

---

## THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

---

**If you are in any doubt** as to any aspect of this circular or as to the action to be taken, you should consult a stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in Zhongguancun Science-Tech Leasing Co., Ltd., you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

---



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)**

**(1) DISCLOSEABLE AND CONNECTED TRANSACTION –  
ENTERING INTO THE FUND PARTNERSHIP AGREEMENT;  
AND  
(2) NOTICE OF THE 2022 SECOND EXTRAORDINARY GENERAL MEETING**

**The Independent Financial Adviser to the Independent Board Committee  
and the Independent Shareholders**



**軟庫中華**  
SBI China Capital

---

The notice convening the Extraordinary General Meeting of Zhongguancun Science-Tech Leasing Co., Ltd. to be held at Conference Room 617, Floor 6, Suite 7, Courtyard 2, No. 1 West Third Ring North Road, Haidian District, Beijing, the PRC on Tuesday, June 14, 2022 at 9:30 a.m. is set out on pages 62 to 63 of this circular.

The form of proxy for use at the Extraordinary General Meeting is enclosed with this circular and such form of proxy is also published on the websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.zgclease.com](http://www.zgclease.com)). Whether or not you intend to attend the Extraordinary General Meeting, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon not less than 24 hours before the time fixed for the holding of the Extraordinary General Meeting (i.e. before Monday, June 13, 2022, at 9:30 a.m.). Completion and return of the form of proxy will not preclude you from attending the meeting and voting in person if you so wish.

May 19, 2022

---

## CONTENTS

---

	<i>Page</i>
<b>DEFINITIONS</b> .....	1
<b>LETTER FROM THE BOARD</b> .....	5
Introduction .....	5
Discloseable and connected transaction – Entering into the Fund Partnership Agreement. ....	6
Extraordinary General Meeting. ....	22
Closure of register of members .....	23
Voting by poll. ....	23
Recommendation .....	23
Additional information .....	23
<b>LETTER FROM THE INDEPENDENT BOARD COMMITTEE.</b> .....	24
<b>LETTER FROM SBI CHINA CAPITAL HONG KONG SECURITIES LIMITED</b> .....	26
<b>APPENDIX – GENERAL INFORMATION.</b> .....	56
<b>NOTICE OF THE 2022 SECOND EXTRAORDINARY GENERAL MEETING</b> .....	62

---

## DEFINITIONS

---

*In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:*

“Articles of Association”	the articles of association of the Company, as amended from time to time
“associate(s)”	has the meaning ascribed thereto under the Listing Rules
“Beijing ZGC Innofund”	Beijing Zhongguancun Innofund Limited* (北京中諾同創投資基金管理有限公司), a limited company established in the PRC, which is owned as to 39% directly and 0.8405% indirectly by the Company, and owned as to 7.97%, directly and indirectly through its other subsidiaries (excluding the interest through the Company) by ZGC Group. It is principally engaged in fund management, investment management, asset management, equity investment, venture capital
“Board”	the board of directors of the Company
“Chaoyang SCOMC”	Beijing Chaoyang State-owned Capital Operation and Management Company Limited (北京朝陽國有資本運營管理有限公司), a state-owned enterprise established under the laws of the PRC on May 27, 2009 and also a substantial shareholder 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, H Shares of which are listed on the main board of the Stock Exchange
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules
“controlling shareholder(s)”	has the meaning ascribed thereto under the Listing Rules
“Dajia Investment”	Dajia Investment Holding Co., Ltd. * (大家投資控股有限責任公司), a limited company established in the PRC. It is principally engaged in project investment, investment and investment management, asset management, enterprise management, investment consultation, financial consultation, legal consultation, management consultation, property management and project management services
“Director(s)”	the director(s) of the Company
“Domestic Share(s)”	the domestic share(s) with a nominal value of RMB1.00 each in the share capital of the Company, which are subscribed for or credited as fully paid in RMB
“Domestic Shareholder(s)”	the holder(s) of the Domestic Share(s)

---

## DEFINITIONS

---

“EGM” or “Extraordinary General Meeting”	the extraordinary general meeting of the Company to be held on Tuesday, June 14, 2022 at 9:30 a.m. to consider and, if thought fit, to approve the resolutions contained in the notice of the meeting which is set out on pages 62 to 63 of this circular
“Fund”	Beijing ZGC Innofund Prevision Innovation Investment Fund Center (Limited Partnership)* (北京中諾遠見創新投資基金中心 (有限合夥)), a limited partnership established in the PRC pursuant to the Fund Partnership Agreement
“Fund Manager”	the manager of the Fund under the Fund Partnership Agreement, which shall be ZGC Capital
“Fund Partner(s)”	the partner(s) of the Fund from time to time
“Fund Partnership Agreement”	the Fund Partnership Agreement entered into on March 14, 2022 among the Company, ZGC Finance, Dajia Investment, Shanghai Kejing, Beijing ZGC Innofund and Prevision Capital in relation to the formation of the Fund
“Group”	the Company and its subsidiaries
“H Share(s)”	the overseas listed foreign share(s) with a nominal value of RMB1.00 each in the share capital of the Company, which are subscribed for and traded in HK dollars and listed on the Stock Exchange
“H Shareholder(s)”	the holder(s) of the H share(s)
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	an independent board committee (comprising all the independent non-executive Directors) formed to advise the Independent Shareholders in respect of, among other things, the terms of the Fund Partnership Agreement and the transactions contemplated thereon
“Independent Financial Adviser”	SBI China Capital Hong Kong Securities Limited, a corporation licensed to carry out type 6 (advising on corporate finance) regulated activity under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), being the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in respect of, among other things, the terms of the Fund Partnership Agreement and the transactions contemplated thereon

---

## DEFINITIONS

---

“Independent Shareholder(s)”	the Shareholders who are not required to abstain from voting in respect of, among other things, the Fund Partnership Agreement and the transactions contemplated thereon
“Independent Third Parties”	any entity or person who is not a connected person of the Company within the meaning ascribed thereto under the Listing Rules
“Latest Practicable Date”	Friday, May 13, 2022, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Prevision Capital”	Prevision Capital Co., Ltd.* (遠見共創資本管理有限公司), a limited company established in the PRC. It is principally engaged in private equity investment fund management and investment management (except securities investment fund management), equity investment, asset management and investment consultation
“PRC” or “China”	the People’s Republic of China, for the purpose of this circular, excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	collectively, the Domestic Share(s) and the H Share(s)
“Shareholder(s)”	the holder(s) of Share(s)
“Shanghai Kejing”	Shanghai Kejing Business Consulting Partnership* (上海科精商務諮詢合夥企業), a limited partnership established in PRC. It is principally engaged in information consulting services (excluding licensed information consulting services), socio economic advisory services, enterprise management, financial consultation, technology services, technology development, technology consultation, technology exchange, technology transfer and technology promotion, data processing and storage support services, conference and exhibition services, organize cultural and artistic exchange activities, corporate image planning, marketing planning, etiquette service, project planning and public relations services, advertising design and agency, advertising production, and advertising business
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

---

## DEFINITIONS

---

“Supervisor(s)”	the supervisor(s) of the Company
“ZGC Capital”	Beijing Zhongguancun Capital Fund Management Co., Ltd (北京中關村資本基金管理有限公司), a limited company established in the PRC and is a wholly-owned of ZGC Group. It is principally engaged in investment management and consultation of non-securities business
“ZGC Finance”	Beijing Zhongguancun Finance Group Co., Ltd. (北京中關村科技創業金融服務集團有限公司), a company incorporated under the laws of the PRC with limited liability, which is a wholly-owned subsidiary of ZGC Group
“ZGC Group”	Zhongguancun Development Group Co., Ltd. (中關村發展集團股份有限公司), a company incorporated under the laws of the PRC with limited liability and is one of the controlling Shareholders of the Company. The ultimate beneficial owner of which is the People’s Government of Beijing Municipality (北京市人民政府)
“ZGC Investment Center”	Beijing Zhongguancun Development & Investment Center (北京中關村發展投資中心), a company established under the laws of the PRC with limited liability on November 27, 2013 and also one of the controlling shareholders of the Company

\* For identification purpose only

---

## LETTER FROM THE BOARD

---



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)**

*Non-executive Directors:*

Mr. DUAN Hongwei (*Chairman*)  
Mr. LOU Yixiang  
Mr. ZHANG Shuqing  
Mr. DU Yunchao

*Registered Office:*

1610, 16/F  
Building 101 (2-16/F)  
No. 21 Rongda Road  
Chaoyang District, Beijing  
the PRC

*Executive Directors:*

Mr. HE Rongfeng  
Mr. HAUNG Wen

*Headquarters and Principal Place of Business in China:*

Floor 5 & 6, Suite 7, Courtyard 2  
No. 1 West Third Ring North Road  
Haidian District, Beijing  
the PRC

*Independent Non-executive Directors:*

Mr. CHENG Dongyue  
Mr. WU Tak Lung  
Ms. LIN Zhen

*Principal Place of Business in Hong Kong:*

40th Floor, Dah Sing Financial Centre  
No. 248 Queen's Road East  
Wanchai, Hong Kong

*To the Shareholders*

Dear Sir/Madam,

**(1) DISCLOSEABLE AND CONNECTED TRANSACTION –  
ENTERING INTO THE FUND PARTNERSHIP AGREEMENT;  
AND  
(2) NOTICE OF THE 2022 SECOND EXTRAORDINARY GENERAL MEETING**

**INTRODUCTION**

The purpose of this circular is to give you notice of the Extraordinary General Meeting and to provide you with information reasonably necessary to enable you to make informed decision on whether to vote for or against the resolution to be proposed at the Extraordinary General Meeting as described below.

---

## LETTER FROM THE BOARD

---

### DISCLOSEABLE AND CONNECTED TRANSACTION – ENTERING INTO THE FUND PARTNERSHIP AGREEMENT

The Board refers to the announcement dated March 14, 2022 and the supplemental announcement dated March 22, 2022 of the Company in relation to the Fund Partnership Agreement and the transactions contemplated thereunder (including the formation of the Fund).

#### **I. The Fund Partnership Agreement**

On March 14, 2022, the Company has entered into the Fund Partnership Agreement with the Fund Partners in relation to the formation and the operation of the Fund with the registered capital of RMB500 million (equivalent to approximately HK\$616,431,600.75), of which RMB200 million (equivalent to approximately HK\$246,572,640.30), representing 40% of the total committed capital contribution of the Fund, shall be subscribed by the Company.

As the Company will not have control over the management of the Fund, the Fund will be accounted for as an associate instead of a subsidiary of the Company and the financial results of the Fund will not be consolidated in the Group's consolidated financial statement.

The Fund will be principally engaged in private equity investments in the Company's leading customers in PRC, which have supported and obtained warrants by the Company through debt plans such as finance lease, or with well-established business model and stable cash flow and being "specialized, refined, differentiated, and innovative".

The principal terms of the Fund Partnership Agreement are as follows:

#### ***Date***

March 14, 2022

#### ***Name of the Fund***

Beijing ZGC Innofund Prevision Innovation Investment Fund Center (Limited Partnership)\*  
(北京中諾遠見創新投資基金中心(有限合夥))



---

## LETTER FROM THE BOARD

---

### *Parties*

- 1) Beijing ZGC Innofund (as a general partner and executive partner);
- 2) Prevision Capital (as a general partner and executive partner);
- 3) Dajia Investment (as a limited partner);
- 4) the Company (as a limited partner);
- 5) ZGC Finance (a connected person of the Company, as a limited partner); and
- 6) Shanghai Kejing (as a limited partner)

Beijing ZGC Innofund is owned as to 39% directly and 0.8405% indirectly by the Company, and owned as to 7.97%, directly and indirectly through its other subsidiaries (excluding the interest through the Company) by ZGC Group. Save for the aforesaid disclosure, to the best of the Director's knowledge, information and belief having made all reasonable enquiries, each of Prevision Capital, Dajia Investment and Shanghai Kejing and their respective ultimate beneficial owners are Independent Third Parties.

### *Term of the Fund*

The initial duration of the Fund will be five years commencing from the date on which the business license for the Fund is obtained. The business license for the Fund was obtained on May 6, 2022. The two years commencing from the date on which the business license is obtained shall be the investment period of the Fund (the "**Investment Period**"). The three years commencing from the expiration of the Investment Period shall be the withdrawal period of the Fund (the "**Withdrawal Period**"). Upon unanimous consent of all Fund Partners, the Withdrawal Period may be extended for no more than one year, and may be extended by not more than two times.

---

## LETTER FROM THE BOARD

---

### *Size of the Fund and Capital contribution*

The registered capital of the Fund is RMB500 million. The respective capital commitment in RMB payable by each of the Fund Partners are as follows:

Partner	Type	Capital Contribution	Percentage
Beijing ZGC Innofund	General Partner	RMB3,500,000	0.70%
Prevision Capital	General Partner	RMB1,500,000	0.30%
Dajia Investment	Limited Partner	RMB242,000,000	48.40%
The Company	Limited Partner	RMB200,000,000	40.00%
ZGC Finance	Limited Partner	RMB50,000,000	10.00%
Shanghai Kejing	Limited Partner	RMB3,000,000	0.60%

The total amount of capital contribution to be made by each Fund Partner to the Fund was arrived with reference to, among others, the capital needs of the Fund after arm's length negotiation by the Fund Partners.

The capital contribution shall be payable by each of the Fund Partners in three installments within 24-month from the date of which the business license for the Fund is obtained and, unless otherwise agreed, in the following manner:

- (1) The first installment, representing 40% of each of the Fund Partner's capital contribution, shall be payable within 10 working days from receiving the payment notice issued by the Fund Manager and Beijing ZGC Innofund ("**First Installment Payment Due Date**"). If 40% of the total capital contribution of any Fund Partner shall be less than RMB1,000,000, the first installment payable shall be RMB1,000,000;
- (2) The second installment, representing 30% of each of the Fund Partner's capital contribution, shall be payable within 12 months from the First Installment Payment Due Date and within 30 working days from receiving the payment notice issued by the Fund Manager and Beijing ZGC Innofund ("**Second Installment Payment Due Date**"). For Fund Partners which have paid RMB1,000,000 as the first installment, the second installment shall be of the amount that, when summed up with the first installment, represents 70% of its total capital contribution; and
- (3) The third installment, representing the remaining 30% of each of the Fund Partner's capital contribution, shall be payable within 6 months from the Second Installment Payment Due Date and within 30 working days from receiving the payment notice issued by the Fund Manager and Beijing ZGC Innofund.

---

## LETTER FROM THE BOARD

---

### ***Background and Relevant Experience in Fund Management of the General Partners and the Fund Manager***

Beijing ZGC Innofund and Prevision Capital shall act as the general partner and executive partner of the Fund. ZGC Capital shall be appointed as the Fund Manager of the Fund.

Beijing ZGC Innofund, established on 23 April 2019, is principally engaged in fund management, investment management, asset management, equity investment and venture capital. Beijing ZGC Innofund is managed by a team of professional investors with ample experience in investing new and emerging industries including AI manufacturing, advanced manufacturing, new energy, medicine and medical devices etc. Beijing ZGC Innofund currently manages the Jiangsu Zhongguancun Zhongnuo Xietong Investment Fund (Limited Partnership) (江蘇中關村中諾協同投資基金合夥企業(有限合夥)) (the “**Xietong Fund**”), which is still within the investment period and is aimed at investing into new and high technology industries. As at the Latest Practicable Date, the Xietong Fund has invested in various enterprises of specialized and hi-technology industry such as new generation information technology, life technology, energy and environmental protection, advanced device manufacturing and digital content creation. The profile and investment track record of Beijing ZGC Innofund team demonstrated that it has the relevant experience as being one of the executive partners of the Fund and is suited to oversee the fulfilment of the purposes and objectives of the Fund.

Prevision Capital, established on 26 October 2018, is principally engaged in private equity investment fund management and investment management (except securities investment fund management), equity investment, asset management and investment consultation. Prevision Capital is managed by a team of professionals with investment, legal compliance and management background. Prevision Capital has substantial experience in private equity investment and management. Since 2019, it has been the executive partner of 4 limited partnership funds established in the PRC, and acted as the fund manager in 3 of them, with registered capital ranging from RMB1.5 billion to RMB20 billion, and with investment targets ranging from real estate to industry and commerce corporations.

ZGC Capital, established on October 17, 2016, is principally engaged in investment management in private equity funds and venture capital funds. ZGC Capital is managed by a team of professionals with investment, risk management, legal and management background. As at the end of the fourth quarter of 2020, ZGC Capital has acted as the fund manager of 5 FOF (Fund of Funds), which has in turn invested in over 80 sub-funds; ZGC Capital has also acted as the fund manager of 7 direct investment funds. The funds and enterprises managed and/or invested by ZGC Capital engages in a wide range of industry, including advanced manufacturing, new generation information technology, biotechnology, medical technology etc., 92 of which have been listed on the stock exchange in the PRC or overseas.

