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遠東宏信有限公司
FAR EAST HORIZON LIMITED

(Incorporated in Hong Kong with limited liability)

(Stock Code: 3360)

DISCLOSEABLE TRANSACTIONS DISPOSAL OF UNDERLYING ASSETS

THE IFEFL DISPOSAL

The Board is pleased to announce that, on 5 March 2021, IFEFL, a direct wholly-owned subsidiary of the Company, and the Purchaser entered into the IFEFL Assets Disposal Agreement, pursuant to which, among other things, IFEFL has conditionally agreed to sell and the Purchaser has conditionally agreed to acquire the IFEFL Underlying Assets at the IFEFL Consideration of RMB1,623,036,398.62.

THE FETJ DISPOSAL

The Board is pleased to announce that, on 5 March 2021, FETJ, an indirect wholly-owned subsidiary of the Company, and the Purchaser entered into the FETJ Assets Disposal Agreement, pursuant to which, among other things, FETJ has conditionally agreed to sell and the Purchaser has conditionally agreed to acquire the FETJ Underlying Assets at the FETJ Consideration of RMB711,963,601.38.

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio (as defined in Rule 14.07 of the Listing Rules) in respect of the Disposal, being the IFEFL Disposal and the FETJ Disposal, on an aggregate basis, is more than 5% but less than 25%, the Disposal constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to the notification and announcement requirements under the Listing Rules.

The Board is pleased to announce that,

- (a) on 5 March 2021, IFEFL, a direct wholly-owned subsidiary of the Company, and the Purchaser entered into the IFEFL Assets Disposal Agreement, pursuant to which, among other things, IFEFL has conditionally agreed to sell and the Purchaser has conditionally agreed to acquire the IFEFL Underlying Assets at the IFEFL Consideration of RMB1,623,036,398.62; and
- (b) on 5 March 2021, FETJ, an indirect wholly-owned subsidiary of the Company, and the Purchaser entered into the FETJ Assets Disposal Agreement, pursuant to which, among other things, FETJ has conditionally agreed to sell and the Purchaser has conditionally agreed to acquire the FETJ Underlying Assets at the FETJ Consideration of RMB711,963,601.38.

IFEFL ASSETS DISPOSAL AGREEMENT

Date:

5 March 2021

Parties:

Vendor: 遠東國際融資租賃有限公司 (International Far Eastern Financial Leasing Co., Ltd*), a direct wholly-owned subsidiary of the Company

Purchaser: 上海國泰君安證券資產管理有限公司 (Shanghai Guotai Junan Securities Asset Management Co., Ltd.*)

As advised by the Purchaser, as at the date of this announcement, to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Purchaser and its ultimate beneficial owner(s) were Independent Third Parties.

IFEFL Underlying Assets to be disposed of:

The IFEFL Underlying Assets represent the rights and interest (present and future, existing and contingent) of IFEFL pursuant to the underlying IFEFL Finance Leases as at the Record Date (inclusive). The IFEFL Underlying Assets include (1) all creditor's rights under the IFEFL Finance Leases from leasing the underlying leased property to the lessees, including the outstanding balance of principals, interests, penalty, liquidated damage, buy back price of the underlying leased property, the income from the disposal of the leased property as the payments to be made by the lessees to IFEFL and other payments to be made by lessees to IFEFL under the IFEFL Finance Leases as at the Record Date (inclusive); (2) all guarantees or other rights and interests stated in the list of the IFEFL Underlying Assets, which are attached to the creditor's rights of financial leasing and created for the benefit of IFEFL by the enterprise legal persons, institution legal persons or other organizations set up and legally existing in the PRC or the natural person with full capacity for civil activities, including but not limited to mortgage, pledge, security deposit, third-party guarantee, insurance policies related to the underlying leased property or the creditor's rights of financial leasing and the insurance claim, compensation and other income arising therefrom; (3) the proceeds from recovery, sale or otherwise disposal of the IFEFL Underlying Assets; (4) the right to request, sue, recover or receive all the payments in relation to the IFEFL Underlying Assets (no matter whether such payments are payable by the lessees under the IFEFL Finance Leases); and (5) interests arising from commitments in relation to the IFEFL Underlying Assets and all the rights and legal remedies arising from the IFEFL Underlying Assets.

