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# ANTON 安東

安東油田服務集團

Anton Oilfield Services Group

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3337)

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

### FINANCIAL HIGHLIGHTS

- The Group's consolidated revenue reached approximately RMB5,571.7 million, representing an increase of approximately 17.2% compared to RMB4,753.9 million in 2024.
- The Group's net profit amounted to approximately RMB383.2 million, representing a growth of approximately 48.8% from RMB257.5 million in 2024.
- Profit attributable to equity holders of the Group was approximately RMB373.1 million, representing an increase of approximately 53.8% from RMB242.6 million in 2024.
- The Group's net operating cash inflow was approximately RMB1,369.7 million, up approximately 3.4% from RMB1,325.1 million in 2024; free cash flow increased to approximately RMB1,043.4 million, representing a growth of approximately 6.5% compared to RMB979.7 million in 2024.
- The Board of Directors of the Company has recommended the distribution of a final dividend for the year ended 31 December 2025 in an aggregate amount of approximately RMB112.0 million. This represents an increase of approximately 53.4% compared to the dividend distribution of approximately RMB73.0 million in 2024.

### RESULTS

The Board of Directors (the “**Board**”) of Anton Oilfield Services Group (the “**Company**”) wishes to announce the audited consolidated annual results of the Company and its subsidiaries (together, the “**Group**”) for the year ended 31 December 2025 (hereinafter referred to as the “**2025**”, or the “**Reporting Period**”) and the comparable figures for the same period of 2024 as follows.

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2025**

(Amounts expressed in thousands of RMB, unless otherwise stated)

	<i>Notes</i>	<b>As at 31 December</b>	
		<b>2025</b>	2024
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment		<b>1,637,113</b>	1,706,428
Right-of-use assets		<b>117,195</b>	98,769
Investment properties		<b>1,382</b>	2,592
Goodwill		<b>253,630</b>	253,630
Intangible assets		<b>361,479</b>	352,222
Interest in a joint venture		<b>2,313</b>	2,622
Interests in associates		<b>22,305</b>	21,629
Financial assets at fair value through profit or loss (“FVTPL”)		<b>103,998</b>	86,346
Prepayments and other receivables		<b>105,227</b>	114,922
Deferred income tax assets		<b>51,904</b>	38,817
		<b>2,656,546</b>	2,677,977
<b>Current assets</b>			
Inventories		<b>645,255</b>	771,395
Trade and notes receivables	5	<b>2,812,424</b>	2,328,687
Contract assets		<b>41,598</b>	26,858
Financial assets at fair value through profit or loss (“FVTPL”)		<b>28,189</b>	–
Prepayments and other receivables		<b>2,227,392</b>	1,851,952
Restricted bank deposits		<b>573,942</b>	370,354
Cash and cash equivalents		<b>2,609,985</b>	2,190,759
		<b>8,938,785</b>	7,540,005
<b>Total assets</b>		<b>11,595,331</b>	10,217,982

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)**  
**AS AT 31 DECEMBER 2025**

(Amounts expressed in thousands of RMB, unless otherwise stated)

	<i>Notes</i>	<b>As at 31 December</b>	<b>2025</b>	<b>2024</b>
<b>EQUITY</b>				
Capital and reserves attributable to the owners of the Company				
Share capital		<b>265,452</b>		272,152
Reserves		<b>3,416,330</b>		3,225,885
		<b>3,681,782</b>		3,498,037
Non-controlling interests		<b>86,878</b>		110,303
<b>Total equity</b>		<b>3,768,660</b>		3,608,340
<b>LIABILITIES</b>				
<b>Non-current liabilities</b>				
Long-term borrowings		<b>581,739</b>		443,436
Lease liabilities		<b>32,124</b>		15,237
Deferred income tax liabilities		<b>11,316</b>		12,251
		<b>625,179</b>		470,924
<b>Current liabilities</b>				
Short-term borrowings		<b>1,214,664</b>		1,364,994
Current portion of long-term bonds		–		453,821
Current portion of long-term borrowings		<b>363,946</b>		177,735
Trade and notes payables	<i>6</i>	<b>2,600,970</b>		1,959,260
Accruals and other payables		<b>2,608,321</b>		1,712,209
Lease liabilities		<b>12,448</b>		9,095
Contract liabilities		<b>90,030</b>		100,045
Current income tax liabilities		<b>311,113</b>		361,559
		<b>7,201,492</b>		6,138,718
<b>Total liabilities</b>		<b>7,826,671</b>		6,609,642
<b>Total equity and liabilities</b>		<b>11,595,331</b>		10,217,982

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS  
FOR THE YEAR ENDED 31 DECEMBER 2025**

(Amounts expressed in thousands of RMB, unless otherwise stated)

	<i>Notes</i>	<b>Year ended 31 December</b>	
		<b>2025</b>	<b>2024</b>
Revenue			
Goods and services	7	<b>5,455,790</b>	4,607,426
Rental	7	<b>115,932</b>	146,508
		<hr/>	<hr/>
Total revenue	7	<b>5,571,722</b>	4,753,934
Cost of sales	8	<b>(3,978,023)</b>	(3,350,867)
		<hr/>	<hr/>
<b>Gross profit</b>		<b>1,593,699</b>	1,403,067
		<hr/>	<hr/>
Other gain or loss, net		<b>11,448</b>	(4,673)
Impairment losses under expected credit loss model, net of reversal		<b>(87,581)</b>	(61,302)
Selling expenses	8	<b>(275,513)</b>	(240,361)
Administrative expenses	8	<b>(395,928)</b>	(306,726)
Research and development expenses	8	<b>(116,964)</b>	(115,651)
Sales tax and surcharges		<b>(17,095)</b>	(16,585)
		<hr/>	<hr/>
<b>Operating profit</b>		<b>712,066</b>	657,769
		<hr/>	<hr/>
Interest income	9	<b>45,063</b>	50,930
Finance expenses	9	<b>(170,362)</b>	(207,231)
		<hr/>	<hr/>
Finance costs, net	9	<b>(125,299)</b>	(156,301)
Share of profit of a joint venture		<b>(309)</b>	52
Share of profit of associates		<b>833</b>	4,123
		<hr/>	<hr/>
<b>Profit before income tax</b>		<b>587,291</b>	505,643
Income tax expense	10	<b>(204,111)</b>	(248,139)
		<hr/>	<hr/>
<b>Profit for the year</b>		<b>383,180</b>	257,504
		<hr/> <hr/>	<hr/> <hr/>
<b>Profit attributable to:</b>			
Owners of the Company		<b>373,090</b>	242,649
Non-controlling interests		<b>10,090</b>	14,855
		<hr/>	<hr/>
		<b>383,180</b>	257,504
		<hr/> <hr/>	<hr/> <hr/>
<b>Earnings per share attributable to the owners of the Company for the year (expressed in RMB per share)</b>			
– Basic	11	<b>0.1370</b>	0.0854
– Diluted	11	<b>0.1280</b>	0.0837
		<hr/> <hr/>	<hr/> <hr/>

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

**FOR THE YEAR ENDED 31 DECEMBER 2025**

(Amounts expressed in thousands of RMB, unless otherwise stated)

	<i>Notes</i>	<b>Year ended 31 December</b>	
		<b>2025</b>	2024
<b>Profit for the year</b>		<u><b>383,180</b></u>	<u>257,504</u>
<b>Other comprehensive (expense)/income, net of tax:</b>			
<i>Items that may be reclassified subsequently to profit or loss</i>			
Net investment hedge		<b>1,121</b>	(7,202)
Financial instruments measured at fair value through other comprehensive income (“FVTOCI”)		<b>(193)</b>	1,254
Currency translation differences		<u><b>(30,184)</b></u>	<u>18,652</u>
<b>Other comprehensive income for the year, net of tax</b>		<u><b>(29,256)</b></u>	<u>12,704</u>
<b>Total comprehensive income for the year</b>		<u><b>353,924</b></u>	<u>270,208</u>
<b>Total comprehensive income attributable to:</b>			
– Owners of the Company		<b>343,834</b>	254,768
– Non-controlling interests		<u><b>10,090</b></u>	<u>15,440</u>
		<u><b>353,924</b></u>	<u>270,208</u>

**CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2025**

(Amounts expressed in thousands of RMB, unless otherwise stated)

	<i>Notes</i>	<b>Year ended 31 December</b>	
		<b>2025</b>	<b>2024</b>
<b>Cash flows from operating activities</b>			
Net cash inflows from operations		<b>1,573,565</b>	1,440,484
Interest received		<b>64,664</b>	69,960
Income tax paid		<b>(268,579)</b>	(185,385)
		<hr/>	<hr/>
Net cash generated from operating activities		<b>1,369,650</b>	1,325,059
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment		<b>(165,575)</b>	(158,570)
Proceeds from disposal of property, plant and equipment		<b>12,948</b>	7,249
Purchase of intangible assets		<b>(30,536)</b>	(32,728)
Purchases of financial assets at fair value through profit or loss		<b>(28,139)</b>	–
Investment in an associate		–	(3,500)
Net cash paid for acquisition of a subsidiary		–	(4,643)
Dividends received from an associate		<b>157</b>	15,635
Cash paid relating to other investing activities		<b>3,393</b>	(9,693)
		<hr/>	<hr/>
Net cash used in investing activities		<b>(207,752)</b>	(186,250)
<b>Cash flows from financing activities</b>			
Proceeds from short-term borrowings		<b>1,302,330</b>	1,362,420
Repayments of short-term borrowings		<b>(1,453,920)</b>	(1,182,916)
Proceeds from long-term borrowings		<b>423,497</b>	302,900
Repayments of long-term borrowings		<b>(299,000)</b>	(119,900)
Proceeds from the issuance of medium-term notes		<b>197,898</b>	–
Repurchase of long-term bonds		<b>(453,381)</b>	(375,627)
Repayments of lease liabilities		<b>(16,937)</b>	(15,406)
Interest paid		<b>(118,518)</b>	(159,077)
Cash paid to non-controlling interests for additional equity interest in a subsidiary		<b>(42,430)</b>	(249,605)
Payments on repurchase of shares		<b>(171,049)</b>	(68,078)
Dividends distribution		<b>(73,490)</b>	(44,641)
Placement of restricted bank deposits		<b>(20,000)</b>	(20,000)
Withdraw of restricted bank deposits		<b>20,000</b>	20,000
		<hr/>	<hr/>
Net cash used in financing activities		<b>(705,000)</b>	(549,930)
<b>Net increase in cash and cash equivalents</b>			
Cash and cash equivalents at beginning of the year		<b>2,190,759</b>	1,585,886
Exchange gain on cash and cash equivalents		<b>(37,672)</b>	15,994
		<hr/>	<hr/>
<b>Cash and cash equivalents at end of the year</b>		<b>2,609,985</b>	2,190,759
		<hr/> <hr/>	<hr/> <hr/>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2025

(Amounts expressed in thousands of RMB, unless otherwise stated)

## 1. GENERAL INFORMATION

Anton Oilfield Services Group (the “**Company**”) was incorporated in the Cayman Islands on 3 August 2007 as an exempted company with limited liability under the Companies Law of Cayman Islands. The address of its registered office is PO Box 309, Umland House, Grand Cayman, KY1-1104, Cayman Islands.

The Company is an investment holding company. The Company and its subsidiaries (the “**Group**”) are mainly engaged in providing oilfield technology services, manufacturing and trading of related products in the People’s Republic of China (the “**PRC**”) and other overseas countries. The Company listed its shares on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 14 December 2007.

