## 海南航空控股股份有限公

證券代碼:600221、900945 證券簡稱:\*ST海航、\*ST海航B 編號:臨2021-045

## 海南航空控股股份有限公司 關於上市公司治理專項自查報告整改及 重整進展的公告

本公司董事會及全體董事保證本公告內容不存在任何虛假記載、誤導性陳述或者重大遺漏,並對其內容的真 實性、準確性和完整性承擔個別及連帶責任。

生安约各近小。 - 截至本公告日,海南航空控股股份有限公司(以下簡稱「海航控股」或「公司」)相關股東及其關聯方未 能在一個月內(即2021年1月30日起一個月內)解決股東及關聯方非經營性資金佔用、未披露擔保、需關注的 資產等問題。根據《上海證券交易所股票上市規則》第13.9.1、13.9.20均規定、公司已被繼續推施「其他風險警 示」,具體內容詳見公司於2021年2月27日披露的《關於上市公司治理專項自查報告整改及重整進展的公告)

(編號:臨2021-023)。 ·海南省高級人民法院(以下簡稱「法院」)已正式受理對公司的重整申請,公司將存在因重整失敗而被 宣告破產的風險。如果公司被宣告破產,公司將被實施破產清算,根據《上海證券交易所股票上市規則》第 13.4.14的規定,公司股票將面臨被終止上市的風險。 ·如果公司實施重整並執行完畢,重整計劃將有利於改善公司的資產負債結構,減輕或消除歷史負擔,提高 公司的盈利能力。但公司後繼經營和財務指標如果不符合《上海證券交易所股票上市規則》等相關監管法規要 求,公司股票仍存在被實施退市風險警示或終止上市的風險。

一、上市公司治理專項自查報告整改進展情況
公司經自查,發現公司存在股東及關聯方非經營性資金佔用、未披露擔保、需關注的資產等情況,具體內容詳見公司於2021年1月30日披露的《關於上市公司治理專項自查報告的公告》(編號:臨2021-010)。 為積極解決上述問題,公司計劃對股東及關聯方非經營性資金佔用、需求擔責任的未披露擔保、需關注的資產對公司造成的損失等通過債務轉移方式進行整改。具體內容詳見公司於2021年2月9日披露的《關於針對上市公司治理專項自查報告的整改計劃的補充公告》(編號:臨2021-016)。前期整改進展門記詳見公司分別於公21年2月月27日、2021年3月30日、2021年4月1日披露的《關於一步公司治理專項自查報告整改及重整進展的公告》(編號:臨2021-029)、《關於上市公司治理專項自查報告整改及重整進展的公告》(編號:臨2021-031)。 日前公司治理專項自查報告整改及重整進展的標於公告》(編號:臨2021-031)。 日前公司已被法院裁定受理重要,將在重整进展的補充公告》(編號:臨2021-031)。 日前公司已被法院裁定受理重要,將在重整进展的補充公告》(編號:臨2021-031)。 日前公司已被法院裁定受理重要,將在重整进度的推充公告》(編號:由2021-031)。 日前公司已被法院裁定受理重要,將在重整进度的推充公告》(編號:由2021-031)。 日前公司已被法院裁定受理重整,將在重整进度的精充公告》(基號:由2021-031)。 日前公司已被法院裁定受理重整,將在重整进度的精致分配,其他不可以表述的表述。

二、公司及子公司重整進展 法院已於2021年2月10日 裁定受理債權人對海航控股及海航控股的10家子公司中國新華航空集團有限公司、山西航空有限責任公司、海航航空技術有限公司、福州航空有限責任公司、雲南祥鵬航空有限責任公司、長安航空有限責任公司、廣西北部灣航空有限責任公司、北京科航投資有限公司、高魯木齊航空有限責任公司、內海福順投資開發有限公司(以下合稱「子公司」)的重整申請,並於同日指定受損公重整整股票被賣施沒可風分公司及子公司確以有人異體內容計算人或分2021年2月10日 披露的〈關於法院裁定受理公司重整整股票被賣施沒可風勞示的公告〉(編號:臨2021-017)、〈關於法院裁定受理主要子公司重整的公告〉(編號:臨2021-019)。重整具體進展形況如下: (一)法院於2021年2月10日在「全國企業破產重整案件信息網」(http://pccz.court.gov.cn)發佈了公告,公告內容為受理公司及子公司重整、債權申報以及第一次債權人會議等相關事項。 (二)為明確債權申報有關事項,管理中報权關問題做出指引。 及子公司重整案債權申報指引,特就債權申報和關問題做出指引。 及子公司重整案債權申報指引,特就債權申報和關問題做出指引。

號:臨2021–032)。 (四)根據《中華人民共和國企業破產法》第十八條的規定,公司在管理人的指導下完成未履行完畢合同的梳

理工作,管理人就擬繼續履行合同報告法院。

理工作,管理人就操繼續接行官问報告法院。 三、風險提示 (一)公司2020年度經書計期末淨資產為負值,根據《上海證券交易所股票上市規則》13.3.2的相關規定,公司股票將被實施退市風險警示,具體內容詳見公司於同日披露的《關於公司股票被繼續實施退市風險警示的公告》(編號:臨2021—044)。 (二)法院已正式受理對公司的重整一時,公司將存在因重整失敗而被宣告破產的風險。如果必要被宣告被

