



# 中國儲能科技發展有限公司

CHINA ENERGY STORAGE TECHNOLOGY DEVELOPMENT LIMITED

(incorporated in the Cayman Islands with limited liability)

(Stock code: 1143)

*Executive Directors:*

Mr. Lin Dailian (Co-Chairman)  
Mr. Wang Wei (Co-Chairman)  
Mr. Liu Zhiwei  
Ms. Wu Jingjing  
Ms. Bian Sulan

*Independent non-executive Directors:*

Mr. Li Huiwu  
Mr. Wu Chi King  
Ms. Zhang Xiulin

*Registered office:*

Windward 3, Regatta Office Park  
PO Box 1350  
Grand Cayman, KY1-1108  
Cayman Islands

*Principal place of business in*

*Hong Kong:*

Flat 5, 19/F  
Tower 3, China Hong Kong City  
33 Canton Road  
Tsim Sha Tsui,  
Kowloon  
Hong Kong

22 June 2026

*To the Shareholders and Share Option Holders*

Dear Sir or Madam,

**(1) PROPOSAL FOR THE PRIVATISATION OF  
CHINA ENERGY STORAGE TECHNOLOGY DEVELOPMENT LIMITED  
BY THE OFFEROR  
BY WAY OF A SCHEME OF ARRANGEMENT UNDER  
SECTION 86 OF THE COMPANIES ACT OF THE CAYMAN ISLANDS;  
AND  
(2) PROPOSED WITHDRAWAL OF LISTING**

**INTRODUCTION**

Reference is made to the Announcement.

In late January 2026, the Board resolved to put forward a proposal for the privatisation of the Company to the Shareholders. The Offeror was subsequently invited by the Board to make an offer for the Proposal. Upon the Offeror's acceptance to the invitation, the Board put forward the Proposal to the Scheme Shareholders for the proposed privatisation of the Company by way of a scheme of arrangement under section 86 of the Companies Act. The Scheme will involve the cancellation of the Scheme Shares in consideration for the payment by the Offeror to the Scheme Shareholders of the Cancellation Price in cash, and the listing of the Shares will be withdrawn on the Stock Exchange.

## **TERMS OF THE PROPOSAL**

### **The Scheme**

Subject to the satisfaction or waiver (where applicable) of the Conditions and the Scheme becoming effective, all Scheme Shares will be cancelled and the Scheme Shareholders will be entitled to receive from the Offeror:

For every Scheme Share cancelled..... HK\$0.45 in cash

If the Proposal is implemented, all Scheme Shares will be cancelled on the Effective Date. Contemporaneously with the cancellation of the Scheme Shares, the share capital of the Company will be maintained at the amount immediately prior to the cancellation of the Scheme Shares by the issuance at par to the Offeror, credited as fully paid, of an aggregate number of new Shares as is equal to the number of Scheme Shares cancelled. The reserve created in the books of account of the Company as a result of the cancellation of the Scheme Shares will be applied in paying up in full at par the new Shares so issued to the Offeror.

Upon the Scheme becoming effective, all Scheme Shares will be cancelled and the share certificates for the Scheme Shares will thereafter cease to have effect as documents or evidence of title. The Company will make an application for the listing of the Shares to be withdrawn from the Stock Exchange in accordance with Rule 6.15 of the Listing Rules, immediately after the Effective Date.

In compliance with Rule 20.1(a) of the Takeovers Code, after the Scheme has become effective, the Cancellation Price for the cancellation of the Scheme Shares will be paid to the relevant Scheme Shareholders whose names appear in the Register on the Scheme Record Date as soon as practicable, but in any event no later than seven (7) Business Days after the Effective Date.