As of the Record Date, the carrying value of the IFEFL Underlying Assets, being the amortised cost of lease receivables less any allowance for impairment, was approximately RMB1,603 million.

Upon the payment of the IFEFL Consideration, IFEFL shall cease to have any rights or interests in the IFEFL Underlying Assets. The Purchaser shall acquire all the rights in relation to the IFEFL Underlying Assets after the delivery date of such assets.

IFEFL Consideration:

The IFEFL Consideration payable by the Purchaser to IFEFL for the IFEFL Disposal of the IFEFL Underlying Assets shall be RMB1,623,036,398.62.

IFEFL and the Purchaser agreed that the value-added tax in relation to the IFEFL Disposal shall be borne by IFEFL and, any other taxes and expenses in relation to the IFEFL Disposal shall be borne by IFEFL (as the initial beneficiary under the IFEFL Assets Disposal Agreement) unless otherwise agreed by IFEFL and the Purchaser or required by laws. Other costs and expenses arising from the negotiation, signing and performance of the IFEFL Assets Disposal Agreement, including but not limited to relevant intermediary agent fees, no matter the transactions contemplated thereunder will be completed or not, shall also be borne by IFEFL and the Purchaser respectively. The Purchaser shall instruct the Custodian Bank to pay the IFEFL Consideration on the delivery date of the IFEFL Underlying Assets. Money transfer fees charged by the Custodian Bank shall be paid in advance by the Purchaser and then reimbursed by the ABS Programme.

The IFEFL Consideration was determined after arm's length negotiations between IFEFL and the Purchaser after having taken into account the factors of the expected return rate on the IFEFL Underlying Assets and the expected return rate on the ABS Programme by the market investors. The IFEFL Consideration for the IFEFL Disposal represents a premium of approximately RMB4,562 thousand to the outstanding aggregate amount of principals in relation to the IFEFL Underlying Assets of approximately RMB1,618,474,537.66, after taking into consideration the associated credit risks relating to the IFEFL Finance Leases and the IFEFL Underlying Assets.

Conditions Precedent:

Conditions precedent to performance of obligations by IFEFL

Performance of its obligations under the IFEFL Assets Disposal Agreement by IFEFL is conditional on the satisfaction of or written waiver by IFEFL (as the case may be) of the following conditions on or before the establishment of the ABS Programme:

- (a) the Purchaser having duly signed and delivered the IFEFL Assets Disposal Agreement and other relevant documents of the ABS Programme to IFEFL;
- (b) all necessary consents, approvals and authorisations to be obtained on the part of the Purchaser, which are required for the performance of its obligations under the IFEFL Assets Disposal Agreement and the ABS Programme having been obtained, including but not limited to the internal authorisation documents required for signing the IFEFL Assets Disposal Agreement by the Purchaser (if applicable); and
- (c) IFEFL having received copies of the latest securities service qualification documents, business license and the articles of association of the Purchaser.

Conditions precedent to performance of obligations by the Purchaser

Performance of its obligations under the IFEFL Assets Disposal Agreement (including but not limited to the payment of the IFEFL Consideration) by the Purchaser is conditional on the satisfaction of or written waiver by the Purchaser (as the case may be) of the following conditions on or before the establishment of the ABS Programme (or dates as otherwise set out below):

- (a) IFEFL having duly signed and delivered the IFEFL Assets Disposal Agreement and other relevant documents of the ABS Programme to the Purchaser, and IFEFL having delivered to the Purchaser's designated assets service agency all the documents relating to the IFEFL Underlying Assets on or before the establishment of the ABS Programme and having provided a complete list of the IFEFL Underlying Assets;
- (b) the Purchaser having received copies of the business license and the articles of association of IFEFL;
- (c) all necessary approvals, consents and authorisations to be obtained on the part of IFEFL, which are required for the performance of its obligations under the IFEFL Assets Disposal Agreement, having been obtained, including but not limited to the internal authorisation documents such as a copy of the relevant Board resolutions required for the signing and performance of the IFEFL Assets Disposal Agreement by IFEFL;
- (d) the ABS Programme having been duly established;
- (e) as at the date of the Purchaser paying the IFEFL Consideration to IFEFL, there being no breach of any of the representations and warranties made by IFEFL in the IFEFL Assets Disposal Agreement and other documents relating to the ABS Programme;
- (f) the due diligence conducted on the IFEFL Underlying Assets and the underlying leased property by the Purchaser having been completed; and
- (g) the status of the IFEFL Underlying Assets and the underlying leased property conforming to the relevant requirements under the IFEFL Assets Disposal Agreement as at the date of delivery of the IFEFL Underlying Assets.

