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## **CHINA ANCHU ENERGY STORAGE GROUP LIMITED**

### **中國安儲能源集團有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 2399)**

## **ISSUE OF NEW SHARES UNDER GENERAL MANDATE**

On 12 December 2025 (after trading hours of the Stock Exchange), the Company, as the issuer, entered into thirty one Subscription Agreements with thirty one Subscribers pursuant to which the Subscribers have conditionally agreed to subscribe for, and the Company has conditionally agreed to allot and issue, 524,431,000 Subscription Shares in aggregate at the Subscription Price of HK\$0.55 per Subscription Share.

Each of the Subscribers and its ultimate beneficial owners is independent of the Company and its connected persons. The Subscription Shares will be allotted and issued pursuant to the General Mandate.

The 524,431,000 Subscription Shares in aggregate represent (i) approximately 17.21% of the existing issued share capital of the Company as at the date of this announcement, and (ii) approximately 14.68% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares (assuming that there will not be any change in the issued share capital of the Company from the date of this announcement to the Completion Date). The aggregate nominal value of the Subscription Shares will be HK\$1,311,077.50.

Subject to the Completion, the gross proceeds from the Subscriptions will be approximately HK\$288.4 million and the net proceeds from the Subscriptions (after deduction of expenses of the Subscriptions) will be approximately HK\$288.2 million. It is expected that such net proceeds from the Subscriptions will be utilised for business development, repayment of debts and general working capital.

**Since Completion is subject to fulfilment of the conditions as set out in the Subscription Agreements, the Subscriptions may or may not proceed. Shareholders and potential investors of the Company are reminded to exercise caution when dealing in the Shares.**

On 12 December 2025 (after trading hours of the Stock Exchange), the Company, as the issuer, entered into thirty one Subscription Agreements with thirty one Subscribers, pursuant to which the Subscribers have conditionally agreed to subscribe for, and the Company has conditionally agreed to allot and issue, 524,431,000 Subscription Shares in aggregate at the Subscription Price of HK\$0.55 per Subscription Share.

## **PRINCIPAL TERMS OF THE SUBSCRIPTION AGREEMENTS**

Date: 12 December 2025

Parties to the Subscription Agreements:

- (1) the Company, as the issuer; and
- (2) the Subscribers.

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, each of the Subscribers and its ultimate beneficial owners is independent of the Company and its connected persons.

Immediately upon Completion, it is expected that none of the Subscribers will become a substantial Shareholder (as defined under the Listing Rules).

### **The Subscription Shares**

Subject to the fulfillment of the conditions to Completion set out below, the Subscribers shall subscribe for 524,431,000 Subscription Shares in aggregate as follows:

			<b>Number of Subscription Shares</b>	<b>Percentage of the existing issued share capital as at the date of this announcement %</b>	<b>Nominal value of the Subscription Shares HK\$</b>
1.	Subscriber A	Individual investor familiar with the security investment sector	10,909,000	0.36	27,272.50
2.	Subscriber B	Individual investor and a merchant engaging in the mechanical and electrical engineering business	23,000,000	0.75	57,500.00
3.	Subscriber C	Individual investor familiar with the security investment sector	11,788,000	0.39	29,470.00
4.	Subscriber D	Individual investor familiar with the financial management sector	1,818,000	0.06	4,545.00

5.	Subscriber E	Individual investor familiar with the security investment sector	3,996,000	0.13	9,990.00
6.	Subscriber F	Individual investor familiar with the security investment sector	11,253,000	0.37	28,132.50
7.	Subscriber G	Individual investor familiar with the real estate business	34,256,000	1.12	85,640.00
8.	Subscriber H	Individual investor familiar with the security investment sector	12,727,000	0.42	31,817.50
9.	Subscriber I	Individual investor familiar with the security investment sector	6,454,000	0.21	16,135.00
10.	Subscriber J	Individual investor familiar with the finance and audit sector	3,254,000	0.10	8,135.00
11.	Subscriber K	A company which is principally engaged in investment holding and its ultimate beneficiary owner is an individual with extensive experience in equity investment	48,363,000	1.59	120,907.50
12.	Subscriber L	Individual investor and a merchant engaging in the information technology business	2,727,000	0.09	6,817.50
13.	Subscriber M	Individual investor familiar with the security investment sector	3,272,000	0.11	8,180.00
14.	Subscriber N	Individual investor familiar with the construction business	5,454,000	0.18	13,635.00
15.	Subscriber O	Individual investor familiar with the information technology business	11,648,000	0.38	29,120.00
16.	Subscriber P	Individual investor and a	5,454,000	0.18	13,635.00

