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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 TRANSACTIONS

FINANCE LEASE AGREEMENTS

The Board hereby announces that on April 16, 2024, the Company (as the Lessor) entered into the Finance Lease Agreement III with the Lessee III, pursuant to which, (i) the Lessor shall acquire the Leased Assets III owned by the Lessee III at a transfer consideration of RMB23,000,000; and (ii) the Lessor shall lease the Leased Assets III back to the Lessee III for a term of 36 months with a total lease payment of RMB25,130,237, which shall include a finance lease principal of RMB23,000,000 and a finance lease interest income (inclusive of VAT) of RMB2,130,237. The Company (as the Lessor) entered into the Finance Lease Agreement IV with the Lessee IV, pursuant to which, (i) the Lessor shall acquire the Leased Assets IV owned by the Lessee IV at a transfer consideration of RMB17,000,000; and (ii) the Lessor shall lease the Leased Assets IV back to the Lessee IV for a term of 36 months with a total lease payment of RMB18,574,522, which shall include a finance lease principal of RMB17,000,000 and a finance lease interest income (inclusive of VAT) of RMB1,574,522.

Within the past 12 months, on June 28, 2023, the Company (as the Lessor) entered into the Finance Lease Agreement I with the Lessee I, pursuant to which, (i) the Lessor shall acquire the Leased Assets I owned by the Lessee I at a transfer consideration of RMB1,500,000; and (ii) the Lessor shall lease the Leased Assets I back to the Lessee I for a term of 36 months with a total lease payment of RMB1,633,643, which shall include a finance lease principal of RMB1,500,000 and a finance lease interest income (inclusive of VAT) of RMB133,643. On June 28, 2024, 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 RMB4,000,000; and (ii) the Lessor shall lease the Leased Assets II back to the Lessee II for a term of 36 months with a total lease payment of RMB4,356,377, which shall include a finance lease principal of RMB4,000,000 and a finance lease interest income (inclusive of VAT) of RMB356,377.

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 upon aggregation of the Finance Lease Agreements is higher than 5% but less than 25%, the transactions contemplated under the Finance Lease Agreement III and the Finance Lease Agreement IV 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 April 16, 2024, the Company (as the Lessor) entered into the Finance Lease Agreement III with the Lessee III, pursuant to which, (i) the Lessor shall acquire the Leased Assets III owned by the Lessee III at a transfer consideration of RMB23,000,000; and (ii) the Lessor shall lease the Leased Assets III back to the Lessee III for a term of 36 months with a total lease payment of RMB25,130,237, which shall include a finance lease principal of RMB23,000,000 and a finance lease interest income (inclusive of VAT) of RMB2,130,237. The Company (as the Lessor) entered into the Finance Lease Agreement IV with the Lessee IV, pursuant to which, (i) the Lessor shall acquire the Leased Assets IV owned by the Lessee IV at a transfer consideration of RMB17,000,000; and (ii) the Lessor shall lease the Leased Assets IV back to the Lessee IV for a term of 36 months with a total lease payment of RMB18,574,522, which shall include a finance lease principal of RMB17,000,000 and a finance lease interest income (inclusive of VAT) of RMB1,574,522.

Within the past 12 months, on June 28, 2023, the Company (as the Lessor) entered into the Finance Lease Agreement I with the Lessee I, pursuant to which, (i) the Lessor shall acquire the Leased Assets I owned by the Lessee I at a transfer consideration of RMB1,500,000; and (ii) the Lessor shall lease the Leased Assets I back to the Lessee I for a term of 36 months with a total lease payment of RMB1,633,643, which shall include a finance lease principal of RMB1,500,000 and a finance lease interest income (inclusive of VAT) of RMB133,643. On June 28, 2024, 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 RMB4,000,000; and (ii) the Lessor shall lease the Leased Assets II back to the Lessee II for a term of 36 months with a total lease payment of RMB4,356,377, which shall include a finance lease principal of RMB4,000,000 and a finance lease interest income (inclusive of VAT) of RMB356,377.

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	Finance lease	Security deposits	Total lease payment	Net book value
			principal amount	interest income (inclusive of VAT)			of Leased Assets
			<i>RMB</i>	<i>RMB</i>	<i>RMB</i>	<i>RMB</i>	<i>(Approx.) RMB</i>
Finance Lease Agreement I	June 28, 2023	June 27, 2026	1,500,000	133,643	150,000	1,633,643	1,502,006.06
Finance Lease Agreement II	June 28, 2023	June 27, 2026	4,000,000	356,377	400,000	4,356,377	4,026,757.36
Finance Lease Agreement III	April 16, 2024	April 15, 2027	23,000,000	2,130,237	2,300,000	25,130,237	23,012,224.43
Finance Lease Agreement IV	April 16, 2024	April 15, 2027	17,000,000	1,574,522	1,700,000	18,574,522	17,083,010.99
Total			<u>45,500,000</u>	<u>4,194,779</u>	<u>4,550,000</u>	<u>49,694,779</u>	<u>45,623,998.84</u>

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, which is principally engaged in the production and sales of building materials.

Lessee II: a limited liability company incorporated in the PRC, which is principally engaged in the production and sales of building materials.

Lessee III: a limited liability company incorporated in the PRC, which is principally engaged in the production and sales of building materials.

Lessee IV: a joint stock limited company incorporated in the PRC, which is principally engaged in the production and sales of building materials.

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 related equipment for paint production and insulation board production, with a net book value of approximately RMB1,502,006.06.

