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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 TRANSACTION REFACTURING AGREEMENT**

### **REFACTURING AGREEMENT**

The Board wishes to announce that on August 19, 2021, the Company, Dishui Factoring and Yangtze River United entered into the August 2021 Refactoring Agreement, pursuant to which Dishui Factoring has agreed to transfer all of its creditor's rights on the outstanding accounts receivable under the Master Contract, amounting to RMB74,336,740, to the Company. The Company has agreed to accept the transfer of such creditor's right on the accounts receivable at a consideration of RMB74,336,740.

In addition, the Company will provide factoring services to Dishui Factoring at a factoring service fee of RMB2,369,000, payable by Dishui Factoring pursuant to the August 2021 Refactoring Agreement.

### **LISTING RULES IMPLICATION**

Reference is made to the announcements of the Company dated March 9, 2020, October 29, 2020 and February 19, 2021 regarding the refactoring agreements entered into between the Company, Dishui Factoring and Yangtze River United upon the listing of the Company (i.e., June 3, 2019) to February 19, 2021. From February 19, 2021 to the date of this announcement, the Company, Dishui Factoring and Yangtze River United have entered into eight refactoring agreements (excluding the August 2021 Refactoring Agreement). Pursuant to Rule 14.22 of the Listing Rules, the transactions under the abovementioned refactoring agreements and the August 2021 Refactoring Agreement should be aggregated as a series of transactions. As the highest applicable percentage ratio for the transactions contemplated under the abovementioned refactoring agreements exceeds 5% but is lower than 25%, such transactions constitute discloseable transactions of the Company and are subject to the notification and announcement requirements but exempt from the shareholders' approval requirement under Chapter 14 of the Listing Rules.

# **REFACTORIZING AGREEMENT**

The Board wishes to announce that on August 19, 2021, the Company, Dishui Factoring and Yangtze River United entered into the August 2021 Refactoring Agreement, pursuant to which Dishui Factoring has agreed to transfer all of its creditor's rights on the outstanding accounts receivable under the Master Contract, amounting to RMB74,336,740, to the Company. The Company has agreed to accept the transfer of such creditor's right on the accounts receivable at a consideration of RMB74,336,740.

In addition, the Company will provide factoring services to Dishui Factoring at a factoring service fee of RMB2,369,000, payable by Dishui Factoring pursuant to the August 2021 Refactoring Agreement.

The principal terms of the August 2021 Refactoring Agreement are summarized as follows:

## **Dates:**

August 19, 2021

## **Parties:**

- (1) the Company;
- (2) Dishui Factoring; and
- (3) Yangtze River United.

## **Subject of the transaction:**

Dishui Factoring has agreed to transfer to the Company all of its creditor's rights on the outstanding accounts receivable under the Master Contract entered into with Yangtze River United on September 20, 2017 and various term sheets signed thereunder. The outstanding accounts receivable amounted to RMB74,336,740.

## **Consideration:**

The Company has agreed to accept the transfer of all creditor's rights on accounts receivable at a consideration of RMB74,336,740, which is expected to be paid within 30 working days upon the execution of the August 2021 Refactoring Agreement.

The consideration is determined through arm's length negotiation between the Company and Dishui Factoring with reference to the outstanding accounts receivable under the Master Contract.

The Directors (including independent non-executive Directors) consider that the terms of the August 2021 Refactoring Agreement are fair and reasonable and in the interests of the Company and its Shareholders as a whole. The Directors (including independent non-executive Directors) confirm that the August 2021 Refactoring Agreement was entered into with Dishui Factoring in the ordinary and usual course of business of the Group on normal commercial terms and will have no material adverse impact on the operations and financial position of the Group.

**Type of factoring:**

The factoring is with recourse. The Company has the right to demand Dishui Factoring to repurchase all the outstanding accounts receivable according to the August 2021 Refactoring Agreement immediately if the Company is or may be unable to receive the accounts receivable in full by the expected due date (i.e., March 19, 2022) for any reasons.

**Repurchase:**

In the event of repurchase, the Company may demand Dishui Factoring to repurchase all the outstanding accounts receivable immediately. Dishui Factoring shall pay the repurchase price unconditionally upon request when the Company has exercised its right of recourse:

- (1) occurrence or existence of any default by Dishui Factoring;
- (2) occurrence or existence of any default by Yangtze River United;
- (3) the accounts receivable is different from the representations and warranties made by Dishui Factoring or Yangtze River United in the August 2021 Refactoring Agreement;
- (4) any reason or event which causes or may cause all or part of the August 2021 Refactoring Agreement and Master Contract to be deemed invalid, illegal or unenforceable and the Company considers it is or may be unable to collect any accounts receivable under the Master Contract in full when due;
- (5) any amendment, alteration, release or termination of the accounts receivable under the Master Contract by Dishui Factoring or Yangtze River United;
- (6) any reason (including but not limited to wilful default or insolvency of Yangtze River United) which causes or may cause Yangtze River United failing or being unable to pay any accounts receivable under the Master Contract by the expected due date;
- (7) any reason (regardless of fault by Dishui Factoring) which causes or may cause the Company failing or being unable to collect any accounts receivable under the August 2021 Refactoring Agreement in full on or before the expected due date;
- (8) any commercial dispute arising from the Master Contract or its related documents and the Company considers it is or may be unable to collect any accounts receivable under the Master Contract in full when due; and

- (9) other circumstances where the Company may demand Dishui Factoring to repurchase in accordance with the August 2021 Refactoring Agreement and laws or as otherwise agreed by the Company and Dishui Factoring.

