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If you have sold all your shares in China Aerospace International Holdings Limited, you should at once hand this document and the accompanying 2007 Annual Report and the form of proxy to the purchaser or to the bank, stockbroker or other agent through whom the sale was effected for transmission to the purchaser.

If you are in any doubt as to any aspect of this document or as to any action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional advisers.



CHINA AEROSPACE INTERNATIONAL HOLDINGS LIMITED

中國航天國際控股有限公司

(Incorporated in Hong Kong with limited liability)

(Stock code: 31)

**PROPOSED GENERAL MANDATES
TO ISSUE SHARES AND REPURCHASE SECURITIES,
RE-ELECTION OF DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the Annual General Meeting of China Aerospace International Holdings Limited to be held at the Salon One, First Floor, Harbour Plaza, 20 Tak Fung Street, Hung Hom, Kowloon, Hong Kong at 11:00 a.m. on Wednesday, 30 April 2008 is set out on pages 15 to 18 of this document.

Whether or not you are able to attend the Annual General Meeting, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the Company's share registrar, Tricor Standard Limited of 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the Annual General Meeting. Completion of a form of proxy will not preclude you from attending and voting at the Annual General Meeting in person if you so wish.

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DEFINITIONS

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

“Annual General Meeting”	the annual general meeting of the Company to be held at 11:00 a.m. on Wednesday, 30 April 2008, the notice of which is set out on pages 15 to 18 of this circular;
“Board”	the Board of Directors;
“Company”	China Aerospace International Holdings Limited (formerly known as “航天科技國際集團有限公司” in Chinese), a company incorporated in Hong Kong with limited liability, the securities of which are listed on the Stock Exchange;
“Directors”	the directors of the Company;
“HK\$”	Hong Kong dollars;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Latest Practicable Date”	27 March 2008, being the latest practicable date prior to the printing of this document for ascertaining certain information referred to in this document;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Register”	the Register of Members of the Company;
“Registrar”	the Company’s share registrar, Tricor Standard Limited, of 26th Floor, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong;
“Repurchase Proposal”	the general and unconditional mandate proposed to be granted to the Directors to empower the Directors to repurchase Shares, details of which are set out in the section headed “General Mandates to Issue Shares and Repurchase Securities”;
“SFO”	the Securities and Futures Ordinance (Cap. 571 of the laws of Hong Kong);

DEFINITIONS

“Share(s)”	share(s) of HK\$0.10 each in the share capital of the Company;
“Shareholders”	holders of Shares;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited; and
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers.



CHINA AEROSPACE INTERNATIONAL HOLDINGS LIMITED

中國航天國際控股有限公司

(Incorporated in Hong Kong with limited liability)

(Stock code: 31)

Executive Directors:

Mr Zhao Liqiang (*President*)

Mr Zhou Qingquan

Mr Zhao Yuanchang

Mr Wu Hongju

Mr Guo Xianpeng

Registered Office:

Room 1103-1107A,

One Harbourfront,

18 Tak Fung Street,

Hung Hom, Kowloon,

Hong Kong

Non-executive Directors:

Mr Wu Zhuo (*Chairman*)

Mr Chow Chan Lum, Charles (*Independent*)

Mr Luo Zhenbang (*Independent*)

Mr Wang Junyan (*Independent*)

Mr Li Hongjun

Ms Chan Ching Har, Eliza

Mr Xu Jianhua

Mr Jin Xuesheng

2 April 2008

To Shareholders of the Company,

Dear Sir or Madam,

**PROPOSED GENERAL MANDATES
TO ISSUE SHARES AND REPURCHASE SECURITIES,
RE-ELECTION OF DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

It is proposed that at the Annual General Meeting of China Aerospace International Holdings Limited to be held on Wednesday, 30 April 2008, the notice of which is set out on pages 15 to 18 of this document, resolutions will be proposed to grant the Directors general mandates to issue and repurchase Securities of the Company and to re-elect Directors.