### **Comparison of value**

The Cancellation Price of HK\$0.45 represents:

- (a) a premium of approximately 32.35% over the closing price of HK\$0.34 per share as quoted on the Stock Exchange on 18 June 2026, being the Latest Practicable Date;
- (b) a premium of approximately 15.38% over the closing price of HK\$0.39 per share as quoted on the Stock Exchange on 21 January 2026, being the Last Trading Day;

- (c) a premium of approximately 25.0% over the closing price of HK\$0.36 per Share as quoted on the Stock Exchange on 20 January 2026, being the trading day immediately prior to the Last Trading Day;
- (d) a premium of approximately 23.29% over the average closing price of HK\$0.365 per Share as quoted on the Stock Exchange for the five trading days up to and including the Last Trading Day;
- (e) a premium of approximately 19.05% over the average closing price of HK\$0.378 per Share as quoted on the Stock Exchange for the 30 trading days up to and including the Last Trading Day;
- (f) a premium of approximately 12.73% over the average closing price of approximately HK\$0.399 per Share as quoted on the Stock Exchange for the 60 trading days up to and including the Last Trading Day;
- (g) a premium of approximately 11.69% over the average closing price of approximately HK\$0.403 per Share as quoted on the Stock Exchange for the 90 trading days up to and including the Last Trading Day;
- (h) a premium of approximately 15.30% over the average closing price of approximately HK\$0.390 per Share as quoted on the Stock Exchange for the 180 trading days up to and including the Last Trading Day; and
- (i) a discount of approximately 80.08% to the audited consolidated equity attributable to Shareholders per Share of approximately HK\$2.259 as at 31 December 2025.

### **Highest and lowest prices**

During the Relevant Period, the highest closing price of the Shares as quoted on the Stock Exchange was HK\$0.445 on 6 November 2025, and the lowest closing price of the Shares as quoted on the Stock Exchange was HK\$0.315 on 21 May 2026 and 17 June 2026.

### **Basis for determining the Cancellation Price**

The Cancellation Price has been determined on an arm's length commercial basis after taking into account the prices and liquidity of the Shares traded on the Stock Exchange, and the financial performance and business prospects of the Group. In particular, deteriorating financial performance of the Group was observed as evidenced by its decline in revenue and volatility in earnings in recent years. Its heavy reliance in electronic manufacturing services (EMS) as well as the uncertain development initiatives of its energy storage business collectively contributed to weak earnings visibility and uncertain outlook.

**The Cancellation Price will not be increased, and the Offeror does not reserve the right to do so. Shareholders, Share Option Holders and potential investors of the Company should be aware that, following the making of this statement, the Offeror will not be allowed to increase the Cancellation Price.**

As at the Latest Practicable Date, the Company had no declared but unpaid dividends and had not declared any distribution or return of capital, and had no intention to declare and/or pay any dividend, distribution or return of capital before the Effective Date or the date on which the Scheme is not approved, or the Proposal otherwise lapses or is withdrawn (as the case may be).

If, after the Latest Practicable Date, any dividend and/or other distribution and/or other return of capital is announced, declared or paid in respect of the Shares, the Offeror reserves the right to reduce the Cancellation Price by all or any part of the amount or value of such dividend, distribution and/or, as the case may be, return of capital after consultation with the Executive, in which case any reference in this Scheme Document or any other announcement or document to the Cancellation Price will be deemed to be a reference to the Cancellation Price as so reduced.

### **Conditions of the Proposal and the Scheme**

The Proposal and the Scheme will only become effective and binding on the Company and all of the Scheme Shareholders if the following Conditions are fulfilled or waived (as applicable):

