江山控股
KongSun Holdings

**KONG SUN HOLDINGS LIMITED**
**江山控股有限公司**
*(Incorporated in Hong Kong with limited liability)*
**(Stock Code: 295)**

# DISCLOSEABLE TRANSACTION
# FINANCE LEASE ARRANGEMENT

## THE FINANCE LEASE AGREEMENT

On 12 May 2026, Dingbian Wanheshun, as lessee, and CDB Financial Leasing, as lessor, entered into the Finance Lease Agreement, pursuant to which CDB Financial Leasing agreed to purchase the Leased Assets from Dingbian Wanheshun for a total consideration of RMB37,000,000. The Leased Assets would then be leased to Dingbian Wanheshun for a term of 15 years. The legal ownership of the Leased Assets under the Finance Lease Agreement will be vested in CDB Financial Leasing throughout the Lease Period. At the end of the Lease Period and subject to payments by Dingbian Wanheshun of (i) all amounts due under the Finance Lease Agreement; and (ii) a nominal consideration of RMB100 for the Leased Assets, the legal ownership of the Leased Assets will be vested in Dingbian Wanheshun.

## IMPLICATIONS UNDER THE LISTING RULES

As the highest applicable percentage ratio set out in Rule 14.07 of the Listing Rules in respect of the Finance Lease Agreement is more than 5% and lower than 25%, the entering into of the Finance Lease Agreement constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

## THE FINANCE LEASE AGREEMENT

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A summary of the principal terms of the Finance Lease Agreement is set out below:

**Sale and purchase arrangements and consideration**

Pursuant to the Finance Lease Agreement, CDB Financial Leasing shall purchase the Leased Assets from Dingbian Wanheshun for a total consideration of RMB37,000,000. The consideration shall be payable in cash by CDB Financial Leasing to Dingbian Wanheshun, which was determined after arm's length negotiations between parties to the Finance Lease Agreement by reference to the prevailing market price of the Leased Assets and the Group's funding requirements.

**Conditions precedent**

Payment of the consideration under the Finance Lease Agreement is subject to fulfilment of the following conditions precedent, which are waivable by CDB Financial Leasing:

(a) all current litigation proceeding in relation to the Leased Assets having been settled by Dingbian Wanheshun;

(b) the relevant Transaction Documents having been executed and taken effect;

(c) the relevant registration of the Pledges having been duly completed;

(d) the Escrow Amount being deposited in a bank account controlled by CDB Financial Leasing;

(e) CDB Financial Leasing having obtained supervision of the relevant bank account of Dingbian Wanheshun as agreed; and

(f) Dingbian Wanheshun having purchased all-risk property insurance for the Leased Assets with CDB Financial Leasing as beneficiary.

**Lease back arrangements**

Pursuant to the Finance Lease Agreement, CDB Financial Leasing agreed to lease the Leased Assets to Dingbian Wanheshun for a term of 15 years.

**Lease payments**

Pursuant to the Finance Lease Agreement, the total estimated aggregate lease payments payable by Dingbian Wanheshun to CDB Financial Leasing are approximately RMB44,670,000, payable in 60 instalments, being the principal lease cost of RMB37,000,000 plus the estimated aggregate interest of approximately RMB7,670,000. The estimated interests are calculated at a floating rate determined with reference to the LPR on 20 March 2026 at 3.50% per annum. The lease interest rate shall be adjusted on 1 January of each calendar year during the Lease Period by reference to the corresponding change to the most recent LPR before the adjustment date; however, the rate shall not be reduced. Dingbian Wanheshun intends to finance the total lease payments by using the Group's internal resources.

The obligations of Dingbian Wanheshun under the Finance Lease Agreement shall be secured by the Pledges, and the corporate guarantees provided by Kong Sun Yongtai, all in favour of CDB Financial Leasing.

**Ownership of the Leased Assets**

During the Lease Period, the legal ownership of the Leased Assets under the Finance Lease Agreement will be vested in CDB Financial Leasing and Dingbian Wanheshun will have the rights to use the Leased Assets. At the end of the Lease Period and subject to payments by Dingbian Wanheshun of (i) all amounts due under the Finance Lease Agreement; and (ii) a nominal consideration of RMB100 for the Leased Assets, the legal ownership of the Leased Assets will be vested in Dingbian Wanheshun.

The estimated aggregate lease payments under the Finance Lease Agreement were determined after arm's length negotiations between the parties to the Finance Lease Agreement with reference to the principal amount of the lease or the consideration for the Leased Assets under the Finance Lease Agreement and the prevailing market interest rate for finance lease of comparable assets.