LETTER FROM THE BOARD

In accordance with the Listing Rules, the Company is required to send to its shareholders an explanatory statement containing information reasonably necessary to enable the shareholders to make an informed decision on whether to vote for or against the resolution to approve the granting of a mandate to the Directors to exercise the powers of the Company to purchase its own securities. The purpose of this document is to set out such information in relation to the proposed mandate, the re-election of Directors and the Annual General Meeting. Details of the proposed renewal of the general mandates to issue Shares and to repurchase securities and the re-election of Directors are set out below.

GENERAL MANDATES TO ISSUE SHARES AND REPURCHASE SECURITIES

At the Annual General Meeting, an ordinary resolution will be proposed whereby the Directors will be given a general and unconditional mandate to allot, issue and otherwise deal with new Shares representing up to 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue at the date the resolution is passed. As of the Latest Practicable Date, the issued number of Shares of the Company is 2,570,903,882. In addition, conditional upon the proposed resolution to authorise the repurchase of securities as is more particularly described under the paragraph headed “Shareholders’ Approval” under the section headed “Explanatory Statement on the Repurchase Proposal” being passed, an ordinary resolution will be proposed to authorise the Directors to allot, issue and otherwise deal with new Shares up to an amount equal to the aggregate nominal amount of the Shares purchased under the authority to repurchase. In accordance with the Listing Rules, the Company may not make a new issue of Shares or announce a proposed new issue of Shares for a period of 30 days after any purchase of Shares by it, other than an issue of securities pursuant to the exercise of warrants, share options or similar instruments requiring the Company to issue securities which are outstanding prior to such purchase, without the prior approval of the Stock Exchange.

EXPLANATORY STATEMENT ON THE REPURCHASE PROPOSAL

Shareholders’ Approval

At the Annual General Meeting, an ordinary resolution will be proposed for Shareholders’ approval whereby the Directors will be given a general and unconditional mandate to exercise all powers of the Company to repurchase issued Shares subject to the criteria set out in this document.

While it is not possible to anticipate in advance any specific circumstances in which the Directors might think it is appropriate to repurchase securities, the Directors believe that the grant of a general mandate to repurchase securities to a maximum of 10 per cent. of the aggregate nominal amount of the share capital of the Company at the date the resolution is passed, of 257,090,388 Shares as of the Latest Practicable Date, would give the Company additional flexibility that would be beneficial if the Shareholders approve the same. The repurchases may, depending on market conditions and funding arrangements of the Company at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share. Shareholders can be assured that the Directors would only make such purchases in

LETTER FROM THE BOARD

circumstances where they consider them to be in the best interests of the Company. On the basis of the consolidated financial position of the Company as at 31 December 2007 (being the date to which the latest published audited accounts of the Company have been made up) and in particular the working capital or gearing position of the Company at that time and the number of Shares now in issue, the Directors consider that there may be a material adverse impact on the working capital or gearing position of the Company in the event that the proposed purchases were to be carried out in full at any time during the proposed purchase period. However, no purchase would be made in circumstances that would have a material adverse impact on the working capital or gearing position of the Company (as compared with the financial position as at 31 December 2007).

Sources of Fund

The Company is empowered by its Memorandum and Articles of Association to purchase its Shares. Purchase of Shares must be funded out of funds legally available for the purpose in accordance with the Company's Memorandum and Articles of Association and the laws of Hong Kong.

Directors and connected persons

None of the Directors nor, to the best of their knowledge and belief having made all reasonable enquiries, any of the associates (as defined in the Listing Rules) of any of the Directors have any present intention, in the event that the grant to the Directors of a repurchase mandate is approved by the Shareholders, to sell Shares to the Company.

No persons who are connected persons (as defined in the Listing Rules) of the Company have notified the Company that they have a present intention to sell Shares to the Company nor have they undertaken not to sell any of the Shares held by them to the Company in the event that the Company is authorised to make purchases of Shares. In accordance with the Listing Rules, the Company shall not knowingly purchase Shares from a connected person on the Stock Exchange and a connected person shall not knowingly sell his Shares to the Company.

