

# HAINAN AIRLINES HOLDING COMPANY LIMITED

## ANNOUNCEMENT ON REVISING RESOLUTIONS OF BOARD OF DIRECTORS HAINAN AIRLINES HOLDING COMPANY LIMITED

The board of directors of the Hainan Airlines Holding Company Limited and its entire directors 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 45<sup>th</sup> session of the eighth board of directors of the Hainan Airlines Holding Company Limited (hereinafter referred to as the Company) was convened on the method of communication on June 11 of 2019. The entire board of directors (nine directors) participated in the meeting, which conforms to the regulations of the Company Law and Articles of Association. During the meeting, following proposals were deliberated and passed through:

1. The Report on Revising the Articles of Association

In order to further promote the scientific formulation of the Articles of Association and improve the governance level and safeguard the legitimate rights and interests of investors, the board of directors agreed to revise the content of the Articles of Association subject to the regulations of the Securities Law, the Company Law, the Decision on Revising the Guidelines on Articles of Association of Listing Companies of the CSRC and other rules and regulations.

For details, please refer to the ANNOUNCEMENT ON REVISIONS OF ARTICLES OF ASSOCIATION disclosed on the same day with this announcement.

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

The proposal would be submitted to the general meeting for approval

2. The Report on Revising the Rules of Procedures for the Board Meeting

In order to further standardize the deliberations and decision-making procedures of the board of directors of the Company, to promote the directors and the board of directors to carry out their duties effectively, and to improve the standard operation and scientific decision-making of the board of directors, the board of directors agreed to revise the content of the Rules of Procedures for the Board Meeting subject to the regulations of the Securities Law, the Company Law, the Guidelines for the Governance of Listed Companies, the Listing Regulations of the SSE (2018 Revision) and the Articles of Association.

For details, please refer to the ANNOUNCEMENT ON REVISIONS OF RULES OF PROCEDURE FOR THE BOARD MEETING disclosed on the same day with this announcement.

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

The proposal would be submitted to the general meeting for approval

3. The Report on Revising the Rules of Procedures of the General Meeting

In order to ensure the smooth progress of the shareholders' general meeting, standardize the organization and behavior of the general meeting, improve the deliberation efficiency of the general meeting, safeguard the legitimate rights and interests of shareholders, and ensure that the general meeting could exercise its functions and powers, and the procedures and resolutions are in accordance with the law, the board of directors agreed to revise the content of the Rules of Procedures of the General Meeting subject to the regulations of the Securities Law, the Company Law, the Rules of Shareholders' General Meeting of Listed Companies issued by the CSRC, the Listing Regulations of the SSE (2018 Revision) and the Articles of Association of the Company.

For details, please refer to the ANNOUNCEMENT ON REVISIONS OF RULES OF PROCEDURE FOR THE GENERAL MEETING disclosed on the same day with this announcement.

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

The proposal would be submitted to the general meeting for approval

4. The Report on Reformulating the Detailed Rules for the Work of the President

In order to further improve and optimize the corporate governance structure and improve the management efficiency and scientific management level, the board of directors agreed to reformulate the Detailed Rules for the Work of the President subject to the regulations of the Securities Law, the Company Law, the Listing Regulations of the SSE and the Articles of Association of the Company, etc. The Detailed Rules for the Work of the President would take effect from the date of approval by the board of directors, meanwhile, the Detailed Rules for the Work of the Chief Executive Officer shall be annulled at the same time.

The full text was published on the website of the SSE (<http://www.sse.com.cn>).

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

5. The Report on Applying for Bank Loan

The board of directors agreed that the Company could sign the RMB Fund Loan Contract with the Hainan Branch of the National Development Bank. According to the Contract, the Company would apply for a loan of RMB 5,117,400,000 yuan with the lender. For details, please refer to the ANNOUNCEMENT ON APPLYING FOR BANK LOAN disclosed on the same day with this announcement.

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

6. The Report on Disposal of 16 Old Aircraft

The board of directors agreed that the Company would sell four A319 and eight B737-800 aircraft to the HINA Aviation (Hong Kong) Holding Company Limited. The Chang'an Airlines Company Limited (the controlled subsidiary of the Company) would sell four A319 to the HINA Aviation (Hong Kong) Holding Company Limited as well. The total trading price accounts for RMB 2,763,480,000 yuan.

