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中關村科技租賃股份有限公司
ZHONGGUANCUN SCIENCE-TECH LEASING CO., LTD.

(a joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 1601)

DISCLOSEABLE TRANSACTION
THE PURCHASE AGREEMENT AND THE FINANCE LEASE TRANSACTIONS

THE PURCHASE AGREEMENT

The Board hereby announces that on March 23, 2022, the Company (as the buyer) entered into the Purchase Agreement II with the Supplier and the Lessee II, pursuant to which the Company shall purchase the Leased Assets II from the Supplier at the total consideration of RMB26,535,999.

THE FINANCE LEASE AGREEMENT

On March 23, 2022, the Company (as the Lessor) entered into the Finance Lease Agreement II with the Lessee II, pursuant to which the Company shall lease the Leased Assets II to the Lessee II for a term of 60 months with a total finance lease payment of approximately RMB24,634,664. The Finance Lease Agreement II shall include a finance lease principal of RMB21,228,799 and a finance lease interest income (inclusive of VAT) of approximately RMB3,405,865.

Within the past twelve months, on January 26, 2022, (i) the Company (as the buyer) entered into the Purchase Agreement I with the Supplier and the Lessee I, pursuant to which the Company agreed to purchase the Leased Assets I from the Supplier at the total consideration of RMB26,233,880 and (ii) the Company (as the Lessor) entered into the Finance Lease Agreement I with the Lessee I, pursuant to which, among other things, the Company agreed to lease the Leased Assets I to the Lessee I for a term of 60 months with a total finance lease payment of RMB24,338,059 which included a finance lease principal of RMB20,987,104 and a finance lease interest income (inclusive of VAT) of RMB3,350,955.

LISTING RULES IMPLICATIONS

The Lessees and the Supplier are under the common control of the same ultimate beneficial owner, the Lessees and the Supplier are parties connected with one another (as set out under Rule 14.23 of the Listing Rules). As the transactions under the Agreements were entered into during the 12-month period, according to Rule 14.22 of the Listing Rules, the transactions contemplated thereunder shall be aggregated as a series of transactions. As the highest applicable percentage ratio under each of the Purchase Agreements and the Finance Lease Agreements is less than 5%, while the highest applicable percentage ratio upon aggregation of the Purchase Agreements and the Finance Lease Agreements is higher than 5% but less than 25%, the transactions contemplated under the Purchase Agreement II and the Finance Lease Agreement II constitute a discloseable transaction of the Company and are subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

BACKGROUND

The Board hereby announces that on March 23, 2022, the Company (as the buyer) entered into the Purchase Agreement II with the Supplier and the Lessee II, pursuant to which the Company shall purchase the Leased Assets II from the Supplier at the total consideration of RMB26,535,999.

On March 23, 2022, the Company (as the Lessor) entered into the Finance Lease Agreement II with the Lessee II, pursuant to which the Company shall lease the Leased Assets II to the Lessee II for a term of 60 months with a total finance lease payment of approximately RMB24,634,664. The Finance Lease Agreement II shall include a finance lease principal of RMB21,228,799 and a finance lease interest income (inclusive of VAT) of approximately RMB3,405,865.

Within the past twelve months, on January 26, 2022, (i) the Company (as the buyer) entered into the Purchase Agreement I with the Supplier and the Lessee I, pursuant to which the Company agreed to purchase the Leased Assets I from the Supplier at the total consideration of RMB26,233,880 and (ii) the Company (as the Lessor) entered into the Finance Lease Agreement I with the Lessee I, pursuant to which, among other things, the Company agreed to lease the Leased Assets I to the Lessee I for a term of 60 months with a total finance lease payment of RMB24,338,059 which included a finance lease principal of RMB20,987,104 and a finance lease interest income (inclusive of VAT) of RMB3,350,955.