,公司將被實施破產清算,根據《上海證券交易所股票上市規則》第13.4.14的規定,公司股票將面臨被終止

上市的風險。 (三) 如果公司實施重整並執行完畢,重整計劃將有利於改善公司的資產負債結構,減輕或消除歷史負擔,提 高公司的盈利能力。但公司後續經營和財務指標如果不符合《上海證券交易所股票上市規則》等相關監管法規 要求,公司股票仍存在被實施退市風險營示或終止上市的風險。 公司指定的信息披露媒體為《中國證券報》《上海證券報》《證券時報》《證券日報》、香港《文匯報》及 上海證券交易所編站(www.sse.com.cn),公司所有信息均以在上述指定媒體披露的信息為準。敬請廣大投 ※申明》、公司从生,述计会和終调監論。 資者關注公司公告,並注意投資風險。 特此公告

海南航空控股股份有限公司 董事會 二〇二一年四月三十日

Specifications on amount of preferred shareholders with

restoration of voting rights and shareholding amoun

## 2020 ANNUAL REPORT SUMMARY HAINAN AIRLINES HOLDING COMPANY LIMITED

1. Important Notice
1.1 This summary is abstracted from the full text of the annual report of the Hainan Airlines Holding Company Limited (hereinafter referred to as the Company). In order to fully understand the Company's business achievements, financial situation and future development plans, the investor shall read the full annual report carefully on the website of the SSE or other designated medias of the CSRC.

1.2 The board of directors (BoD), the board of supervisors (BoS), directors, supervisors and senior managements hereby guarantee the truthfulness, accuracy and completeness of the annual report and would take both individual and joint responsibil for any significant omission, fictitious description or serious misleading of it

1.3 The entire members of the BoD participated the meeting of the board of directors.

1.4 The PricewaterhouseCoopers Zhong Tian LLP (Special General Partnership) issued the Auditor's Report Containing Disclaimer Opinions for the Company. The board of directors, board of supervisors have explained the relevant matters in detail. We hereby remind investors to pay attention to relevant opinions

1.5 Profit Distribution Pre-plan or Pre-plan of Capital Reserve Conversion into Share Capital reviewed by the board of directors

2. Basic Information 2.1 Company profile

|               | Stock Profile              |                       |               |                               |  |  |  |  |  |
|---------------|----------------------------|-----------------------|---------------|-------------------------------|--|--|--|--|--|
| Stock<br>Type | Stock Listed at            | Stock<br>Abbreviation | Stock<br>Code | Stock Abbr. Before the Change |  |  |  |  |  |
| A Share       | Shanghai Stock<br>Exchange | *STHH                 | 600221        | HHKG                          |  |  |  |  |  |
| B Share       | Shanghai Stock<br>Exchange | *STHH-B               | 900945        | HHKG-B                        |  |  |  |  |  |

| ĺ | Contact | Secretary of the BoD                   | Representative of the BoD on Security  |
|---|---------|--|--|
| ı | Method  | Secretary of the BoD                   | Affairs                                |
| ĺ | Name    | Li Xiaofeng                            | Zhang Dawei                            |
| ĺ | Office  | Haihang Building, No.7 Guoxing Avenue, | Haihang Building, No.7 Guoxing Avenue, |
| ı | Address | Haikou, Hainan                         | Haikou, Hainan                         |
| ĺ | Tel.    | 0898-6673 9961                         | 0898-6673 9961                         |
| ĺ | E-mail  | hhgfdshmsbgs@hnair.com                 | hhgfdshmsbgs@hnair.com                 |

2.2 Introduction of the main business in the report period

2.2.1 Main business and operation model

The Company mainly conducts international and domestic (including Hongkong & Macao) passenger and freight air transpor siness; aviation related services; air travel; production of on-board supplies, aviation equipment, ground service equipment and spare parts; terminal building services and management; insurance agency services (limited to personal accident insurance). Regular and irregular air passenger and cargo transport are the main businesses of the Company.

2.2.2.1 Generals of international air transporta At the beginning of 2020, the outbreak of COVID-19 pandemic caused a huge impact on the global civil aviation industry, resulting in a sharp decline in global air transport volume. The entire international aviation industry is facing a business crisis According to the Outlook for Airline Industry Performance in 2021 released by IATA, revenue passenger-flow kilometer (RPK) of global total air travel industry fell 70% year-on-year, of which domestic market RPK fell 43%, and international market RPK fell 85%. As of December of 2020, domestic markets in China and Russia had largely returned to normal, but domestic markets in the United States and Australia remained rather weak.

IATA indicated that the global process of easing travel restrictions and isolation measures is uncertain and depends on the progress of global vaccination. Therefore, it is predicted that the global aviation crisis will last longer than expected. The recovery of the national air passenger transport market will depend on the global COVID-19 pandemic situation and mo-control, which is expected to return to 2019 levels by 2024. 2.2.2.2 Generals of domestic air transportation industry

In 2020, China's civil aviation industry also faced severe tests and complex challenges owing to the outbreak of COVID-19 pandemic. In the domestic environment of effective pandemic prevention and control and universal vaccination, the 2020 total transportation turnover of CAAC achieved 79.85 billion ton kilometers, volume of passenger traffic 420 million person-time and 6,766,000 tons, equivalent to 61.7%, 63.3% and 89.8% respectively in the same period of 2019.