Redemption Arrangement:

Pursuant to the IFEFL Assets Disposal Agreement, the Purchaser or the assets service agency of the ABS Programme shall send written notice to IFEFL during the period of the ABS Programme of any discovery of IFEFL Unqualified Assets (as defined below). IFEFL shall redeem such IFEFL Unqualified Assets as defined below from the Purchaser in accordance with the terms of the IFEFL Assets Disposal Agreement.

On the Record Date, the date of delivery of the IFEFL Underlying Assets or such other date specified under the representations and warranties made in respect of the IFEFL Underlying Assets, the IFEFL Underlying Assets, being not in conformity with such representations and warranties made in respect thereof, are "**IFEFL Unqualified Assets**".

The price for redemption is the aggregation of the followings as at the 24:00 on the Redemption Counting Date:

- (a) the remaining outstanding principal amount of the IFEFL Unqualified Assets;
- (b) all write-off (for the purpose of the IFEFL Assets Disposal Agreement, referring to the write-off of uncollectible accounts) of the principal amount in connection with the relevant IFEFL Underlying Assets as of the relevant Redemption Counting Date; and
- (c) all outstanding interests payable accrued during the period from the Record Date to the relevant Redemption Counting Date in respect of the amounts described in (a) and (b) above.

FETJ ASSETS DISPOSAL AGREEMENT

Date:

5 March 2021

Parties:

Vendor: 遠東宏信(天津)融資租賃有限公司 (Far Eastern Horizon (Tianjin) Financial Leasing Co., Ltd.*), an indirect wholly-owned subsidiary of the Company

Purchaser: 上海國泰君安證券資產管理有限公司 (Shanghai Guotai Junan Securities Asset Management Co., Ltd.*)

As advised by the Purchaser, as at the date of this announcement, to the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Purchaser and its ultimate beneficial owner(s) were Independent Third Parties.

FETJ Underlying Assets to be disposed of:

The FETJ Underlying Assets represent the rights and interest (present and future, existing and contingent) of FETJ pursuant to the underlying FETJ Finance Leases as at the Record Date (inclusive). The FETJ Underlying Assets include (1) all creditor's rights under the FETJ Finance Leases from leasing the underlying leased property to the lessees, including the outstanding balance of principals, interests, penalty, liquidated damage, buy back price of the underlying leased property, the income from the disposal of the leased property as the payments to be made by the lessees to FETJ and other payments to be made by lessees to FETJ under the FETJ Finance Leases as at the Record Date (inclusive); (2) all guarantees or other rights and interests stated in the list of the FETJ Underlying Assets, which are attached to the creditor's rights of financial leasing and created for the benefit of FETJ by the enterprise legal persons, institution legal persons or other organizations set up and legally existing in the PRC or the natural person with full capacity for civil activities, including but not limited to mortgage, pledge, security deposit, third-party guarantee, insurance policies related to the underlying leased property or the creditor's rights of financial leasing and the insurance claim, compensation and other income arising therefrom; (3) the proceeds from recovery, sale or otherwise disposal of the FETJ Underlying Assets; (4) the right to request, sue, recover or receive all the payments in relation to the FETJ Underlying Assets (no matter whether such payments are payable by the lessees under the FETJ Finance Leases); and (5) interests arising from commitments in relation to the FETJ Underlying Assets and all the rights and legal remedies arising from the FETJ Underlying Assets.

As of the Record Date, the carrying value of the FETJ Underlying Assets, being the amortised cost of lease receivables less any allowance for impairment, was approximately RMB704 million.

