

HAINAN AIRLINES HOLDING COMPANY LIMITED

ANNOUNCEMENT OF RESOLUTIONS OF THE BOARD OF DIRECTORS HAINAN AIRLINES HOLDING COMPANY LIMITED

The board of directors of the Hainan Airlines Holding Company Limited and its entire members hereby guarantee that there is no significant omission, fictitious description or serious misleading of information in this announcement and they will take both individual and joint responsibilities for the truthfulness, accuracy and completeness of the content.

The 41st session of the eighth board of directors of the Hainan Airlines Holding Company Limited (hereinafter referred to as the Company) was convened in the method of communication on Mar. 14 of 2019. The entire board of directors (nine directors) participated the meeting, which conforms to the regulations of the Company Law and Articles of Association of the Company. During the meeting, following proposals were deliberated and passed through:

1. The Report on Equity Transfer of the Hainan Airlines Civil Aviation
The board of directors agreed that the Company would transfer 54.55% stock right of the Hainan Airlines Civil Aviation Investment Limited to the GLOBAL AVIATION VENTURES LLC at the price of USD 30 million, and 45.45% stock right of the Hainan Airlines Civil Aviation Investment Limited to the Azul S.A. at the price of USD 25 million. The Hainan Airlines Civil Aviation Investment Limited is the fully-owned subsidiary of the Hainan Airlines (Hong Kong) Co., Limited (the fully-owned subsidiary of the Company).

For details, please refer to the ANNOUNCEMENT ON EQUITY TRANSFER OF THE HAINAN AIRLINES CIVIL AVIATION disclosed on the same day with this announcement.

Voting result: 9 affirmative votes, 0 dissenting vote and 0 abstaining vote

2. The Report on Sale of Two Aircraft

The Company plans to sell two self-owned B737-800 aircraft to the NGF GENESIS LIMITED for total trading amount of USD 27,500,000. The final price would be appropriately adjusted according to the technical status of aircraft at the delivery.

For details, please refer to the ANNOUNCEMENT ON SALE OF TWO AIRCRAFT disclosed on the same day with this announcement.

Voting result: 9 affirmative votes, 0 dissenting vote and 0 abstaining vote

3. The Report on Plan of the Corporate Bond Issue

In order to enrich financing channel and optimize the debt structure, the board of directors agreed that the Company would publicly issue corporate bond to qualified investors for amount of no more than RMB 8 billion yuan (including RMB 8 billion yuan). Following are the specific issue plan:

3.1 Specifications on the Qualification of Bond Issue

In order to enrich financing channel and optimize the debt structure, the board of directors agreed that the Company would publicly issue corporate bond to qualified investors. According to the regulations of the rules, laws and nominal documents of the Company Law, Securities Law and Measures for Issuing and Trading Corporate Bonds, it's considered that the Company is qualified to publicly issue corporate bond aer fverification of the business, financial and other relevant information of the Company.

Voting result: 9 affirmative votes, 0 dissenting vote and 0 abstaining vote

3.2 Issue scale

The issue scale of above stated corporate bond would not exceed RMB 8 billion yuan (including RMB 8 billion yuan). The exact issue scale shall be confirmed within the above quota by the chairman authorized by the general meeting of shareholders or person authorized by the chairman of the board of directors subject to the capital demand and market situation while the corporate bond was issued.

Voting result: 9 affirmative votes, 0 dissenting vote and 0 abstaining vote

3.3 Issue method and objects

① Issue method: The corporate bond would be publicly issued to qualified investors once or in installments. The exact issue phases and amount shall be confirmed by the chairman authorized by the general meeting of shareholders or person authorized by the chairman of the board of directors subject to the capital demand and market situation while the corporate bond was issued.

② Issue objects: The issue objects of the corporate bond shall be qualified investors in conformity with the regulations of the Measures for Issuing and Trading Corporate Bonds and other related rules and laws.

Voting result: 9 affirmative votes, 0 dissenting vote and 0 abstaining vote

3.4 Bond term

The term of the corporate bond to be issued shall not exceed 5 years (including 5 years), either single maturity bond variety or diversified maturity bond varieties. The exact bond term shall be confirmed within above quota by the chairman authorized by the general meeting of shareholders or person authorized by the chairman of the board of directors subject to the capital demand and market situation while the corporate bond was issued.

Voting result: 9 affirmative votes, 0 dissenting vote and 0 abstaining vote

3.5 Par value and issue price

The corporate bond would be issued at par value of RMB 100 yuan

Voting result: 9 affirmative votes, 0 dissenting vote and 0 abstaining vote

3.6 Bond placement to shareholders of the Company

Shareholders of the issuer would not enjoy the priority of bond placement.

