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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 TRANSACTION

THE PURCHASE AGREEMENT AND THE FINANCE LEASE AGREEMENT

The Board hereby announces that on September 11, 2023: (i) the Company (as the buyer) entered into the Purchase Agreement I and the Purchase Agreement II with the Supplier I , Supplier II and the Lessee II , respectively, pursuant to which, the Company shall purchase the Leased Assets II and the Leased Assets III from the Supplier I and Supplier II at the total consideration of RMB41,000,000 and RMB14,000,000 respectively; and (ii) the Company (as the lessor) entered into the Financial Lease Agreement II and the Financial Lease Agreement III with the Lessee II , pursuant to which, among other things, the Company shall lease the Leased Assets II and the Leased Assets III to the Lessee II for a respective term of 60 months and 60 months with a total finance lease payment of RMB36,536,664 and RMB12,178,891, which shall include a finance lease principle of RMB30,000,000 and RMB10,000,000, and a finance lease interest income (inclusive of VAT) of RMB6,536,664 and RMB2,178,891 respectively.

Reference is made to the announcement of the Company dated April 27, 2023 in relation to the Financial Lease Agreement I, pursuant to which, among other things, the Company (as the Lessor) agreed to: (i) acquire the Leased Assets I owned by the Lessee I at a transfer consideration of RMB45,000,000; and (ii) lease the Leased Assets I back to the Lessee I for a term of 48 months with a total lease payment of RMB52,125,999, which shall include a finance lease principal of RMB45,000,000 and a finance lease interest income (inclusive of VAT) of RMB7,125,999.

LISTING RULES IMPLICATIONS

As the Suppliers and the Lessees are under the common control of the same ultimate beneficial owner, the Suppliers and the Lessees are parties connected with one another (as set out under Rule 14.23 of the Listing Rules). As the transactions under the Purchase Agreements and the Financial Lease Agreements were entered into during the 12-month period, according to Rule 14.22 of the Listing Rules, the transactions thereunder shall be aggregated as a series of transactions. As the highest applicable percentage ratio upon aggregation of the Purchase Agreements and the Financial Lease Agreements is higher than 5% but less than 25%, the transactions contemplated under the Purchase Agreement I, the Purchase Agreement II, the Finance Lease Agreement II and the Finance Lease Agreement III constitutes 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 September 11, 2023: (i) the Company (as the buyer) entered into the Purchase Agreement I and the Purchase Agreement II with the Supplier I, Supplier II and the Lessee II, respectively, pursuant to which, the Company shall purchase the Leased Assets II and the Leased Assets III from the Supplier I and Supplier II at the total consideration of RMB41,000,000 and RMB14,000,000 respectively; and (ii) the Company (as the lessor) entered into the Financial Lease Agreement II and the Financial Lease Agreement III with the Lessee II, pursuant to which, among other things, the Company shall lease the Leased Assets II and the Leased Assets III to the Lessee II for a respective term of 60 months and 60 months with a total finance lease payment of RMB36,536,664 and RMB12,178,891, which shall include a finance lease principle of RMB30,000,000 and RMB10,000,000, and a finance lease interest income (inclusive of VAT) of RMB6,536,664 and RMB2,178,891 respectively.

Reference is made to the announcement of the Company dated April 27, 2023 in relation to the Financial Lease Agreement I, pursuant to which, among other things, the Company (as the Lessor) agreed to: (i) acquire the Leased Assets I owned by the Lessee I at a transfer consideration of RMB45,000,000; and (ii) lease the Leased Assets I back to the Lessee I for a term of 48 months with a total lease payment of RMB52,125,999, which shall include a finance lease principal of RMB45,000,000 and a finance lease interest income (inclusive of VAT) of RMB7,125,999.

THE PURCHASE AGREEMENTS

The principal terms of the purchase Agreements are as follows:

Parties

Buyer: the Company

Supplier I : a limited liability company incorporated in the PRC, which is principally engaged in special equipment manufacturing industry.

