CLEAN ENERGY TECHNOLOGIES, INC.

FORM 10-Q
(Quarterly Report)

Filed 05/20/25 for the Period Ending 03/31/25

Address	1340 REYNOLDS AVE
	#120, IRVINE
	IRVINE, CA, 92614
Telephone	(949) 273-4990
CIK	0001329606
Symbol	CETY
SIC Code	4924 - Natural Gas Distribution
Industry	Natural Gas Utilities
Sector	Utilities
Fiscal Year	12/31

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended **March 31, 2025**

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _________ to _________

Commission File Number: 001-41654

CLEAN ENERGY TECHNOLOGIES, INC.
(Exact name of registrant as specified in its charter)

Nevada (State or other jurisdiction of incorporation or organization)	**20-2675800** (I.R.S. Employer Identification No.)

1340 Reynolds Avenue Unit 120, Irvine, California 92614
(Address of principal executive offices)

(949) 273-4990
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value $0.001	CETY	Nasdaq

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Sections 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. ☒ Yes ☐ No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). ☒ Yes ☐ No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☐	Accelerated filer ☐
Non-accelerated filer ☒	Smaller reporting company ☒
	Emerging Growth Company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). ☐ Yes ☒ No

As of May 20, 2025, there were 58,655,138 shares of the Registrant's common stock, par value $0.001 per share, issued and outstanding.

CLEAN ENERGY TECHNOLOGIES, INC.
(A Nevada Corporation)

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(Expressed in US dollars)
March 31, 2025 (unaudited)

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Clean Energy Technologies, Inc.
Consolidated Balance Sheets
(Unaudited)

	March 31, 2025	December 31, 2024
Assets		
Current Assets:		
Cash	$ 42,311	$ 62,101
Accounts receivable - net	479,968	131,067
Accounts receivable – Related Party	2,123,236	1,947,131
Advance to Supplier	219,035	195,575
Deferred Offering Costs	22,750	22,750
Due from related party	112,000	112,000
Loan Receivables	233,402	230,464
Inventories, net	504,242	497,003
Total Current Assets	3,736,944	3,198,091
Long-Term Assets:		
Property and Equipment - Net	2,555	2,913
Goodwill	747,976	747,976
LWL Intangibles	1,468,709	1,468,709
Investment Heze Hongyuan Natural Gas co.	746,031	741,700
Investment to Shuya	570,481	485,889
Investment to Guangyuan Shuxin New Energy Co.	230,402	229,064
Long-term financing receivables - net	1,423,054	1,423,054
Advance to Supplier - Prepayment	548,000	548,000
License	354,322	354,322
Patents	79,941	82,910
Right -of - use asset	125,188	166,727
Other assets	55,921	56,125
Total Long-Term Assets	6,352,580	6,307,389
Total Assets	$ 10,089,524	$ 9,505,480
Liabilities and Stockholders' Equity		
Current Liabilities:		
Accounts payable	$ 1,557,057	$ 1,509,782
Accounts payable – Related Party	(33)	(33)
Accrued expenses	375,640	465,232
Customer deposits	128,134	30,061
Warranty liability	100,000	100,000
Deferred revenue	33,000	33,000
Facility lease liability - current	92,671	130,483
Line of credit	621,870	662,804
Convertible Notes Payable (net of discount of $484,448 and 117,917 respectively)	3,727,009	3,094,577
Notes payable	399,749	403,943
Related party notes payable	22,450	8,250
Total Current Liabilities	7,057,547	6,438,099
Long-Term Liability:		
Facility lease liability - non-current	32,779	38,125
Accrued dividend	48,039	90,754
Total Long-Term Liability	80,818	128,879
Total Liabilities	7,138,365	6,566,978
Stockholders' Equity		
Common stock, $.001 par value; 2,000,000,000 shares authorized; 47,478,434 and 45,331,537 issued and outstanding as of March 31, 2025 and December 31, 2024, respectively	47,479	45,332
15% Series E Convertible preferred stock, $.001 par value; 3,500,000 shares authorized; 0 shares issued and outstanding as of March 31, 2025 and 756,139 outstanding as of and December 31, 2024	-	756
Additional paid-in capital	30,880,580	30,593,041
Accumulated other comprehensible income	(245,155)	(257,396)
Accumulated deficit	(27,731,745)	(27,443,231)
Total Stockholders' Equity attributable to Clean Energy Technologies, Inc.	2,951,159	2,938,502
Total Stockholders' Equity	2,951,159	2,938,502

Total Liabilities and Stockholders' Equity	$ 10,089,524	$ 9,505,480

The accompanying footnotes are an integral part of these unaudited consolidated financial statements

Clean Energy Technologies, Inc.
Consolidated Statements of Operations
for the three months ended March 31, (Unaudited)

	2025	2024
Sales	$ 615,835	$ 1,315,037
Sales – related party	176,105	197,989
Total sales	791,940	1,513,026
Cost of goods sold	63,387	1,260,021
Gross profit	728,553	253,005
Operating expenses:		
General and administrative expense	222,557	218,658
Salaries	433,799	511,111
Travel	32,377	29,652
Professional fees legal & accounting	66,213	199,053
Facility lease and maintenance	66,741	71,275
Consulting engineering	-	41,208
Depreciation and amortization	2,969	2,969
Total operating expenses	824,656	1,073,926
Operating loss	(96,103)	(820,921)
Other income (expense)	23,104	-
Change in derivative liability	-	-
Investment income from Shuya	81,638	-
Loss from deconsolidation of Shuya	-	(303,286)
Interest and financing fees	(339,821)	(295,193)
Total loss	(331,182)	(1,419,400)
Income tax expense	(49)	-
Net (loss) before noncontrolling interest from continuing operations	(331,231)	(1,419,400)
Net loss before noncontrolling interest from discontinued operations		-
Accumulative other comprehensive income (loss)		
Foreign currency translation (loss)	12,241	(44,050)
Total other comprehensive (loss)	$ (318,990)	(1,463,450)
Basic and diluted weighted average number of common shares outstanding	46,613,390	40,143,893
Net (loss) per common share basic and diluted	$ (0.01)	(0.04)

The accompanying footnotes are an integral part of these unaudited consolidated financial statements

Clean Energy Technologies, Inc.

Consolidated Statements of Stockholders' Equity

for the three months ended March 31, 2025 and 2024 (Unaudited)

	Common Stock .001 Par		Preferred Stock		Common Stock to be issued	Additional Paid in	Accumulated Comprehensive	Accumulated	Non Controlling	Stock holders' Equity
Description	**Shares**	**Amount**	**Shares**	**Amount**	**Amount**	**Capital**	**Loss**	**Deficit**	**interest**	**Totals**
December 31, 2023	39,152,455	39,152	2,199,387	2,199	-	28,251,621	(196,827)	(22,984,163)	757,216	5,869,198
Shares issued for stock compensation	15,000	15	-	-	-	9,435	-	-	-	9,450
Shares issued for debt inducement	50,000	50	-	-	-	45,447	-	-	-	45,497
Shares issued for subscription	2,000,001	2,000	-	-	-	898,000	-	-	-	900,000
Shares issued for series E preferred conversion	1,333,492	1,333	(565,178)	(565)	-	(768)	-	-	-	-
Currency translation adjustments	-	-	-	-	-	-	(44,050)	-	-	(44,050
Non controlling interest ownership	-	-	-	-	-	-	-	-	(757,216)	(757,216
Accrued Series E preferred dividend	-	-	-	-	-	-	-	(70,024)	-	(70,024
Subscription receivable	-	-	-	-	-	(118,470)	-	-	-	(118,470
Net Loss	-	-	-	-	-	-	-	(1,419,400)	-	(1,419,400
March 31, 2024	42,550,948	42,551	1,634,209	1,634	-	29,085,265	(240,877)	(24,473,587)	-	4,414,986

	Common Stock .001 Par		Preferred Stock		Common Stock to be issued	Additional Paid in	Accumulated Comprehensive	Accumulated	Non Controlling	Stockholders' Equity
Description	**Shares**	**Amount**	**Shares**	**Amount**	**Amount**	**Capital**	**Loss**	**Deficit**	**interest**	**Totals**
December 31, 2024	45,331,537	45,332	756,139	756	-	30,593,041	(257,396)	(27,443,231)		2,938,502
Shares issued for stock compensation	25,000	25	-	-	-	11,975	-	-	-	12,000
Shares issued for debt inducement	56,100	56	-	-	-	27,994	-	-	-	28,050
Shares issued for series E preferred conversion	2,065,797	2,066	(756,139)	(756)	-	(1,310)	-	-	-	-
Value of the warrants issued for Mast Hill						248,880				248,880
Accumulated comprehensive income	-	-	-	-	-	-	12,241	-	-	12,241
Non controlling interest ownership	-	-	-	-	-	-	-	-		
Accrued Series E preferred dividend	-	-	-	-	-	-	-	42,715	-	42,715
Net Loss	-	-	-	-	-	-	-	(331,231)	-	(331,231)
March 31, 2025	47,478,434	47,479	-	-	-	30,880,580	(245,155)	(27,731,747)	-	2,951,159

The accompanying footnotes are an integral part of these unaudited consolidated financial statements

Clean Energy Technologies, Inc.
Consolidated Statements of Cash Flows
for the three months ended March 31, 2025 and 2024 (Unaudited)

	2025	2024
Cash Flows from Operating Activities:		
Net Loss	$ (331,231)	$ (1,419,400)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	3,344	3,222
Loss from deconsolidation of Shuya	-	303,286
Stock compensation expense	12,000	9,450
Stock issued for stock inducement	-	45,497
Amortization of debt discount	108,133	23,352
Attributable income per equity method - Shuya	(81,638)	(38,378)
Reversal of inventory impairment reserve	(357,639)	-
(Increase)/ decrease in Right – of - use asset	41,799	(49,324)
(Decrease) /Increase in Lease liabilities	(43,387)	51,585
Increase in accounts receivable	(382,226)	(24,142)
Increase in accounts receivable – related party	(176,105)	(168,691)
(Increase)/ decrease in prepaid expenses	(12,322)	212,296
Decrease in other assets	965	32,933
(Increase)/ decrease in inventory	377,555	(109,028)
Increase in accounts payable	47,272	346,348
Increase in accrued interest	11,300	64,638
Decrease in accrued expenses	(119,048)	(85,262)
Increase/ (Decrease) in customer deposits	125,181	(70,018)
Net cash used in operating activities	(776,047)	(871,636)
Cash flows from investing activities		
Investment in Heze Hongyuan		-
(Increase)/ decrease in Loan receivables	(2,932)	83,460
Net cash (used in) provided by continuing operations	(2,932)	83,460
Net cash flows (used in) provided by investing activities	(2,932)	83,460
Cash flows from financing activities		
Proceeds from notes payable and lines of credit	2,032,050	556,250
Payments on notes payable and line of credit	(1,273,048)	(349,908)
Stock issued for cash		781,529
Net cash provided by continuing operations	759,002	987,871
Net cash provided by discontinued operations		-
Net cash flows provided by financing activities	759,002	987,871
Effect of currency exchange rate changes on cash	187	161
Net (decrease) increase in cash and cash equivalents	(19,790)	199,856
Cash and cash equivalents at beginning of period	62,101	89,625
Cash and cash equivalents at end of period	$ 42,311	$ 289,481
Supplemental cashflow information:		
Interest paid	$ 116,812	$ -
Taxes paid	$ -	$ -
Supplemental non-cash disclosure		
Discount on new notes	$ 474,663	$ -
Shares issued for preferred conversions	$	$ 1,333
Dividend accrued	$ 42,715	$ 70,023

The accompanying footnotes are an integral part of these unaudited consolidated financial statements

NOTE 1 – GENERAL

These unaudited interim consolidated financial statements as of and for the three months ended March 31, 2025, reflect all adjustments which, in the opinion of management, are necessary to fairly state the Company's financial position and the results of its operations for the periods presented, in accordance with the accounting principles generally accepted in the United States of America. All adjustments are of a normal recurring nature.

These unaudited interim consolidated financial statements should be read in conjunction with the Company's financial statements and notes thereto included in the Company's fiscal year end December 31, 2024 report. The Company assumes that the users of the interim financial information herein have read, or have access to, the audited financial statements for the preceding period, and that the adequacy of additional disclosure needed for a fair presentation may be determined in that context. The results of operations for the three months ended March 31, 2025 are not necessarily indicative of results for the entire year ending December 31, 2025.

The summary of significant accounting policies of Clean Energy Technologies, Inc. is presented to assist in the understanding of the Company's financial statements. The financial statements and notes are representations of the Company's management, who is responsible for their integrity and objectivity.

Corporate History

We were incorporated in California in July 1995 under the name Probe Manufacturing Industries, Inc. We redomiciled to Nevada in April 2005 under the name Probe Manufacturing, Inc. We manufactured electronics and provided services to original equipment manufacturers (OEMs) of industrial, automotive, semiconductor, medical, communication, military, and high technology products. On September 11, 2015 Clean Energy HRS, or "CE HRS", our wholly owned subsidiary acquired the assets of Heat Recovery Solutions from General Electric International. In November 2015, we changed our name to Clean Energy Technologies, Inc.

Our principal executive offices are located at 1340 Reynolds Avenue, Irvine, CA 92614. Our common stock is listed on the Nasdaq Capital Market under the symbol "CETY."

Our internet website address is www.cetyinc.com. The information contained on our website is not incorporated by reference into this document, and you should not consider any information contained on, or that can be accessed through, our website as part of this document.

The Company has four reportable segments: Clean Energy HRS (HRS) & CETY Europe, CETY Renewables waste to energy, and engineering, consulting & management services, and CETY HK NG trading.

Going Concern

The financial statements have been prepared on a going concern basis, which contemplates continuity of operations, realization of assets and liquidation of liabilities in the normal course of business. The Company had a total stockholder's equity of $2,951,159 and a working capital deficit of 3,320,603 as of March 31, 2025. The company also had an accumulated deficit of $27,731,745 as of March 31, 2025. In addition, the Company has had continued negative cash flows used in operating activities. Therefore, there is substantial doubt about the ability of the Company to continue as a going concern. There can be no assurance that the Company will achieve its goals and reach profitable operations and is still dependent upon its ability (1) to obtain sufficient debt and/or equity capital and/or (2) to generate positive cash flow from operations.

Plan of Operation

CETY is a clean energy technology company providing eco-friendly energy solutions, clean energy fuels, and alternative electric power for small to mid-sized projects across North America, Europe, and Asia. The company harnesses the power of heat and biomass to produce electricity with zero emissions and minimal cost. Additionally, the company offers Waste to Energy Solutions, converting waste materials from manufacturing, agriculture, and wastewater treatment plants into electricity and BioChar. Clean Energy Technologies also provides Engineering, Consulting, and Project Management Solutions, leveraging its expertise to develop clean energy projects for both municipal and industrial customers, as well as Engineering, Procurement, and Construction (EPC) companies.

Our principal businesses

Heat Recovery Solutions – Clean Energy Technologies patented Clean Cycle Generator (CCG) is a heat recovery system that captures waste heat from various sources and converts it into electricity. This system can be integrated into various industrial processes, helping to reduce energy costs and carbon emissions.

Waste to Energy Solutions - Clean Energy Technologies' waste to energy solutions involve converting organic waste materials, such as agricultural waste and food waste, into clean energy through its proprietary pyrolysis technology that produce a range of products, including electricity, heat, and biochar.

Engineering, Consulting and Project Management Solutions – Clean Energy Technologies provides power generation, waste to energy, and heat recovery Engineering, Procurement and Construction (EPC) services to municipal and industrial customers and to design and incorporate clean energy solutions in their projects.

Clean Energy Technologies (H.K.) Limited ("CETY HK") Clean Energy Technologies (H.K.) Limited ("CETY HK") consists of two business ventures in mainland China: (i) our natural gas ("NG") trading operations sourcing and suppling NG to industries and municipalities, operated through our PRC Subsidiaries and Shuya. The NG is principally used for heavy truck refueling stations and urban or industrial users. We purchase large quantities of NG from large wholesale NG depots at fixed prices which are prepaid for in advance at a discount to market. We sell the NG to our customers at prevailing daily spot prices for the duration of the contracts; and (ii) our planned joint venture with a large state-owned gas enterprise in China called Shenzhen Gas (Hong Kong) International Co. Ltd. ("Shenzhen Gas"), acquiring natural gas pipeline operator facilities, primarily located in the southwestern part of China. Our planned joint venture with Shenzhen Gas plans to acquire, with financing from Shenzhen Gas, natural gas pipeline operator facilities with the goal of aggregating and selling the facilities to Shenzhen Gas in the future. According to our Framework Agreement with Shenzhen Gas, we will be required to contribute $8 million to the joint venture which plans to raise in future rounds of financing. The terms of the joint venture are subject to the execution of definitive agreements. CETY HK has not commenced business with Shenzhen Gas due to macro-economic factors such as falling NG prices and reduced industrial demand. CETY HK will wait until macro economic factors have improved before commencement of the Shenzhen Gas joint venture.

NOTE 2 – BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The summary of significant accounting policies of Clean Energy Technologies, Inc. (formerly Probe Manufacturing, Inc.) is presented to assist in the understanding of the Company's financial statements. The financial statements and notes are representations of the Company's management, who is responsible for their integrity and objectivity.

The consolidated financial statements and related notes have been prepared in accordance with accounting principles generally accepted in the United States of America ("US GAAP") and include the accounts of the Company and its wholly-owned subsidiaries. All material intercompany balances and transactions have been eliminated in consolidation.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Such estimates may be materially different from actual financial results. Significant estimates include the recoverability of long-lived assets, the collection of accounts receivable and valuation of inventory and reserves.

Cash and Cash Equivalents

We maintain the majority of our cash accounts at JP Morgan Chase bank. The total cash balance is insured by the Federal Deposit Insurance Corporation ("FDIC") up to $250,000, (which we may exceed from time to time) per commercial bank. For the purpose of the statement of cash flows we consider all cash and highly liquid investments with initial maturities of one year or less to be cash equivalents.

Accounts Receivable

Our ability to collect receivables is affected by economic fluctuations in the geographic areas and industries served by us. Reserves for un-collectable amounts are provided, based on past experience and a specific analysis of the accounts. Although we expect to collect amounts due, actual collections may differ from the estimated amounts. As of March 31, 2025, and December 31, 2024, we had a reserve for potentially un-collectable accounts receivable of $95,322. Our policy for reserves for our long-term financing receivables is determined on a contract-by-contract basis and considers the length of the financing arrangement. As of March 31, 2025, and December 31, 2024, we had a reserve for potentially un-collectable long-term financing receivables of $247,500.

Eight customers accounted for approximately 98% of accounts receivable on March 31, 2025. Our trade accounts primarily represent unsecured receivables. Historically, our bad debt write-offs related to these trade accounts have been insignificant.

Inventory

Inventories are valued at the lower of weighted average cost or market value. Our industry experiences changes in technology, changes in market value and availability of raw materials, as well as changing customer demand. We make provisions for estimated excess and obsolete inventories based on regular audits and cycle counts of our on-hand inventory levels and forecasted customer demands and at times additional provisions are made. Any inventory write offs are charged to the reserve account. As of March 31, 2025 we had a reserve of $576,704 as compared to a reserve of $934,344 as of December 31, 2024.

Property and Equipment

Property and equipment are recorded at cost. Assets held under capital leases are recorded at lease inception at the lower of the present value of the minimum lease payments or the fair market value of the related assets. The cost of ordinary maintenance and repairs is charged to operations. Depreciation and amortization are computed on the straight-line method over the following estimated useful lives of the related assets:
Furniture and fixtures 3 to 5 years

Equipment 5 to 10 years

Long – Lived Assets

Long-lived assets, which include property, plant and equipment and intangible assets with finite lives, and operating lease right-of-use assets, are reviewed for impairment whenever events or changes in circumstances indicate the carrying amount of an asset may not be recoverable.

Recoverability of long-lived assets to be held and used is measured by comparing the carrying amount of an asset to the estimated undiscounted future cash flows expected to be generated by the asset. If the carrying amount of an asset exceeds its estimated undiscounted future cash flows, an impairment charge is recognized by the amount by which the carrying amount of the asset exceeds the fair value of the assets. Fair value is generally determined using the asset's expected future discounted cash flows or market value, if readily determinable.

The Company reviews long-lived assets for impairment whenever events or changes in circumstances indicate that the asset's carrying amount may not be recoverable. The Company conducts its long-lived asset impairment analyses in accordance with ASC 360-10-15, "Impairment or Disposal of Long-Lived Assets." ASC 360-10-15 requires the Company to group assets and liabilities at the lowest level for which identifiable cash flows are largely independent of the cash flows of other assets and liabilities and evaluate the asset group against the sum of the undiscounted future cash flows. If the undiscounted cash flows do not indicate the carrying amount of the asset is recoverable, an impairment charge is measured as the amount by which the carrying amount of the asset group asset group exceeds its fair value based on discounted cash flow analysis or appraisals. There was no impairment of long-lived assets for the periods ended March 31, 2025 and 2024.

Revenue Recognition

The Company recognizes revenue under ASU No. 2014-09, *"Revenue from Contracts with Customers (Topic 606),"* ("ASC 606").