The synergy of the investment experience and management track record of Beijing ZGC Innofund and Prevision Capital as executive partners of the Fund, and ZGC Capital as the Fund Manager, would promote the collaborative success of the management team of the Fund in fulfilling its investment objectives in the industries to be invested by the Fund.

---

## LETTER FROM THE BOARD

---

### ***Purposes and Objectives of the Fund***

The Fund shall be principally engaged in private equity investments in the Company's finance lease customers which are:

- (1) strategic emerging industry enterprises including advanced manufacturing (which encompasses robotics, industry 4.0, chips, aerospace, new materials, unmanned driving, etc.), new generation information technology (which encompasses cloud services, network security, big data, etc.), and life technology (which encompasses medical robots, medical devices, diagnosis and treatment, health services) in the PRC; or
- (2) with well-established business model and stable cash flow and being specialized, refined, differentiated and innovative leading enterprises in the PRC.

### ***Investment Mandate of the Fund***

Pursuant to the Fund Partnership Agreement, the investment decisions shall be performed by the investment committee of the Fund.

In determining the size of investment, the accumulative investments amount by the Fund to each investment target shall not exceed 25% of its registered capital, and each tranche of investment shall not exceed 10% of its registered capital. The investment decisions shall also be made with regard to the Investment Period and Withdrawal Period of the Fund, which has been disclosed under the section headed "Term of the Fund" in this circular.

In determining whether a corporation is a leading enterprise with "well-established business model and stable cash flow and being specialized, refined, differentiated and innovative" in the PRC and eligible as the Fund's investment target, reference shall be made by the investment committee to the "Plan for Promoting the Development of SMEs (2016-2020)"《促進中小企業發展規劃(2016-2020)》issued by the Ministry of Industry and Information Technology of the PRC which promotes and support the "specialized, refined, differentiated and innovative" industry development, and characterized such technologically advanced businesses as enterprises which are principally engaged in the development and manufacturing of core and advanced equipment and parts, technology and material, with an aim to strengthen the key stages of domestic supply chain, and to strengthen the creation of innovative products which promotes the in-depth integration of new technology and the real economy. Consideration shall also be made by the investment committee of the Fund to due diligence reports and industry performance benchmark, on a project-by-project basis, in selecting technologically advanced enterprises with well-established business model and stable cash flow.

The investment committee will also make reference to the provincial policies with regard to the "specialized, refined, differentiated and innovative" for the qualitative and quantitative, criteria, if any, in forming investment decisions.

---

## LETTER FROM THE BOARD

---

In view of the description of “specialized, refined, differentiated and innovative” enterprise as set out in the “Plan for Promoting the Development of SMEs (2016-2020)” and the investment targets of the fund, as disclosed under the section “Purposes and Objectives of the Fund”, the Fund will focus on investing in SMEs from strategic emerging and technologically advanced industries. In the meantime, the Fund has identified several SMEs in the following industries as investment target:

- (1) Solution provider of advanced compressed-air energy storage;
- (2) Enterprise engaged in research, production and testing of small aircraft engines, ground combustion engines and their ancillary equipment;
- (3) Enterprise specialized in automated driving in ports;
- (4) Manufacturer of aerogel, battery barrier sheet and insulation felt; and
- (5) Dairy company specialized in the development, production and marketing of cheese.

### ***Roles and Responsibilities of the Executive Partners and Fund Manager***

Pursuant to the Fund Partnership Agreement, the Fund Manager, being a registered private equity fund manager of the Asset Management Association of China (中國證券投資基金業協會), shall be appointed by the Fund. The management and supervision of the operation of the Fund is jointly undertaken by the executive partners of the Fund and the Fund Manager. Their respective roles and responsibilities are as follows:

- (i) Executive Partners of the Fund shall be responsible for the day to day operation of the Fund, including convening partner’s meeting, executing decisions of the investment committee of the Fund and the resolutions of the meeting of partners, keeping of official stamp of the Fund, and representing the Fund in the external affairs such as executing agreements. Of the executive Partners, Beijing ZGC Innofund shall be responsible for proactively taking part in the day to day operation of the Fund while Prevision Capital shall assume a supervision role;
- (ii) Fund Manager shall be responsible for the managing the Fund in accordance with a fund management agreement to be entered into between the Fund and the Fund Manager, pursuant to which, the Fund Manager shall be responsible for the compliance any disclosure obligations of the Fund, and to appoint a qualified institution to effect supervision on the Fund’s supervision account and oversee the collection, settlement and distribution of investment fund and return, settlement of fund withdrawal payment, and distribution of assets upon liquidation of the fund.

---

## LETTER FROM THE BOARD

---

### ***Management fee and annual partnership execution fee of the Fund***

ZGC Capital shall be the Fund Manager and entitled to the management fee payable yearly. Beijing ZGC Innofund, being the executive partner of the Fund shall be responsible for the operation of investment and administration of the Fund and therefore shall be entitled to an annual partnership execution fee payable yearly.

During the Investment Period, the annual management fee shall be calculated at a rate of 0.3% of the subscribed capital contribution of the Fund; during the Withdrawal Period, the annual management fee shall be calculated at a rate of 0.3% of the balance of the total paid-in capital of the Fund after deducting the paid-in capital contribution actually recovered by the Fund Partners.

During the Investment Period, Beijing ZGC Innofund as one of the executive partners and responsible for proactively taking part in the operation of the Fund, shall charge an annual partnership execution fee, which is calculated at a rate of 1.2% of the subscribed capital contribution of the Fund; during the Withdrawal Period, the annual partnership execution fee charged by Beijing ZGC Innofund is calculated at a rate of 1.2% of the balance of the total paid-in capital of the Fund after deducting the paid-in capital contribution actually recovered by the Fund Partners. Prevision Capital shall not charge any annual partnership execution fee for being an executive partner of the Fund as it shall assume a supervision role in the operation of the Fund.

### ***Investment Committee***

An investment committee shall comprise of five members to be employed by the Fund, of which two members will be nominated by each of the executive partners and one member will be nominated by the Fund Manager. Other limited partners of the Fund shall have the right to recommend observers to attend the meetings of the investment committee, but shall not have the right to vote.

---

## LETTER FROM THE BOARD

---

The initial members of the investment committee shall be:

Member	Experience
Mr. Duan Hongwei (段宏偉)	<p>Mr. Duan is nominated by ZGC Capital.</p> <p>Mr. Duan is the chairman of the Board and non-executive Director of the Company and has been serving as an executive Director and the general manager of ZGC Finance. From April 2005 to October 2010, he served in several positions in the Administrative Committee of Zhongguancun Science Park (中關村科技園區管理委員會), including the director of the industry development department and the director of the finance department.</p> <p>As Mr. Duan served in the Administrative Committee of Zhongguancun Science Park, which is the controlling shareholder of ZGC Group, and ZGC Capital and ZGC Finance are wholly-owned subsidiaries of ZGC Group, Mr. Duan is deeply trusted by ZGC Group and ZGC Capital. Moreover, Mr. Duan is familiar with the innovation and entrepreneurship policies of Beijing and Zhongguancun, has rich resources in the Zhongguancun venture capital circle, and is qualified to serve as a member of the investment committee.</p> <p>Mr. Duan graduated from Zhejiang University (浙江大學) with a bachelor's degree in engineering in July 1985. He obtained a master's degree in engineering from Tsinghua University (清華大學) in September 2003. He studied at China Europe International Business School (中歐國際工商學院) from September 2004 to September 2006 and obtained a degree of EMBA. He obtained the certificate of senior engineer granted by Beijing Senior Professional Technical Position Review Committee (北京市高級專業技術職務評審委員會) in October 1997.</p> <p>Investment cases: Poten Enviro Group Co., Ltd.* (博天環境集團股份有限公司) (603603. SH), Beijing Tianyishangjia High-tech Material Co., Ltd.* (北京天宜上佳高新材料股份有限公司) (688033. SH), Beijing Yubang Power Technology Co., Ltd.* (北京煜邦電力技術股份有限公司), etc.</p>

---

## LETTER FROM THE BOARD

---

Mr. He Rongfeng  
(何融峰)

Mr. He is nominated by Beijing ZGC Innofund.

Mr. He is an executive Director and the general manager of the Company and has around 15 years of experience in finance leasing and corporate management. He has been serving as a director of Beijing ZGC Innofund since April 2019 and participated in the daily operation and management of Beijing ZGC Innofund. He has also served as a director of Beijing Zhongguancun Synergetic Innovation Investment Fund Management Co., Ltd. (北京中關村協同創新投資基金管理有限公司) since July 2016.

As an executive Director and general manager of the Company, Mr. He has a good understanding of the customer resources of the Fund.

Mr. He graduated from Xiangtan University (湘潭大學), majoring in mechanical engineering, and obtained a bachelor's degree in engineering in June 1990.

Investment cases: Beijing Yidiantao Network Technology Co., Ltd.\* (北京易點淘網絡技術有限公司), Beijing Chuxin Technology Co., Ltd.\* (北京廚芯科技有限公司), Hubei Topgene Biotechnology Co., Ltd.\* (湖北天勤生物科技股份有限公司), Jiangxi Bestoo Energy Co., Ltd.\* (江西百通能源股份有限公司), etc.



---

## LETTER FROM THE BOARD

---

Li Zhu (李竹)

Mr. Li is nominated by Beijing ZGC Innofund.

Since April 2019, Mr. Li has been a shareholder (indirectly holding 10.9% shares) and a director of Beijing ZGC Innofund and participated in the daily operation and management of Beijing ZGC Innofund.

Mr. Li is also a founding partner of Innoangel Fund\* (英諾天使基金) and a continuous entrepreneur, focusing on investment in new energy, new generation information technology, life technology and other fields. From 2000, he started personal investment and participated in more than 300 investment projects, and many investment projects were listed and exited by mergers and acquisitions. He is currently the founding president of TMT Special Committee of Tsinghua Alumni Association\* (清華校友總會TMT專委會), the honorary president of China Angel Federation\* (中國天使聯合匯) and the honorary president of Zhongguancun Angel Investment Alliance\* (中關村天使投資聯盟). He has been rated as “top ten early investors in China” by Zero2IPO Research Center\* (清科研究中心) for years, as “leader of Zhongguancun angel investment” and CCTV’s most popular “top ten investors in China in 2019”.

Mr. Li has very rich investment experience, especially in the fields of new energy, new generation information technology, life technology etc.

Mr. Li graduated from department of computer science of Tsinghua University (清華大學) in 1989.

Investment cases: Meituan (美團) (3690.HK), Youzu Network Co., Ltd.\* (遊族網絡股份有限公司) (002174.SZ), Guangdong Desheng Technology Co., Ltd.\* (廣東德生科技股份有限公司) (002908.SZ), Infervision Medical Technology Co., Ltd.\* (推想醫療科技股份有限公司), Beijing Insights Value Technology Co., Ltd.\* (北京英視睿達科技有限公司), Hercules Microelectronics (Beijing) Technology Co., Ltd.\* (京微齊力(北京)科技有限公司), Netstars Co. Ltd., Beijing Real AI Technology Co., Ltd.\* (北京瑞萊智慧科技有限公司), Beijing Aqrose Technology Co., Ltd.\* (北京阿丘科技有限公司), Beijing Bizseer Technology Co., Ltd.\* (北京必示科技有限公司), Lingxi (Beijing) Technology Co., Ltd.\* (零犀(北京)科技有限公司), Beijing Cyto Niche Biotechnology Co., Ltd.\* (北京華龕生物科技有限公司), etc.

---

## LETTER FROM THE BOARD

---

Ms. Liu Na (劉娜)

Ms. Liu is nominated by Prevision Capital.

Ms. Liu has worked in financial regulatory authorities for more than 17 years and successively served as the assistant to the general manager of Fuwah International Group Co., Ltd. (富華國際集團有限公司), the deputy general manager of Sino-Ocean Bangbang Real Estate Co., Ltd. (遠洋邦邦置業有限公司) and the deputy general manager of Dajia Investment. Since October 2018, Ms. Liu has been the deputy general manager of Prevision Capital.

Ms. Liu graduated from Renmin University of China (中國人民大學) with a bachelor's degree of Science and Technology Archives, and she obtained a master's degree of Finance and Insurance from Central University of Finance and Economics (中央財經大學) and a master's degree of Advanced Public Administration and Management from National University of Singapore (新加坡國立大學).

Ms. Liu is familiar with financial and insurance regulatory policies and the rules for the use of insurance funds, investment and financing management of real estate, as well as the establishment and operation of private equity funds. Ms. Liu led the team to invest in successful projects such as Ant Group Co., Ltd. (螞蟻科技集團股份有限公司), C-MER Eye Care Holdings Limited (希瑪眼科醫療控股有限公司) (3309.HK), and Qingdao Bestone Payment Co., Ltd. \* (青島百森通支付有限公司).

---

## LETTER FROM THE BOARD

---

Tang Peiran (唐沛然)

Mr. Tang is nominated by Prevision Capital.

Mr. Tang has 9 years of experience in real estate equity investment, asset management and fund management. Since October 2021, Mr. Tang has been the investment director of Prevision Capital. Mr. Tang is also currently the investment director of Dajia Investment and has served as the team leader of the real estate investment department of China Life Investment Management Co., Ltd.\* (國壽投資保險資產管理有限公司), an analyst of the fund and investment department, director of the investment and asset management department of CapitaLand Limited\* (凱德集團有限公司).

Mr. Tang, Master of Real Estate Investment and Finance from the School of Architecture, University of Hong Kong (香港大學). Mr. Tang is a CFA (Chartered Financial Analyst) and qualified Fund Practitioners.

The projects that Mr. Tang has led the investment or exit include the project of Shenzhen OCT tower\* (深圳華僑城大廈), the project of Xi'an national life financial center\* (西安國壽金融中心), and the project of Boston comprehensive development\* (美國波士頓綜合開發) and etc.

The investment committee implements the voting mechanism of “one person, one vote, equal voting rights” for the matters which shall be resolved by the investment committee’s investment decision-making power. For projects with an initial investment of RMB30 million or under, the resolution made by the investment committee must be approved by four or more members. Other matters requiring decision-making by the investment committee shall be approved only with the unanimous consent of all members.

### ***Restriction on transfer***

During the duration of the Fund, Dajia Investment, Shanghai Kejing and Prevision Capital have the right to transfer part or all of their interests in the Fund to third parties. With the unanimous consent of all Fund Partners, the Company, Beijing ZGC Innofund and ZGC Finance may transfer part or all of their interests in the Fund to third parties.

---

## LETTER FROM THE BOARD

---

### ***Profit distribution and loss sharing***

Any distributable income from any investment project of the Fund shall generally be distributed in the following order:

1. Repayment of paid-in capital contribution to limited partners, the order is Dajia Investment, Shanghai Kejing, the Company and ZGC Finance, among them, the Company and ZGC Finance shall be returned at the same time according to the proportion of paid-in-capital contribution;
2. Payment of preferred return to limited partners until each limited partner obtains an annual rate of return of 9% to their respective paid-in capital contribution, the order is Dajia Investment, Shanghai Kejing, the Company and ZGC Finance, among them, the Company and ZGC Finance shall be returned at the same time according to the proportion of paid-in-capital contribution;
3. Repayment of paid-in capital contribution to general partners, the order is Prevision Capital and Beijing ZGC Innofund;
4. Payment of preferred return to general partners until each general partner obtains an annual rate of return of 9% to their respective paid-in capital contribution, the order is Prevision Capital and Beijing ZGC Innofund; and
5. For the remaining distributable income, 80% shall be distributed to limited partners, of which 60% is distributed to the Company and ZGC Finance according to the relative proportion of paid-in-capital contribution, and 40% is distributed to Dajia Investment and Shanghai Kejing according to the relative proportion of paid-in-capital contribution; and 20% shall be distributed to general partners, of which 0.6% is distributed to Shanghai Kejing as the management reward, and 99.4% is distributed to Beijing ZGC Innofund and Prevision Capital in the proportion of 70:30.

### ***Conditions Precedent***

The Fund Partnership Agreement shall become effective upon the approval from the general meeting of the Company having been obtained. Other conditions precedent, namely, (i) the completion of the respective internal approval procedures and sealing of the Fund Partnership Agreement by the Fund Partners (who are not natural persons) and (ii) the execution of the Fund Partnership Agreement by all Fund Partners had been satisfied as at the Latest Practicable Date.

