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中國儲能科技發展有限公司

CHINA ENERGY STORAGE TECHNOLOGY DEVELOPMENT LIMITED

(formerly known as Link-Asia International MedTech Group Limited 環亞國際醫療科技集團有限公司)

(incorporated in the Cayman Islands with limited liability)

(Stock code: 1143)

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

The Board of Directors (the “**Board**”) of China Energy Storage Technology Development Limited (the “**Company**”) announces the consolidated results of the Company and its subsidiaries (the “**Group**”) for the year ended 31 December 2025 together with the comparative figures for the year ended 31 December 2024 as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the year ended 31 December 2025

	<i>Notes</i>	2025 HK\$'000	2024 HK\$'000
Continuing operations			
Revenue	4	359,657	479,317
Cost of sales		(275,042)	(355,716)
Gross profit		84,615	123,601
Other income		14,370	17,926
Other gains and losses, net		194	2,723
Selling and distribution expenses		(27,761)	(38,406)
Administrative expenses		(90,070)	(99,076)
Reversal of impairment losses on loans to other parties, net		756	22,579
Reversal/(provision) of impairment losses on trade receivables, net		702	(2,080)
Reversal of impairment losses on other receivables, net		606	7,924
Provision of impairment losses on intangible assets		(727)	(7,172)
Research and development expenditure		(14,040)	(12,835)

CONSOLIDATED STATEMENT OF PROFIT OR LOSS (CONT'D)*For the year ended 31 December 2025*

	<i>Notes</i>	2025 HK\$'000	2024 <i>HK\$'000</i>
(Loss)/profit from operations		(31,355)	15,184
Finance costs		<u>(12,033)</u>	<u>(4,829)</u>
(Loss)/profit before tax		(43,388)	10,355
Income tax expense	5	<u>(1,880)</u>	<u>(3,898)</u>
(Loss)/profit for the year from continuing operations		<u>(45,268)</u>	<u>6,457</u>
Discontinued operation			
Loss for the year from discontinued operation		<u>—</u>	<u>(129)</u>
(Loss)/profit for the year		<u>(45,268)</u>	<u>6,328</u>
Attributable to:			
Owners of the Company		(44,412)	8,036
Non-controlling interests		<u>(856)</u>	<u>(1,708)</u>
		<u>(45,268)</u>	<u>6,328</u>
(Loss)/earnings per share	7		
From continuing and discontinued operations			
Basic and diluted (HK cents per share)		<u>(19.80)</u>	<u>3.87</u>
From continuing operations			
Basic and diluted (HK cents per share)		<u>(19.80)</u>	<u>3.94</u>

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

For the year ended 31 December 2025

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
(Loss)/profit for the year	<u>(45,268)</u>	<u>6,328</u>
Other comprehensive income/(expense):		
<i>Items that may be reclassified to profit or loss:</i>		
Exchange differences on translating foreign operations	14,549	(11,624)
Reclassification of cumulative translation reserve upon disposal of an associate and subsidiaries and deregistration of a subsidiary	<u>–</u>	<u>29</u>
Other comprehensive income/(expense) for the year, net of tax	<u>14,549</u>	<u>(11,595)</u>
Total comprehensive expense for the year	<u>(30,719)</u>	<u>(5,267)</u>
Attributable to:		
Owners of the Company	(29,863)	(3,559)
Non-controlling interests	<u>(856)</u>	<u>(1,708)</u>
	<u>(30,719)</u>	<u>(5,267)</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

	<i>Notes</i>	2025 HK\$'000	2024 <i>HK\$'000</i>
ASSETS			
Non-current assets			
Property, plant and equipment		36,850	9,184
Right-of-use assets		34,396	43,529
Intangible assets		18,100	22,709
Rental deposits		1,733	3,224
		<hr/>	<hr/>
Total non-current assets		91,079	78,646
Current assets			
Inventories		92,747	45,050
Trade receivables	8	80,679	117,294
Prepayments, deposits and other receivables		288,165	322,185
Loans to other parties		2,005	1,163
Amounts due from directors		2,189	3,748
Bank and cash balances		246,901	312,051
		<hr/>	<hr/>
Total current assets		712,686	801,491
		<hr/>	<hr/>
TOTAL ASSETS		803,765	880,137
		<hr/> <hr/>	<hr/> <hr/>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONT'D)

As at 31 December 2025

	<i>Notes</i>	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
EQUITY AND LIABILITIES			
Equity			
Equity attributable to owners of the Company			
Share capital		44,858	44,858
Reserves		461,831	491,673
		<u>506,689</u>	<u>536,531</u>
Non-controlling interests		(502)	354
		<u>506,187</u>	<u>536,885</u>
LIABILITIES			
Non-current liabilities			
Bonds payable		5,241	5,041
Lease liabilities		27,439	37,081
		<u>32,680</u>	<u>42,122</u>
Current liabilities			
Trade payables	9	33,562	58,434
Accruals and other payables		195,053	194,204
Lease liabilities		11,451	10,177
Borrowings		10,380	14,300
Bonds payable		12,788	20,000
Current tax liabilities		1,664	4,015
		<u>264,898</u>	<u>301,130</u>
		<u>803,765</u>	<u>880,137</u>
TOTAL EQUITY AND LIABILITIES			

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

1. BASIS OF PREPARATION

These consolidated financial statements have been prepared in accordance with all applicable HKFRS Accounting Standards issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”). HKFRS Accounting Standards comprise HKFRS Accounting Standards; Hong Kong Accounting Standards (“**HKAS**”); and Interpretations. These consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on the Stock Exchange and with the disclosure requirements of the Hong Kong Companies Ordinance (Cap. 622). Material accounting policies adopted by the Group are disclosed in note 4.

