THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in doubt as to any aspect of this circular, or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Hainan Meilan International Airport Company Limited, you should at once hand this circular together with the enclosed form of proxy to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

海南美蘭國際空港股份有限公司
Hainan Meilan International Airport Company Limited*

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 357)

NON-EXEMPT CONTINUING CONNECTED TRANSACTIONS WITH HAINAN AIRPORT INFRASTRUCTURE AND NOTICE OF THE EGM

Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders

八方金融有限公司
OCTAL Capital Limited

A letter from the Board is set out on pages 4 to 21 of this circular. A letter from the Independent Board Committee is set out on page 22 of this circular. A letter from Octal Capital, the Independent Financial Adviser, containing its advice to the Independent Board Committee and the Independent Shareholders is set out on pages 23 to 45 of this circular.

A notice convening the EGM to be held at 10:00 a.m. on 6 August 2026 in the meeting room of the Company on 3rd Floor, Office Building of Meilan Airport, Haikou City, Hainan Province, the PRC is set out on pages EGM-1 to EGM-2 of this circular. Whether or not you are able to attend the meeting, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon, and in both cases in any event not later than 24 hours before the time appointed for holding the meeting. Completion and return of the form of proxy shall not preclude you from attending and voting at the meeting or any adjourned meeting should you so desire.

* *For identification purpose only*

15 July 2026

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For the purposes of this circular, capitalized terms appearing herein shall, unless the context otherwise admits, have the meanings set out below:

"associate"	has the meaning given to it in the Listing Rules
"Board"	the board of Directors
"Company"	Hainan Meilan International Airport Company Limited* (海南美蘭國際空港股份有限公司), a joint stock company incorporated in the PRC with limited liability
"connected person(s)"	shall have the meaning as defined in the Listing Rules
"Directors"	the directors of the Company
"EGM"	the extraordinary general meeting to be convened by the Company on Thursday, 6 August 2026 for the purposes of considering and, if thought fit, approving, among other things, the Hainan Airport Procurement Framework Agreement and the Non-exempt Continuing Connected Transactions and the Proposed Caps, including any adjournment in respect thereof
"Group"	the Company and its subsidiaries
"Hainan Airport Group"	Hainan Airport Group Co., Ltd. (海南機場集團有限公司), a company established in the PRC with limited liability and wholly owned by Hainan Development Holdings
"Hainan Airport Infrastructure"	Hainan Airport Infrastructure Co., Ltd. (海南機場設施股份有限公司), a joint stock company incorporated in the PRC with limited liability, the shares of which are listed on the Shanghai Stock Exchange (stock code: 600515.SH)
"Hainan Airport Infrastructure Group"	Hainan Airport Infrastructure, its subsidiaries (other than the Group), associates and the connected subsidiaries of the Company as a result of the shareholding relationship of the aforesaid companies
"Hainan Airport Procurement Framework Agreement"	the products and services procurement framework agreement dated 6 March 2026 entered into between the Company and Hainan Airport Infrastructure
"Hainan Development Holdings"	Hainan Development Holdings Co., Ltd. (海南省發展控股有限公司) a limited liability company established in the PRC and owned as to approximately 91.36% by the Hainan SASAC and as to approximately 8.64% by the Department of Finance of Hainan Province

"Hainan SASAC"	the State-owned Assets Supervision and Administration Commission of Hainan Province (海南省國有資產監督管理委員會)
"Independent Board Committee"	an independent board committee of the Company comprising all the independent non-executive Directors to advise the Independent Shareholders on the Hainan Airport Procurement Framework Agreement and the Non-exempt Continuing Connected Transactions and the Proposed Caps
"Independent Financial Adviser" or "Octal Capital"	Octal Capital Limited, being the independent financial adviser appointed to advise the Independent Board Committee and the Independent Shareholders on the Hainan Airport Procurement Framework Agreement and the Non-exempt Continuing Connected Transactions and the Proposed Caps
"Independent Shareholders"	Shareholders other than the Hainan Airport Infrastructure and its associates (as defined in the Listing Rules) who do not have any material interests in the Hainan Airport Procurement Framework Agreement and the Non-exempt Continuing Connected Transactions
"Latest Practicable Date"	10 July 2026, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information referred to in this circular
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Meilan Airport"	the civil airport known as 海口美蘭國際機場 (Haikou Meilan International Airport) located in Haikou City, Hainan Province, the PRC
"Non-exempt Continuing Connected Transactions"	the continuing connected transactions contemplated under the Hainan Airport Procurement Framework Agreement, which are subject to Independent Shareholders' approval at the EGM
"PRC"	the People's Republic of China
"Proposed Cap(s)"	the proposed maximum annual aggregate value(s) for each type of the Non-exempt Continuing Connected Transactions of the Company for each of the three years ending 31 December 2028
"RMB"	Renminbi, the lawful currency of the PRC

"Share Acquisition"	the acquisition of approximately 50.19% shareholding of the Company by Hainan Airport Infrastructure, the completion of which took place on 24 December 2025
"Shareholder(s)"	registered holder(s) of the shares of the Company
"Shares"	ordinary shares issued by the Company
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"%"	per cent

Unless otherwise specified in this circular, the English names of the PRC entities are transliteration of their Chinese names, and are included herein for identification purposes only. In the event of any inconsistency, the Chinese names shall prevail.

海南美蘭國際空港股份有限公司
Hainan Meilan International Airport Company Limited*

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 357)

Executive Directors:
Wang Hong
(Chairman and Authorized Representative)
Qiu Guoliang *(President)*
Ren Kai *(Chief Financial Officer)*

Non-executive Directors:
Xiang Xiujin
Ya Zhihui
Zhou Peng

Independent Non-executive Directors:
Fung Ching, Simon
Ye Zheng
Liu Hongbin
Tang Bi

Employee Director:
Tian Qingquan

Registered Office:
Office Building of Meilan Airport
Haikou City
Hainan Province
the PRC

Principal Place of Business in Hong Kong:
Room 2204, 22/F
Fu Fai Commercial Centre
27 Hillier Street
Sheung Wan
Hong Kong

To the Shareholders,

Dear Sir/Madam,

NON-EXEMPT CONTINUING CONNECTED TRANSACTIONS WITH HAINAN AIRPORT INFRASTRUCTURE AND NOTICE OF THE EGM

I. INTRODUCTION

Reference is made to the announcement of the Company dated 6 March 2026 in relation to, among others, the Hainan Airport Procurement Framework Agreement.

The purpose of this circular is to provide you with, among other things, (i) further details of the Hainan Airport Procurement Framework Agreement and the Non-exempt Continuing Connected Transactions; and (ii) the view of the Independent Board Committee and the Independent Financial Adviser on the Hainan Airport Procurement Framework Agreement and the Non-exempt Continuing Connected Transactions, and to give you notice of the EGM to consider and, if thought fit, to approve the relevant resolution at the EGM.

* *For identification purposes only*

II. ENTER INTO THE HAINAN AIRPORT PROCUREMENT FRAMEWORK AGREEMENT

On 6 March 2026, the Company entered into the Hainan Airport Procurement Framework Agreement with Hainan Airport Infrastructure, pursuant to which:

(a) the Group has agreed to procure products from Hainan Airport Infrastructure Group from time to time based on its actual need (including but not limited to food raw materials, food, beverages, furniture, security tools, vehicles and relevant consumables, electronic products and related accessories (spare parts) and equipment, IT system, software, medical supplies, water, electricity and oil, and other products);

(b) Hainan Airport Infrastructure Group has agreed to procure products from the Group from time to time based on its actual need (including but not limited to security check equipment, software, electronic products and related accessories (spare parts) and equipment, vehicle and relevant consumables, food, beverages, medical supplies, water, electricity and oil, and other products);

(c) the Group has agreed to procure services from Hainan Airport Infrastructure Group from time to time based on its actual need (including but not limited to integrated logistical support services, catering management services, environmental hygiene and maintenance services, security safeguarding services, facility and equipment operation & maintenance and repair services, transportation and moving support services, information technology and operation & maintenance services, engineering and modification services, training services, integrated supporting services, business services, intelligent monitoring and airfield environmental management services, business system information technology services, emergency rescue services, medical services, and other miscellaneous services); and

(d) Hainan Airport Infrastructure Group has agreed to procure services from the Group from time to time based on its actual need (including but not limited to IT and network related services, security check on-site support services, training related services, vehicle related services, infrastructure and common resources services, marketing services, franchise services, integrated logistical support services, hotel related services, equipment rental services, and other miscellaneous services).

The Hainan Airport Procurement Framework Agreement is for a term commencing on 6 March 2026 and ending on 31 December 2028, subject to the approval by the Independent Shareholders at the EGM.

In order to facilitate effective internal control of the Hainan Airport Procurement Framework Agreement and the Non-exempt Continuing Connected Transactions, the Company will divide, so far as practicable, such transactions into two categories, which are (i) the provision of products and services by the Group to Hainan Airport Infrastructure Group and (ii) the provision of products and services by Hainan Airport Infrastructure Group to the Group.

Under the Hainan Airport Procurement Framework Agreement, (i) the transactions shall be conducted on normal commercial terms (compared to the similar transactions conducted between the Group/Hainan Airport Infrastructure Group and their respective independent third party customers), (ii) the terms and conditions for the transactions between the Group and Hainan Airport Infrastructure Group shall be no less favourable to the Group than those for the transactions conducted between the Group and independent third parties for the same type of products and/or services, and (iii) the prices thereunder will be determined through arm's length negotiations in accordance with the pricing principles set out in the Hainan Airport Procurement Framework Agreement as follows:

(1) as to provision of products and services by Hainan Airport Infrastructure Group to the Group:

(a) separately determined by the parties in writing based on normal commercial terms after arm's length negotiation, according to the order of the following standards (except for situation (c) below): (i) if applicable, the approved price for the relevant products and/or services by the local pricing authorities, (ii) if applicable, the market price for the relevant products and/or services, and (iii) the nature, specifications, quantity and costs of the relevant products and/or services, and, except where (i) above is applicable, when other standards are adopted, where applicable, reference shall also be made to at least two quotes from independent third party suppliers or service providers (if the relevant products and/or services are available for provision by third parties to the Group in the market);

(b) the price, terms and conditions shall be no less favourable to the Group than (if any) (i) those offered to independent third parties by Hainan Airport Infrastructure Group for the same type of products and/or services and (ii) those offered by independent third parties to the Group for the same type of products and/or services;

(c) in the event that the Group adopts a tender process (including open tender and invitation to tender) or other open quotation (price comparison) process to select the supplier and/or service provider of the products and/ or services, and Hainan Airport Infrastructure Group participates in such process and is selected as the supplier or service provider, the pricing for such transaction shall be determined based on the price at which Hainan Airport Infrastructure Group is selected in that process; and

(d) the price(s) separately determined between the Group and Hainan Airport Infrastructure Group for the product(s) and/or service(s) shall be set out in the procurement contract(s).

(2) as to provision of products and services by the Group to Hainan Airport Infrastructure Group:

(a) separately determined by the parties in writing based on normal commercial terms after arm's length negotiation, according to the order of the following standards (except for situation (c) below): (i) if applicable, the approved price for the relevant products and/or services by the local pricing authorities, (ii) if applicable, the market price for the relevant products and/or services, and (iii) the nature, specifications, quantity and costs of the relevant products and/or services;

(b) the price, terms and conditions shall be no less favourable to the Group than (if any) (i) those offered to independent third parties by the Group for the same type of products and/or services and (ii) those offered by independent third parties to Hainan Airport Infrastructure Group for the same type of products and/or services;

(c) in the event that Hainan Airport Infrastructure Group adopts a tender process (including open tender and invitation to tender) or other open quotation (price comparison) process to select the supplier and/or service provider of the products and/or services, and the Group participates in such process and is selected as the supplier or service provider, the pricing for such transaction shall be determined based on the price at which the Group is selected in that process; and

(d) the price(s) separately determined between the Group and Hainan Airport Infrastructure Group for the product(s) and/or service(s) shall be set out in the procurement contract(s).

The Group and Hainan Airport Infrastructure Group may, from time to time when the situation requires, enter into separate contracts which will set out the specific scope of products and/or services, and the terms and conditions (including price, quantity (for products), service period (for services), relevant quality/standard, and payment terms) of providing such products and/or services according to the principles laid down by the Hainan Airport Procurement Framework Agreement.

