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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**  
**RESULTS OF AVICOPTER; AND**  
**POTENTIAL CONNECTED TRANSACTION: PROPOSED PROVISION OF**  
**GUARANTEE**

**I. Results of AVICOPTER**

On 29 April 2020, AVICOPTER, a subsidiary of the Company, will publish its unaudited first quarter report for 2020 prepared under CAS (China Accounting Standards) on the website of the Shanghai Stock Exchange.

**Investors are reminded that the above financial data are unaudited results for the first quarter of 2020 of AVICOPTER, rather than that of the Company. Investors should also note that the Company prepares its financial statements under IAS (International Accounting Standards) and therefore, the financial data prepared under CAS of AVICOPTER disclosed herein may be different if prepared under IAS. Investors should exercise caution when dealing in the securities of the Company.**

**II. Proposed Provision of Guarantee**

AVIC Huiyang, a wholly-owned subsidiary of AVICOPTER, intended to extend the loan granted by AVIC Finance to AVIC Huiyang in an amount of not more than RMB190,000,000 for not more than one year. As considered and approved at the board meeting of AVICOPTER on 28 April 2020, AVICOPTER proposed to provide joint liability guarantee in favour of AVIC Huiyang for the above loan in the extended period. And AVIC Huiyang proposed to provide counter guarantee in favour of AVICOPTER in return by setting mortgage over the land use rights for the land with a gross area of 369 mu and buildings and other attachments constructed thereon.

As at the date of this announcement, each of AVICOPTER and AVIC Huiyang is a subsidiary of the Company. AVIC Finance is a subsidiary of AVIC, which is the controlling shareholder of the Company. Therefore, AVIC Finance is a connected person of the Company pursuant to the Hong Kong Listing Rules. The Proposed Guarantee, if proceed with, will constitute a connected transaction of the Company under Chapter 14A of the Hong Kong Listing Rules.

## **I. Results of AVICOPTER**

On 29 April 2020, AVICOPTER, a subsidiary of the Company, will publish its unaudited first quarter report for 2020 prepared under CAS on the website of the Shanghai Stock Exchange. The key unaudited financial data of the report are set out as follows:

**For the three months ended 31 March 2020**

**Unit: RMB**

<b>Name of company</b>	<b>Revenue</b>	<b>Cost</b>	<b>Net profit attributable to the equity holders of the company</b>
AVICOPTER	1,951,838,260.41	1,671,299,313.62	51,906,236.99

During the reporting period, due to the outbreak of the coronavirus pneumonia epidemic, the results of AVICOPTER recorded a decrease as compared with those of the corresponding period of the preceding year.

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For further details relating to the first quarter report for 2020 of AVICOPTER, please refer to the announcement dated 29 April 2020 published by AVICOPTER on the website of the Shanghai Stock Exchange ([www.sse.com.cn](http://www.sse.com.cn)).

## **II. Proposed Provision of Guarantee**

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joint liability guarantee (the “**Proposed Guarantee**”) in favour of AVIC Huiyang for the above loan in the extended period. And AVIC Huiyang proposed to provide counter guarantee in favour of AVICOPTER in return by setting mortgage over the land use rights for the land with a gross area of 369 mu and buildings and other attachments constructed thereon.

As at the date of this announcement, each of AVICOPTER and AVIC Huiyang is a subsidiary of the Company. AVIC Finance is a subsidiary of AVIC, which is the controlling shareholder of the Company. Therefore, AVIC Finance is a connected person of the Company pursuant to the Hong Kong Listing Rules. The Proposed Guarantee, if proceed with, will constitute a connected transaction of the Company under Chapter 14A of the Hong Kong Listing Rules.

No concrete agreement has been entered into by the relevant parties in relation to the Proposed Guarantee as at the date of this announcement. Upon execution of concrete agreement, the Company will perform its information disclosure obligations in accordance with the applicable provisions under the Hong Kong Listing Rules in a timely manner.

**Shareholders and potential investors of the Company are advised to exercise caution when dealing in shares of the Company.**

### **III. Definitions**

“AVIC”	Aviation Industry Corporation of China, Ltd.* (中國航空工業集團有限公司), the controlling shareholder of the Company, holding 56.04% equity interest in the Company directly and indirectly as at the date of this announcement
“AVIC Finance”	AVIC Finance Co., Ltd.* (中航工業集團財務有限責任公司), a limited liability company incorporated in the PRC and a subsidiary of AVIC as at the date of this announcement
“AVIC Huiyang”	AVIC Huiyang Aviation Propeller Company Limited* (惠陽航空螺旋槳有限責任公司), a limited liability company incorporated in the PRC and a subsidiary of the Company as at the date of this announcement
“AVICOPTER”	AVICOPTER PLC* (中航直升機股份有限公司), a joint stock limited company whose shares are listed on the Shanghai Stock Exchange with 28.21% of its interests being held by the Company through Harbin Aviation

Industry (Group) Co., Ltd.\* (哈爾濱航空工業(集團)有限公司), and 6.56% of its interests being directly held by the Company as at the date of this announcement

“Board”	the board of directors of the Company
“Company”	AviChina Industry & Technology Company Limited* (中國航空科技工業股份有限公司), a joint stock limited liability company incorporated in the PRC, whose H shares are listed on the Hong Kong Stock Exchange
“connected person(s)”	has the same meaning as defined in the Hong Kong Listing Rules
“Hong Kong Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended from time to time)
“Hong Kong Stock Exchange”	The Stock Exchange of Hong Kong Limited
“PRC”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of PRC

By Order of the board of directors  
**AviChina Industry & Technology Company Limited\***  
**Xu Bin**  
*Company Secretary*

Beijing, 29 April 2020

*As at the date of this announcement, the Board comprises executive Directors Mr. Chen Yuanxian and Mr. Wang Xuejun, non-executive Directors Mr. Yan Lingxi, Mr. Lian Dawei, and Mr. Xu Gang as well as independent non-executive Directors Mr. Liu Renhuai, Mr. Liu Weiwu and Mr. Wang Jianxin.*

*\* For identification purposes only.*