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ContiOcean

上海匯舸環保科技集團股份有限公司
CONTIOCEAN ENVIRONMENT TECH GROUP CO., LTD.

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 2613)

ANNOUNCEMENT OF INTERIM RESULTS FOR THE SIX MONTHS ENDED 30 JUNE 2026

The board (the "**Board**") of directors (the "**Directors**") of ContiOcean Environment Tech Group Co., Ltd. (the "**Company**") hereby presents the unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively referred to as the "**Group**", "**we**" or "**us**") for the six months ended 30 June 2026 (the "**Reporting Period**" or "**H1 2026**"), together with the comparative figures for the corresponding period in 2025 ("**H1 2025**").

OVERVIEW

The Group's ("**our**") revenue and profit for the Reporting Period were approximately RMB233.8 million (H1 2025: RMB143.5 million) and RMB20.5 million (H1 2025: RMB6.1 million), respectively. Basic earnings per share attributable to owners of the Company for the Reporting Period was approximately RMB0.53 (H1 2025: RMB0.18). The Board has not recommended any payment of interim dividend for the Reporting Period.

GEOGRAPHICAL MARKET ANALYSIS

Set out below is a breakdown of revenue by geographical areas:

	H1 2026 (Unaudited) *(RMB'000)*	H1 2025 (Unaudited) *(RMB'000)*	**Approximate percentage change**	**Approximate percentage of total revenue in H1 2026**	Approximate percentage of total revenue in H1 2025
Mainland China	**120,284**	78,769	52.7%	**51.4%**	54.9%
Overseas	**113,530**	64,717	75.4%	**48.6%**	45.1%
	233,814	143,486	63.0%	**100.0%**	100.0%

The Group's revenue from the People's Republic of China ("**Mainland China**" or "**China**") increased by approximately RMB41.5 million or 52.7% from RMB78.8 million in H1 2025 to RMB120.3 million in H1 2026. The increase was mainly attributable to the delivery of long-cycle new-building vessel orders entered into with domestic shipyards in previous years, corresponding revenue was recognised upon delivery in the Reporting Period and resulting in higher revenue.

The Group's revenue from overseas increased by approximately RMB48.8 million or 75.4% from RMB64.7 million in H1 2025 to RMB113.5 million in H1 2026. The increase was mainly due to: (i) the enlarged overseas customer base of the Group, (ii) the delivery of newly launched energy-saving products including shaft generator systems, which were mainly targeted at overseas customers, and the revenue had been recognised upon the completion of relevant orders, which had correspondingly expanded the scale of the Group's overseas revenue; (iii) the vessel Conti Shanghai was successfully delivered in April 2026, generating a revenue of approximately RMB10.5 million in H1 2026.

The Company has proactively pivoted to expand its footprint in new markets and fast-tracked product development and partnerships to address emerging demand.

BUSINESS SEGMENT ANALYSIS

Set out below is a breakdown of revenue by different streams:

	H1 2026 (Unaudited) *(RMB'000)*	H1 2025 (Unaudited) *(RMB'000)*	**Approximate percentage change**	**Approximate percentage of total revenue in H1 2026**	Approximate percentage of total revenue in H1 2025
Marine exhaust gas cleaning systems	**69,503**	45,173	53.9%	**29.7%**	31.5%
Marine energy-saving devices	**22,225**	7,688	189.1%	**9.5%**	5.4%
Marine clean-energy supply systems	**40,006**	36,316	10.2%	**17.1%**	25.3%
Maritime services	**91,601**	54,309	68.7%	**39.2%**	37.8%
Vessel chartering	**10,479**	–	–	**4.5%**	0.0%
	233,814	143,486	63.0%	**100.0%**	100.0%

Marine exhaust gas cleaning systems generated revenue of approximately RMB45.2 million in H1 2025 and RMB69.5 million in H1 2026. Revenue from marine exhaust gas cleaning systems increased by about 53.9% in H1 2026 as compared to H1 2025, primarily due to the following reasons:

(i) the progressive deliveries for newbuild orders of marine exhaust gas cleaning systems; and

(ii) the Group's growing capabilities for engineering, procurement and construction, which had enabled it to secure turnkey contracts of marine exhaust gas cleaning systems. Such orders carried higher unit prices, which had driven the growth of total revenue for the segment.

The Group's revenue from marine energy-saving devices increased from approximately RMB7.7 million in H1 2025 to RMB22.2 million in H1 2026 mainly due to the energy-saving business segment having launched new products such as plate heat exchangers and shaft generator systems, which had demonstrated strong market adaptability and high customer acceptance. Backed by rigorous end-to-end process control and management, these new orders for the new products had been delivered promptly, driving revenue growth for the segment.

The Group's revenue from marine clean-energy supply systems slightly increased from approximately RMB36.3 million in H1 2025 to RMB40.0 million in H1 2026 mainly due to the Group's containerised nitrogen generators having been well-received in the market. The increase in both orders secured and fulfilled had driven revenue growth in this segment.

The Group's revenue from maritime services increased from approximately RMB54.3 million in H1 2025 to RMB91.6 million in H1 2026. The approximate 68.7% increase was mainly due to:

(i) the ongoing delivery of legacy long-cycle newbuild outfitting contracts; and

(ii) the Group's interior upgrading services having gained strong market traction by virtue of design excellence and service quality, which continued to attract new clients and further expanded the revenue scale of the segment.