Supplier II : a limited liability company incorporated in the PRC, which is principally engaged in environmental protection special equipment manufacturing industry.

Lessee II : a limited liability company incorporated in the PRC, which is principally engaged in technical service industry.

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 under the Purchase Agreements are RMB41,000,000 and RMB14,000,000 respectively shall involve: (i) an initial payment of RMB11,000,000 and RMB4,000,000 which shall be paid to the Company by the Lessee II ; and (ii) the remaining value of RMB30,000,000 and RMB10,000,000 which shall be payable by the Company to the Supplier I and the Supplier II in a lump sum. The Suppliers should deliver all of the Leased Assets II and the Leased Assets III to the Lessee II by September 30, 2023 in accordance to the terms and conditions of the Purchase Agreements.

THE FINANCE LEASE AGREEMENTS

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 environmental protection special equipment manufacturing industry.

Lessee II : a limited liability company incorporated in the PRC, which is principally engaged in technical service industry.

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

Leased Assets

The Leased Assets I are gold tailings pressure filtration drainage engineering production equipments, with a net book value of approximately RMB46,700,000.

The Leased Assets II are slurry water separation equipments, with a net appraisal value of approximately RMB41,000,000.

The Leased Assets III are slurry water separation equipments, with a net appraisal value of approximately RMB14,000,000.

The Lessees do not separately calculate the profits before and after tax of the Leased Assets. The transfer consideration for the acquisition of the Leased Assets under the Finance Lease Agreements will be funded by the Company's internal resources. 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 Lease Agreements respectively.

Lease Period

The lease period of the Finance Lease Agreement I is 48 months, which commenced on April 27, 2023.

The lease period of the Finance Lease Agreement II is 60 months, which shall commence on September 11, 2023.

The lease period of the Finance Lease Agreement III is 60 months, which shall commence on September 11, 2023.

Lease Payment and Method of Payment

Under the Finance Lease Agreements, the respective total lease payment of RMB52,125,999, RMB36,536,664 and RMB12,178,891, included the respective finance lease principal of RMB45,000,000, RMB30,000,000 and RMB10,000,000, and the respective finance lease interest income (inclusive of VAT) of RMB7,125,999 (calculated based on the interest rate of 7.5% per annual), RMB6,536,664 (calculated based on the interest rate of 7.5% per annual) and RMB2,178,891 (calculated based on the interest rate of 7.5% per annual). 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.

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

Security Deposit

The Lessee agreed to pay the security deposit for the Finance Lease Agreements of RMB3,600,000(bearing nil interests), RMB2,050,000(bearing nil interests) and RMB700,000(bearing nil interests). When the last lease payments are due to be paid, the lease payment and other payables under the final payment will automatically be deducted from the deposit, and the Lessor will respectively 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) the ultimate beneficial owner of the Lessee and one of his associates provide joint and several liabilities guarantee for the debts of the Lessee under the Finance Lease Agreement;
- (2) 100% of the Lessee's equity interest will be pledged by its controlling shareholder to the Lessor;
- (3) the Lessee will pledge the proceeds and receivables from designated project income; and
- (4) the controlling shareholder of the Lessee provides joint and several liabilities guarantee for the debts of the Lessee under the Finance Lease Agreement.

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 cashflow to the Company.

The Directors consider that entering into the Purchase Agreements and the Finance Lease Agreements 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 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 Suppliers

The Supplier I is a limited liability company incorporated in the PRC, which is principally engaged in special equipment manufacturing industry.

The Supplier II is a limited liability company incorporated in the PRC, which is principally engaged in environmental protection special equipment manufacturing industry.

Information of the Lessees

Lessee I is a limited liability company incorporated in the PRC, which is principally engaged in environmental protection special equipment manufacturing industry.

Lessee II is a limited liability company incorporated in the PRC, which is principally engaged in technical service industry.

