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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a stockbroker or other licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **China Aircraft Leasing Group Holdings Limited**, you should at once hand this circular and the accompanying form of proxy to the purchaser or to the transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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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)

PROPOSALS FOR

- (1) GENERAL MANDATES TO REPURCHASE AND ISSUE SHARES,**
 - (2) RE-ELECTION OF RETIRING DIRECTORS,**
 - (3) AIRCRAFT PURCHASE MANDATE**
- AND**
- (4) NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the Annual General Meeting of the Company to be held at Cliftons Hong Kong, 508–520 Hutchison House, 10 Harcourt Road, Central, Hong Kong on Wednesday, 9 May 2018 at 9:30 am is set out on pages 16 to 21 of this circular. Whether or not Shareholders are able to attend the Annual General Meeting, Shareholders are requested to complete the accompanying form of proxy in accordance with the instructions printed thereon and return the same to the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the Annual General Meeting or any adjourned meeting. Completion and delivery of the form of proxy will not preclude Shareholders from attending and voting in person at the Annual General Meeting or any adjournment thereof should Shareholders so wish.

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DEFINITIONS

In this circular, the following expressions have the following meanings unless the context otherwise requires:

“2017 Aircraft Purchase Mandate”	the general mandate given to the Directors to exercise the powers of the Company to purchase new aircraft in accordance with the terms and conditions set out in Appendix III to the circular of the Company dated 19 April 2017;
“Airbus”	Airbus S.A.S., a company created and existing under the laws of France;
“Aircraft Purchase Mandate”	the general mandate to be given to the Directors to exercise the powers of the Company to purchase new aircraft in accordance with the terms and conditions set out in Appendix III to this circular;
“Aircraft Purchase Resolution”	the ordinary resolution referred to in numbered 8 of the notice of the Annual General Meeting;
“Annual General Meeting”	the annual general meeting of the Company to be held at Cliftons Hong Kong, 508–520 Hutchison House, 10 Harcourt Road, Central, Hong Kong on Wednesday, 9 May 2018 at 9:30 am and any adjournment thereof;
“Articles of Association”	the articles of association of the Company, as amended from time to time;
“Associate(s)”	shall have the meaning ascribed to it under the Listing Rules;
“Board”	the board of directors of the Company;
“Boeing”	The Boeing Company, a company incorporated in the State of Delaware of the United States of America;
“Companies Law”	the Companies Law of the Cayman Islands, as amended from time to time;
“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 Persons”	shall have the meaning ascribed to it under the Listing Rules;
“Director(s)”	the director(s) of the Company;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;

DEFINITIONS

“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Latest Practicable Date”	3 April 2018, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended from time to time;
“PRC”	The People’s Republic of China;
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
“Share(s)”	Share(s) with par value of HK\$0.10 each in the share capital of the Company;
“Shareholder(s)”	shareholder(s) of the Company;
“Share Issue Mandate”	a general mandate to be given to the Directors to exercise the powers of the Company to allot, issue and deal with additional Shares not exceeding 20% of the aggregate nominal amount of the share capital of the Company in issue at the date of passing the relevant ordinary resolution;
“Share Repurchase Mandate”	a general and unconditional mandate to be given to the Directors to exercise the powers of the Company to repurchase at any time until the next annual general meeting of the Company or such earlier period as stated in the Share Repurchase Resolution the Shares up to a maximum of 10% of the fully paid-up issued share capital of the Company at the date of passing of the Share Repurchase Resolution;
“Share Repurchase Resolution”	the ordinary resolution referred to in numbered 6 of the notice of the Annual General Meeting;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Subsidiary(ies)”	subsidiary(ies) of the Company for the time being;
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers;
“US\$”	United States dollars, the lawful currency of the United States of America; and
“%”	per cent.

In this circular, certain amounts denominated in US\$ are translated into HK\$ at the exchange rate shown below, but such conversions shall not be construed as representations that amounts in US\$ were or may have been converted into HK\$ at such rate or any other exchange rates or at all: US\$1 = HK\$7.80.

LETTER FROM THE BOARD



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)

Executive Directors:

Mr. CHEN Shuang, *JP (Chairman)*
Mr. POON Ho Man *(Chief Executive Officer)*
Ms. LIU Wanting *(Deputy Chief Executive Officer)*

Registered office in the Cayman Islands:

Maples Corporate Services Limited
PO Box 309, Ugland House
Grand Cayman, KY1-1104
Cayman Islands

Non-executive Directors:

Mr. TANG Chi Chun
Mr. GUO Zibin
Ms. CHEN Chia-Ling

Principal place of business in Hong Kong:

28th Floor, Far East Finance Centre
16 Harcourt Road
Hong Kong

Independent Non-executive Directors:

Mr. FAN Yan Hok, Philip
Mr. NIEN Van Jin, Robert
Mr. CHEOK Albert Saychuan
Mr. CHOW Kwong Fai, Edward, *JP*

9 April 2018

To the Shareholders

Dear Sir or Madam,

PROPOSALS FOR
(1) GENERAL MANDATES TO REPURCHASE AND ISSUE SHARES,
(2) RE-ELECTION OF RETIRING DIRECTORS,
(3) AIRCRAFT PURCHASE MANDATE
AND
(4) NOTICE OF ANNUAL GENERAL MEETING

1. INTRODUCTION

The purpose of this circular is to provide Shareholders with information relating to, inter alia, the proposed renewal of the Share Repurchase Mandate, the Share Issue Mandate and the extended Share Issue Mandate, the proposed re-election of Directors who are going to retire and offer themselves for re-election at the Annual General Meeting, the proposed Aircraft Purchase Mandate and to give Shareholders the notice of the Annual General Meeting.

