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Leoch International Technology Limited
理士國際技術有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 842)

VOLUNTARY ANNOUNCEMENT
MEMORANDUM OF AGREEMENT
IN RELATION TO A POTENTIAL COLLABORATION

This announcement is made by Leoch International Technology Limited (“the **Company**”), together with its subsidiaries, the “**Group**”) on a voluntary basis.

MEMORANDUM OF AGREEMENT

The board of directors (the “**Board**”) of the Company is pleased to announce that on 15 April 2024, the Company entered into a non-legally binding memorandum of agreement (the “**Agreement**”) with GRST Holdings Limited (a company incorporated in Hong Kong, “**GRST**” or “the **Partner**”).

To the best of the Board’s knowledge, information and belief, having made all reasonable enquiries, GRST and its ultimate beneficial owners are independent third parties.

Areas of Collaboration

According to the Agreement, the Group agree to harness their respective strengths and to explore potential collaboration for expansion, includes but not limited to, the following areas:

1. Joint development on business or investment projects;

2. Exchange of technical expertise and best practices;
3. Share of business resources, market intelligence and industry trends;
4. Joint initiatives to foster industry engagement and knowledge exchange;
5. Leverage the influence of industry awards to expand market presence;
6. Other mutually agreed areas of collaboration.

Non-legally binding effect

Save for certain clauses regarding, among others, confidentiality, dispute resolution and governing law and jurisdiction, the Agreement is not legally binding on the Group and the Partner. The party to the Agreement shall enter into formal written agreements to set out the terms and conditions of the potential collaboration between the Company and the Partner.

Information of the Partner

GRST is a Hong Kong-based green technology company specialising in its technology in the world-first water-soluble lithium-ion battery production, which enables a cleaner way to produce lithium-ion batteries while achieving high recycling efficiency and reducing greenhouse gas emissions from production by 40%. GRST now operates the first lithium-ion battery factory across the world using its cutting-edge technology in Zhejiang Province, China, and sells its products worldwide.

In November 2023, GRST was honored as the winner of the “Clean our Air” in the renowned “The Earthshot Prize 2023” in recognition of its green production technology, and GRST’s international prominence has been steadily on the rise. “The Earthshot Prize” was founded by the United Kingdom’s Prince William in 2020, with the aim of finding and scaling up innovative solutions to the world’s greatest environmental challenges. The prize has five main goals and categories: protect and restore nature, clean our air, revive our oceans, build a waste-free world and fix our climate.

Reasons and Benefits for Entering into the Agreement

The Group specializes in the production and sales of batteries for the global market. In recent years, on the basis of the business foundation in lead-acid battery, the Group has actively focused on developing lithium battery business and regarded lithium battery business as the main growth point in the future.

Through the collaboration, both parties will capitalize on their respective strategic advantages to strive for stronger synergy. The Group plans to apply GRST's water-based technologies in its production sites to gain enhanced cost advantages and market competitiveness, facilitating global expansion of lithium battery businesses. Besides, GRST will leverage the Group's extensive global sales and production network to achieve cost and capacity advantages while promoting its products in various markets. The Group will also build upon the GRST's achievement of winning "The Earthshot Prize" to collaboratively explore and capitalize on market opportunities and relevant incentives brought by this award in various countries, and to jointly develop and sell co-manufactured products in areas such as energy storage and new energy vehicles.

GENERAL

The Agreement only represents cooperation framework between the Company and the Partner. The terms of the potential cooperation (including the form of the cooperation) contemplated under the Agreement is subject to formal agreement(s) which the Group and the Partner may subsequently enter into from time to time. Should any formal agreement(s) in relation to the Agreement be entered into, the Company will comply with the relevant requirements under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, where applicable.

By order of the Board
Leoch International Technology Limited
Dr. DONG Li
Chairman

Hong Kong, 15 April 2024

As at the date of this announcement, the executive Directors are Dr. DONG Li, Ms. YIN Haiyan and Ms. HONG Yu and the independent non-executive Directors are Mr. CAO Yixiong Alan, Mr. LAU Chi Kit and Mr. LU Zhiqiang.