With respect to the prices announced by government authorities as mentioned above, in the course of its ordinary business operations, the Company is required to comply with the pricing requirements or guidance issued by government bodies such as the National Development and Reform Commission, the Civil Aviation Administration of China, the Hainan Provincial Development and Reform Commission, and the Haikou Municipal Development and Reform Commission with respect to certain services or products, including but not limited to the Electricity Supply Business Rules (《供電營業規則》), the Civil Airport Charging Conduct Rules (《民用機場收費行為規則》), the Implementation Guidelines for Urban Water Supply Price Management of Hainan Province (《海南省城鎮供水價格管理實施細則》), the Investment Preparation Standards for Government Information Technology Projects of Hainan Province (2025 Edition) (《海南省政務信息化項目投資編製標準(2025年版)》), and the Notice on Service Fee Standards for Electric Vehicle Charging and Battery Swapping (《關於電動汽車充換電服務費收費標準的通知》). The relevant pricing requirements or guidance are published from time to time through, for example, the official websites of the above authorities or other legally binding documents.

With respect to the tender procedures mentioned above, the Company has formulated and implemented a series of procurement policies in accordance with the Tendering and Bidding Law of the People's Republic of China (《中華人民共和國招標投標法》) and other applicable laws and regulations, as well as taking into account its actual operational needs. These policies clearly set out the principles of procurement, the division of responsibilities among departments, the procurement methods and their applicable conditions, and other requirements covering the whole process of procurement activities. For projects subject to public tendering, the Company publishes relevant procurement information through channels such as the Public Resources Trading Center or the Company's own procurement platform, and allows sufficient time for interested suppliers to prepare their bidding documents. As a general requirement, procurement projects must receive no fewer than three bids before entering the evaluation stage. The evaluation process adheres to the principles of independent review, dynamic management, random selection, and confidentiality. The first-ranked candidate selected through the evaluation process will be publicly announced through designated channels for a period of no less than three days. The announcement includes the bid award information and complaint channels, thereby safeguarding the legitimate rights and interests of all bidders.

In respect of the aforementioned pricing principles, where there is an approved price for the relevant products and/or services set by the local pricing authorities, such approved price shall be adopted. Such products or services typically involve public utility–type transactions or aviation transportation–related transactions, such as water, electricity and other public utilities. Where no such government-approved pricing exists, the parties shall adopt the pricing method under (1)(a)(ii) or (2)(a)(ii) referred to above, namely pricing based on market prices. In certain special circumstances, including but not limited to customised products or services (for example, customised software services) or non-routine procurement quantities, the pricing method under (1)(a)(iii) or (2)(a)(iii) referred to above (namely pricing with reference to the nature, specifications, quantity and costs of the relevant products and/or services) shall be adopted. In any event, the Company will endeavour to ensure that the relevant transactions are conducted on a fair basis, including, without limitation, by comparing, where practicable, at least two quotes from independent third-party suppliers or service providers, so as to ensure that the terms of the relevant transactions are fair and reasonable.

III. HISTORICAL TRANSACTION FIGURES AND THE ANNUAL CAPS WITH RESPECT TO THE NON-EXEMPT CONTINUING CONNECTED TRANSACTIONS

Historically, the Company had entered into agreements with certain entities of Hainan Airport Infrastructure Group pursuant to which transactions similar to the Non-exempt Continuing Connected Transactions were conducted. The transaction amounts are set out below:

Category of the Non-exempt Continuing Connected Transactions *Note 1*	**For the year ended 31 December**		
	2023	**2024**	**2025**
	(Audited)	*(Audited)*	*(Unaudited)*
		RMB'000	
(1) Provision of products and services by Hainan Airport Infrastructure Group to the Group			
(a) Provision of products *Note 2*			
– Daily consumer goods	0	0	1,144
– Energy products	3,610	6,187	5,345
Subtotal	3,610	6,187	6,489
(b) Provision of services			
– Operation & maintenance and facility services	21,095	22,903	29,493
– On-site operation and supporting services	112,130	124,687	191,344 *Note 3*
– Business services	450	173	377
Subtotal	133,675	147,763	221,214
Total	**137,285**	**153,950**	**227,703**
(2) Provision of services by the Group to Hainan Airport Infrastructure Group *Note 4*			
– Operation & maintenance and facility services	91	300	2,959
– On-site operation and supporting services	11,408	12,868	12,686
– Franchise services	432,402	405,617	248,908 *Note 5*
– Business services	209	649	562
Total	**444,110**	**419,434**	**265,115**

Note 1: the relevant counterparties only became connected persons of the Company on 24 December 2025 as Hainan Airport Infrastructure acquired approximately 50.19% shareholding of the Company.

Note 2: During the three years ended 31 December 2025, the Group did not enter into any transactions with Hainan Airport Infrastructure Group in relation to airport operation products provided by Hainan Airport Infrastructure Group.

Note 3: The increase in transaction amount was mainly attributable to the Group's proactive efforts to upgrade service quality and expand the scale of third-party professional procurement for ancillary services, which in turn led to higher expenses related to on-site operation and supporting services.

Note 4: Over the three years ended 31 December 2025, the Group did not engage in any transactions with Hainan Airport Infrastructure Group relating to the provision of products, but has only provided services to Hainan Airport Infrastructure Group.

Note 5: In the year ended 31 December 2025, compared with the previous two years, the Group recorded a decline in its franchise income, mainly due to changes in passenger consumption behaviour and demand.

The table below sets out the Proposed Caps for the Non-exempt Continuing Connected Transactions:

Category of the Non-exempt Continuing Connected Transactions	**For the year ending 31 December**		
	2026	**2027**	**2028**
		RMB'000	
Hainan Airport Procurement Framework Agreement *Note 1*			
(1) Provision of products and services by Hainan Airport Infrastructure Group to the Group *Note 2*			
(a) Provision of products			
– Daily consumer goods	4,236	4,836	4,835
– Airport operation products	30,252	27,665	25,777
– Energy products	6,065	127,081	137,751
Subtotal	40,553	159,582	168,363
(b) Provision of services			
– Operation & maintenance and facility services	20,067	23,112	23,453
– On-site operation and supporting services	190,822	234,846	271,540
– Business services	1,187	1,155	1,155
Subtotal	212,076	259,113	296,148
Total	**252,629**	**418,695**	**464,511**

Category of the Non-exempt Continuing Connected Transactions	**For the year ending 31 December**		
	2026	**2027**	**2028**
		RMB'000	
(2) Provision of products and services by the Group to Hainan Airport Infrastructure Group *Note 2*			
(a) Provision of products			
– Daily consumer goods	8,580	8,580	8,580
– Airport operation products	31	0	0
Subtotal	8,611	8,580	8,580
(b) Provision of services			
– Operation & maintenance and facility services	3,261	3,261	3,292
– On-site operation and supporting services	12,325	13,782	15,465
– Franchise services	291,083	306,694	312,372
– Business services	1,942	2,047	2,175
Subtotal	308,611	325,784	333,304
Total	**317,222**	**334,364**	**341,884**

Note 1: In respect of the Non-exempt Continuing Connected Transactions, the Group have estimated the annual transaction figures for the three years ending 31 December 2028 on the following basis:

(a) Where applicable, agreements previously entered into, not yet completed and expected to be renewed during the three years ending 31 December 2028 will continue to be implemented in accordance with their existing terms and conditions. This assumption relates to 60 transactions, covering business areas such as safety and security services, cleaning and environmental maintenance services, aircraft and cargo handling services, catering related products and services, and facilities and equipment operation, maintenance and repair services, which have arisen due to the Group's current operational needs and are expected to continue. The anticipated transaction amounts under such arrangements have been determined with reference to (i) the agreed total consideration under contracts that have been entered into; (ii) the expected total consideration calculated in accordance with the agreed pricing formulas under contracts that have been entered into, the agreed unit prices under contracts that have been entered into and the projected quantities (such as quantities of products, number of staff, leased areas and service frequencies) to be purchased based on the Group's latest operational plans or to be sold based on the needs of Hainan Airport Infrastructure Group; or (iii) historical transaction amounts recorded for the two years ended 31 December 2025.

(b) The continuing connected transactions anticipated to occur in the future will be carried out with reference to, where applicable, the terms of similar past transactions and on normal commercial terms or better. This assumption relates to 69 transactions, covering business areas such as IT system procurement and related services, on-site operation and supporting services, comprehensive ancillary services, purchase of electricity, and training services, which arise due to the Group's need to comply with new industry regulations, pursue business expansion plans or enhance employee benefits. The anticipated transaction amounts under such arrangements have been prepared with reference to, where applicable, past procurement or sales volumes for comparable products or services or quotations obtained from Hainan Airport Infrastructure Group or independent third-party suppliers. The estimates also take into account the Group's anticipated operational needs arising from its expected business development.

(c) In respect of the operational plans or needs mentioned in (a) and (b) above, the Group has considered future business conditions, including the annual number of aircraft takeoff and landing, passenger throughput and cargo and mail throughput, resource allocation for ground operations as well as safety and compliance requirements, and has taken into account these business needs when determining the annual caps.

(d) Where applicable, reference has been made to the historical transaction amounts for the three years ended 31 December 2025.

(e) It is assumed that there will be no material adverse change in the macroeconomic environment, the prices or demand for the products, raw materials and services required for the Group's operations, or the Group's operating plans.

(f) A 10% buffer is included for the factors such as the social and economic development and the development of the Group's business. The Company considers this buffer to be reasonable and appropriate to ensure sufficient headroom for fluctuations in demand and operational contingencies, and to provide flexibility for unforeseen operational needs and potential business growth.

Based on the foregoing assumptions and the basis for determining the relevant estimates, the Directors are of the view that the Proposed Caps have been determined in a fair and reasonable manner.

Note 2: The Proposed Caps are subject to Independent Shareholders' approval at the EGM.

Set out below are further details of the basis of the Proposed Caps in relation to the provision of products and services by Hainan Airport Infrastructure Group to the Group:

Daily consumer goods **–** the annual cap for the year ending 31 December 2026 exceeds the historical transaction amount for the year ended 31 December 2025 by over approximately RMB3 million. The increase is mainly attributable to the Group's proposed procurement of catering products (mainly vegetables and fruits) from Hainan Airport Infrastructure Group for its hotel operations, resulting in a corresponding increase in the annual cap. Reference is made to the announcement of the Company dated 6 March 2026 in relation to certain continuing connected transactions of the Company pursuant to Rule 14A.60(1) of the Listing Rules. As certain subsisting agreements will expire in 2027 or 2028, it is expected that such agreements will be renewed upon their respective expiry. Accordingly, the relevant transaction amounts for the years ending 31 December 2027 and 31 December 2028 are proposed to be included in the annual caps for the corresponding periods. Accordingly, the annual caps for the two years ending 31 December 2028 are expected to increase slightly.

Airport operation products – in order to comply with the relevant requirements of the Civil Aviation Administration of China, the Company expects to procure airport operational equipment, including but not limited to aircraft loading bridge monitoring systems and runway foreign object debris detection systems, during the three years ending 31 December 2028. Based on the preliminary price enquiries of the Company, the estimated transaction amount for this type of transactions for the year ending 31 December 2026 is approximately RMB30,252,000 (including the 10% buffer). The estimated transaction amount for each of years ending 31 December 2027 and 2028 is expected to decrease slightly compared to that of the preceding year, as it involves certain short-term projects which are expected to be completed in the respective year, and the relevant consideration will also be settled in the same year.

Energy products – the annual cap for the year ending 31 December 2026 mainly comprises the estimated transaction amount for procurement of fuel and is primarily determined with reference to the historical transaction amount for the year ended 31 December 2025 and the 10% buffer to provide flexibility for unforeseen operational needs and unit price changes.

Reference is made to the announcement of the Company dated 13 February 2026 in relation to the electricity supply agreement entered into between the Company and Hainan Holdings Energy Co., Ltd., pursuant to which the Company commenced procurement of electricity from Hainan Holdings Energy Co., Ltd. (a member of Hainan Airport Infrastructure Group). The expected transaction amount for aforesaid agreement is RMB100,000,000 and such agreement will expire on 31 December 2026 and is expected to be renewed upon expiry for the years ending 31 December 2027 and 2028. Accordingly, expected transaction amounts of RMB110,000,000 and RMB120,000,000 (taking into account the potential growth of the Group's need) are proposed to be included in the annual caps for the years ending 31 December 2027 and 2028, respectively. As a result, the annual caps for the two years ending 31 December 2028 represent a significant increase as compared to those for the previous years.

