

CALC

(Stock code: 1848.HK)



China Aircraft Leasing Group

Full value chain aircraft solutions provider

2024 Annual Results

March 2025

CONTENTS

01

Results Highlights

02

Financial Highlights

03

Operation Highlights

04

Industry Outlook



1.1 Stable financial and operational performance in 2024

✓ 18 straight years of profitability

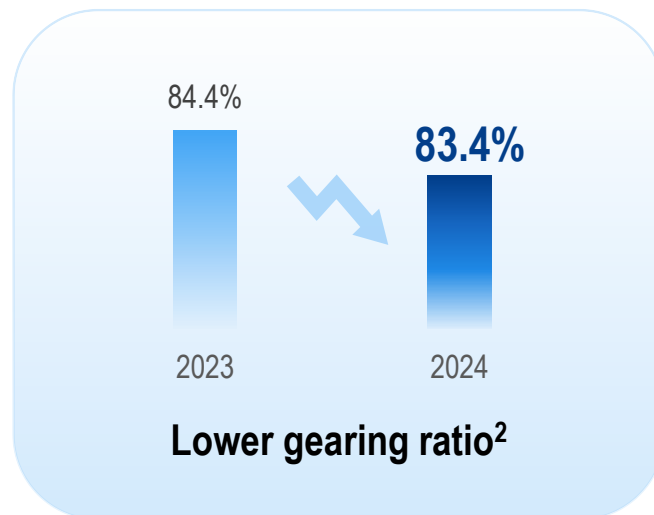
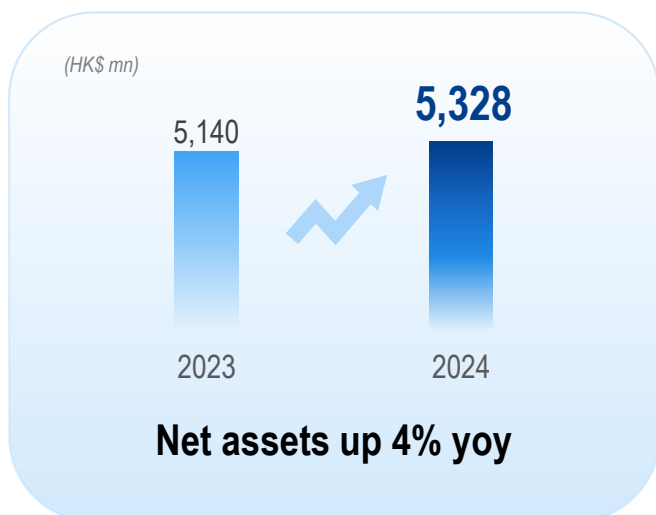


✓ 10 years of dividend payouts since listing



Note: 1. Accumulated total since listing, incl. proposed 2024 final dividend of HKD 0.18 per share.

✓ Proactive financial management making progress



Note: 2. Gearing ratio = interest-bearing debts/total assets



1.2 Stay active and competitive across core business segments

Steady development of leasing

48 aircraft

Signed LAs /LOIs

17 aircraft

New deliveries

Record-breaking portfolio trades

50 aircraft

Signed SPAs

Owned+Managed

27 aircraft

Portfolio trade

Owned+Managed

Quality Fleet Assets

189 aircraft

Fleet size

159 owned¹ + 30 managed

124 aircraft

On backlog

90 %

Narrowbody-
dominant fleet

(owned fleet)

100 %

Best utilization rate²

(owned fleet)

Global Creditworthy Clientele

40

Airline customers

21

Countries & regions

101 %

Rent collection ratio³

11.6 %

Rental yield⁴

(Adjusted)

Note : 1、 Including 1 aircraft involving Russian carriers.

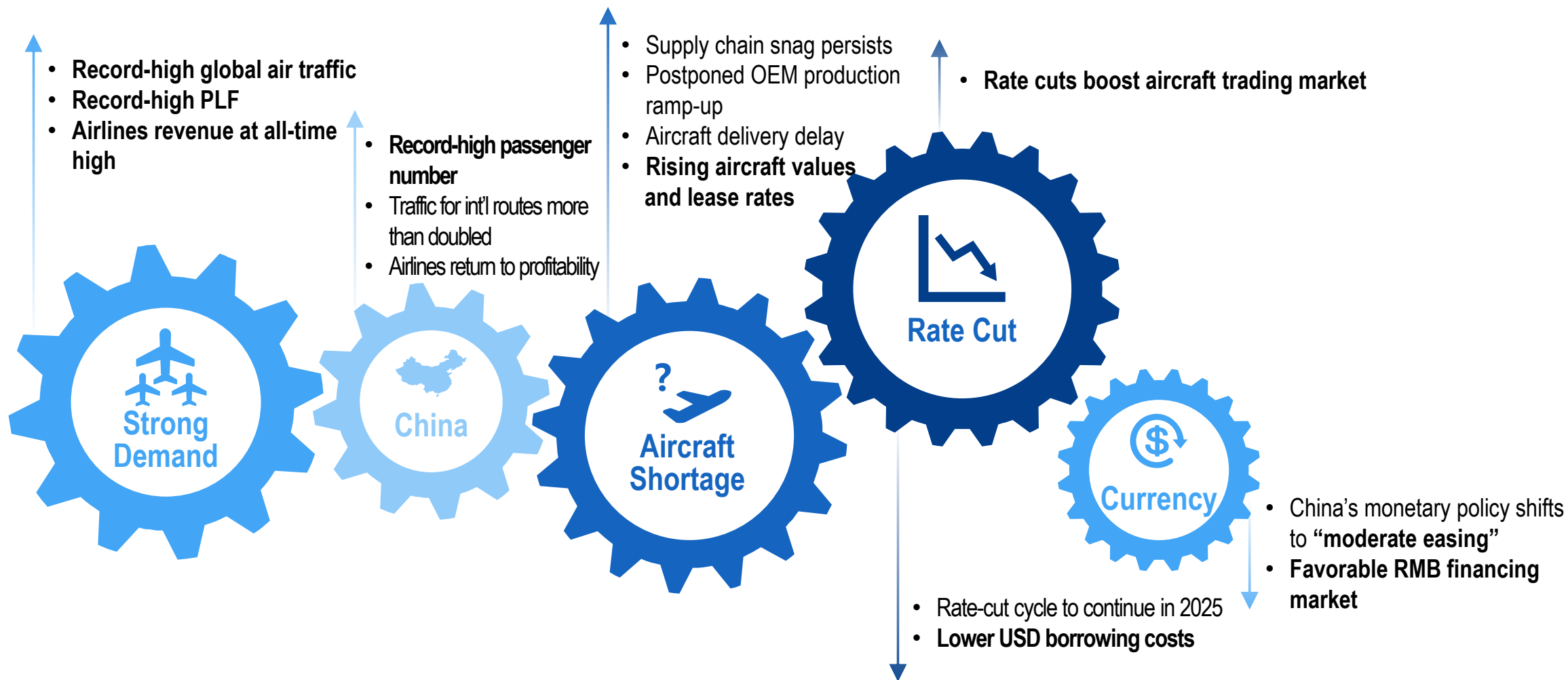
2、 Excluding 1 aircraft involving Russian carriers.

3、 Represented by the cash received over the amount of invoice billing.

4、 Adjusted average rental yield is a weighted average calculated as the sum of expected annualized gross lease receipt and government grants divided by the net book value of aircraft.

1.3 Improved operating environment sustained future growth

Asset appreciation & revenue growth



Deleverage & cost efficiency

CONTENTS

01

Results Highlights

02

Financial Highlights

03

Operation Highlights

04

Industry Outlook



2.1 2024 results overview

<i>HK\$ mn</i>	2024	2023	change
Total revenue	5,203.8	4,763.7	+9.2%
Profit for the year	325.6	220.2	+47.9%
Profit attributable to shareholders	257.5	28.3	+809.9%
EBITDA	5,038.4	4,377.0	+15.1%
Final dividend per share (HK\$)	0.18	0.15	+20.0%
Full year dividend per share (HK\$)	0.30	0.30	-



2.2 Steady revenue growth

<i>HK\$ mn</i>	2024	2023	change
Total lease income	4,349.7	4,199.2	+3.6%
Finance lease income (2024: 49 aircraft vs. 2023: 48 aircraft)	608.8	601.0	+1.3%
Operating lease income (2024: 110 aircraft vs. 2023: 117 aircraft)	3,740.9	3,598.2	+4.0%
Net income from aircraft transactions and aircraft components trading	212.7	124.5	+70.9%
Government grants	316.2	171.8	+84.1%
Bank interest income and interest income from loans to associates and joint ventures	242.9	198.6	+22.3%
Asset management service fees income from CAG Group	16.7	18.4	-9.2%
Others	65.6	51.2	+28.1%
Total revenue	5,203.8	4,763.7	+9.2%

