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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)

**UPDATE IN RELATION TO THE PROPOSED SPIN-OFF AND
THE PROPOSED DISTRIBUTION**

References is made to the announcements of the Company dated 12 February and 31 December 2025, and the circular of the Company dated 15 December 2025 (the “**Circular**”) in relation to the Proposed Spin-off and the Proposed Distribution. Unless otherwise defined, terms used in this announcement shall have the same meaning in the Circular.

BASIS OF ENTITLEMENT

To give due regard to the Company Shareholders as required by PN15 of the Listing Rules, the Board resolved to provide the Company Shareholders with an assured entitlement to the shares of Leoch Energy Inc (the “**Leoch Energy Share(s)**”, ISIN code: KYG546471056; CUSIP number: G54647105) by way of a distribution of Leoch Energy Shares on the basis of one Leoch Energy Share for every 50 shares of the Company held by the Company Shareholders (the “**Leoch International Shares**”). Details are set out as follows:

- (i) A Qualifying Company Shareholder holding a whole multiple of 50 Leoch International Shares (the “**Qualifying Lot**”) will be entitled to one Leoch Energy Share for every whole multiple of a Qualifying Lot held.
- (ii) A Qualifying Company Shareholder who holds Leoch International Shares in excess of a whole multiple of a Qualifying Lot will be treated in accordance with (i) above, except that the fractional entitlement to a Leoch Energy Share held by all such Qualifying Company Shareholders will be aggregated and sold on the open market of a U.S. Stock Exchange by Computershare, the distribution agent of the SpinCo in the U.S., and the net sales proceeds in U.S. dollars (net of any brokerage and/or trading fees charged by/through the brokers) will then be passed over to all such Qualifying Company Shareholders according to their respective entitlements among the aggregated fractional Leoch International Shares. Qualifying Company Shareholders whose names appear on the register of members of the Company on the Record Date will, if applicable, receive such net sales proceeds from Computershare, while Qualifying Company Shareholders who holds Leoch International Shares through CCASS will, if applicable, receive such net sales proceeds via DTC through CCASS.
- (iii) The Leoch International Shares held by each Qualifying Company Shareholder holding less than a Qualifying Lot will be aggregated and sold on the open market of a U.S. Stock Exchange by Computershare, the distribution agent of the SpinCo in the U.S., and the net sales proceeds in U.S. dollars (net of any brokerage or trading fees charged by the brokers) will then be passed over to such Qualifying Company Shareholders based on the number of Leoch International Shares held by them. Such Qualifying Company Shareholders will not be able to receive Leoch Energy Shares. Qualifying Company Shareholders whose names appear on the register of members of the Company on the Record Date will, if applicable, receive such net sales proceeds from Computershare, while Qualifying Company Shareholders who holds Leoch International Shares through CCASS will, if applicable, receive such net sales proceeds via DTC through CCASS.

(iv) Non-Qualifying Shareholders will not be entitled to receive Leoch Energy Shares. The Company will transfer the number of Leoch Energy Shares that would otherwise be directly distributed to the Non-Qualifying Company Shareholders under the Proposed Distribution (the “**Non-Qualifying Company Shareholders Shares**”) to a purpose trust (the “**Purpose Trust**”) (in the name of its trustee) to be established specifically for the following key purposes:

- (a) An independent professional trust company will act as the trustee and protector of the Purpose Trust.
- (b) The trustee of the Purpose Trust will, on behalf of the Purpose Trust, enter into a sell down programme with one or more independent securities firms in Hong Kong (the “**Qualified Broker(s)**”) which are licensed corporations under the SFO and who will cooperate with their licensed partners in the U.S. to sell the Non-Qualifying Company Shareholders Shares on the open market of a U.S. Stock Exchange, on best-efforts basis, at or close to the intraday volume-weighted average price (the “**Intraday VWAP**”) for any trading day and within 90 days of the Proposed Listing (the “**Relevant Period**”), subject to the liquidity in the trading of Leoch Energy Shares on a U.S. Stock Exchange and general market conditions in the U.S. Intraday VWAP is the average price of a stock weighted by the total trading volume during a trading day. To implement the sale with Intraday VWAP, the Qualified Broker(s) would place the order based on historical trading days’ data, calculating the number of Leoch Energy Shares to be sold on the market at different time during a trading day, and aim to execute these orders at prices that are at or close to the Intraday VWAP for each trading day. It is envisaged that, at any one time, only one Qualified Broker will be conducting the on-market sale down of the Non-Qualifying Company Shareholders Shares. As it is common for a sale programme of this kind, there will be limitations on the proportion of the daily trading volume that could be constituted by the sale of the Leoch Energy Shares by the Qualified Brokers. The legal parameters for the sell down programme will be specified in the purpose for the establishment of the Purpose Trust, and accordingly the trustee of the Purpose Trust will be implementing the sell down within the stated purpose and within the parameters that were given to them.

