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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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**If you are in any doubt** about any of the contents of this circular or as to what action to take in relation to this circular, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in **AviChina Industry & Technology Company Limited**, you should at once hand this circular and the enclosed proxy form and reply slip to the purchaser(s) or the transferee(s) or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or the transferee(s).

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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)**

- (1) PROPOSED RE-ELECTION AND NEW APPOINTMENT OF DIRECTORS AND SHAREHOLDER REPRESENTATIVE SUPERVISORS;**  
**(2) PROPOSED GENERAL MANDATE TO ISSUE SHARES;**  
**(3) PROPOSED DISTRIBUTION OF 2017 FINAL DIVIDEND;**  
**(4) PROPOSED GENERAL MANDATE TO REPURCHASE SHARES; AND**  
**NOTICE OF ANNUAL GENERAL MEETING**  
**NOTICE OF CLASS MEETING FOR HOLDERS OF H SHARES**  
**NOTICE OF CLASS MEETING FOR HOLDERS OF DOMESTIC SHARES**
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The notices convening the AGM, the H Share Class Meeting and the Domestic Share Class Meeting of AviChina Industry & Technology Company Limited\* 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 Share Class Meeting and any adjournment thereof), respectively, on Friday, 18 May 2018 at Avic Hotel, No. 10 Yi, Central East Third Ring Road, Chaoyang District, Beijing, the People's Republic of China are set out on pages 18 to 26, pages 27 to 30 and pages 31 to 34 of this circular, respectively.

Reply slips and forms of proxy for use at the AGM, H Share Class Meeting and Domestic Share Class Meeting are enclosed and are also published on the website of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)). Shareholders who intend to attend the AGM, H Share Class Meeting and/or Domestic Share Class Meeting shall complete and return the reply slip(s) in accordance with the instructions printed thereon on or before Friday, 27 April 2018. Shareholders who intend to appoint a proxy to attend the AGM, H Share Class Meeting and/or Domestic Share Class Meeting shall complete and return the enclosed form(s) of proxy in accordance with the instructions printed thereon not less than 24 hours before the time fixed for the holding of such meeting(s) or any adjournment thereof (as the case may be). Completion and return of the form(s) of proxy will not preclude you from attending the AGM, H Share Class Meeting and/or Domestic Share Class Meeting or any adjournment thereof (as the case may be) and voting in person if you so wish.

11 April 2018

\* For identification purpose only

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## DEFINITIONS

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*In this circular, unless the context otherwise requires, the following terms and expressions shall have the following meanings:*

“AGM”	the annual general meeting of the Company to be held at 9:00 a.m. on Friday, 18 May 2018 at Avic Hotel, No. 10 Yi, Central East Third Ring Road, Chaoyang District, Beijing, the People’s Republic of China
“Articles of Association”	the articles of association of the Company (as amended from time to time)
“AVIC”	Aviation Industry Corporation of China, Ltd. (中國航空工業集團有限公司), a controlling shareholder of the Company holding directly and indirectly 58.57% equity interest of the Company as of the Latest Practicable Date
“AVIC II”	China Aviation Industry Corporation II (中國航空工業第二集團公司), a former controlling shareholder of the Company and predecessor of AVIC
“Board”	the board of directors of the Company
“Class Meeting(s)”	H Share Class Meeting and/or Domestic Share Class Meeting
“Company”	AviChina Industry & Technology Company Limited* (中國航空科技工業股份有限公司), a joint stock limited liability company incorporated in the PRC, whose H Shares are listed on the Hong Kong Stock Exchange
“Company Law”	the Company Law of the PRC (as amended from time to time)
“Director(s)”	the director(s) of the Company
“Domestic Share Class Meeting”	the class meeting for holders of the Domestic Shares to be held at 10:00 a.m. (or immediately upon conclusion of the H Share Class Meeting and any adjournment thereof) on the same date and at the same place to consider and approve the Repurchase General Mandate
“Domestic Shareholder(s)”	holder(s) of the domestic share(s)
“Domestic Share(s)”	the ordinary domestic share(s) of nominal value of RMB1.00 each in the share capital of the Company which are subscribed for or credited as fully paid in RMB by PRC nationals and/or PRC corporate entities

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## DEFINITIONS

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“Group”	the Company and its subsidiaries
“H Share Class Meeting”	the class meeting for holders of the H Shares to be held at 9:30 a.m. (or immediately upon conclusion of the AGM and any adjournment thereof) on the same date and at the same place to consider and approve the Repurchase General Mandate
“H Shareholder(s)”	holder(s) of the H Share(s)
“H Share(s)”	overseas listed foreign invested shares with a nominal value of RMB1.00 each in the ordinary share capital of the Company, which are traded in HK dollars and listed on the Stock Exchange
“HK\$” or “HK dollars”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Issue General Mandate”	a general and unconditional mandate proposed to be granted to the Directors at the AGM to exercise all powers of the Company to issue, allot or otherwise deal with additional Shares (whether Domestic Shares or H Shares) representing up to the limit of 20% of the aggregate nominal values of the Domestic Shares and/or H Shares in issue as at the date of approving the Issue General Mandate Resolution at the AGM
“Issue General Mandate Resolution”	the special resolution to be proposed to the Shareholders at the AGM in relation to the granting of the Issue General Mandate to the Board
“Latest Practicable Date”	Thursday, 29 March 2018, 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 of Hong Kong Limited (as amended from time to time)
“PRC”	the People’s Republic of China

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## DEFINITIONS

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“Repurchase General Mandate ”	a general and unconditional mandate proposed to be granted to the Directors at the AGM, H Share Class Meeting and Domestic Share Class Meeting to exercise all powers of the Company to repurchase or otherwise deal with the Shares (whether Domestic Shares or H Shares) representing up to the limit of 10% of the aggregate nominal values of the Domestic Shares and/or H Shares in issue as at the date of approving the Repurchase General Mandate Resolution at the AGM, H Share Class Meeting and Domestic Share Class Meeting
“Repurchase General Mandate Resolution”	the special resolution to be proposed to the Shareholders at the AGM, H Share Class Meeting and Domestic Share Class Meeting in relation to the granting of the Repurchase General Mandate to the Board
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong) (as amended from time to time)
“Shareholder(s)”	holder(s) of Domestic Shares and holder(s) of H Shares
“Shares”	Domestic Shares and H Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Supervisor(s)”	the supervisor(s) of the Company
“Supervisory Committee”	the supervisory committee of the Company
“Takeovers Code”	the Hong Kong Codes on Takeovers and Mergers (as amended from time to time)
“%”	percent

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## LETTER FROM THE BOARD

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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)