Opinion of Independent Directors: The transaction would help to optimize the fleet age structure, further simplify the fleet on the whole, realize the target of scientific structure of assets and liabilities and reduce the unit operating cost of the Company. The trading price is based on the evaluation report issued by the third party, which is fair and reasonable. No activity harming the interests of the Company and all shareholders exists. It would not have any negative influence on the listed enterprise. The transactions stated above constitute the connected transaction. The related directors, Xie Haoming, Chen Ming, Xu Jun, Wu Xiaoxi, Zhang Zhigang and Liu Jichun, had abstained from voting at the meeting of the board of directors discussing the connected transaction.

For details, please refer to the ANNOUNCEMENT ON DISPOSAL OF 16 OLD AIRCRAFT published on the same day with this announcement.

Voting result: 3 affirmative votes, 0 dissenting vote, 0 abstention vote and 6 voiding votes.

The proposal would be submitted to the general meeting for approval.

7. The Report on Disposal of 2 Old Aircraft

The board of directors agreed that the Company would sell two old B737-800 aircraft (self-owned) to the NAS Investments 10 LLC. The total trading price accounts for USD 25,800,000. The final trading price shall be adjusted appropriately according to the technical status of the aircraft at the time of delivery.

For details, please refer to the ANNOUNCEMENT ON DISPOSAL OF TWO OLD AIRCRAFT published on the same day with this announcement.

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

8. The Report on Transfer of Aircraft Purchasing Right

The board of directors agreed that the Hong Kong Airlines Company Limited would voluntarily transfer the aircraft purchasing right of two A350-900 (ordered from the Airbus SAS) to the Hainan Airlines (2016) Company Limited, the controlled subsidiary of a controlled subsidiary of the Company. Therefore the Hainan Airlines (2016) Company Limited would sign the Transfer Agreement on Aircraft Purchasing Right with the Hong Kong Airlines Company Limited and the Airbus SAS. Meanwhile, the Hainan Airlines (2016) Company Limited would undertake the rights and obligations of the Foreign Exchange Loan Contract (signed with the Hainan Branch of the National Development Bank) under the project of above stated aircraft purchasing, so to release the financial pressure to buy such aircraft. In order to secure the performance of the Foreign Exchange Loan Contract stated above, the company provided the guarantee of USD 509,000,000 for it. The Haibang Aviation Group Company Limited provided a counter guarantee of USD 509,000,000.

Opinions of the independent directors: The voluntary transfer of two A350-900 aircraft purchasing right is based on the operation plan and fleet allocation arrangement. It is beneficial for the Company to accelerate the aircraft importation speed and improvement on transportation capacity. It would enhance the market competitiveness of the Company and promote sustainable development of the Company based on the principle of fair and reasonable, and conform with provisions of relevant laws and regulations. There is no harm to the interests of the Company and all shareholders, especially its small and medium-sized shareholders in this transaction. It's in line with the principle of maximizing the interests of shareholders. Therefore, we agreed with the acquisition of the A350-900 aircraft purchasing right and transaction related matters.

For details, please refer to the ANNOUNCEMENT ON TRANSFER OF AIRCRAFT PURCHASING RIGHT published on the same day with this announcement.

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

The proposal would be submitted to the general meeting for approval.

9. The Report on Signing the Equity Restructuring Framework Agreement

The board of directors agreed that the Company would sign the Framework Agreement on Restructuring the Guangxi Beibu Gulf Airlines Company Limited with the Guangxi Beibu Gulf Investment Group Company Limited and the Guangxi Airport Management Group Company Limited.

For details, please refer to the ANNOUNCEMENT ON SIGNING EQUITY RESTRUCTURE FRAMEWORK AGREEMENT published on the same day with this announcement.

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

The proposal would be submitted to the general meeting for approval.

10. The Report on Convening the 2019 Fourth Extraordinary General Meeting of Shareholders

The board of directors agreed to convene the 2019 Fourth extraordinary general meeting of shareholders on June 27 of 2019. For details, please refer to the ANNOUNCEMENT ON CONVENING THE 2019 FOURTH EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS published on the same day with this announcement.

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

Board of Directors  
Hainan Airlines Holding Company Limited  
June 12, 2019

## ANNOUNCEMENT ON REVISIONS OF ARTICLES OF ASSOCIATION HAINAN AIRLINES HOLDING COMPANY LIMITED

The board of directors of the Hainan Airlines Holding Company Limited and its entire directors 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.

