

*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.*



## **FRONTIER SERVICES GROUP LIMITED**

**先豐服務集團有限公司\***

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 00500)**

### **ALLEGED CLAIMS RELATING TO MALETH AERO**

This announcement is made by Frontier Services Group Limited (the “**Company**” together with its subsidiaries, the “**Group**”) on a voluntary basis for the purpose of keeping the shareholders and potential investors of the Company informed of the latest development of the Group.

Reference is made to the announcement of the Company dated 15 December 2020 (the “**Announcement**”) in respect of the disposal of 51% equity interest in Maleth Aero. Unless the context requires otherwise, the capitalised terms used in this announcement shall have the same meaning as those defined in the Announcement.

As disclosed in the Announcement, Frontier Services Limited (“**FSL**”, as seller), a wholly-owned subsidiary of the Company, had entered into the Stock Purchase Agreement dated 15 December 2020 with Aircraft Engine Lease Finance Inc. (“**AELF**”, as purchaser) disposing of 51% equity interest in Maleth Aero. The Disposal was completed on 15 December 2020, i.e., the Closing Date.

The Group has received a letter from the lawyer of AELF in respect of several claims against FSL totalling approximately US\$5.8 million (equivalent to approximately HK\$45.5 million) relating to, among others, damages and costs to Maleth Group and/or AELF occurred prior to the Closing Date (the “**Alleged Claims**”). AELF alleged that these claims are covered under the indemnification clause of the Stock Purchase Agreement. No litigation has been commenced by AELF against the Group as at the date of this announcement.

Based on the information currently made known to the Directors, and after consulting with legal counsel, the Board believes that the allegations asserted in the Alleged Claims are untrue, unfounded and/or unsustainable. The Company will take every possible step to vigorously contest against the Alleged Claims, and if necessary, to make counterclaims against AELF for breach of contract and/or tort to protect the interests of the Company and its shareholders.

\* For identification purposes only

The Company will make further announcement(s) to keep its shareholders and potential investors informed of any significant development of the Alleged Claims as and when appropriate.

**Shareholders and potential investors of the Company are advised to exercise caution and not to place undue reliance on such information when dealing in the securities of the Company.**

By Order of the Board  
**Frontier Services Group Limited**  
**Chan Kam Kwan, Jason**  
*Company Secretary*

Hong Kong, 22 June 2022

*As at the date of this announcement, the non-executive Directors are Mr. Chang Zhenming (Chairman), Mr. Fei Yiping, Mr. Chan Kai Kong, Mr. Dorian Barak and Mr. Zhang Yukuan; the executive Directors are Mr. Ko Chun Shun, Johnson (Deputy Chairman), Mr. Luo Ning (Deputy Chairman) and Mr. Li Xiaopeng (Chief Executive Officer); and the independent non-executive Directors are Mr. Yap Fat Suan, Henry, Mr. Hooi Hing Lee, Mr. Cui Liguu and Dr. Chan Wing Mui, Helen.*