

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



CK ASSET HOLDINGS LIMITED
長江實業集團有限公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1113)

DISCLOSEABLE TRANSACTION

**DISPOSALS OF ACCIPITER FINANCE S.À R.L.
AND MANCHESTER AVIATION FINANCE S.À R.L.**

The Board is pleased to announce that on 23 December 2021 (after trading hours), AF Seller (an indirect wholly-owned subsidiary of the Company and as the seller for AF Target Company), VAH Seller (an indirect 90%-owned subsidiary of the Company and as the seller for VAH Target Company), the Purchaser and the Company (as guarantor for each of AF Seller and VAH Seller) entered into the Sale and Purchase Agreement in relation to the AF Disposal and the VAH Disposal, respectively. Completion is subject to the fulfilment of certain terms and Conditions under the Sale and Purchase Agreement.

The total consideration for the AF Disposal is approximately US\$2,441million (equivalent to approximately HK\$18,921 million) in cash, which represents the agreed headline price for the aircraft (and the agreed price for payments made under certain contract with original equipment manufacturer of aircraft and arrears accrued under certain lease documents) held by AF Target Group, subject to such adjustments set out in the Sale and Purchase Agreement as are customary in the aircraft leasing business and a transaction of this nature.

The total consideration for the VAH Disposal is approximately US\$1,840 million (equivalent to approximately HK\$14,258 million) in cash, which represents the agreed headline price for the aircraft (and the agreed price for purchase options for certain aircraft, arrears accrued under certain lease documents and the transfer of certain intellectual property from VAH Seller and its group of companies) held by VAH Target Group, subject to such adjustments set out in the Sale and Purchase Agreement as are customary in the aircraft leasing business and a transaction of this nature.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Purchaser and its ultimate beneficial owners are third parties independent of the Company and of its connected persons under the Listing Rules.

As the highest applicable percentage ratio (as set out and calculated under Rule 14.07 of the Listing Rules) in relation to the Disposals exceeds 5% but is less than 25%, the Disposals in aggregate constitute a discloseable transaction for the Company and is subject to the relevant notification and announcement requirements under Chapter 14 of the Listing Rules.

As LKSGF (a connected person of the Company at the listed issuer level by virtue of it being an associate of Mr. Li Ka-shing, the substantial shareholder of the Company under the Securities and Futures Ordinance, and of Mr. Li Tzar Kuoi, Victor, a Director) indirectly holds 10% of the voting power at the general meeting of VAH Seller, VAH Seller is considered as a commonly held entity and connected subsidiary, and hence a connected person, of the Company under Chapter 14A of the Listing Rules. Accordingly, the provision of the Company Guarantee by the Company in favour of the Purchaser and for the benefit of VAH Seller with respect to 90% of the payment obligations in connection with the VAH Disposal under the Sale and Purchase Agreement constitutes a connected transaction of the Company.

Notwithstanding the above, given that the Company Guarantee is conducted (i) on normal commercial terms or better; (ii) in proportion to the equity interest indirectly held by the Company in VAH Seller; and (iii) on a several (and not a joint and several) basis with the LKSGF Guarantee, the Company Guarantee will be fully exempted from shareholders' approval, annual review and all disclosure requirements under Chapter 14A of the Listing Rules pursuant to Rule 14A.89 of the Listing Rules.

As Completion of the Disposals is subject to the fulfilment of certain terms and Conditions under the Sale and Purchase Agreement, there remains the possibility that the Disposals may not proceed. Shareholders and potential investors should exercise caution when dealing in the Shares.

1. INTRODUCTION

The Board is pleased to announce that on 23 December 2021 (after trading hours), AF Seller (an indirect wholly-owned subsidiary of the Company and as the seller for AF Target Company), VAH Seller (an indirect 90%-owned subsidiary of the Company and as the seller for VAH Target Company), the Purchaser and the Company (as guarantor for each of AF Seller and VAH Seller) entered into the Sale and Purchase Agreement in relation to the Disposals.

