



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)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting (“EGM”) of AviChina Industry & Technology Company Limited will be held at 9:00 a.m. on Monday, 31 March 2008, at Beijing Jinjiang Fuyuan Hotel, No. 11 Ronghua Road, Beijing Economic & Technological Development Area, Beijing, the People’s Republic of China to consider and approve the following resolution. Unless otherwise indicated, capitalized terms used in this notice and the following resolution shall have the same meanings as those defined in the circular of the Company dated 25 February 2008:

ORDINARY RESOLUTION

1. **“THAT** the terms of the proposed Placing of Hongdu Aviation, a non-wholly owned subsidiary of the Company, to raise not more than RMB2,500 million by issuing not more than 98,000,000 new Hongdu Shares, subject to adjustment, for subscription by the Company, Hongdu Group and not more than 8 other qualified investors be approved, ratified and confirmed as follows:
 - (a) Subscription Agreement I, as amended by Supplemental Agreement I, entered into between the Company and Hongdu Aviation in relation to the subscription by the Company of approximately 9,842,520 new Hongdu Shares, subject to adjustment, amounting to approximately RMB250 million (equivalent to approximately HK\$273 million), a copy of which is produced to the meeting marked “A” and signed by the Chairman of the meeting for the purpose of identification, be and is hereby approved, confirmed and ratified, and all the transactions contemplated under Subscription Agreement I, as amended by Supplemental Agreement I, be and are hereby approved, confirmed and ratified and that the Board be and is hereby authorised to implement and take all steps and to do all acts and things as may be necessary or desirable to give effect and/or to complete Subscription Agreement I, as amended by Supplemental Agreement I, and to sign and execute any other documents or to do any other matters incidental thereto and/or as contemplated thereunder and to make changes or amendments to Subscription Agreement I, as amended by Supplemental Agreement I, as it may in its absolute discretion deem fit;
 - (b) Subscription Agreement II, as amended by Supplemental Agreement II, entered into between the Hongdu Group and Hongdu Aviation in relation to the subscription by Hongdu Group of approximately 13,779,527 new Hongdu Shares, subject to adjustment, amounting to approximately RMB350 million (equivalent to approximately HK\$382 million), a copy

* For identification purpose only.

of which is produced to the meeting marked “B” and signed by the Chairman of the meeting for the purpose of identification, be and is hereby approved, confirmed and ratified, and all the transactions contemplated under Subscription Agreement II, as amended by Supplemental Agreement II, including satisfaction of consideration by way of Hongdu Group Assets be and are hereby approved, confirmed and ratified and that the Board be and is hereby authorised to implement and take all steps and to do all acts and things as may be necessary or desirable to give effect and/or to complete Subscription Agreement II, as amended by Supplemental Agreement II, and to sign and execute any other documents or to do any other matters incidental thereto and/or as contemplated thereunder and to make changes or amendments to Subscription Agreement II, as amended by Supplemental Agreement II, as it may in its absolute discretion deem fit;

- (c) the proposed Placing of the remaining Hongdu Shares to not more than 8 qualified investors to raise the remaining proceeds of RMB1,900 million (equivalent to approximately HK\$2,074 million) be and is hereby approved, confirmed and ratified and that the Board be and is hereby authorised to implement and take all steps and to do all acts and things as may be necessary or desirable to give effect and/or to complete the proposed Placing of the new Hongdu Shares to not more than 8 qualified investors and to enter into, sign and execute any other documents or to do any other matters incidental thereto and/or as contemplated thereunder and to make changes or amendments to the Subscription Agreements as it may in its absolute discretion deem fit.”

By Order of the Board
AviChina Industry & Technology Company Limited*
Yan Lingxi
Company Secretary

Hong Kong, 25 February 2008

Notes:

(1) Closure of register of members and eligibility to attend the extraordinary general meeting (“EGM”)

Pursuant to Article 38 of the Articles of Association of the Company, the H Share register of the Company will be closed from Tuesday, 11 March 2008 to Monday, 31 March 2008 (both days inclusive) during which period no transfer of H shares will be effected. Holders of the Company’s H Shares and Domestic Shares whose name appear on the Company’s Register of members before the close of business hours on Monday, 31 March 2008 are entitled to attend the EGM and to vote in the EGM.

In order to qualify to attend and vote in the EGM, holders of the Company’s H shares shall lodge all transfers together with the relevant share certificates to Computershare Hong Kong Investor Services Limited, the Company’s H Shares Registrar, not later than 4:30 p.m. on Monday, 10 March 2008 at Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queens’ Road East, Wanchai, Hong Kong.

(2) Registration procedures for attending the EGM

- (a) The shareholder or its proxies shall produce his identification proof. If a corporation shareholder's legal representative or any other person authorized by the board of directors or other governing body of such corporate shareholder attends the EGM, such legal representative or other person shall produce his proof of identity, and proof of designation as legal representative and the valid authorization document of the board of directors or other governing body of such corporate shareholder (as the case may be) to prove the identity and authorisation of that legal representative or other person.
- (b) Holders of H Shares or Domestic Shares who wish to attend the EGM must complete the reply slip to confirm attendance, and return the same to the correspondence address designated by the Company not later than 20 days before the date of the EGM, i.e. no later than Tuesday, 11 March 2008.
- (c) Shareholders may deliver the reply slip by post or facsimile to the correspondence address designated by the Company.

(3) Proxies

- (a) Any shareholder who is entitled to attend and vote at the EGM is entitled to appoint one or more proxies to attend and vote on his behalf at the EGM. A proxy need not be a shareholder of the Company. Any shareholder who wish to appoint a proxy should first review the form of proxy for use in the EGM.
- (b) For any shareholder who has appointed more than one proxy, such proxies shall only vote on a poll. Whether or not the voting is conducted by way of a show of hands or by way of a poll, the results of the voting shall be calculated on the basis of number of shares relevant.
- (c) Any shareholder shall appoint its proxy in writing. The instrument appointing a proxy must be in writing signed under the hand of the appointer or his attorney duly authorized in writing. If the appointer is a legal person, the instrument shall be signed by its directors or attorneys duly authorizing that attorney to sign or other documents of authorization must be notarially certified. In order to be valid, the form of proxy, and a notarially certified copy of the power of attorney or other documents of authorization, where appropriate, must be delivered in the case of holders of domestic shares, to the correspondence address designated by the Company, and in the case of holders of H Shares, to Computershare Hong Kong Investor Services Limited at the address stated in note above not less than 24 hours before the time for holding the EGM and return of a form of proxy will not preclude a shareholder from attending in person and voting at the EGM if he or she so wishes.

- (4) The EGM is expected to last for half a day. Shareholders attending the meeting are responsible for their own transportation and accommodation expenses.

Designated address of the Company: P.O. Box 1655, Beijing, the PRC (Postal code: 100009)

Telephone No.: 86-10-64094835/06

Facsimile No.: 86-10-64094826

Attention: Xu Bin, Wang Yongzhi

- (5) **The ordinary resolution will be voted by poll by the Independent Shareholders.**

As at the date of this notice, the Board of the Company comprises executive directors Mr. Zhang Hongbiao, Mr. Wu Xiandong and Mr. Tan Ruisong and non-executive directors Mr. Liang Zhenhe, Mr. Tian Min, Mr. Song Jingang, Mr. Wang Bin, Mr. Chen Huaiqiu, Mr. Wang Yong, Mr. Maurice Savart as well as independent non-executive directors Mr. Guo Chongqing, Mr. Li Xianzong and Mr. Lau Chung Man, Louis.