In the second quarter of 2020, with the gradual effective control of the domestic COVID-19 pandemic, CAAC has taken the

lead in rebounding to become the fastest and best operating aviation market in the world. In the fourth quarter of 2020, the total turnover of air transportation, passenger transportation and cargo & postal transportation were restored to 76.3%, 84.2% and 95.8% respectively in the same period of 2019, of which, domestic air-route transportation was restored to 94.5%.

2.2.3 Market position of the Company

As one of the fastest-growing and most dynamic airlines in China, the Company actively implements the development strategy.

of "Powerful Nation in Civil Aviation" and focuses on building an international and domestic high-efficiency interactive, quality, large-scale outstanding world-class aviation network. In 2020, the Company and its controlled subsidiaries operated nearly 1,800 domestic and international air routes, which includes over 1,500 domestic air routes (including 14 Hong Kong, Macao and Taiwan air-routes) covering all mainland provinces and autonomous regions and municipalities directly under the central government and 2 regional cities of Taipei and Marco; and 266 international air routes covering Asia, Europe, North America, South America and Oceania and covering 86 overseas cities.

In 2020, the Company was appraised as the SKYTRAX Five Star airlines enterprise for the 10th time and ranked as the seventh best airlines among the World's Top 10 Airlines of 2020/SKYTRAX. As the only mainland airlines appraised as the SKYTRAX Five Star airlines enterprise, the Company possesses good brand influence, and a young and comfortable passenger aircraft fleet. The passenger seat utilization rate of the Company is in the forefront of the industry. The Company ranks in the first camp of China's air transport industry.

2.3 Brief of accounting data and financial indicators

2.3.1 Key accounting data and financial indicators in latest 3 years

| Monetary Unit: In RMB  | Monetary Unit: In RMB1,000 yuan |                         |                           |                              |                         |                           |  |
|--|---------------------------------|-------------------------|---------------------------|------------------------------|-------------------------|---------------------------|--|
| Item   | 2020                            | 2019                    |                           | Increase/<br>Decrease<br>(%) | 2018                    |                           |  |
|  |                                 | A f t e r<br>Adjustment | B e f o r e<br>Adjustment |                              | A f t e r<br>Adjustment | B e f o r e<br>Adjustment |  |
| Total assets   | 164,576,692                     |                         | 196,534,935               | -21.61                       | 217,290,072             | 204,735,164               |  |
| Operation income   | 29,401,026                      |                         |                           | -59.38                       |                         | 67,763,934                |  |
| Operating income after<br>deducting business<br>income not related<br>to the main business<br>and income without<br>commercial substance | 26,489,087                      | /                       | /                         | /                            | /                       | /                         |  |
| Net profit belongs to<br>shareholders of the<br>listed enterprise  | -64,003,308                     | 519,037                 | 543,186                   | -12,431.16                   | -3,591,429              | -3,591,429                |  |
| Net profit belongs to<br>shareholders of the<br>listed enterprise after<br>non-recurring profit<br>and loss                              | -55,699,189                     | -2,391,645              | -2,367,496                |                              | -4,084,511              | -4,084,511                |  |
| Net assets belongs to<br>shareholders of the<br>listed enterprise  | -28,371,512                     | 51,498,401              | 52,174,440                | -155.09                      | 52,539,771              | 53,529,706                |  |
| Net cash flow from operating activities  | -506,068                        | 13,732,697              | 13,732,697                | -103.69                      | 9,224,580               | 9,224,580                 |  |
| Basic earnings per<br>share (yuan per share)   | -3.834                          | 0.006                   | 0.008                     | -64,000                      | -0.23                   | -0.23                     |  |
| Diluted earnings per<br>share (yuan per share)   | -3.834                          | 0.006                   | 0.008                     | -64,000                      | -0.23                   | -0.23                     |  |
| Weighted average   | -646.43                         | 0.22                    | 0.27                      | -646.65                      | -7.67                   | -7.67                     |  |

2.3.2 Financial highlights in quarters

| Monotonia Cint. In 1972 1,000 jumi |  |  |   |  |  |  |  |
|------------------------------------|--|--|---|--|--|--|--|
| First Quarter                      | Second Quarter                                     | Third Quarter  | Fourth Quarter  |  |  |  |  |
| (JanMar.)                          | (AprJun.)  | (JulSept.)   | (OctDec.)   |  |  |  |  |
|                                    | 4,823,265  | 8,133,431  | 9,555,739   |  |  |  |  |
| 6 204 572                          | 5 520 640  | 2 902 044  | -48,376,144   |  |  |  |  |
| 1 ' '                              | -3,320,040   | -3,003,944   | -40,370,144   |  |  |  |  |
|                                    |  |  |   |  |  |  |  |
| -5,030,035                         | -4,694,209   | -3,942,596   | -42,032,349   |  |  |  |  |
|                                    |  |  |   |  |  |  |  |
| -2,032,281                         | -5,913,533   | -4,133,562   | 11,573,308  |  |  |  |  |
|                                    | (JanMar.)<br>6,888,591<br>-6,294,572<br>-5,030,035 | (JanMar.) (AprJun.)<br>  6,888,591   4,823,265  <br>  -6,294,572   -5,528,648  <br>  -5,030,035   -4,694,209 | (JanMar.) (AprJun.) (JulSept.)<br>  6,888,591   4,823,265   8,133,431  <br>  -6,294,572   -5,528,648   -3,803,944  <br>  -5,030,035   -4,694,209   -3,942,596 |  |  |  |  |