*Executive Director:*

Mr. Lin Zuoming

*Non-executive Directors:*

Mr. Tan Ruisong

Mr. Wu Xiandong

Mr. Li Yao

Mr. He Zhiping

Mr. Patrick de Castelbajac

*Independent non-executive Directors:*

Mr. Lau Chung Man, Louis

Mr. Liu Renhuai

Mr. Yeung Chi Wai

*Registered Office:*

8th Floor, Tower 2

No. 5A Rongchang East Street

Beijing Economic-Technological

Development Area

Beijing, PRC

*Principal place of business*

*in Hong Kong:*

Unit 2202A, 22th Floor,

Fairmont House

8 Cotton Tree Drive Central

Hong Kong

11 April 2018

*To the Shareholders:*

Dear Sir or Madam,

- (1) PROPOSED RE-ELECTION AND NEW APPOINTMENT OF DIRECTORS AND SHAREHOLDER REPRESENTATIVE SUPERVISORS;**
  - (2) PROPOSED GENERAL MANDATE TO ISSUE SHARES;**
  - (3) PROPOSED DISTRIBUTION OF 2017 FINAL DIVIDEND;**
  - (4) PROPOSED GENERAL MANDATE TO REPURCHASE SHARES; AND**
- NOTICE OF ANNUAL GENERAL MEETING**  
**NOTICE OF CLASS MEETING FOR HOLDERS OF H SHARES**  
**NOTICE OF CLASS MEETING FOR HOLDERS OF DOMESTIC SHARES**

#### INTRODUCTION

The purpose of this circular is to provide you with the notice of the AGM, the notice of the H Share Class Meeting and the notice of the Domestic Share Class Meeting, and to provide you with all the information reasonably necessary to enable you to make informed decisions on whether to vote for or against the proposed resolution(s) at the AGM, the H Share Class Meeting and/or the Domestic Share Class Meeting.

\* For identification purpose only

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## LETTER FROM THE BOARD

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### **PROPOSED RE-ELECTION AND NEW APPOINTMENT OF DIRECTORS AND SHAREHOLDER REPRESENTATIVE SUPERVISORS**

According to the Articles of Association, the Board shall consist of nine Directors, including three independent non-executive Directors, and the Supervisory Committee shall consist of three Supervisors, including two Shareholder representative Supervisors and one employee representative Supervisor.

As the terms of all Directors of the fifth session of the Board and all Supervisors of the fifth session of the Supervisory Committee will expire at the AGM, the Company proposes that, members of the sixth session of the Board and the sixth session of the Supervisory Committee (with respect to Shareholder representative Supervisors) shall be elected at the AGM. The employee representative Supervisor has been elected separately by the general meeting of employees of the Company.

The terms of the Directors of the sixth session of the Board and the Supervisors of the sixth session of the Supervisory Committee shall be three years, commencing from the date on which the sixth session of the Board or the Supervisory Committee is established, respectively, which shall be the date of conclusion of the AGM.

Pursuant to the Articles of Association, Directors and Supervisors are eligible for re-election on expiration of their respective terms, and the re-election shall be approved by resolutions passed by more than half of the voting rights represented by the Shareholders (or their proxies) present at the general meeting of the Company. Therefore, the proposed re-election and new appointment of Directors and Shareholder representative Supervisors will be submitted for the Shareholders' consideration and approval at the AGM.

### **DIRECTORS**

Certain members of the fifth session of the Board, namely Mr. Lin Zuoming (executive Director), Mr. Tan Ruisong (non-executive Director), Mr. Li Yao (non-executive Director), Mr. He Zhiping (non-executive Director), Mr. Patrick de Castelbajac (non-executive Director) and Mr. Liu Renhuai (independent non-executive Director), have been nominated as candidates for re-election as Directors of the sixth session of the Board.

The remaining members of the fifth session of the Board, namely Mr. Wu Xiandong (non-executive Director), Mr. Lau Chung Man, Louis (independent non-executive Director) and Mr. Yeung Chi Wai (independent non-executive Director) have confirmed that they will not stand for re-election as Directors of the sixth session of the Board after expiry of their respective terms, and have confirmed to the Company that they have no disagreement with the Board and there is no matter that needs to be brought to the attention of the Shareholders in respect of their cessation of office.

The Board would like to express its sincere gratitude for the contributions that Mr. Wu Xiandong, Mr. Lau Chung Man, Louis and Mr. Yeung Chi Wai have made for the Company during their terms of service.

The Board is pleased to announce that, Mr. Lin Zuoming, Mr. Tan Ruisong, Mr. Chen Yuanxian, Mr. Li Yao, Mr. He Zhiping, Mr. Patrick de Castelbajac, Mr. Liu Renhuai, Mr. Li Xianzong and Mr. Liu Weiwu have been nominated as the candidates for new members of the sixth session of the Board as executive Director, executive Director, executive Director, non-executive Director, non-executive Director, non-

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## **LETTER FROM THE BOARD**

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executive Director, independent non-executive Director, independent non-executive Director and independent non-executive Director, respectively, each for a term of three years commencing from the date on which the sixth session of the Board is established, which shall be the date of conclusion of the AGM.

For biographical details and other information of the candidates for Directors of the sixth session of the Board, please refer to Appendix I to this circular.

### **SUPERVISORS**

Member of the fifth session of the Supervisory Committee, namely Mr. Zheng Qiang, has been nominated by the Shareholders as a candidate for re-election as a Shareholder representative Supervisor of the sixth session of the Supervisory Committee for a term of three years commencing from the date on which the sixth session of the Supervisory Committee is established, which shall be the date of conclusion of the AGM.

Remaining members of the fifth session of the Supervisory Committee, namely, Mr. Liu Fumin and Ms. Li Jing have confirmed that they will not stand for re-election as Supervisors of the sixth session of the Supervisory Committee after expiry of their respective terms, and have confirmed to the Company that they have no disagreement with the Board and the Supervisory Committee and there is no matter that needs to be brought to the attention of the Shareholders in respect of their cessation of office.

The Company would like to express its sincere gratitude to Mr. Liu Fumin and Ms. Li Jing for their valuable contribution to the Company during their terms of service.

Mr. Guo Guangxin has been nominated by the Shareholders as a candidate as a Shareholder representative Supervisor of the sixth session of the Supervisory Committee, and Mr. Shi Shiming has been elected by the general meeting of employees of the Company as the employee representative Supervisor of the sixth session of the Supervisory Committee, both for a term of three years commencing from the date on which the sixth session of the Supervisory Committee is established, which shall be the date of conclusion of the AGM. For biographical details of Mr. Shi Shiming, please refer to the announcement of the Company dated 16 March 2018.

For biographical details and other information of the candidates for Shareholder representative Supervisor of the sixth session of the Supervisory Committee, please refer to Appendix I to this circular.

### **PROPOSED GENERAL MANDATE TO ISSUE SHARES**

In order to provide the Board with flexibility and discretion to issue new Shares, the Company proposed to grant the Issue General Mandate to the Board to allot, issue and deal with additional Domestic Shares and/or H Shares of the Company up to the limit of 20% of the aggregate nominal values of the Domestic Shares and/or H Shares respectively in issue as at the date of passing the Issue General Mandate Resolution at the AGM. As at the Latest Practicable Date, the issued share capital of the Company comprised 3,609,687,934 Domestic Shares and 2,356,433,902 H Shares. Subject to the passing of the Issue General Mandate Resolution at the AGM and on the basis that no further Shares are issued before the AGM, the Company will be allowed to issue a maximum of 721,937,586 Domestic Shares and/or 471,286,780 H Shares.