On June 11 of 2019, the Hainan Airlines Holding Company Limited (hereinafter referred to as the Company) convened the 45<sup>th</sup> session of the eighth board of directors of the Company. During the meeting, the Report on Revising the Articles of Association of the Company was deliberated and passed through. The board of directors agreed with the related revisions listed below:

No.	Articles	Before the Revision	After the Revision
1	Article 10	From the date of their taking effect, these Articles constitute a legally binding document providing a model for the Company's organization and actions, as well as the rights and duties in the relationship between the Company and its shareholders and among shareholders, as well as a legally binding document for the Company, its shareholders, directors, supervisor and senior management officers. Shareholders may file suit against each other, or against directors, supervisors, CEO, president or other senior management officers of the Company based on these Articles. Shareholders may file suit against the Company. Additionally, the Company may file suit against its shareholders, directors, supervisors, CEO, president or other senior management officers.	From the date of their taking effect, these Articles constitute a legally binding document providing a model for the Company's organization and actions, as well as the rights and duties in the relationship between the Company and its shareholders and among shareholders, as well as a legally binding document for the Company, its shareholders, directors, supervisor and senior management officers. Shareholders may file suit against each other, or against shareholders, directors, supervisors, president or other senior management officers of the Company based on these Articles. Shareholders may file suit against the Company. Additionally, the Company may file suit against its shareholders, directors, supervisors, president or other senior management officers.
2	Article 11	The "other senior management officers" referred to in these Articles are the vice president, the secretary of the board of directors, the chief financial officer, chief risk control officer and chief human resource director.	The "other senior management officers" referred to in these Articles are the vice president, the secretary of the board of directors, CFO and chief security director.
3	Article 22	Subject to the regulations of the rules, laws and relevant administrative regulations, the Company may repurchase its issued shares in accordance with the provisions of these Articles under the following circumstances: A. to reduce its registered capital; B. to merge with another company which holds the Company's shares; C. to award shares to the employees of the Company; D. The shareholder require the Company to purchase its shares while the shareholder dissent to the general meeting's resolution on merger and division; Except under the circumstances above, the Company may not be engaged in buying or selling its own shares.	Subject to the regulations of the rules, laws and relevant administrative regulations, the Company may repurchase its issued shares in accordance with the provisions of these Articles under the following circumstances: A. to reduce its registered capital; B. to merge with another company which holds the Company's shares; C. to use shares in employee stock ownership plan or stock incentive plans; D. The shareholder require the Company to purchase its shares while the shareholder dissent to the general meeting's resolution on merger and division; E. to use shares for conversion into convertible corporate bonds; F. Where necessary to safeguard the Company's value and shareholder's rights and interests. Except under the circumstances above, the Company may not be engaged in buying or selling its own shares.
4	Article 23	The Company may repurchase its shares by one of the following methods: Centralized bidding transaction at the securities exchange; An offer to repurchase shares; C. other methods approved by the CSRC.	The Company may repurchase its shares in open centralized trading method or other means approved by rules and laws and the CSRC. While the Company repurchase its share under circumstances stipulated in item C, E, F of the Article 22, it may repurchase its shares in open centralized trading method.
5	Article 24	While the Company repurchase its shares under circumstances stipulated in item A, B, C of the Article 22, it is necessary to be approved by the general meeting. After the Company has repurchased its shares subject to item A of the Article 22, the Company shall cancel that portion of shares within ten (10) days; or cancel/transfer that portion of shares within six (6) months subject to item B and C of the Article 22. The share amount repurchased by the Company under the circumstance of item C of the Article 22 shall not exceed 5% of the total issued share amount of the Company. The funds used for share repurchasing shall be paid out of the after-tax profits of the Company. The acquired shares shall be transferred to the employees within one year.	While the Company repurchase its share under circumstances stipulated in item A, B of the Article 22, it is necessary to be approved by the general meeting; under circumstances stipulated in item C of the Article 22, it is necessary to be implemented upon the board resolution of more than two third (2/3) directors subject to the regulations of the Articles of Association or authorization of the general meeting. After the Company has repurchased its shares, the Company shall cancel that portion of shares within ten (10) days under the circumstance of item A of the Article 22; or transfer/cancel that portion of shares within six (6) months under the circumstance of items B, D of the Article 22; or transfer/cancel that portion of shares within three (3) years under the circumstance of items C, E, F of the Article 22 while the total shareholding amount shall not exceed 10% of the total issued share amount of the Company.
7	Article 65	When the general meeting of shareholders is convened, all directors, supervisors and secretary of the board shall attend the meeting, while the CEO, president and other senior management officers preside at the meeting.	When the general meeting of shareholders is convened, all directors, supervisors and secretary of the board shall attend the meeting, while the president and other senior management officers should sit in the meeting.
8	Article 80	Unless the Company is in a crisis or other special situation, the Company shall not enter into any contract with any person other than members of the board of directors, CEO, president and senior management officers to transfer the responsibility for the management of all or major part of its business to such person or persons when the shareholders' general meeting approves by a special resolution.	Unless the Company is in a crisis or other special situation, the Company shall not enter into any contract with any person other than members of the board of directors, president and senior management officers to transfer the responsibility for the management of all or major part of its business to such person or persons when the shareholders' general meeting approves by a special resolution.

