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中國航空科技工業股份有限公司

AviChina Industry & Technology Company Limited*

(A joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock Code: 2357)

ANNOUNCEMENT

- (1) PROPOSED CHANGE OF NON-EXECUTIVE DIRECTOR;**
 - (2) PROPOSED CHANGE OF EXTERNAL AUDITORS; AND**
 - (3) BOOK CLOSURE PERIOD OF REGISTER OF MEMBERS**
- FOR THE AGM**

I. PROPOSED CHANGE OF NON-EXECUTIVE DIRECTOR

Mr. Kiran Rao has applied to the board (the “**Board**”) of AviChina Industry & Technology Company Limited* (the “**Company**”) for the resignation from his position as the non-executive director of the Company (the “**Director**”) and related duties due to other business commitment. According to Article 89 of the Articles of Association of the Company in relation to the composition of the Board, the Board shall consist of nine Directors. Accordingly, the Company proposed that a non-executive Director who would fill his vacancy shall be elected at the annual general meeting of the Company to be held on 18 May 2017 (the “**AGM**”) in accordance with the requirement with respect to the composition of the Board as provided in the Articles of Association of the Company. The term of office of Mr. Kiran Rao will not be terminated until the appointment of the candidate for the new non-executive Director is approved at the AGM.

Mr. Kiran Rao has confirmed to the Company that he has no disagreement with the Board and there are no matters that need to be brought to the attention of the shareholders of the Company (the “**Shareholders**”) in connection with his resignation as the non-executive Director.

The Board takes this opportunity to express its sincere gratitude for the contributions Mr. Kiran Rao has made for the Company during his term of service.

Mr. Patrick de Castelbajac has been nominated as the candidate of the non-executive Director with a term of office commencing from the date on which his proposed appointment to be approved at the AGM until the date on which the resolution relating to the election of the sixth session of the Board will be considered at the annual general meeting to be convened in 2018. The salary of Mr. Patrick de Castelbajac will be determined by the Remuneration Committee of the Company by reference to his qualifications, experience and the prevailing market conditions, subject to the authorization of the AGM. No service contract has been entered into between Mr. Patrick de Castelbajac and the Company as at the date of this announcement.

The biographical details of Mr. Patrick de Castelbajac are set out as follows:

Mr. Patrick de Castelbajac, 46, has a DESS (advanced post-graduate diploma) in Business and Tax Law from the University of Bordeaux, and a DEA (advanced post-graduate diploma) in Comparative Law from Paris-Sorbonne University and Panthéon-Assas (Paris II) University. Mr. Castelbajac successively worked at MBDA and Baker & McKenzie from 1997. He joined Airbus in 2002 and was successively appointed Vice-President Legal Affairs for Purchasing and Intellectual Property, Vice-President Contract of the Commercial Division, Head of Negotiations for the sales of commercial aircraft and Deputy Contracts Director. Mr. Patrick de Castelbajac was appointed as Chief Executive Officer of ATR in June 2014. In December 2016, Mr. Castelbajac came back to Airbus as a member of the Executive Committee, becoming Corporate Secretary of Airbus Commercial Aircraft and Executive Vice-President Strategy of Airbus Group.

As far as the Directors are aware, save as disclosed above, as at the date of this announcement, Mr. Patrick de Castelbajac does not hold any directorships in other public listed companies nor does he hold any position with the Company or other members of the Company and its subsidiaries (collectively, the “**Group**”) in the last three years. Mr. Patrick de Castelbajac does not have any relationship with any Director, supervisor, senior management or substantial or controlling Shareholders of the Company.

As at the date of this announcement, Mr. Patrick de Castelbajac does not hold any interests or short positions within the meaning of Part XV of the Securities and Futures Ordinance in the shares, underlying shares or debentures of the Company.

Save as disclosed above, there is no other information that is required to be disclosed pursuant to Rule 13.51 (2) (h) to (v) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, nor are there any matters that need to be brought to the attention of the Shareholders in relation to the proposed appointment of Mr. Patrick de Castelbajac.

II. PROPOSED CHANGE OF EXTERNAL AUDITORS

According to the tender results with respect to the engagement of the external auditors of the Company, and as recommended by the Audit Committee of the Company, the Board proposed to appoint ShineWing (HK) CPA Limited and ShineWing Certified Public Accountant LLP as the external auditors of the Company for the financial year

2017. Ernst & Young and Ernst & Young Hua Ming LLP will respectively cease to act as the international and PRC auditors of the Company with effect from the date of the close of the AGM.

Each of Ernst & Young and Ernst & Young Hua Ming LLP has confirmed that there are no matters in relation to their retirement which should be brought to the attention of the Shareholders. The Board is not aware of any matters in relation to the proposed change of auditors that need to be brought to the attention of the Shareholders. The Board and the Audit Committee of the Company have also confirmed that there are no disagreements or outstanding matters between the Company and Ernst & Young and Ernst & Young Hua Ming LLP.

The Board would like to express its appreciation for the professional services of Ernst & Young and Ernst & Young Hua Ming LLP provided to the Company in the past years.

III. BOOK CLOSURE PERIOD OF REGISTER OF MEMBERS FOR THE AGM

As stated in the announcement of the Company dated 15 March 2017, the H share register of members of the Company was to be closed from Tuesday, 18 April 2017 to Thursday, 18 May 2017 (both days inclusive) for the AGM.

The Company hereby announces that the book closure period of H share register of members for the AGM has been rescheduled as from **Friday, 28 April 2017** to **Thursday, 18 May 2017** (both days inclusive), during which period no transfer of H shares will be registered. Holders of the Company's H shares and domestic shares whose names appear on the Company's register of members at the opening of business on Thursday, 18 May 2017 are entitled to attend and vote at the AGM.

In order to be eligible to attend and vote at the AGM, holders of the Company's H shares shall lodge all transfer instruments together with the relevant share certificates with Computershare Hong Kong Investor Services Limited, the Company's H shares Registrar, not later than 4:30 pm on Thursday, 27 April 2017 at Shops 1712-1716, 17th floor, Hopewell Centre, 183 Queens' Road East, Wanchai, Hong Kong.

Each of the proposals in relation to the proposed change of non-executive Director and the proposed change of external auditors is subject to the approval of the Shareholders at the AGM by way of an ordinary resolution. A circular containing details of, among others, the above proposals, will be despatched to the Shareholders as soon as practicable.

By order of the Board
AviChina Industry & Technology Company Limited*
Xu Bin
Company Secretary

Beijing, 7 April 2017

As at the date of this announcement, the Board comprises executive Director Mr. Lin Zuoming, non-executive Directors Mr. Tan Ruisong, Mr. Gu Huizhong, Mr. Gao Jianshe, Mr. He Zhiping and Mr. Kiran Rao as well as independent non-executive Directors Mr. Lau Chung Man, Louis, Mr. Liu Renhuai and Mr. Yeung Chi Wai.

**For identification purposes only.*