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Leader Education Limited
立德教育股份有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1449)

MAJOR TRANSACTION
FINANCE LEASE ARRANGEMENT (GUOJIN)

FINANCE LEASE ARRANGEMENT (GUOJIN)

On 21 February 2025 (after trading hours), Heilongjiang College of Business and Technology entered into the Finance Lease Agreement (Guojin), the Transfer Agreement (Guojin) and the Guarantee Agreements (Guojin) with Shanghai Guojin in respect of the Finance Lease Arrangement (Guojin) at a sale price of RMB50,000,000 and total lease payment of RMB54,525,000.

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio (as defined under Rule 14.07 of the Listing Rules) of Finance Lease Arrangement (Guojin), exceeds 25% but is less than 100%, the Finance Lease Arrangement (Guojin) constitutes a major transaction of the Company. Therefore the Finance Lease Arrangement (Guojin) shall be subject to the reporting, announcement, circular and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no Shareholder has a material interest in, and would be required to abstain from voting on, any resolution to approve, confirm and/or ratify the Finance Lease Arrangement (Guojin) if the Company were to convene a general meeting to approve, confirm and/or ratify the same. The Company has received written certificate to approve the Finance Lease Arrangement (Guojin) from Shuren Education (holding 300,000,000 Shares, and 100% owned by Ms. Dong) and Junhua Education (holding 196,674,000 Shares, and 100% owned by Mr. Liu, the spouse of Ms. Dong), being a closely allied group of Shareholders, which together hold 496,674,000 issued shares of the Company (representing approximately 74.50% of the total issued shares of the Company) as at the date of this announcement, in accordance with Rule 14.44 of the Listing Rules. No Shareholders' meeting will be convened by the Company to approve, confirm and/or ratify the Finance Lease Arrangement (Guojin).

DESPATCH OF CIRCULAR

Pursuant to Rule 14.41(a) of the Listing Rules, a circular containing, among other things, (i) details of the Finance Lease Arrangement (Guojin) and the transactions contemplated thereunder; and (ii) financial information of the Group shall be despatched within 15 business days after publication of this announcement, i.e. on or before 14 March 2025. Since the Company requires additional time for preparation of the disclosure of certain financial information to be included in the circular, the Company will apply to the Stock Exchange for a waiver from strict compliance with Rule 14.41(a) of the Listing Rules and will make further announcement regarding the expected date of despatch of circular.

INTRODUCTION

On 21 February 2025 (after trading hours), Heilongjiang College of Business and Technology entered into the Finance Lease Agreement (Guojin), the Transfer Agreement (Guojin) and the Guarantee Agreements (Guojin) with Shanghai Guojin in respect of the Finance Lease Arrangement (Guojin) at a sale price of RMB50,000,000 and total lease payment of RMB54,525,000.

PRINCIPAL TERMS OF THE FINANCE LEASE ARRANGEMENT (GUOJIN)

The principal terms of the Finance Lease Arrangement (Guojin) are summarized as follows:

Finance Lease Agreement (Guojin)

The principal terms of the Finance Lease Agreement (Guojin) are summarized as follows:

Date:	21 February 2025 (after trading hours)
Parties:	(i) Heilongjiang College of Business and Technology (as the seller/lessee) (ii) Shanghai Guojin (as the purchaser/lessor)
Leased Assets (Guojin):	The Leased Assets (Guojin) comprise air conditioners, transformers, fire alarm equipment, smoke exhaust fans, sewage treatment equipment, fan coils, diesel generators, etc. The unaudited book value of the Leased Assets (Guojin) as at 31 December 2024 amounted to RMB55,193,960.
Lease Term:	36 months

Total Lease Payment: The total lease payment is RMB54,525,000, which was determined after arm's length negotiations with reference to the appraised net value of the Leased Assets (Guojin) of RMB52,777,901.60 as at 31 December 2024 and the prevailing market interest rates and trading terms of the similar finance lease arrangements.

The total lease payment shall be paid by Heilongjiang College of Business and Technology to Shanghai Guojin pursuant to the lease payment schedule as set out in the Finance Lease Agreement (Guojin) in 36 installments during the lease term.

Handling Fee: RMB2,500,000, which shall be paid in one lump sum by Heilongjiang College of Business and Technology before Shanghai Guojin makes any payment for the sale price under the Finance Lease Agreement (Guojin) and shall be non-refundable.

Such handling fee shall be deemed as the service fee for the services provided by Shanghai Guojin to Heilongjiang College of Business and Technology, including but not limited to due diligence, design of finance lease plan and transaction structure, preparation of project reports, legal services, fund allocation, and post-lease management, etc.