9	Article 95	The directors shall be elected or replaced by the shareholders' general meeting and shall serve a term of three (3) years. A director may serve consecutive terms if re-elected upon expiration of his term. The shareholders' general meeting may not remove a director without cause before the expiration of his term. A director's term shall be calculated from the date of his election by the shareholders' general meeting, and his term shall expire at the end of the term of the current board of directors. If a director's term expired and re-election was not in time, he shall continue to serve as a director according to the regulations stipulated by PRC law, regulations and provisions of these Articles until the appointment of a re-elected director. A director may be concurrently served by the CEO, president or other senior management officer. However the number of directors concurrently served by the CEO, president or other senior management officers or employee's representatives shall not exceed half (1/2) of the total number of directors of the board.	The directors shall be elected or replaced by the shareholders' general meeting and shall serve a term of three (3) years. A director may serve consecutive terms if re-elected upon expiration of his term. The shareholders' general meeting may remove a director before the expiration of his term. A director's term shall be calculated from the date of his election by the shareholders' general meeting, and his term shall expire at the end of the term of the current board of directors. If a director's term expired and re-election was not in time, he shall continue to serve as a director according to the regulations stipulated by PRC law, regulations and provisions of these Articles until the appointment of a re-elected director. A director may be concurrently served by the president or other senior management officer. However the number of directors concurrently served by the president or other senior management officers or employee's representatives shall not exceed half (1/2) of the total number of directors of the board.
10	Article 106	The responsibilities of the board of directors include: A. to convene shareholders' general meetings and deliver reports at the meetings; B. to implement the resolutions adopted by shareholders' general meetings; C. to decide on the Company's business plans and investment proposals; D. to formulate the Company's annual financial budget and final accounts plan; E. to formulate the Company's profit distribution proposals and proposals for making up losses; F. to formulate proposals for the increase or reduction of the Company's registered capital and proposals for the issue of bonds or other securities and listing plan of the Company; G. to draft proposals for major merger, acquisition, share of the Company, or plans of merger, division, dissolution and change of corporate form of the Company; H. to decide, within the scope of authority granted by the shareholders' general meeting, the Company's overseas investment, acquisition, sale of assets, assets pledge, external security, entrusted financial management, related party transactions; I. to decide on the establishment of the Company's internal management structure; J. to appoint or dismiss the Company's CEO, president and the secretary of the board of directors; K. to decide on the Company's basic management policies; L. to formulate proposals for the amendments of these Articles; M. to manage disclosure of the Company's information; N. to submit proposals to the shareholders' general meeting to appoint or replace the accounting firm for the Company's auditing work; O. to receive reports of the CEO, president of the Company and monitor his work; P. other responsibilities stipulated by PRC law, regulations and provisions of these Articles.	The responsibilities of the board of directors include: A. to convene shareholders' general meetings and deliver reports at the meetings; B. to implement the resolutions adopted by shareholders' general meetings; C. to decide on the Company's business plans and investment proposals; D. to formulate the Company's annual financial budget and final accounts plan; E. to formulate the Company's profit distribution proposals and proposals for making up losses; F. to formulate proposals for the increase or reduction of the Company's registered capital and proposals for the issue of bonds or other securities and listing plan of the Company; G. to draft proposals for major merger, acquisition, share of the Company, or plans of merger, division, dissolution and change of corporate form of the Company; H. to decide, within the scope of authority granted by the shareholders' general meeting, the Company's overseas investment, acquisition, sale of assets, assets pledge, external security, entrusted financial management, related party transactions; I. to decide on the establishment of the Company's internal management structure; J. to appoint or dismiss the Company's president and the secretary of the board of directors; to appoint or dismiss the vice-president, the CFO, chief security officer or other senior management officers based on the nominations of the president, and to decide on their remuneration, bonuses and penalties; K. to decide the Company's basic management policies; L. to formulate proposals for the amendments of these Articles; M. to manage disclosure of the Company's information; N. to submit proposals to the shareholders' general meeting to appoint or replace the accounting firm for the Company's auditing work; O. to receive reports of the president of the Company and monitor his work; P. other responsibilities stipulated by PRC law, regulations and provisions of these Articles.