Upon the payment of the FETJ Consideration, FETJ shall cease to have any rights or interests in the FETJ Underlying Assets. The Purchaser shall acquire all the rights in relation to the FETJ Underlying Assets after the delivery date of such assets.

FETJ Consideration:

The FETJ Consideration payable by the Purchaser to FETJ for the FETJ Disposal of the FETJ Underlying Assets shall be RMB711,963,601.38.

FETJ and the Purchaser agreed that the value-added tax in relation to the FETJ Disposal shall be borne by FETJ, and any other taxes and expenses in relation to the FETJ Disposal shall be borne by FETJ (as the initial beneficiary under the FETJ Assets Disposal Agreement) unless otherwise agreed by FETJ and the Purchaser or required by laws. Other costs and expenses arising from the negotiation, signing and performance of the FETJ Assets Disposal Agreement, including but not limited to relevant intermediary agent fees, no matter the transactions contemplated thereunder will be completed or not, shall also be borne by FETJ and the Purchaser respectively. The Purchaser shall instruct the Custodian Bank to pay the FETJ Consideration on the delivery date of the FETJ Underlying Assets. Money transfer fees charged by the Custodian Bank shall be paid in advance by the Purchaser and then reimbursed by the ABS Programme.

The FETJ Consideration was determined after arm's length negotiations between FETJ and the Purchaser after having taken into account the factors of the expected return rate on the FETJ Underlying Assets and the expected return rate on the ABS Programme by the market investors. The FETJ Consideration for the FETJ Disposal strictly equals to the outstanding aggregate amount of principals in relation to the FETJ Underlying Assets, after taking into consideration the associated credit risks relating to the FETJ Finance Leases and the FETJ Underlying Assets.

Conditions Precedent:

Conditions precedent to performance of obligations by FETJ

Performance of its obligations under the FETJ Assets Disposal Agreement by FETJ is conditional on the satisfaction of or written waiver by FETJ (as the case may be) of the following conditions on or before the establishment of the ABS Programme:

- (a) the Purchaser having duly signed and delivered the FETJ Assets Disposal Agreement and other relevant documents of the ABS Programme to FETJ;
- (b) all necessary consents, approvals and authorisations to be obtained on the part of the Purchaser, which are required for the performance of its obligations under the FETJ Assets Disposal Agreement and the ABS Programme having been obtained, including but not limited to the internal authorisation documents required for signing the FETJ Assets Disposal Agreement by the Purchaser (if applicable); and
- (c) FETJ having received copies of the latest securities service qualification documents, business license and the articles of association of the Purchaser.

Conditions precedent to performance of obligations by the Purchaser

Performance of its obligations under the FETJ Assets Disposal Agreement (including but not limited to the payment of the FETJ Consideration) by the Purchaser is conditional on the satisfaction of or written waiver by the Purchaser (as the case may be) of the following conditions on or before the establishment of the ABS Programme (or dates as otherwise set out below):

- (a) FETJ having duly signed and delivered the FETJ Assets Disposal Agreement and other relevant documents of the ABS Programme to the Purchaser, and FETJ having delivered to the Purchaser's designated assets service agency all the documents relating to the FETJ Underlying Assets on or before the establishment of the ABS Programme and having provided a complete list of the FETJ Underlying Assets;
- (b) the Purchaser having received copies of the business license and the articles of association of FETJ;
- (c) all necessary approvals, consents and authorisations to be obtained on the part of FETJ, which are required for the performance of its obligations under the FETJ Assets Disposal Agreement, having been obtained, including but not limited to the internal authorisation documents such as a copy of the relevant Board resolutions required for the signing and performance of the FETJ Assets Disposal Agreement by FETJ;
- (d) the ABS Programme having been duly established;
- (e) as at the date of the Purchaser paying the FETJ Consideration to FETJ, there being no breach of any of the representations and warranties made by FETJ in the FETJ Assets Disposal Agreement and other documents relating to the ABS Programme;
- (f) the due diligence conducted on the FETJ Underlying Assets and the underlying leased property by the Purchaser having been completed; and
- (g) the status of the FETJ Underlying Assets and the underlying leased property conforming to the relevant requirements under the FETJ Assets Disposal Agreement as at the date of delivery of the FETJ Underlying Assets.