Undertaking to the Stock Exchange

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to make purchases pursuant to the proposed resolution in accordance with the Listing Rules, all applicable laws of Hong Kong, the jurisdiction in which the Company is incorporated, and in accordance with the Memorandum and Articles of Association of the Company.

Hong Kong Code on Takeovers and Mergers

If, as a result of a share repurchase, a shareholder's proportionate interest in the voting capital of the Company increases, such increase will be treated as an acquisition for the purposes of the Takeovers Code and, if such increase results in a change in control, may in certain circumstances give rise to an obligation to make a general offer for shares under Rule 26 of the Takeovers Code.

LETTER FROM THE BOARD

As at the Latest Practicable Date, and according to the register of substantial shareholders' interests maintained pursuant to Part XV of the Securities and Futures Ordinance (Chapter 571) of the Laws of Hong Kong, the following Shareholders were interested in 5 per cent. or more of the issued share capital of the Company:

Name	Capacity	Number of shares interested (long position)	Percentage of issued share capital
China Aerospace Science & Technology Corporation	Interests in controlled corporation (<i>Note 1</i>)	1,093,330,636	42.53%
Jetcote Investments Limited	Beneficial owner	131,837,011	5.13%
	Interests in controlled corporation (<i>Note 2</i>)	961,493,625	37.40%
		1,093,330,636	42.53%
Burhill Company Limited	Beneficial owner (<i>Note 2</i>)	489,566,136	19.04%
Sin King Enterprises Company Limited	Beneficial owner (<i>Note 2</i>)	471,927,489	18.36%
Montpelier Asset Management Limited	Investment manager (<i>Note 3</i>)	232,099,506	9.03%
Montpelier Global Funds Limited – The Montpelier Fund	Beneficial owner (<i>Note 3</i>)	191,757,966	7.46%

Notes:

- These 1,093,330,636 Shares are duplicated in the interests held by Jetcote Investments Limited, a wholly-owned subsidiary of China Aerospace Science & Technology Corporation, and its subsidiaries.
- Both Burhill Company Limited and Sin King Enterprises Company Limited are wholly-owned subsidiaries of Jetcote Investments Limited. The Shares held by them form part of the total number of Shares held by Jetcote Investments Limited.
- Montpelier Asset Management Limited has been appointed by Montpelier Global Funds Limited as Investment Manager and the shareholding of Montplier Global Funds Limited in the Company is duplicated in the interests held by Montpelier Asset Management Limited.

In the event that the Directors exercise in full the power to repurchase Shares which is proposed to be granted pursuant to the Repurchase Proposal, then (if the present shareholdings otherwise remain the same) the attributable shareholdings of China Aerospace Science & Technology Corporation, Jetcote Investments Limited, Burhill Company Limited and Sin King Enterprises Company Limited in the Company would be increased to approximately 47.25 per cent. of the issued share capital of the Company. The Directors consider that such increase

LETTER FROM THE BOARD

would give rise to China Aerospace Science & Technology Corporation an obligation to make a mandatory offer under Rule 26 of the Takeovers Code and do not have the intention to repurchase the Shares to such extent at present. The Directors are not aware of any other consequence which would arise under the Takeovers Code as a result of any purchases by the Company of its Shares.

Miscellaneous

During the six months preceding the Latest Practicable Date, no Shares were purchased by the Company.

During each of the twelve months preceding the Latest Practicable Date, the highest and lowest traded prices for Shares on the Stock Exchange are set out in the Appendix 1 to this document.

RE-ELECTION OF DIRECTORS

Mr Guo Xianpeng, Mr Chow Chan Lum, Charles and Ms Chan Ching Har, Eliza retire by rotation at the AGM in accordance with Article 103(A) of the Company's Articles of Association and, being eligible, offer themselves for re-election by the Shareholders. Mr Wu Zhuo, Mr Li Hongjun and Mr Jin Xuesheng retire at the AGM in accordance with Article 94 of the Company's Articles of Association and, being eligible, offer themselves for re-election by the Shareholders. The biographical details, the interests in the Shares and the remuneration of the retiring directors are provided in Appendix 2 to this circular.