## REASONS FOR AND BENEFITS OF THE FINANCE LEASE ARRANGEMENT

The Finance Lease Arrangement and the transactions contemplated thereunder have been agreed under normal commercial terms and after arm's length negotiations between the relevant parties and provide the Group with general working capital. The Directors therefore consider that the terms of the Finance Lease Arrangement and the transactions contemplated thereunder are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## FINANCIAL INFORMATION ON THE LEASED ASSETS

As at 31 December 2025, the unaudited book value (prepared under the PRC GAAP) of the Leased Assets was approximately RMB148,899,000. The key financial information (prepared under the PRC GAAP) of the Leased Assets for the two years ended 31 December 2025 is set out as follows:

| | **For the year ended 31 December** | |
|---|---|---|
| | **2025** | 2024 |
| | **(Unaudited)** | (Unaudited) |
| | ***(RMB'000)*** | *(RMB'000)* |
| The profit before tax attributable to the Leased Assets | **6,221** | 13,885 |
| The profit after tax attributable to the Leased Assets | **5,289** | 11,802 |

## FINANCIAL INFORMATION ON DINGBIAN WANHESHUN

As at 31 December 2025, the unaudited book value (prepared under the PRC GAAP) of Dingbian Wanheshun was approximately RMB83,694,000. The key financial information (prepared under the PRC GAAP) of Dingbian Wanheshun for the two years ended 31 December 2025 is set out as follows:

| | **For the year ended 31 December** | |
|---|---|---|
| | **2025** | 2024 |
| | **(Unaudited)** | (Audited) |
| | ***(RMB'000)*** | *(RMB'000)* |
| The profit before tax attributable to Dingbian Wanheshun | **4,926** | 10,302 |
| The profit after tax attributable to Dingbian Wanheshun | **4,187** | 8,757 |

## FINANCIAL EFFECT OF THE FINANCE LEASE ARRANGEMENT AND USE OF PROCEEDS

It is expected that according to the Hong Kong Financial Reporting Standards, the transactions contemplated under the Finance Lease Arrangement shall be accounted for as financing arrangements and therefore would not give rise to any gain or loss. After deducting the incidental costs attributable to the Finance Lease Arrangement, the Group will receive net disposal proceeds of approximately RMB36,800,000 under the Finance Lease Arrangement, which is expected to be used for general working capital by 31 December 2026.

## INFORMATION ON THE COMPANY, KONG SUN YONGTAI, CHANGZHOU TIANHAO AND DINGBIAN WANHESHUN

The Company is principally engaged in the investment in and operation of solar power plants and provision of financial services.

Each of Kong Sun Yongtai and Changzhou Tianhao is a company established in the PRC and an indirect wholly-owned subsidiary of the Company, which is principally engaged in the investment and operation of solar-power plants.

Dingbian Wanheshun is a company established in the PRC and an indirect wholly-owned subsidiary of the Company, which is principally engaged in solar power generation. As at the date of this announcement, Dingbian Wanheshun is wholly owned by Changzhou Tianhao.

## INFORMATION ON CDB FINANCIAL LEASING

CDB Financial Leasing is a non-banking financial institution established in the PRC whose shares are listed on the main board of the Stock Exchange (Stock Code: 01606). CDB Financial Leasing and its subsidiaries are principally engaged in providing comprehensive leasing services to high-quality customers in industries including aviation, infrastructure, shipping, inclusive finance, new energy and manufacturing of high-end equipment. As at the date of this announcement, CDB Financial Leasing is held as to (i) approximately 64.40% interest by 國家開發銀行 (China Development Bank*) ("**CDB**"); and (ii) approximately 5.43% interest by 中國長江三峽集團有限公司 (China Three Gorges Corporation*) ("**CTG**").

CDB is a state-owned enterprise established in the PRC with limited liability. Based on publicly available information, CDB is held as to (i) approximately 36.54% interest by 中國財政部 (the Ministry of Finance of the PRC*); (ii) approximately 34.68% interest by 中國國務院 (the State Council of the PRC*) through 中央匯金投資有限責任公司 (Central Huijin Investment Ltd.*); and (iii) approximately 27.19% interest by 國家外匯管理局 (the State Administration of Foreign Exchange*) through 梧桐樹投資平台有限責任公司 (Buttonwood Investment Holding Company Ltd.*).

CTG is a state-owned enterprise established in the PRC with limited liability. Based on publicly available information, the ultimate beneficial owner is 國務院國有資產監督管理委員會 (the State-owned Assets Supervision and Administration Commission of the State Council*).