The directors of the Company (the “**Directors**”) regard Pro Development Holdings Corp., a company incorporated in the British Virgin Islands, as the immediate and ultimate holding company of the Company, which is controlled by Mr. Luo Lin, the Company’s controlling shareholder.

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

## 2. APPLICATION OF NEW AND AMENDMENTS TO IFRS ACCOUNTING STANDARDS

### Amendments to an IFRS Accounting Standard that are mandatorily effective for the current year

In the current year, the Group has applied the following amendments to an IFRS Accounting Standard as issued by the International Accounting Standards Board (“**IASB**”) for the first time, which are mandatorily effective for the annual period beginning on 1 January 2025 for the preparation of the consolidated financial statements:

Amendments to IAS 21 *Lack of Exchangeability*

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

### New and amendments to IFRS Accounting Standards in issue but not yet effective

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

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

<sup>1</sup> Effective for annual periods beginning on or after a date to be determined.

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2026.

<sup>3</sup> Effective for annual periods beginning on or after 1 January 2027.

Except for the new IFRS Accounting Standard mentioned below, the Directors of the Company anticipate that the application of all other new and amendments to IFRS Accounting Standards will have no material impact on the consolidated financial statements in the foreseeable future.

### **IFRS 18 Presentation and Disclosure in Financial Statements**

IFRS 18 Presentation and Disclosure in Financial Statements, which sets out requirements on presentation and disclosures in financial statements, will replace IAS 1 Presentation of Financial Statements. This new IFRS Accounting Standard, while carrying forward many of the requirements in IAS 1, introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provide disclosures on management-defined performance measures (MPMs) in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. In addition, some IAS 1 paragraphs have been moved to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors (the title of which will be changed to Basis of Preparation of Financial Statements upon effective of IFRS 18) and IFRS 7 Financial Instruments: Disclosures. Minor amendments to IAS 7 Statement of Cash Flows and IAS 33 Earnings per Share are also made.

IFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. IFRS 18 requires retrospective application with specific transition provisions. The application of the new standard is not expected to have significant impact on the financial performance and positions of the Group in terms of recognition and measurement. However, it is expected to affect the structure and presentation of the consolidated statement of profit or loss. The Group currently presents interest received in operating activities, they will be classified in the investing activities on the consolidated statement of cash flows.

## **3. BASIS OF PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS AND MATERIAL ACCOUNTING POLICIES INFORMATION**

### **Basis of preparation of consolidated financial statements**

The consolidated financial statements of the Group have been prepared in accordance with IFRS Accounting Standards issued by IASB. For the purpose of preparation of the consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“**Listing Rules**”) and by the Hong Kong Companies Ordinance (“**CO**”).

## **4. SEGMENT INFORMATION**

The president, executive vice presidents and Directors are the Group’s chief operating decision makers (the “**CODM**”). Management has determined the operating segments based on the information reviewed by the CODM for the purposes of allocating resources and assessing performance.

The Group’s reportable segments are entity or group of entities that offer different products and services, which is the basis by which the CODM makes decisions about resources to be allocated to the segments and assesses their performance. Financial information of these entities has been separated to present discrete segment information to be reviewed by the CODM.

In 2025, to optimise resource allocation and achieve operational synergies, the Group reorganised its internal reporting structure, which resulted in changes to the composition of its reportable segments. The previous four segments, “oilfield technical services”, “oilfield management services”, “drilling rig services” and “inspection services”, were reorganized into three new segments which are “integrated oilfield technical services”, “intelligent management services”, and “energy asset operation business”.

The changes of the reportable segments include: (1) “drilling rig services” and drilling technical services, well completion technical services and stimulation technical services included in “oilfield technical services” were aggregated into new reportable segment “integrated oilfield technical services”; (2) “oilfield management services” and “inspection services” were aggregated into new reportable segment “intelligent management services”; and (3) digital intelligence technical business was categorised into “intelligent management services” from “oilfield technical services”, and natural gas and new energy business was categorised into “energy asset operation business” from “oilfield technical services”. Prior year segment disclosures have been represented to conform with the current year’s presentation.

Integrated oilfield technical services cover the full life cycle of oil and gas development, including drilling technical services, well completion and stimulation technical services for the industry.

Intelligent management services are the asset management services the Group provides to the oil companies worldwide, featured with profound capacity and light-asset. The services include energy project management services, digital intelligence technical services, and inspection services.

Energy asset operation business provides customers with natural gas and new energy infrastructure and oil and gas resources development services.

All of the three reportable segments include a number of direct service provision operations in various cities in China and overseas countries, each of which is considered as a separate operating segment by the CODM. For segment reporting, these individual operating segments have been aggregated into three single reportable segments based on their sharing of similar economic characteristics, including similar nature of the services and products, type of customer for their services and products and the method used to provide their services and distribute their products.

The measurement of profit or loss, assets and liabilities of the operating segments are the same as those described in the summary of significant accounting policies. The CODM evaluate the performance of the operating segments based on profit before income tax expense, certain depreciation and amortisation, interest income, finance expenses, share of profit of a joint venture and associates, asset impairment provisions and corporate overheads (“EBITDA”) and the reconciliation of EBITDA to profit or loss. The corporate overheads and corporate assets are the general management expenses incurred and assets held by the headquarters of the Group.

	<b>Integrated Oilfield Technical Services</b>	<b>Intelligent Management Services</b>	<b>Energy Asset Operation Business</b>	<b>Total</b>
<b>For the year ended 31 December 2025</b>				
Revenue	<u>2,483,326</u>	<u>2,820,371</u>	<u>268,025</u>	<u>5,571,722</u>
EBITDA	<u>662,695</u>	<u>722,377</u>	<u>199,806</u>	<u>1,584,878</u>
Depreciation and amortisation	223,857	31,530	53,692	309,079
Asset impairment provision of				
– Inventories	(7,374)	–	–	(7,374)
– Trade receivables, net of reversal	(59,717)	(15,575)	(7,855)	(83,147)
– Other receivables	(3,267)	(1,153)	(14)	(4,434)
Interest income	4,385	7,762	4,119	16,266
Finance expenses	(13,790)	(15,302)	(1,530)	(30,622)
Share of profit of a joint venture	(309)	–	–	(309)
Share of profit of associates	833	–	–	833
Income tax expense	<u>(47,951)</u>	<u>(153,936)</u>	<u>(2,224)</u>	<u>(204,111)</u>
Segment results	311,648	512,643	138,610	962,901
Unallocated corporate overheads				<u>(579,721)</u>
Profit for the year				<u><u>383,180</u></u>

	<b>Integrated Oilfield Technical Services</b>	<b>Intelligent Management Services</b>	<b>Energy Asset Operation Business</b>	<b>Total</b>
For the year ended 31 December 2024				
Revenue	2,167,217	2,338,871	247,846	4,753,934
EBITDA	680,473	576,740	211,281	1,468,494
Depreciation and amortisation	(237,900)	(30,192)	(63,574)	(331,666)
Asset impairment provision of				
– Inventories	(6,402)	–	–	(6,402)
– Trade receivables, net of reversal	(45,488)	(6,130)	(929)	(52,547)
– Other receivables	(8,755)	–	–	(8,755)
Interest income	2,047	7,208	4,684	13,939
Finance expenses	(16,513)	(17,821)	(1,888)	(36,222)
Share of profit of a joint venture	52	–	–	52
Share of profit of associates	4,123	–	–	4,123
Income tax expense	(93,455)	(149,803)	(4,881)	(248,139)
Segment results	278,182	380,002	144,693	802,877
Unallocated corporate overheads				(545,373)
Profit for the year				<u>257,504</u>
<b>As at 31 December 2025</b>				
Segment assets	<b>4,098,776</b>	<b>3,103,272</b>	<b>546,826</b>	<b>7,748,874</b>
Segment assets include:				
Capital expenditures incurred in the year	<u>269,288</u>	<u>45,383</u>	<u>15,844</u>	<u>330,515</u>
<b>As at 31 December 2024</b>				
Segment assets	3,978,075	2,574,441	516,534	7,069,050
Segment assets include:				
Capital expenditures incurred in the year	<u>182,344</u>	<u>30,457</u>	<u>23,599</u>	<u>236,400</u>

Disclosure of liabilities has not been included here because these liabilities balances are not allocated to segments.

Reportable segments' assets are reconciled to total assets as follows:

	<b>As at 31 December 2025</b>	<b>2024</b>
Assets for reportable segments	<b>7,748,874</b>	7,069,050
Corporate assets for general management	<u>3,846,457</u>	3,148,932
Total assets	<u><b>11,595,331</b></u>	<u>10,217,982</u>

The Group allocates revenue on the basis of the location in which the sales are originated.

### Geographical Information

	Revenue		Non-current assets	
	Year ended 31 December		As at 31 December	
	2025	2024	2025	2024
PRC	1,873,468	1,662,877	1,706,253	1,712,059
Republic of Iraq (“Iraq”)	3,148,794	2,601,388	585,105	547,941
Other countries	549,460	489,669	149,720	210,254
Total	<u>5,571,722</u>	<u>4,753,934</u>	<u>2,441,078</u>	<u>2,470,254</u>

*Note:*

The balance of deferred income tax assets and financial assets are not included in the balance of non-current assets disclosed here.

### Client information

For the year ended 31 December 2025, revenues of approximately RMB2,656,640,000 (2024: RMB2,834,983,000) were derived from two external customers, which contributed 29.30% and 18.38% (2024: 40.03% and 19.60%) to the total revenue respectively. These revenues were mainly attributable to integrated oilfield technical services and intelligent management services segments (2024: integrated oilfield technical services and intelligent management services segments).

## 5. TRADE AND NOTES RECEIVABLES

	As at 31 December	
	2025	2024
Trade receivables (a)		
– contracts with customers	2,727,719	2,189,508
– lease receivables	65,336	105,780
	<u>2,793,055</u>	<u>2,295,288</u>
Notes receivable (e)	19,369	33,399
	<u>2,812,424</u>	<u>2,328,687</u>

As at 1 January 2024, trade receivables from contracts with customers amounted to RMB2,192,156,000.

*Notes:*

(a) The following is an aged analysis of trade receivables net of allowance for credit losses presented based on dates of delivery of goods and provision of services.

	As at 31 December	
	2025	2024
1 – 6 months	1,840,612	1,724,496
6 months – 1 year	454,810	319,042
1 – 2 years	374,918	160,836
2 – 3 years	74,531	45,151
Over 3 years	48,184	45,763
	<u>2,793,055</u>	<u>2,295,288</u>

- (b) Most of the Group's past due trade receivables were those receivables aged over one year. As at 31 December 2025, included in the Group's trade receivables balance are debtors with aggregate gross carrying amount of RMB401,241,000 (31 December 2024: RMB148,728,000) which are aged over one year but not considered as default as most of the payments delay are due to administrative oversight by customers and management considered these receivables could be collected subsequently based on prior experiences and good financial performance and reputation of these customers.
- (c) Most of the trade receivables are with credit terms of one year or less. The maximum exposure to credit risk at the reporting date is the carrying value of the trade receivables.

As at 31 December 2025, trade receivables of RMB536,694,000 (31 December 2024: RMB580,595,000) were pledged as security for long-term borrowings of RMB426,346,000 (31 December 2024: RMB399,253,000) and short-term borrowings of RMB110,348,000 (31 December 2024: RMB181,342,000).

