



## AVOLON ANNOUNCES EARLY PARTICIPATION RESULTS FOR ITS PRIVATE EXCHANGE OFFERS FOR 8 SERIES OF DEBT SECURITIES AND AN INCREASE OF THE NEW NOTES CAP TO \$2 BILLION

**Dublin | August 16, 2021:** Avolon Holdings Funding Limited (“AHFL” or the “Issuer”), a Cayman Islands exempted company and a direct wholly-owned subsidiary of Avolon Holdings Limited, the international aircraft leasing company (“Avolon” or the “Company” and, together with its consolidated subsidiaries, “we,” “our” or “us”) today announced the early participation results, as of 5:00 p.m. (Eastern time) on August 13, 2021 (the “Early Participation Date”), of its previously announced offers to exchange the outstanding series of debt securities listed in the table below (the “Old Notes”) for newly issued debt securities of the Issuer (the “New Notes”) (the “Exchange Offers”), in each case on the terms and subject to the conditions set forth in the Offering Memorandum dated August 2, 2021 related to the Exchange Offers (the “Offering Memorandum” and, together with the eligibility letter, the “Exchange Offer Documents”). In addition, AHFL announced that it has increased the cap on the maximum aggregate principal amount of New Notes that will be issued in the Exchange Offers to \$2.0 billion (as amended, the “New Notes Cap”). Except as described in this press release, the terms and conditions of the transactions remain unchanged.

The withdrawal rights for each Exchange Offer expired at 5:00 p.m. (Eastern time) on August 13, 2021. The Exchange Offers will expire at 11:59 p.m. (Eastern time) on August 27, 2021, unless extended or earlier terminated by the Issuer.

AHFL’s obligation to accept Old Notes tendered in each of the Exchange Offers is subject to the terms and conditions described in the Exchange Offer Documents, including, among other things, (i) the Acceptance Priority Procedures (as described in the launch press release), (ii) the New Notes Cap, (iii) the condition that, as of the Price Determination Date, the combination of the yield of the New Notes and the Total Exchange Price for the applicable series of Old Notes would result in the New Notes and such Old Notes not being treated as “substantially different” under FASB Accounting Standards Codification (“ASC”) 470-50 (the “Accounting Treatment Condition”), (iv) only with respect to any validly tendered Old Notes not settled on the Early Settlement Date, a tax condition, which is satisfied as long as AHFL determines, in its reasonable judgment, that it is highly likely that the New Notes issuable in exchange for such Old Notes will be issued in a “qualified reopening” for U.S. federal income tax purposes, as determined on the applicable Expiration Date (the “Tax Condition”) and (v) with respect to any series of Old Notes, the New Notes issued in exchange therefor are, in AHFL’s reasonable judgment, fungible for U.S. federal income tax purposes with the New Notes issued in exchange for each other series of Old Notes.

As all conditions applicable to the Exchange Offers as of the Early Participation Date have been deemed satisfied or waived by AHFL and the Minimum Issue Requirement (as defined in the launch press release) has been met, AHFL expects to settle all Old Notes validly tendered at or prior to the Early Participation Date on August 18, 2021 (the “Early Settlement Date”), subject to the terms of the Exchange Offers, including the ongoing satisfaction of conditions and the New Notes Cap. Because the aggregate principal amount of New Notes to be issued in exchange for Old Notes validly tendered at or prior to the Early Participation Date and accepted for exchange is expected to equal the New Notes Cap, AHFL anticipates that there will be no Final Settlement Date (as defined in the launch press release) with respect to the Exchange Offers, and no

additional tenders of Old Notes will be accepted for purchase by AHFL in the Exchange Offers after the Early Participation Date.

AHFL was advised by Global Bondholder Services Corporation, as the Information Agent and the Exchange Agent, that as of the Early Participation Date, the aggregate principal amounts of the Old Notes specified in the final column in the table below were validly tendered and not validly withdrawn with respect to each of the Exchange Offers:

Acceptance Priority Level	Issuer	CUSIP Numbers 144A/Reg S	Title of Security	Principal Amount Outstanding	Principal Amount Tendered as of Early Participation Date
1	Park	70014LAA8/G6935LAA1	5.250% notes due 08/15/22	\$1,234,023,000	\$744,401,000
2	AHFL	05401AAA9/G0686BAA7	5.500% notes due 01/15/23	\$414,580,000	\$310,597,000
3	AHFL	05401AAB7/G0686BAB5	5.125% notes due 10/01/23	\$993,675,000	\$554,956,000
4	Park	70014LAB6/G6935LAB9	5.500% notes due 02/15/24	\$1,192,644,000	\$582,735,000
5	Park	70014LAC4/G6935LAC7	4.500% notes due 03/15/23	\$879,963,000	\$557,918,000
6	AHFL	05401AAD3/G0686BAC3	5.250% notes due 05/15/24	\$740,072,000	\$333,701,000
7	AHFL	05401AAF8/G0686BAE9	3.950% notes due 07/01/24	\$977,179,000	\$519,938,000
8	AHFL	05401AAK7/G0686BAJ8	5.500% notes due 01/15/26	\$650,000,000	\$396,274,000

After 10:00 a.m. (Eastern time) today, August 16, 2021, AHFL will issue a press release specifying, among other things, (i) the Total Exchange Price (as defined in the launch press release) for each series of Old Notes, (ii) the New Notes Coupon (as defined in the launch press release), (iii) the aggregate principal amount of Old Notes validly tendered at or prior to the applicable Early Participation Date and accepted for exchange in each Exchange Offer, (iv) the proration factor (if any) to be applied and (v) the aggregate principal amount of New Notes and the Cash Amount payable for the applicable series of Old Notes on the Early Settlement Date.