The Group generated approximately RMB10.5 million in revenue from vessel Conti Shanghai operations during the Reporting Period.

CUSTOMER ANALYSIS

Below is a breakdown of revenue by customers:

	H1 2026 (Unaudited) *(RMB'000)*	H1 2025 (Unaudited) *(RMB'000)*	**Approximate percentage change**	**Approximate percentage of total revenue in H1 2026**	Approximate percentage of total revenue in H1 2025
Customer A	**60,972**	39,316	55.1%	**26.1%**	27.4%
Customer B	**48,184**	16,465	192.6%	**20.6%**	11.5%
Customer C	**35,069**	19,452	80.3%	**15.0%**	13.6%
Customer D	**13,211**	23,522	-43.8%	**5.7%**	16.4%
Other customers	**76,378**	44,731	70.7%	**32.6%**	31.1%
	233,814	143,486	63.0%	**100.0%**	100.0%

During the Reporting Period, our top four customers generated the majority of revenue — a concentration level consistent with industry norms for maritime environmental protection systems. Annual variation among key clients is significant, reflecting the nature of these capital-intensive solutions: shipowners typically invest in non-recurring capital expenditures on maritime environmental protection equipment and system rather than repeat-purchase consumables.

The revenue from Customer A increased by approximately RMB21.7 million or 55.1% year-on-year. This growth was primarily driven by the Group's continued deepening of cooperation with Customer A and the sustained expansion of collaborative scopes across both products and services, which facilitated a steady rise in revenue from this account. The revenue from Customer B and Customer C surged by approximately 192.6% and 80.3% year-on-year, respectively. This growth was primarily driven by the phased delivery of various long-cycle orders secured in prior years. The revenue from Customer D decreased by approximately RMB10.3 million or 43.8% year-on-year. This decline was primarily attributable to the timing of the Group's delivery schedule, as a substantial portion of the backlog is slated for delivery and revenue recognition in the year of 2027 and subsequent years.

Our approach to de-risking concentration risks centers on geographic and product diversification, penetrating emerging markets and expanding our portfolio to serve varied customer bases, while bolstering brand recognition through strategic sales execution. Complementing this, we are embedding technology at the core of our operations to drive disruptive innovation and enhance our competitive edge. This integrated strategy is pivotal to building diversified revenue streams and securing a defensible market position for the long term.

RESEARCH AND DEVELOPMENT (“R&D”)

Building on its global leadership in marine environmental protection equipment and systems, the Group is driven by R&D excellence and sustained innovation to continuously deliver products and services spanning the following areas:

Marine energy-saving devices

— ContiPower Foil: marking a significant technological breakthrough, the Group secured its first order for its power foils in H1 2026. Capable of reducing fuel consumption by approximately 15%–30%, the technology has been certified by Class Nippon Kaiji Kyokai (Class NK).

— Shaft Generator System: the Group successfully delivered the first-of-its-kind retrofit unit in March 2026. The system not only facilitated efficient Power Take-Out (PTO) operations but also leveraged real-time data and visual feeds from its remote monitoring interface to support advanced diagnostics and fault resolution.

Artificial Intelligence Drives

— ContiOcean Intelligent Vessel System (COIVS): the Group successfully delivered its first COIVS in H1 2026. It featured an integrated “Perception — Decision — Coordination — Optimisation” platform for large commercial vessels, marking a major milestone in smart shipping.

— Real-Vessel Validation Platform: in April and July 2026, the Company completed the acquisition of two vessels. This milestone signified our strategic transformation from a technology enterprise focused on R&D of marine environmental protection equipment into an “atypical shipowner” integrating independent R&D, real-vessel verification, and customer demonstration, opening a new path for the development of the green maritime technology industry.

Patent Achievements

The Group was successfully granted 9 new patents (including 9 invention patents) in the Reporting Period, bringing the total portfolio to 107 patents (including 65 invention patents).

OUTLOOK

In H1 2026, external environment remained under sustained pressure amid geopolitical tensions, including the US-Iran conflict. Confronted with profound industry transformation, the Group standing at the forefront as a leading global provider of marine environmental protection equipment and systems, remains steadfast in its strategic positioning and continues to deepen its commitment to the green shipping sector.

Building on this foundation, we will further consolidate the competitive moat of our technology R&D. Leveraging the certification of our ContiPower Foil technology and the successful delivery of our inaugural shaft generator system retrofit project, the Group will accelerate the commercialisation of its new products. In addition, we will intensify R&D investment to ensure our technology pipeline stays ahead of market dynamics, fully preparing us for the ongoing industry evolution.

Concurrently, the deep integration of digital intelligence will emerge as another growth curve for the Group. Anchored by the first COIVS secured in the first half of 2026, we will accelerate data convergence to build a closed-loop ecosystem of "hardware + software + data". In the second half of 2026, the Group will focus its R&D efforts on the application of "digital intelligence" in ship energy efficiency management. Through AI algorithms that optimise the matching between vessel speed and energy consumption, we aim to leap from mere "passive monitoring" to "active optimisation" — thereby strengthening customer stickiness and unlocking sustainable recurring service revenue streams.

In serving the global market, we will fully capitalise on the momentum of order conversion. With the upgrade of operational services in Asia-Pacific and European regions, coupled with the accumulation of real-world test data from our owned vessels serving as ocean-going R&D platforms, the Group's localised service capability in the shipping market will be significantly enhanced.