Operation & maintenance and facility services – the annual cap for the year ending 31 December 2026 is determined primarily with reference to the estimated transaction amount for each specific project, which is in turn primarily estimated with reference to historical transaction amounts for similar projects conducted in the past either with Hainan Airport Infrastructure Group or other independent third parties, or the preliminary price enquiries of the Company.

On-site operation and supporting services – the annual cap for the year ending 31 December 2026 is determined primarily with reference to the estimated transaction amount for each specific project, which is estimated with reference to the historical transaction amounts with Hainan Airport Infrastructure Group or the independent third parties, or the preliminary price enquiries of the Company. Reference is made to the announcement of the Company dated 6 March 2026 in relation to certain continuing connected transactions of the Company pursuant to Rule 14A.60(1) of the Listing Rules. As certain subsisting agreements will expire in 2027 or 2028, it is expected that such agreements will be renewed upon their respective expiry. It is expected that a cumulative total of 18 agreements will have been renewed by the end of 2027, and a cumulative total of 20 agreements will have been renewed by the end of 2028. Accordingly, the relevant estimated transaction amounts in respect of such agreements (before taking into account the 10% buffer) for the years ending 31 December 2027 (being approximately RMB134,147,000) and 31 December 2028 (being approximately RMB167,185,000) are proposed to be included in the annual caps for the corresponding periods. The remaining part of the annual caps (i.e., the portion not attributable to the renewal of subsisting agreements), being approximately RMB79,349,000 and RMB79,670,000 (before taking into account the 10% buffer), for the years ending 31 December 2027 and 2028 are mainly due to the fact that certain entities within Hainan Airport Infrastructure Group have the capability to provide on-site operation and supporting services to the Group, and therefore the Group expects that it may conduct such transactions with Hainan Airport Infrastructure Group in the years ending 31 December 2027 and 2028. Such transaction amounts are primarily estimated based on the historical transaction amounts with the relevant independent third parties or the preliminary price enquiries of the Company.

Business services – the increase in the annual caps for the three years ending 31 December 2028, as compared to the historical transaction amounts, is primarily attributable to the addition of business training services to be procured by the Group.

Set out below are further details of the basis of the Proposed Caps in relation to the provision of products and services by the Group to Hainan Airport Infrastructure Group:

Products (daily consumer goods) – the products to be provided by the Group to Hainan Airport Infrastructure Group for the three years ending 31 December 2028 primarily comprise daily consumer goods. Hainan Airport Infrastructure Group may, from time to time, procure certain supplies for employee welfare and team-building activities. Given that the Group's hotel is able to meet such demand, it is expected that Hainan Airport Infrastructure Group may procure such goods from the Group, provided that the terms are fair and reasonable. In this regard, the annual caps for the three years ending 31 December 2028 have been determined primarily with reference to the anticipated demand from Hainan Airport Infrastructure Group.

Operation & maintenance and facility services – the annual caps for the three years ending 31 December 2028 are determined with reference to the historical transaction amount for the year ended 31 December 2025 and the addition of IT resource services to be provided by the Group.

On-site operation and supporting services – the annual cap for the year ending 31 December 2026 mainly comprises the estimated transaction amount for infrastructure and public resource services, accounting for approximately 69% of the annual cap for such type of transactions, which is determined based on the historical price per unit of measurement and the expected demand of Hainan Airport Infrastructure Group. The increase in the annual caps for the years ending 31 December 2027 and 2028 is primarily due to that certain subsisting agreements will expire in 2027 or 2028, and it is expected that such agreements will be renewed upon their respective expiry. It is expected that a cumulative total of 11 agreements will have been renewed by the end of 2027, and a cumulative total of 12 agreements will have been renewed by the end of 2028 (which included the agreement in relation to the infrastructure and public resource services discussed above). Accordingly, the relevant estimated transaction amounts in respect of such agreements (before taking into account the 10% buffer) for the years ending 31 December 2027 (being approximately RMB9,557,000) and 31 December 2028 (being approximately RMB10,926,000) are proposed to be included in the annual caps for the corresponding periods. The remaining annual caps mainly represent the estimated transactions with Hainan Airport Infrastructure Group which the Group is capable to meet its demand and expects that Hainan Airport Infrastructure Group may procure such services from the Group. In this regard, the estimated transaction amounts for such services for the three years ending 31 December 2028 are determined primarily with reference to the anticipated demand from Hainan Airport Infrastructure Group.

Franchise services – the annual caps for the three years ending 31 December 2028 is determined primarily with reference to the historical transaction amount for the year ended 31 December 2025 and the anticipated growth in passenger throughput at Meilan Airport (before taking into account the 10% buffer). The Group's revenue from franchise services is driven by passenger spending, which is closely correlated with the passenger throughput of Meilan Airport. In 2025, the passenger throughput of Meilan Airport was approximately 26.85 million. According to the Outline of the 15th Five-Year Plan for National Economic and Social Development of Haikou Municipality (2026) (《海口市國民經濟和社會發展第十五個五年規劃綱要(2026年)》) published by the Haikou Municipal People's Government, the passenger throughput of Meilan Airport is expected to reach 35 million by 2030.

Business services – the increase in the annual caps for the three years ending 31 December 2028, as compared to the historical transaction amounts, is primarily attributable to the addition of business training services to be provided by the Group. As the Group has come under the same control as Hainan Airport Infrastructure Group and possesses the relevant training capabilities, and having considered potential business collaboration, the Group may provide such business training services to other airports managed by Hainan Airport Infrastructure Group to expand its customer base.

IV. INTERNAL CONTROL MEASURE IN RESPECT OF THE HAINAN AIRPORT PROCUREMENT FRAMEWORK AGREEMENT AND THE NON-EXEMPT CONTINUING CONNECTED TRANSACTIONS

In order to ensure that the prices of the Hainan Airport Procurement Framework Agreement (with respect to provision of products and services by Hainan Airport Infrastructure Group to the Group) are determined on a fair and reasonable basis and in accordance with the pricing principle, the Company will implement the following measures:

(i) during the project initiation and quotation phase, for projects with market competition, quotations shall be obtained through multiple methods including market research (at least two quotes from independent third-party suppliers/ service providers), online price comparisons, and comparison with historical procurement price. After excluding unreasonable quotations, the budget amount (control price) will be determined scientifically and reasonably. For engineering and IT projects, professional cost estimates or tender control prices issued by third-party consulting firms shall serve as the basis for project initiation, and in principle, the actual investment amounts shall not exceed the investment estimates provided by feasibility study units (if applicable);

(ii) during execution of the procurement, determine the bid evaluation method (lowest evaluated bid method or comprehensive evaluation method) based on specific project requirements. Projects which are high standardized and with clear functional needs should prioritize the adoption of lowest evaluated bid method. When the comprehensive evaluation method is adopted, weighting ratios for each evaluation criterion shall be set reasonably according to project specifics, ensuring that the weight of the price criterion does not fall below the minimum threshold required by the Company's procurement policies. Meanwhile, during bid opening, bid collusion will be prevented by verifying connected relationship of suppliers, IP addresses and MAC addresses, and other relevant information to ensure fair competition; and

(iii) the unit prices for renewed procurement in principle shall not exceed those in the original agreement.

Furthermore, measures such as multi-channel supplier selection, establishing a pool of bid evaluation experts with random selection, strengthening oversight of the bid evaluation process, and implementing a supplier blacklist penalty mechanism ensure the fairness of commercial terms both at the source and throughout the process.

In order to ensure that the prices of the Hainan Airport Procurement Framework Agreement (with respect to provision of products and services by the Group to Hainan Airport Infrastructure Group) are determined on a fair and reasonable basis and in accordance with the pricing principle, when determining the prices of products and services provided, the Company's finance and business departments will ensure pricing is primarily determined according to the following principles and sequence:

(i) government-set or government-guided pricing: if the pricing for a product or service is subject to price controls by the state or local government, prices shall be set in accordance with official pricing documents issued by government authorities;

(ii) Group's internal pricing: where there is no pricing standards as described above, the Group establishes internal management policies or pricing documents based on industry features, product or service type, scale, and other factors; and

(iii) market price: where neither of the above two pricing standards applies, market price serves as the reference benchmark, with the overarching pricing principle being fairness and reasonableness.

The Company is of the view that such pricing policies can provide objective and specific pricing information to the Group to enable it to conduct transactions under the Hainan Airport Procurement Framework Agreement with reasonable and fair pricing terms and conditions.

V. MEASURES TO ENSURE COMPLIANCE WITH THE LISTING RULES

In respect of the Hainan Airport Procurement Framework Agreement, the Company has established comprehensive internal control system and adopted various internal control rules, including connected transaction management measures, sales and pricing management measures and procurement and tender administration measures, to ensure that the continuing connected transactions are conducted in accordance with the executed agreements. Before entering into a specific connected transaction agreement, the designated department of the Group will review and assess whether the rates and terms set out in the specific agreement are consistent with the Hainan Airport Procurement Framework Agreement to ensure that the interests of the Company and the Shareholders as a whole are taken into account and protected. The Company has set up specific internal audit functions to audit and assess the operation of the internal control management system of the Company and report to the audit committee of the Board and the Board in connection to the status of the internal control of the Company (including the implementation status of connected transactions) regularly. The Board will also regularly conduct assessment on the internal control system of the Company and its subsidiaries in order to ensure the effectiveness of the internal control system of the Group, including internal control measures in respect of connected transactions management. Furthermore, the audit committee of the Board convenes meetings to discuss and assess the implementation of connected transactions. In addition, the Company's external auditors shall conduct an interim review and a year-end audit on the Company's internal control measures, including connected transactions. Further, the independent non-executive Directors shall, and the Company shall engage its external auditors to, conduct annual review of the Hainan Airport Procurement Framework Agreement and the Non-exempt Continuing Connected Transactions and the Proposed Caps in accordance with the requirements of the Listing Rules.

VI. REASONS FOR AND BENEFITS OF THE NON-EXEMPT CONTINUING CONNECTED TRANSACTIONS

Hainan Airport Infrastructure is primarily engaged in airport management and also conducts operations in, for example, duty-free business, commercial, real estate, property management, and hotels. Its indirect controlling shareholder, Hainan Development Holdings, being a provincial state-owned enterprise in Hainan, directly or indirectly holds equity interests in multiple enterprises within Hainan Province, with business scopes across various sectors. Prior to the completion of the Share Acquisition, the Group had established business relationships with certain entities of Hainan Airport Infrastructure Group in its ordinary and usual course of business. Given that many of these entities provide services closely relevant to the Group's ordinary operational needs and are located within the same province, ongoing collaboration helps minimise transactional uncertainty and ensures the operation of the current business of Meilan Airport are in a stable and secure manner.

The entering into of the Hainan Airport Procurement Framework Agreement is conducive to the Company's obtaining favourable commercial terms and conditions, ensuring the timeliness and flexibility of business continuity. The arrangements will leverage existing cooperative channels, enable more efficient operations within the regional commercial ecosystem, and enhance the Company's production and operational efficiency. As a result, the Non-exempt Continuing Connected Transactions support the Group's ability to maintain stable, efficient and uninterrupted operations.

The Non-exempt Continuing Connected Transactions contemplated under the Hainan Airport Procurement Framework Agreement are or will be entered into in the ordinary and usual course of business of the Group and on normal commercial terms. The Directors are of the view that it is in the interests of the Company and the Shareholders as a whole to carry out the Non-exempt Continuing Connected Transactions as these transactions have facilitated and will continue to facilitate the operation of the Group's business.

VII. BOARD'S APPROVAL

The Hainan Airport Procurement Framework Agreement and the Non-exempt Continuing Connected Transactions, including the Proposed Caps, have been approved by the Board.

Mr. Wang Hong serves as the vice president and a member of the party committee at Hainan Airport Group (which is the holding company of Hainan Airport Infrastructure), and therefore may be deemed to be interested in the Hainan Airport Procurement Framework Agreement. Accordingly, he had abstained from voting on the relevant resolutions at the Board meeting approving the same.

VIII. INFORMATION ABOUT THE PARTIES

The Company

The Company is principally engaged in aeronautical and non-aeronautical businesses at Meilan Airport, in Hainan Province, the PRC.

