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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)

AMENDMENTS TO SHARE AWARD PLAN

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The Board is pleased to announce that, on 14 January 2025, the Company has amended the Share Award Plan by way of adopting the Rules (as amended and restated), in order to, among others, extend the term of the Share Award Plan for a period of 10 years commencing from the Amendment Date and ending on 13 January 2035.

The Share Award Plan was adopted on 16 January 2015 which is valid and effective for a term of 10 years from its adoption date, subject to any early termination as may be determined by the Board. As at the date of this announcement, (i) there is no outstanding Award under the Share Award Plan; and (ii) 8,446,456 Shares are held by the Trustee on trust for the purpose of the Share Award Plan.

Pursuant to the Rules, the Share Award Plan may be altered in any respect by a resolution of the Board provided that no such alteration shall operate to affect adversely any subsisting rights of any Selected Person in respect of his Awarded Shares which remain unvested.

The purpose of the Share Award Plan is to remunerate, recognise and reward the contribution of the Eligible Persons to the growth and development of the Group through the award of Shares.

The maximum number of Shares to be purchased by the Trustee shall not exceed 5% of the issued share capital of the Company as at the Amendment Date, i.e. 162,171,695 Shares throughout the term of the Share Award Plan.

Subject to any early termination as may be determined by the Board and any resolutions by the Directors to renew the term of the Share Award Plan, the Share Award Plan shall be valid and effective for a period of 10 years commencing from the Amendment Date and ending on 13 January 2035.

LISTING RULES IMPLICATIONS

The Share Award Plan does not constitute a share scheme involving the issue of new Shares as referred to in Chapter 17 of the Listing Rules and hence will only be subject to the applicable disclosure requirements under Rule 17.12 of the Listing Rules. Therefore, the amendments to the Share Award Plan will not be subject to Shareholders' approval pursuant to Chapter 17 of the Listing Rules.

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The key terms of the Share Award Plan are set out as follows:

Purpose

The purpose of the Share Award Plan is to remunerate, recognise and reward the contribution of the Eligible Persons to the growth and development of the Group through the award of Shares.

Duration

Subject to any early termination as may be determined by the Board and any resolutions by the Directors to renew the term of the Share Award Plan, the Share Award Plan shall be valid and effective for a period of 10 years commencing from the Amendment Date and ending on 13 January 2035.

Participants

The eligibility of any of the Eligible Persons to an Award shall be determined by the Administration Committee from time to time on the basis of its opinion as to his contribution to the development and growth of the Group.

Eligible Persons include any Employee (whether full time or part time but excluding any Excluded Employee) who, in the sole opinion of the Board, will contribute or have contributed to any member of the Group.

Administration

The Share Award Plan shall be subject to the administration of the Administration Committee as authorised by the Directors. The Administration Committee is delegated with the power and authority by the Board to administer the Share Award Plan. The Administration Committee comprises members of the senior management team of the Group who are in charge of the human resources department and the securities and investment department of the Company.

In the event that a Selected Person is a Director, such person shall abstain from voting on any resolution of the Directors (or the Administration Committee) in respect of the grant or vesting of any Award to or in him under the Share Award Plan.

Any grant of Awards to any connected persons of the Company shall be subject to the prior approval of the independent non-executive Directors (excluding any independent non-executive Director who is a proposed grantee of the grant of the Award) and the requirements under the Listing Rules.

Operation of the Share Award Plan

The Administration Committee may, at its absolute discretion, make Award to any Employee (whether full time or part time but excluding any Excluded Employee) who, in the sole opinion of the Board, will contribute or have contributed to any member of the Group.

Source of Funds and Awards

The Administration Committee may at any time notify and instruct the Trustee to purchase Shares on the Stock Exchange or off-market at such price range as the Administration Committee deems appropriate. The Directors shall procure that adequate funds are paid out of the Company's resources to the Trustee to enable the Trustee to purchase the appropriate number of Shares.