2.3 Operating expenses

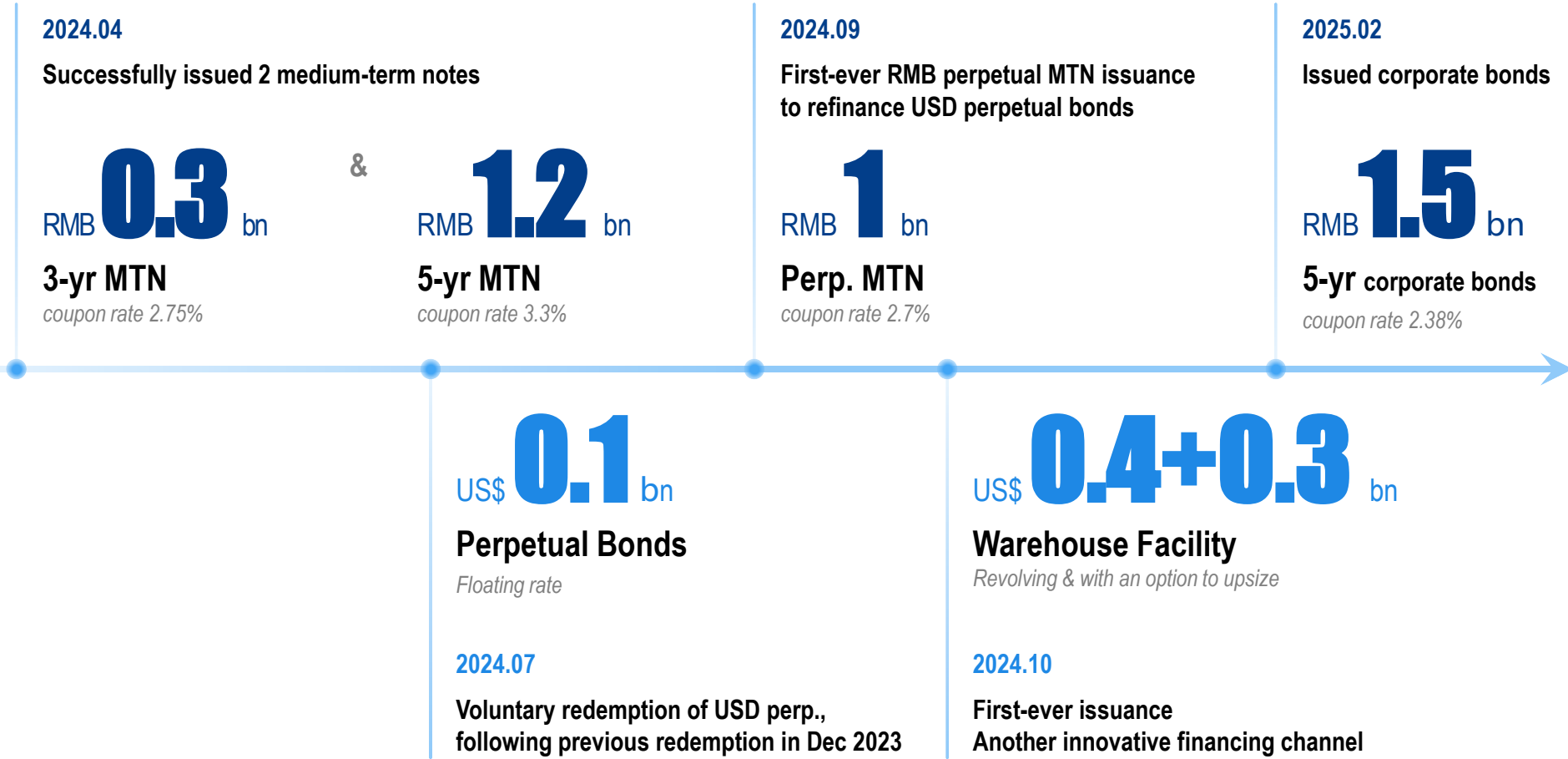
<i>HK\$ mn</i>	2024	2023	change
Interest expenses and payments to trust plans	(2,710.6)	(2,244.5)	+20.8%
Interest expenses (average US\$ SOFR increased from 4.84% in 2023 to 4.94% in 2024)	(2,447.3)	(1,953.5)	+25.3%
Payments to trust plans	(263.3)	(291.0)	-9.5%
Depreciation and impairment (2024: 110 aircraft vs. 2023: 117 aircraft)	(1,686.6)	(1,618.8)	+4.2%
Reversal of expected credit losses/(expected credit losses)	71.2	(51.0)	n.a.

2.4 Diversified dual-market financing channels to control financing costs

Onshore RMB financing: active and well-recognized issuer with record-low rates

HK\$ 24 bn
Total facilities obtained
New and renewed, FY2024

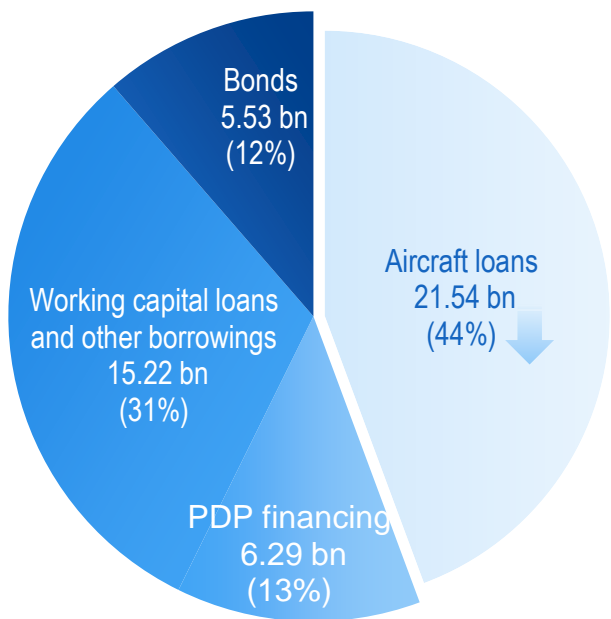
5.5%
Avg. financing cost
FY2024



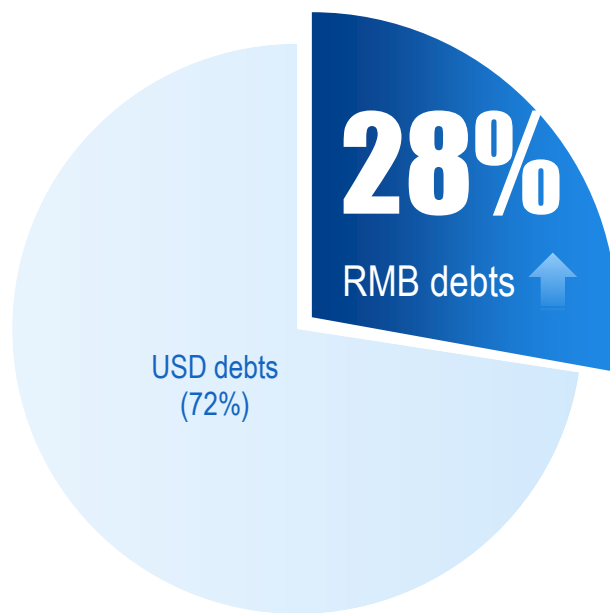
Offshore USD financing: proactive debt management and innovative financing

2.5 Optimize debt structure and enhance international rating

56% unsecured debts



Increased RMB financing



Lower leverage ratio



First Ag- int'l rating

Ag-(Stable)
Offshore Issuer Rating (Outlook)
CALC

AAA(Stable)
Onshore Issuer Rating (Outlook)
CALC(TJ)

Interest-bearing debts HK\$ **48.6** bn

in HK\$, as at 31 Dec 2024

Note: *D/E=Interest-bearing debts/total equity

2.6 Interest rate risk management

Interest risk exposure

As of Dec 2024, majority of the interest-bearing debts (HK\$48.6 bn) had been hedged, among which,

- 19.5 billion floating rate loans were unhedged and would affect cash flows
- 13.2 billion or less than **27%** of the of the interest bearing debt would affect profit attributable to shareholders

Rate-cut cycle will persist

- The latest Fed dot plot released in Dec 2024 implied two rate cuts in 2025, i.e. a total of 50 bps.
- On March 14th, the price of Dec-25 Federal Funds interest futures was 96.34 (implied interest rate of 3.66%), indicating the effective rate for Fed's Dec 2025 meeting would be 3.50% -3.75%, i.e. a total rate cut of 75bps for the year 2025.

US interest rate risk sensitivity test

(HK\$ mn)	Cash outflow	Profit attributable to shareholders
US\$ interest rate up 100bps	195	(132)
US\$ interest rate down 100bps	(195)	132

As at 31 December 2024



Rate cuts in 2024

Est. rate cuts in 2025

Source: Federal Reserve, Summary of Economic Projections (SEP), 18 December 2024

2.7 Currency risk management

RMB exchange rate risk exposure

Moderately increasing exposure amid RMB depreciation expectations :

RMB **9.2** bn

Net RMB exchange rate risk exposure

(as at 31 December 2024)

Limited RMB appreciation pressure

- Widening China-U.S. interest rate spread**

On 9 Dec 2024, China shifted its monetary policy from "prudent" to "moderately easing" for the first time in 14 years. Subsequently, the interest rate spread between China and the US further widened, hitting historical high in the past 24 years.

- Resurface of trade disputes**

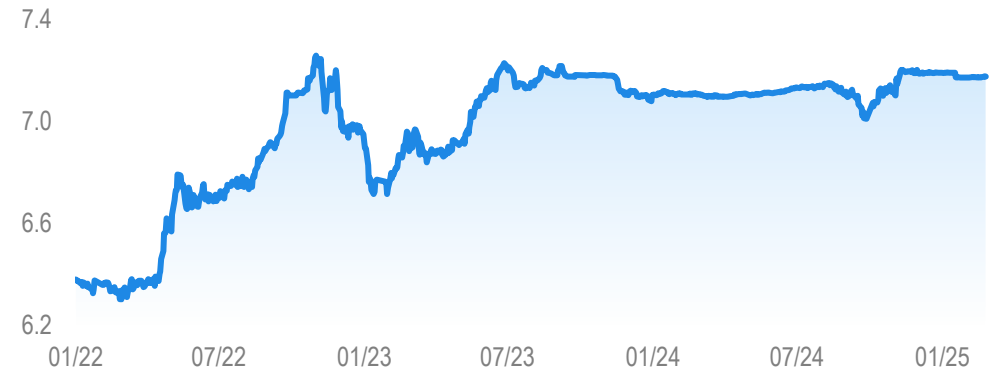
On 1 Feb 2025, Trump imposed 10%-25% tariffs on imports from China, Canada, and Mexico, pushing offshore Chinese yuan depreciating towards record low of over 7.36 per US dollar.

RMB exchange rate risk sensitivity test

(HK\$ mn)	Profit attributable to shareholders
RMB appreciates against USD by 1%	(97)
RMB depreciates against USD by 1%	97

As at 31 December 2024

USD/CNY Central Parity Rate Trend



Source : China Foreign Exchange Trade System, iFind, as of February 28, 2025.