11	Article 111	The responsibilities of the chairman of the board of directors include: A. to preside over the shareholders' general meeting and report to the shareholders' general meeting on behalf of the board of directors; B. to convene and host the meetings of the board of directors and to take charge of the routine tasks of the board; C. to supervise and monitor the implementation of resolutions adopted by the board of directors and report on to the board of directors; D. to provide guidance with respect to the Company's important business activities when the board of directors is not in session; E. to sign the Company's share certificates, bonds, major contracts and other valuable securities; F. to sign important documents of the board of directors and other documents that must be signed by the legal representative of the Company; G. to exercise his authority as a legal representative; H. under the circumstances of a massive natural disaster or other force majeure emergencies, to exercise special discretion in handling the Company's affairs in conformity with the law and the Company's interests, and to report to the board of directors and the shareholders' general meeting after the emergency; I. to nominate a candidate for the CEO to the board of directors for consideration and approval; and J. to carry out other responsibilities assigned by the board of directors.	The responsibilities of the chairman of the board of directors include: A. to preside over the shareholders' general meeting and report to the shareholders' general meeting on behalf of the board of directors; B. to convene and host the meetings of the board of directors and to take charge of the routine tasks of the board; C. to supervise and monitor the implementation of resolutions adopted by the board of directors and report on to the board of directors; D. to provide guidance with respect to the Company's important business activities when the board of directors is not in session; E. to sign the Company's share certificates, bonds, major contracts and other valuable securities; F. to sign important documents of the board of directors and other documents that must be signed by the legal representative of the Company; G. to exercise his authority as a legal representative; H. under the circumstances of a massive natural disaster or other force majeure emergencies, to exercise special discretion in handling the Company's affairs in conformity with the law and the Company's interests, and to report to the board of directors and the shareholders' general meeting after the emergency; I. to nominate a candidate for the president to the board of directors for consideration and approval; and J. to carry out other responsibilities assigned by the board of directors.
12	Chapter VI	THE CEO, PRESIDENT AND OTHER SENIOR MANAGEMENT OFFICERS The Company shall have one (1) chief executive officer (CEO), two (2) presidents, several vice presidents, one (1) secretary of the board of directors, one (1) chief financial officer, one (1) chief human resource officer, who shall be appointed or dismissed by the board of directors.	THE PRESIDENT AND OTHER SENIOR MANAGEMENT OFFICERS The Company shall have one (1) president, several vice presidents, one (1) secretary of the board of directors, one (1) chief financial officer and one (1) chief security officer, who shall be appointed or dismissed by the board of directors.
13	Article 123	The chief executive officer/CEO, presidents, vice presidents, secretary of the board of directors, chief financial officer, chief security officer, chief risk control officer and chief human resource officer are senior management officers of the Company, who shall be appointed or dismissed by the board of directors.	The president shall be appointed or dismissed by the board of directors.
14	Article 125	A person taking the position other than a director of the controlling shareholders and actual controller units of the Company shall not act as a senior management officers of the Company.	A person taking the administrative position other than the director/supervisor of the controlling shareholders and actual controller units of the Company shall not act as a senior management officers of the Company.
