
AMENDMENTS TO THE GEM LISTING RULES

Chapter 19

EQUITY SECURITIES

NOTIFIABLE TRANSACTIONS

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Definitions

19.04 For the purposes of this Chapter:-

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(10D) ~~[Repealed 1 February 2011]~~ “Qualified Aircraft Leasing Activity” means:

- (a) an acquisition of aircraft;
- (b) a finance lease in respect of the leasing of aircraft to an aircraft operator (i.e. an entity which carries on a business of operating aircraft as an owner or charterer for providing services for the carriage by air of passengers, cargo or mail), including financing arrangements in a sale and leaseback transaction;
- (c) an operating lease in respect of leasing of aircraft to an aircraft operator; or
- (d) a disposal of aircraft.

For the purpose of this rule and rule 19.04(10E), “aircraft leasing with an aircraft operator” include leases of aircraft to the aircraft operator directly or indirectly through an intermediate lessor related to the aircraft operator.

(10E) “Qualified Aircraft Lessor” means a listed issuer actively engaged in aircraft leasing with aircraft operators (as defined in rule 19.04(10D)) as a principal business in its ordinary and usual course of business. In making this determination, consideration will also be given to the following factors:

- (a) there is clear disclosure of aircraft leasing as a current and continuing principal business activity in the issuer’s latest published annual report and financial statements (or in the case of a newly listed issuer, its listing document);

- (b) aircraft leasing is reported as a separate and continuing segment (if not the only segment) in the issuer's latest published financial statements. The format for reporting segmental information and its latest published annual financial statements have fully complied with the relevant accounting standards adopted for the preparation of its annual financial statements; and
- (c) the lessor's directors and senior management, taken together, have sufficient experience relevant to the aircraft leasing industry. Individuals relied on must have a minimum of five years' relevant industry experience.

(40E11) a "securities house" means ...

(4411A) a "shipping company" means ...

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*Exemptions for Qualified Aircraft Leasing Activities
which constitute notifiable transactions*

19.33C A Qualified Aircraft Leasing Activity is exempt from the announcement, circular and/or shareholders' approval requirements for notifiable transactions provided that:

- (1) it is undertaken by a Qualified Aircraft Lessor in its ordinary and usual course of business;
- (2) the Qualified Aircraft Lessor's board has confirmed that:
 - (a) the transaction is entered into by the lessor in its ordinary and usual course of business and on normal commercial terms; and
 - (b) the terms of transaction are fair and reasonable and in the interests of the lessor and its shareholders as a whole; and
- (3) the Qualified Aircraft Lessor complies with the disclosure requirements under rule 19.33D.

19.33D Where a Qualified Aircraft Leasing Activity is exempt from the announcement, circular and/or shareholders' approval requirements for notifiable transactions under rule 19.33C:

- (1) the Qualified Aircraft Lessor must publish an announcement as soon as possible after the terms of the transaction have been finalised. The announcement must contain:
 - (a) the date of the transaction;

- (b) the identities and a description of the principal business activities of the parties to the transaction. The lessor must also confirm that the parties to the transaction and their ultimate beneficial owners are third parties independent of the lessor and its connected persons;
 - (c) a description of the transaction and the aircraft which is the subject of the transaction (including the expected year of delivery of the aircraft in the case of an acquisition); and
 - (d) a confirmation by the lessor's board of directors that the lessor has fulfilled (i) the criteria set out in rule 19.04(10E) and (ii) the conditions set out in rule 19.33C(2); and
- (2) the Qualified Aircraft Lessor must also disclose the following information in its next interim report (where applicable) and annual report:
- (a) the aggregate number of aircraft owned by the lessor as at the end of the reporting period with a breakdown by aircraft model, and the aggregate net book value of the aircraft;
 - (b) the aggregate number of aircraft committed to purchase as at the end of the reporting period with a breakdown by aircraft model, and the commitment amounts for future commitments;
 - (c) the aggregate number of aircraft sold for the reporting period;
 - (d) the aggregate net book value and the aggregate net gain or loss on disposal of aircraft for the reporting period; and
 - (e) the average lease rental yield of each of (i) the operating lease business and (ii) the finance lease business in relation to aircraft leasing for the reporting period.