

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)

DISCLOSEABLE TRANSACTIONS FINANCE LEASE ARRANGEMENTS

During the period from 15 September 2020 to 27 April 2021, the Group entered into the following Finance Lease Arrangements:

1. On 15 September 2020, Heilongjiang College of Business and Technology entered into the Sale and Purchase Agreement (COSCO), Finance Lease Agreement (COSCO) and Service Agreement (COSCO) with COSCO Shipping (Tianjin) in respect of the COSCO Finance Lease Arrangement.
2. On 5 January 2021, Heilongjiang College of Business and Technology entered into the First Ownership Transfer Agreement (Sinopharm) and the First Finance Lease Agreement (Sinopharm) with Sinopharm in respect of the First Sinopharm Finance Lease Arrangement.
3. On 27 April 2021, Heilongjiang College of Business and Technology entered into the Second Ownership Transfer Agreement (Sinopharm) and the Second Finance Lease Agreement (Sinopharm) with Sinopharm in respect of the Second Sinopharm Finance Lease Arrangement.

Since the First Sinopharm Finance Lease Arrangement and the Second Sinopharm Finance Lease Arrangement were entered into within a 12-month period by the same parties and were of the same nature, the transactions contemplated thereunder were aggregated pursuant to Rule 14.22 the Listing Rules.

As one or more of the applicable percentage ratios (as defined in the Listing Rules) of the transactions under the each of (i) the Finance Lease Arrangement (COSCO) and (ii) the First Sinopharm Finance Lease Arrangement and the Second Sinopharm Finance Lease Arrangement (as aggregated) are more than 5% but less than 25%, respectively, the transactions under each of the Finance Lease Arrangement constitute discloseable transactions of the Company under Chapter 14 of the Listing Rules, and are subject to the announcement and reporting requirements under the Listing Rules.

INTRODUCTION

During the period from 15 September 2020 to 27 April 2021, the Group entered into the following Finance Lease Arrangements:

1. On 15 September 2020, Heilongjiang College of Business and Technology entered into the Sale and Purchase Agreement (COSCO), Finance Lease Agreement (COSCO) and Service Agreement (COSCO) with COSCO Shipping (Tianjin) in respect of the COSCO Finance Lease Arrangement.
2. On 5 January 2021, Heilongjiang College of Business and Technology entered into the First Ownership Transfer Agreement (Sinopharm) and the First Finance Lease Agreement (Sinopharm) with Sinopharm in respect of the First Sinopharm Finance Lease Arrangement.
3. On 27 April 2021, Heilongjiang College of Business and Technology entered into the Second Ownership Transfer Agreement (Sinopharm) and the Second Finance Lease Agreement (Sinopharm) with Sinopharm in respect of the Second Sinopharm Finance Lease Arrangement.

PRINCIPAL TERMS OF THE FINANCE LEASE ARRANGEMENTS

The principal terms of the each of the Finance Lease Arrangements are summarized as follows:

1. COSCO FINANCE LEASE ARRANGEMENT

Sale and Purchase Agreement (COSCO)

Date: 15 September 2020

Parties: (i) Heilongjiang College of Business and Technology (as the seller)
(ii) COSCO Shipping (Tianjin) (as the purchaser)

Sale Price: RMB36,000,000

Principle Terms: **Sale of the Leased Assets (COSCO) to COSCO Shipping (Tianjin)**

Heilongjiang College of Business and Technology agreed to sell and COSCO Shipping (Tianjin) agreed to purchase the Leased Assets (COSCO) at a consideration of RMB36,000,000, which was determined after arm's length negotiation between the parties. The deposit for the lease of RMB1,000,000 shall be deducted from the consideration payable by COSCO Shipping (Tianjin) to Heilongjiang College of Business and Technology.

Delivery of the Leased Assets (COSCO)

The ownership of the Leased Assets (COSCO) shall be transferred to COSCO Shipping (Tianjin) upon its payment of the consideration for the transfer of the Leased Assets (COSCO).

Finance Lease Agreement (COSCO)

Date: 15 September 2020

Parties: (i) Heilongjiang College of Business and Technology (as the lessee)
(ii) COSCO Shipping (Tianjin) (as the lessor)

Lease Term: 36 months

Total Lease Payment: RMB41,300,000

Deposit: RMB1,000,000

Principle Terms: **Deduction of Deposit from the Consideration**

The deposit of RMB1,000,000 shall be deducted from the consideration for the transfer of the Leased Assets (COSCO) under the Sale and Purchase Agreement (COSCO).