Notarization Fee: RMB15,000

Ownership of the Leased Assets (Guojin): Upon the expiry of the lease term, provided that Heilongjiang College of Business and Technology has paid all the amounts payable under the Finance Lease Agreement (Guojin), Heilongjiang College of Business and Technology is entitled to request Shanghai Guojin to transfer the ownership of the Leased Assets (Guojin) back to Heilongjiang College of Business and Technology at the end of the lease term on an "as-is" basis, in consideration of the payment of a retention money of RMB5 by Heilongjiang College of Business and Technology.

Transfer Agreement (Guojin)

The principal terms of the Transfer Agreement (Guojin) are summarized as follows:

Date: 21 February 2025 (after trading hours)

Parties: (i) Heilongjiang College of Business and Technology (as the seller)
(ii) Shanghai Guojin (as the purchaser)

Sale Price: RMB50,000,000, which was determined after arm's length negotiations with reference to the appraised net value of the Leased Assets (Guojin) amounting to approximately RMB52,777,901.60 as at 31 December 2024 and the fair market price of the similar assets.

Principle Terms: **Sale of the Leased Assets (Guojin) to Shanghai Guojin**

Heilongjiang College of Business and Technology agreed to sell and Shanghai Guojin agreed to purchase the Leased Assets (Guojin) at a consideration of RMB50,000,000, to be paid in one lump sum or by installment.

The sale price shall be paid by Shanghai Guojin to the Heilongjiang College of Business and Technology after the following conditions being fulfilled:

- (i) Shanghai Guojin has received relevant documents provided by Heilongjiang College of Business and Technology, including the Private Non-Enterprise Unit Registration Certificate (民辦非企業單位登記證), School Operating License (辦學許可證), articles of association, and the board resolution(s) approving the Finance Lease Arrangement (Guojin);
- (ii) Shanghai Guojin has received the payment notice and the certificate of ownership transfer in relation to the Leased Assets (Guojin) issued by Heilongjiang College of Business and Technology;
- (iii) Shanghai Guojin has received the ownership declaration, acceptance certificate, and acceptance report relating to the Leased Assets (Guojin) issued by Heilongjiang College of Business and Technology;
- (iv) Shanghai Guojin has received the deposit (if any), handling fee and notarization fee from Heilongjiang College of Business and Technology;
- (v) Shanghai Guojin has received the board resolutions and/or shareholders' resolutions approving the Guarantee Agreements (Guojin) from the Guarantors (if applicable), and the Guarantee Agreements (Guojin) have been effective;
- (vi) Heilongjiang College of Business and Technology has cooperated with Shanghai Guojin to complete the change of the ownership of the Leased Assets (Guojin) and obtained relevant supporting documents; and
- (vii) Shanghai Guojin has received other documents as required by Shanghai Guojin from Heilongjiang College of Business and Technology.

Delivery of the Leased Assets (Guojin)

The ownership of the Leased Assets (Guojin) shall be transferred to Shanghai Guojin upon payment of the sale price of the Leased Assets (Guojin).

Guarantee Agreements (Guojin)

Heilongjiang College of Business and Technology and Shanghai Guojin entered into a Guarantee Agreement (Guojin) with each of the Guarantors, pursuant to which, Mr. Liu, Ms. Dong, Beijing Junhua, Harbin Xiangge, Liankang Consulting, Nantong Junhua, Nantong Junhua Vocational School, Quanren Education and Tianjin Holistic are joint liability guarantors for Heilongjiang College of Business and Technology to perform its obligations under the Finance Lease Agreement (Guojin) and the Transfer Agreement (Guojin). The Guarantors provided joint liability guarantee to Shanghai Guojin for the liabilities of Heilongjiang College of Business and Technology under the Finance Lease Agreement (Guojin) and the Transfer Agreement (Guojin).

REASONS FOR AND BENEFITS OF ENTERING INTO THE FINANCE LEASE ARRANGEMENT (GUOJIN)

By entering into the Finance Lease Arrangement (Guojin), the Group would gain access to financial resources to fund the construction of the campus of the Group and support its general working capital needs while the Group's operation would not be affected by the sale of the Leased Assets (Guojin), because such assets are immediately leased back to the Group. There is no transfer of possession or use of the assets to Shanghai Guojin under the Finance Lease Arrangement (Guojin). According to the International Financial Reporting Standards, the transactions contemplated under the Finance Lease Arrangement (Guojin) do not constitute a disposal of assets and will not give rise to any gain or loss to be recorded in the Group's income statement. Upon expiry of the lease term, the Group could pay the nominal retention money to have the Leased Assets (Guojin) transferred back to the Group. Therefore, in substance and in terms of accounting treatment, the Finance Lease Arrangement (Guojin) are in effect largely similar to borrowing a secured loan.

The Directors are of the opinion that the terms and conditions of the Finance Lease Arrangement (Guojin) are on normal commercial terms, fair and reasonable and in the interests of the Company and its shareholders as a whole.

