

**HONG KONG AIRCRAFT ENGINEERING COMPANY LIMITED**

**MINUTES OF THE 2008 ANNUAL GENERAL MEETING OF THE SHAREHOLDERS  
HELD AT THE PACIFIC PLACE CONFERENCE CENTRE,  
LEVEL 5, ONE PACIFIC PLACE, 88 QUEENSWAY, HONG KONG,  
ON TUESDAY, 6<sup>TH</sup> MAY 2008 AT 2:30 P.M.**

**Present:**

21 shareholders attended the meeting in person or by proxy as per attached attendance record.

|                    |  |
|--------------------|--|
| Christopher Pratt  | (Chairman)   |
| P.K. Chan          | (Deputy Chairman and CEO)  |
| Charles Bremridge  | (Chief Operating Officer)  |
| Robert Adams       | (Director)   |
| Martin Cubbon      | (Director)   |
| Mark Hayman        | (Director)   |
| Ashok Sathianathan | (Director)   |
| Christopher Gibbs  | (Director)   |
| Davy Ho            | (Director)   |
| Peter Johansen     | (Director)   |
| Albert Lam         | (Director)   |
| Lincoln Leong      | (Director)   |
| Michelle Low       | (Director)   |
| David Tong         | (Director)   |
| Tony Tyler         | (Director)   |
| David Fu           | (Secretary)  |
| Simon Neill        | (Representing the Auditors,<br>PricewaterhouseCoopers)                                 |
| James N. Crockford |  |
| Romy Cheng         | (Representing the Registrars,<br>Computershare Hong Kong Investor<br>Services Limited) |

**Notice of  
Meeting:**

The Chairman noted that a quorum was present and that the Notice convening the Meeting had been served on shareholders for the prescribed period.

With the approval of the shareholders attending the Meeting, the Notice convening the Meeting, a copy of which is attached to and forms part of these minutes, was taken as read.

**Poll:**

The Chairman demanded that all the resolutions proposed at the Meeting be voted on by poll in accordance with Article 72(a) of the Company's Articles of Association and directed that the poll be conducted after all the resolutions had been proposed and considered. He advised that the poll results would be published on the websites of the Stock Exchange and the Company.

**Auditors’  
Report:**

Simon Neill, representing the Auditors, PricewaterhouseCoopers, read a summarised Independent Auditor’s Report on the 2007 annual accounts.

**Final  
Dividend:**

The Chairman noted that the Report of the Directors and the Accounts for the year ended 31<sup>st</sup> December 2007, together with the Notice of Meeting containing the detailed resolutions to be considered at the Meeting, had been in the hands of the shareholders for the statutory period of time.

The Chairman proposed THAT:

**Resolution 1**

“The recommended final dividend of HK\$2.20 per share be and is hereby declared payable.”

This resolution was voted on by poll after all the resolutions had been proposed and considered, with the following result:

|          |                   |        |
|----------|-------------------|--------|
| For:     | 128,531,695 votes | (100%) |
| Against: | 0 votes           | (0%)   |

As more than 50% of the votes were cast in favour of this resolution, the resolution was carried.

**Re-election of  
Directors:**

The Chairman advised that Robert Ernest Adams, John Charles Godfrey Bremridge and Mark Hayman retired in accordance with Article 93 and, being eligible, they offered themselves for re-election.

The Chairman proposed THAT:

**Resolution 2 (a)**

“Robert Ernest Adams be re-elected as a Director.”

This resolution was voted on by poll after all the resolutions had been proposed and considered, with the following result:

|          |                   |          |
|----------|-------------------|----------|
| For:     | 127,575,058 votes | (99.62%) |
| Against: | 488,312 votes     | (0.38%)  |

As more than 50% of the votes were cast in favour of this resolution, the resolution was carried.

The Chairman proposed THAT:

Resolution 2 (b)

“John Charles Godfrey Bremridge be re-elected as a Director.”

This resolution was voted on by poll after all the resolutions had been proposed and considered, with the following result:

|          |                   |          |
|----------|-------------------|----------|
| For:     | 127,983,188 votes | (99.92%) |
| Against: | 97,707 votes      | (0.08%)  |

As more than 50% of the votes were cast in favour of this resolution, the resolution was carried.

The Chairman proposed THAT:

Resolution 2 (c)

“Mark Hayman be re-elected as a Director.”

This resolution was voted on by poll after all the resolutions had been proposed and considered, with the following result:

|          |                   |          |
|----------|-------------------|----------|
| For:     | 117,138,453 votes | (91.47%) |
| Against: | 10,923,317 votes  | (8.53%)  |

As more than 50% of the votes were cast in favour of this resolution, the resolution was carried.

**Re-  
appointment  
of Auditors:**

The Chairman advised that the accounts for the year ended 31<sup>st</sup> December 2007 had been audited by PricewaterhouseCoopers who retired and, being eligible, offered themselves for re-appointment.