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## LETTER FROM THE BOARD

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The Issue General Mandate shall be effective until whichever is the earliest of: (i) the conclusion of the next annual general meeting of the Company following the passing of the Issue General Mandate Resolution at the AGM; or (ii) the expiration of the 12-month period following the passing of the Issue General Mandate Resolution at the AGM; or (iii) the revocation or variation of the authorisation given under the Issue General Mandate Resolution by a special resolution of the Company in a general meeting. Any exercise of the power by the Board under the Issue General Mandate shall comply with the relevant requirements of the Listing Rules, the Articles of Association and the applicable laws and regulations of the PRC. As at the Latest Practicable Date, the Board had no plan to issue new Shares pursuant to the Issue General Mandate. The proposal on granting the Issue General Mandate to issue Shares is subject to the Shareholders' approval by a special resolution at the AGM.

### **PROPOSED DISTRIBUTION OF 2017 FINAL DIVIDEND**

The Board recommended the payment of a final dividend for the year 2017 in an aggregate amount of RMB178,983,655.08, representing a dividend of RMB0.03 per Share (2016: RMB0.02 per Share), calculated based on the existing number of total issued Shares of 5,966,121,836 Shares as at the Latest Practicable Date, which is subject to adjustment based on the number of the total issued Shares of the Company as at the Record Date (as defined below). The proposed distribution of 2017 final dividend is subject to the Shareholders' approval by way of an ordinary resolution at the AGM.

The 2017 final dividend will be paid to those Shareholders whose names appear on the Company's register of members at the close of business on Wednesday, 30 May 2018 (the "**Record Date**"). To determine the identity of the Shareholders entitled to receive the final dividend, the Company's register of members will be closed from Friday, 25 May 2018 to Wednesday, 30 May 2018 (both days inclusive), during which period no transfer of H Shares will be registered. In order to be entitled to receive the final dividend, all transfer instruments accompanied by the relevant share certificates must be lodged with Computershare Hong Kong Investor Services Limited, the Company's H Shares registrar, not later than 4:30 p.m. on Thursday, 24 May 2018, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queens' Road East, Wanchai, Hong Kong.

In accordance with Article 152 of the Articles of Association, the dividend will be declared in RMB to the Shareholders. The dividend payable to the holders of Domestic Shares will be paid in RMB within three months after the dividend declaration date. The dividend payable to holders of H Shares is calculated and declared in RMB and will be paid in HK\$ within three months after the dividend declaration date. The amount denominated in HK\$ will be converted based on the average closing conversion rate between RMB and HK\$ issued by the People's Bank of China for the five working days prior to the declaration of dividends at the AGM on 18 May 2018. Subject to the approval of the Shareholders at the AGM, the aforementioned dividend is expected to be paid on or before 18 August 2018.

### **PROPOSED GENERAL MANDATE TO REPURCHASE SHARES**

In order to provide the Board with flexibility and discretion to repurchase Domestic Shares and/or H Shares at the appropriate time, the Company proposed to grant the Repurchase General Mandate to the Board by way of a special resolution considered and approved at the AGM and Class Meetings respectively,

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## LETTER FROM THE BOARD

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to repurchase Domestic Shares and/or H Shares of the Company up to the limit of 10% of the aggregate nominal values of the Domestic Shares and/or H Shares respectively in issue as at the date of passing the Repurchase General Mandate Resolution under the conditions as set out at the AGM and Class Meetings.

Explanatory statement in relation to the Repurchase General Mandate is set out in Appendix II to this circular.

### AGM AND CLASS MEETINGS

The notices convening the AGM, the H Share Class Meeting and the Domestic Share Class Meeting of AviChina Industry & Technology Company Limited\* 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 Share Class Meeting and any adjournment thereof), respectively, on Friday, 18 May 2018 at Avic Hotel, No. 10 Yi, Central East Third Ring Road, Chaoyang District, Beijing, the People's Republic of China are set out on pages 18 to 25, pages 26 to 29 and pages 30 to 33 of this circular, respectively.

Reply slips and forms of proxy for use at the AGM, H Share Class Meeting and Domestic Share Class Meeting are enclosed and are also published on the website of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)). Shareholders who intend to attend the AGM, H Share Class Meeting and/or Domestic Share Class Meeting shall complete and return the reply slip(s) in accordance with the instructions printed thereon on or before Friday, 27 April 2018. Shareholders who intend to appoint a proxy to attend the AGM, H Share Class Meeting and/or Domestic Share Class Meeting shall complete and return the enclosed form(s) of proxy in accordance with the instructions printed thereon not less than 24 hours before the time fixed for the holding of such meeting(s) or any adjournment thereof (as the case may be). Completion and return of the form(s) of proxy will not preclude you from attending the AGM, H Share Class Meeting and/or Domestic Share Class Meeting or any adjournment thereof (as the case may be) and voting in person if you so wish.

The resolution(s) to be approved at the AGM, H Share Class Meeting and Domestic Share Class Meeting will be voted by way of poll. The poll results announcement of the above meetings will be published on the website of the Stock Exchange and the website of the Company.

### RECOMMENDATION

The Board considers that the resolution(s) as set out in the notice of the AGM, H Share Class Meeting and Domestic Share Class Meeting are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends all Shareholders to vote in favour of such resolution(s) to be proposed at the AGM, H Share Class Meeting and Domestic Share Class Meeting.

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

\* For identification purpose only

**BIOGRAPHICAL DETAILS OF DIRECTORS TO BE RE-ELECTED AND NEWLY APPOINTED****Executive Directors*****Mr. Lin Zuomin (林左鳴)***

60, a doctorate degree holder and researcher. Mr. Lin is also the chairman of the board of AVIC. He graduated from Nanjing University of Aeronautics and Astronautics in 1982 majoring in engine design, and received his Ph.D. degree in administrative engineering from Beijing University of Aeronautics and Astronautics in 2006. Mr. Lin commenced his career in aviation industry in July 1982, and used to be a staff and deputy director of Human Resource Division, deputy director of Engineering and Technology Division, deputy director-general of Technical Research Institute, deputy chief engineer, vice general manager, general manager and chairman of the board of Chengdu Engine Co., Ltd.; general manager of Shenyang Liming Aero-Engine (Group) Corporation Ltd. since October 1998; vice general manager of AVIC I and chairman and general manager of Shenyang Liming Aero-Engine (Group) Corporation Ltd. in July 2001; general manager of AVIC I since May 2006 and general manager of AVIC from July 2008 to March 2012. Mr. Lin also serves as vice chairman of the board of Commercial Aircraft Corporation of China, Ltd., chairman of the board of Chinese Aeronautical Establishment, and president of Chinese Society of Aeronautics and Astronautics. Mr. Lin has been appointed as the chairman of the Board and executive director since October 2008, the chairman of the development and strategy committee of the Company since December 2008 and the chairman of the nomination committee of the Company since March 2012.

