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# 中航國際控股股份有限公司 AVIC INTERNATIONAL HOLDINGS LIMITED

(formerly known as CATIC Shenzhen Holdings Limited (深圳中航集團股份有限公司))  
(a joint stock company incorporated in the People's Republic of China with limited liability)  
(Stock Code: 00161)

## UPDATE ON VERY SUBSTANTIAL DISPOSAL: PROPOSED NON-PUBLIC ISSUANCE OF A SHARES BY TIAN MA AND DEEMED DISPOSAL OF INTEREST IN TIAN MA

Reference is made to (i) the announcements of AVIC International Holdings Limited (the “**Company**”) dated 28 August 2019 and 11 November 2019, and the circular (the “**Circular**”) of the Company dated 25 October 2019, respectively, the contents of which are in relation to the Proposed Non-Public Issuance of new A Shares by Tian Ma, a non-wholly owned subsidiary of the Company, the A Shares of which are listed on the Shenzhen Stock Exchange. Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those defined in the Circular.

### UPDATE ON THE PROPOSED NON-PUBLIC ISSUANCE

As disclosed in the section headed “*Principal Terms of the Proposed Non-Public Issuance – Target investors*” in the Circular, any potential subscriber who is (1) the controlling shareholder or actual controller of Tian Ma or an affiliate controlled by the controlling shareholder or actual controller of Tian Ma; or (2) will obtain actual control of Tian Ma upon completion of the subscription of the New A Shares; or (3) a domestic or foreign strategic investor proposed to be introduced by the board of directors of Tian Ma (collectively, the “**Related Potential Subscriber(s)**”), its subscription of the New A Shares and the subscription pricing criteria shall be subject to approval by the board and the shareholders of Tian Ma.

The Board hereby announces that after the despatch of the Circular, Tian Ma was notified that Hubei Science Technology Investment Group Co., Ltd. (湖北省科技投資集團有限公司) (“**Subscriber B**”), a shareholder of Tian Ma who owns 6.14% equity interest in Tian Ma, intended to subscribe the New A Shares. Since Subscriber B owns more than 5% equity interest in Tian Ma, it shall be categorized as a Related Potential Subscriber. On 15 November 2019, Tian Ma entered into a subscription agreement (the “**Subscriber B Subscription Agreement**”) with Subscriber B.

### Subscriber B Subscription Agreement

Save for the date of the Subscription Agreement, the identity of the Subscriber, the subscription amounts and the number of New A Shares to be subscribed, and the length of the lock-up period of the New A Shares, the principal terms of the Subscriber B Subscription Agreement are substantially identical to those of the Subscription Agreements as set out in the section headed “*Principal Terms of the Proposed Non-Public Issuance – The Subscription Agreements*” in the Circular and are set out as follows:

*Date:* 15 November 2019

*Parties:* Tian Ma (as issuer)  
Subscriber B (as subscriber)

*Subject Matter:*

Tian Ma conditionally agreed to issue and Subscriber B conditionally agreed to subscribe for 70,941,981 New A Shares at the Base Issue Price per New A Share. The New A Shares subscribed by Subscriber B will rank pari passu with all the existing A Shares.

*Conditions Precedent:*

The effectiveness of the Subscriber B Subscription Agreement is conditional upon fulfillment of all the following conditions:

- (1) the Subscriber B Subscription Agreement having been signed and stamped by Tian Ma and Subscriber B;
- (2) the board of directors of Tian Ma and its shareholders having approved the Proposed Non-Public Issuance;
- (3) the relevant State-owned assets supervision department which is responsible for the supervision of Proposed Non Public Issuance by Tian Ma having approved the Proposed Non-Public Issuance;
- (4) the Proposed Non-Public Issuance having been approved by the internal decision-making authority of Subscriber B; and
- (5) the approval of the CSRC being obtained.