INFORMATION ABOUT THE PARTIES TO THE FINANCE LEASE ARRANGEMENT (GUOJIN)

The Group

The Company is principally engaged in investment holding and the Group is principally engaged in providing private higher education services in the PRC through Heilongjiang College of Business and Technology.

Heilongjiang College of Business and Technology is a consolidated affiliated entity of the Company, and is a private regular undergraduate institution approved and established under the laws of PRC.

Shanghai Guojin

Shanghai Guojin is a limited liability company established under the laws of the PRC and is principally engaged in leasing, operating leasing and financial leasing business in the PRC. Shanghai Guojin is owned as to approximately 70.85% and 29.15% by Shanghai SIIC Financial Services Holding Co., Ltd. * (上海上實金融服務控股股份有限公司) and SIIC Investment (Shanghai) Co., Ltd. * (上實投資(上海)有限公司).

Shanghai SIIC Financial Services Holding Co., Ltd. * (上海上實金融服務控股股份有限公司) is owned as to approximately 42.00%, 28.40%, 12.57%, 11.36% and 5.68% by SIIC Property Group (Shanghai) Co., Ltd. * (上實置業集團(上海)有限公司), SIIC Asset & Operation Co., Ltd.* (上海上投資產經營有限公司), SIIC Shanghai (Group) Co., Ltd. (上海上實(集團)有限公司), Shanghai Guosheng Group Assets Co., Ltd. (上海國盛集團資產有限公司), and Jingong Group Co., Ltd. * (精功集團有限公司).

SIIC Property Group (Shanghai) Co., Ltd. * (上實置業集團(上海)有限公司) is 100% owned by Shanghai Overseas Co., Ltd. * (上海海外有限公司), which is in turn 100% owned by Shanghai City State-owned Assets Supervision and Administration Commission. SIIC Asset & Operation Co., Ltd.* (上海上投資產經營有限公司) is owned as to approximately 65.41% and 34.59% by SIIC Shanghai (Group) Co., Ltd. (上海上實(集團)有限公司) and Shanghai Pharmaceutical (Group) Co., Ltd. * (上海醫藥(集團)有限公司) which is turn owned by SIIC Shanghai (Group) Co., Ltd. (上海上實(集團)有限公司) as to 60%. SIIC Shanghai (Group) Co., Ltd. (上海上實(集團)有限公司) is 100% owned by Shanghai City State-owned Assets Supervision and Administration Commission.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Shanghai Guojin and its ultimate beneficial owner(s) (if applicable) are third parties independent from the Company and its connected persons (as defined in the Listing Rules).

LISTING RULES IMPLICATIONS

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To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, no Shareholder has a material interest in, and would be required to abstain from voting on, any resolution to approve, confirm and/or ratify the Finance Lease Arrangement (Guojin) if the Company were to convene a general meeting to approve, confirm and/or ratify the same. The Company has received written certificate to approve the Finance Lease Arrangement (Guojin) from Shuren Education (holding 300,000,000 Shares, and 100% owned by Ms. Dong) and Junhua Education (holding 196,674,000 Shares, and 100% owned by Mr. Liu, the spouse of Ms. Dong), being a closely allied group of Shareholders, which together hold 496,674,000 issued shares of the Company (representing approximately 74.50% of the total issued shares of the Company) as at the date of this announcement, in accordance with Rule 14.44 of the Listing Rules. No Shareholders' meeting will be convened by the Company to approve, confirm and/or ratify the Finance Lease Arrangement (Guojin).

DESPATCH OF CIRCULAR

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DEFINITIONS

In this announcement, unless the context requires otherwise, the following terms have the meanings set out below, and words in plural shall include the singular and vice versa, as applicable:

“Beijing Junhua”	Beijing Junhua Business Information Consulting Co., Ltd. * (北京峻華商務信息諮詢有限公司), a limited liability company established under the laws of the PRC on 8 July 2020, which is held as to 100% by Leader Education (HK) Limited
“Board”	the board of Directors
“Company”	Leader Education Limited (立德教育股份有限公司) (stock code: 1449), an exempted company incorporated in the Cayman Islands with limited liability on 17 June 2019
“connected person(s)”	has the meaning ascribed to it in the Listing Rules
“Director(s)”	the director(s) of the Company
“Finance Lease Agreement (Guojin)”	the finance lease agreement dated 21 February 2025 between Shanghai Guojin and Heilongjiang College of Business and Technology as part of the Finance Lease Arrangement (Guojin)
“Finance Lease Arrangement (Guojin)”	(i) the purchase of the Leased Assets (Guojin) by Shanghai Guojin; (ii) the lease back of the Leased Assets (Guojin) to Heilongjiang College of Business and Technology; and (iii) the provision of the guarantees to Shanghai Guojin by the Guarantors for Heilongjiang College of Business and Technology, pursuant to the Finance Lease Agreement (Guojin), the Transfer Agreement (Guojin) and the Guarantee Agreements (Guojin), respectively