The New Notes will not be registered under the Securities Act of 1933, as amended (the "Securities Act"), or any state securities laws. Therefore, the New Notes may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements of the Securities Act and any applicable state securities laws.

Only holders who duly complete and return an eligibility letter certifying that they are either (1) "qualified institutional buyers" as defined in Rule 144A under the Securities Act or (2) non-"U.S. persons" (as defined in Rule 902 under the Securities Act) located outside of the United States and who are not acting for the account or benefit of a U.S. Person and are "Non-U.S. qualified offerees" (as defined in the eligibility letter) are authorized to receive the Offering Memorandum and to participate in the Exchange Offers.

Global Bondholder Services Corporation is acting as the Information Agent and the Exchange Agent for the Exchange Offers. Questions or requests for assistance related to the Exchange Offers, including for assistance in completing an eligibility letter, or for additional copies of the Exchange Offer Documents may be directed to Global Bondholder Services Corporation at (866) 470-3800 (toll free) or (212) 430-3774 (collect). You may also contact your broker, dealer, commercial bank, trust company or other nominee for assistance concerning the Exchange Offers. The eligibility letter can be accessed at the following link <https://qbcs-usa.com/eligibility/avolon>.

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This announcement is for informational purposes only. This announcement is not an offer to purchase or a solicitation of an offer to purchase any Old Notes. The Exchange Offers are being made solely pursuant to the Offering Memorandum and related documents. The Exchange Offers are not being made to holders of Old Notes in any jurisdiction in which the making or acceptance thereof would not be in compliance with the securities, blue sky or other laws of such jurisdiction.

In any jurisdiction in which the securities laws or blue sky laws require the Exchange Offers to be made by a licensed broker or dealer, the Exchange Offers will be deemed to be made on behalf of AHFL by the dealer managers or one or more registered brokers or dealers that are licensed under the laws of such jurisdiction.

*This communication has not been approved by an authorized person for the purposes of Section 21 of the Financial Services and Markets Act 2000, as amended (the "FSMA"). Accordingly, this communication is not being directed at persons within the United Kingdom save in circumstances where section 21(1) of the FSMA does not apply.*

*In particular, this communication is only addressed to and directed at: (A) in any Member State of the European Economic Area and the United Kingdom, qualified investors within the meaning of the Prospectus Regulation and (B) (i) persons that are outside the United Kingdom or (ii) persons in the United Kingdom falling within the definition of investment professionals (as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Financial Promotion Order")) or within Article 43 of the Financial Promotion Order, or to high net worth companies, and other persons to whom financial promotions may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Financial Promotion Order (such persons together being "relevant persons"). The New Notes are only available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such New Notes will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on either the Offering Memorandums or any of its contents. For purposes of the foregoing, the "Prospectus Regulation" means Regulation (EU) 2017/1129, as amended.*

**THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION FOR THE PURPOSES OF ARTICLE 7 OF THE MARKET ABUSE REGULATION (EU) 596/2014**

*This announcement is released by AHFL and may contain inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) 596/2014 ("MAR"), encompassing information relating to the Notes (as defined below). For the purposes of MAR and Article 2 of Commission Implementing Regulation (EU) 2016/155, this announcement is made by the directors of AHFL.*

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### **Cautionary Statement Regarding Forward-Looking Statements**

This document includes forward-looking statements, beliefs or opinions, including statements with respect to Avolon's business, financial condition, results of operations and plans. These forward-looking statements involve known and unknown risks and uncertainties, many of which are beyond our control and all of which are based on our management's current beliefs and expectations about future events. Forward-looking statements are sometimes identified by the use of forward-looking terminology such as "believe," "expects," "may," "will," "could," "should," "shall," "risk," "intends," "estimates," "aims," "plans," "predicts," "continues," "assumes," "positioned" or "anticipates" or the negative thereof, other variations thereon or comparable terminology or by discussions of strategy, plans, objectives, goals, future events or intentions. These forward-looking statements include all matters that are not historical facts, including the exchange offers and any consummation thereof. Forward-looking statements may and often do differ materially from actual results. No assurance can be given that such future results will be achieved, that any private placement of new senior notes will occur or that the exchange offers will be consummated. Avolon does not intend, and undertakes no duty, to update any information contained herein to reflect future events or circumstances, except as required by applicable law.

**ENDS**

**About Avolon**

Headquartered in Ireland, with offices in the United States, Dubai, Singapore, Hong Kong and Shanghai, Avolon provides aircraft leasing and lease management services. Avolon is 70% owned by an indirect subsidiary of Bohai Leasing Co., Ltd., a public company listed on the Shenzhen Stock Exchange (SLE: 000415) and 30% owned by ORIX Aviation Systems, a subsidiary of ORIX Corporation which is listed on the Tokyo and New York Stock Exchanges (TSE: 8591; NYSE: IX). Avolon is the world's third largest aircraft leasing business with an owned, managed and committed fleet, as of 30 June 2021 of 837 aircraft.

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