*Payment of subscription amount:*

After receiving all the approvals mentioned in the Subscriber B Subscription Agreement and the payment notice (the “**Payment Notice**”) issued by Tian Ma or its lead underwriter, Subscriber B will deposit the subscription amount in full to the bank account opened by the lead underwriter in accordance with the instructions contained in the Payment Notice. Tian Ma will separately sign an underwriting agreement with the lead underwriter and agree on the issues in relation to the transferring of raised funds to Tian Ma.

*Lock-up period*

The New A Shares subscribed by Subscriber B are not transferable for a period of 36 months commencing from the completion of the Proposed Non-Public Issuance and the date of listing on the Shenzhen Stock Exchange.

## Information of Subscriber B

Subscriber B, Hubei Science Technology Investment Group Co., Ltd. (湖北省科技投資集團有限公司), is a limited liability company incorporated in the PRC. As at the date of this announcement, it owns 6.14% equity interest in Tian Ma. It is principally engaged in the development and construction of the infrastructure facilities of Wuhan Donghu New Technology Development Zone, the construction of technology innovation platform and business incubator, consultation services in relation to other investment and investment management, property development; sale of commercial housing; lease of housing; community and technology park related supporting services; property management; and entrusted management of assets in relation to Wuhan Donghu Development Zone Management Committee.

Subscriber B is owned as to 91.52% by Wuhan Donghu New Technology Development Zone City Management Committee (武漢東湖新技術開發區管委會), a PRC governmental authority.

To the best knowledge, information and belief of the Directors and having made all reasonable enquiries, each of Subscriber B and its ultimate beneficial owner(s) is an Independent Third Party.

The Board is of the view that the subscription of the New A Shares by Subscriber B under the Subscriber B Subscription Agreement is in line with and does not affect the terms and conditions of the Proposed Non-Public Issuance as disclosed in the Circular.

## Effect on Shareholding Structure of Tian Ma

The table below sets out the shareholding structure of Tian Ma as at the date of this announcement and immediately upon completion of the Proposed Non-Public Issuance (assuming a maximum of 409,624,610 New A Shares are issued pursuant to the Proposed Non-Public Issuance and there is no other change in the issued share capital of Tian Ma):

Shareholders of Tian Ma	As at the date of this announcement		Immediately after completion of the Proposed Non-Public Issuance	
	Number of A Shares held	Approximate % of the issued share capital held	Number of A Shares held	Approximate % of the issued share capital held
AVIC International	172,097,332	8.40%	172,097,332	7.00%
AVIC Shenzhen	179,516,146	8.77%	179,516,146	7.31%
The Company	291,567,326	14.24%	291,567,326	11.86%
AVIC Xiamen	36,525,940	1.78%	36,525,940	1.49%
<b>Subtotal:</b>				
AVIC International Enterprises	679,706,744	33.19%	679,706,744	27.66%
Subscriber A	–	–	81,924,922	3.33%
Subscriber B	125,677,831	6.14%	196,619,812	8.00%
Subscribers other than Subscribers A and B	–	–	256,757,707	10.45%
Other shareholders of Tian Ma	1,242,738,476	60.68%	1,242,738,476	50.56%
Total	2,048,123,051	100.00%	2,457,747,661	100.00%

Please refer to the Circular for details of the terms and conditions of the Proposed Non-Public Issuance, the information of the Group and Tian Ma, reasons for and benefits of the Proposed Non-Public Issuance, and the financial effects of the Proposed Non-Public Issuance on the earnings, assets and liabilities of the Group.

*If there is any inconsistency between the Chinese names of PRC entities, departments, facilities or titles mentioned in this announcement and their English translations, the Chinese version shall prevail.*

By order of the Board  
**AVIC International Holdings Limited**  
**Liu Hong De**  
*Chairman*

Shenzhen, the PRC, 15 November 2019

*As at the date of this announcement, the Board comprises a total of 9 Directors, Mr. Liu Hong De, Mr. Lai Wei Xuan, Mr. You Lei, Mr. Liu Jun, Mr. Fu Fang Xing and Mr. Chen Hong Liang as executive Directors; and Ms. Wong Wai Ling, Mr. Wu Wei and Mr. Wei Wei as independent non-executive Directors.*