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If you are in any doubt as to any aspect of this circular or as to the action you should take, you should consult a stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **AVIC International Holding (HK) Limited**, you should at once hand this circular and proxy form to the purchaser or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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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)

**PROPOSALS FOR
GENERAL MANDATES TO REPURCHASE SHARES
AND TO ISSUE SHARES,
RE-ELECTION OF RETIRING DIRECTORS,
PROPOSED CHANGE OF COMPANY NAME
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting of AVIC International Holding (HK) Limited to be held at Monaco Room, Basement 1, Regal Hongkong Hotel, 88 Yee Wo Street, Causeway Bay, Hong Kong on Friday, 21 May 2021 at 11:00 a.m. is set out on pages 12 to 17 of this circular. Whether or not you are able to attend the meeting in person, you are requested to read the notice and to complete the proxy form in accordance with the instructions printed thereon and return the same to the Company's Hong Kong branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding of the meeting i.e. Wednesday, 19 May 2021 at 11:00 a.m. (Hong Kong time) or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting at the meeting should you so wish.

Please see the section headed "Precautionary Measures for the AGM" in this circular for measures being taken to try to prevent and control the spread of the COVID-19 pandemic at the AGM.

Hong Kong, 22 April 2021

PRECAUTIONARY MEASURES FOR THE AGM

Reference to the “Joint Statement in relation to General Meetings in light of the Prevention and Control of Disease (Prohibition on Group Gathering) Regulation” jointly issued by the Stock Exchange and the SFC on 1 April 2020 in relation to the arrangement of the AGM.

VOTING BY PROXY IN ADVANCE OF THE AGM

The Company does not in any way wish to diminish the opportunity available to the Shareholders to exercise their rights and to vote, but is conscious of the pressing need to protect the Shareholders from possible exposure to the COVID-19 pandemic. For the health and safety of the Shareholders, the Company would like to encourage Shareholders to exercise their right to vote at the AGM by appointing the chairman of the AGM as their proxy instead of attending the AGM in person. Physical attendance is not necessary for the purpose of exercising Shareholders’ rights. Completion and return of the proxy form will not preclude the Shareholders from attending and voting in person at the AGM or any adjournment thereof should they subsequently so wish.

PREVENTIVE MEASURES AT THE AGM

The Company will implement the following preventive measures at the AGM to safeguard the health and safety of the attending Shareholders, staff and other stakeholders:

- (i) compulsory body temperature checks will be conducted on every Shareholder, proxy and other attendee at the entrance of the AGM venue. Any person with a body temperature of over 37.5 degrees Celsius will be requested to stay in an isolated place for completing the voting procedures;
- (ii) all Shareholders, proxies and other attendees are required to complete and submit at the entrance of the AGM venue a declaration form confirming their names and contact details, and confirming that they have not travelled to, or had physical contact with any person who to their best of knowledge has recently travelled to, any affected countries or areas outside Hong Kong (as per guidelines issued by the Hong Kong Government at www.chp.gov.hk/en/features/102742.html) at any time in the preceding 14 days. Any person who does not comply with this requirement will be requested to stay in an isolated place for completing the voting procedures;

PRECAUTIONARY MEASURES FOR THE AGM

- (iii) every attendee will be required to wear a surgical face mask throughout the AGM. Please note that no masks will be provided at the AGM venue and attendees should bring and wear their own masks;
- (iv) seating at the AGM will be arranged so as to reduce interaction between participants; and
- (v) no refreshments will be served and there will be no corporate gifts.

In the interest of all stakeholders' health and safety and consistent with recent guidelines for prevention and control of the COVID-19 pandemic, the Company reminds all Shareholders that physical attendance in person at the AGM is not necessary for the purpose of exercising voting rights. As an alternative, by using proxy forms with voting instructions inserted, Shareholders may appoint the chairman of the AGM as their proxy to vote on the relevant resolutions at the AGM instead of attending the AGM in person.

The Company will closely monitor the development of the COVID-19 pandemic and any regulations or measures introduced or to be introduced by the Hong Kong Government in relation to the COVID-19 pandemic. The Company will ensure that the AGM will be conducted in compliance with the regulations or measures of the Hong Kong Government and Shareholders will not be deprived of their right of voting on the resolutions to be proposed at the AGM. Further announcements will be made by the Company as soon as possible if there is any update to the preventive measures as mentioned above.