2. SALE AND PURCHASE AGREEMENT

The principal terms of the Sale and Purchase Agreement are set out below:

(a) Transactions

Under the Sale and Purchase Agreement, (i) AF Seller has agreed to sell or procure the sale of, and the Purchaser has agreed to purchase, the entire issued share capital of AF Target Company pursuant to the AF Disposal; and (ii) VAH Seller has agreed to sell or procure the sale of, and the Purchaser has agreed to purchase, the entire issued share capital of VAH Target Company pursuant to the VAH Disposal, respectively.

(b) Consideration

The total consideration for the AF Disposal is approximately US\$2,441 million (equivalent to approximately HK\$18,921 million) in cash, which represents the agreed headline price for the aircraft (and the agreed price for payments made under certain contract with original equipment manufacturer of aircraft and arrears accrued under certain lease documents) held by AF Target Group and forming part of AF Disposal, subject to such adjustments set out in the Sale and Purchase Agreement as are customary in the aircraft leasing business and a transaction of this nature, including the following adjustments:

- (i) the addition of an amount representing the agreed aircraft headline price multiplied by a certain annual rate in respect of the period from the economic closing date to the Completion Date;
- (ii) the addition of an amount representing the operating cash held by AF Target Group as at the Completion Date;
- (iii) the addition of amounts representing certain specific pre-delivery payments paid to manufacturer, payments made to lessees in respect of the sale and leaseback of certain aircraft and maintenance expenditures that are funded by AF Seller and its group of companies;
- (iv) the addition of an amount representing the intragroup receivables in the form of financial debt owed by and other receivables from AF Seller and its group of companies to AF Target Group as at the Completion Date;
- (v) the deduction of amounts representing certain maintenance reserve, security deposit and net lease receipts of AF Target Group as at the Completion Date or in respect of the period from the economic closing date to the Completion Date (as appropriate); and
- (vi) the deduction of an amount representing the intragroup payables in the form of financial debt owed by and other payables from AF Target Group to AF Seller and its group of companies as at the Completion Date.

The total consideration for the VAH Disposal is approximately US\$1,840 million (equivalent to approximately HK\$14,258 million) in cash, which represents the agreed headline price for the aircraft (and the agreed price for purchase options for certain aircraft, arrears accrued under certain lease documents and the transfer of certain intellectual property from VAH Seller and its group of companies) held by VAH Target Group and forming part of the VAH Disposal, subject to such adjustments set out in the Sale and Purchase Agreement as are customary in the aircraft leasing business and a transaction of this nature, including the following adjustments:

- (i) the addition of an amount representing the agreed aircraft headline price multiplied by a certain annual rate in respect of the period from the economic closing date to the Completion Date;
- (ii) the addition of an amount representing the operating cash held by VAH Target Group as at the Completion Date;

- (iii) the addition of amounts representing certain maintenance expenditures that are funded by VAH Seller and its group of companies;
- (iv) the addition of an amount representing the intragroup receivables in the form of financial debt owed by and other receivables from VAH Seller and its group of companies to VAH Target Group as at the Completion Date;
- (v) the deduction of amounts representing certain maintenance reserve, security deposit and net lease receipts of VAH Target Group as at the Completion Date or in respect of the period from the economic closing date to the Completion Date (as appropriate); and
- (vi) the deduction of an amount representing the intragroup payables in the form of financial debt owed by and other payables from VAH Target Group to VAH Seller and its group of companies as at the Completion Date.

At Completion, the Purchaser shall pay to each of the Sellers the respective initial considerations in cash, based on an estimate of the requisite adjustment amounts. Upon the final determination of the adjustment amounts between the parties post-Completion, the parties shall settle the difference between the initial considerations paid and the final considerations determined accordingly.

The consideration for each of the AF Disposal and the VAH Disposal was determined based on arm's length negotiations between AF Seller, VAH Seller and the Purchaser, respectively and after taking into account relevant factors and circumstances including the value of the asset portfolio held by the relevant Target Group, customary adjustments to be made to the consideration and the recent general conditions of the industry and market at large.

The Purchaser has provided debt commitment letter and equity commitment letter to show its commitment and resources for fulfilling its payment obligations of the considerations under the Sale and Purchase Agreement.

