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## **Tsaker New Energy Tech Co., Limited**

**彩客新能源科技有限公司**

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

**(Stock Code: 1986)**

### **DISCLOSEABLE TRANSACTION**

- (1) DEEMED DISPOSAL OF EQUITY INTEREST IN A SUBSIDIARY  
PURSUANT TO THE PROPOSED SPIN-OFF; AND  
(2) GRANT OF REPURCHASE RIGHT**

#### **THE CAPITAL INCREASE**

The Board announces that, on 10 March 2023, Shandong TNM, Cangzhou Tsaker Lithium Energy, Shandong TNM (Beijing Branch), Mr. GE and Tsaker Huayu entered into the Capital Increase Agreement with the Independent Investors, pursuant to which the Independent Investors agreed to inject an aggregate amount of RMB149,000,000 into Shandong TNM by way of cash contribution in return for approximately 6.62% equity interest in aggregate in the enlarged registered capital of Shandong TNM. Upon Completion, Tsaker Huayu (an indirect wholly-owned subsidiary of the Company) and the Independent Investors will be interested in approximately 93.38% and 6.62% equity interest in the enlarged registered capital of Shandong TNM, respectively.

#### **LISTING RULES IMPLICATIONS**

Immediately after the Completion, the Company's interest in Shandong TNM will be diluted from 100.00% to approximately 93.38%. As such, the Capital Increase will constitute a deemed disposal of the Company under Rule 14.29 of the Listing Rules.

As one or more of the relevant applicable percentage ratios (as defined under the Listing Rules) of the Deemed Disposal is more than 5% but less than 25%, the Deemed Disposal constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and will be subject to reporting and announcement requirements, but exempt from shareholders' approval requirements, under Chapter 14 of the Listing Rules.

Pursuant to the Shareholders' Agreement (which was entered into by the same parties as the Capital Increase Agreement on the same date), at any time on or after the occurrence of any Trigger Event, each Preferential Investor shall have the Repurchase Right to require Shandong TNM and/or the Covenantors to repurchase its equity interest in Shandong TNM at the Repurchase Price. Since the exercise of the Repurchase Right is not at the discretion of Shandong TNM and/or the Covenantors, according to Rule 14.74(1) of the Listing Rules, on the grant of the Repurchase Right, the transaction will be classified as if the Repurchase Right had been exercised. Since one or more of the applicable percentage ratios for the grant of the Repurchase Right are more than 5% but less than 25%, the grant of the Repurchase Right to the Preferential Investors under the Shareholders' Agreement constitutes discloseable transactions of the Company, which are subject to reporting and announcement requirements, but exempt from shareholders' approval requirements, under Chapter 14 of the Listing Rules.

## **BACKGROUND**

Reference is made to the announcement of the Company dated 17 October 2022 in relation to the proposed spin-off of the Shandong TNM Group.

In preparation of the Proposed Spin-Off, the Board announces that, on 10 March 2023, Shandong TNM, Cangzhou Tsaker Lithium Energy, Shandong TNM (Beijing Branch), Mr. GE and Tsaker Huayu entered into the Capital Increase Agreement with the Independent Investors, pursuant to which the Independent Investors agreed to inject an aggregate amount of RMB149,000,000 into Shandong TNM by way of cash contribution in return for approximately 6.62% equity interest in aggregate in the enlarged registered capital of Shandong TNM.

## **THE CAPITAL INCREASE AGREEMENT**

The principal terms of the Capital Increase Agreement are set out as follows:

Date: 10 March 2023

Parties:

- (1) Shandong TNM, an indirect wholly-owned subsidiary of the Company as at the date of this announcement and a member of the Shandong TNM Group;
- (2) Cangzhou Tsaker Lithium Energy, a member of the Shandong TNM Group;
- (3) Shandong TNM (Beijing Branch), a member of the Shandong TNM Group;
- (4) Mr. GE, a Covenantor;
- (5) Tsaker Huayu, the sole shareholder of Shandong TNM as at the date of this announcement and a Covenantor; and
- (6) the Independent Investors.

To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, (i) each of the Independent Investors is independent of each other, (ii) each of the Independent Investors and its respective ultimate beneficial owner(s) is a third party independent of the Company and its connected persons, and (iii) as at the date of this announcement, none of the Independent Investors is an existing Shareholder.

**Capital Increase:** The Independent Investors agreed to inject an aggregate amount of RMB149,000,000 into Shandong TNM by way of cash contribution in return for an increase in the registered capital of Shandong TNM of approximately RMB17,738,093, representing approximately 6.62% equity interest in aggregate in the enlarged registered capital (i.e., RMB267,738,093) of Shandong TNM, equivalent to capital contribution of RMB8.4 for each additional RMB1.0 of the registered capital in Shandong TNM.

**Consideration:** The consideration payable by the Independent Investors in connection with the Capital Increase was determined by the parties after arm's length negotiation with reference to the pre-investment valuation of Shandong TNM Group (i.e., RMB2,100,000,000) as of the date of the Capital Increase Agreement and the registered capital (i.e., RMB250,000,000) of Shandong TNM prior to the Capital Increase, representing that the consideration payable by the Independent Investors for each additional RMB1.0 of the registered capital in the Capital Increase is RMB8.4.

The Board is of the view that the consideration under the Capital Increase Agreement is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

**Completion:** In respect of the Capital Increase by each Independent Investor, completion shall take place upon completion of payment of the relevant cash consideration of the Capital Increase by that Independent Investor to Shandong TNM. Payment of the Capital Increase shall be made within ten Business Days upon the satisfaction or waiver (as the case may be) of the conditions precedent of the Capital Increase Agreement by wire transfer from the Independent Investors to a bank account designated by Shandong TNM.