Hainan Airport Infrastructure

Hainan Airport Infrastructure is a joint stock company incorporated in the PRC and listed on the Shanghai Stock Exchange, with stock code 600515.SH. Hainan Airport Infrastructure is principally engaged in airport management, duty free and commercial property operation, real estate, property management and hotel businesses. The substantial shareholders of Hainan Airport Infrastructure are Hainan Airport Group (which is the single largest shareholder of Hainan Airport Infrastructure) and HNA Foundation Holding Group Co., Ltd. (海航基礎控股集團有限公司) (holding approximately 24.87% and 19.69% interests respectively). Hainan Airport Group is wholly owned by Hainan Development Holdings, which is in turn controlled by the Hainan SASAC. HNA Foundation Holding Group Co., Ltd. is ultimately controlled by CITIC Limited, a company listed on the Stock Exchange (stock code: 267) and primarily engaged in comprehensive financial services, advanced intelligent manufacturing, advanced materials, new consumption and new-type urbanization.

IX. LISTING RULES IMPLICATIONS

As at the Latest Practicable Date, Hainan Airport Infrastructure was the controlling shareholder of the Company, which, by itself and through its wholly-owned subsidiary, held approximately 62.38% of the issued share capital of the Company. Therefore, the Hainan Airport Procurement Framework Agreement and the Non-exempt Continuing Connected Transactions constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

As the highest applicable percentage ratio (as defined under the Listing Rules) in respect of the Proposed Caps of the Non-exempt Continuing Connected Transactions exceeds 5%, the Non-exempt Continuing Connected Transactions are subject to reporting, annual review, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

X. EGM

The EGM will be convened to consider and, if thought fit, approve, among other things, the Hainan Airport Procurement Framework Agreement and the Non-exempt Continuing Connected Transactions and the Proposed Caps. Hainan Airport Infrastructure and Hainan Airport Infrastructure (Hongkong) Co., Limited (being a subsidiary of Hainan Airport Infrastructure), which in aggregate held approximately 62.38% of the issued shares of the Company as at the Latest Practicable Date, will abstain from voting on the resolution to be proposed at the EGM for approving the Hainan Airport Procurement Framework Agreement and the Non-exempt Continuing Connected Transactions and the Proposed Caps. Each of them confirms that they control or are entitled to exercise control over the voting right of their respective shareholdings in the Company.

Save as disclosed above, to the best knowledge, information and belief of the Directors, having made all reasonable enquires, no Shareholder has a material interest in the Hainan Airport Procurement Framework Agreement and the Non-exempt Continuing Connected Transactions, and no Shareholder is required to abstain from voting to approve the relevant resolution at the EGM.

The Independent Board Committee comprising four independent non-executive Directors, namely Mr. Fung Ching, Simon, Mr. Ye Zheng, Ms. Liu Hongbin and Ms. Tang Bi, none of whom has any direct or indirect interest in the Hainan Airport Procurement Framework Agreement and the Non-exempt Continuing Connected Transactions, has been established to advise the Independent Shareholders in relation to their voting on the resolution relating to the Hainan Airport Procurement Framework Agreement and the Non-exempt Continuing Connected Transactions and the Proposed Caps.

Octal Capital Limited has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in relation to the Hainan Airport Procurement Framework Agreement and the Non-exempt Continuing Connected Transactions and the Proposed Caps.

The EGM will be held at 10:00 a.m. on 6 August 2026 at the meeting room of the Company on 3rd Floor, Office Building of Meilan Airport, Haikou City, Hainan Province, the PRC. Set out on pages EGM-1 to EGM-2 of this circular is the notice for convening the EGM.

Pursuant to Rule 13.39(4) of the Listing Rules, voting at the EGM will be conducted by poll. The poll results will be published on the websites of the Company and of the Stock Exchange following the EGM.

A form of proxy for use at the EGM is accompanied with this circular. Whether or not you are able to attend the EGM, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon, and in any event not later than 24 hours before the time appointed for holding the EGM.

Shareholders are reminded that completion and delivery of the forms of proxy will not preclude the Shareholders from attending and voting in person at the EGM or at any adjournment thereof should they so wish.

XI. BOOK CLOSURE

The Company's register of members will be closed from Thursday, 30 July 2026 to Thursday, 6 August 2026 (both days inclusive), during which no transfer of Shares will be registered. The Shareholders who are registered on Thursday, 30 July 2026, being the record date for the EGM, and their proxies will be entitled to attend the EGM, provided they present valid identity documents. In order to qualify for attending and voting at the EGM, Shareholders must deliver their transfer documents, accompanied by the relevant share certificates and forms of transfer, to the Company's share registrar and transfer office, Computershare Hong Kong Investor Services Limited, located at Shops 1712–1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, no later than 4:30 p.m. on Wednesday, 29 July 2026.

XII. RECOMMENDATIONS

The Board, including the Independent Board Committee, is of the opinion that the basis of determining the Proposed Caps are fair and reasonable, and the terms of the Hainan Airport Procurement Framework Agreement and the Non-exempt Continuing Connected Transactions are (i) fair and reasonable so far as the Shareholders (including the independent Shareholders) are concerned; (ii) entered into in the ordinary and usual course of business of the Group; (iii) on normal commercial terms; and (iv) in the interests of the Group and the Shareholders as a whole. Accordingly, the Board, including the Independent Board Committee, recommends that the Independent Shareholders vote in favour of the resolution set out in the notice of the EGM for approval of the Hainan Airport Procurement Framework Agreement and the Non-exempt Continuing Connected Transactions (including the Proposed Caps).

XIII. ADDITIONAL INFORMATION

Your attention is drawn to the letter from the Independent Board Committee which contains its recommendation to the Independent Shareholders as to the voting at the EGM regarding the Hainan Airport Procurement Framework Agreement and the Non-exempt Continuing Connected Transactions (including the Proposed Caps), details of which are set out on page 22 of this circular, and the letter from the Independent Financial Adviser containing, among other things, its advice to the Independent Board Committee and the Independent Shareholders in relation to the Hainan Airport Procurement Framework Agreement and the Non-exempt Continuing Connected Transactions (including the Proposed Caps), details of which are set out on pages 23 to 45 of this circular. None of the members of the Independent Board Committee has any material interest relating to the Hainan Airport Procurement Framework Agreement and the Non-exempt Continuing Connected Transactions.

Your attention is also drawn to the additional information set out in the appendix to this circular.

Yours faithfully,
By order of the Board
Hainan Meilan International Airport Company Limited*
Wang Hong
Chairman

Hainan Province, the PRC
15 July 2026

* *For identification purpose only*

海南美蘭國際空港股份有限公司
Hainan Meilan International Airport Company Limited*

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 357)

15 July 2026

To the Shareholders

Dear Sir/Madam,

NON-EXEMPT CONTINUING CONNECTED TRANSACTIONS WITH HAINAN AIRPORT INFRASTRUCTURE

We refer to the circular dated 15 July 2026 (the "**Circular**") to the Shareholders of which this letter forms part. Unless otherwise specified, terms defined in the Circular shall have the same meanings in this letter.

We have been appointed to form the Independent Board Committee to advise the Independent Shareholders in respect of the Hainan Airport Procurement Framework Agreement and the Non-exempt Continuing Connected Transactions (including the Proposed Caps), details of which are set out in the "Letter from the Board" contained in the Circular. The Independent Financial Adviser has been appointed to advise the Independent Shareholders and us in this regard.

Details of the advice of the Independent Financial Adviser and the principal factors and reasons that the Independent Financial Adviser has taken into consideration in giving such advice are set out in the "Letter from the Independent Financial Adviser" in the Circular. Your attention is also drawn to the "Letter from the Board" in the Circular and the additional information set out in the appendix thereto.

Having taken into account the (i) terms of the Hainan Airport Procurement Framework Agreement and the Non-exempt Continuing Connected Transactions (including the Proposed Caps); and (ii) views of the Independent Financial Adviser in the "Letter from the Independent Financial Adviser" in the Circular and the main factors and reasons in arriving at such views, we are of the opinion that the basis of determining the Proposed Caps are fair and reasonable, and the terms of the Hainan Airport Procurement Framework Agreement and the Non-exempt Continuing Connected Transactions are (i) fair and reasonable so far as the Shareholders (including the independent Shareholders) are concerned; (ii) entered into in the ordinary and usual course of business of the Group; (iii) on normal commercial terms; and (iv) in the interests of the Group and the Shareholders as a whole. We therefore recommend you to vote in favour of the Hainan Airport Procurement Framework Agreement and the Non-exempt Continuing Connected Transactions (including the Proposed Caps).

Yours faithfully,
Independent Board Committee

Fung Ching, Simon	**Ye Zheng**	**Liu Hongbin**	**Tang Bi**
Independent non-executive Director	*Independent non-executive Director*	*Independent non-executive Director*	*Independent non-executive Director*

* *For identification purposes only*

The following is the full text of the letter of advice from Octal Capital Limited to the Independent Board Committee and the Independent Shareholders dated 15 July 2026 in relation to the Non-exempt Continuing Connected Transactions.

八方金融有限公司
OCTAL Capital Limited

504-505, 5/F,
308 Des Voeux Road Central,
Hong Kong

15 July 2026

*To the Independent Board Committee and
the Independent Shareholders*

Dear Sirs,

**NON-EXEMPT CONTINUING CONNECTED TRANSACTIONS
WITH HAINAN AIRPORT INFRASTRUCTURE**

INTRODUCTION

We refer to our engagement to advise the Independent Board Committee and the Independent Shareholders in respect of the Hainan Airport Procurement Framework Agreement and the Non-exempt Continuing Connected Transactions and the Proposed Caps, particulars of which are set out in the letter from the Board (the "**Letter from the Board**") of the circular dated 15 July 2026 (the "**Circular**") to the Shareholders, of which this letter forms part. Unless the context requires otherwise, capitalised terms used in this letter shall have the same meanings as given to them under the definitions section of the Circular.

THE NON-EXEMPT CONTINUING CONNECTED TRANSACTIONS

Reference is made to the announcement of the Company dated 6 March 2026 which including the Non-exempt Continuing Connected Transactions. On 6 March 2026, the Company entered into the Hainan Airport Procurement Framework Agreement with Hainan Airport Infrastructure, pursuant to which, the Group has agreed to procure products and services from Hainan Airport Infrastructure Group from time to time based on its actual needs and Hainan Airport Infrastructure Group has agreed to procure products and services from the Group from time to time based on its actual needs. The Hainan Airport Procurement Framework Agreement is for a term commencing on 6 March 2026 and ending on 31 December 2028, subject to the approval by the Independent Shareholders at the EGM.

As at the Latest Practicable Date, Hainan Airport Infrastructure was the controlling shareholder of the Company, which, by itself and through its wholly-owned subsidiary, held approximately 62.38% of the issued share capital of the Company. Therefore, the Hainan Airport Procurement Framework Agreement and the Non-exempt Continuing Connected Transactions constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules. As the highest applicable percentage ratio (as defined under the Listing Rules) in respect of the Proposed Caps of the Non-exempt Continuing Connected Transactions exceeds 5%, the Non-exempt Continuing Connected Transactions are subject to reporting, annual review, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

The Independent Board Committee comprising four independent non-executive Directors, namely Mr. Fung Ching, Simon, Mr. Ye Zheng, Ms. Liu Hongbin and Ms. Tang Bi, none of whom has any direct or indirect interest in the Hainan Airport Procurement Framework Agreement and the Non-exempt Continuing Connected Transactions, has been established to advise the Independent Shareholders in relation to their voting on the relevant resolution relating to the Hainan Airport Procurement Framework Agreement and the Non-exempt Continuing Connected Transactions and the Proposed Caps.

