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# 国银租赁

CHINA DEVELOPMENT BANK LEASING

國銀金融租賃股份有限公司\*

**CHINA DEVELOPMENT BANK FINANCIAL LEASING CO., LTD.\***

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

**(Stock Code: 1606)**

## **DISCLOSEABLE TRANSACTION FINANCE LEASE ARRANGEMENT**

The Board hereby announces that on 23 August 2023 (after trading hours), the Company (as the Lessor) entered into the Finance Lease Arrangement with the Lessee, pursuant to which (i) the Company as the Purchaser entered into the Transfer Agreement with the Lessee and the Vendor, under which the Company purchased the Leased Assets from the Vendor at a consideration of RMB2,020,000,000, and (ii) the Company as the Lessor entered into the Finance Lease Agreement with the Lessee, under which the Company agreed to lease the Leased Assets to the Lessee with a lease period of 120 months.

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

### **FINANCE LEASE ARRANGEMENT**

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

## **TRANSFER AGREEMENT**

Details of the Transfer Agreement are summarized as follows:

### **Date**

23 August 2023

### **Parties**

“Purchaser”: the Company

“Lessee”: Shenzhen Shenshan International AutoCity (Group) Co., Ltd.# (深圳市深汕國際汽車城(集團)有限公司)

“Vendor”: BYD Auto Industry Co., Ltd.

### **Transaction Target**

As part of the Finance Lease Arrangement and pursuant to the Transfer Agreement, the Company as the Purchaser agreed to purchase from the Vendor the Transaction Target, and the Vendor agreed to transfer the Transaction Target and/or change the registration to the name of the Purchaser. The Transaction Target is the automobile production line equipment and other assets of the BYD Auto Industrial Park Phase II project located in the Guangdong Province of the PRC. The net book value of the Transaction Target is approximately RMB2,020,000,000. The Vendor does not separately account for the profit before and after taxation of the Transaction Target.

### **Transfer Consideration and Terms of Payment**

The Purchaser agreed to purchase the Transaction Target from the Vendor at a total consideration of RMB2,020,000,000. The consideration is calculated and payable in RMB. The Purchaser will pay the transfer consideration upon the signing of the Transfer Agreement and the Finance Lease Agreement, the receipt of the special value-added tax invoice issued by the Vendor and the completion of internal approval of the Purchaser. The transfer consideration was determined by the parties after arm’s length negotiation with reference to the net book value of the Transaction Target and the prevailing market price of the similar transaction targets in the PRC.

## **FINANCE LEASE AGREEMENT**

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### **Date**

23 August 2023

## **Parties**

“Lessor”: the Company

“Lessee”: Shenzhen Shenshan International AutoCity (Group) Co., Ltd.# (深圳市深汕國際汽車城(集團)有限公司)

## **Leased Assets**

As part of the Finance Lease Arrangement and pursuant to the Finance Lease Agreement, the Company as the Lessor agreed to lease the Leased Assets (being the Transaction Target) to the Lessee. For details of the Leased Assets, its net book value and related financial information, please refer to the contents under “Transfer Agreement – Transaction Target”.

## **Lease Period**

120 months

## **Rent and Method of Payment**

Pursuant to the Finance Lease Agreement, the Lessor agreed to lease the Leased Assets to the Lessee. The rent, including value-added taxes, is calculated and paid in RMB, and comprised of lease principal and lease interest. Of which, the lease principal is of the same amount as the transfer consideration, totaling RMB2,020,000,000; and the total amount of lease interest for the lease period is approximately RMB450,000,000. The lease principal and lease interest shall be paid by the Lessee to the Lessor on a semi-annual basis in installments during the lease period.

The terms of the Finance Lease Agreement including lease principal, lease interest and other expenses for the Leased Assets under the Finance Lease Agreement were determined upon arm’s length negotiation between the Lessee and the Lessor with reference to the transfer consideration, the net book value of the Leased Assets and the prevailing market prices of the same category of finance lease products in the PRC.

## **Leased Assets and Their Ownership**

The Lessor has agreed to lease the Leased Assets to the Lessee. The Lessee is entitled to the possession, usage and benefits of such assets. Upon expiration of the lease period, the Lessee may purchase back the Leased Assets from the Lessor at a consideration of RMB100 in nominal value.

## **REASONS FOR AND BENEFITS OF ENTERING INTO THE FINANCE LEASE ARRANGEMENT**

The Finance Lease Arrangement is entered into by the Company during its ordinary and usual course of business. Entering into of the Finance Lease Arrangement benefits the Company by increasing the income of its finance lease business and is consistent with the Company’s business development strategy.

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

## **INFORMATION OF THE PARTIES**

### **Information of the Company**

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

### **Information of the Lessee**

The Lessee is a state-owned enterprise incorporated in the PRC on 29 March 2022 and located in Guangdong Province, the PRC, which is principally engaged in the business of park management services; commercial complex management services; land improvement services; landscaping and greening project construction; urban greening management; and housing leasing.

### **Information of the Vendor**

The Vendor is a limited liability company incorporated in the PRC on 3 August 2006 and located in the Guangdong Province, the PRC, which is principally engaged in the businesses of research and development of automobiles, electric vehicles and their spare parts, automobile moulds and their related accessories, automobile electronic devices; development and research of wireless communication technologies and systems; sale of self-produced software and etc.

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

## **IMPLICATIONS UNDER THE LISTING RULES**

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

## **DEFINITIONS**

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

“Board”	the board of directors of the Company
“Company”	China Development Bank Financial Leasing Co., Ltd. (國銀金融租賃股份有限公司), a company established in the PRC in 1984 and converted into a joint stock limited company on 28 September 2015, the H shares of which are listed on the Stock Exchange with stock code of 1606
“Director(s)”	the director(s) of the Company
“Finance Lease Agreement”	the finance lease agreement in respect of the Leased Assets entered into between the Lessor and the Lessee on 23 August 2023

“Finance Lease Arrangement”	the transaction arrangement under the Transfer Agreement and the Finance Lease Agreement
“Hong Kong”	Hong Kong Special Administrative Region of the PRC
“Leased Assets” or “Transaction Target”	automobile production line equipment and other assets of the BYD Auto Industrial Park Phase II project located in the Guangdong Province, the PRC
“Lessee”	Shenzhen Shenshan International AutoCity (Group) Co. Ltd.# (深圳市深汕國際汽車城(集團)有限公司), the ultimate beneficial owner of which is Guangdong Shenshan Investment Holding Group Co., Ltd.# (廣東深汕投資控股集團有限公司). Guangdong Shenshan Investment Holding Group Co., Ltd.# (廣東深汕投資控股集團有限公司) is a wholly state-owned enterprise at district level
“Lessor” or “Purchaser”	the Company
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“PRC”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Transfer Agreement”	the transfer agreement dated 23 August 2023 in respect of the Transaction Target entered into between the Company, the Lessee and the Vendor
“Vendor”	BYD Auto Industry Co., Ltd., the ultimate beneficial owner of which is BYD Company Limited. BYD Company Limited is a company listed on the Stock Exchange (stock code: 01211 (HKD counter) and 81211 (RMB counter)) and Shenzhen Stock Exchange (stock code: 2594)
“%”	per cent

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

Shenzhen, the PRC  
23 August 2023

*As at the date of this announcement, the executive directors of the Company are Ms. MA Hong and Mr. HUANG Min; the non-executive directors are Mr. LI Yingbao and Mr. YANG Guifang; and the independent non-executive directors are Mr. ZHENG Xueding, Mr. XU Jin and Mr. ZHANG Xianchu.*

# for identification purposes only