Meanwhile, we will optimise supply chain management to ensure production capacity release during the intensive delivery period in the second half of 2026. On this basis, we will actively convert overseas customer leads generated from maritime exhibitions, striving for substantive breakthroughs in securing bulk orders in new markets.

Looking ahead, although macroeconomic volatility may pose challenges to near-term delivery schedules, we remain highly confident in the long-term demand for marine ESG solutions. The Group will continuously strengthen its financial resilience, ensuring a dynamic balance between R&D investment and commercial returns through precise resource allocation. We expect that as the revenue contribution from high-margin products such as intelligent systems increases, the Group's profitability will improve in tandem. Moving forward, we will prudently evaluate merger and acquisition opportunities along the industrial value chain. By pursuing both organic growth and inorganic expansion, we will steadily increase our market share and create long-term sustainable value for our shareholders.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE SIX MONTHS ENDED 30 JUNE 2026

		Six months ended June 30,	
		2026	2025
	NOTES	***RMB'000***	*RMB'000*
		(Unaudited)	(Unaudited)
Revenue	*4*	**233,814**	143,486
Cost of sales		**(158,533)**	(99,050)
Gross profit		**75,281**	44,436
Other income	*6*	**3,055**	5,173
Other gains and losses, net	*7*	**(10,717)**	(1,297)
Distribution and selling expenses		**(16,290)**	(9,734)
Administrative expenses		**(18,932)**	(22,963)
Research and development expenses		**(7,381)**	(9,569)
Listing expenses		**–**	(25)
Net impairment reversal under expected credit loss ("**ECL**") model		**133**	1,654
Finance costs		**(1,955)**	(1,162)
Profit before tax	*8*	**23,194**	6,513
Income tax expense	*9*	**(2,660)**	(452)
Profit for the period		**20,534**	6,061
Other comprehensive (expense) income			
Item that may be reclassified subsequently to profit or loss:			
Exchange differences arising on translation of foreign operations		**(4,173)**	7
Total comprehensive income for the period		**16,361**	6,068

	NOTES	Six months ended June 30, **2026** *RMB'000* **(Unaudited)**	2025 *RMB'000* (Unaudited)
Profit(loss) for the period attributable to owners of the Company:			
Owners of the Company		**20,607**	6,945
Non-controlling interests		**(73)**	(884)
		20,534	6,061
Total comprehensive income(expense) for the period attributable to:			
Owners of the Company		**16,367**	6,032
Non-controlling interests		**(6)**	36
		16,361	6,068
EARNINGS PER SHARE			
Basic *(in RMB)*	*10*	**0.53**	0.18
Diluted *(in RMB)*	*10*	**0.53**	0.18

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AT 30 JUNE 2026

	NOTES	**At 30 June 2026** *RMB'000* **(Unaudited)**	At 31 December 2025 *RMB'000* (Audited)
Non-current assets			
Property, plant and equipment ("**PPE**")		**143,155**	43,635
Right-of-use assets		**11,215**	9,721
Goodwill		**8,076**	8,459
Other intangible assets		**581**	598
Deferred tax assets		**4,866**	4,527
Restricted bank deposits		**214**	1,118
		168,107	68,058
Current assets			
Inventories		**83,475**	57,879
Trade and other receivables	*12*	**369,760**	294,688
Contract assets		**2,265**	1,701
Contract costs		**10,806**	4,273
Tax recoverable		**727**	338
Financial assets at fair value through profit or loss ("**FVTPL**")		**–**	136,770
Restricted bank deposits		**4,167**	34,556
Cash and cash equivalents		**210,995**	215,418
		682,195	745,623

	NOTES	At 30 June 2026 RMB'000 (Unaudited)	At 31 December 2025 RMB'000 (Audited)
Current liabilities			
Trade and other payables	*13*	**98,673**	99,796
Bank borrowings		**144,465**	147,950
Income tax payable		**2,963**	975
Lease liabilities		**2,212**	1,990
Provisions		**2,631**	2,765
Contract liabilities		**98,961**	66,313
		349,905	319,789
Net current assets		**332,290**	425,834
Total assets less current liabilities		**500,397**	493,892
Capital and reserves			
Share capital		**40,000**	40,000
Shares held for restricted share scheme		**(26,269)**	(14,106)
Reserves		**480,678**	463,363
Equity attributable to owners of the Company		**494,409**	489,257
Non-controlling interests		**2,859**	2,649
Total equity		**497,268**	491,906
Non-current liabilities			
Deferred tax liability		**496**	502
Lease liabilities		**2,633**	1,484
		3,129	1,986
		500,397	493,892

NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

FOR THE SIX MONTHS ENDED 30 JUNE 2026

1. GENERAL INFORMATION

ContiOcean Environment Tech Group Co., Ltd. (上海匯舸環保科技集團股份有限公司) (the "**Company**") was established in the People's Republic of China (the "**PRC**") on 31 May 2017, as a limited liability company. On 28 December 2022, the Company was converted into a joint stock company with limited liability under the Company Law of the PRC. The Non-H Shares of the Company became quoted on National Equities Exchange and Quotations ("**NEEQ**") (stock code: 874207.NQ) in February 2024 and delisted on NEEQ in August 2025. On 9 January 2025, the Company's H shares became listed on The Stock Exchange of Hong Kong Limited. The respective address of the registered office and the principal place of business of the Company are Room 1101, No. 2 Maji Road, China (Shanghai) Pilot Free Trade Zone, Shanghai, the PRC. As at the date of this report, the Company is collectively controlled by Mr. Zhou Yang (the Chairman), Mr. Zhao Mingzhu (executive director of the Company) and Mr. Chen Zhiyuan (executive director of the Company), who act in concert in accordance with the Concert Party Agreement entered into among them on 13 October 2022.

