

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this notice, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this notice.



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 a.m. on Friday, 13 June 2014, 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 16 April 2014:

ORDINARY RESOLUTIONS

1. The resolution relating to the Report of the Board of the Company for the year ended 31 December 2013;
2. The resolution relating to the Report of the Supervisory Committee of the Company for the year ended 31 December 2013;
3. The resolution relating to the audited financial statements of the Company for the year ended 31 December 2013;
4. The resolution relating to the profit distribution plan (including distribution of 2013 final dividend) of the Company for the year ended 31 December 2013;
5. The resolution relating to the appointment of PricewaterhouseCoopers and PricewaterhouseCoopers ZhongTian LLP, as the international and domestic auditors of the Company for the financial year 2014, respectively and to determine their remuneration;

6. The resolution relating to the appointment of Mr. Liu Renhuai as an independent non-executive Director of the Company with a term of office commencing from the date on which the proposed appointment has been approved at the AGM until the date on which the resolution relating to the re-election of the Board will be considered at the AGM to be convened in 2015, the determination of his remuneration as RMB170,000 per annum (pre-tax), and the grant of an authorization to any executive Director of the Company to sign the relevant service contract on behalf of the Company with him; and
7. The resolution(s) to be proposed at the AGM by shareholders holding 3% or more of the total number of the Company's shares carrying voting rights, if any, by way of ordinary resolution(s).

SPECIAL RESOLUTIONS

8. 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 of the People's Republic of China and the Listing Rules (as each of them may be amended from time to time) and only if all necessary approvals from the China Securities Regulatory Commission and/or other relevant government authorities in the People's Republic of China are obtained;

and, for the purposes of this resolution:

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

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

9. 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*
Yan Lingxi
Company Secretary

Beijing, 16 April 2014

Notes:

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

Pursuant to Article 40 of the Articles of Association, the H Share register of members of the Company will be closed from Saturday, 24 May 2014 to Friday, 13 June 2014 (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 on Friday, 13 June 2014 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, 23 May 2014 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 2013 FINAL DIVIDEND

The Board recommended the payment of a final dividend for the year 2013 in an aggregate amount of RMB109,488,583.34, representing a dividend of RMB0.02 per Share (2012: RMB0.02 per Share), based on the existing number of total issued Shares of 5,474,429,167 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 Company will pay the 2013 final dividend to eligible Shareholders as soon as practicable after the resolution on distribution of 2013 final dividend is approved at the AGM.

The 2013 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, 25 June 2014 (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, 20 June 2014 to Wednesday, 25 June 2014 (both days inclusive), during which period no transfer of H Shares will be registered. In order to be entitled to receive the 2013 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, by not later than 4:30 p.m. on Thursday, 19 June 2014, 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 authorisation 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. before Friday, 23 May 2014.
- 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, on 17M Floor, 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:

9/F, Easyhome Tower, No. 3A Dongzhimen South Avenue, Dongcheng District, Beijing, the PRC (Postal code: 100007)

Telephone No.: 86-10-58354335/4752

Facsimile No.: 86-10-58354310

Attention: Mr. Liu Kai/Mr. HaoWeidi

As at the date of this notice, the Board comprises executive directors Mr. Lin Zuoming, Mr. Tan Ruisong and non-executive directors Mr. GuHuizhong, Mr. Gao Jianshe, Mr. Sheng Mingchuan, Mr. Maurice Savart as well as independent non-executive directors Mr. Guo Chongqing, Mr. Li Xianzong and Mr. Lau Chung Man, Louis.

* *For identification purpose only*