Redemption Arrangement:

Pursuant to the FETJ Assets Disposal Agreement, the Purchaser or the assets service agency of the ABS Programme shall send written notice to FETJ during the period of the ABS Programme of any discovery of FETJ Unqualified Assets (as defined below). FETJ shall redeem such FETJ Unqualified Assets as defined below from the Purchaser in accordance with the terms of the FETJ Assets Disposal Agreement.

On the Record Date, the date of delivery of the FETJ Underlying Assets or such other date specified under the representations and warranties made in respect of the FETJ Underlying Assets, the FETJ Underlying Assets, being not in conformity with such representations and warranties made in respect thereof, are "**FETJ Unqualified Assets**".

The price for redemption is the aggregation of the followings as at the 24:00 on the Redemption Counting Date:

- (a) the remaining outstanding principal amount of the FETJ Unqualified Assets;
- (b) all write-off (for the purpose of the FETJ Assets Disposal Agreement, referring to the write-off of uncollectible accounts) of the principal amount in connection with the relevant FETJ Underlying Assets as of the relevant Redemption Counting Date; and
- (c) all outstanding interests payable accrued during the period from the Record Date to the relevant Redemption Counting Date in respect of the amounts described in (a) and (b) above.

FINANCIAL INFORMATION ON THE UNDERLYING ASSETS

The net profits (both before and after taxation) attributable to the Underlying Assets for the two years ended 31 December 2019 and 2020, which were prepared in accordance with Hong Kong Financial Reporting Standards, were as follows:

	Year ended 31 December 2019 (RMB: million)	Year ended 31 December 2020 (RMB: million)
<i>IFEFL Underlying Assets</i>		
Net profits before taxation	16	37
Net profits after taxation	12	28
<i>FETJ Underlying Assets</i>		
Net profits before taxation	1	21
Net profits after taxation	1	16

FINANCIAL IMPACT AND USE OF PROCEEDS FROM THE DISPOSAL

Immediately upon the payment of the Consideration, both IFEFL and FETJ will cease to have rights or interests in the Underlying Assets. It is anticipated that upon completion of the Disposal, the Group would realise a net gain of approximately RMB4 million, which represents the difference between the net proceeds from this Disposal and the unaudited carrying value of the Underlying Assets as at the date of the Agreements. The net proceeds received from the Disposal will be applied on future finance lease transactions.

INFORMATION OF THE COMPANY

The Company together with its subsidiaries is one of China's leading innovative financial companies focusing on the Chinese fundamental industries and leveraging the business model of integrating finance and industry to serve enterprises of greatest vitality with the support of the fast-growing and enormous economy in China. It provides integrated finance, investment, trade, advisory and engineering services in healthcare, culture & tourism, engineering construction, machinery, chemical & medicine, electronic information, livelihood & consumption, transportation & logistics, urban public utility as well as other fundamental sectors.

INFORMATION OF IFEFL AND FETJ

IFEFL, a direct wholly-owned subsidiary of the Company, is a limited liability company incorporated in the PRC on 13 September 1991. IFEFL is mainly engaged in the provision of integrated financial solutions built around finance leases and relevant commercial factoring business.

FETJ, an indirect wholly-owned subsidiary of the Company, is a limited liability company incorporated in the PRC on 10 December 2013. FETJ is mainly engaged in the provision of integrated financial solutions built around finance leases and relevant commercial factoring business in north east, north west and north area of the PRC.

INFORMATION OF THE PURCHASER

The Purchaser is 上海國泰君安證券資產管理有限公司 (Shanghai Guotai Junan Securities Asset Management Co., Ltd.*), a company incorporated in the PRC on 18 October 2010. The Purchaser is a wholly-owned subsidiary of Guotai Junan Securities Co., Ltd., which is a company listed on the Shanghai Stock Exchange (stock code: 601211) and the Stock Exchange (stock code: 2611). The Purchaser mainly provides financial services, including a full range of asset management services as permitted by China Securities Regulatory Commission.