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DEFINITIONS

In this circular, the following expressions have the following meanings unless the context requires otherwise:

“AGM”	the annual general meeting of the Company to be held at Monaco Room, Basement 1, Regal Hongkong Hotel, 88 Yee Wo Street, Causeway Bay, Hong Kong on Friday, 21 May 2021 at 11:00 a.m., notice of which is set out on pages 12 to 17 of this circular
“Board”	the board of Directors
“Bye-laws”	the Bye-laws of the Company as may be amended from time to time, and the “Bye-law” shall mean a bye-law of the Bye-laws
“CG Code”	Corporate Governance Code and Corporate Governance Report set out in Appendix 14 of the Listing Rules
“close associate(s)”	has the meaning ascribed thereto in the Listing Rules
“Company”	AVIC International Holding (HK) Limited, an exempted company incorporated in Bermuda with limited liability, the Shares of which are listed on the Stock Exchange
“Director(s)”	the director(s) of the Company
“General Mandate”	the general mandate proposed to be granted to the Directors at the AGM to allot, issue and deal with new shares not exceeding 20% of the total number of issued shares as at the date of passing of the relevant resolution granting of such general mandate by the shareholders
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China

DEFINITIONS

“Latest Practicable Date”	15 April 2021, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Proposed Change of Company Name”	the proposed change of the English name of the Company from “AVIC International Holdings (HK) Limited” to “Continental Aerospace Technologies Holding Limited” and to adopt the Chinese name “大陸航空科技控股有限公司” as the secondary name in Chinese of the Company to replace its existing secondary name in Chinese “中國航空工業國際控股(香港)有限公司”
“Repurchase Mandate”	the repurchase mandate proposed to be granted to the Directors at the AGM to exercise the powers of the Company to repurchase Shares up to a maximum of 10% of the total number of issued Shares as at the date of passing of the Repurchase Resolution
“Repurchase Resolution”	the proposed ordinary resolution no. 4A of the notice convening the AGM
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers

LETTER FROM THE BOARD



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)

Executive Directors:

Mr. Lai Weixuan (*Chairman*)
Mr. Huang Yongfeng
Mr. Zhang Zhibiao
Mr. Yu Xiaodong
Mr. Zhao Yang (*Chief Executive Officer*)

Non-executive Director:

Mr. Chow Wai Kam

Independent Non-executive Directors:

Mr. Chu Yu Lin, David
Mr. Li Ka Fai, David
Mr. Zhang Ping

Registered office:

Victoria Place, 5th Floor
31 Victoria Street
Hamilton HM 10
Bermuda

*Head office and principal place of
business in Hong Kong:*

Unit A, 20/F, Tower 2
Admiralty Centre, 18 Harcourt Road
Admiralty, Hong Kong

22 April 2021

To the Shareholders

Dear Sir or Madam,

**PROPOSALS FOR
GENERAL MANDATES TO REPURCHASE SHARES
AND TO ISSUE SHARES,
RE-ELECTION OF RETIRING DIRECTORS,
PROPOSED CHANGE OF COMPANY NAME
AND
NOTICE OF ANNUAL GENERAL MEETING**

The Directors will seek the approval of the Shareholders at the AGM for, among other things; (i) the granting of the General Mandate and the Repurchase Mandate to the Directors; (ii) the re-election of retiring Directors, and (iii) the Proposed Change of Company Name. The purpose of this circular is to provide you with information relating to the resolutions to be proposed at the AGM for the granting of the General Mandate and Repurchase Mandate, the re-election of Directors, the Proposed Change of Company name and the notice of the AGM.

LETTER FROM THE BOARD

1. REPURCHASE MANDATE

At the annual general meeting of the Company held on 22 May 2020, a repurchase mandate was granted to the Directors to exercise the powers of the Company to repurchase Shares and securities, if any, which carry a right to subscribe or purchase Shares. Such mandate will lapse at the conclusion of the AGM. It is therefore proposed to seek your approval by way of an ordinary resolution to be proposed at the AGM to grant the Repurchase Mandate to the Directors to exercise the powers of the Company to repurchase on the Stock Exchange the Shares up to a maximum number equal to 10% of the total number of issued Shares as at the date of the Repurchase Resolution. If the Company conducts a Share consolidation or subdivision after the Repurchase Mandate is granted, the maximum number of Shares that may be repurchased under the Repurchase Mandate as a percentage of the total number of issued Shares at the date immediately before and after such consolidation or subdivision shall be the same.

As at the Latest Practicable Date, the Company has an aggregate of 9,303,374,783 Shares in issue. Subject to the passing of the resolution for the approval of the Repurchase Mandate and on the basis that no further Shares are issued or repurchased between the Latest Practicable Date and the date of the AGM, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 930,337,478 Shares.

The Repurchase Mandate shall continue in force during the period from the date of passing of the Repurchase Resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the applicable laws of Bermuda or Bye-laws to be held; or
- (iii) the date on which the authority set out in such resolution is revoked or varied by an ordinary resolution of the Shareholders in general meeting of the Company.

