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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)**

**SUPPLEMENTAL INFORMATION IN RELATION TO THE  
ACQUISITION OF 70% EQUITY INTERESTS  
IN THE TARGET COMPANIES**

Reference is made to the announcement (the “**Announcement**”) of Leoch International Technology Limited (the “**Company**”) dated 25 July 2023 in relation to the Acquisition. Unless otherwise defined, capitalised terms used herein shall have the same meanings as those set out in the Announcement.

On 25 September 2023 (after trading hours), the Vendor as vendor, the Purchaser as purchaser and the Company as guarantor entered into a supplemental agreement to the Agreement to supplement and/or amend certain terms of the Agreement (the “**Supplemental Agreement**”). The major terms of the Supplemental Agreement are set out below:

- (i) the manner in which the initial consideration of the Acquisition of RMB206.4 million (equivalent to about HK\$226.8 million) (subject to adjustment in the manner set out in the subsection headed “Consideration adjustment” in the Announcement) shall be paid by the Purchaser to the Vendor in cash shall be amended as follows:
  - (a) RMB60.0 million (equivalent to approximately HK\$66.0 million) shall be paid at Completion;

- (b) RMB60.0 million (equivalent to approximately HK\$66.0 million) shall be paid on or before the end of the first month following the date of Completion; and
  - (c) the remaining consideration shall be paid on or before the first anniversary of the date of Completion;
- (ii) subject to the fulfillment of the conditions set out under the paragraph headed “Conditions precedent” in the Announcement, Completion shall take place on 31 October 2023 instead of 28 September 2023; and
- (iii) in view of the foregoing amendment to the date of Completion, the initial consideration shall be adjusted to an amount equivalent to 70% of the sum of the net assets value shown in the audited balance sheets of both of the Target Companies as of 31 October 2023 instead of 28 September 2023. As mentioned in the Announcement, it is expected that the final consideration payable by the Group will still not be more than RMB280 million (equivalent to about HK\$307.7 million).

In view of the foregoing amendments pursuant to the Supplemental Agreement, all references to the date of Completion in the Announcement shall refer to 31 October 2023 instead of 28 September 2023, including but not limited to reference date for which the consideration of the acquisition of additional equity interest shall be calculated on a pro-rata basis in accordance with the net assets value of both or either of the Target Companies pursuant to any exercise of the put option granted by the Purchase to the Vendor under the Agreement, details of which are set out under the paragraph headed “Put option” in the Announcement.

Save as disclosed above, all the other major terms and conditions of the Agreement remain unchanged and in full force and effect in all respects. For details of the Agreement, please refer to the Announcement.

## **REASONS FOR AND BENEFITS OF ENTERING INTO THE SUPPLEMENTAL AGREEMENT**

The Supplemental Agreement was entered into by the parties to the Agreement to amend the main terms of the Supplemental Agreement in relation to the postponement of the date of Completion and the advancement of payment schedule of the consideration of the Acquisition, as (i) additional time is required to fulfil the condition precedent of obtaining the relevant approval and clearance in respect of, among other matters, the Acquisition with the relevant government authority; and (ii) the advancement of payment schedule of the consideration of the Acquisition would reduce the aggregate interest amounts payable by the Purchaser under the Agreement.

In view of the above, the Directors (including all independent non-executive Directors) consider that the terms of the Supplemental Agreement are fair and reasonable and are on normal commercial terms and are in the interests of the shareholders of the Company as a whole.

**Completion of the Acquisition is conditional upon the satisfaction of the conditions set out in the section headed “The Acquisition – Conditions precedent” in the Announcement. Therefore, the Acquisition may or may not proceed. Shareholders and potential investors are therefore advised to exercise caution when dealing in the Shares.**

*In this announcement, amounts in RMB are translated into HK\$ on the basis of RMB1 = HK\$1.10. The conversion rate is for illustration purpose only and should not be taken as a representation that RMB could actually be converted into HK\$ at such rate or at other rates or at all.*

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

Hong Kong, 25 September 2023

*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.*