merchant engaging in the construction and engineering and energy businesses

17.	Subscriber Q	Individual investor and a merchant engaging in the real estate business	12,727,000	0.42	31,817.50
18.	Subscriber R	A company which is principally engaged in investment holding and its ultimate beneficiary owner is an individual with extensive experience in equity investment and principally engaged in apparel e-commerce	60,000,000	1.97	150,000.00
19.	Subscriber S	A company which is principally engaged in cloud computing business and its ultimate beneficiary owner is an individual with extensive experience in equity investment	9,090,000	0.30	22,725.00
20.	Subscriber T	Individual investor familiar with the security investment sector	4,545,000	0.15	11,362.50
21.	Subscriber U	Individual investor familiar with banking sector and a merchant engaging in fintech business	4,545,000	0.15	11,362.50
22.	Subscriber V	Individual investor familiar with the construction business	2,909,000	0.09	7,272.50
23.	Subscriber W	Individual investor familiar with the real estate business	24,000,000	0.79	60,000.00
24.	Subscriber X	Individual investor and a merchant engaging in the information technology business	27,272,000	0.89	68,180.00
25.	Subscriber Y	Individual investor familiar with the financial sector	5,090,000	0.17	12,725.00
26.	Subscriber Z	Individual investor and a	3,996,000	0.13	9,990.00

		merchant engaging in trading business			
27.	Subscriber AA	Individual investor and a merchant engaging in medical aesthetics business	47,952,000	1.57	119,880.00
28.	Subscriber AB	Individual investor familiar with the financial sector	92,297,000	3.03	230,742.50
29.	Subscriber AC	Individual investor familiar with the financial sector	14,545,000	0.48	36,362.50
30.	Subscriber AD	Individual investor familiar with the security investment sector	10,000,000	0.33	25,000.00
31.	Subscriber AE	Individual investor familiar with the brand management business	9,090,000	0.30	22,725.00
<b>Total</b>			<b>524,431,000</b>	<b>17.21</b>	<b>1,311,077.50</b>

The 524,431,000 Subscription Shares in aggregate represent (i) approximately 17.21% of the existing issued share capital of the Company as at the date of this announcement; and (ii) approximately 14.68% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares (assuming that there will not be any change in the issued share capital of the Company from the date of this announcement to the Completion Date). The aggregate nominal value of the Subscription Shares will be HK\$1,311,077.50.

## Ranking

The Subscription Shares will rank, upon issue, pari passu in all respects with the Shares in issue as at the date of allotment and issue of the Subscription Shares.

## Subscription Price

The Subscription Price of HK\$0.55 per Subscription Share:

- (i) represents a discount of approximately 19.12% to the closing price of HK\$0.68 per Share as quoted on the Stock Exchange on the date of the Subscription Agreements; and
- (ii) represents a discount of approximately 19.59% to the average closing price of approximately HK\$0.6840 per Share as quoted on the Stock Exchange for the five consecutive Trading Days immediately prior to the date of the Subscription Agreements.

The Subscription Price was determined after arm's length negotiations between the Company and the Subscribers with reference to, among others, the prevailing market prices of the Shares and the capital

requirement for the future development of the Group.

The Directors consider that the terms of the Subscription Agreements (including the Subscription Price and the expenses of the Subscriptions) are fair and reasonable based on the current market conditions and in the interests of the Company and the Shareholders as a whole.