VOTING PROCEDURE

Pursuant to article 74 of the articles of association of the Company, the following categories of persons may demand the vote in respect of the resolutions to be put to at any general meeting be taken on a poll:

- (i) by the Chairman of the meeting; or
- (ii) by at least three members present in person or by proxy for the time being entitled to vote at the meeting; or
- (iii) by any member or members present in person or by proxy and representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or
- (iv) by a member or members present in person or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the shares conferring that right.

A poll may be so demanded before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll.

LETTER FROM THE BOARD

RECOMMENDATION

The Directors are of the opinion that the general mandates to issue shares and the Repurchase Proposal and the re-election of Directors are in the best interests of the Company and its shareholders and recommend that you vote in favour of the resolutions to be proposed at the forthcoming Annual General Meeting.

ANNUAL GENERAL MEETING

Notice of the Annual General Meeting is set out on pages 15 to 18 of this document.

A form of proxy is enclosed with this document for use at the Annual General Meeting. Whether or not you intend to be present at the meeting, you are requested to complete and return the enclosed form of proxy to the Company's share registrar, Tricor Standard Limited, 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong in accordance with the instructions printed thereon not less than 48 hours before the time appointed for the holding of the meeting. Completion of a form of proxy will not preclude you from attending and voting at the Annual General Meeting in person if you so wish.

Yours faithfully,
Wu Zhuo
Chairman

During the 12 months preceding the Latest Practicable Date, the highest and lowest traded prices for Shares on the Stock Exchange were as follows:

Month	Per Share	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2007		
April (adjusted)	1.408	1.025
May (adjusted)	1.833	1.317
June	1.808	1.300
July	1.570	1.190
August	1.400	0.760
September	1.480	1.200
October	1.920	1.240
November	1.910	1.250
December	1.470	1.040
2008		
January	1.390	0.850
February	1.150	0.880
March (up to the Latest Practicable Date)	1.070	0.740

The followings are the particulars of the Directors proposed to be re-elected at the Annual General Meeting:

(1) Mr Wu Zhuo, Non-executive Director and Chairman

Mr Wu Zhuo, aged 58, a Research Fellow with graduate qualification, is a Non-Executive Director and Chairman of the Company. Mr Wu started his career in Heilongjiang Production and Construction Corps from December 1967 and studied chief design of spacecrafts in Hunan Changsha Technical College from October 1973. In addition, Mr Wu served as Technician in Nanjing Chenguang Machinery Factory from December 1976, Assistant Engineer of the Second Research Academy of the Ministry of Space Industry of China from February 1980, Engineer of Aerospace System Engineering Bureau of the Ministry of Space Industry of China from October 1983, Supervisor and Deputy Division Director of System Engineering Bureau of the Ministry of Aerospace Industry of China from 1988. Through his career in China Aerospace Corporation from June 1993, he had held such positions as Division Director and Deputy Director General of Research & Production Department, Deputy Director General of Human Resources & Training Department and the Head of General Office. From June 1999 onwards, he served as Deputy General Manager of China Aerospace Science & Technology Corporation. Mr Wu was invited to Columbia University as senior visiting scholar for one year in 1988. He was assessed as Research Fellow in 1998 and obtained the Government Subsidy awarded by the State Council in 1999. Mr Wu has been managing in the field of aerospace for a number of years and has extensive capability and experience in the management of system engineering and human resources. He was appointed as Non-Executive Director and Chairman of the Company in September 2007.

Mr Wu did not hold directorships in any other listed public companies in the last three years. Save as disclosed above, Mr Wu is not connected with any other directors, senior management, substantial or controlling Shareholders of the Company and does not have any interests in the Shares within the meaning of Part XV of the SFO.