The table below sets out the details of the Finance Lease Agreements:

Finance Lease Agreement	Date of finance lease agreement	Expiry date of financial lease agreement	Finance lease principal amount <i>RMB</i>	Finance lease interest income (inclusive of VAT) <i>RMB</i>	Security deposits <i>RMB</i>	Total lease payment <i>RMB</i>	Estimated fair value of Leased Assets* <i>RMB</i>
Finance Lease Agreement I	January 26, 2022	January 25, 2027	20,987,104	3,350,955	2,098,710	24,338,059	26,233,880
Finance Lease Agreement II	March 23, 2022	March 22, 2027	21,228,799	3,405,865	2,122,880	24,634,664	26,535,999
Total			<u>42,215,903</u>	<u>6,756,820</u>	<u>4,221,590</u>	<u>48,972,723</u>	<u>52,769,879</u>

*Note: the estimated fair value of the Leased Assets I of RMB26,233,880 is equal to the purchase price of the Lease Assets I under the Purchase Agreement I. The estimated fair value of the Leased Assets II of RMB26,535,999 is equal to the purchase price of the Lease Assets II under the Purchase Agreement II.

THE PURCHASE AGREEMENTS

The principal terms of the Purchase Agreements are as follows:

Parties

Buyer: the Company

Supplier: a limited liability company incorporated in the PRC, which is principally engaged in the engineering, procurement and construction contracting business of photovoltaic power plants.

Lessee I: a limited liability company incorporated in the PRC, which is principally engaged in production and sales of relative products in smart grid application and renewable energy field.

Lessee II: a limited liability company incorporated in the PRC, which is principally engaged in production and sales of relative products in smart grid application and renewable energy field.

To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, the Lessees and the Supplier and their ultimate beneficial owner are all independent third parties of the Company and its connected persons (as defined in the Listing Rules).

Delivery of the Leased Assets and Payment of Transfer Consideration

The total consideration of RMB26,233,880 under the Purchase Agreement I shall be payable by the Company to the Supplier in two installments. The Supplier should deliver all of the Leased Assets I to the Lessee I by February 28, 2022 in accordance to the terms and conditions of the Purchase Agreement I.

The total consideration of RMB26,535,999 under the Purchase Agreement II shall be payable by the Company to the Supplier in two installments. The Supplier should deliver all of the Leased Assets II to the Lessee II by March 31, 2022 in accordance to the terms and conditions of the Purchase Agreement II.

The value of the total consideration under the Purchase Agreement I and the Purchase Agreement II shall be funded by the Company's internal resources. All the terms of the Purchase Agreements, including the total consideration of RMB26,233,880 and RMB26,535,999, were determined upon arm's length negotiation between the parties with reference to prevailing market prices of the Leased Assets in the same category in the PRC.

The Supplier does not separately calculate the profits before and after tax of the Leased Assets.

THE FINANCE LEASE AGREEMENTS

The principal terms contained in each of the Finance Lease Agreements are substantially similar. The Principal terms of the Finance Lease Agreements are as follows:

Parties

Lessor: the Company

Lessee I: a limited liability company incorporated in the PRC, which is principally engaged in production and sales of relative products in smart grid application and renewable energy field.

Lessee II: a limited liability company incorporated in the PRC, which is principally engaged in production and sales of relative products in smart grid application and renewable energy field.

To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, the Lessees and their ultimate beneficial owners are all independent third parties of the Company and its connected persons (as defined in the Listing Rules).

Leased Assets

The Leased Assets I are equipment of distributed photovoltaic power stations, with an estimated fair value of RMB26,233,880.

The Leased Assets II are equipment of distributed photovoltaic power stations, with an estimated fair value of RMB26,535,999.

If the Lessees have properly and fully performed all of their obligations under the Finance Lease Agreements, the Lessees are entitled to acquire the Leased Assets at the consideration of RMB100 in nominal value pursuant to the terms and conditions of the Finance Lease Agreements, upon the expiry of the Finance Agreements respectively.

Lease Period

The lease period of the Finance Lease Agreement I is 60 months, which commenced on January 26, 2022.

The lease period of the Finance Lease Agreement II is 60 months, which commenced on March 23, 2022.