The HKICPA has issued certain new and revised HKFRS Accounting Standards that are first effective or available for early adoption for the current accounting period of the Group. Note 3 provides information on any changes in accounting policies resulting from initial application of these developments to the extent that they are relevant to the Group for the current and prior accounting periods reflected in these consolidated financial statements.

2. ADOPTION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS

(a) Application of amendments to HKFRS Accounting Standards

The Group has applied the following amendments to HKFRS Accounting Standards issued by the HKICPA for the first time, which are mandatorily effective for the annual period beginning on or after 1 January 2025 for the preparation of the consolidated financial statements:

Amendments to HKAS 21 and HKFRS 1	Lack of Exchangeability
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The application of the amendments to HKFRS Accounting Standards in the current year had no material impact on the Group’s financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

2. ADOPTION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS (CONT'D)

(b) New and amendments to HKFRS Accounting Standards in issue but not yet effective

The Group has not applied any new standard, amendments to standards that have been issued but are not yet effective for the financial year beginning 1 January 2025. The new standard, amendments to standards include the following which may be relevant to the Group:

	Effective for accounting periods beginning on or after
Amendments to HKFRS 9 and HKFRS 7 — Classification and Measurement of Financial Instruments	1 January 2026
Annual Improvements to HKFRS Accounting Standards — Volume 11	1 January 2026
Amendment to HKFRS 9 and HKFRS 7 — Contracts Referencing Nature-dependent Electricity	1 January 2026
Amendment to HKAS 21 — Translation to a Hyperinflationary Presentation Currency	1 January 2027
HKFRS 18 — Presentation and Disclosure in Financial Statements	1 January 2027
Amendments to HK Int 5 — Presentation of Financial Statements — Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause	1 January 2027
Amendments to HKFRS 10 and HKAS 28 — Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined by the HKICPA

The Group is in the process of making an assessment of what the impact of these amendments and new standards is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the consolidated financial statements except for the new HKFRS Accounting Standards mentioned below:

HKFRS 18 “Presentation and Disclosure in Financial Statements”

HKFRS 18 will replace HKAS 1 “Presentation of financial statements”, introducing new requirements that will help to achieve comparability of the financial performance of similar entities and provide more relevant information and transparency to users. Even though HKFRS 18 will not impact the recognition or measurement of items in the consolidated financial statements, HKFRS 18 introduces significant changes to the presentation of financial statements, with a focus on information about financial performance present in the statement of profit or loss, which will affect how the Group present and disclose financial performance in the financial statements. The key changes introduced in HKFRS 18 relate to (i) the structure of the statement of profit or loss, (ii) required disclosures for management-defined performance measures (which are referred to alternative or non-GAAP performance measures), and (iii) enhanced requirements for aggregation and disaggregation of information.

2. ADOPTION OF NEW AND AMENDMENTS TO HKFRS ACCOUNTING STANDARDS (CONT'D)

(b) New and amendments to HKFRS Accounting Standards in issue but not yet effective (Cont'd)

HKFRS 18 “Presentation and Disclosure in Financial Statements” (Cont'd)

The new accounting standard introduces the following key new requirements:

- Entities are required to classify all income and expenses into five categories in the statement of profit or loss, namely the operating, investing, financing, discontinued operations and income tax categories. Entities are also required to present a newly-defined operating profit subtotal. Entities' net profit will not change.
- Management-defined performance measures (MPMs) are disclosed in a single note in the financial statements.
- Enhanced guidance is provided on how to group information in the financial statements.

In addition, all entities are required to use the operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method.

The Group is currently assessing the impact of HKFRS 18, with respect to the structure of the Group's statement of loss, the statements of cash flows and the additional disclosures required for MPMs. The Group is also assessing the impact on how information is grouped in the financial statements. Preliminary assessments indicate the following key impacts:

- The Group will need to reclassify certain income and expense items (e.g., interest income on certain investments and foreign exchange gains/losses) into the new categories, namely investing and financing categories.
- The Statement of Cash Flows will also be impacted, as the operating profit subtotal will be the required starting point for the indirect method.

The directors of the Company are currently assessing the impact of applying HKFRS 18 on the presentation and the disclosures of the consolidated financial statements.

3. SEGMENT INFORMATION

The Group has four operating segments as follows:

EMS	—	Electronic manufacturing services
Securities and Other Assets Investment and Others	—	Equity investment, property agency service and other operations
Real Estate Supply Chain Services and Energy Storage Products	—	Real estate advisory service and real estate purchase service and energy storage products
Money Lending	—	Provision of loan services by licensed corporation

The Group's reportable segments are strategic business units that offer different products and services. They are managed separately because each business requires different technology and marketing strategies.

The accounting policies of the operating segments are the same as those described in note 4 to the consolidated financial statements. Segment profits or losses do not include interest expense, depreciation, equity-settled share-based payments and unallocated expenses. Segment assets do not include unallocated bank and cash balances, unallocated property, plant and equipment, unallocated right-of-use assets and unallocated prepayments, deposits and other receivables. Segment liabilities do not include unallocated lease liabilities, unallocated borrowings, bonds payable and unallocated accruals and other payables.

The Group accounts for intersegment sales and transfers as if the sales or transfers were to third parties, i.e. at current market prices.

