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海通恆信國際租賃股份有限公司

Haitong UniTrust International Leasing Co., Ltd.

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

(Stock Code: 1905)

DISCLOSEABLE TRANSACTION FINANCE LEASE ARRANGEMENTS

PURCHASE CONTRACTS

The Board hereby announces that on July 2, 2020 (after trading hours), Haitong UniTrust Financial Leasing (as the purchaser), a wholly-owned subsidiary of the Company, Taiji Computer (as the vendor) and Qianyuan Technology (as the user) entered into six Purchase Contracts, pursuant to which Haitong UniTrust Financial Leasing has agreed to purchase the IDC engine room equipment from Taiji Computer at a total consideration of RMB776,000,000, which will be used by Qianyuan Technology on lease.

FINANCE LEASE CONTRACTS

The Board hereby also announces that on July 2, 2020 (after trading hours), Haitong UniTrust Financial Leasing (as the lessor) and Qianyuan Technology (as the lessee) entered into six Finance Lease Contracts, pursuant to which Haitong UniTrust Financial Leasing has agreed to lease to Qianyuan Technology the IDC engine room equipment under the abovementioned six Purchase Contracts for a term of 96 months at a total consideration of RMB1,166,200,000.

IMPLICATIONS OF THE LISTING RULES

According to Rule 14.22 of the Listing Rules, the transactions contemplated under the abovementioned Finance Lease Arrangements shall be aggregated as a series of transactions. As the highest applicable percentage ratio of the transactions contemplated under the abovementioned Finance Lease Arrangements is more than 5% but lower than 25%, such transactions constitute discloseable transactions of the Company, and shall be subject to reporting and announcement requirements under Chapter 14 of the Listing Rules, but exempt from shareholders' approval requirements.

PURCHASE CONTRACTS

The Board hereby announces that on July 2, 2020 (after trading hours), Haitong UniTrust Financial Leasing (as the purchaser), a wholly-owned subsidiary of the Company, Taiji Computer (as the vendor) and Qianyuan Technology (as the user) entered into six Purchase Contracts, pursuant to which Haitong UniTrust Financial Leasing has agreed to purchase the IDC engine room equipment from Taiji Computer at a total consideration of RMB776,000,000, which will be used by Qianyuan Technology on lease.

Major terms of the six Purchase Contracts are as follows:

No.	Date of contract	Consideration (RMB)	Subject matters	Date of delivery
1	July 2, 2020	93,120,000	IDC engine room equipment, including 5 centrifuges, 20 transformers, 25 diesel generators, 45 switch boxes, 1 water treatment equipment, 5 cooling towers and 1 batch of electric wires (“ IDC Engine Room Equipment 1 ”)	September 30, 2020
2	July 2, 2020	139,680,000	IDC engine room equipment, including 39 high voltage switch cabins, 1 batch of valves, 45 switch boxes, 10 water pumps, 80 low voltage switch cabins, 20 precision air conditioners, 50 micro modules and 1 batch of electric wires (“ IDC Engine Room Equipment 2 ”)	September 30, 2020
3	July 2, 2020	232,800,000	IDC engine room equipment, including 16 diesel generators and accessories, 9 high voltage switch cabins, 2 DC boards, 1 dummy load, 1 batch of UPS, 80 low voltage switch cabins, 20 precision air conditioners, 1 batch of high voltage DC electrical equipment, 86 micro modules and 1 batch of electric wires (“ IDC Engine Room Equipment 3 ”)	September 30, 2020
4	July 2, 2020	62,080,000	IDC engine room equipment, including 8 diesel generators and accessories, 5 centrifuges, 32 high voltage switch cabins, 2 DC boards and 1 batch of electric wires (“ IDC Engine Room Equipment 4 ”)	January 30, 2021
5	July 2, 2020	93,120,000	IDC engine room equipment, including 8 diesel generators and accessories, 1 batch of valves, 20 transformers, 1 batch of UPS, 10 water pumps, 20 low voltage switch cabins and 1 batch of electric wires (“ IDC Engine Room Equipment 5 ”)	January 30, 2021