Specifications on the difference between the quarterly financial data and disclosed periodical report data

( ) Applicable
 (√) Not applicable
 2.4 Share capital and shareholders

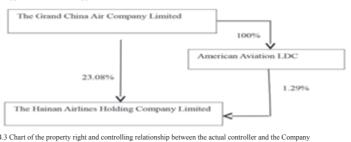
2.4.1 Number of ordinary shareholders & preferred shareholders restored voting rights and particulars about top 10 shareholders

| Total amount of ordinary shareholders at end of report period    | 433,89 |
|--|--------|
| Total amount of shareholders at the end of the latest month      | 398.07 |
| before the disclosure date of the annual report                  | 398,07 |
| Total amount of preferred shareholders restored voting right at  |        |
| end of report period   |        |
| Total amount of preferred shareholders restored voting right     |        |
| at the end of the latest month before the disclosure date of the |        |
| annual report  |        |

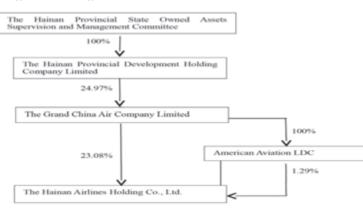
| Shareholding Status  | Increase/    | Shareholding   | Shareholding                  | Shareholding<br>Amount of             | Frozen/P<br>Shares | ledged          | Nature of                 |
|--|--------------|--|-------------------------------|---------------------------------------|--------------------|-----------------|---------------------------|
| Shareholders   | Decrease     | Amount at<br>Period End  | Percentage<br>(%)             | Shares with<br>Trading<br>Restriction | Share<br>Status    | Amount          | Shareholder               |
| The Grand China<br>Air Co., Ltd.   | -36,085,454  | 3,879,228,176  | 23.08                         | 0                                     | Pledged            | 3,878,032,301   | Othe                      |
| The Haikou Meilan<br>International<br>Airport Co., Ltd.  | 0            | 662,000,000  | 3.94                          | 0                                     | Pledged            | 662,000,000     | Otho                      |
| The HNA Group<br>Company Limited   | 0            | 593,941,394  | 3.53                          | 0                                     | Frozen             | 593,941,394     | Oth                       |
| The Changjiang<br>Leasing Co., Ltd.  | 0            | 517,671,098  | 3.08                          | 0                                     | Pledged            | 517,545,280     | Othe                      |
| The China<br>Securities Finance<br>Corporation<br>Limited  | 0            | 498,431,593  | 2.97                          | 0                                     | No                 | 0               | State-owne<br>legal perso |
| The China<br>Railway Trust<br>Company Limited-<br>CRTrust•HNA<br>Directional<br>Placement Equity<br>Investment Pooled<br>Fund Trust Scheme                                       | 0            | 460,893,854  | 2.74                          | 0                                     | No                 | 0               | Oth                       |
| The CITIC<br>Construction Fund-<br>Huaxia Bank-Tibet<br>Trust-Tibet Trust-<br>Shunjing No. 27<br>Single Fund Trust   | 0            | 460,893,854  | 2.74                          | 0                                     | No                 | 0               | Oth                       |
| The Huafu<br>Fund-Xingye<br>Bank-Chang'an<br>International<br>Trust-Chang'an<br>Trust•HNA<br>Directional<br>Placement No.1<br>Single Fund Trust                                  | -6,000,000   | 454,893,854  | 2.71                          | 0                                     | No                 | 0               | Oth                       |
| The Changjiang Wealth-Pudong Development Bank-Shanghai Pudong Development Bank Company Limited (Haikou Branch)   | -336,120,122 | 262,597,734  | 1.56                          | 0                                     | No                 | 0               | Oth                       |
| The SWS MU<br>Fund-ICBC-<br>Shaanxi Province<br>International Trust-<br>Shaan International<br>Trust•Qingyuan<br>No. 8 Directional<br>Investment Pooled<br>Funds Trust<br>Scheme | 0            | 250,933,213  | 1.49                          | 0                                     | No                 | 0               | Oth                       |
| Note to relationship<br>in concert" among the<br>shareholders  | ne top ten   | Among the top<br>Grand China A<br>and the HNA C<br>subsidiary of the | ir Co., Ltd.,<br>Group Co., L | the Haikou M<br>td. The Chan          | 1eilan Inte        | ernational Airp | ort Co., Ltd              |

2.4.2 Chart of the property right and controlling relationship between the controlling shareholder and the Company  $(\sqrt{})$  Applicable ( ) Not applicable (√) Applicable

Not applicable



2.4.3 Chart of the property right and controlling relationship between the actual controller and the Company ( $\sqrt{}$ ) Applicable () Not applicable