- (a) the approval of the Scheme (by way of poll) by the Scheme Shareholders representing not less than 75% in value of the Scheme Shares held by the Scheme Shareholders entitled to vote at the Court Meeting, present and voting either in person or by proxy, at the Court Meeting;
- (b) the approval of the Scheme (by way of poll) at the Court Meeting by the Disinterested Scheme Shareholders holding at least 75% of the votes attaching to the Scheme Shares held by the Disinterested Scheme Shareholders that are cast either in person or by proxy at the Court Meeting and the number of votes cast by Disinterested Scheme Shareholders present and voting either in person or by proxy at the Court Meeting against the resolution to approve the Scheme at the Court Meeting is not more than 10% of the votes attaching to all Scheme Shares held by the Disinterested Scheme Shareholders;
- (c) the passing of a special resolution by a majority of at least 75% of the votes cast by the Shareholders present and voting in person or by proxy at the EGM to approve and give effect to any reduction of the issued share capital of the Company resulting from the cancellation of the Scheme Shares and to contemporaneously therewith maintain the issued share capital of the Company at the amount immediately prior to the cancellation of the Scheme Shares by applying the reserve created as a result of the cancellation of the Scheme Shares to pay up in full at par such number of new Shares as is equal to the number of Scheme Shares cancelled for issuance to the Offeror;

- (d) the sanction of the Scheme (with or without modification) by the Grand Court and the delivery to the Registrar of Companies in the Cayman Islands of a copy of the order of the Grand Court for registration;
- (e) all Approvals which are (i) required in connection with the Proposal by (1) the Applicable Laws or (2) any licenses, permits or contractual obligations of the Company; and (ii) material in the context of the Group (taken as a whole), having been obtained (or, as the case may be, completed) and remaining in full force and effect without modification up to and as at the Effective Date;
- (f) no Authority in any jurisdiction having taken or instituted any action, proceeding, suit, investigation or enquiry (or enacted or proposed, and there not continuing to be outstanding, any statute, regulation, demand or order), in each case, which would make the Proposal or its implementation in accordance with its terms void, unenforceable, illegal or impracticable (or which would impose any material and adverse conditions or obligations with respect to the Proposal);
- (g) all the Applicable Laws having been complied with and no legal or regulatory requirement having been imposed by any Authority which is not expressly provided for, or is in addition to the requirements expressly provided for, in the Applicable Laws in connection with the Proposal which are material in the context of the Group (taken as a whole), in each case up to and as at the Effective Date; and
- (h) since the date of the Announcement, there having been no adverse change to the business, financial or trading position of the Group taken as a whole, to an extent that is material in the context of the Proposal or the Scheme.

The Conditions set out in paragraphs (a) to (d) and (e)(i)(1) above cannot be waived. The Offeror reserves the right to waive all or any of the Conditions in paragraphs (e) to (h) (other than (e)(i)(1)) in whole or in part. The Company does not have the right to waive any of the Conditions. All of the above Conditions will have to be fulfilled or waived, as applicable, on or before the Long Stop Date, failing which the Scheme will not become effective and the Proposal will lapse.

Pursuant to Note 2 to Rule 30.1 of the Takeovers Code, the Offeror may only invoke any or all of the Conditions as a basis for not proceeding with the Proposal or the Scheme if the circumstances which give rise to the right to invoke such Condition are of material significance to the Offeror in the context of the Proposal or the Scheme.

As at the Latest Practicable Date and based on the information available to the Offeror and the Company, other than the Approvals listed in the Conditions in paragraphs (a) to (d) (inclusive), and the approval by the Stock Exchange for the withdrawal of listing of the Shares on the Stock Exchange, the Offeror and the Company are not aware of any other Approvals which are required as set out in the Condition in paragraph (e) above, and the Offeror and the Company are also not aware of any other circumstances which may result in any of the Conditions in paragraphs (e) to (h) (inclusive) not being satisfied. In particular, as at the Latest Practicable Date, the Company is not aware of any Authority in any jurisdiction having taken or instituted any action, proceeding, suit, investigation or enquiry as set out in the Condition in paragraph (f).

If approved and implemented, the Scheme will be binding on the Company and all the Scheme Shareholders, irrespective of whether or not they attended or voted at the Court Meeting or the EGM.

