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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**  
**FINANCE LEASE TRANSACTION**

**FINANCE LEASE AGREEMENTS**

The Board hereby announces that on November 24, 2023, the Company (as the Lessor) entered into the Finance Lease Agreement III with the Lessee I, pursuant to which, (i) the Lessor shall acquire the Leased Assets III owned by the Lessee I at a transfer consideration of RMB7,000,000; and (ii) the Lessor shall lease the Leased Assets III back to the Lessee I for a term of 24 months with a total lease payment of RMB7,421,999, which shall include a finance lease principal of RMB7,000,000 and a finance lease interest income (inclusive of VAT) of RMB421,999.

Within the past 12 months, on December 7, 2022, the Company (as the Lessor) entered into the Finance Lease Agreement I with the Lessee 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 RMB21,000,000; and (ii) lease the Leased Assets I back to the Lessee I for a term of 24 months with a total lease payment of RMB22,359,029, which included a finance lease principal of RMB21,000,000 and a finance lease interest income (inclusive of VAT) of RMB1,359,029. On November 23, 2023, the Company (as the Lessor) entered into the Finance Lease Agreement II with the Lessee II, pursuant to which, (i) the Lessor shall acquire the Leased Assets II owned by the Lessee II at a transfer consideration of RMB13,000,000; and (ii) the Lessor shall lease the Leased Assets II back to the Lessee II for a term of 24 months with a total lease payment of RMB13,800,930, which shall include a finance lease principal of RMB13,000,000 and a finance lease interest income (inclusive of VAT) of RMB800,930.

## **LISTING RULES IMPLICATIONS**

As the Lessees are under the common control of the same ultimate beneficial owner, the Lessees are parties connected with one another (as set out under Rule 14.23 of the Listing Rules). As the transactions under the Finance 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 under the Finance Lease Agreement III is less than 5%, while the highest applicable percentage ratio upon aggregation of the Finance Lease Agreements is higher than 5% but less than 25%, the transactions contemplated under 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 November 24, 2023, the Company (as the Lessor) entered into the Finance Lease Agreement III with the Lessee I, pursuant to which, (i) the Lessor shall acquire the Leased Assets III owned by the Lessee I at a transfer consideration of RMB7,000,000; and (ii) the Lessor shall lease the Leased Assets III back to the Lessee I for a term of 24 months with a total lease payment of RMB7,421,999, which shall include a finance lease principal of RMB7,000,000 and a finance lease interest income (inclusive of VAT) of RMB421,999.

Within the past 12 months, on December 7, 2022, the Company (as the Lessor) entered into the Finance Lease Agreement I with the Lessee 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 RMB21,000,000; and (ii) lease the Leased Assets I back to the Lessee I for a term of 24 months with a total lease payment of RMB22,359,029, which included a finance lease principal of RMB21,000,000 and a finance lease interest income (inclusive of VAT) of RMB1,359,029. On November 23, 2023, the Company (as the Lessor) entered into the Finance Lease Agreement II with the Lessee II, pursuant to which, (i) the Lessor shall acquire the Leased Assets II owned by the Lessee II at a transfer consideration of RMB13,000,000; and (ii) the Lessor shall lease the Leased Assets II back to the Lessee II for a term of 24 months with a total lease payment of RMB13,800,930, which shall include a finance lease principal of RMB13,000,000 and a finance lease interest income (inclusive of VAT) of RMB800,930.

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

Finance Lease Agreement	Date of finance lease agreement	Expiry date of finance 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>	Net book value of Leased Assets <i>(Approx.) RMB</i>
Finance Lease Agreement I	December 7, 2022	December 6, 2024	21,000,000	1,359,029	2,100,000	22,359,029	21,143,758.19
Finance Lease Agreement II	November 23, 2023	November 22, 2025	13,000,000	800,930	1,300,000	13,800,930	13,082,076.67
Finance Lease Agreement III	November 24, 2023	November 23, 2025	7,000,000	421,999	700,000	7,421,999	13,600,000.00
Total			<u>41,000,000</u>	<u>2,581,958</u>	<u>4,100,000</u>	<u>43,581,958</u>	<u>47,825,834.86</u>

## THE FINANCE LEASE AGREEMENTS

The principal terms of the Finance Lease Agreements are as follows:

### Parties

Lessor: the Company

Lessee I: a limited company incorporated in the PRC, which is principally engaged in research and development, production, processing, sales, and export of edible mushrooms.

