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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 FINANCE LEASE TRANSACTION

The Board hereby announces that on December 27, 2023: (i) the Company (as the Lessor) entered into the Finance Lease Agreement XII with the Lessee II, pursuant to which, (i) the Lessor shall acquire the Leased Assets XII owed by the Lessee II at respective transfer consideration of RMB25,000,000; and (ii) the Lessor shall lease the Leased Assets XII back to the Lessee II for terms of 36 months with the total finance lease payment of RMB27,600,001, which shall include finance lease principal of RMB25,000,000 and finance lease interest income (inclusive of VAT) of RMB2,600,001.

Reference is made to the announcement of the Company dated May 18, 2023 in relation to the Finance Lease Agreement IX, the Finance Lease Agreement X and the Finance Lease Agreement XI pursuant to which, among other things, the Company (as Lessor) agreed to: (i) acquire the Leased Assets IX, the Leased Assets X and the Leased Assets XI owned by the Lessee I, the Lessee II and the Lessee III separately at a transfer consideration of RMB7,000,000, RMB18,500,000 and RMB4,500,000; and (ii) lease the Leased Assets IX, the Leased Assets X and the Leased Assets XI back to the Lessee I, Lessee II and Lessee III respectively for a term of 36 months with a total lease payment of RMB7,761,325, RMB20,512,077 and RMB4,989,424, which included a finance lease principal of RMB7,000,000, RMB18,500,000 and RMB4,500,000, and a finance lease interest income (inclusive of VAT) of RMB761,325, RMB2,012,077 and RMB489,424 under the Finance Lease Agreement IX, the Finance Lease Agreement X and the Finance Lease Agreement XI.

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 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 each of the Agreements is less than 5%, while the highest applicable percentage ratio upon aggregation of the Agreements is higher than 5% but less than 25%, the transactions contemplated under the Finance Lease Agreement XII constitute 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 27, 2023: (i) the Company (as the Lessor) entered into the Finance Lease Agreement XII with the Lessee II, pursuant to which, (i) the Lessor shall acquire the Leased Assets XII owed by the Lessee II at respective transfer consideration of RMB25,000,000; and (ii) the Lessor shall lease the Leased Assets XII back to the Lessee II for terms of 36 months with the total finance lease payment of RMB27,600,001, which shall include finance lease principal of RMB25,000,000 and finance lease interest income (inclusive of VAT) of RMB2,600,001.

Reference is made to the announcement of the Company dated May 18, 2023 in relation to the Finance Lease Agreement IX, the Finance Lease Agreement X and the Finance Lease Agreement XI pursuant to which, among other things, the Company (as Lessor) agreed to: (i) acquire the Leased Assets IX, the Leased Assets X and the Leased Assets XI owned by the Lessee I, the Lessee II and the Lessee III separately at a transfer consideration of RMB7,000,000, RMB18,500,000 and RMB4,500,000; and (ii) lease the Leased Assets IX, the Leased Assets X and the Leased Assets XI back to the Lessee I, Lessee II and Lessee III respectively for a term of 36 months with a total lease payment of RMB7,761,325, RMB20,512,077 and RMB4,989,424, which included a finance lease principal of RMB7,000,000, RMB18,500,000 and RMB4,500,000, and a finance lease interest income (inclusive of VAT) of RMB761,325, RMB2,012,077 and RMB489,424 under the Finance Lease Agreement IX, the Finance Lease Agreement X and the Finance Lease Agreement XI.

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 deposit <i>RMB</i>	Total lease payment <i>RMB</i>	Net book value of Leased Assets <i>(Approx.) RMB</i>
Finance Lease Agreement IX	May 18, 2023	May 17, 2026	7,000,000	761,325	700,000	7,761,325	7,003,206.03
Finance Lease Agreement X	May 18, 2023	May 17, 2026	18,500,000	2,012,077	1,850,000	20,512,077	18,697,680.82
Finance Lease Agreement XI	May 18, 2023	May 17, 2026	4,500,000	489,424	450,000	4,989,424	4,555,491.07
Finance Lease Agreement XII	December 27, 2023	December 26, 2026	25,000,000	2,600,001	2,500,000	27,600,001	27,395,281.66
Total			<u>55,000,000</u>	<u>5,862,827</u>	<u>5,500,000</u>	<u>60,862,827</u>	<u>57,651,659.58</u>

THE FINANCE LEASE AGREEMENTS

The principal terms contained in each of the Finance Lease Agreements are substantially similar. The principal terms of the Finance Lease Agreements are as follows:

Parties

Lessor: the Company

Lessee I: a limited liability company established in the PRC, which is principally engaged in the provision of oilfield engineering technical services.

Lessee II: a limited liability company established in the PRC, which is principally engaged in the provision of oil and gas technology development service.

Lessee III: a limited liability company established in the PRC, which is principally engaged in the provision of energy engineering technical service.

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 IX are oil and gas service equipment with a net book value of approximately RMB7,003,206.03.

The Leased Assets X are oil and gas field operation equipment with a net book value of approximately RMB18,697,680.82.

The Leased Assets XI are oil and gas service equipment with a net book value of approximately RMB4,555,491.07.