**Warning: Shareholders, Share Option Holders and potential investors should be aware that the implementation of the Proposal and the Option Proposal is subject to the Conditions being fulfilled or waived, as applicable, and therefore the Proposal and the Option Proposal may or may not be implemented and the Scheme may or may not become effective. Shareholders, Share Option Holders and potential investors should therefore exercise caution when dealing in the securities of the Company. Persons who are in doubt as to the action they should take should consult their stockbroker, licensed securities dealer, registered institution in securities, bank manager, solicitor or other professional advisers.**

## **THE OPTION PROPOSAL**

As at the Latest Practicable Date, there were 15,550,182 outstanding Share Options each giving holders the right to subscribe for one new Share per Share Option at the exercise price of HK\$2.5 per Share Option with exercise period from 3 November 2024 to 2 November 2026.

The Offeror is marking an appropriate offer to the Share Option Holders in accordance with Rule 13 of the Takeovers Code as set out below.

Under the Option Proposal, the Offeror will offer the Share Option Holders a nominal price of HK\$0.0001 per Share Option for the cancellation of each Share Option (i.e. the Option Cancellation Price), as the exercise price of each Share Option exceeds the Cancellation Price and the “see-through” price is negative.

If any outstanding Share Option is exercised at the relevant exercise price in accordance with the terms of the Share Option Scheme and corresponding Shares are issued to the relevant Share Option Holder(s) prior to the Scheme Record Date, such Shares shall form part of the Scheme Shares. Pursuant to the rules of the Share Option Scheme, if a general offer (whether by way of takeover offer or scheme of arrangement or otherwise in like manner) is made to the Shareholders and such general offer becomes or is declared unconditional, the grantee shall be entitled to exercise the Share Option in full or in part (to the extent which has become exercisable and not already lapsed or exercised) at any time within one month after the date on which the offer becomes or is declared unconditional.

Hence, Share Option Holders may either (i) exercise the outstanding Share Options prior to the Scheme Record Date, such that any Shares issued pursuant to the exercise of Share Options on or before the Scheme Record Date will be subject to the Scheme; (ii) accept the Option Offer and receive the Option Cancellation Price; (iii) exercise the Share Options after the Scheme Record Date but prior to the expiry of one month after the Effective Date, whereby the Shares issued pursuant to the exercise of the Share Options following the Scheme Record Date would not be subject to the Scheme; or (iv) take no action, and in such event the Share Options will lapse upon the expiry of one month after the Effective Date in accordance with the Share Option Scheme. Share Option Holders are reminded that if they exercise the outstanding Share Options after the Scheme Record Date, they will hold Shares in the Company as an unlisted company.

During the Offer Period, the Company does not intend to grant any new Share Options under the Share Option Scheme.

**The Option Proposal will be conditional on the Scheme becoming effective. If any of the Conditions is not fulfilled or (where applicable) waived on or before the Long Stop Date and the Proposal and the Scheme lapse, the Option Proposal will also lapse.**

Further information on the Option Proposal is set out in a letter to the Share Option Holders, in the form set out in Appendix VI to this Scheme Document.

#### **IRREVOCABLE UNDERTAKING**

As at the Latest Practicable Date, Mr. Lin was the holder of 1,725,291 Share Options bearing the right to subscribe for 1,725,291 Shares at an exercise price of HK\$2.5 per Share Option. Mr. Lin has made an irrevocable and unconditional undertaking to the Company and the Offeror that he will not exercise the 1,725,291 outstanding Share Options held by him at any time prior to the expiry of one month after the Effective Date and will not accept the Option Proposal in respect thereof. As a result, the Share Options held by Mr. Lin would lapse and he would not become a Shareholder after the Effective Date. Such irrevocable undertaking will remain valid until the lapse of the Share Options upon the expiry of one month after the Effective Date pursuant to the rules of the Share Option Scheme or the lapse of the Proposal.

#### **TOTAL CONSIDERATION AND FINANCIAL RESOURCES**

As at the Latest Practicable Date, there were (a) 224,289,185 Shares in issue, and there were 171,289,185 Scheme Shares (representing approximately 76.37% of the issued share capital of the Company) in issue; and (b) 15,550,182 outstanding Share Options. Save for the above, there were no other outstanding options, warrants, derivatives, convertible securities or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) issued by the Company that carry a right to subscribe for or which are convertible into Shares.