The Company and its subsidiaries (collectively referred to as the "**Group**"), are principally engaged in the provision of marine exhaust gas cleaning systems, marine energy-saving devices, marine clean-energy supply systems and maritime services. During the six months ended 30 June 2026, the Group initiated a new business for the provision of vessel chartering services.

The consolidated financial statements are presented in RMB, which is also the functional currency of the Company.

2. BASIS OF PREPARATION

The condensed consolidated financial statements have been prepared in accordance with International Accounting Standard 34 "Interim Financial Reporting" issued by the International Accounting Standards Board ("**IASB**") as well as the applicable disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited. The interim condensed consolidated financial information should be read in conjunction with the Group's annual financial statements for the year ended 31 December 2025.

3. ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis except for financial instruments which are measured at fair values.

Other than addition/change in accounting policies resulting from application of amendments to IFRS Accounting Standards, agenda decision/decisions of the IFRS Interpretations Committee (the "**Committee**") of the IASB, and application of certain accounting policies which became relevant to the Group in the current interim period, the accounting policies and methods of computation used in the condensed consolidated financial statements for the six months ended 30 June 2026 are the same as those presented in the Group's annual consolidated financial statements for the year ended 31 December 2025.

Application of amendments to IFRS Accounting Standards

In the current interim period, the Group has applied the following amendments to IFRS Accounting Standards issued by the IASB, for the first time, which are mandatorily effective for the Group's annual period beginning on 1 January 2026 for the preparation of the Group's condensed consolidated financial statements:

Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments
Amendments to IFRS 9 and IFRS 7	Contracts Referencing Nature-dependent Electricity
Amendments to IFRS Accounting Standards	Annual Improvements to IFRS Accounting Standards — Volume 11

The application of the amendments to IFRS Accounting Standards in the current interim period 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 condensed consolidated financial statements.

4. REVENUE

Disaggregation of revenue from contracts with customers

	Six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Type of services		
Marine exhaust gas cleaning systems	**69,503**	45,173
Marine energy-saving devices	**22,225**	7,688
Marine clean-energy supply systems	**40,006**	36,316
Maritime services	**91,601**	54,309
Vessel chartering	**10,479**	–
	233,814	143,486

Geographical markets

The Group's revenue from external customers, based on the respective country/region of the entities providing services are as follows:

	Six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Mainland China	**120,284**	78,769
Overseas	**113,530**	64,717
	233,814	143,486

	Six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Timing of revenue recognition		
At a point in time	**188,708**	143,486
Over time	**45,106**	–
	233,814	143,486

5. SEGMENT INFORMATION

Operating segments are identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker ("**CODM**"), which is also identified as the chief executive officer of the Group, in order to allocate resources to segments and to assess their performance. During the reporting period, the CODM assesses the operating performance and allocated the resources of the Group as a whole. Therefore, the CODM considers the Group only has one operating segment.

The CODM reviews the overall results and financial position of the Group as a whole, prepared based on the same accounting policies and no further analysis of the single segment is presented.

Geographical information

Information about the Group's non-current assets is presented based on the geographical location of the assets. Non-current assets excluded financial instruments and deferred tax assets.

	Six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Mainland China	**61,343**	63,519
Overseas	**101,684**	565
	163,027	64,084

6. OTHER INCOME

	Six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Government grants related to income *(Note)*	**532**	2,376
Interest income on bank deposits	**2,523**	2,794
Others	**–**	3
	3,055	5,173

Note: The amount represents various subsidies granted by the PRC local government authorities to group entities as incentives for the Group's operating activities. The government grants were unconditional and had been approved by the PRC local government authorities, which are recognised when payments were received.

7. OTHER GAINS AND LOSSES

	Six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Net foreign exchange losses	**(10,865)**	(3,175)
Fair value gains on financial assets at FVTPL	**118**	1,882
Losses on lease termination	**(3)**	–
Others	**33**	(4)
	(10,717)	(1,297)

8. PROFIT BEFORE TAX FOR THE PERIOD

	Six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Profit before tax for the period has been arrived at after charging (crediting):		
Depreciation of PPE	**3,604**	2,148
Depreciation of right-of-use assets	**1,223**	1,174
Amortisation of other intangible assets	**469**	118
	5,296	3,440
Changes in amount capitalised in inventories	**(806)**	(504)
	4,490	2,936
Auditor's remuneration	**–**	1,190
Directors' and supervisors' emoluments	**3,931**	7,035
Other staff costs:		
— Salaries, bonus and other allowances	**17,992**	11,218
— Retirement benefit scheme contributions	**1,736**	1,011
— Equity-settled share-based payment expenses	**629**	193
	24,288	19,457
Changes in amount capitalised in inventories	**(773)**	(460)
	23,515	18,997
Amortisation of contract costs	**17,703**	11,669
Cost of inventories recognised as an expense (excluding write-down of inventories)	**119,197**	93,190
Reversal of write-down of inventories	**–**	(90)

