



News Release

Continental Motors Group announces partnership with Liaoning Cub Aircraft Corp. to power the experimental Top Cub

Mobile, Alabama, December 4, 2018 — Continental Motors Group Ltd. (CMG) an AVIC International Holding (HK) LTD company (HKEX: 232.HK), announced today that they have entered a strategic partnership with Liaoning Cub Aircraft Corp to be the engine provider for the Top Cub, the first kit aircraft built in China, for the Chinese market.

The experimental Top Cub is based on the Part 23 certified Top Cub CC18-180, originally designed by CubCrafters and acquired by Top Cub Aircraft Inc., a subsidiary company of Liaoning, in 2015. The availability of the Top Cub as a kit aircraft, powered by a CMG Titan™ kit engine, marks the opening of the experimental market in China. Top Cub Aircraft and Continental are the first companies to offer a complete aircraft in kit form, after the Chinese CAAC agreed to allow experimental building in China.

Wolfgang Qian, CEO of Liaoning Cub Aircraft Corp, said *“The combination of the Titan™ IO-360 engine with our airframe offers the best power to weight ratio that we could hope. The strategic partnership with Continental Motors Group allows us to offer a highly reliable engine to our customers and to provide them with industry leading technical support. We are convinced that the experimental market will expand rapidly in China. The capacity of CMG’s local team to assist Top Cub builders with all the information related to the safe operation of the engine and its maintenance was crucial, as is their ability to stock the parts in China needed for scheduled maintenance.”*

The partnership with Continental Motors materialized with the delivery of the first 6 engines kits, after the CAAC validated the experimental building rules. These *Titan™* engines are destined to equip the first six experimental Cub to be built in China by their owners.

Christopher Kuehn, Vice President, Sales & Marketing, remarked *“While CMG’s experience in designing and manufacturing power plants is known all over the world, our team permanently based in Beijing offers localized technical and sales support, freeing customers from the usual constraints brought by dealing with different time zones and languages. We are extremely excited to offer customized power solutions for the Top Cub and to partner with Liaoning Cub Aircraft Corp. to jointly open the experimental market in China.”*

Installed in the high-performance Top Cub, the Continental® Titan™ IO-360 demonstrates a proven history of reliability, performance, and power. The 361 cubic inches fuel injected four-cylinder piston engine uses a 9.0:1 compression ratio and outputs a powerful 180/185 maximum HP is offered in a versatile design with customization options. Liaoning took advantage of these customization options and set the exact engine specifications they needed to establish their position in a growing market for general aviation in China. Together, the combined flexibility of



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the Top Cub two-seater airframe and the power output of the Titan™ IO-360, its low weight of 270 lbs. dry, and its 2,000 hours TBO makes it the ideal engine for flying in and out of the most rugged airfields while cruising at high speed.

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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.

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.

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- (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;
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