Lease Payment and Method of Payment

Under each of the Finance Lease Agreement I and the Finance Lease Agreement II, the respective total lease payment of RMB24,338,059 and RMB24,634,664 included (i) the finance lease principal of RMB20,987,104 and RMB21,228,799 respectively, and (ii) the finance lease interest income (inclusive of VAT) of RMB3,350,955 (calculated based on the interest rate of 5.87% per annum) and RMB3,405,865 (calculated based on the interest rate of 5.87% per annum) respectively. The Lessees shall pay the lease payment to the Lessor at the end of each quarter in installments in accordance with the terms and conditions of the Finance Lease Agreements during the lease period respectively.

The terms of the Finance Lease Agreements, including transfer consideration for the Leased Assets, finance lease principals, finance lease interest incomes and other expenses under the Finance Lease Agreements, were determined upon arm's length negotiation between (i) the Lessees and the Lessor with reference to net book value of the Leased Assets; and (ii) prevailing market prices of the same category of finance lease products in the PRC.

Security Deposits

The Lessees agreed to pay the security deposits for the respective Finance Lease Agreements of RMB2,098,710 (bearing nil interests) and RMB2,122,880 (bearing nil interests). When the respective last lease payments of each of the Finance Lease Agreements are due to be paid, the lease payments and other payables under the final payment will automatically be deducted from the related deposit, and the Lessor will refund the Lessees the remaining amount (if any).

Guarantee and Security

The guarantee and security arrangements for each of the Finance Lease Agreements are set out below:

- (1) a connected company of the Lessees provides joint and several liabilities guarantee for the debts of the Lessees under the Finance Lease Agreements;
- (2) the Lessees provides pledge of project income rights and accounts receivables from designated projects respectively; and
- (3) 100% equity of the Lessees will be pledged by its controlling shareholder to the Lessor.

REASONS FOR AND BENEFITS OF ENTERING INTO THE PURCHASE AGREEMENTS AND THE FINANCE LEASE AGREEMENTS

The Company's principal activities are to provide finance leasing and advisory services to customers. The entering of the Purchase Agreements and the Finance Lease Agreements is part of the Company's ordinary and usual course of business, which is expected to provide a stable revenue and cash flow to the Company.

The Directors consider that entering into the Purchase Agreements and the Finance Lease Agreements and the transactions contemplated thereunder will generate revenue and profit to the Company over the lease period and is consistent with the Company's business development strategy. Since the Purchase Agreements and the Finance Lease Agreements were entered into under normal commercial terms, the Directors are of the view that the terms under the Purchase Agreements and the Finance Lease Agreements are fair and reasonable and are in the interests of the Company and its shareholders as a whole.

INFORMATION OF THE PARTIES

Information of the Company

The Company is a pioneer and a dedicated finance lease company in serving technology and new economy companies in China. As the sole finance lease platform under Zhongguancun Development Group Co., Ltd. (中關村發展集團股份有限公司), the Company offers efficient finance lease solutions and a variety of advisory services to satisfy technology and new economy companies' needs for financial services at different stages of their growth. The Company's finance lease solutions primarily take the form of direct lease and sale-and-leaseback. The Company also delivers a variety of advisory services, including policy advisory and management and business consulting, to help its customers achieve rapid growth.

Information of the Lessees

Lessee I is a limited liability company incorporated in the PRC, which is principally engaged in production and sales of relative products in smart grid application and renewable energy field.

Lessee II is a limited liability company incorporated in the PRC, which is principally engaged in production and sales of relative products in smart grid application and renewable energy field.

Information of the Supplier

The Supplier is a limited liability company incorporated in the PRC, which is principally engaged in the engineering, procurement and construction contracting business of photovoltaic power plants.