---

## LETTER FROM THE BOARD

---

### **II. Reasons for and benefits of the transaction**

“Leasing-based Equity Investment” is an important strategic path to enhance the Company’s competitive advantage. In order to further enhance the Company’s competitive advantage and improve the ability to obtain and serve the Company’s high-quality customers, the Company sets up the Fund to meet the growing needs of the Company’s customers for equity financing products and optimize the customers’ financing structure on the one hand; and to identify potential customers through equity investment to form finance lease reserve, creating a favorable situation in which the leasing and the investment business of the Company could promote and support each other on the other hand.

The investment in the Fund by the Company is to be made with the internal resources of the Company. The Directors confirmed that the investment would not impact the daily operation of the Company’s principal business.

The terms of the Fund Partnership Agreement are made after arm’s length negotiation among the parties. The Directors (excluding the independent non-executive Directors who have formed the Independent Board Committee and whose views will be given after taking into account the advice of the Independent Financial Adviser) consider that the terms of the Fund Partnership Agreement are on normal commercial terms and fair and reasonable, and transactions contemplated under the Fund Partnership Agreement is in the interests of the Company and the Shareholders as a whole.

### **III. Listing rules implications**

As one or more of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the Fund Partnership Agreement exceed 5% and are less than 25%, the entering into of the Fund Partnership Agreement and the transactions contemplated thereunder (including the formation of the Fund) constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

As at the date of this circular, each of ZGC Finance and ZGC Capital are wholly-owned subsidiaries of ZGC Group. ZGC Group, directly and indirectly through ZGC Finance, held approximately 48% of the issued share capital of the Company. ZGC Group and its associates are connected persons of the Company. Accordingly, the entering into of the Fund Partnership Agreement and the transactions contemplated thereunder (including the formation of the Fund) constitute a connected transaction of the Company and is subject to the reporting, announcement and Independent Shareholders’ approval requirements under Chapter 14A of the Listing Rules.

The Independent Board Committee comprising all independent non-executive Directors has been established to advise the Independent Shareholders as to whether the Fund Partnership Agreement are on normal commercial terms, are fair and reasonable and in the interests of the Company and the Shareholders as a whole. The Independent Financial Adviser has been appointed by the Company to advise the Independent Board Committee and the Independent Shareholders in this regard.

---

## LETTER FROM THE BOARD

---

### IV. Information of the parties to the Fund Partnership Agreement

#### ***Information on 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 ZGC Group, 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 on ZGC Finance***

ZGC Finance is a limited company established in the PRC and is a wholly-owned subsidiary of ZGC Group. It is principally engaged in asset management, investment management, venture capital, economic contract guarantee (excluding financing guarantee).

#### ***Information on Beijing ZGC Innofund***

Beijing ZGC Innofund is a limited company established in the PRC. It is owned as to 39% directly and 0.8405% indirectly by the Company, and owned as to 7.97%, directly and indirectly through its other subsidiaries (excluding the interest through the Company) by ZGC Group; and as to 41% by Tianjin Zhongguancun Innofund Management Consulting Co., Ltd\* (天津中諾同創管理諮詢有限責任公司) and as to 10% by Beijing Houdewenhua Investment Consulting Co., Ltd\* (北京厚德文華投資諮詢有限公司) each of its ultimate beneficial owners are Independent Third Parties. Tianjin Zhongguancun Innofund Management Consulting Co., Ltd is owned as to 51% by Mr. Ren Yanhao (任彥浩). Mr. Ren is mainly engaged in investment work. Beijing ZGC Innofund is principally engaged in fund management, investment management, asset management, equity investment, venture capital.

#### ***Information on ZGC Capital***

ZGC Capital is a limited company established in the PRC and is a wholly-owned of ZGC Group. It is principally engaged in investment management and consultation of non securities business (shall not engage in the following businesses: 1. issuing loans; 2. publicly trading securities investment or financial derivatives; 3. raising funds in public; 4. providing guarantees to enterprises other than the invested enterprises).

---

## LETTER FROM THE BOARD

---

### ***Information on Prevision Capital***

Prevision Capital is a limited company established in the PRC. It is principally engaged in private equity investment fund management and investment management (except securities investment fund management), equity investment, asset management and investment consultation. Prevision Capital is owned as to 40% by Dajia Assets Management Co., Ltd\* (大家資產管理有限責任公司) (“**Dajia Assets**”) and as to 30% by Dajia Investment. Prevision Capital is also owned as to 20% by Dajia Real Estate Co. Ltd\* (大家置業有限公司) (“**Dajia Real Estate**”), which is wholly-owned by Dajia Investment, and as to 10% by Haikou Prevision Field Enterprise Management Partnership (Limited Partnership)\* (海口遠見領域企業管理合夥企業(有限合夥)), which is in turn owned as to 91.67% by Dajia Real Estate and indirectly owned as to 8.33% by Ms. Liu Na (劉娜). Dajia Assets and Dajia Investment are both wholly-owned by Dajia Life Insurance Co. Ltd\* (大家人壽保險股份有限公司), which is in turn indirectly owned as to 98.2% by the Ministry of Finance of the PRC.

### ***Information on Dajia Investment***

Dajia Investment is a limited company established in the PRC. It is principally engaged in project investment, investment and investment management, asset management, enterprise management, investment consultation, financial consultation, legal consultation, management consultation, property management and project management services.

### ***Information on Shanghai Kejing***

Shanghai Kejing Business Consulting Partnership is a limited partnership established in PRC. It is principally engaged in information consulting services (excluding licensed information consulting services), socio economic advisory services, enterprise management, financial consultation, technology services, technology development, technology consultation, technology exchange, technology transfer and technology promotion, data processing and storage support services, conference and exhibition services, organize cultural and artistic exchange activities, corporate image planning, marketing planning, etiquette service, project planning and public relations services, advertising design and agency, advertising production, and advertising business. Shanghai Kejing, being a limited partnership established in the PRC, is an employee investment platform established by the employees of Dajia Investment. The main purpose of Shanghai Kejing is to provide a platform for the employees of Dajia Investment to participate in the investment the Fund. Shanghai Kejing is held as to 33% by Tang Peiran (唐沛然), Zhang Jian (張健), Chen Ping (陳平) respectively, and its executive partner is Kong Weimao (孔維懋). Mr. Tang, Mr. Zhang and Mr. Chen are engaged in the insurance industry.

---

## LETTER FROM THE BOARD

---

### **V. Approval by the Board**

Among the Directors, (i) Mr. DUAN Hongwei holds directorship in several subsidiaries of ZGC Group (other than the Company), (ii) Mr. LOU Yixiang is a director of the capital operation department of ZGC Group and also holds directorship in several subsidiaries of ZGC Group (other than the Company), (iii) Mr. ZHANG Shuqing is the executive deputy general manager of ZGC Finance and also holds directorship in several subsidiaries of ZGC Group (other than the Company), and (iv) Mr. HE Rongfeng holds directorship in one subsidiary of ZGC Group (other than the Company), and accordingly they are considered to have material interests in the transactions contemplated under the Fund Partnership Agreement. Mr. DUAN Hongwei, Mr. LOU Yixiang, Mr. ZHANG Shuqing and Mr. HE Rongfeng had abstained from voting on the resolution in respect of the Fund Partnership Agreement at the Board meeting. Save as disclosed above, no Director has interests in the transactions contemplated under the Fund Partnership Agreement.

According to Rule 14A.36 of the Listing Rules, shareholder who has a material interest in a transaction shall abstain from voting on relevant resolution at a general meeting. As ZGC Finance is a wholly-owned subsidiary of ZGC Group, therefore, ZGC Group and its associates (including ZGC Finance), together holding approximately 48% of the total issued share capital of the Company, are required to abstain from voting on the resolution approving the Fund Partnership Agreement and the transactions contemplated thereunder at the Extraordinary General Meeting. As at the Latest Practicable Date and to the best knowledge, information and belief of the Directors, saved as disclosed in this circular, no other Shareholder shall abstain from voting on the relevant resolution approving the Fund Partnership Agreement and the transactions contemplated thereunder at the Extraordinary General Meeting.

### **EXTRAORDINARY GENERAL MEETING**

The Extraordinary General Meeting will be held at Conference Room 617, Floor 6, Suite 7, Courtyard 2, No. 1 West Third Ring North Road, Haidian District, Beijing, the PRC on Tuesday, June 14, 2022 at 9:30 a.m.

The notice of the Extraordinary General Meeting is set out on pages 62 to 63 of this circular.

Shareholders who intend to attend the Extraordinary General Meeting by proxy are required to complete and return the form of proxy, in accordance with the instructions printed thereon as soon as possible and in any event not later than 24 hours before the time appointed for the holding of the Extraordinary General Meeting (i.e. before Monday, June 13, 2022 at 9:30 a.m.). Completion and return of the form of proxy will not preclude you from attending and voting in person at the Extraordinary General Meeting thereof should you so wish.



---

## LETTER FROM THE BOARD

---

### CLOSURE OF REGISTER OF MEMBERS

For determining the entitlement to attend and vote at the Extraordinary General Meeting, the register of members of the Company will be closed from Wednesday, June 8, 2022 to Tuesday, June 14, 2022, both days inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the Extraordinary General Meeting, all share transfer documents accompanied by the relevant share certificates must be lodged with the Company's headquarters and principal place of business in China at Floor 6, Suite 7, Courtyard 2, No. 1 West Third Ring North Road, Haidian District, Beijing, the PRC (for Domestic Shareholders) or the Company's H share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong (for H Shareholders) not later than 4:30 p.m. on Tuesday, June 7, 2022, for registration.

### VOTING BY POLL

According to Rule 13.39(4) of the Listing Rules, the votes of Shareholders at the Extraordinary General Meeting will be taken by poll.

### RECOMMENDATION

The Directors are of the view that the resolution set out in the notice of the Extraordinary General Meeting to be considered and approved by the Shareholders is in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend that Shareholders vote in favor of the resolutions to be proposed at the Extraordinary General Meeting.

### ADDITIONAL INFORMATION

Your attention is drawn to (i) the letter from the Independent Board Committee; (ii) the letter from the Independent Financial Adviser; and (iii) the Appendix contained in this circular.

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

Beijing, the PRC, May 19, 2022

---

## LETTER FROM THE INDEPENDENT BOARD COMMITTEE

---



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)**

May 19, 2022

*To the Independent Shareholders*

Dear Sir or Madam,

**DISCLOSEABLE AND CONNECTED TRANSACTION  
ENTERING INTO THE FUND PARTNERSHIP AGREEMENT**

We refer to the circular of the Company (the “**Circular**”) dated May 19, 2022 and despatched to the Shareholders which this letter forms part. Unless the context requires otherwise, terms and expressions defined in the Circular shall have the same meanings in this letter.

We have been appointed to form the Independent Board Committee to advise the Shareholders in respect of entering into the Fund Partnership Agreement and the transactions contemplated thereunder (including the formation of the Fund), details of which are set out in the section headed “Letter from the Board” in the Circular. SBI China Capital Hong Kong Securities Limited has been appointed to advise the Shareholders and the Independent Board Committee in this regard.

Details of the advice and the principal factors SBI China Capital Hong Kong Securities Limited has taken into consideration in rendering its advice are set out in the section headed “Letter from the Independent Financial Adviser” in the Circular. Your attention is also drawn to the additional information set out in the Circular.

Having taken into account the terms of the Fund Partnership Agreement, and the transactions contemplated thereunder as well as the advice of SBI China Capital Hong Kong Securities Limited, we are of the opinion that although the entering of the Fund Partnership Agreement is not in the ordinary course of business of the Group, the terms of the Fund Partnership Agreement are normal commercial terms, fair and reasonable, and in the interests of the Company and the Shareholders as a whole.

---

## LETTER FROM THE INDEPENDENT BOARD COMMITTEE

---

We, therefore, recommend that you vote in favour of the resolutions to be proposed at the EGM to approve entering into the Fund Partnership Agreement and the transactions contemplated thereunder (including the formation of the Fund).

Yours faithfully,  
For and on behalf of  
Independent Board Committee  
**Zhongguancun Science-Tech Leasing Co., Ltd.**

**Mr. CHENG Dongyue**  
*Independent*  
*non-executive Director*

**Mr. WU Tak Lung**  
*Independent*  
*non-executive Director*

**Ms. LIN Zhen**  
*Independent*  
*non-executive Director*

---

# LETTER FROM SBI CHINA CAPITAL HONG KONG SECURITIES LIMITED

---

*The following is the full text of the letter of advice from SBI China Capital Hong Kong Securities Limited, the independent financial adviser to the Independent Board Committee and the Independent Shareholders, which have been prepared for the purpose of incorporation in this circular, setting out its advice to the Independent Board Committee and the Independent Shareholders in respect of the Fund Partnership Agreement.*



19 May 2022

*To the Independent Board Committee and the Independent Shareholders,*

Dear Sirs and Madams,

## **DISCLOSEABLE AND CONNECTED TRANSACTION ENTERING INTO THE FUND PARTNERSHIP AGREEMENT**

### **INTRODUCTION**

We refer to our engagement as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Fund Partnership Agreement, details of which are set out in the “Letter from the Board” (the “**Letter from the Board**”) contained in the circular issued by the Company dated 19 May 2022 (the “**Circular**”), of which this letter forms part. Capitalised terms used in this letter shall have the same meanings as defined in the Circular unless the context otherwise requires.

Reference is made to the Fund Partnership Agreement, details of which are set out in the announcement of the Company dated 14 March 2022, the supplemental announcement of the Company dated 22 March 2022 and the circular of the Company dated 19 May 2022. On 14 March 2022, the Company has entered into the Fund Partnership Agreement with the Fund Partners in relation to the formation and the operation of the Fund with the registered capital of RMB500 million (equivalent to approximately HK\$616,431,600.75), of which RMB200 million (equivalent to approximately HK\$246,572,640.30), representing 40% of the total committed capital contribution of the Fund, shall be subscribed by the Company. As the Company will not have control over the management of the Fund, the Fund will be accounted for as an associate instead of a subsidiary of the Company and the financial results of the Fund will not be consolidated in the Group’s consolidated financial statement. The Fund will be principally engaged in private equity investments in the Company’s leading customers in PRC, which have supported and obtained warrants by the Company through debt plans such as finance lease, or with well-established business model and stable cash flow and being “specialised, refined, differentiated, and innovative”.

As one or more of the applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the Fund Partnership Agreement exceed 5% and are less than 25%, the entering into of the Fund Partnership Agreement and the transactions contemplated thereunder (including the formation of the Fund) constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

---

## LETTER FROM SBI CHINA CAPITAL HONG KONG SECURITIES LIMITED

---

As at the date of the Circular, each of ZGC Finance and ZGC Capital are wholly-owned subsidiaries of ZGC Group. ZGC Group, directly and indirectly through ZGC Finance, held approximately 48% of the issued share capital of the Company. ZGC Group and its associates are connected persons of the Company. Accordingly, the entering into of the Fund Partnership Agreement and the transactions contemplated thereunder (including the formation of the Fund) constitute a connected transaction of the Company and is subject to the reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

Among the Directors, (i) Mr. DUAN Hongwei holds directorship in several subsidiaries of ZGC Group (other than the Company), (ii) Mr. LOU Yixiang is a director of the capital operation department of ZGC Group and also holds directorship in several subsidiaries of ZGC Group (other than the Company), (iii) Mr. ZHANG Shuqing is the executive deputy general manager of ZGC Finance and also holds directorship in several subsidiaries of ZGC Group (other than the Company), and (iv) Mr. HE Rongfeng holds directorship in one subsidiary of ZGC Group (other than the Company), and accordingly they are considered to have material interests in the transactions contemplated under the Fund Partnership Agreement. Mr. DUAN Hongwei, Mr. LOU Yixiang, Mr. ZHANG Shuqing and Mr. HE Rongfeng had abstained from voting on the resolution in respect of the Fund Partnership Agreement at the Board meeting. Save as disclosed above, no Director has interests in the transactions contemplated under the Fund Partnership Agreement.

According to Rule 14A.36 of the Listing Rules, shareholder who has a material interest in a transaction shall abstain from voting on relevant resolution at a general meeting. As ZGC Finance is a wholly-owned subsidiary of ZGC Group, therefore, ZGC Group and its associates (including ZGC Finance), together holding approximately 48% of the total issued share capital of the Company, are required to abstain from voting on the resolution approving the Fund Partnership Agreement and the transactions contemplated thereunder at the EGM. As at the Latest Practicable Date and to the best knowledge, information and belief of the Directors, saved as disclosed in the Circular, no other Shareholder shall abstain from voting on the relevant resolution approving the Fund Partnership Agreement and the transactions contemplated thereunder at the EGM.

