer pipelines to quickly launch international sales of its products.

CM Group's business primarily involves four major sectors: transportation and logistics, comprehensive finance, real estate and industrial parks, and technology and innovation industries. As a key green technology development platform within the fourth business sector of CM Group, CM Energy's technological industrialization capabilities are in deep synergy with, and mutually reinforced by, the extensive internal industrial ecosystem of CM Group. The Company's innovations are first piloted and iterated across internal CM Group applications, including shipbuilding, port operations and energy transportation. This enables a rapid validation cycle, accelerating the transformation of technology into market-ready products. In terms of equipment manufacturing, CM Energy will leverage the resources of its shareholder CMI in the shipbuilding market to vigorously develop businesses such as marine support, hydrogen-based energy and intelligent electrical control, creating continuous order income. In terms of finance, CM Energy will continue to deepen its cooperation with the financial sector within CM Group, promoting the model of financing to support production to more projects.

## **Plans for Future Material Investments, Assets and Capital Integration**

The Company's major investments in 2026 will adhere to the principles of "focusing on core business, nurturing strategic emerging sectors, strictly controlling risks and ensuring returns", with priority given to the development of industrial layout in green energy. For the green energy production segment, the Group will control upstream resources by adopting a strategy of "asset-light approach to secure resources and asset-heavy approach to control channels". In terms of investment scale and structure, the overall investment scale will be commensurate with free cash flow, with strict control over the debt ceiling. Investment in the core business will account for no less than 80%, while investment in strategic emerging industries will grow steadily, non-core, minority equity and small-scale scattered investments will be strictly controls. In terms of investment regions and methods, priority will be given to strategic markets including Hong Kong, Southeast Asia and Europe. Flexible deployment of equity investment, fixed asset investment, mergers and acquisitions and restructuring will be adopted to support the implementation of strategies.

Looking ahead, through capital expenditure on fixed assets and equity acquisitions, we will progressively establish advantages in securing upstream resource channels on the energy front, while enhancing the development of green energy bunkering infrastructure and ecosystem. On the marine equipment front, we will continue to optimise and strengthen our competitive product portfolio, while introducing and reserving core technological capabilities, including AI and advanced large-scale algorithm technologies, to lay a solid foundation for the development of future marine business scenarios.

In assessing the potential investment or acquisition targets, the Company will comprehensively consider a combination of factors such as alignment with the Company's strategic plans, synergies, market position and strengths, management team capability, valuation, track record, financial performance and potential growth, etc. The Company will gradually improve its financial performance through expanding its business direction and creating a new profit model, so as to provide a firm basis for future growth in results.

Save as disclosed, the Company had no future plans for material investments or capital assets.

## **DIVIDEND**

The Board does not recommend the declaration of any final dividend for the year ended 31 December 2025.

## **DIRECTORS' SECURITIES TRANSACTIONS**

The Company has adopted a code of conduct regarding Directors' securities transactions on terms no less exacting than the required standards of dealings as set out in the Model Code for Securities Transactions by the Directors of Listed Issuers (the “**Model Code**”) as set forth in Appendix C3 to the Listing Rules. Having made specific enquiry to all Directors, the Directors have complied with such code of conduct and the required standards of dealings as set out in the Model Code throughout the year ended 31 December 2025.

## **COMPLIANCE WITH THE CORPORATE GOVERNANCE CODE**

The Company is committed to maintain a high standard of corporate governance practices to ensure transparency so that the interests of our shareholders and the cooperative development among customers, employees and the Group can be safeguarded. The Company has adopted the code provisions of the Corporate Governance Code (“**CG Code**”) set out in Appendix C1 to the Listing Rules. For the year ended 31 December 2025, the Company has complied with all the applicable code provisions of the CG Code, except for a deviation from former code provision F.2.2 (renumbered as code provision F.1.3 with effect from 1 July 2025) as set out in the CG Code.

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

## REVIEW OF FINANCIAL INFORMATION

The audit committee of the Company has reviewed the Group's annual results for the year ended 31 December 2025. The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 December 2025 as set out in this announcement have been agreed by the Group's auditor, SHINEWING (HK) CPA Limited, to the amounts set out in the audited consolidated financial statements of the Group for the year as approved by the Board on 27 March 2026. The work performed by SHINEWING (HK) CPA Limited in this respect did not constitute an assurance engagement and consequently no opinion or assurance conclusion has been expressed by SHINEWING (HK) CPA Limited on this announcement.

## PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

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

During the Year, pursuant to the terms of the rules and trust deed of the share award plans adopted by the Company in 2015 (amended in 2025) and 2019 respectively (the "**2015 and 2019 Share Award Plans**"), the trustee of the 2015 and 2019 Share Award Plans did not purchase shares of the Company on the Stock Exchange. As at the date of this announcement, the trustee held a total 70,499,000 shares (representing approximately 2.17% of the issued share capital of the Company) under the 2015 and 2019 Share Award Plans.

During the Year, save as disclosed above and in this announcement, neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities.

## **EVENTS AFTER PERIOD**

### **Amendment to Constitutional Documents**

The Board proposed to adopt the third amended and restated articles of association of the Company (the “**New Articles**”) in substitution for, and to the exclusion of the existing articles of association of the Company (the “**Existing Articles**”). Details of the proposed amendments are set out in the Company’s announcement dated 27 March 2026. The proposed amendments to the Existing Articles by adopting the New Articles are subject to approval by the shareholders of the Company by way of a special resolution at the AGM to be convened and held.

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

The annual results announcement is published on the websites of the Company ([www.cm-energy.com/](http://www.cm-energy.com/)) and the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)). An annual report of the Company for the year ended 31 December 2025 containing all information required by the Listing Rules will be dispatched to shareholders of the Company and made available on the abovementioned websites in due course.

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

Hong Kong, 27 March 2026

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