- (d) Movements of impairment of trade receivables are as follows:

	2025	2024
As at 1 January	(366,857)	(314,310)
Addition	(83,147)	(52,547)
Write-off	—	—
	<u>—</u>	<u>—</u>
As at 31 December	<u>(450,004)</u>	<u>(366,857)</u>

- (e) As at 31 December 2025, total notes received amounting to RMB19,369,000 (31 December 2024: RMB33,399,000) are held by the Group as settlement of corresponding trade receivables. Notes receivable was measured at FVTOCI. All notes received by the Group are with a maturity period of less than one year.
- (f) Trade and notes receivables were denominated in the following currencies:

	As at 31 December	
	2025	2024
RMB	1,179,373	1,120,610
United States dollar ("US\$")	1,596,156	1,188,384
Others	36,895	19,693
	<u>2,812,424</u>	<u>2,328,687</u>

## 6. TRADE AND NOTES PAYABLES

	As at 31 December	
	2025	2024
Trade payables	1,108,461	717,567
Trade payables under supplier finance arrangements ( <i>Note</i> )	353,680	330,673
Notes payable	1,138,829	911,020
	<u>2,600,970</u>	<u>1,959,260</u>

*Note:*

In order to ensure easy access to credit for its suppliers and facilitate the settlement, the Group has entered into supplier finance arrangements that permit certain suppliers to obtain payment from the banks in China. The arrangement permits the banks to early settle invoices with some costs borne by the suppliers. The Group repays the banks the full invoice amounts on the scheduled payment dates as agreed in the arrangements. As the arrangements do not permit the Group to extend finance from the banks by paying the banks later than the Group would have paid its suppliers, the Group considers amounts payable to the banks should be classified as trade payables.

Payment due dates for the liabilities that are part of supplier finance arrangements are from 180 to 360 days, consistent with the comparable trade payables that are not part of supplier finance arrangements.

Ageing analysis of trade and notes payables (including supplier finance arrangements) at the reporting date was as follows:

	<b>As at 31 December</b>	
	<b>2025</b>	<b>2024</b>
Less than 1 year	<b>2,395,183</b>	1,834,510
1 – 2 years	<b>101,918</b>	56,278
2 – 3 years	<b>39,588</b>	15,733
Over 3 years	<b>64,281</b>	52,739
	<b>2,600,970</b>	<b>1,959,260</b>

Trade and notes payables were denominated in the following currencies:

	<b>As at 31 December</b>	
	<b>2025</b>	<b>2024</b>
RMB	<b>2,273,711</b>	1,773,889
US\$	<b>318,759</b>	178,933
Others	<b>8,500</b>	6,438
	<b>2,600,970</b>	<b>1,959,260</b>

**7. REVENUE**

	<b>Year ended 31 December</b>	
	<b>2025</b>	<b>2024</b>
Sales of goods	<b>316,560</b>	263,830
Provision of services	<b>5,139,230</b>	4,343,596
	<b>5,455,790</b>	4,607,426
Rental	<b>115,932</b>	146,508
	<b>5,571,722</b>	<b>4,753,934</b>

(i) **Disaggregation of revenue**

Set out below is the reconciliation of the revenue from contracts with customers with segment information.

	For the year ended 31 December 2025			
	Integrated Oilfield Technical Services	Intelligent Management Services	Energy Asset Operation Business	Total
<b>Types of goods or service</b>				
Sales of goods	316,560	–	–	316,560
Provision of services	2,166,766	2,820,371	152,093	5,139,230
<b>Total</b>	<b>2,483,326</b>	<b>2,820,371</b>	<b>152,093</b>	<b>5,455,790</b>
<b>Geographical markets</b>				
PRC	1,185,113	455,523	130,462	1,771,098
Iraq	1,025,434	2,113,764	9,596	3,148,794
Other countries	272,779	251,084	12,035	535,898
<b>Total</b>	<b>2,483,326</b>	<b>2,820,371</b>	<b>152,093</b>	<b>5,455,790</b>
<b>Timing of revenue recognition</b>				
A point in time	2,483,326	622,607	152,093	3,258,026
Over time	–	2,197,764	–	2,197,764
<b>Total</b>	<b>2,483,326</b>	<b>2,820,371</b>	<b>152,093</b>	<b>5,455,790</b>
<b>Revenue disclosed in segment information</b>				
External customers ( <i>Note 4</i> )	2,483,326	2,820,371	268,025	5,571,722
Rental income	–	–	(115,932)	(115,932)
<b>Revenue from contracts with customers</b>	<b>2,483,326</b>	<b>2,820,371</b>	<b>152,093</b>	<b>5,455,790</b>

	For the year ended 31 December 2024			
	Integrated Oilfield Technical Services	Intelligent Management Services	Energy Asset Operation Business	Total
<b>Types of goods or service</b>				
Sales of goods	263,157	673	–	263,830
Provision of services	1,893,577	2,338,198	111,821	4,343,596
<b>Total</b>	<b>2,156,734</b>	<b>2,338,871</b>	<b>111,821</b>	<b>4,607,426</b>
<b>Geographical markets</b>				
PRC	1,011,432	401,662	103,275	1,516,369
Iraq	895,925	1,702,333	3,130	2,601,388
Other countries	249,377	234,876	5,416	489,669
<b>Total</b>	<b>2,156,734</b>	<b>2,338,871</b>	<b>111,821</b>	<b>4,607,426</b>

	For the year ended 31 December 2024			
	Integrated Oilfield Technical Services	Intelligent Management Services	Energy Asset Operation Business	Total
<b>Timing of revenue recognition</b>				
A point in time	2,156,734	490,805	111,821	2,759,360
Over time	–	1,848,066	–	1,848,066
<b>Total</b>	<b>2,156,734</b>	<b>2,338,871</b>	<b>111,821</b>	<b>4,607,426</b>
<b>Revenue disclosed in segment information</b>				
External customers ( <i>Note 4</i> )	2,167,217	2,338,871	247,846	4,753,934
Rental income	(10,483)	–	(136,025)	(146,508)
<b>Revenue from contracts with customers</b>	<b>2,156,734</b>	<b>2,338,871</b>	<b>111,821</b>	<b>4,607,426</b>

(ii) **Performance obligations for contracts with customers**

**a. *Provision of integrated oilfield technical services, digital intelligence technical services, and inspection services***

The Group provides integrated oilfield technical services including drilling technical services, well-completion technical services and stimulation technical services, and intelligent management services including digital intelligence technical services, and inspection services to customers like large multinational and state-owned oil companies.

Such services are each recognised as a performance obligation in different stages of a contract, with transaction price allocated to the different and separate performance obligations on a relative stand-alone price basis. Revenue will be recognised for each of these performance obligations when control over the corresponding services is transferred to the customer. Since the services are expected to meet certain specified technological criteria which are not simply based on size and weight characteristics, the Group cannot objectively determine that the services provided to the customer are in accordance with the agreed-upon specifications in the contract and then the Group would not be able to conclude that the customer has obtained control until it receives the customer's acceptance. Therefore, the revenue from drilling technical services, well-completion services and production enhancement services etc. is recognised at a point when the customer acceptance is concluded.

The Group's contracts for such services include the Group's entitlement to payment which requires customer acceptance.

The contract assets (retention money receivables from large multinational and state-owned oil companies), net of contract liabilities related to the same contract, primarily relate to the Group's right to consideration for services completed and not billed because the rights are conditioned on the Group's achieving specified milestones as stipulated in the contracts at the reporting date. The contract assets are transferred to trade receivables when the rights become unconditional. The Group typically agrees to a one-year retention period for 5% of the transaction price for certain customers like some large multinational and state-owned oil companies. This amount is included in contract assets until the end of the retention period as the Group's entitlement to this final payment is conditional on achieving specified milestones as stipulated in the contracts. The Group classifies these contract assets as current because the Group expects to realise them in its normal operating cycle. The Group typically bills the retention money receivables in one year after the completion of relevant services when trade receivables will be recognised.

**b. Provision of energy project management services, natural gas and new energy infrastructure and oil and gas resources development services**

The Group provides integrated oilfield management, oilfield operation and maintenance services, natural gas and new energy infrastructure construction services and natural gas development services to customers.

Such services are recognised as a performance obligation satisfied over time as the customer simultaneously receives and consumes the benefits during the course of operation and maintenance services provided by the Group based on the fact that these services are routine with no complicated processes involved and customer acceptance is a formality. Revenue from these services is recognised based on hours and unit labour cost using output method.

Payment of the transaction price will be settled monthly over the period of service.

**c. Sales of oilfield-related goods**

The Group sells oilfield-related goods, such as drilling tools, tubing and casing to customers.

Since the Group is not entitled to payment until the customer receives and accepts the goods, revenue is recognised at a point when control over the corresponding goods is transferred to the customer.

The Group's contracts for such sales of goods include payment in the normal credit term granted to customers.

**(iii) Transaction price allocated to the remaining performance obligation for contracts with customers**

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied) as at 31 December 2025 and the expected timing of recognising revenue are as follows:

	<b>PRC</b>	<b>Iraq</b>	<b>Other countries</b>
Within one year	<b>1,878,764</b>	<b>2,335,265</b>	<b>577,324</b>
More than one year but not more than two years	<b>1,525,995</b>	<b>2,613,813</b>	<b>365,522</b>
More than two years	<b>78,302</b>	<b>1,035,828</b>	<b>400,832</b>
	<b><u>3,483,061</u></b>	<b><u>5,984,906</u></b>	<b><u>1,343,678</u></b>

**(iv) Leases**

	<b>Year ended 31 December 2025</b>	<b>Year ended 31 December 2024</b>
For operating leases: Lease payments that are fixed	<b><u>115,932</u></b>	<b><u>146,508</u></b>
Total revenue arising from leases	<b><u>115,932</u></b>	<b><u>146,508</u></b>

## 8. EXPENSE BY NATURE

Operating profit is arrived at after charging the following:

	Year ended 31 December	
	2025	2024
Materials and services purchased	2,321,439	1,798,447
Staff costs	1,356,532	1,157,716
In which:		
– Salaries and other staff expenses	1,305,597	1,134,654
– Share-based compensation	50,935	23,062
Depreciation	287,770	315,201
In which:		
– Property, plant and equipment	267,629	292,806
– Right-of-use assets	18,931	21,186
– Investment properties	1,210	1,209
Less: Capitalised in inventories	<u>(21,902)</u>	<u>(23,949)</u>
	<u>265,868</u>	<u>291,252</u>
Amortisation of intangible assets	58,295	52,965
Less: Capitalised in inventories	<u>(3,600)</u>	<u>(3,936)</u>
	<u>54,695</u>	<u>49,029</u>
In which:		
– Cost of sales	45,969	40,071
– Administrative expenses	987	938
– Selling expenses	16	19
– Research and development expenses	7,723	8,001
Auditor's remuneration		
– Audit and related services	8,673	6,250
– Other services	588	600
Other operating expenses	758,633	710,311
In which:		
– Impairment of inventories	<u>7,374</u>	<u>6,402</u>

## 9. FINANCE COSTS, NET

	Year ended 31 December	
	2025	2024
Interest expenses		
– on bank borrowings	(106,654)	(103,292)
– on bonds	(440)	(52,910)
– on other financial liabilities	(7,184)	(23,832)
– on lease liabilities	(2,178)	(2,061)
Exchange (loss)/gain, net	(23,284)	11,086
Others	<u>(30,622)</u>	<u>(36,222)</u>
Finance expenses	<u>(170,362)</u>	<u>(207,231)</u>
Interest income	45,063	50,930
	<u>(125,299)</u>	<u>(156,301)</u>

## 10. INCOME TAX EXPENSE

	Year ended 31 December	
	2025	2024
Current income tax		
– PRC enterprise income tax	25,284	26,220
– Iraq corporate income tax	206,436	183,603
– Others	(13,587)	53,948
Deferred income tax	(14,022)	(15,632)
	<b>204,111</b>	<b>248,139</b>
	<b>204,111</b>	<b>248,139</b>

The Company is incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law of the Cayman Islands and, accordingly, is exempted from payment of Cayman Islands income tax.