LISTING RULES IMPLICATIONS

As the Suppliers and the Lessees are under the common control of the same ultimate beneficial owner, the Suppliers and the Lessees are parties connected with one another (as set out under Rule 14.23 of the Listing Rules). As the transactions under the Purchase Agreements and the Financial Lease Agreements were entered into during the 12-month period, according to Rule 14.22 of the Listing Rules, the transactions thereunder shall be aggregated as a series of transactions. As the highest applicable percentage ratio upon aggregation of the Purchase Agreements and the Financial Lease Agreements is higher than 5% but less than 25%, the transactions contemplated under the Purchase Agreement I, the Purchase Agreement II, the Finance Lease Agreement II and the Finance Lease Agreement III constitutes 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”	Purchase Agreements I, Purchase Agreements II, Finance Lease Agreement I, Finance Lease Agreement II and Finance Lease Agreement III
“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, the Finance Lease Agreement II and the Finance Lease Agreement III
“Finance Lease Agreement I”	the finance lease agreement entered into between the Lessor and Lessee I on April 27, 2023
“Finance Lease Agreement II”	the finance lease agreement entered into between the Lessor and Lessee II on September 11, 2023
“Finance Lease Agreement III”	the finance lease agreement entered into between the Lessor and Lessee II on September 11, 2023
“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, the Leased Assets II and the Leased Assets III
“Leased Assets I”	gold tailings pressure filtration drainage engineering production equipments, with a net book value of approximately RMB46,700,000
“Leased Assets II”	slurry water separation equipments, with a net appraisal value of approximately RMB41,000,000
“Leased Assets III”	slurry water separation equipments, with a net appraisal value of approximately RMB14,000,000

“Lessees”	the Lessee I and the Lessee II
“Lessee I”	Kangming Yida (Beijing) Environmental Protection Technology Co., Ltd* (康明意達(北京)環保科技有限公司), a limited liability company incorporated in the PRC, which is principally engaged in environmental protection special equipment manufacturing industry. The ultimate beneficial owner of the Lessee I is CHEN Zhenjun* (陳振軍)
“Lessee II”	Cummingx Zhongnuo (Beijing) Technology Co., Ltd* (康明克斯中諾(北京)科技有公司), a limited liability company incorporated in the PRC, which is principally engaged in environmental protection special equipment manufacturing industry. The ultimate beneficial owner of the Lessee II is CHEN Zhenjun* (陳振軍)
“Lessor”	the Company
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“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
“Purchase Agreements”	the Purchase Agreements I and the Purchase Agreements II
“Purchase Agreements I”	the purchase agreement entered into among Company, the Supplier I and the Lessee II on September 11, 2023
“Purchase Agreements II”	the purchase agreement entered into among Company, the Supplier II and the Lessee II on September 11, 2023
“RMB”	Renminbi, the lawful currency of the PRC
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Suppliers”	The Supplier I and the Supplier II
“Supplier I”	Cummingx (Beijing) Electromechanical Equipment Co., Ltd* (康明克斯(北京)機電設備有限公司), a limited liability company incorporated in the PRC, which is principally engaged in special equipment manufacturing industry. The ultimate beneficial owner of the Supplier I is CHEN Zhenjun* (陳振軍)

“Supplier II” Cummingx (Beijing) Environmental Technology Co., Ltd* (康明克斯(北京)環保技術有限公司), a limited liability company incorporated in the PRC, which is principally engaged in environmental protection special equipment manufacturing industry. The ultimate beneficial owner of the Supplier II is CHEN Zhenjun* (陳振軍)

“VAT” value-added tax

By order of the Board
Zhongguancun Science-Tech Leasing Co., Ltd.
ZHANG Shuqing
Chairman

Beijing, the PRC, September 11, 2023

As at the date of this announcement, the Board comprises Mr. HE Rongfeng and Mr. HUANG Wen as executive Directors, Mr. ZHANG Shuqing, Mr. LOU Yixiang, Ms. WANG Sujuan 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.