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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 PURCHASE AGREEMENT AND THE FINANCE LEASE TRANSACTIONS

THE PURCHASE AGREEMENT AND THE FINANCE LEASE AGREEMENTS

The Board hereby announces that on December 26, 2023, (i) the Company (as the buyer) entered into the Purchase Agreement with the Supplier and the Lessee II, pursuant to which, the Company shall purchase the Leased Assets III from the Supplier at the total consideration of RMB48,999,000; and (ii) the Company (as the Lessor) entered into the Finance Lease Agreement III with the Lessee II, pursuant to which, among other things, the Company shall lease the Leased Assets III to the Lessee II for a term of 60 months with a total finance lease payment of RMB41,199,304, which shall include a finance lease principal of RMB35,789,000 and a finance lease interest income (inclusive of VAT) of RMB5,410,304.

Reference is made to the announcement of the Company dated August 29, 2023 in relation to the Finance Lease Agreement II. Pursuant to which, (i) the Lessor shall acquire the Leased Assets II owned by the Lessee I at a transfer consideration of RMB43,000,000; and (ii) the Lessor shall lease the Leased Assets II back to the Lessee I for a term of 60 months with a total lease payment of RMB48,238,917, which shall include a finance lease principal of RMB43,000,000 and a finance lease interest income (inclusive of VAT) of RMB5,238,917.

LISTING RULES IMPLICATIONS

As the Supplier and the Lessees are under the common control of the same ultimate beneficial owner, the Supplier and the Lessees are parties connected with one another (as set out under Rule 14.23 of the Listing Rules). As the transactions under the Purchase Agreement and Finance Lease Agreements were entered into during the 12-month period, according to Rule 14.22 of the Listing Rules, the transaction thereunder shall be aggregated as a series of transactions. As the highest applicable percentage ratio upon aggregation of the Purchase Agreement and Finance Lease Agreements is higher than 5% but less than 25%, the transactions contemplated under the Purchase Agreement and 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 December 26, 2023, (i) the Company (as the buyer) entered into the Purchase Agreement with the Supplier and the Lessee II, pursuant to which, the Company shall purchase the Leased Assets III from the Supplier at the total consideration of RMB48,999,000; and (ii) the Company (as the Lessor) entered into the Finance Lease Agreement III with the Lessee II, pursuant to which, among other things, the Company shall lease the Leased Assets III to the Lessee II for a term of 60 months with a total finance lease payment of RMB41,199,304, which shall include a finance lease principal of RMB35,789,000 and a finance lease interest income (inclusive of VAT) of RMB5,410,304.

Reference is made to the Company's announcement dated August 29, 2023 in relation to the Finance Lease Agreement II. Pursuant to which, (i) the Lessor shall acquire the Leased Assets II owned by the Lessee I at a transfer consideration of RMB43,000,000; and (ii) the Lessor shall lease the Leased Assets II back to the Lessee I for a term of 60 months with a total lease payment of RMB48,238,917, which shall include a finance lease principal of RMB43,000,000 and a finance lease interest income (inclusive of VAT) of RMB5,238,917.

THE PURCHASE AGREEMENT

The principal terms of the Purchase Agreements are as follows:

Parties

Buyer: the Company

Supplier: a limited liability company incorporated in the PRC, which is principally engaged in communications infrastructure operations.

Lessee II: a limited liability company incorporated in the PRC, which is principally engaged in communications infrastructure operations.

To the best of the Directors' knowledge, information and belief after having made all reasonable enquiries, the Lessee II and the Supplier and their ultimate beneficial owner are all independent third parties of the Company and its connected persons (as defined in the Listing Rules).

Delivery of the Leased Assets and Payment of Transfer Consideration

The total consideration of RMB48,999,000 shall involve: (i) an initial payment of RMB13,210,000 which shall be paid to the Company by the Lessee II; and (ii) the remaining value of RMB35,789,000 which shall be payable by the Company to the Supplier in a lump sum. The Supplier should deliver all of the Leased Assets III to the Lessee II by December 31, 2023 in accordance to the terms and conditions of the Purchase Agreement.

The remaining value of the total consideration of RMB35,789,000 shall be funded by the Company's internal resources. All the terms of the Purchase Agreement, including the total consideration of RMB48,999,000, were determined upon arm's length negotiation between the parties with reference to prevailing market prices of the Leased Assets III in the same category in the PRC.

The Supplier does not separately calculate the profits before and after tax of the Leased Assets III.

THE FINANCE LEASE AGREEMENTS

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

Parties

Lessor: the Company

Lessee I: a limited liability company incorporated in the PRC on August 21, 2017, which is principally engaged in communications infrastructure operations.