PRC enterprise income tax (“EIT”) is provided on the basis of estimated taxable profits of PRC established subsidiaries at applicable tax rate of 25% in 2025 (2024: 25%), based on the relevant PRC tax laws and regulations. Certain subsidiaries have been granted a preferential rate of 15% as high technology enterprises or as enterprises set up in western area of the PRC.

The corporate income tax of Iraq entities is levied at the higher of 7% on the total turnover, or 35% on the net taxable profit.

The United Arab Emirates (“UAE”) corporation tax (“CT”) is provided based on the estimated taxable profits of the subsidiaries established in UAE Dubai at tax rate of 9% in 2025 (2024: 9%). Certain subsidiary has been granted a preferential tax rate of zero as the enterprise act as management function in UAE.

The taxation of the Group’s profit before income tax differs from the theoretical amount that would arise using applicable tax rates of the Group companies as follows:

	Year ended 31 December	
	2025	2024
Profit before income tax	587,291	505,643
Tax calculated at applicable tax rates	204,529	217,827
Expenses not deductible for taxation purposes	2,233	1,964
Additional deduction of research and development expense	(12,491)	(11,513)
Tax losses and deductible temporary difference for which no deferred income tax was recognised	46,084	43,987
Utilisation of unused deductible tax losses previously not recognised as deferred income tax	(14,139)	(4,719)
Effect of share of profit of a joint venture	(46)	(8)
Effect of share of profit of associates	(134)	(961)
(Over)/under provision in respect of prior year	(21,925)	1,562
	<b>204,111</b>	<b>248,139</b>
	<b>204,111</b>	<b>248,139</b>

## 11. EARNINGS PER SHARE

### (a) Basic

Basic earnings per share is calculated by dividing the profit attributable to the owners of the Company by the weighted average number of ordinary shares in issue during the year.

	Year ended 31 December	
	2025	2024
Profit attributable to the owners of the Company	373,090	242,649
Weighted average number of ordinary shares in issue (thousands of shares) ( <i>Note</i> )	<u>2,724,199</u>	<u>2,841,221</u>
Basic earnings per share (expressed in RMB per share)	<u><u>0.1370</u></u>	<u><u>0.0854</u></u>

*Note:*

The effect of treasury shares has been included in the calculation of weighted average number of ordinary shares in issue.

### (b) Diluted

Diluted earnings per share is calculated adjusting the weighted average number of ordinary shares outstanding to assume exercise of all dilutive potential ordinary shares. For the year ended 31 December 2025, the dilutive factors of the Company were the outstanding unvested restricted shares and share options.

For the year ended 31 December 2024, the only dilutive factor of the Company was the outstanding unvested restricted shares, and the computation of diluted earnings per share does not assume the exercise of the Company's share options because the exercise price of those share options was higher than the average market price for shares.

	Year ended 31 December	
	2025	2024
Profit attributable to the owners of the Company	373,090	242,649
Weighted average number of ordinary shares in issue (thousands of shares)	<u>2,724,199</u>	<u>2,841,221</u>
Adjustments for the effect of restricted share award scheme (thousands of shares)	<u>191,340</u>	<u>58,972</u>
Weighted average number of ordinary shares for computation of diluted earnings per share (thousands of shares)	<u><u>2,915,539</u></u>	<u><u>2,900,193</u></u>
Diluted earnings per share (expressed in RMB per share)	<u><u>0.1280</u></u>	<u><u>0.0837</u></u>

## 12. DIVIDENDS

Subsequent to the end of the reporting period, a final dividend in respect of the year ended 31 December 2025 of RMB0.0373 (2024: RMB0.025) per ordinary share, in an aggregate amount of RMB112.0 million (2024: RMB73.0 million), has been proposed by the Directors and is subject to approval by the shareholders in the forthcoming general meeting.

## MANAGEMENT DISCUSSION AND ANALYSIS

### Business Review

In 2025, the global economy demonstrated strong resilience amid the interplay of trade policy adjustments and geopolitical risks. The shift of monetary policies from tightening to easing across major economies provided support to energy demand. Although international oil prices exhibited volatility due to the dynamics of supply and demand, global energy consumption continued to grow steadily. The oil and gas industry achieved cost reduction and efficiency enhancement through technological innovation and improved operational management. At the same time, the dual drivers of energy security and low-carbon transition continued to reshape the global energy landscape, accelerating the optimisation of energy investment structures and creating new growth opportunities for oil and gas and energy service companies worldwide.

The year 2025 marked a foundational year under the Group's "Five-Year Tenfold Growth" strategy. During the year, the Group further deepened its global expansion and continuously scaled up its business operations, resulting in sustained growth in both revenue and profit. The Group's revenue increased by 17.2%, while profit attributable to equity holders increased significantly by 53.8%. The Group maintained strong cash flow performance, with free cash flow reaching RMB1,043.4 million. As at 31 December 2025, the Group's cash on hand amounted to RMB2,610.0 million. The robust cash flow and solid financial position have laid a strong foundation for the Group's future high-speed growth.

### Global Market Expansion

The Group continued to advance its global market presence. While maintaining stable growth in its core markets, the Group actively expanded into emerging markets. During the year, the Group sustained steady development in China and Iraq, while continuously expanding its business in regions including the Middle East, Southeast Asia, Central Asia and Africa, securing new project opportunities. Through continuous project execution and sales breakthroughs, the Group further enhanced its global market coverage and strengthened its market influence.

In 2025, the Group recorded new orders amounting to RMB8,109.6 million. Among these, new orders from overseas markets reached RMB5,250.6 million, accounting for 64.7% of the Group's total new orders, while new orders from the Chinese market amounted to RMB2,859.0 million, representing 35.3%. As at 31 December 2025, the Group's backlog orders amounted to RMB16,755.6 million, providing a solid foundation for the Group's continued business growth in the future.

### Continuous Updates of Business Model

The Group is committed to building a global leading integrated service platform company for value enhancement solutions of energy assets. Building on this foundation, during the year, the Group adopted a customer-centric approach to extend the value chain and systematically consolidate and restructure its existing oilfield technical services, oilfield management services, inspection services and drilling rig services. As a result, the Group upgraded its business matrix into three core modules: Integrated Oilfield Technical Services, Intelligent Management Services, and Energy Asset Operation Business. These three modules are strategically positioned as the Group's "Traditional Advantage Base", "Rapid Growth Engine", and "Emerging Blue Ocean", respectively. They support and complement each other, collectively forming a stepwise, scalable growth framework for the Group.

The Group remains firmly customer-focused, continuously identifying client pain points and providing customized, integrated solutions and full life-cycle services. By promoting differentiated development paths, the Group steadily enhanced its comprehensive service capabilities and customer stickiness, optimized its business structure, and achieved robust and high-quality growth.

### **Transformation and Upgrading of Management Globalization**

In 2025, the Group continued to advance its global transformation and upgraded its global operational framework. During the year, the Group commissioned its Hong Kong office, Dubai Global Operations Center, and Beijing office, bringing operations closer to business frontlines and providing strong support for global expansion. The Group further optimized its human resources management framework, comprehensively upgraded the global talent system, expanded international recruitment channels, and strengthened its global employer brand.

The Group continuously optimised its supply chain management. Through cost reduction and efficiency enhancement, strengthened strategic partnerships, and the upgrading of procurement digitalisation, procurement efficiency and cost control steadily improved throughout the year, providing strong support for the Group's efficient operations. At the same time, the Group extensively applied artificial intelligence and digital management systems across various functions, including human resources, QHSE (Quality, Health, Safety and Environment), finance and marketing management, achieving comprehensive digitalisation of management. The Group also established a central database, promoted data integration and the development of intelligent analytics capabilities, and enhanced its intelligent management service capabilities.

The Group continued to deepen the implementation of “Amoeba” management and cost control measures throughout the year, and consistently carried out full-process cash flow management across its operations, thereby enhancing capital utilisation efficiency. The Group achieved significant results in cash flow management during the year, recording net cash inflow from operating activities of RMB1,369.7 million and free cash flow of RMB1,043.4 million, both reaching record highs.

### **Lift of Shareholder Returns**

The Group places great importance on the interests of all shareholders and formally launched its dividend policy and share repurchase policy in 2024. Under these policies, subject to the Group recording positive profit attributable to equity holders and accumulated undistributed profits for the year, and provided that cash flow is sufficient to meet the Group's daily operational and sustainable development funding needs, the Group will make cash dividend distributions with reference to 30% of profit attributable to equity holders. In addition, where management considers that the Company's share price significantly deviates from its underlying business fundamentals, the Group may conduct share repurchases, as appropriate, using 5% to 10% of the prior year's free cash flow.

In 2025, while ensuring rapid business development, the Group continued to enhance shareholder returns. During the year, in response to significant share price volatility caused by external factors deviating from the Group's business fundamentals, the Group decisively conducted multiple rounds of share repurchases, demonstrating its strong confidence in the Company's long-term value through concrete actions. During the year, the Group repurchased 83,740,000 shares of the Company (the “**Shares**”), with a total consideration exceeding HKD85.5 million, effectively stabilising the share price and safeguarding shareholder interests. Benefiting from the growth in profit and the active implementation of share repurchases, the Group's earnings per share increased significantly by 60.4% year-on-year.

Meanwhile, given the substantial increase in net profit for the year, the strong business growth momentum and sufficient cash reserves, the Board of Directors has recommended the payment of a final dividend for the year ended 31 December 2025, with reference to 30% of profit attributable to equity holders, amounting to approximately RMB112.0 million, representing an increase of 53.4% compared to the total dividend distributed for 2024.

## **Environmental, Social, and Governance (ESG)**

The Group is deeply committed to its sustainable development vision and strives to achieve harmonious coexistence between its operations and the environment. On the environmental front, through technological innovation, lean operational management and optimisation of service models, the Group has taken multiple measures to enhance management and operational efficiency. This has not only minimised carbon emissions from its own operations, but also empowered customers to advance green transformation, achieving collaborative carbon reduction. In fulfilling its social responsibilities, the Group has actively integrated into the development of the regions where it operates, making long-term contributions to community welfare, educational support, and disaster relief and mitigation, thereby giving back to society through concrete actions. Talent and innovation are the core drivers of sustainable development. The Group continues to advance its global talent acquisition and development system, while strengthening technological research and development, striving to drive high-quality business growth and contribute meaningfully to social progress.

In 2025, the Group achieved a number of significant milestones in sustainable development and governance practices: Selected once again for the S&P Global “Sustainability Yearbook (China Edition) 2025”, demonstrating the Group’s continued commitment to and achievements in ESG; For the third consecutive year in the 7th “Outstanding Management Companies in China” (中國卓越管理公司) ranking, jointly issued by Deloitte China, Singapore Bank, Hong Kong University of Science and Technology Business School, and Harvard Business Review (China Edition); Awarded the “ESG Special Recognition – Merit” under the TVB ESG Awards 2025, organised by TVB and co-organised by the Hong Kong Productivity Council; Successfully joined the APEC Energy Working Group, providing an official platform for participation in energy governance, technical exchange and cooperation across the Asia-Pacific region. In addition, the Group’s subsidiaries were recognised as National “Specialized, Refined, Unique, and Innovative Little Giant”. (國家級專精特新小巨人) title, among other honours, demonstrating the Group’s comprehensive influence in industry practices and social responsibility.

