

21 DECEMBER 2019 | **ALD announces sale of ALD fortune auto leasing & renting in china**

ALD has entered into an agreement to sell its 50% equity stake in ALD Fortune Auto Leasing & Renting (Shanghai) Co. Ltd. in China, which is being sold along with the 50% equity stake held by its joint venture partner, Hwabao Fortune Investment Company, a wholly-owned subsidiary of China Baowu Steel Group, to Nanjing Lingxing Automotive Service Co. Ltd.

The shares of ALD Fortune Auto Leasing & Renting were listed for sale on the Shanghai United Assets and Equity Exchange (SUAEE) Government share exchange platform for public bidding between 26th August and 23rd September 2019. Following the signing on 16th December 2019 of the Shanghai Property Rights Transaction Contract and the receipt by the SUAEE on 20th December 2019 of the full purchase price from the buyer, the closing of the transaction is expected to take place in January 2020, subject to receipt of clearances from the relevant antitrust authorities.

Although China is an important car market, the full service leasing business has not developed as expected preventing ALD Fortune Auto Leasing & Renting from fulfilling its objectives and leading to the decision by ALD to sell its equity stake.

On completion, ALD expects to realise a post-tax gain on its current written down investment value of circa €9 million which will be reflected in the Group's financial results in Q1 2020.

Tim Albertsen, Deputy Chief Executive Officer, comments *"The Group believes that the sale of its stake in its Chinese subsidiary is in the best interests of the company and its employees in order to provide the capacity and scale required to build and develop the business locally. ALD remains present in Asia through its subsidiary in India, where it has been providing full service leasing and fleet management services for over a decade."*

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