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CHINA CHENGTONG DEVELOPMENT GROUP LIMITED **中國誠通發展集團有限公司**

(Incorporated in Hong Kong with limited liability)

(Stock Code: 217)

MAJOR TRANSACTION – LEASED ASSETS TRANSFER ARRANGEMENT

LEASED ASSETS TRANSFER ARRANGEMENT

On 26 January 2026, Chengtong Financial Leasing, an indirect wholly-owned subsidiary of the Company, entered into the Leased Assets Transfer Agreements with the Lessee. Pursuant to the Leased Assets Transfer Agreements, Chengtong Financial Leasing will purchase the Leased Assets from the Lessee, and the Leased Assets will be leased to the Lessee for a Lease Term of approximately 15 months or 24 months, subject to early termination in accordance with the terms and conditions of the Leased Assets Transfer Agreements.

IMPLICATIONS UNDER THE LISTING RULES

Since (i) Chengtong Financial Leasing and the Lessee entered into the Previous Transaction on 17 January 2025; and (ii) the Previous Transaction is still subsisting when the Leased Assets Transfer Agreements are entered into, therefore the Leased Assets Transfer Arrangement is aggregated with the Previous Transaction for the purpose of calculating the relevant percentage ratios (as defined in the Listing Rules).

As the highest applicable percentage ratio (as defined in the Listing Rules) in respect of the Leased Assets Transfer Arrangement, both on standalone basis and when aggregated with the Previous Transaction, exceeds 25% but is less than 100%, the Leased Assets Transfer Arrangement constitutes a major transaction of the Company and is subject to the notification, announcement, circular and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

To the best of the Director's knowledge, information and belief, having made all reasonable enquiries, no Shareholder or any of his/her/its close associate(s) (as defined in the Listing Rules) has a material interest in the Leased Assets Transfer Arrangement. Thus, no Shareholder is required to abstain from voting if the Company were to convene a general meeting to approve the Leased Assets Transfer Arrangement. In light of the foregoing, written Shareholder's approval may be accepted in lieu of holding a general meeting pursuant to Rule 14.44 of the Listing Rules. The Company has obtained written Shareholder's approval in respect of the Leased Assets Transfer Arrangement from China Chengtong Hong Kong Company Limited, which is a controlling shareholder (as defined in the Listing Rules) of the Company holding 3,169,656,217 issued shares of the Company, representing approximately 53.14% of the issued share capital of the Company as at the date of this announcement. Accordingly, no general meeting of the Company will be convened for the purpose of approving the Leased Assets Transfer Arrangement.

A circular containing, among other things, (i) information on the Leased Assets Transfer Arrangement, and (ii) other information required under the Listing Rules will be despatched to the Shareholders on or before 16 February 2026, which is within 15 business days after the publication of this announcement.

LEASED ASSETS TRANSFER ARRANGEMENT

On 26 January 2026, Chengtong Financial Leasing, an indirect wholly-owned subsidiary of the Company, entered into the Leased Assets Transfer Agreements with the Lessee in respect of the Leased Assets Transfer Arrangement, the major terms of which are set out below.

Date of the Leased Assets Transfer Agreements

26 January 2026

Parties

Lessor: Chengtong Financial Leasing

Lessee: Lessee

Subject matter

Subject to the fulfilment of the conditions as set out in the Leased Assets Transfer Agreements (including but not limited to the provision of all necessary documents or information by the Lessee evidencing its ownership in the Leased Assets, and the obtaining of all necessary approvals by the Lessee in relation to the Leased Assets Transfer Arrangement), Chengtong Financial Leasing will purchase the Leased Assets from the Lessee at a total Purchase Price of RMB400 million (equivalent to HK\$444 million), and the Leased Assets will be leased to the Lessee for a Lease Term of approximately 15 months or 24 months from the date on which the Purchase Price is paid by Chengtong Financial Leasing in respect of the Leased Assets, subject to early termination in accordance with the terms and conditions of the Leased Assets Transfer Agreements.

If any of the conditions under the Leased Assets Transfer Agreements is not satisfied on or before 26 April 2026, Chengtong Financial Leasing shall have the right to unilaterally terminate the Leased Assets Transfer Agreements.

Purchase Price

The Purchase Price of the Leased Assets was agreed between Chengtong Financial Leasing and the Lessee with reference to the appraised value of the Leased Assets of approximately RMB516.43 million (equivalent to approximately HK\$573.24 million) as assessed by way of cost method by the Valuers. The Leased Assets are not revenue-generating assets with identifiable income stream. The Purchase Price represents approximately 77.45% of the appraised value, which was determined after arm's length negotiation between the parties with reference to the risk profile, asset condition and financing costs.

The cost method determines the value of an appraised asset by estimating its replacement cost and deducting various estimated depreciation factors that currently exist in the appraised asset. The appraised value is determined by multiplying the replacement cost of the appraised asset by its newness rate.

In accordance with the purpose of the appraisal, and the characteristics and current situation of the assets being appraised, the cost method is adopted.

