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中國航空技術國際控股有限公司

**AVIC International Holding Corporation**

*(a limited liability company incorporated in the People's Republic of China)*



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)**

## **JOINT ANNOUNCEMENT**

### **VOLUNTARY ANNOUNCEMENT IN RELATION TO**

- (1) VOLUNTARY CONDITIONAL OFFER BY CHINA INTERNATIONAL CAPITAL CORPORATION HONG KONG SECURITIES LIMITED ON BEHALF OF AVIC INTERNATIONAL TO ACQUIRE ALL OF THE ISSUED H SHARES IN THE COMPANY;**
  - (2) PROPOSED VOLUNTARY WITHDRAWAL OF LISTING OF THE H SHARES OF THE COMPANY;**
- AND**
- (3) PROPOSED MERGER BY ABSORPTION OF THE COMPANY BY AVIC INTERNATIONAL**

**EXCLUSIVE FINANCIAL ADVISER TO AVIC INTERNATIONAL**



Dear H Shareholders,

Reference is made to (i) the announcement jointly issued by AVIC International Holdings Limited (the “**Company**”) and AVIC International Holding Corporation (“**AVIC International**”) dated 2 October 2019 (the “**Joint Announcement**”) in relation to, among other things, the H Share Offer, the Delisting and the Merger (collectively, the “**Proposed Privatisation**”); (ii) the notice, proxy form and attendance confirmation slip of each of the Extraordinary General Meeting and the H Share Class Meeting (collectively, the “**Shareholder Meetings**”) of the Company dated 30 December 2019; and (iii) the Composite Document jointly issued by the Company and AVIC International dated 8 January 2020. As previously disclosed, the H Share Offer Price is HK\$9.00 per H Share. Unless otherwise defined, capitalised terms used in this joint announcement shall have the same meanings as those defined in the Composite Document.

**The Extraordinary General Meeting convened to approve the Merger Agreement and the Merger contemplated thereunder will be held at 9:00 a.m. on Friday, 14 February 2020 and the H Share Class Meeting convened to approve the Delisting, the Merger Agreement and the Merger contemplated thereunder will be held at 9:30 a.m. (or immediately after the conclusion or adjournment of the Extraordinary General Meeting) on Friday, 14 February 2020.**

**The Company’s Board hereby urges all Shareholders to attend and vote at the Shareholder Meetings. Shareholders are reminded to pay attention to, and to call (if necessary) your licensed securities dealer (or other registered dealer in securities), custodian bank or CCASS timely to confirm, the deadline for attending and voting at the Shareholder Meetings, as well as for accepting the H Share Offer.**

Specifically for the Proposed Privatisation, the Company has established the Independent Board Committee, which has appointed Somerley Capital Limited to act as the Independent Financial Adviser to offer advice in relation to the Proposed Privatisation. As stated in the Composite Document, the Independent Financial Adviser, having taken into consideration of the key factors stated thereon, considers the terms of the Proposed Privatisation fair and reasonable so far as the Independent Shareholders’ interests are concerned. Details of the analysis of the Independent Financial Adviser is set out in the “Letter from the Independent Financial Adviser” of the Composite Document and in particular, a summary of the principal factors and reasons considered by the Independent Financial Adviser are set out in the section headed “Letter from the Independent Financial Adviser – Discussion” on pages 95 to 98 of the Composite Document.

The Independent Board Committee considers the terms of the H Share Offer, the Delisting, the Merger Agreement and the Merger contemplated thereunder are fair and reasonable, and therefore recommends the H Shareholders to accept the H Share Offer and to vote in favour of the resolutions approving the Delisting, the Merger Agreement and the Merger contemplated thereunder at the Shareholder Meetings. Shareholders are reminded to read the full text of the letter from the Independent Financial Adviser as set out in the Composite Document.