No.	Date of contract	Consideration (RMB)	Subject matters	Date of delivery
6	July 2, 2020	155,200,000	IDC engine room equipment, including 21 diesel generators, 70 switch boxes, 120 low voltage switch cabins, 40 precision air conditioners, 1 batch of high voltage DC electrical equipment, 64 micro modules, 5 cooling towers and 1 batch of electric wires (“ IDC Engine Room Equipment 6 ”)	January 30, 2021

Other major terms of the abovementioned six Purchase Contracts are as follows:

Methods and Conditions of Payment:

Within 30 days after satisfaction of all conditions of payment as prescribed in each Purchase Contract, Haitong UniTrust Financial Leasing shall settle the consideration under each Purchase Contract in full with Taiji Computer.

The conditions of payment include, but are not limited to:

- (1) receipt by Haitong UniTrust Financial Leasing of payment advices from Qianyuan Technology;
- (2) receipt by Haitong UniTrust Financial Leasing of copies of the resolutions on the Finance Lease Arrangements adopted by Qianyuan Technology; and
- (3) receipt by Haitong UniTrust Financial Leasing of valid input VAT invoices issued to Haitong UniTrust Financial Leasing by Taiji Computer.

Basis of Consideration:

The considerations under the abovementioned six Purchase Contracts were determined with reference to the market prices of the subject matters of each Purchase Contract.

FINANCE LEASE CONTRACTS

The Board hereby also announces that on July 2, 2020 (after trading hours), Haitong UniTrust Financial Leasing (as the lessor) and Qianyuan Technology (as the lessee) entered into six Finance Lease Contracts, pursuant to which Haitong UniTrust Financial Leasing has agreed to lease to Qianyuan Technology the IDC engine room equipment under the abovementioned six Purchase Contracts for a term of 96 months at a total consideration of RMB1,166,200,000.

Major terms of the six Finance Lease Contracts are summarized as follows:

No.	Date of contract	Consideration (RMB)	Leased items	Expected date of first lease payment	Expected date of final lease payment	Term of lease
1	July 2, 2020	139,944,000	IDC Engine Room Equipment 1 under Purchase Contract 1	April 30, 2021	April 30, 2028	96 months
2	July 2, 2020	209,916,000	IDC Engine Room Equipment 2 under Purchase Contract 2	September 30, 2021	September 30, 2028	96 months
3	July 2, 2020	349,860,000	IDC Engine Room Equipment 3 under Purchase Contract 3	November 30, 2021	November 30, 2028	96 months
4	July 2, 2020	93,296,000	IDC Engine Room Equipment 4 under Purchase Contract 4	September 30, 2021	September 30, 2028	96 months
5	July 2, 2020	139,944,000	IDC Engine Room Equipment 5 under Purchase Contract 5	January 30, 2022	January 30, 2029	96 months
6	July 2, 2020	233,240,000	IDC Engine Room Equipment 6 under Purchase Contract 6	May 30, 2022	May 30, 2029	96 months

The terms of the abovementioned six Finance Lease Contracts are similar except for the abovementioned commercial arrangements. Other major terms of the six Finance Lease Contracts are as follows:

Lease Payments:

According to each Finance Lease Contract, the lease payments consist of principal and interests. The principal component of lease payments is equal to the consideration of the leased items under each Finance Lease Contract while interests shall be calculated according to the actual number of dates of the lease. Lease payments shall be settled in Renminbi. Qianyuan Technology shall settle the lease payments with Haitong UniTrust Financial Leasing every three months after the first lease payment until the final lease payment.

Basis of Lease Payments:

The lease payments under the abovementioned six Finance Lease Contracts were determined by Haitong UniTrust Financial Leasing and Qianyuan Technology through arm's length negotiation with reference to the considerations of the leased items of the Finance Lease Contracts and the current market prices of similar finance lease products in the PRC.

