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If you are in doubt as to any aspect of this circular or as to the action you should take, you should consult a stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **AVIC International Holding (HK) Limited**, you should at once hand this circular, the 2012 annual report and proxy form to the purchaser or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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AVIC International Holding (HK) Limited
中國航空工業國際控股(香港)有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 232)

**PROPOSALS FOR
GENERAL MANDATES TO REPURCHASE SHARES
AND TO ISSUE SHARES,
RE-ELECTION OF RETIRING DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting of AVIC International Holding (HK) Limited to be held at Park Lane Room VII, 28th Floor, The Park Lane Hong Kong, 310 Gloucester Road, Causeway Bay, Hong Kong, on Wednesday, 22 May 2013 at 10:00 a.m. is set out on pages 9 to 12 of this circular. Whether or not you propose to attend the meeting, you are requested to read the notice and to complete the proxy form in accordance with the instructions printed thereon and return the same to the Company's Hong Kong branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited at Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding of the meeting or any adjournment thereof. Completion and return of the proxy form shall not preclude you from attending and voting at the meeting should you so wish.

Hong Kong, 28 March 2013

DEFINITIONS

In this circular, the following expressions have the following meanings unless the context requires otherwise:

“AGM”	the annual general meeting of the Company to be held at Park Lane Room VII, 28th Floor, The Park Lane Hong Kong, 310 Gloucester Road, Causeway Bay, Hong Kong on Wednesday, 22 May 2013 at 10:00 a.m., notice of which is set out on pages 9 to 12 of this circular
“Board”	the board of Directors
“Bye-laws”	the Bye-laws of the Company as may be amended from time to time
“Company”	AVIC International Holding (HK) Limited, an exempted company incorporated in Bermuda with limited liability, the Shares of which are listed on the Stock Exchange
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	22 March 2013, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Repurchase Proposal”	the proposal to give a general mandate to the Directors to exercise the powers of the Company to repurchase during the period, as set out in the Repurchase Resolution, Shares up to a maximum of 10% of the issued share capital of the Company as at the date of the Repurchase Resolution
“Repurchase Resolution”	the proposed ordinary resolution as referred to in resolution no. 4A of the notice of the AGM
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company

DEFINITIONS

“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeover Code”	the Hong Kong Code on Takeovers and Mergers
“HK\$” and “cents”	Hong Kong dollars and cents respectively, the lawful currency of Hong Kong



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Executive Directors:

Mr. Wu Guangquan (*Chairman*)
Mr. Ji Guirong (*Deputy Chairman and
Chief Executive Officer*)
Mr. Pan Linwu (*Deputy Chairman*)
Mr. You Lei
Mr. Zhang Chuanjun

Non-executive Director:

Mr. Ip Tak Chuen, Edmond

Independent Non-executive Directors:

Mr. Chu Yu Lin, David
Mr. Li Ka Fai, David
Mr. Li Zhaoxi

Registered Office:

Canon's Court
22 Victoria Street
Hamilton HM 12
Bermuda

*Head Office and Principal
Place of Business:*

Unit B, 15th Floor
United Centre
95 Queensway
Hong Kong

28 March 2013

To the Shareholders

Dear Sir or Madam,

**PROPOSALS FOR
GENERAL MANDATES TO REPURCHASE SHARES
AND TO ISSUE SHARES,
RE-ELECTION OF RETIRING DIRECTORS
AND
NOTICE OF ANNUAL GENERAL MEETING**

1. GENERAL MANDATE TO REPURCHASE SHARES

At the annual general meeting of the Company held on 16 May 2012, a general mandate was given to the Directors to exercise the powers of the Company to repurchase Shares. Such mandate will lapse at the conclusion of the AGM. It is therefore proposed to seek your approval

LETTER FROM THE BOARD

by way of an ordinary resolution to be proposed at the AGM to grant a new general mandate to the Directors to exercise the powers of the Company to repurchase Shares up to a maximum of 10% of the issued share capital of the Company as at the date of the Repurchase Resolution.

The general mandate granted pursuant to the Repurchase Resolution shall be exercisable during the period from the passing of the Repurchase Resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the applicable laws of Bermuda or Bye-laws to be held; or
- (iii) the date on which the authority set out in such resolution is revoked or varied by an ordinary resolution of the Shareholders in general meeting of the Company.

