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HONG KONG AIRCRAFT ENGINEERING COMPANY LIMITED
(Incorporated in Hong Kong under the Companies Ordinance)
(Stock Code: 00044)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that an ordinary general meeting of the shareholders of Hong Kong Aircraft Engineering Company Limited, being the annual general meeting for 2007, will be held at the Pacific Place Conference Centre, Level 5, One Pacific Place, 88 Queensway, Hong Kong on Tuesday, 8th May 2007 at 2:30 p.m. to receive the report of the Directors and the audited accounts for the year ended 31st December 2006 and:

1. To declare a final dividend.
2. To elect / re-elect Directors.
3. To re-appoint auditors and authorise the Directors to fix their remuneration.

As special business, to consider and, if thought fit, to pass the following resolutions:

Ordinary Resolutions

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 any class 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 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;
- (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.

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).

- 6. THAT the aggregate fees paid to the Directors in any one year shall not exceed HK\$4 million.

By order of the Board
David Fu
Secretary

Hong Kong, 11th April 2007

Notes:

- 1. The Directors retiring are Martin Cubbon, Peter Andre Johansen, Christopher Patrick Gibbs, Albert Lam Kwong Yu, Michelle Low Mei Shuen, Christopher Dale Pratt, Mohan Joseph Asholumar Sathianathan and David Tong Chi Leung. Separate resolutions will be proposed for their election / re-election.
- 2. This is a summary of the full text of the Notice of the Annual General Meeting. The full text of the Notice is contained in a circular to shareholders giving further information about the business to be conducted at the Meeting. Copies of the circular which will be sent to all registered shareholders with the 2006 Annual Report on 11th April 2007, may be obtained upon request from the Registrars, Computershare Hong Kong Investor Services Limited, 46th Floor, Hopewell Centre, 183 Queen’s Road East, Hong Kong.
- 3. If approved, the final dividend is expected to be paid to shareholders on Friday, 18th May 2007.
- 4. **The registers of shareholders will be closed from 2nd May to 8th May 2007, both days inclusive.**
- 5. The Circular to shareholders and the 2006 Annual Report are also available on the Company’s website: www.haeco.com.

6. As at the date of this notice, the Board of Directors comprises:

Executive Directors: Christopher Dale PRATT, CBE, Chairman, CHAN Ping Kit, Deputy Chairman and Chief Executive Officer, John Charles Godfrey BREMRIDGE, Chief Operating Officer, Mark HAYMAN, Michelle LOW Mei Shuen, Finance Director, Mohan Joseph Asholumar SATHIANATHAN
Non-Executive Directors: Martin CUBBON, Christopher Patrick GIBBS, Davy HO Cho Ying, Peter Andre JOHANSEN, Antony Nigel TYLER
Independent Non-Executive Directors: Robert Ernest ADAMS, James Seymour DICKSON LEACH, Albert LAM Kwong Yu, Lincoln LEONG Kwok Kuen, David TONG Chi Leung

(Please refer to the published version of this announcement in The Standard.)