9. INCOME TAX EXPENSE

	Six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Current Tax:		
PRC Enterprise Income Tax	**692**	26
Singapore Income Tax	**306**	504
Hong Kong Profits Tax	**2,475**	499
Portuguese Income Tax	**–**	18
	3,473	1,047
Deferred Tax	**(813)**	(595)
	2,660	452

10. EARNINGS PER SHARE

The calculation of the basic earnings per share attributable to the owners of the Company is based on the following data:

	Six months ended June 30,	
	2026	2025
	RMB'000	*RMB'000*
	(Unaudited)	(Unaudited)
Profit for the period attributable to owners of the Company	**20,607**	6,945
Number of shares		
Weighted average number of ordinary shares in issue	**39,133**	39,558

For the six months ended 30 June 2026, the weighted average number of ordinary shares in issue for the purpose of basic earnings per share has excluded 910,000 shares (six months ended June 30, 2025: nil) purchased for the restricted share scheme adopted in August 2025.

The computation of diluted earnings per share for the six months ended 30 June 2026 and 2025 does not assume the exercise of the Company's options granted under a share option scheme adopted in 2024, because the performance conditions included were not satisfied as at 30 June 2026 and 2025.

11. DIVIDENDS

The Board did not recommend any payment of interim dividend for the six months ended 30 June 2026 (six months ended 30 June 2025: nil).

12. TRADE AND OTHER RECEIVABLES

Details of trade and other receivables are as follows:

	At 30 June 2026 *RMB'000* (Unaudited)	At 31 December 2025 *RMB'000* (Audited)
Trade receivables	**88,435**	82,246
Less: allowance for ECL	**(4,839)**	(4,831)
Trade receivables, net	**83,596**	77,415
Notes receivables	**10,922**	22,921
Subtotal	**94,518**	100,336
Prepaid for purchases of materials	**103,157**	86,611
Prepaid operating expenses	**62,221**	53,557
Value-added-tax ("**VAT**") recoverable	**1,712**	976
Prepaid income tax	**1,269**	107
Prepayment for purchase of an operating vessel	**30,649**	–
VAT export refund receivable	**26**	668
Rental deposits	**901**	975
Deposits paid	**74,622**	38,798
Advance to employees	**622**	429
Funds held by trustee for restricted share scheme	**10**	12,174
Others	**53**	57
Subtotal	**275,242**	194,352
	369,760	294,688

The Group normally grants a credit period of 30 days or a particular period agreed with customers effective from the date when the services and goods have been completed and accepted by customers.

The following is an aged analysis of trade receivables net of allowance for credit losses presented based on the date of invoice at the end of each reporting period:

	At 30 June 2026 *RMB'000* (Unaudited)	At 31 December 2025 *RMB'000* (Audited)
0–30 days	**39,610**	47,260
31–90 days	**21,225**	11,306
91–180 days	**5,085**	6,415
181–365 days	**10,224**	6,141
Over 1 year	**7,452**	6,293
	83,596	77,415

13. TRADE AND OTHER PAYABLES

	At 30 June 2026 *RMB'000* (Unaudited)	At 31 December 2025 *RMB'000* (Audited)
Trade payables		
— third parties	**63,282**	71,751
Notes payables	**14,233**	3,851
Construction cost payable	**3,052**	3,490
Other payables and accrued expenses	**13,692**	12,280
Payroll payables	**3,648**	7,130
Other tax payables	**766**	1,294
	98,673	99,796

The average credit period on purchases of goods and services of the Group is 120 days.

The following is an aged analysis of trade payables, presented based on earlier of the date of goods and services received and the invoice dates as at the end of the reporting periods:

	At 30 June 2026 *RMB'000* **(Unaudited)**	At 31 December 2025 *RMB'000* (Audited)
0–90 days	**37,976**	51,546
91–180 days	**11,491**	5,311
181–365 days	**7,832**	10,262
Over 365 days	**5,983**	4,632
	63,282	71,751

FINANCIAL REVIEW

Revenue

During the Reporting Period, the Group's revenue amounted to RMB233.8 million, increased by approximately RMB90.3 million or 62.9% as compared to that of RMB143.5 million in H1 2025. The increase in revenue was mainly due to (i) a number of long-cycle orders which were postponed in 2025 having been delivered in the first half of 2026; (ii) the Group having commenced taking orders for new products such as shaft generator systems and plate heat exchangers, which had started to generate revenue in H1 2026; and (iii) a RMB10.5 million charter hire revenue generated from the operation of the vessel Conti Shanghai which was delivered in April 2026.

Gross profit and gross profit margin

During the Reporting Period, the Group's gross profit amounted to RMB75.3 million, increased by approximately RMB30.9 million or 69.6% as compared to that of RMB44.4 million in H1 2025, mainly due to the increases in gross profit of (i) marine exhaust gas cleaning systems from RMB16.1 million in H1 2025 to RMB28.3 million in the Reporting Period; and (ii) maritime services from RMB16.4 million in H1 2025 to RMB25.9 million in the Reporting Period.

Our overall gross profit margin edged up slightly from 31.0% in H1 2025 to 32.2% in the Reporting Period, mainly because of the optimisation of product design schemes, which enhanced cost efficiency.

Other income

The Group's other income amounted to RMB3.1 million in the Reporting Period, decreased by approximately RMB2.1 million or 40.4% as compared to that of RMB5.2 million in H1 2025. This decrease was primarily attributable to government grants received in H1 2025 being more than that in the Reporting Period, which comprised local financial incentives for business operations and industry-specific subsidies.