The Leased Assets XII are drilling business equipment with a net book value of approximately RMB27,395,281.66.

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 Agreements respectively.

Lease Period

The lease period of the Finance Lease Agreement IX is 36 months, which commenced on May 18, 2023.

The lease period of the Finance Lease Agreement X is 36 months, which commenced on May 18, 2023.

The lease period of the Finance Lease Agreement XI is 36 months, which commenced on May 18, 2023.

The lease period of the Finance Lease Agreement XII is 36 months, which shall commence on December 27, 2023.

Lease Payment and Method of Payment

Under the Finance Lease Agreements, the respective total lease payment of RMB7,761,325, RMB20,512,077, RMB4,989,424 and RMB27,600,001 shall include (i) the finance lease principal of RMB7,000,000, RMB18,500,000, RMB4,500,000 and RMB25,000,000, and (ii) the finance lease interest income (inclusive of VAT) of RMB761,325 (calculated based on the interest rate of 6.5% per annum), RMB2,012,077 (calculated based on the interest rate of 6.5% per annum), RMB489,424 (calculated based on the interest rate of 6.5% per annum) and RMB2,600,001 (calculated based on the interest rate of 6.5% 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 respectively.

The terms of the Finance Lease Agreements, including finance lease principals, finance lease interest incomes and other expenses under the Finance Lease Agreements, were determined upon arm's-length negotiation between the Lessees and the Lessor with reference to (i) estimated fair value of the Leased Assets; and (ii) prevailing market prices of the same category of finance lease products in the PRC.

Security Deposits

The Lessees agreed to pay the security deposits for the respective Finance Lease Agreements of RMB700,000 (bearing nil interests), RMB1,850,000 (bearing nil interests), RMB450,000 (bearing nil interests) and RMB2,500,000 (bearing nil interests). When the respective last lease payments of each of the Finance Lease Agreements are due to be paid, the lease payments and other payables under the final payment will automatically be deducted from the related 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:

- (1) the controlling shareholder of the Lessees provides joint and several liabilities guarantee for the debts of the Lessees under the Finance Lease Agreements respectively; and
- (2) the Lessee II provides joint and several liabilities guarantee for the debts of the Lessee I under the Finance Lease Agreement IX and the debts of the Lessee III under the Finance Lease Agreement XI.

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 and the transactions contemplated thereunder 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 were 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 is a limited liability company established in the PRC, which is principally engaged in the provision of oilfield engineering technical services.

Lessee II is a limited liability company established in the PRC, which is principally engaged in the provision of oil and gas technology development service.

Lessee III is a limited liability company established in the PRC, which is principally engaged in the provision of energy engineering technical service.

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 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 each of the Agreements is less than 5%, while the highest applicable percentage ratio upon aggregation of the Agreements is higher than 5% but less than 25%, the transactions contemplated under the Finance Lease Agreement XII constitute 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”	the Finance Lease Agreements
“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 IX, the Finance Lease Agreement X, the Finance Lease Agreement XI and the Finance Lease Agreement XII
“Finance Lease Agreement IX”	the finance lease agreement entered into between the Lessor and the Lessee I on May 18, 2023
“Finance Lease Agreement X”	the finance lease agreement entered into between the Lessor and the Lessee II on May 18, 2023
“Finance Lease Agreement XI”	the finance lease agreement entered into between the Lessor and the Lessee III on May 18, 2023
“Finance Lease Agreement XII”	the finance lease agreement entered into between the Lessor and the Lessee II on December 27, 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 IX, the Leased Assets X, the Leased Assets XI and the Leased Assets XII
“Leased Assets IX”	oil and gas service equipment with a net book value of approximately RMB7,003,206.03
“Leased Assets X”	oil and gas field operation equipment with a net book value of approximately RMB18,697,680.82
“Leased Assets XI”	oil and gas service equipment with a net book value of approximately RMB4,555,491.07
“Leased Assets XII”	drilling business equipment with a net book value of approximately RMB27,395,281.66
“Lessees”	Lessee I, Lessee II and Lessee III
“Lessee I”	Petrotech (Xinjiang) Engineering Co., Ltd* (新疆華油油氣工程有限公司), a limited liability company established in the PRC, which is principally engaged in the provision of oilfield engineering technical services. This company is a subsidiary of SPT Energy Group Inc.* (華油能源集團有限公司), a listed company on the Stock Exchange with stock code of 1251
“Lessee II”	Sinopetroleum Technology Inc.* (北京華油油氣技術開發有限公司), a limited liability company established in the PRC, which is principally engaged in the provision of oil and gas technology development service. This company is a subsidiary of SPT Energy Group Inc.* (華油能源集團有限公司), a company listed on the Stock Exchange with stock code of 1251
“Lessee III”	Xinjiang SPT Engineering Service Co., Ltd* (新疆華油能源工程服務有限公司), a limited liability company established in the PRC, which is principally engaged in the provision of energy engineering technical service. This company is a subsidiary of SPT Energy Group Inc.* (華油能源集團有限公司), a listed company on the Stock Exchange with stock code of 1251
“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 27, 2023

As at the date of this announcement, the Board comprises Mr. HE Rongfeng and Mr. HUANG Wen as executive Directors, Mr. ZHANG Shuqing 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.*