



## Continental Motors Group

News Release

# Continental Motors Group starts construction of greenfield factory in Mobile, AL

Mobile, Alabama, August 3, 2018 -Continental Motors Group Ltd. (CMG), an AVIC International Holding (HK) LTD company (HKEX: 232.HK), announced today that the foundation work for their new manufacturing facility has started. The new facility will be nearly 275,000 square feet (25,000 m<sup>2</sup>) with the majority being dedicated to advanced engine and parts manufacturing for all Continental Motors Group product lines. It will be populated with brand new manufacturing equipment and include a special area designated for evaluation of new manufacturing techniques and processes, including additive manufacturing and automation.

Building a new factory is only one part of the \$75 million plan to profoundly transform Continental Motors and the way the company designs, manufactures, certifies, and support products. CMG is also building a new customer and technology development infrastructure that will allow its team members to better focus on building customer satisfaction and develop innovative new products.

"Continental Motors® has been a big part of the local Mobile community for over 50 years and is pleased with the community support that allows us to renew our commitment to the region and our great team members for many years to come. The "greenfield" facility will modernize our manufacturing processes into a world class, high productivity, vertically integrated center of manufacturing excellence among the aviation cluster in Mobile, Alabama, USA," said Mr. Michael Skolnik, Executive Vice President Global Operations.

Continental will hold a job fair on August 4, 2018, to meet its immediate recruitment needs and to better inform the public of the career opportunities offered by the aerospace industry. This is another demonstration of Continental Motors' involvement in the community around Mobile Bay and its commitment to participate in Mobile's economic development.

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Continental Motors Group, Ltd. of Hong Kong, China 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.continentalmotors.aero](http://www.continentalmotors.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 through four 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. The Knitting and Textile segment is engaged in the production and distribution of knitting and textile products, knitted fabrics and clothing. The Trading segment is engaged in the trading of raw materials and auxiliary materials.



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- (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.

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