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国银金租

CHINA DEVELOPMENT BANK LEASING

國銀金融租賃股份有限公司*

CHINA DEVELOPMENT BANK FINANCIAL LEASING CO., LTD.*

(A joint stock limited company incorporated in the People's Republic of China)

(Stock Code: 1606)

DISCLOSEABLE TRANSACTION FINANCE LEASE ASSET TRANSFER AGREEMENT

The Board hereby announces that on 27 December 2023 (after trading hours), the Company (as the Asset Transferee) entered into the Asset Transfer Agreement with (i) the Asset Transferor; (ii) the Lessee; (iii) PowerChina Sichuan; and (iv) Sichuan Institute Xindian Materials, pursuant to which the Asset Transferor agreed to transfer the ownership of the Leased Assets, creditor's rights of the rent receivables, all the security interests under the Finance Lease Agreement, and all relevant obligations of the Asset Transferor under the Finance Lease Agreement to the Company. The Company agreed to acquire these Leased Assets and relevant rights, and to pay the transfer consideration of RMB1,500,000,000 in aggregate to the Asset Transferor, PowerChina Sichuan and Sichuan Institute Xindian Materials.

According to Chapter 14 of the Listing Rules, as the highest applicable percentage ratio of the transaction under the Asset Transfer Agreement is higher than 5% but lower than 25%, the transaction constitutes a discloseable transaction of the Company and is subject to the announcement requirement but is exempt from the shareholders' approval requirement under Chapter 14 of the Listing Rules.

ASSET TRANSFER AGREEMENT

The Board hereby announces that on 27 December 2023 (after trading hours), the Company (as the Asset Transferee) entered into the Asset Transfer Agreement with (i) the Asset Transferor; (ii) the Lessee; (iii) PowerChina Sichuan; and (iv) Sichuan Institute Xindian Materials, pursuant to which the Asset Transferor agreed to transfer the ownership of the Leased Assets, creditor's rights of the rent receivables, all the security interests under the Finance Lease Agreement, and all relevant obligations of the Asset Transferor under the Finance Lease Agreement to the Company. The Company agreed to acquire these Leased Assets and relevant rights, and to pay the transfer consideration of RMB1,500,000,000 in aggregate to the Asset Transferor, PowerChina Sichuan and Sichuan Institute Xindian Materials.

* *CHINA DEVELOPMENT BANK FINANCIAL LEASING CO., LTD. is (a) not an authorized institution within the meaning of the Banking Ordinance; (b) not authorized to carry on banking/deposit-taking business in Hong Kong; and (c) not subject to the supervision of the Hong Kong Monetary Authority.*

Details of the Asset Transfer Agreement are summarised as follows:

Date

27 December 2023

Parties

“Asset Transferee”	:	the Company
“Asset Transferor”	:	Power China Leasing Co., Ltd. (中國電建集團租賃有限公司), a state-owned enterprise located in Beijing, the PRC, which is principally engaged in finance lease and other businesses
“Lessee”	:	Hebei Yanxiao Technology Co., Ltd.# (河北研效新能源科技有限責任公司), a company with limited liability located in Hebei Province, the PRC, which is principally engaged in photovoltaic power generation project development and other businesses
“PowerChina Sichuan”	:	PowerChina Sichuan Electric Power Engineering Co., Ltd.# (四川電力設計諮詢有限責任公司), a state-owned enterprise located in Sichuan Province, the PRC, which is principally engaged in power grid planning, power plants, substation engineering and other businesses
“Sichuan Institute Xindian Materials”	:	Sichuan Institute Xindian Materials Co., Ltd.# (四川院新電物資有限責任公司), a state-owned enterprise located in Sichuan Province, the PRC, which is principally engaged in sales of electrical equipment and other businesses

To the best of the Directors’ knowledge, information and belief after having made all reasonable enquiries, each of the Asset Transferor, the Lessee, PowerChina Sichuan, Sichuan Institute Xindian Materials and their ultimate beneficial owners are independent third parties of the Company and its connected persons (as defined in the Listing Rules).

Transfer Target/Leased Assets

The Transfer Target represents the ownership of the Leased Assets, creditor’s rights of the rent receivables, all the security interests under the Finance Lease Agreement, and all relevant obligations of the Asset Transferor under the Finance Lease Agreement. The Leased Assets is a 361.78MW photovoltaic power generation equipment located in Hebei Province, the PRC under the North Zone of Yu County Project. The North Zone of Yu County Project is a photovoltaic power generation project under construction in Hebei Province, the PRC, which is being contracted and constructed by PowerChina Sichuan and Sichuan Institute Xindian Materials. The appraised value of the Transfer Target is approximately RMB1,500,000,000. The Asset Transferor does not separately account for the profit before and after taxation of the Transfer Target.

Lease Period

180 months

Transfer Consideration, Rent Receivables and Method of Payment

The transfer consideration in the aggregate amount of RMB1,500,000,000 will be paid on the Transfer Date, of which (i) the Company, as the Asset Transferee, will pay RMB750,000,000 to the Asset Transferor; and (ii) pay RMB750,000,000 in aggregate to PowerChina Sichuan and Sichuan Institute Xindian Materials.

Rent receivables are the rent with value-added taxes under the Finance Lease Agreement, which are calculated and paid in RMB, and comprised of lease principal and lease interest, of which, the lease principal is of the same amount as the transfer consideration, totaling RMB1,500,000,000; the total amount of lease interest for the lease period is approximately RMB715,000,000. The lease principal and lease interest shall be paid by the Lessee to the Company on a quarterly basis in installments during the lease period.