Lease of the Leased Assets (COSCO)

The Leased Assets (COSCO) shall be leased back to Heilongjiang College of Business and Technology for the lease term at the total lease payment of RMB41,300,000, payable by Heilongjiang College of Business and Technology to COSCO Shipping (Tianjin) every three months in 12 installments during the lease term.

Transfer of Ownership of the Leased Assets (COSCO) back to the Lessee

Within 15 business days after the expiry of the lease term and subject to full performance of the Finance Lease Agreement by Heilongjiang College of Business and Technology, COSCO Shipping (Tianjin) shall transfer the ownership of the Leased Assets (COSCO) to Heilongjiang College of Business and Technology in consideration of the payment of a retention money of RMB100 by Heilongjiang College of Business and Technology, which is payable together with the last instalment of the lease payment.

Service Agreement (COSCO)

Date: 15 September 2020

Parties: (i) Heilongjiang College of Business and Technology (as the recipient of service)

(ii) COSCO Shipping (Tianjin) (as the service provider)

Service Fee: RMB1,050,000

Principle Terms: COSCO Shipping (Tianjin) shall provide Heilongjiang College of Business and Technology with services of industry consultation and information analysis, development consultation, equipment operation analysis, financing analysis and financing consultation, corporation management optimization.

Heilongjiang College of Business and Technology shall pay COSCO Shipping (Tianjin) the service fee within three business days after receipt of the notice from COSCO Shipping (Tianjin).

Guarantee for Finance Lease Agreement (COSCO)

Mr. Liu Laixiang and Ms. Dong Ling (the executive Directors and controlling shareholders of the Company), Harbin Xiangge (a consolidated affiliated entity of the Company), Liankang Consulting (wholly-owned subsidiaries of the Company), and Harbin Junfengda Property Development Co., Ltd.* (哈爾濱竣峰達房地產開發有限公司) (a company indirectly held as to 60% and 40% by Ms. Dong Ling and Mr. Liu Laixiang) are the joint liability guarantors for Heilongjiang College of Business and Technology to perform its obligations under the Finance Lease Agreement (COSCO). The guarantors provide joint liability guarantee to COSCO Shipping (Tianjin) for the liabilities of Heilongjiang College of Business and Technology under the Finance Lease Agreement (COSCO).

2. First Sinopharm Finance Lease Arrangement

First Ownership Transfer Agreement (Sinopharm)

Date: 5 January 2021

Parties: (i) Heilongjiang College of Business and Technology (as the seller)

(ii) Sinopharm (as the purchaser)

Sale Price: RMB45,500,000

Principle Terms: **Sale of the First Leased Assets (Sinopharm) to Sinopharm**

Heilongjiang College of Business and Technology agreed to sell and Sinopharm agreed to purchase the First Leased Assets (Sinopharm) at a consideration of RMB45,500,000, which was determined after arm's length negotiation between the parties. The deposit for the lease of RMB2,275,000 shall be deducted from the consideration payable by Sinopharm to Heilongjiang College of Business and Technology.

Delivery of the First Leased Assets (Sinopharm)

The ownership of the First Leased Assets (Sinopharm) shall be transferred to Sinopharm on the commencement date of the lease pursuant to the First Finance Lease Agreement (Sinopharm).

First Finance Lease Agreement (Sinopharm)

Date: 5 January 2021

Parties: (iii) Heilongjiang College of Business and Technology (as the lessee)

(iv) Sinopharm (as the lessor)

Lease Term: 36 months

Total Lease Payment: RMB51,606,100

Deposit: RMB2,275,000

Handling Fee: RMB910,000

Principle Terms: **Payment of Handling Fee**

Handling fee of RMB910,000 shall be payable within 5 days from the signing of the First Finance Lease Agreement (Sinopharm).

Lease of the First Leased Assets (Sinopharm)

The First Leased Assets (Sinopharm) shall be leased back to Heilongjiang College of Business and Technology for the lease term at the total lease payment of RMB51,606,100, payable by Heilongjiang College of Business and Technology to Sinopharm every three months in 12 installments during the lease term.