The Independent Board Committee comprising all independent non-executive Directors has been established to advise the Independent Shareholders as to whether the Fund Partnership Agreement are on normal commercial terms, are fair and reasonable and in the interests of the Company and the Shareholders as a whole. As Independent Financial Adviser, our role is to give an independent opinion to the Independent Board Committee and the Independent Shareholders in such regard.

### OUR INDEPENDENCE

As at the Latest Practicable Date, we, SBI China Capital Hong Kong Securities Limited, were not aware of any relationships or interests between us and (i) the Company; (ii) ZGC Group and (iii) any other parties within the past two years that could be reasonably regarded as a hindrance to our independence as defined under Rule 13.84 of the Listing Rules to act as the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in respect of the Fund Partnership Agreement and the transactions contemplated thereunder. Apart from normal professional fees paid or payable to us in connection with this appointment as the independent financial adviser, no arrangement exist whereby we had received or will receive any fees or benefits from the Company or any other party to the transaction.

## BASIS OF OUR OPINION

In formulating our opinion and recommendation to the Independent Board Committee and the Independent Shareholders, we have considered and reviewed, amongst other things, (i) the announcement of the Company dated 14 March 2022 and 22 March 2022 in relation to the Fund Partnership Agreement; (ii) the Circular; (iii) the Fund Partnership Agreement; (iv) the information contained or referred to in the annual report of the Group for the year ended 31 December 2020, the interim report of the Group for the six months ended 30 June 2021 and the announcement of annual results for the year ended 31 December 2021 (the “**2020 Annual Report**”, “**2021 Interim Report**” and “**2021 Annual Results Announcement**”, respectively); (v) the information supplied by the Group, and its advisers and/or representatives; (vi) the opinions expressed by and the representations of the Directors and management of the Group; and (vii) certain relevant public information, and have assumed that all such information and facts provided and any opinions and representations made to us are true, accurate and complete in all material aspects at the time they were made and as up to the date of the EGM.

We have also assumed that all views, opinions and statements of intention provided by the Directors, management, advisers and representatives of the Company have been arrived at after due and careful enquiries. The Directors have confirmed to us that no material facts have been withheld or omitted from the information provided and referred to in the Circular and that all information or representations provided to us by the Directors and/or the management of the Group are true, accurate, complete and not misleading in all respects at the time they were made and continued to be so until the Latest Practicable Date. We have relied on such information and consider that we have been provided with sufficient information and have taken sufficient and necessary steps to reach an informed view and to provide a reasonable basis for our opinion. We have no reason to believe that any material information has been withheld, nor doubt the completeness, truth or accuracy of the information and facts provided. We have not, however, conducted any investigation into the business, affairs or future prospects of the Group, nor have we carried out any independent verification of the information supplied, representations made or opinions expressed by the Company or any of its Directors, management, advisers and/or representatives. The Company will notify the Shareholders of any material changes as soon as practicable, if any.

This Circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiry, confirm that to the best of their knowledge and belief the information contained in this Circular is accurate and complete in all material aspects and not misleading or deceptive, and there are no other matters omitted which would make any statement herein or this circular misleading.

## PRINCIPAL FACTORS AND REASONS CONSIDERED

In arriving at our opinion and recommendation with regard to the Fund Partnership Agreement, we have taken into account the following principal factors and reasons:

### 1. Information of the parties to the Fund Partnership Agreement

#### *1.1 Information on 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 ZGC Group, 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.

#### *1.2 Information on ZGC Finance*

ZGC Finance is a limited company established in the PRC and is a wholly-owned subsidiary of ZGC Group. It is principally engaged in asset management, investment management, venture capital, economic contract guarantee (excluding financing guarantee).

#### *1.3 Information on Beijing ZGC Innofund*

Beijing ZGC Innofund is a limited company established in the PRC. It is principally engaged in fund management, investment management, asset management, equity investment, venture capital. It is owned as to 39% directly and 0.8405% indirectly by the Company, and owned as to 7.97%, directly and indirectly through its other subsidiaries (excluding the interest through the Company) by ZGC Group; and as to 41% by Tianjin Zhongguancun Innofund Management Consulting Co., Ltd\* (天津中諾同創管理諮詢有限責任公司) and as to 10% by Beijing Houdewenhua Investment Consulting Co., Ltd\* (北京厚德文華投資諮詢有限公司) and each of its ultimate beneficial owners are Independent Third Parties. Tianjin Zhongguancun Innofund Management Consulting Co., Ltd is owned as to 51% by Mr. Ren Yanhao (任彥浩). Mr. Ren Yanhao is mainly engaged in investment work.

#### *1.4 Information on ZGC Capital*

ZGC Capital is a limited company established in the PRC and is a wholly-owned of ZGC Group. It is principally engaged in investment management and consultation of non securities business (shall not engage in the following businesses: 1. issuing loans; 2. publicly trading securities investment or financial derivatives; 3. raising funds in public; 4. providing guarantees to enterprises other than the invested enterprises).

### ***1.5 Information on Prevision Capital***

Prevision Capital is a limited company established in the PRC. It is principally engaged in private equity investment fund management and investment management (except securities investment fund management), equity investment, asset management and investment consultation. It is owned as to 40% by Dajia Assets Management Co., Ltd\* (大家資產管理有限責任公司) (“**Dajia Assets**”) and as to 30% by Dajia Investment. Prevision Capital is also owned as to 20% by Dajia Real Estate Co. Ltd\* (大家置業有限公司) (“**Dajia Real Estate**”), which is wholly-owned by Dajia Investment, and as to 10% by Haikou Prevision Field Enterprise Management Partnership (Limited Partnership)\* (海口遠見領域企業管理合夥企業(有限合夥)), which is in turn owned as to 91.67% by Dajia Real Estate and indirectly owned as to 8.33% by Ms. Liu Na (劉娜). Dajia Assets and Dajia Investment are both wholly-owned by Dajia Life Insurance Co. Ltd\* (大家人壽保險股份有限公司), which is in turn indirectly owned as to 98.2% by the Ministry of Finance of the PRC.

### ***1.6 Information on Dajia Investment***

Dajia Investment is a limited company established in the PRC. It is principally engaged in project investment, investment and investment management, asset management, enterprise management, investment consultation, financial consultation, legal consultation, management consultation, property management and project management services.

### ***1.7 Information on Shanghai Kejing***

Shanghai Kejing Business Consulting Partnership is a limited partnership established in PRC. It is held as to 33% by Mr. Tang Peiran (唐沛然), Mr. Zhang Jian (張健), Mr. Chen Ping (陳平) respectively, and its executive partner is Kong Weimao (孔維懋). Mr. Tang Peiran, Mr. Zhang Jian and Mr. Chen Ping are engaged in the insurance industry. It is principally engaged in information consulting services (excluding licensed information consulting services), socio economic advisory services, enterprise management, financial consultation, technology services, technology development, technology consultation, technology exchange, technology transfer and technology promotion, data processing and storage support services, conference and exhibition services, organise cultural and artistic exchange activities, corporate image planning, marketing planning, etiquette service, project planning and public relations services, advertising design and agency, advertising production, and advertising business. Shanghai Kejing, being a limited partnership established in the PRC, is an employee investment platform established by the employees of Dajia Investment. The main purpose of Shanghai Kejing is to provide a platform for the employees of Dajia Investment to participate in the investment in the Fund.



## 2. Financial information of the Group

Set out below is a summary of the financial performance of the Group for the years ended 31 December 2019, 2020 and 2021 (the “FY2019”, “FY2020” and “FY2021”, respectively) as extracted from the 2020 Annual Report and the 2021 Annual Results Announcement.

	For the year ended/ As at 31 December		
	2021 RMB'000 (Audited)	2020 RMB'000 (Audited)	2019 RMB'000 (Audited)
<b>Revenue</b>			
– Interest income	541,367	480,944	420,698
– Advisory fee income	115,576	106,621	94,642
<b>Total Revenue</b>	656,943	587,565	515,340
<b>Profit for the year</b>	195,917	161,466	138,256
Net profit margin (%)	29.8	27.5	26.8
<b>Total assets</b>	9,428,623	8,165,054	6,988,985
<b>Total liabilities</b>	7,374,542	6,249,239	5,596,729

The Company focuses on providing efficient financing leasing solutions and diversified consulting services for technology and new economy companies to meet the financial service needs of technology and new economy companies at different development stages.

Revenue of the Group increased by approximately 14.0% or approximately RMB72.2 million from approximately RMB515.3 million for FY2019 to approximately RMB587.6 million for FY2020 primarily due to the revenue of the eco-solutions business division and internet-based products & services business division increased by approximately 34.0% and 27.0%, respectively, compared with FY2019. For FY2020, the Group realised an interest income of approximately RMB480.9 million, accounting for approximately 81.9% of the total revenue and representing approximately 14.3% year-on-year growth; and advisory fee income increased by approximately 12.7% to approximately RMB106.6 million.

Revenue of the Group increased by approximately 11.8% or approximately RMB69.4 million from approximately RMB587.6 million for FY2020 to approximately RMB656.9 million for FY2021, primarily due to the revenue of the internet-based products & services and life sciences & healthcare divisions increased by 30.0% and 21.3%, respectively, compared with FY2020. For the FY2021, interest income amounted to approximately RMB541.4 million, accounting for approximately 82.4% of the total revenue and representing an increase of approximately 12.6% as compared to that of FY2020. Advisory fee income amounted to approximately RMB115.6 million, representing an increase of approximately 8.4% as compared to that of FY2020.

---

## LETTER FROM SBI CHINA CAPITAL HONG KONG SECURITIES LIMITED

---

The profit for the year increased by approximately 16.8% or approximately RMB23.2 million from approximately RMB138.3 million for FY2019 to approximately RMB161.5 million for FY2020. The increase in profit for the year was the combined effect of (i) the increase of approximately 14.0% in the revenue, (ii) the increase of approximately 5.4% in interest expense; (iii) the increase of approximately 15.9% in operating expense; and (iv) the increase of approximately 60.1% in impairment losses charged. The net profit margin increased from approximately 26.8% for FY2019 to approximately 27.5% for FY2020.

The profit for the year increased by approximately 21.3% or approximately RMB34.5 million from approximately RMB161.5 million for FY2020 to approximately RMB195.9 million for FY2021. The increase in profit for FY2021 was the combined effect of (i) the increase of 11.8% in the revenue, (ii) the increase of 5.9% in interest expense, which was less than the increase in revenue; and (iii) the Group's leasing-investment linkage business progressed smoothly, and the investment income in associates increased from RMB-1.7 million to RMB19.3 million.

As at 31 December 2020, the total consolidated asset of the Group amounted to approximately RMB8,165.1 million, representing an increase of approximately 16.8% or approximately RMB1,176.1 million as compared to that of approximately RMB6,989.0 million as at 31 December 2019. The total consolidated liabilities of the Group amounted to approximately RMB6,249.2 million as at 31 December 2020, representing an increase of approximately 11.7% or approximately RMB652.5 million as compared to that of approximately RMB5,596.7 million as at 31 December 2019.

As at 31 December 2021, the total consolidated asset of the Group amounted to approximately RMB9,428.6 million, representing an increase of approximately 15.5% or approximately RMB1,263.6 million as compared to that of approximately RMB8,165.1 million as at 31 December 2020. The total consolidated liabilities of the Group amounted to approximately RMB7,374.5 million as at 31 December 2021, representing an increase of approximately 18.0% or approximately RMB1,125.3 million as compared to that of approximately RMB6,249.2 million as at 31 December 2020.

### 3. The Fund Partnership Agreement

#### 3.1 *Reasons for and benefits of the Fund Partnership Agreement*

##### *3.1.1 The entering into the Fund Partnership Agreement is in line with the business strategies of the Company*

As disclosed in the Letter from the Board, "Leasing-based Equity Investment" is an important strategic path to enhance the Company's competitive advantage. As disclosed in the 2021 Interim Report, in 2019, the Group initiated the establishment of the first equity investment fund, namely Jiangsu Zhongguancun Zhongnuo Xietong Investment Fund (Limited Partnership) (江蘇中關村中諾協同投資基金合夥企業(有限合夥)) (the "**Xietong Fund**"). Through signing an option agreement when providing finance lease services to enterprises in the early stage, the Group is able to identify high potential customers and obtain investment opportunities in advance; by providing finance lease and value-added services to the Group's customers, the Group facilitate the rapid growth of customer value; through the exercise of equity investment fund, the Group gained excess return brought by enterprise growth and realised both debt return and equity return. In the first half of 2021, the

Group seized the key opportunities of transformation and upgrading, adhered to “professional, investment-oriented and digitalised” operation, and achieved steady business growth. In terms of investment business, the Group’s “Leasing-based Equity Investment” strategy has achieved initial results, with a total of nine investment projects with an investment amount of approximately RMB138.4 million. The investment fields involve life and health, new consumption, advanced manufacturing, new generation information technology and other fields. The invested projects demonstrate strong growth potential and excellent performance in the capital market.

According to the representation from the management of the Company, as at the end of March 2022, the Xietong Fund has invested in 14 investment projects with an investment amount of approximately RMB168 million.

### *3.1.2 “Leasing-based Equity Investment” is a potential “win-win” situation for the Company and its customers*

As disclosed in the Letter from the Board, in order to further enhance the Company’s competitive advantage and improve the ability to obtain and serve the Company’s high-quality customers, the Company sets up the Fund to meet the growing needs of the Company’s customers for equity financing products and optimise the customers’ financing structure on the one hand; and to identify potential customers through equity investment to form finance lease reserve, creating a favourable situation in which the leasing and the investment business of the Company could promote and support each other on the other hand. The Fund shall be principally engaged in private equity investments in the Company’s finance lease customers which are (i) strategic emerging industry enterprises; or (ii) with well-established business model and stable cash flow and being specialised, refined, differentiated and innovative leading enterprises in the PRC. As advised by the Company, the needs from technology enterprises have transformed from debt financing and cost control to equity financing and branding of strategic partners. As such, it is considered that the “Leasing-based Equity Investment” is a potential “win-win” situation for the Company and its customers as (i) the Company already know its customers and has in-depth understanding about its customers’ financial position and prospects; and (ii) both the traditional and emerging financing needs of the customers of the Group are satisfied, which helps to foster a closer and constructive relationship between the Group and its customers.

### *3.1.3 Potential growth opportunities of the strategic emerging industry*

According to an article published on 4 January 2021 on the website of National Development and Reform Commission of the PRC (“戰略性新興產業形勢判斷及「十四五」發展建議”), since the 13th Five-Year Plan for Economic and Social Development of the PRC (the “**13th Five-Year Plan**”), strategic emerging industries have achieved sustainable and rapid growth, the effect of new drivers of economic growth has continued to increase. In terms of industrial sector, the average annual growth rate of industrial added value of national strategic emerging industry reached 10.4%, which was 4.3% higher than that of the overall national industrial sector during the period from 2015 to 2019. In 2019, the average annual growth rate of industrial added value of national strategic emerging industry reached 8.4%, which was 2.7% higher than that of the overall national industrial sector in the

same year. In terms of service sector, the average annual growth rate of operating income of service enterprise of national strategic emerging industry reached 15.1%, which was 3.5% higher than that of overall national service enterprise during the period from 2015 to 2019. In 2019, the average annual growth rate of operating income of service enterprise reached 12.7%, which was nearly 3% higher than that of overall national service enterprise during the same year. The society and the financiers have maintained high confidence in investing in strategic emerging industry, and continued to increase capital investment. In 2019, more than RMB5 trillion of fixed asset investment had been made in key industries of strategic emerging industries in the PRC. The average annual growth rate of investment amount was 10.4% during the period from 2015 to 2019, which was 3.8% higher than that of the overall fixed asset investment during the same period. During the period from 2016 to 2019, nearly RMB3 trillion of private equity and venture capital investment were made in strategic emerging industry, accounting for nearly 70% of total private equity and venture capital investment during the same period. As of 2019, the National Emerging Industry Venture Capital Guidance Fund\* (國家新興產業創業投資引導基金) has raised nearly RMB76 billion, and the size of equity investment fund was nearly RMB200 billion, supporting more than 5,000 start-up companies.

According to data from the National Bureau of Statistics, the amount of technology market turnover was increased from approximately RMB1,342.4 billion in 2017 to RMB2,825.2 billion in 2020, representing a three year compound annual growth rate (“CAGR”) of approximately 28.1%. The amount of research and development expenditure was increased from approximately RMB1,760.6 billion in 2017 to RMB2,439.3 billion in 2020, representing a three year CAGR of approximately 11.5%. The Company considers the improvement in various indicators reflected the strong momentum in the growth and continued positive market sentiment of strategic emerging industry.