CONTENTS

01

Results Highlights

02

Results Highlights

03

Operation Highlights

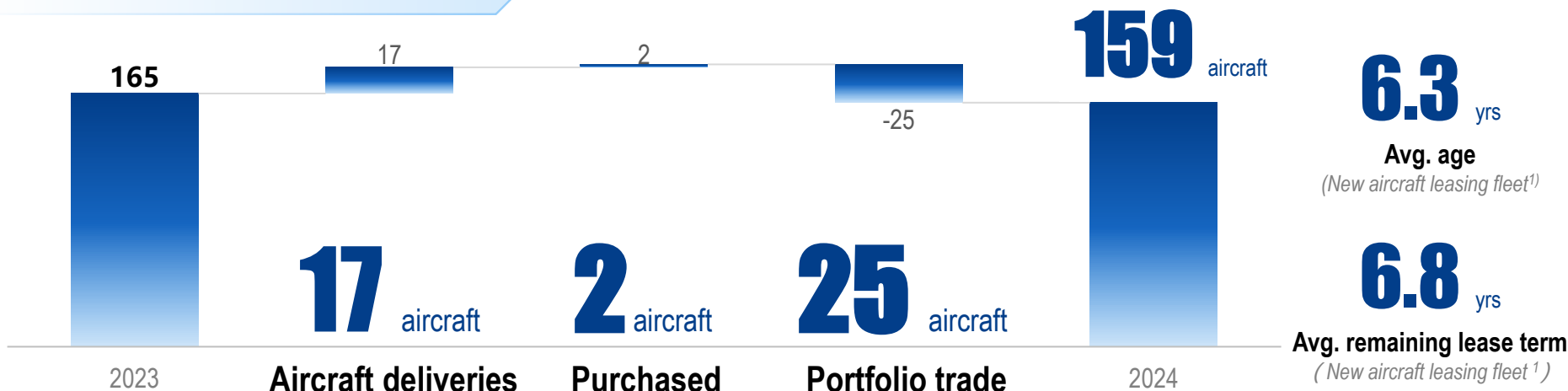
04

Industry Outlook

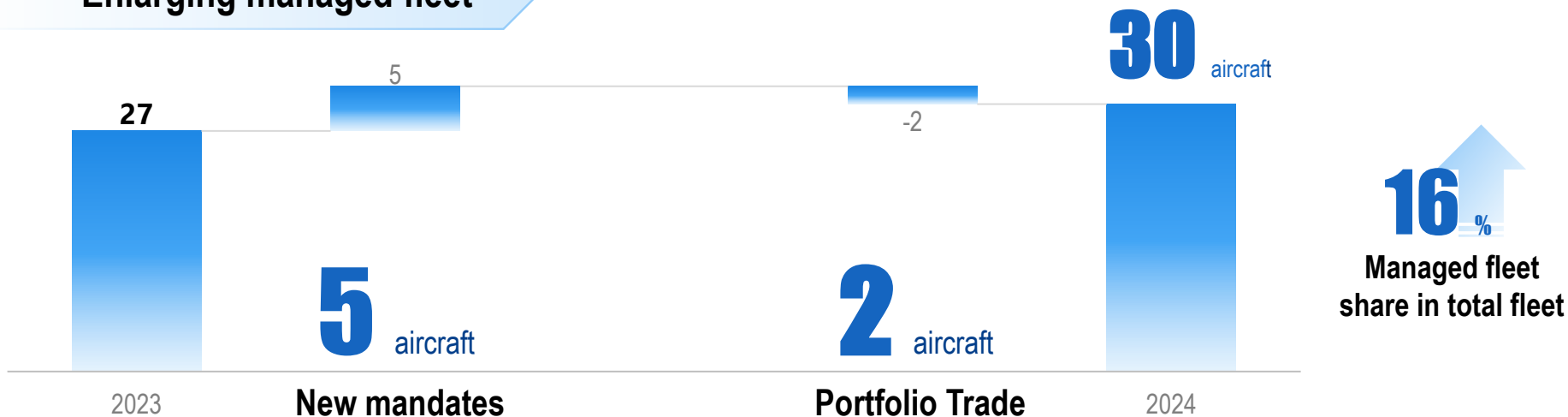


3.1 Prudent fleet management

Stable owned fleet size



Enlarging managed fleet



2025 Fleet Plan

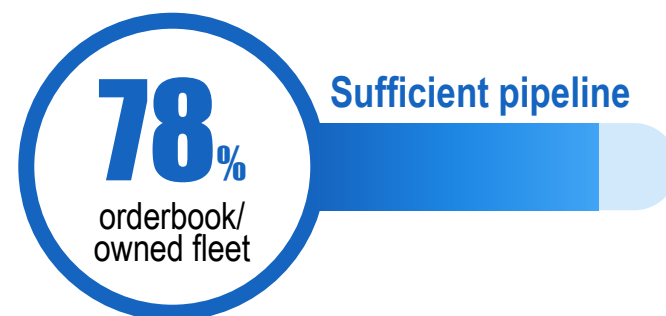
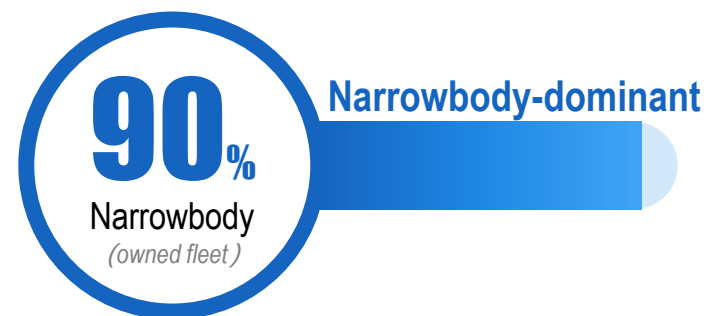
23 aircraft
Scheduled deliveries

25 aircraft
Projected sales

Note: 1. CALC is a one-stop aircraft full-life-cycle solution provider. Its business covers new aircraft and middle-to-aged aircraft. The new aircraft leased fleet refers to the aircraft under the age of 12 in its owned fleet.

3.2 Quality fleet assets

As at 31 Dec 2024



OEMs	Series	Type	Owned ²	Managed	Order book
Airbus	A320 CEO series	NB	71	21	-
Airbus	A320 NEO series	NB	51	5	97
Airbus	A330 CEO series	WB	12	1	-
Boeing	B737 NG series	NB	19	2	-
Boeing	B737 Max series	NB	2	-	-
Boeing	B787 series	WB	1	1	-
COMAC	C909 (Formerly known as ARJ21)	Regional jet	3	-	27
Total			159	30	124

Note : 1, excluding one aircraft involving Russian carrier
2, Including one A320 series aircraft that involving Russian carrier

3.3 Global expansion of creditworthy clientele

- The proportion of overseas customers **exceeds 30%** and is expected to further increase
- Cooperate with flag/top-tier carriers, and diversify the geographic mix of our client base
- Rental payments from all clients are on schedule **with rent collection ratio over 100% for three consecutive years**

40

Airlines¹

67.7%

Flag /top-tier carriers¹

31.7%

Others

21

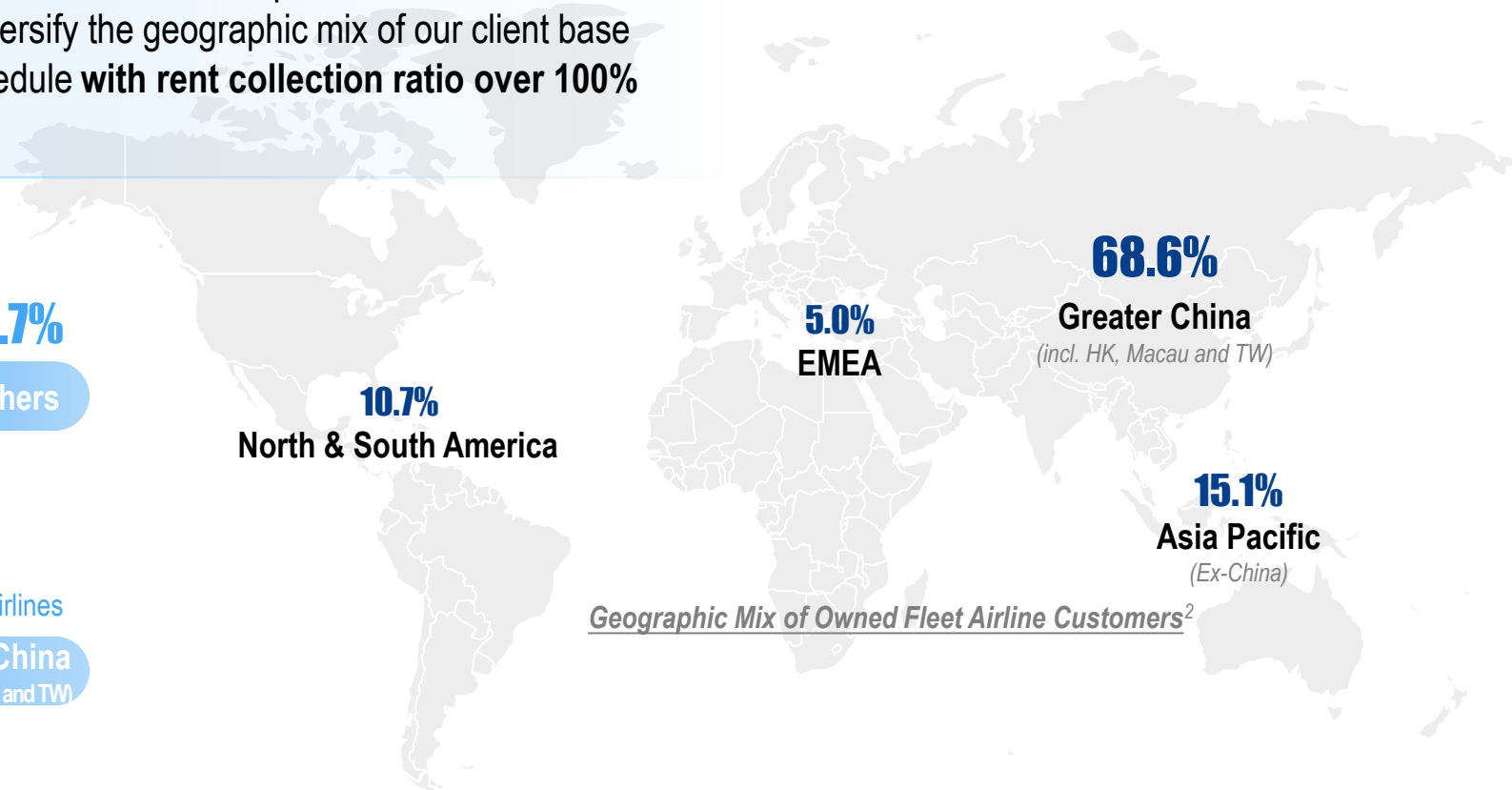
Countries & regions¹

23 airlines

Overseas¹

17 airlines

Greater China
(incl. HK, Macau and TW)



Geographic Mix of Owned Fleet Airline Customers²

New Partnership³



Lufthansa



Notes: 1、 Includes owned and managed aircraft, with proportions calculated based on the number of aircraft as a percentage of the total owned and managed fleet, as at 31 Dec 2024.

