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

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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 2017 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.

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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)**

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

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A notice convening the Annual General Meeting of China Aerospace International Holdings Limited to be held at The Salon One, First Floor, Harbour Grand Kowloon, 20 Tak Fung Street, Hung Hom, Kowloon, Hong Kong at 10:00 a.m. on Monday, 28 May 2018 is set out on pages 12 to 16 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 Level 22, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible but in any event not later than 10:00 a.m. on Friday, 25 May 2018. 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.

23 April 2018

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## DEFINITIONS

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*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 10:00 a.m. on Monday, 28 May 2018, the notice of which is set out on pages 12 to 16 of this circular;   |
| “Board”                   | the Board of Directors;   |
| “Company”                 | China Aerospace International Holdings Limited, a company incorporated in Hong Kong with limited liability, the securities of which are listed on the Stock Exchange;   |
| “Companies Ordinance”     | the Companies Ordinance (Cap. 622 of the laws of Hong Kong);  |
| “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” | 16 April 2018, 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 Level 22, Hopewell Centre, 183 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);   |
| “Share(s)”                | share(s) in the share capital of the Company;   |

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## DEFINITIONS

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|                  |  |
|------------------|--|
| “Shareholders”   | holders of Shares;                           |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited; and |
| “Takeovers Code” | the Hong Kong Code on Takeovers and Mergers. |

\* *This PRC entity does not have an English name, the English name sets out in this Circular is for identification purpose only.*



**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 Li Hongjun (*President*)

Mr Jin Xuesheng

*Non-executive Directors:*

Mr Gong Bo (*Chairman*)

Mr Mao Yijin

Mr Xu Liangwei

Mr Luo Zhenbang (*Independent*)

Ms Leung Sau Fan, Sylvia (*Independent*)

Mr Wang Xiaojun (*Independent*)

*Registered Office:*

Room 1103–1107A,

One Harbourfront,

18 Tak Fung Street,

Hung Hom, Kowloon,

Hong Kong

23 April 2018

*To the 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 the Company be held on Monday, 28 May 2018, the notice of which is set out on pages 12 to 16 of this document, the Shareholders are requested to consider and, if appropriate, amongst others, to grant to the Directors general mandates to issue and repurchase securities of the Company, and to re-elect Directors.

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.

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## LETTER FROM THE BOARD

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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.

### **GENERAL MANDATES TO ISSUE SHARES AND REPURCHASE SECURITIES**

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 allot, issue and otherwise deal with new Shares representing up to 20 per cent. of the issued Share of the Company as at the date the resolution is passed. As of the Latest Practicable Date, the number of issued Shares of the Company is 3,085,021,882.

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. 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 is set out in Appendix 1 to this document.

In addition, conditional upon the proposed resolution to authorise the repurchase of securities as more particularly described under the paragraph headed "Shareholders' Approval" under the "Explanatory Statement on the Repurchase Proposal" in Appendix 1 being passed, an ordinary resolution will be proposed to authorise the Directors to allot, issue and otherwise deal with new Shares up to a number equal to 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 by it of Shares, whether on the Stock Exchange or otherwise, other than an issue of securities pursuant to the exercise of warrants, share options or similar instruments requiring the Company to issue securities which were outstanding prior to that purchase of its own securities, without the prior approval of the Stock Exchange.

### **RE-ELECTION OF DIRECTORS**

Ms Leung Sau Fan Sylvia, Mr Mao Yijin and Mr Xu Liangwei, due to expiry of their two-year term, retire by rotation at the Annual General Meeting in accordance with Article 103(A) of the Company's Articles of Association, and Mr Li Hongjun retires by rotation at the Annual General Meeting in accordance with Code A.4.2 of Appendix 14 of the Listing Rules and Article 103(A) of the Company's Articles of Association and, being eligible, offer themselves for re-election.

The biographical details, the interests in the Shares (if any) and the remuneration of the retiring Directors are provided in Appendix 2 to this document.

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## LETTER FROM THE BOARD

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### FINAL DIVIDEND

Subject to approval by Shareholders at the Annual General Meeting, the Board has recommended a final dividend of HK3 cents per Share for the year ended 31 December 2017 payable to the Shareholders whose names appeared on the Register of Members of the Company on Wednesday, 6 June 2018.