An explanatory statement which is required to be sent to shareholders under the Listing Rules to regulate the repurchase by companies with primary listings on the Stock Exchange of their own securities on the Stock Exchange will provide requisite information to you for your consideration of the Repurchase Proposal and is set out in Appendix I hereto.

2. GENERAL MANDATE TO ISSUE SHARES

The Directors also propose at the AGM an ordinary resolution granting the Directors a general mandate to allot, issue and deal with Shares not exceeding 20% of the issued share capital of the Company as at the date of the resolution. As at the Latest Practicable Date, the issued share capital of the Company comprised 4,650,781,000 Shares. Subject to the passing of the ordinary resolution approving the general mandate to issue Shares and assuming that no further Shares are issued or repurchased prior to the AGM, the Company would be allowed under such general mandate to issue not more than 930,156,200 Shares. In addition, an ordinary resolution will be proposed to extend such general mandate by an aggregate nominal amount of Shares repurchased by the Company.

The general mandate to allot, issue and deal with Shares shall be exercisable during the period from the passing of the ordinary resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the applicable laws of Bermuda or Bye-laws to be held; or
- (iii) the date on which the authority set out in such resolution is revoked or varied by an ordinary resolution of the Shareholders in general meeting of the Company.

3. RE-ELECTION OF RETIRING DIRECTORS

The Board currently consists of nine Directors, namely Mr. Wu Guangquan, Mr. Ji Guirong, Mr. Pan Linwu, Mr. You Lei, Mr. Zhang Chuanjun, Mr. Ip Tak Chuen, Edmond, Mr. Chu Yu Lin, David, Mr. Li Ka Fai, David and Mr. Li Zhaoxi.

LETTER FROM THE BOARD

Pursuant to the Bye-laws, Mr. You Lei, who was appointed as Director subsequent to the last annual general meeting, will hold office until the forthcoming AGM, and being eligible, will offer himself for re-election at the AGM. Furthermore, Mr. Ip Tak Chuen, Edmond, Mr. Li Ka Fai, David and Mr. Ji Guirong will retire by rotation from office at the AGM and, being eligible, will offer themselves for re-election.

Details of retiring Directors proposed for re-election at the AGM are set out in Appendix III to this circular.

4. ANNUAL GENERAL MEETING

The notice convening the AGM, which contains, inter alia, ordinary resolutions to approve the Repurchase Proposal, granting of the general mandate for Directors to issue new Shares and extension of such general mandate, is set out in Appendix II on pages 9 to 12 of this circular.

5. ACTION TO BE TAKEN

A proxy form for use at the AGM is enclosed with this circular. Whether or not you are able to attend the meeting, you are requested to complete and return the accompanying proxy form in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours before the time appointed for holding the AGM. Completion and return of the proxy form will not prevent you from attending and voting at the meeting if you so wish.

6. VOTING BY WAY OF POLL

Pursuant to Rule 13.39(4) of the Listing Rules, all votes at the AGM will be taken by poll, except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. The Company will announce the results of the poll in the manner prescribed under Rule 13.39(5) of the Listing Rules.

7. RECOMMENDATION

The Directors believe that the Repurchase Proposal, granting of the general mandate for Directors to issue new Shares, extension of such general mandate and re-election of the retiring Directors are all in the best interest of the Company and the Shareholders. Accordingly, the Directors recommend that all Shareholders should vote in favour of the relevant resolutions to be proposed at the AGM.

Yours faithfully,
AVIC International Holding (HK) Limited
Wu Guangquan
Chairman

This appendix serves as an explanatory statement, as required by the Listing Rules, to provide the requisite information to Shareholders for their consideration of the Repurchase Resolution.

SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 4,650,781,000 Shares.

Subject to the passing of the Repurchase Resolution and on the basis that no further Shares are issued or repurchased prior to the AGM, the Company would be allowed under the Repurchase Resolution to repurchase a maximum of 465,078,100 Shares representing 10% of the issued share capital of the Company as at the Latest Practicable Date.

REASON FOR REPURCHASE

The Directors believe that the Repurchase Proposal is in the best interests of the Company and the Shareholders. Such purchase may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value and/or earnings per Share of the Company and will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders.

