



CHINA AEROSPACE INTERNATIONAL HOLDINGS LIMITED

航天科技國際集團有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 31)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of China Aerospace International Holdings Limited (the “Company”) will be held at 17th Floor, China Aerospace Centre, 143 Hoi Bun Road, Kwun Tong, Kowloon, Hong Kong at 11:00 a.m. on Friday, 27 May 2005 for the following purposes:–

1. To receive and adopt the Audited Accounts of the Company and the Reports of the Directors and the Auditors of the Company for the year ended 31 December 2004.
2. To consider the re-election of the retiring Directors and to authorise the Board of Directors to fix the Directors’ remuneration (Details and remuneration of the retiring Directors, please refer to the Annual Report 2004 of the Company).
3. To consider the re-appointment of Messrs. Deloitte Touche Tohmatsu (德勤 • 關黃陳方會計師行) as the Auditors of the Company and to authorise the Board of Directors to fix their remuneration.

As special business, to consider and, if thought fit, passing the following resolutions as Ordinary Resolutions:–

4. **“THAT:–**

- (i) subject to paragraph (iii) below, the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements and options, including warrants to subscribe for shares, which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (ii) the approval in paragraph (i) above shall be in addition to any other authorisation given to the Directors of the Company and shall authorise the Directors of the Company during the Relevant Period to make or grant offers, agreements and options, including warrants to subscribe for shares, which might require the exercise of such powers after the end of the Relevant Period;
- (iii) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors of the Company pursuant to the approval in paragraph (i) above, otherwise than pursuant to a Rights Issue (as hereinafter defined) or on the exercise of any options granted under the share option scheme of the Company or on the exercise of the conversion rights attaching to any convertible notes of the Company, shall not exceed 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing this resolution, and the said approval shall be limited accordingly; and

(iv) for the purposes of this Resolution:–

“Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:

- (a) the conclusion of the next annual general meeting of the Company;
- (b) the expiration of the period within which the next annual general meeting of the Company is required by the applicable law or the Articles of Association of the Company to be held; and
- (c) the passing of an ordinary resolution of the Company in general meeting revoking or varying the authority set out in this resolution;

“Rights Issue” means an offer of shares open for a period fixed by the Directors of the Company to holders of shares whose names appear on the Register of Members of the Company on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions or other arrangements as the Directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory applicable to the Company).”

5. **“THAT:–**

- (i) subject to paragraph (ii) below, the exercise by the Directors of the Company during the Relevant Period (as hereinafter defined) of all powers of the Company to repurchase issued shares or any other rights to subscribe shares in the capital of the Company in each case on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or on any other stock exchange on which the securities of the Company may be listed and which is recognised by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and/or the requirements of the Stock Exchange or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- (ii) the aggregate nominal amount of share capital of the Company which are authorised to be repurchased by the Directors of the Company pursuant to the approval in paragraph (i) above during the Relevant Period shall not exceed 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing this Resolution and the said approval shall be limited accordingly; and

(iii) for the purposes of this Resolution:–

“Relevant Period” means the period from the passing of this Resolution until whichever is the earliest of:–

- (a) the conclusion of the next annual general meeting of the Company;
- (b) the expiration of the period within which the next annual general meeting of the Company is required by any applicable law or the Articles of Association of the Company to be held; and
- (c) the passing of an ordinary resolution of the Company in the general meeting revoking or varying the authority set out in this resolution.”

6. “**THAT** conditional on the passing of the Resolution No. 5 set out in the notice of the annual general meeting at which this Resolution is considered, the general mandate granted to the Directors of the Company and for the time being in force to exercise the powers of the Company to allot, issue and deal with new shares pursuant to the Resolution No. 4 set out in the said notice be and is hereby extended by the addition to the aggregate nominal amount of the share capital of the Company which may be allotted or agreed conditionally or unconditionally to be allotted by the Directors of the Company pursuant to such general mandate of an amount representing the aggregate nominal amount of the share capital of the Company repurchased by the Company under the authority granted pursuant to the said Resolution No. 5, provided that such extended amount shall not exceed 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing this Resolution.”
7. Any other business.

By Order of the Board
Ken Chan
Company Secretary

Hong Kong, 28 April 2005

Notes:

1. Any member entitled to attend and vote at the above meeting is entitled to appoint one or more proxies to attend and vote instead of him. A proxy need not be a member of the Company.
2. To be valid, a form of proxy, together with the power of attorney or other authority, if any, under which it is signed, or a notarially certified copy of that power or authority must be deposited at the registered office of the Company at 17th Floor, China Aerospace Centre, 143 Hoi Bun Road, Kwun Tong, Kowloon, Hong Kong not less than 48 hours before the time appointed for the holding of the meeting or any adjourned meeting.

As of the date of this announcement, the Board of Directors of the Company comprises:

Executive Directors

Mr. Rui Xiaowu
Mr. Zhao Liqiang
Mr. Zhou Qingquan
Mr. Zhao Yuanchang
Mr. Wu Hongju
Mr. Guo Xianpeng

Non-Executive Directors

Mr. Li Jinsheng
Mr. Xu Shilong
Mr. Chen Dingyi
Ms. Chan Ching Har, Eliza

Independent Non-Executive Directors

Mr. Lee Hung Sang
Mr. Chow Chan Lum, Charles
Mr. Luo Zhenbang

"Please also refer to the published version of this announcement in China Daily"