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CHINA AIRCRAFT LEASING GROUP HOLDINGS LIMITED

中國飛機租賃集團控股有限公司

(Incorporated under the laws of the Cayman Islands with limited liability)

(Stock code: 1848)

**CHANGE OF CHIEF EXECUTIVE OFFICER AND
APPOINTMENT OF EXECUTIVE DIRECTOR**

**CHANGE OF CHIEF EXECUTIVE OFFICER AND APPOINTMENT OF
EXECUTIVE DIRECTOR**

The Board announces that Mr. CHEN has stepped down from the position of the CEO with effect from 19 January 2017. Mr. CHEN remains as an Executive Director and the Chairman of the Company.

The Board is also pleased to announce that Mr. POON has been appointed as the CEO and an Executive Director of the Company, immediately following Mr. CHEN's stepping down from the CEO, with effect from 19 January 2017. Mr. POON is responsible for formulating the Group's overall strategic planning and managing overall business operations.

The Board makes reference to the Company's announcement dated 19 June 2015 in relation to the resignation of Mr. POON as the CEO and an Executive Director and the Media News. The Board has recently been informed by Mr. POON that he had assisted with certain investigations by the PRC government authorities. In order to ensure that the Company will not be affected by his assistance in the investigations, Mr. POON decided to resign as the CEO and an Executive Director with effect from 18 June 2015.

In assessing the re-appointment of Mr. POON, the Board has considered all relevant information and has made all necessary and practical enquiries, including among others, (i) enquiries made by the nomination committee of the Company with Mr. POON; (ii) PRC legal opinion provided by Mr. POON's legal adviser; and (iii) the replies from Mr. POON in relation to queries made by members of the Board. The Board has been informed that the investigations have been concluded and that Mr. POON was not implicated in any relevant case. Moreover, in response to the Board's enquiries in relation to the Media News, Mr. POON has confirmed that he has complied with PRC laws and regulations in his business operations and diligently followed state policies in preventing any violation of laws or regulations by his business enterprises or by himself. Following his last resignation from his roles in the Company in 2015, Mr. Poon has been proactively exploring value creation opportunities along the global aviation industry chain and obtained unprecedented achievements. Based on the above, to the Board's best knowledge, the Board is not aware that the allegations in the Media News have any basis and the Board is satisfied that Mr. POON is suitable to be re-appointed as the CEO and an Executive Director.

CHANGE OF CHIEF EXECUTIVE OFFICER AND APPOINTMENT OF EXECUTIVE DIRECTOR

Information on Mr. CHEN Shuang

The board of directors (the “**Board**”) of China Aircraft Leasing Group Holdings Limited (the “**Company**”, and its subsidiaries, the “**Group**”) announces that Mr. CHEN Shuang (“**Mr. CHEN**”), an Executive Director, the Chairman and the Chief Executive Officer (“**CEO**”) of the Company, has stepped down from the position of the CEO with effect from 19 January 2017. Mr. CHEN remains as an Executive Director and the Chairman of the Company.

Such arrangement separates the roles of the Chairman and CEO, which alleviates the workload of Mr. CHEN from the dual roles of the Chairman of the Board and the CEO as well as enables the Company to re-comply with the requirements of Corporate Governance Code as set out in Appendix 14 of The Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and to effectively raise the level of corporate governance for the Company.

Mr. CHEN has confirmed that he has no disagreement with the Board and save as disclosed in this announcement, there are no other matters concerning Mr. CHEN that need to be brought to the attention of the Stock Exchange or the shareholders of the Company nor any information to be disclosed pursuant to any of the requirements under Rule 13.51(2) of the Listing Rules.

Information on Mr. POON Ho Man

The Board is also pleased to announce that Mr. POON Ho Man (“**Mr. POON**”) has been appointed as the CEO and an Executive Director, immediately following Mr. CHEN’s stepping down from the CEO, and a member of the Strategy Committee of the Company with effect from 19 January 2017. Mr. POON is responsible for formulating the Group’s overall strategic planning and managing overall business operations.