)Applicable 2.5 Information of bonds

(√) Applicable ( ) Not applicable

Term Notes 17Xiangpeng

of the Yunnan MTN001

Xiangpeng

| Bond Name  | Abbreviation        | Code             | Issue Date         | Maturity<br>Date   | B o n d<br>Balance | Interest<br>Rate (%) | Debt Service<br>Mode  | Trading<br>Floor    |
|--|---------------------|------------------|--------------------|--------------------|--------------------|----------------------|---|---------------------|
| 2 0 1 1  |                     |                  |                    | Dute               | Darance            | reace (70)           | Interest  | 1 1001              |
| Corporate<br>Bond  | 11Haihang02         | 122071           | May 24,<br>2011    | May 24,<br>2021    | 1,440,000          | 6.20                 | payment per<br>year; principal<br>repayment on<br>maturity                      | SSE                 |
| 2018 Perpetual<br>corporate<br>bond of the<br>Company                                    | Ü                   | 136960           | Sept. 14,<br>2018  | 2021               |                    | 7.60                 | Interest<br>payment per<br>year; principal<br>repayment on<br>maturity          | SSE                 |
| 2018 Perpetual<br>corporate<br>bond of the<br>Company                                    |                     | 136956           | Sept. 27,<br>2018  | Sept. 27,<br>2021  | 800,000            | 7.45                 | Interest<br>payment per<br>year; principal<br>repayment on<br>maturity          | SSE                 |
| 2018 Perpetual<br>corporate<br>bond of the<br>Company                                    |                     | 136946           | Oct. 19,<br>2018   | Oct. 19,<br>2021   | 1,500,000          | 7.45                 | In terest<br>payment per<br>year; principal<br>repayment on<br>maturity         | SSE                 |
| 2018 Perpetual<br>corporate<br>bond of the<br>Company                                    | Ü                   | 136934           | 2018               | 2021               | ·                  | 7.35                 | Interest<br>payment per<br>year; principal<br>repayment on<br>maturity          | SSE                 |
| 2018 Perpetual<br>corporate<br>bond of the<br>Company                                    |                     | 136901           | Nov. 27,<br>2018   | Nov. 27,<br>2021   | 1,400,000          | 7.30                 | Interest<br>payment per<br>year; principal<br>repayment on<br>maturity          | SSE                 |
| US Dollar<br>Bond  | US Dollar Bond      |                  | Oct. 29,<br>2018   | Oct. 29,<br>2021   | 265,367            | 12                   | Interest<br>payment per<br>six months;<br>principal<br>repayment on<br>maturity | SGX                 |
| US Dollar<br>Bond  | US Dollar Bond      |                  | Oct. 24,<br>2019   | Oct. 24,<br>2021   | 377,465            | 9.5                  | Interest<br>payment per<br>six months;<br>principal<br>repayment on<br>maturity | SGX                 |
| 2015 Medium-<br>term note<br>(Phase I) of<br>HNA   | 1 5 H N A<br>MTN001 | 101564049.<br>IB | Oct. 19,<br>2015   | Oct. 21,<br>2021   | ' '                | 8.78                 | Interest<br>payment per<br>year; principal<br>repayment on<br>maturity          | Interbank<br>market |
| (Phase I) of<br>HNA  | 1 6 H N A<br>MTN001 | 101664005.<br>IB | Mar. 7,<br>2016    | Mar. 9,<br>2022    | 2,500,000          | 8.46                 | Interest<br>payment per<br>year; principal<br>repayment on<br>maturity          | Interbank<br>market |
| 2 0 1 7<br>Corporate<br>bond of the<br>Y u n n a n<br>Xiangpeng<br>Airlines (Phase<br>I) | 17Xiangpeng01       | 143144           | June 16,<br>2017   | June 20,<br>2022   | 270,000            | 8.98                 | Interest<br>payment per<br>year; principal<br>repayment on<br>maturity          |                     |
| (Phase II)   | 19HNASCP002         | 011901639.<br>IB | July 19 of<br>2019 | Jan. 12 of<br>2021 |                    |                      | principal<br>and interest<br>repayment on<br>maturity                           | Interbank<br>market |
| 2019 Short-<br>term financing<br>bills of HNA<br>(Phase III)                             | 19HNASCP003         | 011902819.<br>IB | Nov. 27 of<br>2019 | May 22<br>of 2021  | -,,                | 4                    | principal<br>and interest<br>repayment on<br>maturity                           | Interbank           |
| 2019 Private corporate bond of the Yunnan X i a n g p e n g Airlines (Phase I)           |                     | 162767           | Dec. 13,<br>2019   | Dec. 13,<br>2024   |                    | 7.20                 | Interest<br>payment per<br>year; principal<br>repayment on<br>maturity          | SSE                 |
| 2 0 1 7<br>Permanent<br>Medium   |                     | 101758019.<br>IB |                    |                    | 500,000            | 9.9                  | Interest  |                     |

May 5, May 5 2017 2021

payment per

repayment on

aturity

ear; principal market

Interbank

 $(\sqrt{})$  Applicable ( ) Not applicable During the report period, the principal and interest of the bonds due by the Company are not overdue and have been deferred by self-financing on schedule or by signing an extension agreement.

2.5.3 Information of bond rating

(v) Applicable () Not applicable
On Jan. 28 of 2021, the Shanghai Brilliance Credit Rating & Investors Service Company Limited issued a notice to degraded the Company's principal credit and related debt rating from AAA/Stable to AA. On Feb. 1 of 2021, the Shanghai Brilliance Credit Rating & Investors Service Company Limited degraded the Company's principal credit and related debt rating from AA to BB/ Negative since the Company and its controlling shareholders, important shareholders and controlled subsidiaries were claimed by creditor for reorganization. On Feb. 23 of 2021, the Shanghai Brilliance Credit Rating & Investors Service Company Limited degraded the Company's principal credit rating from BB/Negative to C.

