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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)

CHANGE IN ACCOUNTING ESTIMATES

The announcement is made by the board of directors (the “**Board**”) of China Aircraft Leasing Group Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

CHANGE IN ACCOUNTING ESTIMATES

The Company hereby announces that it has approved the change in the estimated residual values of aircraft and engines from generally 5% to 15% of original cost to generally 5% to 40% of original cost at the end of useful life, which is considered to be more appropriate based on relevant valuations (the “**Change in Accounting Estimates**”). For the avoidance of doubt, the estimated useful lives of aircraft and engines remain unchanged at 25 years from the date of manufacture. The Change in Accounting Estimates has taken into account of updated market evidence, actual usage of aircraft, re-delivery conditions, current and expected business development and independent valuation information from reputable aircraft valuers, and is expected to better reflect the increasing complexity and variability of aircraft value trajectories over time in the current aviation market environment, details of which are set out below:

1. Accounting estimates adopted before the change

The estimated residual values of aircraft and engines was generally 5% to 15% of original cost.

2. Reasons for the change and accounting estimates adopted after the change

In accordance with Hong Kong Accounting Standard 16 “Property, Plant and Equipment”, the residual value and useful life of an asset shall be reviewed at least at each financial year-end. If expectations differ from previous estimates, the change shall be accounted for as a change in an accounting estimate in accordance with Hong Kong Accounting Standard 8 “Accounting Policies, Changes in Accounting Estimates and Errors” (“**HKAS 8**”). Management has performed a reassessment of the residual value assumptions applicable to the Group’s aircraft and engines, taking into account the continued increase in aircraft market values in recent years, as supported by updated market evidence, together with actual aircraft utilisation, re-delivery conditions, and current and expected market and business development. Based on this reassessment, management concluded that increasing the estimated residual values of aircraft and engines from generally 5% to 15% of original cost to generally 5% to 40% of original cost would better reflect current expectations of the residual values recoverable from the aircraft and engines at the end of their useful lives.

ESTIMATED IMPACT OF CHANGE IN ACCOUNTING ESTIMATES ON THE COMPANY

The Company adjusted the aircraft and engines estimated residual values from generally 5% to 15% of original cost to generally 5% to 40% of original cost at end of useful life, which is considered to be more appropriate based on relevant valuation, with effect from 1 January 2026. The Change in Accounting Estimates is accounted for prospectively in accordance with HKAS 8 and has no effect on all the Group’s historical revenue and cash flows, nor on the Group’s financial position and operating results in prior years. According to the Company’s estimates, the Change in Accounting Estimates is expected to decrease the depreciation expenses of fixed assets by approximately HK\$409.6 million for the full year of 2026 and impact the profit attributable to shareholders of the Company for 2026 by HK\$292.4 million. The above expected impact on the depreciation expenses and profit attributable to shareholders of the Company for the financial year ending 31 December 2026 arising from the Change in Accounting Estimates is only a preliminary assessment by the Company based on the information currently available, and has not been audited by the Company’s auditor.

The Company’s auditor will audit the consolidated financial statements of the Group for the financial year ending 31 December 2026, which include the Change in Accounting Estimates when it performs financial statement audit for 2026.

OPINION OF THE AUDIT COMMITTEE

The audit committee of the Company is of the view that (i) the Change in Accounting Estimates is made taking into account of the reasons set out above; (ii) it is in compliance with relevant HKFRS Accounting Standards; and (iii) it will not prejudice the interests of the Company and its shareholders as a whole. The procedures for considering and applying the Change in Accounting Estimates are in compliance with the provisions of the articles of association of the Company. As such, the audit committee of the Company has agreed to the Change in Accounting Estimates.

CAUTION STATEMENT

The Board hereby reminds the shareholders and investors of the Company that the above estimated financial information is based on a preliminary review by the Company's management according to currently available information and unaudited accounts of the Group. Such financial information has not been reviewed or audited by the auditor of the Company. The specific data should be subject to what will be disclosed in the annual results announcement of the Company for the financial year ending 31 December 2026, which is expected to be published in March 2027. Shareholders and investors of the Company are advised to exercise caution when dealing in securities 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, 18 August 2026

As at the date of this announcement, (i) the Non-executive Directors are Mr. AN Xuesong (Chairman) and Mr. PAN Jianyun; (ii) the Executive Directors are Mr. POON Ho Man (Chief Executive Officer) and Mr. LI Guohui (Chief Financial Officer and Chief Strategy Officer); and (iii) the Independent Non-executive Directors are Mr. FAN Chun Wah, Andrew, J.P., Dr. HONG Wen and Mr. CHAN Ching Summit.