Lessee II: a limited liability company incorporated in the PRC on December 14, 2023, which is principally engaged in communications infrastructure operations.

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 II are related production equipment under the communication base station service business, with a net book value of approximately RMB44,999,193.91.

The Leased Assets III are related production equipment under the communication base station service business, with a fair value of approximately RMB48,999,000.00.

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 its 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.

Lease Period

The lease period of the Finance Lease Agreement II is 60 months, which commenced on August 29, 2023.

The lease period of the Finance Lease Agreement III is 60 months, which shall commence on December 26, 2023.

Lease Payment and Method of Payment

Under the Finance Lease Agreements, the respective total lease payment of RMB48,238,917 and RMB41,199,304, included (i) the respective finance lease principal of RMB43,000,000 and RMB35,789,000, and (ii) the respective finance lease interest income (inclusive of VAT) of RMB5,238,917 (calculated based on the interest rate of 6% per annum) and RMB5,410,304 (calculated based on the interest rate of 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/fair 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 each of the Finance Lease Agreements of RMB4,300,000 and RMB3,936,790 respectively (bearing nil interests). When the last lease payment is 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:

- (1) The ultimate beneficial owner and the legal representative of the Lessees shall provide joint and several liabilities guarantee for the debts of Lessee under the Finance Lease Agreements;
- (2) The Lessee I shall provide joint and several liabilities guarantee for the debts of Lessee II under the Finance Lease Agreements III;
- (3) The Lessee I shall provide pledge of accounts receivable for the Finance Lease Agreements.

REASONS FOR AND BENEFITS OF ENTERING INTO THE PURCHASE AGREEMENT AND THE FINANCE LEASE AGREEMENTS

The Company's principal activities are to provide finance leasing and advisory services to customers. The entering of the Purchase Agreement and 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 Purchase Agreement and 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 Purchase Agreement and the Finance Lease Agreements was entered into under normal commercial terms, the Directors are of the view that the terms under the Purchase Agreement and 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 incorporated in the PRC on August 21, 2017, which is principally engaged in the telecommunications infrastructure operation industry.

Lessee II is a limited liability company incorporated in the PRC on December 14, 2023, which is principally engaged in the telecommunications infrastructure operation industry.

LISTING RULES IMPLICATIONS

As the Supplier and the Lessees are under the common control of the same ultimate beneficial owner, the Supplier and the Lessees are parties connected with one another (as set out under Rule 14.23 of the Listing Rules). As the transactions under the Purchase Agreement and Finance Lease Agreements were entered into during the 12-month period, according to Rule 14.22 of the Listing Rules, the transaction thereunder shall be aggregated as a series of transactions. As the highest applicable percentage ratio upon aggregation of the Purchase Agreement and Finance Lease Agreements is higher than 5% but less than 25%, the transactions contemplated under the Purchase Agreement and 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”	Finance Lease Agreement II and Finance Lease Agreement III
“Finance Lease Agreement II”	the Finance Lease Agreement entered into between the Lessor and Lessee I on August 29, 2023
“Finance Lease Agreement III”	the Finance Lease Agreement entered into between the Lessor and Lessee II on December 26, 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”	Leased Assets II and Leased Assets III
“Leased Assets II”	related production equipment under the communication base station service business, with a book value of approximately RMB44,999,193.91
“Leased Assets III”	related production equipment under the communication base station service business, with a fair value of approximately RMB48,999,000.00
“Lessees”	Lessee I and Lessee II
“Lessee I”	Guangdong Wanjiatong Communication Technology Co., Ltd.* (廣東萬嘉通通信科技有限公司), a limited liability company incorporated in the PRC, which is principally engaged in the telecommunications infrastructure operation industry. The ultimate beneficial owner of the Lessee is CHEN Zhijian* (陳志健)
“Lessee II”	Guangzhou Wanshun Zhongnuo Communication Technology Co., Ltd.* (廣州萬順中諾通信科技有限公司), a limited liability company incorporated in the PRC, which is principally engaged in the telecommunications infrastructure operation industry. The ultimate beneficial owner of the Lessee is CHEN Zhijian* (陳志健)
“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
“Purchase Agreement”	the purchase agreement entered into among the Company, the Supplier and the Lessee II on December 26, 2023
“RMB”	Renminbi, the lawful currency of the PRC
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Supplier” Guangdong Wanjiatong Communication Technology Co., Ltd.* (廣東萬嘉通通信科技有限公司), a limited liability company incorporated in the PRC, which is principally engaged in the telecommunications infrastructure operation industry. The ultimate beneficial owner of the Supplier is CHEN Zhijian* (陳志健)

“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