The explanatory statement required by the Listing Rules to provide the requisite information reasonably necessary to enable you to make an informed decision on whether to vote for or against the Repurchase Resolution to approve the Repurchase Mandate is set out in Appendix I hereto.

LETTER FROM THE BOARD

2. GENERAL MANDATE

The Directors will also propose at the AGM an ordinary resolution granting the Directors a general and unconditional mandate to allot, issue and deal with new Shares of up to a maximum 20% of the total number of issued Shares as at the date of passing of the relevant resolution. Subject to the passing of the resolution approving the General Mandate and assuming that no further Shares are issued or repurchased between the Latest Practicable Date and the date of the AGM, the Company would be allowed under such General Mandate to allot, issue and deal with not more than 1,860,674,956 new Shares.

In addition, a separate ordinary resolution will be proposed to extend the General Mandate by adding to the number of Shares repurchased by the Company pursuant to the Repurchase Mandate.

If the Company conducts a Share consolidation or subdivision after the General Mandate is granted, the maximum number of Shares that may be issued under the General Mandate as a percentage of the total number of issued Shares at the date immediately before and after such consolidation or subdivision shall be the same.

The General Mandate shall continue in force during the period from the date of passing of the resolution for the approval of the General Mandate until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the applicable laws of Bermuda or Bye-laws to be held; or
- (iii) the date on which the authority set out in such resolution is revoked or varied by an ordinary resolution of the Shareholders in general meeting of the Company.

3. RE-ELECTION OF DIRECTORS

The Board currently consists of nine Directors, namely Mr. Lai Weixuan, Mr. Huang Yongfeng, Mr. Zhang Zhibiao, Mr. Yu Xiaodong, Mr. Zhao Yang, Mr. Chow Wai Kam, Mr. Chu Yu Lin, David, Mr. Li Ka Fai, David and Mr. Zhang Ping.

Pursuant to Bye-law 99(A), Mr. Lai Weixuan, Mr. Zhang Zhibiao and Mr. Yu Xiaodong will retire by rotation from office at the AGM. Each of Mr. Lai Weixuan, Mr. Zhang Zhibiao and Mr. Yu Xiaodong will offer themselves for re-election as executive Directors. Pursuant to Bye-law 102(A), Mr. Huang Yongfeng, whom was appointed by the Board on 25 January 2021, shall hold office only until the AGM. Mr. Huang Yongfeng will offer himself for re-election as an executive Director.

Details of the Directors who are proposed for re-election at the AGM are set out in Appendix III to this circular.

LETTER FROM THE BOARD

4. PROPOSED CHANGE OF COMPANY NAME

The Board proposes to change the English name of the Company from “AVIC International Holding (HK) Limited” to “Continental Aerospace Technologies Holding Limited” and to adopt “大陸航空科技控股有限公司” as the secondary name in Chinese of the Company to replace its existing secondary name in Chinese “中國航空工業國際控股(香港)有限公司”.

Conditions

The Proposed Change of Company Name is conditional upon the following conditions having been satisfied:

- (i) the passing of a special resolution by the Shareholders approving the Proposed Change of Company Name at the AGM; and
- (ii) the Registrar of Companies in Bermuda granting approval for the Proposed Change of Company Name.

Subject to the satisfaction of the conditions set out above, the Proposed Change of Company Name will take effect from the date on which the Registrar of Companies in Bermuda enters the new names of the Company on the register of companies in place of the former name of the Company and issues a certificate of incorporation on change of name. The Company will then carry out all necessary filing procedures with the Companies Registry in Hong Kong.

Reason for the Proposed Change of Company Name

In order to enhance the long-term growth potential of the Group, the Company has formulated long-term business strategy to explore other business or investment opportunities and broaden its scope of business. The Board is of the view that a change of company name will help establish a fresh corporate image identity and better reflect the Group’s future business plans and development. As such, the Board considers that the Proposed Change of Company Name is in the best interests of the Company and its Shareholders as a whole.

LETTER FROM THE BOARD

Effects of the Proposed Change of Company Name

The Proposed Change of Company Name will not affect any rights of the Shareholders or the Company's daily operations or its financial position. Once the Proposed Change of Company Name has become effective, any new share certificates of the Company issued thereafter will bear the new name of the Company. However, all the existing share certificates in issue bearing the present name of the Company will, after the Proposed Change of Company Name has become effective, continue to be effective and as documents of title to the shares of the Company, will continue to be valid for trading, settlement, registration and delivery purposes. Accordingly, there will not be any arrangement for free exchange of the existing share certificates of the Company for new share certificates bearing the new name of the Company.

In addition, subject to the confirmation by the Stock Exchange, the stock short names of the Company for trading in the securities on the Stock Exchange will also be changed after the Proposed Change of Company Name becoming effective.

5. CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Monday, 17 May 2021 to Friday, 21 May 2021, both days inclusive, during which period no transfer of shares will be registered. In order to be entitled to attend and vote at the AGM, unregistered holders of Shares should ensure that all transfers of shares accompanied by the relevant share certificates and properly completed transfer forms must be lodged for registration with the Company's Hong Kong branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong no later than 4:30 p.m. on Friday, 14 May 2021.

6. ANNUAL GENERAL MEETING

The notice convening the AGM, which contains, inter alia, ordinary resolutions to approve the Repurchase Mandate, the General Mandate, the re-election of Directors and the Proposed Change of Company Name, is set out in Appendix II on pages 12 to 17 of this circular.

7. ACTION TO BE TAKEN

A proxy form for use at the AGM is enclosed with this circular. Whether or not you are able to attend the AGM in person, you are requested to complete and return the accompanying proxy form in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours before the time appointed for holding the AGM i.e. Wednesday, 19 May 2021 at 11:00a.m. (Hong Kong time) or any adjournment thereof. Completion and return of the proxy form will not preclude you from attending and voting at AGM should you so wish.

LETTER FROM THE BOARD

8. VOTING BY WAY OF POLL

Pursuant to Rule 13.39(4) of the Listing Rules, all votes at the AGM will be taken by poll, except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. The Company will announce the results of the poll in accordance with Rule 13.39(5) of the Listing Rules after the AGM.

9. RECOMMENDATION

The Directors believe that the Repurchase Mandate, the General Mandate, re-election of the retiring Directors and the Proposed Change of Company Name are all in the best interest of the Company and the Shareholders as a whole. Accordingly, the Directors recommend that all Shareholders should vote in favour of the relevant resolutions to be proposed at the AGM. So far as the Directors are aware, as at the Latest Practicable Date, no Shareholder is required to abstain from voting under the Listing Rules in respect of any of the resolutions to be proposed at the AGM.

10. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

11. GENERAL

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholder is required to abstain from voting on the resolutions to be proposed at the AGM.

Yours faithfully,
For and on behalf of the Board
AVIC International Holding (HK) Limited
Lai Weixuan
Chairman

This appendix serves as an explanatory statement, as required by the Listing Rules, to enable the Shareholders to make an informed decision on whether to vote for or against the Repurchase Resolution.

SHARE CAPITAL

As at the Latest Practicable Date, the total number of issued Shares was 9,303,374,783 Shares.

Subject to the passing of the Repurchase Resolution and on the basis that no further Shares are issued or repurchased prior to the AGM, the Company would be allowed under the Repurchase Resolution to repurchase a maximum of 930,337,478 Shares representing approximately 10% of the total number of issued Shares as at the Latest Practicable Date. If the Company conducts a Share consolidation or subdivision after such mandate is granted, the maximum number of Shares that may be repurchased under the mandate as a percentage of the total number of issued Shares at the date immediately before and after such consolidation or subdivision shall be the same.

REASON FOR REPURCHASE

The Directors believe that the Repurchase Mandate is in the best interests of the Company and the Shareholders. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share of the Company and share repurchase will only be made when the Directors believe that such repurchases will benefit the Company and the Shareholders as a whole.

FUNDING OF REPURCHASES

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its memorandum of association and Bye-laws and the applicable laws of Bermuda. The Companies Act 1981 of Bermuda provides that the amount of capital repaid in connection with a share repurchase may only be paid out of either the capital paid up on the relevant shares, or out of the funds of the Company otherwise available for dividend or distribution or the proceeds of a fresh issue of shares made for the purpose. The amount of premium payable on repurchase may only be paid out of either the funds of the Company that would otherwise be available for dividend or distribution or out of the share premium account of the Company. Further, the Company cannot purchase its own shares if on the date on which the purchase is to be effected, there are reasonable grounds for believing that the Company is, or after the purchase would be, unable to pay its liabilities as they become due.

There might be an adverse impact on the working capital or gearing position of the Company as compared with the position disclosed in the audited accounts contained in the annual report for the year ended 31 December 2020 in the event that the Repurchase Mandate were to be carried out in full. However, the Directors do not propose to exercise the repurchase of Shares to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

SHARE PRICES

The highest and lowest prices at which the Shares have traded on the Stock Exchange during each of the previous twelve months before the Latest Practicable Date were as follows:

	Highest	Lowest
	<i>HK\$</i>	<i>HK\$</i>
April 2020	0.119	0.090
May 2020	0.160	0.099
June 2020	0.147	0.109
July 2020	0.153	0.121
August 2020	0.163	0.121
September 2020	0.136	0.112
October 2020	0.123	0.104
November 2020	0.128	0.103
December 2020	0.120	0.103
January 2021	0.182	0.107
February 2021	0.168	0.138
March 2021	0.153	0.121
April 2021 (up to the Latest Practicable Date)	0.132	0.121

UNDERTAKING

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the power of the Company to make repurchases pursuant to the Repurchase Resolution and in accordance with the Listing Rules and the applicable laws of Bermuda.

