

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, 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 announcement.*

## **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 (HAIER)**

#### **FINANCE LEASE ARRANGEMENT (HAIER)**

On 13 December 2023 (after trading hours), Heilongjiang College of Business and Technology entered into the Sale and Leaseback Agreement (Haier) and the Consultation Service Agreement (Haier) with Haier in respect of the Finance Lease Arrangement (Haier).

#### **LISTING RULES IMPLICATIONS**

As the Finance Lease Arrangement (Haier) and Previous Finance Lease Arrangement (Haier) were entered into with the same party during the 12-month period, the transactions contemplated thereunder shall be aggregated pursuant to Rules 14.22 and 14.23 of the Listing Rules. As the highest applicable ratio of the Finance Lease Arrangement (Haier) and Previous Finance Lease Arrangement (Haier) on an aggregated basis exceeds 25% but is less than 100%, the transaction contemplated under the Finance Lease Arrangement (Haier) constitutes a major transaction for the Company and therefore shall subject to the reporting, announcement 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 (Haier) 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 (Haier) 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 (Haier).

## **DESPATCH OF CIRCULAR**

A circular containing, among other things, (i) details of the Finance Lease Arrangement (Haier) and the transactions contemplated thereunder; and (ii) financial information of the Group is expected to be despatched on or before 8 January 2024.

### **INTRODUCTION**

On 13 December 2023 (after trading hours), Heilongjiang College of Business and Technology entered into the Sale and Leaseback Agreement (Haier) and the Consultation Service Agreement (Haier) with Haier in respect of the Finance Lease Arrangement (Haier).

### **FINANCE LEASE ARRANGEMENT (HAIER)**

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

#### **1. Sale and Leaseback Agreement (Haier)**

The principal terms of the Sale and Leaseback Agreement (Haier) are summarized as follows:

**Date:** 13 December 2023 (after trading hours)

**Parties:** (i) Heilongjiang College of Business and Technology (as the lessee), and  
(ii) Haier (as the lessor)

**Sale Price and Payment:**

The total sale price is RMB40,000,000 which was determined after arm's length negotiations with reference to the valuation price of approximately RMB40,095,765 as at 31 October 2023 and the fair market price of the similar assets.

The sale price shall be paid by Haier to Heilongjiang College of Business and Technology in two instalments. The first instalment of RMB1,560,000 (after deducting the security deposit of RMB400,000) shall be paid by Haier within 10 business days after the fulfilment of the following conditions:

- (i) Haier having received a receipt from Heilongjiang College of Business and Technology in the amount of RMB40,000,000;
- (ii) Haier having received a drawdown notice issued by Heilongjiang College of Business and Technology in respect of the payment of the first instalment;
- (iii) Haier having received and endorsed the original valuation report for the Leased Assets (Haier) provided by Heilongjiang College of Business and Technology; and
- (iv) Haier having received the checking and acceptance confirmation letter of the Leased Assets (Haier) issued by Heilongjiang College of Business and Technology.

The second instalment of RMB38,040,000 shall be paid by Haier within 10 business days after the fulfilment of the following conditions:

- (i) the conditions for the first instalment as described above having been satisfied;
- (ii) Haier having received a drawdown notice issued by Heilongjiang College of Business and Technology in respect of the payment of the second instalment.

**Leased Assets (Haier):**

The Leased Assets (Haier) comprises of servers, exchange boards, stereos, displayer, desks, chairs, beds, blackboards etc.

The unaudited book value of the Leased Assets (Haier) as at 31 October 2023 amounts to approximately RMB72,372,568.

**Lease Term:**

36 months

**Total Lease Payment:** The total lease payment is approximately RMB45,450,100, including the finance lease payment and the retention fee of RMB100, which was determined after arm's length negotiations with reference to the appraised net value and the prevailing market interest rates and trading terms of the similar finance lease arrangements.

After the Sale and Leaseback Agreement (Haier) becoming effective, Haier shall have the right to make adjustments to the lease payment in accordance with the adjustments of the loan prime rate published by the People's Bank of China. The actual lease payment amount shall be confirmed in the Actual Lease Payment Schedule (實際租金支付表) and the Lease Adjustment Notice (租金調整通知書) issued by Haier.

**Security Deposit:** The total security deposit is RMB400,000, which shall be deducted from the first instalment of the sale price paid by Haier to Heilongjiang College of Business and Technology.

Haier shall have the right to use the security deposit to set off any due payables of Heilongjiang College of Business and Technology under the Sale and Leaseback Agreement (Haier) and Heilongjiang College of Business and Technology shall top up the security deposit to RMB400,000 in such cases.