Performance Obligations Satisfied Over Time

FASB ASC 606-10-25-27 through 25-29, 25-36 through 25-37, 55-5 through 55-10

An entity transfers control of a good or service over time and satisfies a performance obligation and recognizes revenue over time if one of the following criteria is met:

a. The customer receives and consumes the benefits provided by the entity's performance as the entity performs (as described in FASB ASC 606-10-55-5 through 55-6).
b. The entity's performance creates or enhances an asset (for example, work in process) that the customer controls as the asset is created or enhanced (as described in FASB ASC 606-10-55-7).
c. The entity's performance does not create an asset with an alternative use to the entity (see FASB ASC 606-10-25-28), and the entity has an enforceable right to payment for performance completed to date (as described in FASB ASC 606-10-25-29).

Performance Obligations Satisfied at a Point in Time

FASB ASC 606-10-25-30

If a performance obligation is not satisfied over time, the performance obligation is satisfied at a point in time. To determine the point in time at which a customer obtains control of a promised asset and the entity satisfies a performance obligation, the entity should consider the guidance on control in FASB ASC 606-10-25-23 through 25-26. In addition, it should consider indicators of the transfer of control, which include, but are not limited to, the following:

a. The entity has a present right to payment for the asset
b. The customer has legal title to the asset
c. The entity has transferred physical possession of the asset
d. The customer has the significant risks and rewards of ownership of the asset
e. The customer has accepted the asset

The core principle of the revenue standard is that a company should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods or services. The Company only applies the five-step model to contracts when it is probable that the Company will collect the consideration it is entitled to in exchange for the goods and services transferred to the customer. In addition, a) the company also does not have an alternative use for the asset if the customer were to cancel the contract, and b) has a fully enforceable right to receive payment for work performed (i.e., customers are required to pay as various milestones and/or timeframes are met)

The following five steps are applied to achieve that core principle for our HRS and Cety Europe Divisions:

- Identify the contract with the customer
- Identify the performance obligations in the contract
- Determine the transaction price
- Allocate the transaction price to the performance obligations in the contract
- Recognize revenue when the company satisfies a performance obligation

The following steps are applied to our legacy engineering and manufacturing division:

- We generate a quotation
- We receive Purchase orders from our customers.
- We build the product to their specification
- We invoice at the time of shipment
- The terms are typically Net 30 days

The following step is applied to our CETY HK business unit:

- CETY HK is primarily responsible for fulfilling the contract / promise to provide the specified good or service.

A principal obtains control over any one of the following (ASC 606-10-55-37A):

a. A good or another asset from the other party which the entity then transfers to the customer. Note that momentary control before transfer to the customer may not qualify.
b. A right to a service to be performed by the other party, which gives the entity the ability to direct that party to provide the service to the customer on the entity’s behalf.
c. A good or service from the other party that it then combines with other goods or services in providing the specified good or service to the customer.

If the entity obtains control over one of the above before the good or service is transferred to a customer, the entity could be considered a principal.

Additionally, the above five steps are applied to achieve core principle for our CETY Renewables Division:

Because the CETY Renewables division is presently engaged in the Engineering, Procurement, and Construction (EPC) of biomass power facilities, CETY Renewables has developed a process of executing EPC Agreements with customers for this work. In contracting these engagements, CETY Renewables recognizes revenue according to accounting standards in accordance with ASC 606.

In recognizing this revenue, CETY Renewables first identifies the relevant contract with its customer according to 606-10-25-1.

- The entities, together known as the Parties, approved the contract in writing, through signatures and commitment to the performance of permitting, design, procurement, construction, and commissioning.

- CETY's work product includes permits, engineering designs, equipment, and full balance of plant specific to permitting, design, procurement, construction, and commissioning.

- CETY and customer agree to a total EPC contract price.

- The contract has commercial substance. The risk associated with this EPC Agreement is that payment of the EPC contract price.

- Per the EPC Agreement, CETY expects to collect substantially all of the consideration for its goods and services.

Secondly, CETY identifies the performance obligations of the Parties in performance of the EPC Agreement in accordance with 606-10-25-14. At contract inception, CETY assesses the goods and services necessary to deliver the facility in accordance with its agreement with clients. The agreement specifically laid out all deliverables necessary to achieve the permitting, design, procurement, construction, and commissioning.

CETY also looks at 606-10-25-14(A). A bundle of goods or services is also present, in that CETY is delivering all work products associated with permitting, design, procurement, construction and commissioning of a commercially operable biomass power plant. A biomass power plant is a distinct bundle of goods or services, so the individual goods or services on their own do not lend themselves to a fully integrated or functional system.

CETY in accordance with 606-10-32-1, CETY reviews measurement of the performance obligations. There is no exclusion of any amount of the Contract Price due to constraints associated with 606-10-31-11 through 606-10-32-13.

In review of 606-10-32-2A, CETY did not exclude measurement from the measurement of the transaction price any taxes assessed by a government authority as no such taxes will be due.

In reviewing 606-10-32-3, CETY evaluated the nature, timing, and amount of consideration promised, and whether it impacts the estimate of the transaction price.

Finally, in identifying a single method of measuring progress for each performance obligation satisfied over time, in accordance with 606-10-25-32, CETY applies the methodology of 606-10-25-36. CETY adopted and implemented the input method for revenue recognition in accordance with ASC 606-10-25-33. The company adopts the input method for implementation. CETY recognizes revenue for performance obligations on the basis of the entity's efforts or inputs to the satisfaction of a performance obligation per 606-10-55-20.

For CETY, the contracts with clients for the construction of biomass power plants are the basis for revenue recognition. In each separate EPC Agreement, the performance obligations include permitting, design, procurement, construction, and commissioning of the plant. All of these work products satisfy Section 606-10-25-27(b) as these work products create or enhance an asset under customer's control. Upon delivery of the work product, the customer takes control of the work products and has full right and ability to direct the use of and obtain substantially all of the remaining benefits of the assets. We recognize revenue over time, using timeline and milestone methods to measure progress towards complete satisfaction of the performance obligation.

During the complexity and duration of the biomass power plant construction projects, CETY will recognize revenue over time, consistent with the criteria for over-time recognition under ASC 606. This approach reflects the continuous transfer of documents, permits, and the equipment over to the customer, which is characteristic of long-term construction contracts.

We have a list of appropriate measures of progress: This is based on milestones achieved, among other measures.

Given the long-term nature of the projects, CETY regularly reviews and, if necessary, updates its estimates of progress towards completion, transaction price, and the allocation of the transaction price to performance obligations.

Also, from time to time our contracts state that the customer is not obligated to pay a final payment until the units are commissioned, i.e. a final payment of 10%. As of December 31, 2024 and March 31,2025 we had $33,000 and 33,000 of deferred revenue, which is expected to be recognized in the second quarter of year 2025.

Also from time to time we require upfront deposits from our customers based on the contract. As of March 31,2025, and December 31, 2024 and, we had outstanding customer deposits of $128,134 and $30,061 respectively.

Fair Value of Financial Instruments

The Financial Accounting Standards Board issued ASC (Accounting Standards Codification) 820-10 (SFAS No. 157), “Fair Value Measurements and Disclosures” for financial assets and liabilities. ASC 820-10 provides a framework for measuring fair value and requires expanded disclosures regarding fair value measurements. FASB ASC 820-10 defines fair value as the price that would be received for an asset or the exit price that would be paid to transfer a liability in the principal or most advantageous market in an orderly transaction between market participants on the measurement date. FASB ASC 820-10 also establishes a fair value hierarchy which requires an entity to maximize the use of observable inputs, where available. The following summarizes the three levels of inputs required by the standard that the Company uses to measure fair value:

- Level 1: Quoted prices in active markets for identical assets or liabilities.
- Level 2: Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the related assets or liabilities.
- Level 3: Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities. The Company’s derivative liabilities have been valued as Level 3 instruments. We value the derivative liability using a lattice model, with a volatility of 56% and using a risk free interest rate of 0.15%

The Company’s financial instruments consist of cash, prepaid expenses, inventory, accounts payable, accrued expenses, and convertible notes payable. The estimated fair value of cash, prepaid expenses, investments, accounts payable, accrued expenses and convertible notes payable approximate their carrying amounts due to the short-term nature of these instruments.

Foreign Currency Translation and Comprehensive Income (Loss)

We have no material components of other comprehensive income (loss) and accordingly, net loss is equal to comprehensive loss in all periods. The accounts of the Company’s Chinese entities are maintained in RMB. The accounts of the Chinese entities were translated into USD in accordance with FASB ASC Topic 830 “Foreign Currency Matters.” All assets and liabilities were translated at the exchange rate on the balance sheet date; stockholders’ equity is translated at historical rates and the statements of operations and cash flows are translated at the weighted average exchange rate for the period. The resulting translation adjustments are reported under other comprehensive income (loss) in accordance with FASB ASC Topic 220, “Comprehensive Income.” Gains and losses resulting from foreign currency transactions are reflected in the statements of operations.

The Company follows FASB ASC Topic 220-10, “Comprehensive Income (loss).” Comprehensive income (loss) comprises net income (loss) and all changes to the statements of changes in stockholders’ equity, except those due to investments by stockholders, changes in additional paid-in capital and distributions to stockholders.

Change from fair value or equity method to consolidation

In July 2022, JHJ and other three shareholders agreed to form and make total capital contribution of RMB 20 million ($2.81 million) with latest contribution due date in February 2066 into Sichuan Hongzuo Shuya Energy Limited ("Shuya"), JHK owns 20% of Shuya. In August 2022, JHJ purchased 100% ownership of Sichuan Shunengwei Energy Technology Limited ("SSET") for $0, who owns 29% of Shuya; Shunengwei is a holding company and did not have any operations nor made any capital contribution into Shuya as of the ownership purchase date by JHJ; right after the ownership purchase of SSET, JHJ ultimately owns 49% of Shuya.

Shuya was set up as the operating entity for pipeline natural gas (PNG) and compressed natural gas (CNG) trading business, while the other two shareholders of Shuaya have large supply relationships.

For the year ended December 31, 2022, the Company has determined that Shuya was not a VIE and has evaluated its consolidation analysis under the voting interest model. Because the Company does not own greater than 50% of the outstanding voting shares, either directly or indirectly, it has accounted for its investment in Shuya under the equity method of accounting. Under this method, the investor ("JHJ") recognizes its share of the profits and losses of the investee ("Shuya") in the periods when these profits and losses are also reflected in the accounts of the investee. Any profit or loss recognized by the investing entity appears in its income statement. Also, any recognized profit increases the investment recorded by the investing entity, while a recognized loss decreases the investment.

JHJ made a investment of RMB 3.91 million ($0.55 million) into Shuya during the 12 months ended December 31, 2022 recorded in accordance with ASC 323. Shuya had a net loss of approximately $10,750 during the year ending December 31, 2022, of which approximately $5,000 was allocated to the company, reducing the investment by that amount.

However, effective January 1, 2023, JHJ, SSEN and Chengdu Xiangyueheng Enterprise Management Co., Ltd ("Xiangyueheng), who is the 10% shareholder of Shuya, entered a Three-Parties Consistent Action Agreement, wherein these three shareholders (or three parties) will guarantee that the voting rights will be expressed in the same way at the shareholders' meeting of Shuya to consolidate the controlling position of the three parties in Shuya. The three parties agree that within the validity period of this agreement, before the party intends to propose the motions to the shareholders or the board of directors on the major matters related to the voting rights of the shareholders or the board of directors, the three parties internally will discuss, negotiate and coordinate the motion topics for consistency; in the event of disagreement, the opinions of JHJ shall prevail.

As a result of Consistent Action Agreement, the Company re-analyzed and determined that Shuya is the variable interest entity ("VIE") of JHJ because 1) the equity investors at risk, as a group, lack the characteristics of a controlling financial interest, and 2) Shuya is structured with disproportionate voting rights, and substantially all of the activities are conducted on behalf of an investor with disproportionately few voting rights. Under ASC 810, a reporting entity has a controlling financial interest in a VIE, and must consolidate that VIE, if the reporting entity has both of the following characteristics: (a) the power to direct the activities of the VIE that most significantly affect the VIE's economic performance; and (b) the obligation to absorb losses, or the right to receive benefits, that could potentially be significant to the VIE. The Company concluded JHJ is deemed the primary beneficiary of the VIE. Accordingly, the Company consolidates Shuya effective on January 1, 2023.

The change of control interest was accounted for using the acquisition method of accounting in accordance with Accounting Standards Codification, referred to as ASC, 805, Business Combinations. The management determined that the Company was the acquiror for financial accounting purposes. In identifying the Company as the accounting acquiror, the companies considered the structure of the transaction and other actions contemplated by the Three-Parties Consistent Action Agreement, relative outstanding share ownership and market values, the composition of the combined company's board of directors, the relative size of Shuya, and the designation of certain senior management positions of the combined company.

In accordance with ASC 805, the Company recorded the acquisition based on the fair value of the consideration transferred and then allocated the purchase price to the identifiable assets acquired and liabilities assumed based on their respective fair values as of the Acquisition Date. The excess of the value of consideration transferred over the aggregate fair value of those net assets was recorded as goodwill. Any identified definite lived intangible assets will be amortized over their estimated useful lives and any identified intangible assets with indefinite useful lives and goodwill will not be amortized but will be tested for impairment at least annually. All intangible assets and goodwill will be tested for impairment when certain indicators are present. Determining the fair value of assets acquired and liabilities assumed requires management to use significant judgment and estimates including the selection of valuation methodologies, estimates of future revenues and cash flows, discount rates, and selection of comparable companies.

The valuation of purchase considerations was based on preliminary estimates that management believes are reasonable under the circumstances.

As the Consistent Action Agreement did not quantify any considerations to gain the control, the deemed consideration paid is the fair value of 51% non-controlling interest as of January 1, 2023. The following table summarizes the fair value of the consideration paid and the fair value of assets acquired and liabilities assumed on January 1, 2023, the acquisition date.

Fair value of non-controlling interests	$	650,951
Fair value of previously held equity investment		556,096
Subtotal	$	1,207,047
Recognized value of 100% of identifiable net assets		(1,207,047)
Goodwill Recognized	$	-
Recognized amounts of identifiable assets acquired and liabilities assumed (preliminary):		
Inventories	$	516,131
Cash and cash equivalents		50,346
Trade and other receivables		952,384
Advanced deposit		672,597
Net fixed assets		6,704
Trade and other payables		(1,021,897)
Advanced payments		(5,317)
Salaries and wages payables		(4,692)
Other receivable		40,791
Total identifiable net assets	$	1,207,047

Under ASC-805-10-50-2, initial consolidation of an investee previously reported using fair value or the equity method should be accounted for prospectively as of the date the entity obtained a controlling financial interest. Therefore, the Company should provide pro forma information as if the consolidation had occurred as of the beginning of each of the current and prior comparative reporting period per

On January 1, 2024, and effective on the same date, JHJ, SSET and Xiangyueheng entered into the Agreement on the Termination of the Concerted Action Agreement (the "Termination Agreement"), pursuant to which the parties released each other from any and all obligations under the CAA. Due to the Termination Agreement, the Company now holds less than 50% of the voting rights in Shuya. The Company analyzed whether Shuya should be consolidated under ASC 810 and determined Shuya is no longer required to be consolidated on January 1, 2024 after the execution of the Termination Agreement. Accordingly, the Company will not consolidate Shuya into its consolidated financial statements on or after January 1, 2024.

Net (Loss) per Common Share

Basic (loss) per share is computed on the basis of the weighted average number of common shares outstanding. At March 31, 2025, we had outstanding common shares of 47,478,434. Basic Weighted average common shares and equivalents for the three months ended March 31, 2025, and March 31, 2024 were 46,613,390 and 40,143,893 respectively. As of March 31, 2025, we had convertible notes, convertible into approximately 3,727,009 of additional common shares and outstanding warrants of 2,931,602 shares. Fully diluted weighted average common shares and equivalents were withheld from the calculation for the three months ended March 31, 2025, and March 31, 2024 as they were considered anti-dilutive.

Research and Development

We had no amounts of research and development (R&D) expense during the three months ended March 31, 2025, and 2024.

Segment Disclosure

FASB Codification Topic 280, *Segment Reporting*, establishes standards for reporting financial and descriptive information about an enterprise's reportable segments. The Company has four reportable segments: Clean Energy HRS (HRS), CETY Europe, CETY HK and engineering & manufacturing services division. The segments are determined based on several factors, including the nature of products and services, the nature of production processes, customer base, delivery channels and similar economic characteristics. Refer to note 1 for a description of the various product categories manufactured under each of these segments.

An operating segment's performance is evaluated based on its pre-tax operating contribution, or segment income. Segment income is defined as net sales less cost of sales, and segment selling, general and administrative expenses, and does not include amortization of intangibles, stock-based compensation, other charges (income), net and interest and other, net.

Selected Financial Data:

	For the three months ended March 31,	
	2025	2024
Net Sales		
Manufacturing and Engineering	$ -	$ 9,341
Heat Recovery Solutions	612,354	72,488
NG Trading	3,481	1,219,629
Waste to Energy	176,105	211,568
Total Sales	$ 791,940	$ 1,513,026
Segment income and reconciliation before tax		
Manufacturing and Engineering	-	7,806
Heat Recovery Solutions	552,333	51,599
LNG Trading	115	9,852
Waste to Energy	176,105	183,748
Total Segment income	728,553	253,005
Less: operating expense	(824,656)	(1,073,926)
Less: other income and expenses	(235,079)	(295,193)
Net (loss) before income tax	$ (331,182)	$ (1,116,114)

	March 31, 2025	December 31, 2024
Total Assets		
Manufacturing and Engineering	$ 2,413,964	$ 2,464,125
Heat Recovery Solutions	3,365,429	2,966,966
Waste to Energy	1,824,320	1,648,324
NG Trading	2,485,811	2,426,065
Total Assets	$ 10,089,524	$ 9,505,480

	For the three months ended March 31,	
	2025	2024
United States	788,459	286,311
China	3,481	1,219,629
Other international	-	7,086
Total Sales	791,940	1,513,026

Share-Based Compensation

The Company has adopted the use of Statement of Financial Accounting Standards No. 123R, "Share-Based Payment" (SFAS No. 123R) (now contained in FASB Codification Topic 718, *Compensation-Stock Compensation*), which supersedes APB Opinion No. 25, "Accounting for Stock Issued to Employees," and its related implementation guidance and eliminates the alternative to use Opinion 25's intrinsic value method of accounting that was provided in Statement 123 as originally issued. This Statement requires an entity to measure the cost of employee services received in exchange for an award of an equity instruments, which includes grants of stock options and stock warrants, based on the fair value of the award, measured at the grant date (with limited exceptions). Under this standard, the fair value of each award is estimated on the grant date, using an option-pricing model that meets certain requirements. We use the Black-Scholes option-pricing model to estimate the fair value of our equity awards, including stock options and warrants. The Black-Scholes model meets the requirements of SFAS No. 123R; however, the fair values generated may not reflect their actual fair values, as it does not consider certain factors, such as vesting requirements, employee attrition and transferability limitations. The Black-Scholes model valuation is affected by our stock price and a number of assumptions, including expected volatility, expected life, risk-free interest rate and expected dividends. We estimate the expected volatility and estimated life of our stock options at grant date based on historical volatility. For the "risk-free interest rate," we use the Constant Maturity Treasury rate on 90-day government securities. The term is equal to the time until the option expires. The dividend yield is not applicable, as the Company has not paid any dividends, nor do we anticipate paying them in the foreseeable future. The fair value of our restricted stock is based on the market value of our free trading common stock, on the grant date calculated using a 20-trading-day average. At the time of grant, the share-based compensation expense is recognized in our financial statements based on awards that are ultimately expected to vest using historical employee attrition rates and the expense is reduced accordingly. It is also adjusted to account for the restricted and thinly traded nature of the shares. The expense is reviewed and adjusted in subsequent periods if actual attrition differs from those estimates.

We re-evaluate the assumptions used to value our share-based awards on a quarterly basis and, if changes warrant different assumptions, the share-based compensation expense could vary significantly from the amount expensed in the past. We may be required to adjust any remaining share-based compensation expense, based on any additions, cancellations or adjustments to the share-based awards. The expense is recognized over the period during which an employee is required to provide service in exchange for the award—the requisite service period (usually the vesting period). No compensation cost is recognized for equity instruments for which employees do not render the requisite service.

Leases

The Company adopted ASC Topic 842, Leases, or ASC 842, using the modified retrospective transition method with a cumulative effect adjustment to be accumulated deficit as of January 1, 2019, and accordingly, modified its policy on accounting for leases as stated below. As described under "Recently Adopted Accounting Pronouncements," below, the primary impact of adopting ASC 842 for the Company was the recognition in the consolidated balance sheet of certain lease-related assets and liabilities for operating leases with terms longer than 12 months.

The Company's leases primarily consist of facility leases which are classified as operating leases. The Company assesses whether an arrangement contains a lease at inception. The Company recognizes a lease liability to make contractual payments under all leases with terms greater than twelve months and a corresponding right-of-use asset, representing its right to use the underlying asset for the lease term. The lease liability is initially measured at the present value of the lease payments over the lease term using the collateralized incremental borrowing rate since the implicit rate is unknown. Options to extend or terminate a lease are included in the lease term when it is reasonably certain that the Company will exercise such an option. The right-of-use asset is initially measured as the contractual lease liability plus any initial direct costs and prepaid lease payments made, less any lease incentives. Lease expense is recognized on a straight-line basis over the lease term.

Leased right-of-use assets are subject to impairment testing as a long-lived asset at the asset-group level. The Company monitors its long-lived assets for indicators of impairment. As the Company's leased right-of-use assets primarily relate to facility leases, early abandonment of all or part of facility as part of a restructuring plan is typically an indicator of impairment. If impairment indicators are present, the Company tests whether the carrying amount of the leased right-of-use asset is recoverable including consideration of sublease income, and if not recoverable, measures impairment loss for the right-of-use asset or asset group.