***Mr. Tan Ruisong (譚瑞松)***

56, a doctorate degree holder and a researcher level senior engineer. Mr. Tan is also the general manager of AVIC. He graduated from Beijing University of Aeronautics and Astronautics in 1983 with a bachelor degree majoring in manufacture and design of engines, and received his master degree in shipping and ocean engineering and Ph.D. degree in management science and engineering from Harbin Engineering University in 2002 and 2006, respectively. Mr. Tan commenced his career in aviation industry in July 1983, and used to be the deputy chief engineer and deputy general manager of Harbin Dongan Engine Manufacturing Company, the general manager of Harbin Dongan Auto Engine Co., Ltd., member and vice chairman of the board and the general manager of Harbin Dongan Engine (Group) Co., Ltd., the chairman of the board of Harbin Aviation Industry (Group) Co., Ltd, and vice general manager of AVIC. Mr. Tan is also vice chairman of the board of Chinese Aeronautical Establishment. Mr. Tan has been appointed as a Director of the Company since June 2005, the vice chairman of the Board and executive Director since June 2006 and the vice chairman of the Board, executive Director and general manager of the Company since October 2008. In August 2016, Mr. Tan resigned as the general manager of the Company, and became a non-executive Director of the Company.

***Mr. Chen Yuanxian (陳元先)***

57, a doctorate degree holder and researcher. Mr. Chen is also a vice general manager of AVIC. Mr. Chen graduated from Nanjing University of Aeronautics and Astronautics with a bachelor degree majoring in man-machine engineering in 1982 and graduated from Beijing University of Aeronautics and Astronautics

with a master degree and a doctorate degree majoring in man-machine engineering in 1988 and 1998, respectively. He commenced his career in the aviation industry since 1982 and used to be a technician, vice department director, deputy chief engineer and chief engineer of China Research Institute of Aero-Accessories. He had been the director of China Research Institute of Aero-Accessories since February 2000; director-general of Airborne Equipment Department of AVIC I since February 2003; deputy chief engineer of AVIC I since June 2007; deputy chief economist of AVIC, director of Strategic Planning Department in September 2008. In March 2013, he was appointed as a director and chief economist of AVIC. He has been the vice general manager of AVIC since January 2017. Mr. Chen was a non-executive Director of the Company from June 2009 to May 2012. From March 2014 to May 2017, Mr. Chen was successively appointed as the vice general manager & chief financial officer and the general manager & chief financial officer of the Company. Mr. Chen was appointed as the general manager of the Company in March 2018.

**Non-executive Directors*****Mr. Li Yao (李耀)***

52, a researcher level senior accountant. Mr. Li is also the chief accountant of AVIC. Mr. Li graduated from Beijing University of Aeronautics and Astronautics and received master's degree from Tsinghua University. Mr. Li commenced his career in aviation industry since July 1986. He had served as the deputy director of the Financial & Audit Department of AVIC II, the chairman of Jiangxi Changhe Automobile Co., Ltd., the director, the general manager and the chairman of AVIC Assets Management Division, the director of the Planning and Finance Department of AVIC and the deputy chief accountant of AVIC. Mr. Li had been the vice general manager & chief financial officer of the Company from April 2003 to April 2010.

***Mr. He Zhiping (何志平)***

53, studied at the China Textile University (currently known as Donghua University) in Mechanical Engineering in 1979 and graduated with a master degree in engineering in 1986. Since 1987, Mr. He served as the assistant to the general manager of the United Rail Ltd, Shenzhen Branch of China Nonferrous Metals Company, the assistant to the general manager and vice general Manager of Hainan Sanya Huaya Enterprise Group Corporation, a director of China Great Wall Securities, LLC. He is currently the chairman of the board of China Wall King Holding Co., Ltd.). Mr. He also serves social functions such as the vice president of the Revolutionary Area Development Association of Jiangxi Province, Executive Vice President of Gan General Chamber of Commerce and the Council of Donghua University. Mr. He has been appointed as a non-executive Director of the Company since August 2016.

***Mr. Patrick de Castelbajac***

47, has a DESS (advanced post-graduate diploma) in Business and Tax Law from the University of Bordeaux, and a DEA (advanced post-graduate diploma) in Comparative Law from the Sorbonne University and Paris II Assas. Mr. Castelbajac successively worked at MBDA and Baker & McKenzie from 1997. He joined Airbus in 2002 and was successively appointed as vice president of legal affairs for purchasing and intellectual property, vice president of contract of the commercial division, head of negotiations for the sales

of commercial aircraft and deputy contracts director. Mr. Patrick de Castelbajac was appointed as chief executive officer of ATR in June 2014. In December 2016, Mr. Castelbajac came back to Airbus as a member of the executive committee, becoming secretary-general of Airbus Commercial Aircraft and executive vice president in charge of international and strategic affairs of Airbus Group.

#### **Independent non-executive Directors**

##### ***Mr. Li Xianzong (李現宗)***

61, is a senior member of Accounting Society of China, one of the first batch of senior non-practicing senior members of the Chinese Institute of Certified Public Accountants, and one of the first batch of chief accounting expert of the Finance Bureau of Henan Province. Mr. Li graduated from Zhengzhou Institute of Aeronautical Industry Management in 1982 and graduated from Tianjin Finance and Economics Academy in 1996 with a master degree majoring in accounting. Mr. Li was an independent director of AVIC Guizhou Guihang Automotive Components Co., Ltd. Mr. Li is also a member of the Management Accounting And Application Professional Committee of Accounting Society of China, vice chairman of the Accounting Society of Henan Province and a standing director of Henan Institute of Certified Public Accountants. Mr. Li was an independent non-executive Director of the Company from December 2004 to June 2014, and was the chairman of the audit committee of the Company and a member of the remuneration committee and the nomination committee of the Company during certain period of his service as an independent non-executive Director.

##### ***Mr. Liu Renhuai (劉人懷)***

77, an academician of the Chinese Academy of Engineering, graduated from Lanzhou University in 1963. He was elected as academician of the division of mechanical and vehicle technology of Chinese Academy of Engineering in 1999 and one of the first academicians of the division of engineering management of Chinese Academy of Engineering in 2000. He used to work as the president of Jinan University, deputy director of the division of engineering management of Chinese Academy of Engineering, director of the guiding committee on education of mechanics for colleges and universities of the Ministry of Education, director of the management department of the Science & Technology Commission of Ministry of Education, chairman of Chinese Vibration Engineering Society, vice chairman of Chinese Mechanics Society and vice chairman of Chinese Society for Composite Materials from 1995 to 2016. He is currently a professor and a board member of Jinan University, director of the institute of applied mechanics, and director of the research center of strategic management of Jinan University. Mr. Liu was appointed as a non-executive director of Sino-Tech International Holdings Limited (whose shares are listed on the Hong Kong Stock Exchange) from August 2010 to January 2012. He is currently an independent director of Guangdong Hongda Blasting Co., Ltd. (whose A shares are listed on the Shenzhen Stock Exchange). Mr. Liu Renhuai has been appointed as an independent non-executive Director of the Company since June 2014.

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**APPENDIX I****BIOGRAPHICAL DETAILS OF DIRECTORS AND  
SHAREHOLDER REPRESENTATIVE SUPERVISORS  
TO BE RE-ELECTED AND NEWLY APPOINTED**

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**Mr. Liu Weiwu (劉威武)**

54, a master degree holder. Mr. Liu is the deputy general manager of China Merchants Energy Shipping Co., Ltd and a director of China VLCC Company Limited. Mr. Liu was the head of treasury division of the financial department of Guangzhou Ocean Shipping Company, the manager of financial department of Hong Kong Mingwah Shipping Co., Ltd., and the deputy general manager of financial department of China Merchants Group Limited from August 2004 to February 2009. Mr. Liu had successively been the director, the chief financial officer and the deputy general manager of China Merchants Energy Shipping Co., Ltd. since February 2009.

