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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)

PROPOSED CHANGE IN USE OF PROCEEDS

References are made to the prospectus of Zhongguancun Science-Tech Leasing Co., Ltd. (the “**Company**”) dated December 31, 2019 (the “**Prospectus**”) and the announcement of the Company dated January 20, 2020 (the “**Announcement**”) in relation to the offer price and allotment results announcement of the Global Offering. Unless otherwise defined, capitalized terms used in this announcement shall have the same meanings as those defined in the Prospectus.

USE OF PROCEEDS

As disclosed in the Prospectus and the Announcement, the net proceeds from the listing of H Shares of the Company on the Stock Exchange on January 21, 2020 (pursuant to the offer price of HK\$1.52 per H Share after deducting the underwriting commissions and other listing related expenses payable by the Company in connection with the Global Offering) were approximately RMB405.8 million (“**Net Proceeds**”), among which:

- (1) Approximately 70% of the Net Proceeds, or RMB284.0 million, was allocated to be used to expand business operations of the Company;
- (2) Approximately 10% of the Net Proceeds, or RMB40.6 million, was allocated to be used to improve information systems of the Company;
- (3) Approximately 10% of the Net Proceeds, or RMB40.6 million, was allocated to be used to recruit more talented specialized personnel with valuable experience, knowledge and skillsets; and
- (4) Approximately 10% of the Net Proceeds, or RMB40.6 million, was allocated to be used to replenish working capital of the Company.

As at the date of this announcement, approximately RMB12.7 million of the Net Proceeds has not been utilized.

PROPOSED CHANGE IN USE OF PROCEEDS

The breakdown of use of proceeds as set out in the Prospectus and the proposed revised allocation of the Net Proceeds are summarized as below:

Use of proceeds	Amounts expected to be utilized as disclosed in the Prospectus (RMB in million)	Amount utilized as at the date of this announcement (RMB in million)	Unutilized Net Proceeds as at the date of this announcement (RMB in million)	Proposed reallocation of the unutilized Net Proceeds (RMB in million)
Expansion of business operations	284.0	284.0	0	12.7
Improvement of information systems	40.6	27.9	12.7	–
Recruitment of talents	40.6	40.6	0	–
Replenishment of working capital	40.6	40.6	0	–

REASONS FOR THE PROPOSED CHANGE IN USE OF PROCEEDS

The Net Proceeds allocated for improvement of information systems have not been fully utilized. As the investment capital requirement for improvement of information systems is less than those of initially expected, for the purpose of enhancing the utilization efficiency of the Net Proceeds from the Global Offering, the Board resolved to reallocate the unused Net Proceeds initially allocated for improvement of information systems, in the amount of approximately RMB12.7 million, to the expansion of business operations of the Company in order to extend the customer base and boost the turnover. After the proposed reallocation, the remaining Net Proceeds of approximately RMB12.7 million is expected to be fully utilised by the Company by June 30, 2024. Save for the disclosed herein, there are no other changes in the use of the Net Proceeds.

The above proposed changes in use of Net Proceeds will be beneficial for the Company to better utilize its financial resources, and the Board considered that those changes will provide the Company with more business development opportunities in the future, be more in line with the current business needs of the Company and is beneficial to the continuing and rapid development of the Company, so as to strengthen the overall market position of the Company.

The Board confirms that there is no material change in the business nature of the Company as set out in the Prospectus and considers that the above proposed changes in use of Net Proceeds is in the best interests of the Company and its Shareholders as a whole.

OTHER MATTERS

According to the Articles of Association and the relevant laws and regulations, the proposed reallocation of use of proceeds is subject to the approval of the Shareholders by way of ordinary resolution at the general meeting of the Company. The Company has resolved at the Board meeting held on October 20, 2023 that an ordinary resolution to consider and approve the change in use of proceeds will be proposed at the upcoming extraordinary general meeting of the Company (the “EGM”) to be convened by the Board in due course. A circular containing, among other things, the details of the proposed change in use of proceeds and a notice in respect of the EGM will be despatched to the Shareholders in due course.

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

Beijing, the PRC, October 20, 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 and Ms. WANG Sujuan as non-executive Directors, and Mr. CHENG Dongyue, Mr. WU Tak Lung and Ms. LIN Zhen as independent non-executive Directors.