Given that the sale of the Non-Qualifying Company Shareholders Shares will be sold on a best effort basis pursuant to the key arrangements set forth above, the sale price and time period of completing the sale are subject to the liquidity in the trading of Leoch Energy shares on a U.S. Stock Exchange and general market conditions in the U.S. and globally.

The Qualified Broker(s) shall pay over to the Purpose Trust the settlement price for the Non-Qualifying Company Shareholders Shares in one lot after all the Non-Qualifying Company Shareholders Shares were sold in the market during the Relevant Period after deducting fees charged by the Qualified Broker(s) and their licensed partners and other taxes and reasonable expenses required for the completion of the sale of the Non-Qualifying Company Shareholders Shares.

In the event that not all the Non-Qualifying Company Shareholders Shares are sold by the Qualified Broker(s) by the end of the Relevant Period, the SpinCo will repurchase the remaining Non-Qualifying Company Shareholders Shares held by the Purpose Trust at the end of the Relevant Period (the “**Remaining Leoch Energy Shares**”) within 10 business days after the Relevant Period (the “**Leoch Energy Repurchase**”). The consideration for the Leoch Energy Repurchase will be the average price for the sell down of the Non-Qualifying Company Shareholders Shares during the Relevant Period (before the deduction of relevant fees charged by/through the Qualified Broker(s) and their licensed partners, fees charged by the trustee and for the set-up of the Purpose Trust) multiplied by the number of Remaining Leoch Energy Shares, and will be paid to the Purpose Trust by the SpinCo.

- (c) The Purpose Trust will then, or through the branch share registrar of the Company, pass over the net sale proceeds received from the Qualified Broker(s) (net of the fees charged by the trustee and for the set-up of the Purpose Trust) and/or (if applicable) the consideration paid by the SpinCo to the Non-Qualifying Company Shareholders.
- (d) **The Non-Qualifying Company Shareholders shall bear the costs incurred during the above procedures, including the above mentioned fees charged by the Qualified Broker(s) and their licensed partners, fees charged by the trustee and for the set-up of the Purpose Trust, fees related to the Leoch Energy Repurchase, other taxes and reasonable expenses required for the completion of the sale of the Non-Qualifying Company Shareholders Shares during the Relevant Period and the Leoch Energy Repurchase (if applicable).**

- (v) All ownership interests of the Company Shareholders had been determined at the close of business on 13 January 2026 (the “**Record Date**”).
- (vi) The Company will make further announcement(s) relating to the payment time of the net sale proceeds to the Company Shareholders for the sales of the Leoch Energy Shares.

The Directors consider the above basis of entitlement to be fair and reasonable.

QUALIFYING COMPANY SHAREHOLDERS

Qualifying Company Shareholders are the Company Shareholders whose names appear on the register of members of the Company or through CCASS on the Record Date, other than those who are, or who are acting for the account or benefit of, Non-Qualifying Shareholders.

NON-QUALIFYING COMPANY SHAREHOLDERS

Non-Qualifying Company Shareholders are the Company Shareholders (including beneficial owners) who are, on the Record Date, due to practical limitations and restrictions, will not be qualified to receive the shares of the SpinCo directly under the Proposed Distribution, if any.

DTC ACCOUNT INFORMATION FORM

A DTC account information form (the “**DTC Account Information Form**”) is expected to be despatched on Thursday, 15 January 2026. A Qualifying Company Shareholder whose name appears on the register of members of the Company on the Record Date holding 50 Leoch International Shares or more will receive the Leoch Energy Shares to which he/she/it is entitled to through Computershare, the transfer agent of the SpinCo, who will credit the whole Leoch Energy Shares to a new-book entry account. A Qualifying Company Shareholder holding 50 Leoch International Shares or more through CCASS will, by completing Section 1 of the DTC Account Information Form, receive Leoch Energy Shares to be held electronically in book entry form through the facilities of DTC directly in the name of the Qualifying Company Shareholder (only if the Qualifying Company Shareholder is a participant in DTC) or indirectly through the Qualifying Company Shareholder’s account at a broker/dealer or other financial institution which is a direct or indirect participant in DTC. As soon as practicable after closing of the Proposed Spin-off, Computershare, the transfer agent of the SpinCo, will issue to the DTC account of CCASS, who will further credit to the account of (i) the Qualifying Company Shareholder (if the Qualifying Company Shareholder is a participant in DTC) or (ii) the broker/dealer or other financial institution which is a direct or indirect participant in DTC, as designated by the Qualifying Company Shareholder, in either case the number of Leoch Energy Shares to which such Qualifying Company Shareholder holding Leoch International Shares through CCASS is entitled.

Any Qualifying Company Shareholder holding 50 Leoch International Shares or more through CCASS should note that he/she/it is able to receive Leoch Energy Shares only if he/she/it specifies in Section 1 of the DTC Account Information Form information as to the details of his/her/its DTC participant account or the details of his/her/its broker or dealer who is a direct or indirect DTC participant, the details of that broker/dealer's DTC participant name, account, and contact telephone number to which Leoch Energy Shares can be credited and such broker or dealer accepts such Leoch Energy Shares for crediting. Information specified on the DTC Account Information Form must be complete and valid. Qualifying Company Shareholders who will receive Leoch Energy Shares and have provided DTC account information must instruct and coordinate with their respective brokers/dealers on the settlement of their respective Leoch Energy Shares.