Mr Wu did not enter into any service contract with the Company, his appointment is two years and is subject to the rotational retirement requirements under the Company's Articles of Association. Mr Wu is entitled to receive a director's fee of HK\$150,000 per annum. The amount of the director's fee is based on his previous experience, professional qualifications, the operation situation of the Company and the prevailing market condition.

Save as disclosed above, there is no other information that needs to be brought to the attention of the Shareholders or disclosed pursuant to Rule 13.51(2) of the Listing Rules.

(2) Mr Guo Xianpeng, Executive Director

Mr Guo Xianpeng, aged 41, a Senior Engineer, is an Executive Director and Vice President of the Company. He studied at the Department of Automotive Engineering of Tsinghua University from 1983 to 1991 and obtained a bachelor's degree in engineering

and a master's degree in engineering. Since 1991, he served as an Engineer in China Aerospace Ground Equipment Corporation. Since 1993, he served as Deputy Director of the Business Development Bureau, Division Director of Project Division and Senior Engineer of China Aerospace Corporation. Since 1999, he served as Director of the Project Management Division of the Planning and Business Department, Director of the Project Management Division of the Business Department and Director of the Civil Products Management Division of the Business Investment Department of China Aerospace Science & Technology Corporation. Since November 2002, he served as Deputy Director General of the Business Investment Department of China Aerospace Science & Technology Corporation. He has experience in development planning, planning and project management of civil products in aerospace industries. He was appointed as an Executive Director and Vice President of the Company in January 2004.

Save as being a Director of CASIL Telecommunications Holdings Limited (stock code: 1185), a company listed on the Stock Exchange of Hong Kong Limited, from 2004 to 2006, Mr Guo did not hold directorships in any other listed public companies in the last three years. Save as disclosed above, Mr Guo is not connected with any other directors, senior management, substantial or controlling Shareholders of the Company and does not have any interests in the Shares within the meaning of Part XV of the SFO.

Mr Guo did not enter into any service contract with the Company and is subject to the rotational retirement requirements under the Company's Articles of Association. Based on the Company's emolument policy, Mr Guo is entitled to receive a monthly salary of HK\$75,000, payable on a 13-month-basis per annum, and a bonus determined in accordance with the result performance of the Company and his contributions to the Company.

Save as disclosed above, there is no other information that needs to be brought to the attention of the Shareholders or disclosed pursuant to Rule 13.51(2) of the Listing Rules.

(3) Mr Chow Chan Lum, Charles, Independent Non-Executive Director

Mr Chow Chan Lum, Charles, aged 57, is an Independent Non-Executive Director of the Company and a Partner of Wong Brothers & Company, Certified Public Accountants. Mr Chow carries duties in a variety of functional and social organizations. He is a Past President of the Taxation Institute of Hong Kong and has served on a number of committees of the Hong Kong Institute of Certified Public Accountants including the Deputy Chairman of Auditing & Assurance Standards Committee, the members of PRC Accounting and Auditing Sub-Committee, Practice Review Committee, Investigation Panel, Examination Panel, Complaints Panel, Taxation Committee and Professional Standards Monitoring Committee. He is currently a member of Foreign Experts Consultative Committee on China Independent Auditing Standards, Finance Ministry, the PRC, a member of People's Political Consultative Committee, Guangdong Province, the PRC, a council member of the Hong Kong Academy for Performing Arts, deputy chairman of the Chinese Entrepreneurs Organization, and an Independent Non-Executive Director of Pak Tak International Limited (stock code: 2668), a company listed on the

Stock Exchange of Hong Kong Limited, since October 2002. He was appointed as an Independent Non-Executive Director of the Company in April 2000.

Save as disclosed above, Mr Chow did not hold directorships in any other listed public companies in the last three years. Mr Chow is not connected with any other directors, senior management, substantial or controlling Shareholders of the Company and does not have any interests in the Shares within the meaning of Part XV of the SFO.