The aforementioned completion by each Independent Investor is not inter-conditional upon each other.

The conditions precedents as set out in the Capital Increase Agreement are as follows:

- (i) all approvals, consents, waivers, licences and authorisations from government authorities, shareholders and other third parties that are necessary to complete the Capital Increase having been obtained, including the prior consent from East West Bank (China) Ltd. (the "**East West Bank**") regarding the Capital Increase, and advance notice having been given to such bank in relation to the amendment of the articles of association of Shandong TNM;

- (ii) the highest authority of Shandong TNM having unanimously resolved to, among others, approve the Capital Increase, the content, execution and fulfillment of the Capital Increase Agreement, and the existing shareholder of Shandong TNM agreeing to waive its right of first refusal in respect of the Capital Increase;
- (iii) the Capital Increase Agreement, the Shareholders' Agreement and the amended articles of association of Shandong TNM (the "**Transaction Documents**") having been executed and delivered to the Preferential Investors;
- (iv) the highest authority of Tsaker Huayu having resolved to agree to the execution of the Transaction Documents and agree to all responsibilities, warranties and undertakings of Tsaker Huayu to the Preferential Investors and the Shandong TNM Group in connection with the Capital Increase according to the Transaction Documents;
- (v) there being no judgments, adjudications, rulings, decisions, orders or injunctions (from courts, arbitration institutions or relevant government departments) that may restrict, prohibit or annul the Capital Increase; and there being no outstanding or potential disagreements, disputes, litigations, arbitrations, claims and/or other legal proceedings which have or will have a material adverse impact on any Shandong TNM Group Company, any Covenantor and the Capital Increase;
- (vi) the Shandong TNM Group and the Covenantors having fulfilled the undertakings stipulated in the Capital Increase Agreement which should be fulfilled on or before the Completion Date, and there having not been any breach of the declarations, representations, warranties, undertakings and covenants made by them under the Capital Increase Agreement, nor any situation which may lead to a breach of the declarations, representations, warranties, undertakings and covenants made by the Shandong TNM Group and the Covenantors under the Capital Increase Agreement; the Covenantors having obtained written authorisation documents for making such declarations, representations, warranties and undertakings, and there being no situation which may lead to a breach of such declarations, representations, warranties and undertakings;
- (vii) the Preferential Investors, having completed their legal and financial due diligence on the Shandong TNM Group, being satisfied with the results of the due diligence, or the Shandong TNM Group and the Preferential Investors having reached an agreement to resolve the issues identified in the due diligence;
- (viii) apart from the registration of changes in real estate and intellectual property rights with the government authorities, the significant restructuring between Tsaker Huayu and the Shandong TNM Group having been effectively completed, including the signing of supplementary agreements for the Cangzhou Tsaker Lithium Energy's succession of the rights and obligations under the outstanding contracts entered into between Tsaker Huayu and the relevant suppliers;

- (ix) Shandong TNM having delivered to the Preferential Investors a register of members in the form satisfactory to them, and affixed with the Shandong TNM's official seal with signature of its legal representative; and
- (x) since 30 September 2022, the Shandong TNM Group having continued to operate normally in all respects, consistent with their ongoing operations, and without any material adverse effect in all respects, including profitability prospects; no event or circumstance that had a material adverse effect on any Shandong TNM Group Company; and there having been no change in owner's equity (such as bonus declaration, distribution and conversion of capital reserve into registered capital) and/or other matters outside the normal course of business of the Shandong TNM Group having occurred or may be reasonably foreseen to occur.

Undertakings: Each Shandong TNM Group Company and each of the Covenantors undertake to the Preferential Investors, among other things, that,

- (i) each Shandong TNM Group Company to, and the Covenantors to procure such entities to:
  - (a) ensure that no occurrence of situation or event that leads to a change of the actual controller or effective control of Shandong TNM Group;
  - (b) ensure that the payment of social insurance premiums and housing provident funds, the business operation, production sites as well as business licences, permits and filing registrations for such business operation of each Shandong TNM Group Company comply with the relevant laws and regulations as well as complete the requisite filings;
  - (c) ensure that the restructuring, corporate governance, financial arrangement, the requisite intellectual property rights or other rights for the business operation and employee incentive scheme(s) of each Shandong TNM Group Company fulfil the requirements of the Qualified IPO;
  - (d) facilitate productivity, strengthen internal control, accounting and corporate governance systems and establish a robust research and development system of each Shandong TNM Group Company; and
- (ii) Shandong TNM to complete its capital contribution to Cangzhou Tsaker Lithium Energy within six months upon Completion; and to terminate the guarantee agreement with the East West Bank without affecting the Qualified IPO.

The consideration to be paid by each of the Independent Investors for the Capital Increase, and the shareholding structure of Shandong TNM immediately before and after the Completion of the Capital Increase is set out below:

	As at the date of this announcement		Consideration to be paid by each of the Independent Investors (RMB)	Immediately upon Completion of the Capital Increase	
	Registered capital of Shandong TNM (RMB)	Approximate equity interest in the registered capital of Shandong TNM (%)		Registered capital of Shandong TNM (RMB)	Approximate equity interest in the registered capital of Shandong TNM (as enlarged by the Capital Increase) (%)
<b>Tsaker Huayu Independent Investors</b>	<b>250,000,000</b>	<b>100.00%</b>	<b>–</b>	<b>250,000,000</b>	<b>93.38%</b>
Xinchuang Future	–	–	36,000,000	4,285,714	1.60%
Anyida	–	–	20,000,000	2,380,952	0.89%
Hebei Industrial Investment	–	–	20,000,000	2,380,952	0.89%
Guochuang Future	–	–	20,000,000	2,380,952	0.89%
Zhongdian CICC	–	–	15,000,000	1,785,714	0.67%
Shunheng Wotai	–	–	10,000,000	1,190,476	0.44%
Xingaodi Capital	–	–	10,000,000	1,190,476	0.44%
Hainan Zhiming (i.e., the Employee Shareholding Platform)	–	–	18,000,000	2,142,857	0.80%
<b>Total</b>	<b><u>250,000,000</u></b>	<b><u>100.00%</u></b>	<b><u>149,000,000</u></b>	<b><u>267,738,093</u></b>	<b><u>100.00%</u></b>

*Note:*

*Immediately after the Completion of the Capital Increase, the amount of registered capital acquired by each of the Independent Investors is rounded to the nearest one RMB, and the approximate percentages of the equity interest in the registered capital of Shandong TNM are rounded to the nearest two decimal places.*

## THE SHAREHOLDERS' AGREEMENT

In connection with the Capital Increase, Shandong TNM, Cangzhou Tsaker Lithium Energy, Shandong TNM (Beijing Branch) (as members of the Shandong TNM Group), Mr. Ge (as a Covenantor), Tsaker Huayu (as a shareholder of Shandong TNM and a Covenantor) and the Independent Investors entered into the Shareholders' Agreement on 10 March 2023, which shall be effective on the Completion Date, to govern, among other matters, the affairs, business and management of the Shandong TNM Group, and the relationship, the rights and obligations among the shareholders of Shandong TNM. The principal terms of the Shareholders' Agreement are summarised as follows:

- Information Right:** Shandong TNM shall provide the Preferential Investors with the Shandong TNM Group's annual, semi-annual, and quarterly financial statements and other reasonable information relating to the financial conditions and business of Shandong TNM Group. Shandong TNM shall also provide timely updates to the Preferential Investors in relation to any material change to the business, assets or key employees of any Shandong TNM Group Company.
- Pre-emptive Right:** The Preferential Investors and other shareholders of Shandong TNM shall have the right of first offer to subscribe for the increase in registered capital or newly issued securities of Shandong TNM (as the case may be) on the same conditions and at the same price on a pro rata basis.
- Anti-dilution:** Prior to the completion of the Qualified IPO, Shandong TNM shall not increase its registered capital or issue new shares at a price lower than the acquisition price paid by each of the Preferential Investors for its respective equity interest without their prior written consent.
- Notwithstanding the consent of the Preferential Investors, in the event that the price per share for the increase in registered capital or issue of new shares is lower than the acquisition price paid by each of the Preferential Investors for its respective equity interest, the Preferential Investors shall be entitled to compensation by cash or equity.
- Right of First Refusal:** If Tsaker Huayu intends to sell, transfer, donate or otherwise dispose of the equity interest in Shandong TNM to one or more entities directly or indirectly, or at any time the equity interest in Shandong TNM held by Tsaker Huayu is involuntarily transferred to any entity, the Preferential Investors are entitled to a right of first refusal (the "**Right of First Refusal**") to acquire the equity interest in Shandong TNM proposed to be transferred by Tsaker Huayu on the same terms and at the same price in proportion to their relative equity interest.
- Right of Co-sale:** In the event that (i) a shareholder of Shandong TNM proposed to directly or indirectly transfer its equity interest to one or more than one entity and such proposed transfer would not result in the change of control of Mr. GE in Shandong TNM, and (ii) a Preferential Investor did not exercise the Right of First Refusal, such Preferential Investor shall have a right of co-sale (the "**Right of Co-sale**") to participate in such sale on a pro rata basis with terms and conditions as specified in the relevant documents.

**Right of First Sale:** If the proposed equity transfer will result in a change of actual controller of and/or actual control in Shandong TNM, the Preferential Investors who have not exercised the right of first refusal, the repurchase right and the liquidation preference right are entitled to a right of first sale to sell all or any portion of their equity interest in Shandong TNM to the prospective transferee.

**Repurchase Right:** At any time on or after the occurrence of any Trigger Event (as defined below), each of the Preferential Investors shall have the right (the “**Repurchase Right**”) to require Shandong TNM and/or the Covenantors to pay the Repurchase Price (as defined below) to repurchase its respective equity interest in Shandong TNM within 90 days after receipt of the written request from such Preferential Investor.

The “Repurchase Price” shall be 100% of the capital contribution made by each of the Preferential Investors for its respective equity interest in Shandong TNM, plus an interest at the rate of 8% per annum on such acquisition price. The dividends (including tax) declared and distributed to each of the Preferential Investors in respect of the relevant equity interest repurchased by Shandong TNM shall be deducted from the Repurchase Price from the date on which each of the Preferential Investors has fully paid such capital contribution amount in relation to such equity interest so acquired to the date of actual payment of the Repurchase Price.

The “Trigger Events” include:

- (i) the Shandong TNM Group failing to consummate a Qualified IPO as of 31 December 2026;
- (ii) any shareholders of Shandong TNM requesting the Shandong TNM Group to repurchase their equity interests in Shandong TNM in accordance with the agreement with the Shandong TNM Group;
- (iii) a material breach of the agreement set forth in the Capital Increase Agreement, the Shareholders’ Agreement and the articles of association of Shandong TNM or applicable laws and regulations by the Shandong TNM Group or any Covenantor, which entitles the Preferential Investors to terminate such documents in accordance with the terms of such documents or applicable laws and regulations;
- (iv) a material change to the existing principal operating business of the Shandong TNM Group or the loss or inability of the Shandong TNM Group to continue to obtain the necessary operating qualifications to operate its existing principal business;
- (v) a change of the actual controller of and/or actual control in Shandong TNM; or
- (vi) more than 70% of key employees having resigning from the Shandong TNM Group.