Transfer of Ownership of the First Leased Assets (Sinopharm) back to the Lessee

Subject to payment of a retention money of RMB100 prior to the expiry of the lease term, provided that there is no breach of the First Finance Lease Agreement (Sinopharm) or all breaches have been remedied, Sinopharm shall transfer the ownership of the First Leased Assets (Sinopharm) to Heilongjiang College of Business and Technology on an “as-is” basis.

Guarantee for First Finance Lease Agreement (Sinopharm)

Mr. Liu Laixiang and Ms. Dong Ling (the executive Directors and controlling shareholders of the Company), Harbin Xiangge (a consolidated affiliated entity of the Company), Liankang Consulting (wholly-owned subsidiaries of the Company), and Harbin Xiangzhen Yincheng Property Co., Ltd.* (哈爾濱祥振引城置業有限公司) (a company indirectly held as to 60% and 40% by Ms. Dong Ling and Mr. Liu Laixiang) are the joint liability guarantors for Heilongjiang College of Business and Technology to perform its obligations under the First Finance Lease Agreement (Sinopharm). The guarantors provide joint liability guarantee to Sinopharm for the liabilities of Heilongjiang College of Business and Technology under the First Finance Lease Agreement (Sinopharm).

3. Second Sinopharm Finance Lease Arrangement

Second Ownership Transfer Agreement (Sinopharm)

Date: 27 April 2021

Parties: (i) Heilongjiang College of Business and Technology (as the seller)

(ii) Sinopharm (as the purchaser)

Sale Price: RMB4,500,000

Principle Terms: **Sale of the Second Leased Assets (Sinopharm) to Sinopharm**

Heilongjiang College of Business and Technology agreed to sell and Sinopharm agreed to purchase the Second Leased Assets (Sinopharm) at a consideration of RMB4,500,000, which was determined after arm's length negotiation between the parties. The deposit for the lease of RMB225,000 shall be deducted from the consideration payable by Sinopharm to Heilongjiang College of Business and Technology.

Delivery of the Second Leased Assets (Sinopharm)

The ownership of the Second Leased Assets (Sinopharm) shall be transferred to Sinopharm on the commencement date of the lease pursuant to the Second Finance Lease Agreement (Sinopharm).

Second Finance Lease Agreement (Sinopharm)

Date:	27 April 2021
Parties:	(i) Heilongjiang College of Business and Technology (as the lessee) (ii) Sinopharm (as the lessor)
Lease Term:	36 months
Total Lease Payment:	RMB5,058,000
Deposit:	RMB225,000
Handling Fee:	RMB90,000
Principle Terms:	Payment of Handling Fee

Handling fee of RMB90,000 shall be payable within 5 days from the signing of the First Finance Lease Agreement (Sinopharm).

Lease of the Second Leased Assets (Sinopharm)

The Second Leased Assets (Sinopharm) shall be leased back to Heilongjiang College of Business and Technology for the lease term at the total lease payment of RMB5,058,000, payable by Heilongjiang College of Business and Technology to Sinopharm every three months in 12 installments during the lease term.

Transfer of Ownership of the Second Leased Assets (Sinopharm) back to the Lessee

Subject to payment of a retention money of RMB100 prior to the expiry of the lease term, provided that there is no breach of the Second Finance Lease Agreement (Sinopharm) or all breaches have been remedied, Sinopharm shall transfer the ownership of the Second Leased Assets (Sinopharm) to Heilongjiang College of Business and Technology on an “as-is” basis.

Guarantee for Second Finance Lease Agreement (Sinopharm)

Mr. Liu Laixiang and Ms. Dong Ling (the executive Directors and controlling shareholders of the Company), Harbin Xiangge (a consolidated affiliated entity of the Company), Liankang Consulting (wholly-owned subsidiaries of the Company), and Harbin Xiangzhen Yincheng Property Co., Ltd.* (哈爾濱祥振引城置業有限公司) (a company indirectly held as to 60% and 40% by Ms. Dong Ling and Mr. Liu Laixiang) are the joint liability guarantors for Heilongjiang College of Business and Technology to perform its obligations under the Second Finance Lease Agreement (Sinopharm). The guarantors provide joint liability guarantee to Sinopharm for the liabilities of Heilongjiang College of Business and Technology under the Second Finance Lease Agreement (Sinopharm).

