

# Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the annual general meeting (the "Annual General Meeting") of Hainan Meilan International Airport Company Limited (the "Company") will be held at 10 a.m. on Monday 17 May 2004 at the meeting room of the Company on 3rd Floor, Meilan Airport Complex at No. 6 Haikou City, Hainan Province, the People's Republic of China (the "PRC") to consider and, if thought fit, to pass the following resolutions:

By way of ordinary resolutions:

1. To consider and approve the working report of the Board of Directors of the Company for the year ended 31 December 2003;
2. To consider and approve the working report of the Supervisory Committee of the Company for the year ended 31 December 2003;
3. To consider and approve the audited financial statements of the Company as at and for the year ended 31 December 2003;
4. To consider and approve the final dividend distribution plan of the Company for the year ended 31 December 2003, and to authorise the Board of Directors of the Company to distribute such dividend to shareholders;
5. To consider and approve the re-appointment of Ernst & Young (certified public accountants in Hong Kong) and Hainan Congxin (registered accountants in the PRC (excluding Hong Kong)) as the Company's international and domestic auditors for the financial year 2004, respectively, to hold office until the conclusion of the next annual general meeting, and to determine their remuneration;
6. To consider and approve the remuneration of Directors, Supervisors and the Company's Secretary of year 2004;
7. To consider and approve the re-appointment of Mr. Xu Boling, an Independent Non-executive Director of the Company, for a term of three years commencing from 30 June 2004 following the expiration of his current term on 29 June 2004;
8. To consider and approve proposals (if any) put forward at such meeting by any shareholder(s) holding 5 per cent or more of the shares carrying the right to vote at such meeting.

By way of special resolutions:

9. To consider and approve the amendments listed below to the Article of Associations of the Company and such other amendments as may be necessary for compliance with the amendments to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") which will become effective on 31 March 2004 and to authorize the Board of Directors of the Company to take all necessary actions in connection with the adoption of the amendments to the Articles of Association.

"That articles 3, 72, 73, 78, 94 and 100 of the prevailing Articles of Association of the Company be deleted in their entirety and replaced by the followings:

Article 3

Company Address: Meilan Airport Complex, Haikou City, Hainan Province, PRC

Postal Code: 571126

Tel: (86-898) 65751159

Fax: (86-898) 65751182

# Notice of Annual General Meeting

## Article 72

When shareholders (including proxies) vote in shareholders' general meetings by exercising their voting rights in accordance with the number of shares held, they have one vote for each share held.

Where any shareholder is, pursuant to the Rules Governing the Listing of Securities of the Stock Exchange of Hong Kong Limited (hereinafter referred to as the "**Listing Rules**"), required to abstain from voting on any particular resolution or restricted to voting only for or only against any particular resolution, any votes cast by or on behalf of such shareholder in contravention of such requirement or restriction shall not be counted.

## Article 73

Voting in the meeting is by show of hands unless specifically required under the Listing Rules to be by poll or demanded by any of the following persons requesting a poll before or after voting by show of hands.

- (1) Chairman of the meeting;
- (2) At least two shareholders (proxies) with voting rights; or
- (3) Any one or more shareholders (including proxies) in the meeting holding alone or in aggregate ten percent (10%) or more (containing ten percent (10%)) of voting shares.

Unless a poll is demanded, a declaration by the chairman as to the passing of the resolution based on the results of a show of hands and an entry to that effect in the minutes of the Company, shall be conclusive evidence of that fact without proof of the number or proportion of the votes recorded in favour of or against such a resolution.

The request for a poll can be withdrawn by the person making the request.

## Article 78

The following matters shall be approved by special resolution in the shareholders' general meeting:

- (1) To increase, or decrease the company's share capital, issue any class of shares, warrants or other similar securities instruments;
- (2) To issue company bonds;
- (3) To decide on division, merger, dissolution or liquidation of the Company;
- (4) To amend the Company's Articles of Association;
- (5) Matters of material importance to the Company which the shareholders' general meeting has decided, by ordinary resolution, should be approved by special resolution; and
- (6) any other matters as required under the Listing Rules.

Article 94

Directors are elected in shareholders' general meetings. The term of service is three years. After completion of a term, a director can stand for re-election.

Any notice of intention to propose a person for election as a director and any notice by such person of his willingness to be elected shall be given no earlier than the day after the despatch of the notice of the meeting appointed for such shareholders' meeting and no later than seven (7) days prior to the date of such meeting.

Chairman and vice chairman are elected and dismissed by more than half of all of the directors. The term of service is three years. They can stand for re-election after their term is completed.

The shareholders' general meeting, in accordance with the premises of adhering to the relevant laws and administrative regulations, may dismiss any director whose term is not completed by ordinary resolution (any request for contract indemnity is not affected.)