Other gains and losses

The Group recorded a loss of RMB10.7 million in the Reporting Period, increased by approximately RMB9.4 million or 723.1% as compared to that of RMB1.3 million loss in H1 2025 for other gains and losses, primarily due to (i) the heightened exchange losses arising from the marked devaluation of the USD against the RMB, which significantly exceeded the volatility recorded in H1 2025; and (ii) the absence of the RMB1.9 million fair value gain from wealth management products (the "**WMPs**") recorded last year.

Distribution and selling expenses

The Group's distribution and selling expenses amounted to RMB16.3 million in the Reporting Period, increased by approximately RMB6.6 million or 68.0% from that of RMB9.7 million in H1 2025. It was primarily due to (i) the stepped-up market development efforts including promotions, exhibitions and channel expansion, to capture market share and to develop potential customers; and (ii) increased salesforce headcount and associated travel and entertainment costs amid business expansion.

Administrative expense

The Group's administrative expenses amounted to RMB18.9 million in the Reporting Period, decreased by approximately RMB4.1 million or 17.8% from that of RMB23.0 million in H1 2025, which was mainly due to the Group having incurred expenses related to its listing process in H1 2025 while no such expenses were recorded in the Reporting Period.

Research and development expenses

The Group's research and development expenses amounted to RMB7.4 million in the Reporting Period, decreased by approximately RMB2.2 million or 22.9% from RMB9.6 million in H1 2025, which was due to (i) the Group having expanded its in-house R&D team and shifted towards self-developed solutions to partially replace commissioned and collaborative research projects in the Reporting Period, which resulted in a decrease in external R&D expenditures; and (ii) prototype development and the corresponding consumption of R&D materials were anticipated to occur primarily in the second half of 2026 since certain ongoing projects remained in the early development stages.

Impairment losses under expected credit loss model, net of reversal

The Group's impairment losses under the ECL model, net of reversal, amounted to a gain of RMB0.1 million in the Reporting Period, decreased by approximately RMB1.6 million, as compared to a gain of RMB1.7 million in H1 2025. It was primarily attributable to the delays in order deliveries leading to a substantial decline in revenue in H1 2025, which in turn drove a corresponding decrease in the accounts receivable balance as of June 2025 compared to the end of 2024. This resulted in a significant reversal of previously recognised impairment losses. With revenue growth in the Reporting Period, accounts receivable and related impairment movements were not impacted by the temporary factors seen in H1 2025.

Finance costs

The Group's finance costs amounted to RMB2.0 million in the Reporting Period, increased by approximately RMB0.8 million or 66.7% as compared to RMB1.2 million in H1 2025. The increase in finance costs was primarily due to the Group having deepened its collaboration with banks since mid last year, resulting in a higher average outstanding bank borrowing balance compared to H1 2025.

Income tax expense

Our income tax expense increased by approximately 440% from RMB0.5 million in H1 2025 to RMB2.7 million in the Reporting Period. This was primarily attributed to the increase of profit before tax in H1 2026 as compared to H1 2025.

Profit for the Reporting Period

As a result of the foregoing, the Group's profit for the Reporting Period amounted to RMB20.5 million, increased by approximately RMB14.4 million or 236.1% as compared to RMB6.1 million in H1 2025.

Property, plant and equipment

Our property, plant and equipment mainly consisted of (i) vessels, (ii) buildings, (iii) machinery and equipment, (iv) office equipment and furniture, (v) transportation equipment, (vi) leasehold improvements, and (vii) construction in progress.

As at 30 June 2026, the Group's property, plant and equipment amounted to RMB143.2 million, increased by approximately RMB99.6 million or 228.4% from RMB43.6 million as at 31 December 2025. The increase was mainly due to the acquisition of a vessel in the Reporting Period.

Inventories

Our inventories primarily consisted of (i) raw materials and consumables such as stainless-steel plates and stainless-steel pipes, (ii) work in progress from production lines, and (iii) finished goods, i.e. products that were manufacturing, completed quality inspection processes and were ready to be delivered.

	At 30 June 2026 *RMB'000* (Unaudited)	At 31 December 2025 *RMB'000* (Audited)
Finished goods	**70,625**	46,374
Raw materials and consumables	**3,266**	4,464
Work in progress	**9,584**	7,041
	83,475	57,879

The Group's inventories amounted to RMB83.5 million as at 30 June 2026, increased by approximately RMB25.6 million or 44.2% as compared to RMB57.9 million as at 31 December 2025. It is primary due to the significant increase in finished goods as at 30 June 2026, which was driven by the mass delivery phase of the Group's order backlog. A substantial volume of equipment was currently undergoing installation, commissioning, and customer acceptance procedures, leading to higher inventory balances compared to the amount as at 31 December 2025.

Trade and other receivables

Our trade and other receivables mainly consisted of (i) trade receivables, less allowance for expected credit losses; and (ii) prepayments, notes receivables, VAT recoverable, rental deposits, advance to employees and deposits paid.

The Group's trade and other receivables amounted to RMB369.8 million as at 30 June 2026, increased by approximately RMB75.1 million or 25.4% as compared to RMB294.7 million as at 31 December 2025, which was mainly due to the following reasons:

(i) Driven by the rapid expansion of new orders in the Reporting Period, procurement volume increased correspondingly. This included advance payments required under certain customised equipment procurement contracts, resulting in a RMB16.5 million increase in prepayments for materials.