REASONS FOR AND BENEFITS OF ENTERING INTO THE FINANCE LEASE AGREEMENTS

The terms of each of the Finance Lease Arrangements and the transactions contemplated thereunder are determined after arm's length negotiations with reference to the average fair market price of the similar assets and the prevailing market interest rates and trading terms of the similar Finance Lease Arrangements. The Directors are of the opinion that the Finance Lease Arrangements could partially finance the construction work in connection with the expansion of Hanan Campus, the terms and conditions of which 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 AGREEMENTS

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.

COSCO Shipping (Tianjin)

COSCO Shipping (Tianjin) is a company incorporated in the PRC with limited liability and is principally engaged in financial lease business, leasing business, purchase of leased property from with the PRC and abroad, residual value treatment and maintenance of leased property, and lease.

COSCO Shipping (Tianjin) is a wholly-owned subsidiary of COSCO Shipping Leasing Co., Ltd.* (中遠海運租賃有限公司), which is owned as to 40.81% by COSCO SHIPPING Development Co., Ltd.* (中遠海運發展股份有限公司), a PRC company listed on the Main Board of the Stock Exchange (stock code: 2866) and Shanghai Stock Exchange (stock code: 601866); as to 36.99% by Zhongbao Investment Co., Ltd.* (中保投資有限責任公司); and as to 22.20% by China State-owned Enterprises Mixed Ownership Fund Co., Ltd.* (中國國有企業混合所有制改革基金有限公司).

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

Sinopharm

Sinopharm is a company incorporated in the PRC with limited liability and is principally engaged in financial lease business, leasing business, purchase of leased property from with the PRC and abroad, residual value treatment and maintenance of leased property, lease transaction consultation and guarantee, and commercial factoring business related to its main business. The single largest shareholder of Sinopharm is Sinopharm Group Co. Ltd.* (國藥控股股份有限公司), a PRC company listed on the Main Board of the Stock Exchange (stock code: 1099).

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

IMPLICATIONS OF THE LISTING RULES

Since the First Sinopharm Finance Lease Arrangement and the Second Sinopharm Finance Lease Arrangement were entered into within a 12-month period by the same parties and were of the same nature, the transactions contemplated thereunder were aggregated pursuant to Rule 14.22 the Listing Rules.

As one or more of the applicable percentage ratios (as defined in the Listing Rules) of the transactions under the each of (i) the Finance Lease Arrangement (COSCO) and (ii) the First Sinopharm Finance Lease Arrangement and the Second Sinopharm Finance Lease Arrangement (as aggregated) are more than 5% but less than 25%, respectively, the transactions under each of the Finance Lease Arrangement constitute discloseable transactions of the Company under Chapter 14 of the Listing Rules, and are subject to the announcement and reporting requirements under the Listing Rules.

At the time of entering into the Finance Lease Arrangements, the Directors of the Company were not aware that the Finance Lease Arrangements constituted notifiable transactions under the Listing Rules due to misunderstanding of the application of the Listing Rules. The Directors, on behalf of the Company, hereby apologize for the delay in making this announcement.

In order to avoid recurrence of the incident and to ensure proper compliance with the Listing Rules in the future, the following remedial measures will be taken by the Group:

- 1) the Company will consult its legal advisors on any transaction that might constitute a notifiable transaction on a timely manner and seek their advice to ensure compliance with the relevant requirements under the Listing Rules;
- 2) regular training will be provided to the Directors, senior management and the relevant employees in relation to the requirements under the Listing Rules, particularly those concerning notifiable transactions, to reinforce their understanding of and importance of compliance with the Listing Rules; and
- 3) the Company will continue to review its internal control procedures and will make such disclosure in a timely manner to ensure compliance with the relevant requirements under the Listing Rules.

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
“controlling shareholders”	has the meaning ascribed thereto in the Listing Rules