The Leased Assets II are related equipment for paint production, with a net book value of approximately RMB4,026,757.36.

The Leased Assets III are related equipment for paint production, with a net book value of approximately RMB23,012,224.43.

The Leased Assets IV are related equipment for paint production, with a net book value of approximately RMB17,083,010.99.

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 Agreement 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 Agreement, 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 Agreement, upon the expiry of the Finance Lease Agreement.

Lease Period

The lease period of the Finance Lease Agreement I is 36 months, which commenced on June 28, 2023.

The lease period of the Finance Lease Agreement II is 36 months, which commenced on June 28, 2023.

The lease period of the Finance Lease Agreement III is 36 months, which shall commence on April 16, 2024.

The lease period of the Finance Lease Agreement IV is 36 months, which shall commence on April 16, 2024.

Lease Payment and Method of Payment

Under the Finance Lease Agreement I, the total lease payment of RMB1,633,643, included the finance lease principal of RMB1,500,000, and the finance lease interest income (inclusive of VAT) of RMB133,643 (calculated based on the interest rate of 5.9% per annum). The Lessee I 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 Agreement I during the lease period.

Under the Finance Lease Agreement II, the total lease payment of RMB4,356,377, included the finance lease principal of RMB4,000,000, and the finance lease interest income (inclusive of VAT) of RMB356,377 (calculated based on the interest rate of 5.9% per annum). The Lessee II 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 Agreement II during the lease period.

Under the Finance Lease Agreement III, the total lease payment of RMB25,130,237, included the finance lease principal of RMB23,000,000, and the finance lease interest income (inclusive of VAT) of RMB2,130,237 (calculated based on the interest rate of 5.55% per annum). The Lessee III 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 Agreement III during the lease period.

Under the Finance Lease Agreement IV, the total lease payment of RMB18,574,522, included the finance lease principal of RMB17,000,000, and the finance lease interest income (inclusive of VAT) of RMB1,574,522 (calculated based on the interest rate of 5.55% per annum). The Lessee IV 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 Agreement IV 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 RMB150,000 (bearing nil interests), RMB400,000 (bearing nil interests), RMB2,300,000 (bearing nil interests) and RMB1,700,000 (bearing nil interests). When the last lease payment 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 the Finance Lease Agreements are set out below:

The controlling shareholders of the Lessees shall provide joint and several liabilities guarantee for the debts of Lessees respectively under the Finance Lease Agreement I, the Finance Lease Agreement II and the Finance Lease Agreement III;

The two ultimate beneficial owners of the Lessees shall provide joint and several liabilities guarantee for the debts of Lessees respectively 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 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 incorporated in the PRC, which is principally engaged in the production and sales of building materials.

Lessee II is a limited liability company incorporated in the PRC, which is principally engaged in the production and sales of building materials.

Lessee III is a limited liability company incorporated in the PRC, which is principally engaged in the production and sales of building materials.

Lessee IV is a joint stock limited company incorporated in the PRC, which is principally engaged in the production and sales of building materials.

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 upon aggregation of the Finance Lease Agreements is higher than 5% but less than 25%, the transactions contemplated under the Finance Lease Agreement III and the Finance Lease Agreement IV 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 and the Finance Lease Agreement IV
“Finance Lease Agreement I”	the finance lease agreement entered into between the Lessor and Lessee I on June 28, 2023
“Finance Lease Agreement II”	the finance lease agreement entered into between the Lessor and Lessee II on June 28, 2023
“Finance Lease Agreement III”	the finance lease agreement entered into between the Lessor and Lessee III on April 16, 2024
“Finance Lease Agreement IV”	the finance lease agreement entered into between the Lessor and Lessee IV on April 16, 2024
“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 and the Leased Assets IV
“Leased Assets I”	related equipment for paint production and insulation board production, with a net book value of approximately RMB1,502,006.06
“Leased Assets II”	related equipment for paint production, with a net book value of approximately RMB4,026,757.36
“Leased Assets III”	related equipment for paint production, with a net book value of approximately RMB23,012,224.43
“Leased Assets IV”	related equipment for paint production, with a net book value of approximately RMB17,083,010.99
“Lessees”	Lessee I, Lessee II, Lessee III and Lessee IV
“Lessee I”	Xiamen Fosite New Materials Technology Co., Ltd.* (廈門富思特新材料科技有限公司), a limited company incorporated in the PRC, which is principally engaged in the production and sales of building materials. The ultimate beneficial owners of the Lessee are GUO Xiangen* (郭祥恩) and LIU Aibin* (劉愛彬)

“Lessee II”	Chengdu Fushite New Materials Co., Ltd.* (成都富思特新材料有限公司), a limited company incorporated in the PRC, which is principally engaged in the production and sales of building materials. The ultimate beneficial owners of the Lessee are GUO Xiangen* (郭祥恩) and LIU Aibin* (劉愛彬)
“Lessee III”	Hebei Fushite New Building Materials Co., Ltd.* (河北富思特新型建材有限公司), a limited company incorporated in the PRC, which is principally engaged in the production and sales of building materials. The ultimate beneficial owners of the Lessee are GUO Xiangen* (郭祥恩) and LIU Aibin* (劉愛彬)
“Lessee IV”	Fosite New Materials Technology Development Co., Ltd.* (富思特新材料科技發展股份有限公司), a joint stock limited company incorporated in the PRC, which is principally engaged in the production and sales of building materials. The ultimate beneficial owners of the Lessee are GUO Xiangen* (郭祥恩) and LIU Aibin* (劉愛彬)
“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, April 16, 2024

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.