3. SEGMENT INFORMATION (CONT'D)

(a) Information about operating segment profit or loss, assets and liabilities from continuing operations:

	EMS <i>HK\$'000</i>	Securities and other assets investment and others <i>HK\$'000</i>	Real estate supply chain services and energy storage products <i>HK\$'000</i>	Money lending <i>HK\$'000</i>	Total <i>HK\$'000</i>
Year ended 31 December 2025					
Revenue from external customers	<u>359,036</u>	<u>–</u>	<u>621</u>	<u>–</u>	<u>359,657</u>
	EMS <i>HK\$'000</i>	Securities and other assets investment and others <i>HK\$'000</i>	Real estate supply chain services and energy storage products <i>HK\$'000</i>	Money lending <i>HK\$'000</i>	Total <i>HK\$'000</i>
Year ended 31 December 2024					
Revenue from external customers	<u>455,081</u>	<u>12,200</u>	<u>11,880</u>	<u>156</u>	<u>479,317</u>

3. SEGMENT INFORMATION (CONT'D)

(b) Geographical information:

The Group's revenue from external customers by location of customers and information about its non-current assets by location are detailed below:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
(Continuing operations)		
Revenue		
The People's Republic of China (the "PRC") (including Hong Kong)	40,228	56,729
United States of America ("U.S.A.")	60,369	99,263
Switzerland	51,568	62,894
France	58,051	92,748
Belgium	26,990	33,232
Thailand	27,851	27,103
Mexico	25,579	29,917
Malaysia	1,243	9,816
Brazil	15,250	16,812
Others	52,528	50,803
	<u>359,657</u>	<u>479,317</u>
Consolidated total	<u>359,657</u>	<u>479,317</u>
	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Non-current assets		
The PRC (including Hong Kong)	85,933	78,646
Cambodia	5,146	–
	<u>91,079</u>	<u>78,646</u>
Consolidated total	<u>91,079</u>	<u>78,646</u>

(c) Revenue from major customers:

An analysis of revenue from major customers which account for 10 percent or more of the Group's revenue is as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
EMS segment		
Customer A	166,848	230,641
Customer B	52,704	76,718
	<u>166,848</u>	<u>230,641</u>
	<u>52,704</u>	<u>76,718</u>

4. REVENUE

Disaggregation of revenue

Disaggregation of revenue from contracts with customers by major products or service lines for the year from continuing operations is as follows:

	2025 HK\$'000	2024 HK\$'000
Revenue from contracts with customers within the scope of HKFRS 15		
Disaggregated by major products or service lines		
— Sales of goods	359,036	475,206
— Provision of real estate supply chain service	<u>621</u>	<u>3,955</u>
	<u>359,657</u>	<u>479,161</u>
Revenue from other sources		
Loan interest income	—	156
	<u>359,657</u>	<u>479,317</u>

The Group derives revenue from the transfer of goods and services and at a point in time in the following major product lines and geographical regions:

	Electronic manufacturing services		Securities and other assets investment and others		Real estate supply chain services and energy storage products		Money lending		Total	
	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Primary geographical markets										
— The PRC (including Hong Kong)	39,607	32,493	—	12,200	621	11,880	—	156	40,228	56,729
— U.S.A.	60,369	99,263	—	—	—	—	—	—	60,369	99,263
— Switzerland	51,568	62,894	—	—	—	—	—	—	51,568	62,894
— France	58,051	92,748	—	—	—	—	—	—	58,051	92,748
— Belgium	26,990	33,232	—	—	—	—	—	—	26,990	33,232
— Thailand	27,851	27,103	—	—	—	—	—	—	27,851	27,103
— Mexico	25,579	29,917	—	—	—	—	—	—	25,579	29,917
— Malaysia	1,243	9,816	—	—	—	—	—	—	1,243	9,816
— Brazil	15,250	16,812	—	—	—	—	—	—	15,250	16,812
— Others	52,528	50,803	—	—	—	—	—	—	52,528	50,803
Segment revenue	<u>359,036</u>	<u>455,081</u>	<u>—</u>	<u>12,200</u>	<u>621</u>	<u>11,880</u>	<u>—</u>	<u>156</u>	<u>359,657</u>	<u>479,317</u>
Revenue from external customers	<u>359,036</u>	<u>455,081</u>	<u>—</u>	<u>12,200</u>	<u>621</u>	<u>11,880</u>	<u>—</u>	<u>156</u>	<u>359,657</u>	<u>479,317</u>
Timing of revenue recognition										
Products and services transferred at a point in time	359,036	455,081	—	12,200	621	11,880	—	—	359,657	479,161
Services transferred over time	—	—	—	—	—	—	—	156	—	156
Total	<u>359,036</u>	<u>455,081</u>	<u>—</u>	<u>12,200</u>	<u>621</u>	<u>11,880</u>	<u>—</u>	<u>156</u>	<u>359,657</u>	<u>479,317</u>

The transfer goods and services are for periods of one year or less. The Group elected to apply the practical expedient. As permitted under HKFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

5. INCOME TAX EXPENSE

Income tax relating to continuing operations has been recognised in profit or loss as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
Current tax — Hong Kong Profits Tax		
Provision for the year	1,855	3,941
Over-provision in prior years	<u>—</u>	<u>(6)</u>
	<u>1,855</u>	<u>3,935</u>
Current tax — Overseas		
Provision for the year	25	5
Over-provision in prior years	<u>—</u>	<u>(42)</u>
	<u>25</u>	<u>(37)</u>
	<u><u>1,880</u></u>	<u><u>3,898</u></u>

Under the two-tiered profits tax regime, profits tax rate for the first HK\$2,000,000 of assessable profits of qualifying corporations established in Hong Kong will be lowered to 8.25% (2024: 8.25%), and profits above that amount will be subject to the tax rate of 16.5% (2024: 16.5%). For the other Hong Kong established subsidiaries, Hong Kong Profits Tax has been provided at a rate of 16.5% (2024: 16.5%) on the estimated assessable profits.