In January of 2021, the China Chengxin International Credit Rating Co., Ltd. (CCXI) degraded the Company's principal credit

A related debt rating to AA, and included in the credit rating watch list. On Feb. 2 of 2021, the China Chengxin International Credit Rating Co., Ltd. (CCXI) degraded the Company's principal credit Rating Co., Ltd. (CCXI) degraded the Company's principal credit & related debt rating to BB and credit rating outlook to negative, since the Company and its controlling shareholders, important shareholders and controlled substitutes were claimed by creditor for reorganization. On Feb. 24 of 2021, the China Chengxin International Credit Rating Co., Ltd. (CCXI) degraded the Company's principal credit & related debt rating from BB to C.

principal credit & related debt rating from BB to C.

On July 30 of 2020, the United Credit Rating Service Company Limited issued the Tracking Rating Report on the Yunnan Xiangpeng Airlines Company Limited (United [2020] No. 1530). The principal long-term credit rating of the Yunnan Xiangpeng Airlines Company Limited is AA-, prospective rating negative, and credit rating of 17Xiangpeng01 is AA-. On Feb. 2 of 2021, the United Credit Rating Service Company Limited departed the principal long-term credit rating of the Yunnan Xiangpeng Airlines Company Limited from AA- to BB, prospective rating negative, and credit rating of 17Xiangpeng01 from AA- to BB. On Feb. 22 (2021). of 2021, the United Credit Rating Service Company Limited degraded both the principal long-term credit rating and debt rating of the Yunnan Xiangpeng Airlines Company Limited to C.

2.5.4 Key accounting data and financial indicator in latest 2 years

(\( \end{array} \)) Applicable () Not applicable

| Main Indicator                     | 2020   | 2019  | Increase/Decrease (%) |
|------------------------------------|--------|-------|-----------------------|
| Rate of assets and liabilities (%) | 113.52 | 70.76 | 60.43                 |
| EBITDA Debt Ratio                  | -0.32  | 0.10  | -437.36               |
| Interest Coverage Ratio            | -7.33  | 1.18  | -722.16               |

3. Discussion and Analysis on the Management 3.1 Discussion and analysis on the ma

3.1 Discussion and analysis on the management In 2020, the revenue realization of the Company accounted for RMB 29,401,000,000 yuan (declined 59.38% year-on-year) which included the income from transportation for RMB 26,489,000,000 yuan (declined 61.62%), supplementary income for RMB 2,912,000,000 yuan (declined 13.83%) and net profit for - RMB 68,743,000,000 yuan (declined 9477.07%). In 2020, the total turnover of the Company achieved 5,964,470,000 ton \*kilometers, (declined 59.20% year-on-year), air passenger transportation volume reached 37,030,000 person\* times (declined 54.67%), air freight transportation volume reached 310,000 ton\*kilometers (declined 47.07%). The flight number accounted for 299,900 flights, declined 47.72%. The flying hours reached 702,800 hours, declined 49.22%.

As of Dec. 31 of 2020, the Company operated a fleet of 346 aircraft. Following is the fleet details:

|               | December 31 of 2020 |             |           |             |              |  |  |  |
|---------------|---------------------|-------------|-----------|-------------|--------------|--|--|--|
| Aircraft      | Sub-total           | Self-owned  | Financial | Operational | Average      |  |  |  |
| Model         | Suo-totai           | Self-Owlied | Leasing   | Leasing     | Aircraft Age |  |  |  |
| Boeing Series | 264                 | 79          | 18        | 167         | 6.14         |  |  |  |
| B737-700      | 10                  | 5           | 2         | 3           | 6.66         |  |  |  |
| B737-800      | 200                 | 55          | 16        | 129         | 6.8          |  |  |  |
| B737-8        | 16                  | 4           | 0         | 12          | 2.34         |  |  |  |
| B787-8        | 10                  | 9           | 0         | 1           | 6.88         |  |  |  |
| B787-9        | 28                  | 6           | 0         | 22          | 3.13         |  |  |  |
| Air Bus       | 64                  | 7           | 4         | 53          | 5.06         |  |  |  |
| A320          | 24                  | 0           | 3         | 21          | 3.8          |  |  |  |
| A330-200      | 9                   | 0           | 0         | 9           | 10.38        |  |  |  |
| A330-300      | 29                  | 7           | 1         | 21          | 4.65         |  |  |  |
| A350-900      | 2                   | 0           | 0         | 2           | 2.27         |  |  |  |
| EMRJ Series   | 18                  | 4           | 2         | 12          | 10.45        |  |  |  |
| E190          | 18                  | 4           | 2         | 12          | 10.45        |  |  |  |
| Total         | 346                 | 90          | 24        | 232         | 6.16         |  |  |  |

