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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 AND CONNECTED TRANSACTION IN RELATION TO THE ASSET LEASE AGREEMENT

THE ASSET LEASE AGREEMENT

On 27 October 2026 (after trading hours), Tsaker ZNM (as the Lessee), an indirect non-wholly-owned subsidiary of the Company, entered into the Asset Lease Agreement with Zijin Lithium (as the Lessor), pursuant to which the Lessor agreed to lease the Leased Assets to the Lessee for a term of three years.

LISTING RULES IMPLICATIONS

In accordance with HKFRS 16 applicable to the Company, as a result of the entering into of the Asset Lease Agreement, the Group shall recognise the right-of-use assets under leases representing its right to use the Leased Assets in the total amount of approximately RMB36.9 million, calculated with reference to the present value of the aggregated lease payments to be made under the Asset Lease Agreement based on the lease term of three years in accordance with HKFRS 16.

Reference is made to the announcement of the Company dated 6 August 2026 in relation to the establishment of the joint venture company, i.e., Tsaker ZNM. Considering (i) the establishment of Tsaker ZNM and (ii) the entering into of the Asset Lease Agreement and the transaction contemplated thereunder, were made within a twelve-month period, they shall be aggregated as a series of transactions for the Company pursuant to Rule 14.22 of the Listing Rules. As one or more of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the value of the right-of-use assets recognised by the Group pursuant to HKFRS 16, when calculated on a standalone basis or aggregated with the establishment of Tsaker ZNM, is more than 5% but less than 25%, the entering into of the Asset Lease Agreement and the transaction contemplated thereunder constitute a discloseable transaction for the Company, and are subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

As at the date of this announcement, the Lessor is interested in 45% equity interests in the Lessee, an indirect non-wholly-owned subsidiary of the Company, and is therefore a substantial shareholder of the Lessee and a connected person of the Company at the subsidiary level under Chapter 14A of the Listing Rules.

As (i) the Lessor is a connected person at the subsidiary level of the Company; (ii) the transaction contemplated under the Asset Lease Agreement is on normal commercial terms or better; and (iii) the Board (including all the independent non-executive Directors) has approved the transaction contemplated under the Asset Lease Agreement and confirmed that the terms of the Asset Lease Agreement are fair and reasonable and are on normal commercial terms and in the interests of the Company and the Shareholders as a whole, according to Rule 14A.101 of the Listing Rules, the transaction contemplated under the Asset Lease Agreement is subject to the reporting and announcement but is exempt from the circular, independent financial advice and independent shareholders' approval requirements.

None of the Directors has a material interest in the Asset Lease Agreement and the transaction contemplated thereunder and hence no Director is required to abstain from voting on the relevant resolutions of the Board approving the same.

THE ASSET LEASE AGREEMENT

Reference is made to the announcement of the Company dated 6 August 2026 in relation to the establishment of the joint venture company, i.e., Tsaker ZNM.

On 27 October 2026 (after trading hours), Tsaker ZNM (as the Lessee), an indirect non-wholly-owned subsidiary of the Company, entered into the Asset Lease Agreement with Zijin Lithium (as the Lessor), pursuant to which the Lessor agreed to lease the Leased Assets to the Lessee for a term of three years.

A summary of the principal terms of the Asset Lease Agreement is set out below:

Date: 27 October 2026

Parties: (1) Zijin Lithium, as the Lessor; and
(2) Tsaker ZNM, as the Lessee

Leased Assets: the iron phosphate production assets located at Shanghang County, Fujian Province, comprising, as confirmed by the Lessee based on its actual operational needs and the results of due diligence on the Leased Assets, (i) the land use rights with a certified site area of 30,437 sq.m.; (ii) the buildings with a certified gross floor area of approximately 31,012 sq.m.; (iii) the relevant machinery and equipment; and (iv) other attachments to the aforesaid land use rights.