FUNDING OF REPURCHASES

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its memorandum of association and Bye-laws and the applicable laws of Bermuda. The Companies Act 1981 of Bermuda provides that the amount of capital repaid in connection with a share repurchase may only be paid out of either the capital paid up on the relevant shares, or out of the funds of the Company otherwise available for dividend or distribution or the proceeds of a fresh issue of shares made for the purpose. The amount of premium payable on repurchase may only be paid out of either the funds of the Company that would otherwise be available for dividend or distribution or out of the share premium of the Company. Further, the Company cannot purchase its own shares if on the date on which the purchase is to be effected, there are reasonable grounds for believing that the Company is, or after the purchase would be, unable to pay its liabilities as they become due.

There might be an adverse impact on the working capital or gearing position of the Company as compared with the position disclosed in the audited accounts contained in the annual report for the year ended 31 December 2012 in the event that the Repurchase Proposal were to be carried out in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the repurchase of Shares to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

SHARE PRICES

The highest and lowest prices at which the Shares have traded on the Stock Exchange during each of the previous twelve months before the Latest Practicable Date were as follows:

	Highest	Lowest
	<i>HK\$</i>	<i>HK\$</i>
March 2012	0.305	0.248
April 2012	0.255	0.243
May 2012	0.245	0.185
June 2012	0.255	0.190
July 2012	0.245	0.210
August 2012	0.250	0.202
September 2012	0.255	0.220
October 2012	0.255	0.230
November 2012	0.305	0.246
December 2012	0.300	0.275
January 2013	0.365	0.285
February 2013	0.335	0.275
March 2013 (up to the Latest Practicable Date)	0.345	0.285

UNDERTAKING

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the power of the Company to make repurchases pursuant to the Repurchase Resolution and in accordance with the Listing Rules and the applicable laws of Bermuda.

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, their associates, have any present intention to sell any Shares to the Company or its subsidiaries under the Repurchase Proposal if such is approved by the Shareholders.

No connected persons (as defined in the Listing Rules) have notified the Company that they have a present intention to sell Shares to the Company or its subsidiaries, or have undertaken not to sell any of the Shares to the Company or its subsidiaries, in the event that the Repurchase Proposal is approved by the Shareholders.

TAKEOVER CODE

If on the exercise of the power to repurchase Shares pursuant to the Repurchase Proposal, a shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeover Code. As a result, a shareholder or group of shareholders acting in concert could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeover Code.

As at the Latest Practicable Date, Aviation Industry Corporation of China (“AVIC”), the ultimate holding company of the Company, and its associates are interested in 1,895,559,000 Shares, representing approximately 40.76% of the issued share capital of the Company. Based on such shareholding and in the event that the Repurchase Proposal is exercised in full, the interests of AVIC and its associates will be increased to approximately 45.29% of the issued share capital of the Company and an obligation to make a general offer to Shareholders in accordance with Rules 26 and 32 of the Takeover Code may arise. However, the Directors have no present intention to exercise the power to repurchase Shares pursuant to the Repurchase Proposal to an extent as would result in such obligation.

In the event that the power to repurchase Shares pursuant to the Repurchase Resolution is exercised in full, the number of Shares held by the public would not fall below 25%.

SHARES REPURCHASE MADE BY THE COMPANY

In the six months preceding the Latest Practicable Date, the Company had repurchased Shares on the Stock Exchange as follows:

Date of repurchase	Number of Shares	Price per Share paid	
		Highest HK\$	Lowest HK\$
25 October 2012	1,998,000	0.247	0.246
29 October 2012	1,552,000	0.246	0.243
30 October 2012	3,000,000	0.244	0.242
31 October 2012	570,000	0.246	0.243
8 November 2012	2,000,000	0.255	0.250
9 November 2012	496,000	0.250	0.250
12 November 2012	<u>1,000,000</u>	0.249	0.249
	<u><u>10,616,000</u></u>		

Save as disclosed above, the Company had not purchased any Shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.



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(Incorporated in Bermuda with limited liability)

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NOTICE IS HEREBY GIVEN that the annual general meeting of AVIC International Holding (HK) Limited (the “**Company**”) will be held at Park Lane Room VII, 28th Floor, The Park Lane Hong Kong, 310 Gloucester Road, Causeway Bay, Hong Kong, on Wednesday, 22 May 2013 at 10:00 a.m. for the following purposes:

1. To receive and consider the audited consolidated financial statements and the report of the directors and the independent auditors’ report of the Company for the year ended 31 December 2012.
2. (a) To re-elect Mr. You Lei as director of the Company;
(b) To re-elect Mr. Ip Tak Chuen, Edmond as director of the Company;
(c) To re-elect Mr. Li Ka Fai, David as director of the Company;
(d) To re-elect Mr. Ji Guirong as director of the Company; and
(e) To authorize the board of directors of the Company to fix the remuneration of directors.
3. To re-appoint auditors and to authorize the board of directors of the Company to fix the remuneration of auditors.
4. As a special business, to consider and, if thought fit, pass with or without amendments, the following resolutions as ordinary resolutions of the Company:

ORDINARY RESOLUTIONS

A. “**THAT:**

- (a) subject to paragraph (b) below, the exercise by the board of directors of the Company (“**Directors**”) during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase shares of HK\$0.10 each in the capital of the Company 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 recognized 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 the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;

- (b) the aggregate nominal amount of shares of the Company which the Directors are authorized to repurchase pursuant to the approval in paragraph (a) above shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue as at the date of this Resolution, and the said approval shall be limited accordingly; and
- (c) for the purposes of this Resolution, “**Relevant Period**” means the period from the passing of this Resolution until whichever is the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by law or the bye-laws of the Company to be held; and
 - (iii) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting of the Company.”

B. “THAT:

- (a) subject to paragraph (c) below, the exercise by the Directors during the **Relevant Period** (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares of HK\$0.10 each in the capital of the Company and to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into shares of the Company) which would or might require the exercise of such power be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorize the Directors during the **Relevant Period** (as hereinafter defined) to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into shares of the Company) which would or might require the exercise of such power after the end of the **Relevant Period**;

- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); (ii) an issue of shares as scrip dividends pursuant to the bye-laws of the Company from time to time; or (iii) an issue of shares under any option scheme or similar arrangement for the time being adopted for the grant or issue of shares or rights to acquire shares of the Company, shall not exceed 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this Resolution, and the said approval shall be limited accordingly; and
- (d) for the purpose of this Resolution,

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

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by law or the bye-laws of the Company to be held; and
- (iii) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting of the Company; and

“Rights Issue” means an offer of shares open for a period fixed by the Directors to the holders of shares of the Company on the register on a fixed record date in proportion to their then holdings of such shares as at that date (subject to such exclusions or other arrangements as the Directors 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 recognized regulatory body or any stock exchange in, any territory outside Hong Kong applicable to the Company).”

- C. **“THAT** subject to the passing of Resolutions No. 4A and No. 4B set out in the notice convening this meeting, the general mandate granted to the Directors to allot, issue and deal with additional shares pursuant to Resolution No. 4B set out in the notice convening this meeting be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of shares in the capital of the Company repurchased by the Company under the authority granted pursuant to Resolution No. 4A set out in the notice convening

this meeting, provided that such amount of shares so repurchased shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of the said Resolution.”

By order of the Board
AVIC International Holding (HK) Limited
Leung Yuen Chee, Sara
Secretary

Hong Kong, 28 March 2013

Notes:

1. A member of the Company entitled to attend and vote at the meeting is entitled to appoint one or more proxies (if a member who is the holder of two or more shares of the Company) to attend and vote in his stead. A proxy need not be a member of the Company.
2. To be valid, the proxy form, together with any power of attorney or other authority (if any) under which it is signed, or a notarially certified copy thereof, must be lodged with the Company's Hong Kong branch share registrar and transfer office, Computershare Hong Kong Investor Services Limited at Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude a member from attending and voting at the meeting if the member so desires.
3. With regard to item 2 in this notice, the particulars of all retiring directors of the Company are set out in Appendix III of the circular to shareholders of the Company dated 28 March 2013.
4. Where there are joint registered holders of any share, any one of such persons may vote at the meeting, either personally or by proxy, in respect of such share as if he were solely entitled thereto; but if more than one of such joint holders be present at the meeting personally or by proxy, that one of the said persons so present whose name stands first on the register in respect of such share shall alone be entitled to vote in respect thereof.
5. The voting on the above resolutions at the meeting will be conducted by way of a poll.