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, their close associates, have any present intention to sell any Shares to the Company under the Repurchase Mandate if such is approved by the Shareholders.

No core connected persons (as defined in the Listing Rules) have notified the Company that they have a present intention to sell Shares to the Company, or have undertaken not to sell any of the Shares to the Company, in the event that the Repurchase Mandate is approved by the Shareholders.

TAKEOVERS CODE

If on the exercise of the power to repurchase Shares pursuant to the Repurchase Mandate, a shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, a shareholder or group of shareholders acting in concert could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, Aviation Industry Corporation of China, Ltd ("AVIC"), the ultimate holding company of the Company, and its associates are interested in 4,316,900,390 Shares, representing approximately 46.40% of the issued share capital of the Company. Based on such shareholding and in the event that the Repurchase Mandate is exercised in full, the interests of AVIC and its associates will be increased to approximately 51.56% of the issued Shares. The Directors are not aware of any consequences which may give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code. The Directors have no present intention to exercise the power to repurchase Shares pursuant to the Repurchase Mandate to the extent that would trigger such obligation.

In the event that the power to repurchase Shares pursuant to the Repurchase Resolution is exercised in full, the number of Shares held by the public would not fall below 25%.

SHARES REPURCHASE MADE BY THE COMPANY

The Company has not purchased any of its Shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.



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)

NOTICE IS HEREBY GIVEN that the annual general meeting of AVIC International Holding (HK) Limited (the “**Company**”) will be held at Monaco Room, Basement 1, Regal Hongkong Hotel, 88 Yee Wo Street, Causeway Bay, Hong Kong on Friday, 21 May 2021 at 11:00 a.m. for the following purposes:

1. To receive and consider the audited consolidated financial statements and the report of the directors (the “**Directors**”) and the independent auditor’s report of the Company for the year ended 31 December 2020.
2.
 - (a) To re-elect Mr. Lai Weixuan as executive Director;
 - (b) To re-elect Mr. Yu Xiaodong as executive Director;
 - (c) To re-elect Mr. Zhang Zhibiao as executive Director;
 - (d) To re-elect Mr. Huang Yongfeng as executive Director;
 - (e) To authorise the board (the “**Board**”) of Directors fix the remuneration of Directors.
3. To re-appoint Deloitte as the auditor of the Company and to authorise the Board to fix the remuneration of auditor.

4. As a special business, to consider and, if thought fit, pass with or without amendments, the following resolutions which will be proposed as ordinary resolutions of the Company:

ORDINARY RESOLUTIONS

A. **“THAT:**

- (a) subject to paragraph (b) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase its ordinary shares (the “**Shares**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or on any other stock exchange on which the securities of the Company may be listed and recognized by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;

- (b) the aggregate number of Shares which the Directors are authorised to repurchase pursuant to the approval in paragraph (a) above shall not exceed 10% of the total number of Shares in issue provided that if any subsequent consolidation or subdivision of Shares is effected, the maximum number of Shares that may be purchased pursuant to the approval in paragraph (a) above as a percentage of the total number of issued Shares immediately before and after such consolidation or subdivision shall be the same, and the maximum number of Shares that may be repurchased pursuant to the powers granted under such approval shall be adjusted to such extent accordingly; and

- (c) for the purposes of this Resolution,

“Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the applicable laws of Bermuda or the bye-laws of the Company to be held; and
- (iii) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting of the Company.

references to repurchase Shares include buy-back or purchases by agents or nominees on behalf of the Company or subsidiary of the Company.”

B. “THAT:

- (a) subject to paragraphs (b) and (c) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and dispose of additional (i) Shares; (ii) securities convertible into Shares; or (iii) options, warrants or similar rights to subscribe for Shares or such convertible securities, and to make or grant offers, agreements and options which would or might require such securities to be issued, allotted or disposed of, in exercise of such powers, be and is hereby generally and unconditionally approved;
- (b) the aggregate number of Shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); (ii) an issue of Shares as scrip dividends pursuant to the bye-laws of the Company from time to time; or (iii) an issue of Shares under any option scheme or similar arrangement for the time being adopted for the grant or issue of Shares or rights to acquire Shares, shall not exceed 20% of the total number of issued Shares as at the date of passing this Resolution;