Term:	The term of the lease is three years commencing from 27 October 2026 (the “Commencement Date”). Upon expiry of the three-year lease term, the Lessor and the Lessee shall determine the renewal arrangements by entering into a separate supplemental agreement.
Rent:	The annual rent for the three-year lease term is RMB14,370,000 (value-added tax inclusive), which shall be settled on a semi-annual basis. The Lessee shall pay the rent for each half lease year to the Lessor within ten business days prior to the end of the relevant half lease year.
Basis of determining the rent:	The annual rent for the three-year lease term under the Asset Lease Agreement was determined by the parties through arm’s length negotiation and taking into account multiple factors including the prevailing market rate and market trend, the three-year lease term of the Asset Lease Agreement, scope of the Leased Assets and respective rights and obligations of the parties under the Asset Lease Agreement. Further, the Company engaged an independent valuer with extensive experience in the valuation of buildings and structures, machinery and equipment, and land use rights, Shenzhen Zhongqihua Land Real Estate Assets Appraisal Co., Ltd., to assess the market rent of the Leased Assets. The main contents of the valuation opinion are as follows:

Valuation Date

30 September 2026 (the “**Valuation Date**”)

Subject of Valuation

The subject of the valuation is the market annual rental price arising from the overall leasing of the fixed assets and land use rights proposed to be leased by the Lessor.

Valuation Methodology

The independent valuer adopted the direct capitalisation method under the income approach, whereby the appraised net value of the Leased Assets was regarded as the capital invested by the Lessor, and the annual net income to be received from such capital is derived by applying a reasonable capitalisation rate (net yield), so as to determine the market annual rental.

The appraised net value of the Leased Assets was determined by separately adopting the cost approach (for buildings and certain machinery and equipment), the market approach (for certain machinery and equipment) and the market comparison approach (for land use rights).

Valuation Standards

In assessing the market rent, the independent valuer has complied with the requirements set out in the relevant PRC asset valuation standards promulgated by the Ministry of Finance of the PRC and the China Appraisal Society.

Preliminary Conclusion

As at the Valuation Date, the annual market rent for the lease of the Leased Assets as a whole is RMB14,375,800 (value-added tax inclusive), corresponding to a weighted composite capitalization rate (net yield) of 3.90% and a tax-inclusive rental yield of 4.65%.

By comparing the annual market rent assessed by the independent valuer with the annual rent for the three-year lease term under the Asset Lease Agreement, the independent valuer is of the view that the annual rent payable by the Lessee to the Lessor during the three-year lease term reflects the prevailing market rental level.

Based on a comprehensive analysis of the above factors and the valuation conducted by the independent valuer, the Directors are of the view that the rent and the terms of the Asset Lease Agreement are fair and reasonable, and are in the interests of the Shareholders as a whole.

The annual rent for subsequent lease term, if any, shall be determined after arm's length negotiations between the parties on a market-oriented and fair basis, with reference to, among other things, the asset valuation report and/or rent valuation report to be issued by an independent third-party valuer in the PRC qualified for securities and futures related valuation business jointly engaged by the parties at that time.

Options for purchase and finance lease arrangement:

During the lease term or upon its expiry, the Lessee is entitled, according to its operational and financing needs, to issue a written notice to the Lessor at any time to elect to (i) require the transfer of all or part of the Leased Assets under lease (including the land, plant premises and equipment) to the Lessee or a third party designated by it; or (ii) require the introduction of a third-party finance leasing company to carry out finance leasing transaction(s) in respect of the machinery and equipment and other movable assets among the Leased Assets. The Lessee is not required to pay any premium for the grant of the options for purchase and finance lease arrangement.

The transfer price or finance leasing transaction price shall be determined as the lower of: (i) the valuation of the Leased Assets determined pursuant to the valuation mechanism under the Asset Lease Agreement at the time of the transfer or finance leasing transaction (after deducting the value of assets that have been scrapped, lost or fully depreciated and are no longer included in the scope of the lease); and (ii) the fair price, being the appraised value of the relevant assets as set out in the valuation report issued by an independent third-party valuer qualified for securities and futures related valuation business jointly engaged by the parties.

When considering whether to exercise the options for purchase and finance lease arrangement, the Company will take into account the circumstances at that time, including but not limited to (i) the then operating and financial conditions, business prospects and development of the Lessee; and (ii) the interests of the Company and the Shareholders as a whole.