### VOTING PROCEDURE

Pursuant to Rules 13.39(4) and 13.39(5) of the Listing Rules, the vote of Shareholders at the Annual General Meeting will be taken by poll and a scrutineer will be appointed by the Company for vote taking at the Annual General Meeting. The Company will announce the results of the poll in the manner prescribed under Rule 13.39(5).

### 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 therefore recommend that you vote in favour of all 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 12 to 16 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, Level 22, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong in accordance with the instructions printed thereon not later than 10:00 a.m. on Friday, 25 May 2018. 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,  
**Gong Bo**  
*Chairman*

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## **APPENDIX 1 EXPLANATORY STATEMENT ON THE REPURCHASE PROPOSAL**

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Set out below further information of 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.

The Directors believe that the grant of a general mandate to repurchase securities would give the Company additional flexibility that would be beneficial. 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. A maximum of 10 per cent. of the issued Share as at the date the resolution is passed may be repurchased by the Company. As of the Latest Practicable Date, the number of Shares may be repurchased are 308,502,188 Shares. Shareholders can be assured that the Directors would only make such purchases in 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 2017 (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 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 2017).

### **SOURCE OF FUNDS**

Purchase of Shares must be funded out of funds legally available for the purpose in accordance with the Company's 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.



## APPENDIX 1 EXPLANATORY STATEMENT ON THE REPURCHASE PROPOSAL

### 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 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.

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                               | Direct interest<br>(Yes/No) | Number of shares<br>interested<br>(Long Position) | Percentage of<br>issued<br>share capital |
|---|--|-----------------------------|---|--|
| China Aerospace Science &<br>Technology Corporation | Interests in controlled<br>corporation | No                          | 1,183,598,636                                     | 38.37%                                   |
| Jetcote Investments Limited                         | Beneficial owner                       | Yes                         | 131,837,011                                       | 4.27%                                    |
|   | Interests in controlled<br>corporation | No                          | 1,051,761,625                                     | 34.10%                                   |
|   |  |                             | <hr/>   | <hr/>                                    |
|   |  |                             | 1,183,598,636                                     | 38.37%                                   |
| Burhill Company Limited                             | Beneficial owner                       | Yes                         | 579,834,136                                       | 18.80%                                   |
| Sin King Enterprises Company<br>Limited             | Beneficial owner                       | Yes                         | 471,927,489                                       | 15.30%                                   |

*Note:* Jetcote Investments Limited, Burhill Company Limited and Sin King Enterprises Company Limited are subsidiaries of China Aerospace Science & Technology Corporation, the shares held by them form the total number of shares in which China Aerospace Science & Technology Corporation was deemed interested.

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**APPENDIX 1 EXPLANATORY STATEMENT ON THE REPURCHASE PROPOSAL**

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Save as disclosed above, the Company has not been notified of any other relevant interests or short positions in the issued share capital or underlying shares of the Company as at 31 December 2017.

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 above 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 42.63 per cent. of the issued Share of the Company. The increase would give rise to China Aerospace Science & Technology Corporation an obligation to make a mandatory offer under Rule 26 of the Takeovers Code. As of the Latest Practicable Date, 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, and the Company does not have the intention to repurchase the Shares to such extent at present.

**SHARES REPURCHASED**

During the 6 months preceding the Latest Practicable Date, no Shares were purchased by the Company.

**TRADING PRICES FOR SHARES IN THE PAST 12 MONTHS**

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

| <b>Month</b>                              | <b>Per Share</b>              |                              |
|---|-------------------------------|------------------------------|
|   | <b>Highest</b><br><i>HK\$</i> | <b>Lowest</b><br><i>HK\$</i> |
| <b>2017</b>                               |                               |                              |
| April                                     | 1.12                          | 1.03                         |
| May                                       | 1.08                          | 1.01                         |
| June                                      | 1.04                          | 0.98                         |
| July                                      | 1.02                          | 0.98                         |
| August                                    | 1.03                          | 0.96                         |
| September                                 | 1.10                          | 0.90                         |
| October                                   | 1.06                          | 0.96                         |
| November                                  | 1.02                          | 0.91                         |
| December                                  | 0.95                          | 0.88                         |
| <b>2018</b>                               |                               |                              |
| January                                   | 0.98                          | 0.92                         |
| February                                  | 0.93                          | 0.81                         |
| March                                     | 0.91                          | 0.80                         |
| April (up to the Latest Practicable Date) | 0.89                          | 0.83                         |

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

**(1) Mr Li Hongjun, Executive Director & President**

Mr Li Hongjun, aged 52, a Senior Engineer, is an Executive Director of the Company and President of the Company and the subsidiaries. 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), the shares of which are listed on 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), the shares of which are listed on 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 until May 2010. 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 and was re-designated as an Executive Director of the Company and appointed as President of the Company and the subsidiaries in May 2010.