The terms of the Asset Transfer Agreement (including the transfer consideration) were determined upon arm's length negotiation among the parties of the Asset Transfer Agreement with reference to the appraised value of the Transfer Target, prevailing business practices and the financial position of the transaction counterparty.

Guarantee

Hebei Yangye New Energy Technology Co., Ltd.# (河北陽業新能源科技有限責任公司) undertakes joint liability guarantee in respect of the debt commitment of the Lessee under the Finance Lease Agreement.

REASONS FOR AND BENEFITS OF ENTERING INTO THE ASSET TRANSFER AGREEMENT

The Asset Transfer Agreement is entered into by the Company during its ordinary and usual course of business. Entering into of the Asset Transfer Agreement benefits the Company by increasing the revenue from its finance lease business and is consistent with the Company's business development strategy.

The Directors are of the view that the terms under the Asset Transfer Agreement are fair and reasonable and are in the interests of the Company and the shareholders of the Company as a whole.

INFORMATION OF THE PARTIES

Information of the Company

The Company is a company established in the PRC in 1984 and converted into a joint stock limited company on 28 September 2015. The principal business includes providing comprehensive leasing services to high-quality customers in the fields including aircraft, shipping, regional development, inclusive finance, green energy and high-end equipment manufacturing.

Information of the Asset Transferor

The Asset Transferor is a state-owned enterprise incorporated in the PRC on 30 August 2004 and located in Beijing, the PRC, which is principally engaged in finance lease and other businesses.

Information of the Lessee

The Lessee is a company with limited liability incorporated in the PRC on 14 May 2021 and located in Hebei Province, the PRC, which is principally engaged in photovoltaic power generation project development and other businesses.

Information of PowerChina Sichuan

PowerChina Sichuan is a state-owned enterprise incorporated in the PRC on 6 August 2001 and located in Sichuan Province, the PRC, which is principally engaged in power grid planning, power plants, substation engineering and other businesses.

Information of Sichuan Institute Xindian Materials

Sichuan Institute Xindian Materials is a state-owned enterprise incorporated in the PRC on 7 November 1992 and located in Sichuan Province, the PRC, which is principally engaged in sales of electrical equipment and other businesses.

LISTING RULES IMPLICATIONS

According to Chapter 14 of the Listing Rules, as the highest applicable percentage ratio of the transaction under the Asset Transfer Agreement is higher than 5% but lower than 25%, the transaction constitutes a discloseable transaction of the Company and is subject to the announcement requirement but is exempt from the shareholders' approval requirement under Chapter 14 of the Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions have the following meanings:

“Asset Transfer Agreement”	the asset transfer agreement in respect of the Transfer Target entered into between the Company and the Asset Transferor, the Lessee, PowerChina Sichuan and Sichuan Institute Xindian Materials on 27 December 2023
“Asset Transferor”	Power China Leasing Co., Ltd. (中國電建集團租賃有限公司), the actual controller of which is Power Construction Corporation of China, Ltd. (中國電力建設股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 601669)
“Board”	the board of directors of the Company
“Company” or “Asset Transferee”	China Development Bank Financial Leasing Co., Ltd. (國銀金融租賃股份有限公司), a company established in the PRC in 1984 and converted into a joint stock limited company on 28 September 2015, the H shares of which are listed on the Stock Exchange with stock code of 1606
“Director(s)”	the director(s) of the Company
“Finance Lease Agreement”	the finance lease agreement entered into between the Asset Transferor and Lessee in respect of the Leased Assets on 19 December 2023
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“PowerChina Sichuan”	PowerChina Sichuan Electric Power Engineering Co., Ltd.# (四川電力設計諮詢有限責任公司), the actual controller of which is Power Construction Corporation of China, Ltd. (中國電力建設股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 601669)
“Sichuan Institute Xindian Materials”	Sichuan Institute Xindian Materials Co., Ltd.# (四川院新電物資有限責任公司), the actual controller of which is Power Construction Corporation of China, Ltd. (中國電力建設股份有限公司), a company listed on the Shanghai Stock Exchange (stock code: 601669)

“Leased Assets”	a 361.78MW photovoltaic power generation equipment located in Hebei Province, the PRC under the North Zone of Yu County Project
“Lessee”	Hebei Yanxiao Technology Co., Ltd.# (河北研效新能源科技有 限責任公司), the actual controllers of which are Ms. LUO Yu and Mr. QU Peng
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“North Zone of Yu County Project”	north zone of demonstration project of integration of load and storage between source and network in Yu County
“PRC”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Transfer Target”	the ownership of the Leased Assets, creditor’s rights of the rent receivables, all the security interests under the Finance Lease Agreement, and all relevant obligations of Asset Transferor under the Finance Lease Agreement
“%”	per cent

By order of the Board
CHINA DEVELOPMENT BANK FINANCIAL LEASING CO., LTD.
LIU Yi
Joint Company Secretary

Shenzhen, the PRC
27 December 2023

As at the date of this announcement, the executive directors of the Company are Ms. MA Hong and Mr. JIN Tao; the non-executive directors are Mr. LI Yingbao and Mr. YANG Guifang; and the independent non-executive directors are Mr. LI Haijian, Mr. LIU Ming and Mr. WANG Guiguo.

for identification purpose only