

**IPO FACT SHEET**
**Haitong UniTrust International Leasing Co., Ltd. (1905)**
**ISSUE STATISTICS**

<b>Offer Size:</b>	HK\$2,322.4m - HK\$2,569.4m
<b>Placement Tranche:</b>	1,235,300,000 H Shares
<b>Price:</b>	HK\$1.88 - HK\$2.08
<b>Board lot:</b>	2,000
<b>Entry fee:</b>	HK\$4,201.92
<b>Historical PE</b>	7.19x – 7.95x
<b>Net tangible asset per share:</b>	HK\$1.88 - HK\$1.91
<b>Market Cap (post-IPO):</b>	HK\$10,893.57m- HK\$ 12,052.46m
<b>Open:</b>	21 May 2019
<b>Close:</b>	12.00 noon on 24 May 2019
<b>Trading:</b>	3 Jun 2019
<b>Sponsor:</b>	Haitong International Capital, CICC HK Securities, Citigroup and CMBI

<b>Year ended 31 Dec</b>	<b>(RMB'000)</b>	<b>yoy % chg</b>
Revenue		
2017	4,036.8	27.6%
2018	5,332.3	32.1%
Profit for the year		
2017	1,251.3	47.4%
2018	1,311.3	4.8%

**BACKGROUND**

- They are a large and fast-growing financial leasing company in China.
- As the sole leasing platform and one of the key strategic segments of Haitong Securities, a leading securities firm in China, they offer customer-oriented and innovative financial services to a diverse group of customers across various industries by leveraging the investment banking expertise of Haitong Securities and their senior management.
- According to Frost & Sullivan, they ranked third among foreign-funded financial leasing companies under the MOFCOM's regulation in terms of total revenue in 2017 and total assets as of December 31, 2017. The Global Offering will result in the spin-off and separate listing of their Group from Haitong Securities.
- They have adopted a “One Body, Two Wings” business development model. On the one hand, their headquarters operates six specialized business departments focusing on specific industries or customer segments that demand strong expertise. On the other hand, they have also built up a branch network providing comprehensive services to local customers. Such network has deepened their presence in local markets and enabled us to manage local operations in a cost-efficient manner.
- While they proactively develop Government & LME customers and take on large projects, they also strategically promote businesses with MSE & Retail customers, which possess significant growth potentials.

**BUSINESS STRATEGIES**

- Continue to implement the best practices of investment banking and strengthen the business and product innovation.
- Solidify business foundation by further cultivating large clients and large projects and promoting MSE & Retail business.
- Continue to expand sales and service network and strengthen the collaboration between their headquarters’ specialized departments and their local teams.
- Improve their risk management capabilities and upgrade the information technology systems and other internal supporting functions.
- Expand financing sources, lower financing costs and strengthen liquidity management capabilities.
- Optimize performance-based incentive mechanism and further grow their high-quality professional team.

#### COMPETITIVE STRENGTHS

- Tailored and innovative services and products addressing customer needs.
- High-quality and diverse customer base.
- Effective operating model with specialized headquarters' departments and localized teams.
- Comprehensive and prudent risk management.
- Strong financing capabilities with diverse funding sources.
- Strong shareholder background, experienced and visionary management team and sophisticated talent management system.

#### KEY RISKS

- Their businesses are affected by the macroeconomic and market conditions in China. Any macroeconomic downturn and adverse market conditions or adverse developments in the macroeconomic policies in China could materially and adversely affect their business, results of operations and financial condition.
- They offer their products and services to customers in a wide range of industries. In the event of industry downturns or unfavorable economic and market conditions, they may experience a decline in the customer demand in the affected industries and an increase in their customers' default, as well as the deterioration in quality of their assets, which may, in turn, materially and adversely affect their financial condition and results of operations.
- If they are not able to effectively compete with their existing and potential competitors, their market share may decrease, and their business, financial condition and results of operations may be adversely affected.
- Developments in relevant laws, regulations and regulatory requirements may require us to adjust their business accordingly, assume additional responsibility and incur additional compliance, which may, in turn, adversely affect their business operation and prospects.
- They may not be able to maintain sufficient liquidity to meet their business needs, which may adversely affect their business and results of operations.

#### DIVIDEND POLICY

- No fixed dividend policy.

#### USE OF PROCEEDS

	HK mn	As a percentage of gross proceeds from the Invitation
For expanding their financial leasing business and factoring business.	1367.9	60.0%
For developing their overseas aircraft leasing business.	684.0	30.0%
Will be used for providing funding for their working capital.	228.0	10.0%
<b>Total:</b>	<b>2279.9</b>	<b>100.0%</b>

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