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海通恆信國際融資租賃股份有限公司

Haitong Unitrust International Financial Leasing Co., Ltd.

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock code: 1905)

DISCLOSEABLE TRANSACTIONS IN RELATION TO THE DISPOSAL OF THREE AIRCRAFT

THE AIRCRAFT SALE AND PURCHASE AGREEMENT

The Board is pleased to announce that on August 9, 2021, the Sellers, which are wholly-owned subsidiaries of the Company, entered into the Aircraft Sale and Purchase Agreement with the Purchaser, pursuant to which the Seller of each Aircraft agreed to sell, and the Purchaser agreed to purchase such Aircraft (together with full legal and beneficial title to such Aircraft, free and clear of all security interests other than the novated lease relating to such Aircraft and permitted liens).

IMPLICATION OF THE LISTING RULES

Pursuant to Chapter 14 of the Listing Rules, as the highest applicable percentage ratio for the Transactions under the Aircraft Sale and Purchase Agreement exceed 5% but less than 25%, the Transactions under the Aircraft Sale and Purchase Agreement constitute discloseable Transactions for the Company and are subject to the notification and announcement requirements under Chapter 14 of the Listing Rules, but exempt from the shareholders' approval requirement.

THE AIRCRAFT SALE AND PURCHASE AGREEMENT

The Board is pleased to announce that on August 9, 2021, the Sellers, which are wholly-owned subsidiaries of the Company, entered into the Aircraft Sale and Purchase Agreement with the Purchaser, pursuant to which (1) Haitong Unitrust No.2 Limited agreed to sell one Airbus A320-232 aircraft to the Purchaser, (2) Haitong Unitrust No.5 Limited agreed to sell one Airbus A320-233 aircraft to the Purchaser, and (3) Haitong Unitrust No.6 Limited agreed to sell one Airbus A320-233 aircraft to the Purchaser, respectively. The Seller of each Aircraft will pass to the Purchaser on the applicable delivery date full legal and beneficial title to such Aircraft with full title guarantee, subject to the novated lease and permitted liens but free and clear of all other security interests.

Date: August 9, 2021

Parties

- (1) the Sellers; and
- (2) the Purchaser.

Aircraft to be disposed

- (1) one Airbus A320-232 aircraft; and
- (2) two Airbus A320-233 aircraft.

Consideration

As an alternative to disclosing the Consideration for the Transactions, the Company will disclose the market value of the Aircraft.

The market value of the Aircraft (obtained from an independent appraiser) is approximately US\$82.21 million (equivalent to approximately RMB534.37 million) (the “**Market Value**”). The Market Value is established on an arm’s length basis, taking into account the (i) terms and conditions of the transaction as a whole, especially the Lease Documents attach to the Aircraft; (ii) market appraised value (i.e., the most recent report released by Ascend, an independent valuer of aircraft); (iii) the overall market conditions and; (iv) the interior conditions, maintenance conditions of the Aircraft and etc.

The Board considers that the Consideration was determined on an arm’s length basis, taking into account the Market Value, and the terms and conditions of the Transactions as a whole and with reference to market conditions. The Company confirms that the Market Value is comparable to the Consideration for the Transactions.

The Company is subject to a confidentiality obligation under which no disclosure with respect to the terms of the Aircraft Sale and Purchase Agreement shall be made to any third party. The aggregate net book value, the aggregate gain or loss from the disposal of the Aircraft and the excess of the Consideration over the aggregate net book value are commercial sensitive information as are the aggregate net profits (before and after tax) attributable to the Aircraft. For the Company’s compliance with its disclosure obligations normally required under Chapter 14 of the Listing Rules, the Company has obtained consent to disclose the terms of the Aircraft Sale and Purchase Agreement, other than the Consideration and the above-mentioned commercial sensitive information.

The Company will no longer be entitled to the lease income derived from the underlying leases of the Aircraft immediately following the completion date of the Transactions. The Company does not expect the Transactions to have a material adverse impact on the net profits of the Company for the two financial years immediately preceding the Transactions given that the lease income derived from the underlying lease of the Aircraft is not significant to the Group taken as whole.

As an alternative to disclosing the net profits attributable to the Aircraft for the two financial years immediately preceding the Transactions, the Company will disclose its average net lease yield of the Aircraft for the year ended 31 December 2020 which is approximately 7.22%.

On the other hand, the Company will record an aggregate gain on the disposal of the Aircraft (given that the Consideration, net of the transaction related expenses, is above the aggregate net book value of the Aircraft). The Company does not expect the aggregate gain to be significant to the Group taken as a whole.

The gain expected to accrue to the Company from the disposal of the Aircraft and the net book value of the Aircraft will be disclosed on an aggregated basis together with any other aircraft disposed of by the Company in the Company's following interim financial statements (where applicable) and annual financial statements upon completion of the Transactions.

The Company has applied to the Stock Exchange for, and the Stock Exchange has granted, a waiver from strict compliance with (i) Rules 14.58(4) and 14.58(7) of the Listing Rules requiring disclosure of the aggregate value of the consideration and net profits attributable to the assets; (ii) Rule 14.58(6) of the Listing Rules requiring disclosure of the net book value of the assets; (iii) Rule 14.60(3)(a) of the Listing Rules requiring disclosure of details of the gain or loss expected to accrue to the Company from the Transactions and the basis for calculating such gain or loss on the condition that the Company shall disclose the reasons for applying the Waivers as and alternative disclosures (i.e., Market Value and net lease yield) in this announcement.

