

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.



AVIC International Holding (HK) Limited **中國航空工業國際控股(香港)有限公司**

(Incorporated in Bermuda with limited liability)

(Stock Code: 232)

VOLUNTARY ANNOUNCEMENT

This announcement is made by the board (the “**Board**”) of directors (the “**Directors**”) of AVIC International Holding (HK) Limited (the “**Company**”) on a voluntary basis.

Reference is made to the announcement and circular of the Company dated 10 April 2013 and 6 May 2013 respectively in relation to a major transaction.

On 2 August 2013, Peace Map Holding Limited (“**Peace Map**”) (previously known as Mongolia Investment Group Limited), the shares of which are listed on the main board of the Stock Exchange (stock code: 402), issued zero coupon notes due 2018 (the “**Tranche A Convertible Notes**”) in the principal amount of HK\$117,832,000 and zero coupon notes due 2018 (the “**Tranche B Convertible Notes**”, together with the Tranche A Convertible Notes, the “**Notes**”) in the principal amount of HK\$79,310,000 to Kingspot Investment Limited (“**Kingspot**”), a directly wholly-owned subsidiary of the Company. The maturity date of the Notes is 2 August 2018 (the “**Maturity Date**”).

As at the date of this announcement, the outstanding principal amount of the Tranche A Convertible Notes and the Tranche B Convertible Notes held by Kingspot was HK\$32,020,000 and HK\$67,980,000 respectively.

Peace Map has failed to redeem the Notes on the Maturity Date.

As set out in the announcements of Peace Map dated 3 July 2018, 10 July 2018, 17 July 2018 and 27 July 2018, a winding up petition (the “**Petition**”) against Peace Map was filed by a third party in the Supreme Court of Bermuda on the ground that an event of default had taken place under the terms of the convertible notes due 2020 issued by Peace Map and Peace Map had upon demand failed to pay the amount due under such convertible notes, being HK\$405,850,000. The Petition will be heard on 10 August 2018 at 9:30 a.m. (Bermuda time).

Kingspot is in the process of negotiating with Peace Map on the payment of the amount due under the Notes. The Company is also in the process of seeking legal advice and will take appropriate action. Further announcement will be made by the Company as and when appropriate.

By order of the Board
AVIC International Holding (HK) Limited
Liu Hongde
Chairman

Hong Kong, 3 August 2018

As at the date of this announcement, the Board comprises of Mr. Liu Hongde, Mr. Pan Linwu, Mr. Lai Weixuan, Ms. Zhou Chunhua and Mr. Xu Hongge as executive Directors; Mr. Chow Wai Kam as non-executive Director; Mr. Chu Yu Lin, David, Mr. Li Ka Fai, David and Mr. Zhang Ping as independent non-executive Directors.