| B787-8               | 10                                 |      | 9         | 0      |            | 1       | 6.88          |
|----------------------|------------------------------------|------|-----------|--------|------------|---------|---------------|
| B787-9               | 28                                 |      | 6         | 0      |            | 22      | 3.13          |
| Air Bus              | 64                                 |      | 7         | 4      |            | 53      | 5.00          |
| A320                 | 24                                 |      | 0         | 3      |            | 21      | 3.8           |
| A330-200             | 9                                  |      | 0         | 0      |            | 9       | 10.3          |
| A330-300             | 29                                 |      | 7         | 1      |            | 21      | 4.6           |
| A350-900             | 2                                  |      | 0         | 0      |            | 2       | 2.2           |
| EMRJ Series          | 18                                 |      | 4         | 2      |            | 12      | 10.4          |
| E190                 | 18                                 |      | 4         | 2      |            | 12      | 10.4          |
| Total                | 346                                | 9    | 00        | 24     | 2          | 32      | 6.1           |
| Item Transport Canac | ity                                | 2020 |           | 2019   |            | IIIC    | rease/Decreas |
|                      | -flow Kilometer/                   |      | 7,687,702 |        | 17,434,458 |         | -55.91%       |
| Kilometers*seat      | )                                  |      |           |        |            |         |               |
| International        |                                    |      | 513,499   |        | 4,619,456  |         | -88.88        |
| Domestic             |                                    |      | 7,169,367 |        | 12,745,454 |         | -43.759       |
| Regional             |                                    | 4,83 |           | 69,548 |            | -93.05% |               |
|                      | e-Kilometer/ATK<br>Kilometers*ton) |      | 779,769   |        | 1,888,155  |         | -58.70%       |
| International        |                                    |      | 111,996   |        | 536,891    |         | -79.149       |
| Domestic             |                                    |      | 667,398   |        | 1,344,813  |         | -50.379       |
| Regional             | <u> </u>                           |      | 374       |        | 6,451      |         | -94.209       |
| Transport Volur      | ne                                 |      |           |        |            |         |               |

| Domestic   | 7,169,367 | 12,745,454 | -43.75% |
|--|-----------|------------|---------|
| Regional   | 4,837     | 69,548     | -93.05% |
| Available Tonne-Kilometer/ATK<br>(Unit: In 10,000 Kilometers*ton)                  | 779,769   | 1,888,155  | -58.70% |
| International  | 111,996   | 536,891    | -79.14% |
| Domestic   | 667,398   | 1,344,813  | -50.37% |
| Regional   | 374       | 6,451      | -94.20% |
| Transport Volume   |           |            |         |
| Revenue Passenger-flow<br>Kilometer/RPK (Unit: In 10,000<br>Kilometer*person time) | 5,710,563 | 14,536,663 | -60.72% |
| International  | 320,211   | 3,340,552  | -90.41% |
| Domestic   | 5,387,734 | 11,144,679 | -51.66% |
| Regional   | 2,618     | 51,431     | -94.91% |
| Revenue Freight Tonne<br>Kilometer/RTK (Unit: In 10,000<br>Kilometer*ton)          | 92,728    | 185,627    | -50.05% |
| International  | 48,636    | 105,068    | -53.71% |
| Domestic   | 44,082    | 80,357     | -45.14% |
| Regional   | 10        | 202        | -95.05% |
| Seating Capacity (In 1,000 person times)   | 37,032    | 81,690     | -54.67% |
| International  | 478       | 5,396      | -91.14% |
| Domestic   | 36,535    | 75,971     | -51.91% |
| Regional   | 19        | 323        | -94.12% |
| Cargo & Mail (In ton)  | 308,363   | 582,576    | -47.07% |
| Flying kilometers (In 10,000 kilometers)   | 44,488    | 89,119     | -50.08% |
| Shift hour (In hour)   | 702,799   | 1,384,007  | -49.22% |
| Flight number  | 299,877   | 573,577    | -47.72% |
| International  | 5,957     | 32,359     | -81.59% |
| Domestic   | 293,714   | 538,464    | -45.45% |
| Regional   | 206       | 2,754      | -92.52% |
| Revenue Freight Tonne<br>Kilometer/RTK (Unit: In 10,000<br>Kilometer*ton)          | 596,447   | 1,461,919  | -59.20% |
| Transport Rate   |           |            |         |
| Load Factor (RPK/ASK)  | 74.28%    | 83.38%     | -9.10   |
| International  | 62.36%    | 72.31%     | -9.95   |
| Domestic   | 75.15%    | 87.44%     | -12.29  |
| Regional   | 54.13%    | 73.95%     | -19.82  |
| Total Load Factor (RTK/ATK)  | 76.49%    | 77.43%     | -0.93   |
|  |           |            |         |

Aircraft daily utilization (In hour)

 3.2 Specifications on suspension of fisting
 ( ) Applicable
 (√) Not applicable
 3.3 Specification on termination of listing ( ) Applicable(√) Not applicable

(√) Applicable (√) Not applicable (√) Applicable (√) Applicable (√) Applicable (√) Main changes in accounting policies

The Ministry of Finance issued revised Accounting Standards for Enterprises No. 14--Income (Cai Kuai [2017] No. 22, hereinafter referred to as New Income Standards) in July of 2017, the Company started to implement the New Income Standards as of January 1 of 2020. The remaining unchanged parts shall be still subject to the Accounting Standards for Enterprises-Basic Standards, and specific accounting standards, enterprise accounting standards application guidelines, enterprise accounting standards interpretation notice and other relevant provisions. 3.4.2 Influences of changes in accounting policies

5.85

8.76

-2.91

According to the regulations, the Company will adjust the initial retained earnings and other related items in the financial statements according to the cumulative impact of the first implementation of the New Income Standards, and will not adjust the information for the comparable period. The implementation of the New Income Standards is not expected to have a significant impact on the Company's operating achievements, nor lead to significant changes in income recognition mode, and will not have any significant impact on the financial statements. The changed accounting policies are in accordance with the relevant provisions of the Accounting Standards for Enterprises. There is no harm to the interests of the Company and minority shareholders.