(c) Conditions

Completion of each of the Disposals is conditional on the Conditions being satisfied or waived in accordance with the Sale and Purchase Agreement, which comprise the following:

- (i) the Federal Economic Competition Commission of Mexico having approved the transactions contemplated by the Sale and Purchase Agreement and other related agreements under the Federal Law of Economic Competition without any conditions being attached thereto or subject to conditions other than a Prohibited Antitrust Remedy;
- (ii) the Hungarian Office of Economic Competition having issued a decision that no approval is required without any conditions being attached thereto or subject to conditions other than a Prohibited Antitrust Remedy, or such a decision having been deemed to have issued;

- (iii) any applicable waiting period under the applicable section of the U.S. Clayton Act relating to the transactions contemplated by the Sale and Purchase Agreement and other related agreements shall have expired or have been terminated;
- (iv) there having been no breach of the fundamental warranties by the Sellers in any material respect as at immediately prior to Completion and there having been no breach of other warranties by the Sellers as at immediately prior to Completion which has had (or would be reasonably likely to have) a material adverse effect on the business, results of operation, assets, liabilities or condition (financial or otherwise) of the Target Groups (taken together and as a whole), in each case, subject to certain customary exceptions;
- (v) there having occurred no event, fact matter or circumstance that has had or would be reasonably likely to have a material adverse effect on the business, results of operation, assets, liabilities or condition (financial or otherwise) of the Target Groups (taken together and as a whole) after the execution of the Sale and Purchase Agreement, subject to certain customary exceptions; and
- (vi) AF Target Group no longer owns the aircraft which is excluded from the AF Disposal and VAH Target Group no longer owns the aircraft which is excluded from the VAH Disposal.

If any Condition has not been satisfied or waived by the Purchaser (except that the Conditions set forth in sub-paragraphs (c)(i), (ii) and (iii) above are required to be waived jointly by the Sellers and the Purchaser to the extent permitted by applicable law, and the Condition sets forth in sub-paragraph (c)(vi) above could be waived by the Purchaser or the Seller) by the Longstop Date, either of the Sellers or the Purchaser may terminate the Sale and Purchase Agreement in accordance with the terms thereunder. The Purchaser shall use best endeavours to procure that the Conditions sets forth in sub-paragraphs (c)(i), (ii) and (iii) above are satisfied as soon as reasonably possible and in any event no later than 12:00 noon on the Longstop Date.

(d) Completion

Completion of the Disposals shall be simultaneous and shall take place 15 business days after the last Condition (other than the Conditions set forth in sub-paragraphs (c)(iv) and (v) above) is satisfied or waived or such other date as the Sellers and the Purchaser may agree in writing, provided that Completion shall not occur prior to the date that is 45 days after the date of the Sale and Purchase Agreement. At Completion, each of the Sellers and the Purchaser shall fulfil certain requirements provided under the Sale and Purchase Agreement, including the delivery by the Sellers and the Purchaser to each other of various closing deliverables, the payment of the consideration for the AF Disposal by the Purchaser to AF Seller, the payment of the consideration for the VAH Disposal by the Purchaser to VAH Seller, and the provision of sufficient funds by the Purchaser to the relevant companies within AF Target Group and VAH Target Group to enable them to repay all amounts of the intragroup payables in the form of financial debt owed by the Target Groups to the Sellers (and their respective group of companies) respectively.

(e) Guarantees

Pursuant to the Sale and Purchase Agreement, the Company has agreed to provide the Company Guarantee to unconditionally and irrevocably guarantee (i) all the payment obligations of AF Seller in connection with the AF Disposal; and (ii) 90% of the payment obligations of VAH Seller in connection with the VAH Disposal.

LKSGF has separately agreed to provide the LKSGF Guarantee to unconditionally and irrevocably guarantee 10% of the payment obligations of VAH Seller in connection with the VAH Disposal. The LKSGF Guarantee and the Company Guarantee with respect to 10% and 90% respectively of the payment obligations of VAH Seller under the Sale and Purchase Agreement are provided on a several (and not joint and several) basis by reference to the respective ultimate shareholding held by LKSGF and the Company in VAH Seller.

(f) Obligations and liabilities of the Sellers

The obligations and liabilities assumed by AF Seller (and its group of companies) and VAH Seller (and its group of companies) under the Sale and Purchase Agreement bind them severally only and not jointly or jointly and severally.

