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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)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the “EGM”) of China Aircraft Leasing Group Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) will be held at Cliftons Hong Kong, 508-520 Hutchison House, 10 Harcourt Road, Central, Hong Kong on Thursday, 18 January 2018, at 9:30 a.m. for the purpose of considering and, if thought fit, passing with or without amendments the following resolution as ordinary resolution of the Company.

ORDINARY RESOLUTIONS

1. **“THAT**

- (a) the disposal of 12 Airbus A320-200 series aircraft, four Airbus A321-200 series aircraft, and two Boeing B737-900 series aircraft (the “**Initial Aircraft Portfolio**”) by the Company to the aircraft investment vehicle to be incorporated in Bermuda by the Company and the mezzanine tranche financiers of the aircraft investment vehicle (the “**Mezzanine Financiers**”) held as to 80% by the Mezzanine Financiers and as to 20% by the Company (the “**Vehicle**”), be and is hereby approved;
- (b) subject to paragraphs 1(c) below, the exercise by the directors of the Company (the “**Director**”) during the Mandate Period (as hereinafter defined) of all the powers of the Company to dispose of the Additional Aircraft (as hereinafter defined) to the Vehicle, be and is hereby approved;
- (c) the authorisation to the Company to dispose of the Additional Aircraft (as hereinafter defined) pursuant to the approval in paragraph 1(b) above shall be subject to the following, and the said approval shall be limited accordingly:
 - (i) The consideration for an aircraft disposed of by the Company to the Vehicle shall not be lower than 95% of the Market Appraisal Value;

- (ii) the terms of each disposal shall be negotiated and entered into by the Company on arm's length basis in accordance with the Group's customary business practices, are fair and reasonable and in the interests of the Company and the shareholders of the Company as a whole;
- (iii) the aircraft portfolio held by the Vehicle will comprise aircraft assets that meet the following conditions:
 - a. eligible aircraft comprising the following:
 - i. Airbus S.A.S.: A320-CEO Family, A320-NEO Family, A330-300, A350-900, A350-1000; and
 - ii. The Boeing Company: B737-NG Family, B737-MAX Family, B777-300ER, B777-X, B787-8, 787-9, 787-10;
 - b. at the time of acquisition by the Vehicle, the aircraft must not be greater than seven years of age and the acquisition must not result in the weighted-average age of the aircraft fleet of the aircraft portfolio held by the Vehicle to exceed five years;
 - c. at the time of acquisition by the Vehicle, the aircraft must be subject to a lease, the remaining lease term of which must be no less than five years and the acquisition must not result in the weighted average remaining lease term of the aircraft fleet of the aircraft portfolio held by the Vehicle to become less than six years; and
 - d. the consideration for such aircraft does not exceed 115% of the Market Appraisal Value;
- (d) for the purpose of this resolution:

“Additional Aircraft” means any additional aircraft to be disposed of by the Company to the Vehicle during the Funding Period, as agreed by the Company and the Vehicle from time to time;

“Funding Period” means the period commencing from the execution date of debt financing documentation and ending on the second anniversary of the such execution date, such period subject to extension as may be agreed between the Company and the Vehicle from time to time;

“Mandate Period” means the period from the passing of this resolution to the date on which the Funding Period expires;

“**Market Appraised Value**” means the average of the half-life book value valuations of the aircraft obtained from three independent appraisers on a half-life basis and adjusted for maintenance by the maintenance support analysis service provider;

- (e) any one Director of the Company be and is hereby authorised to do all such things and acts as he/she may in his/her discretion consider as necessary, appropriate, expedient or desirable for the purpose of or in connection with the implementation of the disposal of the Initial Aircraft Portfolio and/or the Additional Aircraft, including but not limited to the execution of all such documents under seal where applicable, as he/she considers necessary or expedient in his/her opinion to implement and/or give effect to the disposal of the Initial Aircraft Portfolio and/or the Additional Aircraft, and to agree with such variation, amendment or waiver as, in the opinion of the Directors, in the interests of the Company and its shareholders as a whole.”

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

Hong Kong, 29 December 2017

Notes:

- 1 A form of proxy for use at the EGM is enclosed with the circular of the Company dated 29 December 2017.
- 2 The instrument appointing a proxy shall be in writing under the hand of the appointer or his/her attorney duly authorised in writing or, if the appointer is a corporation, either under its seal or under the hand of any officer, attorney or other person authorised to sign the same.
- 3 Any shareholder entitled to attend and vote at the EGM is entitled to appoint one or more proxies to attend and vote instead of him. A proxy need not be a shareholder of the Company.
- 4 In order to be valid, a form of proxy in the prescribed form together with the power of attorney or other authority (if any) under which it is signed must be deposited at the Company’s branch registrar and transfer office in Hong Kong, Tricor Investor Services Limited (“**Tricor**”), at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong not less than 48 hours before the time fixed for holding the EGM.
- 5 The register of members of the Company will be closed from Wednesday, 17 January 2018 to Thursday, 18 January 2018, both days inclusive, during which no transfer of shares will be registered. Shareholders of the Company are reminded that, in order to qualify for attendance of the EGM, they must lodge properly completed transfer forms together with the certificates for the relevant shares with Tricor at the above mentioned address not later than 4:30 p.m. on Tuesday, 16 January 2018.

- 6 Completion and return of the form of proxy will not preclude shareholders of the Company from attending and voting in person at the EGM or at any adjourned meeting thereof (as the case may be) should shareholders of the Company so wish, and in such an event, the form of proxy shall be deemed to be revoked.
- 7 Where there are joint registered holders of any share, any one of such joint holders may vote, either in person or by proxy, in respect of such shares as if he/she was solely entitled thereto, but if more than one of such joint holders are present at the EGM, whether in person or by proxy, the joint registered holder present whose name stands first on the register of members in respect of the shares shall be accepted to the exclusion of the votes of the other registered holders.
- 8 In case the EGM is anticipated to be affected by black rainstorms or tropical cyclone with warning signal no. 8 or above, please refer to the website of Hong Kong Exchanges and Clearing Limited at <http://www.hkexnews.hk> and the Company's website at <http://www.calc.com.hk> for announcement on bad weather arrangement for the EGM.

As at the date of this notice, (i) the executive Directors are Mr. CHEN Shuang, JP, Mr. POON Ho Man and Ms. LIU Wanting; (ii) the non-executive Directors are Mr. TANG Chi Chun, Mr. GUO Zibin and Ms. CHEN Chia-Ling; 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.