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中國航空科技工業股份有限公司

**AviChina Industry & Technology Company Limited\***

*(A joint stock limited company incorporated in the People's Republic of China with limited liability)*

**(Stock Code: 2357)**

**SECOND NOTICES OF ANNUAL GENERAL MEETING, H SHAREHOLDERS CLASS MEETING AND DOMESTIC SHAREHOLDERS CLASS MEETING**

**REFERENCES ARE MADE TO** the notices dated 11 April 2018 and the supplemental notices dated 8 June 2018 (collectively, the “**Original Notices**”) of the annual general meeting (the “**AGM**”), the class meeting of holders of H shares (the “**H Shareholders Class Meeting**”) and the class meeting of holders of domestic Shares (the “**Domestic Shareholders Class Meeting**”) of AviChina Industry & Technology Company Limited\* (the “**Company**”) to be held at 9:00 a.m., 9:30 a.m. (or immediately upon conclusion of the AGM and any adjournment thereof) and 10:00 a.m. (or immediately upon conclusion of the H Shareholders Class Meeting and any adjournment thereof), respectively, on Friday, 29 June 2018. Unless otherwise indicated, capitalized terms used in this announcement and the following resolutions shall have the same meanings as those defined in the circular of the Company dated 11 April 2018 and the Original Notices.

As at 8 June 2018, which is the deadline for the Shareholders who intend to attend the AGM, the H Shareholders Class Meeting and the Domestic Shareholders Class Meeting to return the reply slips, the number of Shares with voting rights represented by the Shareholders who intend to attend the AGM, the H Shareholders Class Meeting and the Domestic Shareholders Class Meeting, respectively, does not reach half of the total number of Shares with voting rights at each of the abovementioned meetings. Pursuant to the Articles of Association of the Company, the Company hereby re-announces the time, venue and the proposed resolutions of the AGM, the H Shareholders Class Meeting and the Domestic Shareholders Class Meeting, respectively, as follows.

**A. ANNUAL GENERAL MEETING**

- I. Time of the AGM: 9:00 a.m. on Friday, 29 June 2018.
- II. Venue of the AGM: Avic Hotel, No. 10 Yi, Central East Third Ring Road, Chaoyang District, Beijing, the PRC.

III. The proposed resolutions to be put forward at the AGM are as follows:

#### **ORDINARY RESOLUTIONS**

1. The resolution relating to the Report of the Board of the Company for the year ended 31 December 2017;
2. The resolution relating to the Report of the supervisory committee of the Company for the year ended 31 December 2017;
3. The resolution relating to the audited financial statements of the Company for the year ended 31 December 2017;
4. The resolution relating to the profit distribution plan (including distribution of 2017 final dividend) of the Company for the year ended 31 December 2017;
5. The resolution relating to the appointment of ShineWing (HK) CPA Ltd. and ShineWing Certified Public Accountant LLP, as the international and domestic auditors of the Company for the financial year 2018 respectively, and to determine their remuneration;
6. The resolution relating to the re-election of Mr. Tan Ruisong as an executive Director of the Company with a term of office commencing from the establishment of the sixth session of the Board until the date on which the term of the sixth session of the Board will expire, the grant of an authorisation to the executive Director of the Company to sign the relevant service contract on behalf of the Company with him and the grant of an authorisation to the remuneration committee of the Company to determine his remuneration;
7. The resolution relating to the new appointment of Mr. Chen Yuanxian as an executive Director of the Company with a term of office commencing from the establishment of the sixth session of the Board until the date on which the term of the sixth session of the Board will expire, the grant of an authorisation to the executive Director of the Company to sign the relevant service contract on behalf of the Company with him and the grant of an authorisation to the remuneration committee of the Company to determine his remuneration;
8. The resolution relating to the re-election of Mr. Li Yao as a non-executive Director of the Company with a term of office commencing from the establishment of the sixth session of the Board until the date on which the term of the sixth session of the Board will expire, the grant of an authorisation to the executive Director of the Company to sign the relevant service contract on behalf of the Company with him and the grant of an authorisation to the remuneration committee of the Company to determine his remuneration;
9. The resolution relating to the new appointment of Mr. Wang Xuejun as a non-executive Director of the Company with a term of office commencing from the establishment of the sixth session of the Board until the date on which the term of the sixth session of the Board will expire, the grant of an authorisation to the executive Director of the Company to sign the relevant service contract on behalf of the Company with him and the grant of an authorisation to the remuneration committee of the Company to determine his remuneration;
10. The resolution relating to the re-election of Mr. He Zhiping as a non-executive Director of

the Company with a term of office commencing from the establishment of the sixth session of the Board until the date on which the term of the sixth session of the Board will expire, the grant of an authorisation to the executive Director of the Company to sign the relevant service contract on behalf of the Company with him and the grant of an authorisation to the remuneration committee of the Company to determine his remuneration;