If you have any questions concerning administrative or procedural matters, such as dates, documentation and procedures relating to the H Share Offer, the Delisting and/or the Merger, please call the hotline of the Registrar, Hong Kong Registrars Limited, at +852 2862 8647 (between 9:00 a.m. and 6:00 p.m. on Monday to Friday, excluding public holidays in Hong Kong). You may also visit the Company's website at [www.avic161.com](http://www.avic161.com) and/or direct your questions to the Company in the following ways:

by phone: +86 0755 2124 6912 (between 9:00 a.m. and 6:00 p.m. on Monday to Friday, excluding public holidays in Hong Kong and in the PRC)

by fax: +86 0755 8379 0228

by email: [avic161-ir@avic-intl.cn](mailto:avic161-ir@avic-intl.cn)

For the avoidance of doubt, the hotline or the Company's designated phone line cannot and will not provide any advice on the merits or risks of the H Share Offer, the Delisting and/or the Merger or give any financial or legal advice. If you are in doubt as to any aspect of this joint announcement or action to be taken, you should consult a licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

**We urge all Shareholders to attend the relevant Shareholder Meetings on 14 February 2020; meanwhile, we also advise Shareholders to carefully consider the reduced liquidity of the H Shares after the Delisting becomes effective, and to consider that it may be best for Shareholders to accept the H Share Offer as soon as possible.**

### **Guidelines to attend and vote at the Shareholder Meetings**

Shareholders may vote in person or by proxy at the Shareholder Meetings. Whether or not you are able to attend the Shareholder Meetings, you are strongly urged to complete the proxy form(s) which have been despatched to you on Monday, 30 December 2019 in accordance with the instruction printed thereon and return the same to the office address of the Company at 39/F, AVIC Center Building, No. 1018 Huafu Road, Futian District, Shenzhen, the PRC (for holders of Domestic Shares) or to the H Share registrar of the Company, Hong Kong Registrars Limited (the "**Registrar**"), at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong (for holders of H Shares) as soon as possible and in any event **not less than twenty-four (24) hours before the time appointed for the Shareholder Meetings (i.e. 9:00 a.m. on 13 February 2020 (for the Extraordinary General Meeting) and 9:30 a.m. on 13 February 2020 (for the H Share Class Meeting))**.

If your H Share(s) has/have been lodged with your licensed securities dealer (or other registered dealer in securities or custodian bank) through CCASS and you intend to vote at the Extraordinary General Meeting and/or the H Share Class Meeting (as applicable) or attend in person, you should instruct your licensed securities dealer (or other registered dealer in securities or custodian bank) to give instructions to HKSCC Nominees Limited on your behalf on or before the deadline set by HKSCC Nominees Limited. In order to meet the deadline set by HKSCC Nominees Limited, you should check with your licensed securities dealer (or other

registered dealer in securities or custodian bank) for the timing on the processing of your instruction, and submit your instruction to your licensed securities dealer (or other registered dealer in securities or custodian bank) as required by them.

If your H Share(s) has/have been lodged with your investor participant's account maintained with CCASS and you intend to vote at the Extraordinary General Meeting and/or the H Share Class Meeting (as applicable) or attend in person, you should authorise your instruction via the CCASS Phone System or CCASS Internet System on or before the deadline set by HKSCC Nominees Limited.

**For the avoidance of doubt, if your H Share(s) has/have been lodged with your licensed securities dealer (or other registered dealer in securities or custodian bank) through CCASS, or if your H Share(s) has/have been lodged with your investor participant's account maintained with CCASS, your vote will be invalid if you give voting instructions to the Registrar by yourself directly. Therefore, if your H Share(s) has/have been lodged with your licensed securities dealer (or other registered dealer in securities or custodian bank) through CCASS, or lodged with your investor participant's account maintained with CCASS, you must take actions as mentioned above.**

### **Guidelines to accept the H Share Offer**

If your H Share(s) has/have been lodged with your licensed securities dealer (or other registered dealer in securities or custodian bank) through CCASS, please instruct your licensed securities dealer (or other registered dealer in securities or custodian bank) to give instructions to HKSCC Nominees Limited to accept the H Share Offer on your behalf on or before the deadline set by HKSCC Nominees Limited. In order to meet the deadline set by HKSCC Nominees Limited, you should check with your licensed securities dealer (or other registered dealer in securities or custodian bank) for the timing on the processing of your instruction, and submit your instruction to your licensed securities dealer (or other registered dealer in securities or custodian bank) as required by them.

If the H Share(s) is/are in the name of a nominee company or a name other than your own, please lodge your H Share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) with the nominee company, or other nominee, with instructions authorising it to accept the H Share Offer on your behalf and requesting it to deliver the Form of Acceptance duly completed together with the relevant H Share certificate(s) and/or transfer receipt(s) and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) for the number of H Shares in respect of which you intend to accept the H Share Offer to the Registrar.