Subject to the Completion, the gross proceeds from the Subscriptions will be approximately HK\$288.4 million and the net proceeds from the Subscriptions (after deduction of the expenses of the Subscriptions) will be approximately HK\$288.2 million. On such basis, the net issue price will be approximately HK\$0.55 per Subscription Share.

### **Conditions to Completion**

Completion is conditional upon the satisfaction of the following conditions on or before 2 January 2026 (the “**Long Stop Date**”) (or such other date as may be agreed to by the Company and the Subscribers):

- (a) the Listing Committee of the Stock Exchange having granted the approval for the listing of and permission to deal in the Subscription Shares; and
- (b) the Company having obtained all necessary approvals from all relevant regulatory authorities.

Completion shall take place on or before the fifth business day after the fulfillment of the conditions as set out above or such other date as agreed between the Company and the Subscribers in writing.

If the above conditions are not fulfilled by the Long Stop Date (or such other date as may be agreed to by the Company and the Subscribers), all rights, obligations and liabilities of the Parties under the Subscription Agreements in relation to the Subscriptions shall cease and terminate and none of the Parties shall have any claim against any other Party in respect of the Subscriptions save for any antecedent breaches of the Subscription Agreements.

The completion of each of the Subscription Agreements is not inter-conditional upon the completion of any of the other Subscription Agreements.

### **Termination**

The Subscribers are entitled to terminate the Subscription Agreements by notice in writing to the Company upon the occurrence of any of the force majeure events set out in the Subscription Agreements at any time between the date of the Subscription Agreements and the Completion Date.

The Directors are not aware of the occurrence of any of such events as at the date of this announcement.

### **GENERAL MANDATE TO ALLOT AND ISSUE THE SUBSCRIPTION SHARES**

The Subscription Shares will be allotted and issued pursuant to the General Mandate granted to the Directors at the AGM. Under the General Mandate, the Company is authorised to issue up to 609,392,600 Shares. As at the date of this announcement, no Shares have been allotted and issued pursuant to the General Mandate. Therefore, the remaining balance of the General Mandate as at date of this announcement is 609,392,600 Shares and is sufficient for the issue and allotment of the Subscription Shares.

Accordingly, the allotment and issue of the Subscription Shares are not subject to any Shareholders' approval.

## APPLICATION FOR LISTING

Application will be made to the Stock Exchange for the listing of, and permission to deal in, the Subscription Shares.

## REASONS FOR THE SUBSCRIPTIONS AND USE OF PROCEEDS

The Group is principally engaged in (i) the sales of industrial products to customers located in Saudi Arabia; (ii) the sales of menswear apparel and brand licensing in the People's Republic of China (the "PRC"); and (ii) the sales of energy storage battery in the PRC.

The gross proceeds of the Subscriptions will be approximately HK\$288.4 million. The net proceeds of the Subscriptions (after deduction of expenses of the Subscriptions) will be approximately HK\$288.2 million. The Company plans to apply the net proceeds for business development, repayment of debts and general working capital.

The Group's energy storage battery segment is principally engaged in the production and sale of zinc-bromine flow batteries. These rechargeable systems generate electric power through the electrochemical reaction between zinc metal and bromine which are designed for long-duration, stationary energy generation projects with priority given to safety, cycle life and scalability. The energy-storage market in the PRC is expanding rapidly while next-generation batteries, grid integration software, and complementary renewable energy generation such as photovoltaic energy, wind energy, green hydrogen energy are moving from pilots to early commercial scale. Zinc-bromine flow batteries offer scalability and long cycle life, making them well suited for high-penetration solar and wind farms which could provide multi-hour discharge for peak shaving or seasonal shifting. The Group can leverage this by integrating its energy storage battery business with renewable energy projects which could enhance the Group's energy storage battery business capability into a platform for integrated new energy solutions, improving the Group's competitiveness and stabilising its revenue.

