



CHINA AEROSPACE INTERNATIONAL HOLDINGS LIMITED

(Incorporated in Hong Kong with limited liability)

ANNOUNCEMENT CHANGE IN DIRECTORSHIPS

The Board of Directors (the “Board”) of China Aerospace International Holdings Limited (the “Company”) announces that, with effect from 23 September, 2002, Mr. Rui Xiaowu, the present Non-Executive Director, Mr. Zhao Yuanchang and Mr. Wu Hongju were appointed as Executive Directors of the Company, Mr. Chen Dingyi was appointed as Non-Executive Director of the Company, Mr. Lu Xiaochun resigned as Executive Director, Chairman and President, and Mr. Shen Dabin resigned as Non-Executive Director of the Company respectively. The Board also resolved to appoint Mr. Rui Xiaowu as the Chairman and President of the Company.

The Board takes this opportunity to express its warm welcome to Mr. Rui Xiaowu, Mr. Zhao Yuanchang, Mr. Wu Hongju and Mr. Chen Dingyi for the new appointments and to appreciate Mr. Lu Xiaochun and Mr. Shen Dabin for the valuable contributions to the Company during their tenure of services.

By Order of the Board

Ken Chan

Company Secretary

Hong Kong, 23 September, 2002