Alternatively, if your H Share(s) is/are not registered under your name as abovementioned, and you wish to accept the H Share Offer on your own, please arrange for the H Share(s) to be registered in your name through the Registrar and send the Form of Acceptance duly completed together with the relevant H Share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) to the Registrar.

If your H Share(s) has/have been lodged with your investor participant's account maintained with CCASS, please authorise your instruction to accept the H Share Offer via the CCASS Phone System or CCASS Internet System on or before the deadline set by HKSCC Nominees Limited.

**For the avoidance of doubt, if your H Share(s) is/are not registered under your name as abovementioned and you send the accompanying Form of Acceptance to the Registrar directly under your name, the acceptance of the H Share Offer will be treated as invalid. Therefore, if the H Share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your H Share(s) is/are in the name of a nominee company or a name other than your own, you must take actions as mentioned above.**

For Shareholders who intend to accept the H Share Offer, if the H Share certificate(s) and/or transfer receipt(s) and/or any other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) in respect of your H Shares is/are in your name, you must send the Form of Acceptance duly completed **together with** the relevant H Share certificate(s) and/or transfer receipt(s) and/or other document(s) of title (and/or any satisfactory indemnity or indemnities required in respect thereof) to the Registrar at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible and in any event reach the Registrar **no later than 4:00 p.m. on Friday, 6 March 2020.**

The H Share Offer will initially be open for acceptance from 8 January 2020 to 4:00 p.m. on 6 March 2020, and acceptance of the H Share Offer shall be irrevocable except for the circumstances provided under Rule 17 or Rule 19.2 of the Takeovers Code.

The notices, proxy forms and attendance confirmation slips of the Shareholder Meetings have been despatched to you on 30 December 2019, and the Composite Document and the Form of Acceptance have been despatched to you on 8 January 2020, all of which are also available for download via the Company's website at [www.avic161.com](http://www.avic161.com) and the Stock Exchange's website at [www.hkexnews.hk](http://www.hkexnews.hk). A letter jointly issued from AVIC International and the Company to the H Shareholders containing the above content will be sent by post by the Registrar on behalf of AVIC International and the Company to the H Shareholders.

We look forward to seeing you at the Shareholder Meetings.

## **WARNING**

**The H Share Offer is conditional upon the fulfilment of the Conditions and the Merger is conditional upon the fulfilment or waiver (where applicable) of the Merger Conditions, in each case as described in the Joint Announcement in all aspects. Accordingly, the H Share Offer may or may not become unconditional and the issue of this joint announcement does not imply that the H Share Offer or the Delisting will be completed.**

**As the Merger Conditions (in respect of the Merger) are different from the Conditions (in respect of the H Share Offer), Shareholders and potential investors of the Company should be aware that even following the successful completion of the H Share Offer and the Delisting, there is no certainty that the Merger will proceed. Shareholders and/or potential investors of the Company should therefore exercise caution when dealing in the securities of the Company (including the H Shares and any options or rights in respect of them). Persons who are in doubt as to the action they should take should consult their licensed securities dealers or registered institutions in securities, bank managers, solicitors, professional accountants or other professional advisers.**

On behalf of the Board of  
**AVIC International Holding Corporation**  
(中國航空技術國際控股有限公司)  
**Liu Hong De**  
Chairman

On behalf of the Board of  
**AVIC International Holdings Limited**  
(中航國際控股股份有限公司)  
**Liu Hong De**  
Chairman

Shenzhen, the PRC, 8 January 2020

*As at the date of this joint announcement, AVIC International Board comprises: Mr. Liu Hong De, Mr. Li Zong Shun, Mr. Li Shang Fu, Mr. Yan Dong, Mr. Lai Wei Xuan, Mr. Li Qi Feng, Mr. Fu Fang Xing, Ms. Kong Ling Fen and Mr. You Lei.*

*The directors of AVIC International jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than that relating to the Group) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than that expressed by the Company's Board) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.*

*As at the date of this joint announcement, the Company's Board comprises: 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.*

*The directors of the Company jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than that relating to AVIC International and parties acting in concert with it (except for the Group)) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than that expressed by the AVIC International Board and parties acting in concert with AVIC International (except for the Company's Board)) have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.*