The Company will comply with Rule 14.74 of the Listing Rules upon exercise of the Repurchase Right, if any.

Liquidation Preference Right: The Preferential Investors are entitled to preferential distributions on the winding up of Shandong TNM. Upon any liquidation, dissolution or winding up or other liquidation events of Shandong TNM, before any distribution or payment shall be made to the shareholders of Shandong TNM (other than the Preferential Investors), the Preferential Investors shall be entitled to an amount equivalent to the Repurchase Price (the “**Preferential Payment**”). The remainder of the distributable liquidating property of Shandong TNM after the settlement of the Preferential Payment pursuant to the applicable laws and regulations shall be paid to the Preferential Investors in proportion to their respective shareholdings in Shandong TNM at that time.

## COMPLETION

Completion shall take place upon completion of payment of the cash consideration of the Capital Increase by all the Independent Investors to Shandong TNM, which is expected to be on or before the end of April 2023.

Upon Completion, Shandong TNM will be owned as to approximately 93.38% by Tsaker Huayu and approximately 6.62% by the Independent Investors.

## INFORMATION OF THE SHANDONG TNM GROUP

As of the date of this announcement, the Shandong TNM Group is indirectly wholly-owned by the Company and is principally engaged in the production and sale of a battery material, iron phosphate, which is a major product of the Group.

The unaudited combined financial results of the Shandong TNM Group for the two financial years ended 31 December 2021 and 2022 which are prepared in accordance with China Accounting Standards for Business Enterprises are as follows:

	<b>For the year ended</b>	
	<b>31 December 2022</b>	<b>31 December 2021</b>
	<i>RMB'000</i>	<i>RMB'000</i>
	(unaudited)	(unaudited)
Net profit (loss) before tax	155,335	(48,173)
Net profit (loss) after tax	122,381	(41,541)

*Note:* Tsaker Huayu and Cangzhou Tsaker Lithium Energy entered into an internal restructuring agreement on 31 August 2022, pursuant to which Tsaker Huayu transferred its assets, liabilities, business resources, labor and personnel related to the iron phosphate production and operation business to Cangzhou Tsaker Lithium Energy as a whole with 5 September 2022 being the settlement date. As at the date of this announcement, the Company has yet to finalise the post-restructuring audit of the consolidated financial statements for the two years ended 31 December 2021 and 2022.

As at 31 December 2022, the unaudited total asset value of the Shandong TNM Group was approximately RMB1,533 million.

## **FINANCIAL EFFECT OF THE DEEMED DISPOSAL ON THE GROUP**

Immediately after the Completion, the Company's interest in Shandong TNM will be diluted from 100.00% to approximately 93.38%. As such, the Capital Increase will constitute a deemed disposal of the Company under Chapter 14 of the Listing Rules. Shandong TNM will continue to be an indirect non-wholly owned subsidiary of the Company, and the financial results of the Shandong TNM Group will continue to be consolidated in the consolidated financial statements of the Group immediately after the Completion.

There is no expected gain or loss resulting from the Deemed Disposal. As the Capital Increase will not result in loss of the Group's control over the Shandong TNM Group, any deemed disposal as a result of the Capital Increase will be accounted for as an equity transaction that will not result in the recognition of any gain or loss in profit or loss by the Group.

## **APPLICATION OF THE PROCEEDS FROM THE CAPITAL INCREASE**

The Company plans to apply the proceeds from the Capital Increase mainly on (i) the replenishment of working capital and/or capital expenditure of the Shandong TNM Group; (ii) the repayment of the balances of borrowings between Shandong TNM and Tsaker Huayu or related parties as of the signing date of the Capital Increase Agreement, and (iii) the purchase of the wealth management products entrusted by banks with a cumulative purchase amount of not exceeding 10% of the proceeds from the Capital Increase. As at the date of this announcement, the Company has not identified any investment targets.

## **REASONS FOR AND BENEFITS OF ENTERING INTO THE CAPITAL INCREASE AGREEMENT AND THE SHAREHOLDERS' AGREEMENT**

The Company believes that the entering into of the Capital Increase Agreement and the Shareholders' Agreement for the Capital Increase is beneficial to the future growth and success of the Shandong TNM Group and would deliver benefits to the Group by (i) allowing the Company an opportunity to acquire the fair value of its investment in the Shandong TNM Group, (ii) enabling the Shandong TNM Group to generate an additional source of funds (including capital expenditure and operating expense) required for subsequent development, and (iii) diversifying the Shandong TNM Group's corporate profile, thereby enhancing its reputation and increasing its ability to attract future investors and strategic partners who can produce synergy for the Shandong TNM Group.

The Board (including the independent non-executive Directors) considers that the terms of the Capital Increase Agreement and the Shareholders' Agreement are negotiated on arm's length basis and on normal commercial terms, which are fair and reasonable and in the interests of the Company and its Shareholders as a whole. The Board (including the independent non-executive Directors) has approved the Capital Increase Agreement and the Shareholders' Agreement.