LETTER FROM THE BOARD

2. GENERAL MANDATE TO REPURCHASE SHARES

The latest general mandate to repurchase Shares up to a maximum of 10% of the fully paid-up issued Shares of the Company was granted to the Directors at the 2017 annual general meeting of the Company on 22 May 2017. This general mandate will lapse at the conclusion of the Annual General Meeting unless renewed at that meeting.

Therefore, the Share Repurchase Resolution will be proposed at the Annual General Meeting to seek the approval of the Shareholders to grant to the Directors the Share Repurchase Mandate. The Share Repurchase Mandate will continue in force until the conclusion of the next annual general meeting of the Company or any earlier date as referred to in the ordinary resolution numbered 6 of the notice of the Annual General Meeting.

Shareholders should refer to the explanatory statement contained in Appendix I to this circular, which sets out further information in relation to the Share Repurchase Mandate.

3. GENERAL MANDATE TO ISSUE NEW SHARES

The ordinary resolution to grant the Share Issue Mandate will be proposed at the Annual General Meeting. As at the Latest Practicable Date, the issued share capital of the Company comprised 678,183,380 fully paid-up Shares. If there is no allotment or repurchase of the Shares between the Latest Practicable Date and the date of Annual General Meeting, the Share Issue Mandate shall not exceed 135,636,676 Shares.

4. RE-ELECTION OF RETIRING DIRECTORS

In accordance with Article 16.18 of the Articles of Association, Ms. LIU Wanting, Mr. GUO Zibin, Ms. CHEN Chia-Ling and Mr. FAN Yan Hok, Philip shall retire by rotation. Ms. LIU Wanting and Mr. FAN Yan Hok, Philip, being eligible, will offer themselves for re-election at the Annual General Meeting. Each of Mr. GUO Zibin and Ms. CHEN Chia-Ling has decided to retire from his/her position as a non-executive director of the Company with effect from the conclusion of the Annual General Meeting and accordingly, they will not offer themselves for re-election.

Details of the retiring Directors to be re-elected are set out in Appendix II to this circular under the relevant requirements of the Listing Rules.

The Board, upon the recommendation of the Nomination Committee of the Company, has proposed the re-election of the retiring Directors. Such proposal will be put forward at the Annual General Meeting for Shareholders' consideration and approval by way of ordinary resolutions.

5. AIRCRAFT PURCHASE MANDATE

Since its listing on the Stock Exchange in 2014, the Company has expanded rapidly and as at the Latest Practicable Date, the Group owned a fleet of 112 aircraft (as compared to a fleet of 44 aircraft in 2014) and had contractual commitments with Airbus and Boeing to acquire 192 new aircraft in total.

LETTER FROM THE BOARD

Aircraft acquisition is part of the Company's ordinary course of business and the Company plans its fleet replacement and growth in a disciplined way, based upon its overall assessment of future demand for leased aircraft from airline customers. The Company's order book provides its base contracted pipeline for deliveries of aircraft but the Company is also opportunistic when it sees attractive investment opportunities to purchase additional new aircraft.

According to the Listing Rules, if an acquisition of aircraft exceeds certain thresholds as set out in the Listing Rules, the Company is required to obtain the approval of the Shareholders for such acquisition. Given the frequency and size of aircraft acquisitions in the Company's ordinary course of business, this could have an impact on the ability of the Company to enter into aircraft purchase commitments as and when appropriate in order to build on its aircraft order book and to move quickly to capture new opportunities.

The Directors were granted the 2017 Aircraft Purchase Mandate to exercise the powers of the Company to purchase new aircraft in the annual general meeting of the Company on 22 May 2017. The 2017 Aircraft Purchase Mandate will lapse at the conclusion of the Annual General Meeting.

In order to provide the Company with greater flexibility to enter into aircraft purchase commitments as and when appropriate, the Company has applied to the Stock Exchange for a waiver from strict compliance with Rules 14.38A, 14.40, 14.48 and 14.49 of the Listing Rules in order for the Directors to purchase new aircraft in accordance with the terms and conditions of the Aircraft Purchase Mandate with respect to each aircraft acquisition transaction to be entered into by the Company. The Aircraft Purchase Resolution will be proposed at the Annual General Meeting to seek the approval of the Shareholders to grant to the Directors the Aircraft Purchase Mandate to purchase new aircraft in accordance with the terms and conditions of the Aircraft Purchase Mandate. The Aircraft Purchase Mandate will continue in force during the Mandate Period as referred to in the ordinary resolution numbered 8 of the notice of the Annual General Meeting.