As at the Latest Practicable Date, as far as the Directors are aware and save as disclosed above, each of the above candidates for Directors did not hold any directorships in other publicly listed companies in the last three years, nor did they have any relationship with any other Directors, Supervisors, senior management or substantial or controlling Shareholders of the Company.

As at the Latest Practicable Date, as far as the Directors are aware and save as disclosed below, none of them had any interests or short positions in the shares, underlying shares or debentures of the Company within the meaning of Part XV of the SFO.

Name of the Director	Class of Shares	Capacity	Number of Shares	Approximate percentage of shareholdings to the same class of Shares	Approximate percentage of shareholdings to share capital in issue	Nature of Shares held
Lin Zuoming	H Share	Beneficial owner	462,005	0.020%	0.008%	Long position
Tan Ruisong	H Share	Beneficial owner	563,811	0.024%	0.010%	Long position
Chen Yuanxian	H Share	Beneficial owner	255,687	0.011%	0.005%	Long position
Li Yao	H Share	Beneficial owner	174,910	0.007%	0.003%	Long position

The Company has received the confirmation of independence from each of Mr. Li Xianzong, Mr. Liu Renhuai and Mr. Liu Weiwu pursuant to Rule 3.13 of the Listing Rules and on this basis, the Company considers them to be independent. Pursuant to the code provision set out in paragraph A.4.3 of Appendix 14 of the Listing Rules, it is recommended that serving more than nine years could be relevant to the determination of a non-executive director's independence. Mr. Li Xianzong was an independent non-executive Director serving the Company from December 2004 to June 2014. Taking into account the long time gap from Mr. Li Xianzong's resignation in 2014 till now and the independent nature of his work scope, the Board considers Mr. Li Xianzong is able to independently fulfill his role as an independent non-executive Director.

Subject to Shareholders' approval for their respective re-appointment or new appointment as members of the sixth session of the Board, each of the candidates for Directors will hold a term of office for three years, which will commence upon the establishment of the sixth session of the Board. Upon the approval of

the authorization by the Shareholders, the remuneration committee of the Board will determine their remuneration based on their respective duties and responsibilities at the Company and the prevailing market conditions and will be included in their respective service contracts with the Company.

Saved as disclosed above, in relation to the respective re-appointment or new appointment of candidates for Directors, there is no other information required to be disclosed pursuant to any of the requirements set out in Rule 13.51(2)(h) to (v) of the Listing Rules nor is there any other matter that needs to be brought to the attention of the Shareholders.

**BIOGRAPHICAL DETAILS OF SHAREHOLDER REPRESENTATIVE SUPERVISORS TO BE RE-ELECTED OR NEWLY APPOINTED*****Mr. Zheng Qiang (鄭強)***

54, a master degree holder and a researcher. He graduated from Northwestern Polytechnical University with a master degree majoring in aircraft design in 1988. Mr. Zheng commenced his career in aviation industry from 1988, and served as an engineer, deputy director and director of Civil Aircraft Division of China Aviation System Engineering Research Institute; deputy chief engineer and director of Aircraft System Engineering Research Division of China Aviation System Engineering Research Institute since March 1996; deputy director-general and director-general of China Aviation System Engineering Research Institute since October 1996; deputy head and head of Civil Aircraft Department of AVIC I since August 2001; and assistant to the general manager of AVIC I since September 2004. Mr. Zheng also served as director at AVICOPTER PLC from August 2014 to March 2015. Mr. Zheng was appointed as vice general manager of the Company from June 2009 to June 2015. Mr. Zheng has been appointed as director of the management innovation office of AVIC since June 2015. Mr. Zheng has been appointed as supervisor of Sichuan Chengfei Integration Technology Co., Ltd. since April 2017 and director of AVIC Capital Co., Ltd. since May 2017. Mr. Zheng has been appointed as a Supervisor of the Company, and the chairman of the supervisory committee since October 2016.

***Mr. Guo Guangxin (郭廣新)***

49, a bachelor degree holder. Mr. Guo graduated with a bachelor degree of engineering from the department of computer and science technology in Harbin College of Shipbuilding Engineering in 1991 and majoring in computer application technology. Mr. Guo served successively as a member of technology department then a senior staff member of disciplinary committee in Heilongjiang Branch of Industrial and Commercial Bank of China from July 1991 to April 2000. Mr. Guo served successively as the deputy head of the equity management department, the head of the debt operation and comprehensive management department, the head of the comprehensive management department and the assistant to senior manager of the innovation business department in Harbin Branch of China Huarong Asset Management Co., Ltd. from April 2002. Mr. Guo has been a senior manager of Business Division VII in Heilongjiang Branch of China Huarong Asset Management Co., Ltd. since 2016.

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**APPENDIX I****BIOGRAPHICAL DETAILS OF DIRECTORS AND  
SHAREHOLDER REPRESENTATIVE SUPERVISORS  
TO BE RE-ELECTED AND NEWLY APPOINTED**

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As at the Latest Practicable Date, as far as the Directors are aware and save as disclosed above, each of Mr. Zheng Qiang and Mr. Guo Guangxin did not hold any important position in other publicly listed companies in the last three years, and did not take any post in the Company or any subsidiary of the Group, nor did they have any relationship with any other Directors, Supervisors, senior management or substantial or controlling Shareholders of the Company.

As at the Latest Practicable Date, Mr. Zheng Qiang held 322,653 H Shares (representing approximately 0.009% of the issued share capital of the Company as at the Latest Practicable Date). Saved as disclosed above, neither of Mr. Zheng Qiang or Mr. Guo Guangxin had any interests or short positions within the meaning of Part XV of the SFO in the shares, underlying shares or debentures of the Company.

Subject to the Shareholders' approval for the re-election of Mr. Zheng Qiang and the new appointment of Mr. Guo Guangxin as Shareholder representative Supervisors of the sixth session of the Supervisory Committee, each of them will hold a term of office for three years, which will commence upon the establishment of the sixth session of the Supervisory Committee. Upon the approval of the authorization by the Shareholders, the remuneration committee of the Board will determine their remuneration based on their duties and responsibilities at the Company and the prevailing market conditions which will be included in their respective service contracts with the Company.

Saved as disclosed above, in relation to the re-election of Mr. Zheng Qiang and the new appointment of Mr. Guo Guangxin as Shareholder representative Supervisors, there is no other information required to be disclosed pursuant to any of the requirements set out in Rule 13.51(2)(h) to (v) of the Listing Rules nor is there any other matter that needs to be brought to the attention of the Shareholders.



*This appendix serves as an explanatory statement, as required by the Listing Rules, to provide the requisite information to enable you to make an informed decision on whether to vote for or against the special resolution to approve the grant of the Repurchase General Mandate to the Board.*

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## **LISTING RULES RELATING TO THE REPURCHASE OF SECURITIES**

The Listing Rules permit companies whose primary listing is on the Stock Exchange to repurchase their securities on the Stock Exchange subject to certain restrictions, the most important of which are summarised below. The Company is empowered by the Articles of Association to repurchase its own securities.