Income Taxes

Federal Income taxes are not currently due since we have had losses since inception of Clean Energy Technologies.

On December 22, 2018 H.R. 1, originally known as the Tax Cuts and Jobs Act, (the "Tax Act") was enacted. Among the significant changes to the U.S. Internal Revenue Code, the Tax Act lowers the U.S. federal corporate income tax rate ("Federal Tax Rate") from 35% to 21% effective January 1, 2018. The Company will compute its income tax expense for the year ended December 31, 2023 using a Federal Tax Rate of 21% and an estimated state of California rate of 9%.

Income taxes are provided based upon the liability method of accounting pursuant to ASC 740-10-25 *Income Taxes – Recognition.* Under this approach, deferred income taxes are recorded to reflect the tax consequences in future years of differences between the tax basis of assets and liabilities and their financial reporting amounts at each year-end. A valuation allowance is recorded against deferred tax assets if management does not believe the Company has met the "more likely than not" standard required by ASC 740-10-25-5.

Deferred income tax amounts reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax reporting purposes.

As of December 31, 2024, we had a net operating loss carry-forward of approximately $35,053,173 and a deferred tax asset of $8,189,863 using the statutory rate of 30%. The deferred tax asset may be recognized in future periods, not to exceed 20 years. However, due to the uncertainty of future events we have booked valuation allowance of $(8,281,784). FASB ASC 740 prescribes recognition threshold and measurement attributes for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. FASB ASC 740 also provides guidance on de-recognition, classification, interest and penalties, accounting in interim periods, disclosure and transition. At December 31, 2024 the Company did not take any tax positions that would require disclosure under FASB ASC 740.

On February 13, 2018, Clean Energy Technologies, Inc., a Nevada corporation (the "Registrant" or "Corporation") entered into a Common Stock Purchase Agreement ("Stock Purchase Agreement") by and between MGW Investment I Limited ("MGWI") and the Corporation. The Corporation received $907,388 in exchange for the issuance of 302,462,667 restricted shares of the Corporation's common stock, par value $.001 per share (the "Common Stock").

On February 13, 2018, the Corporation and Confections Ventures Limited. ("CVL") entered into a Convertible Note Purchase Agreement (the "Convertible Note Purchase Agreement," together with the Stock Purchase Agreement and the transactions contemplated thereunder, the "Financing") pursuant to which the Corporation issued to CVL a convertible promissory Note (the "CVL Note") in the principal amount of $939,500 with an interest rate of 10% per annum interest rate and a maturity date of February 13, 2020. The CVL Note is convertible into shares of Common Stock at $0.12 per share, as adjusted as provided therein. This note was assigned to MGW Investments.

This resulted in a change in control, which limited the net operating to that date forward. We are subject to taxation in the U.S. and the states of California. Further, the Company currently has no open tax years' subject to audit prior to December 31, 2015. The Company is current on its federal and state tax returns.

Reclassification

Certain amounts in the prior period financial statements have been reclassified to conform to the current period presentation. These reclassifications had no effect on reported income, total assets, or stockholders' equity as previously reported.

Recently Issued Accounting Standards

<u>Deferred Stock Issuance Costs</u>

Deferred stock issuance costs represent amounts paid for legal, consulting, and other offering expenses in conjunction with the future raising of additional capital to be performed within one year. These costs are netted against additional paid-in capital as a cost of the stock issuance upon closing of the respective stock placement. During the quarter ended March 31, 2024 no stock issuance costs were capitalized.

NOTE 3 – ACCOUNTS AND NOTES RECEIVABLE

	March 31, 2025	December 31, 2024
Accounts Receivable	$ 575,290	616,989
Accounts Receivable Related Party	2,123,236	1,556,531
Less reserve for uncollectable accounts	(95,322)	(95,322)
Total	$ 2,603,204	2,078,198

Our Accounts Receivable is pledged to Nations Interbanc, our line of credit.

	March 31, 2025	December 31, 2024
Long-term financing receivables	$ 1,670,554	$ 1,670,554
Less Reserve for uncollectable accounts	(247,500)	(247,500)
Long-term financing receivables - net	$ 1,423,054	$ 1,423,054

The Company is currently modifying the assets subject to lease to meet the provisions of the agreement, and as of March 31, 2025 any collection on the lease payments was not yet considered probable, resulting in no derecognition of the underlying asset and no net lease investments recognized on the sales-type lease pursuant to ASC 842-30-25-3.

On a contract by contract basis or projects that require extensive work from multiple contractors or supply chain challenges or in response to certain situations or installation difficulties, the Company may elect to allow non-interest bearing repayments in excess of 1 year.

Our long - term financing Receivable are pledged to Nations Interbanc, our line of credit.

NOTE 4 – INVENTORIES, NET

Inventories by major classification were comprised of the following at:

	March 31, 2025	December 31, 2024
Inventory	$ 1,080,946	1,431,347
Less reserve for uncollectable accounts	(576,704)	(934,344)
Total	$ 504,242	497,003

Our Inventory is pledged to Nations Interbanc, our line of credit.

NOTE 5 – PROPERTY AND EQUIPMENT

Property and equipment were comprised of the following at:

	March 31, 2025	December 31, 2024
Property and Equipment	$ 125,141	1,434,743
Accumulated Depreciation	(122,586)	(1,431,830)
Net Fixed Assets	$ 2,555	2,913

Our Depreciation Expense for the three months ended March 31, 2025, and 2024 was zero and $375 respectively.

Our Property Plant and Equipment is pledged to Nations Interbanc, our line of credit.

NOTE 6 – INTANGIBLE ASSETS

Intangible assets were comprised of the following at:

	March 31, 2025	December 31, 2024
Goodwill	$ 747,976	747,976
LWL Intangibles	1,468,709	1,468,709
License	354,322	354,322
Patents	190,789	190,789
Accumulated Amortization	(110,848)	(107,879)
Net Intangible Assets	$ 2,650,948	2,653,917

Our Amortization Expense for the three months ended March 31, 2025 and 2024 was $2,969 and 2,969 respectively.

As of both March 31, 2025, and December 31, 2024, goodwill amounted to $747,976. The Company classifies goodwill as having an indefinite life, and as such, it is not amortized but is subject to annual impairment testing. The Company evaluates goodwill for impairment at least annually, or more frequently if events or changes in circumstances indicate that the asset might be impaired. The useful life of goodwill is considered indefinite due to the continued potential to generate economic benefits from the business acquired. The Company conducts impairment testing based on projected future cash flows of the acquired business and other relevant factors.

The LWL Investment balance of $1,468,709 as of both December 31, 2024, and December 31, 2023, is classified as having an indefinite life. This classification is based on the nature of the investment, which is expected to provide continued economic benefits without a foreseeable end date. The Company conducts an annual review to assess whether this classification remains appropriate, including evaluating the investment's ability to generate cash flows and the continued support of the investment's carrying value.

The License balance remained unchanged at $354,322 for both 2024 and 2023. The License is considered to have a finite life, and as such, it is subject to amortization over its estimated useful life. The Company estimates the useful life of the License based on the legal term and any other relevant factors, such as the expected technological obsolescence or the duration of the agreement. The amortization of this asset is reflected in the Company's financial statements.

The Patents balance, after amortization, was $79,941 as of March 31, 2025, and $82,910 as of December 31, 2024. Patents are classified as having a finite life and are amortized over their expected useful life, typically based on the legal protection period, which is generally 20 years from the filing date, or the expected period of the patent's utility. The Company evaluates the carrying value of patents regularly to ensure that their estimated useful life and amortization period remain appropriate. Amortization expense for the period pertains to the systematic allocation of the cost of patents over their estimated useful lives.

Based on the foregoing analysis of the facts surrounding the Company's acquisition of LWL, it is the Company's position that the Company is the acquirer of LWL, under the acquisition method of accounting.

As such, as of November 8, 2021 (the acquisition date), the Company recognized, separately from goodwill, the identifiable assets acquired and the liabilities assumed in the Business combination.

The following table presents the purchase price allocation:

Consideration:		
Cash and cash equivalents	$	1,500,000
Total purchaser consideration	$	1,500,000
Assets acquired:		
Cash and cash equivalents	$	6,156
Prepayment	$	13,496
Other receivable	$	20,000
Trading Contracts	$	146,035
Shenzhen Gas Relationship	$	1,314,313
Total assets acquired	$	1,508,539
Liabilities assumed:		
Advance Receipts	$	(8539
Taxes Payable	$	179
Net Assets Acquired:	$	1,500,000

If LWL had reached USD 5 million in revenue or net profit of USD 1 million by December 31, 2023, then based on the performance contingency there will be issuance of 500,000 shares of CETY to the Seller. The performance contingencies were not met. Since the performance metrics were clearly defined and objectively not met, the contingency is considered extinguished and no accrual is warranted.

NOTE 7 – CONVERTIBLE NOTE RECEIVABLE

Effective January 10, 2022, JHJ ("note holder") entered a convertible note agreement with Chengdu Rongjun Enterprise Consulting Co., Ltd ("Rongjun" or "the borrower") with maturity on January 10, 2025. Under this convertible note, JHJ lent RMB 5,000,000 ($0.78 million) to Rongjun with annual interest rate of 12%, calculated from the Issuance Date until all outstanding interest and principal is paid in full. The Borrower may pre-pay principal or interest on this Note at any time prior to the maturity date, without penalty. JHJ has the right to convert this note directly or indirectly into shares or equity interest of Heze Hongyuan Natural Gas Co., Ltd ("Heze") equal to 15% of Heze's outstanding Equity Interest. Rongjun owns 90% of Heze. During the year end December 31, 2024, JHJ recorded $56,700 interest income accrued from 2022 from this note, the accrual of interest income ceased in October 2022. The bondholders also have the option to convert accrued but unpaid interest into the principal amount of the convertible note.

NOTE 8 – ACCRUED EXPENSES

	March 31, 2025	December 31, 2024
Accrued Wages	$ 78,255	$ 78,254
Sales tax payable	14,658	15,014
Accrued Taxes and other	282,727	371,964
Total accrued expenses	$ 375,640	$ 465,232

NOTE 9 – LINE OF CREDIT AND NOTES PAYABLE

On November 11, 2013, we entered into an accounts receivable financing agreement with American Interbanc (now Nations Interbanc). Amounts outstanding under the agreement bear interest at the rate of 2.5% annually. It is secured by the assets of the Company. In addition, it is personally guaranteed by Kambiz Mahdi, our Chief Executive Officer. As of March 31, 2025, the outstanding balance was $621,870 compared to $662,804 at December 31, 2024.

On April 1, 2021, we entered into an amendment to the purchase order financing agreement with DHN Capital, LLC dba Nations Interbanc. Nations Interbanc has lowered the accrued fees balance by $275,000 as well as the accrual rate to 2.25% per 30 days. As a result, CETY has agreed to remit a minimum monthly payment of $25,000 by the final calendar day of each month.

Convertible Notes Payable, Net

On May 6, 2022, we entered into a Securities Purchase Agreement with Mast Hill, L.P. ("Mast Hill") pursuant to which the Company issued to Mast Hill a $750,000 Convertible Promissory Note, due May 6, 2023 for a purchase price of $675,000.00 plus an original issue discount in the amount of $75,000, and an interest rate of fifteen percent (15%) per annum. Mast Hill Fund is entitled to purchase 234,375 shares of common stock per the warrant agreement at the exercise price of $1.60. The Securities Purchase Agreement provides customary representations, warranties and covenants of the Company and Mast Hill as well as providing Mast Hill with registration rights. This note has been amended on September 10, 2024 and the principal balance and accrued interest of this as of March 31, 2024 was $1,074,863.

On September 16, 2022, we entered into a Securities Purchase Agreement with Mast Hill pursuant to which the Company issued to Mast Hill a $300,000 Convertible Promissory Note, due September 16, 2023 for a purchase price of $270,000 plus an original issue discount in the amount of $30,000, and an interest rate of fifteen percent (15%) per annum. Mast Hill Fund is entitled to purchase 93,750 shares of common stock per the warrant agreement at the exercise price of $1.60. The Securities Purchase Agreement provides customary representations, warranties and covenants of the Company and Mast Hill as well as providing Mast Hill with registration rights. Mast Hill converted their warrant on April 18, 2023. This note has been amended on September 10, 2024, and the principal balance and accrued interest of this as of March 31, 2024, was $413,548.

On December 26, 2022, we entered into a Securities Purchase Agreement with Mast Hill pursuant to which the Company issued to Mast Hill a $123,000 Convertible Promissory Note, due December 26, 2023 for a purchase price of $110,700 plus an original issue discount in the amount of $12,300 and an interest rate of fifteen percent (15%) per annum. Mast Hill Fund is entitled to purchase 38,437 shares of common stock per the warrant agreement at the exercise price of $1.60. The Securities Purchase Agreement provides customary representations, warranties and covenants of the Company and Mast Hill as well as providing Mast Hill with registration rights. The principal balance and accrued interest of this as of November 8, 2023 was $138,923. This note was converted into Series E preferred shares of CETY.

On January 19, 2023, we entered into a Securities Purchase Agreement with Mast Hill pursuant to which the Company issued to Mast Hill a $187,000 Convertible Promissory Note, due January 19, 2024 for a purchase price of $168,300 plus an original issue discount in the amount of $18,700 and an interest rate of fifteen percent (15%) per annum. Mast Hill Fund is entitled to purchase 58,438 shares of common stock per the warrant agreement at the exercise price of $1.60. The Securities Purchase Agreement provides customary representations, warranties and covenants of the Company and Mast Hill as well as providing Mast Hill with registration rights. The principal balance and accrued interest of this as of November 8, 2023 was $209,517. This note was converted into Series E preferred shares of CETY.

On March 8, 2023, we entered into a Securities Purchase Agreement with Mast Hill pursuant to which the Company issued to Mast Hill a $734,000 Convertible Promissory Note, due March 8, 2024, for a purchase price of $660,600 plus an original issue discount in the amount of $73,400 and an interest rate of fifteen percent (15%) per annum. Mast Hill Fund is entitled to purchase 367,000 shares of common stock per the warrant agreement at the exercise price of $1.60. The Securities Purchase Agreement provides customary representations, warranties and covenants of the Company and Mast Hill as well as providing Mast Hill with registration rights. The principal balance and accrued interest balance of this as of November 8, 2023 was $807,601. This note was converted into Series E preferred shares of CETY.

On July 20, 2023, the Company closed the transactions contemplated by the Securities Purchase Agreement with Mast Hill, dated July 18, 2023, pursuant to which the Company issued to Mast Hill a $556,000 Convertible Promissory Note, due July 18, 2024 for a purchase price of $500,400 plus an original issue discount in the amount of $55,600, and an interest rate of fifteen percent (15%) per annum. The principal and interest of the Note may be converted in whole or in part at any time on or following the issue date, into common stock of the Company, par value $.001 share ("Common Stock"), subject to anti-dilution adjustments and for certain other corporate actions subject to a beneficial ownership limitation of 4.99% of Mast Hill and its affiliates. The per share conversion price into which principal amount and accrued interest may be converted into shares of Common Stock equals $6.00, subject to adjustment as provided in the Note. Upon an event of default, the Note will become immediately payable and the Company shall be required to pay a default rate of interest of 15% per annum. At anytime prior to an event of default, the Note may be prepaid by the Company at a 150% premium. The Note contains customary representations, warranties and covenants of the Company. The principal balance and accrued interest balance of this as of November 8, 2023 was $581,363. This note was converted into Series E preferred shares of CETY.

On October 13, 2023, the company entered into a promissory note with Diagonal in the amount of $197,196 with an interest rate of 10% per annum and a default interest rate of 22% per annum. This note is due in full on August 15, 2024 and has mandatory monthly payments of $21,692. The note had an OID of $21,128 and was recorded as finance fee expense. In the event of the default, at the option of the Investor, the note may be converted into shares of common stock of the company. This note is convertible, but not until a contingent event of default has taken place, none of which has occurred as of the date of this filing. This note was paid off on August 15, 2024 and the balance on this note as of December 31, 2024, was zero.

On November 17, 2023, the Company entered into a promissory note with Diagonal in the amount of $261,450 with an interest rate of 10% per annum and a default interest rate of 22% per annum. This note is due in full on September 30, 2024 and has mandatory monthly payments of $28,760. The note had an OID of $28,013 and was recorded as finance fee expense. In the event of the default, at the option of the Investor, the note may be converted into shares of common stock of the company. This note is convertible, but not until a contingent event of default has taken place, none of which has occurred as of the date of this filing. The balance on this note was paid off as of December 31, 2024.

On November 30, 2023, the Company entered into a promissory note with Diagonal in the amount of $136,550 with an interest rate of 10% per annum and a default interest rate of 22% per annum. This note is due in full on September 30, 2024 and has mandatory monthly payments of $15,021. The note had an OID of $16,700 and was recorded as finance fee expense. In the event of the default, at the option of the Investor, the note may be converted into shares of common stock of the company. This note is convertible, but not until a contingent event of default has taken place, none of which has occurred as of the date of this filing. The balance on this note as of November 30, 2024 was zero.

On December 19, 2023, the Company entered into a promissory note in the amount of $92,000 with an interest rate of 10% per annum and a default interest rate of 22% per annum. This note is due in full on October 30, 2024 and has mandatory monthly payments of $10,120. The note had an OID of $12,000 and was recorded as finance fee expense. In the event of the default, at the option of the Investor, the note may be converted into shares of common stock of the company. This note is convertible, but not until a contingent event of default has taken place, none of which has occurred as of the date of this filing. The balance on this note as of December 31, 2024 was zero.

On January 3, 2024, the Company entered into a securities purchase agreement with FirstFire, pursuant to which the Company agreed to issue and sell to FirsFire the promissory note of the Company in the principal amount of $143,750, which amount is the $125,000 actual amount of the purchase price plus an original issue discount in the amount of $18,750. The Note is convertible into shares of common stock of the Company at a fixed price of $1.60, par value $0.001 per share upon the terms and subject to the limitations and conditions set forth in such Note. This principal and the interest balance of this note was paid off on March 5, 2024. As a condition to the sale of the Note, the Company issued to the FirstFire 10,000 shares of Common Stock. On the closing date, the Buyer shall further withhold from the Purchase Price (i) a non-accountable sum of $5,000 to cover the FirstFire's legal fees and (ii) a sum of $7,188 to cover the Company's fees owed to Revere Securities LLC, a registered broker-dealer, in connection with this transaction. The balance on this note as of December 31, 2024 was $0.

On February 2, 2024, the Company entered into a securities purchase agreement with Coventry Enterprises LLC, a Delaware limited liability company Coventry pursuant to which the Company agreed to issue and sell to the Buyer the promissory note of the Company in the principal amount of $92,000, which amount is the $80,000 actual amount of the purchase price plus an original issue discount in the amount of $10,120. This note is due in full on November 30, 2024. As a condition to the sale of the Note, the Company issued to the Coventry 20,000 shares of Common Stock. The Note is convertible into shares of common stock at a fixed price of $1.60 of the Company, par value $0.001 per share, upon the terms and subject to the limitations and conditions set forth in such Note. The note was paid off as of December 1, 2024 and balance on this note as of December 31, 2024 was $0.

On March 4, 2024, the Company entered into a securities purchase agreement with FirstFire, pursuant to which the Company agreed to issue and sell to the FirstFire the promissory note of the Company in the principal amount of $280,500, which amount is the $255,000 actual amount of the purchase price plus an original issue discount in the amount of $25,500. This note is due in full on February 28, 2025. The Note is convertible into shares of common stock at a fixed price of $1.60 of the Company, par value $0.001 per share, upon the terms and subject to the limitations and conditions set forth in such Note. As a condition to the sale of the Note, the Company issued to the Buyer 20,000 shares of Common Stock. On the closing date, the FirstFire shall further withhold from the Purchase Price (i) a non-accountable sum of $6,000 to cover the Buyer's legal fees and (ii) a sum of $5,563 to cover the Company's fees owed to Revere Securities LLC, a registered broker-dealer, in connection with this transaction. The balance on this note as of December 31, 2024 was $84,150. The note was paid off as of January 27, 2025 and balance on this note as of March 31, 2025 was $0.

On June 21, 2024, Vermont Renewable Gas LLC ("VRG"), a Vermont limited liability company in which the Company retains 49% equity interest, entered into a loan agreement with FPM Development LLC, a Nevada limited liability company, and Evergreen Credit Facility I LLP, a Nevada limited liability partnership (collectively, the "Lenders"), pursuant to which the Lenders agreed to loan to VRG the principal amount of $12 million, to be disbursed in tranches based on agreed-upon milestones, for the construction of a waste-to-biogas generation facility. The term of the loan is two (2) years from the date of the first disbursement and shall mature at the end of the said two (2) years. The Loan shall bear interest on the amount outstanding at a rate equal to the 12-month Secured Overnight Financing Rate (SOFR) as published by the Federal Reserve Bank of New York plus 4.75% per annum. Under the Loan Agreement, the $12 million loan shall be secured by (i) two contracts of VRG and (ii) a corporate guarantee provided by the Company pursuant to which the Company agreed to absolutely and unconditionally guarantees, on a continuing basis, to the Lenders the prompt payment to the Lenders when due at maturity all of VRG's liabilities and obligations under the Loan Agreement. Under the Loan Agreement, the Lenders may also convert up to 30% of the amount of the loan disbursed into shares of common stock of the Company, at the exercise price of 15% discounted value of the then-current share price of the common stock of the Company. AMEC Business Advisory Pte. Ltd., a company incorporated in Singapore (the "AMEC") may assume or acquire up to 50% of the total loan amount under the Loan Agreement, and seeks the option to convert an extra 10% of the amount of loan disbursed, in addition to a pro-rata portion of the 30% conversion right. FPM Development is in default and there was no balance owed as of March 31, 2025.