Other principal terms:

- (a) the Leased Assets shall be in normal operating condition with all title certificates and approvals in place upon delivery. If any defects are identified upon acceptance inspection, the Lessor shall complete rectification within 30 days, during which the rent shall be reduced accordingly; failing to complete the rectification within the prescribed time limit, the Lessee shall be entitled to reject acceptance and reduce the rent;
- (b) the Lessee shall bear the daily operating expenses (including daily maintenance, utilities, safety and environmental protection, etc.), while the Lessor shall bear the costs of major repairs to the main structure and natural ageing. The Lessee shall not sublease, mortgage or pledge the Leased Assets without authorization;
- (c) during the lease term, the Lessor shall not, without the written consent of the Lessee, transfer the Leased Assets to any party other than the Lessee, nor create any encumbrance (including mortgage) over the Leased Assets;

- (d) if the Lessee fails to pay the rent in full within the prescribed period, it shall pay default interest on the overdue rent at the rate of 0.02% per day, subject to a cap of 15% of the overdue rent for the relevant period; and
- (e) the Lessor is entitled to terminate the Asset Lease Agreement by written notice upon the occurrence of certain events of default, including (among others) the Lessee's failure to pay rent in full for two consecutive years which remains uncured within 15 days after demand, unauthorised subleasing or creation of encumbrances, bankruptcy or dissolution, or material breach of safety and environmental protection laws and regulations resulting in major losses.

REASONS FOR AND BENEFITS OF ENTERING INTO THE ASSET LEASE AGREEMENT

The entering into of the Asset Lease Agreement is intended to integrate the respective advantageous resources of Zijin Lithium and Tsaker ZNM, i.e. by virtue of the existing iron phosphate production line of Zijin Lithium with an annual capacity of 20,000 tonnes and leveraging the Group's advantages in iron phosphate production processes, technology research and development, and operational management to rapidly expand iron phosphate production capacity of Tsaker ZNM, thus seizing the development opportunities in iron phosphate market; meanwhile, capitalising on the industrial cluster advantages of the Leased Assets' location to strengthen synergies and cooperation with upstream raw material suppliers and downstream customers, thereby enhancing supply chain efficiency and operational effectiveness, and further enhancing the comprehensive competitiveness of the Group in the field of battery materials.

The Directors (including the independent non-executive Directors) consider that the transaction contemplated under the Asset Lease Agreement is on normal commercial terms and in the ordinary and usual course of business of the Group, and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

In accordance with HKFRS 16 applicable to the Company, as a result of the entering into of the Asset Lease Agreement, the Group shall recognise the right-of-use assets under leases representing its right to use the Leased Assets in the total amount of approximately RMB36.9 million, calculated with reference to the present value of the aggregated lease payments to be made under the Asset Lease Agreement based on the lease term of three years in accordance with HKFRS 16.

Reference is made to the announcement of the Company dated 6 August 2026 in relation to the establishment of the joint venture company, i.e., Tsaker ZNM. Considering (i) the establishment of Tsaker ZNM and (ii) the entering into of the Asset Lease Agreement and the transaction contemplated thereunder, were made within a twelve-month period, they shall be aggregated as a series of transactions for the Company pursuant to Rule 14.22 of the Listing Rules. As one or more of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the value of the right-of-use assets recognised by the Group pursuant to HKFRS 16, when calculated on a standalone basis or aggregated with the establishment of Tsaker ZNM, is more than 5% but less than 25%, the entering into of the Asset Lease Agreement and the transaction contemplated thereunder constitute a discloseable transaction for the Company, and are subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

As at the date of this announcement, the Lessor is interested in 45% equity interests in the Lessee, an indirect non-wholly-owned subsidiary of the Company, and is therefore a substantial shareholder of the Lessee and a connected person of the Company at the subsidiary level under Chapter 14A of the Listing Rules.

As (i) the Lessor is a connected person at the subsidiary level of the Company; (ii) the transaction contemplated under the Asset Lease Agreement is on normal commercial terms or better; and (iii) the Board (including all the independent non-executive Directors) has approved the transaction contemplated under the Asset Lease Agreement and confirmed that the terms of the Asset Lease Agreement are fair and reasonable and are on normal commercial terms and in the interests of the Company and the Shareholders as a whole, according to Rule 14A.101 of the Listing Rules, the transaction contemplated under the Asset Lease Agreement is subject to the reporting and announcement but is exempt from the circular, independent financial advice and independent shareholders' approval requirements.