2、 Calculated based on the number of aircraft as a percentage of the owned fleet, as 31 Dec 2024. Owned fleet includes one aircraft involving a Russian carrier.

3、 Newly partnered customers include airlines that have recently signed LA/LOIs through aircraft repossession and remarketing, upon previous lease expiry or order book placement. The list is not inclusive.

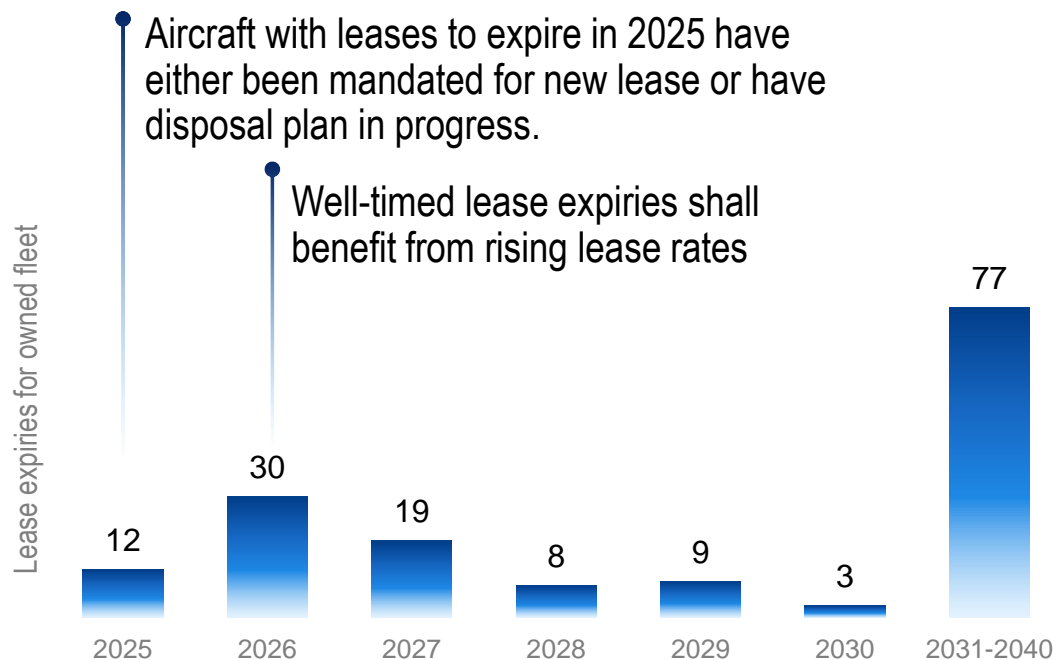
3.4 Upward trend expected in lease rate

- CALC consistently outperforms its peers with a sustained **double-digit** rental yield.
- The profile of our owned fleet lease expiries and the delivery pipeline shall likely capture and benefit from the rising lease rate.

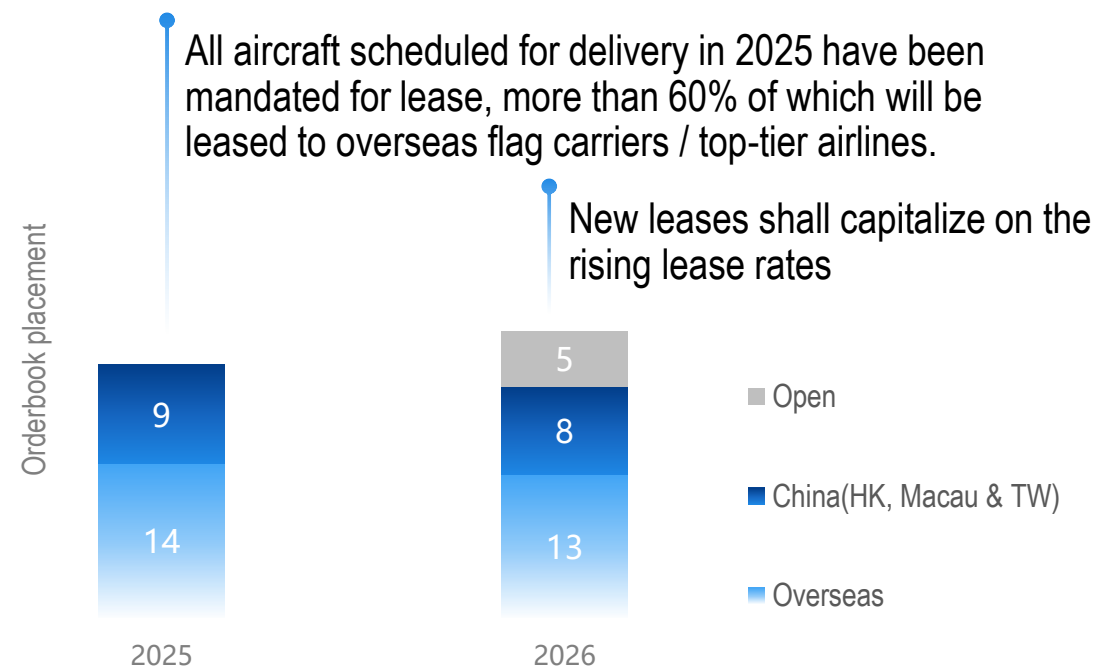
11.6 %

Adj. rental yield ¹
(FY2024)

Remarketing



Orderbook placement²



As at 31 December 2024

Notes: 1, Adjusted average rental yield is a weighted average calculated as the sum of expected annualized gross lease receipt and government grants divided by the net book value of aircraft.

2, Delivery schedule subject to adjustments now and then for various reasons. Above deliveries exclude COMAC aircraft orders, as of 31 December 2024.

3.5 Record-breaking trading activities unlock multiple benefits

2024 trading volume at all-time high

48+2 aircraft

Signed SPAs

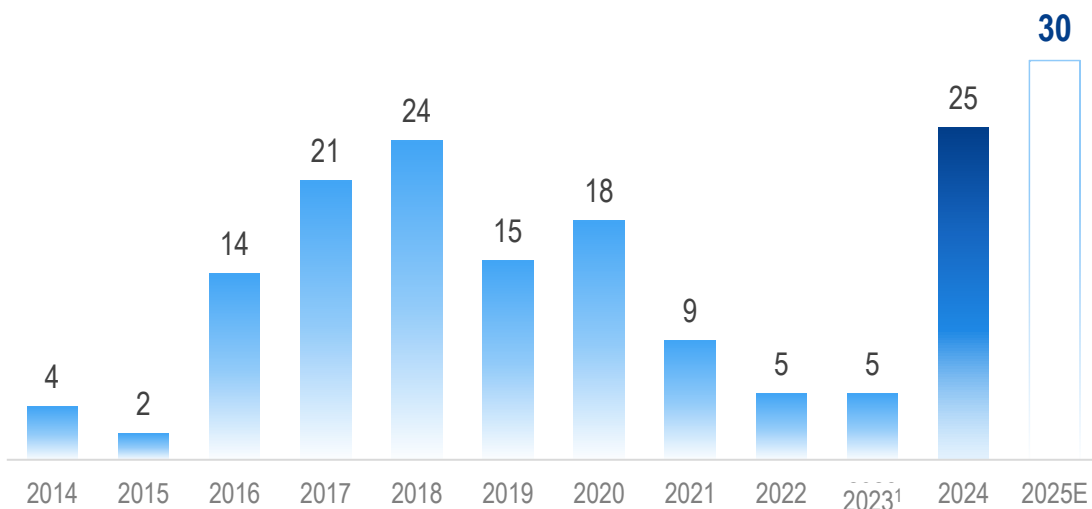
Owned+managed fleet

25+2 aircraft

Sales completed

Owned+managed fleet

Number of aircraft sold in past years



Note : 1, Excluding the 64 aircraft involved in novation arrangement with DAE in Aug 2023 to reflect normal trading pattern.