We, Octal Capital, have been appointed as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in this regard. As at the Latest Practicable Date, we were not connected with the Directors, chief executive and substantial shareholders of the Company or Hainan Airport Infrastructure or any of their respective subsidiaries or associates and are therefore considered suitable to give independent advice in relation to the Hainan Airport Procurement Framework Agreement and the Non-exempt Continuing Connected Transactions and the Proposed Caps. During the last two years, we were engaged by the Company as an independent financial adviser to the Company in respect of (i) the major and connected transaction in relation to the new loan agreement, the new loan allocation agreement and the transactions contemplated thereunder (details can be referred to the circular of the Company dated 28 January 2025); (ii) the special deals in relation to the transfer of equity interest in Hainan Sky Plumage Flight Training Co., Ltd.* (海南天羽飛行訓練有限公司) from Hainan Airport Development Industry Group Co., Ltd.* (海南空港開發產業集團有限公司) ("**Hainan Airport Development**") to Hainan Airlines Holding Co., Ltd.* (海南航空控股股份有限公司) ("**HNA**") and the pro rata capital contribution by Hainan Airport Development and HNA into HNA Technic Co., Ltd.* (海航航空技術有限公司) (details can be referred to the joint circular of the Company and the offerors dated 30 September 2025); (iii) the major and connected transactions in relation to the renewed lease agreement (details can be referred to the supplementary circular of the Company dated 12 December 2025); and (iv) the acquisition of approximately 50.19% shareholding in the Company by Hainan Airport Infrastructure and the unconditional mandatory cash offer to acquire all of the domestic shares and H shares of the Company (details can be referred to the composite document of the Company and the offerors dated 31 December 2025) (the "**Previous Engagements**"). Under the Previous Engagements, we were required to express our opinions on and give recommendations to the Independent Board Committee and Independent Shareholders in respect of the transactions. Apart from normal professional fees payable to us in connection with this appointment, no arrangement exists whereby we will receive any fees or benefits from the Group or the directors, chief executive and substantial shareholders of the Company or Hainan Airport Infrastructure or any of its subsidiaries or their respective associates. Despite the Previous Engagements, we consider our independence is unaffected due to the facts that (i) under the Previous Engagements, we were entitled to receive normal professional fees that were comparable to market rates and the fees did not form a significant portion to our overall income; (ii) we had discharged our responsibilities with due care and skill and performed our duties with impartiality in respect of the Previous Engagements with the Company; and (iii) the Previous Engagements were handled independently as an individual task. Therefore, we consider ourselves eligible to act as the independent financial adviser to the Company under the requirements of the Listing Rules.

In formulating our opinion, we have relied on the accuracy of the information and representations contained in the Circular and have assumed that all information and representations made or referred to in the Circular were true at the time they were made and continued to be true as at the Latest Practicable Date. We have also relied on our discussion with the Directors and management of the Company (the "**Company's Management**") regarding the Group and Hainan Airport Infrastructure Group, including the information and representations contained in the Circular. We have also assumed that all statements of belief, opinion and intention made by the Directors and Company's Management in the Circular were reasonably made after due enquiry. We consider that we have reviewed sufficient information to reach an informed view, to justify our reliance on the accuracy of the information contained in the Circular and to provide a reasonable basis for our advice. We have no reason to suspect that any material facts have been omitted or withheld from the information contained or opinions expressed neither in the Circular nor to doubt the truth, accuracy and completeness of the information and representations provided to us by the Directors and Company's Management. We have not, however, conducted an independent in-depth investigation into the business and affairs of the Company, Hainan Airport Infrastructure and their respective subsidiaries or associates nor have we carried out any independent verification of the information supplied.

PRINCIPAL FACTORS AND REASONS CONSIDERED IN RELATION TO THE HAINAN AIRPORT PROCUREMENT FRAMEWORK AGREEMENT AND THE NON-EXEMPT CONTINUING CONNECTED TRANSACTIONS AND THE PROPOSED CAPS

In arriving at our recommendation in relation to the Hainan Airport Procurement Framework Agreement and the Non-exempt Continuing Connected Transactions and the Proposed Caps, we have considered the following principal factors and reasons:

1. Reasons for and benefits of the Non-exempt Continuing Connected Transactions

The Company is principally engaged in aeronautical and non-aeronautical businesses at Meilan Airport, in Hainan Province, the PRC. Hainan Airport Infrastructure is a joint stock company incorporated in the PRC and listed on the Shanghai Stock Exchange, with stock code 600515.SH. Hainan Airport Infrastructure is principally engaged in airport management, duty free and commercial property operation, real estate, property management and hotel businesses.

Prior to the completion of the Share Acquisition, the Group had established business relationships with certain entities of Hainan Airport Infrastructure Group in its ordinary and usual course of business operations. Many of these entities offer services closely related to the Group's operational needs, such as logistical support services, environmental hygiene and maintenance services, security safeguarding services, etc., that are all crucial for supporting the Group's daily operations. The enduring collaboration between the Group and the Hainan Airport Infrastructure Group has fostered a profound understanding of each other's products and services quality, requirements, delivery timeliness and industry-specific seasonal factors. This mutual understanding facilitates efficient resource allocation to meet the respective needs, thereby mitigating disruptions to daily operations. Furthermore, the close proximity of most of the entities in the Group and the Hainan Airport Infrastructure Group providing or receiving the products and services within the same province helps reduce transactional uncertainties. The ongoing collaboration plays a vital role in ensuring the stable and secure operation of Meilan Airport's current business activities.

Entering into the Hainan Airport Procurement Framework Agreement will help the Group secure favourable commercial terms and conditions and ensure timely and flexible business continuity. These arrangements will leverage existing cooperative channels, enable more efficient operations within the regional commercial ecosystem, and enhance the Group's operational efficiency. Consequently, the Non-exempt Continuing Connected Transactions support the Group's ability to maintain stable, efficient and uninterrupted operations.

Having considered the above, we are of the view that the entering into of the Hainan Airport Procurement Framework Agreement and the Non-exempt Continuing Connected Transactions are in the interests of the Group and the Shareholders as a whole.

2. Principal terms of the Hainan Airport Procurement Framework Agreement

Date: 6 March 2026

Parties:

(1) the Company; and

(2) Hainan Airport Infrastructure

Subject:

(a) the Group has agreed to procure products from Hainan Airport Infrastructure Group from time to time based on its actual needs (including but not limited to food raw materials, food, beverages, furniture, security tools, vehicles and relevant consumables, electronic products and related accessories (spare parts) and equipment, IT system, software, medical supplies, water, electricity and oil, and other products);

(b) Hainan Airport Infrastructure Group has agreed to procure products from the Group from time to time based on its actual needs (including but not limited to security check equipment, software, electronic products and related accessories (spare parts) and equipment, vehicle and relevant consumables, food, beverages, medical supplies, water, electricity and oil, and other products);

(c) the Group has agreed to procure services from Hainan Airport Infrastructure Group from time to time based on its actual needs (including but not limited to integrated logistical support services, catering management services, environmental hygiene and maintenance services, security safeguarding services, facility and equipment operation & maintenance and repair services, transportation and moving support services, information technology and operation & maintenance services, engineering and modification services, training services, integrated supporting services, business services, intelligent monitoring and airfield environmental management services, business system information technology services, emergency rescue services, medical services, and other miscellaneous services); and

(d) Hainan Airport Infrastructure Group has agreed to procure services from the Group from time to time based on its actual needs (including but not limited to IT and network related services, security check on-site support services, training related services, vehicle related services, infrastructure and common resources services, marketing services, franchise services, integrated logistical support services, hotel related services, equipment rental services, and other miscellaneous services).

Term: The Hainan Airport Procurement Framework Agreement is for a term commencing on 6 March 2026 and ending on 31 December 2028, subject to the approval by the Independent Shareholders at the EGM.

Pricing principles: Under the Hainan Airport Procurement Framework Agreement, (i) the transactions shall be conducted on normal commercial terms (compared to the similar transactions conducted between the Group/Hainan Airport Infrastructure Group and their respective independent third party customers), (ii) the terms and conditions for the transactions between the Group and Hainan Airport Infrastructure Group shall be no less favourable to the Group than those for the transactions conducted between the Group and independent third parties for the same type of products and/or services, and (iii) the prices thereunder will be determined through arm's length negotiations in accordance with the pricing principles set out in the Hainan Airport Procurement Framework Agreement as follows:

(1) as to provision of products and services by Hainan Airport Infrastructure Group to the Group:

(a) separately determined by the parties in writing based on normal commercial terms after arm's length negotiation, according to the order of the following standards (except for situation (c) below): (i) if applicable, the approved price for the relevant products and/or services by the local pricing authorities, (ii) if applicable, the market price for the relevant products and/or services, and (iii) the nature, specifications, quantity and costs of the relevant products and/or services, and, except where (i) above is applicable, when other standards are adopted, where applicable, reference shall also be made to at least two quotes from independent third party suppliers or service providers (if the relevant products and/or services are available for provision by third parties to the Group in the market);

(b) the price, terms and conditions shall be no less favourable to the Group than (if any) (i) those offered to independent third parties by Hainan Airport Infrastructure Group for the same type of products and/or services and (ii) those offered by independent third parties to the Group for the same type of products and/or services;

(c) in the event that the Group adopts a tender process (including open tender and invitation to tender) or other open quotation (price comparison) process to select the supplier and/or service provider of the products and/ or services, and Hainan Airport Infrastructure Group participates in such process and is selected as the supplier or service provider, the pricing for such transaction shall be determined based on the price at which Hainan Airport Infrastructure Group is selected in that process; and

(d) the price(s) separately determined between the Group and Hainan Airport Infrastructure Group for the product(s) and/or service(s) shall be set out in the procurement contract(s).

(2) as to provision of products and services by the Group to Hainan Airport Infrastructure Group:

(a) separately determined by the parties in writing based on normal commercial terms after arm's length negotiation, according to the order of the following standards (except for situation (c) below): (i) if applicable, the approved price for the relevant products and/or services by the local pricing authorities, (ii) if applicable, the market price for the relevant products and/or services, and (iii) the nature, specifications, quantity and costs of the relevant products and/or services;

(b) the price, terms and conditions shall be no less favourable to the Group than (if any) (i) those offered to independent third parties by the Group for the same type of products and/or services and (ii) those offered by independent third parties to Hainan Airport Infrastructure Group for the same type of products and/or services;

(c) in the event that Hainan Airport Infrastructure Group adopts a tender process (including open tender and invitation to tender) or other open quotation (price comparison) process to select the supplier and/or service provider of the products and/or services, and the Group participates in such process and is selected as the supplier or service provider, the pricing for such transaction shall be determined based on the price at which the Group is selected in that process; and

(d) the price(s) separately determined between the Group and Hainan Airport Infrastructure Group for the product(s) and/or service(s) shall be set out in the procurement contract(s).

The Group and Hainan Airport Infrastructure Group may, from time to time when the situation requires, enter into separate contracts which will set out the specific scope of products and/or services, and the terms and conditions (including price, quantity (for products), service period (for services), relevant quality/standard, and payment terms) of providing such products and/or services according to the principles laid down by the Hainan Airport Procurement Framework Agreement.

For other principal terms of the Hainan Airport Procurement Framework Agreement, please refer to the Letter from the Board.

3. The historical transaction amounts and the Proposed Caps

In order to enhance the effectiveness of internal control over the continuing connected transactions outlined in the Hainan Airport Procurement Framework Agreement, the Company has divided, so far as practicable, these transactions into two categories, which are (i) the provision of products and services by Hainan Airport Infrastructure Group to the Group (the "**Purchase from HAIG**"); and (ii) the provision of products and services by the Group to Hainan Airport Infrastructure Group (the "**Sale to HAIG**").

The transaction amounts are summarized below:

	For the year ended 31 December		
	2023	**2024**	**2025**
	(Audited)	*(Audited)*	*(Unaudited)*
	RMB'000	*RMB'000*	*RMB'000*
Products			
– Daily consumer goods	–	–	1,144
– Energy products	3,610	6,187	5,345
	3,610	**6,187**	**6,489**
Services			
– Operation & maintenance and facility services	21,095	22,903	29,493
– On-site operation and supporting services	112,130	124,687	191,344
– Business services	450	173	377
	133,675	**147,763**	**221,214**
Purchase from HAIG	**137,285**	**153,950**	**227,703**
Services			
– Operation & maintenance and facility services	91	300	2,959
– On-site operation and supporting services	11,408	12,868	12,686
– Franchise services	432,402	405,617	248,908
– Business services	209	649	562
Sale to HAIG	**444,110**	**419,434**	**265,115**

As discussed in the section headed "1. Reasons for and benefits of the Non-exempt Continuing Connected Transactions" above, the Group has established an enduring business relationship with certain entities of Hainan Airport Infrastructure Group in its ordinary and usual course of business operations. The relevant entities of Hainan Airport Infrastructure Group only became connected persons of the Company on 24 December 2025 as Hainan Airport Infrastructure acquired approximately 50.19% shareholding of the Company.

During the three years ended 31 December 2025, the Purchase from HAIG included but not limited to safety and security services, cleaning and environmental maintenance services, aircraft and cargo handling related services, catering related products and services, on-site operation and supporting services, IT system procurement and related services, purchase of fuel and electricity and other miscellaneous products and services and the Sale to HAIG included but not limited to franchise services, infrastructure and public resource services, IT and network related services, training services, security related services, and other miscellaneous services. Over the three years ended 31 December 2025, the Group did not engage in any transactions with Hainan Airport Infrastructure Group for the provision of products to Hainan Airport Infrastructure Group.