(g) Non-compete undertaking

Subject to certain specific carve-outs, each of the Sellers agrees that for a period of one year from the Completion it shall not (and shall procure that its affiliates shall not) directly or indirectly be engaged in, own an interest in or provide consultancy services to any business which competes with the Target Groups' business of providing commercial fixed-wing aircraft operating leases and management of commercial fixed-wing aircraft and/or engines (except with the Purchaser's prior written consent).

(h) Warranty and indemnity

AF Seller has provided customary warranties and indemnities in favour of the Purchaser with respect to AF Target Group and the AF Disposal, and VAH Seller has provided customary warranties and indemnities in favour of the Purchaser with respect to VAH Target Group and the VAH Disposal.

The Purchaser warrants to the Sellers, the Company and LKSGF that a warranty and indemnity insurance policy will be incepted and bound as at Completion which will serve as the Purchaser's primary source of recourse for any breach of representations and warranties by the Sellers under the Sale and Purchase Agreement.

(i) Termination rights

The Sale and Purchase Agreement contains termination rights exercisable by the Purchaser which are customary for transactions of similar nature and size. This includes termination for (i) an occurrence of a material adverse effect on the business, results of operation, assets, liabilities or condition (financial or otherwise) of the Target Groups after the execution of the Sale and Purchase Agreement; and (ii) a breach by the Sellers of certain warranties that would result in the Condition sets forth in sub-paragraphs (c)(iv) and (v) above not being satisfied.

If by reason of the Purchaser's failure to pay the considerations determined based on an initial completion statement to the Sellers and other funds required at Completion or the Purchaser's failure to provide sufficient funds to the relevant companies within AF Target Group and VAH Target Group to enable them to repay all amounts of the intragroup payables in the form of financial debt owed by the Target Groups to the Sellers, whilst all of the Conditions have been satisfied and the Sellers are ready to complete, the Sellers or the Purchaser (in the case where the sole reason of the Purchaser's failure to pay the considerations is due to the failure of the debt financing provider to fund, and provided that the Purchaser has itself complied with its other relevant obligations under the Sale and Purchase Agreement) may exercise a termination right not to proceed to Completion. If the Sellers or the Purchaser (as the case may be) exercise such termination right, the Purchaser shall pay to each of the Sellers a reverse termination compensation representing approximately 2% of the relevant headline price as liquidated damages.

3. INFORMATION ON THE TARGET GROUPS

(a) Information on the Target Groups

AF Target Company is an investment holding company which holds the shareholding interests in each of the companies within AF Target Group. AF Target Group primarily engages in the business of providing commercial fixed-wing aircraft operating leases. The AF Disposal involves the sale of a total of 74 aircraft held by AF Target Group together with the leases with respect to such aircraft, and other aircraft in the order book.

VAH Target Company is an investment holding company which holds the shareholding interests in each of the companies within VAH Target Group. VAH Target Group primarily engages in the business of providing commercial fixed-wing aircraft operating leases. The VAH Disposal involves the sale of a total of 51 aircraft held by VAH Target Group together with the leases with respect to such aircraft, and other aircraft in the order book.

As at the date of the Sale and Purchase Agreement: (i) companies within AF Target Group are indirect wholly-owned subsidiaries of the Company; and (ii) companies within VAH Target Group are indirectly 90%-owned subsidiaries of the Company. LKSGF is the ultimate beneficial owner holding the remaining indirect 10% interest in VAH Target Company. Upon Completion, the Company will cease to hold any shares or equity interests in any company within each of the Target Groups.

(b) Financial Information of the Target Groups

According to the unaudited pro forma combined financial statements of AF Target Group prepared in accordance with the International Financial Reporting Standards, the combined profit of AF Target Group (1) before income tax; and (2) after income tax, for its two financial years ended 31 December 2020 are stated below:

	<i>For the financial year ended</i>	
	<i>31 December</i>	
	2019	2020
	In million	In million
Profit before income tax	US\$97 (equivalent to approximately HK\$751)	US\$65 (equivalent to approximately HK\$505)
Profit after income tax	US\$91 (equivalent to approximately HK\$707)	US\$62 (equivalent to approximately HK\$483)

Note: The above profit figures have excluded the intragroup interest expenses paid by AF Target Group to AF Seller and its group of companies.