The following are the particulars of the retiring Directors proposed to be re-elected at the AGM:

(a) Mr. You Lei

Mr. You Lei, aged 44, has been an Executive Director of the Company since 28 January 2013. He holds an Executive Master's degree in Business Administration, a Master's degree in Business Administration and a Bachelor's degree in Electronic Engineering, and is a senior engineer. Mr. You is an executive vice president of AVIC International Holding Corporation and a director of AVIC International (HK) Group Limited ("AVIC International (HK) Group"), both of which are substantial Shareholders. He is also the general manager of AVIC International Shenzhen Company Limited and the chairman of the board of directors of Shenzhen Shennan Circuit Co., Ltd. Mr. You has extensive experience in business administration. He is also an executive director of AVIC International Holdings Limited (formerly known as CATIC Shenzhen Holdings Limited), a company listed on the Stock Exchange, and the vice chairman of the board of directors of Tianma Microelectronics Co., Ltd. ("Tianma"), and, was the vice chairman of the board of directors of Fiyta Holdings Ltd. ("Fiyta", *appointment ended on 10 September 2012*) and a director of Rainbow Department Store Co., Ltd. ("Rainbow", *appointment ended on 18 April 2012*). Tianma, Fiyta and Rainbow are all listed companies on Shenzhen Stock Exchange.

The Company has entered a letter of appointment with Mr. You. There is no length of service specified in the said letter of appointment. Mr. You is subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the Bye-laws. Mr. You's emoluments, which are reviewed and approved by the Remuneration Committee of the Company in accordance with the Company's remuneration policy in consideration of his duties and responsibilities within the Group, the Group's performance and profitability and the market benchmark, comprising a director's fee reviewed by the Board from time to time pursuant to the power conferred on it at annual general meetings of the Company, and discretionary share options. The director's fee currently received by Mr. You annually amounts to HK\$36,000.

Save as disclosed above, Mr. You does not have any relationship with any directors, senior management of the Company or substantial or controlling Shareholders. Mr. You does not hold any directorship in other listed public companies in the past three years and does not hold any other position with the Company and other members of the Group.

As at the Latest Practicable Date, Mr. You does not have any interest in the shares of the Company within the meaning of Part XV of the Securities and Futures Ordinance ("SFO").

Save as set out above, there is no other matter regarding the re-election of Mr. You which needs to be brought to the attention of the Shareholders and there is no other information needs to be disclosed pursuant to the requirement of Rule 13.51(2) of the Listing Rules.

(b) Mr. Ip Tak Chuen, Edmond

Mr. Ip Tak Chuen, Edmond, aged 60, has been a Non-executive Director of the Company since May 1999. He holds a Bachelor of Arts degree in Economics and a Master of Science degree in Business Administration. Mr. Ip is also deputy managing director of Cheung Kong (Holdings) Limited, an executive director and deputy chairman of Cheung Kong Infrastructure Holdings Limited, an executive director, the senior vice president and chief investment officer of CK Life Sciences Int'l., (Holdings) Inc., a non-executive director of ARA Asset Management Limited (an Asian real estate fund management company listed in Singapore), TOM Group Limited, Real Nutriceutical Group Limited, Shougang Concord International Enterprises Company Limited (all being listed companies), ARA Asset Management (Fortune) Limited as the manager of Fortune REIT and Hui Xian Asset Management Limited as the manager of Hui Xian REIT, and a director of ARA Trust Management (Suntec) Limited as the manager of Suntec REIT. Fortune REIT is listed in Hong Kong and Singapore, Hui Xian REIT is listed in Hong Kong whereas Suntec REIT is listed in Singapore. He was previously a non-executive director of Hong Kong Jewellery Holding Limited (formerly known as Excel Technology International Holdings Limited), a company listed on the Stock Exchange (*resigned on 3 July 2012*).

The Company has entered a letter of appointment with Mr. Ip. There is no length of service specified in the said letter of appointment. Mr. Ip is subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the Bye-laws. Mr. Ip's emolument consists of a director's fee determined in consideration of his duties, experience and responsibilities and is subject to review by the Board from time to time pursuant to the power conferred on it at annual general meetings of the Company. The director's fee currently received by Mr. Ip annually amounts to HK\$120,000.

Save as disclosed above, Mr. Ip does not have any relationship with any directors, senior management of the Company or substantial or controlling Shareholders. Mr. Ip does not hold any directorship in other listed public companies in the past three years and does not hold any other position with the Company and other members of the Group.

As at the Latest Practicable Date, Mr. Ip does not have any interest in the shares of the Company within the meaning of Part XV of the SFO.

Save as set out above, there is no other matter regarding the re-election of Mr. Ip which needs to be brought to the attention of the Shareholders and there is no other information needs to be disclosed pursuant to the requirement of Rule 13.51(2) of the Listing Rules.