## **REGISTERED CAPITAL**

As at the Latest Practicable Date, the registered capital of the Company was RMB5,966,121,836, comprising of 3,609,687,934 Domestic Shares and 2,356,433,902 H Shares. Subject to the passing of the proposed resolution for the grant of the Repurchase General Mandate and on the basis that no Domestic Shares and/or H Shares will be allotted, issued or repurchased by the Company on or prior to the date of the AGM, the Domestic Share Class Meeting and the H Share Class Meeting, the Company will be allowed under the Repurchase General Mandate to repurchase a maximum of 360,968,793 Domestic Shares and/or 235,643,390 H Shares, being the maximum of 10% of the respective aggregate nominal values of Domestic Shares and H Shares in issue as at the date of passing the relevant resolution.

## **REASONS FOR THE REPURCHASE**

The Directors believe that the Repurchase General Mandate is in the interests of the Company and the Shareholders. An exercise of the Repurchase General Mandate 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 and will only be made if the Directors believe that such repurchases will benefit the Company and the Shareholders.

## **FUNDING OF REPURCHASES**

In repurchasing the Domestic Shares and/or H Shares, the Company may only apply funds from the Company's internal resources legally available for such purpose in accordance with the Articles of Association, the Listing Rules and the applicable laws, rules and regulations of the PRC, including, without limitation, surplus funds and undistributed profits of the Company.

Taking into account the current good working capital position of the Company, the Directors consider that, if the Repurchase General Mandate were to be exercised in full, it would not have a material adverse effect on the working capital and/or the gearing position of the Company as compared with its position as at

31 December 2017 as disclosed in the Company's latest published audited accounts contained in the annual report for the year 2017. However, the Directors do not intend to make any repurchases to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements or the gearing position of the Company which in the opinion of the Directors are from time to time appropriate for the Company. The number of Domestic Shares and/or H Shares to be repurchased on any occasion and the price of repurchase of H Shares and other terms upon which the same are repurchased will be decided by the Directors at an appropriate time having taking into consideration the circumstances then prevailing which shall be in the best interests of the Company and the Shareholders as a whole.

#### STATUS OF REPURCHASED DOMESTIC SHARES AND H SHARES

The Listing Rules provide that the listing of all the H Shares repurchased by the Company shall automatically be cancelled and the relevant share certificates of such repurchased H Shares shall be cancelled and destroyed. Under the PRC laws, the Domestic Shares repurchased by the Company will also be cancelled. The Company's registered capital will be reduced by an amount equivalent to the aggregate nominal value of the Domestic Shares and/or H Shares so cancelled.

#### H SHARE PRICES

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

Month	H Share (HK\$)	
	Highest price	Lowest price
<b>2017</b>		
March	5.700	5.270
April	5.660	5.190
May	5.200	4.790
June	4.820	4.580
July	4.910	4.520
August	5.000	4.560
September	4.890	4.520
October	4.960	4.530
November	4.500	4.090
December	4.240	3.810
<b>2018</b>		
January	4.480	4.180
February	4.360	3.610
1 March to the Latest Practicable Date	5.560	4.390

**DIRECTORS' 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 under appropriate circumstances to make purchases pursuant to the Repurchase General Mandate in accordance with the Listing Rules, the Articles of Association and the applicable laws, rules and regulations of the PRC.

**DISCLOSURE OF INTERESTS**

None of the Directors or their close associates (as defined in the Listing Rules), to the best of their knowledge, having made all reasonable enquiries, has any present intention to sell to the Company any of the Domestic Shares and/or H Shares if the Repurchase General Mandate is approved at each of the AGM, the Domestic Share Class Meeting and the H Share Class Meeting.

None of the core connected persons (as defined under the Listing Rules) of the Company has notified the Company that he, she or it has a present intention to sell any Domestic Shares and/or H Shares to the Company, or has undertaken not to do so, if the Repurchase General Mandate is exercised.

If a Shareholder's proportionate interest in the voting rights of the Company increases upon the Company exercising its powers to repurchase securities pursuant to the Repurchase General Mandate, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, a Shareholder or a 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, to the best knowledge and belief of the Directors, AVIC was the controlling shareholder of the Company directly and indirectly holding 58.57% of the issued share capital of the Company. The Company expects that the exercise of the Repurchase General Mandate in full will not have any implications for AVIC under the Takeovers Code. Assuming that there is no issue of Shares between the Latest Practicable Date and the date of a repurchase, an exercise of the Repurchase General Mandate whether in whole or in part will not result in the percentage of the Shares held by the public being less than the relevant prescribed minimum percentage as required by the Stock Exchange.

Moreover, the Directors will not make share repurchase on the Stock Exchange if such repurchase would result in the requirements under Rule 8.08 of the Listing Rules not being complied with.

**SECURITIES REPURCHASE MADE BY THE COMPANY**

The Company did not repurchase any Domestic Shares and/or H Shares (whether on the Stock Exchange or otherwise) during the six months immediately preceding the Latest Practicable Date.

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## NOTICE OF ANNUAL GENERAL MEETING

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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)

### NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN** that the annual general meeting (the “AGM”) of AviChina Industry & Technology Company Limited (the “Company”) will be held at 9:00 am on Friday, 18 May 2018, at Avic Hotel, No. 10 Yi, Central East Third Ring Road, Chaoyang District, Beijing, the People's Republic of China to consider and approve the following resolutions. Unless otherwise indicated, capitalized terms used in this notice and the following resolutions shall have the same meanings as those defined in the circular of the Company dated 11 April 2018:

#### 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. Lin Zuoming 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 authorization 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 authorization to the remuneration committee of the Company to determine his remuneration;

\* For identification purpose only

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## NOTICE OF ANNUAL GENERAL MEETING

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7. 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 authorization 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 authorization to the remuneration committee of the Company to determine his remuneration;
8. 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 authorization 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 authorization to the remuneration committee of the Company to determine his remuneration;
9. 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 authorization 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 authorization 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 authorization 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 authorization 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 authorization 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 authorization 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 authorization 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 authorization to the remuneration committee of the Company to determine his remuneration;

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## NOTICE OF ANNUAL GENERAL MEETING

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13. The resolution relating to the new appointment of Mr. Li Xianzong 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 authorization 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 authorization 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 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 authorization 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 authorization 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 authorization 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 authorization 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 authorization 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 authorization 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).

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## NOTICE OF ANNUAL GENERAL MEETING

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### 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

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## NOTICE OF ANNUAL GENERAL MEETING

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- 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;



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## NOTICE OF ANNUAL GENERAL MEETING

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- (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;

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## NOTICE OF ANNUAL GENERAL MEETING

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- (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. 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).

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

Beijing, 11 April 2018

*Notes:*

**(1) CLOSURE OF REGISTER OF MEMBERS AND ELIGIBILITY TO ATTEND AND VOTE AT THE AGM**

As disclosed in the announcement of the Company dated 16 March 2018, the H Share register of members of the Company will be closed from Saturday, 28 April 2018 to Friday, 18 May 2018 (both days inclusive), during which period no transfer of H Shares will be registered. Holders of the Company's H Shares and Domestic Shares whose names appear on the Company's Register of Members at the opening of business on Friday, 18 May 2018 are entitled to attend and vote at the AGM.

