

IPO FACT SHEET
International Alliance Financial Leasing Co., Ltd. (1563 HK)
ISSUE STATISTICS

Offer Size:	HK\$415.80m – HK\$826.65m
Placement Tranche:	495m
Price:	HK\$0.84 – HK\$1.67
Board lot:	3,000
Entry fee:	HK\$5,060.49
Historical PE	29.7x – 59.0x
Net tangible asset per share:	HK\$0.97 – HK\$1.23
Market Cap (post-IPO):	HK\$1,260.0m – HK\$2,505.0m
Open:	28 Feb 2019
Close:	12.00 noon on 5 Mar 2019
Trading:	15 Mar 2019
Sponsor:	Cinda International

Year ended 31 Dec	(RMB'000)	yoy % chg
Revenue		
2016	300,870	106.1%
2017	308,747	2.6%
Profit for the year/period		
2016	29,279	241.6%
2017	36,576	24.9%

BACKGROUND

- The Group is a finance leasing company headquartered in Beijing, providing finance leasing and advisory services.
- It targets customers in three targeted industries in the PRC, including the healthcare, aviation and public infrastructure industries.
- The Group had an aircraft fleet of 25 aircrafts as at 31 December 2017, an aircraft finance leasing revenue of approximately RMB74.9 million for FY2017 and finance lease receivables with carrying amount of approximately RMB1.1 billion as at 31 December 2017.
- The Group is the third largest independent non-state owned aircraft finance leasing company in the PRC in 2017 in terms of aircraft fleet size and aircraft finance leasing revenue.
- Among the overall aircraft finance leasing market, it occupied a market share of 0.4% in terms of finance lease receivables, and 0.9% in terms of revenue in 2017.

BUSINESS STRATEGIES

- Continue to develop business with existing or new customers in industries with growth potential.
- Optimise the asset portfolio structure of its finance leasing business.
- Continue to enhance its risk management capabilities.
- Diversifying its financing source, lowering its finance costs, and exploring financing alternatives to improve its investment returns.
- Continue to select, develop, motivate and retain a talented and professional workforce.

COMPETITIVE STRENGTHS

- Strategically focus on fast growing industries which have increasing demand for finance leasing and related services.
- Strong capabilities in providing efficient and customised finance leasing services to the target customers by leveraging its established industry expertise.
- Implemented prudent risk management and internal control processes.
- An experienced and dedicated management team.

KEY RISKS

- The Group has a relatively short track record in its business operation and its historical financial results may not be indicative of its future performance.
- Its business focuses on three industries and has industry concentration in the healthcare industry since FY2017.
- Any inability to maintain its leased asset quality may have a material adverse impact on its business, financial condition and results of operations.
- Inability to match the maturity profile of its assets and liabilities will impact its liquidity and its ability to repay borrowings and settle outstanding liabilities.
- It is exposed to liquidity risk due to high level of gearing.
- The Group is subject to the credit risks of its customers and may not receive full and/or timely payment of its finance lease receivables.
- Its leased assets, and collateral or guarantees securing its leases, may not be sufficient to cover the related finance lease receivables.
- New regulatory regime for foreign-invested finance leasing companies may have a material impact on its business, financial condition and results of operations.
- The Group is subject to risks related to changes in tax law, preferential tax treatment and other government incentives.

DIVIDEND POLICY

- No fixed dividend policy

USE OF PROCEEDS

	HK mn	As a percentage of gross proceeds from the Invitation (%)
To apply towards its business operation expansion in the healthcare industry	271.2	50.0%
To apply towards its business operation expansion in the aviation and public infrastructure industries	217.0	40.0%
To apply towards its general working capital	54.2	10.0%
Total:	542.4	100.0%

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