## INFORMATION OF THE INDEPENDENT INVESTORS

### Xinchuang Future

Xinchuang Future is a limited partnership established in January 2023. It is mainly engaged in equity investment, investment management, asset management and other activities with private equity funds. Based on publicly available information and to the best of the Directors' knowledge, information and belief, the general partner of Xinchuang Future is Xinchuang Future (Hainan) Private Equity Management Co., Ltd.\* (芯創未來(海南)私募基金管理有限公司), with a capital contribution of approximately 0.22%. The limited partners of Xinchuang Future are 10 natural person partners including Zhang Yating, and Beijing Yixin Jiacheng Network Technology Co., Ltd.\* (北京奕信嘉誠網路科技有限公司), of which Zhang Yating is the largest sole partner. The approximate shareholdings (capital contributions) of each limited partner of Xinchuang Future are as follows:

<i>Name of limited partner</i>	<i>Shareholding</i>	<i>Name of limited partner</i>	<i>Shareholding</i>
Zhang Yating	16.48%	Zhang Junqing	13.74%
Dong Haichuan	13.74%	Ma Xiuqin	9.07%
Wang Ying	8.24%	Cui Haoran	7.42%
Yin Yu	7.14%	Luo Xiaogang	6.92%
Zhang Xinyi	5.49%	Zhang Lifen	3.30%
Beijing Yixin Jiacheng Network Technology Co., Ltd.* (北京奕信嘉誠網路科技有限公司)	8.24%		

### Anyida

Anyida is a limited partnership established in January 2023. It is mainly engaged in investment activities with its own funds. Based on publicly available information and to the best of the Directors' knowledge, information and belief, the general partner of Anyida is Suzhou Rongyuan Capital Management Co., Ltd.\* (蘇州榮元資本管理有限公司), with a capital contribution of approximately 0.05%. The limited partner of Anyida is Lin Haolong, with a shareholding (capital contribution) of approximately 99.95%.

## Hebei Industrial Investment

Hebei Industrial Investment is a limited partnership established in November 2022. It is mainly engaged in equity investment, investment management, asset management and other activities with private equity funds. Based on publicly available information and to the best of the Directors' knowledge, information and belief, the general partner of Hebei Industrial Investment is Hebei Industrial Investment Guidance Fund Management Co., Ltd.\* (河北產業投資引導基金管理有限公司), with a capital contribution of approximately 15.05%; and the limited partners of Hebei Industrial Investment are Xingtai Municipal Government Investment and Financing Management Center\* (邢台市政府投融資管理中心), which is sponsored by the Finance Bureau of Xingtai, and six companies with limited liability, of which Hebei Industrial Investment Guidance Fund Co., Ltd.\* (河北產業投資引導基金有限公司) (“**Hebei Industrial Investment Guidance Fund**”) is the largest sole partner with a capital contribution of 29.90%. Hebei Industrial Investment Guidance Fund is owned as to approximately 66.67% by Hebei Jicai Industrial Guidance Equity Investment Fund Co., Ltd.\* (河北省冀財產業引導股權投資基金有限公司), a state-owned enterprise under the Hebei Provincial Department of Finance, and approximately 33.33% by Tangshan City Development Group Co., Ltd.\* (唐山市城市發展集團有限公司), a state-owned enterprise under the Tangshan People's Government State-owned Assets Supervision and Administration Commission. The approximate shareholdings (capital contributions) of each limited partner of Hebei Industrial Investment are as follows:

<i>Name of limited partner</i>	<i>Shareholding</i>
Hebei Industrial Investment Guidance Fund	29.90%
Xingtai Municipal Government Investment and Financing Management Center* (邢台市政府投融資管理中心)	15%
Shijiazhuang State-owned Capital Investment and Operation Group Co., Ltd.* (石家莊國有資本投資運營集團有限責任公司)	15%
Baoding Industry Guidance Development Group Co., Ltd.* (保定市產業引導發展集團有限公司)	15%
Gu'an County Zhongrun Government Investment Fund Co., Ltd.* (固安縣眾潤政府投資基金有限責任公司)	5%
Shijiazhuang Luquan Urban Construction Investment Co., Ltd.* (石家莊市鹿泉區城市建設投資有限公司)	5%
Beijing Qijian Private Equity Fund Management Co., Ltd.* (北京騏健私募基金管理有限公司)	0.05%

## Guochuang Future

Guochuang Future is a limited partnership established in February 2023. It is mainly engaged in equity investment, investment management, asset management and other activities with private equity funds. Based on the information provided by the Independent Investors and publicly available information, and to the best of the Directors' knowledge, information and belief, the general partner of Guochuang Future is Beijing Guochuang Future Private Fund Management Co., Ltd.\* (北京國創未來私募基金管理有限公司), with a capital contribution of 1%. The limited partner of Guochuang Future is Beijing Zhi'ai Lixin Information Consulting Center (Limited Partnership)\* (北京智愛力信信息諮詢中心(有限合夥)) (“**Zhi'ai Lixin**”), with a shareholding (capital contribution) of 99%. Zhi'ai Lixin is owned as to 51.65% and 29.99% by Ma Qingguang and Wang Wei, respectively, and both of them are the principal capital contributors of Zhi'ai Lixin.