Shareholders should refer to the terms and conditions contained in Appendix III to this circular, which sets out further information in relation to the Aircraft Purchase Mandate.

In line with the market practice, the actual consideration of aircraft acquired from the aircraft manufacturers reflects certain price concessions to the list price (comprising the airframe price, optional features price and engine price) of the aircraft, which are determined based on certain variables and negotiation between the purchaser and the aircraft manufacturer. It is normal business practice in the global aviation industry to disclose the aircraft list price, instead of the actual consideration, for aircraft acquisitions. Accordingly, the terms of the Aircraft Purchase Mandate refer to the aggregate list price of the aircraft which may be acquired. In respect of any aircraft acquisition under the Aircraft Purchase Mandate which would constitute a notifiable transaction of the Company under the Listing Rules, the Company will make an application to the Stock Exchange for a waiver from strict compliance with Rule 14.58(4) of the Listing Rules in respect of the requirement to disclose the actual consideration of such aircraft acquired.

The Company's current fleet of 112 aircraft has increased by approximately 30% annually from 2014 to 2017. In light of the growing market demand, the Company continues to aim to increase its aircraft fleet size by an increasing rate of 30% annually from 2018 to 2023 primarily by acquiring new aircraft from Airbus and Boeing. The aggregate number and type of aircraft which may be acquired pursuant to the Aircraft Purchase Mandate was determined by reference to the Company's annual growth rate in new aircraft fleet size and the latest expansion plan of the Company.

LETTER FROM THE BOARD

The Directors (including the independent non-executive Directors) are of the view that (i) the terms of the Aircraft Purchase Mandate (including the limits on price and number of aircraft) are fair and reasonable and in the interests of the Shareholders as a whole; and (ii) if the Aircraft Purchase Mandate is exercised in full, the acquisition of aircraft pursuant thereto would not have any material adverse impact on the earnings, assets and liabilities of the Group.

It is the intention of the Directors to obtain a renewal of the Aircraft Purchase Mandate at each annual general meeting of the Company.

6. CLOSURE OF REGISTER OF MEMBERS

The Board has on 23 March 2018 announced its recommendation of a final dividend for the year ended 31 December 2017 of HK\$0.42 per share payable to Shareholders on the register of members of the Company on 17 May 2018. The proposed final dividend will be paid on or about 5 June 2018, following approval at the Annual General Meeting.

For the purpose of determining Shareholders' eligibility to attend and vote at the Annual General Meeting and entitlement to the proposed final dividend, the register of members of the Company will be closed in accordance with the following timetable:

- (i) For determining Shareholders' eligibility to attend and vote at the Annual General Meeting:
 - a. Latest time to lodge transfer documents for registration . . . 4:30 pm on 3 May 2018
 - b. Closure of Register of Members 4 May 2018 to 9 May 2018
(both dates inclusive)

- (ii) For determining entitlement to the final dividend:
 - a. Latest time to lodge transfer documents for registration . . . 4:30 pm on 15 May 2018
 - b. Closure of Register of Members 16 May 2018 to 17 May 2018
(both dates inclusive)
 - c. Record date 17 May 2018

During the above closure periods, no transfer of shares will be registered. In order to be eligible to attend and vote at the Annual General Meeting, or to qualify for the proposed final dividend, all properly completed transfer forms, accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar and transfer office, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than the time set out above.

7. VOTING BY WAY OF POLL

Pursuant to the Articles of Association, a resolution put to the vote of a general meeting of the Company shall be decided by way of a poll. The Company will announce the results of the poll on all resolutions voted at the Annual General Meeting in the manner prescribed under Rule 13.39(5) of the Listing Rules.

LETTER FROM THE BOARD

8. ANNUAL GENERAL MEETING

Notice of the Annual General Meeting is set out on pages 16 to 21 of this circular. A form of proxy for use at the Annual General Meeting is enclosed with this circular. Whether or not Shareholders are able to attend the meeting, Shareholders are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to Tricor Investor Services Limited, the Company's branch share registrar and transfer office in Hong Kong, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time appointed for holding the Annual General Meeting. Completion and return of the form of proxy will not preclude Shareholders from attending and voting at the Annual General Meeting should Shareholders so wish.

9. RECOMMENDATION

The Directors consider that the resolutions, including but without limitation to, the proposed renewal of the Share Repurchase Mandate, the Share Issue Mandate and the extended Share Issue Mandate, the proposed re-election of the retiring Directors and the proposed Aircraft Purchase Mandate, as set out respectively in the notice of the Annual General Meeting are all in the best interests of the Company and its Shareholders. Accordingly, the Directors recommend Shareholders to vote in favour of all such resolutions to be proposed at the Annual General Meeting.