The Board makes reference to the Company’s announcement dated 19 June 2015 in relation to the resignation of Mr. POON as the CEO and an Executive Director and certain news in the media in Hong Kong and the PRC stating that Mr. POON might be involved in certain investigations by the PRC government authorities relating to certain bribery charges brought against an ex-senior management of China Southern Airlines Company Limited (the “**Media News**”). The Board has recently been informed by Mr. POON that he had assisted with certain investigations by the PRC government authorities. In order to ensure that the Company will not be affected by his assistance in the investigations, Mr. POON decided to resign as the CEO and an Executive Director with effect from 18 June 2015.

In assessing the re-appointment of Mr. POON, the Board has considered all relevant information and has made all necessary and practical enquiries, including among others, (i) enquiries made by the nomination committee of the Company with Mr. POON; (ii) PRC legal opinion provided by Mr. POON’s legal adviser; and (iii) the replies from Mr. POON in relation to queries made by members of the Board. The Board has been informed that the investigations have been concluded and that Mr. POON was not implicated in any relevant case. Moreover, in response to the Board’s enquiries in relation to the Media News, Mr. POON has confirmed that he has complied with PRC laws and regulations in his business operations and diligently followed state policies in preventing any violation of laws or regulations by his business enterprises or by himself. Following his last resignation from his roles in the Company in 2015, Mr. Poon has been proactively exploring value creation opportunities along the global aviation industry chain and obtained unprecedented achievements. Based on the above, to the Board’s best knowledge, the Board is not aware that the allegations in the Media News have any basis and the Board is satisfied that Mr. POON is suitable to be re-appointed as the CEO and an Executive Director.

Mr. POON, aged 44, is an entrepreneur and a pioneer of aviation sector in China. He founded the Group in March 2006, and was the former CEO and an Executive Director of the Company until his resignation took effect from 18 June 2015. He played an instrumental role in developing the Group into the largest independent aircraft lessor in China and one of the leading global players in the aviation industry. He was the key driver of the Company's listing on the Stock Exchange of Hong Kong in 2014, which made the Group the first listed aircraft lessor in Asia. Mr. POON was a member of the Strategy Committee and one of the authorised representatives of the Company under Rule 3.05 of the Listing Rules, and also a director of certain subsidiaries of the Company.

Mr. POON is the founder and the chairman of Friedmann Pacific Asset Management Limited (“FPAM”), a substantial shareholder of the Company. Mr. POON possesses over 20 years of experience in direct investment, structured finance and aviation financing during which over 10 years of focus in aircraft leasing and airport investment. FPAM has developed into an investment holding company focusing on value creation along the aviation industry value chain. Its business scope has been extended to the investment and operation of aviation ventures around the world, including aircraft leasing, airport investment and operations and aircraft disassembly.

Mr. POON founded China Airport Synergy Investment Limited in 2014, which is mainly engaged in the investment and operations of airports around the world. It acquired Toulouse-Blagnac Airport, the 5th largest airport in France, which marked the first airport privatization in France and the first Chinese consortium purchased an overseas airport. With his insights and intelligence of the aviation industry, he initiated Aircraft Recycling International Limited (“ARI”) in 2014 and its aircraft disassembly project in China in 2015, which is Asia's first and largest aircraft disassembly center, with an objective to complete the last part of the incomplete aviation industry value chain in the country.

Mr. POON is a director and the chief executive officer of ARI which is a commonly held entity (has the meaning ascribed to it in Rule 14A.27 of the Listing Rules) of the Company and is beneficially owned by Mr. POON as to 18% as at the date of this announcement. Mr. POON is entitled to a salary of HK\$1,200,000 per annum (“ARI Salary”) to be paid by ARI with effect from 19 January 2017. Mr. POON's spouse, Ms. Christina Ng, is currently employed as the Senior Vice President – Commercial of ARI.