LISTING RULES IMPLICATIONS

The Lessees and the Supplier are under the common control of the same ultimate beneficial owner, the Lessees and the Supplier are parties connected with one another (as set out under Rule 14.23 of the Listing Rules). As the transactions under the Agreements were entered into during the 12-month period, according to Rule 14.22 of the Listing Rules, the transactions contemplated thereunder shall be aggregated as a series of transactions. As the highest applicable percentage ratio under each of the Purchase Agreements and the Finance Lease Agreements is less than 5%, while the highest applicable percentage ratio upon aggregation of the Purchase Agreement and the Finance Lease Agreements is higher than 5% but less than 25%, the transactions contemplated under the Purchase Agreements II and the Finance Lease Agreement II constitute a discloseable transaction of the Company and are subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms have the following meanings:

“Agreements”	the Purchase Agreements and the Finance Lease Agreements
“Board”	the board of directors of the Company
“Company”	Zhongguancun Science-Tech Leasing Co., Ltd. (中關村科技租賃股份有限公司), a joint stock company incorporated under the laws of the PRC with limited liability, the H shares of which are listed on the Stock Exchange with stock code of 1601
“Director(s)”	the director(s) of the Company
“Finance Lease Agreements”	the Finance Lease Agreement I and the Finance Lease Agreement II
“Finance Lease Agreement I”	the finance lease agreement entered into between the Lessor and the Lessee I on January 26, 2022
“Finance Lease Agreement II”	the finance lease agreement entered into between the Lessor and the Lessee II on March 23, 2022
“independent third party(ies)”	any individual or company not being the connected persons (as defined under the Listing Rules) of the Company, independent of the Company and its connected persons (as defined under the Listing Rules) and not connected with them
“Leased Assets”	the Leased Assets I and the Leased Assets II
“Leased Assets I”	equipment of distributed photovoltaic power stations, with an estimated fair value of RMB26,233,880 under the Finance Lease Agreement I

“Leased Assets II”	equipment of distributed photovoltaic power stations, with an estimated fair value of RMB26,535,999 under the Finance Lease Agreement II
“Lessees”	the Lessee I and the Lessee II
“Lessee I”	Beijing Chaoyang jieyounew energy Co., Ltd.* (北京朝陽傑優能新能源有限公司), a limited liability company incorporated in the PRC, which is principally engaged in production and sales of relative products in smart grid application and renewable energy field. The Lessee I is a wholly-owned subsidiary of Beijing SOJO Electric Co., Ltd.* (北京雙傑電氣股份有限公司), a company listed on Shenzhen Stock Exchange with stock code of 300444
“Lessee II”	Beijing Jieneng new energy Co., Ltd.* (北京傑能新能源有限公司), a limited liability company incorporated in the PRC, which is principally engaged in production and sales of relative products in smart grid application and renewable energy field. The Lessee II is a wholly-owned subsidiary of Beijing SOJO Electric Co., Ltd.* (北京雙傑電氣股份有限公司), a company listed on Shenzhen Stock Exchange with stock code of 300444
“Lessor”	the Company
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Purchase Agreements”	the Purchase Agreement I and the Purchase Agreement II
“Purchase Agreement I”	the purchase agreement entered into among the Company, the Supplier and the Lessee I on January 26, 2022
“Purchase Agreement II”	the purchase agreement entered into among the Company, the Supplier and the Lessee I on March 23, 2022
“PRC” or “China”	the People’s Republic of China, which, for the purpose of this announcement, excludes the Hong Kong Special Administrative Region of the PRC, the Macau Special Administrative Region of the PRC and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Supplier” Shuangjie Xinneng Co., Ltd.* (雙傑新能有限公司), a limited liability company incorporated in the PRC, which is principally engaged in the engineering, procurement and construction contracting business of photovoltaic power plants. The Supplier is a wholly-owned subsidiary of Beijing SOJO Electric Co., Ltd.* (北京雙傑電氣股份有限公司), a company listed on Shenzhen Stock Exchange with stock code of 300444

“VAT” value-added tax

By order of the Board
Zhongguancun Science-Tech Leasing Co., Ltd.
DUAN Hongwei
Chairman

Beijing, the PRC, March 23, 2022

As at the date of this announcement, the Board comprises Mr. HE Rongfeng and Mr. HUANG Wen as executive Directors, Mr. DUAN Hongwei, Mr. LOU Yixiang, Mr. ZHANG Shuqing and Mr. DU Yunchao as non-executive Directors, and Mr. CHENG Dongyue, Mr. WU Tak Lung and Ms. LIN Zhen as independent non-executive Directors.

* For identification purposes only.