Tax charge on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries in which the Group operates, based on existing legislation, interpretation and practices in respect thereof.

6. DIVIDENDS

No dividends have been paid or proposed during the year ended 31 December 2025, nor has any dividend been proposed since the end of the reporting period (2024: Nil).

7. (LOSS)/EARNINGS PER SHARE

From continuing and discontinued operations

The calculation of the basic and diluted (loss)/earnings per share is based on the following:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
(Loss)/profit		
(Loss)/profit attributable to owners of the Company for the purpose of basic (loss)/earnings per share	<u>(44,412)</u>	<u>8,036</u>
	2025	2024
Number of shares		
Weighted average number of ordinary shares for the purpose of calculating basic earnings per share	<u>224,289,185</u>	<u>207,426,836</u>

No diluted (loss)/earnings per share for years ended 31 December 2025 and 2024 are presented as the exercise price of those options was higher than the average market price of shares.

From continuing operations

The calculation of the basic (loss)/earnings per share from continuing operations is based on the following:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
(Loss)/profit		
(Loss)/profit for the purpose of calculating basic earnings per share	(44,412)	8,036
Loss for the year from discontinued operation	<u>N/A</u>	<u>129</u>
(Loss)/profit for the purpose of calculating diluted (loss)/earnings per share from continuing operations	<u>(44,412)</u>	<u>8,165</u>

The weighted average numbers of ordinary shares used as denominators in calculating the basic and diluted (loss)/earnings per share are the same.

8. TRADE RECEIVABLES

The Group's trading terms with customers are mainly on credit. The credit terms generally range from 30 to 120 days. Each customer has a maximum credit limit. For new customers, payment in advance is normally required. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by the directors.

The aging analysis of trade receivables, based on the invoice date, and net of allowance, is as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
0 to 90 days	66,440	98,302
91 to 180 days	13,432	18,670
181 to 365 days	375	292
Over 365 days	432	30
	<u>80,679</u>	<u>117,294</u>

9. TRADE PAYABLES

The aging analysis of trade payables, based on invoice date, is as follows:

	2025 <i>HK\$'000</i>	2024 <i>HK\$'000</i>
0 to 90 days	24,655	26,695
91 to 180 days	502	7,458
181 to 365 days	146	17,804
Over 365 days	8,259	6,477
	<u>33,562</u>	<u>58,434</u>

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

In 2025, the global economy remained under pressure from high interest rates, geopolitical instability, and weak consumer demand. These factors further reduced demand for EMS services worldwide, leading to another year of decline in the Group's EMS segment. China's economy showed only limited recovery, with the property market still weak and consumer confidence fragile, which negatively affected the Group's real estate supply chain services. Although the energy storage business continued to benefit from government support, its growth was slower than expected due to market competition and project delays.

Moreover, by 2025, the Russia-Ukraine war had evolved into a prolonged war of attrition, with Russia maintaining control over parts of eastern Ukraine and the conflict showing no signs of resolution. This ongoing instability disrupted energy supplies, heightened inflationary pressures in Europe, and weakened consumer confidence, thereby exerting further downward pressure on the Group's European operations.

Overall, the combined impact of China's structural challenges, persistent geopolitical tensions, and the prolonged Russia-Ukraine war contributed to a decline in the Group's overall revenue in 2025 compared with the previous year.

As at 31 December 2025, the Group had bank and cash balances from continuing operations totaling approximately HK\$246.9 million (2024: HK\$312.1 million) with efforts made to maintain a healthy financial position.

REVIEW OF OPERATIONS

The EMS and Distribution of Communications Products Businesses

For the year ended 31 December 2025, the revenue from EMS decreased by 21.1% to HK\$359.0 million (2024: HK\$455.1 million), whereas no revenue had been recorded from the Distribution segment (2024: HK\$0.2 million).

In EMS segment, there are two main groups of products, namely communication and non-communications products whereas non-communication products mainly included appliances and appliances control products and multimedia products.

The decrease in the revenue of EMS segment was resulting mainly from the increase in the impact of ongoing trade tensions and tariff measures imposed on certain product categories. These tariffs resulted in higher costs for imported raw materials and dampened customer demand.

The Distribution segment was discontinued during 2024 due to continuing decreasing demand of the business line telephone system product in North America. The common practice of work from home or choosing hybrid work model or online meeting via internet become more popular which lessen the use of communication product in office.

Real Estate Supply Chain Services and Energy Storage Products (the “RES and ESP”)

Revenue from the Real Estate Supply Chain Services operation provides two types of services, comprising the real estate advisory service and real estate purchase service related to investment opportunities in Southeast Asia and Pan Asia markets on behalf of customers. Revenue of Real Estate Supply Chain Services is recognised at a point in time upon completion of each service. The revenue from RES and ESP segment decreased from approximately HK\$11.9 million for the year ended 31 December 2024 to HK\$0.6 million for the year ended 31 December 2025.

Securities and Other Assets Investment and Others

The Securities and Other Assets Investment and Others business contributed revenue of approximately HK\$Nil million (2024: HK\$12.2 million) to the Group during the year ended 31 December 2025.