The replacement costs include the relevant costs and fees incurred in purchasing equipment. Based on the valuation, the total appraised replacement cost of the Leased Assets is approximately RMB566.69 million (equivalent to approximately HK\$629.03 million). The newness rate of the appraised asset is determined after taking into account the economic life of the appraised asset, the remaining service life of the appraised asset and the status of the appraised asset through an on-site inspection. The average newness rate for the Leased Assets, evaluated by the Valuers, is approximately 91.13%.

The Purchase Price will be satisfied by the general working capital of the Group.

Legal title

Chengtong Financial Leasing owns the legal title of the Leased Assets during the Lease Term.

Lease payment

The total amount of lease payment over the Lease Term is estimated to be approximately RMB415.06 million (equivalent to approximately HK\$460.72 million) which shall be payable by the Lessee to Chengtong Financial Leasing in five (5) or eight (8) quarterly installments during the Lease Term.

The total amount of lease payment represents the sum of the lease principal amount (being the amount of Purchase Price to be paid by Chengtong Financial Leasing) and the lease interest which is estimated to be approximately RMB15.06 million (equivalent to approximately HK\$16.72 million).

The lease payment has been agreed between the parties after arm's length negotiation taking into account a number of factors, such as the amount of lease principal, the lease term, the overall return rate attained by the Group having considered the amount of lease interests and the prevailing market conditions.

Lessee's right to repurchase the Leased Assets

Upon the Lessee having paid all the lease payments and other payables (if any) to Chengtong Financial Leasing in accordance with the terms of the Leased Assets Transfer Agreements, the Lessee shall have the right to repurchase the Leased Assets under each of the Leased Assets Transfer Agreements at a nominal consideration of RMB1.00.

Security

In order to guarantee the performance of the Leased Assets Transfer Agreements, the Lessee has agreed to pledge certain of its receivables to Chengtong Financial Leasing as security for all payables under the Leased Assets Transfer Agreements.

Credit enhancement measures

Depending on the overall risks associated with a leased assets transfer arrangement, Chengtong Financial Leasing may request appropriate credit enhancement measure(s) on a case-by-case basis. Chengtong Financial Leasing will monitor, among others, the financial conditions of the lessee(s) and the security provider(s) (if any) from time to time and may request the lessee(s) to provide security such as the payment of security money and the provision of corporate guarantee to safeguard its interests as the lessor as and when Chengtong Financial Leasing considers necessary.

INFORMATION OF THE LESSEE

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Lessee is directly owned as to approximately 40.81% by COSCO Shipping, approximately 36.99% by China Insurance Investment and approximately 22.20% by State-owned Enterprise Reform Fund.

COSCO Shipping is a joint stock limited company incorporated in the PRC, whose shares are listed on the Main Board of the Stock Exchange (stock code: 2866) and Shanghai Stock Exchange (stock code: 601866.SH). The ultimate holding company of COSCO Shipping is China COSCO Shipping Corporation Limited, which is ultimately controlled by SASAC of the State Council.

China Insurance Investment was approved to be established by the State Council of the PRC as the general partner of the China Insurance Investment Fund and is owned by a total of 46 shareholders, which comprise 27 insurance companies, 15 insurance asset management companies and 4 social enterprises.

State-owned Enterprise Reform Fund is a state-owned fund, the establishment of which was approved by the State Council of the PRC, with CCHG as its principal founder owning approximately 34.23% of its equity interest. As State-owned Enterprise Reform Fund only owns approximately 22.20% of the Lessee, the Lessee is not an associate of CCHG and therefore not a connected person of the Company.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, (i) the Lessee and its ultimate beneficial owners (save for CCHG) are Independent Third Parties; and (ii) the Lessee is principally engaged in the business of provision of finance lease services.

REASONS FOR AND BENEFITS OF THE LEASED ASSETS TRANSFER ARRANGEMENT

The Group is principally engaged in leasing, property development and investment, marine recreation services and hotel business as of the date of this announcement. The Group's leasing business is mainly carried out through Chengtong Financial Leasing as its principal business.

The entering into of the Leased Assets Transfer Arrangement is in the ordinary and usual course of business of Chengtong Financial Leasing and it is expected that Chengtong Financial Leasing will earn an income of approximately RMB15.06 million (equivalent to approximately HK\$16.72 million), being the lease interest to be received by Chengtong Financial Leasing pursuant to the Leased Assets Transfer Arrangement.

In light of the above, the Directors are of the view that the terms of the Leased Assets Transfer Arrangement are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

IMPLICATIONS UNDER THE LISTING RULES

Since (i) Chengtong Financial Leasing and the Lessee entered into the Previous Transaction on 17 January 2025; and (ii) the Previous Transaction is still subsisting when the Leased Assets Transfer Agreements are entered into, therefore the Leased Assets Transfer Arrangement is aggregated with the Previous Transaction for the purpose of calculating the relevant percentage ratios (as defined in the Listing Rules).