Strengthen asset management

- Explore potential aircraft asset management opportunities to enlarge our managed fleet

30 aircraft

Managed Fleet

+5 aircraft

New mandates

Optimize fleet portfolio

- Upgrade fleet portfolio, enhance client profile, and diversify geographical mix

Improve profitability and financial stability

- Generate trading revenue and cash flow
- Lower leverage

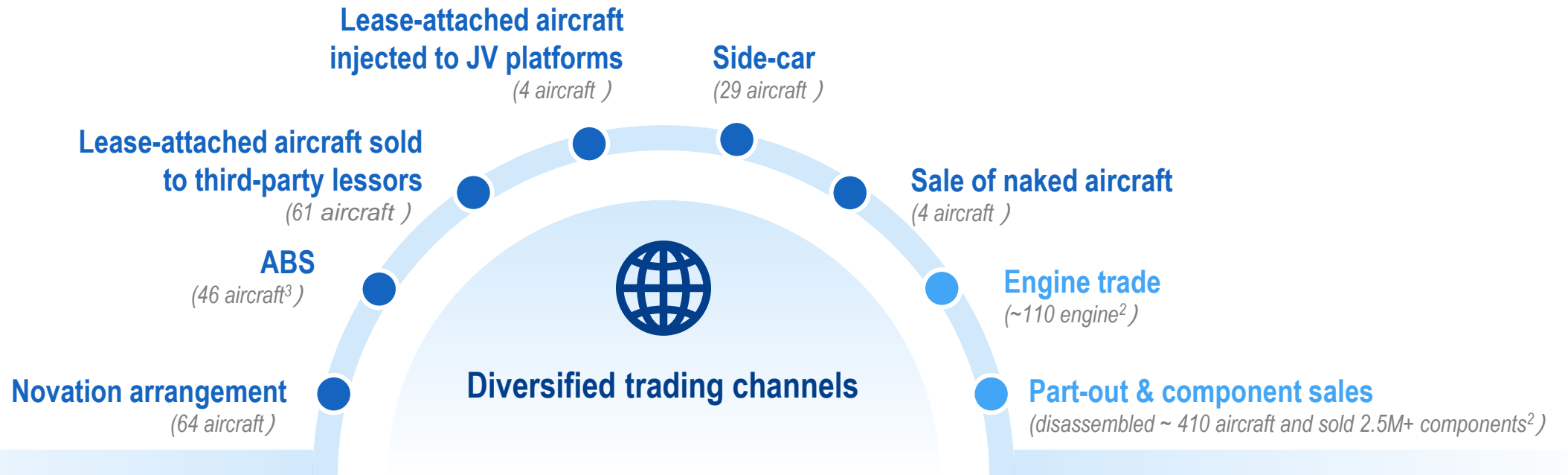
HK\$ **210** mn

Net trading gain

83.4 %

Gearing ratio

3.6 Proven track record and global trading network



Note : 1. accumulated total since listing in 2014, as of 31 Dec 2024. Deal size for novation arrangement with DAE was calculated based on third-party valuation on the underlying assets.

2. Accumulated total over the years by ARI/CAAM units as of 31 Dec 2024.

3. including total number of aircraft under 2 ABS products which were completed in stages from 2013 to 2018.

3.7 Strive to promote China-made aircraft in overseas market

Accelerating overseas operations of China-made C909 aircraft

3 aircraft

Overseas deliveries
Cumulative total by end-2024

27 aircraft

On backlog
By end-2024

2 aircraft

Scheduled deliveries
FY2025

Order Placed 2021/01

First Operator 2022/12

Debut Flight 2023/4
2023/6

First Mover 2024/5

Home Visit 2024/10

CALC placed a **FIRM ORDER** for **30 C909** (formerly known as ARJ21) aircraft and **an option for 30 more** from COMAC



Successfully delivered an C909 aircraft to its **FIRST overseas carrier** in Indonesia.



The C909 aircraft was put into its **FIRST commercial operation** and successfully completed its **MAIDEN COMMERCIAL FLIGHT**

Delivered the **SECOND** C909 aircraft overseas

Opened C909 Manado base and launched three domestic scheduled flight routes in the eastern Indonesian archipelago afterwards.



Delivered the **THIRD** C909 overseas
Completed **China's FIRST cross-border leasing of China-made aircraft in RMB**



Completed inaugural flight between Manado and Guangzhou, making it the **FIRST international flight to China** operated by C909, also the **LONGEST** commercial flight flown by C909

3.8 Impressive performance of C909 in overseas market



C909 operational highlights *(as at 31 Dec 2024)*

220K pax

Passenger volume

Regular and charter flights in 2024

100%

Dispatch reliability

Overseas operations

2700 km

Longest route

Manado–Guangzhou

94%

Monthly avg. OTP

Overseas operations in 2024

1600*30 m

Short and narrow runway takeoff and landing

Sorong-Nabire

2%

Lower avg. hour fuel consumption

Compared to reference block hour fuel consumption

C909 flight destinations *(as at 31 Dec 2024)*



CONTENTS

01

Results Highlights

02

Results Highlights

03

Operation Highlights

04

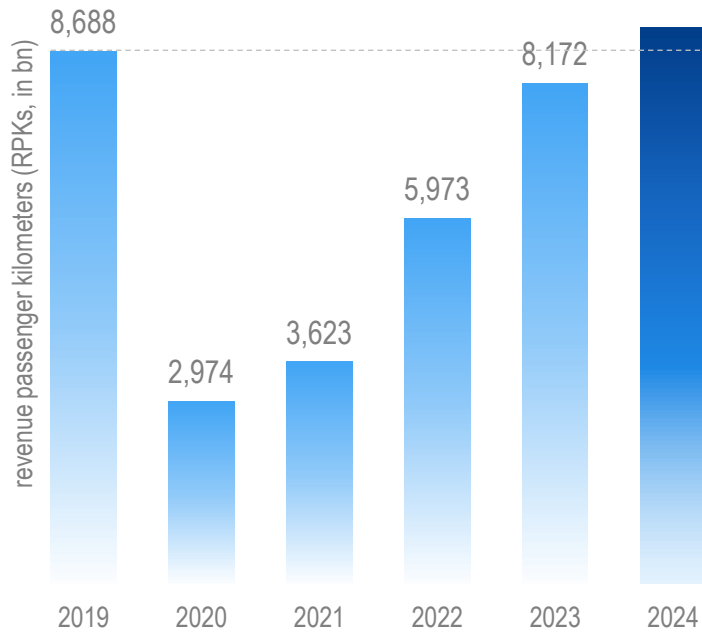
Industry Outlook



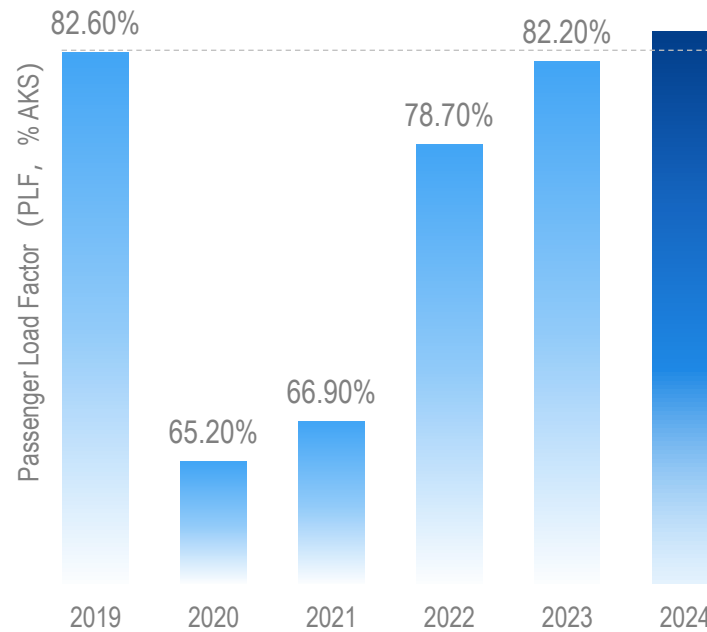
4.1 Global aviation market maintains growth with record-high figures



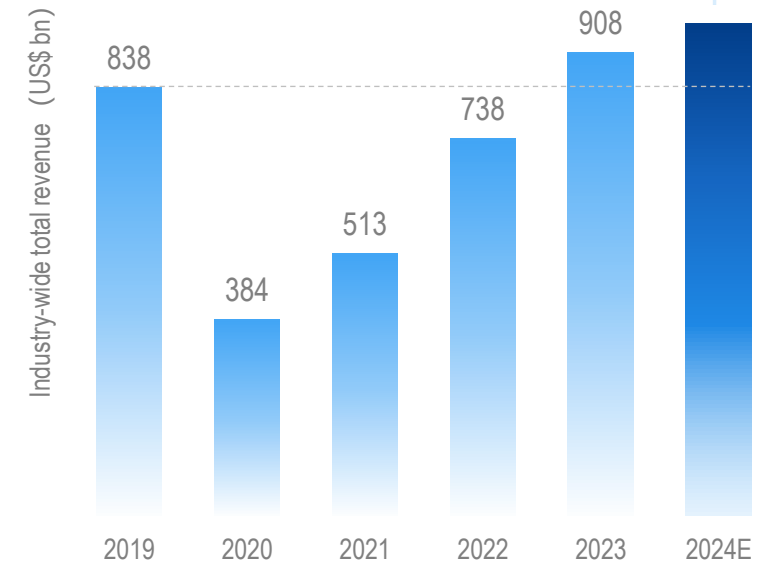
9022 **+10.4%**
bn
Global RPKs



83.5 %
Global PLF



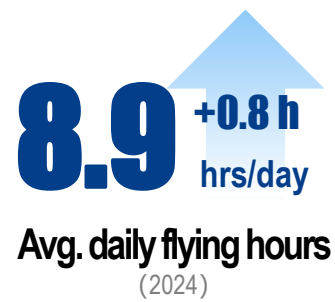
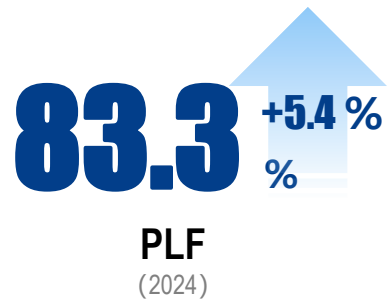
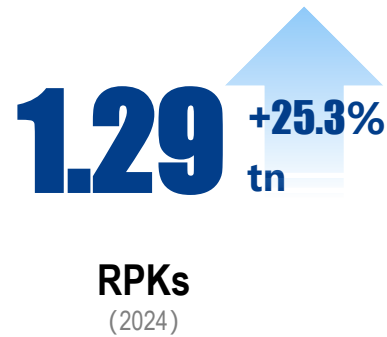
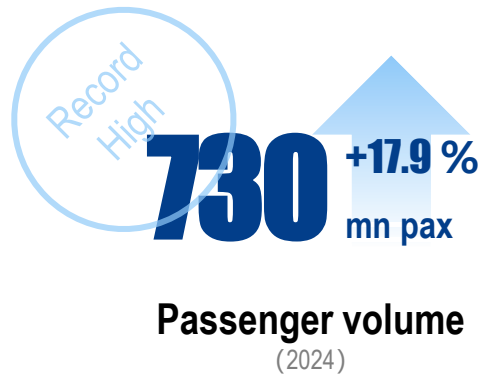
US\$ **965** **+6.2%**
bn
Industry-wide total revenue



Source: IATA Global Outlook for Air Transport, December 2024. The 2024 RPK and load factor data have been updated based on YoY growth figures shown in IATA's Air Passenger Market Analysis, December 2024.