In light of the rapidly evolving technological advancement and market opportunities in the new energy sector, the Group has been proactively exploring business development opportunities within the energy storage business and the complementary renewable energy generation business (the "**New Energy Business**"). This strategic direction aligns with the Group's objective to diversify its revenue streams, foster sustainable long-term growth, and enhance shareholder value.

In order to support this strategic direction, the Group intends to allocate approximately HK\$122.0 million from the net proceeds towards the business development of the New Energy Business. This portion of net proceeds will be used to support initiatives, including but not limited to, expanding production capacity of the energy storage battery segment, strengthening research and development capabilities to improve product efficiency and performance, and pursuing other potential related renewable energy projects.

The Company will comply with the applicable requirements of the Listing Rules and make further announcement as and when appropriate in compliance with the Listing Rules.

In addition, the Group intends to allocate approximately HK\$92.2 million of the net proceeds as general working capital to support ongoing operations. This allocation will be used to meet regular business

expenses, including but not limited to payment of due trade and other payables, professional service fees, staff salaries and benefits, office rentals, utilities, and other operating costs necessary to maintain smooth daily operations.

The net proceeds are expected to be fully utilised within 12 months from the Completion Date. The detailed breakdown of the approximate allocation of the proposed uses of the net proceeds are as follows:

	<b>Approximate allocation HK\$ million</b>
<b>Business development</b>	
- Capital expenditure for expanding production capacity of the energy storage battery segment	45.0
- Investment in potential related renewable energy projects	77.0
	<u>122.0</u>
<b>Repayment of debts, including bank borrowings, corporate bonds and loans from a Shareholder</b>	74.0
	<u>                    </u>
<b>General working capital</b>	
- Payment of trade and other payables	28.0
- Staff salaries and benefits	28.0
- Professional service fee, including but not limited to audit fee, legal advisor fee and consultancy fee	6.0
- Other operational expenses, including but not limited to rental expenses, water and electricity charges, replacement of existing factory and office equipment and expenses in relation to governance compliance	30.2
	<u>92.2</u>
	<u>                    </u>
<b>Total</b>	<b><u>288.2</u></b>

The Directors consider that the Subscriptions represent a good opportunity to raise additional funds to strengthen the financial position and liquidity of the Group and meet any future development and financial obligations at a reasonable cost. The Directors are of the view that, apart from debt financing, the Subscriptions help to broaden the Company's funding channels.

The Directors (including independent non-executive Directors) consider that the Subscription Agreements and the Subscriptions contemplated thereunder are on normal commercial terms determined after arm's length negotiations among the Parties, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## **FUND RAISING ACTIVITIES OF THE COMPANY DURING THE PAST TWELVE MONTHS**

Apart from the fund raising activities mentioned below, the Company has not conducted any fund-raising activities in the past twelve months before the date of this announcement.

Date of	Fund raising activity	Net proceeds	Intended use of	Actual use of net
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<b>announcement</b>			<b>net proceeds</b>	<b>proceeds</b>
23 December 2024 and 15 January 2025	Issue of 59,574,000 new Shares under general mandate at the subscription price of HK\$0.50 per subscription Shares	Approximately HK\$29.7 million	For general working capital	The net proceeds were fully utilised as intended.

## **EFFECTS ON SHAREHOLDING STRUCTURE OF THE COMPANY**

As at the Latest Practicable Date, the Company has 3,046,963,000 Shares in issue. The shareholding structure of the Company (i) as at the date of this announcement; and (ii) upon Completion (assuming that the Subscriptions are fully completed and there is no other change in the shareholding structure of the Company before the allotment and issue of the Subscription Shares under the Subscription Agreements) are as follows:

<b>Shareholders</b>	<b>As at the date of this announcement</b>		<b>Upon Completion</b>	
	No. of Shares	Approximate %	No. of Shares	Approximate %
Ms. Wang Xiu Hua <sup>(1)</sup>	568,440,000	18.66	568,440,000	15.92
Equal Plus Limited <sup>(2)</sup>	190,102,000	6.24	190,102,000	5.32
Mr. Zhou Jun <sup>(3)</sup>	160,399,000	5.26	160,399,000	4.49
Ms. Ma Xiaoling <sup>(4)</sup>	120,858,000	3.97	120,858,000	3.38
Mr. Lu Ke <sup>(5)</sup>	103,090,000	3.38	103,090,000	2.89
Everkept Limited <sup>(6)</sup>	23,742,000	0.78	23,742,000	0.66
Subscriber A	-	-	10,909,000	0.31
Subscriber B	16,067,000	0.53	39,067,000	1.09
Subscriber C	300,000	0.01	12,088,000	0.34
Subscriber D	-	-	1,818,000	0.05
Subscriber E	221,000	0.01	4,217,000	0.12
Subscriber F	1,568,000	0.05	12,821,000	0.36
Subscriber G	-	-	34,256,000	0.96
Subscriber H	-	-	12,727,000	0.36
Subscriber I	197,000	0.01	6,651,000	0.19
Subscriber J	-	-	3,254,000	0.09
Subscriber K	124,918,000	4.10	173,281,000	4.85
Subscriber L	-	-	2,727,000	0.08
Subscriber M	2,925,000	0.10	6,197,000	0.17
Subscriber N	-	-	5,454,000	0.15
Subscriber O	2,052,000	0.07	13,700,000	0.38
Subscriber P	-	-	5,454,000	0.15

Subscriber Q	505,000	0.02	13,232,000	0.37
Subscriber R	109,090,000	3.58	169,090,000	4.74
Subscriber S	-	-	9,090,000	0.26
Subscriber T	-	-	4,545,000	0.13
Subscriber U	-	-	4,545,000	0.13
Subscriber V	-	-	2,909,000	0.08
Subscriber W	-	-	24,000,000	0.67
Subscriber X	-	-	27,272,000	0.76
Subscriber Y	387,000	0.01	5,477,000	0.15
Subscriber Z	-	-	3,996,000	0.11
Subscriber AA	-	-	47,952,000	1.34
Subscriber AB	-	-	92,297,000	2.58
Subscriber AC	-	-	14,545,000	0.41
Subscriber AD	-	-	10,000,000	0.28
Subscriber AE	-	-	9,090,000	0.26
Other public Shareholders	1,622,102,000	53.22	1,622,102,000	45.42
<b>Total</b>	<b><u>3,046,963,000</u></b>	<b><u>100</u></b>	<b><u>3,571,394,000</u></b>	<b><u>100</u></b>

*Notes:*

- (1) Ms. Wang Xiu Hua is the mother of Mr. Wang Yan, a non-executive Director and the direct beneficial owner of 568,440,000 Shares.
- (2) Equal Plus Limited (“**Equal Plus**”) is the direct beneficial owner of 190,102,000 Shares. Equal Plus is wholly-owned by Mr. Kwok Hon Fung, an executive Director, the chief executive officer of the Group and the son of Mr. Kwok Kin Sun. By virtue of SFO, Mr. Kwok Hon Fung, is deemed to be interested in all the Shares held by Equal Plus.
- (3) Mr. Zhou Jun was the beneficial owner of 110,181,000 Shares and was deemed to be interested in all the 50,218,000 Shares, in which his spouse, Ms. Xu Tingting, was interested by virtual of the SFO, and vice versa.
- (4) Ms. Ma Xiaoling is an executive Director and the direct beneficial owner of 106,480,000 Shares. Mr. Yu Jiliang, the spouse of Ms. Ma Xiaoling, is the direct beneficial owner of 14,378,000 Shares. By virtual of SFO, Ms. Ma Xiaoling is deemed to be interested in all the Shares held by her spouse.
- (5) Mr. Lu Ke is an executive Director and the direct beneficial owner of 103,090,000 Shares.
- (6) Everkept Limited (“**Everkept**”) is the direct beneficial owner of 23,742,000 Shares. Everkept is owned as to 70% by Mr. Kwok Kin Sun, the chairman of the Board and an executive Director. By virtue of SFO, Mr. Kwok Kin Sun is deemed to be interested in all the Shares held by Everkept. Under the SFO, Ms. Wong Tung Yam, the spouse of Mr. Kwok Kin Sun, is deemed to be interested in all the Shares in which Mr. Kwok Kin Sun is interested. As at the date of this announcement, Everkept pledged a total of 23,742,000 Shares to Donghai International Financial Holdings Company Limited (“**Donghai International**”). 東海證券股份有限公司, being the controlling shareholder of Donghai International, is deemed to be interested in all the Shares in which Donghai International is interested by virtue of the SFO.
- (7) Immediately upon Completion, it is expected that none of the Subscribers will become a substantial Shareholder (as defined under the Listing Rules).