To be valid, the DTC Account Information Form, together with the power of attorney (where applicable) or other authority under which it is signed (where applicable), or notarially certified copy thereof, must also be returned by a Qualifying Company Shareholder holding Leoch International Shares through CCASS to provide the DTC account information through his/her/its broker or custodian, before deadline as specified by CCASS. No acknowledgment of receipt of the DTC Account Information Form will be issued. Any DTC Account Information Form will be treated as invalid if:

- it is incomplete; or
- the Qualifying Company Shareholder is unable to provide the correct details of his broker or dealer (including details of the DTC participant, account and other information listed on the form) and the account to which Leoch Energy Shares are to be credited; or
- the broker or dealer is not a direct or indirect DTC participant or refuses to accept Leoch Energy Shares, such that Leoch Energy Shares could not be credited for the account specified in Section 1 of the DTC Account Information Form.

Qualifying Company Shareholders entitled to receive Leoch Energy Shares are expected to receive their Leoch Energy Shares on the date of completion of the Proposed Spin-off and the Proposed Distribution. Any Qualifying Company Shareholder who holds Leoch Energy Shares as a nominee, trustee or registered holder in any other capacity will not be treated differently from any other registered holders. Any beneficial owner of Leoch International Shares which are registered in the name of a nominee, trustee or registered holder in any other capacity should make arrangements with such nominee, trustee or registered holder in relation to the Proposed Distribution. Any such person may arrange for the registration of the relevant Leoch International Shares in the name of the beneficial owner prior to ex-entitlement of the Proposed Distribution, however, any costs, taxes or duties associated therewith or arising therefrom will be borne solely by such Company Shareholder.

To qualify for entitlements to the Proposed Distribution, all transfers of Leoch International Shares accompanied by the relevant share certificates and transfer forms must have been lodged with Tricor at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, by not later than 4:30 p.m. on 12 January 2026. A Qualifying Company Shareholder may contact Tricor via +852 2980 1333 for any queries regarding the Proposed Distribution.

A Non-Qualifying Company Shareholder may, by completing Section 2 of the DTC Account Information Form, declare that he/she/it is a Non-Qualifying Company Shareholder and shall, on the condition that he/she/it provides detailed reasons and underlying documents (e.g. the specific laws and regulations which restrict such Non-Qualifying Company Shareholder from holding Leoch Energy Shares, and how such laws and regulations apply to him/her/it) evidencing he/she/it is a Non-Qualifying Company Shareholder to the Company through email ir@leoch.com, abide by the arrangements set out in (iv) under the section headed “Basis of Entitlement” in this announcement. For any queries regarding the arrangements with regards to Non-Qualifying Company Shareholders, please contact the Company via ir@leoch.com or +852 3578 6666.

EXPECTED TIMETABLE FOR THE PROPOSED DISTRIBUTION

The expected timetable for the Proposed Distribution is as follows:

All time and dates referred to below are Hong Kong time unless otherwise indicated.

Events	Date
Latest day of trading in the Leoch International Shares on a cum-entitlement basis	Thursday, 8 January 2026
First day of dealing in the Leoch International Shares on an ex-entitlement basis	Friday, 9 January 2026
Latest time for lodging transfers of Leoch International Shares to qualify for the Proposed Distribution	4:30 p.m., Monday, 12 January 2026
Closure of the register of members of the Company	Tuesday, 13 January 2026
Record Date for determining the entitlements to the Proposed Distribution	Tuesday, 13 January 2026
Register of members of the Company reopens	Wednesday, 14 January 2026
Despatch of the DTC Account Information Form	Thursday, 15 January 2026
Latest time for lodging the DTC Account Information Form.	4 p.m. on Monday, 26 January 2026
Dealing in Leoch Energy Shares expected to commence on	Wednesday, 4 February 2026 (New York time)
Distribution of Leoch Energy Shares.	Wednesday, 4 February 2026 (New York time)/ Thursday, 5 February 2026 (Hong Kong time)

Please note that the above timetable is subject to change depending on the timetable of the Proposed Spin-off. If there are changes to the above timetable, the Company will publish an announcement to inform the Company Shareholders accordingly.

The Proposed Spin-off and the Proposed Distribution are subject to, among other things, the approval of the Company Shareholders, the approvals from the relevant U.S. authorities, the final decision of the Board, the board of directors of the SpinCo (or its subsidiaries, as applicable), as well as market conditions and other relevant considerations. Accordingly, the Company Shareholders and potential investors should be aware that there is no assurance that the Proposed Spin-off and the Proposed Distribution will take place or when they will take place. The Company Shareholders and potential investors should exercise caution when dealing in the securities of the Company.

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

Hong Kong, 13 January 2026

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