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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
FACTORING AGREEMENT

FACTORING AGREEMENT

The Board hereby announces that on April 29, 2019, the Company entered into the Factoring Agreement with the Factoring Bank, pursuant to which the Company has agreed to transfer the creditor's rights and relevant rights of the undue Lease Receivables under the Finance Lease Agreements, the outstanding lease principal of which is RMB89,137,505, to the Factoring Bank, and the Factoring Bank has agreed to receive such creditor's rights and relevant rights of the Lease Receivables and to provide the Company with factoring facilities of approximately RMB79.46 million and factoring facility services.

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio of the transaction under the Factoring Agreement is higher than 5% but lower than 25%, the transaction under the Factoring Agreement constitutes a discloseable transaction of the Company and is subject to the notification and announcement requirements under Chapter 14 of the Listing Rules.

THE FACTORING AGREEMENT

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The principal terms of the Factoring Agreement are summarized as follows:

Date

April 29, 2020

Parties

- (1) The Company; and
- (2) The Factoring Bank.

After making all reasonable enquiries, to the best of the Directors' knowledge, information and belief, the Factoring Bank and its ultimate beneficial owners are all independent third parties of the Company and its connected persons (as defined under the Listing Rules).

Factoring Facilities

Pursuant to the terms and conditions of the Factoring Agreement, the Factoring Bank will provide factoring facility services for the Lease Receivables with an aggregate factoring facilities of approximately RMB79.46 million to the Company.

Financing Term

The term of the Factoring Agreement will be no less than 10 days but no more than 1,800 days, and the maturity date shall not be later than July 7, 2025.

Type of Factoring

The recourse right is attached. If any lessees to the Finance Lease Agreements fails to fully pay the Lease Receivables within the agreed time limit due to credit issues, the Factoring Bank has recourse for a claim against the Company in respect of the outstanding payment.

Transfer of lease receivables

The Company has agreed to transfer the creditor's rights and relevant rights of the undue Lease Receivables to the Factoring Bank, with the total transfer amount of Lease Receivables of RMB89,137,505. The Factoring Bank has agreed to receive such creditor's rights and relevant rights of the Lease Receivables and provide factoring facility services to the Company. The Company does not separately calculate the profit before and after tax of such Lease Receivables.

Factoring Charge and Interests

The charge for factoring services amounted to approximately RMB89,000. The charge for factoring services shall be paid by the Company to Factoring Bank at the date when the Company receives the factoring facilities. The interest rate applicable to the factoring facilities is 4.75%, being a rate on the facility payment date equivalent to the one to five-year (including five years) benchmark interest rate of loans denominated in RMB as announced by the People's Bank of China for the corresponding facility period. Factoring facilities interest = factoring facilities balance × factoring facilities interest rate × actual occupancy day/360. The amount of the factoring facilities interest is the same as the amount of interest payable by the lessees under the Lease Receivables, and will be paid by the Company to the Factoring Bank upon receipt of the rent paid by the lessees on each rent payment date.

REASONS AND BENEFITS FOR ENTERING INTO THE FACTORING AGREEMENT

The Factoring Agreement is entered into by the Company in the ordinary and usual course of business, and is conducive to giving full play to the advantages of all parties. Entering into the Factoring Agreement is beneficial for the Company to activate its credit assets, accelerate the circulation of its assets, widen its finance channels, and enhance its development strength.

The terms of the Factoring Agreement (including factoring facilities, charge and interests) were reached among all parties after arm's length negotiation, with reference to prevailing commercial practice.

The Directors are of the view that the terms of the Factoring Agreement are on normal commercial terms, are fair and reasonable and in the interests of the Company and its shareholders as a whole.

INFORMATION ABOUT THE PARTIES

Information about 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 about the Factoring Bank

The Factoring Bank is a joint stock bank which is principally engaged in banking and related financial services.

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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
“Factoring Bank”	Bank of Beijing Co., Ltd. Zhongguancun Regional Branch (北京銀行中關村分行), a joint stock bank which is principally engaged in banking and related financial services, and also a branch of Bank of Beijing Co., Ltd, a company listed on Shanghai Stock Exchange (stock code: 601169)
“Factoring Agreement”	the revolving factoring facility agreement entered into by the Company and Factoring Bank on April 29, 2020
“Finance Lease Agreements”	the three finance lease agreements entered into between the Company and (i) a private enterprise located in Beijing, the PRC, in respect of the lease assets such as remote sensing satellite constellation operation service system, the amount of lease receivables thereunder is RMB49.79 million; (ii) a private enterprise located in Guizhou Province, the PRC, in respect of the lease assets such as gas power generation equipment, the amount of lease receivables thereunder is RMB20.45 million, and (iii) a private enterprise located in Shanxi Province, the PRC, in respect of the lease assets of gas power generation equipment, the amount of lease receivables thereunder is RMB18.89 million, respectively
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“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
“Lease Receivables”	the remaining lease rent under the Finance Lease Agreements

“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“PRC”	the People’s Republic of China, which, for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	percent

By order of the Board
Zhongguancun Science-Tech Leasing Co., Ltd.
DUAN Hongwei
Chairman

Beijing, the PRC, April 29, 2020

As at the date of this announcement, the Board comprises Mr. HE Rongfeng and Mr. HUANG Wen as executive Directors, Mr. DUAN Hongwei, Mr. LOU Yixiang, Mr. ZHANG Shuqing and Mr. LI Peng as non-executive Directors, and Mr. CHENG Dongyue, Mr. WU Tak Lung and Ms. LIN Zhen as independent non-executive Directors.