Moreover, as disclosed in the Letter from the Board, the investment in the Fund by the Company is to be made with the internal resources of the Company. The Directors confirmed that the investment would not impact the daily operation of the Company’s principal business.

Based on the foregoing, including (i) the entering into the Fund Partnership Agreement is in line with the business strategies of the Company; (ii) “Leasing-based Equity Investment” is a potential “win-win” situation for the Company and its customers; (iii) potential growth opportunities of the strategic emerging industry; and (iv) the investment in the Fund by the Company is to be made with the internal resources of the Company and would not impact the daily operation of the Company’s principal business, we concur with the Directors’ view as to the reasons for and benefits of the entering into the Fund Partnership Agreement and the transactions contemplated thereunder are in the interests of the Company and its Shareholders as a whole.

### **3.2 Principal terms of the Fund Partnership Agreement**

#### **3.2.1 Date**

14 March 2022

#### **3.2.2 Name of the Fund**

Beijing ZGC Innofund Prevision Innovation Investment Fund Center (Limited Partnership)\* (北京中諾遠見創新投資基金中心 (有限合夥))

#### **3.2.3 Parties**

- 1) Beijing ZGC Innofund (as a general partner and executive partner);
- 2) Prevision Capital (as a general partner and executive partner);
- 3) Dajia Investment (as a limited partner);
- 4) the Company (as a limited partner);
- 5) ZGC Finance (a connected person of the Company, as a limited partner); and
- 6) Shanghai Kejing (as limited partner)

Beijing ZGC Innofund is owned as to 39% directly and 0.8405% indirectly by the Company, and owned as to 7.97%, directly and indirectly through its other subsidiaries (excluding the interest through the Company) by ZGC Group. Save for the aforesaid disclosure, to the best of the Director's knowledge, information and belief having made all reasonable enquiries, each of Prevision Capital, Dajia Investment and Shanghai Kejing and their respective ultimate beneficial owners are Independent Third Parties.

#### **3.2.4 Term of the Fund**

The initial duration of the Fund will be five years commencing from the date on which the business license for the Fund partnership is obtained. The business license for the Fund was obtained on 6 May 2022. The two years commencing from the date on which the business license is obtained shall be the investment period of the Fund (the "**Investment Period**"). The three years commencing from the expiration of the Investment Period shall be the withdrawal period of the Fund (the "**Withdrawal Period**"). Upon unanimous consent of all Fund Partners, the Withdrawal Period may be extended for no more than one year, and may be extended by not more than two times.

3.2.5 Size of the Fund and capital contribution

The registered capital of the Fund is RMB500 million. The respective capital commitment in RMB payable by each of the Fund Partners are as follows:

Partner	Type	Capital Contribution	Percentage
Beijing ZGC Innofund	General Partner and Executive Partner	RMB3,500,000	0.70%
Prevision Capital	General Partner and Executive Partner	RMB1,500,000	0.30%
Dajia Investment	Limited Partner	RMB242,000,000	48.40%
The Company	Limited Partner	RMB200,000,000	40.00%
ZGC Finance	Limited Partner	RMB50,000,000	10.00%
Shanghai Kejing	Limited Partner	RMB3,000,000	0.60%

The total amount of capital contribution to be made by each Fund Partner to the Fund was arrived with reference to, among others, the capital needs of the Fund after arm's length negotiation by the Fund Partners.

The capital contribution shall be payable by each of the Fund Partners in three instalments within 24-month from the date of which the business license for the Fund is obtained and, unless otherwise agreed, in the following manner:

- (1) The first installment, representing 40% of each of the Fund Partner's capital contribution, shall be payable within 10 working days from receiving the payment notice issued by the Fund Manager and Beijing ZGC Innofund ("**First Installment Payment Due Date**"). If 40% of the total capital contribution of any Fund Partner shall be less than RMB1,000,000, the first installment payable shall be RMB1,000,000;
- (2) The second installment, representing 30% of each of the Fund Partner's capital contribution, shall be payable within 12 months from the First Installment Payment Due Date and within 30 working days from receiving the payment notice issued by the Fund Manager and Beijing ZGC Innofund ("**Second Installment Payment Due Date**"). For Fund Partners which have paid RMB1,000,000 as the first installment, the second installment shall be of the amount that, when summed up with the first installment, represents 70% of its total capital contribution; and
- (3) The third installment, representing the remaining 30% of each of the Fund Partner's capital contribution, shall be payable within 6 months from the Second Installment Payment Due Date and within 30 working days from receiving the payment notice issued by the Fund Manager and Beijing ZGC Innofund.

*3.2.6 Background and Relevant Experience in Fund Management of the General Partners and the Fund Manager*

Beijing ZGC Innofund and Prevision Capital shall act as the general partner and executive partner of the Fund. ZGC Capital shall be appointed as the Fund Manager of the Fund.

Beijing ZGC Innofund, established on 23 April 2019, is principally engaged in fund management, investment management, asset management, equity investment and venture capital. Beijing ZGC Innofund is managed by a team of professional investors with ample experience in investing new and emerging industries including AI manufacturing, advanced manufacturing, new energy, medicine and medical devices etc. Beijing ZGC Innofund currently manages the Xietong Fund, which is still within the investment period and is aimed at investing into new and high technology industries. As at the Latest Practicable Date, the Xietong Fund has invested in various enterprises of specialised and hi-technology industry such as new generation information technology, life technology, energy and environmental protection, advanced device manufacturing and digital content creation. The profile and investment track record of Beijing ZGC Innofund team demonstrated that it has the relevant experience as being one of the executive partners of the Fund and is suited to oversee the fulfilment of the purposes and objectives of the Fund.

Prevision Capital, established on 26 October 2018, is principally engaged in private equity investment fund management and investment management (except securities investment fund management), equity investment, asset management and investment consultation. Prevision Capital is managed by a team of professionals with investment, legal compliance and management background. Prevision Capital has substantial experience in private equity investment and management. Since 2019, it has been the executive partner of four limited partnership funds established in the PRC, and acted as the fund manager in three of them, with registered capital ranging from RMB1.5 billion to RMB20 billion, and with investment targets ranging from real estate to industry and commerce corporation.

ZGC Capital, established on 17 October 2016, is principally engaged in investment management in private equity funds and venture capital funds. ZGC Capital is managed by a team of professionals with investment, risk management, legal and management background. As at the end of the fourth quarter of 2020, ZGC Capital has acted as the fund manager of five fund of funds, which has in turn invested in over 80 sub-funds; ZGC Capital has also acted as the fund manager of seven direct investment funds. The funds and enterprises managed and/or invested by ZGC Capital engages in a wide range of industry, including advanced manufacturing, new generation information technology, biotechnology, medical technology etc., 92 of which have been listed on the stock exchange in the PRC or overseas.

The synergy of the investment experience and management track record of Beijing ZGC Innofund and Prevision Capital as executive partners of the Fund, and ZGC Capital as the Fund Manager, would promote the collaborative success of the management team of the Fund in fulfilling its investment objectives in the industries to be invested by the Fund.



We have obtained and reviewed the lists of limited partnership funds which Beijing ZGC Innofund and Prevision Capital currently act as the general partner and executive partner; and the list of direct investment funds which ZGC Capital acted as the fund manager. Beijing ZGC Innofund is the general partner and executive partner of the Xietong Fund. As disclosed above under the paragraph headed “3.1.1 The entering into the Fund Partnership Agreement is in line with the business strategies of the Company”, we note that as at the end of March 2022, the Xietong Fund has invested in 14 investment projects with an investment amount of approximately RMB168 million. We also note that, among the 14 investment projects, four belong to the new generation information technology industry, three belong to life technology industry, two belong to advanced device manufacturing; and the remaining five belong to energy and environmental protection and digital content creation. As the majority of the industries the Xietong Fund invested in belong to the strategic emerging industry (i.e. new generation information technology, life technology and advanced manufacturing) that the Fund targets to carry out its private equity investment, we concur with the Directors’ view that Beijing ZGC Innofund has the relevant experience as being one of the general partners and executive partners of the Fund. We note that Prevision Capital currently acts as the general partner and executive partner of four limited partnership funds, the earliest of which was established in July 2019. The registered capital of the four limited partnership funds mainly ranging from approximately RMB1.5 billion to RMB2.1 billion. ZGC Capital currently acts as the fund manager of seven direct investment funds, whose registered capital ranging from approximately RMB141 million to RMB3,350 million. We note that among the seven direct investment funds, six of them are engaged in investment in strategic emerging industry and hi-technology, precision and advanced industry; while the remaining fund is engaged in investment in science and technology industrial park. All the seven direct investment funds are related to strategic emerging industry and technology industry. Hence we consider ZGC Capital has the relevant experience in investing in industries that the Fund focuses on. Accordingly, we concur with the Directors’ view as to the synergy of the investment experience and management track record among Beijing ZGC Innofund, Prevision Capital and ZGC Capital.

### *3.2.7 Purposes and objectives of the Fund*

The Fund shall be principally engaged in private equity investments in the Company’s finance lease customers which are:

- (1) strategic emerging industry enterprises including advanced manufacturing (which encompasses robotics, industry 4.0, chips, aerospace, new materials, unmanned driving, etc.), new generation information technology (which encompasses cloud services, network security, big data, etc.), and life technology (which encompasses medical robots, medical devices, diagnosis and treatment, health services) in the PRC; or
- (2) with well-established business model and stable cash flow and being specialised, refined, differentiated and innovative leading enterprises in the PRC.



### *3.2.8 Investment Mandate of the Fund*

Pursuant to the Fund Partnership Agreement, the investment decisions shall be performed by the investment committee of the Fund.

In determining the size of investment, the accumulative investments amount by the Fund to each investment target shall not exceed 25% of its registered capital, and each tranche of investment shall not exceed 10% of its registered capital. The investment decisions shall also be made with regard to the Investment Period and Withdrawal Period of the Fund.

In determining whether a corporation is a leading enterprise with “well-established business model and stable cash flow and being specialised, refined, differentiated and innovative” in the PRC and eligible as the Fund’s investment target, reference shall be made by the investment committee to the “Plan for Promoting the Development of SMEs (2016-2020)”《促進中小企業發展規劃 (2016-2020)》issued by the Ministry of Industry and Information Technology of the PRC which promotes and support the “specialised, refined, differentiated and innovative” industry development, and characterised such technologically advanced businesses as enterprises which are principally engaged in the development and manufacturing of core and advanced equipment and parts, technology and material, with an aim to strengthen the key stages of domestic supply chain, and to strengthen the creation of innovative products which promotes the in-depth integration of new technology and the real economy. Consideration shall also be made by the investment committee of the Fund to due diligence reports and industry performance benchmark, on a project-by-project basis, in selecting technologically advanced enterprises with well-established business model and stable cash flow.

The investment committee will also make reference to the provincial policies with regard to the “specialised, refined, differentiated and innovative” for the qualitative and quantitative, criteria, if any, in forming investment decisions.

We searched over the internet to understand the provincial policies with regard to “specialised, refined, differentiated and innovative” enterprises in the PRC. According an article “Notice on Supporting the High-quality Development of ‘Specialised, Refined, Differentiated and Innovative’ small and medium-sized enterprises”\*《關於支持“專精特新”中小企業高質量發展的通知》issued by the Ministry of Finance of the PRC on 23 January 2021, the Central Government of the PRC has arranged a total of more than RMB10 billion in awards and subsidies to guide local governments to improve supportive policies and public service systems, and to focus on supporting high quality development of more than 1,000 national-level “specialised, refined, differentiated and innovative” little giant enterprises from 2021 to 2025. We have obtained and reviewed the list of finance lease contracts entered into by the Company and its customers of which the relevant leases started in 2021 and note that the top three geographical locations of the finance lease customers were located in Beijing city, Shandong province and Jiangsu province of the PRC. These city and provinces in aggregate accounted for over 40% of the finance lease contract value entered into by the Company of which the relevant leases started in 2021. We note that the above city and provinces have policies and criteria in relation to the classification of “specialised, refined, differentiated and innovative” enterprises.

According to the “Notice on Solicitation of the Second Batch ‘Specialised, Refined, Differentiated and Innovative’ Little Giant Enterprises in Beijing in 2021”\*《關於徵集北京市2021年第二批專精特新“小巨人”企業的通知》published by Beijing Municipal Bureau of Economy and Information Technology on 22 November 2021, an enterprise can apply for “specialised, refined, differentiated and innovative” little giant enterprise if it meets, among others, (i) basic requirements (e.g. over three years of continuous operating history); (ii) financial requirements (e.g. if the amount of revenue is over RMB100 million, the research and development expense in recent two years shall be not less than 3% of the operating income; or if the amount of revenue is between RMB50 million and RMB100 million, the research and development expense in recent two years shall be not less than 6% of the operating income; or if the amount of revenue is less than RMB50 million, the new equity financing (paid-in capital) in recent two years shall be over RMB80 million, research and development investment shall be over RMB30 million, number of research and development staff shall be over 50% of total staff, and having innovation breakthrough in certain industry segment); (iii) mandatory requirements (e.g. over 70% of revenue shall be from principal operating activity); and (iv) other special requirements (e.g. innovation capability such as establishment of enterprise technology center).

According to “Notice on Recommendation of the Third Batch ‘Specialised, Refined, Differentiated and Innovative’ Little Giant Enterprises and Commencement of 2021 Shandong Province ‘Specialised, Refined, Differentiated and Innovative’ Small and Medium-Sized Enterprises Cultivation and Accreditation Work”\*《關於組織推薦第三批專精特新“小巨人”企業和開展2021年度山東省“專精特新”中小企業培育認定工作的通知》published by Department of Industry and Information Technology of Shandong Province on 22 April 2021, an enterprise can apply for “specialised, refined, differentiated and innovative” little giant enterprise if it meets, among others, (i) basic requirements (e.g. over three years of continuous operating history); (ii) special requirements (e.g. innovation capability such as number and type of patents owned); and (iii) financial requirements (e.g. if the amount of revenue is over RMB100 million, the research and development expense in recent two years shall be not less than 3% of the operating income; or if the amount of revenue is between RMB50 million and RMB100 million, the research and development expense in recent two years shall be not less than 6% of the operating income; or if the amount of revenue is less than RMB50 million, new equity financing (paid-in capital) in recent two years shall be over RMB80 million, research and development investment shall be over RMB30 million, number of research and development staff shall be over 50% of total staff, and having innovation breakthrough in certain industry segment).

According to the “Notice on Recommendation of 2021 Provincial ‘Specialised, Refined, Differentiated and Innovative’ Little Giant Enterprises and Commencement of Relevant Review Work”\*《關於申報推薦2021年度省級專精特新小巨人企業和組織開展有關復核工作的通知》published by the Industry and Information Technology Department of Jiangsu on 25 October 2021, an enterprise can apply for “specialised, refined, differentiated and innovative” manufacturing little giant enterprise if it meets, among others, (i) financial requirements (e.g. revenue from principal operating activity shall be over RMB50 million or profit shall be over RMB4 million); (ii) market share requirements (e.g. market share of principal products or services ranks among top five of the peer industry in the PRC or belong to the supply chain of leading enterprises); (iii) operating income or profit growth requirements (e.g. average compound annual growth rate of operating income shall be over 8% or average profit margin shall be over 8% in recent three years); (iv) production technique and product quality requirements (e.g. has leading position in the PRC and establishment of municipal level or above research and development institutions); and (v) research and development expense requirements (e.g. such expense shall be not less than 3% of principal operating income over the past three years).

According to an article “The Number of ‘Specialised, Refined, Differentiated and Innovative’ Enterprise in Shanghai Ranks First Among Cities in the Country”\*《上海“專精特新”企業群體數量高居全國城市之首》reprinted by <http://www.people.cn> (人民網), (original title: “Shanghai Ranks First in the Country in Terms of the Number of these Enterprise Groups. What are the Secrets Hidden Behind?”\*《這個企業群體數量上海高居全國城市之首,背後隱藏著哪些秘密?》published by <https://www.shobserver.com> (上觀新聞) on 12 October 2021), Shanghai, having the largest number of “specialised, refined, differentiated and innovative” little giant enterprises in the PRC, has the “specialised, refined, differentiated and innovative” enterprises mainly in advanced manufacturing and modern service industry, in particular the new generation information technology; intelligent manufacturing, precision manufacturing and equipment manufacturing; new material; and biomedical industry.