Yours faithfully,
For and on behalf of
China Aircraft Leasing Group Holdings Limited
POON HO MAN
Executive Director and Chief Executive Officer

APPENDIX I EXPLANATORY STATEMENT ON SHARE REPURCHASE MANDATE

The following is the explanatory statement required to be sent to Shareholders under the Listing Rules to enable them to make an informed decision on whether to vote for or against the ordinary resolution in relation to the Share Repurchase Mandate to be proposed at the Annual General Meeting.

SHARE REPURCHASE PROPOSAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 678,183,380 fully paid-up Shares. It is proposed that up to a maximum of 10 per cent. of the fully paid-up Shares in issue at the date of passing of the Share Repurchase Resolution to approve the Share Repurchase Mandate may be repurchased by the Company. Subject to the passing of the Share Repurchase Resolution, on the basis that no further Shares are issued prior to the Annual General Meeting and ignoring other restrictions, the Company would be allowed under the Share Repurchase Mandate to repurchase up to a maximum of 67,818,338 fully paid-up Shares.

REASONS FOR REPURCHASES

The Directors believe that it is in the best interest of the Company and the Shareholders as a whole to seek a general authority from the Shareholders to enable the Company to repurchase Shares on the Stock Exchange. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or its earnings per Share and will only be made when the Directors believe that such repurchases will benefit the Company and the Shareholders as a whole.

FUNDING OF REPURCHASES

Repurchases of Shares will be financed out of funds legally available for such purpose and in accordance with the Articles of Association, the Companies Law, the applicable laws of Cayman Islands and Hong Kong, as well as the Listing Rules. The Companies Law provides that the amount of capital repaid in connection with a share repurchase may be paid out of the profits of the Company or the proceeds of a fresh issue of Shares made for the purposes of the repurchase or out of capital subject to and in accordance with the Companies Law. The amount of premium payable on repurchase may only be paid either out of the profits of the Company or out of the share premium account before or at the time the Shares are repurchased by the Company in the manner provided in the Companies Law.

Under the Companies Law, the Shares so repurchased will be treated as cancelled upon Share repurchase, unless the Directors resolve prior to the Share repurchase that upon the Share repurchase the Shares shall be held in the name of the Company as treasury shares. The aggregate amount of authorised share capital will not be reduced as a consequence of the Share repurchase. In addition, the listing of Shares so repurchased shall be automatically cancelled upon repurchase in accordance with Rule 10.06(5) of the Listing Rules.

APPENDIX I EXPLANATORY STATEMENT ON SHARE REPURCHASE MANDATE

At present, the Directors have no intention to repurchase any Shares and they would only exercise the power to repurchase in circumstances where they consider that the repurchase would be in the best interest of the Company. The Directors consider that if the general mandate to repurchase Shares were to be exercised in full at the current prevailing market value, it may have a material adverse impact on the working capital but possibly not the gearing position of the Company, as compared with the positions disclosed in the audited consolidated financial statements of the Company as at 31 December 2017, being the date the latest published audited consolidated financial statements of the Company. The Directors do not propose to exercise the mandate to repurchase Shares to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

DIRECTORS' UNDERTAKING AND CONNECTED PERSONS

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, the exercise of the power of the Company to make repurchases pursuant to the Share Repurchase Resolution will be in accordance with the Listing Rules and the applicable laws of the Cayman Islands.

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their Associates have a present intention, in the event that the Share Repurchase Resolution is adopted by Shareholders, to sell Shares to the Company or its subsidiaries.

No Connected Persons have notified the Company that they have a present intention to sell Shares held by them to the Company, or have undertaken not to do so, in the event that the Company is authorised to make repurchases of its Shares.

TAKEOVERS CODE AND MINIMUM PUBLIC SHAREHOLDING

If, on the exercise of the power to buy back Shares pursuant to the Share Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, a Shareholder or group of Shareholders acting in concert could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, (i) China Everbright Limited together with its close associates are interested in 227,595,479 Shares representing approximately 33.6% of the issued Shares; and (ii) Mr. POON Ho Man together with his close associates are interested in 197,554,589 Shares representing approximately 29.1% of the issued Shares. In the event that the Directors exercise in full the power to repurchase Shares pursuant to the Share Repurchase Mandate, then (if the present shareholdings remain the same), the shareholdings of China Everbright Limited together with its close associates and Mr. POON Ho Man together with his close associates will be increased to approximately 37.3% and 32.4% of the issued Shares respectively.

Based on such shareholdings and in the event the Directors exercised in full the power to repurchase Shares pursuant to the Share Repurchase Mandate, an obligation to make a general offer by China Everbright Limited and Mr. POON Ho Man to Shareholders under Rule 26 of the Takeovers Code may arise. The Directors have no present intention to exercise the power to repurchase Shares pursuant to the Share Repurchase Mandate to such an extent as to result in takeover obligations.

APPENDIX I EXPLANATORY STATEMENT ON SHARE REPURCHASE MANDATE

The Directors are not aware of any consequences which may arise under the Takeovers Code as a result of any share repurchase being made under the Share Repurchase Mandate.