11. The resolution relating to the re-election of Mr. Patrick de Castelbajac as a non-executive Director of the Company with a term of office commencing from the establishment of the sixth session of the Board until the date on which the term of the sixth session of the Board will expire, the grant of an authorisation to the executive Director of the Company to sign the relevant service contract on behalf of the Company with him and the grant of an authorisation to the remuneration committee of the Company to determine his remuneration;
12. The resolution relating to the re-election of Mr. Liu Renhuai as an independent non-executive Director of the Company with a term of office commencing from the establishment of the sixth session of the Board until the date on which the term of the sixth session of the Board will expire, the grant of an authorisation to the executive Director of the Company to sign the relevant service contract on behalf of the Company with him and the grant of an authorisation to the remuneration committee of the Company to determine his remuneration;
13. The resolution relating to the new appointment of Mr. Wang Jianxin as an independent nonexecutive Director of the Company with a term of office commencing from the establishment of the sixth session of the Board until the date on which the term of the sixth session of the Board will expire, the grant of an authorisation to the executive Director of the Company to sign the relevant service contract on behalf of the Company with him and the grant of an authorisation to the remuneration committee of the Company to determine his remuneration;
14. The resolution relating to the new appointment of Mr. Liu Weiwu as an independent nonexecutive Director of the Company with a term of office commencing from the establishment of the sixth session of the Board until the date on which the term of the sixth session of the Board will expire, the grant of an authorisation to the executive Director of the Company to sign the relevant service contract on behalf of the Company with him and the grant of an authorisation to the remuneration committee of the Company to determine his remuneration;
15. The resolution relating to the re-election of Mr. Zheng Qiang as a Shareholder representative Supervisor of the Company with a term of office commencing from the establishment of the sixth session of the Supervisory Committee until the date on which the term of the sixth session of the Supervisory Committee will expire, the grant of an authorisation to the executive Director of the Company to sign the relevant service contract on behalf of the Company with him and the grant of an authorisation to the remuneration committee of the Company to determine his remuneration;
16. The resolution relating to the new appointment of Mr. Guo Guangxin as a Shareholder representative Supervisor of the Company with a term of office commencing from the establishment of the sixth session of the Supervisory Committee until the date on which the term of the sixth session of the Supervisory Committee will expire, the grant of an authorisation to the executive Director of the Company to sign the relevant service

contract on behalf of the Company with him and the grant of an authorisation to the remuneration committee of the Company to determine his remuneration;

17. The resolution(s) to be proposed at the AGM by shareholders holding 3% or more of the total number of the Company's shares carrying voting rights, if any, by way of ordinary resolution(s).

## **SPECIAL RESOLUTIONS**

18. To consider, and if thought fit, pass the following resolution on the proposed general mandate to issue Shares:

**“THAT:**

- (1) the Board be and is hereby granted, during the Relevant Period (as hereafter defined), an unconditional general mandate to issue, allot and/or deal with additional shares in the capital of the Company (whether Domestic Shares or H Shares), and to make or grant offers, agreements and options in respect thereof, subject to the following conditions:

- (a) such mandate shall not extend beyond the Relevant Period save that the Board may during the Relevant Period make or grant offers, agreements or options which might require the exercise of such powers after the end of the Relevant Period;
- (b) the aggregate nominal amount of the Domestic Shares and/or the H Shares to be allotted and issued or agreed conditionally or unconditionally to be allotted and issued (whether pursuant to an option or otherwise) by the Board other than pursuant to the share option scheme (if any) adopted by the Company for the grant or issue of shares of the Company, shall not exceed:
- i. 20 percent of the aggregate nominal amount of the Domestic Shares in issue; and/or
- ii. 20 percent of the aggregate nominal amount of the H Shares in issue, respectively,

in each case as at the date of passing of this resolution; and

- (c) the Board will only exercise its power under the general mandate in accordance with the Company Law and the Listing Rules (as each of them may be amended from time to time) and only if all necessary approvals from the China Securities Regulatory Commission and/or other relevant government authorities in the People's Republic of China are obtained;

and, for the purposes of this resolution:

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

- i. the conclusion of the next annual general meeting of the Company following the passing of this resolution; or