In view of the description of “specialised, refined, differentiated and innovative” enterprise as set out in the “Plan for Promoting the Development of SMEs (2016-2020)”\* and the investment targets of the fund, as disclosed under the section “Purposes and Objectives of the Fund”, the Fund will focus on investing in SMEs from strategic emerging and technologically advanced industries. In the meantime, the Fund has identified several SMEs in the following industries as investment target:

- (1) Solution provider of advanced compressed-air energy storage;
- (2) Enterprise engaged in research, production and texting of small aircraft engines, ground combustion engines and their ancillary equipment;
- (3) Enterprise specialized in automated driving in ports;
- (4) Manufacturer of aerogel, battery barrier sheet and insulation felt; and
- (5) Dairy company specialised in the development, production and marketing of cheese.

### *3.2.9 Roles and Responsibilities of the Executive Partners and Fund Manager*

Pursuant to the Fund Partnership Agreement, the Fund Manager, being a registered private equity fund manager of the Asset Management Association of China (中國證券投資基金業協會), shall be appointed by the Fund. The management and supervision of the operation of the Fund is jointly undertaken by the executive partners of the Fund and the Fund Manager. Their respective roles and responsibilities are as follows:

- (i) Executive Partners of the Fund shall be responsible for the day to day operation of the Fund, including convening partner's meeting, executing decisions of the investment committee of the Fund and the resolutions of the meeting of partners, keeping of official stamp of the Fund, and representing the Fund in the external affairs such as executing agreements. Of the executive partners, Beijing ZGC Innofund shall be responsible for proactively taking part in the day to day operation of the Fund while Prevision Capital shall assume a supervision role;
- (ii) Fund Manager shall be responsible for the managing the Fund in accordance with a fund management agreement to be entered into between the Fund and the Fund Manager, pursuant to which, the Fund Manager shall be responsible for the compliance any disclosure obligations of the Fund, and to appoint a qualified institution to effect supervision on the Fund's supervision account and oversee the collection, settlement and distribution of investment fund and return, settlement of fund withdrawal payment, and distribution of assets upon liquidation of the fund.

### *3.2.10 Management fee and annual partnership execution fee of the Fund*

ZGC Capital shall be the Fund Manager and entitled to the management fee payable yearly. Beijing ZGC Innofund, being the executive partner of the Fund shall be responsible for the operation of investment and administration of the Fund and therefore shall be entitled to an annual partnership execution fee payable yearly.

During the Investment Period, the annual management fee shall be calculated at a rate of 0.3% of the subscribed capital contribution of the Fund; during the Withdrawal Period, the annual management fee shall be calculated at a rate of 0.3% of the balance of the total paid-in capital of the Fund after deducting the paid-in capital contribution actually recovered by the Fund Partners.

During the Investment Period, Beijing ZGC Innofund as one of the executive partners and responsible for proactively taking part in the operation of the Fund, shall charge an annual partnership execution fee, which is calculated at a rate of 1.2% of the subscribed capital contribution of the Fund; during the Withdrawal Period, the annual partnership execution fee charged by Beijing ZGC Innofund is calculated at a rate of 1.2% of the balance of the total paid-in capital of the Fund after deducting the paid-in capital contribution actually recovered by the Fund Partners. Prevision Capital shall not charge any annual partnership execution fee for being an executive partner of the Fund as it shall assume a supervision role in the operation of the Fund.

### *3.2.11 Investment committee*

An investment committee shall comprise of five members to be employed by the Fund, of which two members will be nominated by each of the executive partners and one member will be nominated by the Fund Manager. Other limited partners of the Fund shall have the right to recommend observers to attend the meetings of the investment committee, but shall not have the right to vote.

The initial members of the investment committee shall be:

<b>Member</b>	<b>Experience</b>
Mr. Duan Hongwei (段宏偉)	<p>Mr. Duan is nominated by ZGC Capital.</p> <p>Mr. Duan is the chairman of the Board and non-executive Director of the Company and has been serving as an executive Director and the general manager of ZGC Finance. From April 2005 to October 2010, he served in several positions in the Administrative Committee of Zhongguancun Science Park (中關村科技園區管理委員會), including the director of the industry development department and the director of the finance department.</p> <p>As Mr. Duan served in the Administrative Committee of Zhongguancun Science Park, which is the controlling shareholder of ZGC Group, and ZGC Capital and ZGC Finance are wholly-owned subsidiaries of ZGC Group, Mr. Duan is deeply trusted by ZGC Group and ZGC Capital. Moreover, Mr. Duan is familiar with the innovation and entrepreneurship policies of Beijing and Zhongguancun, has rich resources in the Zhongguancun venture capital circle, and is qualified to serve as a member of the investment committee.</p>

**Member****Experience**

Mr. Duan graduated from Zhejiang University (浙江大學) with a bachelor's degree in engineering in July 1985. He obtained a master's degree in engineering from Tsinghua University (清華大學) in September 2003. He studied at China Europe International Business School (中歐國際工商學院) from September 2004 to September 2006 and obtained a degree of EMBA. He obtained the certificate of senior engineer granted by Beijing Senior Professional Technical Position Review Committee (北京市高級專業技術職務評審委員會) in October 1997.

Investment cases: Poten Enviro Group Co., Ltd.\* (博天環境集團股份有限公司) (603603. SH), Beijing Tianyishangjia High-tech Material Co., Ltd.\* (北京天宜上佳高新材料股份有限公司) (688033. SH), Beijing Yubang Power Technology Co., Ltd.\* (北京煜邦電力技術股份有限公司), etc.

Mr. He Rongfeng (何融峰)

Mr. He is nominated by Beijing ZGC Innofund.

Mr. He is an executive Director and the general manager of the Company and has around 15 years of experience in finance leasing and corporate management. He has been serving as a director of Beijing ZGC Innofund since April 2019 and participated in the daily operation and management of Beijing ZGC Innofund. He has also served as a director of Beijing Zhongguancun Synergetic Innovation Investment Fund Management Co., Ltd. (北京中關村協同創新投資基金管理有限公司) since July 2016.

As an executive Director and general manager of the Company, Mr. He has a good understanding of the customer resources of the Fund.

Mr. He graduated from Xiangtan University (湘潭大學), majoring in mechanical engineering, and obtained a bachelor's degree in engineering in June 1990.

**Member****Experience**

Investment cases: Beijing Yidiantao Network Technology Co., Ltd.\* (北京易點淘網絡技術有限公司), Beijing Chuxin Technology Co., Ltd.\* (北京廚芯科技有限公司), Hubei Topgene Biotechnology Co., Ltd.\* (湖北天勤生物科技股份有限公司), Jiangxi Bestoo Energy Co., Ltd.\* (江西百通能源股份有限公司), etc.

Li Zhu (李竹)

Mr. Li is nominated by Beijing ZGC Innofund.

Since April 2019, Mr. Li has been a shareholder (indirectly holding 10.9% shares) and a director of Beijing ZGC Innofund and participated in the daily operation and management of Beijing ZGC Innofund.

Mr. Li is also a founding partner of Innoangel Fund\* (英諾天使基金) and a continuous entrepreneur, focusing on investment in new energy, new generation information technology, life technology and other fields. From 2000, he started personal investment and participated in more than 300 investment projects, and many investment projects were listed and exited by mergers and acquisitions. He is currently the founding president of TMT Special Committee of Tsinghua Alumni Association\* (清華校友總會TMT專委會), the honorary president of China Angel Federation\* (中國天使聯合匯) and the honorary president of Zhongguancun Angel Investment Alliance\* (中關村天使投資聯盟). He has been rated as “top ten early investors in China” by Zero2IPO Research Center\* (清科研究中心) for years, as “leader of Zhongguancun angel investment” and CCTV’s most popular “top ten investors in China in 2019”.

Mr. Li has very rich investment experience, especially in the fields of new energy, new generation information technology, life technology etc.

Mr. Li graduated from department of computer science of Tsinghua University (清華大學) in 1989.



**Member****Experience**

Investment cases: Meituan (美團) (3690.HK), Youzu Network Co., Ltd.\* (遊族網絡股份有限公司) (002174.SZ), Guangdong Desheng Technology Co., Ltd.\* (廣東德生科技股份有限公司) (002908.SZ), Infervision Medical Technology Co., Ltd.\* (推想醫療科技股份有限公司), Beijing Insights Value Technology Co., Ltd.\* (北京英視睿達科技有限公司), Hercules Microelectronics (Beijing) Technology Co., Ltd.\* (京微齊力(北京)科技有限公司), Netstars Co. Ltd., Beijing Real AI Technology Co., Ltd.\* (北京瑞萊智慧科技有限公司), Beijing Aqrose Technology Co., Ltd.\* (北京阿丘科技有限公司), Beijing Bizseer Technology Co., Ltd.\* (北京必示科技有限公司), Lingxi (Beijing) Technology Co., Ltd.\* (零犀(北京)科技有限公司), Beijing Cyto Niche Biotechnology Co., Ltd.\* (北京華龜生物科技有限公司), etc.

Ms. Liu Na (劉娜)

Ms. Liu is nominated by Prevision Capital.

Ms. Liu has worked in financial regulatory authorities for more than 17 years and successively served as the assistant to the general manager of Fuwah International Group Co., Ltd. (富華國際集團有限公司), the deputy general manager of Sino-Ocean Bangbang Real Estate Co., Ltd. (遠洋邦邦置業有限公司) and the deputy general manager of Dajia Investment. Since October 2018, Ms. Liu has been the deputy general manager of Prevision Capital.

Ms. Liu graduated from Renmin University of China (中國人民大學) with a bachelor's degree of Science and Technology Archives, and she obtained a master's degree of Finance and Insurance from Central University of Finance and Economics (中央財經大學) and a master's degree of Advanced Public Administration and Management from National University of Singapore (新加坡國立大學).



**Member****Experience**

Ms. Liu is familiar with financial and insurance regulatory policies and the rules for the use of insurance funds, investment and financing management of real estate, as well as the establishment and operation of private equity funds. Ms. Liu led the team to invest in successful projects such as Ant Group Co., Ltd. (螞蟻科技集團股份有限公司), C-MER Eye Care Holdings Limited (希瑪眼科醫療控股有限公司) (3309.HK), and Qingdao Bestone Payment Co., Ltd.\* (青島百森通支付有限公司).

Tang Peiran (唐沛然)

Mr. Tang is nominated by Prevision Capital.

Mr. Tang has 9 years of experience in real estate equity investment, asset management and fund management. Since October 2021, Mr. Tang has been the investment director of Prevision Capital. Mr. Tang is also currently the investment director of Dajia Investment and has served as the team leader of the real estate investment department of China Life Investment Management Co., Ltd.\* (國壽投資保險資產管理有限公司), an analyst of the fund and investment department, director of the investment and asset management department of CapitaLand Limited\* (凱德集團有限公司).

Mr. Tang obtained, Master of Real Estate Investment and Finance from the School of Architecture, University of Hong Kong (香港大學). Mr. Tang is a CFA (Chartered Financial Analyst) and qualified Fund Practitioners.

The projects that Mr. Tang has led the investment or exit include the project of Shenzhen OCT tower\* (深圳華僑城大廈), the project of Xi'an national life financial center\* (西安國壽金融中心), and the project of Boston comprehensive development\* (美國波士頓綜合開發) and etc.

According an article “Plan for Promoting the Development of SMEs (2016-2020)”\*《促進中小企業發展規劃 (2016-2020)》issued by the Ministry of Industry and Information Technology of the PRC, “specialised, refined, differentiated and innovative” generally refer to the following characteristics: “specialised” means enterprises that target specific customer groups or markets, possess special technologies or production processes, and have competitive advantages in their products and services in the industrial value chain; “refined” means enterprises that have refine production, management and services, and competitive advantages in market segments with products and services of good reputation, value for money and excellent quality; “differentiated” means enterprises that develop and produce products with unique processes, technologies, formulas or special raw materials for different consumer groups, provide products and services with special features and/or regional cultural elements; and “innovative” means enterprises that continuously invest and innovate, and have independent intellectual property rights.

Among the investment cases by members of the investment committee, and according to the information from the prospectus and/or website of the relevant companies,

- (i) Meituan Dianping (3690.HK) is PRC’s leading e-commerce platform for services. Its platform uses technology to connect consumers and merchants. Service offerings on its platform address people’s daily needs for food, and extend further to broad lifestyle and travel services. It was awarded “2017-2018 e-Commerce Model Enterprises” (2017-2018年度電子商務示範企業) by Ministry of Commerce in 2017 and “2017 China Outstanding Innovation Contribution Award” (2017中國自主創新傑出貢獻獎) by China Science & Technology Structure Reform Committee of Sichuan Province, Zhong Guan Cun Magazine, and Sina.com. (中國科技體制改革研究會、中關村雜誌社和新浪網聯合主辦) in 2017;
- (ii) C-MER Eye Care Holdings Limited (3309.HK) is one of the leading ophthalmic service providers in Hong Kong and Guangdong. Its eye hospital operated by Shenzhen C-MER Hospital ranked third amongst 113 public and private hospitals in Shenzhen in 2016 (overall) and ranked second in the first quarter of 2017 in the quarterly surveys of “Patient Satisfaction” (病人滿意度) conducted by the Shenzhen Health Commission;
- (iii) Beijing Tianyishangjia High-tech Material Co., Ltd.\* (北京天宜上佳高新材料股份有限公司) (688033.SH) is a leading supplier of powder metallurgy brake pads for high-speed railway in the PRC and is a national high-tech enterprise (國家高新技術企業);

- (iv) Hercules Microelectronics (Beijing) Technology Co., Ltd.\* (京微齊力(北京)科技有限公司) is one of the earliest enterprises in the PRC to enter into independent research and development, mass production, and batch sales of general-purpose field programmable gate array (“FPGA”) chips and new-generation programmable computing chips. It has more than 200 patents, and has independent and complete intellectual property rights, covering FPGA core design, system on a chip (“SOC”) architecture design, chip development, electronic design automation (“EDA”) software development, IP development and integration and other full-stack technology fields; and
- (v) Hubei Topgene Biotechnology Co., Ltd.\* (湖北天勤生物科技有限公司) is a high-tech enterprise focusing on large animal testing, new drug research and evaluation; and is the only privately-held good laboratory practice (“GLP”) institution in Hubei Province, the PRC.

We note that the above enterprises were recognised in areas in relation to innovation, and service with good reputation and quality; have independent intellectual property rights; and are specialised in its principal business. Moreover, the above enterprises also operate in information technology, high-tech manufacturing and biotechnology industry. Hence, we consider the members of the investment committee in general and overall possess the relevant investment experience in relation to “specialised, refined, differentiated and innovative” enterprises as well as the specific industries and/or nature of enterprises under the investment mandate of the Fund.

The investment committee implements the voting mechanism of “one person, one vote, equal voting rights” for the matters which shall be resolved by the investment committee’s investment decision-making power. For projects with an initial investment of RMB30 million or under, the resolution made by the investment committee must be approved by four or more members. Other matters requiring decision-making by the investment committee shall be approved only with the unanimous consent of all members.

#### *3.2.12 Restriction on transfer*

During the duration of the Fund, Dajia Investment, Shanghai Kejing and Prevision Capital have the right to transfer part or all of their interests in the Fund to third parties. With the unanimous consent of all Fund Partners, the Company, Beijing ZGC Innofund and ZGC Finance may transfer part or all of their interests in the Fund to third parties.

#### *3.2.13 Profit distribution and loss sharing*

1. Repayment of paid-in capital contribution to limited partners, the order is Dajia Investment, Shanghai Kejing, the Company and ZGC Finance, among them, the Company and ZGC Finance shall be returned at the same time according to the proportion of paid-in-capital contribution;

2. Payment of preferred return to limited partners until each limited partner obtains an annual rate of return of 9% to their respective paid-in capital contribution, the order is Dajia Investment, Shanghai Kejing, the Company and ZGC Finance, among them, the Company and ZGC Finance shall be returned at the same time according to the proportion of paid-in-capital contribution;
3. Repayment of paid-in capital contribution to general partners, the order is Prevision Capital and Beijing ZGC Innofund;
4. Payment of preferred return to general partners until each general partner obtains an annual rate of return of 9% to their respective paid-in capital contribution, the order is Prevision Capital and Beijing ZGC Innofund; and
5. For the remaining distributable income, 80% shall be distributed to limited partners, of which 60% is distributed to the Company and ZGC Finance according to the relative proportion of paid-in-capital contribution, and 40% is distributed to Dajia Investment and Shanghai Kejing according to the relative proportion of paid-in-capital contribution; and 20% shall be distributed to general partners, of which 0.6% is distributed to Shanghai Kejing as the management reward, and 99.4% is distributed to Beijing ZGC Innofund and Prevision Capital in the proportion of 70:30.