The unaudited pro forma combined total asset value of AF Target Group as at 30 June 2021 was approximately US\$2,968 million (equivalent to approximately HK\$22,999 million) (which include the value of the aircraft excluded from the AF Disposal).

According to the unaudited pro forma combined financial statements of VAH Target Group prepared in accordance with the International Financial Reporting Standards, the combined profit of VAH Target Group (1) before income tax; and (2) after income tax, for its two financial years ended 31 December 2020 are stated below:

	<i>For the financial year ended</i>	
	<i>31 December</i>	
	2019	2020
	In million	In million
Profit before income tax	US\$51 (equivalent to approximately HK\$395)	US\$23 (equivalent to approximately HK\$182)
Profit after income tax	US\$53 (equivalent to approximately HK\$409)	US\$25 (equivalent to approximately HK\$194)

Note: The above profit figures have excluded the intragroup interest expenses paid by VAH Target Group to VAH Seller and its group of companies.

The unaudited pro forma combined total asset value of VAH Target Group as at 30 June 2021 was approximately US\$1,926 million (equivalent to approximately HK\$14,930 million) (which include the value of the aircraft excluded from the VAH Disposal).

4. REASONS FOR AND BENEFITS OF THE DISPOSAL

COVID-19 has caused a paradigm shift in the aircraft leasing sector. The risk and return dynamics has become volatile and unpredictable, and the industry has undergone increased consolidation, mergers and acquisitions activities to mitigate such volatility. Following an internal consolidation of the Group's aircraft leasing business, the Group considered it an opportune time to exit the aircraft leasing sector and enhance its strategic focus during the pandemic. The Disposals would allow the Group to unlock the underlying value of its aircraft portfolio and realise a satisfactory gain, creating values for its Shareholders and allowing the Group to reallocate its capital in other investment opportunities. Since the aircraft leasing portfolio was constructed in 2014 comprising primarily younger narrow body aircraft leased to airline customers with solid credit profiles, the aircraft leasing division had consistently generated steady returns.

The aggregate profit arising from the Disposals, including gain on sale and increase in profits arising from held-for-sale accounting treatment under International Financial Reporting Standards, is estimated to be in the region of US\$170 million (equivalent to approximately HK\$1,318 million), which has been determined by reference to the aggregated headline price for the aircraft that are subject to the Disposals, and the net book value of such aircraft held by the Target Groups. The above figure is only a high-level estimate in light of the various adjustments to be made to the considerations, the Completion Date is currently an uncertain date, and the time gap between the economic close date and the actual Completion Date. The actual gain will depend on the determination of the final considerations which are subject to the adjustments to be made to the considerations for the Disposals on the Completion Date pursuant to the Sale and Purchase Agreement, and the transaction costs, relevant taxes and any claims and other liabilities required to be borne by the Group pursuant to the Sale and Purchase Agreement, and will be subject to auditor's review. The net proceeds from the Disposals are intended to be used by the Group as general working capital.

The Directors considered the terms of the Sale and Purchase Agreement (including the terms for each of the AF Disposal and the VAH Disposal) are on normal commercial terms and are fair and reasonable and in the interest of the Company and the Shareholders as a whole. In view of the involvement of LKSGF in the provision of the LKSGF Guarantee, Mr. Li Tzar Kuoi, Victor (as an associate of LKSGF) and Ms. Pau Yee Wan, Ezra (as a director of LKSGF) had abstained from voting on the resolutions of the Board to approve the Disposals, the Sale and Purchase Agreement and the Company Guarantee.

5. LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio (as set out and calculated under Rule 14.07 of the Listing Rules) in relation to the Disposals exceeds 5% but is less than 25%, the Disposals in aggregate constitute a discloseable transaction for the Company and is subject to the relevant notification and announcement requirements under Chapter 14 of the Listing Rules.