The Trustee may, at any time during the continuation of the Share Award Plan and the Trust Deed, purchase Shares on market on the Stock Exchange or off-market (at the instruction of the Company) and/or set aside the appropriate number of Awarded Shares out of a pool of issued Shares, fully paid or credited as fully paid, for the time being and from time to time held by the Trustee pursuant to the Trust Deed comprising the following:

- (a) such Shares as may be purchased by the Trustee on the Stock Exchange by utilising the trust fund under the Trust Deed or further funds which may be allocated by the Directors out of the Company's resources;
- (b) such Shares which remain unvested and revert to the Trustee; and
- (c) such Shares as may be transferred by any person and accepted by the Trustee(s) as additions to the trust fund.

Vesting of Awards

The Board may, at its absolute discretion, determine the condition(s) or performance target(s) that must be attained by the relevant Selected Person, and the deadline for attaining such condition(s) or performance target(s), before any of the Awarded Shares may be transferred to and vested in such Selected Person under such Award.

The Trustee shall transfer to and vest in any Selected Person according to the legal and beneficial ownership of the Awarded Shares to which such Selected Person is entitled under the relevant Award after the latest of: (a) the earliest vesting date as specified in the Award Notice to which such Award relates; (b) the date on which the condition(s) or performance target(s) (if any) as specified in the related Award Notice have been attained by such Selected Person and notified to the Trustee by the Administration Committee in writing; and (c) where applicable, the date on which the Trustee has completed the purchase of Shares for the purpose of making the relevant Award.

Lapse of Awards

An Award made to any Selected Person shall forthwith lapse and be cancelled if the condition(s) or performance target(s) are not attained by the relevant Selected Person before the deadline as specified in the relevant Award Notice.

An Award made to any Selected Person shall forthwith lapse and be cancelled if the Selected Person ceases to be an Eligible Person by reason of his resignation or his summary dismissal for misconduct, committing of a criminal offence or other breach of the terms of his contract of employment with any members of the Group, or there is any material misstatement(s) in the consolidated financial statements of the Company, or an order for the winding-up of the Company is made or a resolution is passed for the voluntary winding-up of the Company.

In the event that a Selected Person passes away prior to the Vesting Date of the Award relating to such Selected Person, and such Award has not lapsed or been cancelled, the Awarded Shares under such Award shall be held by the Trustee on behalf of the personal representatives of such Selected Person and the Trustee shall transfer to such personal representatives, as notified by the Administration Committee in writing, such Awarded Shares attributable thereto on such Vesting Date.

In respect of a Selected Person who retires by or in accordance with any agreement with a member of the Group at any time prior to or on the Vesting Date, all the Awarded Shares of the relevant Selected Person shall be deemed to be vested the day immediately prior to his retirement with the relevant member of the Group.

Rights of Selected Person

An Award shall be personal to the Selected Person and shall not be transferable or assignable and no Selected Person shall in any way sell, transfer, charge, mortgage, encumber or otherwise dispose of or create any security or adverse interest whatsoever in favour of any third party over or in relation to an Award or enter or purport to enter into any agreement to do so. Any breach of the foregoing by any Selected Person shall entitle the Company to cancel the Award made to such Selected Person.

A Selected Person is not entitled to any rights attaching to the Awarded Shares including but not limited to voting rights, rights to dividend or distributions.

Restrictions

No Award may be granted, no payment shall be made to the Trustee and no instructions to acquire Shares shall be given to the Trustee under the Share Award Plan where the Company is in possession of unpublished inside information in relation to the Company or where dealings by Directors are prohibited under any code or requirement of the Listing Rules and all applicable laws from time to time.

For so long as the Shares are listed on the Stock Exchange, an Award may not be made after a price sensitive event has occurred or a price sensitive matter has been the subject of a decision until such price sensitive information has been made available to the public domain in accordance with the requirements under the Listing Rules.

No Award may be made to any Director during the periods or times in which the Directors are prohibited from dealing in Shares pursuant to the Model Code for Securities by Directors of Listed Issuers as prescribed by the Listing Rules or any corresponding code or securities dealing restrictions adopted by the Company. Any Award to any Director or any connected persons of the Company shall comply with the requirements of the Listing Rules.

Voting Rights

The Trustee shall not exercise any voting right in respect of the Shares held under the Share Award Plan.

Plan Limit

The maximum number of Shares to be purchased by the Trustee shall not exceed 5% of the issued share capital of the Company as at the Amendment Date, i.e. 162,171,695 Shares throughout the term of the Share Award Plan.

