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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)

INJECTION OF ONE LEASE-ATTACHED AIRCRAFT INTO AIRCRAFT ASSET MANAGEMENT JOINT VENTURE

The Board is pleased to announce that on 28 December 2022 (after trading hours), the Group has injected one lease-attached aircraft into the aircraft asset management joint venture and acted as its asset manager. The Transaction is in the ordinary course of the Group's business, which will enhance the profitability and cash flow of the Group, and endure the development of asset-light model.

ASSET INJECTION AGREEMENT

The Group has established an aircraft asset management joint venture pursuant to its strategic cooperative framework agreement with Moutai Leasing in May 2021.

The Board is pleased to announce that on 28 December 2022 (after trading hours), the Group, through its wholly-owned special purpose vehicle, has injected one lease-attached aircraft into the Joint Venture and acted as its asset manager.

The Transaction is in the ordinary course of the Group's business, which will enhance the profitability and cash flow of the Group, and endure the development of asset-light model. In addition, the Transaction will deepen the relationship with its partners, and build a professional aircraft asset management platform.

Date: 28 December 2022

Parties:

- (a) the Vendor, which is a wholly-owned special purpose vehicle of the Company. The Group is a leading full value chain aircraft solutions provider. Its scope of business includes regular operations such as aircraft leasing, purchase and leaseback, portfolio trading and asset management, as well as value-added services such as fleet planning, fleet upgrade, aircraft maintenance, repair and overhaul, aircraft disassembling and recycling, and aircraft component trading; and

- (b) the Buyer or the Joint Venture, which is a joint venture principally engaged in the aircraft asset management business in the PRC and is held as to 80% by Moutai Leasing and 20% by the Group respectively. To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, the Buyer and its ultimate beneficial owners (other than the equity interest held by the Group as disclosed above) are third parties independent of the Company and the connected persons of the Company.

Assets to be injected into the Joint Venture:

One Airbus A320-200neo aircraft with lease attached

Completion:

It is estimated that completion of the Asset Injection Agreement will take place in December 2022.

IMPLICATIONS OF THE LISTING RULES

As one or more of the applicable percentage ratios in respect of the Transaction exceed 5% but all are below 25%, the Transaction would constitute a discloseable transaction for the Company under Chapter 14 of the Listing Rules. Nevertheless, the Transaction is a Qualified Aircraft Leasing Activity and the Company 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:

“Aircraft”	one Airbus A320-200neo aircraft with lease attached
“Asset Injection Agreement”	an asset injection agreement entered into between the Vendor and the Buyer on 28 December 2022, pursuant to which the Vendor agreed to sell and the Buyer agreed to purchase the Aircraft
“Board”	the board of Directors
“Buyer” or “Joint Venture”	飛天二號租賃(天津)有限公司 (Feitian No.2 Leasing (Tianjin) Co., Ltd.*), an aircraft asset management joint venture established by Moutai Leasing and the Group jointly under the laws of the PRC with limited liability
“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
“Moutai Leasing”	Moutai Financial Leasing Co., Ltd., a wholly-owned subsidiary of Kweichow Moutai Group which is owned by the Guizhou Provincial People’s Government
“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
“Shareholders”	the shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Transaction”	the entering into the Asset Injection Agreement and the transactions contemplated thereunder
“Vendor”	ZF Oriental 19 Limited, a company incorporated in Hong Kong with limited liability and a wholly-owned special purpose vehicle of the Company

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

Hong Kong, 28 December 2022

As at the date of this announcement, (i) the Executive Directors are Mr. ZHANG Mingao, Mr. POON Ho Man and Ms. LIU Wanting; (ii) the Non-executive Director is Mr. WANG Hongyang; and (iii) the Independent Non-executive Directors are Mr. FAN Yan Hok, Philip, Mr. CHEOK Albert Saychuan and Dr. TSE Hiu Tung, Sheldon.

** for identification purpose only*