On the basis of the Cancellation Price of HK\$0.45 per Scheme Share and 171,289,185 Scheme Shares being in issue as at the Latest Practicable Date, and assuming that all Share Options other than the Undertaken Share Options are exercised and there is no other change in the shareholding of the Company before the Scheme Record Date, the Scheme Shares are in aggregate valued at HK\$83,301,334.20, which represents the maximum amount of cash required for the Scheme.

The Offeror's payment obligations to the Scheme Shareholders and the Share Option Holders in respect of the Cancellation Price or the Option Cancellation Price (as the case may be) in cash pursuant to and in accordance with the Scheme shall be fulfilled by the Offeror. The Offeror intends to finance the cash required for the cancellation of the Scheme Shares and the Share Option Holders' acceptance of the Option Proposal with the Offeror's internal cash resources.

Lego Corporate Finance has been appointed as financial adviser to the Offeror in respect of the Proposal and the Option Proposal, and is satisfied that sufficient financial resources are available to the Offeror for discharging its obligations in respect of the cash consideration payable under the Proposal and the Option Proposal.

## SHAREHOLDING STRUCTURE OF THE COMPANY

As at the Latest Practicable Date:

- (a) the issued share capital of the Company comprised 224,289,185 Shares;
- (b) the Offeror beneficially owned, controlled or had direction over 53,000,000 Shares, representing approximately 23.63% of the issued Shares; for the avoidance of doubt, the Shares held by the Offeror shall not form part of the Scheme Shares;
- (c) the Disinterested Scheme Shareholders legally or beneficially owned, controlled or had direction over 171,289,185 Shares in aggregate, representing approximately 76.37% of the issued Shares;
- (d) the Scheme Shares, comprising 171,289,185 Shares, represented approximately 76.37% of the issued Shares;
- (e) the Share Option Holders in aggregate held 15,550,182 outstanding Share Options, of which 3,450,582 outstanding Share Options were held by the following Directors:

<b>Directors</b>	<b>Number of outstanding Share Options</b>	<b>Approximate % of total issued Shares<sup>(1)</sup></b>
Mr. Lin ( <i>Executive Director and co-Chairman</i> ) <sup>(2)</sup>	1,725,291	0.77
Ms. Bian Sulan ( <i>Executive Director</i> )	<u>1,725,291</u>	<u>0.77</u>
<b>Total</b>	<u><u>3,450,582</u></u>	<u><u>1.54</u></u>

*Note (1):* Based on the total number of issued Shares as at the Latest Practicable Date.

*Note (2):* The outstanding Share Options held by Mr. Lin (i.e. the Undertaken Share Options) are subject to the Irrevocable Undertaking.

*Note (3):* The other outstanding Share Options were held by employees of the Group.

- (f) Lego Corporate Finance was the financial adviser to the Offeror in connection with the Proposal and the Option Proposal. Accordingly, Lego Corporate Finance was presumed to be acting in concert with the Offeror in relation to the Company in accordance with Class (5) of the definition of “acting in concert” under the Takeovers Code. As at the Latest Practicable Date, Lego Corporate Finance did not hold any Shares;
- (g) save for the 224,289,185 Shares in issue and the outstanding Share Options set out above, there were no other outstanding options, warrants, derivatives, convertible securities or other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) issued by the Company that carried a right to subscribe for or which were convertible into Shares;
- (h) there were no convertible securities, warrants or options in respect of the Shares held, controlled or directed by the Offeror and the Offeror Concert Parties;
- (i) neither the Offeror nor any of the Offeror Concert Parties had entered into any outstanding derivative in respect of the securities in the Company; and
- (j) neither the Offeror nor any of the Offeror Concert Parties had borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company.