- ii. the date of expiration of the 12-month period following the passing of this resolution; or
  - iii. the date on which the authority granted to the Board set out in this resolution is revoked or varied by a special resolution of the Company in a general meeting.
- (2) contingent on the Board resolving to exercise the general mandate and/or issue shares pursuant to paragraph (1) of this resolution, the Board be and is hereby authorised:
- (a) to approve, execute and do, or procure to be executed and done all such documents, deeds and matters which it may consider necessary in connection with the exercise of the general mandate and/or the issue of shares, including but not limited to the time, price, quantity and place for such issue, to make all necessary applications to the relevant authorities, and to enter into underwriting agreement(s) or any other agreement(s);
  - (b) to determine the use of proceeds, and to make all necessary filings and registration with the relevant authorities in the People’s Republic of China, Hong Kong and/or other places and jurisdictions (as appropriate); and
  - (c) to increase the registered capital of the Company and make all necessary amendments to the Articles of Association to reflect such increase and to register the increased capital with the relevant authorities so as to reflect the new capital and/or share capital structure of the Company.”

19. To consider, and if thought fit, pass the following resolution on the proposed general mandate to repurchase Shares:

**“THAT:**

- (1) subject to paragraphs (2) and (3) below, the exercise by the Board during the Relevant Period (as defined in paragraph (4) below) of all the powers of the Company to repurchase Domestic Shares and/or H Shares in issue, subject to and in accordance with all applicable laws, rules and regulations and/or requirements of the governmental or regulatory body of securities in the PRC, the Stock Exchange or of any other governmental or regulatory body, is approved;
- (2) the aggregate nominal value of Domestic Shares or H Shares authorised to be repurchased pursuant to the approval in paragraph (1) above during the Relevant Period (as defined in paragraph (4) below) shall not exceed 10% of the aggregate nominal value of Domestic Shares or H Shares in issue, respectively, as at the date of the passing of this special resolution;
- (3) the approval in paragraph (1) above shall be conditional upon:
  - (a) the special resolution to be passed at each of the AGM, the Domestic Share Class Meeting and the H Share Class Meeting shall be of the same terms as the resolution set out in this paragraph (except for this sub-paragraph (3)(a));
  - (b) compliance with the relevant requirements of the Company Law and the

regulations of the regulatory authorities (including the Stock Exchange) of the place of listing of the Company as amended from time to time; and

- (c) the approval of or the filing with the State Administration of Foreign Exchange, China Securities Regulatory Commission and/or any other regulatory authorities (if applicable) as may be required by the laws, rules and regulations of the PRC has been obtained or made.
- (4) for the purpose of this special resolution, “**Relevant Period**” means the period from the passing of this special resolution in the AGM, the Domestic Share Class Meeting and the H Share Class Meeting until whichever is the earliest of:
- (a) the conclusion of the next annual general meeting of the Company following the passing of this special resolution;
  - (b) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or other applicable laws to be held;
  - (c) the date on which the authority conferred by this special resolution is revoked or varied by a special resolution of the Shareholders at a general meeting, by a special resolution of Domestic Shareholders at a class meeting for Domestic Shareholders or by a special resolution of H Shareholders at a class meeting for H Shareholders; or
  - (d) the date of expiration of a period of 12 months after this special resolution has been passed at each of the AGM, the Domestic Share Class Meeting and the H Share Class Meeting.
- (5) the Board is hereby authorised to:
- (a) formulate and implement specific repurchase plans, including but not limited to the repurchase price, the amount of repurchases, the timing and period for repurchases;
  - (b) notify creditors and publish announcements in accordance with the requirements of the Company Law, the Articles of Association and the relevant requirements of the Stock Exchange (if applicable) as amended from time to time;
  - (c) open a foreign stock account and complete the corresponding procedure of change in foreign exchange registration;
  - (d) perform the relevant approval procedure in accordance with the requirements of the regulatory authority and the place of listing, including filing with China Securities Regulatory Commission;
  - (e) complete the procedure for the cancellation of the repurchased Shares, the reduction of the Company’s registered capital, the amendment of the relevant clauses of the Articles of Association relating to, among other things, the total amount of share capital and structure of shareholding, and perform the relevant domestic and foreign registration and filing procedures according to the statutory requirements in the PRC and foreign regions; and

- (f) sign and execute other documents and complete other matters relevant to repurchases of Shares.

20. **“THAT:**

- (1) subject to the required approval or endorsement from or registration with the relevant regulatory authorities in the PRC, the proposed amendments to the Articles of Association of the Company be and are hereby approved and confirmed;
- (2) any one of the Directors or authorised representative of the chairman of the Board be and is hereby authorised to implement and take all steps and to do all acts and things as may be necessary or desirable to give effect to the proposed amendments to the Articles of Association of the Company, including, without limitation, to obtain all necessary approvals from the relevant regulatory authorities in the PRC, and to sign and execute such further documents, or to do any other matters incidental thereto and/or as contemplated thereunder, as such Director or authorised representative may in his absolute discretion deem fit; and
- (3) any one of the Directors or authorised representative of the chairman of the Board be and is hereby authorised to make such other modifications to the proposed amendments to the Articles of Association of the Company as may be required by the relevant regulatory authorities in the PRC.”

