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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)

ACQUISITION OF 25 AIRCRAFT

The Board is pleased to announce that the Company (through its wholly-owned subsidiary) agreed to purchase the 737MAX Aircraft.

The Transaction is a Qualified Aircraft Leasing Activity and is subject to the disclosure requirements under Rule 14.33D of the Listing Rules.

AIRCRAFT PURCHASE AGREEMENT

The Board is pleased to announce that on 31 December 2018 (after trading hours), the Company (through its wholly-owned subsidiary) entered into the Aircraft Purchase Agreement, pursuant to which the Company agreed to purchase the 737MAX Aircraft. The Aircraft Purchase Agreement was executed in the form of a supplemental agreement to the 2017 Aircraft Purchase Agreement.

Date: 31 December 2018

Parties

- (1) The Company (through its wholly-owned subsidiary), as purchaser, is principally engaged in global aircraft leasing business with a fleet of 133 owned or managed aircraft as at the date of this announcement; and
- (2) Boeing, as vendor, is principally engaged in the business of aircraft manufacturing. To the best of the Directors' knowledge, information and belief and having made all reasonable enquiry, the vendor and its ultimate beneficial owners are third parties independent of the Company and its connected persons.

Aircraft to be acquired: the 737MAX Aircraft

Delivery terms

It is estimated that the 737MAX Aircraft will be delivered in stages to the Company up to 2023.

Purchase Option

Pursuant to the Aircraft Purchase Agreement, the Company was granted the Purchase Option to purchase 25 additional aircraft with terms and conditions similar to those under the Aircraft Purchase Agreement. It is estimated that, if the Purchase Option is exercised, the additional aircraft will be delivered in stages to the Company in 2024.

IMPLICATIONS OF THE LISTING RULES

The Transaction is a Qualified Aircraft Leasing Activity and is subject to the disclosure requirements under Rule 14.33D of the Listing Rules.

The Board has confirmed that (1) the Company has fulfilled the criteria for a Qualified Aircraft Lessor as set out in Rule 14.04(10E) of the Listing Rules; (2) the Transaction is entered into by the Company in its ordinary and usual course of business and on normal commercial terms; and (3) the terms of the Transaction are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

DEFINITIONS

In this announcement, the following expressions shall (unless the context otherwise requires) have the following meanings:

“2017 Aircraft Purchase Agreement”	the aircraft purchase agreement dated 14 June 2017 entered into between the Company (through its wholly-owned subsidiary) and Boeing, pursuant to which the Company agreed to purchase and Boeing agreed to sell 50 Boeing 737MAX series aircraft, details of which are disclosed in the announcement of the Company dated 14 June 2017
“737MAX Aircraft”	25 Boeing 737MAX series aircraft
“Aircraft Purchase Agreement”	the supplemental agreement to the 2017 Aircraft Purchase Agreement dated 31 December 2018 entered into between the Company (through its wholly-owned subsidiary) and Boeing, pursuant to which the Company agreed to purchase and Boeing agreed to sell the 737MAX Aircraft
“Board”	the board of Directors
“Boeing”	The Boeing Company, a company incorporated in the State of Delaware of the United States of America
“Company”	China Aircraft Leasing Group Holdings Limited (中國飛機租賃集團控股有限公司), an exempted company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange

“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Directors”	the directors of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Purchase Option”	the option granted by Boeing to the Company to purchase 25 additional Boeing 737MAX series aircraft with terms and conditions similar to those under the Aircraft Purchase Agreement
“Qualified Aircraft Leasing Activity”	has the meaning ascribed to it in Rule 14.04(10D) of the Listing Rules
“Qualified Aircraft Lessor”	has the meaning ascribed to it in Rule 14.04(10E) of the Listing Rules
“Shareholders”	shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Transaction”	the purchase of the 737MAX Aircraft pursuant to the terms and conditions of the Aircraft Purchase Agreement

By order of the Board
China Aircraft Leasing Group Holdings Limited
POON HO MAN
Executive Director and
Chief Executive Officer

Hong Kong, 31 December 2018

As at the date of this announcement, (i) the Executive Directors are Mr. CHEN Shuang, JP, Mr. POON Ho Man and Ms. LIU Wanting; (ii) the Non-executive Director is Mr. TANG Chi Chun; 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.