Upon the Scheme becoming effective, all Scheme Shares will be cancelled in consideration for the Cancellation Price (with the equivalent number of new Shares being contemporaneously issued to the Offeror credited as fully paid). Assuming there is no other change in shareholding of the Company before completion of the Proposal and all Share Option Holders accept the Option Proposal (except Mr. Lin, who is subject to the Irrevocable Undertaking, and none of the Undertaken Share Options are exercised after the Scheme has become effective), the Company will be wholly owned by the Offeror upon the Scheme becoming effective and the withdrawal of listing of the Shares from the Stock Exchange.

The table below sets out the shareholding structure of the Company (i) as at the Latest Practicable Date; (ii) immediately following completion of the Proposal (assuming no outstanding Share Options are exercised); and (iii) immediately following completion of the Proposal (assuming all outstanding Share Options will be exercised after the Scheme Record Date but prior to the expiry of one month after the Effective Date), assuming that (a) no further Shares will be issued and no further Share Options will be granted on or before the Scheme Record Date; and (b) there will be no other change in the shareholding of the Company before the Effective Date.

Shareholders	As at the Latest Practicable Date		Immediately following completion of the Proposal (assuming no outstanding Share Options are exercised)		Immediately following completion of the Proposal (assuming all outstanding Share Options are exercised after the Scheme Record Date but prior to expiry of one month after the Effective Date)	
	Approximate percentage of issued		Approximate percentage of issued		Approximate percentage of issued	
	Number of Shares	Shares (%) <sup>(2)</sup>	Number of Shares	Shares (%) <sup>(2)</sup>	Number of Shares	Shares (%) <sup>(2)</sup>
The Offeror <sup>(1)</sup>	53,000,000	23.63	224,289,185	100.00	224,289,185	93.52
Disinterested Shareholders	171,289,185	76.37	—	—	—	—
Share Option Holders	—	—	—	—	15,550,182	6.48
<b>Total</b>	<u>224,289,185</u>	<u>100.00</u>	<u>224,289,185</u>	<u>100.00</u>	<u>239,839,367</u>	<u>100.00</u>

Notes:

1. The Offeror is a company incorporated in the British Virgin Islands with limited liability and is owned as to 25% each by each of Mr. Lee Kai Bon, Mr. Ng Kim Yuen, Mr. Wong Sik Hung and Mr. Tam Kam Fong. Each of Mr. Lee, Mr. Ng, Mr. Wong and Mr. Tam is a director of various subsidiaries of the Company. Shares in which the Offeror is interested will not form part of the Scheme Shares and will not be cancelled.
2. All percentages in the above table are approximations and rounded to the nearest 2 decimal places and the aggregate percentages may not add up due to rounding of the percentages to 2 decimal places.
3. No Directors were interested in the Shares as at the Latest Practicable Date save for the Share Options as disclosed in paragraph (e) above in this section.

## **INFORMATION ON THE GROUP**

Your attention is drawn to the section headed “Information on the Group” in the Explanatory Memorandum in Part VI of this Scheme Document.

## **INFORMATION ON THE OFFEROR**

Your attention is drawn to the section headed “Information on the Offeror” in the Explanatory Memorandum in Part VI of this Scheme Document.

## **INTENTION OF THE OFFEROR WITH REGARD TO THE GROUP**

Your attention is drawn to the section headed “Intention of the Offeror with regard to the Group” in the Explanatory Memorandum in Part VI of this Scheme Document.

The Board welcomes the intention of the Offeror in respect of the Company and its employees and will cooperate with and provide full support to the Offeror to facilitate the continued smooth business operations and management of the Group.

## **FINANCIAL ADVISER TO THE OFFEROR, INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER**

Your attention is drawn to the section headed “Financial Adviser to the Offeror, Independent Board Committee and Independent Financial Adviser” in the Explanatory Memorandum in Part VI of this Scheme Document.