21. The resolution(s) to be proposed at the AGM by Shareholders holding 3% or more of the total number of the Company’s shares carrying voting rights, if any, by way of special resolution(s).

**B. H SHAREHOLDERS CLASS MEETING**

- I. Time of the H Shareholders Class Meeting: 9:30 a.m. (or immediately upon conclusion of the AGM and any adjournment thereof) on Friday, 29 June 2018.
- II. Venue of the H Shareholders Class Meeting: Avic Hotel, No. 10 Yi, Central East Third Ring Road, Chaoyang District, Beijing, the PRC.
- III. The proposed resolution to be put forward at the H Shareholders Class Meeting is as follows:

**SPECIAL RESOLUTION**

- 1. To consider, and if thought fit, pass the following resolution on the proposed general mandate to repurchase Shares:

**“THAT:**

- (1) subject to paragraphs (2) and (3) below, the exercise by the Board during the Relevant Period (as defined in paragraph (4) below) of all the powers of the Company to repurchase Domestic Shares and/or H Shares in issue, subject to and in accordance with all applicable laws, rules and regulations and/or requirements of the governmental or regulatory body of securities in the PRC, the Stock Exchange or of any other governmental or regulatory body, is approved;
- (2) the aggregate nominal value of Domestic Shares or H Shares authorised to be

repurchased pursuant to the approval in paragraph (1) above during the Relevant Period (as defined in paragraph (4) below) shall not exceed 10% of the aggregate nominal value of Domestic Shares or H Shares in issue, respectively, as at the date of the passing of this special resolution;

- (3) the approval in paragraph (1) above shall be conditional upon:
- (a) the special resolution to be passed at each of the AGM, the Domestic Share Class Meeting and the H Share Class Meeting shall be of the same terms as the resolution set out in this paragraph (except for this sub-paragraph (3)(a));
  - (b) compliance with the relevant requirements of the Company Law and the regulations of the regulatory authorities (including the Stock Exchange) of the place of listing of the Company as amended from time to time; and
  - (c) the approval of or the filing with the State Administration of Foreign Exchange, China Securities Regulatory Commission and/or any other regulatory authorities (if applicable) as may be required by the laws, rules and regulations of the PRC has been obtained or made.
- (4) for the purpose of this special resolution, “**Relevant Period**” means the period from the passing of this special resolution in the AGM, the Domestic Share Class Meeting and the H Share Class Meeting until whichever is the earliest of:
- (a) the conclusion of the next annual general meeting of the Company following the passing of this special resolution;
  - (b) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or other applicable laws to be held;
  - (c) the date on which the authority conferred by this special resolution is revoked or varied by a special resolution of the Shareholders at a general meeting, by a special resolution of Domestic Shareholders at a class meeting for Domestic Shareholders or by a special resolution of H Shareholders at a class meeting for H Shareholders; or
  - (d) the date of expiration of a period of 12 months after this special resolution has been passed at each of the AGM, the Domestic Share Class Meeting and the H Share Class Meeting.
- (5) the Board is hereby authorised to:
- (a) formulate and implement specific repurchase plans, including but not limited to the repurchase price, the amount of repurchases, the timing and period for repurchases;
  - (b) notify creditors and publish announcements in accordance with the requirements of the Company Law, the Articles of Association and the relevant requirements of the Stock Exchange (if applicable) as amended from time to time;
  - (c) open a foreign stock account and complete the corresponding procedure of change in foreign exchange registration;
  - (d) perform the relevant approval procedure in accordance with the requirements of the regulatory authority and the place of listing, including filing with China Securities



Regulatory Commission;

- (e) complete the procedure for the cancellation of the repurchased Shares, the reduction of the Company's registered capital, the amendment of the relevant clauses of the Articles of Association relating to, among other things, the total amount of share capital and structure of shareholding, and perform the relevant domestic and foreign registration and filing procedures according to the statutory requirements in the PRC and foreign regions; and
- (f) sign and execute other documents and complete other matters relevant to repurchases of Shares."