To the best knowledge, information and belief of the Directors having made all reasonable enquiries, CDB Financial Leasing and its ultimate beneficial owners are Independent Third Parties.

## IMPLICATIONS UNDER THE LISTING RULES

As the highest applicable percentage ratio set out in Rule 14.07 of the Listing Rules in respect of the Finance Lease Agreement is more than 5% and lower than 25%, the entering into of the Finance Lease Agreement constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

## DEFINITIONS

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

| | |
|---|---|
| "Board" | board of Directors |
| "Changzhou Tianhao" | 常州市金壇區天昊新能源有限公司(Changzhou Jintan District Tianhao New Energy Co., Ltd.*), a company established in the PRC with limited liability and an indirect wholly owned subsidiary of the Company. |
| "CDB Financial Leasing" | 國銀金融租賃股份有限公司(China Development Bank Financial Leasing Co., Ltd.*), a joint stock company established in the PRC with limited liability, the shares of which are listed on the main board of the Stock Exchange (Stock Code: 1606) |
| "Company" | Kong Sun Holdings Limited, a company incorporated in Hong Kong with limited liability, the Shares of which are listed on the main board of the Stock Exchange (Stock Code: 295) |
| "connected person(s)" | has the meaning ascribed to it under the Listing Rules |
| "Director(s)" | director(s) of the Company |
| "Dingbian Wanheshun" | 定邊縣萬和順新能源發電有限公司(Dingbian Wanheshun New Energy Power Generation*), a company established in the PRC with limited liability and an indirect wholly-owned subsidiary of the Company |
| "Escrow Amount" | an amount of RMB2,000,000 being refundable by CDB Financial Leasing at the end of the Lease Period, the escrow arrangement of which is for the purpose of setting-off any outstanding payments by Dingbian Wanheshun due under the Finance Lease Agreement during the Lease Period |

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| "Finance Lease Agreement" | the finance lease agreement dated 12 May 2026 entered into between Dingbian Wanheshun, as lessee, and CDB Financial Leasing, as lessor, in respect of the Leased Assets |
| "Finance Lease Arrangement" | the transactions contemplated under the Transaction Document |
| "Group" | the Company and its subsidiaries |
| "Hong Kong" | the Hong Kong Special Administrative Region of the PRC |
| "Independent Third Party(ies)" | party(ies) who are independent of the Company and connected persons of the Company |
| "Kong Sun Yongtai" | 江山永泰投資控股有限公司(Kong Sun Yongtai Investment Holding Co., Ltd.*), a company established in the PRC and an indirect wholly-owned subsidiary of the Company |
| "Lease Period" | the lease period under the Finance Lease Agreement |
| "Leased Assets" | certain photovoltaic power generating equipment and ancillary facilities regarding a 30MW photovoltaic power plant located in Shaanxi Province, the PRC |
| "Listing Rules" | the Rules Governing the Listing of Securities on the Stock Exchange |
| "LPR" | the loan prime rate for loans with a maturity of above 5 years as promulgated by the National Interbank Funding Centre under the authority of the People's Bank of China |
| "MW" | megawatts |
| "Pledges" | collectively, (a) a pledge on all receivables by Dingbian Wanheshun (in the approximate amount of RMB199,120,000 as at 31 December 2025); (b) a pledge of 99% of the entire equity interest in Dingbian Wanheshun by Changzhou Tianhao; and (c) a pledge on equipment and facilities relating to the Leased Assets in the approximate value of RMB37,000,000, all in favour of CDB Financial Leasing to secure the obligations of Dingbian Wanheshun under the Finance Lease Agreement |
| "PRC" | the People's Republic of China |

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|---|---|
| "PRC GAAP" | the generally accepted accounting principles of the PRC |
| "RMB" | Renminbi, the lawful currency of the PRC |
| "Shareholder(s)" | holder(s) of the Shares |
| "Shares" | ordinary share(s) in the share capital of the Company |
| "Stock Exchange" | The Stock Exchange of Hong Kong Limited |
| "Transaction Documents" | collectively, the Finance Lease Agreement and the relevant agreements relating to the Pledges |
| "%" | per cent. |

By order of the Board
**Kong Sun Holdings Limited**
**Mr. Jiang Hengwen**
*Chairman and Non-executive Director*

Hong Kong, 12 May 2026

*As at the date of this announcement, the Board comprises two executive Directors, Mr. Li Guo and Ms. Liu Ying, one non-executive Director, Mr. Jiang Hengwen, and three independent non-executive Directors, Mr. Qin Junyi, Ms. Sun Yiwen and Mr. Tang Jian.*

* *For identification purposes only*