The Independent Financial Adviser has advised the Independent Board Committee that it considers that the terms of the Proposal and the Option Proposal are fair and reasonable so far as the Disinterested Scheme Shareholders and the Share Option Holders are respectively concerned, and accordingly, it advises the Independent Board Committee to recommend (a) the Disinterested Scheme Shareholders to vote in favour of the relevant resolution(s) to be proposed at the Court Meeting and the EGM to approve and implement the Proposal and the Scheme; and (b) the Share Option Holders to accept the Option Proposal.

The full text of the letter from the Independent Financial Adviser is set out in Part V of this Scheme Document.

The Independent Board Committee, having been so advised, considers that the terms of the Proposal are fair and reasonable so far as the Disinterested Scheme Shareholders are concerned. Accordingly, the Independent Board Committee recommends (a) the Disinterested Scheme Shareholders to vote in favour of the relevant resolution(s) to be proposed at the Court Meeting and the EGM to approve and implement the Proposal and the Scheme; and (b) the Share Option Holders to accept the Option Proposal.

The full text of the letter from the Independent Board Committee is set out in Part IV of this Scheme Document.

## **REASONS FOR AND BENEFITS OF THE PROPOSAL**

Your attention is drawn to the section headed “Reasons for and benefits of the Proposal” in the Explanatory Memorandum in Part VI of this Scheme Document.

## **WITHDRAWAL OF LISTING OF THE SHARES**

Your attention is drawn to the section headed “Withdrawal of listing of the Shares” in the Explanatory Memorandum in Part VI of this Scheme Document.

## **IF THE SCHEME IS NOT APPROVED OR THE PROPOSAL LAPSES**

Your attention is drawn to the section headed “If the Scheme is not approved or the Proposal Lapses” in the Explanatory Memorandum in Part VI of this Scheme Document.

## **OVERSEAS SCHEME SHAREHOLDERS AND SHARE OPTION HOLDERS**

Your attention is drawn to the section headed “Overseas Scheme Shareholders and Share Option Holders” in the Explanatory Memorandum in Part VI of this Scheme Document.

## **TAXATION ADVICE**

Your attention is drawn to the section headed “Taxation advice” in the Explanatory Memorandum in Part VI of this Scheme Document.

## **ACTIONS TO BE TAKEN**

Your attention is drawn to the section headed “Actions to be taken” on pages i to vii of this Scheme Document.

## **COURT MEETING AND EGM**

Notices convening the Court Meeting and the EGM to be held at Units 5906–5912, 59th Floor, The Center, 99 Queen’s Road Central, Hong Kong on Wednesday, 15 July 2026, in the case of the Court Meeting at 10:00 a.m. and, in the case of the EGM at 10:30 a.m. (or as soon as practicable after the conclusion or adjournment of the Court Meeting), are set out in Appendix IV and Appendix V to this Scheme Document respectively.

The Grand Court has directed the Court Meeting to be convened and held for the purpose of considering and, if thought fit, approving (with or without modification) the Scheme. The Scheme is subject to the approval by the Scheme Shareholders at the Court Meeting in the manner referred to in Conditions (a) and (b) in the paragraph headed “Conditions of the Proposal and the Scheme” under the section headed “Terms of the Proposal” in the Explanatory Memorandum in Part VI of this Scheme Document.

As soon as practicable after the conclusion or adjournment of the Court Meeting, the EGM will be held for the purpose of considering and, if thought fit, approving all resolutions necessary for the implementation of the Proposal in the manner referred to in Condition (c) in the paragraph headed “Conditions of the Proposal and the Scheme” under the section headed “Terms of the Proposal” in the Explanatory Memorandum in Part VI of this Scheme Document. An announcement will be jointly made by the Offeror and the Company in relation to the results of the Court Meeting and the EGM. Such announcement will contain the information as required by Rule 19.1 of the Takeovers Code.