15	Article 126	The CEO and president shall serve an office term of three (3) years, and may serve consecutive terms if re-appointed. The CEO shall be responsible to the board of directors, and exercise the following powers: A. to take charge of the production, business and management of the Company, to organize the implementation of the resolutions of the board of directors and report to the board of directors; B. to organize the implementation of the Company's annual plan and investment proposals; C. to draft proposals for the establishment of the Company's internal management structure; D. to draft proposals for the Company's basic management system; E. to formulate the Company's specific regulations; F. to request the board of directors to appoint or dismiss the Company's president, vice-presidents, chief financial officer, chief security officer, chief risk control officer and chief human resource officer; G. to decide to appoint or dismiss management personnel other than those to be appointed or dismissed by the board of directors; H. to sit in the meeting of the board of directors; I. other responsibilities stipulated by the Articles of Association or authorized by the board of directors.	The president shall serve an office term of three (3) years, and may serve consecutive terms if re-appointed. The president shall be responsible to the board of directors, and exercise the following powers: A. to take charge of the production, business and management of the Company, to organize the implementation of the resolutions of the board of directors and report to the board of directors; B. to organize the implementation of the Company's annual plan and investment proposals; C. to draft proposals for the establishment of the Company's internal management structure; D. to draft proposals for the Company's basic management system; E. to formulate the Company's specific regulations; F. to request the board of directors to appoint or dismiss the Company's president, vice-presidents, chief financial officer, chief security officer, chief risk control officer and chief human resource officer; G. to decide to appoint or dismiss management personnel other than those to be appointed or dismissed by the board of directors; H. to sit in the meeting of the board of directors; I. other responsibilities stipulated by the Articles of Association or authorized by the board of directors.
16	Article 127	The President shall be responsible to the CEO, and exercise the following powers: A. to push forward the production, business and management of the Company, and implement the Company's annual plan; B. to push forward the investment and implement annual investment proposals; C. to nominate the candidates for vice president, chief financial officer, chief security officer, chief risk control officer and chief human resource officer; D. to sit in the meeting of the board of directors; E. other responsibilities authorized by the CEO.	The president shall be responsible to the CEO, and exercise the following powers: A. to push forward the production, business and management of the Company, and implement the Company's annual plan; B. to push forward the investment and implement annual investment proposals; C. to nominate the candidates for vice president, chief financial officer, chief security officer, chief risk control officer and chief human resource officer; D. to sit in the meeting of the board of directors; E. other responsibilities authorized by the CEO.
17	Article 128	The CEO, the president shall formulate detailed rules relating to the work of the CEO and the president, and report to the board of directors for approval and implementation.	The president shall formulate detailed rules relating to the work of a president, and report to the board of directors for approval and implementation.
18	Article 129	The detailed working rules relating to the CEO, the president shall include the following: A. the conditions and procedure for the meeting of the CEO or the president, and the participants; B. the specific responsibilities and tasks of the CEO, the president and other senior management officers; C. the authority to use the Company's funds and assets and to sign important contracts, as well as the reporting system to the board of directors and the board of supervisors; and D. other items that the board of directors deems necessary.	The detailed working rules relating to the president shall include the following: A. the conditions and procedure for the meeting of the president, and the participants; B. the specific responsibilities and tasks of the president and other senior management officers; C. the authority to use the Company's funds and assets and to sign important contracts, as well as the reporting system to the board of directors and the board of supervisors; and D. other items that the board of directors deems necessary.
19	Article 130	The CEO or president may resign before the expiration of his term. The detailed procedure and method of resignation shall be stipulated in the service contract between the CEO or president and the Company.	The president may resign before the expiration of his term. The detailed procedure and method of resignation shall be stipulated in the service contract between the president and the Company.
20	Article 133	The circumstances under which a person may not serve as director as stipulated in Article 94 shall also apply to the supervisor. The director, CEO, president and other senior management shall not act as supervisor at the same time.	The circumstances under which a person may not serve as director as stipulated in Article 94 shall also apply to the supervisor. The director, president and other senior management shall not act as supervisor at the same time.

