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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 12 June 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 the special purpose vehicles owning direct interest in the Additional Aircraft. Completion of the First Agreement took place on the same day and the relevant special purpose vehicle together with the First Additional Aircraft were disposed to CAG.

As at the date of this announcement, the Company has sold a total of 21 aircraft to CAG, including 16 aircraft under the Initial Aircraft Portfolio. It is estimated that completion of the Second Agreement will take place by the end of June 2019.

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, inter alia, the disposal of the Initial Aircraft Portfolio as well as the announcement dated 26 June 2018 in relation to the establishment of CAG.

AGREEMENTS IN RELATION TO DISPOSAL OF ADDITIONAL AIRCRAFT

The Board is pleased to announce that on 12 June 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 the special purpose vehicles owning direct interest in the Additional Aircraft. Completion of the First Agreement took place on the same day and the relevant special purpose vehicle together with the First Additional Aircraft were disposed to CAG.

As at the date of this announcement, the Company has sold a total of 21 aircraft to CAG, including 16 aircraft under the Initial Aircraft Portfolio. It is estimated that completion of the Second Agreement will take place by the end of June 2019.

Date: 12 June 2019

Parties

(a) CAG; and

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

Subject to be disposed

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

Completion

Completion of the First Agreement took place on 12 June 2019. It is estimated that the Second Agreement will be completed by the end of June 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”	the First Additional Aircraft and the Second Additional Aircraft
“Agreements”	the First Agreement and the Second Agreement
“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
“First Additional Aircraft”	one Airbus A330ceo aircraft disposed to CAG
“First Agreement”	the agreement entered into between CAG and the relevant special purpose vehicle on 12 June 2019, pursuant to which CAG agreed to acquire the relevant special purpose vehicle owning direct interest in the First Additional Aircraft
“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
“Second Additional Aircraft”	one Airbus A320ceo aircraft to be disposed to CAG
“Second Agreement”	the agreement entered into between CAG and the relevant special purpose vehicle on 12 June 2019, pursuant to which CAG agreed to acquire the relevant special purpose vehicle owning direct interest in the Second Additional Aircraft
“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, 12 June 2019

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 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.