On August 22, 2024, the Company entered into a securities purchase agreement with Diagonal Lending LLC, a Virginia limited liability company ("Diagonal"), pursuant to which the Company agreed to issue and sell to Diagonal a convertible promissory note of the Company in the principal amount of $180,960 for a purchase price of $156,000 plus an original issue discount in the amount of $24,960. The Note provides for a one-time interest charge of thirteen percent (13%) of the principal amount equal to $23,524. The Company shall make nine (9) payments, each in the amount of $22,720 to Diagonal. The first payment shall be due on September 30, 2024 with eight (8) subsequent payments due on the 30th day of each month thereafter, the note is due in full on May 31, 2025. Any amount of principal or interest on this Note which is not paid when due shall bear a default interest at the rate of twenty two percent (22%) per annum from the due date thereof until the same is paid. All or any part of the outstanding and unpaid amount under the Note may be converted at any time following an event of default (the "Event of Default") into common stock of the Company, par value $0.001 per share, at the conversion price of $1.00 per share, subject to anti-dilution adjustments and a beneficial ownership limitation of 4.99% of Diagonal and its affiliates. Events of Default include failure to pay principal or interest, bankruptcy of the Company, delisting of the Common Stocks, and other events as set forth in the Note. The balance on this note as of March 31, 2025, was $68,161.

On September 2, 2024, the Company entered into a securities purchase agreement with Coventry pursuant to which the Company agreed to issue and sell to Coventry a convertible promissory note of the Company in the principal amount of $92,000 for a purchase price of $80,000 plus an original issue discount in the amount of $12,000. The Note provides for a one-time interest charge of ten percent (10%) of the principal amount equal to $9,200. The Company shall make ten (10) payments, each in the amount of $10,120 to Coventry. The first payment shall be due on October 1, 2024 with nine (9) subsequent payments due on the 1st day of each month thereafter, this note is due in full on July 30, 2025. Any amount of principal or interest on this Note which is not paid when due shall bear a default interest at the rate of twenty two percent (22%) per annum from the due date thereof until the same is paid. The Company will issue 15,000 commitment shares of its Common Stock to Coventry in connection with this transaction. All or any part of the outstanding and unpaid amount under the Note may be converted at any time following an event of default into common stock of the Company, par value $0.001 per share at the conversion price of $1.60 per share or the per share price of any issuance of the Company's stock within the 30 days before or after the conversion, subject to anti-dilution adjustments and a beneficial ownership limitation of 4.99% of Coventry and its affiliates. Events of Default include failure to pay principal or interest, bankruptcy of the Company, delisting of the Common Stocks, and other events as set forth in the Note. The balance on this note as of March 31, 2025, was $40,480.

On September 10, 2024, the Company, and Mast Hill Fund, L.P., a Delaware limited partnership ("Mast"), entered into (i) an amendment to the promissory note that was issued by the Company to Mast on May 6, 2022, in the original principal amount of $750,000; and (ii) an amendment to the promissory note that was issued by the Company to Mast on September 16, 2022, in the original principal amount of $300,000 (collectively, the "Amendments"). Pursuant to the Amendments, the maturity date of both of the original promissory notes shall be extended to December 31, 2025, and the Company shall pay an extension fee of $300,000 in total to Mast at closing. This amount was recorded in the statements of operations as interest expenses, as it was calculated using the applicable default interest rate.

On September 10, 2024, the Company entered into a securities purchase agreement with Mast pursuant to which the Company agreed to issue and sell to Mast a convertible promissory note of the Company in the principal amount of $612,000 for a purchase price of $612,000. The balance of this note as of December 31, 2024 was $835,464. The Note provides for an interest rate of eight percent (8%) per annum and the maturity date shall be December 31, 2025. Any amount of principal or interest on this Note which is not paid when due shall bear a default interest at the rate of sixteen percent (16%) per annum from the due date thereof until the same is paid. On the closing, Mast shall withhold a non-accountable sum of $12,000 from the purchase price to cover Mast's legal fees in connection with the transaction. All or any part of the outstanding and unpaid amount under the Note may be converted at any time following the issue date of the Note (the "Issue Date") into common stock of the Company, par value $0.001 per share, at the conversion price of $2.50 per share, subject to anti-dilution adjustments and a beneficial ownership limitation of 4.99% of Mast and its affiliates. If, at any time prior to the full repayment or full conversion of all amounts owed under the Note, the Company and the Company's majority-owned non-PRC subsidiaries have collectively received cash proceeds of more than $1,000,000 (the "Minimum Threshold") in the aggregate from any source after the Issue Date, including, but not limited to, from payments from customers and the issuance of equity or debt, Mast shall have the right in its sole discretion to require the Company to immediately apply up to 25% (the "Repayment Percentage") of such proceeds after the Minimum Threshold to repay all or any portion of the outstanding amounts then due under this Note; provided, however, that the Repayment Percentage shall increase to 50% once the Company and the Company's majority-owned non-PRC subsidiaries have collectively received cash proceeds of more than $3,000,000 in the aggregate.

On September 30, 2024, the Company entered into a securities purchase agreement with Diagonal, pursuant to which the Company agreed to issue and sell to Diagonal a convertible promissory note of the Company in the principal amount of $150,650 for a purchase price of $131,000 plus an original issue discount in the amount of $19,650. The Note provides for a one-time interest charge of thirteen percent (13%) of the principal amount equal to $19,584. The Company shall make nine (9) payments, each in the amount of $18,915 to Diagonal. The first payment shall be due on October 30, 2024 with eight (8) subsequent payments due on the 30th day of each month thereafter. Any amount of principal or interest on this Note which is not paid when due shall bear a default interest at the rate of twenty two percent (22%) per annum from the due date thereof until the same is paid. All or any part of the outstanding and unpaid amount under the Note may be converted at any time following an event of default into common stock of the Company, par value $0.001 per share at the conversion price of $1.00 per share, subject to anti-dilution adjustments and a beneficial ownership limitation of 4.99% of Diagonal and its affiliates. Events of Default include failure to pay principal or interest, bankruptcy of the Company, delisting of the Common Stocks, and other events as set forth in the Note. The balance on this note as of March 31, 2025, was $75,660.

On October 15, 2024, the Company entered into a securities purchase agreement with Diagonal, pursuant to which the Company agreed to issue and sell to Diagonal a convertible promissory note of the Company in the principal amount of $125,080 for a purchase price of $106,000 plus an original issue discount in the amount of $19,080. The Note provides for a one-time interest charge of fifteen percent (15%) of the principal amount equal to $18,762. The Company shall make nine (9) payments, each in the amount of $15,982 to Diagonal. The first payment shall be due on November 15, 2024 with eight (8) subsequent payments due on the 15th day of each month thereafter. Any amount of principal or interest on this Note which is not paid when due shall bear a default interest at the rate of twenty two percent (22%) per annum from the due date thereof until the same is paid. All or any part of the outstanding and unpaid amount under the Note may be converted at any time following an event of default into common stock of the Company, par value $0.001 per share, at the conversion price of $1.00 per share, subject to anti-dilution adjustments and a beneficial ownership limitation of 4.99% of Diagonal and its affiliates. Events of Default include failure to pay principal or interest, bankruptcy of the Company, delisting of the Common Stocks, and other events as set forth in the Note. The balance on this note as of March 31, 2025, was $63,930.

On November 8, 2024, the Company entered into a securities purchase agreement with Coventry, pursuant to which the Company agreed to issue and sell to Coventry a convertible promissory note of the Company in the principal amount of $101,000 for a purchase price of $96,000 plus an original issue discount in the amount of $5,000. The Note is due and payable on December 24, 2024 and provides for a interest rate of 3.94%, compounded monthly. The Company shall also issue to Coventry 40,000 unregistered shares of its common stock, par value $0.001 per share as loan commitment shares in connection with this transaction. All or any part of the outstanding and unpaid amount under the Note may be converted at any time following an event of default into Common Stock of the Company, subject to a beneficial ownership limitation of 4.99% of Coventry and its affiliates. The conversion price is the lower of $1.00 per share or the per share price of any issuance of the Company's stock within the 30 days before or after the conversion, subject to anti-dilution adjustments. Events of Default include failure to pay principal or interest, bankruptcy of the Company, delisting of the Common Stocks, and other events as set forth in the Note. The balance on this note as of March 31, 2025, was $0.

On November 18, 2024, as stated in the 3rd quarter of 2024 10Q filed on November 19, 2024, the Company and Mast, entered into an amendment to that certain promissory note originally issued by the Company to Mast on September 9, 2024, in the original principal amount of $612,000. Pursuant to the Amendment, Mast shall pay the purchase price of an additional $160,000 on or before November 20, 2024, and the principal balance of the Note shall be increased by $160,000 on the date that the Company received the funding from Mast. The balance of this note as of March 31, 2025 was $0.

On November 29, 2024, the Company entered into a securities purchase agreement with Lucas Ventures, LLC, a Arizona limited liability company, pursuant to which the Company agreed to issue and sell to Lender (i) a convertible promissory note of the Company in the principal amount of $105,000 and (ii) 40,000 shares of common stock of the Company, par value $0.001 per share, as inducement shares for this transaction, for an aggregate purchase price of $100,000. The Note becomes due and payable on February 28, 2025 and provides for a one-time interest charge of twelve percent (12%) of the principal amount payable on the Maturity Date. The Lender is entitled to convert at any time all or any part of the outstanding and unpaid amount under the Note into Common Stock of the Company, at the conversion price of $1.00 per share, subject to anti-dilution adjustments and a beneficial ownership limitation of 4.99% of Lender and its affiliates. The balance on this note as of March 31, 2025, was $0.

On December 5, 2024, the Company, entered into an equity purchase agreement (the "Equity Line of Credit Agreement") with Mast, pursuant to which the Investor agreed to provide an equity line of up to Five Million Dollars ($5,000,000) (the "Maximum Commitment Amount") to the Company, whereby the Company has the right, but not the obligation, at any time and from time to time during the 24 months from the date of the Equity Line of Credit Agreement (the "Commitment Period"), to issue a notice to the Investor (each a "Put Notice") which shall specify the amount of registered and freely tradable shares of Common Stock of the Company, par value $0.001 per share (the "Put Shares"), that the Company elects to sell to the Investor (each a "Put"), up to an aggregate amount equal to the Maximum Commitment Amount. The purchase price per Put Share shall mean 95% of the lowest traded price of the Company's Common Stock on any trading day during the pricing period, and the pricing period for each Put will be the 3 trading days immediately after receipt of the Put Shares by the Investor. Each Put Notice shall direct the Investor to purchase Put Shares (i) in a minimum amount not less than $5,000 and (ii) in a maximum amount up to $250,000, provide further that the number of Put Shares in each respective Put shall not exceed 20% of the average trading volume of the Company's Common Stock during the 5 trading days immediately preceding the date of the Put Notice. There shall be a 1 trading day period between the receipt of the Put Shares and the next Put Notice, subject to acceleration upon a "Volume Event" where the trading volume of the Company's Common Stock on a trading day exceeds 300% of the total Put Shares of the immediately prior Put Notice. The Company agreed to issue 50,000 shares of Common Stock to the Investor as the "commitment fee" for the Equity Line of Credit Agreement. In addition, the Company issued a purchase warrant to the Investor on December 5, 2024, pursuant to which the Investor is entitled to purchase from the Company 500,000 Warrant Shares during the period commencing on the issuance date of the Warrant and ending on 5:00 p.m. eastern standard time on the two-year anniversary thereof, at an initial exercise price of $2.00 per share, subject to customary anti-dilution adjustments and a beneficial ownership limitation of 4.99% of the Investor and its affiliates. The Company further agreed that if it issues shares of Common Stock for a consideration per share (or grants options with an exercise price or issues convertible securities with a conversion price) less than a price equal to the exercise price in effect immediately prior to such issuance, then the exercise price of the Warrant shall be reduced to an amount equal to that consideration per share (or exercise price or conversion price).

On December 11, 2024, the Company and Mast Hill entered into an amendment to that certain promissory note originally issued by the Company to Mast on September 10, 2024, in the original principal amount of $612,000. Pursuant to the Amendment, Mast shall pay the purchase price of an additional $50,000 on or before December 12, 2024, and the principal balance of the Mast Note shall be increased by $60,000 on the date that the Company received the funding from Mast. The original issuance and sale of the Mast Note was disclosed through the current report on Form 8-K that was filed with the SEC on September 13, 2024. The balance of this note as of March 31, 2025 was $0.

On December 12, 2024, the Company entered into a securities purchase agreement with Diagonal, pursuant to which the Company agreed to issue and sell to Diagonal a convertible promissory note of the Company in the principal amount of $93,725 for a purchase price of $81,500 plus an original issue discount in the amount of $12,225. A one-time interest charge of fifteen percent (15%) of the principal amount, equal to $14,058, is applied to the principal amount on the issuance date of the Note. The Company shall make six (6) repayments to Diagonal according to the payment schedule set forth in Section 1.2 of the Note, with the last repayment due on September 15, 2025. All or any part of the outstanding and unpaid amount under the Note may be converted at any time following an event of default into common stock of the Company, par value $0.001 per share, at the conversion price of $1.00 per share, subject to anti-dilution adjustments and a beneficial ownership limitation of 4.99% of Diagonal and its affiliates. Events of Default include failure to pay principal or interest, bankruptcy of the Company, delisting of the Common Stocks, and other events as set forth in the Note. The balance on this note as of March 31, 2025, was $107,783.

Effective January 16, 2025, the Company, entered into a securities purchase agreement with Mast Hill, pursuant to which the Company sold, and Mast Hill purchased, (i) a junior secured convertible promissory note in the principal amount of $1,637,833, and (ii) warrants to purchase 818,917 shares of Company common stock, for an aggregate purchase price of $1,474,050. The Transaction closed on January 16, 2025, and on such date pursuant to the SPA, Mast Hill's legal expenses of $22,000 were paid from the gross purchase price, Mast Hill was paid $852,406 as payment in full of that certain promissory note issued by the Company to Mast Hill on or about September 10, 2024, and subsequently amended on or about December 11, 2024, and the Company receiving net funding of $308,051, and the Note and Warrants were issued to Mast Hill. The balance on this note as of March 31, 2025, was $1,671,039.

Effective February 28, 2025, the Company, entered into a securities purchase agreement with Mast Hill, pursuant to which the Company sold, and Mast Hill purchased, (i) a junior secured convertible promissory note in the principal amount of $620,000, and (ii) warrants to purchase 310,000 shares of Company common stock, for an aggregate purchase price of $558,000. The Transaction closed on February 28, 2025, and on such date pursuant to the SPA, Mast Hill's legal expenses of $8,000 were paid from the gross purchase price, the Company's senior secured lender, Nations Interbanc, was paid $50,000 directly by Mast Hill from closing proceeds for the Company's benefit, the Company received net funding of $500,000, and the Note and Warrants were issued to Mast Hill. The balance on this note as of March 31, 2025, was $625,436.

Total due to Convertible Notes

	March 31, 2025	December 31, 2024
Total convertible notes	$ 3,636,859	2,649,197
Accrued Interest	503,701	492,401
Debt Discount	(413,551)	(47,021)
Total	$ 3,727,009	3,094,577

NOTE 10 – COMMITMENTS AND CONTINGENCIES

Operating Rental Leases

ASB ASU 2016-02 "Leases (Topic 842)" – In February 2016, the FASB issued ASU 2016-02, which requires lessees to recognize almost all leases on their balance sheet as a right-of-use asset and a lease liability. For income statement purposes, the FASB retained a dual model, requiring leases to be classified as either operating or finance. Classification will be based on criteria that are largely similar to those applied in current lease accounting, but without explicit bright lines. Lessor accounting is similar to the current model but has been updated to align with certain changes to the lessee model and the new revenue recognition standard. This ASU is effective for fiscal years beginning after December 15, 2018, including interim periods within those fiscal years. We have adopted the above ASU as of January 1, 2019. The right of use asset and lease liability have been recorded at the present value of the future minimum lease payments, utilizing an average borrowing rate and the company is utilizing the transition relief and "running off" on current leases.

As of May 1, 2017, our corporate headquarters were located at 2990 Redhill Unit A, Costa Mesa, CA. On March 10, 2017, the Company signed a lease agreement for an 18,200-square foot CTU Industrial Building. Lease term is seven years and two months beginning July 1, 2017. This lease ended as of November 30, 2023. In October of 2018 we signed a sublease agreement with our facility in Italy with an indefinite term that may be terminated by either party with a 60-day notice for 1,000 Euro per month. Due to the short termination clause, we are treating this as a month-to-month lease. This lease ended as of December 31, 2023.

We have relocated our corporate office to 1340 Reynolds Avenue Unit 120, Irvine, CA 92614. On December 1, 2023, the Company signed a lease agreement for a 3000-square foot of office space with Metro Creekside California, LLC. Lease term is thirty-eight months beginning December 1, 2023 and expiring on January 31, 2027. On October 16 of 2023, we signed a sublease agreement to relocate the HRS operations from Costa Mesa to Irvine, California for one year and 7 months commencing December 1, 2023 and ending June 30, 2025. We also signed a temporary storage lease and Due to the short termination clause, we are treating this as a month-to-month lease.

On January 30, 2024, JHJ entered into a lease for the office in Chengdu City ("Chengdu lease"), China from January 30, 2024 to February 28, 2026 and has a monthly rent of RMB 28,200 including the VAT. The lease required a security deposit of RMB 77,120 (or $10,727). The Company received a one-month rent abatement, which was considered in calculating the present value of the lease payments to determine the ROU asset which is being amortized over the term of the lease.

The components of lease costs, lease term and discount rate with respect of these two leases with an initial term of more than 12 months are as the following:

Balance sheet information related to the Company's operating leases:

	As of March 31, 2025	**As of December 31, 2024**
Right-of-used assets	125,188	$ 166,727
Lease liabilities – current	92,671	$ 130,483
Lease liabilities – non-current	32,779	38,125
Total lease liabilities	125,450	$ 168,608

The weighted-average remaining lease term and the weighted-average discount rate of the above three leases are as follows:

	Three Months Ended March 31, 2025
Weighted average remaining lease term (years)	1.22
Weighted average discount rate	4.5%–10.0%

The following is a schedule, by year of lease payment for above three leases as of March 31, 2025:

For the 12 months ending	Lease Payment
March 31, 2026	98,476
March 31, 2027	34,026
Total undiscounted cash flows	132,502
Imputed Interest	(7,052)
Present value of lease liabilities	$ 125,450

Our lease expense for the three months ended March 31, 2025 and 2024 was $44,850 and $41,081 respectively.

Severance Benefits

Mr. Mahdi will receive a severance benefit consisting of a single lump sum cash payment equal the salary that Mr. Mahdi would have been entitled to receive through the remainder or the Employment Period or One (1) year, whichever is greater.

NOTE 11 – CAPITAL STOCK TRANSACTIONS

On April 21, 2005, our Board of Directors and shareholders approved the re-domicile of the Company in the State of Nevada, in connection with which we increased the number of our authorized common shares to 200,000,000 and designated a par value of $.001 per share.

On May 25, 2006, our Board of Directors and shareholders approved an amendment to our Articles of Incorporation to authorize a new series of preferred stock, designated as Series C, and consisting of 15,000 authorized shares.

On June 30, 2017, our Board of Directors and shareholders approved an increase in the number of our authorized common shares to 400,000,000 and in the number of our authorized preferred shares to 10,000,000. The amendment effecting the increase in our authorized capital was filed and effective on July 5, 2017.

On August 28, 2018, our Board of Directors and shareholders approved an increase in the number of our authorized common shares to 800,000,000. The amendment effecting the increase in our authorized capital was filed and effective on August 23, 2018.

On June 10, 2019, our Board of Directors and shareholders approved an increase in the number of our authorized common shares to 2,000,000,000. The amendment effecting the increase in our authorized capital was effective on September 27, 2019.

On January 6, 2023, our board of directors and majority shareholders approved a reverse stock split. Effective upon the filing of our Certificate of Amendment of Articles of Incorporation with the Secretary of State of the State of Nevada, the shares of the Corporation's Common Stock issued and outstanding immediately prior to the Effective Time of January 6, 2023, will be automatically reclassified as and combined into shares of Common Stock such that each (40) shares of Old Common Stock shall be reclassified as and combined into one (1) share of New Common Stock. All per share references to common stock have been retroactively represented throughout the financials.

Common Stock Transactions

On January 19, 2023, the Company entered into a Securities Purchase Agreement and a warrant agreement with Mast Hill pursuant to which the Company issued to Mast Hill the Company issued Mast Hill a five-year warrant to purchase 58,438 shares of common stock in connections with the transactions.

On January 27, 2023 we issued 3,745 shares of our common stock due to rounding post the reverse stock split.

On March 23, 2023 we sold 975,000 shares of our common stock in an underwritten offering to R.F. Lafferty & CO and Phillip US. The initial public offering price per share is $4.00 per share. Net proceeds from this offering was $3,094,552.

In the second quarter of 2023, the Company issued 40,000 shares to a consultant at fair value of $72,000.