In order to be eligible to attend and vote at the AGM, holders of the Company's H Shares shall lodge all transfer instruments together with the relevant share certificates with Computershare Hong Kong Investor Services Limited, the Company's H Shares Registrar, not later than 4:30 p.m. on Friday, 27 April 2018 at Shops 1712-1716, 17th floor, Hopewell Centre, 183 Queens' Road East, Wanchai, Hong Kong.

**(2) CLOSURE OF REGISTER OF MEMBERS AND ELIGIBILITY TO RECEIVE THE 2017 FINAL DIVIDEND**

The Board recommended the payment of a final dividend for the year 2017 in an aggregate amount of RMB178,983,655.08, representing a dividend of RMB0.03 per Share (2016: RMB0.02 per Share), calculated based on the existing number of total issued Shares of 5,966,121,836 Shares as at the Latest Practicable Date, which is subject

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## NOTICE OF ANNUAL GENERAL MEETING

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to adjustment based on the number of the total issued Shares of the Company as at the Record Date (as defined below). Subject to the approval of the Shareholders at the AGM, the aforementioned dividend is expected to be paid by the Company on or before 18 August 2018. Further announcement will be made in this regard in due course.

The 2017 final dividend will be paid to those Shareholders whose names appear on the Company's register of members at the close of business on Wednesday, 30 May 2018 (the "**Record Date**"). To determine the identity of the Shareholders entitled to receive the final dividend, the Company's register of members will be closed from Friday, 25 May 2018 to Wednesday, 30 May 2018 (both days inclusive), during which period no transfer of H Shares will be registered. In order to be entitled to receive the 2017 final dividend, all transfer instruments accompanied by the relevant share certificates must be lodged with Computershare Hong Kong Investor Services Limited, the Company's H shares registrar, not later than 4:30 p.m. on Thursday, 24 May 2018 at Shops 1712-1716, 17th floor, Hopewell Centre, 183 Queens' Road East, Wanchai, Hong Kong.

### (3) **REGISTRATION PROCEDURES FOR ATTENDING THE AGM**

- a. The Shareholder or its proxies shall produce his identification proof. If a corporation Shareholder's legal representative or any other person authorized by the board of directors or other governing body of such corporate Shareholder attends the AGM, such legal representative or other person shall produce his proof of identity, and proof of designation as legal representative and the valid authorization document of the board of directors or other governing body of such corporate shareholder (as the case may be) to prove the identity and authorization of that legal representative or other person.
- b. Holders of H Shares or Domestic Shares who wish to attend the AGM must complete the reply slip to confirm the attendance, and return the same to the correspondence address designated by the Company not later than 20 days before the date of the AGM, i.e. on or before Friday, 27 April 2018.
- c. Shareholders may deliver the reply slip by post or facsimile to the correspondence address designated by the Company.

### (4) **PROXIES**

- a. Any Shareholder who is entitled to attend and vote at the AGM is entitled to appoint one or more proxies to attend and vote on his behalf at the AGM. A proxy needs not be a Shareholder. Any Shareholder who wishes to appoint a proxy should first review the form of proxy for use in the AGM.
- b. Any Shareholder shall appoint its proxy in writing. The instrument appointing a proxy must be in writing signed under the hand of the appointer or his attorney duly authorized in writing. If the appointer is a body corporate, the instrument shall be affixed with the seal of the body corporate or shall be signed by the directors of the board of the body corporate or by attorneys duly authorized. If the instrument is signed by an attorney of the appointer, the power of attorney authorizing the attorney to sign or other documents of authorization must be notarially certified. In order to be valid, the form of proxy, and a notarially certified copy of the power of attorney or other documents of authorization, where appropriate, must be delivered in the case of holders of Domestic Shares, to the correspondence address designated by the Company, and in the case of holders of H Shares, to Computershare Hong Kong Investor Services Limited, the Company's H shares registrar, at 17M Hopewell Centre, 183 Queens' Road East, Wanchai, Hong Kong not less than 24 hours before the time for holding the AGM and return of a form of proxy will not preclude a Shareholder from attending AGM or any adjournment thereof (as the case may be) in person and voting at the AGM if he or she so wishes.

### (5) **THE AGM IS EXPECTED TO LAST FOR HALF A DAY. SHAREHOLDERS ATTENDING THE MEETING ARE RESPONSIBLE FOR THEIR OWN TRANSPORTATION AND ACCOMMODATION EXPENSES.**

Designated address of the Company:

Building A, No. 14 Xiaoguan Dongli, Andingmenwai, Chaoyang District, Beijing, the PRC (Postal code: 100029)

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## NOTICE OF ANNUAL GENERAL MEETING

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Telephone No: 86-10-58354335/4313  
Facsimile No: 86-10-58354310  
Attention: Mr. Liu Kai/Mr. Hao Weidi

*As at the date of this notice, the Board comprises executive Director Mr. Lin Zuoming, non-executive 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.*

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## NOTICE OF CLASS MEETING FOR HOLDERS OF H SHARES

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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)

## NOTICE OF CLASS MEETING FOR HOLDERS OF H SHARES

**NOTICE IS HEREBY GIVEN THAT** the class meeting of holders of H Shares (the “**H Shareholders Class Meeting**”) of AviChina Industry & Technology Company Limited (the “**Company**”) will be held at 9:30 a.m. (or immediately upon conclusion of the AGM and any adjournment thereof) on Friday, 18 May 2018, at Avic Hotel, No. 10 Yi, Central East Third Ring Road, Chaoyang District, Beijing, the People's Republic of China to consider and approve the following resolution. Unless otherwise indicated, capitalized terms used in this notice and the following resolutions shall have the same meanings as those defined in the circular of the Company dated 11 April 2018:

### 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;

\* For identification purpose only

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## NOTICE OF CLASS MEETING FOR HOLDERS OF H SHARES

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- (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;

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## NOTICE OF CLASS MEETING FOR HOLDERS OF H SHARES

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- (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."

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

Beijing, 11 April 2018

*Notes:*

**(1) CLOSURE OF REGISTER OF MEMBERS AND ELIGIBILITY TO ATTEND AND VOTE AT THE H SHAREHOLDERS CLASS MEETING**

As disclosed in the announcement of the Company dated 16 March 2018, the H Share register of members of the Company will be closed from Saturday, 28 April 2018 to Friday, 18 May 2018 (both days inclusive), during which period no transfer of H Shares will be registered. Holders of the Company's H Shares whose names appear on the Company's Register of Members at the opening of business on Friday, 18 May 2018 are entitled to attend and vote at the H Shareholders Class Meeting.

In order to be eligible to attend and vote at the H Shareholders Class Meeting, holders of the Company's H Shares shall lodge all transfer instruments together with the relevant share certificates with Computershare Hong Kong Investor Services Limited, the Company's H Shares Registrar, not later than 4:30 pm on Friday, 27 April 2018 at Shops 1712-1716, 17th floor, Hopewell Centre, 183 Queens' Road East, Wanchai, Hong Kong.

