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## **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)**

#### **ANNOUNCEMENT**

#### **CHANGE OF DIRECTORS AND APPOINTMENT OF PRESIDENT**

The Board of Directors (the “Board”) of China Aerospace International Holdings Limited (the “Company”) announces that, Mr Zhao Liqiang, due to the attempt of developing his own business, resigned as Executive Director and President, Mr Li Hongjun, a Non-Executive Director, is re-designated as Executive Director and appointed as President, Mr Jin Xuesheng, a Non-Executive Director, is re-designated as Executive Director and appointed as Executive Vice President.

In addition, for the sake of further improving the level of corporate governance of the Company, positions for directors and management are thereby separated. Mr Zhou Qingquan was re-designated as Non-Executive Director where Mr Wu Hongju and Mr Guo Xianpeng resigned as Executive Director and Mr Xu Jianhua resigned as Non-Executive Director, all of them remain the office of Vice President.

In response to the above changes, Mr Li Hongjun and Mr Jin Xuesheng no longer serve the post of member of Remuneration Committee and Audit Committee respectively and Mr Zhou Qingquan takes the post of member of Audit Committee.

The above appointments and resignations will be effective from 12 May 2010.

The Board is of the opinion that Mr Li Hongjun, who has been a leader of business supervisory department of China Aerospace Science & Technology Corporation (“CASC”), the major shareholder of the Company, and served as senior management of CASC’s listed subsidiaries over a long period of time and has been a director of the Company for more than two years, possesses ample experience in management of listed companies, market exploration and capital operation, is the ideal candidate for President of the Company. The Board believes that under the leadership of Mr Li Hongjun, the Company will have a new and greater leap forward.

Each of Mr Zhao Liqiang, Mr Wu Hongju, Mr Guo Xianpeng and Mr Xu Jianhua has confirmed that there is no disagreement in all aspects with the Company and there are no matters that need to be brought to the attention of the shareholders of the Company in relation to his resignation.

Both Mr Zhao Liqiang and Mr Wu Hongju will not pursue the retirement and re-election at the annual general meeting to be held on 13 May 2010.

Mr Li Hongjun, aged 44, a Senior Engineer, 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 involved 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 of the Company in March 2008.

Mr Jin Xuesheng, aged 47, a Senior Engineer, 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 September 1999 to May 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 the experience in financial management. He was appointed as a Non-Executive Director of the Company in March 2008.

Mr Zhou Qingquan, aged 58, graduated from Northwest Industrial University. From 1976, he held such posts as Deputy Director, Director, Senior Engineer, Deputy General Factory Manager, and General Factory Manager and President in the 801 Research Institute of Shanghai Aerospace Administration and the Research Office of Shanghai Xinxin Machinery Factory respectively. From 1995, he held such posts as Vice President, then President of Shanghai Aerospace Corporation, as well as Deputy Director General of Shanghai Aerospace Administration. He was appointed as an Executive Director and Vice President of the Company in September 1999.

As of the date of this announcement, each of Mr Li Hongjun, Mr Jin Xuesheng and Mr Zhou Qingquan:

1. has confirmed that he does not have any interest in and does not hold any short position in any share or underlying share in or any debenture of the Company or any of its associated companies within the meaning of Part XV of the Securities and Futures Ordinance;
2. has confirmed that he has no relationships with any director, senior management or substantial or controlling shareholder of the Company (as defined in the Listing Rules);
3. has confirmed that he did not have any directorship in other listed public company in the past three years, save as disclosed above;
4. does not enter into any service contract with the Company, save as Mr Zhou Qingquan, as Non-Executive Director, has a fixed term of two years, and is subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the Articles of the Company; and
5. will entitle to a salary to be determined in accordance with his position and responsibilities and a bonus to be 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 of the Company or disclosed pursuant to Rule 13.51(2) of the Listing Rules.

The Board would like to extend its highly praised gratitude to Mr Zhao Liqiang for his outstanding contributions to the Company's development during his tenure of services, as well as contributions made to the Board over the years by Mr Wu Hongju, Mr Guo Xianpeng and Mr Xu Jianhua, and extend a warm welcome to Mr Li Hongjun becoming the new President of the Company.

By order of the Board

**Wu Zhuo**

*Chairman*

Hong Kong, 12 May 2010

*As of the date of this announcement, the Board of Directors of the Company comprises:*

**Executive Directors**

Mr Li Hongjun (*President*)  
Mr Jin Xuesheng

**Non-Executive Directors**

Mr Wu Zhuo (*Chairman*)  
Mr Chen Xuechuan  
Dr Chan Ching Har, Eliza  
Mr Zhou Qingquan

**Independent Non-Executive  
Directors**

Mr Chow Chan Lum, Charles  
Mr Luo Zhenbang  
Mr Wang Junyan