Ownership and Risks of Leased Items:

Ownership of leased items shall belong to Haitong UniTrust Financial Leasing. Once the leased items are delivered pursuant to each Finance Lease Contract, their risks shall be borne by Qianyuan Technology as all the costs arising from the damage or loss of the leased items shall be solely undertaken by Qianyuan Technology regardless of whether Qianyuan Technology is in possession of the leased items. Qianyuan Technology shall not revoke the Finance Lease Contracts for reason of such damage or loss and its obligation of lease payment and all other obligations under the each Financial Lease Contract shall remain unchanged.

Options upon Expiry of Finance Lease Contracts:

On the last day of the term of lease under each Finance Lease Contract, Qianyuan Technology may exercise its right to purchase, renew or surrender the leased items by giving written notice in advance to Haitong UniTrust Financial Leasing of its option at the end of the lease period, provided that Qianyuan Technology has not violated the relevant Finance Lease Contract or such violation has been fully indemnified. If Qianyuan Technology decides to purchase the leased items, it shall pay the purchase price to Haitong UniTrust Financial Leasing before the expiry of the lease. Subject to receipt of the purchase price, Haitong UniTrust Financial Leasing shall transfer the ownership of the leased items at their present status and shall have no responsibilities for the maintenance, such as cleaning, renovation or repair of the leased items. If Qianyuan Technology decides to surrender the leased items, it shall deliver the leased items to a place designated by Haitong UniTrust Financial Leasing no later than the last day of the lease at its own costs as requested by Haitong UniTrust Financial Leasing.

EQUITY PLEDGE CONTRACTS

As at the date of this announcement, Qianyuan Technology is held as to 95% and 5% by Mr. Ren Shaolong and Shenzhen Tenglong Holding Co., Ltd., respectively. Mr. Ren Shaolong and Shenzhen Tenglong Holding Co., Ltd. will enter into equity pledge contracts with Haitong UniTrust Financial Leasing no later than July 31, 2020, respectively, pursuant to which Mr. Ren Shaolong and Shenzhen Tenglong Holding Co., Ltd. guarantee the liabilities of Qianyuan Technology to Haitong UniTrust Financial Leasing under the Finance Lease Contracts through the pledge of their equity interests in Qianyuan Technology, including but not limited to (1) the fulfilment of all the liabilities of Qianyuan Technology to Haitong UniTrust Financial Leasing under the Finance Lease Contracts ("**Major Creditor Rights**"); (2) all interests, default penalty and compensation of damages on late settlement of Major Creditor Rights; and (3) expenses and other payables incurred by Haitong UniTrust Financial Leasing for exercise of its Major Creditor Rights and rights of pledge.

RECEIVABLES PLEDGE CONTRACT

Haitong UniTrust Financial Leasing will enter into a receivables pledge contract with Qianyuan Technology within two years from the date of the Finance Lease Contracts, pursuant to which Qianyuan Technology will pledge its receivables (including all receivables of Qianyuan Technology under all basic contracts) to Haitong UniTrust Financial Leasing to guarantee, including but not limited to, (1) the Major Creditor Rights; (2) all interests, default penalty and compensation of damages on late settlement of Major Creditor Rights; and (3) expenses and other payables incurred by Haitong UniTrust Financial Leasing for exercise of its Major Creditor Rights and rights of pledge.

REAL ESTATE PLEDGE CONTRACT

Haitong UniTrust Financial Leasing will enter into a real estate pledge contract with Tenglong Liangjiang (Chongqing) Industrial Co., Ltd., a fellow subsidiary of Qianyuan Technology upon the completion of the registration of the ownership of the relevant land and properties, pursuant to which Tenglong Liangjiang (Chongqing) Industrial Co., Ltd. will pledge its real estate (land and buildings valued at approximately RMB100 million) to Haitong UniTrust Financial Leasing as a senior creditor to guarantee the liabilities of Qianyuan Technology under the Finance Lease Contracts through the pledge, including but not limited to (1) the Major Creditor Rights; (2) all interests, default penalty and compensation of damages on late settlement of Major Creditor Rights; and (3) expenses and other payables incurred by Haitong UniTrust Financial Leasing for exercise of its Major Creditor Rights and rights of pledge.