The security deposit of RMB400,000 shall be used to set off the final portion(s) of the lease payment and the retention fee to be made by Heilongjiang College of Business and Technology provided that there are no default events or the default events have been rectified. Haier shall return the remaining balance of the security deposit (if any) to Heilongjiang College of Business and Technology.

**Ownership of the Leased Assets (Haier):** The ownership of the Leased Assets (Haier) shall be transferred to Haier upon the issuance of the checking and acceptance confirmation letter of the Leased Assets (Haier) by Heilongjiang College of Business and Technology.

Upon the expiry of the lease term, provided that there are no continuing events of default, and subject to receipt of all lease payments and other receivables under the Sale and Leaseback Agreement (Haier), Haier shall transfer the ownership of the Leased Assets (Haier) to Heilongjiang College of Business and Technology on an “as-is” basis.

**Effectiveness of  
the Sale and  
Leaseback  
Agreement  
(Haier):**

The Sale and Leaseback Agreement (Haier) shall come into effect upon the fulfilment of the following conditions:

- (i) Haier having received the original resolution(s) or other similar documents issued by the internal authority(ies) of Heilongjiang College of Business and Technology consenting to the transaction contemplated under the Sale and Leaseback Agreement (Haier);
- (ii) Haier having received the original resolution(s) issued by the internal authority(ies) of the guarantors under the Sale and Leaseback Agreement (Haier) consenting to their guarantees for Heilongjiang College of Business and Technology to perform its obligations thereunder;
- (iii) each of Ms. Dong and Mr. Liu entered into the guarantee agreement with Haier; and
- (iv) each of Harbin Xiangge and Nantong Junhua entered into the guarantee agreement with Haier.

## **2. Consultation Service Agreement (Haier)**

Heilongjiang College of Business and Technology and Haier also entered into the Consultation Service Agreement (Haier) on 13 December 2023 (after trading hours) under which Haier agreed to provide consultancy services to Heilongjiang College of Business and Technology and Heilongjiang College of Business and Technology will pay a service fee of RMB1,560,000 to Haier within three business days after signing the Consultation Service Agreement (Haier). The consultancy services cover professional advice and guidance on macro-economy analysis, finance lease introduction and finance lease arrangement analysis etc.

## **3. Guarantee for the Sale and Leaseback Agreement (Haier)**

Mr. Liu, Ms. Dong, Harbin Xiangge and Nantong Junhua are the joint liability guarantors for Heilongjiang College of Business and Technology to perform its obligations under the Sale and Leaseback Agreement (Haier). The guarantors provide joint liability guarantee to Haier for the liabilities of Heilongjiang College of Business and Technology under the Sale and Leaseback Agreement (Haier).

## **REASONS AND BENEFITS OF ENTERING INTO THE FINANCE LEASE ARRANGEMENT (HAIER)**

By entering into the Finance Lease Arrangement (Haier), the Group would gain access to financial resources to fund the construction of Hanan Campus and support its general working capital needs while the Group's operation would not be adversely affected by the sale of the Leased Assets (Haier), because such assets are immediately leased back to the Group. There is no transfer of possession or use of the assets to Haier under the Finance Lease Arrangement (Haier). According to the International Financial Reporting Standards, the transactions contemplated under the Finance Lease Arrangement (Haier) 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 (Haier) transferred back to the Group. Therefore, in substance and in terms of accounting treatment, the Finance Lease Arrangement (Haier) are in effect the largely similar to borrowing a secured loan.

The Directors are of the opinion that the terms and conditions of the Finance Lease Arrangement (Haier) 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 (HAIER)

### 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.

### Haier

Haier is a limited liability company established under the laws of the PRC and is principally engaged in financial leasing business and financial services in the PRC. Haier is owned as to 37.65%, 33% and 29.35% by Haier Group (Qingdao) Finance Holding Co., Ltd.\* (海爾集團(青島)金融控股有限公司), Shanghai Haizhu Yunju Enterprise Management Consulting Partnership (Limited Partnership)\* (上海海鑄雲聚企業管理諮詢合夥企業(有限合夥)) and Haier International Co., Limited respectively.