## Zhongdian CICC

Zhongdian CICC is a limited liability company established in May 2018. It is principally engaged in investing in unlisted enterprises or equity investment enterprises. Based on the information provided by the Independent Investors and publicly available information, and to the best of the Directors' knowledge, information and belief, the general partner of Zhongdian CICC is CEC & CICC (Xiamen) Electronic Industry Private Equity Investment Management Co. Ltd.\* (中電中金(廈門)電子產業私募股權投資管理有限公司), with a capital contribution of approximately 0.04%; and the limited partners of Zhongdian CICC are 7 limited partnerships including CICC Qirong (Xiamen) Equity Investment Fund Partnership (Limited Partnership)\* (中金啟融(廈門)股權投資基金合夥企業(有限合夥)) (“CICC Qirong”) and 8 companies with limited liability including Xiamen Jinyuan Investment Group Co., Ltd.\* (廈門金圓投資集團有限公司), of which CICC Qirong is the largest sole partner with a capital contribution of 21.27%, and CICC Qirong is owned as to approximately 99.96% by Yatou Yinxin (Xiamen) Investment Management Co., Ltd.\* (亞投銀欣(廈門)投資管理有限公司) which is owned as to 50% and 50% by Zhong Zhen and Huang Jiangzhen, respectively. The approximate shareholdings (capital contributions) of each limited partner of Zhongdian CICC are as follows:

<i>Name of limited partner</i>	<i>Shareholding</i>
CICC Qirong	21.27%
Xiamen Jinyuan Investment Group Co., Ltd.* (廈門金圓投資集團有限公司)	17.02%
Zhongdian Guanggu (Shenzhen) Industrial Development Co., Ltd.* (中電光谷(深圳)產業發展有限公司)	15.95%
Hunan Emerging Industrial Equity Investment Guidance Fund Partnership (Limited Partnership)* (湖南省新興產業股權投資引導基金合夥企業(有限合夥))	10.63%
Ansteel Group Capital Holdings Co., Ltd.* (鞍鋼集團資本控股有限公司)	7.09%
China Insurance Investment Xinhong (Shenzhen) Investment Partnership (Limited Partnership)* (中保投信鴻(深圳)投資合夥企業(有限合夥))	7.09%
Hunan Xiangtan Caixin Chanxing Equity Investment Partnership (Limited Partnership)* (湖南湘潭財信產興股權投資合夥企業(有限合夥))	5.32%
Xiamen Huoju High-tech Zone Investment Service Center Co., Ltd.* (廈門火炬高新區招商服務中心有限公司)	4.96%
BOCOM International Trust Co., Ltd.* (交銀國際信託有限公司)	3.54%
Hunan Caixin Jingyi Investment Partnership (Limited Partnership)* (湖南省財信精益投資合夥企業(有限合夥))	2.13%
Xiamen Venture Capital Co., Ltd.* (廈門市創業投資有限公司)	1.77%
Xiamen Jinchuang Green Low-carbon Equity Investment Fund Partnership (Limited Partnership)* (廈門金創綠色低碳股權投資基金合夥企業(有限合夥))	1.06%
CICC Capital Operation Co., Ltd.* (中金資本運營有限公司)	0.89%
Diankai Qizhong (Xiamen) Enterprise Management Consulting Partnership (Limited Partnership)* (電開啟重(廈門)企業管理諮詢合夥企業(有限合夥))	0.71%
Kaiyao (Xiamen) Equity Investment Management Co., Ltd.* (開耀(廈門)股權投資管理有限公司)	0.53%

## Shunheng Wotai

Shunheng Wotai is a limited partnership established in July 2018. It is mainly engaged in equity investment in unlisted companies, investment in non-public issuance of shares of listed companies and related advisory services with its own funds. Based on publicly available information and to the best of the Directors' knowledge, information and belief, the general partner of Shunheng Wotai is Shandong Shunning Equity Investment Fund Management Co., Ltd.\* (山東舜寧股權投資基金管理有限公司), with shareholding of approximately 0% in Shunheng Wotai; and the limited partner of Shunheng Wotai is Shandong Yiquan Yidai Industrial Investment Fund Co., Ltd.\* (山東一圈一帶產業投資基金有限公司) (“**Shandong Yiquan Yidai**”), with a capital contribution of approximately 100%. Shandong Yiquan Yidai is owned as to approximately 70% by Shunhe Capital Management Co., Ltd.\* (舜和資本管理有限公司), a state-owned enterprise indirectly controlled by the State-owned Assets Supervision and Administration Commission of the People's Government of Shandong Province.

## Xingaodi Capital

Xingaodi Capital is a limited partnership established in April 2022. It is mainly engaged in equity investment. Based on the information provided by the Independent Investors, the general partner of Xingaodi Capital is Wuxi Xingaodi Private Equity Management Co., Ltd.\* (無錫新高地私募基金管理有限公司), with a capital contribution of approximately 1%. The approximate shareholdings (capital contributions) of each limited partner of Xingaodi Capital are as follows:

<i>Name of limited partner</i>	<i>Shareholding</i>
Wuxi Weifu High-Tech Group Co., Ltd.* (無錫威孚高科技集團股份有限公司) (“ <b>Weifu High-Tech</b> ”)	24.75%
Dongsheng Xianxing Technology Industrial Co., Ltd.* (東聖先行科技產業有限公司) (“ <b>Dongsheng Xianxing</b> ”)	24.75%
Zhejiang Wanliyang Enterprise Management Co., Ltd.* (浙江萬里揚企業管理有限公司) (“ <b>Wanliyang</b> ”)	24.75%
Wuxi Yunlin Industrial Development Investment Fund (Limited Partnership)* (無錫雲林產業發展投資基金(有限合夥))	12.37%
Laite (Hainan) Investment Partnership (Limited Partnership)* (萊特(海南)投資合夥企業(有限合夥))	12.37%

Based on publicly available information and to the best of the Directors' knowledge, information and belief, the shares of Weifu Hi-Tech are listed on the Shenzhen Stock Exchange (stock code: 000581) and there is no shareholder with a shareholding of more than 30%, and its de facto controller is the State-owned Assets Management Committee of Wuxi Jiangsu Province; Dongsheng Xianxing is owned as to approximately 74.32% by Dongsheng Investment Co., Ltd.\* (東聖投資有限公司), the beneficial owner of which is Gao Li; Wanliyang is wholly-owned by Zhejiang Wanliyang Co., Ltd.\* (浙江萬里揚股份有限公司), the shares of which are listed on the Shenzhen Stock Exchange (stock code: 002434), and there is no shareholder with a shareholding of more than 30%, and its de facto controllers are Huang Heqing and Wu Yuehua.