As disclosed in the Letter from the Board, the on-site operation and supporting services purchased from Hainan Airport Infrastructure Group increased from approximately RMB124.7 million for FY2024 to approximately RMB191.3 million for FY2025 mainly due to the Group's proactive efforts to upgrade service quality and expand the scale of third-party professional procurement for ancillary services. While the franchise services provided by the Group to Hainan Airport Infrastructure Group decrease from approximately RMB405.6 million for FY2024 to approximately RMB248.9 million for FY2025 was mainly due to changes in passenger consumption behaviour and demand.

The table below set out the proposed caps for the Purchase from HAIG (the "**Purchase Caps**") and the proposed caps for the Sale to HAIG (the "**Sale Caps**") for the three years ending 31 December 2028 under the Hainan Airport Procurement Framework Agreement:

	For the year ending 31 December		
	2026	**2027**	**2028**
	RMB'000	*RMB'000*	*RMB'000*
Products			
– Daily consumer goods	4,236	4,836	4,835
– Airport operation products	30,252	27,665	25,777
– Energy products	6,065	127,081	137,751
	40,553	**159,582**	**168,363**

	For the year ending 31 December		
	2026	**2027**	**2028**
	RMB'000	*RMB'000*	*RMB'000*
Services			
– Operation & maintenance and facility services	20,067	23,112	23,453
– On-site operation and supporting services	190,822	234,846	271,540
– Business services	1,187	1,155	1,155
	212,076	**259,113**	**296,148**
Purchase Caps	**252,629**	**418,695**	**464,511**
Products			
– Daily consumer goods	8,580	8,580	8,580
– Airport operation products	31	–	–
	8,611	**8,580**	**8,580**
Services			
– Operation & maintenance and facility services	3,261	3,261	3,292
– On-site operation and supporting services	12,325	13,782	15,465
– Franchise services	291,083	306,694	312,372
– Business services	1,942	2,047	2,175
	308,611	**325,784**	**333,304**
Sale Caps	**317,222**	**334,364**	**341,884**

According to the Letter from the Board, the Proposed Caps was determined based on:

(a) where applicable, agreements previously entered into, not yet completed and expected to be renewed during the three years ending 31 December 2028 will continue to be implemented in accordance with their existing terms and conditions. This assumption relates to 60 transactions, covering business areas such as safety and security services, cleaning and environmental maintenance services, aircraft and cargo handling services, catering related products and services, and facilities and equipment operation, maintenance and repair services, which have arisen due to the Group's current operational needs and are expected to continue. The anticipated transaction amounts under such arrangements have been determined with reference to (i) the agreed total consideration under contracts that have been entered into; (ii) the expected total consideration calculated in accordance with the agreed pricing formulas under contracts that have been entered into, the agreed unit prices under contracts that have been entered into and the projected quantities (such as the quantities of products, the number of staff, the leased area and the service frequencies) to be purchased based on the Group's latest operational plans or to be sold based on the needs of Hainan Airport Infrastructure Group; or (iii) historical transaction amounts recorded for the two years ended 31 December 2025;

(b) the continuing connected transactions anticipated to occur in the future will be carried out with reference to, where applicable, the terms of similar past transactions and on normal commercial terms or better. This assumption relates to 69 transactions, covering business areas such as IT system procurement and related services, on-site operation and supporting services, comprehensive ancillary services, purchase of electricity and training services, which arise due to the Group's need to comply with new industry regulations, pursue business expansion plans or enhance employee benefits. The anticipated transaction amounts under such arrangements have been prepared with reference to, where applicable, past procurement or sales volumes for comparable products or services or quotations obtained from Hainan Airport Infrastructure Group or independent third-party suppliers. The estimates also take into account the Group's anticipated operational needs arising from its expected business development;

(c) In respect of the operational plans or needs mentioned in items (a) and (b) above, the Group has considered future business conditions, including the annual number of aircraft takeoff and landing, passenger throughput and cargo and mail throughput, resource allocation for ground operations as well as safety and compliance requirements, and has taken into account these business needs when determining the annual caps.

(d) where applicable, reference has been made to the historical transaction amounts for the three years ended 31 December 2025;

(e) it is assumed that there will be no material adverse change in the macroeconomic environment, the prices or demand for the products, raw materials and services required for the Group's operations, or the Group's operating plans;

(f) a 10% buffer is included for the factors such as the social and economic development and the development of the Group's business. The Company considers this buffer to be reasonable and appropriate to ensure sufficient headroom for fluctuations in demand and operational contingencies, and to provide flexibility for unforeseen operational needs and potential business growth.

In particular, the annual cap for each category of products and services was determined with reference to the following basis:

(i) the Purchase Caps in relation to daily consumer goods for the year ending 31 December 2026 exceeds the historical transaction amount for the year ended 31 December 2025 by over approximately RMB3 million. The increase is mainly attributable to the Group's proposed procurement of catering products (mainly vegetables and fruits) from Hainan Airport Infrastructure Group for its hotel operations. As certain pre-existing agreements with Hainan Airport Infrastructure Group in relation to the procurement of daily consumer goods will expire in 2027 or 2028, it is expected that such agreements will be renewed upon their respective expiry. Accordingly, the relevant estimated transaction amounts for the years ending 31 December 2027 and 31 December 2028 are proposed to be included in the Purchase Caps in relation to daily consumer goods for the corresponding periods;

(ii) in order to comply with the relevant requirements of the Civil Aviation Administration of China, the Company expects to procure airport operational equipment, including but not limited to aircraft loading bridge monitoring systems and runway foreign object debris detection systems, during the three years ending 31 December 2028. The Purchase Caps in relation to airport operation products for the year ending 31 December 2026 is approximately RMB30,252,000 (including the 10% buffer) which was determined based on the preliminary price enquiries of the Company. The estimated transaction amount for each of the years ending 31 December 2027 and 2028 is expected to decrease slightly compared to that of the preceding year, as it involves certain short-term projects which are expected to be completed in the respective year, and the relevant consideration will also be settled in the same year;

(iii) the Purchase Caps in relation to energy products for the year ending 31 December 2026 mainly comprises the estimated transaction amount for procurement of fuel and is primarily determined with reference to the historical transaction amount for the year ended 31 December 2025 and the 10% buffer to provide flexibility for unforeseen operational needs and unit price changes;

Reference is made to the announcement of the Company dated 13 February 2026 in relation to the electricity supply agreement entered into between the Company and Hainan Holdings Energy Co., Ltd., pursuant to which the Company commenced procurement of electricity from Hainan Holdings Energy Co., Ltd. (a member of Hainan Airport Infrastructure Group). The expected transaction amount for aforesaid agreement is RMB100,000,000 and such agreement will expire on 31 December 2026 and is expected to be renewed upon expiry for the years ending 31 December 2027 and 2028. Accordingly, the estimated transaction amounts of RMB110,000,000 and RMB120,000,000 (taking into account the potential growth of the Group's need) are proposed to be included in the Purchase Caps in relation to energy products for the years ending 31 December 2027 and 2028, respectively;

(iv) the Purchase Caps in relation to operation & maintenance and facility services for the year ending 31 December 2026 is determined primarily with reference to the estimated transaction amount for each specific project, which is in turn primarily estimated with reference to historical transaction amounts for similar projects conducted in the past either with Hainan Airport Infrastructure Group or other independent third parties, or the preliminary price enquiries of the Company;

(v) the Purchase Caps in relation to on-site operation and supporting services for the year ending 31 December 2026 is determined primarily with reference to the estimated transaction amount for each specific project, which is estimated with reference to the historical transaction amounts with Hainan Airport Infrastructure Group or the independent third parties, or the preliminary price enquiries of the Company. As certain subsisting agreements with Hainan Airport Infrastructure Group in relation to the procurement of on-site operation and supporting services will expire in 2027 or 2028, it is expected that such agreements will be renewed upon their respective expiry dates. It is expected that a cumulative total of 18 agreements will have been renewed by the end of 2027, and a cumulative total of 20 agreements will have been renewed by the end of 2028. Accordingly, the relevant estimated transaction amounts in respect of such agreements (before taking into account the 10% buffer) for the years ending 31 December 2027 (being approximately RMB134,147,000) and 31 December 2028 (being approximately RMB167,185,000) are proposed to be included in the Purchase Caps in relation to on-site operation and supporting services for the corresponding periods. The remaining part of the Purchase Caps in relation to on-site operation and supporting services (i.e., the portion not attributable to the renewal of subsisting agreements), being approximately RMB79,349,000 and RMB79,670,000 (before taking into account the 10% buffer), for the years ending 31 December 2027 and 2028 are mainly due to the fact that certain entities within Hainan Airport Infrastructure Group have the capability to provide on-site operation and supporting services to the Group, and therefore the Group expects that it may conduct such transactions with Hainan Airport Infrastructure Group in the years ending 31 December 2027 and 2028. Such transaction amounts are primarily estimated based on the historical transaction amounts with the relevant independent third parties or the preliminary price enquiries of the Company;

(vi) the increase in the Purchase Caps in relation to business services for the three years ending 31 December 2028, as compared to the historical transaction amounts, is primarily attributable to the addition of business training services to be procured by the Group;

(vii) Hainan Airport Infrastructure Group may, from time to time, procure certain supplies for employee welfare and team-building activities. Given that the Group's hotel is able to meet such demand, it is expected that Hainan Airport Infrastructure Group may procure such goods from the Group, provided that the terms are fair and reasonable. In this regard, the Sale Caps in relation to daily consumer goods for the three years ending 31 December 2028 have been determined primarily with reference to the anticipated demand from Hainan Airport Infrastructure Group;

(viii) the Sale Caps in relation to operation & maintenance and facility services for the three years ending 31 December 2028 are determined with reference to (i) the historical transaction amount for the year ended 31 December 2025; and (ii) the addition of IT resource services to be provided by the Group;

(ix) the Sale Caps in relation to on-site operation and supporting services for the year ending 31 December 2026 mainly comprises the estimated transaction amount for infrastructure and public resource services, accounting for approximately 69% of the Sale Caps in relation to on-site operation and supporting services, which is determined based on the historical price per unit of measurement and the expected demand of Hainan Airport Infrastructure Group. The increase in the Sale Caps in relation to on-site operation and supporting services for the years ending 31 December 2027 and 2028 is primarily due to that certain subsisting agreements will expire in 2027 or 2028, and it is expected that such agreements will be renewed upon their respective expiry dates. It is expected that a cumulative total of 11 agreements will have been renewed by the end of 2027, and a cumulative total of 12 agreements will have been renewed by the end of 2028 (which included the agreement in relation to the infrastructure and public resource services discussed above). Accordingly, the relevant estimated transaction amounts in respect of such agreements (before taking into account the 10% buffer) for the years ending 31 December 2027 (being approximately RMB9,557,000) and 31 December 2028 (being approximately RMB10,926,000) are proposed to be included in the Sale Caps in relation to on-site operation and supporting services for the corresponding periods. The remaining Sale Caps in relation to on-site operation and supporting services mainly represent the estimated transactions with Hainan Airport Infrastructure Group which the Group is capable to meet its demand and expects that Hainan Airport Infrastructure Group may procure such services from the Group. In this regard, the estimated transaction amounts for such services for the three years ending 31 December 2028 are determined primarily with reference to the anticipated demand from Hainan Airport Infrastructure Group;

(x) the Sale Caps in relation to franchise services for the three years ending 31 December 2028 is determined primarily with reference to the historical transaction amount for the year ended 31 December 2025 and the anticipated growth in passenger throughput at Meilan Airport (before taking into account the 10% buffer). The Group's revenue from franchise services is driven by passenger spending, which is closely correlated with the passenger throughput of Meilan Airport. In 2025, the passenger throughput of Meilan Airport was approximately 26.85 million. According to the Outline of the 15th Five-Year Plan for National Economic and Social Development of Haikou Municipality (2026) (《海口市國民經濟和社會發展第十五個五年規劃綱要(2026年)》) published by the Haikou Municipal People's Government, the passenger throughput of Meilan Airport is expected to reach 35 million by 2030; and

(xi) as the Group has come under the same control as Hainan Airport Infrastructure Group and possesses the relevant training capabilities, and having considered potential business collaboration, the Group may provide business training services to other airports managed by Hainan Airport Infrastructure Group to expand its customer base. As such the Sale Caps in relation to business services for the three years ending 31 December 2028 included the estimated transaction amount of business training services to be provided by the Group to Hainan Airport Infrastructure Group.