On March 8, 2023 the Company entered into a Securities Purchase Agreement and a warrant agreement with Mast Hill, L.P. (Mast Hill") pursuant to which the Company issued to Mast Hill the Company issued Mast Hill a five-year warrant to purchase 367,000 shares of common stock in connections with the transactions.

On April 18, 2023 Mast Hill exercised the right to purchase 93,750 of the shares of Common Stock ("Warrant Shares") of Clean Energy Technologies, Inc., because of the Common Stock Purchase Warrant (the "Warrant") issued on September 16, 2022. The exercise price is $1.60 per share. The total purchase price was $150,000.

On May 10, 2023 Mast Hill exercised the right to purchase 58,438 of the Warrant Shares of Clean Energy Technologies, Inc., because of the Common Stock Purchase Warrant Shares issued on January 19, 2023. The exercise price is $1.60 per share. The total purchase price was $93,501.

On June 14, 2023 Mast Hill exercised the right to purchase 38,438 of the Warrant Shares of Clean Energy Technologies, Inc., because of the Common Stock Purchase Warrant issued on December 26, 2022. The exercise price is $1.60 per share. The total purchase price was $61,501.

On June 23, 2023 Mast Hill exercised the right to purchase 29,688 of the Warrant Shares of Clean Energy Technologies, Inc., because of the Common Stock Purchase Warrant issued on November 21, 2022. The exercise price is $1.60 per share. The total purchase price was $47,501.

On September 12, 2023 Mast Hill exercised the right to purchase 29,688 of the shares of Warrant Shares of Clean Energy Technologies, Inc., because of the Common Stock Purchase Warrant issued on November 21, 2022. The exercise price is $1.60 per share. The total purchase price was $47,501.

On September 13, 2023 Mast Hill exercised the right to purchase 183,500 of the shares of Warrant Shares of Clean Energy Technologies, Inc., because of the Common Stock Purchase Warrant issued on March 08, 2022. The exercise price is $1.60 per share. The total purchase price was $293,600.

On October 27, 2023 Mast Hill exercised the right to purchase 183,500 of Warrant Shares of Clean Energy Technologies, Inc., because of the Common Stock Purchase Warrant issued on March 08, 2022. The exercise price is $1.60 per share. The total purchase price was $293,600.

On January 3, 2024, the Company entered into a securities purchase agreement with FirstFire, As a condition to the sale of the Note, the Company issued to the Buyer 10,000 shares of Common Stock.

On February 2, 2024, the Company entered into a securities purchase agreement (the “Agreement”) with Coventry Enterprises LLC, a Delaware limited liability company (the “Buyer”). As a condition to the sale of the Note, the Company issued to the Buyer 20,000 shares of Common Stock.

On February 24, 2024, the Company entered into a consulting agreement with Hudson Global Ventures, LLC. As a condition to the agreement, the Company issued 15,000 shares of Common Stock to the consultant.

On March 4, 2024, the Company entered into a securities purchase agreement with FirstFire. As a condition to the sale of the Note, the Company issued to the Buyer 20,000 shares of Common Stock.

On March 15, 2024, the Company and certain Subscribers entered into a subscription agreement pursuant to which the Company agreed to sell up to 2,000,000 units to the Subscribers for an aggregate purchase price of $900,000, or $0.45 per Unit, with each unit consisting of one share of common stock, par value $.001 per share and a warrant to purchase one share of common stock. The Warrant is exercisable at exercise price of $1.60 per share, expiring one year from the date of issuance.

On June 18, 2024, the Company and certain Subscribers entered into a subscription agreement pursuant to which the Company agreed to sell approximately 1,203,333 units to the Subscribers for an aggregate purchase price of $1,083,000, or $0.90 per Unit, with each unit consisting of one share of common stock, par value $0.001 per share and a warrant to purchase one share of Common Stock. The Warrant is exercisable at the price of $2.00 per share, expiring one year from the date of issuance.

During the year ended December 31, 2024, the Company issued 2,515,592 shares of common stock for conversion of 1,443 Series E Preferred share and zero of common stock for conversion of zero Series E Preferred share.

On September 2, 2024, Clean Energy Technologies, Inc. (the “Company”) entered into a securities purchase agreement (the “Agreement”) with Coventry Enterprises LLC, a Delaware limited liability company (the “Buyer”). As a condition to the sale of the Note, the Company issued to the Buyer 15,000 shares (the “Commitment Shares”) of Common Stock.

On October 20, 2024, Clean Energy Technologies, Inc., a Nevada corporation, (the “Company”) and certain individual investors (“Subscribers”) entered into a subscription agreement pursuant to which the Company agreed to sell approximately 160,156 units (each a “Unit” and together the “Units”) to the Subscribers for an aggregate purchase price of $160,156, or $0.64 per Unit, with each unit consisting of one share of common stock, par value $0.001 per share the Common Stock.

On November 8, 2024, Clean Energy Technologies, Inc. (the "Company") entered into a securities purchase agreement with Coventry Enterprises LLC, a Delaware limited liability company (the "Buyer"). As a condition to the sale of the Note, the Company issued to the Buyer 40,000 shares (the "Commitment Shares") of Common Stock.

On November 18, 2024, Clean Energy Technologies, Inc. (the "Company") entered into a securities purchase agreement (the "Agreement") with Mast Hill Fund LP, a Delaware limited liability company (the "Buyer"). As a condition to the sale of the Note, the Company issued to the Buyer 50,000 shares (the "Commitment Shares") of Common Stock.

On November 29, 2024, Clean Energy Technologies, Inc. (the "Company") entered into a securities purchase agreement (the "Agreement") with Lucas Ventures, LLC, a Delaware limited liability company (the "Buyer"). As a condition to the sale of the Note, the Company issued to the Buyer 40,000 shares (the "Commitment Shares") of Common Stock.

On December 23, 2024, Clean Energy Technologies, Inc. (the "Company") entered into a securities purchase agreement (the "Agreement") with Coventry Enterprises LLC, a Delaware limited liability company (the "Buyer"). As a condition to the sale of the Note, the Company issued to the Buyer 50,000 shares (the "Commitment Shares") of Common Stock.

On January 20, 2025, the Company entered into a consulting agreement with Hudson Global Ventures, LLC. As a condition to the agreement, the Company issued 25,000 shares of Common Stock to the consultant.

On March 4, 2024, the Company entered into a securities purchase agreement with FirstFire. Pursuant to the agreement, FirstFire accepted 56,100 shares of the Company's common stock as final payment on the loan. As of March 31, 2025, the outstanding balance of the loan was zero.

As of March 31, 2025, the Company has issued 2,065,797 shares for the conversion of Series E Preferred shares, with a total value of $756,139 year-to-date.

Common Stock

Our Articles of Incorporation authorize us to issue 2,000,000,000 shares of common stock, par value $0.001 per share. As of March 31, 2025 there were 47,478,434 shares of common stock outstanding. All outstanding shares of common stock are, and the common stock to be issued will be, fully paid and non-assessable. Each share of our common stock has identical rights and privileges in every respect. The holders of our common stock are entitled to vote upon all matters submitted to a vote of our shareholders and are entitled to one vote for each share of common stock held. There are no cumulative voting rights.

The holders of our common stock are entitled to share equally in dividends and other distributions that our Board of Directors may declare from time to time out of funds legally available for that purpose, if any, after the satisfaction of any prior rights and preferences of any outstanding preferred stock. If we liquidate, dissolve or wind up, the holders of common stock shares will be entitled to share ratably in the distribution of all of our assets remaining available for distribution after satisfaction of all our liabilities and our obligations to holders of our outstanding preferred stock.

Preferred Stock

Our Articles of Incorporation authorize us to issue 20,000,000 shares of preferred stock, par value $0.001 per share. Our Board of Directors has the authority to issue additional shares of preferred stock in one or more series, and fix for each series, the designation of and number of shares to be included in each such series. Our Board of Directors is also authorized to set the powers, privileges, preferences, and relative participating, optional or other rights, if any, of the shares of each such series and the qualifications, limitations or restrictions of the shares of each such series.

Unless our Board of Directors provides otherwise, the shares of all series of preferred stock will rank on parity with respect to the payment of dividends and to the distribution of assets upon liquidation. Any issuance by us of shares of our preferred stock may have the effect of delaying, deferring or preventing a change of our control or an unsolicited acquisition proposal. The issuance of preferred stock also could decrease the amount of earnings and assets available for distribution to the holders of common stock or could adversely affect the rights and powers, including voting rights, of the holders of common stock.

We previously authorized 440 shares of Series A Convertible Preferred Stock, 20,000 shares of Series B Convertible Preferred Stock, and 15,000 shares Series C Convertible Preferred Stock. As of August 20, 2006, all series A, B, and C preferred had been converted into common stock.

Effective August 7, 2013, our Board of Directors designated a series of our preferred stock as Series D Preferred Stock, authorizing 15,000 shares. Our Series D Preferred Stock offering terms authorized us to raise up to $1,000,000 with an over-allotment of $500,000 in multiple closings over the course of six months. We received an aggregate of $750,000 in financing in subscription for Series D Preferred Stock, or 7,500 shares.

The following are primary terms of the Series D Preferred Stock. The Series D Preferred holders were initially entitled to be paid a special monthly divide at the rate of 17.5% per annum. Initially, the Series D Preferred Stock was also entitled to be paid special dividends in the event cash dividends were not paid when scheduled. If the Company does not pay the dividend within five (5) business days from the end of the calendar month for which the payment of such dividend is owed, the Company will pay the investor a special dividend of an additional 3.5%. Any unpaid or accrued special dividends will be paid upon liquidation or redemption. For any other dividends or distributions, the Series D Preferred Stock participates with common stock on an as-converted basis. The Series D Preferred holders may elect to convert the Series D Preferred Stock, in their sole discretion, at any time after a one-year (1) year holding period, by sending the Company a notice to convert. The conversion rate is equal to the greater of $3.20 or a 20% discount to the average of the three (3) lowest closing market prices of the common stock during the ten (10) trading day period prior to conversion. The Series D Preferred Stock is redeemable from funds legally available for distribution at the option of the individual holders of the Series D Preferred Stock commencing any time after the one (1) year period from the offering closing at a price equal to the initial purchase price plus all accrued but unpaid dividends, provided, that if the Company gave notice to the investors that it was not in a financial position to redeem the Series D Preferred, the Company and the Series D Preferred holders are obligated to negotiate in good faith for an extension of the redemption period. The Company timely notified the investors that it was not in a financial position to redeem the Series D Preferred and the Company and the investors have engaged in ongoing negotiations to determine an appropriate extension period. The Company may elect to redeem the Series D Preferred Stock any time at a price equal to the initial purchase price plus all accrued but unpaid dividends, subject to the investors' right to convert, by providing written notice about its intent to redeem. Each investor has the right to convert the Series D Preferred Stock at least ten (10) days prior to such redemption by the Company.

On October 31, 2023, Clean Energy Technologies, Inc. (the "Company") filed with the Nevada Secretary of State a certificate of designation designating 3,500,000 shares of the undesignated and authorized preferred stock of the Company, par value $0.001 per share, as the 15% Series E Convertible Preferred Stock (the "Series E Preferred Stock") and setting forth the rights, preferences and limitations of such Series E Preferred Stock.

The Series E Preferred Stock has a stated value of $1.00 (the "Stated Value") per share. Each holder of the Series E Preferred Stock is entitled to receive dividends payable on the Stated Value of the Series E Preferred Stock at a rate of 15% per annum. The Series E Preferred Stock is convertible at the option of the holder thereof into such number of common stocks of the Company, as is determined by dividing the Stated Value per share plus accrued and unpaid dividends thereon by the conversion price of 80% of the lowest VWAP over the last 5 trading days, subject to a 4.99% beneficial ownership limitation. Each holder of Series E Preferred Stock also enjoys certain voting rights and preferences upon liquidation.

On November 8, 2023, Clean Energy Technologies, Inc. (the "Company") entered into an exchange agreement (the "Agreement") with Mast Hill Fund, L.P., a Delaware limited partnership (the "Holder"), pursuant to which the Company agreed to issue to the Holder 2,199,387 shares of the newly designated 15% Series E Convertible Preferred Stock of the Company, par value $0.001 per share (the "Series E Preferred Stock"), in exchange for the outstanding balances and accrued interest of $1,955,122, as of November 8, 2023, under the six promissory notes the Company issued to the Holder from November 2022 to July 2023. Based on the analysis performed by an independent agency, the fair value of the stock, as at the valuation date was $3,210,206. Based on the settlement of $1,955,122, the company has recorded a loss of $1,255,084.

The Company has designated the rights of the Holder with respect to its shares of Series E Preferred Stocks pursuant to that certain Certificate of Designations, Preferences, and Rights of Series E Convertible Preferred Stock (the "Certificate of Designation"). Additionally, $117,928 of dividend has been accrued but not paid as of March 31, 2024.

Warrants

A summary of warrant activity for the periods is as follows:

On May 6, 2022, we issued 234,375 warrant shares in connection with the issuance of the promissory note in the principal amount of $750,000.00 to Mast Hill Fund at the exercise price per share of 1.60. However, that if the Company consummates an Uplist Offering on or before the date that is one hundred eighty (180) calendar days after the Issuance Date, then the Exercise Price shall equal 120% of the offering price per share of Common Stock. On December 28, 2022, Mast Hill exercised the warrant in full on a cashless basis to purchase 100,446 shares of Common Stock.

On August 5, 2022, we issued 43,403 warrant shares in connection with the issuance of the promissory note in the principal amount of $138,889 to Jefferson Street at the exercise price per share of 1.60. However, that if the Company consummates an Uplist Offering on or before the date that is one hundred eighty (180) calendar days after the Issuance Date, then the Exercise Price shall equal 120% of the offering price per share of Common Stock.

On August 17, 2022, we issued 46,875 warrant shares in connection with the issuance of the promissory note in the principal amount of $150,000 to First Fire at the exercise price per share of 1.60. However, that if the Company consummates an Uplist Offering on or before the date that is one hundred eighty (180) calendar days after the Issuance Date, then the Exercise Price shall equal 120% of the offering price per share of Common Stock. On March 1, 2023 First Fire exercised the warrant in full on a cashless basis to purchase 33,114 shares of common stock.

On September 1, 2022, we issued 43,403 warrant shares in connection with the issuance of the promissory note in the principal amount of $138,889 to Pacific Pier at the exercise price per share of 1.60. However, that if the Company consummates an Uplist Offering on or before the date that is one hundred eighty (180) calendar days after the Issuance Date, then the Exercise Price shall equal 120% of the offering price per share of Common Stock. On March 1, 2023 Pacific Pier exercised the warrant in full on a cashless basis to purchase 31,111 shares of common stock. On March 1, 2023 Pacific Pier exercised the warrant in full on a cashless basis to purchase 31,111 shares of common stock.

On September 16, 2022, we issued 93,750 warrant shares in connection with the issuance of the promissory note in the principal amount of $300,000 to Mast Hill Fund at the exercise price per share of 1.60. However, that if the Company consummates an Uplist Offering on or before the date that is one hundred eighty (180) calendar days after the Issuance Date, then the Exercise Price shall equal 120% of the offering price per share of Common Stock. On April 18, 2023 Mast Hill exercised the warrant in full at the exercise price per share of $1.60.

On November 10, 2022 we issued 29,687 warrant shares in connection with the issuance of the promissory note in the principal amount of $300,000 to Mast Hill Fund at the exercise price per share of 1.60. However, that if the Company consummates an Uplist Offering on or before the date that is one hundred eighty (180) calendar days after the Issuance Date, then the Exercise Price shall equal 120% of the offering price per share of Common Stock. On June 23, 2023 Mast Hill exercised the warrant in full at the exercise price per share of $1.60.

On November 21, 2022 we issued 29,687 warrant shares in connection with the issuance of the promissory note in the principal amount of $95,000 to Mast Hill Fund at the exercise price per share of 1.60. However, that if the Company consummates an Uplist Offering on or before the date that is one hundred eighty (180) calendar days after the Issuance Date, then the Exercise Price shall equal 120% of the offering price per share of Common Stock. On September 12, 2023 Mast Hill exercised the warrant in full at the exercise price per share of $1.60.

On December 26, 2022, we issued 38,437 warrant shares in connection with the issuance of the promissory note in the principal amount of $123,000 to Mast Hill Fund at the exercise price per share of 1.60. However, that if the Company consummates an Uplist Offering on or before the date that is one hundred eighty (180) calendar days after the Issuance Date, then the Exercise Price shall equal 120% of the offering price per share of Common Stock. On June 14, 2023 Mast Hill exercised the warrant in full at the exercise price per share of $1.60.

On January 19, 2023 we issued 58,438 warrant shares in connection with the issuance of the promissory note in the principal amount of $187,000 to Mast Hill Fund at the exercise price per share of $1.60. However, that if the Company consummates an Uplist Offering on or before the date that is one hundred eighty (180) calendar days after the Issuance Date, then the Exercise Price shall equal 120% of the offering price per share of Common Stock. On May 19, 2023 Mast Hill exercised the warrant in full at the exercise price per share of $1.60.

On February 13, 2023 we issued 26,701 warrant shares to J.H. Darbie & Co., Inc. according to finder agreement we entered into date April 2022 at the exercise price of $5.00.

On March 8, 2023 we issued 367,000 warrant shares in connection with the issuance of the promissory note in the principal amount of $734,000 to Mast Hill Fund at the exercise price per share of $1.60. However, that if the Company consummates an Uplist Offering on or before the date that is one hundred eighty (180) calendar days after the Issuance Date, then the Exercise Price shall equal 120% of the offering price per share of Common Stock. On September 13, 2023 Mast Hill exercised 183,500 shares of the warrant at the exercise price per share of $1.60.

On March 2023, the company issued Craft Capital Management, L.L.C. and R.F. Lafferty & Co. Inc. a 5-year warrant (the "Underwriter Warrants") to purchase 29,250 shares of common stock in conjunction with a public offering (the "Underwriting Offering") pursuant to a registration statement on Form S-1.

On October 25, 2023 Mast Hill exercised the right to purchase 183,500 of the shares of Common Stock ("Warrant Shares") of Clean Energy Technologies, Inc., because of the Common Stock Purchase Warrant (the "Warrant") issued on March 08, 2023. The exercise price is $1.60 per share. The total purchase price was $293,600.

On March 15, 2024, we issued 2,000,000 warrant shares in connection with the issuance of subscription agreement in the amount of 900,000 at the warrant exercise price of per share of $1.00.

On June 18, 2024, we issued 1,203,333 warrant shares in connection with the issuance of subscription agreement in the amount of 1,083,000 at the warrant exercise price of per share of $1.60.

On December 5, 2024, we issued 500,000 warrant shares to Mast Hill Fund in connection with the issuance of equity line of credit agreement at the warrant exercise price of per share of $2.00.

On January 16, 2025, we issued 818,917 warrant shares in connection with the issuance of the promissory note in the principal amount of $1,637,833 to Mast Hill Fund at the exercise price per share of $2.50.

On February 28, 2025, we issued 310,000 warrant shares in connection with the issuance of the promissory note in the principal amount of $620,000 to Mast Hill Fund at the exercise price per share of $2.50.

	Warrants - Common Share Equivalents	Weighted Average Exercise price	Warrants exercisable - Common Share Equivalents	Aggregate Intrinsic Value
Outstanding December 31, 2024	3,802,685	$ 1.69	6,423,388	$ -
Expired	2,000,000			
Additions	1,128,917	2.50	2,822,293	-
Outstanding March 31, 2025	2,931,602	$ 3.15	9,248,830	$ -

Stock Options

We currently have no outstanding stock options.

NOTE 12 – RELATED PARTY TRANSACTIONS

On May 13, 2021, the Company formed CETY Capital LLC a wholly owned subsidiary of CETY. In addition, the company established VRG with our partner, Synergy Bioproducts Corporation ("SBC") The purpose of the joint venture is the development of a pyrolysis plant established to convert wood feedstock into electricity and BioChar by using high temperature ablative fast pyrolysis reactor for which Clean Energy Technology, Inc. holds the license for. The VRG is in Lyndon, Vermont. Based upon the terms of the members' agreement, CETY Capital LLC owns a 49% interest and SBC owns a 51% interest in VRG.

On June 2, 2023, CETY Renewables executed a turnkey agreement with VRG for the design, construction, and delivery of an organics-to-energy plant. As a result of this agreement, CETY invoiced VRG $801,086 in 2023, $1,051,178 in 2024, and $176,105 in 2025 which have been recorded as related party revenue in the respective periods.

CETY Renewables currently has $1,732,636 accounts receivable from Vermont Renewable Gas.

On June 21, 2024, VRG, a Vermont limited liability company in which the Company retains 49% equity interest, entered into a loan agreement with FPM Development LLC, a Nevada limited liability company, and Evergreen Credit Facility I LLP, a Nevada limited liability partnership (collectively, the "Lenders"), pursuant to which the Lenders agreed to loan to VRG the principal amount of $12 million, to be disbursed in tranches based on agreed-upon milestones, for the construction of a waste-to-biogas generation facility. The term of the loan is two (2) years from the date of the first disbursement and shall mature at the end of the said two (2) years. The Loan shall bear interest on the amount outstanding at a rate equal to the 12-month Secured Overnight Financing Rate (SOFR) as published by the Federal Reserve Bank of New York plus 4.75% per annum. Under the Loan Agreement, the $12 million loan shall be secured by (i) two contracts of VRG and (ii) a corporate guarantee provided by the Company (the "Corporate Guarantee") pursuant to which the Company agreed to absolutely and unconditionally guarantees, on a continuing basis, to the Lenders the prompt payment to the Lenders when due at maturity all of VRG's liabilities and obligations under the Loan Agreement. Under the Loan Agreement, the Lenders may also convert up to 30% of the amount of loan disbursed into shares of common stock of the Company, at the exercise price of 15% discounted value of the then-current share price of the common stock of the Company. AMEC Business Advisory Pte. Ltd., a company incorporated in Singapore (the "AMEC") may assume or acquire up to 50% of the total loan amount under the Loan Agreement and seeks the option to convert an extra 10% of the amount of loan disbursed, in addition to a pro-rata portion of the 30% conversion right.