4.2 China's passenger traffic surpassed 700 million in 2024, reaching a record high *CALC*

- In 2024, China's civil aviation passenger traffic hit an all-time high, growing 17.9% year-over-year. Revenue passenger kilometers (RPK) reached 1.29 trillion, up 25.3% YoY. International passenger traffic surged by 125.6% YoY, while domestic traffic increased by 12.6% YoY
- Airlines returned to profitability, recording RMB 4.47 billion in net profit, a RMB 10.2 billion improvement from 2023. 20 airlines reported positive earnings.

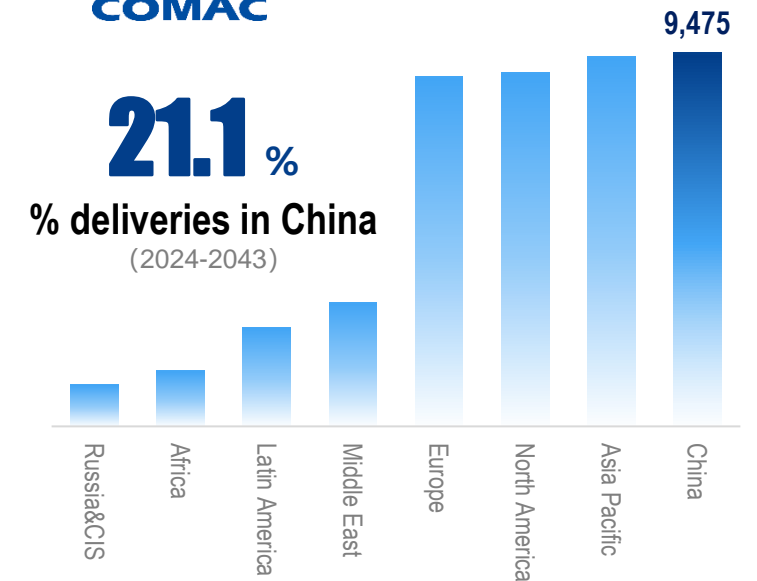
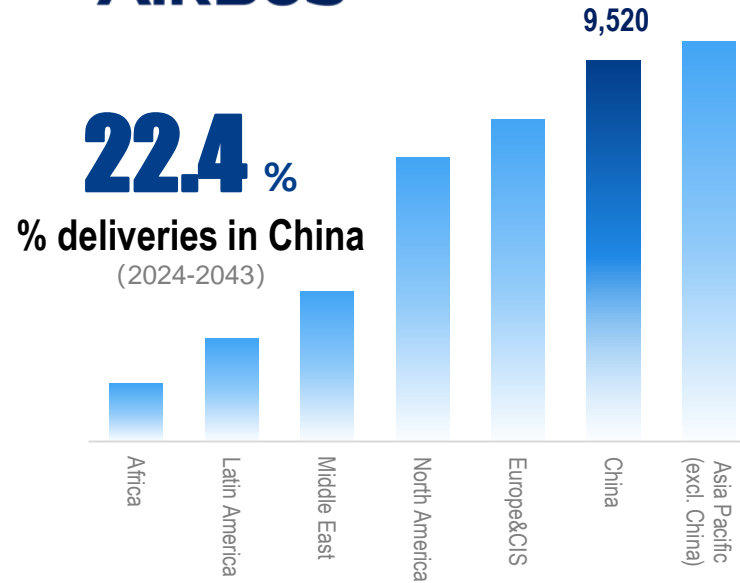
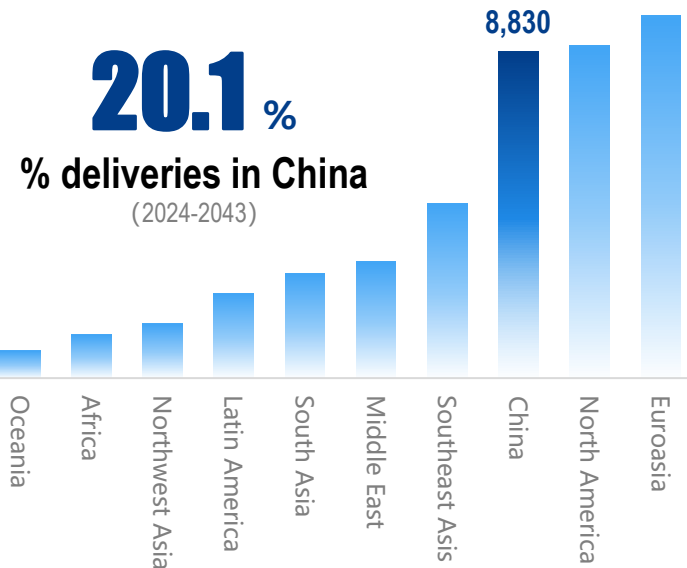


Source: Civil Aviation Administration of China (CAAC), as of December 2024.
Note: 1. Domestic passenger traffic includes Hong Kong, Macau, and Taiwan routes.

4.3 China to be the world's largest aviation market

- The world's top three OEMs and Cirium all project that between 2024 and 2043, China will be the single largest country for new aircraft deliveries, accounting for **over 20%** of the global market with approximately 9,000 new aircraft deliveries.

New deliveries by region from 2024-2043¹



Source : Boeing "Commercial Market Outlook 2024-2043", Airbus "Global Market Forecast 2024", COMAC "Annual Market Forecast Report 2024-2043", and Cirium "2024-2043 Cirium Fleet Forecast".
 Note : 1. COMAC's aircraft delivery statistics include turboprop regional jets, single-aisle jets, twin-aisle jets, and jet freighters.

4.4 Prolonged supply chain snags lead to persistent aircraft shortage

Supply chain challenge

- Engine shortage
- Labor shortage
- Raw material shortage
- Safety incidents
- Production quality

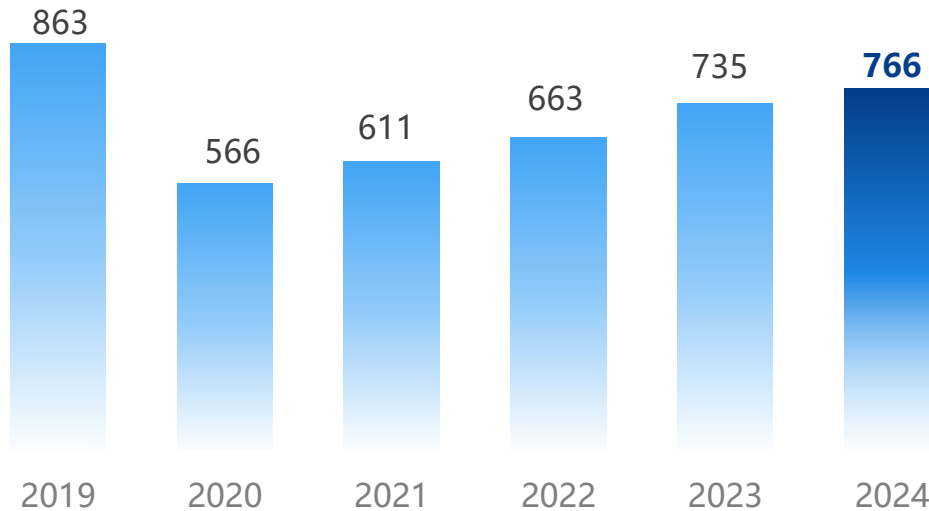
OEM delivery delay

- In 2024, Airbus **lowered** its annual delivery target from 800 to 770 aircraft but **still missed the target** with a 766 deliveries.
- Frequent safety incidents, labor strikes, and management transitions further disrupted Boeing's productions, resulting in a **34% YoY decline** in deliveries.