- (c) if any subsequent consolidation or subdivision of Shares is effected, the maximum number of Shares that may be issued pursuant to the approval in paragraph (a) above as may be extended by Resolution No. 4C set out in the notice convening this meeting if so passed, as a percentage of the total number of issued Shares immediately before and after such consolidation or subdivision shall be the same, and the maximum number of Shares that may be allotted or issued under the powers granted under such approval shall be adjusted to such extent accordingly; and
- (d) the approval in this Resolution shall authorise the Directors during the Relevant Period (as hereinafter defined) to make or grant offers, agreements and options which would or might require the exercise of such powers to allot, issue or dispose of such securities as referred to in paragraph (a) above after the end of the Relevant Period and to make such allotment, issue and disposal under such offers, agreements and options;
- (e) for the purpose of this Resolution,

“Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the applicable laws of Bermuda or the bye-laws of the Company to be held; and
- (iii) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting of the Company.

“Rights Issue” means an offer of Shares open for a period fixed by the Directors to the holders of Shares on the register on a fixed record date in proportion to their then holdings of such Shares as at that date (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognized regulatory body or any stock exchange in any territory outside Hong Kong applicable to the Company).”

- C. “**THAT** subject to the passing of Resolutions No. 4A and No. 4B set out in the notice convening this meeting, the powers granted to the Directors to allot, issue and dispose of additional Shares and other securities of the Company pursuant to Resolution No. 4B set out in the notice convening this meeting be and is hereby extended by the addition thereto at such number of Shares repurchased under the powers granted pursuant to Resolution No. 4A set out in the notice convening this meeting, provided that the maximum number of shares of the Company so repurchased shall not exceed the limits in the said Resolution No. 4A.”
- 5 As a special business, to consider and, if thought fit, pass with or without amendments, the following resolution as a special resolution of the Company:

SPECIAL RESOLUTION

“**THAT** subject to and conditional upon the approval of the Registrar of Companies in Bermuda, the English name of the Company be changed from “AVIC International Holding (HK) Limited” to “Continental Aerospace Technologies Holding Limited” and the Chinese name “大陸航空科技控股有限公司” be adopted as a secondary name of the Company to replace its existing secondary name in Chinese “中國航空工業國際控股(香港)有限公司” (the “**Change of Company Name**”) and that any one Director be and is hereby authorised to do all such acts and things and execute all documents he considers necessary, desirable or expedient to effect and implement the Change of Company Name.”

By order of the Board
AVIC International Holding (HK) Limited
Kwok Chi Ho
Company Secretary

Hong Kong, 22 April 2021

As at the date hereof, the Board comprises Mr. Lai Weixuan, Mr. Huang Yongfeng, Mr. Zhang Zhibiao, Mr. Yu Xiaodong and Mr. Zhao Yang 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.

Notes:

1. For the purposes of holding the AGM, the register of members of the Company will be closed from Monday, 17 May 2021 to Friday, 21 May 2021, both days inclusive, during which period no transfer of shares will be registered, in order to determine the entitlement to attend and vote at the AGM. In order to be entitled to attend and vote at the AGM, unregistered holders of Shares should ensure that all transfers of shares accompanied by the relevant share certificates and properly completed transfer forms must be lodged for registration with the Company's Hong Kong branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong no later than 4:30 p.m. on Friday, 14 May 2021.
2. A member of the Company entitled to attend and vote at the meeting is entitled to appoint one or more proxies (if a member who is the holder of two or more shares of the Company) to attend and vote in his stead. A proxy need not be a member of the Company.
3. To be valid, the proxy form, together with any power of attorney or other authority (if any) under which it is signed, or a notarially certified copy thereof, must be lodged with the Company's Hong Kong branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the meeting i.e. Wednesday, 19 May 2021 at 11:00 a.m. (Hong Kong time) or any adjournment thereof. Completion and return of the form of proxy will not preclude a member from attending and voting at the meeting if the member so desires.
4. With regard to item 2 in this notice, the particulars of all retiring directors of the Company are set out in Appendix III of the circular to shareholders of the Company dated 22 April 2021.
5. With regard to item 4 in this notice, an explanatory statement containing details of Resolution No. 4 above is set out in Appendix I of the circular to shareholders of the Company dated 22 April 2021.
6. Where there are joint registered holders of any share(s), any one of such persons may vote at the meeting, either personally or by proxy, in respect of such share(s) as if he were solely entitled thereto; but if more than one of such joint holders be present at the meeting personally or by proxy, that one of the said persons so present whose name stands first on the register of members of the Company in respect of such share(s) shall alone be entitled to vote in respect thereof.
7. The voting on the above resolutions at the meeting will be conducted by way of a poll.
8. In compliance with the Hong Kong Government's directive on social distancing, personal and environmental hygiene, and the guidelines issued by the Centre for Health Protection of the Department of Health on the prevention of coronavirus disease 2019 ("COVID-19"), the Company will implement precautionary measures at the AGM. Shareholders are advised to read page i of the circular of the Company dated 22 April 2021 for details of the precautionary measures and monitor the development of COVID-19. Subject to the development of COVID-19, the Company may implement further changes and precautionary measures and may issue further announcement on such measures as appropriate.
9. In light of the continuing risks posed by the COVID-19 pandemic, the Company would like to encourage Shareholders to exercise their right to vote at the AGM by appointing the chairman of the AGM as their proxy instead of attending the AGM in person.
10. In case the venue is being closed on the date of the AGM due to COVID-19, the AGM shall stand adjourned to the same day in the next week and at such time and place as shall be decided by the board of the Directors. The Company will post an announcement on the Stock Exchange and the Company's website notifying Shareholders of the date, time and place of the adjourned meeting.