Conditions precedent

Completion of the Transactions is conditional upon fulfilment or waiver by the relevant parties of certain conditions, including but not limited to, the provision of relevant documentation in form and substance satisfactory to the parties.

Payment and delivery terms

The Consideration for the Aircraft will be paid before completion of the purchase of the Aircraft, which is estimated to be delivered in batches by September 30, 2021.

REASONS FOR ENTERING INTO THE TRANSACTIONS

The Directors are of the view that completion of the Transactions is in line with the strategy of the Company and allow the Group to achieve attractive return on equity with continuous capital flows while ensuring a reasonable debt level as it expands its aircraft leasing and trading businesses.

The Company intends to use the net proceeds received from the disposal of the Aircraft for asset recycling and operation use.

The Directors consider that the terms of the Transactions are fair and reasonable and in the interest of the Company and the Shareholders as a whole. The Directors confirmed that the Transactions are conducted in the ordinary and usual course of business of the Group on normal commercial terms and that the Transactions will have no material adverse impact on the operations and financial position of the Group.

INFORMATION ABOUT THE GROUP

The Group is principally engaged in the provision of finance to its customers under finance lease arrangements, operating lease arrangements, factoring, the provision of advisory services and other services.

The Group started aircraft leasing business in 2016. As of December 31, 2020, the Group has acquired 17 aircraft with an aggregate net carrying amount of approximately RMB5,684.3 million.

INFORMATION ABOUT THE PURCHASER

Lunar is principally engaged in the business of aircraft leasing and trading. The Purchaser is a wholly-owned subsidiary of Lunar. The ultimate beneficial owners of Lunar are two private equity funds with a wide investors base, that are managed by Sculptor Capital II LP, a registered investment advisor, that is registered with the United States Securities and Exchange Commission. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, Lunar, the Purchaser and their ultimate beneficial owners are third parties independent of the Company and of connected persons of the Company.

IMPLICATIONS OF THE LISTING RULES

Pursuant to Chapter 14 of the Listing Rules, as the highest applicable percentage ratio for the Transactions under the Aircraft Sale and Purchase Agreement exceeds 5% but less than 25%, the Transactions under the Aircraft Sale and Purchase Agreement constitute discloseable Transactions for the Company and are subject to the notification and announcement requirements under Chapter 14 of the Listing Rules, but exempt from the shareholders' approval requirement.

DEFINITIONS

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

“Aircraft”	one Airbus A320-232 aircraft and two Airbus A320-233 aircraft
“Aircraft Sale and Purchase Agreement”	the aircraft sale and purchase agreement entered into between the Sellers and the Purchaser on August 9, 2021, pursuant to which (1) Haitong Unitrust No.2 Limited agreed to sell one Airbus A320-232 aircraft to the Purchaser, (2) Haitong Unitrust No.5 Limited agreed to sell one Airbus A320-233 aircraft to the Purchaser, and (3) Haitong Unitrust No.6 Limited agreed to sell one Airbus A320-233 aircraft to the Purchaser, respectively
“Board”	the board of Directors of the Company

“Company”	Haitong Unitrust International Financial Leasing Co., Ltd. (海通恒信國際融資租賃股份有限公司), a company incorporated in the PRC with limited liability and listed on the Main Board of the Stock Exchange
“Consideration”	the actual consideration payable by the Purchaser to the Sellers for the purchase of the Aircraft
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Lease Documents”	the aircraft lease agreements and related documents previously entered into between the relevant Seller (as the lessor) and the lessee relating to the lease of relevant Aircraft
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Lunar”	Lunar Aircraft Holdco Limited
“PRC”	the People’s Republic of China, which, for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region and Taiwan
“Purchaser”	Lunar Trading Company 8 Limited, a wholly-owned subsidiary of Lunar
“RMB” or “Renminbi”	Renminbi, the lawful currency of the PRC
“Seller(s)”	Haitong Unitrust No.2 Limited, Haitong Unitrust No.5 Limited and Haitong Unitrust No.6 Limited, all of which are wholly-owned subsidiaries of the Company
“Shareholder(s)”	shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Transactions”	the transactions contemplated under the Aircraft Sale and Purchase Agreement

“US\$” United States dollars, the lawful currency of the United States of America

“%” per cent.

In this announcement, certain amounts denominated in US\$ are translated into RMB at the exchange rate shown below, but such conversions shall not be construed as representations that amounts in US\$ were or may have been converted into RMB at such rate or any other exchange rates or at all: US\$1 = RMB6.5.

By order of the Board
Haitong Unitrust International Financial Leasing Co., Ltd.
DING Xueqing
Chairman

Shanghai, the PRC
August 9, 2021

As at the date of this announcement, the Chairman and executive Director of the Company is Mr. DING Xueqing; the executive Director is Ms. ZHOU Jianli; the non-executive Directors are Mr. REN Peng, Ms. HA Erman, Mr. LI Chuan, Mr. WU Shukun and Mr. ZHANG Shaohua; and the independent non-executive Directors are Mr. JIANG Yulin, Mr. YAO Feng, Mr. ZENG Qingsheng, Mr. WU Yat Wai and Mr. YAN Lixin