“COSCO Finance Lease Arrangement”	(i) the purchase of the Leased Assets (COSCO) by COSCO Shipping (Tianjin); (ii) the lease back of the Leased Assets (COSCO) to Heilongjiang College of Business and Technology; and (iii) the provision of the business consultation services by COSCO Shipping (Tianjin) to Heilongjiang College of Business and Technology, pursuant to the Sale and Purchase Agreement (COSCO), the Finance Lease Agreement (COSCO) and the Service Agreement (COSCO) respectively
“COSCO Shipping (Tianjin)”	COSCO Shipping Leasing (Tianjin) Co., Ltd.* (遠海融資租賃(天津)有限公司), a limited liability company incorporated in the PRC on 18 October 2019
“Director(s)”	the director(s) of the Company
“Finance Lease Agreement (COSCO)”	the finance lease agreement dated 15 September 2020 between COSCO Shipping (Tianjin) and Heilongjiang College of Business and Technology as part of the COSCO Finance Lease Arrangement
“Finance Lease Arrangements”	the COSCO Finance Lease Arrangement, the First Sinopharm Finance Lease Arrangement, and the Second Sinopharm Finance Lease Arrangement
“First Finance Lease Agreement (Sinopharm)”	the finance lease agreement dated 5 January 2021 between Sinopharm and Heilongjiang College of Business and Technology
“First Leased Assets (Sinopharm)”	certain books, furniture and equipment, the usage of which is for or in connection with teaching by Heilongjiang College of Business and Technology, which Heilongjiang College of Business and Technology agreed to sell to Sinopharm and Sinopharm agreed to lease back to Heilongjiang College of Business and Technology pursuant to the First Sinopharm Finance Lease Arrangement
“First Ownership Transfer Agreement (Sinopharm)”	the ownership transfer agreement entered into on 5 January 2021 between Sinopharm and Heilongjiang College of Business and Technology

“First Sinopharm Finance Lease Arrangement”	(i) the purchase of the First Leased Assets (Sinopharm) by Sinopharm and (ii) the lease back of the First Leased Assets (Sinopharm) to Heilongjiang College of Business and Technology, pursuant to the First Ownership Transfer Agreement (Sinopharm) and the First Finance Lease Agreement (Sinopharm) respectively
“Group”	the Company, its subsidiaries and consolidated affiliated entities from time to time
“Harbin Xiangge”	Harbin Xiangge Zhiye Co., Ltd.* (哈爾濱祥閣置業有限公司), formerly known as 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
“Independent Third Parties”	person(s) or company(ies) which is/are independent of and not connected with the Company and its connected persons
“Leased Assets (COSCO)”	certain equipment, the usage of which is for or in connection with teaching by Heilongjiang College of Business and Technology, which Heilongjiang College of Business and Technology agreed to sell to COSCO Shipping (Tianjin) agreed to lease back to Heilongjiang College of Business and Technology pursuant to the COSCO Finance Lease Arrangement
“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 an indirect wholly owned subsidiary of our Company
“Listing Rules”	the rules Governing the Listing of Securities on the Stock Exchange

“PRC”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“Sale and Purchase Agreement (COSCO)”	the sale and purchase agreement dated 15 September 2020 entered into between Heilongjiang College of Business and Technology and COSCO Shipping (Tianjin) as part of the COSCO Finance Lease Arrangement
“Second Finance Lease Agreement (Sinopharm)”	the finance lease agreement dated 27 April 2021 between Sinopharm and Heilongjiang College of Business and Technology
“Second Leased Assets (Sinopharm)”	certain models, furniture and equipment, the usage of which is for or in connection with teaching by Heilongjiang College of Business and Technology, which Heilongjiang College of Business and Technology agreed to sell to Sinopharm and Sinopharm agreed to lease back to Heilongjiang College of Business and Technology pursuant to the Second Sinopharm Finance Lease Arrangement
“Second Ownership Transfer Agreement (Sinopharm)”	the ownership transfer agreement entered into on 27 April 2021 between Sinopharm and Heilongjiang College of Business and Technology
“Second Sinopharm Finance Lease Arrangement”	(i) the purchase of the Second Leased Assets (Sinopharm) by Sinopharm and (ii) the lease back of the Second Leased Assets (Sinopharm) to Heilongjiang College of Business and Technology, pursuant to the Second Ownership Transfer Agreement (Sinopharm) and the Second Finance Lease Agreement (Sinopharm) respectively
“Service Agreement (COSCO)”	the service agreement dated 15 September 2020 between COSCO Shipping (Tianjin) and Heilongjiang College of Business and Technology as part of the COSCO Finance Lease Arrangement
“Sinopharm”	Sinopharm Holding (China) Finance Leasing Co., Ltd* (國藥控股 (中國) 融資租賃有限公司), a limited liability company incorporated in the PRC on 6 February 2015

“Stock Exchange”

The Stock Exchange of Hong Kong Limited

“%”

per cent

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

Harbin, Heilongjiang Province, PRC, 30 November 2021

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*