Haier Group (Qingdao) Finance Holding Co., Ltd.\* (海爾集團(青島)金融控股有限公司) is a wholly-owned subsidiary of Haier Electric Appliances International Co., Ltd.\* (海爾卡奧斯股份有限公司). Haier Electric Appliances International Co., Ltd.\* (海爾卡奧斯股份有限公司) is a wholly owned subsidiary of Haier Group Corporation\* (海爾集團公司) (“**Haier Group**”). Shanghai Haizhu Yunju Enterprise Management Consulting Partnership (Limited Partnership)\* (上海海鑄雲聚企業管理諮詢合夥企業(有限合夥)) is owned as to 99% by Qingdao Haier Venture Capital Investment Co., Ltd.\* (青島海爾創業投資有限責任公司), which is a wholly-owned subsidiary of Haier Group (Qingdao) Finance Holding Co., Ltd.\* (海爾集團(青島)金融控股有限公司). Haier International Co., Limited is a wholly-owned subsidiary of Haier (HK) Investment Co., Limited. Haier (HK) Investment Co., Limited, which in turn is a wholly-owned subsidiary of Haier Group. According to publicly available information, the nature of Haier Group is a collectively-owned enterprise. Pursuant to the Regulation of the People’s Republic of China on Urban Collectively-Owned Enterprises (2016 Revision), the property of Haier Group, being a socialist economic organisation, is collectively owned by the working masses, subject to joint work, with distribution according to work as the principal distribution method. In light of its enterprise nature, Haier Group has no shareholders.

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

## **LISTING RULES IMPLICATIONS**

As the Finance Lease Arrangement (Haier) and Previous Finance Lease Arrangement (Haier) were entered into with the same party during the 12-month period, the transactions contemplated thereunder shall be aggregated pursuant to Rules 14.22 and 14.23 of the Listing Rules. As the highest applicable ratio of the Finance Lease Arrangement (Haier) and Previous Finance Lease Arrangement (Haier) on an aggregated basis exceeds 25% but is less than 100%, the transaction contemplated under the Finance Lease Arrangement (Haier) constitutes a major transaction for the Company and therefore shall be subject to the reporting, announcement 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 (Haier) 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 (Haier) 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 (Haier).

## **DESPATCH OF CIRCULAR**

A circular containing, among other things, (i) details of the Finance Lease Arrangement (Haier) and the transactions contemplated thereunder; and (ii) financial information of the Group is expected to be despatched on or before 8 January 2024.

## **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:

“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

“Consultation Service Agreement (Haier)”	the consultation service agreement dated 13 December 2023 between Haier and Heilongjiang College of Business and Technology as part of Finance Lease Arrangement (Haier)
“Director(s)”	the director(s) of the Company
“Finance Lease Arrangement (Haier)”	(i) the purchase of the Leased Assets (Haier) by Haier and the lease back of the Leased Assets (Haier) to Heilongjiang College of Business and Technology; and (ii) the provision of the finance lease consultancy services by Haier to Heilongjiang College of Business and Technology, pursuant to the Sale and Leaseback Agreement (Haier) and the Consultation Service Agreement (Haier) respectively
“Group”	the Company, its subsidiaries and consolidated affiliated entities from time to time
“Haier”	Haier Financial Services China Co., Ltd.* (海爾融資租賃股份有限公司), a limited liability company established under the laws of the PRC
“Harbin Xiangge”	Harbin Xiangge Enterprise Management 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 (Haier)”	certain assets, including servers, exchange boards, stereos, displayer, desks, chairs, beds, blackboards etc, which were sold by Heilongjiang College of Business and Technology to Haier and leased back to Heilongjiang College of Business and Technology pursuant to the Finance Lease Arrangement (Haier)

“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 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 55.97% by Heilongjiang College of Business and Technology and 44.03% by Leader Education (HK) Limited
“PRC”	the People’s Republic of China, for the purpose of this announcement, excluding Hong Kong, Macau Special Administrative Region and Taiwan
“Previous Finance Lease Arrangement (Haier)”	(i) the purchase of certain assets of Heilongjiang College of Business and Technology by Haier and the lease-back to Heilongjiang College of Business and Technology pursuant to the sale and leaseback agreement entered into between Haier and Heilongjiang College of Business and Technology on 18 January 2023; and (ii) the provision of the finance lease consultation services by Haier to Heilongjiang College of Business and Technology pursuant to the consultation service agreement entered into between Haier and Heilongjiang College of Business and Technology on 18 January 2023
“RMB”	Renminbi, the lawful currency of the PRC
“Sale and Leaseback Agreement (Haier)”	the sale and leaseback agreement dated 13 December 2023 between Haier and Heilongjiang College of Business and Technology in terms of Leased Assets (Haier) as part of Finance Lease Arrangement (Haier)
“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
“%”	per cent

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

Harbin, Heilongjiang Province, PRC, 13 December 2023

*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*