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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 December 13, 2023, the Company (as the Lessor) entered into the Finance Lease Agreement V with the Lessee, pursuant to which, (i) the Lessor shall acquire the Leased Assets V owned by the Lessee at a transfer consideration of RMB3,200,000; and (ii) the Lessor shall lease the Leased Assets V back to the Lessee for a term of 24 months with a total lease payment of RMB3,497,305, which shall include a finance lease principal of RMB3,200,000 and a finance lease interest income (inclusive of VAT) of RMB297,305.

Within the past 12 months, on March 15, 2023, the Company (as the Lessor) entered into the Finance Lease Agreement I with the Lessee, pursuant to which, among other things, the Company (as the Lessor) agreed to: (i) acquire the Leased Assets I owned by the Lessee at a transfer consideration of RMB7,700,000; and (ii) lease the Leased Assets I back to the Lessee for a term of 24 months with a total lease payment of RMB8,413,909, which included a finance lease principal of RMB7,700,000 and a finance lease interest income (inclusive of VAT) of RMB713,909. On April 25, 2023, the Company (as the Lessor) entered into the Finance Lease Agreement II with the Lessee, pursuant to which, among other things, the Company (as Lessor) agreed to: (i) acquire the Leased Assets II owned by the Lessee at a transfer consideration of RMB1,800,000; and (ii) lease the Leased Assets II back to the Lessee for a term of 24 months with a total lease payment of RMB1,963,023, which shall include a finance lease principal of RMB1,800,000 and a finance lease interest income (inclusive of VAT) of RMB163,023. On June 13, 2023, the Company (as the Lessor) entered into the Finance Lease Agreement III with the Lessee, pursuant to which, among other things, the Company (as Lessor) agreed to: (i) acquire the Leased Assets III owned by the Lessee at a transfer consideration of RMB5,000,000; and (ii) lease the Leased Assets III back to the Lessee for a term of 24 months with a total lease payment of RMB5,465,799, which shall include a finance lease principal of RMB5,000,000 and a finance lease interest income (inclusive of VAT) of RMB465,799. On September 12, 2023, the Company (as the Lessor) entered into the Finance Lease Agreement IV with the Lessee, pursuant to which, among other things, the Company (as Lessor) agreed to: (i) acquire the Leased Assets IV owned by the Lessee at a transfer consideration of RMB5,000,000; and (ii) lease the Leased Assets IV back to the Lessee for a term of 24 months with a total lease payment of RMB5,465,650, which shall include a finance lease principal of RMB5,000,000 and a finance lease interest income (inclusive of VAT) of RMB465,650.

LISTING RULES IMPLICATIONS

As the transactions under 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 under the Finance Lease Agreement V is less than 5%, while the highest applicable percentage ratio upon aggregation of the Financial Lease Agreements is higher than 5% but less than 25%, the transactions contemplated under the Finance Lease Agreement V 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 December 13, 2023, the Company (as the Lessor) entered into the Finance Lease Agreement V with the Lessee, pursuant to which, (i) the Lessor shall acquire the Leased Assets V owned by the Lessee at a transfer consideration of RMB3,200,000; and (ii) the Lessor shall lease the Leased Assets V back to the Lessee for a term of 24 months with a total lease payment of RMB3,497,305, which shall include a finance lease principal of RMB3,200,000 and a finance lease interest income (inclusive of VAT) of RMB297,305.

Within the past 12 months, on March 15, 2023, the Company (as the Lessor) entered into the Finance Lease Agreement I with the Lessee, pursuant to which, among other things, the Company (as the Lessor) agreed to: (i) acquire the Leased Assets I owned by the Lessee at a transfer consideration of RMB7,700,000; and (ii) lease the Leased Assets I back to the Lessee for a term of 24 months with a total lease payment of RMB8,413,909, which included a finance lease principal of RMB7,700,000 and a finance lease interest income (inclusive of VAT) of RMB713,909. On April 25, 2023, the Company (as the Lessor) entered into the Finance Lease Agreement II with the Lessee, pursuant to which, among other things, the Company (as Lessor) agreed to: (i) acquire the Leased Assets II owned by the Lessee at a transfer consideration of RMB1,800,000; and (ii) lease the Leased Assets II back to the Lessee for a term of 24 months with a total lease payment of RMB1,963,023, which shall include a finance lease principal of RMB1,800,000 and a finance lease interest income (inclusive of VAT) of RMB163,023. On June 13, 2023, the Company (as the Lessor) entered into the Finance Lease Agreement III with the Lessee, pursuant to which, among other things, the Company (as Lessor) agreed to: (i) acquire the Leased Assets III owned by the Lessee at a transfer consideration of RMB5,000,000; and (ii) lease the Leased Assets III back to the Lessee for a term of 24 months with a total lease payment of RMB5,465,799, which shall include a finance lease principal of RMB5,000,000 and a finance lease interest income (inclusive of VAT) of RMB465,799. On September 12, 2023, the Company (as the Lessor) entered into the Finance Lease Agreement IV with the Lessee, pursuant to which, among other things, the Company (as Lessor) agreed to: (i) acquire the Leased Assets IV owned by the Lessee at a transfer consideration of RMB5,000,000; and (ii) lease the Leased Assets IV back to the Lessee for a term of 24 months with a total lease payment of RMB5,465,650, which shall include a finance lease principal of RMB5,000,000 and a finance lease interest income (inclusive of VAT) of RMB465,650.