(ii) The Group made substantial payments for the acquisition of the vessel OM Singapore, including deposits. The acquisition was successfully completed on 29 July 2026.

(iii) In 2025, to implement its 2025 H share restricted share scheme, the Group established a trust plan and funded the trustee to purchase shares for the scheme. As of 31 December 2025, a balance of RMB12.2 million remained in the prepayment to the trustee. This amount was fully utilised to purchase shares during the Reporting Period.

Financial assets at fair value through profit or loss

The Group's financial assets amounted to nil as at 30 June 2026, decreased by approximately RMB136.8 million or 100.0% as compared to RMB136.8 million as at 31 December 2025. All wealth management products held as at 31 December 2025 had been fully redeemed in the Reporting Period. As at 30 June 2026, there were no outstanding wealth management product or securities investment held by the Group.

Restricted bank deposits

Our restricted bank deposits referred to the security deposits we made at banks for the issuance of bank guarantees, letter of credits, bankers' acceptance. The Group's restricted bank deposits decreased by approximately RMB31.3 million or 87.7% from RMB35.7 million as at 31 December 2025 to RMB4.4 million as of 30 June 2026. This decrease was primarily due to the release of restricted bank deposits in early 2026. These funds had been pledged as collateral for wealth management products that matured at the end of 2025 but were not released from restriction until early 2026.

Cash and cash equivalents

The Group's cash and cash equivalents slightly decreased by approximately RMB4.4 million or 2.0% from RMB215.4 million as at 31 December 2025 to RMB211.0 million as at 30 June 2026. The decrease was mainly attributable to (i) operating activities yielding a net cash inflow of RMB6.3 million, which is mainly driven by pre-tax profit of RMB23.2 million, and partially offset by a RMB16.9 million working capital outflow; (ii) investing activities included a RMB165.9 million outlay for the purchase consideration and deposits for acquiring two vessels; and (iii) investing cash inflows of RMB161.9 million were generated from WMPs redemptions and the release of the deposits upon maturity that had been placed as collateral for such WMPs.

Trade and other payables

Our trade and other payables mainly consisted of (i) trade payables, (ii) notes payable, (iii) construction cost payable, (iv) other accrued expenses, (v) payroll payables and (vi) other tax payables.

	At 30 June 2026 *RMB'000* **(Unaudited)**	At 31 December 2025 *RMB'000* (Audited)
Trade payables — third parties	**63,282**	71,751
Notes payables	**14,233**	3,851
Construction cost payable	**3,052**	3,490
Other accrued expenses	**13,692**	12,280
Payroll payables	**3,648**	7,130
Other tax payables	**766**	1,294
	98,673	99,796

The average credit period on purchases of goods and services of the Group is 120 days.

The Group's trade and other payables slightly decreased by approximately RMB1.1 million or 1.1% from RMB99.8 million as at 31 December 2025 to RMB98.7 million as at 30 June 2026. The decrease was mainly due to the decrease of trade payables and payroll payables.

LIQUIDITY AND FINANCIAL RESOURCES

During the Reporting Period, we have sufficient working capital to meet our requirement for business operation. Our cash and cash equivalents slightly decreased by approximately RMB4.4 million or 2.0% from RMB215.4 million as at 31 December 2025 to RMB211.0 million as at 30 June 2026. The reasons for decline are set out in the preceding "Cash and cash equivalents" section.

ORDER BOOK

Our order backlog (by order number and value) as at 30 June 2026 are as follows:

(i) Marine exhaust gas cleaning systems: we had 318 orders on hand as of 30 June 2026 with a total contract value of approximately RMB346.9 million (226 orders on hand as of 31 December 2025 with a total contract value of approximately RMB328.0 million).

(ii) Marine energy-saving devices: we had 149 orders on hand with a total contract value of approximately RMB165.2 million as of 30 June 2026 (55 orders on hand with a total contract value of approximately RMB48.9 million as of 31 December 2025).

(iii) Marine clean-energy supply systems: we had 80 orders on hand with a total contract value of approximately RMB99.3 million as of 30 June 2026 (90 orders on hand with a total contract value of approximately RMB123.6 million as of 31 December 2025).

(iv) Maritime services: we had 798 orders on hand with a total contract value of approximately RMB632.3 million as of 30 June 2026 (518 orders on hand with a total contract value of approximately RMB382.4 million as of 31 December 2025).

INDEBTEDNESS

Our indebtedness mainly included bank borrowings and lease liabilities. Our indebtedness decreased from RMB151.4 million as of 31 December 2025 to RMB149.3 million as of 30 June 2026. It was primarily attributable to the decrease of bank borrowings.

PLEDGE OF ASSETS

As of 30 June 2026, the Group did not pledge any assets.

CONTINGENT LIABILITIES

As of 30 June 2026, we did not have any material contingent liabilities.

MATERIAL ACQUISITIONS AND DISPOSALS

The Group completed the acquisition of the vessel Conti Shanghai on 16 April 2026.

FOREIGN EXCHANGE RISK

We mainly operate in Mainland China and are exposed to foreign exchange risk arising from currency exposures with respect to U.S. dollars. We have not yet established a foreign currency hedging policy. Instead, we have formulated risk management strategies and policies with respect to the foreign exchange forward and option contracts we enter into.