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

Alteration of the Share Award Plan

The Share Award Plan may be altered by a resolution of the Directors together with the prior written consent of the Trustee, provided that no such alteration shall operate to affect adversely any rights of any Selected Person in respect of his Awarded Shares which remain unvested except with the consent in writing of the majority of the Selected Persons whose Awarded Shares remained unvested on that date (but, for the avoidance of doubt, excluding for this purpose any such Shares in respect of which that date is a Vesting Date) as would be required of the holders of Shares under the Articles for a variation of the rights attached to such Shares.

Termination

The Directors may by resolution at any time terminate the operation of the Share Award Plan in which event no further Award may be made provided that such termination shall not affect any subsisting rights of any Selected Person in respect of any Award made to him prior to such termination.

If, at the date of the termination of the Share Award Plan, the Trustee holds any Shares which have not been awarded in favour of any Selected Person or retains any unutilised funds, then the Trustee shall, within 21 business days after receiving notice of such termination, (i) sell such Shares and remit the proceeds of sale (after making appropriate deductions in respect of stamp duty and other costs, liabilities and expenses in accordance with the Trust Deed) together with such unutilised funds to the Company; or (ii) to the extent permitted under relevant laws, rules and regulations, transfer such Shares back to the Company.

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DEFINITIONS

Unless the context otherwise requires, capitalized terms used in this announcement shall have the following meanings:

“Administration Committee”	a committee of the Company which is delegated with the power and authority by the Board to administer the Share Award Plan
“Amendment Date”	14 January 2025, being the date on which the amended and restated Rules are approved and adopted by the Board
“Articles”	the articles of association of the Company as adopted or amended from time to time

“Award”	a provisional award of Awarded Shares by the Board to a Selected Person on such terms and conditions as the Board may determine
“Award Notice”	the notice to be sent to the Selected Person and Trustee upon the making of an Award containing the particulars specified in the Rules
“Awarded Share(s)”	the Share(s) provisionally awarded to a Selected Person pursuant to an Award
“Board”	the board of Directors
“Company”	CM Energy Tech Co., Ltd., a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the Main Board of the Stock Exchange (stock code: 206)
“connected person(s)”	has the meaning ascribed thereto in the Listing Rules
“Director(s)”	the director(s) of the Company
“Eligible Person”	any Employee (whether full time or part time but excluding any Excluded Employee) who, in the sole opinion of the Board, will contribute or have contributed to any member of the Group
“Employee”	any director or employee of the Company or any director or employee of any subsidiary of the Company
“Excluded Employee”	any Employee who is resident in a place where the award of the Shares and/or the vesting and transfer of Awarded Shares pursuant to the terms of the Share Award Plan is not permitted under the laws and regulations of such place or where in the view of the Directors or the Trustee (as the case may be) compliance with applicable laws and regulations in such place make it necessary or expedient to exclude such Employee

“Group”	the Company and its subsidiaries from time to time
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange
“Remuneration Committee”	the remuneration committee of the Board
“Rules”	the rules of the Share Award Plan, as amended and restated on the Amendment Date
“Selected Person(s)”	any Eligible Person for whom Shares have been provisionally set aside pursuant to an Award or (where the context so permits) his personal representative
“Shares”	ordinary shares in the share capital of the Company
“Shareholder(s)”	holder(s) of Share(s)
“Share Award Plan”	the share award plan of the Company constituted by the Rules
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary”	has the meaning ascribed to it under section 2 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)
“Trust Deed”	the amended and restated deed of settlement constituting the Share Award Plan dated 14 January 2025 and executed by the Trustee in favour of the Company in respect of the Shares and/or other trust fund held or to be held by the Trustee subject to the terms thereof, as amended from time to time
“Trustee”	the trustee for the time being and any additional or replacement trustees of the trusts as appointed or declared in the Trust Deed

“Vesting Date” in relation to any Selected Person, the date on which the legal and beneficial ownership of the Awarded Shares are transferred to and vested in such Selected Person pursuant to an Award

“%” percent

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

Hong Kong, 14 January 2025

As of the date of this announcement, the Board comprises one (1) executive Director, namely Mr. Zhan Huafeng; five (5) non-executive Directors, namely Mr. Mei Xianzhi, 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.