Above listed revisions of the Articles of Association shall be submitted to the general meeting for approval.  
Board of Directors  
Hainan Airlines Holding Company Limited  
June 12, 2019

## ANNOUNCEMENT ON REVISIONS OF RULES OF PROCEDURE FOR THE BOARD MEETING 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.

On June 11 of 2019, the 45<sup>th</sup> session of the eighth board of supervisors of the Hainan Airlines Holding Company Limited (hereinafter referred to as the Company) deliberated and passed through the Report on Revising Rules of Procedures for the Board of Directors. The board of directors agreed with the related revisions listed below:

No.	Clause	Before Revision	After Revision
1	Clause 3	The directors shall be elected or replaced by the shareholders' general meeting and shall serve a term of three (3) years. A director may serve consecutive terms if re-elected upon expiration of his term. The shareholders' general meeting may not remove a director without cause before the expiration of his term. A director's term shall be calculated from the date of his election by the shareholders' general meeting, and his term shall expire at the end of the term of the current board of directors. If a director's term expired and re-election was not in time, he shall continue to serve as a director according to the regulations stipulated by PRC law, regulations and provisions of these Articles until the appointment of a re-elected director. A director may be concurrently served by the CEO, president or other senior management officer. However the number of directors concurrently served by the CEO, president or other senior management officers or employee's representatives shall not exceed half (1/2) of the total number of directors of the board.	The directors shall be elected or replaced by the shareholders' general meeting and shall serve a term of three (3) years. A director may serve consecutive terms if re-elected upon expiration of his term. The shareholders' general meeting may remove a director before the expiration of his term. A director's term shall be calculated from the date of his election by the shareholders' general meeting, and his term shall expire at the end of the term of the current board of directors. If a director's term expired and re-election was not in time, he shall continue to serve as a director according to the regulations stipulated by PRC law, regulations and provisions of these Articles until the appointment of a re-elected director. A director may be concurrently served by the president or other senior management officer. However the number of directors concurrently served by the president or other senior management officers or employee's representatives shall not exceed half (1/2) of the total number of directors of the board.
2	Clause 14	The responsibilities of the board of directors include: A. to convene shareholders' general meetings and deliver reports at the meetings; B. to implement the resolutions adopted by shareholders' general meetings; C. to decide on the Company's business plans and investment proposals; D. to formulate the Company's annual financial budget and final accounts plan; E. to formulate the Company's profit distribution proposals and proposals for making up losses; F. to formulate proposals for the increase or reduction of the Company's registered capital and proposals for the issue of bonds or other securities and listing plan of the Company; G. to draft proposals for major merger, acquisition, share of the Company, or plans of merger, division, dissolution and change of corporate form of the Company; H. to decide, within the scope of authority granted by the shareholders' general meeting, the Company's overseas investment, acquisition, sale of assets, assets pledge, external security, entrusted financial management, related party transactions; I. to decide on the establishment of the Company's internal management structure; J. to appoint or dismiss the Company's CEO, president and the secretary of the board of directors; to appoint or dismiss the vice-president, the CFO, chief security officer or other senior management officers based on the nominations of the president, and to decide on their remuneration, bonuses and penalties; K. to decide the Company's basic management policies; L. to formulate proposals for the amendments of these Articles; M. to manage disclosure of the Company's information; N. to submit proposals to the shareholders' general meeting to appoint or replace the accounting firm for the Company's auditing work; O. to receive reports of the president of the Company and monitor his work; P. other responsibilities stipulated by PRC law, regulations and provisions of these Articles.	The responsibilities of the board of directors include: A. to convene shareholders' general meetings and deliver reports at the meetings; B. to implement the resolutions adopted by shareholders' general meetings; C. to decide on the Company's business plans and investment proposals; D. to formulate the Company's annual financial budget and final accounts plan; E. to formulate the Company's profit distribution proposals and proposals for making up losses; F. to formulate proposals for the increase or reduction of the Company's registered capital and proposals for the issue of bonds or other securities and listing plan of the Company; G. to draft proposals for major merger, acquisition, share of the Company, or plans of merger, division, dissolution and change of corporate form of the Company; H. to decide, within the scope of authority granted by the shareholders' general meeting, the Company's overseas investment, acquisition, sale of assets, assets pledge, external security, entrusted financial management, related party transactions; I. to decide on the establishment of the Company's internal management structure; J. to appoint or dismiss the Company's president and the secretary of the board of directors; to appoint or dismiss the vice-president, the CFO, chief security officer or other senior management officers based on the nominations of the president, and to decide on their remuneration, bonuses and penalties; K. to decide the Company's basic management policies; L. to formulate proposals for the amendments of these Articles; M. to manage disclosure of the Company's information; N. to submit proposals to the shareholders' general meeting to appoint or replace the accounting firm for the Company's auditing work; O. to receive reports of the president of the Company and monitor his work; P. other responsibilities stipulated by PRC law, regulations and provisions of these Articles.