Save as disclosed above, Mr Li did not hold directorships in any other listed public companies in the last three years and 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 but entered into an engagement letter with the Company pursuant to the Listing Rules, terms of which, *inter alia*, are subject to the rotational retirement requirements under the Company's Articles of Association. Based on the Company's emolument policy, Mr Li is entitled to receive a monthly salary of HK\$123,220, 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.

**(2) Ms Leung Sau Fan, Sylvia, Independent Non-Executive Director**

Ms Leung Sau Fan, Sylvia, aged 54, is an Independent Non-Executive Director of the Company. Ms Leung holds a bachelor's degree of arts in accountancy from City University of Hong Kong and had studied as an external student and passed the approved examinations and obtained a bachelor of laws degree from the University of London. Ms Leung is currently an independent non-executive director of both Poly Property Group Co., Limited (stock code: 119) and Prosper Construction Holdings Limited (stock code: 6816), shares of both are listed on The Stock Exchange of Hong Kong Limited, and is also a director of Celestial Capital Limited, a company licensed to conduct, among others, type 6 (advising on corporate finance) regulated activity under the Securities and Futures Ordinance. She has over 20 years of experience in company secretarial and corporate finance advisory. She was appointed as an Independent Non-Executive Director of the Company in March 2012.

Save as disclosed above, Ms Leung did not hold directorships in any other listed public companies in the last three years and 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 Leung did not enter into any service contract with the Company but entered into an engagement letter with the Company pursuant to the Listing Rules, terms of which, *inter alia*, have a fixed term of two years and is subject to the rotational retirement requirements under the Company's Articles of Association. Ms Leung is entitled to receive a director's fee of HK\$150,000, a remuneration to the member of audit committee of HK\$50,000 and that of remuneration committee of HK\$30,000, and a meeting allowance of not more than HK\$30,000 per year, subject to the approval of the Shareholders at the Annual General Meeting. 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.

**(3) Mr Mao Yijin, Non-Executive Director**

Mr Mao Yijin, aged 55, graduated from the Faculty of Industrial Economics, Hubei Institute of Finance and Economics in 1985. He joined No. 1 Research Academy under CASC shortly after graduation and held such posts as staff of the Planning Department, a Deputy Division Director and Senior Engineer of the Planning Division, a Division Director of the Finance Division, a Deputy Director General of the General Business Department; a Deputy Director General of No. 18 Research Institute, the Chief Accountant of No. 11 Research Academy, and the Chief Accountant and Deputy Head of Shanghai Academy of Spaceflight Technology. Since June 2016, he has served as a Consultant of Shanghai Academy of Spaceflight Technology and a Director of both China Lucky Group Corporation and China Great Wall Industry Corporation. Mr Mao has ample experience in administration management and financial management. Mr Mao was appointed as a Non-Executive Director of the Company in August 2016.

Save as disclosed above, Mr Mao did not hold directorships in any other listed public companies in the last three years and 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 Mao did not enter into any service contract with the Company but entered into an engagement letter with the Company pursuant to the Listing Rules, terms of which, *inter alia*, have a fixed term of two years and is subject to the rotational retirement requirements under the Company's Articles of Association. Mr Mao will not receive any remuneration from the Company as he is being a senior officer of a subsidiary of China Aerospace Science & Technology Corporation.

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 Xu Liangwei, Non-Executive Director**

Mr Xu Liangwei, aged 63, graduated from the Faculty of Chinese, Shanghai Television University, and obtained a Master degree in Business Administration from Fudan University. Mr Xu joined Shanghai Academy of Spaceflight Technology in 1991 and held such posts as a Deputy Director, Director of General Office and Assistant to Academy General. He served as a Vice President of Shanghai Aerospace Corporation from 1995 to 1998; as a Deputy Academy General of Shanghai Academy of Spaceflight Technology, the Chairman and President of Shanghai Aerospace Industrial Company Limited, the Chairman of both Shanghai Instrument Company Limited and Shanghai Aerospace Energy Company Limited from 2000 to 2011; and he served as a Deputy Director of the preparation group of China Academy of Launch Vehicle Technology Company Limited and as a Consultant of Shanghai Academy of Spaceflight Technology from 2011 to 2015. Mr Xu has ample experience in administration management. Mr Xu was appointed as a Non-Executive Directors of the Company in August 2016.