As LKSGF (a connected person of the Company at the listed issuer level by virtue of it being an associate of Mr. Li Ka-shing, the substantial shareholder of the Company under the Securities and Futures Ordinance, and of Mr. Li Tzar Kuoi, Victor, a Director) indirectly holds 10% of the voting power at the general meeting of VAH Seller, VAH Seller is considered as a commonly held entity and connected subsidiary, and hence a connected person, of the Company under Chapter 14A of the Listing Rules. Accordingly, the provision of the Company Guarantee by the Company in favour of the Purchaser and for the benefit of VAH Seller with respect to 90% of the payment obligations in connection with the VAH Disposal under the Sale and Purchase Agreement constitutes a connected transaction of the Company.

Notwithstanding the above, given that the Company Guarantee is conducted (i) on normal commercial terms or better; (ii) in proportion to the equity interest indirectly held by the Company in VAH Seller; and (iii) on a several (and not a joint and several) basis with the LKSGF Guarantee, the Company Guarantee will be fully exempted from shareholders' approval, annual review and all disclosure requirements under Chapter 14A of the Listing Rules pursuant to Rule 14A.89 of the Listing Rules.

Whilst the AF Disposal by AF Seller and VAH Disposal by VAH Seller (a commonly held entity and a connected subsidiary of the Company) are being undertaken with terms and conditions provided in one Sale and Purchase Agreement, each of the Disposals are in respect of its own delineated and independent group of companies and assets and the obligations and liabilities of each Seller under the Sale and Purchase Agreement are several (and not joint nor joint and several). The counterparty of each Seller with respect to the relevant sale and purchase is the Purchaser and not the other Seller. On this basis and considering relevant circumstances, arrangements and terms of the Disposals, it is considered that the Disposals do not constitute a connected transaction of the Company requiring compliance with Chapter 14A of the Listing Rules.

6. GENERAL

(a) Information on the Group

The Company is a leading multinational corporation and has diverse capabilities with activities encompassing property development and investment, hotel and serviced suite operation, property and project management, aircraft leasing, pub operation and investment in infrastructure and utility asset operation.

(b) Information on the Sellers

AF Seller is an indirect wholly-owned subsidiary of the Company incorporated in Hong Kong whose principal business is investment holding.

VAH Seller is a company incorporated in Hong Kong and indirectly owned as to 90% by the Company and 10% by LKSGF whose principal business is investment holding.

(c) Information on the Purchaser

The Purchaser is an investment vehicle incorporated in the Cayman Islands. The Purchaser was established by Maverick Aviation Partnership LP, an investment platform created for the purpose of investing in aviation and aviation related assets. Both Maverick Aviation Partnership LP and the Purchaser are managed by Carlyle Aviation Partners, the commercial aviation investment and servicing arm of The Carlyle Group. Maverick Aviation Partnership LP's primary investor is an affiliate of CPPIB Credit Investments Inc., a wholly-owned subsidiary of Canada Pension Plan Investment Board.

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, the Purchaser (with respect to each of the Disposals) and its ultimate beneficial owners are third parties independent of the Company and the connected persons of the Company under the Listing Rules.

As Completion of the Disposals is subject to the fulfilment of certain terms and conditions under the Sale and Purchase Agreement, there remains the possibility that the Disposals may not proceed. Shareholders and potential investors should exercise caution when dealing in the Shares.

7. DEFINITIONS

Unless the context otherwise requires, the following expressions have the following meanings in this announcement:

“AF Disposal”	the proposed disposal of all of the issued ordinary shares in the capital of AF Target Company, representing the entire issued share capital of AF Target Company, under the Sale and Purchase Agreement;
“AF Seller”	CK Capital (Hong Kong) Limited, a company incorporated in Hong Kong with limited liability which is indirectly wholly-owned by the Company;
“AF Target Company”	Accipiter Finance S.à r.l., a private limited liability company incorporated under Luxembourg law, which is directly wholly-owned by AF Seller;
“AF Target Group”	AF Target Company together with its wholly-owned subsidiaries which comprise the companies within the ambit of the AF Disposal;
“Board”	the Board of Directors;
“Company”	CK Asset Holdings Limited (stock code: 1113), a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange;