The Chairman proposed THAT:

Resolution 3

“PricewaterhouseCoopers be re-appointed Auditors to hold office until the conclusion of the next Annual General Meeting and that the Directors be authorised to fix their remuneration.”

This resolution was voted on by poll after all the resolutions had been proposed and considered, with the following result:

|          |                   |        |
|----------|-------------------|--------|
| For:     | 128,531,295 votes | (100%) |
| Against: | 0 votes           | (0%)   |

As more than 50% of the votes were cast in favour of this resolution, the resolution was carried.

**Share**  
**Repurchase**  
**Mandate:**

The Chairman said that there remained three items of special business to be dealt with. The first item of special business was to consider and, if thought fit, to pass an Ordinary Resolution granting a general mandate to the Directors to repurchase up to 10 per cent of the issued shares of the Company on the Stock Exchange. The explanatory statement required by the Listing Rules to be sent to shareholders in that connection was set out in the Appendix to his letter to shareholders dated 9<sup>th</sup> April 2008.

The Chairman advised that since the last Annual General Meeting the Company had not repurchased any of its shares. He further advised that the Directors would consider the repurchase of shares if they felt it to be in the interest of the Company.

The Chairman proposed the following ordinary resolution:

**Resolution 4**

THAT

- (a) subject to paragraph (b), the exercise by the Directors during the Relevant Period of all the powers of the Company to make on-market share repurchases (within the meaning of the Code on Share Repurchases) be approved;
- (b) the aggregate nominal amount of the Company's shares which may be repurchased pursuant to the approval in paragraph (a) above shall not exceed 10 per cent of the aggregate nominal amount of the shares in issue at the date of passing this Resolution; and
- (c) for the purpose of this Resolution:

“Relevant Period” means the period from the passing of this Resolution until 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 to be held; and
- (iii) the revocation or variation of the authority given under this Resolution by ordinary resolution of the shareholders in general meeting; and

references to “shares” include securities which carry a right to subscribe for or purchase shares.

This resolution was voted on by poll after all the resolutions had been proposed and considered, with the following result:

|          |                   |          |
|----------|-------------------|----------|
| For:     | 128,514,295 votes | (99.99%) |
| Against: | 17,000 votes      | (0.01%)  |

As more than 50% of the votes were cast in favour of this resolution, the resolution was carried.

**General  
Mandate to  
issue and  
dispose of  
additional  
shares:**

The Chairman advised that the next item of special business was to consider and, if thought fit, to pass an ordinary resolution giving the Directors a new general mandate to issue additional shares in the Company up to a maximum of 20 per cent of the existing issued share capital of the Company, provided that the aggregate nominal amount of shares allotted wholly for cash would not exceed 5% of the aggregate nominal amount of the shares then in issue.

The Chairman advised that the Company had not issued any additional shares under the general mandate since the last Annual General Meeting.

The Chairman proposed the following ordinary resolution:

**Resolution 5**

THAT

- (a) subject to paragraph (b), the exercise by the Directors during the Relevant Period of all the powers of the Company to allot, issue and deal with additional shares and to make or grant offers, agreements and options which will or might require the exercise of such powers during or after the end of the Relevant Period be approved;
- (b) the aggregate nominal amount of shares of any class allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a), otherwise than pursuant to (i) a Rights Issue or (ii) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares, shall not exceed the aggregate of 20 per cent of the aggregate nominal amount of the shares of that class in issue at the date of passing this Resolution provided that the aggregate nominal amount of the shares of any class so allotted (or so agreed conditionally or unconditionally to be allotted) pursuant to this Resolution wholly for cash shall not exceed 5 per cent of the aggregate nominal amount of the shares of that class in issue at the date of passing this Resolution; and

(c) for the purpose of this Resolution:

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

- (i) the conclusion of the next annual general meeting of the Company; and
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by law to be held; and
- (iii) the revocation or variation of the authority given under this Resolution by ordinary resolution of the shareholders in general meeting; and

“Rights Issue” means an offer of shares to holders of shares or any class thereof on the register on a fixed record date in proportion to their then holdings of such shares or class thereof (subject to such exclusion 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 recognised regulatory body or any stock exchange in, any territory outside Hong Kong).

This resolution was voted on by poll after all the resolutions had been proposed and considered, with the following result:

|          |                   |          |
|----------|-------------------|----------|
| For:     | 115,410,285 votes | (89.79%) |
| Against: | 13,121,410 votes  | (10.21%) |

As more than 50% of the votes were cast in favour of this resolution, the resolution was carried.

**Conclusion of Meeting and Poll Results :**

After all the resolutions of the Meeting had been proposed and considered, the Chairman directed that a poll on each of the resolutions be taken.

Computershare Hong Kong Investor Services Limited, the Company’s Share Registrars, was appointed to act as scrutineers for the polls.

The Chairman advised that the poll results would be published on the websites of the Stock Exchange and the Company. A copy of the poll results is attached to and forms part of these minutes.

The Chairman concluded the Meeting by thanking the shareholders

for their attendance.

There being no other business, the Meeting was closed at 2:43 p.m.

**Chairman**