“Group”	the Company, its subsidiaries and consolidated affiliated entities from time to time
“Guarantee Agreement(s) (Guojin)”	the guarantee agreement(s) dated 21 February 2025 between Shanghai Guojin, Heilongjiang College of Business and Technology and the Guarantor(s) as part of the Finance Lease Arrangement (Guojin)
“Guarantors”	the guarantors providing joint liability guarantee to Shanghai Guojin for the liabilities of Heilongjiang College of Business and Technology under the Finance Lease Agreement (Guojin) and the Transfer Agreement (Guojin), include Mr. Liu, Ms. Dong, Beijing Junhua, Harbin Xiangge, Liankang Consulting, Nantong Junhua, Nantong Junhua Vocational School, Quanren Education and Tianjin Holistic
“Harbin Xiangge”	Harbin Xiangge Enterprise Management Co., Ltd.* (哈爾濱祥閣企業管理有限公司), a limited liability company established under the laws of the PRC and a consolidated affiliated entity of the Company
“Heilongjiang College of Business and Technology”	Heilongjiang College of Business and Technology (黑龍江工商學院), a private regular undergraduate institution approved and established under the laws of PRC and a consolidated affiliated entity of the Company
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Junhua Education”	Junhua Education Limited (竣華教育有限公司), a company incorporated under the laws of the British Virgin Islands on 18 June 2019 and wholly-owned by Mr. Liu
“Leased Assets (Guojin)”	certain assets, including air conditioners, transformers, fire alarm equipment, smoke exhaust fans, sewage treatment equipment, fan coils, diesel generators, etc., which were sold by Heilongjiang College of Business and Technology to Shanghai Guojin and leased back to Heilongjiang College of Business and Technology pursuant to the Finance Lease Arrangement (Guojin)
“Liankang Consulting”	Heilongjiang Liankang Business Information Consulting Co., Ltd.* (黑龍江聯康商務信息諮詢有限公司), a limited liability company established under the laws of the PRC on 8 August 2019, which is held as to 100% by Leader Education (HK) Limited

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mr. Liu”	Mr. Liu Laixiang (劉來祥), the Chairman, the Chief Executive Officer, an executive Director and the spouse of Ms. Dong
“Ms. Dong”	Ms. Dong Ling (董玲), an executive Director and the spouse of Mr. Liu
“Nantong Junhua”	Nantong Junhua Kechuangyuan Co., Ltd.* (南通峻華科創園有限公司), a limited liability company established under the laws of the PRC, which is held as to 77.97% by Heilongjiang College of Business and Technology and 23.03% by Leader Education (HK) Limited
“Nantong Junhua Vocational School”	Nantong Junhua Secondary Vocational School Co., Ltd. * (南通峻華中等職業學校有限公司), a limited liability company established under the laws of the PRC, which is held as to 100% by Nantong Junhua
“PRC”	the People’s Republic of China, for the purpose of this announcement, excluding Hong Kong Special Administrative Region, Macau Special Administrative Region and Taiwan
“Quanren Education”	Tianjin Quanren Education Technology Co., Ltd. * (天津全人教育科技有限公司), a limited liability company established under the laws of the PRC, which is held as to 100% by Harbin Xiangge
“RMB”	Renminbi, the lawful currency of the PRC
“Shanghai Guojin”	Shanghai Guojin Financial Leasing Co., Ltd. * (上海國金融資租賃有限公司), a limited liability company established under the laws of the PRC
“Share(s)”	the ordinary share(s) in the share capital of the Company
“Shareholder(s)”	the holder(s) of Share(s)
“Shuren Education”	Shuren Education Limited (樹人教育有限公司), a company incorporated under the laws of the British Virgin Islands on 18 June 2019 and wholly-owned by Ms. Dong
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Tianjin Holistic”	Tianjin Holistic Vocational Secondary School Co., Ltd. * (天津全人職業中等專業學校有限公司), a company incorporated under the laws of the PRC on 10 October 2023 and indirectly 100% owned by Harbin Xiangge
“Transfer Agreement (Guojin)”	the transfer agreement dated 21 February 2025 between Shanghai Guojin and Heilongjiang College of Business and Technology as part of the Finance Lease Arrangement (Guojin)
“%”	per cent

By the order of the Board
Leader Education Limited
Liu Laixiang
Chairman

Harbin, Heilongjiang Province, PRC, 21 February 2025

As at the date of this announcement, the executive Directors are Mr. Liu Laixiang, Ms. Dong Ling, Mr. Wang Yunfu and Mr. Che Wenge; and the independent non-executive Directors are Mr. Zhang Su, Mr. Cao Shaoshan and Mr. Chan Ngai Fan.

* *For identification purpose only*