

HONG KONG AIRCRAFT ENGINEERING COMPANY LIMITED

MINUTES OF THE 2009 ANNUAL GENERAL MEETING OF THE SHAREHOLDERS
HELD AT THE PACIFIC PLACE CONFERENCE CENTRE,
LEVEL 5, ONE PACIFIC PLACE, 88 QUEENSWAY, HONG KONG,
ON TUESDAY, 12TH MAY 2009 AT 2:30 P.M.

Present: 29 shareholders attended the meeting in person or by proxy as per attached attendance records.

Christopher Pratt	(Chairman)
P.K. Chan	(Deputy Chairman)
Augustus Tang	(Chief Executive Officer)
Robert Adams	(Director)
Martin Cubbon	(Director)
Mark Hayman	(Director)
Christopher Gibbs	(Director)
Davy Ho	(Director)
Peter Johansen	(Director)
Merlin Swire	(Director)
Albert Lam	(Director)
Michelle Low	(Director)
David Tong	(Director)
David Fu	(Secretary)
Simon Neill	(Representing the Auditors, PricewaterhouseCoopers)
Romy Cheng	(Representing the Registrars and the Scrutineer, Computershare Hong Kong Investor 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 2008 annual accounts.

**Final
Dividend:**

The Chairman noted that the Report of the Directors and the Accounts for the year ended 31st December 2008, 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\$2.25 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:	120,245,811 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 Chan Ping Kit, Davy Ho Cho Ying and Lincoln Leong Kwok Kuen retired in accordance with Article 93 of the Articles of Association of the Company and, being eligible, they offered themselves for re-election.

The Chairman proposed THAT:

Resolution 2 (a)

“Chan Ping Kit 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:	119,680,804 votes	(99.84%)
Against:	190,207 votes	(0.16%)

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)

“Davy Ho Cho Ying 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:	117,634,792 votes	(98.13%)
Against:	2,236,219 votes	(1.87%)

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)

“Lincoln Leong Kwok Kuen 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:	119,800,011 votes	(99.94%)
Against:	71,000 votes	(0.06%)

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

The Chairman advised that Augustus Tang Kin Wing and Merlin Bingham Swire who had been appointed as Directors of the Company under Article 91 since the last Annual General Meeting also retired and, being eligible, offered themselves for election.

The Chairman proposed THAT:

Resolution 2 (d)

“Augustus Tang Kin Wing be 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:	119,708,404 votes	(99.86%)
Against:	162,607 votes	(0.14%)

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

The Chairman proposed THAT:

Resolution 2 (e)

“Merlin Bingham Swire be 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:	108,367,748 votes	(90.40%)
Against:	11,503,263 votes	(9.60%)

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 31st December 2008 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:	120,248,211 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 advised that 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 7th April 2009.

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:	120,225,611 votes	(99.98%)
Against:	21,000 votes	(0.02%)

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 last 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:	109,720,376 votes	(91.25%)
Against:	10,524,635 votes	(8.75%)

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 2:38p.m.

Chairman