## Hainan Zhiming

Hainan Zhiming is a limited partnership established in December 2022. It is an employee shareholding platform jointly initiated and established by a total of 24 employees of Shandong TNM and Cangzhou Tsaker Lithium Energy, and is set up for holding the interest in Shandong TNM only with no business operation (i.e., the Employee Shareholding Platform). Each of such 24 employees, including Ms. Peng Yanhong as the general partner and the others as limited partners, holds less than 10% equity interest in Hainan Zhiming, and is a third party independent of the Company and its connected persons. Upon Completion, Hainan Zhiming will hold the relevant capital contributions in Shandong TNM and the rights and benefits of the the relevant capital contribution made by Hainan Zhiming in Shandong TNM will vest in the Employee Shareholding Platform. The approximate shareholdings (capital contributions) of each partner of Hainan Zhiming are as follows:

<i>Name of limited partner</i>	<i>Shareholding</i>	<i>Name of limited partner</i>	<i>Shareholding</i>
Ke Junxiong	9.59%	Wu Junbiao	7.67%
Gong Zhansheng	7.12%	Chen Yuexing	7.12%
Zhou Qinghai	7.12%	Cui Zhenting	7.12%
Zou Yahui	6.58%	Sun Jixiang	5.48%
Zhao Hui	5.48%	Liu Ziyang	5.21%
Zhang Li	4.93%	Fu Chunyang	3.84%
Jiang Liping	3.84%	Li Hongxia	2.74%
Chen Zhiwei	2.74%	Ma Wanchao	2.74%
Shi Yang	2.19%	Dong Jingjing	2.19%
Chen Haitao	2.19%	Qiao Kang	1.10%
Sun Yuliang	1.10%	Mu Haichong	0.82%
Zhang Shilong	0.55%	Peng Yanhong	0.55%

To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, (i) each of the Independent Investors is independent of each other, (ii) each of the Independent Investors and its respective ultimate beneficial owner is a third party independent of the Company and its connected persons, and (iii) as at the date of this announcement, none of the Independent Investors is an existing shareholder of the Company.

## INFORMATION OF THE COMPANY

The principal business of the Company and its subsidiaries involves producing fine chemical products such as dye, pigment, agricultural chemical intermediates and battery materials.

## DEEMED DISPOSAL AND LISTING RULES IMPLICATIONS

Immediately after the Completion, the Company's interest in Shandong TNM will be diluted from 100.00% to approximately 93.38%. As such, the Capital Increase will constitute a deemed disposal of the Company under Rule 14.29 of the Listing Rules.

As one or more of the relevant applicable percentage ratios (as defined under the Listing Rules) of the Deemed Disposal is more than 5% but less than 25%, the Deemed Disposal constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and will be subject to reporting and announcement requirements, but exempt from shareholders' approval requirements, under Chapter 14 of the Listing Rules.

Pursuant to the Shareholders' Agreement, at any time on or after the occurrence of any Trigger Event, each Preferential Investor shall have the Repurchase Right to require Shandong TNM and/or the Covenantors to repurchase its equity interest in Shandong TNM at the Repurchase Price. Since the exercise of the Repurchase Right is not at the discretion of Shandong TNM and/or the Covenantors, according to Rule 14.74(1) of the Listing Rules, on the grant of the Repurchase Right, the transactions will be classified as if the Repurchase Right had been exercised. Since one or more of the applicable percentage ratios for the grant of the Repurchase Right are more than 5% but less than 25%, the grant of the Repurchase Right to the Preferential Investors under the Shareholders' Agreement constitutes discloseable transactions of the Company, which are subject to reporting and announcement requirements, but exempt from shareholders' approval requirements, under Chapter 14 of the Listing Rules.

**Shareholders and potential investors of the Company should be aware that there is no assurance that Completion will proceed. Shareholders and potential investors of the Company should therefore exercise caution when dealing in the securities of the Company. Persons who are in doubt about their position or any action to be taken are recommended to consult their own professional advisers.**

The Company will make further announcement(s) in relation to the Completion as and when appropriate.

## DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the meanings as set out below:

“Anyida”	Pingtian Anyida Investment Partnership (Limited Partnership)* (平潭安亦達投資合夥企業(有限合夥)), a limited partnership established in the PRC
“Board”	the board of Directors
“Business Day”	any calendar day on which commercial banks in the PRC are normally open for business, other than a statutory holiday in the PRC (including statutory holidays adjusted by the State Council of the PRC)
“Cangzhou Tsaker Lithium Energy”	Cangzhou Tsaker Lithium Energy Co., Ltd.* (滄州彩客鋰能有限公司) (formerly known as Cangzhou Tsaker New Energy Co., Ltd.* (滄州彩客新能源有限公司)), a direct wholly-owned subsidiary of Shandong TNM
“Capital Increase”	the injection of an aggregate amount of RMB149,000,000 into Shandong TNM by way of cash contribution by the Independent Investors pursuant to the Capital Increase Agreement in return for approximately 6.62% equity interest in aggregate in the enlarged registered capital of Shandong TNM
“Capital Increase Agreement”	the capital increase agreement dated 10 March 2023 entered into among Shandong TNM, Cangzhou Tsaker Lithium Energy, Shandong TNM (Beijing Branch), Mr. GE, Tsaker Huayu and the Independent Investors in relation to the Capital Increase