Voting result: 9 affirmative votes, 0 dissenting vote and 0 abstaining vote

3.7 Interest rate

The nominal interest rate of the bond would be negotiated and confirmed by the issuer and lead underwriter subject to related regulations and laws. The interest rate of the bond shall adopt simple interest rate per year, but not the compound interest rate. Overdue additional interest would not be accounted separately.

Voting result: 9 affirmative votes, 0 dissenting vote and 0 abstaining vote

3.8 Principal and interest payment mode

① The bond shall adopt simple interest rate per year, but not the compound interest rate. The bond interest would be paid once per year, and the principal shall be paid off at the maturity together with the last instalment of interest.

② The bondholder list would be counted in accordance with the relevant provisions of the security depository institute. The exact payment arrangement would be handled according to the related regulations of the security depository institute as well.

Voting result: 9 affirmative votes, 0 dissenting vote and 0 abstaining vote

3.9 Guarantee

The corporate bond would be issued as debenture bond.

Voting result: 9 affirmative votes, 0 dissenting vote and 0 abstaining vote

3.10 Credit level and debt repayment security measures

The Company's credit is in good condition. On April 12 of 2018, the Shanghai New Century Credit Assessment & Investment Services Company Limited issued the Tracking Rating Report (New Century Tracking [2018] NO. 100030), which maintained the subject credit rating of the Company as AAA and rating outlook as stable. On November 21 of 2018, the Zhonghengxin Securities Evaluation Company Limited issued the Credit Rating Report (Xin Ping Wei Han Zi [2018] NO. G351-F5), which assessed the subject credit rating of the Company as AAA and rating outlook as stable.

In respect of repayment security, a request to the general meeting for authorization to the board of directors of the Company or a person authorized by the board of directors to make decisions on taking debt repayment security measures subject to the regulations of the rule, regulations, laws and requirement of the administrative authorities when it's estimated that the Company would not be able to repay the principal and interest or when the Company did not repay the principal and interest at the maturity, which shall include but not limited to following items:

① Not to distribute profit to shareholders;

② To suspend the implementation of capital expenditure projects such as overseas investment, acquisition and merger;

③ To reduce or suspend salaries and bonuses for directors and senior management of the Company;

④ The principal responsible person shall not be transferred, etc.

3.11 Underwriting method

The current period bond would be subscribed by the lead underwriter who would organize the underwriting group. The balance of the bond issue would be fully subscribed in the method of standby commitment.

Voting result: 9 affirmative votes, 0 dissenting vote and 0 abstaining vote

3.12 Redemption or resale terms

It shall be submitted to the general meeting to authorize the chairman or other authorized person by the chairman to confirm whether the corporate bond involved in redemption terms or resale terms and specific content of the related terms and conditions.

Voting result: 9 affirmative votes, 0 dissenting vote and 0 abstaining vote

3.13 Listing arrangement

The issuer would submit the listing application of the corporate bond to the SSE after the completion of the bond issue under the precondition of satisfying the conditions of listing.

Voting result: 9 affirmative votes, 0 dissenting vote and 0 abstaining vote

3.14 Validity of the resolutions

The validity of the resolutions of the board of directors on the corporate bond issue shall be effective within 24 months from the date of the approval of the general meeting of the Company. The validity of the resolutions of the shareholders' general meeting on the corporate bond issue shall be effective within 24 months from the date of the approval of the general meeting of the Company.

Voting result: 9 affirmative votes, 0 dissenting vote and 0 abstaining vote

3.15 Use of the raised capital

The capital raised from above stated bond issue would be used to supplement to the current capital and repay debt of the Company which is consistent with the provisions of laws and regulations after the deduction of issue expenses. The exact use and amount and percentage shall be confirmed by the chairman of the board of directors authorized by the shareholders' general meeting or person authorized by the chairman of the board of directors subject to the capital demand of the Company.