REASONS FOR AND BENEFITS OF THE DISPOSAL

The Company is principally engaged in finance leasing and accelerating asset turnover is beneficial to the increase of the overall profit margin. Based on the unaudited consolidated financial statements of the Company, as at 30 June 2020, the consolidated total assets of the Company exceeded RMB289 billion.

After the Disposal, the Purchaser will subsequently securitize the Underlying Assets and launch the ABS Programme for investors in the market. The Directors believe that the securitization of the Underlying Assets by way of ABS Programme after the completion of the Disposal will accelerate the overall turnover of the Company's assets and increase the overall revenue generated. Moreover, the Disposal will realize the forthcoming revenue of the Company in advance and the proceeds received from the Disposal will provide financial supports to the Company's business development of new projects.

In view of the above, the Directors consider that the terms of the Agreements are on normal commercial terms and are fair and reasonable and the Disposal is in the interests of the Company and the shareholders of the Company as a whole.

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio (as defined in Rule 14.07 of the Listing Rules) in respect of the Disposal, being the IFEFL Disposal and the FETJ Disposal, on an aggregate basis, is more than 5% but less than 25%, the Disposal constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is therefore subject to the notification and announcement requirements under the Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the following meanings:

“ABS Programme”	the asset-backed securities purchase program to be launched by the Purchaser in relation to the Underlying Assets after the Disposal
“Agreements”	collectively, the IFEFL Assets Disposal Agreement and the FETJ Assets Disposal Agreement
“Board”	the board of Directors of the Company
“Company”	Far East Horizon Limited (遠東宏信有限公司), a company incorporated in Hong Kong 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
“Consideration”	collectively, the IFEFL Consideration and the FETJ Consideration
“Custodian Bank”	興業銀行股份有限公司上海分行 (Shanghai Branch of Industrial Bank Co., Ltd.*)
“Director(s)”	the directors of the Company
“Disposal”	collectively, the IFEFL Disposal and the FETJ Disposal
“FETJ”	遠東宏信(天津)融資租賃有限公司 (Far Eastern Horizon (Tianjin) Financial Leasing Co., Ltd.*), a limited liability company incorporated in the PRC and an indirect wholly-owned subsidiary of the Company
“FETJ Assets Disposal Agreement”	the assets disposal agreement dated 5 March 2021, entered into by FETJ and the Purchaser in relation to the FETJ Disposal
“FETJ Consideration”	the sum of RMB711,963,601.38, being the consideration for the FETJ Disposal under the FETJ Assets Disposal Agreement
“FETJ Disposal”	the disposal of the FETJ Underlying Assets pursuant to the FETJ Assets Disposal Agreement
“FETJ Finance Leases”	the 13 finance leases entered into by FETJ (as lessor) and other lessees, the rights and interests from which so derived constitute the FETJ Underlying Assets

“FETJ Underlying Assets”	the rights and interest (present and future, existing and contingent) of FETJ pursuant to the underlying FETJ Finance Leases as at the Record Date (inclusive). The FETJ Underlying Assets include (1) all creditor’s rights under the FETJ Finance Leases from leasing the underlying leased property to the lessees, including the outstanding balance of principals, interests, penalty, liquidated damage, buy back price of the underlying leased property, the income from the disposal of the leased property as the payments to be made by the lessees to FETJ and other payments to be made by lessees to FETJ under the FETJ Finance Leases as at the Record Date (inclusive); (2) all guarantees or other rights and interests stated in the list of the FETJ Underlying Assets, which are attached to the creditor’s rights of financial leasing and created for the benefit of FETJ by the enterprise legal persons, institution legal persons or other organizations set up and legally existing in the PRC or the natural person with full capacity for civil activities, including but not limited to mortgage, pledge, security deposit, third-party guarantee, insurance policies related to the underlying leased property or the creditor’s rights of financial leasing and the insurance claim, compensation and other income arising therefrom; (3) the proceeds from recovery, sale or otherwise disposal of the FETJ Underlying Assets; (4) the right to request, sue, recover or receive all the payments in relation to the FETJ Underlying Assets (no matter whether such payments are payable by the lessees under the FETJ Finance Leases); and (5) interests arising from commitments in relation to the FETJ Underlying Assets and all the rights and legal remedies arising from the FETJ Underlying Assets
“Group”	the Company and its subsidiaries
“IFEFL”	遠東國際融資租賃有限公司 (International Far Eastern Financial Leasing Co., Ltd*), a limited liability company incorporated in the PRC and a direct wholly-owned subsidiary of the Company
“IFEFL Assets Disposal Agreement”	the assets disposal agreement dated 5 March 2021, entered into by IFEFL and the Purchaser in relation to the IFEFL Disposal
“IFEFL Consideration”	the sum of RMB1,623,036,398.62, being the consideration for the IFEFL Disposal under the IFEFL Assets Disposal Agreement
“IFEFL Disposal”	the disposal of the IFEFL Underlying Assets pursuant to the IFEFL Assets Disposal Agreement
“IFEFL Finance Leases”	the 41 finance leases entered into by IFEFL (as lessor) and other lessees, the rights and interests from which so derived constitute the IFEFL Underlying Assets