Money Lending

The money lending operations of the Group was commenced in 2022, and are managed through our wholly-owned subsidiary — Be Smart Finance Limited with money lenders licenses issued under the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong). The Group's money lending business is broadly classified into four loan categories, including: (i) property mortgage loans; (ii) other secured loans; (iii) guaranteed loans; and (iv) unsecured loans. During the year ended 31 December 2025, the Group's money lending business was focused on unsecured loans. The Group plans to explore further potential money lending business opportunities and the Group's assessment of achieving reasonable risk and returns. There is no specific target customer group. The source of customers of the Group during the year ended 31 December 2025 were mainly through the referrals of past and existing customers of the Group. The source of funds for the money lending business is generally funded by the internal resources of the Group.

Loan Portfolio

During the year ended 31 December 2025, the Group has no active loan account.

During the year ended 31 December 2025, the revenue of the money lending segment was approximately HK\$Nil (2024: HK\$0.2 million).

The management remains alert and will prudently maintain effective controls and procedures for loan approvals, credit monitoring as well as recovery and compliance matters applicable to all aspects of the money lending business.

As at 31 December 2025, the Group had no (2024: nil) active accounts.

During the Year, there was no interest income generated from the top five customers (2024: accounted for approximately 0.05% of the Group's total revenue).

As at 31 December 2025, no loan and interest receivables balance is outstanding.

Internal Control

The Group is dedicated to achieving a robust balance between its business operations and risk management by adhering to comprehensive credit policies designed to safeguard the quality of its loan portfolio. In light of heightened economic uncertainties, management remains vigilant and is committed to prudently maintaining stringent controls and procedures across loan approvals, credit monitoring, recovery efforts, and compliance. This cautious approach includes a proactive stance on recognising impairments where necessary, ensuring potential risks are addressed promptly to protect the Group's financial stability.

The Group has established strict credit policies and controls to reduce all associated credit risks. Various approval criteria are carefully considered during the credit assessment stage, including verification of identity, repayment ability, and relevant investigative results after carrying out due diligence during the application procedure. The Group's management are responsible for assessing and approving loans within predetermined credit limits. They also regularly oversee the Group's credit policies and credit quality of the Group's loan portfolio. Increasing effort has also been put in the recovery procedures for loans receivables. Legal actions will be taken on a case-by-case basis, having considered the normal market practice as well as the actual circumstances during the Group's credit collection processes and negotiations with relevant customers in order to minimise any possible credit losses.

Interest rates

In addition to the aforementioned factors included in the Group's credit approval policy, when deciding the interest rate for loans, the Group would also take a holistic view in the assessments of setting loan terms based on the general market environment at the time, interest rate of competitors at the time, the amount of the Group's funds available and also the overall quality of the borrower.

All the Group's loans have been collected during the year ended 31 December 2024. The effective interest rates were matched and charged to customers of differing risk levels, at 10% per annum during the year ended 31 December 2024. The major terms of loans granted include loans receivable, interest rate and maturity date. For the year ended 31 December 2025, the Group has not recorded any impairment loss on loans and interest receivable. The Group's impairment losses relate primarily to the expected credit loss ("ECL") allowance for loans and interest receivables. Generally speaking, ECL assessments are done based on the Group's historical credit loss experience adjusted for factors that are specific to particular debtors, general economic conditions and an assessment of both the current conditions as at the reporting date as well as the forecast of future conditions. The ECL on loans receivables are assessed individually for those debtors with significant balances and/or those collectively using a provision matrix with appropriate groupings. Each grouping is regularly reviewed by management to ensure that each of its constituents continues to share similar credit risk characteristics.

Geographical Analysis

Revenue from the major European countries (Switzerland, Belgium and France) totalled approximately HK\$136.6 million (2024: HK\$188.9 million), and accounted for approximately 38.0% (2024: 39.4%) of the Group's revenue for the year ended 31 December 2025. The U.S.A. market contributed approximately HK\$60.4 million (2024: HK\$99.3 million) in revenue and accounted for approximately 16.8% (2024: 20.7%) of the Group's revenue. The PRC (including Hong Kong) and other countries accounted for approximately HK\$40.2 million (2024: HK\$56.7 million) and HK\$122.5 million (2024: HK\$134.5 million), respectively, representing approximately 11.2% (2024: 11.8%) and 34.1% (2024: 28.1%) of the Group's revenue.

FINANCIAL REVIEW

Revenue Generated from Continuing Operations

For the year ended 31 December 2025, the Group recorded total revenue of HK\$359.7 million (2024: HK\$479.3 million).

The Group's reporting segments are strategic business units that offer different products and services. There are two broad groups of business units for segment accounting purpose, EMS and Distribution whereas the latter representing the distribution of communication products. Nevertheless, the Distribution segment has already ceased its business in early 2025. In EMS segment, there are two main groups of products, namely communication and non-communications products whereas non-communication products mainly included appliances and appliances control products and multimedia products.

For the year ended 31 December 2025, the revenue from EMS decreased by 21.1% to HK\$359.0 million (2024: HK\$455.1 million), whereas no revenue had been recorded from the Distribution segment (2024: HK\$0.9 million).

The decrease in the revenue of EMS segment was resulting mainly from the increase in the impact of ongoing trade tensions and tariff measures imposed on certain product categories. These tariffs resulted in higher costs for imported raw materials and dampened customer demand.