3.5 Specifications on correction of significant accounting errors and influences
(√) Applicable () Not applicable
In 2020, the Company's self-inspection found that the related party actually used the loans borrowed from creditors in the previous year and the reimbursement of the Company's aircraft finance lease. According to the loan agreement between the Company and the related party, the principal, interest and other expenses related to the money used by the related party shall be implay and the Visited party, which result in unrecognized related liabilities, receivables and expected credit losses. The ms lead to inaccurate presentation of the consolidated financial statements in the 2019 Annual report.

In accordance with the requirements of the State Council's Opinions on Further Improving the Quality of Listed Company of the Council of t

(Guo Fa [2020] No .14), the Company disclosed the Notice on the Special Self-inspection Report on the Governance of Listed Companies on 30 January of 202, and formulated a rectification plan to actively resolve the above problems. It then disclosed the Supplementary Notice on the Rectification Plan for the Special Self-inspection Report on the Governance of Listed Companies on Feb. 9 of 2021, which further refined the specific solutions.

In accordance with the relevant provisions of the Enterprise Accounting Standards, the Company has corrected these prior

accounting errors, and has retroactively adjusted the 2019 consolidated and parent company's financial statement data. The impact

3.5.1 Impact on amount of 2019 consolidated statement items

For the consolidated balance sheet on January 1 of 2019, adjust the increase in other receivables by RMB 11,667,292,000 yuan, short-term borrowings by RMB 5,878,747,000 yuan, non-current liabilities due within one year by RMB 2,521,324,000 yuan, long-term accounts payable by RMB 4,104,777,000 yuan, and other accounts payable by RMB 70,803,000 yuan respectively, meanwhile adjust the reduction in deferred income tax liabilities by RMB 203,665,000 yuan, and undistributed profit at the beginning of the

riod by RMB 651,890,000 yuan.

For the consolidated balance sheet as at 31 December of 2019, adjust the increase in other receivables by RMB 13,402,981,000 yuan, short-term loans by RMB 7,424,747,000 yuan, long-term accounts payable by RMB 3,911,708,000 yuan, and other accounts payable by RMB 475,268,000 yuan, and other accounts payable by RMB 475,268,000 yuan respectively. For the 2019 consolidated income statement, adjust the increase in credit impairment loss by RMB30,775,000 yuan, and reduce in income tax expenses by RMB8,544,000 yuan

As a result of this correction to prior-period accounting treatment, the cumulative impact on the consolidated statements for 2019 is: a retrospective reduction of 2019 net profit by RMB 22,231,000 yuan, a retroactive reduction in undistributed profits by RMB651,890,000 yuan and RMB 52,894,000 yuan in minority shareholders' equity on January 1 of 2019, a retrospective reduction of undistributed profits by RMB 674,121,000 yuan and minority shareholders' equity by RMB 50,886,000 yuan on December 31 of

3.5.2 Impact on amount of 2019 parent company statement items

For the parent company's balance sheet on January 1 of 2019, adjust the increase in other receivables by RMB 11,026,025,000 yuan, short-term borrowings by RMB 5,878,747,000 yuan, non-current liabilities due within one year by RMB 2,521,324,000 yuan, long-term accounts payable by RMB 3,229,263,000 yuan, and other accounts payable by RMB 70,803,000 yuan respectively meanwhile adjust the reduction in deferred income tax liabilities by RMB 168,528,000 yuan, and undistributed profit at the

beginning of the period by RMB 505,584,000 yuan.

For the parent company's balance sheet as at 31 December of 2019, adjust the increase in other receivables by RMB 12,713,644,000 yuan, short-term loans by RMB 7,424,747,000 yuan, non-current liabilities due within one year by RMB 2,530,392,000 yuan, long-term accounts payable by RMB 3,056,433,000 yuan, and other accounts payable by RMB 415,466,000 yuan respectively. For the 2019 parent company's income statement, adjust the increase in credit impairment loss by RMB 39,282,000 yuan, and reduce in income tax expenses by RMB 9,820,000 yuan. For the 2019 cash flow statement, adjust the net cash flow for investment activities by RMB 943,163,000 yuan and net cash flow adjusted for fund-raising activities by RMB 943,163,000

As a result of this correction to prior-period accounting treatment, the cumulative impact on the 2019 parent company' statements is the retrospective reduction in 2019 net profit by RMB 29,462,000 yuan, a retroactive reduction in undistributed profits by RMB 29,462,000 yuan, a retroactive reduction in undistributed profits by RMB505,584,000 yuan on January 1 of 2019, and a retrospective reduction of undistributed profits by RMB 535,046,000 yuan on December 31 of 2019.

3.6 Specifications on changes in con olidation scope of the financial statements comparing with last year's financial report

 $(\sqrt{})$  Applicable ( ) Not applicable For details of the major subsidiaries included in the consolidated financial statements for this year, see Note 6 (1) . The subsidiary, which is no longer included in the consolidated financial statements for this year, is the Hainan Tianyu Flight Training Co., Ltd., The second-tier subsidiaries, which are no longer included in the consolidated financial statements for this year, are the Hainan Guoshan Industrial Co., Ltd., the Hainan Guoxu Industrial Co., Ltd. and the Hainan Hangpeng Industrial Co., Ltd., see Note 8(2).

Hainan Airlines Holding Company Limited