To assess the fairness and reasonableness of the Purchase Caps and the Sale Caps in respect of the Non-exempt Continuing Connected Transactions, we have obtained a detailed breakdown which listed all Purchase from HAIG and Sale to HAIG for the three years ending 31 December 2028 (the "**Annual Caps Breakdown**").

Composition of the Purchase Caps

The Purchase Caps for the three years ending 31 December 2028 consist of (a) a total of 71 transactions which could be further divided into two categories, (i) purchase transaction under agreements (the "**Pre-existing Purchase Agreements**") that were entered into previously, remains outstanding and are expected to be renewed during the three years ending 31 December 2028 (the "**Pre-existing Purchase Transactions**"), which accounted for approximately 43%, 34% and 38% of the total Purchase Caps for the three years ending 31 December 2028, respectively and totally comprise of 36 transactions; and (ii) new purchase transactions for potential procurement of products and/or services from Hainan Airport Infrastructure Group (the "**Potential Purchase Transactions**"), which accounted for approximately 48%, 57% and 53% of the total Purchase Caps for the three years ending 31 December 2028, respectively and totally comprise of 35 transactions; and (b) a 10% buffer based on the aggregated estimated transaction amount of the Pre-existing Purchase Transactions and the Potential Purchase Transactions to provide flexibility to the Group in case of any unforeseen business need which accounted for approximately 9% of the total Purchase Caps for each of the three years ending 31 December 2028.

For the Pre-existing Purchase Transactions, the transaction amounts included in the Purchase Caps were determined based on either (i) the fixed contract sum as stipulated in the respective Pre-existing Purchase Agreements; (ii) the unit prices specified in the Pre-existing Purchase Agreements with the estimated quantities to be purchased or consumed by the Group; or (iii) the historical transaction amounts for the two years ended 31 December 2025.

For the Potential Purchase Transactions, the transaction amounts included in the Purchase Caps were determined based on either (i) the historical transaction amounts for the similar products or services procured by the Group after considering the business development of the Group; or (ii) the preliminary quotations obtained by the Group from the independent third party suppliers or Hainan Airport Infrastructure Group or the market research by the procurement team for the market prices of the relevant products and/or services based on the Group's operation needs arising from its business development.

Our analysis on the Purchase Caps

To justify the amount of the Purchase Cap, we have sample-checked the purchase transactions with amount over RMB1 million (the "**Purchase Cap Samples**") which accounted for over 85% of the total Purchase Cap for each of the three years ended 31 December 2028. The Purchase Cap Samples covered the safety and security services, cleaning and environmental maintenance services, aircraft and cargo handling related services, catering related products and services, catering staff outsourcing services, facility maintenance services, on-site operation and supporting services, IT system procurement and related services and purchase of fuel and electricity. We have obtained and reviewed the underlying assumptions of these transactions with the supporting documents provided by the Company's Management which includes the Pre-existing Purchase Agreements, the historical transactions and operational data, the quotations obtained by the Group from independent third party suppliers or Hainan Airport Infrastructure Group and the project approval documents of the Group.

Based on our review on the Purchase Cap Samples, the safety and security services, facility maintenance services, catering staff outsourcing services and on-site operation and supporting services, the estimated transaction amounts were determined based on the number of staff assigned with the fixed monthly rate depending on their position. We further noted that the number of staff required by the Group would depend on the operation need after considering the latest operation status and the business development of the Group, while the monthly rate per staff are the same as those listed on the relevant Pre-existing Purchase Agreements or the quotations obtained by the Group from suppliers (including independent third party supplier and Hainan Airport Infrastructure Group).

Regarding the cleaning and environmental maintenance services, aircraft and cargo handling related services, catering related products and services, purchase of fuel and electricity, we noted that the estimated transaction amounts were determined based on the estimated unit price and the estimated quantities to be consumed by the Group. Based on our review of the Purchase Cap Samples, these products and services have their respective pre-agreed unit prices which were determined based on quotations or tender before entering the relevant agreements. We noted that the unit prices adopted in the estimation of the transaction amounts for these products and services are the same as those listed on the relevant pre-existing agreements or the quotations obtained by the Group from suppliers (including independent third party suppliers and Hainan Airport Infrastructure Group). The estimated quantities were determined based on the historical transactions and the business development of the Group for the three years ending 31 December 2028 including but not limited to (i) the growth in passenger throughput in the coming three years due to (a) Meilan Airport is proactively working on the application to the Civil Aviation Administration of China for release of four remaining unused handling capacity as Meilan Airport's current actual peak-hourly flight handling capacity has been fully utilised; and (b) the favorable policies announced by the local government to support and promote Hainan's Free Trade Port and the development of the Hainan Province tourism sector; (ii) the introduction on new energy vehicles during the three years ending 31 December 2028; and (iii) the increase in procurement for relevant services in certain part of the areas in response to business development needs of Meilan Airport.

For the IT system procurement and related services, including several new monitoring and detection systems to enhance the safety of Meilan Airport according to the government policies, the estimated transaction amounts were determined based on the quotations from supplier (including independent third party suppliers and Hainan Airport Infrastructure Group) and where applicable the market research conducted by the procurement team of the Group. Based on our review on the Purchase Cap Samples, the procurement team of the Group has obtained the preliminary quotations from the suppliers (including independent third party suppliers and Hainan Airport Infrastructure Group) and where applicable conduct market research including the guidance price released by the government authorities. We have further discussed with the Company’s Management and was advised that after consolidating the information, a project approval document with the target transaction price with reference to the preliminary quotations, the market research and the business development of Meilan Airport will be submitted to the Company's Management for approval and the negotiation or tender process will be commenced afterward. The final transaction amount would not be more than the target transaction price approved by the Company's Management.

As advised by the Company’s Management, the Group will procure the relevant products and services in accordance with the pricing principles as stipulated in the Hainan Airport Procurement Framework Agreement and commence the procurement process, which includes requesting for quotations from its qualified suppliers or public tender where applicable. As one of the qualified suppliers meeting the requirements of the Group, Hainan Airport Infrastructure Group will participate in the procurement procedures of the Group. The purchase transactions with Hainan Airport Infrastructure Group will only be conducted if, following the assessment of the quotations and/or tender results, the terms offered by Hainan Airport Infrastructure Group are no less favourable to the Group than those offered by other independent third party suppliers.

Composition of the Sale Caps

The Sale Caps for the three years ending 31 December 2028 consist of (a) a total of 58 transactions which could be further divided into two categories, (i) sale transaction under agreements (the “**Pre-existing Sale Agreements**”) that were entered into previously, remains outstanding and are expected to be renewed during the three years ending 31 December 2028 (the “**Pre-existing Sale Transactions**”), which accounted for approximately 86% of the total Sale Caps for each of the three years ending 31 December 2028 and totally comprise of 24 transactions; and (ii) new sale transactions for potential sale of products and/or services to Hainan Airport Infrastructure Group (the “**Potential Sale Transactions**”), which accounted for approximately 5% of the total Sale Caps for each of the three years ending 31 December 2028 and totally comprise of 34 transactions; and (b) a 10% buffer based on the aggregated estimated transaction amount of the Pre-existing Sale Transactions and the Potential Sale Transactions to provide flexibility to Hainan Airport Infrastructure Group in case of any unforeseen business need which accounted for approximately 9% of the total Sale Caps for each of the three years ending 31 December 2028.

For the Pre-existing Sale Transactions, the transaction amounts included in the Sale Caps were determined based on either (i) the fixed contract sum as stipulated in the respective Pre-existing Sale Agreements; (ii) the unit prices specified in the Pre-existing Sale Agreements with the estimated quantities to be purchased or consumed by Hainan Airport Infrastructure Group; or (iii) the historical transaction amounts for the two years ended 31 December 2025.

For the Potential Sale Transactions, the transaction amounts included in the Sale Caps were determined based on either (i) the historical transaction amounts for the similar products or services procured by Hainan Airport Infrastructure Group, or (ii) the preliminary quotations provided by the Group to Hainan Airport Infrastructure Group based on Hainan Airport Infrastructure Group's operation needs after considered the business development and the market condition.

Our analysis on the Sale Caps

To justify the amount of the Sale Cap, we have sample checked the sale transactions with amount over RMB1 million (the "**Sale Cap Samples**") which accounted for over 85% of the total Sale Cap for each of the three years ending 31 December 2028. We have obtained and reviewed the underlying assumptions from the Company's Management with the supporting documents, including but not limited to the Pre-existing Sale Agreements, the historical transactions and operational data relevant to the Pre-existing Sale Transactions and Potential Sale Transactions, the internal pricing documents and the agreements with other independent third party customers of the Group.

Based on our review on the Annual Caps Breakdown, we noted that the franchise services provided by the Group, which entitles the Group to receive franchising fee based on actual sales from the duty-free shops in Meilan Airport operated by Hainan Airport Infrastructure Group, accounts for the largest portion of the Sale Caps, We noted that the Company's Management estimated the transaction amounts for the three years ending 31 December 2028 based on the historical transaction amounts for the year 2025 and the anticipated growth in passenger throughput of Meilan Airport for the coming three years, as the duty-free shop sales amount is dependent on passenger throughput of Meilan Airport. The anticipated increase in passenger throughput over the coming three years was mainly due to the release of unused handling capacity of Meilan Airport and favorable government policies in relation to the tourism sector.

For the infrastructure and public resource services provided by the Group to Hainan Airport Infrastructure Group which accounted for the second large portion of the Sale Caps, including the provision of central air conditioning, public water and public electricity, we noted that the service fees were based on the unit fee per square meter and the areas leased by Hainan Airport Infrastructure Group in Meilan Airport from the Group for Hainan Airport Infrastructure Group's operation. As the area leased by Hainan Airport Infrastructure Group in Meilan Airport was relatively stable in the previous years, it is reasonable to estimate that the area leased by Hainan Airport Infrastructure Group for its operation to be the same as in 2025. Furthermore, the infrastructure of Meilan Airport would remain stable in the three years ending 31 December 2028, thus, the unit fee for the infrastructure and public resource services are expected to remain at current levels as no material fluctuations are anticipated over that period.

For other transactions, we noted that the estimated transaction amounts for the three years ending 31 December 2028 were mainly based on the historical transaction amounts of Hainan Airport Infrastructure Group or the preliminary quotations provided by the Group with reference to the relevant costs of the Group, the internal pricing documents and the guidance unit prices from the local government. Hainan Airport Infrastructure Group will procure the relevant products and services in accordance with their normal procurement process which includes requesting for quotations from its qualified suppliers or through public tender. Since the Group is listed as one of the qualified suppliers of Hainan Airport Infrastructure Group in respect of these products and services, the Group will participate in such procurement procedures. The Group included the transaction amounts of such transactions in the Sale Caps on the assumption that the Group would be selected as the supplier for these products and services.

The 10% buffer

In order to provide flexibility to the Group in case of any unforeseen business need, social and economic development, the Company's Management adopted an additional 10% buffer in determining the Proposed Caps. In evaluating the fairness and reasonableness of the buffer, we have conducted a research on the Stock Exchange website for listed companies that had announced continuing connected transactions during the period from 1 December 2025 to 31 March 2026 (the "**Review Period**") that had incorporated a buffer used in determining the relevant annual caps (the "**Market Comparables**"). During the Review Period, we have identified a total 45 Market Comparables with their respective buffer ranging from 3% to 34% with an average of 11%. In view that the Review Period covers a period of three months prior to the date of the Hainan Airport Procurement Framework Agreement and there are sufficient transaction samples reflecting recent market conditions for our analysis, we consider that the duration of the Review Period to be reasonable and the Market Comparables to be representative.

Therefore, the 10% buffer adopted by the Company's Management in determining the Proposed Annual Caps is within the range of the Market Comparables and is lower than the average of the Market Comparables.

Based on the above, in particular, (i) the Company's Management has made reference to the terms of the relevant pre-existing agreements, the historical transaction amount, the latest operational data and quotations from both third parties and Hainan Airport Infrastructure Group which has provided a reasonable basis for the estimation of the Proposed Caps; (ii) the 10% buffer aligns with the Market Comparable, we are of the view that the estimations adopted by the Company's Management for the Proposed Caps are fair and reasonable.