### **C. DOMESTIC SHAREHOLDERS CLASS MEETING**

- I. Time of the Domestic Shareholders Class Meeting: 10:00 a.m. (or immediately upon conclusion of the H Shareholders Class Meeting and any adjournment thereof) on Friday, 29 June 2018.
- II. Venue of the Domestic Shareholders Class Meeting: Avic Hotel, No. 10 Yi, Central East Third Ring Road, Chaoyang District, Beijing, the PRC.
- III. The proposed resolution to be put forward at the Domestic Shareholders Class Meeting is as follows:

### **SPECIAL RESOLUTION**

- 1. To consider, and if thought fit, pass the following resolution on the proposed general mandate to repurchase Shares:

**“THAT:**

- (1) subject to paragraphs (2) and (3) below, the exercise by the Board during the Relevant Period (as defined in paragraph (4) below) of all the powers of the Company to repurchase Domestic Shares and/or H Shares in issue, subject to and in accordance with all applicable laws, rules and regulations and/or requirements of the governmental or regulatory body of securities in the PRC, the Stock Exchange or of any other governmental or regulatory body, is approved;
- (2) the aggregate nominal value of Domestic Shares or H Shares authorised to be repurchased pursuant to the approval in paragraph (1) above during the Relevant Period (as defined in paragraph (4) below) shall not exceed 10% of the aggregate nominal value of Domestic Shares or H Shares in issue, respectively, as at the date of the passing of this special resolution;
- (3) the approval in paragraph (1) above shall be conditional upon:
  - (a) the special resolution to be passed at each of the AGM, the Domestic Share Class Meeting and the H Share Class Meeting shall be of the same terms as the resolution set out in this paragraph (except for this sub-paragraph (3)(a));
  - (b) compliance with the relevant requirements of the Company Law and the regulations of the regulatory authorities (including the Stock Exchange) of the place of listing of the Company as amended from time to time; and

- (c) the approval of or the filing with the State Administration of Foreign Exchange, China Securities Regulatory Commission and/or any other regulatory authorities (if applicable) as may be required by the laws, rules and regulations of the PRC has been obtained or made.
- (4) for the purpose of this special resolution, “**Relevant Period**” means the period from the passing of this special resolution in the AGM, the Domestic Share Class Meeting and the H Share Class Meeting until whichever is the earliest of:
  - (a) the conclusion of the next annual general meeting of the Company following the passing of this special resolution;
  - (b) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association or other applicable laws to be held;
  - (c) the date on which the authority conferred by this special resolution is revoked or varied by a special resolution of the Shareholders at a general meeting, by a special resolution of Domestic Shareholders at a class meeting for Domestic Shareholders or by a special resolution of H Shareholders at a class meeting for H Shareholders; or
  - (d) the date of expiration of a period of 12 months after this special resolution has been passed at each of the AGM, the Domestic Share Class Meeting and the H Share Class Meeting.
- (5) the Board is hereby authorised to:
  - (a) formulate and implement specific repurchase plans, including but not limited to the repurchase price, the amount of repurchases, the timing and period for repurchases;
  - (b) notify creditors and publish announcements in accordance with the requirements of the Company Law, the Articles of Association and the relevant requirements of the Stock Exchange (if applicable) as amended from time to time;
  - (c) open a foreign stock account and complete the corresponding procedure of change in foreign exchange registration;
  - (d) perform the relevant approval procedure in accordance with the requirements of the regulatory authority and the place of listing, including filing with China Securities Regulatory Commission;
  - (e) complete the procedure for the cancellation of the repurchased Shares, the reduction of the Company’s registered capital, the amendment of the relevant clauses of the Articles of Association relating to, among other things, the total amount of share capital and structure of shareholding, and perform the relevant domestic and foreign registration and filing procedures according to the statutory requirements in the PRC and foreign regions; and
  - (f) sign and execute other documents and complete other matters relevant to repurchases of Shares.”

For other information of the AGM, the H Shareholders Class Meeting and the Domestic Shareholders Class Meeting, please refer to the circular dated 11 April 2018 and the Original

Notices published by the Company on the websites of HKExnews (<http://www.hkexnews.hk>) and of the Company (<http://www.avichina.com>), respectively.

By Order of the Board  
***AviChina Industry & Technology Company  
Limited\****  
**Xu Bin**  
*Company Secretary*

Beijing, 13 June 2018

*As at the date of this announcement, the Board comprises executive Director Mr. Lin Zuoming, nonexecutive Directors Mr. Tan Ruisong, Mr. Wu Xiandong, Mr. Li Yao, Mr. He Zhiping and Mr. Patrick de Castelbajac as well as independent non-executive Directors Mr. Lau Chung Man, Louis, Mr. Liu Renhuai and Mr. Yeung Chi Wai.*

*\* For identification purposes only*