## **Performance Results**

For 2025, the Group’s revenue totaled approximately RMB5,571.7 million, representing an increase of approximately RMB817.8 million, or approximately 17.2%, from RMB4,753.9 million in 2024. Operating profit was approximately RMB712.1 million, representing an increase of approximately RMB54.3 million or approximately 8.2% from RMB657.8 million in 2024. Net profit was approximately RMB383.2 million, representing an increase of approximately 48.8% from RMB257.5 million in 2024. Profits attributable to equity holders of the Company was approximately RMB373.1 million, representing an increase of approximately RMB130.5 million, or approximately 53.8%, from RMB242.6 million in 2024. The net profit margin attributable to equity holders of the Company was approximately 6.7%, representing an increase of 1.6 percentage points compared with the same period in 2024.

As at 31 December 2025, the Group's accounts receivable balance was approximately RMB2,812.4 million, and the average accounts receivable turnover was 164 days, representing a decrease of 8 days as compared to 2024. The average inventory turnover was 46 days, representing an increase of 18 days as compared to 2024. The average account payables turnover was 114 days, representing an increase of 7 days as compared to 2024. Net operating cash flow was approximately RMB1,369.7 million, representing an increase of approximately RMB44.6 million from RMB1,325.1 million in 2024. Free cash flow was approximately RMB1,043.4 million, representing an increase of approximately RMB63.7 million from RMB979.7 million in 2024.

## Geographical Market Analysis

In 2025, the Group's revenue from the overseas markets was approximately RMB3,698.2 million, representing an increase of approximately RMB607.1 million, or approximately 19.6%, from RMB3,091.1 million in 2024, accounting for approximately 66.4% of the Group's total revenue. Among the overseas markets, revenue from the Iraq market was approximately RMB3,148.8 million, representing an increase of approximately RMB547.4 million from RMB2,601.4 million in 2024, an increase of approximately 21.0%, accounting for 56.5% of the Group's overall revenue. Revenue from other overseas markets was approximately RMB549.4 million, representing an increase of approximately RMB59.7 million or approximately 12.2% from RMB489.7 million in 2024, accounting for approximately 9.9% of the Group's overall revenue. Revenue from the PRC market was approximately RMB1,873.5 million, representing an increase of approximately RMB210.7 million or approximately 12.7% from RMB1,662.8 million in 2024, accounting for approximately 33.6% of the Group's total revenue.

## Breakdown of Revenue by Market

	Twelve months ended 31 December			% of the Group's total revenue Twelve months ended 31 December	
	2025 (RMB Mn)	2024 (RMB Mn)	Change (%)	2025 (%)	2024 (%)
Overseas	<b>3,698.2</b>	3,091.1	19.6%	<b>66.4%</b>	65.0%
Domestic	<b>1,873.5</b>	1,662.8	12.7%	<b>33.6%</b>	35.0%
<b>Total</b>	<b><u>5,571.7</u></b>	<b><u>4,753.9</u></b>	<b><u>17.2%</u></b>	<b><u>100.0%</u></b>	<b><u>100.0%</u></b>

## Overseas Markets

	Twelve months ended 31 December			% of the Group's total revenue Twelve months ended 31 December	
	2025 (RMB Mn)	2024 (RMB Mn)	Change (%)	2025 (%)	2024 (%)
Iraq	<b>3,148.8</b>	2,601.4	21.0%	<b>56.5%</b>	54.7%
Other overseas	<b>549.4</b>	489.7	12.2%	<b>9.9%</b>	10.3%
<b>Total</b>	<b><u>3,698.2</u></b>	<b><u>3,091.1</u></b>	<b><u>19.6%</u></b>	<b><u>66.4%</u></b>	<b><u>65.0%</u></b>

## Overseas Markets

### *Iraq*

As a developing market in which the Group continues to deepen its presence, the Group is committed to building core competitiveness in providing solutions for enhancing efficiency in oil and gas development and utilisation in Iraq. In 2025, in response to capacity expansion opportunities from major customers, the Group actively explored market potential, deployed long-term large-scale projects, and cultivated drivers for leapfrog growth. At the same time, the Group strengthened external resource construction and capability advancement, established a localised technical resource ecosystem, and ensured high-quality delivery through lean operations. During the year, the Group successfully secured a series of high-value contracts in areas such as oilfield operation and maintenance, production enhancement technologies and inspection services, laying a solid foundation for sustainable and high-quality development.

The Group's first oilfield block operating as operator — the Dhufriyah oilfield development project — successfully convened its third Joint Management Committee meeting during the year. Extensive discussions were held on key topics including the 2026 work plan, and multiple consensuses were reached. Key milestones, including the commencement of drilling of the first well, were clearly defined, significantly strengthening mutual confidence and collaboration, and laying a solid foundation for efficient oilfield development and future commercial production. This project not only serves as an important validation of the Group's international operational capabilities, but also represents a strategic foothold for driving leapfrog growth in the Middle East market. On 22 February 2026, the Group officially commenced drilling of the first well at the Dhufriyah oilfield, marking the entry of the project into a substantive operational phase.

The Group's integrated oilfield management project — the Majnoon oilfield management project — continued to operate safely and steadily during the year. The Group supported the customer in planning production increases and successfully achieving targeted output growth, while continuously assisting in upgrading oilfield infrastructure to promote green, intelligent and sustainable oilfield development. Through years of efficient operations at the Majnoon oilfield, the Group has achieved strong HSE performance, with cumulative lost-time injury-free man-hours reaching approximately 9.9 million hours, establishing a strong oilfield management brand in Iraq and across the Middle East. In light of the adjustments to the development plan for the relevant oil and gas assets by the oilfield customer, it is possible that the project will, during 2026, be handed over to a U.S. company for the subsequent development and management. The Group will actively cooperate with the customer's overall arrangements. As affected by the current situation in the Middle East, the concrete arrangement and timetable followingly of the project remains uncertain. The Group will make further announcement(s) to the market as and when the subsequent overall arrangements are further clarified.

In 2025, the Group achieved a strategic upgrade in Iraq's digitalisation and intelligentisation sector, transitioning from "infrastructure development" to "intelligent operations". The Group successfully secured multiple high-value projects, building a digital ecosystem covering the full spectrum of oilfield scenarios. On the infrastructure side, the Group won contracts such as oilfield operation monitoring system maintenance, strengthening its digital foundation. In terms of production intelligence, through automotive and intelligent building services such as OGM (Oil & Gas Management) and CPF (Central Processing Facility) station, the Group promoted lean management across production processes. In terms of data value realisation, the Group secured projects including drilling data acquisition services, enabling visualised decision-making support based on operational data. The delivery of these digital and intelligent solutions demonstrates that the Group is progressively developing core capabilities to provide end-to-end digital solutions for the oil and gas industry in Iraq.

In 2025, the Group's total new orders in the Iraq market reached approximately RMB4,221.3 million. The revenue recorded was approximately RMB3,148.8 million, up by approximately 21.0% from RMB2,601.4 million in the same period last year.

### ***Other Overseas Markets – Global Emerging Markets***

In other overseas markets, the Group actively expanded its global footprint in emerging markets. Leveraging the radiating effect of its Dubai international platform, the Group significantly enhanced its market responsiveness through a dual-driven model of “online services + on-site visits”.

In the year 2025, the Group achieved remarkable results in emerging markets such as the Middle East, Africa and Southeast Asia. During the year, the Group officially entered the Kuwait market, obtained the requisite qualification approvals and successfully secured its first project there. A number of the Group's projects, including oilfield management and oil completion services projects, have entered the bid evaluation stage. In Saudi Arabia, the Group has obtained the qualification admission process and will participate in the bidding for Saudi Arabia's first third-party invested and operated natural gas distribution infrastructure project, for which on-site survey has been completed. In the North African market, the Group achieved a breakthrough in Algeria by securing an oilfield technical services project and is actively exploring opportunities in oil and gas development projects. In the Southeast Asian market, the Group secured its first gas utilisation project in Malaysia, which has officially entered the construction stage, while subsequent project acquisition is being advanced. The Group also made progress across multiple business dimensions in markets such as Oman, injecting strong momentum into the rapid growth of the Group's global business.

In terms of brand building, the Group actively expanded its presence in global emerging markets by participating in GITEX, a leading digital technology exhibition, and by continuing to strengthen its presence at top-tier platforms such as the Abu Dhabi International Petroleum Exhibition and Conference (ADIPEC 2025) and the Egypt Petroleum Show, comprehensively expanding the international customer network. Leveraging its integrated solutions, distinctive production enhancement technologies, digital and intelligent platforms and global operating system, the Group further expanded its international network. During the year, the Group engaged in in-depth dialogues with senior government officials of multiple emerging market countries, local national oil companies, international oil companies and oilfield service companies, and entered into memoranda of understanding with a number of key strategic partners, laying a solid foundation for accelerating the development of a sustainable global business ecosystem.

In 2025, the Group's business in the emerging global oil and gas development markets continued to grow steadily, with total new orders of approximately RMB1,029.3 million. In 2025, revenue recorded from other overseas markets amounted to approximately RMB549.4 million, representing an increase of approximately 12.2% as compared with RMB489.7 million in 2024.

### **Domestic Market**

In 2025, the Group continued to deepen its strategic transformation in the Chinese market and enhanced its capabilities in improving efficiency of oil and gas resource development. The Group further advanced Amoeba-based refined management and, with a focus on comprehensive solutions, accelerated the implementation of sales projects and the conversion of orders. By continuously strengthening its customer market network, the Group closely focused on oil and gas development opportunities, successfully achieving rapid breakthroughs in the execution of major projects.

During the year, the Group focused on technological breakthroughs and scenario-based project implementation in the Chinese market, achieving multiple record-setting milestones in deep subsurface exploration, offshore redevelopment and onshore production enhancement. In deep subsurface operations, the Group supported the customer's first ultra-deep well exceeding 10,000 metres by applying wide-area electromagnetic technology to realise dynamic fracture visualisation monitoring, obtaining real-time data of the deepest artificial fractures in Asia. In offshore operations, the Group delivered the first integrated project combining "ultra-short radius sidetracking and flexible sand control project" for an oil company customer in Bohai Sea, reducing the construction period by 20% and overcoming challenges in redeveloping mature wells. In onshore operations, the Group completed the first well casing external permanent optical fiber monitoring in the Southwest region. The optical fiber operations team carried out the work efficiently, completing the installation of 1,500 meters of optical fiber in just 27 hours. Meanwhile, T-ALL Inspection successfully executed challenging offshore tasks such as helium-nitrogen leak detection on the FPSO. The successful implementation of a series of "first-of-its-kind" projects demonstrates the Group's increasingly mature comprehensive service capabilities in addressing highly complex reservoirs and emerging operational scenarios.

In the digital and intelligent business segment, the Group, driven by innovation from its Artificial Intelligence Research Institute, independently developed and deployed nine intelligent digital platforms for oil and gas development, covering core scenarios such as intelligent drilling, fracturing and fibre-optic monitoring. The Group also successfully secured benchmark projects including drone inspection and smart site development, embedding integrated intelligent solutions into customers' production sites and significantly enhancing operational efficiency and safety management. At the internal governance level, the Group fully implemented the "AI-enabled management enhancement" initiative, with internal teams leading the development of 12 AI-driven management projects covering areas such as intelligent sourcing in supply chain management, ChatBI data analytics and legal contract assistants. These initiatives served more than 6,000 users during the year, significantly reducing outsourcing and cloud resource costs, and enabling the transformation from "manual-driven" operations to "intelligent automation", thereby injecting strong digital momentum into the Group's high-quality development.