In 2025, the Distribution segment was discontinued due to continuing decreasing demand of the business line telephone system product in North America. The common practice of work from home or choosing hybrid work model or online meeting via internet become more popular which lessen the use of communication product in office. The closure is expected to streamline operations and allow the Company to reallocate resources to higher-growth areas.

Cost of Sales

Cost of sales is slightly decreased by approximately HK\$80.7 million to approximately HK\$275.0 million for the year ended 31 December 2025 (2024: HK\$355.7 million). The decreased of cost of sales was in line with the decreased of revenue for the year ended 31 December 2025.

Gross Profit

Gross profit decreased in value by 31.5% from HK\$123.6 million to HK\$84.6 million, while the gross profit margin decreased by 2.3%. Such decrease is considered to be mainly contributed by two factors. First, the decrease in the level of sales for the year 2025 from the impact of ongoing trade tensions and tariff measures. Second, the establishment of our new manufacturing facility in Cambodia led to higher production costs during the start-up phase, including initial operating and increased overhead expenses in the second half of the year 2025. These factors collectively contributed to the decrease in gross margin value and the gross margin rate.

Impairment losses

The Group made overall reversal of impairment losses of approximately HK\$1.3 million on certain assets for the year ended 31 December 2025 (2024: HK\$21.3 million). It was mainly comprised of reversal of impairment losses on loan to other parties (net) of approximately HK\$0.8 million, reversal of impairment loss on trade receivables of approximately HK\$0.7 million and reversal of impairment losses on other receivables (net) of approximately HK\$0.6 million, which offset by impairment losses on intangible assets of approximately HK\$0.7 million.

Other income

The other income is decreased by HK\$3.5 million from HK\$17.9 million to HK\$14.4 million. The decrease is mainly caused by the drop in total interest income of HK\$1.6 million resulting to HK\$8.9 million (2024: HK\$10.5 million), and the decrease in compensation from the revision of intangible asset term of approximately HK\$6.8 million, which offset by the increased consultancy fee of approximately HK\$3.0 million.

Selling and distribution expenses

Selling and distribution expenses of HK\$27.8 million (2024: HK\$38.4 million) accounted for approximately 7.7% of the Group's revenue in 2025 (2024: 8.0%). Main component of the selling and distribution expense was staff cost.

Administration expenses

Administration expenses of HK\$90.1 million (2024: HK\$99.1 million) accounted for approximately 25.0% of the Group's revenue in 2025 (2024: 20.7%). The decrease are mainly caused by the decreased equity-settled share-based payments of approximately HK\$10.6 million.

Research and development expenditure

Research and development expenditure slightly increased by approximately HK\$1.2 million from approximately HK\$12.8 million for the year ended 31 December 2024 to approximately HK\$14.0 million for the year ended 31 December 2025.

Finance costs

The Group's finance costs were approximately HK\$12.0 million for the year ended 31 December 2025 and HK\$4.8 million for the year ended 31 December 2024, represented approximately 3.3% and 1.0% of the Group's revenue for the year ended 31 December 2025 and 2024, respectively. The increased finance costs was mainly contributed by the increased interest on bonds payable for the year ended 31 December 2025.

Income tax expense

Income tax expense for the year ended 31 December 2025 included approximately HK\$1.9 million of current tax charge (2024: HK\$3.9 million). The tax charges mainly represented the income tax provision at the applicable tax rate in accordance with the relevant laws and regulations in Hong Kong, the PRC and the U.S.A..

(Loss)/profit attributable to owners of the Company

The loss attributed to owners of the Company was approximately HK\$45.3 million for the year ended 31 December 2025 (2024: profit of HK\$6.3 million). The Group's net loss margin from the continuing operations attributable to owners of the Company for the year ended 31 December 2025 was approximately 12.6% (2024: profit margin 1.3%).

Loss for the year attributable to non-controlling interests

Loss for the year attributable to non-controlling interests amounted to approximately HK\$0.9 million for the year ended 31 December 2025 (2024: HK\$1.7 million).

LIQUIDITY AND CAPITAL RESOURCES

The Group generally finances its operations and capital expenditure by internally generated cashflows.

As at 31 December 2025, the bank and cash balances from continuing operations amounted to approximately HK\$246.9 million (2024: HK\$312.1 million), representing a decrease of approximately HK\$65.2 million from 2024. Respective sum of approximately 21.0%, 72.5% and 6.5% of the bank and cash balances was denominated in RMB, USD and HKD, respectively.

As at 31 December 2025, the Group's current ratio remains in a healthy position at 2.7 times (2024: 2.7 times).

As at 31 December 2025, the carrying amounts of the borrowings and bonds payable were approximately HK\$10.4 million and HK\$18.0 million respectively. The borrowings represented the loans from financial institutions and loan from an independent third party of approximately HK\$10.4 million (2024: HK\$14.3 million).

Exchange risk exposure

The Group has transactional currency exposures. Such exposures arise from the business operations in the PRC and Hong Kong denominated in RMB and USD, respectively. As at 31 December 2025, the Group had minimal exposure to foreign currency risk as most of its business transactions, assets and liabilities were principally denominated in the respective functional currencies, i.e. RMB and USD, used by the respective group entities, or in USD for the respective group entities with HKD being the functional currency. As HKD is pegged to USD, the Group considers the risk of movements in exchange rates between HKD and USD to be insignificant for transactions denominated in USD. The RMB is not freely convertible into other foreign currencies and conversion of the RMB into foreign currencies is subject to rules and regulations of foreign

exchange control promulgated by the PRC government. As at 31 December 2025, the Group does not have a foreign currency hedging policy in respect of its foreign currency assets and liabilities. The Group had no investment in any financial derivatives, foreign exchange contracts, interest or currency swaps, hedging or other financial arrangements for hedging purposes to reduce any currency risk nor made any over-the-counter contingent forward transactions. The Group will closely monitor its foreign currency exposure and will consider using hedging instruments in respect of significant foreign currency exposure as and when appropriate.