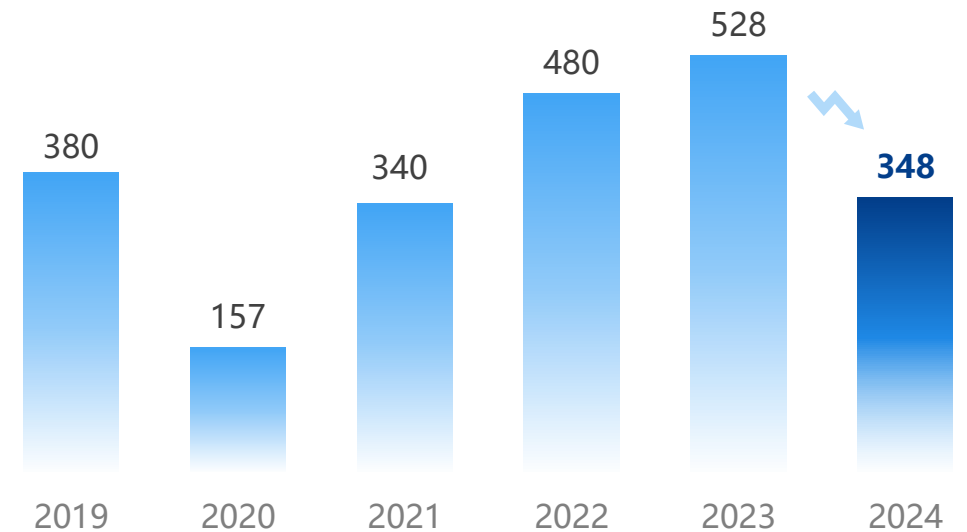
OEM delivery delay

- IATA recently indicated that global aviation supply chain constraints could persist until 2027.
- Cirium previously projected a **shortage of over 200 narrow-body aircraft, with supply chain snag lasting at least until 2028.**

2019-2024 Airbus deliveries¹



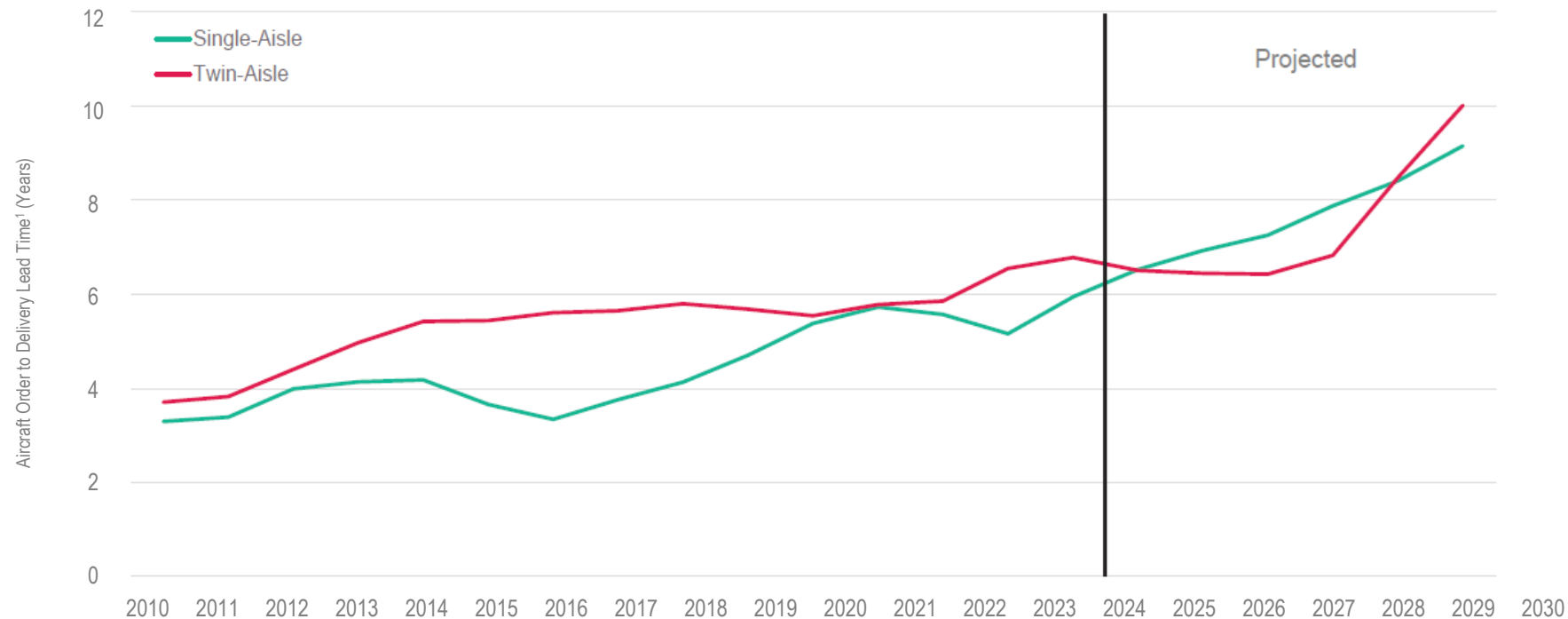
2019-2024 Boeing deliveries¹



Source: 1. Publicly available data from Boeing and Airbus, CALC, as at 31 Dec 2024

4.5 OEM backlog hits record high, further extending delivery lead time

- Global new aircraft **backlog** reaches a record **17,000 units**, double the 2013-2019 average
- At the current delivery rate, fulfilling all orders would take an estimated **14 years**
- Forecasts indicate global aircraft delivery lead times **will continue to increase**



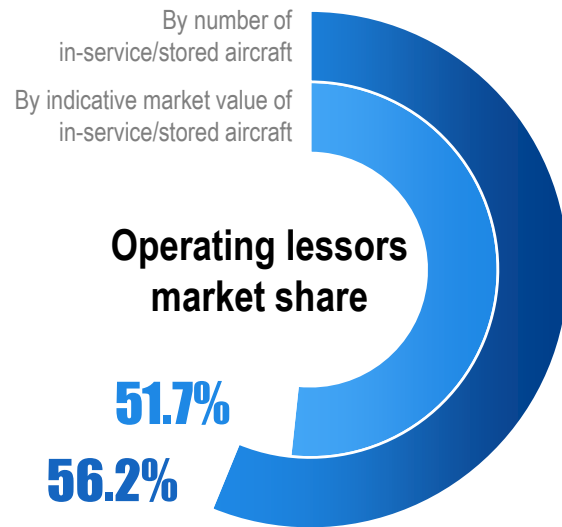
Source: Cirium Core, Ascend analysis of order and delivery dates for Airbus and Boeing passenger jets only

4.6 Lessors have limited OEM slots open in the next two years

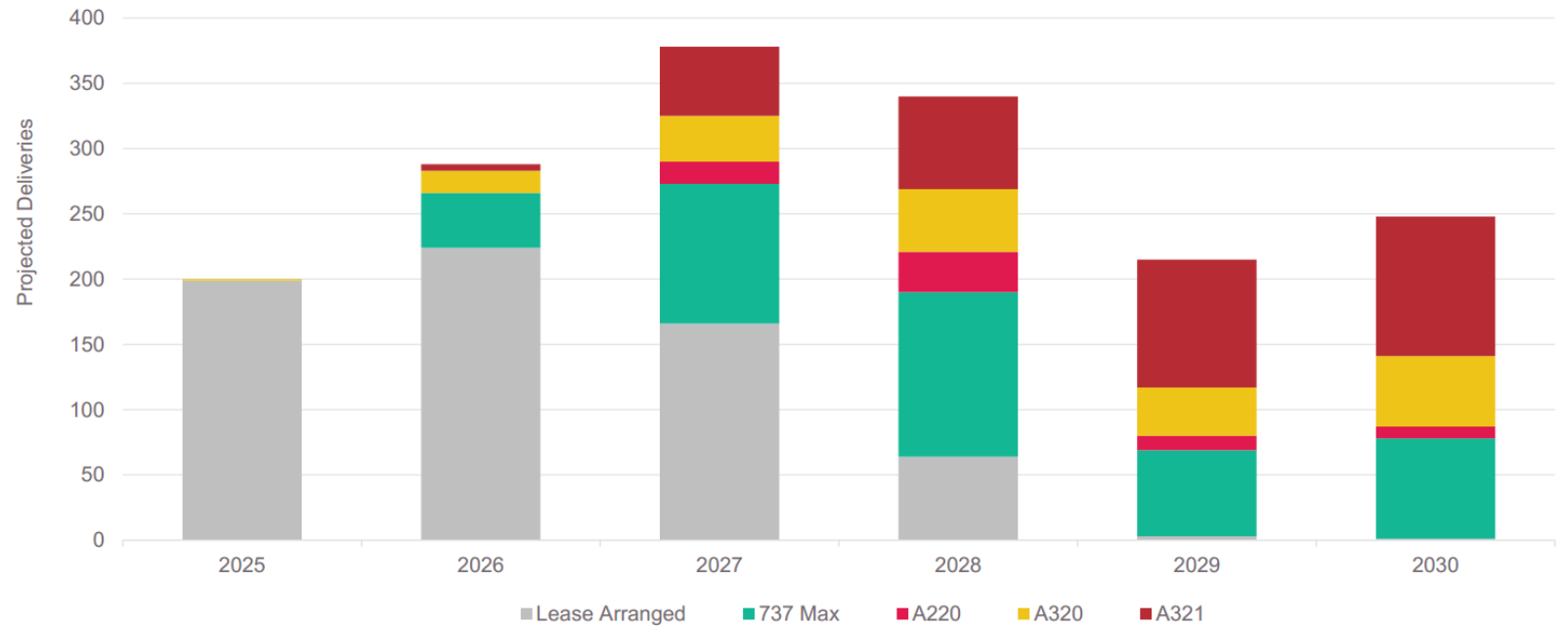
Cirium:

- Aircraft leasing remains a key source for airlines' capacity expansion plan as lessors are gaining power with over half global market share.
- Slots in 2025 have all been taken while only 22% 2026 slots remains open.

Operating lease market share / leasing penetration rate¹



Status of OEM slots of operating lessors²



数据来源: 1、Cirium Core, includes only single-aisle and twin-aisle aircraft.