#### *3.2.14 Conditions precedent*

The Fund Partnership Agreement shall become effective upon the approval from the general meeting of the Company having been obtained. Other conditions precedent, namely, (i) the completion of the respective internal approval procedures and sealing of the Fund Partnership Agreement by the Fund Partners (who are not natural persons) and (ii) the execution of the Fund Partnership Agreement by all Fund Partners had been satisfied as at the Latest Practicable Date.

#### *3.2.15 Market Comparable Analysis*

In order to further assess the fairness and reasonableness of the principal terms of the Fund Partnership Agreement, we have, to the best of our knowledge and as far as we are aware of, identified a list of formation of limited partnership (excluding the formation of partnership for the sole purpose of project development) announced by companies listed on the Stock Exchange from 15 September 2021 up to and including the date of the Fund Partnership Agreement (the “**Review Period**”), being approximately six months prior to the date on which it was entered into by the Company (the “**Comparable**”). We consider that the Review Period is adequate and appropriate for identifying Comparable as the Comparable are considered to assess recent market practice in relation to the principal terms under the current market conditions and thus are representative for comparison purpose.

# LETTER FROM SBI CHINA CAPITAL HONG KONG SECURITIES LIMITED

It should be noted that the subject companies involved in the Comparable may have different principal activities, market capitalisations, profitability and financial positions as compared to those of the Company. However, as the Comparable can provide general reference for the terms of such type of transaction under the current market condition, we consider them to be relevant in assessing the fairness and reasonableness of the principal terms of the Fund Partnership Agreement.

Date of Announcement	Stock code	Company name	Term (year)	Extension	Total annual Investment period	management fee Withdrawal period (note 2)	Investment return included in the profit distribution agreement (if any)	Amount of general partner/ executive partner/ investment manager distribution in excess of aggregate paid-in capital contribution or required rate of return or any other prescribed arrangement	Any sequence/ manner of profit distribution among limited partners	Transfer restriction of the limited partnership interests
15 September 2021	9960	Kindstar Globalgene Technology, Inc.	10	Yes	2.00%	2.00%	N/A	N/A	N/A	N/A
23 September 2021	9992	Pop Mart International Group Limited	7	Yes	2.00%	2.00%	8%	N/A	No	N/A
13 October 2021	1490	Cheshi Technology Inc.	6	Yes	N/A	N/A	N/A	N/A	N/A	Written consent of general partner
13 October 2021	3377	Sino-Ocean Group Holding Limited	8	Yes	N/A	N/A	N/A	N/A	Yes	In accordance with the partnership agreement
18 October 2021	1456	Guolian Securities Co., Ltd.	7	Yes	2.00%	2.00%	6%	20% to 30%	No	N/A
26 October 2021	2196	Shanghia Fosun Pharmaceutical (Group) Co., Ltd.	N/A	N/A	N/A	N/A	N/A	N/A	No	N/A
27 October 2021	916	China Longyuan Power Group Corporation Limited	5	Yes	0.23%	N/A	6%	N/A	Yes	N/A
10 November 2021	1635	Shanghai Dazhong Public Utilities (Group) Co., Ltd.	5	Yes	1.50%	N/A	N/A	15%	Yes	Approval of executive partner
18 November 2021	496	Kasen International Holdings Limited	10	Yes	1.00%	N/A	N/A	N/A	No	N/A
24 November 2021	2196	Shanghia Fosun Pharmaceutical (Group) Co., Ltd.	N/A	N/A	N/A	N/A	N/A	N/A	No	N/A
24 November 2021	2196	Shanghia Fosun Pharmaceutical (Group) Co., Ltd.	7	Yes	1.00%	0.70%	8%	20% to 30%	No	N/A
24 November 2021	2196	Shanghia Fosun Pharmaceutical (Group) Co., Ltd.	7	Yes	1.00%	0.70%	8%	20% to 30%	No	N/A

# LETTER FROM SBI CHINA CAPITAL HONG KONG SECURITIES LIMITED

Date of Announcement	Stock code	Company name	Term (year)	Extension	Total annual management fee Investment period	Withdrawal period (note 2)	Investment return included in the profit distribution agreement (if any)	Amount of general partner/ executive partner/ investment manager distribution in excess of aggregate paid-in capital contribution or required rate of return or any other prescribed arrangement	Any sequence/ manner of profit distribution among limited partners	Transfer restriction of the limited partnership interests
26 November 2021	2380	China Power International Development Limited	from the issuing date of its business license to 17 September 2041	N/A	one off management of RMB1,170,000 for the initial three years, subsequent fee to be determined	N/A	3.5% to 6.5%	N/A	No	N/A
1 December 2021	2611	Guotai Junan Securities Co., Ltd.	8	Yes	1.00%	1.00%	8%	10%	No	N/A
1 December 2021	3689	Guangdong Kanghua Healthcare Co., Ltd.	7	Yes	2.00%	2.00%	8%	20%	No	N/A
2 December 2021	1129	China Water Industry Group Limited	5	Yes	1.50%	N/A	7%	N/A	No	Approval of 2/3 of paid up capital of partners
10 December 2021	1186	China Railway Construction Corporation Limited	50	N/A	0.11%	N/A	N/A	N/A	N/A	Unanimous consent of all partners
15 December 2021	1100	Mainland Headwear Holdings Limited	6	Yes	2.00%	2.00%	8%	20%	No	Written consent of executive partner
15 December 2021	3366	Overseas China Town (Asia) Holdings Limited	7	Yes	2.00%	1.50%	8%	20%	No	Unanimous consent of all partners
15 December 2021	6837	Haitong Securities Co., Ltd.	6	Yes	2.00%	2.00%	8%	20%	No	N/A
16 December 2021	2628	China Life Insurance Company Limited	8	Yes	<1.00%	<0.50%	8%	20%	Yes	N/A
16 December 2021	2628	China Life Insurance Company Limited	5	Yes	0.23%	N/A	6%	N/A	Yes	N/A
17 December 2021	697	Shoucheng Holdings Limited	6 7	Yes Yes	0.39% 2.00%	N/A 1.00%	6% N/A	N/A N/A	Yes No	N/A Written consent of at least 2/3 partnership interests of partners
17 December 2021	1070	TCL Electronics Holdings Limited	No fixed term	N/A	N/A	N/A	N/A	N/A	N/A	Approval of all general partner(s)
23 December 2021	183	Winfull Group Holdings Limited	6	Yes	2.00%	2.00%	8%	20%	No	Written consent of executive partner
24 December 2021	390	China Railway Group Limited	15	Yes	0.24%	N/A	N/A	N/A	N/A	N/A
30 December 2021	245	China Vered Financial Holding Corporation Limited	10	Yes	0.40%	N/A	N/A	N/A	No	N/A

# LETTER FROM SBI CHINA CAPITAL HONG KONG SECURITIES LIMITED

Date of Announcement	Stock code	Company name	Term (year)	Extension	Total annual investment period	management fee withdrawal period (note 2)	Investment return included in the profit distribution agreement (if any)	Amount of general partner/ executive partner/ investment manager distribution in excess of aggregate paid-in capital contribution or required rate of return or any other prescribed arrangement			Any sequence/ manner of profit distribution among limited partners	Transfer restriction of the limited partnership interests
31 December 2021	697	Shoucheng Holdings Limited	8	Yes	1.00%	N/A	N/A	20%	No			Unanimous consent of general partner and manager
7 January 2022	2196	Shanghai Fosun Pharmaceutical (Group) Co., Ltd.	7	Yes	2.00%	1.50%	8%	30%	No			N/A
10 January 2022	111	Cinda International Holdings Limited	5	Yes	1.50% to 2.00%	N/A	8%	20%	No			Consent of general partner
13 January 2022	9911	Newborn Town Inc.	N/A	N/A	1.00%	N/A	N/A	N/A	N/A			N/A
18 January 2022	956	China Suntien Green Energy Corporation Limited	7	Yes	0.80%	0.30%	6%	N/A	No			N/A
18 January 2022	750	China Shuifa Singyes Energy Holdings Limited	7	Yes	0.80%	0.30%	6%	N/A	No			N/A
24 January 2022	2196	Shanghai Fosun Pharmaceutical (Group) Co., Ltd.	7	Yes	2.00%	2.00%	8%	20%	No			N/A
28 January 2022	6699	Angelalign Technology Inc.	Indefinite period	N/A	Nil	Nil	N/A	N/A	N/A			Agreed by general partner and limited partner
31 January 2022	412	China Shandong Hi-Speed Financial Group Limited	8	Yes	0.30%	N/A	N/A	N/A	Yes			Written consent by the general partner and all other partners
23 February 2022	2611	Guotai Junan Securities Co., Ltd.	7	Yes	2.00%	1.80%	8%	20%	No			N/A
11 March 2022	1776	GF Securities Co., Ltd.	15	Yes	1.30%	1.20%	8%	18% to 30%	No			N/A
		<b>Max</b>	<b>50</b>		<b>2.00%</b>	<b>2.00%</b>	<b>8%</b>	<b>30%</b>				
		<b>Min</b>	<b>5</b>		<b>0.00%</b>	<b>0.00%</b>	<b>3.5%</b>	<b>10%</b>				
14 March 2022	1601	Zhongguancun Science-Tech Leasing Co., Ltd.	5	Yes	1.50%	1.50%	9%	20%	Yes			Unanimous consent of all partners

Source: Website of the Stock Exchange

Note 1: "N/A" represents not applicable as such information was not disclosed in the announcement of the respective listed issuers.

Note 2: Withdrawal period refers to the period subsequent to the investment period in general but excludes any extension period.

As illustrated in the table above, (i) the term of the Comparable ranged from 5 years to 50 years; (ii) total annual management fee of the Comparable during investment period ranged from 0.00% to 2.00%; total annual management fee of the Comparable during withdrawal period ranged from 0.00% to 2.00%; (iii) investment return included in the profit distribution arrangement ranged from 3.5% to 8%; and (iv) general partner distribution in excess of aggregate paid-in capital contribution or required rate of return or any other prescribed arrangement ranged from 10% to 30%. We note that (i) the term; (ii) the total annual management fee of investment period and withdrawal period; and (iii) general partner distribution in excess of aggregate paid-in capital contribution or required rate of return or any other prescribed arrangement of the Fund Partnership Agreement, respectively, are within the range of the Comparable. Moreover, we note that, based on the findings above, it is not uncommon that there are transfer restriction of the limited partnership interests, normally requiring the consent/approval from the general/executive/other limited partner(s). In relation to the investment return included in the profit distribution arrangement, we consider it is in the interest of the Company to have a higher stipulated investment return. In relation to the sequence of profit distribution among the limited partners of the Fund Partnership Agreement, we note that, based on the findings above, the Company is not unique in entering into partnership agreement that contains sequence/manner of profit distribution among the limited partners. Moreover, the loss sharing arrangement among all the partners of the Fund Partnership Agreement shall be in accordance with and follow the sequence of the profit distribution arrangement of the Fund Partnership Agreement; and the Company and ZGC Finance (a connected person of the Company) share the same priority in the profit distribution/loss sharing arrangement.

Having considered the foregoing, in particular, (i) the total annual management fee of the investment period and the withdrawal period of the Fund Partnership Agreement, which consists of the annual management fee payable to ZGC Capital and the annual partnership execution fee payable to Beijing ZGC Innofund, is within the range of the Comparable; and (ii) the Company and ZGC Finance have the same priority in the profit distribution/loss sharing arrangement under the Fund Partnership Agreement, we are of the view that the principal terms of the Fund Partnership Agreement are generally no less favourable than those available to other transactions of the Comparable and are, therefore, fair and reasonable so far as the Independent Shareholders are concerned. Based on our review on the Fund Partnership Agreement, and taking into account the principal terms of the Fund Partnership Agreement as disclosed above, we are of the view that the terms of the Fund Partnership Agreement are on normal commercial terms and are fair and reasonable so far as the Independent Shareholders are concerned.



**4. Possible Financial Effect of the Funds****4.1 Net assets**

As stated in the 2021 Annual Results Announcement, the consolidated net assets of the Group was approximately RMB2,054.1 million as at 31 December 2021. The total capital commitment of RMB200 million to the Fund represents approximately 9.7% of the consolidated net assets of the Group as at 31 December 2021. Accordingly, the management of the Company considered that there shall not be any material adverse impact on the Group's net asset immediately upon the completion its capital contribution.

**4.2 Working capital**

As stated in the 2021 Annual Results Announcement the consolidated net current asset of the Group was approximately RMB1,460.4 million and the cash and cash equivalents of the Group was approximately RMB650.2 million as at 31 December 2021. According to the 2021 Annual Results Announcement, the capital expenditure was approximately RMB31.1 million for the year ended 31 December 2021. The management of the Company confirms that there was no other planned material capital expenditure which was required to be settled by the Group shortly as at the Latest Practicable Date. Having considered above, the management of the Company considers that the participation in the Fund by the Group is not expected to have material adverse impact to the working capital of the Group immediately upon completion of the capital contribution.

**RECOMMENDATIONS**

Having considered the principal factors and reasons as discussed above, we are of the opinion that although the entering of the Fund Partnership Agreement is not in the ordinary course of business of the Group, the terms of the Fund Partnership Agreement are on normal commercial terms and fair and reasonable so far as the Independent Shareholders are concerned, and are in the interest of the Company and the Shareholders as a whole.

Accordingly, we recommend the Independent Shareholders, as well as the Independent Board Committee to advise the Independent Shareholders, to vote in favour of the resolution to approve the Fund Partnership Agreement and the transactions contemplated thereunder.

Yours faithfully,  
for and on behalf of

**SBI China Capital Hong Kong Securities Limited**  
**Angel Ip**  
*Director*

*Ms. Angel Ip is a licensed person registered with the Securities and Futures Commission and a responsible officer of SBI China Capital Hong Kong Securities Limited to carry out Type 6 (advising on corporate finance) regulated activity under the Securities and Futures Ordinance (chapter 571 of the laws of Hong Kong) and has over 10 years of experience in the corporate finance industry.*

*(Should there be any discrepancy between the English and the Chinese version of this letter, the English version shall prevail.)*

\* For identification purposes only

**1. RESPONSIBILITY STATEMENT**

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiry, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material aspects and not misleading or deceptive, and there are no other matters omitted which would make any statement herein or this circular misleading.

**2. INTERESTS OF DIRECTORS, SUPERVISORS AND CHIEF EXECUTIVE**

As at the Latest Practicable Date, none of the Directors, Supervisors or the chief executive of the Company had any interests or short positions in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which any such Directors, Supervisors, chief executives or their respective associates is deemed to have under such provisions of the SFO), or which were required to be entered in the register required to be kept by the Company pursuant to Section 352 of the SFO, or which were otherwise required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers set out in Appendix 10 to the Listing Rules.

Among the Directors, (i) Mr. DUAN Hongwei holds directorship in several subsidiaries of ZGC Group (other than the Company), (ii) Mr. LOU Yixiang is a director of the capital operation department of ZGC Group and also holds directorship in several subsidiaries of ZGC Group (other than the Company), (iii) Mr. ZHANG Shuqing is the executive deputy general manager of the technology finance department of ZGC Group and also holds directorship in several subsidiaries of ZGC Group (other than the Company), and (iv) Mr. HE Rongfeng holds directorship in one subsidiary of ZGC Group (other than the Company). Save for above, none of the Directors was a director or an employee of any shareholders of the Company or a company which has an interest or short position in shares or underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

**3. SERVICE CONTRACTS**

The Company has entered into service contracts with all Directors and Supervisors. As at the Latest Practicable Date, none of the Directors or Supervisors had any existing or proposed service contract with any member of the Group which is not expiring nor terminable by the Group within a year without payment of any compensation (other than statutory compensation).

**4. COMPETING INTERESTS**

As at the Latest Practicable Date, none of the Directors or Supervisors or, so far as is known to them, any of their respective associates was interested in any business (apart from the Company's business) which competes or possibly competes either directly or indirectly with the Company's business (as would be required to be disclosed under Rule 8.10 of the Listing Rules as if each of them were a controlling shareholder of the Company).

## 5. INTERESTS IN THE COMPANY'S ASSETS OR CONTRACTS OR ARRANGEMENTS SIGNIFICANT TO THE COMPANY

As at the Latest Practicable Date, none of the Directors or Supervisors had any direct or indirect interest in any assets which have been, since December 31, 2021 (being the date on which the latest published audited accounts of the Company were made up), acquired or disposed of by or leased to any member of the Group, or are proposed to be acquired or disposed of by or leased to any member of the Company.

As at the Latest Practicable Date, none of the Directors or Supervisors was materially interested in any contract or arrangement, subsisting at the date of this circular, which is significant in relation to the business of the Company.

