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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)

VOLUNTARY ANNOUNCEMENT

**CM ENERGY SUCCESSFULLY WINS A CONTRACT ORDER OF
US\$163,800,000 IN MEXICO FOR UPGRADE, MODIFICATION,
OPERATION AND MAINTENANCE OF ENERGY EQUIPMENT**

This announcement is made by CM Energy Tech Co., Ltd. (the “**Company**” or “**CM Energy**”, together with its subsidiaries, the “**Group**”) on a voluntary basis to inform the shareholders of the Company and potential investors of the latest business development and strategy of the Group.

Under the favourable situation of the steady progress of the Company’s new energy technological innovation and industrial layout, the traditional business of CM Energy, based on its profound industry accumulation, has been under stable development and continuously obtaining orders at the same time.

On 5 December 2023, TSC Manufacturing and Supply, LLC (“**TSC**”), a company established under the law of State of Texas of the United States with limited liability and a wholly-owned subsidiary of CM Energy, received a contract execution order for the first petroleum drilling rig modernized modification project from Petróleos Mexicanos (“**Pemex**”), for an amount of US\$13,211,970. Prior to that in July 2023, TSC successfully won the bid for the Pemex project with a total amount of US\$163,800,000, and signed three equipment supply and service framework agreements with a contract period of 30 months. This order from Pemex symbolized that the Pemex project successfully won in the previous bidding has officially entered the stage of execution.

The bidding consortium (comprising TSC, Andrews Technologies Inc. and Andrews Technologies de México S.A. de C.V.) (the “**Consortium**”) led by TSC successively participated in the open tender for three projects of Pemex in response to customers’ technical parameters and service requirements for modernized and high-end equipment in deep wells and ultra-deep wells. Leveraging on CM Energy’s technological advantages in high-end energy equipment manufacturing for over 20 years, track record and superior products, as well as excellent supply chain partners, it eventually won the open bidding amongst various internationally renowned suppliers in terms of technology, services and commercial terms.

The bidding project won by the Consortium includes the following three contracts:

1. An equipment supply contract for the restoration, modernization as well as automation upgrade and modification project of 7 land drilling rigs and equipment;
2. A repair service contract for the restoration, modernization as well as automation upgrade and modification of 7 land drilling rigs and equipment; and
3. An operation and maintenance service contract for several top drives and catwalk machines (including daily inspection, maintenance and supply of accessories).

The first two of these contracts, totaling approximately US\$98.1 million, will be executed in batches with the completion at the end of 2025 as agreed in the contracts, while the third operation and maintenance contract, amounting to US\$65.7 million, is expected to be completed by the end of 2025. The successful bidding by the Consortium enabled TSC’s state-of-the-art control and drive systems and drilling cabins to enter the Mexican market for the first time.

In the past, TSC’s Consortium had already undertaken similar modernization and upgrades for four aging drilling rigs of Pemex, which had been in service for over 30 years. Notably, one of these rigs, a 7,000-meter drilling rig, successfully completed a highly productive well reaching a depth of 7,921 meters, with an oil production rate of 16,000 barrels per day. This accomplishment showcased the rig’s exceptional performance and top-notch quality. The upgraded drilling rigs from CM Energy have now become Pemex’s primary drilling rigs, garnering high satisfaction from users and receiving unanimous recognition from Pemex’s senior management and users.

In recent years, the Mexican market has been gradually emerging, with its market potential being further stimulated and unleashed, offering broad development prospects. With a forward-thinking strategy, CM Energy has been actively involved in the Mexican market for over a decade, acquiring extensive experience and technological expertise. This has established a favorable reputation and a high-quality brand image for CM Energy within the Mexican market. Moving forward, by leveraging its existing strengths and continuing to expand in the Mexican market, CM Energy expects to enhance its performance and provide robust support for the advancement of its new energy initiatives. This will create more new opportunities for its own growth and development.

ABOUT PEMEX

Established in 1938, Pemex (the Mexican national oil company) is one of the largest oil companies in the world and one of the largest and most influential companies in Latin America. The business of Pemex spans the oil and gas industry value chain, from exploration and production (upstream) to industrial transformation, logistics and marketing (downstream), with operation throughout the entire Mexico. Pemex is one of the few fully integrated oil companies in the world and plays an important role in the economic and social development of Mexico. Pemex, with a wide scope of businesses, carries out a considerable amount of exploration and production projects annually.

To the best of the knowledge, information and belief of the board of directors of the Company, having made all reasonable enquiries, Pemex is a third party independent of the Company and its connected persons (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”). As the orders entered into between CM Energy and Pemex and the transactions contemplated thereunder constitute transactions of a revenue nature in the usual course of business of the Company, such transactions are exempt from the requirements under Chapter 14 of the Listing Rules.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

Shareholders and potential investors of the Company are reminded that the above disclosures in this announcement (including but not limited to the amount of each consummated or proposed contract or transaction) are not and not intended to be indicative of the future performance or profitability of the Group. Shareholders or potential investors of the Company should not rely on the above disclosure in deciding how or whether to deal in the shares of the Company.

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

Hong Kong, 11 December 2023

As of the date of this announcement, the Board comprises one (1) executive Director, namely Mr. Zhan Huafeng; seven (7) non-executive Directors, namely Mr. Mei Xianzhi, Mr. Liu Jiancheng, Mr. Tam Wing Tim, Mr. Zhang Xizheng, Mr. Wang Jianzhong, Mr. Zhang Menggui, Morgan and Mr. Jiang Binghua; and three (3) independent non-executive Directors, namely Mr. Chan Ngai Sang, Kenny, Mr. Zou Zhendong and Mr. Chen Weidong.