The Lender is currently in default and has been served notice of default. The Lender has failed to disburse the first and second Tranche as outlined in the Milestone Schedule of the Agreement. While the Lender has communicated that they are working to cure this default, the company retains the right to amend the agreement once the cure is completed.

NOTE 13 - WARRANTY LIABILITY

For the quarter ended March 31, 2025 and 2024 there was no change in our warranty liability. We estimate our warranty liability based on past experiences and estimated replacement cost of material and labor to replace the critical turbine in the units that are still under warranty. The outstanding balance as of March 31, 2025, and 2024 was $100,000.

NOTE 14 – NON-CONTROLLING INTEREST

On June 24, 2021 the Company formed CETY Capital LLC a wholly owned subsidiary of CETY. In addition, on or about the same time the company established CETY Renewables Ashfield LLC ("CRA") a wholly owned subsidiary of Ashfield Renewables Ag Development LLC("ARA") with our partner, Ashfield AG ("AG"). The purpose of the joint venture was the development of a pyrolysis plant established to convert woody feedstock into electricity and BioChar by using high temperature ablative fast pyrolysis reactor for which Clean Energy Technology, Inc. holds the license for. The CRA was located in Ashfield, Massachusetts. Based upon the terms of the members' agreement, the CETY Capital LLC owned 75% interest and AG owns a 25% interest in Ashfield Renewables Ag Development LLC. The agreement with CETY Renewables Ashfield was terminated on or about August 29, 2022, and CETY Renewable Ashfield was dissolved.

The consolidated financial statements have deconsolidated the CRA business unit. The Liabilities of CRA has been transferred to VRG, a newly formed entity. CETY retains 49% equity in VRG.

On April 2, 2023 the Company formed CETY Capital LLC a wholly owned subsidiary of CETY. In addition, the company established VRG with our partner, SBC. The purpose of the joint venture is the development of a pyrolysis plant established to convert wood feedstock into electricity and BioChar by using high temperature ablative fast pyrolysis reactor for which Clean Energy Technology, Inc. holds the license for. The VRG is in Lyndon, Vermont. Based upon the terms of the members' agreement, CETY Capital LLC owns a 49% interest and SBC owns a 51% interest in Vermont Renewable Gas LLC.

The Company analyzed the transaction under ASC 810 Consolidation, to determine if the joint venture classifies as a Variable Interest Entity ("VIE"). The Company analyzed the transaction under ASC 810 Consolidation, to determine if the joint venture classifies as a VIE. The Joint Venture qualifies as a VIE based on the fact the JV does not have sufficient equity to operate without financial support from both parties. According to ASC 810-25-38, a reporting entity shall consolidate a VIE when that reporting entity has a variable interest (or combination of variable interests) that provides the reporting entity with a controlling financial interest on the basis of the provisions in paragraphs 810-10-25-38A through 25-38J. The reporting entity that consolidates a VIE is called the primary beneficiary of that VIE. According to the JV operating agreement, the ownership interests are 49/51 and the agreement provides for a Management Committee of 3 members. Two of the three members are from Synergy Bioproducts Corporation, and one is from CETY. Both parties do not have substantial capital at risk and CETY does not have voting interest. However, SBC has controlling interest and more board votes therefore SBC is the beneficiary of the VIE and as a result we record it as an equity investment. Accordingly, the Company has elected to account for the joint venture as an equity method investment in accordance with ASC 323 Investments – Equity Method and Joint Ventures. This decision is a result of the company's evaluation of its involvement with potential variable interest entities and their respective risk and reward scenarios, which collectively affirm that the conditions necessitating the application of the variable interest model are not present.

NOTE 15 – THE STATUTORY RESERVES

The Company's ability to pay dividends primarily depends on it receiving funds from its subsidiaries. PRC laws and regulations permit payments of dividends by the Company's PRC subsidiaries only out of the subsidiary's retained earnings, if any, as determined in accordance with PRC accounting standards and regulations. The results of operations reflected in the financial statements prepared in accordance with US GAAP differ from those reflected in the statutory financial statements of the Company's PRC subsidiaries.

In accordance with the PRC Regulations on Enterprises with Foreign Investment and their articles of association, a foreign-invested enterprise ("FIE") established in the PRC is required to provide statutory reserves, which are appropriated from net profit as reported in the FIE's PRC statutory accounts. An FIE is required to allocate at least 10% of its annual after-tax profit to the surplus reserve until such reserve reaches 50% of its respective registered capital based on the FIE's PRC statutory accounts. Appropriations to other funds are at the discretion of the BOD for all FIEs. The aforementioned reserves can only be used for specific purposes and are not distributable as cash dividends. Additionally, shareholders of an FIE are required to contribute capital to satisfy the registered capital requirement of the FIE. Until such contribution of capital is satisfied, the FIE is not allowed to repatriate profits to its shareholders, unless otherwise approved by the State Administration of Foreign Exchange.

Additionally, in accordance with the Company Laws of the PRC, a domestic enterprise is required to provide surplus reserve at least 10% of its annual after-tax profit until such reserve has reached 50% of its respective registered capital based on the enterprise's PRC statutory accounts. A domestic enterprise is also required to have a discretionary surplus reserve, at the discretion of the BOD, from the profits determined in accordance with the enterprise's PRC statutory accounts. Appropriation to such reserve by the Company is based on profit arrived at under PRC accounting standards for business enterprises for each year. The profit arrived at must be set off against any accumulated losses sustained by the Company in prior years, before allocation is made to the statutory reserve. The aforementioned reserves can only be used for specific purposes and are not distributable as cash dividends. Technology was established as domestic enterprises and therefore are subject to the above-mentioned restrictions on distributable profits.

As a result of these PRC laws and regulations that require annual appropriations of 10% of after-tax income to be set aside prior to payment of dividends as general reserve fund, the Company's PRC subsidiaries are restricted in their ability to transfer a portion of their net assets to the Company as a dividend.

In addition, according to Administrative Measures for the Collection and Utilization of Enterprise Work Safety Funds issued by the PRC Ministry of Finance and the State Administration of Work Safety, for the companies with dangerous goods production or storage, the company is required to make a special reserve for the use of enhancing and improving its safe production conditions. Under PRC GAAP, the reserve is recorded as selling expense; however, under US GAAP, since the expense has not been incurred and the Company will record cost of sales for safety related expenses when it is actually happened or incurred, this special reserve was recorded as an appropriation of its after-tax income. The reserve is calculated at a rate of 15% of total sales.

NOTE 16 – SUBSEQUENT EVENTS

On April 4, 2025, the Company entered into a securities purchase agreement with Pacific Pier Capital II, LLC, a Delaware limited liability company ("Pacific Pier"), pursuant to which the Company sold, and Pacific Pier purchased, (i) a convertible promissory note in the principal amount of $345,000, and (ii) 45,000 shares of Company common stock, for an aggregate purchase price of $310,500.

On April 23, 2025, the Company entered into a securities purchase agreement with Pacific Pier, pursuant to which the Company sold, and Pacific Pier purchased, (i) a convertible promissory note in the principal amount of $256,000, and (ii) 45,000 shares of Company common stock, for an aggregate purchase price of $230,400.

On May 06, 2025, the Company issued 315,000 shares of common stock pursuant to the conversion of the note dated May 6, 2022.

On May 6, 2025, the Company entered into a Subscription Agreement with various investors, pursuant to which the Purchasers acquired in the aggregate 10,731,707 shares of Company common stock, at a price of $0.41 per share, for aggregate gross proceeds of $4,400,000.

On May 7, 2025, the Company received a letter from the Nasdaq Listing Qualifications Department of the Nasdaq Stock Market LLC, granting the Company an additional 180-day period, or until November 3, 2025, to regain compliance with Nasdaq's minimum $1.00 bid price per share requirement.

On May 8, 2025, the Company entered into a securities purchase agreement with 1800 Diagonal Lending LLC, a Virginia limited liability company ("1800 Diagonal"), pursuant to which the Company sold, and 1800 Diagonal purchased, a convertible promissory note in the principal amount of $131,610 for a purchase price of $107,000.

On May 19, 2025, the Company entered into a securities purchase agreement with Lucas Ventures, LLC, an Arizona limited liability company ("Lucas Ventures"), pursuant to which the Company sold, and Lucas Ventures purchased, (i) a convertible promissory note in the principal amount of $109,500, and (ii) 40,000 shares of Company common stock, for an aggregate purchase price of $104,000.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION OR PLAN OF OPERATION

FORWARD-LOOKING STATEMENTS

This Management's Discussion and Analysis of Financial Condition and Results of Operations (MD&A) contains forward-looking statements that involve known and unknown risks, significant uncertainties and other factors that may cause our actual results, levels of activity, performance, or achievements to be materially different from any future results, levels of activity, performance or achievements expressed, or implied, by those forward-looking statements. You can identify forward-looking statements using the words may, will, should, could, expects, plans, anticipates, believes, estimates, predicts, intends, potential, proposed, or continue or the negative of those terms. These statements are only predictions. In evaluating these statements, you should consider various factors which may cause our actual results to differ materially from any forward-looking statements. Although we believe that the exceptions reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance, or achievements. Therefore, actual results may differ materially and adversely from those expressed in any forward-looking statements. We undertake no obligation to revise or update publicly any forward-looking statements for any reason.

Description of the Company

We design, produce and market clean energy products and integrated solutions focused on energy efficiency and renewable energy. Our aim is to become a leading provider of renewable and energy efficiency products and solutions by helping commercial companies and municipalities reduce energy waste and emissions, lower energy costs and generate incremental revenue by providing electricity, renewable natural gas and biochar to the grid.

Our principal executive offices are located at 1340 Reynolds Avenue, Irvine, CA 92614. Our telephone number is (949) 273-4990. Our common stock is listed on the NASDAQ Markets under the symbol "CETY."

Our internet website address is www.cetyinc.com the information contained on our websites are not incorporated by reference into this document, and you should not consider any information contained on, or that can be accessed through, our website as part of this document.

Segment Information

Our four segments for accounting purposes are:

Clean Energy HRS & CETY Europe – Our Waste Heat Recovery Solutions, converting thermal energy to zero emission electricity.

CETY Renewables Waste to Energy Solutions – Providing Waste to Energy technologies and solutions.

Engineering and Manufacturing Business – providing customers with comprehensive design, manufacturing, and project management solutions.

CETY HK – The parent company of our NG trading operations in China. Prior to the first quarter of 2022 the Company had three reportable segments but added the CETY HK segment to reflect its recent new businesses in China.

We specialize in renewable energy & energy efficiency systems design, manufacturing and project implementation. We were incorporated in California in July 1995 under the name Probe Manufacturing Industries, Inc. We redomiciled to Nevada in April 2005 under the name Probe Manufacturing, Inc. We provided engineering and manufacturing electronics services to original equipment manufacturers (OEMs) of clean energy, industrial, automotive, semiconductor, medical, communication, military, and high technology products.

With the vision to combat climate change and creating a better, cleaner and environmentally sustainable future, we formed Clean Energy HRS, LLC a wholly owned subsidiary of Clean Energy Technologies, Inc. and acquired the assets of Heat Recovery Solutions from General Electric International on September 11, 2015. In November 2015, we changed our name to Clean Energy Technologies, Inc. We have 24 full-time employees.

Clean Energy Technologies, Inc. established a new company, CETY Europe, SRL (CETY Europe) as a wholly owned subsidiary. CETY Europe is a Sales and Service Center in Silea (Treviso), Italy established in 2017. The service center became operational in November 2018. Their offices are located at Alzaia Sul Sile, 26D, 31057 Silea (TV) and they have 1 full time employee.

Clean Energy Technologies, Inc. established a wholly owned subsidiary called CETY Capital, a financing arm of CETY to fund captive renewable energy projects producing low carbon energy. CETY Capital will add flexibility to the capacity CETY offers its customers and fund projects utilizing its products and clean energy solutions.

CETY Capital retains 49% ownership interest in Vermont Renewable Gas LLC established to develop a biomass plant in Vermont utilizing CETY's High Temperature Ablative Pyrolysis system.

Clean Energy Technologies (H.K.) Limited., a wholly owned subsidiary of Clean Energy Technologies Inc. acquired 100% ownership of Leading Wave Limited a liquid natural gas trading company in China.

Business Overview

General

The Company's business and operating results are directly affected by changes in overall customer demand, operational costs and performance and leverage of our fixed cost and selling, general and administrative ("SG&A") infrastructure.

Product sales fluctuate in response to several factors including many that are beyond the Company's control, such as general economic conditions, interest rates, government regulations, consumer spending, labor availability, and our customers' production rates and inventory levels. Product sales consist of demand from customers in many different markets with different levels of cyclicality and seasonality.

Operating performance is dependent on the Company's ability to manage changes in input costs for items such as raw materials, labor, and overhead operating costs. Performance is also affected by manufacturing efficiencies, including items such as on time delivery, quality, scrap, and productivity. Market factors of supply and demand can impact operating costs.

<u>Who We Are</u>

We develop renewable energy products and solutions and establish partnerships in renewable energy that make environmental and economic sense. Our mission is to be a segment leader in the Zero Emission Revolution by offering recyclable energy solutions, clean energy fuels and alternative electric power for small and mid-sized projects in North America, Europe, and Asia. We target sustainable energy solutions that are profitable for us, profitable for our customers and represent the future of global energy production.

<u>Our principal businesses</u>

Waste Heat Recovery Solutions – we recycle wasted heat produced in manufacturing, waste to energy and power generation facilities using our patented Clean Cycle^{TM} generator to create electricity which can be recycled or sold to the grid.

Waste to Energy Solutions - we convert waste products created in manufacturing, agriculture, wastewater treatment plants and other industries to electricity, renewable natural gas ("RNG"), hydrogen and biochar which are sold or used by our customers.

Engineering, Consulting and Project Management Solutions – we bring a wealth of experience in developing clean energy projects for municipal and industrial customers and Engineering, Procurement and Construction (EPC) companies so they can identify, design and incorporate clean energy solutions in their projects.

CETY HK

Clean Energy Technologies (H.K.) Limited ("CETY HK") consists of two business ventures in mainland China:(i) our natural gas ("NG") trading operations sourcing and suppling NG to industries and municipalities. Natural Gas is principally used for heavy truck refueling stations and urban or industrial users. We purchase large quantities of NG from large wholesale NG depots at fixed prices which are prepaid for in advance at a discount to the market. We sell the NG to our customers at fixed prices or prevailing daily spot prices for the duration of the contracts.

Business and Segment Information

We design, produce and market clean energy products and integrated solutions focused on energy efficiency and renewable energy. Our aim is to become a leading provider of renewable and energy efficiency products and solutions by helping commercial companies and municipalities reduce energy waste and emissions, lower energy costs and generate incremental revenue by providing electricity, renewable natural gas and biochar to the grid.

Summary of Operating Results the three months Ended March 31, 2025 Compared to the same period in 2024

Going Concern

The financial statements have been prepared on a going concern basis, which contemplates continuity of operations, realization of assets and liquidation of liabilities in the normal course of business. The Company had a total stockholder's equity of $2,951,159 and a working capital deficit of 3,320,603 as of March 31, 2025, The company also had an accumulated deficit of $27,731,745 as of March 31, 2025 and used 776,047 in net cash from operating activities for the three months ended March 31, 2025. Therefore, there is substantial doubt about the ability of the Company to continue as a going concern. There can be no assurance that the Company will achieve its goals and reach profitable operations and is still dependent upon its ability (1) to obtain sufficient debt and/or equity capital and/or (2) to generate positive cash flow from operations.

For the quarter ended March 31, 2025, our total revenue was $791,940 compared to $1,513,026 for the same period in 2024. Our total revenue for the first quarter of 2025 was lower compared to the same period in 2024, primarily due to minimal contributions from our China natural gas business.

For the quarter ended March 31, 2025, our gross profit was $728,553 compared to $253,005 for the same period in 2024. Gross profit margins improved due to greater contributions from CETY's non-NG business in China, where our operations and technologies yield substantially higher margins compared to our NG segment.

For the three months ended March 31, 2025, our operating expense was $824,656 compared to $1,073,926 for the same period in 2024. The decrease in expenses was primarily driven by lower salary costs from our China operations and a reduction in professional fees for legal and accounting services, which were elevated in the prior period due to costs associated with our S-3 registration.

For the quarter ended March 31, 2025, we had a net loss of $331,182 compared to $1,419,400 for the same period in 2024. The improvement was largely attributable to reduced salary expenses in our China operations, lower legal and accounting costs, and stronger margins generated by our U.S.-based businesses.

For the quarter ended March 31, 2025, stockholders' equity increased by $12,657 to $2,951,159, compared to $2,938,502 as of December 31, 2024, primarily due to higher increase from net income

CETY has successfully repositioned itself as a diversified clean energy solutions provider by establishing four distinct business segments designed to support scalable, stable, and diversified revenue growth. These segments include:

- Clean Energy HRS (Heat Recovery Systems)
- Waste-to-Energy (via Pyrolysis Technology)
- Engineering, Procurement, and Consulting (EPC)
- CETY HK (Natural Gas Trading and Acquisitions)

Revenue for the first quarter was primarily driven by the Clean Energy HRS and CETY Renewables segments. Looking ahead, the company anticipates stronger revenue contributions from its Waste-to-Energy, Heat Recovery, and EPC segments in the latter half of the year, segments which are expected to deliver higher gross margins.

CETY's pilot Waste-to-Energy facility in Vermont, which integrates all of the company's proprietary technologies and operational expertise into a unified, turnkey solution, is currently pending final approval from the Vermont Public Utility Commission.

Meanwhile, demand for Heat Recovery solutions is accelerating across both the U.S. and Europe. In parallel, CETY is actively scaling its Engineering and project management operations to deliver comprehensive self-generation energy solutions on a global scale.

Management believes this 4-segment strategy has created many operational synergies and cross-selling opportunities across different markets. The growth in the non-China operations in the first quarter of 2025 vs. same period in 2024 was a result of this strategy. CETY believes that it will continue to deliver growth on these segments this year. The main macro factor benefiting us is the global commitment to push renewable energy to the forefront from governments across the world. Another catalyst that will potentially help our Company, is a continuously improving our global supply chain and lowering our cost.

CETY expects to and will continue to execute its corporate strategy to build sustained and profitable growth by providing end to end fully integrated solutions and technologies, expand our global sales and marketing, production, research & development, as well as search for synergistic acquisition opportunities.

See note 1 to the notes to the financial statements for a discussion on critical accounting policies

RELATED PARTY TRANSACTIONS

See note 13 to the notes to the financial statements for a discussion on related party transaction

Results of the three Ended March 31, 2025, Compared to the three ended March 31, 2024

Net Sales

For the quarter ended March 31, 2025, our total revenue was $791,940 compared to 1,513,026 for the same period in 2024. The lower revenue was contributed to primarily due to minimal contributions from our China natural gas business.

Segment breakdown

For the three months ended March 31, 2025, our revenue from HRS was $612,354 compared to $72,488 for the same period in 2024. We have a large pipeline of opportunities in this segment and are working diligently to complete the engineering and design, enabling us to execute contractual agreements and close these opportunities. The sales cycle for these types of opportunities is long due to cost factors and the integration of the technology. We are also working with financial institutions to assist in financing the projects as customers are increasingly moving towards Independent Power Producer models.

For the three months ended March 31, 2025, revenue from the CETY Renewables segment was $176,105, compared to $211,568 for the same period in 2024. This segment is expected to remain relatively stable until construction activities commence later this year.

For the three months ended March 31, 2025, CETY reported no revenue from its Engineering and Manufacturing segments, compared to $9,342 for the same period in 2024. This segment is still in its early stages and much of the related activity is currently being integrated into the HRS and CETY Renewables segments. However, with a developing pipeline of opportunities, CETY expects to see gradual revenue growth from this segment over the coming quarters.

For the three months ended March 31, 2025, revenue from our natural gas (NG) business was $3,481, a decrease from $1,219,629 for the same period in 2024. This decline is primarily due to macroeconomic factors and our strategic decision to reduce focus on lower-margin business activities.

Gross Profit

In the three months ending March 31, 2025, our gross profits totalled $728,553 marking a favorable increase compared to $253,005 recorded for the corresponding period in 2024. Gross profit margins improved due to greater contributions from CETY's non-NG business in China, where our operations and technologies yield substantially higher margins compared to our NG segment.

Segment breakdown

For the three months ending March 31, 2025, our gross profit from Engineering and Manufacturing amounted to $0, compared to 7,806 for the same period in 2024. This segment is a recent addition to CETY's portfolio, currently serving as a support for our ongoing internal projects. Nevertheless, it is anticipated to expand notably as CETY shifts its focus towards providing comprehensive end-to-end power generation and integrated solutions.

For the three months ended March 31, 2025, our gross profit from the HRS segment was $552,331, compared to $51,597 for the same period in 2024. This significant increase in gross profit was primarily driven by higher revenues, which included equipment sales and the sale of products with lower costs, along with engineering services.