Lessee II: a limited company incorporated in the PRC, which is principally engaged in research and development, production, processing, sales, and export of edible mushrooms.

To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, the Lessees and their 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 production equipment for mushroom sticks, with a net book value of approximately RMB21,143,758.19.

The Leased Assets II are production equipment for mushroom sticks, with a net book value of approximately RMB13,082,076.67.

The Leased Assets III are two patents, including the sporeless shiitake mushroom strain QH340 and its Indel labeled fingerprint identification method, serve as patented technologies for shiitake mushroom cultivation and rod production, with a net book value of approximately RMB13,600,000.

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 24 months, which commenced on December 7, 2022.

The lease period of the Finance Lease Agreement II is 24 months, which commenced on November 23, 2023.

The lease period of the Finance Lease Agreement III is 24 months, which shall commence on November 24, 2023.

### **Lease Payment and Method of Payment**

Under the Finance Lease Agreements, the respective total lease payment of RMB22,359,029, RMB13,800,930 and RMB7,421,999, included the respective finance lease principal of RMB21,000,000, RMB13,000,000 and RMB7,000,000, and the respective finance lease interest income (inclusive of VAT) of RMB1,359,029 (calculated based on the interest rate of 6% per annum), RMB800,930 (calculated based on the interest rate of 5.71% per annum) and RMB421,999 (calculated based on the interest rate of 5.6% per annum). 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 Lessees 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 Lessees agreed to pay the security deposit for the Finance Lease Agreements of RMB2,100,000 (bearing nil interests), RMB1,300,000 (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 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:

The legal representative and ultimate beneficial owner of the Lessee I and the controlling shareholder of the Lessee II shall provide joint and several liabilities guarantee for the debits under the Finance Lease Agreements.

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

The Company's principal activities are to provide finance leasing and advisory services to customers. The entering of 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 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 Finance Lease Agreements was entered into under normal commercial terms, the Directors are of the view that the terms under 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: a limited company incorporated in the PRC, which is principally engaged in research and development, production, processing, sales, and export of edible mushrooms.

Lessee II: a limited company incorporated in the PRC, which is principally engaged in research and development, production, processing, sales, and export of edible mushrooms.

## **LISTING RULES IMPLICATIONS**

As the Lessees are under the common control of the same ultimate beneficial owner, the Lessees are parties connected with one another (as set out under Rule 14.23 of the Listing Rules). As the transactions under the Finance 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 under the Finance Lease Agreement III is less than 5%, while the highest applicable percentage ratio upon aggregation of the Finance Lease Agreements is higher than 5% but less than 25%, the transactions contemplated under 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:

“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 December 7, 2022
“Finance Lease Agreement II”	the finance lease agreement entered into between the Lessor and Lessee II on November 23, 2023
“Finance Lease Agreement III”	the finance lease agreement entered into between the Lessor and Lessee I on November 24, 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”	production equipment for mushroom sticks, with a net book value of approximately RMB21,143,758.19
“Leased Assets II”	production equipment for mushroom sticks, with a net book value of approximately RMB13,082,076.67
“Leased Assets III”	two patents, including the sporeless shiitake mushroom strain QH340 and its Indel labeled fingerprint identification method, serve as patented technologies for shiitake mushroom cultivation and rod production, with a net book value of approximately RMB13,600,000
“Lessees”	the Lessee I and the Lessee II

“Lessee I”	Shandong Qihe Biotechnology Co., Ltd.* (山東七河生物科技股份有限公司), a limited company incorporated in the PRC, which is principally engaged in research and development, production, processing, sales, and export of edible mushrooms. The ultimate beneficial owner of the Lessee is Su Sitong* (蘇相同)
“Lessee II”	Qingdao Qihe Edible Mushroom Planting Co., Ltd.* (青島七河食用菌種植有限公司), a limited company incorporated in the PRC, which is principally engaged in research and development, production, processing, sales, and export of edible mushrooms. The ultimate beneficial owner of the Lessee is Su Sitong* (蘇相同)
“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
“RMB”	Renminbi, the lawful currency of the PRC
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“VAT”	value-added tax

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

Beijing, the PRC, November 24, 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.*

\* For identification purposes only.