**Since Completion is subject to the fulfilment of the conditions as set out in the Subscription**

**Agreements, the Subscriptions may or may not proceed. Shareholders and potential investors of the Company are reminded to exercise caution when dealing in the Shares.**

## **DEFINITIONS**

In this announcement, unless the context otherwise requires, the following terms have the following meanings:

“AGM”	the annual general meeting of the Company held on 18 June 2025 at which, among other things, the General Mandate was granted to the Directors;
“Board”	the board of Directors;
“Business Day”	a day on which banks in Hong Kong are open for general banking business, other than (i) a Saturday or a Sunday; or (ii) a day on which a tropical cyclone warning signal no. 8 or above or a black rainstorm warning signal is hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.;
“Company”	China Anchu Energy Storage Group Limited (中國安儲能源集團有限公司), a company incorporated in the Cayman Islands with limited liability and the issued shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 2399);
“Completion”	completion of the Subscriptions in accordance with the term and conditions of the Subscription Agreements;
“Completion Date”	a date falling within five (5) Business Days following the day on which the conditions of the Subscription Agreements are satisfied (or such other date as may be agreed between the Parties in writing hereto);
“connected person(s)”	has the same meaning as ascribed to it under the Listing Rules;
“Directors”	the directors of the Company;
“General Mandate”	the general mandate granted to the Directors by a resolution passed at the AGM to allot, issue or otherwise deal with Shares up to a maximum of 20% of the total number of the issued Shares of the Company as at 18 June 2025;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;

“Latest Practical Date”	12 December 2025
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as may be amended or supplemented from time to time;
“Party” as “Parties”	the Company and the Subscribers, as parties to the Subscription Agreements;
“SFO”	The Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
“Share(s)”	ordinary share(s) of nominal price of HK\$0.0025 each in the share capital of the Company;
“Shareholders”	shareholders of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Subscriber(s)”	thirty one subscribers under the Subscription Agreements;
“Subscriptions”	the subscriptions of 524,431,000 Subscription Shares in aggregate at the Subscription Price pursuant to terms and conditions of the Subscription Agreements;
“Subscription Agreements”	the subscription agreements dated 12 December 2025 entered into between the Company and the Subscribers in relation to the Subscriptions, and each, a “Subscription Agreement”;
“Subscription Price”	HK0.55 per Subscription Share;
“Subscription Shares”	524,431,000 new Shares in aggregate to be subscribed pursuant to the Subscription Agreements, and each, a “Subscription Share”;
“Trading Days”	means days on which the Stock Exchange is open for trading; and
“%”	per cent.

By Order of the Board  
**China Anchu Energy Storage Group Limited**  
**Duan Huiyuan**  
*Executive Director*

*As at the date of this announcement, the executive Directors are Mr. Kwok Kin Sun, Mr. Kwok Hon Fung, Mr. Lu Ke, Mr. Duan Huiyuan and Ms. Ma Xiaoling; the non-executive Director is Mr. Wang Yan; and the independent non-executive Directors are Mr. Cheung Chiu Tung, Mr. Poon Yick Pang Philip and Mr. Ma Yu-heng.*

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