Mr Chow did not enter into any service contract with the Company, his appointment is two years and is subject to the rotational retirement requirements under the Company's Articles of Association. Mr Chow is entitled to receive a director's fee of HK\$150,000 per annum and an annual remuneration to the member of remuneration committee of HK\$30,000 and to the member of audit committee of HK\$50,000. The amount of the director's fee is based on his previous experience, professional qualifications, the operation situation of the Company and the prevailing market condition.

Save as disclosed above, there is no other information that needs to be brought to the attention of the Shareholders or disclosed pursuant to Rule 13.51(2) of the Listing Rules.

(4) Mr Li Hongjun, Non-Executive Director

Mr Li Hongjun, aged 42, a Senior Engineer, is a Non-Executive Director of the Company. He started his career in China Academy of Aerospace Propulsion Technology in September 1985 and held such posts as Technician, Vice President and President of Academy of Metrology, Director General of Civilian Products Department of China Academy of Aerospace Propulsion Technology, Deputy General Manager and General Manager of Shaanxi Aerospace Power High-tech Company Limited (stock code: 600343), a company listed on the Shanghai Stock Exchange. In the meantime, he studied in the Party School of the Central Committee majoring in Economic Management by correspondence, the Northwest University majoring in Administrative Management and obtained a Master degree of Public Administration, and the Nanyang Technological University, Singapore majoring in Business Administration and obtained a degree of EMBA. He was the Vice President of China Spacesat Company Limited (stock code: 600118), a company listed on the Shanghai Stock Exchange, from May 2004 to June 2005. He was the Deputy Director General of the Business Investment Department of China Aerospace Science & Technology Corporation from June 2005 and was promoted to Director General from December 2007. He has been in the senior posts in listed companies for years and has extensive experience in corporate management, market exploration and capital operation. He was appointed as a Non-Executive Director and member of Remuneration Committee of the Company in March 2008.

Mr Li did not hold directorships in any other listed public companies in the last three years. Save as disclosed above, Mr Li is not connected with any other directors, senior management, substantial or controlling Shareholders of the Company and does not have any interests in the Shares within the meaning of Part XV of the SFO.

Mr Li did not enter into any service contract with the Company, his appointment is two years and is subject to the rotational retirement requirements under the Company's Articles of Association. Mr Li is entitled to receive a director's fee of HK\$150,000 per annum and an annual remuneration to the member of remuneration committee of HK\$30,000. The amount of the director's fee is based on his previous experience, professional qualifications, the operation situation of the Company and the prevailing market condition.

Save as disclosed above, there is no other information that needs to be brought to the attention of the Shareholders or disclosed pursuant to Rule 13.51(2) of the Listing Rules.

(5) Ms Chan Ching Har, Eliza, Non-Executive Director

Ms Chan Ching Har, Eliza, aged 51, is a Non-Executive Director of the Company. Ms Chan is a Senior Partner of Jewkes Chan & Partners, solicitors. She is a Member of the National Committee of the Chinese People's Political Consultative Conference (CPPCC), a Standing Committee Member of the Tianjin Committee of the Chinese People's Political Consultative Conference, the Foreign Economic Affairs Legal Counsel to the Tianjin Municipal People's Government, an arbitrator of the China International Economic and Trade Arbitration Commission (CIETAC), and a China-Appointed Attesting Officer appointed by the Ministry of Justice. She also serves as Chairman of Kowloon Hospital, Chairman of Hong Kong Eye Hospital, Council Member of the Hong Kong University of Science and Technology, member of the Administrative Appeals Board, a Disciplinary Panel Member of the Hong Kong Institute of Certified Public Accountants and the Legal Advisor to The Hong Kong Chinese Enterprises Association. She is the Chairman of the University of Victoria Foundation (Hong Kong) Limited, Vice-Chairman of the Hong Kong CPPCC (Provincial) Members Association Limited and a Governor of The Canadian Chamber of Commerce in Hong Kong. She was formerly a Board member of the Hong Kong Hospital Authority, Board of Education and Hong Kong Examination and Assessment Authority. Ms Chan has been conferred Justice of the Peace (J.P.) and Bronze Bauhinia Star (B.B.S.) awards by the Chief Executive of the Hong Kong SAR. She was appointed as Independent Non-Executive Director of the Company in January 1997 and was re-designated as Non-Executive Director of the Company in December 2004.