For the three months ended March 31, 2025, our gross profit from our wholly owned subsidiary, JHJ, was $115, down from $9,852 for the same period in 2024. This decrease was primarily due to minimal business activity in China, which was partly a result of our strategic decision to reduce focus on lower-margin businesses in the region.

Selling, General and Administrative (SG&A) Expenses.

For the three months ended March 31, 2025, our SG&A expenses totalled $222,557, compared to $218,658 for the same period in 2024. This slight increase reflects stable and consistent expense management.

Salaries Expense

For the three months ended March 31, 2025, our salaries expense totalled $433,799, compared to $511,111 for the same period in 2024. The decrease was primarily due to reduced activity in our China natural gas business, while salary levels in other areas remained stable.

Travel Expense

For the three months ended March 31, 2025, our travel expenses were $32,377, compared to $29,652 for the same period in 2024. This slight increase reflects stable activity levels within our service and marketing operations.

Professional fees legal and accounting

For the quarter ended March 31, 2025, our professional fees totalled $66,213, compared to $199,053 for the same period in 2024. The decrease was primarily due to reduced legal and consulting activity, as the first quarter of 2024 included higher costs related to our S-3 registration process.

Facility Lease and Maintenance Expense

For the three months ended March 31, 2025, our facility lease and maintenance expenses totalled $66,741, compared to $71,275 for the same period in 2024. This slight decrease reflects normal fluctuations, with no significant changes in underlying operations.

Depreciation and Amortization Expense

For the three months ended March 31, 2025, our depreciation and amortization expense was $2,969, unchanged from the same period in 2024. There were no significant changes, as the majority of our equipment has already been fully depreciated.

Change in Derivative Liability

The three months ended March 31, 2025 and 2024; we had no derivative liability.

Interest and Finance Fees

For the three months ended March 31, 2025, interest and finance fees totalled $339,821, compared to $295,193 for the same period in 2024. The increase was primarily due to two larger interim financings secured to bridge the company through the finalization of funding for the Vermont Renewable Project, aimed at addressing approximately $1.7 million in accounts receivable, and to support the completion of the S-3 registration.

Net Loss

For the three months ended March 31, 2025, our net loss was $331,231, compared to a net loss of $1,419,400 for the same period in 2024. This significant decrease is primarily attributable to higher-margin revenue from the HRS segment—driven by equipment and technical sales—as well as stable contributions from CETY Renewables in support of the Vermont Renewable Gas Project. Additionally, reduced activity in the lower-margin China NG business contributed to improved overall financial performance.

Liquidity and Capital Resources

Clean Energy Technologies, Inc.
Condensed Consolidated Statements of Cash Flows
for the three months ended March 31,
(unaudited)

		2025		2024
Net cash (used in) operating activities	$	(776,047)	$	(871,636)
Net cash provided by investing activities		(2.932)		83,460
Net cash provided by financing activities		759,002		987,871
Foreign Currency Transaction		12,241		161
Net increase in cash and cash equivalents	$	(19,790)	$	289,481

Capital Requirements for Long-Term Obligations

None.

Critical Accounting Policies

Our financial statements and accompanying notes have been prepared in accordance with United States generally accepted accounting principles applied on a consistent basis. The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods.

We regularly evaluate the accounting policies and estimates that we use to prepare our financial statements. A complete summary of these policies is included in the notes to our financial statements. In general, management's estimates are based on historical experience, on information from third party professionals, and on various other assumptions that are believed to be reasonable under the facts and circumstances. Actual results could differ from those estimates made by management.

Revenue Recognition

The Company recognizes revenue under ASU No. 2014-09, *"Revenue from Contracts with Customers (Topic 606),"* ("ASC 606").

Performance Obligations Satisfied Over Time

FASB ASC 606-10-25-27 through 25-29, 25-36 through 25-37, 55-5 through 55-10

An entity transfers control of a good or service over time and satisfies a performance obligation and recognizes revenue over time if one of the following criteria is met:

a. The customer receives and consumes the benefits provided by the entity's performance as the entity performs (as described in FASB ASC 606-10-55-5 through 55-6).
b. The entity's performance creates or enhances an asset (for example, work in process) that the customer controls as the asset is created or enhanced (as described in FASB ASC 606-10-55-7).
c. The entity's performance does not create an asset with an alternative use to the entity (see FASB ASC 606-10-25-28), and the entity has an enforceable right to payment for performance completed to date (as described in FASB ASC 606-10-25-29).

The following five steps are applied to achieve that core principle for our business:

- Identify the contract with the customer
- Identify the performance obligations in the contract
- Determine the transaction price
- Allocate the transaction price to the performance obligations in the contract
- Recognize revenue when the company satisfies a performance obligation

Performance Obligations Satisfied at a Point in Time

FASB ASC 606-10-25-30

If a performance obligation is not satisfied over time, the performance obligation is satisfied at a point in time. To determine the point in time at which a customer obtains control of a promised asset and the entity satisfies a performance obligation, the entity should consider the guidance on control in FASB ASC 606-10-25-23 through 25-26. In addition, it should consider indicators of the transfer of control, which include, but are not limited to, the following:

a. The entity has a present right to payment for the asset
b. The customer has legal title to the asset
c. The entity has transferred physical possession of the asset
d. The customer has the significant risks and rewards of ownership of the asset
e. The customer has accepted the asset

The core principle of the revenue standard is that a company should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods or services. The Company only applies the five-step model to contracts when it is probable that the Company will collect the consideration it is entitled to in exchange for the goods and services transferred to the customer. In addition a) the company also does not have an alternative use for the asset if the customer were to cancel the contract, and b) has a fully enforceable right to receive payment for work performed (i.e., customers are required to pay as various milestones and/or timeframes are met)

The following five steps are applied to achieve that core principle for our HRS and Cety Europe Divisions:

- Identify the contract with the customer
- Identify the performance obligations in the contract
- Determine the transaction price
- Allocate the transaction price to the performance obligations in the contract
- Recognize revenue when the company satisfies a performance obligation

The following steps are applied to our legacy engineering and manufacturing division:

- We generate a quotation
- We receive Purchase orders from our customers.
- We build the product to their specification
- We invoice at the time of shipment
- The terms are typically Net 30 days

The following step is applied to our CETY HK business unit:

- CETY HK is primarily responsible for fulfilling the contract / promise to provide the specified good or service.

A principal obtains control over any one of the following (ASC 606-10-55-37A):

a. A good or another asset from the other party which the entity then transfers to the customer. Note that momentary control before transfer to the customer may not qualify.
b. A right to a service to be performed by the other party, which gives the entity the ability to direct that party to provide the service to the customer on the entity's behalf.
c. A good or service from the other party that it then combines with other goods or services in providing the specified good or service to the customer.

If the entity obtains control over one of the above before the good or service is transferred to a customer, the entity could be considered a principal.

During the project development and engineering phase of our CETY Renewable projects such as VRG, we employ the input method of revenue recognition to estimate revenue based on projected costs. This approach involves forecasting future costs and revenues to determine the amount of revenue we recognize in the current period. It's important to understand, however, that these recognized revenue figures are not final and are subject to adjustments. Changes may occur as we gain more clarity on actual costs compared to our initial projections, affecting the revenue recognized accordingly.

The projected costs of the VRG project is based on estimates and profitability will be impacted depending on actual costs. Using the input method for revenue recognition, the amount of recorded revenue is also affected depending on the estimated total costs. The purchase price allocation for Shuya was also based on estimates and comparable data selected by the Company. The inputs for the valuation of the Series E preferred shares were also based on estimates and comparable data selected by the Company.

Additionally, the above five steps are applied to achieve core principle for our CETY Renewables Division:

Because the CETY Renewables division is presently engaged in the Engineering, Procurement, and Construction (EPC) of biomass power facilities, CETY Renewables has developed a process of executing EPC Agreements with customers for this work. In contracting these engagements, CETY Renewables recognizes revenue according to accounting standards in accordance with ASC 606.

In recognizing this revenue, CETY Renewables first identifies the relevant contract with its customer according to 606-10-25-1.

- The entities, together known as the Parties, approved the contract in writing, through signatures and commitment to the performance of permitting, design, procurement, construction, and commissioning.

- CETY's work product includes permits, engineering designs, equipment, and full balance of plant specific to permitting, design, procurement, construction, and commissioning.

- CETY and customer agree to a total EPC Contract price.

- The contract has commercial substance. The risk associated with this EPC Agreement is that payment of the EPC contract price.

- Per the EPC Agreement, CETY expects to collect substantially all of the consideration for its goods and services.

Secondly, CETY identifies the performance obligations of the Parties in performance of the EPC Agreement in accordance with 606-10-25-14. At contract inception, CETY assesses the goods and services necessary to deliver the facility in accordance with the its agreement with its clients. The agreement specifically laid out all deliverables necessary to achieve the permitting, design, procurement, construction, and commissioning.

CETY also looks at 606-10-25-14(A). A bundle of goods or services is also present, in that CETY is delivering all work products associated with permitting, design, procurement, construction and commissioning of a commercially operable biomass power plant. A biomass power plant is a distinct bundle of goods or services, so the individual goods or services on their own do not lend themselves to a fully integrated or functional system.

CETY in accordance with 606-10-32-1, CETY reviews measurement of the performance obligations. There are no exclusion of any amount of the Contract Price due to constraints associated with 606-10-31-11 through 606-10-32-13.

In review of 606-10-32-2A, CETY did not exclude measurement from the measurement of the transaction price any taxes assessed by a government authority as no such taxes will be due.

In reviewing 606-10-32-3, CETY evaluated the nature, timing, and amount of consideration promised, and whether it impacts the estimate of the transaction price.

Finally, in identifying a single method of measuring progress for each performance obligation satisfied over time, in accordance with 606-10-25-32, CETY applies the methodology of 606-10-25-36. CETY adopted and implemented the input method for revenue recognition in accordance with ASC 606-10-25-33. The company adopts the input method for implementation. CETY recognizes revenue for performance obligations on the basis of the entity's efforts or inputs to the satisfaction of a performance obligation per 606-10-55-20.

For CETY, the contracts with clients for the construction of biomass power plants are the basis for revenue recognition. In each separate EPC Agreement, the performance obligations include permitting, design, procurement, construction, and commissioning of the plant. All of these work products satisfy Section 606-10-25-27(b) as these work products create or enhance an asset under customer's control. Upon delivery of the work product, the customer takes control of the work products and has full right and ability to direct the use of and obtain substantially all of the remaining benefits of the assets. We recognize revenue over time, using timeline and milestone methods to measure progress towards complete satisfaction of the performance obligation.

During the complexity and duration of the biomass power plant construction projects, CETY will recognize revenue over time, consistent with the criteria for over-time recognition under ASC 606. This approach reflects the continuous transfer of documents, permits, and the equipment over to the customer, which is characteristic of long-term construction contracts.

We have a list of appropriate measures of progress: This is based on milestones achieved, among other measures.

Given the long-term nature of the projects, CETY regularly reviews and, if necessary, updates its estimates of progress towards completion, transaction price, and the allocation of the transaction price to performance obligations.

Also, from time to time our contracts state that the customer is not obligated to pay a final payment until the units are commissioned, i.e. a final payment of 10%. As of December 31, 2024 and 2023 we had $33,000 and 33,000 of deferred revenue, which is expected to be recognized in the second quarter of year 2025.

Also from time to time we require upfront deposits from our customers based on the contract. As of December 31, 2024 and 2023, we had outstanding customer deposits of $128,134 and $30,061 respectively.

Change from fair value or equity method to consolidation

In July 2022, JHJ and other three shareholders agreed to form and make total capital contribution of RMB 20 million ($2.81 million) with latest contribution due date in February 2066 into Sichuan Hongzuo Shuya Energy Limited (“Shuya”), JHK owns 20% of Shuya. In August 2022, JHJ purchased 100% ownership of Sichuan Shunengwei Energy Technology Limited (“SSET”) for $0, who owns 29% of Shuya; Shunengwei is a holding company and did not have any operations nor made any capital contribution into Shuya as of the ownership purchase date by JHJ; right after the ownership purchase of SSET, JHJ ultimately owns 49% of Shuya.

Shuya was set up as the operating entity for pipeline natural gas (PNG) and compressed natural gas (CNG) trading business, while the other two shareholders of Shuaya have large supply relationships.

For the year ended December 31, 2022, the Company has determined that Shuya was not a VIE and has evaluated its consolidation analysis under the voting interest model. Because the Company does not own greater than 50% of the outstanding voting shares, either directly or indirectly, it has accounted for its investment in Shuya under the equity method of accounting. Under this method, the investor (“JHJ”) recognizes its share of the profits and losses of the investee (“Shuya”) in the periods when these profits and losses are also reflected in the accounts of the investee. Any profit or loss recognized by the investing entity appears in its income statement. Also, any recognized profit increases the investment recorded by the investing entity, while a recognized loss decreases the investment.

JHJ made a investment of RMB 3.91 million ($0.55 million) into Shuya during the 12 months ended December 31, 2022 recorded in accordance with ASC 323. Shuya had a net loss of approximately $10,750 during the year ending December 31, 2022, of which approximately $5,000 was allocated to the company, reducing the investment by that amount.

However, effective January 1, 2023, JHJ, SSET and Chengdu Xiangyueheng Enterprise Management Co., Ltd (“Xiangyueheng), who is the 10% shareholder of Shuya, entered a Three-Parties Consistent Action Agreement, wherein these three shareholders (or three parties) will guarantee that the voting rights will be expressed in the same way at the shareholders’ meeting of Shuya to consolidate the controlling position of the three parties in Shuya. The three parties agree that within the validity period of this agreement, before the party intends to propose the motions to the shareholders or the board of directors on the major matters related to the voting rights of the shareholders or the board of directors, the three parties internally will discuss, negotiate and coordinate the motion topics for consistency; in the event of disagreement, the opinions of JHJ shall prevail.

As a result of Consistent Action Agreement, the Company re-analyzed and determined that Shuya is the variable interest entity ("VIE") of JHJ because 1) the equity investors at risk, as a group, lack the characteristics of a controlling financial interest, and 2) Shuya is structured with disproportionate voting rights, and substantially all of the activities are conducted on behalf of an investor with disproportionately few voting rights. Under ASC 810, a reporting entity has a controlling financial interest in a VIE, and must consolidate that VIE, if the reporting entity has both of the following characteristics: (a) the power to direct the activities of the VIE that most significantly affect the VIE's economic performance; and (b) the obligation to absorb losses, or the right to receive benefits, that could potentially be significant to the VIE. The Company concluded JHJ is deemed the primary beneficiary of the VIE. Accordingly, the Company consolidates Shuya effective on January 1, 2023.

The change of control interest was accounted for using the acquisition method of accounting in accordance with Accounting Standards Codification, referred to as ASC, 805, Business Combinations. The management determined that the Company was the acquiror for financial accounting purposes. In identifying the Company as the accounting acquiror, the companies considered the structure of the transaction and other actions contemplated by the Three-Parties Consistent Action Agreement, relative outstanding share ownership and market values, the composition of the combined company's board of directors, the relative size of Shuya, and the designation of certain senior management positions of the combined company.

In accordance with ASC 805, the Company recorded the acquisition based on the fair value of the consideration transferred and then allocated the purchase price to the identifiable assets acquired and liabilities assumed based on their respective fair values as of the Acquisition Date. The excess of the value of consideration transferred over the aggregate fair value of those net assets was recorded as goodwill. Any identified definite lived intangible assets will be amortized over their estimated useful lives and any identified intangible assets with indefinite useful lives and goodwill will not be amortized but will be tested for impairment at least annually. All intangible assets and goodwill will be tested for impairment when certain indicators are present. Determining the fair value of assets acquired and liabilities assumed requires management to use significant judgment and estimates including the selection of valuation methodologies, estimates of future revenues and cash flows, discount rates, and selection of comparable companies. The valuation of purchase considerations was based on preliminary estimates that management believes are reasonable under the circumstances.

As the Consistent Action Agreement did not quantify any considerations to gain the control, the deemed consideration paid is the fair value of 51% non-controlling interest as of January 1, 2023. The following table summarizes the fair value of the consideration paid and the fair value of assets acquired, and liabilities assumed on January 1, 2023, the acquisition date.

Fair value of non-controlling interests	$	650,951
Fair value of previously held equity investment		556,096
Subtotal	$	1,207,047
Recognized value of 100% of identifiable net assets		(1,207,047)
Goodwill Recognized	$	-
Recognized amounts of identifiable assets acquired and liabilities assumed (preliminary):		
Inventories	$	516,131
Cash and cash equivalents		50,346
Trade and other receivables		952,384
Advanced deposit		672,597
Net fixed assets		6,704
Trade and other payables		(1,021,897)
Advanced payments		(5,317)
Salaries and wages payables		(4,692)
Other receivable		40,791
Total identifiable net assets	$	1,207,047

Under ASC-805-10-50-2, initial consolidation of an investee previously reported using fair value or the equity method should be accounted for prospectively as of the date the entity obtained a controlling financial interest. Therefore, the Company should provide pro forma information as if the consolidation had occurred as of the beginning of each of the current and prior comparative reporting period per

Under ASC-805-10-50-2, initial consolidation of an investee previously reported using fair value or the equity method should be accounted for prospectively as of the date the entity obtained a controlling financial interest. Therefore, the Company should provide pro forma information as if the consolidation had occurred as of the beginning of each of the current and prior comparative reporting period per

On January 1, 2024, and effective on the same date, JHJ, SSET and Xiangyueheng entered into the Agreement on the Termination of the Concerted Action Agreement (the "Termination Agreement"), pursuant to which the parties released each other from any and all obligations under the CAA. Due to the Termination Agreement, the Company now holds less than 50% of the voting rights in Shuya. The Company analyzed whether Shuya should be consolidated under ASC 810 and determined Shuya is no longer required to be consolidated on January 1, 2024 after the execution of the Termination Agreement. Accordingly, the Company will not consolidate Shuya into its consolidated financial statements on or after January 1, 2024.

Series E Valuation

Additionally, the inputs for the valuation of the Series E preferred shares were also based on estimates and comparable data selected by the Company and fair value measurements, furthermore, the purchase price allocation was based on estimates of fair market values.

Future Financing

We will continue to rely on equity sales of our common shares to continue to fund our business operations. Issuance of additional shares will result in dilution to existing stockholders. There is no assurance that we will achieve any additional sales of the equity securities or arrange for debt or other financing to fund planned acquisitions and exploration activities.

Off-Balance Sheet Arrangements

We have no significant off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that are material to stockholders.

Recently Issued Accounting Pronouncements

From time to time, new accounting pronouncements are issued by the Financial Accounting Standards Board ("FASB") or other standard setting bodies that are adopted by us as of the specified effective date. Unless otherwise discussed, we believe that the impact of recently issued standards that are not yet effective will not have a material impact on our consolidated financial position or results of operations upon adoption.

Item 3. Quantitative and Qualitative Disclosure about Market Risk.

We are a smaller reporting company as defined by Rule 12b-2 of the Securities Exchange Act of 1934 and are not required to provide the information under this item.

Item 4. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

Under the supervision and with the participation of our management, including our principal executive officer and principal financial and accounting officer, we conducted an evaluation of the effectiveness of our disclosure controls and procedures as of the end of the period ended March 31, 2025, as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act. Based on this evaluation, our principal executive officer and principal financial officer have concluded that during the period covered by this report, our disclosure controls and procedures were not effective as of March 31, 2025.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) of the Exchange Act) during the quarter ended March 31, 2025, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II—OTHER INFORMATION

Item 1. Legal Proceedings.

From time to time, the Company is involved in litigation incidental to the conduct of its business. The Company is presently not involved in any legal proceedings which in the opinion of management are likely to have a material adverse effect on the Company's consolidated financial position or results of operations.

Item 1A. Risk Factors.

Factors that could cause our actual results to differ materially from those in this Quarterly Report are any of the risks described in our Annual Report on Form 10-K filed with the SEC on April 14, 2025, and our registration statement on Form S-3 filed with the SEC on March 13, 2025. Any of these factors could result in a significant or material adverse effect on our results of operations or financial condition. Additional risk factors not presently known to us or that we currently deem immaterial may also impair our business or results of operations.

Item 2. Unregistered Sales of Equity Securities

Effective January 16, 2025, the Company entered into a securities purchase agreement with Mast Hill Fund, L.P., a Delaware limited partnership ("Mast Hill"), pursuant to which the Company sold, and Mast Hill purchased, (i) a junior secured convertible promissory note in the principal amount of $1,637,833.33, and (ii) warrants to purchase 818,917 shares of Company common stock, for an aggregate purchase price of $1,474,050.

On January 27, 2025, the Company issued 56,100 shares upon the final conversion of a convertible promissory note issued to Firstfire Global Opportunities Fund LLC.

On February 11, 2025, the Company entered into a consulting agreement with a third-party consultant, and as a condition to the agreement, the Company issued 25,000 shares of common stock to the consultant.

Effective February 28, 2025, the Company entered into a securities purchase agreement with Mast Hill pursuant to which the Company sold, and Mast Hill purchased, (i) a junior secured convertible promissory note in the principal amount of $620,000, and (ii) warrants to purchase 310,000 shares of Company common stock, for an aggregate purchase price of $558,000.

The Company issued the foregoing securities pursuant to the exemption from the registration requirements of the Securities Act of 1933, as amended (the "Securities Act") provided by Section 4(a)(2) of the Securities Act and Rule 506(b) of Regulation D promulgated thereunder, as the shareholders were accredited and/or financially sophisticated and had adequate access, through business or other relationships, to information about the Company, and the sales did not involve a public offering of securities or any general solicitation.

