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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)**

## OVERSEAS REGULATORY ANNOUNCEMENT

This announcement is made pursuant to Rules 13.09 and 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong).

The document attached hereto is the announcement of Shennan Circuits Co., Ltd. (“**Shennan Circuits**”) in relation to the unaudited preliminary results for the year of 2019 (“**Shennan Circuits 2019 Preliminary Results**”) published on the website of Shenzhen Stock Exchange of the People's Republic of China (the “**PRC**”). Shennan Circuits is a subsidiary of AVIC International Holdings Limited (the “**Company**”) and its shares are listed and traded on the Shenzhen Stock Exchange (stock code: 002916).

The following unaudited preliminary results announcement is originally prepared in Chinese. In case of any inconsistency between the Chinese version and the English version, the Chinese version shall prevail.

## TAKEOVERS CODE IMPLICATIONS

Pursuant to Rule 10 of the Takeovers Code, the Shennan Circuits 2019 Preliminary Results constitutes a profit forecast containing unaudited profit figures (“**Unaudited Profit Figures**”), which is required to be reported on by both the Company's financial advisers and auditors or consultant accountants in accordance with the requirements set out in Rule 10.9 of the Takeovers Code. However, pursuant to Practice Note 2 issued by the Executive, such Unaudited Profit Figures are exempted from compliance with Rule 10.9 since Shennan Circuits is listed on the Shenzhen Stock Exchange and such Unaudited Profit Figures are published in accordance with the listing rules of the Shenzhen Stock Exchange, the PRC laws and regulations and requirements of the China Securities Regulatory Commission and the Shenzhen Stock Exchange.

**Shareholders and investors of the Company should note that the Unaudited Profit Figures does not meet the standard required by Rule 10 of the Takeovers Code. Shareholders and investors of the Company are advised to exercise caution in placing reliance on the Shennan Circuits 2019 Preliminary Results and when dealing in the shares of the Company and in assessing the merits and demerits of the proposed merger. Persons who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional adviser.**

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

Shenzhen, the PRC, 28 February 2020

*As at the date of this announcement, the board of directors of the Company comprises a total of 9 directors, Mr. Liu Hong De, Mr. Lai Wei Xuan, Mr. You Lei, Mr. Liu Jun, Mr. Fu Fang Xing, 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 announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any of the statements in this announcement misleading.*

Stock Code:  
002916

Stock Abbreviation:  
Shennan Circuits

Announcement Number:  
2020-017

Shennan Circuits Co., Ltd.

## ANNOUNCEMENT ON PRELIMINARY RESULTS FOR THE YEAR OF 2019

The Company and the entire board of directors undertake that the information disclosed herein is true, accurate and complete without any false record, misleading statement or material omission.

### Special reminder:

The financial data for the year of 2019 set out in this announcement is only preliminary accounting data which has been audited by the internal audit department of the Company but not yet audited by accounting firms. Hence, such data might vary from the final data disclosed in the annual report, and investors are advised to beware of the investment risks involved.

### I. MAJOR FINANCIAL DATA AND INDICATORS FOR THE YEAR OF 2019

Unit: RMB

Items	The reporting period	Corresponding period of last year	Percentage of change
Total operating revenue	10,524,196,882.92	7,602,141,701.41	38.44%
Operating profit	1,417,205,199.42	783,876,729.56	80.79%
Total profit	1,403,120,966.77	777,541,318.42	80.46%
Net profit attributable to the shareholders of Shennan Circuits	1,232,721,478.00	697,252,358.02	76.80%
Basic earnings per share (RMB)	3.66	2.49	46.99%
Weighted average return on net assets	29.12%	20.38%	8.74%
	As at the end of the reporting period	As at the beginning of the reporting period	Percentage of change
Total assets	12,222,362,016.52	8,525,409,856.54	43.36%
Equity attributable to the shareholders of Shennan Circuits	5,000,749,889.03	3,722,440,662.83	34.34%
Share capital	339,360,000.00	280,000,000.00	21.20%
Net assets per share attributable to the shareholders of Shennan Circuits (RMB)	14.74	13.29	10.91%

Note: The data presented in the table are derived from the combined statements of the Company.

## **II. EXPLANATION ON THE OPERATING RESULTS AND FINANCIAL POSITION**

For the reporting period, the Company recorded a total operating revenue of RMB10,524.1969 million, an operating profit of RMB1,417.2052 million, a total profit of RMB1,403.1210 million and a net profit attributable to the shareholders of Shennan Circuits of RMB1,232.7215 million, representing a year-on-year increase of 38.44%, 80.79%, 80.46% and 76.80% respectively. The increase in the operating results of the Company are mainly driven by: (1) the increasing demand for major downstream application of the Company, including communications and data centers resulting in substantial orders and high utilization rate of production capacity, as well as the additional production capacity from Nantong Datacom Phase I factory; (2) enhanced development of specialized production lines and intelligent factory and continuous investment in technical transformation, leading to a raise in production efficiency and technical expertise, which in turn improved profitability.

As at the end of the reporting period, total assets of the Company amounted to RMB12,222.3620 million, representing an increase of 43.36% as compared to the beginning of the period; and equity attributable to the shareholders of Shennan Circuits was RMB5,000.7499 million, representing an increase of 34.34% as compared to the beginning of the period. Such changes were mainly attributable to: (1) an expanded revenue scale of the Company, the issuance of the convertible bonds and the construction of Nantong Datacom Phase II new factory, which contributed to an increase in receivables, inventories, cash proceeds and construction in process and ultimately a growth in total assets; and (2) additional profit and the equity portion of the issued convertible bonds during the reporting period, which increased the equity attributable to the shareholders of Shennan Circuits.

## **III. ILLUSTRATION ON THE DIFFERENCE FROM PREVIOUS RESULTS FORECAST**

In the 2019 Results Forecast (announcement no.: 2020-009), the Company estimated an increase of 65.00% to 85.00% in the change of net profit attributable to the shareholders of Shennan Circuits for the year of 2019 as compared to last year. There is no material difference between the operating results disclosed in this preliminary results announcement and the previous results forecast.

## **IV. DOCUMENTS AVAILABLE FOR INSPECTION**

1. The comparative balance sheet and income statement signed and sealed by current legal representative, the person in charge of accounting affairs and the person in charge of the accounting firm of the Company; and
2. the internal audit report signed by the person in charge of the internal audit department.

The Board of Directors of  
**Shennan Circuits Co., Ltd.**

28 February 2020