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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)

VOLUNTARY ANNOUNCEMENT
PROPOSED ISSUANCE OF EXCHANGEABLE CORPORATE BONDS

This announcement is made by AviChina Industry & Technology Company Limited* (the “**Company**”) (together with its subsidiaries, the “**Group**”) on a voluntary basis.

The board (the “**Board**”) of directors of the Company is pleased to announce that the Board has resolved today to propose, on the premise of maintaining the Company’s controlling stake in AVICOPTER PLC* (中航直升機股份有限公司) (“**AVICOPTER**”, a non-wholly owned subsidiary of the Company whose A shares are listed on the Shanghai Stock Exchange, stock code: 600038), the non-public issuance of exchangeable corporate bonds (the “**Proposed Issuance of Exchangeable Corporate Bonds**”) with a portion of A shares of AVICOPTER held by the Company as the underlying assets. Upon completion of the Proposed Issuance of Exchangeable Corporate Bonds, the Company will submit an application to the Shanghai Stock Exchange for the listing and transfer of these exchangeable corporate bonds (the “**Exchangeable Corporate Bonds**”).

The proposed issuance term of the Proposed Issuance of Exchangeable Corporate Bonds is no more than 3 years (inclusive), with a fundraising scale of no more than RMB 1 billion (inclusive). The funds raised are intended to be used for supplementing working capital. Upon fulfillment of the share exchange conditions, the holders of the Exchangeable Corporate Bonds are entitled to convert their bonds into AVICOPTER’s A shares within the designated conversion period. As at the date of this announcement, the Company directly holds 50.90% of the equity interest in AVICOPTER. It is expected that after the completion of conversion of the Exchangeable Corporate Bonds, AVICOPTER will still be a non-wholly owned subsidiary of the Company.

The Proposed Issuance of Exchangeable Corporate Bonds may result in a reduction in the Company’s equity interest proportion in AVICOPTER. However, as the highest applicable percentage ratio (as defined under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”)) is below 5%, the Proposed Issuance of Exchangeable Corporate Bonds does not constitute a notifiable transaction of the Company under Chapter 14 of the Listing Rules. It is

also expected that the Proposed Issuance of Exchangeable Corporate Bonds will not constitute a connected transaction under the Listing Rules.

In accordance with the Company Law of the People's Republic of China, the articles of association of the Company and relevant laws and regulations, the Proposed Issuance of Exchangeable Corporate Bonds is subject to the approval of the shareholders' meeting of the Company, the approval of Aviation Industry Corporation of China, Ltd.* (中國航空工業集團有限公司), the controlling shareholder of the Company, and the obtaining of a no-objection letter from the Shanghai Stock Exchange. The final issuance plan of the Proposed Issuance of Exchangeable Corporate Bonds will be determined based on the authorization of the shareholders' meeting of the Company and the market conditions. The Company will fulfil its information disclosure obligations in a timely manner in accordance with the relevant regulations.

A circular containing, among others, details of the Proposed Issuance of Exchangeable Corporate Bonds and the notice of the shareholders' meeting will be published by the Company in due course.

Shareholders and potential investors should be aware that there is no assurance that the Proposed Issuance of Exchangeable Corporate Bonds will proceed, shareholders and potential investors of the Company should exercise caution when dealing in shares of the Company.

By Order of the Board
AviChina Industry & Technology Company Limited*
Wu Yun
Company Secretary

Beijing, 28 March 2025

As at the date of this announcement, the Board comprises executive Directors Mr. Yan Lingxi and Mr. Sun Jizhong, non-executive Directors Mr. Xu Dongsheng, Mr. Zhou Xunwen, Ms. Hu Shiwei and Mr. XuGang as well as independent non-executive Directors Mr. Liu Weiwu, Mr. Mao Fugen and Mr. Lin Guiping.

** For identification purpose only*