## 6. DISCLOSURE OF SUBSTANTIAL SHAREHOLDERS' INTERESTS

As at the Latest Practicable Date, to the knowledge of the Directors, the following persons (not being Directors, Supervisors and the chief executive of the Company) had interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO and recorded in the register required to be kept by the Company under Section 336 of the SFO:

Name of Shareholder	Class of Shares	Capacity/ Nature of interest	Number of Shares interested <sup>(1)</sup>	Approximate percentage of shareholding in the total issued relevant class of Shares <sup>(1)</sup> (%)	Approximate percentage of shareholding in the total issued Shares <sup>(1)</sup> (%)
ZGC Group <sup>(2)</sup>	Domestic Shares	Beneficial owner	600,000,000 (L)		
		Interest of controlled corporation	40,000,000 (L)		
		Total:	640,000,000 (L)	76.19% (L)	48.00% (L)
ZGC Investment Center <sup>(3)</sup>	Domestic Shares	Interest of controlled corporation	640,000,000 (L)	76.19% (L)	48.00% (L)
Chaoyang SCOMC <sup>(4)</sup>	Domestic Shares	Beneficial owner	100,000,000 (L)		
		Interest of controlled corporation	100,000,000 (L)		
		Total:	200,000,000 (L)	23.81% (L)	15.00% (L)
Beijing Chaoyang District Wangjing Xinxing Industry Zone Comprehensive Development Company (北京望京新興產業區綜合開發有限公司) ("Wangjing Development") <sup>(4)</sup>	Domestic Shares	Beneficial owner	100,000,000 (L)	11.90% (L)	7.50% (L)
Nanshan Group Capital Investment Co., Ltd. (南山集團資本投資有限公司) ("Nanshan Capital") <sup>(5)</sup>	H Shares	Beneficial owner	99,900,000 (L)	20.25% (L)	7.49% (L)
Nanshan Group Co., Ltd. (南山集團有限公司) <sup>(5)</sup>	H Shares	Interest of controlled corporation	99,900,000 (L)	20.25% (L)	7.49% (L)
Nanshan Villagers' Committee of Dongjiang County, Longkou City (龍口市東江鎮南山村村民委員會) <sup>(5)</sup>	H Shares	Interest of controlled corporation	99,900,000 (L)	20.25% (L)	7.49% (L)
SONG Zuowen (宋作文) <sup>(5)</sup>	H Shares	Interest of controlled corporation	99,900,000 (L)	20.25% (L)	7.49% (L)

Name of Shareholder	Class of Shares	Capacity/ Nature of interest	Number of Shares interested <sup>(1)</sup>	Approximate percentage of shareholding in the total issued relevant class of Shares <sup>(1)</sup> (%)	Approximate percentage of shareholding in the total issued Shares <sup>(1)</sup> (%)
CCCC (HK) Holding Limited (中交集團(香港)控股有限公司) <sup>(6)</sup>	H Shares	Beneficial owner	58,914,000 (L)	11.94% (L)	4.42% (L)
China Communications Construction Group Limited (中國交通建設集團有限公司) <sup>(6)</sup>	H Shares	Interest of controlled corporation	58,914,000 (L)	11.94% (L)	4.42% (L)
Beijing Enterprises Group Company Limited <sup>(7)</sup>	H Shares	Interest of controlled corporation	50,952,000 (L)	10.33% (L)	3.82% (L)
Beijing Enterprises Group (BVI) Company Limited <sup>(7)</sup>	H Shares	Interest of controlled corporation	50,952,000 (L)	10.33% (L)	3.82% (L)
Beijing Enterprises Holdings Limited <sup>(7)</sup>	H Shares	Interest of controlled corporation	50,952,000 (L)	10.33% (L)	3.82% (L)
Beijing Enterprises Environmental Construction Limited (北控環境建設有限公司) <sup>(7)</sup>	H Shares	Interest of controlled corporation	50,952,000 (L)	10.33% (L)	3.82% (L)
Beijing Enterprises Water Group Limited (北控水務集團有限公司) <sup>(7)</sup>	H Shares	Interest of controlled corporation	50,952,000 (L)	10.33% (L)	3.82% (L)
United Crystal Limited <sup>(7)</sup>	H Shares	Beneficial owner	50,952,000 (L)	10.33% (L)	3.82% (L)
Beijing Haidian State-owned Capital Operation Company Limited (北京市海澱區國有資本運營 有限公司) <sup>(8)</sup>	H Shares	Interest of controlled corporation	36,742,000 (L)	7.45% (L)	2.76% (L)
Beijing Zhongguancun Science City Innovation and Development Co., Ltd. (北京中關村科學城創新發展 有限公司) <sup>(8)</sup>	H Shares	Beneficial owner	36,742,000 (L)	7.45% (L)	2.76% (L)
HU Daosheng (胡道生) <sup>(9)</sup>	H Shares	Interest of controlled corporation	32,894,000 (L)	6.67% (L)	2.47% (L)
Superior Far East International Holdings Limited <sup>(9)</sup>	H Shares	Interest of controlled corporation	32,894,000 (L)	6.67% (L)	2.47% (L)
Superior Far East (China) Holdings Limited (佳和控股有限公司) <sup>(9)</sup>	H Shares	Beneficial owner	32,894,000 (L)	6.67% (L)	2.47% (L)

*Notes:*

- (1) As at the Latest Practicable Date, the Company has issued a total number of 1,333,334,000 Shares, comprising 1,000,000,000 Domestic Shares and 333,334,000 H Shares. (L) represents long position.
- (2) ZGC Group directly holds 600,000,000 Domestic Shares. ZGC Group is also deemed to be interested in 40,000,000 Domestic Shares held by ZGC Finance, its wholly-owned subsidiary, under the SFO.
- (3) Under the SFO, ZGC Investment Center is deemed to be interested in the entire interest held by ZGC Group, a company directly held by it as to 55.4%.
- (4) Chaoyang SCOMC directly holds 100,000,000 Domestic Shares. Chaoyang SCOMC is also deemed to be interested in 100,000,000 Domestic Shares held by Wangjing Development, its wholly-owned subsidiary, under the SFO.

- (5) Under the SFO, Nanshan Group Co., Ltd. (南山集團有限公司) is deemed to be interested in the entire interest held by Nanshan Capital its wholly-owned subsidiary. As Nanshan Group Co., Ltd. is owned as to 51% by Nanshan Villagers' Committee of Dongjiang County, Longkou City (龍口市東江鎮南山村村民委員會) and 49% by Mr. SONG Zuowen (宋作文), respectively, under the SFO, each of Nanshan Villagers' Committee of Dongjiang County, Longkou City and Mr. SONG Zuowen is deemed to be interested in the entire interest held by Nanshan Group Co., Ltd.
- (6) Under the SFO, China Communications Construction Group Limited (中國交通建設集團有限公司) is deemed to be interested in the entire interest held by CCCG (HK) Holding Limited (中交集團(香港)控股有限公司), its wholly-owned subsidiary.
- (7) United Crystal Limited is a wholly-owned subsidiary of Beijing Enterprises Water Group Limited (北控水務集團有限公司), which is owned as to 41.13% by Beijing Enterprises Environmental Construction Limited (北控環境建設有限公司), a wholly-owned subsidiary of Beijing Enterprises Holdings Limited. Beijing Enterprises Holdings Limited is held as to 7.93% by Modern Orient Limited, a wholly-owned subsidiary of Beijing Enterprises Investment Limited, which is held as to 72.72% by Beijing Enterprises Group (BVI) Company Limited. Beijing Enterprises Investment Limited also directly holds 12.97% of the equity interest of Beijing Enterprises Holdings Limited. As a wholly-owned subsidiary of Beijing Enterprises Group Company Limited, Beijing Enterprises Group (BVI) Company Limited directly and indirectly holds 61.96% of the equity interest of Beijing Enterprises Holdings Limited. Each of Beijing Enterprises Water Group Limited, Beijing Enterprises Environmental Construction Limited, Beijing Enterprises Investments Limited, Morden Orient Limited, Beijing Enterprises Holdings Limited, Beijing Enterprises Group (BVI) Company Limited and Beijing Enterprises Group Company Limited is therefore deemed to be interested in H Shares held by United Crystal Limited under the SFO.
- (8) Under the SFO, Beijing Haidian State-owned Capital Operation Company Limited (北京市海澱區國有資本運營有限公司) is deemed to be interested in the entire interest held by Beijing Zhongguancun Science City Innovation and Development Co., Ltd. (北京中關村科學城創新發展有限公司), its wholly-owned subsidiary.
- (9) Superior Far East (China) Holdings Limited (佳和控股有限公司) is wholly owned by Superior Far East International Holdings Limited, which is wholly owned by Mr. HU Daosheng. Under the SFO, each of Superior Far East International Holdings Limited and Mr. HU Daosheng is therefore deemed to be interested in H Shares held by Superior Far East (China) Holdings Limited.

Save as disclosed above and to the best knowledge of the Directors, as at the Latest Practicable Date, no person (excluding Directors, Supervisors, and chief executives of the Company) had an interest or a short position in the shares or underlying shares of the Company which were required to be notified to the Company pursuant to Divisions 2 and 3 of Part XV of the SFO and recorded in the register required to be kept by the Company under section 336 of the SFO.

## 7. LITIGATION

As at the Latest Practicable Date, the Directors were not aware of any litigation or claim of material importance pending or threatening against any member of the Company.

## 8. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors were not aware of any material adverse change in the Group's financial or trading position since December 31, 2021, being the date on which the latest published audited accounts of the Company were made up.

**9. EXPERT'S QUALIFICATION AND CONSENT**

The following is the qualification of the expert who has given advice and recommendations which are contained in this circular:

<b>Name</b>	<b>Qualification</b>
SBI China Capital Hong Kong Securities Limited	a corporation licensed to carry out type 6 (advising on corporate finance) regulated activity under the SFO

SBI China Capital Hong Kong Securities Limited issued a letter dated May 19, 2022, for the purpose of incorporation in this circular in connection with its recommendation to the Independent Board Committee and the Independent Shareholders. As at the Latest Practicable Date, SBI China Capital Hong Kong Securities Limited had given and had not withdrawn its written consent to the issue of this circular with the inclusion of its letter of recommendation and reference to its name in the form and context in which they appear.

**10. EXPERT'S INTERESTS**

As at the Latest Practicable Date, SBI China Capital Hong Kong Securities Limited:

- (a) did not have any direct or indirect interest in any assets acquired or disposed of by or leased to, or were proposed to be acquired or disposed of by or leased to any member of the Company since December 31, 2021, being the settlement date to which the latest published audited consolidated financial statements of the Group were made up; and
- (b) did not have any shareholding in any member of the Company or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Company.

**11. OTHER INFORMATION**

- (1) The company secretary of the Company is Mr. GAO Wei (fellow member of The Hong Kong Chartered Governance Institute).
- (2) The registered address of the Company is at 1610, 16/F, Building 101 (2-16/F), No. 21 Rongda Road, Chaoyang District, Beijing, the PRC. The Company's headquarters and principal place of business in China is at Floor 5&6, Suite 7, Courtyard 2, No. 1 West Third Ring North Road, Haidian District, Beijing, the PRC. The Company's principal place of business in Hong Kong is at 40th Floor, Dah Sing Financial Centre, No. 248 Queen's Road East, Wanchai, Hong Kong.

- (3) The H share registrar of the Company is Computershare Hong Kong Investor Services Limited, located at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.
- (4) The English text of this circular shall prevail over the Chinese text in the event of inconsistency.

## **12. DOCUMENTS ON DISPLAY**

Copies of the following documents will be published on the websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.zgclease.com](http://www.zgclease.com)) for a period of 14 days from the date of this circular:

- (a) the Fund Partnership Agreement;
- (b) the letter from the Independent Board Committee, the text of which is set out in this circular;
- (c) the letter from the Independent Financial Adviser, the text of which is set out in this circular;  
and
- (d) the written consent of SBI China Capital Hong Kong Securities Limited referred to in the paragraph headed "Expert's Qualification and Consent" above.

# NOTICE OF THE 2022 SECOND EXTRAORDINARY GENERAL MEETING



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)

## NOTICE OF THE 2022 SECOND EXTRAORDINARY GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the 2022 second extraordinary general meeting (the “**Extraordinary General Meeting**”) of Zhongguancun Science-Tech Leasing Co., Ltd. (the “**Company**”) will be held on Tuesday, June 14, 2022 at 9:30 a.m. at Conference Room 617, Floor 6, Suite 7, Courtyard 2, No. 1 West Third Ring North Road, Haidian District, Beijing, the People's Republic of China (the “**PRC**” or “**China**”), for the purposes of considering and, if thought fit, passing the following resolution:

### ORDINARY RESOLUTION

**1. “THAT**

- (a) the Fund Partnership Agreement dated March 14, 2022 entered into between the Company, ZGC Finance, Dajia Investment, Shanghai Kejing, Beijing ZGC Innofund and Prevision Capital (a copy of which is produced to the EGM marked “A” and signed by the Chairman of the Extraordinary General Meeting for the purpose of identification), and for the transactions contemplated thereunder be and are hereby approved, confirmed and ratified; and
- (b) any one or more Directors of the Company be and is hereby authorised to do all such things and acts as he/she may in his/her discretion consider as necessary, expedient or desirable for the purpose of or in connection with the implementation of the Fund Partnership Agreement, including but not limited to the execution of all such documents under seal where applicable, as he/she considers necessary or expedient in his/her opinion to implement and/or give effect to the Fund Partnership Agreement and the transactions contemplated thereunder (including the formation of the Fund), and to agree with such variation, amendment or waiver as, in the opinion of the Directors, in the interests of the Company and its Shareholders as a whole.”

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

Beijing, the PRC, May 19, 2022



---

# NOTICE OF THE 2022 SECOND EXTRAORDINARY GENERAL MEETING

---

Notes:

## 1. CLOSURE OF REGISTER OF MEMBERS

For determining the entitlement to attend and vote at the Extraordinary General Meeting, the register of members of the Company will be closed from Wednesday, June 8, 2022 to Tuesday, June 14, 2022, both days inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the Extraordinary General Meeting, all share transfer documents accompanied by the relevant share certificates must be lodged with the Company's headquarters and principal place of business in China at Floor 6, Suite 7, Courtyard 2, No. 1 West Third Ring North Road, Haidian District, Beijing, the PRC (for Domestic Shareholders) or the Company's H share registrar, Computershare Hong Kong Investor Services Limited, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong (for H Shareholders) not later than 4:30 p.m. on Tuesday, June 7, 2022, for registration.

## 2. PROXY

Shareholders entitled to attend and vote at the Extraordinary General Meeting may appoint one or more proxies to attend and vote in their stand. A proxy need not be a shareholder of the Company.

The instrument appointing a proxy must be in writing under the hand of a shareholder or his/her attorney duly authorised in writing. If the shareholder is a corporate body, the form of proxy must be either executed under its common seal or under the hand of its legal representative(s) or director(s) or duly authorised attorney(s). If the form of proxy is signed by an attorney of the shareholder, the power of attorney authorising that attorney to sign or other authorisation documents must be notarized.

The form of proxy together with the power of attorney or other authorization documents (if any) must be lodged at the Company's headquarters and principal place of business in China at Floor 6, Suite 7, Courtyard 2, No. 1 West Third Ring North Road, Haidian District, Beijing, the PRC (for holders of domestic shares) or the Company's H share registrar, Computershare Hong Kong Investor Services Limited, at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (for holders of H shares) in person or by post not less than 24 hours before the time fixed for holding the Extraordinary General Meeting (i.e. before Monday, June 13, 2022 at 9:30 a.m.) or any adjournment thereof (as the case may be). Shareholders can still attend and vote in person at the Extraordinary General Meeting upon completion and return of the form of proxy.

## 3. CONTACT DETAILS OF THE COMPANY

Contact Address: Floor 6, Suite 7, Courtyard 2, No. 1 West Third Ring North Road, Haidian District, Beijing, the PRC  
Contact Person: HE Rongfeng/HUANG Wen  
Contact Telephone: (86) 010 8345 3806/(86) 010 8345 3805  
Contact Fax: (86) 010 8345 3809

## 4. VOTING BY POLL

According to Rule 13.39(4) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, any vote of shareholders at the Extraordinary General Meeting must be taken by poll.

## 5. OTHER BUSINESS

The Extraordinary General Meeting is expected to last for approximately half a day. Shareholders (in person or by proxy) attending the Extraordinary General Meeting are responsible for their own transportation and accommodation expenses.

Shareholders or their proxies attending the Extraordinary General Meeting shall produce their identity documents.

The details about the aforesaid resolutions proposed at the Extraordinary General Meeting are set out in the circular of the Company dated May 19, 2022.

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