Save as being a Director of China National Aviation Company Limited (stock code: 1110), a company previously listed on the Stock Exchange of Hong Kong Limited, from 2004 to 2007, Ms Chan did not hold directorships in any other listed public companies in the last three years. Ms Chan is not connected with any other directors, senior management, substantial or controlling Shareholders of the Company and does not have any interests in the Shares within the meaning of Part XV of the SFO.

Ms Chan did not enter into any service contract with the Company, her appointment is two years and is subject to the rotational retirement requirements under the Company's Articles of Association. Ms Chan is entitled to receive a director's fee of HK\$150,000 per

annum and an annual remuneration to the member of remuneration committee of HK\$30,000. The amount of the director's fee is based on her previous experience, professional qualifications, the operation situation of the Company and the prevailing market condition.

Save as disclosed above, there is no other information that needs to be brought to the attention of the Shareholders or disclosed pursuant to Rule 13.51(2) of the Listing Rules.

(6) Mr Jin Xuesheng, Non-Executive Director

Mr Jin Xuesheng, aged 45, a Senior Engineer, is a Non-Executive Director of the Company, graduated from Harbin Institute of Technology with an engineering bachelor degree and the University of Lancaster in the United Kingdom with a MBA degree. From 1984, he held such positions as Deputy Division Director and Division Director of the Planning and Operation Division, Engineer and Deputy Factory Director at Capital Engineering Factory under China Academy of Launch Vehicle Technology, as well as Managing Director of Langfang Hangxing Packaging Machinery Company Limited, Partner of Beijing Haiwen Investment Consulting Limited, the Vice President and Financial Controller of China Spacesat Company Limited (stock code: 600118), a company listed on the Shanghai Stock Exchange, Deputy General Manager of Beijing Aerospace Satellite Applications Company and Deputy General Manager of Aerospace Technology Investment Holdings Limited. Among which, he was the Executive Director and Vice President of the Company from June 1999 to March 2001, the Director, Deputy General Manager and Financial Controller of Shanghai Aerospace Technology Investment Management Company Limited, a subsidiary of the Company, from November 2006. Mr Jin possesses extensive corporate management experience, especially in financial management. He was appointed as a Non-Executive Director and member of Audit Committee of the Company in March 2008.

Mr Jin did not hold directorships in any other listed public companies in the last three years. Save as disclosed above, Mr Jin is not connected with any other directors, senior management, substantial or controlling Shareholders of the Company and does not have any interests in the Shares within the meaning of Part XV of the SFO.

Mr Jin did not enter into any service contract with the Company, his appointment is two years and is subject to the rotational retirement requirements under the Company's Articles of Association. Based on the Company's emolument policy, Mr Jin is entitled to receive a monthly salary of HK\$70,000, payable on a 13-month-basis per annum, and a bonus determined in accordance with the result performance of the Company and his contributions to the Company.

Save as disclosed above, there is no other information that needs to be brought to the attention of the Shareholders or disclosed pursuant to Rule 13.51(2) of the Listing Rules.

NOTICE OF ANNUAL GENERAL MEETING



CHINA AEROSPACE INTERNATIONAL HOLDINGS LIMITED

中國航天國際控股有限公司

(Incorporated in Hong Kong with limited liability)

(Stock code: 31)

NOTICE IS HEREBY GIVEN that the Annual General Meeting of China Aerospace International Holdings Limited (the “Company”) will be held at the Salon One, First Floor, Harbour Plaza, 20 Tak Fung Street, Hung Hom, Kowloon, Hong Kong at 11:00 a.m. on Wednesday, 30 April 2008 for the following purposes:

1. To receive and adopt the Audited Accounts of the Company and the Reports of the Directors and the Auditors of the Company for the year ended 31 December 2007.
2. To consider the re-election of the retiring Directors and to approve the proposed Directors’ fee.
3. To consider the re-appointment of Messrs. Deloitte Touche Tohmatsu (德勤•關黃陳方會計師行) as the Auditors of the Company and to authorise the Board of Directors to fix their remuneration.