In 2025, the Group secured new orders in the Chinese market of approximately RMB2,859.0 million, with a continuously optimised project mix. Revenue from the Chinese market amounted to approximately RMB1,873.5 million, representing an increase of 12.7% compared to RMB1,662.9 million in 2024.

## **Business Cluster Analysis**

The Group is committed to becoming a global leading integrated service platform company for value enhancement solutions of energy assets. On this basis, during the year, with customer demand as its guide and by further extending the value chain of the industry, the Group carried out a systematic integration and restructuring of its original oilfield technical services, oilfield management services, inspection services and drilling rig services, and upgraded its business matrix into three core segments, namely integrated oilfield technical services, intelligent management services and energy asset operation business. These three business segments respectively serve as the Group's "traditional strengths cornerstone", "rapid growth engine" and "newly cultivated blue ocean". Complementing and reinforcing one another, they advance in synergy and jointly form the Group's strategic growth framework featuring progressive and scalable growth.

Original business division	Current business division	Remark
<b>1. Oilfield technical services</b> <ul style="list-style-type: none"> <li>– Drilling technical services</li> <li>– Well-Completion technical services</li> <li>– Stimulation technical services</li> <li>– Asset leasing services</li> </ul>	<b>1. Integrated Oilfield Technical Services</b> <ul style="list-style-type: none"> <li>– Drilling technical services</li> <li>– Well-Completion technical services</li> <li>– Stimulation technical services</li> </ul>	The original drilling rig services merged into drilling technical services
<b>2. Oilfield management services</b> <ul style="list-style-type: none"> <li>– Integrated oilfield management services</li> <li>– Oilfield operation and maintenance services</li> </ul>	<b>2. Intelligent Management Services</b> <ul style="list-style-type: none"> <li>– Energy project management services</li> <li>– Digital intelligence technical services</li> <li>– Inspection services</li> </ul>	The original oilfield management services  Adjusted from the original stimulation technical services  The original inspection services
<b>3. Inspection services</b> <b>4. Drilling rig services</b>	<b>3. Energy Asset Operation Business</b> <ul style="list-style-type: none"> <li>– Natural gas and new energy infrastructure</li> <li>– Oil and gas resources development</li> </ul>	The original asset leasing services adjusted to this sector  New business sector

The segment data of 2024 have been represented accordingly to enable a like-for-like comparison.

During the Reporting Period, revenue from the Group's integrated oilfield technical services amounted to RMB2,483.3 million, representing an increase of approximately 14.6% as compared with 2024 and accounting for 44.6% of the Group's revenue for 2025; revenue from intelligent management services amounted to RMB2,820.4 million, representing an increase of approximately 20.6% as compared with 2024 and accounting for 50.6% of the Group's revenue for 2025; and revenue from energy asset operation business amounted to RMB268.0 million, representing an increase of approximately 8.2% as compared with 2024 and accounting for 4.8% of the Group's revenue for 2025.

## Revenue Breakdown by Cluster

	Twelve months ended 31 December			% of the Group's total revenue Twelve months ended 31 December	
	2025 (RMB Mn)	2024 (RMB Mn)	Change (%)	2025 (%)	2024 (%)
Integrated Oilfield					
Technical Services	<b>2,483.3</b>	2,167.1	14.6%	<b>44.6%</b>	45.6%
Intelligent Management Services	<b>2,820.4</b>	2,339.0	20.6%	<b>50.6%</b>	49.2%
Energy Asset Operation Business	<b>268.0</b>	247.8	8.2%	<b>4.8%</b>	5.2%
<b>Total</b>	<b><u>5,571.7</u></b>	<b><u>4,753.9</u></b>	<b><u>17.2%</u></b>	<b><u>100.0%</u></b>	<b><u>100.0%</u></b>

### Integrated Oilfield Technical Services

Integrated oilfield technical services is a mature business segment in which the Group possesses traditional strengths. The Group has established integrated technical service capabilities covering the full life cycle of oil and gas development. With reservoir geology technology as its core driving force and through long-term on-site presence, the Group provides customers with services such as drilling, well-completion and production enhancement technologies, and is committed to assisting customers in comprehensively improving resource development efficiency and maximising the value of reservoir assets through customised services and research support. In addition, the Group's AI-enabled technologies, precise real-time monitoring and digital and intelligent efficiency enhancement technologies have been widely promoted and applied in both the PRC and overseas markets, further strengthening the Group's integrated service capabilities in the development of complex oil and gas reservoirs.

In 2025, revenue from the integrated oilfield technical services cluster was approximately RMB2,483.3 million, representing an increase of approximately 14.6% from RMB2,167.1 million for the same period last year.

Business analysis of each product line of the integrated oilfield technical service cluster:

- 1) Drilling technical services: This product line recorded revenue of approximately RMB679.0 million in 2025, representing a decrease of approximately 14.0% compared to RMB595.6 million for the same period last year.
- 2) Well completion technical services: This product line recorded revenue of approximately RMB577.2 million in 2025, representing an increase of approximately 24.2% compared to RMB464.6 million for the same period last year.
- 3) Stimulation technical services: This product line recorded revenue of approximately RMB1,227.1 million in 2025, representing an increase of approximately 10.8% from RMB1,107.1 million for the same period last year.

EBITDA of the integrated oilfield technical services cluster decreased by 2.6% to RMB662.7 million in 2025 from RMB680.5 million in 2024, with an EBITDA margin of 26.7%, a decrease 4.7 percentage points from 31.4% for the same period last year, mainly due to the rise of cost of raw materials.

## **Intelligent Management Services**

Intelligent management services is a rapidly growing business segment of the Group, principally covering three areas, namely energy project management services, digital intelligence technical services, and inspection services. It provides customers with professional energy asset management services featuring full-process support and comprehensive coverage. Leveraging digital and intelligent technologies, international management expertise, as well as operation and maintenance experience and systems, the Group helps customers reduce operating costs, enhance operational efficiency and realise asset value enhancement. At present, through the successful operation of numerous projects in the Middle East, Africa and Asia, the Group has established an international energy project service network.

Among the business segments under intelligent management services, energy project management services develops with the goal of becoming a global leading professional energy asset management service company, it provides customers with diversified services accompanying the entire life cycle of assets, including oilfield operation and maintenance, engineering maintenance, supply chain services, design and consultancy, human resources and integrated management. Its service scope covers multiple scenarios, including upstream and downstream oil and gas development equipment and facilities, power stations, ports and terminals, as well as new energy projects. Leveraging on digital and intelligent technologies, international operation and maintenance experience and systems, together with 17 years of professional service experience and outstanding delivery capabilities, it provides customers with high-quality global services. The Group's oilfield management business has established a strong reputation and brand presence in the Middle East and African markets, and has also identified extensive business opportunities in markets such as Central Asia and Southeast Asia, with global replication currently being advanced.

Digital intelligence technical services is committed to becoming the world's most execution-oriented global provider of on-site intelligent solutions for the energy industry. Rooted in all scenarios of oil and gas field development and deeply engaged in operational sites, it provides customised solutions covering the full range of scenarios together with accompanying on-site implementation services, making full-scenario digital and intelligent oil and gas projects more economical, faster and more efficient. The Group's digital and intelligent technology services cover digital and intelligent transformation solutions across the oil and gas and broader energy sectors, including digital and intelligent services for oil and gas engineering, digital and intelligent services for stations and plants, smart security services, digital and intelligent services for new energy, as well as specialised AI products and services. It has also established a global support system and service bases to realise on-site implementation and long-term operation and maintenance, thereby continuously empowering the digital and intelligent transformation of oilfields. This business segment has already successfully delivered and implemented a number of projects in the Middle East market.

Inspection services has developed into a comprehensive service provider with leading scale and technology in China's natural gas sector, with market coverage spanning major domestic gas fields as well as overseas markets in the Middle East, Central Asia and Southeast Asia. It provides asset integrity management services covering a wide range of upstream, midstream and downstream scenarios of various scales, including oil and gas stations, pipeline networks, refining and chemical facilities, and storage and transportation facilities. At the same time, it is vigorously expanding into the emerging fields of "dual-carbon technical services" and "smart inspection", leveraging AI and big data technologies to help customers achieve energy conservation, efficiency enhancement, safety and environmental protection. As the first asset securitisation project under the Group's multi-entity operation strategy, the Group will steadily advance this project subject to business development and market conditions, with a view to further unlocking the value of the business.

In 2025, the Group's intelligent management services continued to achieve steady growth, with revenue of approximately RMB2,820.4 million, representing an increase of approximately 20.6% as compared to RMB2,339.0 million for the same period last year.

Business analysis of each product line of the intelligent management services cluster:

- 1) Energy project management services: During the reporting period, the energy project management services product line recorded revenue of approximately RMB2,197.8 million up by approximately 18.9% from RMB1,848.0 million in 2024.
- 2) Digital intelligence technical services: During the reporting period, the digital intelligence technical services product line recorded revenue of approximately RMB138.6 million, an increase of approximately 95.1 % from RMB71.1 million in 2024.
- 3) Inspection services: During the reporting period, the inspection services product line recorded revenue of approximately RMB484.0 million up by approximately 15.3 % from RMB419.8 million in 2024.

EBITDA of the intelligent management services cluster increased by approximately 25.3%, from RMB576.7 million in 2024 to approximately RMB722.4 million in 2025, with an EBITDA margin of 25.6%, an increase of 0.9 percentage points from 2024.

*(Note: Due to factors such as intra-group affiliated services, there is certain differences in scope between the disclosure data for inspection services as a group business product line and the inspection business data of T-All Inspection as an independent legal entity that is in preparation for a spin off and separate listing.)*

## Energy Asset Operation Business

Energy asset operation business is an emerging strategic segment that the Group is focusing on cultivating for its long-term development. It aims to deeply unlock and share asset value enhancement returns by building full-chain integrated solutions covering research, design, resource integration, project construction and operation management.

Within this business segment, natural gas and energy infrastructure services provides customers with asset value enhancement solutions for energy infrastructure projects. Such solutions are adaptable to eight core application scenarios of energy assets, including natural gas processing, natural gas transmission, gas-fired power generation, LNG production and utilisation, flexible oil and gas production scenarios, flexible engineering equipment utilisation scenarios, oilfield new energy transition scenarios (such as photovoltaic and energy storage assets), and integrated energy facility utilisation scenarios (such as the construction and use of water treatment plants and other integrated energy facilities). It offers six principal business models, including BOO, BOT, BT, flexible leasing, EPC+ and natural gas resource processing and offtake, and is committed to helping customers' to achieve cost reduction and optimize their assets, efficiency enhancement and value enhancement throughout the entire process. This business segment has been operating in a mature manner in the southwest PRC market for many years and has also achieved a breakthrough in the Sarawak market in Malaysia. It is currently presented with extensive opportunities in the global market.

The oil and gas resource development business focuses on leveraging the Group's synergistic strengths in geological and reservoir research, production enhancement and cost reduction technologies, as well as efficient oilfield management. Acting as a technical service operator, the Group seeks development opportunities in marginal oil and gas blocks around the world, so as to efficiently explore and develop oil and gas resources, assist customers in maximising asset returns and share in the value enhancement returns of such resources at the same time. The Group's Dhufriyah oilfield development project in the Iraq market is the first oilfield block project led and developed by the Group as operator. The drilling of the first well of the project officially commenced on 22 February 2026, and the work relating to the workover and well testing of an existing well had also been commenced, with the project currently progressing smoothly as scheduled.

In 2025, revenue from the energy asset operation business segment amounted to RMB268.0 million, representing an increase of 8.2% from RMB247.8 million for the corresponding period of last year.