“Company”	Tsaker New Energy Tech Co., Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange (Stock Code:1986)
“Completion”	the completion of the Capital Increase, that is the completion of payment of the cash consideration of the Capital Increase by all the Independent Investors to Shandong TNM
“Completion Date”	the day on which the Completion shall take place, which is expected to be on or before the end of April 2023
“connected persons”	has the meaning as defined in the Listing Rules
“Covenantors”	Mr. GE and Tsaker Huayu
“Deemed Disposal”	the deemed disposal of the Company’s interest in Shandong TNM resulting from the dilution of the Company’s interest in Shandong TNM from 100.00% to approximately 93.38% as a result of the Capital Increase
“Director(s)”	director(s) of the Company
“Employee Shareholding Platform” or “Hainan Zhiming”	Hainan Zhiming Investment Partnership (Limited Partnership)* (海南智銘投資合夥企業(有限合夥)), a limited partnership established in the PRC and an employee shareholding platform jointly initiated and established by a total of 24 employees of Shandong TNM and Cangzhou Tsaker Lithium Energy, and is set up for holding the interest in Shandong TNM only with no business operation
“Group”	the Company and its subsidiaries from time to time
“Guochuang Future”	Guochuang Future Tsaker (Gansu) Private Equity Investment Fund (Limited Partnership)* (國創未來彩客(甘肅)私募股權投資基金(有限合夥)), a limited partnership established in the PRC
“Hebei Industrial Investment”	Hebei Province Characteristic Industrial Development Fund (Limited Partnership)* (河北省特色產業發展基金(有限合夥)), a limited partnership established in the PRC
“Independent Investors”	the Preferential Investors and Hainan Zhiming
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr. GE”	Mr. GE Yi, the Chairman of the Board, an executive Director and controlling Shareholder
“PRC”	the People’s Republic of China

“Preferential Investors”	a total of seven companies or limited partnerships including (i) Xinchuang Future, (ii) Anyida, (iii) Hebei Industrial Investment, (iv) Guochuang Future, (v) Zhongdian CICC, (vi) Shunheng Wotai, and (vii) Xingaodi Capital, who have confirmed to make capital injection in return for equity interest in Shandong TNM and are entitled to certain preferential rights as set out in the Shareholders’ Agreement
“Proposed Spin-Off”	the proposed spin-off of Shandong TNM and its subsidiaries, and their separate listing on a stock exchange recognised by the PRC, details of which are set out in the Company’s announcement dated 17 October 2022
“Qualified IPO”	Shandong TNM’s public offering and listing on the domestic securities trading market in the PRC (the A-share market) or other securities markets recognised by the Preferential Investors
“RMB”	Renminbi, the lawful currency of the PRC
“Shandong TNM”	Shandong Tsaker New Materials Co., Ltd.* (山東彩客新材料有限公司), an indirect wholly-owned subsidiary of the Company and a direct wholly-owned subsidiary of Tsaker Huayu as at the date of this announcement
“Shandong TNM (Beijing Branch)”	Shandong Tsaker New Materials Co., Ltd. Beijing Branch* (山東彩客新材料有限公司北京分公司), the branch office of Shandong TNM in Beijing
“Shandong TNM Group”	Shandong TNM and any entity(ies) directly or indirectly controlled by Shandong TNM, which as at the date of this announcement, includes Shandong TNM, Cangzhou Tsaker Lithium Energy and Shandong TNM (Beijing Branch), and each a “Shandong TNM Group Company”
“Share(s)”	the share(s) of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Shareholders’ Agreement”	the shareholders’ agreement entered into among Shandong TNM, Cangzhou Tsaker Lithium Energy, Shandong TNM (Beijing Branch), Mr. GE, Tsaker Huayu and the Independent Investors on 10 March 2023 which will take effect on the Completion Date
“Shunheng Wotai”	Shandong Shunheng Wotai Equity Investment Partnership (Limited Partnership)* (山東舜恆沃泰股權投資合夥企業(有限合夥)), a limited partnership established in the PRC
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Tsaker Huayu”	Tsaker Huayu Chemical Co., Ltd.* (彩客華煜化學有限公司) (formerly known as Hebei Tsaker Chemical Co., Ltd.* (河北彩客化學股份有限公司)), an indirect wholly-owned subsidiary of the Company

“Xinchuang Future”	Hainan Xinchuang Future Phase I Private Equity Investment Fund Partnership (Limited Partnership)* (海南芯創未來一期私募股權投資基金合夥企業(有限合夥)), a limited partnership established in the PRC
“Xingaodi Capital”	Wuxi Xingaodi Advanced Industry Investment Fund Partnership (Limited Partnership)* (無錫新高地高精尖產業投資基金合夥企業(有限合夥)), a limited partnership established in the PRC
“Zhongdian CICC”	Zhongdian CICC (Xiamen) Intelligent Industry Equity Investment Fund Partnership (Limited Partnership)* (中電中金(廈門)智能產業股權投資基金合夥企業(有限合夥)), a limited partnership established in the PRC

By Order of the Board  
**Tsaker New Energy Tech Co., Limited**  
**GE Yi**  
*Chairman*

Beijing, the PRC, 10 March 2023

*As at the date of this announcement, the Board comprises Mr. GE Yi (Chairman), Mr. BAI Kun and Ms. ZHANG Nan as executive Directors, Mr. FONTAINE Alain Vincent and Mr. PAN Deyuan as non-executive Directors and Mr. HO Kenneth Kai Chung, Mr. ZHU Lin and Mr. YU Miao as independent non-executive Directors.*

\* *For identification purposes only*