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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)

**PURCHASE AND LEASEBACK ARRANGEMENT
OF TWELVE AIRCRAFT**

The Board is pleased to announce that on 27 October 2021 (after trading hours), the Buyers entered into the Aircraft Sale and Purchase Agreements with the Sellers, pursuant to which the Buyers agreed to purchase and the Sellers agreed to sell the Aircraft. Upon completion of the Transaction, the Aircraft will be leased back to the Sellers.

AIRCRAFT SALE AND PURCHASE AGREEMENTS

The Board is pleased to announce that on 27 October 2021 (after trading hours), the Buyers entered into the Aircraft Sale and Purchase Agreements with the Sellers, pursuant to which the Buyers agreed to purchase and the Sellers agreed to sell the Aircraft. Upon completion of the Transaction, the Aircraft will be leased back to the Sellers.

The completion of the Transaction will enable the Group to enlarge its owned fleet size while deepening its long-term cooperative relationship with airline clients and continue to enhance its full value chain aircraft asset management capabilities.

Date: 27 October 2021

Parties:

- (a) the Buyers, which are all wholly-owned special purpose vehicles of the Company. The Group is a leading full value chain aircraft solutions provider. Its scope of business includes regular operations such as aircraft operating leasing, purchase and leaseback, and structured financing, as well as value-added services such as fleet upgrade, aircraft maintenance, repair and overhaul, aircraft disassembling and component sales; and
- (b) the 1st Seller or the 2nd Seller, which are both principally engaged in the business of civil aviation services. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Sellers and their ultimate beneficial owners are third parties independent of the Company and the connected persons of the Company.

Assets to be acquired: the Aircraft

Completion:

It is estimated that completion of the Aircraft Sale and Purchase Agreements will take place by the end of November 2021.

IMPLICATIONS OF THE LISTING RULES

As one or more of the applicable percentage ratios in respect of the Transaction exceed 25% but all are below 100%, the Transaction would constitute a major transaction for the Company under Chapter 14 of the Listing Rules. Nevertheless, the Transaction is a Qualified Aircraft Leasing Activity and is only 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; (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:

“1st Seller”	China Eastern Airlines Corporation Limited (中國東方航空股份有限公司), a joint stock limited company incorporated under the laws of the PRC with limited liability, the H shares (stock code: 670), the A shares (stock code: 600115) and the American depositary shares (stock code: CEA) of which are listed on the Main Board of the Stock Exchange, the Shanghai Stock Exchange and the New York Stock Exchange Inc. respectively
“2nd Seller”	China Eastern Airlines Jiangsu Limited (中國東方航空江蘇有限公司), a company incorporated under the laws of the PRC with limited liability and a non-wholly-owned subsidiary of the 1 st Seller
“Aircraft”	twelve Airbus A321 aircraft
“Aircraft Sale and Purchase Agreements”	twelve aircraft sale and purchase agreements entered into between the Buyers and the Sellers respectively on 27 October 2021, pursuant to which the Buyers agreed to purchase and the Sellers agreed to sell the respective Aircraft
“Board”	the board of Directors

“Buyers”	中機建安飛機租賃(上海)有限公司(ZJ Jianan Aircraft Leasing (Shanghai) Company Limited*), 中機興平飛機租賃(上海)有限公司(ZJ Xingping Aircraft Leasing (Shanghai) Company Limited*), 中機初平飛機租賃(上海)有限公司(ZJ Chuping Aircraft Leasing (Shanghai) Company Limited*), 中機永漢飛機租賃(上海)有限公司(ZJ Yonghan Aircraft Leasing (Shanghai) Company Limited*), 中機昭寧飛機租賃(上海)有限公司(ZJ Zhaoning Aircraft Leasing (Shanghai) Company Limited*), 中機熹平飛機租賃(上海)有限公司(ZJ Xiping Aircraft Leasing (Shanghai) Company Limited*), 中機建寧飛機租賃(上海)有限公司(ZJ Jianning Aircraft Leasing (Shanghai) Company Limited*), 中機永康飛機租賃(上海)有限公司(ZJ Yongkang Aircraft Leasing (Shanghai) Company Limited*), 中機永壽飛機租賃(上海)有限公司(ZJ Yongshou Aircraft Leasing (Shanghai) Company Limited*), 中機永興飛機租賃(上海)有限公司(ZJ Yongxing Aircraft Leasing (Shanghai) Company Limited*), 中機元嘉飛機租賃(上海)有限公司(ZJ Yuanjia Aircraft Leasing (Shanghai) Company Limited*) and 中機建和飛機租賃(上海)有限公司(ZJ Jianhe Aircraft Leasing (Shanghai) Company Limited*), which are all incorporated in the PRC with limited liability and wholly-owned special purpose vehicles of the Company
“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
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“percentage ratios”	has the meaning ascribed to it under Rule 14.07 of the Listing Rules
“PRC”	the People’s Republic of China
“Qualified Aircraft Leasing Activity”	has the meaning ascribed to it under Rule 14.04(10D) of the Listing Rules
“Qualified Aircraft Lessor”	has the meaning ascribed to it under Rule 14.04(10E) of the Listing Rules
“Sellers”	the 1 st Seller and the 2 nd Seller

“Shareholders”	the shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Transaction”	the entering into of the Aircraft Sale and Purchase Agreements and the transactions contemplated thereunder

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

Hong Kong, 27 October 2021

As at the date of this announcement, (i) the Executive Directors are Dr. ZHAO Wei, 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 Dr. TSE Hiu Tung, Sheldon.

** for identification purpose only*