Analysis of the business lines under the energy asset operation business segment:

- 1) Natural gas and new energy infrastructure: During the reporting period, this product line recorded revenue of RMB268.0 million, representing an increase of 8.2% from RMB247.8 million in 2024.
- 2) Oil and gas resources development: During the reporting period, this product line recorded no revenue tentatively. The first oilfield block developed by the Group as an operator – the Dhufriyah oilfield had kicked off the drilling of its first well on 22 February 2026 and also started the workover and testing of an old well. The project is progressing smoothly currently according to its development plan.

EBITDA of the energy asset operation business segment decreased from RMB211.3 million in 2024 to RMB199.8 million in 2025, representing a decrease of 5.4%. The EBITDA margin was 74.6%, representing a decrease of 10.7 percentage points from 2024, mainly due to the rise of cost of the materials.

## **Alignment of Strategic Resources**

In 2025, the Group continued to curb new capital expenditure, abided strictly with its “asset-light” business model and maintained “cash flow” focus. Capital expenditure for 2025 was approximately RMB207.7 million, representing an increase of approximately RMB21.4 million from RMB186.3 million in 2024.

## **Alignment of Investment**

In 2025, the Group primarily made supplementary investments in support of equipment deployed on ongoing projects.

## **Alignment of Research and Development (“R&D”)**

In 2025, the Group adhered to independent innovation as its core driver, strengthened its capabilities in reservoir enhancement, precision engineering technologies and digital intelligence, accurately identified customer pain points in key scenarios relating to oil and gas resource development and natural gas utilisation, and actively advanced technological innovation as well as the upgrading of its products and services, thereby building a distinctive technology matrix covering the entire industry chain and consolidating its strategically leading position in industry technology. In 2025, the Group’s research and development expenses amounted to RMB117.0 million, representing an increase of 1.1% from RMB115.7 million for the corresponding period of last year. The principal scientific research achievements included:

- invention patent for a toe-end sliding sleeve and a method for controlling the opening of a sliding sleeve
- invention patent for a suspension packer
- invention patent for a self-balancing packer
- invention patent for a connection device for connecting a photoelectric composite cable and a tractor, and a geological information acquisition device
- invention patent for a probe, device, method and electronic equipment for defect detection
- invention patent for modified cementing slurry and its preparation method and application

## **Alignment of Human Resources**

In 2025, in alignment with the Group’s global operations and business transformation demand, the Group continued to upgrade of its human resources management system and organisational capabilities. Positive progress was achieved in multiple areas, including global office support, system development, talent recruitment, training and development, and organisational effectiveness enhancement, thereby further strengthening the talent foundation for the Group’s global development.

During the year, the Group continuously enhanced its global office support capabilities through the establishment and commencement of operation of the Hong Kong office, the Dubai Global Operations Centre, the new Beijing office and the Kuwait logistics base, thereby strengthening its support capabilities for globalised operations. Meanwhile, the Group continued to optimise its organisational structure and allocation of management functions, and advanced the adjustment of key business platforms and regional integration. It also enhanced the online management of processes, information sharing and resource allocation efficiency through the establishment and promotion of a digital and intelligent human resources platform.

In terms of system development, the Group benchmarked against industry best practices and comprehensively revised and issued twenty-one human resources policies, continuously improving their global applicability and compliance. The Group also progressively established a clearly tiered and regionally coordinated human resources policy framework, providing institutional support for localised management across regions and globally coordinated operations.

In respect of talent attraction and development, the Group continued to enhance its global employer branding system. Through collaboration with LinkedIn, the Group implemented talent solutions, expanded international recruitment channels, unified its employer value proposition and strengthened recruitment enablement mechanisms, thereby continuously improving its global talent attraction capabilities. During the year, the Group successfully launched its first global “Ant Training Camp”, completing localised training programmes for employees in China and Iraq, and adopting a fully English-based intensive training model, effectively promoting cross-regional talent development and cultural integration. Meanwhile, the Group initiated a special project on rank compliance for non-Chinese employees, further improving the grading system and career development pathways for international employees.

In addition, the Group continued to strengthen the development of key talent teams, including the introduction of senior management talent, the advancement of localisation strategies in Iraq, the upgrading of its partnership programme and the enhancement of management mechanisms for senior technical professionals. The Group also implemented a dedicated initiative for the promotion of young talent, promoting over 200 employees aged 30 and below during the year, thereby continuously enhancing organisational vitality and professional capabilities and providing strong talent support for the Group’s long-term stable development.

As at 31 December 2025, the total number of employees of the Group was 6,792, representing an increase of 38 as compared to 31 December 2024, of which 4,533 were overseas employees, accounting for 66.7% of the Group’s total employees.

## **OUTLOOK**

In 2026, evolving geopolitical conflicts are expected to bring greater uncertainty to global economic growth. In response to this complex environment, the Group will closely monitor global developments and actively identify and capture the risks and opportunities arising therefrom. In particular, amid ongoing instability in the Middle East, the potential increase in business opportunities arising from future capacity reconstruction and production enhancement in relevant countries will be a key focus for the Group in the coming year. The Group will continue to pursue its vision of becoming a “global leading integrated service platform company for energy asset value enhancement solutions”, steadily advancing its globalisation strategy, continuously optimising its distributed solutions, and enhancing its value chain layout. Through building a platform-based ecosystem, deepening integrated service innovation, and expanding its global market network, the Group will continue to promote green development and innovation-driven growth, laying a solid foundation for long-term sustainable growth.

In terms of market development, the Group will continue to optimise its global market platform network, with a focus on strengthening breakthroughs in global emerging markets, including North Africa, new markets in the Middle East, Central Asia and Southeast Asia, as well as the development of regional customer pipelines. The Group will continue to cultivate new business growth drivers, achieve scaled breakthroughs in order acquisition, build regions for long-term growth and advance market diversification. In the Iraq market, the current conflict situation in the Middle East has caused certain disruptions to the market. The Group is closely focusing on new opportunities arising from the market's need for rapid resumption and ramp-up of production once the conflict subsides. Leveraging the brand recognition, service capabilities and resource advantages that already established in this market, the Group will continue to explore market opportunities in depth and further expand its market presence. In the domestic market, the Group will continue to promote lean operation and management in order to maintain market vitality and competitive advantages. The Group will closely monitor potential incremental development opportunities arising from countries' increasing emphasis on energy security amid global geopolitical conflicts, while also actively pursuing new project opportunities from oil and gas companies in wind, solar, power and energy storage under the energy transition trend. Overall, the Group will further optimise market lead management, conduct systematic market research around its core industries, define priority market directions and optimise its global market presence. At the same time, it will strengthen the evaluation of major projects and end-to-end management of market-side information, so as to support breakthrough growth and the sustainable development of its business.

In terms of products and services, the Group will continue to uphold a customer-centric approach, deepen customer collaboration mechanisms and build a sustainable industrial ecosystem. For integrated oilfield technical services, being the Group's traditional strengths segment, the Group will focus on building industry strongholds and enhancing on-site solution capabilities, so as to provide customers with customised on-site services throughout the full life cycle, and this segment is expected to maintain steady growth in 2026. Intelligent management services are facing significant growth opportunities globally and are developing rapidly. In particular, the energy project management services segment reflects extensive business opportunities across multiple markets, including the Middle East, Southeast Asia and North Africa. The Group will strengthen its core capabilities in design and consultancy, promote differentiated development, accelerate the implementation and application of key AI-empowered projects, and define the direction of core technology breakthroughs for the segment while continuing innovation. For energy asset operation business, as an emerging segment under strategic cultivation, the Group will in 2026 focus on advancing the smooth progression of its first oil and gas development project, namely the Dhufriyah oilfield project, while concurrently exploring project opportunities in marginal oil and gas blocks worldwide, with a view to creating new growth poles.

In terms of management, the Group will deepen the guidance of early indicators and its multi-entity operating model, continue to refine amoeba-based cost control, and build an agile and efficient operating system. The Group will comprehensively upgrade its talent strategy by stimulating organisational vitality through structural optimisation and incentive mechanisms, with a focus on introducing leading talents and high-calibre talent capable of breaking into new circles, strengthening the development of localised core leadership, and reinforcing its employer brand to support global business expansion. The Group will implement a cash flow-oriented operating philosophy, optimise its global treasury management system and expand diversified financing channels, so as to provide safe and efficient financial support for its steady growth. At the same time, it will accelerate digital and intelligent transformation, deepen the application of the human resources platform to drive precise decision-making, promote the upgrading of the supply chain management system, obtain global competitive resources through the procurement e-commerce platform, and focus on launching key AI-empowered management products to build future-oriented core competitive barriers.

The Group will continue to iterate its partnership-based innovation and entrepreneurship mechanism and is committed to building a highly dynamic and agile organisation, thereby consolidating its position as an innovation leader in the industry through the deepening of its entrepreneurial culture. Meanwhile, the Group will steadfastly implement its green and low-carbon development strategy, deeply integrate the concept of sustainable development into its business operations, and strive to create long-term value for shareholders while promoting sustainable social progress.

## **FINANCIAL REVIEW**

### **Revenue**

The Group's revenue for 2025 was approximately RMB5,571.7 million, representing an increase of approximately RMB817.8 million, or approximately 17.2%, from RMB4,753.9 million for the same period of 2024, mainly attributable to the Group's continued expansion of its global business and the efficient execution of its backlog orders.

### **Costs of Sales**

Cost of sales increased by 18.7% from RMB3,350.9 million for the corresponding period in 2024 to approximately RMB3,978.0 million in 2025, mainly attributable to the corresponding increase in costs as a result of revenue growth.

### **Other Gains, Net**

During the year, the Group's other gains net increased by approximately RMB11.4 million from RMB-4.7 million in 2024 to RMB16.1 million in 2025, mainly due to the increase in government grants and subsidies and gains arising from changes in the fair value of financial assets.

### **Impairment Losses under Expected Credit Loss Model, Net of Reversal**

Impairment losses under expected credit loss model, net of reversal increased approximately 26.3 million from approximately RMB61.3 million in 2024 to RMB87.6 million in 2025, mainly attributable to the increase of revenue scale, which led to the increase of impairment losses scale according to the Expected Credit Loss Model

### **Selling Expenses**

Selling expenses amounted to approximately RMB275.5 million in 2025, representing an increase of RMB35.1 million, or 14.6%, from RMB240.4 million for the corresponding period in 2024, mainly attributable to the increase in related expenses brought about by the continued expansion of the Group's global business.

### **Administrative Expenses**

Administrative expenses amounted to approximately RMB395.9 million in 2025, representing an increase of RMB89.2 million, or 29.1%, from RMB306.7 million for the corresponding period in 2024, mainly attributable to the increase in related expenses arising from measures taken to support the development of the Group's global business, including the placement of management personnel closer to frontline operations.

## **R&D Expenses**

R&D expenses for 2025 were approximately RMB117.0 million, representing an increase of approximately RMB1.3 million, or 1.1% from RMB115.7 million in 2024.

## **Sales Taxes and Surcharges**

Sales taxes and surcharges were approximately RMB17.1 million in 2025, representing an increase of approximately RMB0.5 million, or 3.0%, from RMB16.6 million in 2024.

## **Operating Profit**

The Group's operating profit amounted to approximately RMB712.0 million in 2025, representing an increase of RMB54.2 million, or 8.2%, from RMB657.8 million for the corresponding period in 2024. The operating profit margin for 2025 was 12.8%, representing a decrease of 1.0 percentage points from 13.8% for the corresponding period in 2024.

