

For Immediate Release

Continental Aerospace Technologies™ announces its commitment to advanced power technologies with an investment in Ampaire Inc.

Friedrichshafen (Germany), April 10, 2019 - Continental Aerospace Technologies™ (Continental®), an AVIC International Holding (HK) LTD (HKEX: 232.HK) company, announced today that it has invested in Ampaire Inc., a technology innovation company developing electric aircraft and electric propulsion system concepts. The investment includes both cash and various in-kind contributions to Ampaire's efforts to develop new aircraft concepts that reduce aviation's carbon footprint, while increasing functionality, safety, and consumer value.

"We are excited about our partnership with the Ampaire team in its development of advanced electric aircraft concepts," said Rhett Ross, President & CEO of Continental Aerospace Technologies™. *"Working with a company free from the strictures of the historic aircraft industry is helping our team tailor our strategy and finalize our products to support the next generation of aircraft."*

Continental® has long been an innovator in General Aviation, claiming firsts in the use of turbocharging, Full Authority Digital Engine Control (FADEC), and the successful commercialization of Jet-A fueled piston aircraft engines to name a few. Ampaire's leadership team has a strong background in aerospace and electric vehicles, bringing rare capabilities and vision to the development of new, practical, electric aircraft that use integrated electrical and combustion power system concepts. This collaboration allows both companies to continue to learn while delivering new capabilities to the market.

"Electric aircraft will play an important role in the future of aviation," said Kevin Noertker, Ampaire's CEO. *"Continental® shares this vision, and we are eager to pair our work with its experience and resources to push the industry forward."*

With its latest round of financing complete, Ampaire is currently working on completing its initial electric power system design and control methodology. Thereafter, the company will install the system for flight testing in a Cessna® 337 Skymaster aircraft. The aircraft will then complete initial flight testing, including on a real-world commuter flight route in Hawaii. The results of these activities will be used to further refine the power system concept for tighter integration with new airframe designs.

Ampaire is a technology startup based in California. It is a portfolio company of Techstars® and Starburst®, which are recognized as two of the top business and aerospace accelerators in the world. The Ampaire team brings expertise from some of the industry's most innovative companies and institutions including Boeing®, GM®, SpaceX®, Virgin Orbit®, Caltech®, Stanford®, and MIT®.

Backgrounder

Founded in 1905, Continental® is recognized as the forerunner in engine manufacturing for general aviation. Over the years, Continental® established itself as the industry technological leader, introducing turbo-charging, fuel injection, balanced fuel injectors, liquid cooling, Full Authority Digital Engine Control (FADEC), and many other innovations for general aviation engines.

Today, Continental® announces its fourth family of piston engines, among the current lineup of both certified and experimental, allowing for continued operations of legacy and current production airframes:

- **PRIME™ Certified Engine Line:** is a family of certified engines, direct replacement for LYCOMING®* engine installations. Already selected by Piper Aircraft® to power the Pilot 100, Pilot 100i trainer aircraft (and will be offered as an alternative on Piper® Archer LX and TX aircraft). Installed on Piper Aircraft® under the original TC of the aircraft. Performance enhancing STC's also soon available for various airframes. **PRIME™** engines are aggressively priced to enhance customer value proposition. The **PRIME™** family benefits from Continental's experience over 114 years in building OEM aviation engines. Based on **PRIME™** FAA-approved parts, **PRIME™** engines offer reliability, performance, and durability demonstrated by thousands of hours in service with power options ranging from 185-195 HP.
- **Continental Certified Legacy AvGas Line:** is a family of AvGas burning engines ranging from 90 to 375 HP (C152, C170, C172, C182, C206, C207, Cessna® TTX, Columbia® 300,400 series, Mooney® 20R, Acclaim, Piper® Malibu, Arrow Turbo, Seneca, Beechcraft® Bonanza, Baron, Cirrus® SR20, SR22, SR22T).
- **TITAN™ Experimental Engine Line:** is recognized by home aircraft builders as the ideal fit for airframes such as the Vans® kits, Zenith®, Just Aircraft®, TopCub®, and other leading experimental aircraft.
- **Jet-A Fueled Engine Line:** Continental® is also the undisputed leader in Jet-A fueled engines, with the widest product range (including seven different engines, offering a power output of 135 to 300 HP), **over 6,000 engines delivered** to the field and more than **7,000,000 hours in service**. These engines are the primary choice of airframe manufacturers for their Jet-A offering: Piper Aircraft®, Robin Aircraft®, and Glasair®. Retrofit solutions are also available for popular airframes such as the Cessna® C172 Skyhawk, Piper® PA-28, and Diamond® DA-40/-42.
- **Accessories:** Continental® also designs, manufactures, and distributes key accessories for general aviation power solutions such as fuel systems, ignition systems (formerly known as "Bendix magnetos"), alternators and turbos for Jet-A engines, and Full Authority Digital Engine Control (FADEC) systems for both gasoline and Jet-A engines.
- **Services:** Over the years, Continental® has also built a service offering for aircraft operators and owners. These services include engine overhauls at the Continental® factory service center (Continental®, **TITAN™**, and LYCOMING®* engines), factory overhauls for Continental® AvGas engines, shock inspections, fleet overhaul programs, Jet-A burning engine retrofits, airframe and power plant maintenance (Beechcraft®, Cessna®, Diamond®, and Piper®), PT6 turbines overhauls and repairs, and avionics and interiors installation and services.

Continental Motors Group, Ltd. of Hong Kong, China, doing business as Continental Aerospace Technologies™, is a subsidiary of AVIC International Holding (HK) LTD, a publicly traded company on the Hong Kong stock exchange (HKEX ticker: 232). Its mission is to provide advanced gasoline and Jet-A piston engine products, spare parts, engine and aircraft services, avionics equipment and repairs for the general aviation marketplace. Continental® is an international operation employing approximately 675 team members in the USA, Germany, and China. More information can be found at www.continental.aero.

AVIC International Holding (HK) Limited is a Hong Kong-based investment holding company engaged in aviation, property, textile and trading businesses. The Company operates two business segments. The Aviation segment is engaged in the development, manufacturing, and support of advanced power system solutions for general aviation aircraft. The Property Development and Investment segment is engaged in the development of residential and commercial properties.

Disclaimer

Certain information outlined in this presentation contains "forward-looking information", including "future oriented financial information" and "financial outlook", under applicable securities laws (collectively referred to herein as forward-looking statements). Except for statements of historical fact, information contained herein constitutes forward-looking statements and includes, but is not limited to:

- I. Projected financial performance of the Company;
- II. Completion of, and the use of proceeds from, the sale of the shares being offered hereunder;
- III. The expected development of the Company's business, projects and joint ventures;
- IV. Execution of the Company's vision and growth strategy, including with respect to future M&A activity and global growth;
- V. Sources and availability of third-party financing for the Company's projects;
- VI. Completion of the Company's projects that are currently underway, in development or otherwise under consideration;
- VII. Renewal of the Company's current customer, supplier and other material agreements; and
- VIII. Future liquidity, working capital, and capital requirements. Forward-looking statements are provided to allow potential investors the opportunity to understand management's beliefs and opinions in respect of the future so that they may use such beliefs and opinions as one factor in evaluating an investment.

These statements are not guaranteeing future performance, and undue reliance should not be placed on them. Such forward-looking statements necessarily involve known and unknown risks and uncertainties, which may cause actual performance and financial results in future periods to differ materially from any projections of future performance or result expressed or implied by such forward-looking statements.

Although forward-looking statements contained in this presentation are based upon what management of the Company believes are reasonable assumptions, there can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. The Company undertakes no obligation to update forward-looking statements if circumstances or management's estimates or opinions should change except as required by applicable securities laws. The reader is cautioned not to place undue reliance on forward-looking statements.

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