(c) Mr. Li Ka Fai, David

Mr. Li Ka Fai, David, aged 58, has been an Independent Non-executive Director of the Company since December 2007. He is also a member of the Audit Committee and the Remuneration Committee of the Company. Mr. Li holds a Bachelor of Science honours degree in Chemistry and Administration. He is the deputy managing partner of Li, Tang, Chen & Co.

CPA (Practising). Mr. Li is also a fellow of the Hong Kong Institute of Certified Public Accountants and The Association of Chartered Certified Accountants, UK as well as The Institute of Chartered Secretaries and Administrators, UK and an associate member of The Institute of Chartered Accountants in England & Wales. He is an independent non-executive director of China Merchants Holdings (International) Company Limited, China-Hongkong Photo Products Holdings Limited, Cosomopolitan International Holdings Limited, Goldlion Holdings Limited and Shanghai Industrial Urban Development Group Limited, all being listed on the Stock Exchange. Mr. Li is also an advisor and was an independent director of China Vanke Co., Ltd, a company listed on Shenzhen Stock Exchange (*appointment ended on 31 March 2011*).

The Company has entered a letter of appointment with Mr. Li. There is no length of service specified in the said letter of appointment. Mr. Li is subject to retirement by rotation and re-election at annual general meetings of the Company in accordance with the Bye-laws. Mr. Li's emolument consists of a director's fee determined in consideration of his duties, experience and responsibilities and is subject to review by the Board from time to time pursuant to the power conferred on it at annual general meetings of the Company. The director's fee currently received by Mr. Li annually amounts to HK\$240,000.

Save as disclosed above, Mr. Li does not have any relationship with any directors, senior management of the Company or substantial or controlling Shareholders. Mr. Li does not hold any directorship in other listed public companies in the past three years and does not hold any other position with the Company and other members of the Group.

As at the Latest Practicable Date, Mr. Li does not have any interest in the shares of the Company within the meaning of Part XV of the SFO.

Save as set out above, there is no other matter regarding the re-election of Mr. Li which needs to be brought to the attention of the Shareholders and there is no other information needs to be disclosed pursuant to the requirement of Rule 13.51(2) of the Listing Rules.

(d) Mr. Ji Guirong

Mr. Ji Guirong, aged 51, has been an Executive Director, a Deputy Chairman and the Chief Executive officer of the Company since September 2001. He holds a Master's degree in Engineering Management and a Bachelor's degree in Engineering and is a senior engineer. Mr. Ji is a director of AVIC International (HK) Group, Tacko International Limited ("Tacko") and Speed Profit Enterprises Limited ("Speed Profit"). Tacko and Speed Profit are substantial Shareholders. He is a non-executive director, the chairman, a member of the remuneration committee and, a member and the chairman of the nomination committee of China Environmental Investment Holdings Limited (an associate of the Company listed on the Stock Exchange), and, a director and the vice chairman of NavInfo Co., Ltd., a company listed on Shenzhen Stock Exchange.

The Company has entered a letter of appointment and a service contract with Mr. Ji. There is no length of service specified in the said letter of appointment and service contract. Mr. Ji is subject to retirement by rotation and re-election at annual general meetings of the Company

in accordance with the Bye-laws. Mr. Ji's emoluments, which are reviewed and approved by the Remuneration Committee of the Company in accordance with the Company's remuneration policy in consideration of his duties and responsibilities within the Group, the Group's performance and profitability and the market benchmark, comprising a monthly salary of HK\$250,000, housing accommodation provided by the Company, a director's fee reviewed by the Board from time to time pursuant to the power conferred on it at annual general meetings of the Company, discretionary year-end incentive bonus and discretionary share options. The director's fee currently received by Mr. Ji annually amounts to HK\$36,000.

Mr. Ji is a director of certain subsidiaries of the Company and a director of certain companies controlled by certain substantial Shareholders. Save as disclosed above, Mr. Ji does not have any relationship with any directors, senior management of the Company or substantial or controlling Shareholders. Mr. Ji does not hold any directorship in other listed public companies in the past three years and does not hold any other position with the Company and other members of the Group.

As at the Latest Practicable Date, Mr. Ji does not have any interest in the shares of the Company within the meaning of Part XV of the SFO.

Save as set out above, there is no other matter regarding the re-election of Mr. Ji which needs to be brought to the attention of the Shareholders and there is no other information needs to be disclosed pursuant to the requirement of Rule 13.51(2) of the Listing Rules.