Voting result: 9 affirmative votes, 0 dissenting vote and 0 abstaining vote

3.16 Authorization

In order to efficiently and orderly complete the related bond issue works, the application for authorization to the board of directors or the person authorized by the board of directors to decide the issue-related affairs with full rights subject to the actual demand and market situation and within the scope of the relevant laws and regulations would be submitted to the general meeting. The application for authorization shall include but not limited to following items:

① To confirm and execute the specific issue and circulation plan of the corporate bond subject to the related regulations and resolutions of the shareholders of the Company and the actual situation of the Company and the market, which shall include, but not limited to specific issue size, the quantity of the issue, the maturity and variety of the bond, the interest rate or its confirmation method, the timing of the issue, the number of issue phases and the size of each issue, whether to set sale-back or redemption terms, the specific guarantee, the credit appraisal arrangement, specific subscription procedures, repayment of principal and interest arrangements, use of raised capital, debt repayment security and circulation arrangements, confirmation of underwriting arrangements, and all matters relating to the bond issue and circulation, as well as signature of all necessary legal documents;

② To engage the intermediary institute, handle with bond registration, issue, listing, circulation and principal and interest repayment, etc.;

③ To choose the bond management trustee, sign the bond entrusted management agreement and develop the Rules for the Meeting of the Bondholders;

④ To establish the special account for the raised capital and debt repayment guarantee fund, which shall be used to transfer-in, save and transfer the raised capital and the payment of the principal and interest;

⑤ To appropriately adjust the issue plan or decide whether to continue the bond issue work (except for the matters to be redetermined by the shareholders' general meeting as regulated by the rules, regulations, laws and Articles of Association) subject to the related rules, regulations, laws, the Articles of Association, and opinions of the administrative authority, if there's any change in the rules, regulations, laws, or related administrative policies or market conditions;

⑥ To handle with other bond registration, issue and circulation related matters;

⑦ To make decisions on taking debt repayment security measures subject to the regulations of the rule, regulations, laws and requirement of the administrative authorities when it's estimated that the Company would not be able to repay the principal and interest or when the Company did not repay the principal and interest at the maturity, which shall include but not limited to:

(a) Not to distribute profit to the shareholder;

(b) To put on hold of the major foreign investment, mergers and acquisitions and other capital expenditure projects;

(c) To reduce or suspend the salaries and bonuses of the directors and senior managements of the Company;

(d) The principal responsible person shall not be transferred, etc.

⑧ The validity of the authorization shall be valid from the date of the approval of the resolutions to the completion date of above-listed authorization matters.

Voting result: 9 affirmative votes, 0 dissenting vote and 0 abstaining vote

For details, please refer to the ANNOUNCEMENT ON PLAN OF CORPORATE BOND ISSUE disclosed on the same day with this announcement.

This proposal shall be submitted to the general meeting for deliberation.

4. The Report on Convening the 2019 Second Extraordinary General Meeting of Shareholders

The board of directors agreed to convene the 2019 second extraordinary general meeting of shareholders on April 2 of 2019. For details, please refer to the NOTICE OF CONVENING THE GENERAL MEETING OF SHAREHOLDERS published on the same day with this announcement.

Voting result: 9 affirmative votes, 0 dissenting vote and 0 abstention vote.

Board of Directors
Hainan Airlines Holding Company Limited
Mar. 15, 2019

ANNOUNCEMENT ON EQUITY TRANSFER OF THE HAINAN AIRLINES CIVIL AVIATION HAINAN AIRLINES HOLDING COMPANY LIMITED

The board of directors ("BoD") of the Hainan Airlines Holding Company Limited and its entire members hereby guarantee that there is no significant omission, fictitious description or serious misleading of information in this announcement and they will take both individual and joint responsibilities for the truthfulness, accuracy and completeness of the content.

Important Notice:

●● Content of transaction: The Hainan Airlines Holding Company Limited (hereinafter referred to as the Company) would transfer 54.55% stock right of the Hainan Airlines Civil Aviation Investment Limited (hereinafter referred to as the Hainan Airlines Civil Aviation) to the GLOBAL AVIATION VENTURES LLC (hereinafter referred to as the GAV) at the price of USD 30 million, and 45.45% stock right of the Hainan Airlines Civil Aviation to the Azul S.A. (hereinafter referred to as the Azul) at the price of USD 25 million. The Hainan Airlines Civil Aviation Investment Limited is the fully-owned subsidiary of the Hainan Airlines (Hong Kong) Co., Limited (the fully-owned subsidiary of the Company).

●● This transaction does not constitute a connected transaction nor a material assets reorganization. There are no significant legal obstacles to the implementation of the transaction.

●● Special risk prompt: All trading parties has reached the consensus on the stock right transfer. However there may be risks such as failure to meet project expectations or delay due to force majeure in follow-up progress. We kindly remind the investors to make prudent decisions and pay attention to the investment risks since the transaction result is uncertainty.