## **VOTING AT THE COURT MEETING AND THE EGM**

As at the Latest Practicable Date, the Offeror held 53,000,000 Shares in the Company, representing approximately 23.63% of the total number of Shares in issue. Shares held by the Offeror will not form part of the Scheme Shares and will not be cancelled under the Proposal. As the Offeror is not a Scheme Shareholder, the Shares held by the Offeror will not be voted at the Court Meeting. The Offeror will undertake to the Grand Court to be bound by the Scheme so as to ensure that it will comply with and be subject to the terms and conditions of the Scheme.

All Scheme Shareholders as at the Meeting Record Date will be entitled to attend and vote at the Court Meeting to approve the Scheme, provided that only the votes of the Disinterested Scheme Shareholders will be taken into account in determining whether Condition (b) under the section headed “Conditions of the Proposal and the Scheme” above and Rule 2.10 of the Takeovers Code are satisfied.

All Shareholders as at the Meeting Record Date will be entitled to attend and vote on the special resolution to be proposed at the EGM to approve and give effect to any reduction of the issued share capital of the Company resulting from the cancellation of the Scheme Shares and to contemporaneously therewith maintain the issued share capital of the Company at the amount immediately prior to the cancellation of the Scheme Shares by applying the reserve created as a result of the cancellation of the Scheme Shares to pay up in full at par such number of new Shares as is equal to the number of Scheme Shares cancelled for issuance to the Offeror.

## **GENERAL**

Each of Mr. Lin and Ms. Bian Sulan is regarded as being interested in the Proposal and the Option Proposal. Accordingly, Mr. Lin and Ms. Bian Sulan have not participated in, and will abstain from voting in, any vote of the Board in relation to the Proposal (including the Option Proposal).

The Directors (including members of the Independent Board Committee whose views are set out in the letter from the Independent Board Committee in Part IV of this Scheme Document) believe that the Proposal and the Option Proposal are fair and reasonable so far as the Disinterested Scheme Shareholders and the Share Option Holders are respectively concerned.

## RECOMMENDATIONS

With reference to Rule 2.1 of the Takeovers Code, the Board defers to the Independent Board Committee with respect to the making of recommendation to the Disinterested Scheme Shareholders and the Share Option Holders (i) as to whether the Proposal and the Option Proposal are, or are not, fair and reasonable; (ii) as to voting at the Court Meeting and the EGM; and (iii) as to acceptance of the Option Proposal by the Share Option Holders.

Your attention is drawn to (i) the letter from the Independent Board Committee in Part IV of this Scheme Document; and (ii) the letter from the Independent Financial Adviser in Part V of this Scheme Document which sets out the factors and reasons taken into account by the Independent Financial Adviser in arriving at its advice to the Independent Board Committee.

## FURTHER INFORMATION

You are urged to read the whole of this Scheme Document, in particular:

- (a) the letter from the Independent Board Committee in Part IV of this Scheme Document;
- (b) the letter from the Independent Financial Adviser in Part V of this Scheme Document;
- (c) the Explanatory Memorandum in Part VI of this Scheme Document;
- (d) the appendices to this Scheme Document, including the Scheme set out in Appendix III to this Scheme Document; and
- (e) the notice of Court Meeting and the notice of EGM set out in Appendix IV and Appendix V to this Scheme Document, respectively.

In addition, a **pink** form of proxy for the Court Meeting and a **white** form of proxy for the EGM are enclosed with this Scheme Document.

If you are a Share Option Holder, you are also urged to read carefully the letter to the Share Option Holders, in the form set out in Appendix VI to this Scheme Document, and the enclosed Form of Acceptance.

**Shareholders, Share Option Holders and potential investors should be aware that the implementation of the Proposal and the Option Proposal is subject to the Conditions being fulfilled or waived, as applicable, and therefore the Proposal and the Option Proposal may or may not be implemented. Shareholders, Share Option Holders and potential investors should therefore exercise caution when dealing in the securities of the Company. Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional advisers.**

Yours faithfully  
By order of the Board  
**China Energy Storage Technology Development Limited**

A handwritten signature in black ink, appearing to read 'Lin Dailian', written in a cursive style.

**Lin Dailian**  
*Co-Chairman and executive Director*