“Company Guarantee”	the guarantee provided by the Company in the Sale and Purchase Agreement to guarantee all of the payment obligations of AF Seller thereunder and 90% of the payment obligations of VAH Seller thereunder;
“Completion”	completion of the Disposals under the Sale and Purchase Agreement;
“Completion Date”	the date on which Completion occurs;
“Condition(s)”	condition(s) precedent to the occurrence of Completion;
“Directors”	the directors of the Company;
“Disposals”	the AF Disposal and the VAH Disposal;
“Group”	the Company and its subsidiaries;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“HK dollar” or “HK\$”	Hong Kong dollar, the lawful currency of Hong Kong;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“LKSGF”	Li Ka Shing (Global) Foundation, a company incorporated in the Cayman Islands limited by guarantee, which is a charitable foundation;
“LKSGF Guarantee”	the guarantee provided by LKSGF by way of a separate deed of guarantee to guarantee 10% of the payment obligations of VAH Seller under the Sale and Purchase Agreement;
“Longstop Date”	eight months after the date of the Sale and Purchase Agreement or such other date as the parties to the Sale and Purchase Agreement may agree in writing;
“Prohibited Antitrust Remedy”	a condition requested by the relevant antitrust commission requiring the Purchaser or its group of companies to offer, accept or agree to restructure or dispose of any part of their business, restrict the manner in which any part of their business may carry on in any part of the world, or litigate any proceeding involving any governmental authority to oppose or defend against any action to prevent the consummation of the transactions contemplated under the Sale and Purchase Agreement and other related agreements or overturn any regulatory action of any governmental authority to prevent the consummation of such transactions;

“Purchaser”	Maverick Aviation Holdings Ltd., a company incorporated in the Cayman Islands;
“Sale and Purchase Agreement”	the conditional sale and purchase agreement dated 23 December 2021 entered into between AF Seller, VAH Seller, the Purchaser and the Company with respect to the AF Disposal and the VAH Disposal, respectively;
“Sellers”	AF Seller and VAH Seller;
“Shareholders”	holders of Shares;
“Shares”	ordinary shares in the capital of the Company with a nominal value of HK\$1.00 each;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Target Group(s)”	AF Target Group and/or VAH Target Group;
“U.S.” or “United States”	the United States of America;
“US dollar” or “US\$”	the lawful currency of the United States;
“VAH Disposal”	the proposed disposal of all of the issued ordinary shares in the capital of VAH Target Company, representing the entire issued share capital of VAH Target Company, under the Sale and Purchase Agreement;
“VAH Seller”	Vermillion Aviation Holdings Limited, a company incorporated in Hong Kong with limited liability, which as at the date of this announcement is indirectly owned by the Company and LKSGF as to 90% and 10%, respectively;
“VAH Target Company”	Manchester Aviation Finance S.à r.l., a private limited liability company incorporated under Luxembourg law, which is directly wholly owned by VAH Seller;
“VAH Target Group”	VAH Target Company together with its wholly-owned subsidiaries which comprise the companies within the ambit of the VAH Disposal;
“%”	per cent.

In this announcement, US dollar has been converted to HK\$ at the rate of US\$1=HK\$7.75, save as otherwise stated. Such conversion is for illustration purpose only. No representation is made that the US dollar amounts have been or could have been or could be converted into HK\$, or vice versa, at such rate or at any other rates on any relevant dates.

By Order of the Board
CK ASSET HOLDINGS LIMITED
Eirene Yeung
Executive Committee Member
& Company Secretary

Hong Kong, 24 December 2021

The Directors of the Company as at the date of this announcement are Mr. LI Tzar Kuoi, Victor (*Chairman and Managing Director*), Mr. KAM Hing Lam (*Deputy Managing Director*), Mr. IP Tak Chuen, Edmond (*Deputy Managing Director*), Mr. CHUNG Sun Keung, Davy, Dr. CHIU Kwok Hung, Justin, Mr. CHOW Wai Kam, Raymond, Ms. PAU Yee Wan, Ezra and Ms. WOO Chia Ching, Grace as Executive Directors; and Mr. CHEONG Ying Chew, Henry, Mr. CHOW Nin Mow, Albert, Ms. HUNG Siu-lin, Katherine, Mr. Colin Stevens RUSSEL, Mr. Donald Jeffrey ROBERTS and Mr. Stephen Edward BRADLEY as Independent Non-executive Directors.