1. General

1.1 Basic information of the transaction

The Company would transfer 54.55% stock right of the Hainan Airlines Civil Aviation to the GAV at the price of USD 30 million, and 45.45% stock right of the Hainan Airlines Civil Aviation to the Azul at the price of USD 25 million. Upon the completion of above stated transaction, the Company would not hold any stock right of the Hainan Airlines Civil Aviation. The Hainan Airlines Civil Aviation is the fully-owned subsidiary of the Hainan Airlines (Hong Kong) Co., Limited (the fully-owned subsidiary of the Company).

1.2 Decision making procedure

This transaction has been deliberated and passed through by the 41st session of the eighth board of directors of the Company. This transaction does not constitute a connected transaction nor a material assets reorganization as regulated in the Measures on the Management of Major Assets Reorganization of Listed Companies.

Voting result: 9 affirmative votes, 0 dissenting vote and 0 abstaining vote

2. Basic Information of the Trading Counterpart

2.1 The GLOBAL AVIATION VENTURES, LLC

2.1.1 Registered address: 57 Rosebrook Road, New Canaan, CT 06840, Connecticut, United States of America

2.1.2 Legal representative: David Gary Neeleman

2.1.3 Registered capital: USD 100

2.1.4 Shareholders and equity structure:

No.	Shareholder	Capital Contribution (In USD)	Equity Percentage (%)
1	David Gary Neeleman	100	100.00
	Total	100	100.00

2.2 The Azul S.A.

2.2.1 Registered address: Av. Marcos Penteado de Ulhoa Rodrigues, 939, 9 andar, Torre Jatoba, Tamboré, CEP 06460-040, Barueri, São Paulo, Brazil

2.2.2 Legal representative: John Rodgerson

2.2.3 Registered capital: Brazil Real 2,826,011

2.2.4 Shareholders and equity structure:

No.	Shareholders	Shareholding Amount (In Share)	Equity Percentage (%)
1	United Airlines, Inc. (Califnco)	26,995,316	8.3
2	Trip Participações S.A	25,231,040	7.7
3	David Gary Neeleman	9,694,459	3.0
4	Minority shareholders of other listed companies	264,377,394	80.9
5	Treasury stock	332,981	0.1
	Total	326,631,190	100.0

2.5 Key financial data: As of December 31 of 2017, the audited total assets of the Azul accounted for Brazilian Real 10,316 million, net assets for Brazilian Real 2,833 million, 2017 revenue for Brazilian Real 7,789 million and 2017 net profit for Brazilian Real 529 million.

3. Basic Information of the Trading Counterpart

3.1 Enterprise name: The Hainan Airlines Civil Aviation Investment Limited

3.2 Registered address: Room 804, Admiralty Centre Tower 1, 18 Harcourt Road, Hong Kong

3.3 Legal representative: Li Neng

3.4 Registered capital: HK\$ 432 million

3.5 Business scope: Investment holding company

3.6 Shareholders and equity structure:

No.	Shareholders	Capital Contribution (In HK\$)	Equity Percentage (%)
1	The Hainan Airlines (Hong Kong) Co., Limited	432,000,000	100.00
	Total	432,000,000	100.00

3.7 Key financial data: The Hainan Airlines Civil Aviation Investment Limited is the fully-owned subsidiary of the Hainan Airlines (Hong Kong) Co., Limited (fully-owned subsidiary of the Hainan Airlines Holding Company Limited). The underlying assets of the Hainan Airlines Civil Aviation is 20% stock right and 35.6% economic interests of the Atlantic Gateway, SGPS, Lda. (hereinafter referred to as the AG), corresponding to 9% stock right of the Transportes Aereos Portugueses, SGPS, S.A. (hereinafter referred to as the TAP).

As of Dec. 31 of 2017, the audited total assets of the TAP accounted for 1,654 million Euros and net assets for -476 million Euros. The audited operation income in 2017 accounted for 2,980 million Euros and net profit for 23 million Euros.

As of June 30 of 2018, the total non-audited assets of the TAP accounted for 2,028 million Euros, net assets for -581 million Euros, operation income for 1,530 million Euros and net profit for -89 million Euros.

4. Main Content and Pricing Policy

4.1 Transferring party: The Hainan Airlines Holding Company Limited

4.2 Acquiring party: The GLOBAL AVIATION VENTURES, LLC and the Azul S.A.

4.3 Trading price and pricing policy:

According to the Evaluation Report (Zhong Wei Zheng Xin Ping Bao Zi [2019] No. 1001) issued by the Zhongwei Zhengxin (Beijing) Assets Evaluation Company Limited as of June 30 of 2018, the assessed value of the TAP accounted for USD 609,950,000. The corresponding assessed value of the AG's equity held by the Hainan Airlines Civil Aviation accounted for USD 54.9 million. On the basis of friendly negotiations of all related parties and referring to above stated assessed value, the Hainan Airlines (Hong Kong) Co., Limited agreed to transfer 100% stock right of the Hainan Airlines Civil Aviation at the total price of USD 55 million. The trading price is fair and reasonable.

