

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



# 国银金租

CHINA DEVELOPMENT BANK LEASING

國銀金融租賃股份有限公司\*

**CHINA DEVELOPMENT BANK FINANCIAL LEASING CO., LTD.\***

*(A joint stock limited company incorporated in the People's Republic of China)*

**(Stock Code: 1606)**

## **DISCLOSEABLE TRANSACTION FINANCE LEASE TRANSACTION**

The Board hereby announces that on 31 May 2023 (after trading hours), the Company (as the Lessor) entered into the Finance Lease Agreement with the Lessee, pursuant to which (i) the Lessor has purchased the Leased Assets from the Lessee at a consideration of RMB1,200,000,000 and (ii) the Lessor has agreed to lease back the Leased Assets to the Lessee for a lease period of 120 months.

According to Chapter 14 of the Listing Rules, as the highest applicable percentage ratio of the transaction under the Finance Lease Agreement is higher than 5% but lower than 25%, such transaction constitutes a discloseable transaction of the Company and is subject to the announcement requirement but is exempt from the shareholders' approval requirement under Chapter 14 of the Listing Rules.

### **FINANCE LEASE AGREEMENT**

The Board hereby announces that on 31 May 2023 (after trading hours), the Company (as the Lessor) entered into the Finance Lease Agreement with the Lessee, pursuant to which (i) the Lessor has purchased the Leased Assets from the Lessee at a consideration of RMB1,200,000,000, and (ii) the Lessor has agreed to lease the Leased Assets to the Lessee for a lease period of 120 months.

\* *CHINA DEVELOPMENT BANK FINANCIAL LEASING CO., LTD. is (a) not an authorized institution within the meaning of the Banking Ordinance; (b) not authorized to carry on banking/deposit-taking business in Hong Kong; and (c) not subject to the supervision of the Hong Kong Monetary Authority.*

Details of the Finance Lease Agreement are summarised as follows:

**Date**

31 May 2023

**Parties**

“Lessor”: the Company

“Lessee”: Zhanjiang Traffic Investment Group Co., Ltd.\* (湛江市交通投資集團有限公司), a state-owned enterprise located in Guangdong Province, the PRC, which is principally engaged in businesses of investment, construction and operation of roads and bridges (excluding transportation); investment and construction of passenger and freight stations (yards), railways, docks, waterways, civil airports, etc.

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

**Leased Assets**

Leased Assets are fixed assets, such as power supply, water supply and other auxiliary equipment of Zhanjiang Olympic Sports Center\* (湛江奧體中心) located in Guangdong Province, the PRC. The appraised value of the Leased Assets is approximately RMB1,414,000,000 in aggregate. The Lessee does not separately calculate the profits before and after tax of the Leased Assets.

**Lease Period**

120 months

**Rent and Method of Payment**

Pursuant to the Finance Lease Agreement, the Lessor agreed to lease back the Leased Assets to the Lessee. The rent, including value-added taxes, is calculated and paid in RMB, and comprised of lease principal and lease interest. Of which, the lease principal is of the same amount as the transfer consideration, totaling RMB1,200,000,000; the total amount of lease interest for the lease period is approximately RMB380,000,000. The lease principal and its interest shall be paid by the Lessee to the Lessor on a semi-annual basis in installments during the lease period.

The terms of the Finance Lease Agreement, including the transfer consideration for the Leased Assets, lease principal, lease interest and other expenses under the Finance Lease Agreement were determined upon arm’s length negotiation between the Lessee and the Lessor with reference to the appraised value of the Leased Assets and the prevailing market prices of the same category of finance lease products in the PRC.

## **Leased Assets and Their Ownership**

The Lessee has agreed to transfer and/or change the registration of the Leased Assets to the Lessor during the lease period at a total transfer consideration of RMB1,200,000,000. The consideration will be paid by the Lessor's self-owned funds and/or commercial loans. At the same time, the Lessor has agreed to lease back the Leased Assets to the Lessee. The Lessee is entitled to the possession, usage and benefits of such assets. Upon expiration of the lease period, the Lessee may purchase back the Leased Assets from the Lessor at a consideration of RMB100 in nominal value.

## **Guarantee**

There is no joint and several liability guarantee in respect of the debt commitment under the Finance Lease Agreement.

## **REASONS FOR AND BENEFITS OF ENTERING INTO THE FINANCE LEASE AGREEMENT**

The Finance Lease Agreement is entered into by the Company during its ordinary and usual course of business. Entering into the Finance Lease Agreement with the Lessee is beneficial to the Company by increasing the income of its finance lease business and is consistent with the Company's business development strategy.

The Directors are of the view that the terms under the Finance Lease Agreement 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 company established in the PRC in 1984 and converted into a joint stock limited company on 28 September 2015. The principal business of the Company includes providing comprehensive leasing services to high-quality customers in industries including aviation, infrastructure, shipping, inclusive finance, new energy and manufacturing of high-end equipment.

### **Information of the Lessee**

The Lessee is a state-owned enterprise incorporated in the PRC on 10 April 2002 and located in Guangdong Province, the PRC, which is principally engaged in the businesses of investment, construction and operation of roads and bridges (excluding transportation); investment and construction of passenger and freight stations (yards), railways, docks, waterways, civil airports, etc.

## IMPLICATIONS UNDER THE LISTING RULES

According to Chapter 14 of the Listing Rules, as the highest applicable percentage ratio of the transaction under the Finance Lease Agreement is higher than 5% but lower than 25%, such transaction constitutes a discloseable transaction of the Company and is subject to the announcement requirement but is exempt from the shareholders' approval requirement under Chapter 14 of the Listing Rules.

## DEFINITIONS

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

“Board”	the board of directors of the Company
“Company”	China Development Bank Financial Leasing Co., Ltd. (國銀金融租賃股份有限公司), a company established in the PRC in 1984 and converted into a joint stock limited company on 28 September 2015, the H shares of which are listed on the Stock Exchange with stock code of 1606
“Director(s)”	the director(s) of the Company
“Finance Lease Agreement”	the finance lease agreement in respect of the Leased Assets entered into between the Lessor and the Lessee on 31 May 2023
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Leased Assets”	fixed assets, such as power supply, water supply and other auxiliary equipment of Zhanjiang Olympic Sports Center* (湛江奧體中心) located in Guangdong Province, the PRC
“Lessee”	Zhanjiang Traffic Investment Group Co., Ltd.* (湛江市交通投資集團有限公司), the ultimate beneficial owner of which is the State-owned Assets Supervision and Administration Commission of the People's Government of Zhanjiang Municipality* (湛江市人民政府國有資產監督管理委員會)
“Lessor”	the Company
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited

“PRC”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent

By order of the Board  
**CHINA DEVELOPMENT BANK FINANCIAL LEASING CO., LTD.**  
**LIU Yi**  
*Joint Company Secretary*

Shenzhen, the PRC  
31 May 2023

*As at the date of this announcement, the executive directors of the Company are Ms. MA Hong and Mr. HUANG Min; the non-executive directors are Mr. LI Yingbao and Mr. YANG Guifang; and the independent non-executive directors are Mr. ZHENG Xueding, Mr. XU Jin and Mr. ZHANG Xianchu.*