The following are the particulars of the Directors proposed to be re-elected at the AGM:

(A) Mr. Lai Weixuan

Mr. Lai Weixuan, aged 56, has been an executive Director since June 2015 and the Chairman of the Company and a member of the remuneration committee of the Company (the “**Remuneration Committee**”) since August 2019. He is a senior accountant, holding doctorate degree in Management of Tongji University and an EMBA of Guanghai School of Management, Peking University. Mr. Lai is now the chairman of AVIC International Holding Corporation (“**AVIC International**”) and AVIC International (HK) Group Limited. Mr. Lai joined AVIC International Shenzhen Company Limited (“**AVIC Shenzhen**”), a wholly owned subsidiary of AVIC International in 1983. He previously served as the deputy general manager of AVIC Shenzhen, the Chairman of Fiyta Holdings Limited (“**Fiyta**”), the deputy chairman of Tianma Microelectronics Co., Ltd. (“**Tianma**”) and the chairman of Rainbow Department Store Co., Ltd. (“**Rainbow Department Store**”). Fiyta, Tianma and Rainbow Department Store are companies listed on Shenzhen Stock Exchange. Mr. Lai has rich experience in finance and operation management, and once acted as an executive director of AVIC International Holdings Limited (“**AVIC IHL**”) from 2004 to 2012 and 2014 to 2020.

The Company has entered into service agreement with Mr. Lai. There is no length of service specified in the said service agreement. Mr. Lai is subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the Bye-laws. Mr. Lai’s emoluments, which are reviewed and approved by the Remuneration Committee in accordance with the Company’s remuneration policy in consideration of his duties and responsibilities within the Group, the Group’s performance and profitability and the market benchmark, comprising a director’s fee subject to review by the Board from time to time pursuant to the power conferred on it at annual general meetings of the Company and discretionary share options. Mr. Lai is entitled to receive a director’s fee of HK\$36,000 annually.

Save as disclosed above, Mr. Lai does not have any relationship with any Directors, senior management or substantial or controlling Shareholders of the Company and he did not hold any directorship in other listed public companies in the last three years. Mr. Lai does not hold any other position with the Company and other members of the Group.

As at the Latest Practicable Date, Mr. Lai did not have any interest in the Shares within the meaning of Part XV of the SFO.

Save as set out above, there is no other matter regarding the re-election of Mr. Lai which needs to be brought to the attention of the Shareholders and there is no other information needs to be disclosed pursuant to the requirement of Rule 13.51(2) of the Listing Rules.

(B) Mr. Yu Xiaodong

Mr. Yu Xiaodong, aged 48, has been an executive Director since August 2018. He obtained a Master's Degree in International Trade from University of International Business and Economics in 1997. He previously served as the project manager of AVIC International, the assistant general manager of AVIC International Harbin Company* (中航國際哈爾濱公司), the operations management vice director of the international cooperation department of AVIC International, the organisational performance director of the human resources department of AVIC International, the vice general manager of the human resources department of AVIC International and the general manager of the auditing department of AVIC International. He is also the director of six subsidiaries of the Group.

The Company has entered into service agreement with Mr. Yu for a term of three years. Mr. Yu is subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the Bye-laws. Mr. Yu's emoluments, which are reviewed and approved by the Remuneration Committee in accordance with the Company's remuneration policy in consideration of his duties and responsibilities within the Group, the Group's performance and profitability and the market benchmark, comprising a director's fee subject to review by the Board from time to time pursuant to the power conferred on it at annual general meetings of the Company and discretionary share options. Mr. Yu is entitled to receive a director's fee of HK\$36,000 annually.

Save as disclosed above, Mr. Yu does not have any relationship with any Directors, senior management or substantial or controlling Shareholders of the Company. Mr. Yu did not hold any directorship in other listed public companies in the last three years and does not hold any other position with the Company and other members of the Group.