3	Clause 18	The responsibilities of the chairman of the board of directors include: A. to preside over the shareholders' general meeting and report to the shareholders' general meeting on behalf of the board of directors; B. to convene and host the meetings of the board of directors and to take charge of the routine tasks of the board; C. to supervise and monitor the implementation of resolutions adopted by the board of directors and report on to the board of directors; D. to provide guidance with respect to the Company's important business activities when the board of directors is not in session; E. to sign the Company's share certificates, bonds, major contracts and other valuable securities; F. to sign important documents of the board of directors and other documents that must be signed by the legal representative of the Company; G. to exercise his authority as a legal representative; H. under the circumstances of a massive natural disaster or other force majeure emergencies, to exercise special discretion in handling the Company's affairs in conformity with the law and the Company's interests, and to report to the board of directors and the shareholders' general meeting after the emergency; I. to nominate a candidate for the CEO and the secretary of the board of directors to the board of directors for consideration and approval; and J. to carry out other responsibilities assigned by the board of directors.	The responsibilities of the chairman of the board of directors include: A. to preside over the shareholders' general meeting and report to the shareholders' general meeting on behalf of the board of directors; B. to convene and host the meetings of the board of directors and to take charge of the routine tasks of the board; C. to supervise and monitor the implementation of resolutions adopted by the board of directors and report on to the board of directors; D. to provide guidance with respect to the Company's important business activities when the board of directors is not in session; E. to sign the Company's share certificates, bonds, major contracts and other valuable securities; F. to sign important documents of the board of directors and other documents that must be signed by the legal representative of the Company; G. to exercise his authority as a legal representative; H. under the circumstances of a massive natural disaster or other force majeure emergencies, to exercise special discretion in handling the Company's affairs in conformity with the law and the Company's interests, and to report to the board of directors and the shareholders' general meeting after the emergency; I. to nominate a candidate for the president and the secretary of the board of directors to the board of directors for consideration and approval; and J. to carry out other responsibilities assigned by the board of directors.
4	Clause 25	Board meetings shall be held only if more than half (1/2) of the directors are in attendance. If the director concerned refused or neglect to attend the meeting and the minimum number of persons required for the convening of the meeting could not be met, the chairman and the secretary of the board of directors shall report to the regulatory authority in a timely manner. Supervisors may sit in the board meeting; the CEO, president and secretary of the board of directors, who is serving as a director at the same time, shall sit in the board meeting as well. If the moderator of the meeting considers it necessary, he/she may notify other interested persons to sit in the board meeting. A resolution may be adopted only by votes of more than half (1/2) members of the board of directors.	Board meetings shall be held only if more than half (1/2) of the directors are in attendance. If the director concerned refused or neglect to attend the meeting and the minimum number of persons required for the convening of the meeting could not be met, the chairman and the secretary of the board of directors shall report to the regulatory authority in a timely manner. Supervisors may sit in the board meeting; the president and secretary of the board of directors, who is serving as a director at the same time, shall sit in the board meeting as well. If the moderator of the meeting considers it necessary, he/she may notify other interested persons to sit in the board meeting. A resolution may be adopted only by votes of more than half (1/2) members of the board of directors.
5	Clause 30	Directors' opinion: A director should read the relevant meeting materials carefully, express his/her opinions independently and cautiously on the basis of fully understanding the situation. Before the board meeting, a director may consult with the board officers, the meeting convener, the CEO, the president and other senior management officers, and relevant personnel and institutions such as special committees under the board, the accounting firm and law firm to obtain the information needed for decision-making. A director may also recommend to the moderator to invite above-mentioned personnel and representative of the institution to explain the situation in the course of the meeting.	Directors' opinion: A director should read the relevant meeting materials carefully, express his/her opinions independently and cautiously on the basis of fully understanding the situation. Before the board meeting, a director may consult with the board officers, the meeting convener, the CEO, the president and other senior management officers, and relevant personnel and institutions such as special committees under the board, the accounting firm and law firm to obtain the information needed for decision-making. A director may also recommend to the moderator to invite above-mentioned personnel and representative of the institution to explain the situation in the course of the meeting.
6	Clause 38	If more than half (1/2) directors or more than two independent directors who participated the board meeting considered that it's impossible to make decisions since the proposal is not clear and specific, or meeting material insufficient, etc., the moderator of the meeting shall request to suspend the vote on such proposal. The director who proposes to suspend the vote shall make clear requirements for the re-submission of such proposal. If the chairman, one third (1/3) directors, the board of supervisors or the CEO, or the president requested to reconsider a proposal on which the board of directors has voted, the board of directors shall review the proposal. However, the reconsideration shall not exceed twice.	If more than half (1/2) directors or more than two independent directors who participated the board meeting considered that it's impossible to make decisions since the proposal is not clear and specific, or meeting material insufficient, etc., the moderator of the meeting shall request to suspend the vote on such proposal. The director who proposes to suspend the vote shall make clear requirements for the re-submission of such proposal. If the chairman, one third (1/3) directors, the board of supervisors or the CEO, or the president requested to reconsider a proposal on which the board of directors has voted, the board of directors shall review the proposal. However, the reconsideration shall not exceed twice.

This proposal shall be submitted to the general meeting for approval.  
Board of Supervisor  
Hainan Airlines Holding Company Limited  
June 12, 2019