None of the Directors has a material interest in the Asset Lease Agreement and the transaction contemplated thereunder and hence no Director is required to abstain from voting on the relevant resolutions of the Board approving the same.

The exercise of the options for purchase or finance lease arrangement by the Lessee pursuant to the Asset Lease Agreement, if materialised, the Company will comply with the applicable requirements under the Listing Rules (including, where applicable, the requirements under Chapters 14 and 14A of the Listing Rules) at the relevant time.

INFORMATION OF THE PARTIES

The Group

Tsaker ZNM is a company established under the laws of the PRC on 2 September 2026 with limited liability and an indirect non-wholly owned subsidiary of the Company, the equity interest of which is owned as to 55.00% by Shandong TNM and 45.00% by Zijin Lithium. Tsaker ZNM is principally engaged in the research and development, production and sales of iron phosphate.

The Company is an exempted company incorporated in the Cayman Islands whose shares are listed on the Main Board of the Stock Exchange. The principal business of the Company and its subsidiaries involves the production and sales of various products such as battery materials, dye and agricultural chemical intermediates, pigment intermediates and new materials.

Zijin Lithium

Zijin Lithium is a company established under the laws of the PRC on 15 November 2021 with limited liability and is an indirect wholly-owned subsidiary of Zijin Mining. Zijin Mining's H shares are listed on the Main Board of the Stock Exchange (stock code: 2899) and its A shares are listed on the Shanghai Stock Exchange (stock code: 601899). Zijin Lithium's business scope includes new material technology promotion services and research and development, manufacturing and sales of electronic specialty materials. Zijin Lithium's ultimate beneficial owner is Shanghang County Finance Bureau of Fujian Province.

As at the date of this announcement, Zijin Lithium is interested in 45% equity interests in Tsaker ZNM. Save for its shareholding in Tsaker ZNM and the previous establishment of Tsaker ZNM, to the best knowledge, information and belief of the Directors, having made all reasonable enquiries, Zijin Lithium does not have any other relationship with the Group or its connected persons as at the date of this announcement.

DEFINITIONS

Unless otherwise specified, the following terms have the following meanings in this announcement:

“Asset Lease Agreement”	the asset lease agreement dated 27 October 2026 entered into between Zijin Lithium (as the Lessor) and Tsaker ZNM (as the Lessee) in respect of the lease of the Leased Assets
“Board”	the board of Directors
“Company”	Tsaker New Energy Tech Co., Limited, an exempted company incorporated in the Cayman Islands and the Shares of which are listed on the Stock Exchange
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HKFRS”	Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“JV Agreement”	the joint venture cooperation agreement dated 6 August 2026 entered into between Shandong TNM and Zijin Lithium in relation to the establishment of Tsaker ZNM
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

“PRC”	the People’s Republic of China, which for the purpose of this announcement only, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“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 non-wholly owned subsidiary of the Company established in the PRC with limited liability
“Share(s)”	share(s) of par value US\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of issued Share(s)
“sq.m.”	square metre(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Tsaker ZNM”	Fujian Tsaker Zijin New Materials Co., Ltd.* (福建彩客紫金新材料有限公司), the company established in the PRC with limited liability pursuant to the terms of the JV Agreement, which is owned as to 55.00% by Shandong TNM and 45.00% by Zijin Lithium
“Zijin Lithium”	Fujian Zijin Lithium Materials Technology Co., Ltd.* (福建紫金鋰元材料科技有限公司), a company established under the laws of the PRC with limited liability and an indirect wholly-owned subsidiary of Zijin Mining
“Zijin Mining”	Zijin Mining Group Company Limited* (紫金礦業集團股份有限公司), a company whose H shares are listed on the Main Board of the Stock Exchange (stock code: 2899) and whose A shares are listed on the Shanghai Stock Exchange (stock code: 601899) and an independent third party
“%”	per cent.

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

Hong Kong, 27 October 2026

As at the date of this announcement, the Board comprises Mr. GE Yi (Chairman) and Mr. BAI Kun (Vice Chairman) as executive Directors, Mr. FONTAINE Alain Vincent and Mr. PAN Deyuan as non-executive Directors and Mr. ZHU Lin (Lead Independent Non-executive Director), Mr. YU Miao and Ms. LU Xin as independent non-executive Directors.

* For identification purpose only