GUARANTEE CONTRACTS

Haitong UniTrust Financial Leasing entered into guarantee contracts with each of (1) Mr. Ren Shaolong, a shareholder of Qianyuan Technology; (2) Ms. Wei Jialin, a connected person of Qianyuan Technology; (3) Tenglong Data (Beijing) Technology Development Co., Ltd., a connected person of Qianyuan Technology; (4) Shenzhen Tenglong Holding Co., Ltd., a fellow subsidiary of Qianyuan Technology; (5) Tenglong Liangjiang (Chongqing) Technology Co., Ltd., a fellow subsidiary of Qianyuan Technology; (6) Tenglong Liangjiang (Chongqing) Industrial Co., Ltd., a fellow subsidiary of Qianyuan Technology; and (7) Shenzhen Construction Investment Data Management Co., Ltd. a fellow subsidiary of Qianyuan Technology, together with Mr. Ren Shaolong, Ms. Wei Jialin, Tenglong Data (Beijing) Technology Development Co., Ltd., Shenzhen Tenglong Holding Co., Ltd., Tenglong Liangjiang (Chongqing) Technology Co., Ltd. and Tenglong Liangjiang (Chongqing) Industrial Co., Ltd., the “**Guarantors**”) on July 2, 2020, respectively, pursuant to which the Guarantors, for the benefits of Qianyuan Technology, irrevocably guaranteed (1) the Major Creditor Rights; (2) all interests, default penalty and compensation of damages on late settlement of Major Creditor Rights; and (3) expenses and other payables incurred by Haitong UniTrust Financial Leasing for exercise of its Major Creditor Rights, in respect of the liabilities of Qianyuan Technology under the Finance Lease Contracts. Each of the Guarantors undertakes that they will unconditionally assume the responsibilities to settle the amounts due to Haitong UniTrust Financial Leasing if Qianyuan Technology fails to perform its obligations under the Finance Lease Contracts.

The major businesses of Tenglong Data (Beijing) Technology Development Co., Ltd., Shenzhen Tenglong Holding Co., Ltd., Tenglong Liangjiang (Chongqing) Technology Co., Ltd., Tenglong Liangjiang (Chongqing) Industrial Co., Ltd. and Shenzhen Construction Investment Data Management Co., Ltd. are the establishment and operation of data centres. The ultimate beneficial owner of Tenglong Data (Beijing) Technology Development Co., Ltd., Tenglong Data (Beijing) Technology Development Co., Ltd., Tenglong Liangjiang (Chongqing) Technology Co., Ltd., Tenglong Liangjiang (Chongqing) Industrial Co., Ltd. and Shenzhen Construction Investment Data Management Co., Ltd. is Mr. Ren Shaolong. As at the date of this announcement, to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, Tenglong Data (Beijing) Technology Development Co., Ltd., Shenzhen Tenglong Holding Co., Ltd., Tenglong Liangjiang (Chongqing) Technology Co., Ltd., Tenglong Liangjiang (Chongqing) Industrial Co., Ltd., Shenzhen Construction Investment Data Management Co., Ltd. and their ultimate beneficial owner are third parties independent of the Company and connected persons of the Company.

REASONS FOR AND BENEFITS OF THE FINANCE LEASE

The cooperation with Qianyuan Technology can further consolidate the position of the Company in the IDC industry and is in line with the national policy in respect of the development new infrastructure and the long term strategy of the Company. The project with Qianyuan Technology has geographical advantages and excellent base of end users. Therefore, the Company considers it is advisable to provide finance leasing services to Qianyuan Technology.