EMPLOYEES AND REMUNERATION

As at 30 June 2026, the Group had a total workforce of 145 employees (31 December 2025: 133 employees). The remuneration packages for the Group's employees are determined with reference to their job responsibilities, position level, professional experience, and work performance.

INTERIM DIVIDEND

The Board did not recommend any payment of interim dividend for the six months ended 30 June 2026 (six months ended 30 June 2025: nil).

CORPORATE GOVERNANCE PRACTICES

The Company is committed to maintaining high standards of corporate governance to safeguard shareholders' interests and enhance corporate value and accountability. The Company has adopted the Corporate Governance Code (the "**Corporate Governance Code**") set out in Appendix C1 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") as its own corporate governance code.

In the Reporting Period, to the best of the Directors' knowledge, the Company has complied with all code provisions set out in Part 2 of the Corporate Governance Code.

During the Reporting Period, the public float of the Company had fallen below the minimum percentage of 25% as prescribed under the Listing Rules due to the trustee holding 910,000 H shares under the 2025 H share restricted share scheme. The public float was subsequently restored on 9 June 2026. For further details, please refer to the announcements of the Company dated 4 March 2026, 24 March 2026, 9 April 2026, 6 May 2026, 3 June 2026, 7 July 2026 and 31 July 2026 respectively.

MODEL CODE FOR SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix C3 to the Listing Rules (the "**Model Code**") as its own code of conduct regarding dealings in the securities of the Company by the Directors on terms no less exacting than the required standards set in the Model Code.

Having made specific enquiries of all Directors, they have confirmed that they have complied with the Model Code in the Reporting Period.

CORPORATE GOVERNANCE MEASURES TO AVOID POTENTIAL CONFLICTS OF INTEREST

As stated in the prospectus of the Company dated 31 December 2024, the Company has adopted certain measures to ensure good corporate governance standards and to avoid potential conflicts of interest between the Group and the controlling shareholders of the Company (the "**Controlling Shareholders**"). To achieve this purpose, a deed of non-competition undertaking dated 12 October 2023 (the "**Deed of Non-Competition Undertaking**") was entered into by each of the Controlling Shareholders in favour of the Company. Accordingly, the Controlling Shareholders have provided written confirmation of their compliance with the Deed of Non-Competition Undertaking and the independent non-executive Directors have conducted a review and confirmed that, as at 30 June 2026, they were not aware of any conflicts of interests between the Group and the Controlling Shareholders.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

The Company's H shares were initially listed on the Main Board of the Stock Exchange on 9 January 2025.

The trustee of the Company's 2025 H share restricted share scheme purchased a total of 910,000 H shares of the Company on the Stock Exchange at a total consideration of about HK$29.0 million pursuant to the terms of the scheme and trust deed of the scheme in 2025.

The conversion of 30,000,000 domestic shares into H shares had been completed on 9 June 2026.

Save as disclosed above, neither the Company nor any of its subsidiaries purchased, sold or redeemed the Company's listed securities during the Reporting Period.

REVIEW OF INTERIM RESULTS

The audit committee of the Company (the "**Audit Committee**") has reviewed the accounting principles and practices adopted by the Group and discussed the financial reporting matters including the review of the Group's unaudited condensed consolidated interim financial information for the six months ended 30 June 2026. The Audit Committee considers that the interim financial results for the six months ended 30 June 2026 are in compliance with the relevant accounting standards, rules and regulations and appropriate disclosures have been made.

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

Completion of the acquisition of the Vessel:

As disclosed in the announcement of the Company dated 29 July 2026, after the acquisition of Conti Shanghai on 16 April 2026, the consideration for the acquisition of OM Singapore has been paid by the OM Singapore Buyer to the OM Singapore Seller in accordance with the OM Singapore Memorandum of Agreement, and completion of the acquisition of OM Singapore took place on 29 July 2026.

Proposed acquisition of the assets in Jiangsu through public tender:

As disclosed in the announcement of the Company dated 24 August 2026, the Company has submitted a bid on 25 August 2026 for the proposed acquisition of the land, property and equipment offered for sale by the vendor through public tender. As at the date of this announcement, the Company has not entered into any contract with the vendor. The Company will make further announcement(s) in compliance with the Listing Rules after the announcement of the successful bidder.

PUBLICATION OF THE INTERIM RESULTS AND 2026 INTERIM REPORT

This announcement is published on the websites of the Stock Exchange at www.hkexnews.hk and the Company at www.contioceangroup.com. The interim report of the Company for the period ended 30 June 2026 containing all the information required by the Listing Rules will be dispatched to the shareholders of the Company and will be published on the respective websites of the Stock Exchange and the Company in due course.

APPRECIATION

The Board would like to thank all our colleagues for their diligence, dedication, loyalty and integrity, as well as all our shareholders, customers, bankers and other business associates for their trust and support.

By order of the Board
ContiOcean Environment Tech Group Co., Ltd.
Zhou Yang
Chairman and Executive Director

Shanghai, PRC, 27 August 2026

As of the date of this announcement, the Board comprises: (i) Mr. Zhou Yang, Mr. Zhao Mingzhu, Mr. Chen Zhiyuan, and Mr. Chen Rui as executive Directors; and (ii) Dr. Guan Yanmin, Mr. Zhu Rongyuan and Ms. Kung Man as independent non-executive Directors.