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## NOTICE OF CLASS MEETING FOR HOLDERS OF H SHARES

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**(2) REGISTRATION PROCEDURES FOR ATTENDING THE H SHAREHOLDERS CLASS MEETING**

- a. The Shareholder or its proxies shall produce his identification proof. If a corporation Shareholder's legal representative or any other person authorized by the board of directors or other governing body of such corporate Shareholder attends the H Shareholders Class Meeting, such legal representative or other person shall produce his proof of identity, and proof of designation as legal representative and the valid authorization document of the board of directors or other governing body of such corporate shareholder (as the case may be) to prove the identity and authorization of that legal representative or other person.
- b. Holders of H Shares or Domestic Shares who wish to attend the H Shareholders Class Meeting must complete the reply slip to confirm the attendance, and return the same to the correspondence address designated by the Company not later than 20 days before the date of the H Shareholders Class Meeting, i.e. on or before Friday, 27 April 2018.
- c. Shareholders may deliver the reply slip by post or facsimile to the correspondence address designated by the Company.

**(3) PROXIES**

- a. Any Shareholder who is entitled to attend and vote at the H Shareholders Class Meeting is entitled to appoint one or more proxies to attend and vote on his behalf at the H Shareholders Class Meeting. A proxy needs not be a Shareholder. Any Shareholder who wishes to appoint a proxy should first review the form of proxy for use in the H Shareholders Class Meeting.
- b. Any Shareholder shall appoint its proxy in writing. The instrument appointing a proxy must be in writing signed under the hand of the appointer or his attorney duly authorized in writing. If the appointer is a body corporate, the instrument shall be affixed with the seal of the body corporate or shall be signed by the directors of the board of the body corporate or by attorneys duly authorized. If the instrument is signed by an attorney of the appointer, the power of attorney authorizing the attorney to sign or other documents of authorization must be notarially certified. In order to be valid, the form of proxy, and a notarially certified copy of the power of attorney or other documents of authorization, where appropriate, must be delivered to Computershare Hong Kong Investor Services Limited, the Company's H shares registrar, at 17M Hopewell Centre, 183 Queens' Road East, Wanchai, Hong Kong not less than 24 hours before the time for holding the H Shareholders Class Meeting and return of a form of proxy will not preclude a Shareholder from attending H Shareholders Class Meeting or any adjournment thereof (as the case may be) in person and voting at the H Shareholders Class Meeting if he or she so wishes.

**(4) THE H SHAREHOLDERS CLASS MEETING IS EXPECTED TO LAST FOR HALF A DAY. SHAREHOLDERS ATTENDING THE MEETING ARE RESPONSIBLE FOR THEIR OWN TRANSPORTATION AND ACCOMMODATION EXPENSES.**

Designated address of the Company:

Building A, No. 14 Xiaoguan Dongli, Andingmenwai, Chaoyang District, Beijing, the PRC (Postal code: 100029)

Telephone No: 86-10-58354335/4313

Facsimile No: 86-10-58354310

Attention: Mr. Liu Kai/Mr. Hao Weidi

*As at the date of this notice, the Board comprises executive Director Mr. Lin Zuoming, non-executive 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.*



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## NOTICE OF CLASS MEETING FOR HOLDERS OF DOMESTIC SHARES

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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)

### NOTICE OF CLASS MEETING FOR HOLDERS OF DOMESTIC SHARES

NOTICE IS HEREBY GIVEN THAT the class meeting of holders of domestic Shares (the “**Domestic Shareholders Class Meeting**”) of AviChina Industry & Technology Company Limited (the “**Company**”) will be held at 10:00 a.m. (or immediately upon conclusion of the H Share Class Meeting and any adjournment thereof) on Friday, 18 May 2018, at Avic Hotel, No. 10 Yi, Central East Third Ring Road, Chaoyang District, Beijing, the People’s Republic of China to consider and approve the following resolution. Unless otherwise indicated, capitalized terms used in this notice and the following resolutions shall have the same meanings as those defined in the circular of the Company dated 11 April 2018:

#### 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;

\* For identification purpose only

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## NOTICE OF CLASS MEETING FOR HOLDERS OF DOMESTIC SHARES

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- (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;

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## NOTICE OF CLASS MEETING FOR HOLDERS OF DOMESTIC SHARES

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- (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."

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

Beijing, 11 April 2018

*Notes:*

**(1) REGISTRATION PROCEDURES FOR ATTENDING THE DOMESTIC SHAREHOLDERS CLASS MEETING**

- a. The Shareholder or its proxies shall produce his identification proof. If a corporation Shareholder's legal representative or any other person authorized by the board of directors or other governing body of such corporate Shareholder attends the Domestic Shareholders Class Meeting, such legal representative or other person shall produce his proof of identity, and proof of designation as legal representative and the valid authorization document of the board of directors or other governing body of such corporate shareholder (as the case may be) to prove the identity and authorization of that legal representative or other person.
- b. Holders of Domestic Shares who wish to attend the Domestic Shareholders Class Meeting must complete the reply slip to confirm the attendance, and return the same to the correspondence address designated by the Company not later than 20 days before the date of the Domestic Shareholders Class Meeting, i.e. on or before Friday, 27 April 2018.
- c. Shareholders may deliver the reply slip by post or facsimile to the correspondence address designated by the Company.

**(2) PROXIES**

- a. Any Shareholder who is entitled to attend and vote at the Domestic Shareholders Class Meeting is entitled to appoint one or more proxies to attend and vote on his behalf at the Domestic Shareholders Class Meeting. A proxy needs not be a Shareholder. Any Shareholder who wishes to appoint a proxy should first review the form of proxy for use in the Domestic Shareholders Class Meeting.

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## NOTICE OF CLASS MEETING FOR HOLDERS OF DOMESTIC SHARES

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- b. Any Shareholder shall appoint its proxy in writing. The instrument appointing a proxy must be in writing signed under the hand of the appointer or his attorney duly authorized in writing. If the appointer is a body corporate, the instrument shall be affixed with the seal of the body corporate or shall be signed by the directors of the board of the body corporate or by attorneys duly authorized. If the instrument is signed by an attorney of the appointer, the power of attorney authorizing the attorney to sign or other documents of authorization must be notarially certified. In order to be valid, the form of proxy, and a notarially certified copy of the power of attorney or other documents of authorization, where appropriate, must be delivered to the correspondence address designated by the Company not less than 24 hours before the time for holding the Domestic Shareholders Class Meeting and return of a form of proxy will not preclude a Shareholder from attending Domestic Shareholders Class Meeting or any adjournment thereof (as the case may be) in person and voting at the Domestic Shareholders Class Meeting if he or she so wishes.
- (3) **THE DOMESTIC SHAREHOLDERS CLASS MEETING IS EXPECTED TO LAST FOR HALF A DAY. SHAREHOLDERS ATTENDING THE MEETING ARE RESPONSIBLE FOR THEIR OWN TRANSPORTATION AND ACCOMMODATION EXPENSES.**

Designated address of the Company:

Building A, No. 14 Xiaoguan Dongli, Andingmenwai, Chaoyang District, Beijing, the PRC (Postal code: 100029)  
Telephone No: 86-10-58354335/4313  
Facsimile No: 86-10-58354310  
Attention: Mr. Liu Kai/Mr. Hao Weidi

*As at the date of this notice, the Board comprises executive Director Mr. Lin Zuoming, non-executive 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.*