As special business, to consider and, if thought fit, passing the following resolutions as Ordinary Resolutions:

4. **“THAT:**
 - (i) subject to paragraph (iii) below, the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options, including warrants to subscribe for shares, which might require the exercise of such powers be and is hereby generally and unconditionally approved;
 - (ii) the approval in paragraph (i) above shall be in addition to any other authorisation given to the Directors of the Company and shall authorise the Directors of the Company during the Relevant Period to make or grant offers, agreements and options, including warrants to subscribe for shares, which might require the exercise of such powers after the end of the Relevant Period;

NOTICE OF ANNUAL GENERAL MEETING

(iii) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors of the Company pursuant to the approval in paragraph (i) above, otherwise than pursuant to a Rights Issue (as hereinafter defined) or on the exercise of any options granted under the share option scheme of the Company or on the exercise of the conversion rights attaching to any convertible notes of the Company, shall not exceed 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing this resolution, and the said approval shall be limited accordingly; and

(iv) for the purposes of this Resolution:

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

- (a) the conclusion of the next annual general meeting of the Company;
- (b) the expiration of the period within which the next annual general meeting of the Company is required by the applicable law or the Articles of Association of the Company to be held; and
- (c) the passing of an ordinary resolution of the Company in general meeting revoking or varying the authority set out in this resolution;

“Rights Issue” means an offer of shares open for a period fixed by the Directors of the Company to holders of shares whose names appear on the Register of Members of the Company on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions or other arrangements as the Directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory applicable to the Company).”

5. “**THAT:**

- (i) subject to paragraph (ii) below, the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all powers of the Company to repurchase issued shares or any other rights to subscribe shares in the capital of the Company in each case on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or on any other stock exchange on which the securities of the Company may be listed and which is recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and/or the requirements of the Stock Exchange or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;

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(ii) the aggregate nominal amount of share capital of the Company which are authorised to be repurchased by the Directors of the Company pursuant to the approval in paragraph (i) above during the Relevant Period shall not exceed 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing this Resolution and the said approval shall be limited accordingly; and

(iii) for the purposes of this Resolution:

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

- (a) the conclusion of the next annual general meeting of the Company;
- (b) the expiration of the period within which the next annual general meeting of the Company is required by any applicable law or the Articles of Association of the Company to be held; and
- (c) the passing of an ordinary resolution of the Company in the general meeting revoking or varying the authority set out in this resolution.”

6. “**THAT** conditional on the passing of the Resolution No. 5 set out in the notice of the annual general meeting at which this Resolution is considered, the general mandate granted to the Directors of the Company and for the time being in force to exercise the powers of the Company to allot, issue and deal with new shares pursuant to the Resolution No. 4 set out in the said notice be and is hereby extended by the addition to the aggregate nominal amount of the share capital of the Company which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors of the Company pursuant to such general mandate of an amount representing the aggregate nominal amount of the share capital of the Company repurchased by the Company under the authority granted pursuant to the said Resolution No. 5, provided that such extended amount shall not exceed 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing this Resolution.”

7. Any other business.

By order of the Board
Ken Chan
Company Secretary

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Notes:

1. Any member entitled to attend and vote at the above meeting is entitled to appoint one or more proxies to attend and vote instead of him. A proxy need not be a member of the Company.
2. To be valid, a form of proxy, together with the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of that power or authority must be deposited at the Company's share registrar, Tricor Standard Limited of 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for the holding of the meeting or any adjourned meeting.