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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)

WAIVER IN RELATION TO THE AIRCRAFT LEASE ARRANGEMENTS WITH CHENGDU AIRLINES AND SICHUAN AIRLINES

Reference is made to the announcement (the “**Announcement**”) of China Aircraft Leasing Group Holdings Limited (the “**Company**”) dated 25 August 2014 in respect of, among other things, the Chengdu Airlines Aircraft Lease Agreements and the Sichuan Airlines Aircraft Lease Agreements (the “**Transactions**”). Terms defined in the Announcement shall have the same meanings when used herein unless the context requires otherwise.

Each of the Chengdu Airline Aircraft Lease Agreements and the Sichuan Airlines Aircraft Lease Agreements constitutes a major transaction of the Company and is therefore subject to reporting, announcement and Shareholders’ approval requirements. The Company applied to the Stock Exchange and the Stock Exchange agreed to waive the Shareholders’ approval requirements under the Listing Rules after taking into account the specific facts and circumstances of the application, including among other things:

- (i) The Company is principally engaged in aircraft leasing. It is one of the few Chinese lessors of aircraft. It has the management expertise with extensive experience in the aircraft leasing industries in the PRC.
- (ii) The Company has disclosed in its prospectus dated 30 June 2014 (the “**Prospectus**”) that aircraft leasing is its principal business activity. Based on the information disclosed in the Prospectus, the shareholders and investors should be fully aware of the Company’s business model and the risks associated with the Company’s business and investment in the Company’s shares.
- (iii) In respect of the Transactions:
 - 1) The Transactions are carried out by the Company in its ordinary and usual course of business and on normal commercial terms;
 - 2) The Transactions are conducted on an arm’s length basis. The lessees are two of the leading airline companies in the PRC;
 - 3) The Company’s finance lease business does not concentrate on a single customer. The finance lease receivable for each of the Transactions is not very significant to the Company; and

- 4) The lease receivables are secured by the aircrafts under the lease agreements. In the event of default by the lessees, the terms of the leases provide for re-possession of the aircrafts by the Company.
- (iv) It will be unduly onerous and burdensome for the Company to comply with the Shareholders' approval requirement under the Listing Rules for aircraft leasing transactions carried out in its ordinary and usual course of business. Furthermore, the competitiveness of the Company in the market could be seriously impaired given that its competitors do not operate under the same restraints.
- (v) The Company has issued the Announcement to inform the Shareholders and investors of the Transactions.

Accordingly, no circular containing details of the Chengdu Airline Aircraft Lease Agreements and the Sichuan Airlines Aircraft Lease Agreements will be despatched under Rule 14.41 of the Listing Rules.

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

Hong Kong, 22 December 2014

As at the date of this announcement, (i) the executive Directors are Mr. Poon Ho Man and Ms Liu Wanting; (ii) the non-executive Directors are Mr. Chen Shuang, Mr. Tang Chi Chun and Mr. Guo Zibin; and (iii) the independent non-executive Directors are Mr. Fan Yan Hok, Philip, Mr. Ng Ming Wah, Charles, Mr. Zhang Chongqing and Mr. Nien Van Jin, Robert.