4.4 Trading price and term

The trading price shall be paid in cash on the signing day of the formal contract.

4.5 Stock equity delivery

The equity transfer application shall be submitted to the company registration institution of Hongkong on the same day of the contract signing and trading price payment day.

5. Influence

After the completion of the transaction, the Company would not hold any stock right of the Hainan Airlines Civil Aviation. It would take positive effect on the current profit and loss of the Company. The exact data shall be subject to the audited financial statements. The equity transfer would help to optimize the assets structure, maintain good liquidity of the assets of the Company. Meanwhile it would be beneficial for the Company to centralize its capital advantages and focus on the development of main businesses. There is no harm to the interests of the Company and all shareholders.

6. Documents for Reference

6.1 Resolutions of the Board of Directors

6.2 Equity Transfer Agreement

6.3 Evaluation Report of the TAP

Board of Directors
Hainan Airlines Holding Company Limited
Mar. 15, 2019

ANNOUNCEMENT ON SALE OF TWO AIRCRAFT HAINAN AIRLINES HOLDING COMPANY LIMITED

The board of directors (BoD) of the Hainan Airlines Holding Company Limited and its entire members hereby guarantee that there is no significant omission, fictitious description or serious misleading of information in this announcement and they will take both individual and joint responsibilities for the truthfulness, accuracy and completeness of the content.

Important Notice:

●● Content of Transaction: In order to optimize the aircraft age of the fleet and liability structure and enhance the operation flexibility, the Hainan Airlines Holding Company Limited (hereinafter referred to as the Company) plans to sell two self-owned B737-800 aircraft to the NGF GENESIS LIMITED (hereinafter referred to as the NGF) for total trading amount of USD 27,500,000. The final price would be appropriately adjusted according to the technical status of aircraft at the delivery.

●● This transaction does not constitute a connected transaction nor a material assets reorganization as regulated in the Measures on the Management of Major Assets Reorganization of Listed Companies.

●● Risk Prompt: All trading parties had reached the consensus on the sales of above stated aircraft. However there's uncertainty that the project progress might not reached the expectation or delayed by Force Majeure. Therefore we kindly remind the investors to pay attention to the investment risk and make prudent decisions.

●● Influence of the Transaction: This transaction would help to optimize the aircraft age of the fleet and liability structure of the Company. Meanwhile, it would enhance the operation flexibility of the Company. It conforms to the strategic positioning and would take positive effect on the future development of the Company.

1. Main Content of the Transaction

1.1 Basic information

The Company plans to sell two self-owned B737-800 aircraft to the NGF. The total trading amount accounts for USD 27,500,000. The final price would be appropriately adjusted according to the technical status of aircraft at the delivery.

1.2 Decision making procedure

This transaction has been deliberated and passed through by the 41st session of the eighth board of directors of the Company.

Voting result: 9 affirmative votes, 0 dissenting vote and 0 abstention vote.

2. Basic Information of the Trading Counterpart

2.1 Enterprise name: The NGF GENESIS LIMITED

2.2 Registered address: RIVERSIDE ONE, SIR JOHN ROGERSONS QUAY, DUBLIN 2, REPUBLIC OF IRELAND

2.3 Legal representative: Jaffe E Jordan

2.4 Shareholder and equity structure:

No.	Shareholder	Equity Percentage (%)
1	The Spectre Air Capital, LLC (TX)	100.00
	Total	100.00

3. Basic Information of the Trading Object and Pricing Policy

The trading objects are two B737-800 aircraft owned by the Company. As of October 31 of 2018, the total original book value of the above aircraft accounted for RMB 3,660,000,000 yuan. The total net book value accounted for RMB 133,570,000 yuan. Following is the details of the trading object:

Monetary unit: In RMB 1,000 yuan

No.	Aircraft Type	Manufacturer Serial Number	Quantity	Unit	Start Using Time	Original Book Value	Net Book Value
1	B737-800	MSN30574	1	Flight	2000	192,600	70,350
2	B737-800	MSN30475	1	Flight	2000	173,400	63,220
	Total					366,000	133,570

After friendly negotiation, the Company would sell two self-owned B737-800 aircraft to the NGF at the contract price of USD 27,500,000. The final price would be appropriately adjusted according to the technical status of aircraft at the delivery.

4. Main Content of the Sales Agreement

4.1 Major clauses

4.1.1 Transferring