The Listing Rules prohibit a company from making repurchase on the Stock Exchange if the repurchase would result in a reduction of the amount of Shares held by the public to less than 25%. The Directors do not intend to repurchase Shares to an extent which would reduce the aggregate number of Shares held by the public to less than 25%.

SHARE REPURCHASES MADE BY THE COMPANY

There was no repurchase by the Company or any of its subsidiaries of the Shares during the six months prior to the Latest Practicable Date.

MARKET PRICES

The highest and lowest prices per Share at which the Shares were traded on the Stock Exchange in each of the previous 12 months immediately prior to the Latest Practicable Date were as follows:

Year	Month	Shares		
		Highest Price HK\$	Lowest Price HK\$	
2017	April	9.98	9.04	
	May	10.08	9.19	
	June	9.40	8.94	
	July	9.58	8.92	
	August	9.30	8.09	
	September	8.64	8.01	
	October	8.48	8.03	
	November	8.65	8.01	
	December	8.35	7.60	
	2018	January	8.62	8.03
		February	8.23	7.28
		March	8.47	7.60
April (<i>up to the Latest Practicable Date</i>)		8.32	8.20	

The following are the particulars of the retiring Directors (as required by the Listing Rules) proposed to be re-elected at the Annual General Meeting.

Ms. LIU Wanting, aged 36, is an Executive Director, Deputy Chief Executive Officer and Chief Commercial Officer. Within the Group, Ms. LIU is also a director of certain subsidiaries of the Company and a member of its Strategy Committee. Ms. LIU is responsible for the Group's overall strategic planning and implementation, as well as managing overall commercial operations, including business development, aircraft leasing, financing and aircraft procurement.

Ms. LIU joined the Group in June 2006. She has established extensive network with airlines, banks, financial institutions, governments and manufacturers.

Ms. LIU is currently a director of a company indirectly wholly-owned by Mr. POON Ho Man who is an executive director, the Chief Executive Officer and one of the substantial shareholders of the Company.

Ms. LIU holds a master's degree in communication management from Hong Kong Baptist University and an EMBA at the PBC School of Finance at Tsinghua University in China.

Ms. LIU is a senior adviser to the Foreign Investment Office of Tianjian Municipal People's Government and a founding member of Chinese Financial Association of Hong Kong (香港中國金融協會). Ms. LIU was the vice chairman of the Aviation Safety 《航空安全》 magazine of the Aviation Safety Office under the Civil Aviation Administration of China (中國民用航空局航空安全辦公室), with a term from July 2014 to 2016. Ms. LIU was our representative in the Leasing Committee of China Association Enterprise with Foreign Investment from April 2010 to April 2011. Ms. LIU has given speeches in various conferences and forums on leasing. She is also actively engaged in social contribution activities. She is a permanent member of Yes We Do Foundation and an active participant of Orbis' charity events.

As at the Latest Practicable Date, Ms. LIU had corporate interest in 10,000,000 Shares (representing approximately 1.47% of the issued share capital of the Company) and was interested in share option with rights to subscribe for 3,000,000 Shares (representing approximately 0.44% of the issued share capital of the Company) pursuant to the Post-IPO share option scheme of the Company. Save as disclosed above, Ms. LIU is not interested or deemed to be interested in any Shares or underlying Shares within the meaning of Part XV of the SFO.

The Company has entered into a service contract with Ms. LIU and the term of her service is subject to the arrangements of retirement and re-election at the annual general meeting of the Company in accordance with the Articles of Association and the Listing Rules, as amended from time to time. With effect from 1 April 2018, Ms. LIU is entitled to a basic salary of HK\$2,880,000 per annum and a project incentive bonus on completion of successful delivery for every aircraft transaction calculated at the rate of US\$20,000 per aircraft. In addition, Ms. LIU is entitled to a performance related discretionary management bonus.

The director's emoluments of Ms. LIU was determined by the Board after considering the recommendation of the Remuneration Committee of the Company, which was made taking into account her qualification and experience. For the financial year ended 31 December 2017, Ms. LIU is entitled to receive the basic salary of HK\$2,553,000 together with project incentive bonus and discretionary management bonus totalling HK\$13,056,000. Details of her emoluments are set out in note 31(a) to the consolidated financial statements in the 2017 Annual Report.

Save as disclosed above, Ms. LIU (i) does not hold and has not held any other directorships in the last three years in any other public companies, the securities of which are listed on any securities market in Hong Kong or overseas, and she does not have any other major appointments or professional qualifications; and (ii) does not hold any position in the Company or any of its subsidiaries and does not have any other relationship with any Directors, senior management, substantial shareholders or controlling shareholders of the Company.

Save as disclosed above, there are no other matters concerning Ms. LIU that need to be brought to the attention of the Stock Exchange or the Shareholders nor any information to be disclosed pursuant to any of the requirements under Rule 13.51(2) of the Listing Rules.

Mr. FAN Yan Hok, Philip, aged 68, is an independent non-executive Director appointed on 11 September 2013. Mr. FAN is also the chairman of Remuneration Committee and a member of Nomination Committee of the Company.

