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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)

DISPOSAL OF TWO ADDITIONAL AIRCRAFT TO CAG

AGREEMENTS IN RELATION TO DISPOSAL OF ADDITIONAL AIRCRAFT

The Board is pleased to announce that on 25 October 2019 (after trading hours), the Company (through two of its wholly-owned special purpose vehicles) entered into the Agreements with CAG, pursuant to which CAG agreed to acquire two special purpose vehicles owning direct interest in the Additional Aircraft.

As at the date of this announcement, save for the Additional Aircraft to be disposed of pursuant to the Transaction, the Company has sold a total of 22 aircraft to CAG, including 16 aircraft under the Initial Aircraft Portfolio.

IMPLICATION 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.

Reference is made to the announcements of the Company dated 28 December 2017 and 18 January 2018 in relation to the disposal of the Initial Aircraft Portfolio and additional aircraft as well as the announcement dated 26 June 2018 in relation to the establishment of CAG.

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Date: 25 October 2019

Parties

- (a) CAG; and
- (b) the Company (through two of its wholly-owned special purpose vehicles).

Subject to be disposed

Two special purpose vehicles owning direct interest in the Additional Aircraft.

Completion

It is estimated that completion of the Agreements will take place by the end of 2019.

INFORMATION ABOUT THE GROUP AND CAG

The Group is principally engaged in global aircraft leasing business with a fleet of 135 owned or managed aircraft as at the date of this announcement.

To the knowledge of the Directors, CAG is principally engaged in the investment of aircraft assets. CAG is held as to 80% by the Mezzanine Financiers and 20% by the Group, and is funded by way of mezzanine financing and shareholders' loan.

To the best of the Director's knowledge, information and belief and having made all reasonable enquiry, CAG and its ultimate beneficial owners (other than the Group as disclosed above) are third parties independent of the Company and its connected persons.

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:

“Additional Aircraft”	one Airbus A320ceo aircraft and one Airbus A320neo aircraft disposed to CAG
“Agreements”	the two agreements entered into between CAG and the Company (through two of its wholly-owned special purpose vehicles) on 25 October 2019, pursuant to which CAG agreed to acquire the two special purpose vehicles owning direct interest in the Additional Aircraft
“Board”	the board of Directors
“CAG”	CAG Bermuda 1 Limited, an aircraft investment vehicle incorporated in Bermuda with limited liability by the Company and the Mezzanine Financiers
“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
“Group”	the Company and its subsidiaries
“Initial Aircraft Portfolio”	the portfolio consisting of 18 aircraft disposed / to be disposed by the Company to CAG. Please refer to the circular of the Company dated 29 December 2017 for details
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Mezzanine Financiers”	the mezzanine tranche financiers of CAG, being third parties independent of the Company and its connected persons

“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”	the shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Transaction”	the transaction contemplated under the Agreements
“%”	per cent

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

Hong Kong, 25 October 2019

As at the date of this announcement, (i) the Executive Directors are Mr. ZHAO Wei, Mr. POON Ho Man and Ms. LIU Wanting; (ii) the Non-executive Directors are 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.