The Directors (including the independent non-executive Directors) consider that the abovementioned Purchase Contracts and the Finance Lease Contracts and their respective terms and the transactions contemplated under the Finance Lease Arrangements are fair and reasonable and are in the interest of the Company and the Shareholders as a whole. The Directors (including the independent non-executive Directors) confirm that the abovementioned Purchase Contracts and the Finance Lease Contracts are entered into 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 financing services, advisory services and other services to its customers under finance lease arrangements, operating lease arrangements, entrustments and factoring.

INFORMATION ABOUT HAITONG UNITRUST FINANCIAL LEASING

Haitong UniTrust Financial Leasing is a wholly-owned subsidiary of the Company, and is principally engaged in financial leasing business.

INFORMATION ABOUT QIANYUAN TECHNOLOGY

Qianyuan Technology is principally engaged in the development, consultation and provision of technology, general software services, application services, data procession and integration of computer systems. As at the date of this announcement, Qianyuan Technology is held as to 95% and 5% by Mr. Ren Shaolong and Shenzhen Tenglong Holding Co., Ltd., respectively. Shenzhen Tenglong Holding Co., Ltd. is owned by Mr. Ren Shaolong and Ms. Wei Jialin as to 80% and 20%, respectively.

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

INFORMATION ABOUT TAIJI COMPUTER

Taiji Computer is principally engaged in the provision of secured and reliable general information technology systems, big data services and network security services to the Chinese Communist Party and government bodies, institutions and enterprises in various industries. Taiji Computer is listed on the Shenzhen Stock Exchange (stock code: 002368).

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

IMPLICATIONS OF THE LISTING RULES

According to Rule 14.22 of the Listing Rules, the transactions contemplated under each of the abovementioned Finance Lease Arrangements shall be aggregated as a series of transactions. As the highest applicable percentage ratio of the transactions contemplated under the abovementioned Finance Lease Arrangements is more than 5% but lower than 25%, such transactions constitute discloseable transactions of the Company, and shall be subject to reporting and announcement requirements under Chapter 14 of the Listing Rules, but exempt from shareholders' approval requirements.

DEFINITIONS

“Board”	the board of directors of the Company
“Company”	Haitong UniTrust International Leasing Co., Ltd. (海通恆信國際租賃股份有限公司), 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

“Finance Lease Arrangements”	the finance lease arrangements contemplated under the Purchase Contracts and the Finance Lease Contracts
“Finance Lease Contracts”	the six finance lease contracts entered into between the Company, as the lessor, and Qianyuan Technology, as the lessee, on July 2, 2020 in relation to the lease of IDC engine room equipment under the Purchase Contracts
“Qianyuan Technology”	Beijing Changxiang Qianyuan Technology Co., Ltd. (北京暢想乾元科技有限公司), a company incorporated in the PRC with limited liability
“Group”	the Company and its subsidiaries
“Haitong UniTrust Financial Leasing”	Haitong UniTrust Financial Leasing (Shanghai) Corporation (海通恒信融資租賃(上海)有限公司), a company incorporated in the PRC with limited liability and a wholly-owned subsidiary of the Company
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“IDC”	the internet data center
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“PRC”	the People’s Republic of China
“Purchase Contracts”	the six purchase contracts entered into among the Company (as the purchaser), Taiji Computer (as the seller) and Qianyuan Technology (as the user) on July 2, 2020 in relation to the purchase of IDC engine room equipment
“RMB” or “Renminbi”	Renminbi, the lawful currency of the PRC
“Shareholder(s)”	shareholders of the Company
“subsidiaries”	has the meaning ascribed to it under the Listing Rules
“Taiji Computer”	Taiji Computer Corporation Limited (太極計算機股份有限公司), a company incorporated in the PRC with limited liability

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

Shanghai, the PRC
July 2, 2020

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. YO Shin, Mr. ZENG Qingsheng, Mr. WU Yat Wai and Mr. YAN Lixin.