#### **Factoring service fee:**

The Company has agreed to provide factoring services to Dishui Factoring, including accounts receivable financing for a factoring service fee of RMB2,369,000 payable by Dishui Factoring by March 19, 2022.

The factoring service fee is determined through arm's length negotiation between the Company and Dishui Factoring with reference to the nature and scope of the factoring services to be provided by the Company.

### **LETTER OF IRREVOCABLE UNDERTAKING OF INDEMNIFICATION**

On August 19, 2021, Guangzhou Lvjin Technology Co., Ltd. (廣州旅金科技有限公司), the parent company of Dishui Factoring holding as to 100% of its equity interest, issued a letter of irrevocable undertaking of indemnification, pursuant to which Guangzhou Lvjin Technology Co., Ltd. (廣州旅金科技有限公司) has offered an irrevocable undertaking of indemnification in respect of the liabilities assumed by Dishui Factoring under the August 2021 Refactoring Agreement to the Company, and has agreed to indemnify all amounts payable under the August 2021 Refactoring Agreement, including the repurchase price, compensations, collection fees, service fees, deposits and losses (and any aforementioned amounts immediately payable due to early termination) arising from any outstanding accounts receivable under the August 2021 Refactoring Agreement, overdue interests, compound interests, default penalties, damages and all costs of the Company for the enforcement of the creditor's right caused by overdue payment by Dishui Factoring or other default specified in the August 2021 Refactoring Agreement. Tongcheng Holdings Group Co., Ltd. (同程控股集團股份有限公司) undertakes to assume certain liabilities in the event that Guangzhou Lvjin Technology Co., Ltd. (廣州旅金科技有限公司) fails to perform the undertaking of indemnification as agreed.

### **REFACTORIZING AGREEMENTS ENTERED INTO BY THE COMPANY, DISHUI FACTORING AND YANGTZE RIVER UNITED**

Reference is made to the announcements of the Company dated March 9, 2020, October 29, 2020 and February 19, 2021 regarding the refactoring agreements entered into between the Company, Dishui Factoring and Yangtze River United upon the listing of the Company (i.e., June 3, 2019) to February 19, 2021. From February 19, 2021 to the date of this announcement, the Company, Dishui Factoring and Yangtze River United have entered into eight refactoring agreements (excluding the August 2021 Refactoring Agreement). The following table sets forth the principal commercial arrangements of the eight refactoring agreements, including (1) date of agreement; (2) amount of accounts receivable; (3) consideration; (4) expected due date of accounts receivable; (5) type of factoring; (6) factoring service fee payable by Dishui Factoring for factoring services provided by the Company; and (7) payment date of factoring service fee.

No.	Date of agreement	Amount of accounts receivable (RMB)	Consideration (RMB)	Expected due date of accounts receivable	Type of factoring	Factoring service fee (RMB)	Payment date of factoring service fee
1	April 21, 2021	68,019,940	68,019,940	November 23, 2021	With recourse	2,168,000	November 23, 2021
2	May 10, 2021	55,957,620	55,957,620	December 17, 2021	With recourse	1,785,000	December 17, 2021
3	May 10, 2021	69,424,400	69,424,400	December 24, 2021	With recourse	2,213,000	December 24, 2021
4	June 3, 2021	47,082,500	47,082,500	January 4, 2022	With recourse	1,501,000	January 4, 2022
5	June 3, 2021	37,107,940	37,107,940	January 11, 2022	With recourse	1,183,000	January 11, 2022
6	June 3, 2021	60,612,760	60,612,760	January 16, 2022	With recourse	1,932,000	January 16, 2022
7	June 30, 2021	68,989,900	68,989,900	February 9, 2022	With recourse	2,199,000	February 9, 2022
8	July 23, 2021	20,458,220	20,458,220	February 28, 2022	With recourse	652,000	February 28, 2022

Save as the above principal commercial arrangements, all major terms of the eight refactoring agreements and the August 2021 Refactoring Agreement are substantially similar.

The considerations of the abovementioned eight refactoring agreements were determined through arm's length negotiation between the Company and Dishui Factoring with reference to the outstanding accounts receivable under the relevant master contracts.

The factoring service fees were determined through arm's length negotiation between the Company and Dishui Factoring with reference to nature and scope of the factoring services to be provided by the Company.

## **REASONS FOR AND BENEFITS OF ENTERING INTO THE REFACTURING AGREEMENT**

Due to the satisfactory collection record of the accounts receivable of Dishui Factoring, the refactoring arrangement with Dishui Factoring will be beneficial to the supply chain financing business structure and business diversification of the Company, which is in line with the long-term development strategy of the Company.