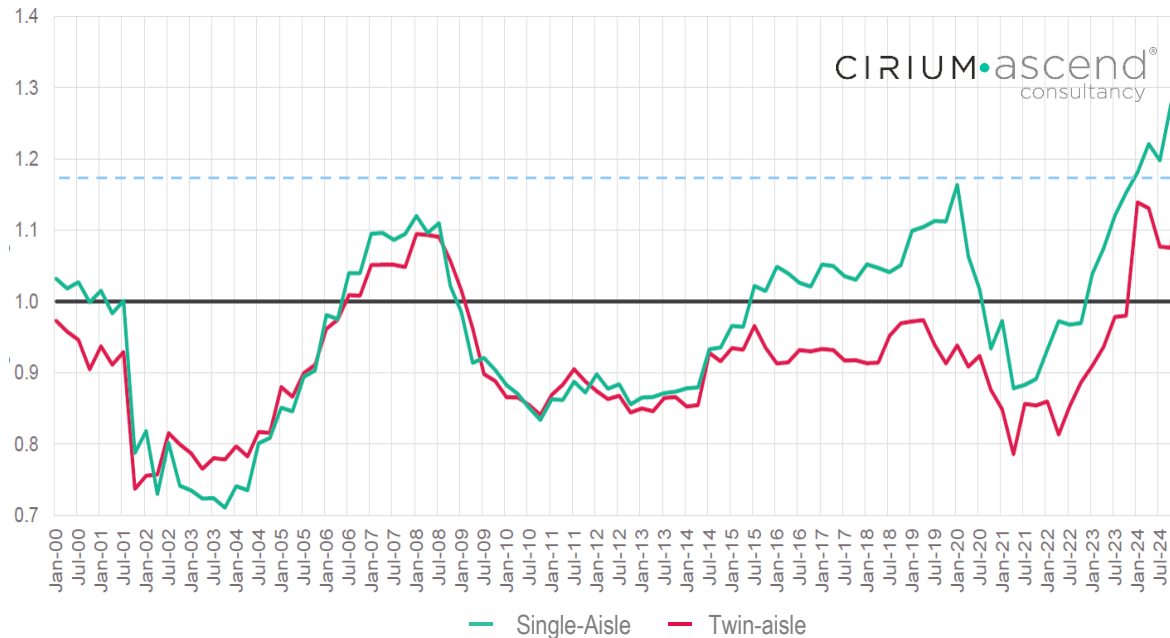
Sources: 2、Cirium Core, operating lessor firm order backlog with no end user identified as of 10 March 2025.

4.7 Narrowbody aircraft value and lease rate keep trending up

According to Cirium:

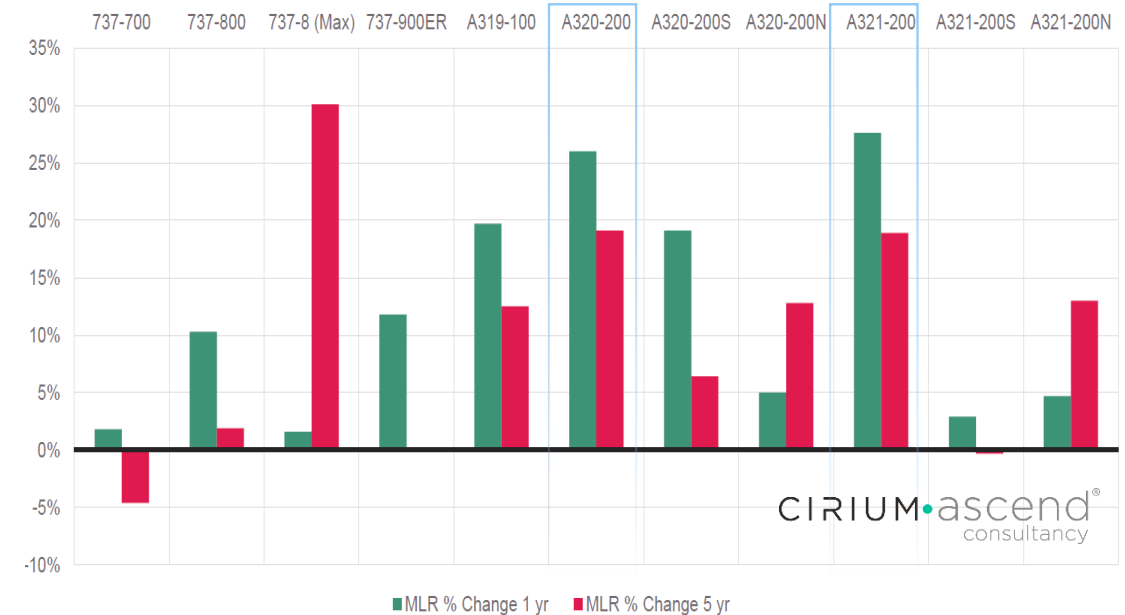
- Ongoing aircraft shortages have pushed **market values above benchmark levels, reaching all-time highs.**
- With limited new aircraft deliveries, the narrow-body shortage is particularly severe, driving continued rental increases, with some models seeing up to a **28% surge** over the last 12 months.

Fleet-WA CMV / BV ratio trend¹



Source: Cirium Core, passenger aircraft only, as of December 7, 2024.

Market lease rate trends for major narrow-body models (past 1-Year/ past 5-Year)²



Source: Cirium Core, on a fleet-weighted and constant-age basis, as of December 7, 2024.

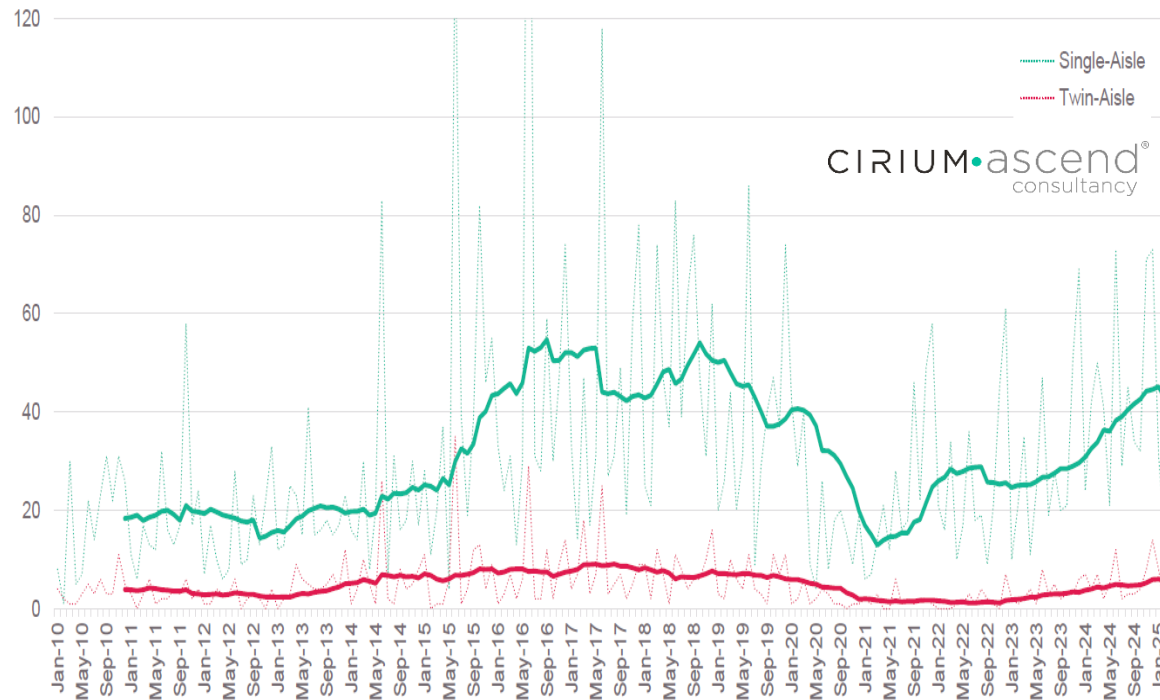
4.8 Aircraft trading continue to rise but remain below historical peaks



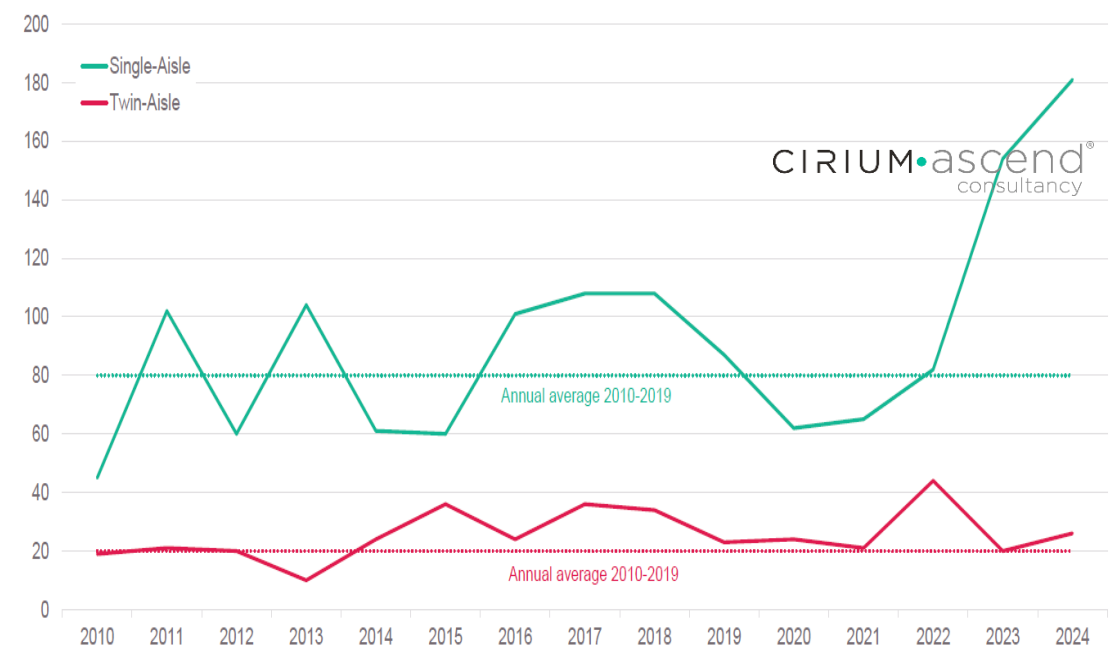
Cirium:

- Over the past year, the aircraft transaction market has steadily rebounded, with an increase in sale with lease-attached aircraft transactions, though still below the 2016-2018 peak of the previous growth cycle.
- Amid supply-demand imbalances, airlines have significantly increased purchases of used aircraft from lessors.

Sale with lease attached transactions



Aircraft purchased by airlines off-lease from lessors



Source: Cirium Fleets Analyzer, passenger single-aisle and twin-aisle jets only



THANKS

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