## **Net Financing Costs**

Net finance costs amounted to approximately RMB125.3 million in 2025, representing a decrease of RMB31.0 million, or 19.8%, from RMB156.3 million for the corresponding period in 2024, mainly due to the reduction in finance costs following the Group's repayment of its U.S. dollar bonds in January 2025.

## **Income Tax Expense**

Income tax expense amounted to approximately RMB204.1 million in 2025, representing a decrease of RMB44.0 million, or 17.7%, from RMB248.1 million for the corresponding period in 2024.

## **Profit for the Period**

The Group's net profit amounted to approximately RMB383.2 million in 2025, representing an increase of RMB125.7 million, or 48.8%, from RMB257.5 million for the corresponding period in 2024, primarily attributable to the growth in the Group's revenue and gross profit, together with the decrease in finance costs.

## **Profit Attributable to Equity Holders of the Company**

Profit attributable to the equity holders of the Company amounted to approximately RMB373.1 million in 2025, representing an increase of RMB130.5 million, or 53.8%, from RMB242.6 million for the corresponding period in 2024, primarily attributable to the growth of the Group's revenue and gross profit along with its global business expanding, and the large decrease in finance costs after the Group fully repaid its U.S. dollar bond in January 2025.

## **Trade and Notes Receivable**

As at 31 December 2025, the net carrying amount of the Group's trade receivables and bills receivable amounted to approximately RMB2,812.4 million, representing an increase of RMB483.7 million from 31 December 2024. The average trade receivables turnover days of the Group in 2025 were 164 days, representing a decrease of 8 days as compared with the corresponding period in 2024.

## **Inventories**

As at 31 December 2025, the Group's inventories amounted to approximately RMB645.3 million, representing a decrease of approximately RMB126.1 million as compared to 31 December 2024.

## **Liquidity and Capital Resources**

As at 31 December 2025, the Group's cash and bank deposits were approximately RMB3,183.9 million (including restricted bank deposits, cash and cash equivalents), representing an increase of RMB622.8 million as compared to 31 December 2024.

As at 31 December 2025, the Group's outstanding short-term borrowings was RMB1,214.7 million. RMB1,229 million of the credit line granted to the Group by the PRC domestic banks has not been used.

As at 31 December 2025, the Group's gearing ratio was 56.0%, representing an increase of 0.9 percentage points from the gearing ratio of 55.1% as at 31 December 2024. The calculation of the gearing ratio is based on total borrowings divided by total capital. Total borrowings include borrowings, bonds, lease liabilities, and trade and notes payable (as shown in the consolidated statement of financial position). Total capital is calculated based on equity (as shown in the consolidated statement of financial position) plus total borrowings.

As at 31 December 2025, the equity attributable to equity holders of the Company amounted to approximately RMB3,681.8 million, representing an increase of approximately RMB183.8 million from RMB3,498.0 million as at 31 December 2024.

## **Significant Investments**

During the twelve months ended 31 December 2025, the Group did not hold any significant investments.

## **Material Acquisition and Disposal of subsidiaries, Associates, and Joint Ventures**

During the twelve months ended 31 December 2025, the Group had no material acquisitions or disposals of subsidiaries, associates, or joint ventures.

## **Currency Risk**

The Group conducts its business mainly in RMB and USD, and some of its imports and exports are settled in foreign currencies. The Group considers that the currency risk associated with the Group's settlement amounts denominated in foreign currencies is immaterial. The Group's currency risk mainly arises from its foreign currency deposits and long-term bonds and trade receivables denominated in foreign currencies. Fluctuations in the exchange rate of RMB against USD may adversely affect the Group's operating results and financial position.

The Group does not currently have a foreign currency hedging policy. However, the management of the Company has been monitoring foreign exchange risks and will consider hedging significant foreign currency exposure should the need arise.

## **Cash Flow from Operating Activities**

For the twelve months ended 31 December 2025, the Group's cash flow from operating activities was a net inflow of approximately RMB1,369.7 million, representing an increase of approximately RMB44.6 million as compared to the same period of 2024.

## **Capital Expenditure and Investment**

For the twelve months ended 31 December 2025, the Group's capital expenditure was approximately RMB207.7 million, representing an increase of approximately RMB21.4 million from the capital expenditure of RMB186.3 million in 2024.

## **Contractual Obligations**

The Group's contractual obligations mainly consist of its capital commitments. As at 31 December 2025, the Group's capital commitments (but not yet provisioned in the consolidated statement of financial position) amounted to approximately RMB116.4 million.

## **Contingent Liabilities**

As at 31 December 2025, the Group had no material contingent liabilities or guarantees.

## **Pledge of Assets**

As at 31 December 2025, the Group's assets pledged for banking facilities were buildings and equipment with a net book value of approximately RMB75.9 million, right-of-use assets with a net book value of approximately RMB5.2 million, trade receivables with a net book value of approximately RMB536.7 million and the restricted bank deposits of RMB20.0 million.

## **Off-Book Arrangements**

As at 31 December 2025, the Group had no off-book arrangements.

## **FINAL DIVIDEND**

The Board of Directors of the Company recommends the declaration of a final dividend of RMB0.0373 per share for the year ended 31 December 2025 (31 December 2024: RMB0.025 per share), subject to the approval of the shareholders at the annual general meeting of the Company (the “**AGM**”). The dividend is expected to be paid on or about 11 June 2026 to members named on the Register of Members of the Company as of 4 June 2026.

## **ANNUAL GENERAL MEETING**

The AGM will be held on 27 May 2026 (Wednesday) and the notice of the AGM will be published and dispatched to the shareholders of the Company in due course in the form prescribed under the Rules Governing the Listing of Securities (the “**Listing Rules**”) on the Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

## **CLOSURE OF REGISTER OF MEMBERS**

The register of members of the Company will be closed from 21 May 2026 (Thursday) to 27 May 2026 (Wednesday), both days inclusive, during which period no transfer of shares will be registered. The record date for determining the eligibility of shareholders to attend and vote at the AGM will be 27 May 2026. In order to qualify for attending and voting at the 2026 AGM, all transfers accompanied by the relevant documentation and share certificates must be lodged with the Company’s Branch Share Registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Unit 1712-1716, 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong, no later than 4:30 p.m. on 20 May 2026 (Wednesday).

For determining the entitlement to the proposed final dividend, the register of members of the Company will be closed from 2 June 2026 (Tuesday) to 4 June 2026 (Thursday), both days inclusive, during which period no transfer of shares of the Company will be registered. The record date for entitlement to the proposed final dividend is 4 June 2026. In order to qualify for the proposed final dividend, all transfer documents accompanied by the relevant share certificates must be lodged with the Company’s share registrar in Hong Kong, Computershare Hong Kong Investor Services Limited, at Unit 1712-1716, 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong not later than 4:30 p.m. on 1 June 2026 (Monday).

## **CORPORATE GOVERNANCE**

The Company has complied with all the code provisions set out in the Corporate Governance Code (the “**CG Code**”) contained in Appendix C1 to the Listing Rules during the Reporting Period.

## DIRECTOR'S SECURITIES TRANSACTIONS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 to the Listing Rules as the code of practice for securities transactions by the Company’s Directors. Having made specific inquiries with all Directors, the Company confirms that all Directors have fully complied with the applicable requirements stipulated in the said Model Code throughout the Reporting Period.

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

For twelve months ended 31 December 2025, the Company bought back a total of 83,740,000 Shares on the Stock Exchange at an aggregate consideration of HK\$85,453,163.6 before deducting expenses. The shares, repurchased shall be cancelled, of which 24,210,000 Shares were cancelled on 30 May 2025 and 49,176,000 Shares were cancelled on 27 November 2025. The repurchases were effected for the enhancement of the net asset value per share of the Company. As at 31 December 2025, the total number of issued Shares was 2,888,261,855.

Details of Share purchases are as follows:

Month	Number of Shares bought back	Buy-back price per Share (HKD)		Total consideration (before expenses) (HKD)
		Highest	Lowest	
April 2025	17,042,000	1.00	0.85	15,980,982.60
August 2025	2,100,000	1.37	1.35	2,865,240.00
October 2025	31,592,000	1.20	1.05	35,917,556.60
November 2025	15,484,000	1.07	0.98	15,995,977.40
December 2025	17,522,000	0.91	0.77	14,693,407.00
<b>Total</b>	<b><u>83,740,000</u></b>			<b><u>85,453,163.60</u></b>

During the twelve months ended 31 December 2025, the Company, through the Restricted Stock Incentive Scheme trustee, purchased an aggregate of 101,140,000 Shares on the secondary market for the purpose of the Restricted Stock Incentive Scheme, representing 3.5% of the total number of issued Shares as at the date of this announcement.

The Company’s USD150,000,000 8.75% senior notes due 2025 were fully repaid on 24 January 2025. For details, please refer to the announcement of the Company dated 24 January 2025.

Save as disclosed above, neither the Company nor any of its subsidiaries purchased, redeemed or sold any of the Company’s listed securities (including sale of treasury shares (as defined under the Listing Rules)) during the Reporting Period.

## **SUFFICIENCY OF PUBLIC FLOAT**

Based on information that is publicly available to the Company and within the knowledge of the Board, the Directors have confirmed that the Company has maintained the prescribed minimum public float under the Listing Rules for the year ended 31 December 2025.

## **SUBSEQUENT EVENT**

No material events have occurred after 31 December 2025 and up to the date of this announcement.

## **FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS**

The Group currently does not have any future plans for material investments or capital assets.

## **RISK WARNING**

In the event that the geopolitical conflicts in the Middle East continue to develop, potential risks may arise in respect of the Group's business operations in the Middle East market.

## **AUDIT COMMITTEE**

The Company has established an audit committee (the “**Audit Committee**”) in accordance with the requirements of the Listing Rules and the CG Code. The Audit Committee comprises all three existing independent non-executive Directors, namely Mr. ZHU Xiaoping (Chairman of the Audit Committee), Mr. ZHANG Yongyi, and Mr. WEE Yiau Hin. The Audit Committee has reviewed the audited annual financial statements of the Group for the year ended 31 December 2025.

## **SCOPE OF WORK OF MESSRS. DELOITTE TOUCHE TOHMATSU**

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, consolidated statement of cash flows and the related notes thereto for the year ended 31 December 2025 as set out in the announcement of the Company dated 29 March 2026 in relation to the annual results of the Group for the year ended 31 December 2025 (the “**2025 Results Announcement**”) have been agreed by the Company's auditor, Messrs. Deloitte Touche Tohmatsu, to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by Messrs. Deloitte Touche Tohmatsu in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Messrs. Deloitte Touche Tohmatsu on the 2025 Results Announcement.

## **PUBLICATION OF ANNUAL REPORT**

This audited annual results announcement is published on the websites of the Stock Exchange of Hong Kong Limited (<http://www.hkex.com.hk>) and the Company (<http://www.antonoil.com>). The annual report of the Company for the year ended 31 December 2025, which contains all the data required by the Listing Rules, will be distributed in due course to the shareholders of the Company (if requested) and posted on the above-mentioned websites for review.

By order of the Board  
**Anton Oilfield Services Group**  
**LUO Lin**  
*Chairman*

Hong Kong, 29 March 2026

*As at the date of this announcement, the Group's Executive Directors are Mr. LUO Lin, Mr. PI Zhifeng, and Mr. FAN Yonghong; Non-Executive Director is Mr. HUANG Song; and Independent Non-executive Directors are Mr. ZHANG Yongyi, Mr. ZHU Xiaoping, Mr. WEE Yiau Hin and Ms. CHEN Xin.*