Save as disclosed above, Mr Xu did not hold directorships in any other listed public companies in the last three years and 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 Xu did not enter into any service contract with the Company but entered into an engagement letter with the Company pursuant to the Listing Rules, terms of which, *inter alia*, have a fixed term of two years and is subject to the rotational retirement requirements under the Company's Articles of Association. Mr Xu is entitled to receive a director's fee of RMB80,000 per annum and an allowance of attending each board meeting and committee meeting of RMB2,000 and RMB1,000 respectively. The amount of the director's fee is based on his director's duties and responsibilities, 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.

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## NOTICE OF ANNUAL GENERAL MEETING

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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)**

**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 Grand Kowloon, 20 Tak Fung Street, Hung Hom, Kowloon, Hong Kong at 10:00 a.m. on Monday, 28 May 2018 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 2017.
2. To approve the payment of a final dividend.
3. To consider the re-election of the retiring Directors and to approve the proposed Directors’ fee.
4. 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:

5. **“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;

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## NOTICE OF ANNUAL GENERAL MEETING

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(iii) the aggregate amount of Shares 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 any issue of the Shares of the Company on the exercise of subscription rights attaching to any warrants of the Company 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 Shares 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 laws 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;

“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).”

6. **“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 issued Shares 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

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## NOTICE OF ANNUAL GENERAL MEETING

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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;

- (ii) the Share 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 issued Shares of the Company 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 laws 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.”
7. “**THAT** conditional on the passing of the Resolution No. 6 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. 5 set out in the said notice be and is hereby extended by the addition to 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 Shares of the Company repurchased by the Company under the authority granted pursuant to the said Resolution No. 6, provided that such extended amount shall not exceed 10 per cent. of the issued Shares of the Company in issue as at the date of passing this Resolution.”
8. Any other business.

By order of the Board,  
**Chan Ka Kin, Ken**  
*Company Secretary*

Hong Kong, 23 April 2018



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## NOTICE OF ANNUAL GENERAL MEETING

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**Notes:**

1. Any Shareholder 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 needs 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 Level 22, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 10:00 a.m., Friday, 25 May 2018.
3. To ensure Shareholders the right to attend and vote at the Annual General Meeting and to qualify to receive the distribution of final dividend, the Register of Members of the Company will be closed and details of which are as follows:

- (1) To ensure Shareholders the right to attend and vote at the Annual General Meeting:

|  |                                  |
|--|----------------------------------|
| Latest time for lodging transfers of shares and related documents for registration | 4:30 p.m. on Monday, 21 May 2018 |
|--|----------------------------------|

|                                |   |
|--------------------------------|---|
| Closure of Register of Members | from Wednesday, 23 May 2018 to Monday, 28 May 2018<br>(both days inclusive) |
|--------------------------------|---|

|             |                     |
|-------------|---------------------|
| Record Date | Monday, 28 May 2018 |
|-------------|---------------------|

- (2) To ensure Shareholders the right to qualify for the distribution of final dividend:

|  |                                  |
|--|----------------------------------|
| Latest time for lodging transfers of shares and related documents for registration | 4:30 p.m. on Friday, 1 June 2018 |
|--|----------------------------------|

|                                |   |
|--------------------------------|---|
| Closure of Register of Members | from Monday, 4 June 2018 to Wednesday, 6 June 2018<br>(both days inclusive) |
|--------------------------------|---|

|             |                        |
|-------------|------------------------|
| Record Date | Wednesday, 6 June 2018 |
|-------------|------------------------|

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## NOTICE OF ANNUAL GENERAL MEETING

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4. The Register of Members of the Company will be closed at the abovementioned periods. To ensure Shareholders the right to attend and vote at the Annual General Meeting and to qualify for the distribution of final dividend, all transfer forms accompanied by the relevant share certificates must be lodged with the Company's share registrar, Tricor Standard Limited of Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration on or before Monday, 21 May 2018 and Friday, 1 June 2018 respectively. Subject to approval by the Shareholders at the Annual General Meeting, dividend warrants are expected to be despatched to the Shareholders by post on or around Friday, 22 June 2018.