Directors need not hold any shares of the Company.

The chairman and the directors may hold the positions of general manager, deputy general manager and other senior management positions at the same time (except supervisors).

Article 100

The quorum for the meeting of the board of directors is half or more of the directors (including proxies) present.

Each director has one vote. A board resolution must be passed by more than half of all the directors unless otherwise stipulated in this Articles of Association. In case of a tie, the chairman has an extra vote.

When a quarter ( $1/4$ ) or more of the directors or two or more non-executive directors consider the provided information regarding the matters under discussion is not sufficient or the evidence is not clear, they may jointly suggest the adjournment of the meeting or the part under consideration. The board shall accept the suggestion.

When a director or any of his associates (as defined under the Listing Rules) has a conflict of interest with one of the board resolutions, he shall not be involved and shall have no vote in the resolution. When counting attendance for quorum, that director shall not be counted.

10. To consider and, authorise the Board of Directors of the Company to, inter alia:

- (a) Subject to any governmental and/or regulatory approval under the applicable law, issue, allot and deal with additional H Shares of the Company (not exceeding 20 per cent of the aggregate nominal amount of the H Shares in issue as at the date of passing of the shareholders' special resolution); and
- (b) if applicable, amend the Company's Articles of Association accordingly, subject to the Listing Rules and the PRC Company Law (as may be respectively amended from time to time) as well as approval from the relevant PRC government authorities;

# Notice of Annual General Meeting

11. To consider and approve proposals (if any) put forward at such meeting by any shareholder(s) holding 5 per cent or more of the share carrying the right to vote at such meeting.

By order of the Board

**Bai Yan**

Company Secretary

Hainan Province, the PRC

29 March 2004

Notes:

- (A) Holders of the Company's overseas listed foreign invested shares (in the form of H Shares) whose names appear on the Company's Register of Members which is maintained by Computershare Hong Kong Investor Services Limited at the close of business on Friday, 16 April 2004 are entitled to attend and vote at the Annual General Meeting and qualified for the redemption of 2003 final dividend.
- (B) Holders of H Shares, who intend to attend the Annual General Meeting, must complete and return the written replies for attending the Annual General Meeting to the Office of the Secretary of the Board of Directors of the Company no later than Tuesday, 27 April 2004.

Shareholders can deliver the written replies by hand, by post or by facsimile.

Details of the Office of the Secretary to the Board of Directors of the Company are as follows:

Meilan Airport Complex

Haikou City

Hainan Province

PRC

Tel: (86-898) 6575 1159

Fax: (86-898) 6575 1882

- (C) Each holder of H Shares who has the right to attend and vote at the Annual General Meeting is entitled to appoint in writing one or more proxies, whether a shareholder or not, to attend and vote on his behalf at the Annual General Meeting. A proxy of a shareholder who has appointed more than one proxy may only vote on a poll. The instrument appointing a proxy must be in writing under the hand of the appointor or his attorney duly authorised in writing. If the instrument appointing a proxy is signed by an attorney of the appointor, the power of attorney authorising that attorney to sign, or other documents of authorisation, must be notarially certified. Instrument appointing a proxy of any holder of H Shares (being a body corporate) must be affixed with the corporate seal of such holder of H Shares or duly signed by the chairman of its board of directors or by its authorised attorney. For holders of H Shares, the power of attorney or other documents of authorisation and proxy forms must be delivered to Computershare Hong Kong Investor Services Limited no less than 24 hours before the time appointed for the holding of the Annual General Meeting in order for such documents to be valid.
- (D) The Company's Register of Members will be closed from Friday, 16 April 2004 to Monday, 17 May 2004 (both days inclusive), during which time no transfer of shares will be registered. Transferees of H Shares who wish to attend the Annual General Meeting and qualify for entitlement to the 2003 dividend of RMB0.143 per share (for Domestic shares, including tax; while for H shares, excluding tax) referred to above must deliver their duly stamped instruments of transfer, accompanied by the relevant share certificates, to Computershare Hong Kong Investor Services Limited by no later than 4:00 p.m. on Thursday, 15 April 2004 for completion of the registration of the relevant transfer in accordance with the Articles of Association of the Company.

Computershare Hong Kong Investor Services Limited's address is as follows:

Shop 1901-1905  
19th Floor, Hopewell Centre  
183 Queen's Road East  
Wanchai  
Hong Kong

- (E) The 2003 final dividend will be distributed on or around Monday, 21 June 2004 to those shareholders whose names registered in the Company's Register of Members on Friday, 16 April 2004.
- (F) The Annual General Meeting is expected to last not more than one day. Shareholders or proxies attending the Annual General Meeting are responsible for their own transportation and accommodation expenses.