Mr. FAN obtained the degree of bachelor of science in 1973 and the degree of master of science in the same year from Stanford University in the United States and the degree of master of science in management in 1976 from Massachusetts Institute of Technology in the United States.

Mr. FAN is currently holding directorships in the following companies listed on the securities market in Hong Kong:

Name of listed company	Securities exchange and stock code	Position held
China Everbright International Limited	Hong Kong Stock Exchange: 257	Independent non-executive director
Hysan Development Company Limited	Hong Kong Stock Exchange: 14	Independent non-executive director
First Pacific Company Limited	Hong Kong Stock Exchange: 142	Independent non-executive director
PFC Device Inc.	Hong Kong Stock Exchange: 8231	Independent non-executive director

In the last three years and up to the Latest Practicable Date, Mr. FAN had held directorships in the following companies listed on the securities market in Hong Kong or overseas:

Name of listed company	Securities exchange and stock code	Position held	Period
Guolian Securities Co., Ltd.	Hong Kong Stock Exchange: 1456	Independent non-executive director	March 2015 – July 2016
Goodman Group	Australian Stock Exchange: GMG	Independent director	December 2011 – November 2017

As at the Latest Practicable Date, Mr. FAN had personal interest in 200,000 Shares (represented below 0.03% of the issued share capital of the Company). Save as disclosed above, Mr. FAN is not interested or deemed to be interested in any Shares or underlying Shares within the meaning of Part XV of the SFO.

The Company has entered into a service contract with Mr. FAN and the term of his service is subject to the arrangements of retirement and re-election at the annual general meeting of the Company in accordance with the Articles of Association and the Listing Rules, as amended from time to time. Mr. FAN is currently entitled to a total fee of HK\$300,000 per annum (including a Director's fee of HK\$200,000, fee of HK\$60,000 for being the chairman of Remuneration Committee and fee of HK\$40,000 for being a member of Nomination Committee) and a meeting allowance of HK\$5,000 for each Board meeting, Remuneration Committee meeting, Nomination Committee meeting and general meeting.

The director's emoluments of Mr. FAN was determined by the Board after considering the recommendation of the Remuneration Committee of the Company, which was made taking into account his qualification and experience. For the financial year ended 31 December 2017, Mr. FAN received the total emolument of HK\$365,000 which included director's fee and the meeting allowance. Details of his emoluments are set out in note 31(a) to the consolidated financial statements in the 2017 Annual Report.

Save as disclosed above, Mr. FAN (i) does not hold and has not held any other directorships in the last three years in any other public companies, the securities of which are listed on any securities market in Hong Kong or overseas, and he does not have any other major appointments or professional qualifications; and (ii) does not hold any position in the Company or any of its subsidiaries and does not have any other relationship with any Directors, senior management, substantial shareholders or controlling shareholders of the Company.

Save as disclosed above, there are no other matters concerning Mr. FAN that need to be brought to the attention of the Stock Exchange or the Shareholders nor any information to be disclosed pursuant to any of the requirements under Rule 13.51(2) of the Listing Rules.

The following are the terms and conditions of the Aircraft Purchase Mandate to be proposed at the Annual General Meeting.

1. the Aircraft Purchase Mandate shall remain in effect during the period from the passing of the resolution until the earliest of (a) the conclusion of the next annual general meeting of the Company, or (b) the expiry of the period within which the next annual general meeting of the Company is required by the Articles of Association or any applicable laws to be held, or (c) the date on which the resolution is varied or revoked by an ordinary resolution of the Shareholders in general meeting (the “**Mandate Period**”);
2. all aircraft shall be purchased from either Airbus or Boeing;
3. the aggregate number of aircraft which may be purchased from Airbus under the Aircraft Purchase Mandate during the Mandate Period shall not exceed 100 aircraft and may comprise the following aircraft types or a combination thereof:
 - (a) A320CEO family
 - (b) A320NEO family
 - (c) A330 family
 - (d) A330NEO family
 - (e) A350 family
4. the aggregate number of aircraft which may be purchased from Boeing under the Aircraft Purchase Mandate during the Mandate Period shall not exceed 100 aircraft and may comprise the following aircraft types or a combination thereof:
 - (a) 737NG family
 - (b) 737MAX family
 - (c) 777 family
 - (d) 787 family
5. the aggregate amount of the list price (comprising the airframe price, optional features price and engine price) of the aircraft which may be purchased under the Aircraft Purchase Mandate during the Mandate Period shall not exceed US\$13 billion from each of Airbus and Boeing;
6. the terms of each purchase shall be negotiated and entered into by the Company on arm’s length terms in accordance with the Group’s customary business practices, the actual purchase price of each aircraft shall not exceed the aircraft list price and the terms of each purchase shall be fair and reasonable and in the interests of the Shareholders as a whole;