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	March 15, 2023	March 14, 2025	7,700,000	713,909	462,000	8,413,909	16,104,166.19
Finance Lease Agreement II	April 25, 2023	April 24, 2025	1,800,000	163,023	108,000	1,963,023	4,031,355.72
Finance Lease Agreement III	June 13, 2023	June 12, 2025	5,000,000	465,799	300,000	5,465,799	9,056,080.83
Finance Lease Agreement IV	September 12, 2023	September 11, 2025	5,000,000	465,650	300,000	5,465,650	6,322,232.26
Finance Lease Agreement V	December 13, 2023	December 12, 2025	3,200,000	297,305	192,000	3,497,305	5,852,138.60
Total			<u>22,700,000</u>	<u>2,105,686</u>	<u>1,362,000</u>	<u>24,805,686</u>	<u>41,365,973.60</u>

THE FINANCE LEASE AGREEMENTS

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

Parties

Lessor: the Company

Lessee: a limited company incorporated in the PRC, which is principally engaged in petroleum engineering technology development and services.

To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, the Lessee 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 oil extraction equipment, with a net book value of approximately RMB16,104,166.19.

The Leased Assets II are oil extraction equipment, with a net book value of approximately RMB4,031,355.72.

The Leased Assets III are oil extraction equipment, with a net book value of approximately RMB9,056,080.83.

The Leased Assets IV are oil extraction equipment, with a net book value of approximately RMB6,322,232.26.

The Leased Assets V are oil extraction equipment, with a net book value of approximately RMB5,852,138.60.

The Lessee does 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 Lessee has properly and fully performed all of its obligations under the Finance Lease Agreements, the Lessee is 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 March 15, 2023.

The lease period of the Finance Lease Agreement II is 24 months, which commenced on April 25, 2023.

The lease period of the Finance Lease Agreement III is 24 months, which commenced on June 13, 2023.

The lease period of the Finance Lease Agreement IV is 24 months, which commenced on September 12, 2023.

The lease period of the Finance Lease Agreement V is 24 months, which shall commence on December 13, 2023.

Lease Payment and Method of Payment

Under the Finance Lease Agreements, the respective total lease payment of RMB8,413,909, RMB1,963,023, RMB5,465,799, RMB5,465,650 and RMB3,497,305, included the respective finance lease principal of RMB7,700,000, RMB1,800,000, RMB5,000,000, RMB5,000,000 and RMB3,200,000, and the respective finance lease interest income (inclusive of VAT) of RMB713,909 (calculated based on the interest rate of 8% per annum), RMB163,023 (calculated based on the interest rate of 8% per annum), RMB465,799 (calculated based on the interest rate of 8% per annum), RMB465,650 (calculated based on the interest rate of 8% per annum) and RMB297,305 (calculated based on the interest rate of 8% per annum). The Lessee 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 RMB462,000 (bearing nil interests), RMB108,000 (bearing nil interests), RMB300,000 (bearing nil interests), RMB300,000 (bearing nil interests) and RMB192,000 (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 Lessee 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 one of his associates of the Lessee shall provide joint and several liabilities guarantee for the debts of Lessee under the Finance Lease Agreements respectively.

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 Lessee

Lessee: a limited company incorporated in the PRC, which is principally engaged in petroleum engineering technology development and services.

LISTING RULES IMPLICATIONS

As the transactions under 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 under the Finance Lease Agreement V is less than 5%, while the highest applicable percentage ratio upon aggregation of the Financial Lease Agreements is higher than 5% but less than 25%, the transactions contemplated under the Finance Lease Agreement V 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, the Finance Lease Agreement III, the Finance Lease Agreement IV and the Finance Lease Agreement V
“Finance Lease Agreement I”	the finance lease agreement entered into between the Lessor and Lessee on March 15, 2023
“Finance Lease Agreement II”	the finance lease agreement entered into between the Lessor and Lessee on April 25, 2023
“Finance Lease Agreement III”	the finance lease agreement entered into between the Lessor and Lessee on June 13, 2023
“Finance Lease Agreement IV”	the finance lease agreement entered into between the Lessor and Lessee on September 12, 2023
“Finance Lease Agreement V”	the finance lease agreement entered into between the Lessor and Lessee on December 13, 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, the Leased Assets III, the Leased Assets IV and the Leased Assets V
“Leased Assets I”	oil extraction equipment, with a net book value of approximately RMB16,104,166.19
“Leased Assets II”	oil extraction equipment, with a net book value of approximately RMB4,031,355.72

“Leased Assets III”	oil extraction equipment, with a net book value of approximately RMB9,056,080.83
“Leased Assets IV”	oil extraction equipment, with a net book value of approximately RMB6,322,232.26
“Leased Assets V”	oil extraction equipment, with a net book value of approximately RMB5,852,138.60
“Lessee”	Beijing Yilong Hengye Petroleum Engineering Technology Co., Ltd.* (北京一龍恆業石油工程技術有限公司), a limited company incorporated in the PRC, which is principally engaged in petroleum engineering technology development and services. This company is a subsidiary of Tongyuan Petroleum Technology Group Co., Ltd * (通源石油科技集團股份有限公司), a company listed on Shenzhen Stock Exchange with stock code of 300164
“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, December 13, 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.