Capital commitments and expenditures

Capital expenditure for 2025 amounted to HK\$33.5 million and capital commitments as at 31 December 2025 amounted to HK\$4.9 million. Both the capital expenditure and capital commitments were mainly related to the acquisition of plant and machinery to maintain the capacity of the business volume.

Pledge of assets

As at 31 December 2025 and 2024, the Group had no pledged assets.

Financial guarantee contract

As at 31 December 2025 and 2024, the Group had an outstanding guarantee (the “**Guarantee**”) to one of the suppliers of an overseas subsidiary (the “**Disposed Subsidiary**”), which was disposed on 7 October 2015, for payment in relation to a sum of US\$2.6 million (equivalent to approximately HK\$20.3 million), representing a trade balance under dispute between the Disposed Subsidiary and the supplier. The supplier subsequently sold the trade balance to a third party.

During 2017, the Disposed Subsidiary had agreed with the third party for a final settlement by instalment of US\$650,000 (equivalent to approximately HK\$5.1 million). In this regards, as at 31 December 2024 and 2023, the Group had an outstanding guarantee of the sum limited to US\$650,000, subject to the full payment of the final settlement effected by the Disposed Subsidiary.

The Disposed Subsidiary had issued counter guarantee to the Company to indemnify the Company for any loss in relation to the Guarantee.

Contingent liabilities

The Group and the Company did not have any significant contingent liabilities.

HUMAN RESOURCES

As at 31 December 2025, the Group had approximately 763 employees in various operating units located in Hong Kong, and the PRC. In order to attract and retain high quality talents to ensure smooth operation and cater for the Group's constant expansion, it offers competitive remuneration packages, with reference to market conditions, individual qualifications and experience.

The emoluments of the Directors are recommended and decided by the remuneration committee and the Board respectively, having regard to the Company's operating results, individual performance and comparable market statistics.

SHARE OPTION SCHEME

Details of the share option movements during the period from 1 January 2025 to 31 December 2025 under the New Share Option Scheme are as follows:

Holder of Share Options	Date of Grant	Exercise period	Exercise price per Share (note 2) (HK\$)	Outstanding as at 1 January 2025	Number of share options			Outstanding as at 31 December 2025
					Grant during the year ended 31 December 2025	Exercised during the year ended 31 December 2025	Lapsed/ cancelled during 31 December 2025	
Executive Directors								
Lin Dailian	28-Jan-21	2021.7.28-2026.1.27	3.46	533,309	-	-	533,309	-
	3-Nov-23	2024.11.3 — 2026.11.2	2.5	1,725,291	-	-	-	1,725,291
Bian Sulan	3-Nov-23	2024.11.3 — 2026.11.2	2.5	1,725,291	-	-	-	1,725,291
Employees	28-Jan-21	2022.1.28 — 2026.1.27	3.46	2,087,987	-	-	2,087,987	-
Employees	3-Nov-23	2024.11.3 — 2026.11.2	2.5	12,244,500	-	-	144,900	12,099,600
Total				18,316,378	-	-	2,766,196	15,550,182

Notes:

- (1) The closing price of the Company's share immediately before the date (28 January 2021) on which the share options were granted was HK\$0.35.
- (2) The exercise price per share of share options has reflected the adjustment in relation to the share consolidation which completed on 30 March 2023.
- (3) The closing price of the Company's share immediately before the date (2 November 2023) on which the share options were granted was HK\$1.9.
- (4) The number of share option available grant as at 31 December 2025 was 1,557,836.

SIGNIFICANT INVESTMENTS HELD, MATERIAL ACQUISITIONS OR DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES, AND FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

Except for disclosed in the Company's announcement dated 17 September 2025 in related to the Discloseable and Connected Transaction Acquisition of the Entire Equity Interest in Target Company of the Company as disclosed, there was no significant investment held, material acquisition and disposal of subsidiaries and associates by the Company during the year ended 31 December 2025. The Group will make every endeavor to keep abreast of the changing market conditions, proactively identify investment opportunities in order to broaden the revenue base of the Group, enhance its future financial performance and profitability.

PROSPECTS

In 2026, the China's energy storage industry is facing a period of slowdown after several years of rapid expansion. The marginal effect of supportive policies has weakened, and the narrowing of peak-to-valley electricity price gaps has reduced the profitability of storage projects. Rising raw material costs and recycling challenges have limited further cost reductions, while intensified competition has led to overcapacity and margin pressure. In addition, financing conditions remain tight under high interest rates, making large-scale investment more difficult. These factors together are expected to constrain the growth momentum of the industry.

At the same time, the global economy continues to encounter multiple challenges, including persistently high interest rates, geopolitical conflicts, debt crises, and repeated inflation. The recent war in Iran has further pushed up global oil prices, which in turn has increased energy and transportation costs for the electronics manufacturing industry. This has exacerbated cost pressures, weakened competitiveness, and reduced profitability across the sector. Consumer demand in mature markets is softening, supply chains remain vulnerable to disruption, and raw material and logistics costs are volatile. The weakened global demand structure, combined with constrained investment in innovation due to higher financing costs, has further dampened the growth prospects of the sector.