Mr. POON obtained the degree of bachelor of engineering from the University of Hong Kong in 1995, and obtained the degree of executive master of business administration (高級管理人員工商管理碩士) from Tsinghua University in 2005. Mr. POON has been a CFA® charterholder of the Association for Investment Management and Research (now known as the Chartered Financial Analysts Institute) since March 2002.

Mr. POON is currently a member of Heilongjiang Province Committee of the Chinese People's Political Consultative Conference (“CPPCC”) (中國人民政治協商會黑龍江省政協委員), the Vice Chairman of HKCPPCC (Provincial) Members Association Foundation Limited (港區省級政協委員聯誼會基金會副主席), the Executive Vice President of the Association for the Promotion of Hong Kong Heilongjiang Economy (“APHKHE”) and a member of the Youth Committee of APHKHE (香港黑龍江經濟合作促進會常務副會長及屬下青年委員會主任), the Vice President of Chinese Financial Association of Hong Kong (香港中國金融協會副主席), the Honorary President of Hong Kong Overseas Chinese Association (香港華僑華人總會名譽會長) and a member of the Youth Committee of All-China Federation of Returned Overseas Chinese (中華全國歸國華僑聯合會青年委員會委員). Mr. POON also obtained the World Outstanding Chinese Award (世界傑出華人獎) from World Chinese Business Investment Foundation (世界華商投資基金會) in 2006.

As at the date of the announcement, Mr. POON had corporate interest in 192,012,589 shares of the Company (the “**Share(s)**”) (represented approximately 28.7% of the issued capital of the Company) and was interested in share option with rights to subscribe for 9,342,000 Shares (represented approximately 1.4% of the issued capital of the Company) pursuant to the share option schemes of the Company. Save as disclosed above, Mr. POON is not interested or deemed to be interested in any Shares or underlying Shares within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The Company has entered into a service contract with Mr. POON and the term of his service is subject to the arrangements of retirement and re-election at the general meeting in accordance with the articles of association of the Company and the Listing Rules, as amended from time to time. In addition to ARI Salary, under the terms of service contract between the Company and Mr. POON, he is entitled to a salary of HK\$1,542,000 per annum and a project incentive bonus on completion of successful delivery for every aircraft transaction calculated at the rate of US\$20,000 per aircraft. Mr. POON is also entitled to a performance related discretionary management bonus. The director’s emolument of Mr. POON was determined by the Board after considering the recommendation of the Remuneration Committee of the Company, which was made taking into account his qualification and experience.

Save as disclosed in this announcement, Mr. POON (i) does not hold and has not held any other directorships in the last three years in any other public companies, the securities of which are listed on any securities market in Hong Kong or overseas, and he does not have any other major appointments or professional qualifications; and (ii) does not hold any senior position in the Company and does not have any other relationship with any directors, senior management, substantial shareholders or controlling shareholders of the Company.

Save as disclosed in this announcement, there are no other matters concerning Mr. POON that need to be brought to the attention of the Stock Exchange or the shareholders of the Company nor any information to be disclosed pursuant to any of the requirements under Rule 13.51(2) of the Listing Rules.

The Board would like to express its sincere gratitude to Mr. CHEN for his valuable contribution to the Company during his term of office as the CEO and to extend its warmest welcome to Mr. POON on his re-appointment.

By order of the Board
China Aircraft Leasing Group Holdings Limited
CHEN Shuang
Chairman and Executive Director

Hong Kong, 19 January 2017

As at the date of this announcement, (i) the Executive Directors are Mr. CHEN Shuang, Mr. POON Ho Man and Ms. LIU Wanting; (ii) the Non-executive Directors are Mr. TANG Chi Chun, Mr. GUO Zibin and Ms. CHEN Chia-Ling; and (iii) the Independent Non-executive Directors are Mr. FAN Yan Hok, Philip, Mr. NIEN Van Jin, Robert, Mr. CHEOK Albert Saychuan and Mr. CHOW Kwong Fai, Edward, JP.