Item 3. Defaults upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not Applicable.

Item 5. Other Information

None.

Item 6. Exhibits

The following exhibits are filed or furnished as a part of, or incorporated by reference into, this Quarterly Report on Form 10-Q.

EXHIBIT NUMBER	DESCRIPTION
3.1	Articles of Incorporation (included as exhibit 3.1 to the Form SB-2/A filed on June 10, 2005).
3.2	Certificate of Amendment of Articles of Incorporation, dated November 13, 2015, filed with the Nevada Secretary of State (included as exhibit 3.1 to our Current Report on Form 8-K filed January 12, 2016).
3.3	Amended and Restated Articles dated June 30, 2016, filed with the Nevada Secretary of State (included as exhibit 3.1 to our Current Report on Form 8-K dated July 6, 2016).
3.4	Certificate of Amendment of Articles of Incorporation filed with the Nevada Secretary of State on August 23, 2017 (included as exhibit 10.01 to the Form 8-K filed on August 28, 2017).
3.5	Form of Certificate of Amendment of Articles of Incorporation filed with the Nevada Secretary of State on July 26, 2019 (included as Appendix A to the Definitive Schedule 14C filed on June 3, 2019)
3.6	Amended Bylaws (included as exhibit 3.03 to our Current Report on Form 8-K dated February 15, 2018)
3.7	Amendment to Articles of Incorporation of filed with the Secretary of State of the State of Nevada on January 9, 2023 (effective as of January 9, 2023) (included as exhibit 3.7 to the Form 8-K filed on January 19, 2023)
3.8	Amended and Restated Bylaws (included as exhibit 3.8 to the Form S-1/A filed on January 31, 2023).
4.1	Voting Agreement, dated February 13, 2018, by and among, the Corporation, ETI IV, Kambiz Mahdi, John Bennett and The Kambiz & Bahareh Mahdi Living Trust (included as exhibit 4.04 to the Form 8-K filed on February 15, 2018).
4.2	Description of Securities (included as Exhibit 4.13 of the Annual Report on Form 10-K filed on May 28, 2020).
4.3	Subscription Agreement (included as exhibit 4.13 to the Form 1-A/A filed on December 19, 2019).
4.4	Form of Representative Warrant (included as exhibit 4.14 to the Form S-1/A filed on January 31, 2023).
10.1	Translated Form of Strategic Cooperation Framework Agreement between Shenzhen Gas between Shenzhen Gas (Hong Kong) International Co., Limited and Leading Wave Limited, dated August 20, 2021 (Included as exhibit 10.136 to Form 10-K filed on April 15, 2022)
10.2	Translated Form of 12% Convertible Promissory Note of Chengdu Rongjun Enterprise Consulting Co., Ltd to Jiangsu Huanya Jieneng New Energy Co., Ltd. Yuan 5,000,000 (Included as exhibit 10.137 to the Form 10-K filed on April 15, 2022).
10.3	Form of Securities Purchase Agreement between Clean Energy Technologies, Inc. and Mast Hill Fund, L.P. dated May 6, 2022. (Included as exhibit 10.138 to the Form 8-K filed on May 9, 2022)
10.4	Form of $750,000 Convertible Promissory Note dated May 6, 2022. (Included as exhibit 10.139 to the Form 8-K filed on May 9, 2022)

10.5	Form of Jefferson Warrant (Included as Exhibit 10.144 of the Company on Form 8-K filed on August 16, 2022)
10.6	Form of $750,000 Convertible Promissory Note dated August 17, 2022. (Included as Exhibit 10.145 of the Company on Form 8-K filed on August 26, 2022)
10.7	Form of Securities Purchase Agreement between Clean Energy Technologies, Inc. and Mast Hill Fund, L.P. dated September 16, 2022. (Included as Exhibit 10.151 of the Company on Form 8-K filed on September 23, 2022)
10.8	Form of $300,000 Convertible Promissory Note dated September 23, 2022. (Included as Exhibit 10.152 to the Form 8-K filed on September 23, 2022).
10.9	Form of Securities Purchase Agreement between Clean Energy Technologies, Inc. and Mast Hill Fund, L.P. dated October 25, 2022. (Included as Exhibit 10.154 of the Company on Form 8-K filed on October 28, 2022)
10.10	Form of Promissory Note dated October 25, 2022. (Included as Exhibit 10.155 of the Company on Form 8-K filed on October 28, 2022)
10.11	Form of Securities Purchase Agreement between Clean Energy Technologies, Inc. and Mast Hill Fund, L.P. dated November 10, 2022. (Included as Exhibit 10.157 of the Company on Form 8-K filed on November 22, 2022).
10.12	Form of Promissory Note dated November 10, 2022. (Included as Exhibit 10.158 of the Company on Form 8-K filed on November 22, 2022).
10.13	Form of Securities Purchase Agreement between Clean Energy Technologies, Inc. and 1800 Diagonal Lending, LLC dated December 5, 2022 (Included as Exhibit 10.160 of the Company on Form 8-K filed on December 12, 2022).
10.14	Form of Promissory Note dated December 5, 2022 (Included as Exhibit 10.161 of the Company on Form 8-K filed on December 12, 2022).
10.15	Form of Operating Agreement between CETY Capital LLC and Synergy Bioproducts Corporation, dated December 14, 2022 (Included as Exhibit 10.162 of the Company on Form 8-K filed on December 15, 2022).
10.16	Form of Securities Purchase Agreement between Clean Energy Technologies, Inc. and Mast Hill Fund, L.P. dated December 26, 2022 (Included as Exhibit 10.163 of the Company on Form 8-K filed on January 3, 2023).
10.17	Form of $123,000 Convertible Promissory Note dated December 26, 2022 (Included as Exhibit 10.164 of the Company on Form 8-K filed on January 3, 2023).
10.18	Translated Form of Concerted Action Agreement between Jiangsu Huanya New Energy Co., Ltd., Sichuan Shunengwei Energy Technology Limited, and Chengdu Xiangyueheng Enterprise Management Co., Ltd., dated January 1, 2023 (included as Exhibit 10.18 on Form S-3/A filed on May 10, 2024).
10.19	Translated Form of Agreement on the Termination of the Concerted Action Agreement between Jiangsu Huanya Jieneng New Energy Co., Ltd., Sichuan Shunengwei Energy Technology Limited, and Chengdu Xiangyueheng Enterprise Management Co., Ltd., dated January 1, 2024 (included as Exhibit 10.19 on Form S-3/A filed on May 10, 2024).

10.20	Form of Securities Purchase Agreement between Clean Energy Technologies, Inc. and Mast Hill Fund, L.P. dated January 19, 2023 (Included as Exhibit 10.166 of the Company on Form 8-K filed on January 25, 2023).
10.21	Form of $187,000 Convertible Promissory Note dated January 19, 2023 (Included as Exhibit 10.167 of the Company on Form 8-K filed on January 25, 2023).
10.22	Form of Calvin Pang Employment Agreement (Included as Exhibit 10.169 of the Company on Form S-1/A filed on February 14, 2023).
10.23	Securities Purchase Agreement between Clean Energy Technologies, Inc. and 1800 Diagonal Lending LLC, dated February 10, 2023 (Included as Exhibit 10.170 of the Company on Form S-1/A filed on March 2, 2023).
10.24	Form of $258,521 Promissory Note of Clean Energy Technologies to 1800 Diagonal Lending LLC, February 10, 2023 (Included as Exhibit 10.171 of the Company on Form S-1/A filed on March 2, 2023).
10.25	Form of Master Services Agreement between RPG Global LLC and Clean Energy Technologies, Inc. (Included as Exhibit 10.172 of the Company on Form S-1/A filed on March 2, 2023).
10.26	Form of Securities Purchase Agreement between Clean Energy Technologies, Inc. and Mast Hill Fund, L.P. dated March 8, 2023 (Included as Exhibit 10.173 of the Company on Form 8-K filed on March 15, 2023).
10.27	Form of $734,000 Convertible Promissory Note dated March 8, 2023 (Included as Exhibit 10.174 of the Company on Form 8-K filed on March 15, 2023).
10.28	Form of Warrant (Included as Exhibit 10.175 of the Company on Form 8-K filed on March 15, 2023)
10.29	Form of $135,005 Promissory Note of Clean Energy Technologies to 1800 Diagonal Lending LLC, March 6, 2023 (included as Exhibit 10.176 to Form S-1 filed on March 20, 2023)
10.30	Form of Securities Purchase Agreement, dated as of March 6, 2023 between Clean Energy Technologies, Inc. and 1800 Diagonal Lending LLC (included as Exhibit 10.1 to Form S-1 filed on March 20, 2023).
10.31	Securities Purchase Agreement between Clean Energy Technologies, Inc. and Mast Hill Fund, L.P. dated July 18, 2023 (included as Exhibit 10.1 to Form 8-K filed on July 21, 2023).
10.32	Convertible Promissory Note dated July 18, 2023 (included as Exhibit 10.2 to Form 8-K filed on July 21, 2023).
10.33	Exchange Agreement between Clean Energy Technologies, Inc. and Mast Hill Fund, L.P., dated November 8, 2023 (included as Exhibit 10.1 to Form 8-K filed on November 15, 2023)
10.34	Securities Purchase Agreement between Clean Energy Technologies, Inc. and 1800 Diagonal Lending LLC dated December 21, 2023 (included as Exhibit 10.1 to Form 8-K filed on December 27, 2023)
10.35	Securities Purchase Agreement between Clean Energy Technologies, Inc. and FirstFire Global Opportunities Fund, LLC, dated January 3, 2024 (included as Exhibit 10.1 to Form 8-K filed on January 8, 2024)
10.36	Securities Purchase Agreement between Clean Energy Technologies, Inc. and Coventry Enterprises LLC, dated February 2, 2024 (included as Exhibit 10.1 to Form 8-K filed on February 7, 2024).

10.37	Convertible Promissory Note, dated February 2, 2024 (included as Exhibit 10.2 to Form 8-K filed on February 7, 2024)
10.38	Securities Purchase Agreement between Clean Energy Technologies, Inc. and FirstFire Global Opportunities Fund, LLC, dated March 4, 2024 (included as Exhibit 10.1 to Form 8-K filed on March 7, 2024).
10.39	Convertible Promissory Note, dated March 4, 2024 (included as Exhibit 10.2 to Form 8-K filed on March 7, 2024).
10.40	Form of Subscription Agreement between Clean Energy Technologies, Inc. and certain investors, dated March 15, 2024 (included as Exhibit 10.1 to Form 8-K filed on March 20, 2024).
10.41	Form of Subscription Agreement between Clean Energy Technologies, Inc. and certain investors, dated June 18, 2024 (included as Exhibit 10.1 to Form 8-K filed on June 24, 2024).
10.42	Form of Loan Agreement between Vermont Vermont Renewable Gas LLC, FPM Development LLC and Evergreen Credit Facility I LLP, dated June 21, 2024 (included as Exhibit 10.1 to Form 8-K filed on June 26, 2024).
10.43	Form of Corporate Guarantee between Clean Energy Technologies, Inc., FPM Development LLC and Evergreen Credit Facility I LLP, dated June 21, 2024 (included as Exhibit 10.2 to Form 8-K filed on June 26, 2024).
10.44	Form of Right to Conversion Agreement between Clean Energy Technologies, Inc., FPM Development LLC and Evergreen Credit Facility I LLP, dated June 21, 2024 (included as Exhibit 10.3 to Form 8-K filed on June 26, 2024).
10.45	Form of Right to Conversion Agreement between Clean Energy Technologies, Inc. and AMEC Business Advisory Pte. Ltd., dated June 21, 2024 (included as Exhibit 10.4 to Form 8-K filed on June 26, 2024).
10.46	Securities Purchase Agreement between Clean Energy Technologies, Inc. and 1800 Diagonal Lending LLC, dated August 22, 2024 (included as Exhibit 10.1 to Form 8-K filed on August 27, 2024).
10.47	Convertible Promissory Note, dated August 22, 2024 (included as Exhibit 10.2 to Form 8-K filed on August 27, 2024).
10.48	Securities Purchase Agreement between Clean Energy Technologies, Inc. and Coventry Enterprises LLC, dated September 2, 2024 (included as Exhibit 10.1 to Form 8-K filed on September 6, 2024).
10.49	Convertible Promissory Note, dated September 2, 2024 (included as Exhibit 10.2 to Form 8-K filed on September 6, 2024).
10.50	Form of Amendment #1 to Note, entered into on September 10, 2024, between Clean Energy Technologies, Inc. and Mast Hill Fund, L.P. (included as Exhibit 10.1 to Form 8-K filed on September 13, 2024).
10.51	Form of Securities Purchase Agreement, entered into on September 10, 2024, between Clean Energy Technologies, Inc. and Mast Hill Fund, L.P. (included as Exhibit 10.2 to Form 8-K filed on September 13, 2024).
10.52	Form of the Convertible Promissory Note, entered into on September 10, 2024, between Clean Energy Technologies, Inc. and Mast Hill Fund, L.P. (included as Exhibit 10.3 to Form 8-K filed on September 13, 2024).

10.53	Securities Purchase Agreement between Clean Energy Technologies, Inc. and 1800 Diagonal Lending LLC, dated September 30, 2024 (included as Exhibit 10.1 to Form 8-K filed on October 3, 2024).
10.54	Convertible Promissory Note, dated September 30, 2024 (included as Exhibit 10.2 to Form 8-K filed on October 3, 2024).
10.55	Securities Purchase Agreement between Clean Energy Technologies, Inc. and 1800 Diagonal Lending LLC, dated October 15, 2024 (included as Exhibit 10.1 to Form 8-K filed on October 18, 2024).
10.56	Convertible Promissory Note, dated October 15, 2024 (included as Exhibit 10.2 to Form 8-K filed on October 18, 2024).
10.57	Securities Purchase Agreement between Clean Energy Technologies, Inc. and Coventry Enterprises LLC, dated November 8, 2024 (included as Exhibit 10.1 to Form 8-K filed on November 14, 2024).
10.58	Convertible Promissory Note, dated November 8, 2024 (included as Exhibit 10.2 to Form 8-K filed on November 14, 2024).
10.59	Securities Purchase Agreement between Clean Energy Technologies, Inc. and Lucas Ventures, LLC, dated November 29, 2024 (included as Exhibit 10.1 to Form 8-K filed on December 4, 2024).
10.60	Convertible Promissory Note, dated November 29, 2024 (included as Exhibit 10.2 to Form 8-K filed on December 4, 2024).
10.61	Equity Purchase Agreement between Clean Energy Technologies, Inc. and Mast Hill Fund, L.P., dated December 5, 2024 (included as Exhibit 10.1 to Form 8-K filed on December 11, 2024).
10.62	Common Stock Purchase Warrant, dated December 5, 2024, by Clean Energy Technologies, Inc. to Mast Hill Fund, L.P. (included as Exhibit 10.2 to Form 8-K filed on December 11, 2024).
10.63	Registration Rights Agreement between Clean Energy Technologies, Inc. and Mast Hill Fund, L.P., dated December 5, 2024 (included as Exhibit 10.3 to Form 8-K filed on December 11, 2024).
10.64	Amendment #2 to Note, entered into on December 11, 2024, between Clean Energy Technologies, Inc. and Mast Hill Fund, L.P. (included as Exhibit 10.3 to Form 8-K filed on December 16, 2024).
10.65	Securities Purchase Agreement between Clean Energy Technologies, Inc. and 1800 Diagonal Lending LLC, dated December 12, 2024 (included as Exhibit 10.1 to Form 8-K filed on December 16, 2024).
10.66	Convertible Promissory Note, dated December 12, 2024 (included as Exhibit 10.2 to Form 8-K filed on December 16, 2024).
10.67	Securities Purchase Agreement between Clean Energy Technologies, Inc. and Mast Hill Fund, L.P., dated January 16, 2025 (included as Exhibit 10.1 to Form 8-K filed on January 22, 2025).
10.68	Convertible Promissory Note, dated January 16, 2025 (included as Exhibit 10.2 to Form 8-K filed on January 22, 2025).
10.69	Common Stock Purchase Warrant, dated January 16, 2025, by Clean Energy Technologies, Inc. to Mast Hill Fund, L.P. (included as Exhibit 10.3 to Form 8-K filed on January 22, 2025).
10.70	Securities Purchase Agreement between Clean Energy Technologies, Inc. and Mast Hill Fund, L.P., dated February 27, 2025 (included as Exhibit 10.1 to Form 8-K filed on March 4, 2025).
10.71	Convertible Promissory Note, dated February 27, 2025 (included as Exhibit 10.2 to Form 8-K filed on March 4, 2025).

10.72	Common Stock Purchase Warrant, dated February 27, 2025, by Clean Energy Technologies, Inc. to Mast Hill Fund, L.P. (included as Exhibit 10.3 to Form 8-K filed on March 4, 2025).	
10.73	Amendment to Promissory Note, dated December 23, 2024, by Clean Energy Technologies, Inc. and Coventry Enterprises LLC (included as Exhibit 10.73 to Form S-1/A filed on March 13, 2025).	
10.74	Securities Purchase Agreement between Clean Energy Technologies, Inc. and Pacific Pier Capital II, LLC, dated April 4, 2025 (included as Exhibit 10.1 to Form 8-K filed on April 10, 2025).	
10.75	Promissory Note, dated April 4, 2025 (included as Exhibit 10.2 to Form 8-K filed on April 10, 2025).	
10.76	Securities Purchase Agreement, dated April 22, 2025, between Clean Energy Technologies, Inc. and Pacific Pier Capital II, LLC (included as Exhibit 10.1 to Form 8-K filed on April 24, 2025)	
10.77	Promissory Note, dated April 22, 2025 (included as Exhibit 10.2 to Form 8-K filed on April 24, 2025)	
10.78	Form of Subscription Agreement dated May 6, 2025 (included as Exhibit 10.1 to Form 8-K filed on May 7, 2025)	
10.79	Securities Purchase Agreement, dated May 8, 2025, between Clean Energy Technologies, Inc. and 1800 Diagonal Lending LLC (included as Exhibit 10.1 to Form 8-K filed on May 12, 2025)	
10.80	Promissory Note, dated May 8, 2025 (included as Exhibit 10.2 to Form 8-K filed on May 12, 2025)	
21.1	List of subsidiaries of the Company (included as Exhibit 21.1 to Form 10-K filed on April 17, 2023).	
31.01	Certification of Principal Executive Officer Pursuant to Rule 13a-14	Filed herewith.
31.02	Certification of Principal Financial Officer Pursuant to Rule 13a-14	Filed herewith.
32.01	Certification of CEO Pursuant to Section 906 of the Sarbanes-Oxley Act	Filed herewith.
32.02	Certification of CFO Pursuant to Section 906 of the Sarbanes-Oxley Act	Filed herewith.
101.INS*	Inline XBRL Instance Document	Furnished herewith.
101.SCH*	Inline XBRL Taxonomy Extension Schema Document	Furnished herewith.
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document	Furnished herewith.
101.LAB*	Inline XBRL Taxonomy Extension Labels Linkbase Document	Furnished herewith.
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document	Furnished herewith.
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document	Furnished herewith.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)	

*Pursuant to Rule 406T of Regulation S-T, the Interactive Data Files on Exhibit 101 hereto are deemed not filed or part of a registration statement or prospectus for purposes of Sections 11 or 12 of the Securities Act of 1933, as amended, are deemed not filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and otherwise are not subject to liability under those sections.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Clean Energy Technologies, Inc.
REGISTRANT

	/s/ Kambiz Mahdi
By:	Kambiz Mahdi Chief Executive Officer and Director
Date:	May 20, 2025
	/s/ Calvin Pang
By:	Calvin Pang Chief Financial Officer and Director
Date:	May 20, 2025

Exhibit 31.01

CERTIFICATION OF CHIEF EXECUTIVE OFFICER
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Kambiz Mahdi, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Clean Energy Technologies, Inc. for the quarterly period ended March 31, 2025;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 20, 2025

By: */s/ KAMBIZ MAHDI*
Kambiz Mahdi,
Chief Executive Officer

Exhibit 31.02

CERTIFICATION OF CHIEF EXECUTIVE OFFICER
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Calvin Pang, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Clean Energy Technologies, Inc. for the quarterly period ended March 31, 2025;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 20, 2025

By: */s/ Calvin Pang*
Calvin Pang,
Chief Financial Officer

EXHIBIT 32.01

CERTIFICATION OF CHIEF EXECUTIVE OFFICER
Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

Pursuant to 18 U.S.C. § 1350, as created by Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned officer of Clean Energy Technologies, Inc. (the "Company") hereby certifies, to his knowledge, that:

(i) the accompanying Quarterly Report on Form 10-Q of the Company for the quarterly period ended March 31, 2025 (the "Report") fully complies with the requirements of Section 13(a) or Section 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and

(ii) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 20, 2025

By: */s/ Kambiz Mahdi*
Kambiz Mahdi
Chief Executive Officer

EXHIBIT 32.02

CERTIFICATION OF CHIEF EXECUTIVE OFFICER
Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

Pursuant to 18 U.S.C. § 1350, as created by Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned officer of Clean Energy Technologies, Inc. (the "Company") hereby certifies, to his knowledge, that:

(i) the accompanying Quarterly Report on Form 10-Q of the Company for the quarterly period ended March 31, 2025 (the "Report") fully complies with the requirements of Section 13(a) or Section 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and

(ii) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 20, 2025

By: */s/ Calvin Pang*
Calvin Pang
Chief Financial Officer