As at the Latest Practicable Date, Mr. Yu did not have any interest in the Shares within the meaning of Part XV of the SFO.

Save as set out above, there is no other matter regarding the re-election of Mr. Yu which needs to be brought to the attention of the Shareholders and there is no other information needs to be disclosed pursuant to the requirement of Rule 13.51(2) of the Listing Rules.

(C) Mr. Zhang Zhibiao

Mr. Zhang Zhibiao, aged 47, has been an executive Director since August 2018. Mr. Zhang is currently the head of the operations management department of AVIC International. Mr. Zhang previously served as an executive director of AVIC Joy Holding (HK) Limited, a director of AVIC Sunda Holding Company Limited (“**AVIC Sunda**”) (中航善達股份有限公司), the president assistant of AVIC Securities Co., Ltd (中航證券有限公司)(formerly known as SouthChina Securities Co., Ltd.* (江南證券有限責任公司)), the head of SouthChina Financial Research Institute* (江南金融研究所) and the deputy office manager of the capital operation office of AVIC International. Mr. Zhang was also the office manager of international aviation business, the head of the administrative management department and the head of the planning and development department of AVIC International. Mr. Zhang has over 22 years of working experience in the areas of management, aviation business, strategic development, industries research, securities, investment and initial public offerings.

The Company has entered into service agreement with Mr. Zhang for a term of three years. Mr. Zhang is subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the Bye-laws. Mr. Zhang’s emoluments, which are reviewed and approved by the Remuneration Committee in accordance with the Company’s remuneration policy in consideration of his duties and responsibilities within the Group, the Group’s performance and profitability and the market benchmark, comprising a director’s fee subject to review by the Board from time to time pursuant to the power conferred on it at annual general meetings of the Company and discretionary share options. Mr. Zhang is entitled to receive a director’s fee of HK\$36,000 annually.

Save as disclosed above, Mr. Zhang does not have any relationship with any Directors, senior management or substantial or controlling Shareholders of the Company. Mr. Zhang did not hold any directorship in other listed public companies in the last three years and does not hold any other position with the Company and other members of the Group.

As at the Latest Practicable Date, Mr. Zhang did not have any interest in the Shares within the meaning of Part XV of the SFO.

Save as set out above, there is no other matter regarding the re-election of Mr. Zhang which needs to be brought to the attention of the Shareholders and there is no other information needs to be disclosed pursuant to the requirement of Rule 13.51(2) of the Listing Rules.

(D) Mr. Huang Yongfeng

Mr. Huang Yongfeng, aged 46, has been an executive Director and a member of nomination committee of the Company since January 2021. He obtained a Master degree in management engineering from Beihang University and an Executive Master of Business Administration degree from China Europe International Business School. Mr. Huang is currently the deputy general manager of AVIC International and the Chairman of FIYTA Precision Technology Co., Ltd., the shares of which are listed on the Shenzhen Stock Exchange, since September 2017. Mr. Huang was previously a Chairman and general manager of AVIC International Holding (Zhuhai) Co., Ltd., a general manager assistant of AVIC International, a deputy general manager, general manager assistant and a manager of corporate strategy and management department of AVIC Shenzhen and a board secretary of AVIC IHL. Further, he was also previously a director of each of AVIC Sunda, Rainbow Department Store and Tianma, which shares are listed and traded on the Shenzhen Stock Exchange. Mr. Huang was also previously a chairman of Castic-SMP Machinery Corp Ltd. Mr. Huang has extensive experience in financial management, investment and financing management, mergers and acquisitions, as well as aviation manufacturing and aviation operation areas. He is also the director of two subsidiaries of the Group.

The Company has entered into service agreement with Mr. Huang for a term of three years. Mr. Huang is subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the Bye-laws. Mr. Huang's emoluments, which are reviewed and approved by the Remuneration Committee in accordance with the Company's remuneration policy in consideration of his duties and responsibilities within the Group, the Group's performance and profitability and the market benchmark, comprising a director's fee subject to review by the Board from time to time pursuant to the power conferred on it at annual general meetings of the Company and discretionary share options. Mr. Huang is entitled to receive a director's fee of HK\$36,000 annually.

Save as disclosed above, Mr. Huang does not have any relationship with any Directors, senior management or substantial or controlling Shareholders of the Company. Mr. Huang did not hold any directorship in other listed public companies in the last three years and does not hold any other position with the Company and other members of the Group.

As at the Latest Practicable Date, Mr. Huang did not have any interest in the Shares within the meaning of Part XV of the SFO.

Save as set out above, there is no other matter regarding the re-election of Mr. Huang which needs to be brought to the attention of the Shareholders and there is no other information needs to be disclosed pursuant to the requirement of Rule 13.51(2) of the Listing Rules.