“IFEFL Underlying Assets”	the rights and interest (present and future, existing and contingent) of IFEFL pursuant to the underlying IFEFL Finance Leases as at the Record Date (inclusive). The IFEFL Underlying Assets include (1) all creditor’s rights under the IFEFL Finance Leases from leasing the underlying leased property to the lessees, including the outstanding balance of principals, interests, penalty, liquidated damage, buy back price of the underlying leased property, the income from the disposal of the leased property as the payments to be made by the lessees to IFEFL and other payments to be made by lessees to IFEFL under the IFEFL Finance Leases as at the Record Date (inclusive); (2) all guarantees or other rights and interests stated in the list of the IFEFL Underlying Assets, which are attached to the creditor’s rights of financial leasing and created for the benefit of IFEFL by the enterprise legal persons, institution legal persons or other organizations set up and legally existing in the PRC or the natural person with full capacity for civil activities, including but not limited to mortgage, pledge, security deposit, third-party guarantee, insurance policies related to the underlying leased property or the creditor’s rights of financial leasing and the insurance claim, compensation and other income arising therefrom; (3) the proceeds from recovery, sale or otherwise disposal of the IFEFL Underlying Assets; (4) the right to request, sue, recover or receive all the payments in relation to the IFEFL Underlying Assets (no matter whether such payments are payable by the lessees under the IFEFL Finance Leases); and (5) interests arising from commitments in relation to the IFEFL Underlying Assets and all the rights and legal remedies arising from the IFEFL Underlying Assets
“Independent Third Party(ies)”	the independent third party(ies) who is/are, to the best knowledge of the Directors’ knowledge, information and belief having made all reasonable enquiries, independent of and not connected with the Company and the connected person(s) of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China
“Purchaser”	上海國泰君安證券資產管理有限公司 (Shanghai Guotai Junan Securities Asset Management Co., Ltd.*), a company incorporated in the PRC
“Record Date”	22 December 2020

“Redemption Counting Date”	the last day of the relevant rental collection period during which the redemption is requested in accordance with the terms of the IFEFL Assets Disposal Agreement or the FETJ Assets Disposal Agreement, as the case may be
“RMB”	Renminbi, the lawful currency of the PRC
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Underlying Assets”	collectively, the IFEFL Underlying Assets and the FETJ Underlying Assets
“%”	per cent

By Order of the Board
Far East Horizon Limited
KONG Fanxing
Chief Executive Officer and Executive Director

Hong Kong, 5 March 2021

As at the date of this announcement, the executive directors of the Company are Mr. KONG Fanxing and Mr. WANG Mingzhe, the non-executive directors of the Company are Mr. NING Gaoning (Chairman), Mr. YANG Lin, Mr. LIU Haifeng David, Mr. KUO Ming-jian and Mr. John LAW, and the independent non-executive directors of the Company are Mr. CAI Cunqiang, Mr. HAN Xiaojing, Mr. LIU Jialin and Mr. YIP Wai Ming.

* *for identification purpose only*