The Directors (including the independent non-executive Directors) consider that the terms of the August 2021 Refactoring Agreement are fair and reasonable and in the interest of the Company and the Shareholders as a whole. The Directors (including the independent non-executive Directors) confirm that the entering into of the August 2021 Refactoring Agreement with Dishui Factoring and Yangtze River United are conducted in the ordinary and usual course of business of the Group on normal commercial terms and will have no material adverse impact on the operations and financial position of the Group.

## **INFORMATION ABOUT THE COMPANY**

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.

## **INFORMATION ABOUT DISHUI FACTORING**

Dishui Factoring is principally engaged in factoring financing services and mainly provides trade financing by acceptance of accounts receivable. Dishui Factoring is a wholly-owned subsidiary of Guangzhou Lvjin Technology Co., Ltd. (廣州旅金科技有限公司), whose shareholders are Suzhou Tongcheng Lvjin Technology Co., Ltd. (蘇州同程旅金科技有限公司) and Qingdao Haikong Group Financial Holding Company Limited (青島海控集團金融控股有限公司), holding as to 80% and 20% of equity interest in Guangzhou Lvjin Technology Co., Ltd. (廣州旅金科技有限公司), respectively. Suzhou Tongcheng Lvjin Technology Co., Ltd. (蘇州同程旅金科技有限公司) is owned by 38 shareholders, and Suzhou Huafan Runhe Venture Capital Partnership (Limited Partnership) (蘇州華帆潤禾創業投資合夥企業 (有限合夥)) is the largest shareholder, holding approximately 18% equity interests of Suzhou Tongcheng Lvjin Technology Co., Ltd. (蘇州同程旅金科技有限公司). The managing partner of Suzhou Huafan Runhe Venture Capital Partnership (Limited Partnership) (蘇州華帆潤禾創業投資合夥企業 (有限合夥)) is Suzhou Industrial Park Tiancheng Jiahua Investment Management Co., Ltd. (蘇州工業園區天程嘉華投資管理有限公司), whose shareholders include Wu Zhixiang, Ma Heping, Zhang Hailong, Wang Zhuan, and Wu Jian.

As at the date of this announcement, to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, Dishui Factoring and its ultimate beneficial owners are third parties independent of the Company and of the connected person(s) of the Company.

## **INFORMATION ABOUT YANGTZE RIVER UNITED**

Yangtze River United is principally engaged in supply chain management and related ancillary services. The ultimate beneficial owners of Yangtze River United are Sun Zhenhai and Qiu Renming, holding 50% and 49% equity interests in Yangtze River United, respectively.

As at the date of this announcement, to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, Yangtze River United and its ultimate beneficial owners are third parties independent of the Company and of the connected person(s) of the Company.



## LISTING RULES IMPLICATIONS

Reference is made to the announcements of the Company dated March 9, 2020, October 29, 2020 and February 19, 2021 regarding the refactoring agreements entered into between the Company, Dishui Factoring and Yangtze River United upon the listing of the Company (i.e., June 3, 2019) to February 19, 2021. From February 19, 2021 to the date of this announcement, the Company, Dishui Factoring and Yangtze River United have entered into eight refactoring agreements (excluding the August 2021 Refactoring Agreement). Pursuant to Rule 14.22 of the Listing Rules, the transactions under the abovementioned refactoring agreements and the August 2021 Refactoring Agreement should be aggregated as a series of transactions. As the highest applicable percentage ratio for the transactions contemplated under the abovementioned refactoring agreements exceeds 5% but is lower than 25%, such transactions constitute discloseable transactions of the Company and are subject to the notification and announcement requirements but exempt from the shareholders' approval requirement under Chapter 14 of the Listing Rules.

## DEFINITIONS

“accounts receivable”	all rights entitled to all or any portion of the income generated under the master contracts and all subordinated interests thereunder as well as any substantial and procedural rights and ancillary interests associated thereto
“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
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the directors of the Company
“Dishui Factoring”	Suzhou Dishui Commercial Factoring Co., Ltd. (蘇州滴水商業保理有限公司), a company incorporated in the PRC with limited liability
“August 2021 Refactoring Agreement”	the refactoring agreement between the Company, Dishui Factoring and Yangtze River United dated August 19, 2021 in respect of the transfer of outstanding accounts receivable under the Master Contract
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Master Contract”	the factoring business contract entered into between Dishui Factoring and Yangtze River United on September 20, 2017, together with various term sheets signed thereunder and the relevant invoices, certificates and attachments; pursuant to the Master Contract, it was agreed that Yangtze River United would transfer all of the creditor’s right amounting to RMB74,336,740 under procurement contracts to Dishui Factoring, and Dishui Factoring, as the factor, would provide factoring service to Yangtze River United
“PRC”	the People’s Republic of China
“Shareholder(s)”	shareholders of the Company
“subsidiaries”	has the meaning ascribed to it under the Listing Rules
“Yangtze River United”	Yangtze River United Supply Chain Management (Jiangsu) Co., Ltd. (長江聯合供應鏈管理(江蘇)有限公司), a company incorporated in the PRC with limited liability

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

Shanghai, the PRC  
August 19, 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.*