As the highest applicable percentage ratio (as defined in the Listing Rules) in respect of the Leased Assets Transfer Arrangement, both on standalone basis and when aggregated with the Previous Transaction, exceeds 25% but is less than 100%, the Leased Assets Transfer Arrangement constitutes a major transaction of the Company and is subject to the notification, 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 or any of his/her/its close associate(s) (as defined in the Listing Rules) has a material interest in the Leased Assets Transfer Arrangement. Thus, no Shareholder is required to abstain from voting if the Company were to convene a general meeting to approve the Leased Assets Transfer Arrangement. In light of the foregoing, written Shareholder's approval may be accepted in lieu of holding a general meeting pursuant to Rule 14.44 of the Listing Rules. The Company has obtained written Shareholder's approval in respect of the Leased Assets Transfer Arrangement from China Chengtong Hong Kong Company Limited, which is a controlling shareholder (as defined in the Listing Rules) of the Company holding 3,169,656,217 issued shares of the Company, representing approximately 53.14% of the issued share capital of the Company as at the date of this announcement. Accordingly, no general meeting of the Company will be convened for the purpose of approving the Leased Assets Transfer Arrangement.

A circular containing, among other things, (i) information on the Leased Assets Transfer Arrangement, and (ii) other information required under the Listing Rules will be despatched to the Shareholders on or before 16 February 2026, which is within 15 business days after the publication of this announcement.

DEFINITIONS

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

“Board”	means the board of Directors
“CCHG”	means China Chengtong Holdings Group Limited, a company established in the PRC with limited liability and the ultimate holding company of the Company
“Chengtong Financial Leasing”	means Chengtong Financial Leasing Company Limited, a company established in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company
“China Insurance Investment”	means China Insurance Investment Co., Ltd., a company established in the PRC with limited liability
“Company”	means China Chengtong Development Group Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“COSCO Shipping”	means COSCO Shipping Development Co., Ltd., a joint stock limited company established in the PRC
“Director(s)”	means the director(s) of the Company
“Group”	means the Company and its subsidiaries as at the date of this announcement
“HK\$”	means Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	means the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	means third party(ies) independent of the Company and its connected persons (having the meaning ascribed to it under the Listing Rules)
“Lease Term”	means the lease term under the Leased Assets Transfer Agreements

“Leased Assets”	means high-voltage power-on cluster equipment, sewage treatment equipment, high-voltage electrical control equipment, etc.
“Leased Assets Transfer Agreements”	means, collectively, three (3) sets of the following agreements in respect of the Leased Assets dated 26 January 2026 and signed between Chengtong Financial Leasing and the Lessee:
	(1) leased assets transfer agreements; and
	(2) leased assets agreements
“Leased Assets Transfer Arrangement”	means the purchase of the Leased Assets by Chengtong Financial Leasing from the Lessee and the leasing of the Leased Assets to the Lessee pursuant to the terms of the Leased Assets Transfer Agreements
“Lessee”	means Haifa Baocheng Financial Leasing Co., Ltd., a company established in the PRC with limited liability
“Listing Rules”	means the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“PRC”	means the People’s Republic of China which, for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“Previous Transaction”	means the leased assets transfer arrangements between Chengtong Financial Leasing and the Lessee constituted under the terms and conditions of the relevant leased assets transfer agreements, pursuant to the Leased Assets Transfer Business Master Agreement detailed in the announcement dated 17 January 2025 and in the circular dated 21 February 2025
“Purchase Price”	means the consideration payable by Chengtong Financial Leasing for the purchase of the Leased Assets from the Lessee
“RMB”	means Renminbi, the lawful currency of the PRC
“SASAC”	means the State-owned Assets Supervision and Administration Commission

“Shareholder(s)”	means the shareholder(s) of the Company
“State-owned Enterprise Reform Fund”	means China State-owned Enterprises Mixed Ownership Reform Fund Co., Ltd., a company established in the PRC with limited liability
“Stock Exchange”	means The Stock Exchange of Hong Kong Limited
“Valuer I”	means Guangdong Jinghua Asset Appraisal, Real Estate and Land Valuation Co., Ltd., a qualified independent valuer in the PRC
“Valuer II”	means Jiangsu Zhongrun Real Estate Land Asset Appraisal Co., Ltd., a qualified independent valuer in the PRC
“Valuer III”	means Jiangsu Yuelong Land Real Estate Appraisal and Surveying Co., Ltd., a qualified independent valuer in the PRC
“Valuers”	means, collectively, Valuer I, Valuer II and Valuer III
“%”	means per cent.

In this announcement, amounts quoted in RMB have been converted into HK\$ at the rate of RMB1.00 to approximately HK\$1.11. Such exchange rate has been used, where applicable, for the purpose of illustration only and does not constitute a representation that any amounts were or may have been exchanged at this or any other rates or at all.

The English names of all PRC entities in this announcement are for identification purpose only.

By order of the Board
China Chengtong Development Group Limited
Chen Jianying
Executive Director

Hong Kong, 26 January 2026

As at the date of this announcement, the non-executive Director is Ms. Sun Jie (Chairlady); the executive Directors are Mr. Chen Jianying, Mr. Zhang Chuanyi and Ms. Bai Chunrui; and the independent non-executive Directors are Mr. Lee Man Chun, Tony, Professor He Jia and Mr. Liu Lei.