7. the extent of any price adjustments granted by the relevant aircraft manufacturer for each purchase shall not be materially different from the price adjustments the Group has obtained in previous aircraft purchases from that aircraft manufacturer; and
8. when the Company enters into an agreement to purchase aircraft from an aircraft manufacturer under the Aircraft Purchase Mandate during the Mandate Period and such purchase would constitute a notifiable transaction for the Company under the Listing Rules, the Company will make an announcement stating the following information:
 - (a) the date of the relevant purchase agreement;
 - (b) the number and type of aircraft agreed to be purchased;
 - (c) the aggregate amount of the list price of the aircraft agreed to be purchased;
 - (d) the payment and delivery terms of the aircraft;
 - (e) the anticipated source of funding for the aircraft purchase;
 - (f) the cumulative number of aircraft purchased and the corresponding aggregate list price of the aircraft purchased under the Aircraft Purchase Mandate;
 - (g) a confirmation from the Directors of the matters set out in paragraphs 6 and 7 above; and
 - (h) the reasons and benefits of the purchase.
9. the Company will include in its annual and interim reports the information set out in paragraph 8(f) above.

NOTICE OF ANNUAL GENERAL MEETING

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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 ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting 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 Wednesday, 9 May 2018 at 9:30 am for the following purposes:

1. To receive and consider the audited financial statements and the reports of the directors and the auditor for the year ended 31 December 2017.
2. To declare a final dividend of HK\$0.42 per share for the year ended 31 December 2017.
3. (i) To re-elect the following retiring directors:
 - (a) Ms. LIU Wanting; and
 - (b) Mr. FAN Yan Hok, Philip.
- (ii) To authorise the board of directors of the Company (the “**Board**”) to fix the remuneration of the directors.
4. To re-appoint PricewaterhouseCoopers as the auditor and to authorise the Board to fix its remuneration.

As special business, to consider and, if thought fit, pass with or without amendments the following resolutions as ordinary resolutions:

5. “**THAT:**
 - (i) subject to paragraph 5(iii) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all powers of the Company to allot, issue or otherwise deal with additional shares in the capital of the Company or securities convertible into shares of the Company, or options, warrants or similar rights to subscribe for shares of the Company or such convertible securities of the Company and to make or grant offers, agreements and/or options (including bonds, warrants and debentures convertible into shares of the Company) which may require the exercise of such powers, be and is hereby generally and unconditionally approved;

NOTICE OF ANNUAL GENERAL MEETING

- (ii) the approval in paragraph 5(i) above shall be in addition to any other authorisation given to the directors of the Company and shall authorise the directors of the Company during the Relevant Period to make or grant offers, agreements and/or options which may require the exercise of such powers after the end of the Relevant Period;
- (iii) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the directors of the Company during the Relevant Period pursuant to paragraph 5(i) above, otherwise than pursuant to (1) a Rights Issue (as hereinafter defined) or (2) the grant or exercise of any option under the option scheme of the Company or any other option scheme or similar arrangement for the time being adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries of shares or rights to acquire shares of the Company; or (3) any scrip dividend or similar arrangement providing for the allotment of shares of the Company in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company in force from time to time; or (4) any issue of shares in the Company upon the exercise of rights of bonds or subscription or conversion under the terms of any existing convertible notes issued by the Company or any existing securities of the Company which carry rights to subscribe for or are convertible into shares of the Company, shall not exceed 20% of the aggregate nominal amount of share capital of the Company in issue as at the date of passing this resolution and the said approval shall be limited accordingly; and
- (iv) for the purpose of this resolution:
 - (a) “**Relevant Period**” means the period from the passing of this resolution until whichever is the earliest of:
 - (1) the conclusion of the next annual general meeting of the Company; or
 - (2) the expiry of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; or
 - (3) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting; and
 - (b) “**Rights Issue**” means an offer of shares in the capital of the Company, or offer or issue of warrants, options or other securities giving rights to subscribe for shares open for a period fixed by the directors of the Company to holders of shares in the capital of the Company whose names appear on the register of members on a fixed record date in proportion to their then holdings of shares as at that date (subject to such exclusion or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements or, having regard to any restrictions or obligations under the laws of, or the requirements of, or the expense or delay which may be involved in determining the exercise or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction applicable to the Company, any recognised regulatory body or any stock exchange applicable to the Company).”

NOTICE OF ANNUAL GENERAL MEETING

6. **“THAT:**

- (i) subject to paragraph 6(ii) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase the issued shares of the Company on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or on any other stock exchange on which the shares of the Company may be listed and recognised for this purpose by the Securities and Futures Commission of Hong Kong and the Stock Exchange and, subject to and in accordance with all applicable laws, the Hong Kong Code on Share Buy-backs and the Rules Governing the Listing of Securities on the Stock Exchange, be and is hereby generally and unconditionally approved;
- (ii) the aggregate nominal amount of the shares of the Company, which the Company is authorised to repurchase pursuant to the approval in paragraph 6(i) above shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue at the date of passing of this resolution, and the said approval shall be limited accordingly;
- (iii) subject to the passing of each of the paragraphs 6(i) and (ii) of this resolution, any prior approvals of the kind referred to in paragraphs 6(i) and (ii) of this resolution which had been granted to the directors of the Company and which are still in effect be and are hereby revoked; and
- (iv) for the purpose of this resolution:

“**Relevant Period**” means the period from the passing of this resolution until whichever is the earliest of:

- (a) the conclusion of the next annual general meeting of the Company; or
- (b) the expiry of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; or
- (c) the revocation or variation of the authority given under this resolution by ordinary resolution of the shareholders of the Company in general meeting.”