Taking these factors into account, the Group considers the outlook for 2026 to be unfavorable. While long-term opportunities remain in energy storage and electronics, the near-term environment is expected to be difficult. The Group will therefore continue to closely monitor market conditions, adopt prudent strategies, and adjust its business development plans to safeguard resilience and financial stability.

CAPITAL STRUCTURE

As at 31 December 2025, the total number of the issued share capital with the par value of HK\$0.2 each was 224,289,185 and the total equity attributable to Shareholders was approximately HK\$506.7 million (2024: approximately HK\$536.5 million).

PURCHASE, REDEMPTION OR SALE OF THE COMPANY’S LISTED SECURITIES

There was no purchase, sale or redemption of the Company’s listed securities by the Company or any of the subsidiaries during the year ended 31 December 2025.

DIVIDENDS

No dividends have been paid or proposed during the year ended 31 December 2025, nor has any dividend been proposed since the end of the reporting period (2024: Nil).

THE DISPOSAL OF A WHOLLY-OWNED SUBSIDIARY OF THE COMPANY

On 18 November 2024, the Group entered into a sales and purchase agreement with an independent third party to dispose of 100% equity interests of Zhongxixin Trading (Shenzhen) Co. Ltd and Zhongxixin Trading (Shanghai) Co. Ltd (collectively referred as the “**Disposal Group**”) at a cash consideration of RMB575,000 (equivalent to approximately HK\$621,000). The Disposal Group was principally engaged in trading of electronic products. The consideration was satisfied by cash on 23 December 2024. Upon the completion of the disposal, the Disposal Group has ceased to be subsidiaries of the Company and its financial results is no longer be consolidated into the consolidated financial statements of the Group.

EVENTS AFTER THE REPORTING PERIOD

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 (the “**Proposal**”) and Proposed Withdrawal Of Listing

The Board is pleased to announce that on 30 March 2026, the Board resolved to put forward a proposal for the privatisation of the Company to the shareholders. Fame Castle Enterprises Limited (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 from The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

The completion of the Proposal and proposed withdrawal of listing are subject to the Conditions of the Proposal and the Scheme stated in the announcement of the Company on 30 March 2026.

The details of the Proposal and proposed withdrawal of listing, please refer to the announcement of the Company on 30 March 2026.

CORPORATE GOVERNANCE

Code on Corporate Governance Practices

For the year ended 31 December 2025, the Company has complied with the code provisions (“CPS”) of the Corporate Governance Code (“CG Code”), as set out in Appendix C1 to the Listing Rules, except for the deviation from code provision C.2.1 and C.1.6 of the Code as described below.

Code Provision C.2.1

Under code provision C.2.1 of the Code, the roles of chairman and chief executive officer should be separated and should not be performed by the same individual. The Company does not have any officer with the title of “chief executive officer” and this is deviated from the code provision C.2.1 of the Code.

Mr. Lin Dailian, who acts as the Chairman and an executive Director of the Company since 12 July 2019, is also responsible for overseeing the general operations of the Group. The Board will meet regularly to consider major matters affecting the operations of the Group. The Board considers that this structure will not impair the balance of power and authority between the Board and the management of the Group. The roles of the respective executive directors and senior management, who are in charge of different functions complement the role of the chairman and chief executive officer. The Board believes that this structure is conducive to strong and consistent leadership enabling the Group to operate efficiently.

Compliance with the Model Code for Securities Transactions by Directors of Listed Issuers (the “Model Code”)

The Company has adopted the Model Code as set out in Appendix C3 to the Listing Rules as the code of conduct for securities transactions carried out by the directors. All Directors, after specific enquiries by the Company, confirmed that they had complied with the required standard set out in the Model Code throughout the year.

Audit Committee

The Audit Committee currently has three members comprising Mr. Wu Chi King (chairman), Ms. Zhang Xiulin and Mr. Li Huiwu, all being independent non-executive Directors. The primary duties of the Audit Committee are mainly to review and supervise the financial reporting process and internal control system of the Group.

The Audit Committee has discussed with the management of the Company on the accounting principles and practices adopted by the Group, internal controls, risk management and financial reporting matters on 31 March 2026. The Audit Committee has also reviewed and discussed with the management about the announcement of annual financial results of the Group for the year ended 31 December 2025.

SCOPE OF WORK OF MCMILLAN WOODS (HONG KONG) CPA LIMITED

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income, and the related notes thereto for the year ended 31 December 2025 as set out in this further announcement have been agreed by the Company's auditor, McMillan Woods (Hong Kong) CPA Limited, to the amounts set out in the Group's consolidated financial statements for the year. The work performed by McMillan Woods (Hong Kong) CPA Limited in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by McMillan Woods (Hong Kong) CPA Limited on this further announcement.

PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT

This annual results announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.link-asia.com.hk). The annual report for the year ended 31 December 2025 containing all the information required by Appendix D2 to the Listing Rules will be made available on the same websites by no later than 30 April 2026.

By order of the Board
China Energy Storage Technology Development Limited
Lin Dailian
Co-Chairman and executive Director

Hong Kong, 31 March 2026

As at the date of this announcement, the Board comprises Mr. Lin Dailian (Co-Chairman), Mr. Wang Wei (Co-Chairman), Mr. Liu Zhiwei, Ms. Wu Jingjing and Ms. Bian Sulan as executive Directors; Mr. Li Huiwu, Mr. Wu Chi King and Ms. Zhang Xiulin as independent non-executive Directors.