7. **“THAT** conditional upon the resolutions numbered 5 and 6 as set out in the notice convening this meeting being passed, the general mandate granted to the directors of the Company to exercise the powers of the Company to allot, issue and otherwise deal with additional shares of the Company and to make or grant offers, agreements and options which may require the exercise of such powers pursuant to the ordinary resolution numbered 5 above be and is hereby extended by the addition to the aggregate nominal amount of the share capital of the Company which may be allotted by the directors of the Company pursuant to such general mandate of an amount representing the aggregate nominal amount of the share capital of the Company repurchased by the Company under the authority granted pursuant to ordinary resolution numbered 6 as set out in the notice convening this meeting, provided that such amount shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue at the date of passing of this resolution.”

NOTICE OF ANNUAL GENERAL MEETING

8. **“THAT**

- (i) subject to paragraph 8(ii) below, the exercise by the directors of the Company during the Mandate Period (as hereinafter defined) of all the powers of the Company to purchase new aircraft from Airbus S.A.S. (“**Airbus**”) and The Boeing Company (“**Boeing**”), be and is hereby approved;
- (ii) the authorisation to the Company to purchase new aircraft pursuant to the approval in paragraph 8(i) above shall be subject to the following, and the said approval shall be limited accordingly:
 - (a) all aircraft shall be purchased from either Airbus or Boeing;
 - (b) the aggregate number of aircraft which may be purchased from Airbus during the Mandate Period shall not exceed 100 aircraft and may comprise the following aircraft types or a combination thereof:
 - (1) A320CEO family
 - (2) A320NEO family
 - (3) A330 family
 - (4) A330NEO family
 - (5) A350 family
 - (c) the aggregate number of aircraft which may be purchased from Boeing during the Mandate Period shall not exceed 100 aircraft and may comprise the following aircraft types or a combination thereof:
 - (1) 737NG family
 - (2) 737MAX family
 - (3) 777 family
 - (4) 787 family
 - (d) the aggregate amount of the list price (comprising the airframe price, optional features price and engine price) of the aircraft which may be purchased during the Mandate Period shall not exceed US\$13 billion from each of Airbus and Boeing;

NOTICE OF ANNUAL GENERAL MEETING

- (e) the terms of each purchase shall be negotiated and entered into by the Company on arm's length terms in accordance with the Group's customary business practices, the actual purchase price of each aircraft shall not exceed the aircraft list price and the terms of each purchase shall be fair and reasonable and in the interests of the shareholders of Company as a whole;
 - (f) the extent of any price adjustments granted by the relevant aircraft manufacturer for each purchase shall not be materially different from the price adjustments the Group has obtained in previous aircraft purchases from that aircraft manufacturer; and
- (iii) for the purpose of this resolution:

“**Mandate Period**” means the period from the passing of this resolution until whichever is the earliest of:

- (a) the conclusion of the next annual general meeting of the Company; or
- (b) the expiry of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; or
- (c) the date on which this resolution is varied or revoked by an ordinary resolution of the shareholders of the Company in general meeting.”

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

Hong Kong, 9 April 2018

Principal Place of Business in Hong Kong:
28th Floor, Far East Finance Centre
16 Harcourt Road
Hong Kong

Registered Office in the Cayman Islands:
Maples Corporate Services Limited
PO Box 309, Ugland House
Grand Cayman, KY1-1104
Cayman Islands

Notes:

1. A form of proxy for use at the meeting is enclosed herewith.
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 meeting is entitled to appoint one or more proxies to attend and vote instead of him/her. A proxy need not be a shareholder of the Company.

NOTICE OF ANNUAL GENERAL MEETING

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 share 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 meeting.
5. The register of members of the Company will be closed from Friday, 4 May 2018 to Wednesday, 9 May 2018, both days inclusive, on which no transfer of shares will be registered. Shareholders are reminded that, in order to qualify for attendance of the annual general meeting, 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 pm on Thursday, 3 May 2018.
6. The registers of members of the Company will also be closed from Wednesday, 16 May 2018 to Thursday, 17 May 2018, both days inclusive, on which no transfer of shares will be registered. Shareholders are reminded that, in order to qualify for the proposed final dividend, 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 pm on Tuesday, 15 May 2018.
7. Completion and return of the form of proxy will not preclude shareholders of the Company from attending and voting in person at the meeting 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.
8. 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 meeting, whether in person or by proxy, the joint registered holder so 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.
9. In relation to re-election of directors in the ordinary resolution numbered 3, the biographical details of the retiring directors standing for re-election at the meeting are disclosed in Appendix II to the circular dated 9 April 2018 to be despatched to shareholders of the Company.
10. In case the above annual general meeting 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 annual general meeting.

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.