4. Internal control

In order to ensure that the prices of the Hainan Airport Procurement Framework Agreement (with respect to provision of products and services by Hainan Airport Infrastructure Group to the Group) are determined on a fair and reasonable basis and in accordance with the pricing principle, the Company has implemented the following measures:

(i) during the project initiation and quotation phase, for projects with market competition, quotations shall be obtained through multiple methods including market research (at least two quotes from independent third-party suppliers/ service providers), online price comparisons, and comparison with historical procurement price. After excluding unreasonable quotations, the budget amount (control price) shall be determined scientifically and reasonably. For engineering and IT projects, professional cost estimates or tender control prices issued by third-party consulting firms shall serve as the basis for project initiation, and in principle, the actual investment amounts shall not exceed the investment estimates provided by feasibility study units (if applicable);

(ii) during execution of the procurement, determine the bid evaluation method (lowest evaluated bid method or comprehensive evaluation method) based on specific project requirements. Projects which are high standardized and with clear functional needs should prioritize the adoption of lowest evaluated bid method. When the comprehensive evaluation method is adopted, weighting ratios for each evaluation criterion shall be set reasonably according to project specifics, ensuring that the weight of the price criterion does not fall below the minimum threshold required by the Company's procurement policies. Meanwhile, during bid opening, bid collusion could be prevented by verifying connected relationship of suppliers, IP addresses and MAC addresses, and other relevant information to ensure fair competition; and

(iii) the unit prices for renewed procurement in principle shall not exceed those in the original agreement.

Furthermore, measures such as multi-channel supplier selection, establishing a pool of bid evaluation experts with random selection, strengthening oversight of the bid evaluation process, and implementing a supplier blacklist penalty mechanism ensure the fairness of commercial terms both at the source and throughout the process.

Upon our review on the Purchase Cap Samples, we noted that the Company has implemented the above measures. The procurement team of the Company, after obtaining all information listed in (i) above, prepared a report which summarized the information and submit to the Company's Management for approval. We noted that these reports included at least two independent quotations, background check of the suppliers and reasons and recommendations for the Company's Management consideration. For bid method, we noted that the bid evaluation team consists of five members and documents with the assessment results have been provided to the Company's Management for consideration.

In order to ensure that the prices of the Hainan Airport Procurement Framework Agreement (with respect to provision of products and services by the Group to Hainan Airport Infrastructure Group) are determined on a fair and reasonable basis and in accordance with the pricing principle, when determining the prices of products and services provided, the Company's finance and business departments will ensure pricing is primarily determined according to the following principles and sequence:

(i) government-set or government-guided pricing: if the pricing for a product or service is subject to price controls by the state or local government, prices shall be set in accordance with official pricing documents issued by government authorities;

(ii) Group's internal pricing: where there is no pricing standards as described above, the Group establishes internal management policies or pricing documents based on industry features, product or service type, scale, and other factors; and

(iii) market price: where neither of the above two pricing standards applies, market price serves as the reference benchmark, with the overarching pricing principle being fairness and reasonableness.

Upon our review of the Sale Cap Samples, we noted that government-set or government-guided prices are normally adopted for utilities-related services. As advised by the Company's Management, the internal pricing of the Group is determined by the relevant business department after considering the relevant costs of the Group, industry features, market conditions and other factors. Our review on the Sale Cap Samples revealed that the same internal price has been applied to both connected parties and independent third parties.

The Company's Management further advised that these pricing principles and sequence will be consistently applied to both connected parties and independent third-party customers. The Group's financial department will review the sales agreements to ensure pricing accuracy before proceeding to the signing process.

Furthermore, the independent non-executive Directors will review the transaction contemplated under the Hainan Airport Procurement Framework Agreement on an annual basis. The Company will also engage auditors of the Company to conduct an annual review and report on the transactions contemplated under the Hainan Airport Procurement Framework Agreement.

In view of the above, we consider that the Group has adopted appropriate internal control procedures to monitor and govern the Non-exempt Continuing Connected Transactions.

RECOMMENDATION

Having considered the above principal factors and reasons, we are of the view that the basis of determining the Proposed Caps are fair and reasonable and the terms of the Hainan Airport Procurement Framework Agreement and the Non-exempt Continuing Connected Transactions are (i) fair and reasonable so far as the Shareholders (including the Independent Shareholders) are concerned; (ii) entered into in the ordinary and usual course of business of the Group; (iii) on normal commercial terms; and (iv) in the interests of the Group and the Shareholders as a whole. Accordingly, we recommend the Independent Board Committee to advise the Independent Shareholders to vote in favor of the Hainan Airport Procurement Framework Agreement and the Non-exempt Continuing Connected Transactions (including the Proposed Caps).

Yours faithfully,
For and on behalf of
Octal Capital Limited

Louis Chan	**Ben Chui**
Director	*Associate Director*

Note:

Mr. Louis Chan is a licensed person registered with the Securities and Futures Commission of Hong Kong and a responsible officer of Octal Capital Limited to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO. He has over 20 years of experience in corporate finance and investment banking.

Mr. Ben Chui is a licensed person registered with the Securities and Futures Commission of Hong Kong and a responsible officer of Octal Capital Limited to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO. He has over 15 years of experience in accounting and corporate finance.

(I) RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

(II) DISCLOSURE OF INTERESTS

Director's Interest and Short Position

As at the Latest Practicable Date, none of the Directors or chief executive of the Company had any interest or short positions in the shares, underlying shares or debentures of the Company and any of its associated corporations (within the meaning of Part XV of the SFO), which would be required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO) or pursuant to the Model Code for Securities Transactions by Directors of Listed Companies as set out in Appendix C3 to the Listing Rules; or would be required to be recorded in the register to be kept by the Company pursuant to section 352 of the SFO.

Hainan Airport Infrastructure is the controlling shareholder of the Company, and its shares are listed on the Shanghai Stock Exchange (Stock Code: 600515.SH). For information regarding its business operations, please refer to its disclosures on the website of the Shanghai Stock Exchange. Mr. Ya Zhihui, a non-executive Director, serves as the employee director of Hainan Airport Infrastructure; and Mr. Zhou Peng, a non-executive Director, serves as a director of Hainan Airport Infrastructure (Hongkong) Co., Limited. (a wholly-owned subsidiary of Hainan Airport Infrastructure).

As at the Latest Practicable Date, none of the Directors had any material interest, directly or indirectly, in any asset which, since 31 December 2025, being the date to which the latest audited consolidated financial statements of the Group have been made up, had been acquired or disposed of by or leased to any member of the Group or was proposed to be acquired or disposed of by or leased to any member of the Group.

No contract or arrangement of significance to which the Company, any of its holding companies, fellow subsidiaries or subsidiaries was a party and in which a Director had a material interest and which was significant to the Group's business, whether directly or indirectly, subsisted at the date of this circular.

Mr. Wang Hong, an executive Director, the chairman of the Board, serves as the vice president and member of the party committee at Hainan Airport Group (which is the holding company of Hainan Airport Infrastructure); Mr. Xiang Xiujin, a non-executive Director, serves as the general manager of the planning and finance department of Hainan Airport Infrastructure; Mr. Ya Zhihui, a non-executive Director, serves as the general manager of the audit department and employee director of Hainan Airport Infrastructure; and Mr. Zhou Peng, a non-executive Director, serves as the general manager of the investment operation department of Hainan Airport Infrastructure and a director of Hainan Airport Infrastructure (Hongkong) Co., Limited.

Save as disclosed above, as at the Latest Practicable Date, no other Director was a director or employee of a company which had an interest or short position in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

Substantial Shareholders' Interests in Shares

As at the Latest Practicable Date, so far as was known to the Directors, or chief executive of the Company, the following persons (other than a Director or chief executive of the Company) had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or would be required to be recorded in the register to be kept by the Company under section 336 of the SFO.

Domestic Shares

Name of Shareholders	Capacity	Number of Domestic Shares	Percentage to Domestic Shares issued	Percentage to total issued share capital
Hainan Airport Infrastructure*(Note 1)*	Beneficial owner	241,012,500 (L)	97.85%	50.93%
Hainan Development Holdings *(Note 1)*	Interest of controlled corporations	241,012,500 (L)	97.85%	50.93%

H Shares

Name of shareholders	Capacity	Number of H shares	Percentage to H shares issued	Percentage to total issued share capital
Hainan Airport Infrastructure *(Note 1)*	Interest of controlled corporations	54,170,087 (L)	23.87%	11.45%
Hainan Development Holdings *(Note 1)*	Interest of controlled corporations	54,170,087 (L)	23.87%	11.45%
M&G Plc *(Note 2)*	Interest of controlled corporations	45,394,000 (L)	20.01%	9.59%
M&G Investment Funds (1) *(Note 3)*	Beneficial owner	16,161,000 (L)	7.12%	3.42%

Notes:

(1) Hainan Airport Infrastructure is established in the PRC and is the controlling shareholder of the Company. According to the disclosure of interests filed on the website of the Stock Exchange, Hainan Development Holdings held 100% interests in Hainan Airport Group Co., Ltd. (海南機場集團有限公司), which held 24.87% interests in Hainan Airport Infrastructure (which was controlled by Hainan Development Holdings). Hainan Airport Infrastructure (Hongkong) Co., Limited is a wholly-owned subsidiary of Hainan Airport Infrastructure and held 54,170,087 H Shares as beneficial owner in long position. Therefore, Hainan Airport Infrastructure was deemed to be interested in the 54,170,087 H Shares in long position, and Hainan Development Holdings Co., Ltd. was deemed to be interested in the 241,012,500 Domestic Shares and 54,170,087 H Shares in long position.

(2) According to the disclosure of interest filed on the website of the Stock Exchange, M&G Plc held 100% interest in M&G Group Regulated Entity Holding Company Limited, which held 100% interest in M&G Group Limited. M&G Plc also held 100% interest in The Prudential Assurance Company. M&G Group Limited held 100% interest in M&G FA Limited, which held 100% interest in M&G Luxembourg S.A., M&G Investment Management Limited, M&G Securities Limited and M&G Investments (Singapore) Pte. Ltd. Accordingly, M&G Plc was deemed to be interested in the 7,498,000, 45,394,000, 36,215,000 and 45,394,000 H Shares in long position held by M&G Luxembourg S.A., M&G Investment Management Limited, M&G Securities Limited and M&G Investments (Singapore) Pte. Ltd respectively.

(3) According to the disclosure of interest filed on the website of the Stock Exchange, M&G Investment Funds (1) was a managed fund of M&G Investment Management Limited.

(4) (L) represents long position.

Save as disclosed above, as at the Latest Practicable Date, so far as was known to the Directors or chief executives of the Company, no other person (not being a Director or chief executive of the Company) had interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or would be required to be recorded in the register to be kept by the Company under section 336 of the SFO.

(III) SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had entered into or proposed to enter into any service contract with any member of the Group (excluding contracts expiring or determinable by the employer within one year without payment of compensation (other than statutory compensation)).

(IV) MATERIAL ADVERSE CHANGES

Since 31 December 2025 (the date to which the latest audited financial statements of the Group were made up) and as at the Latest Practicable Date, save as disclosed in this circular, the Directors were not aware of any material adverse change in the financial position or trading position of the Group.

(V) LITIGATION

As at the Latest Practicable Date, neither the Company nor any of its subsidiaries was engaged in any litigation or arbitration of material importance and no litigation or claim of material importance known to the Directors to be pending or threatened by or against the Company or any of its subsidiaries.

(VI) EXPERT AND CONSENT

The following is the qualification of the expert who has given opinion or advice, which is contained in this circular:

Name	Qualifications
Octal Capital Limited	A licensed corporation to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO

Octal Capital has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its letter/report and the reference to its name in the form and context in which it appears.

As at the Latest Practicable Date, Octal Capital was not beneficially interested in the share capital of any member of the Group nor did it have any right, whether legally enforceable or not, to subscribe for or to nominate persons to subscribe for securities in any member of the Group nor did it have any interest, either direct or indirect, in any assets which had been, since the date to which the latest published audited financial statements of the Company were made up, acquired or disposed of by or leased to any member of the Group or were proposed to be acquired or disposed of by or leased to any member of the Group.

(VII) MISCELLANEOUS

- The secretary of the Company is Mr. Chen Yingjie. Mr. Chen Yingjie, aged 39, is a senior economist certified by the Ministry of Human Resources and Social Security of the PRC, with qualification certificates of secretary for directorate issued by the Shenzhen Stock Exchange and the Shanghai Stock Exchange, respectively. He also holds a securities practitioner qualification certificate issued by the Securities Association of China and a fund practitioner qualification certificate issued by the Asset Management Association of China. He has been acting as the general manager of the department of investment and operation (Office of the Board) of the Company, assisting the chairman of the Board to manage the listing affairs of the Company.

- The registered address of the Company is at the Office Building of Meilan Airport, Haikou City, Hainan Province, the PRC.

- The Hong Kong Branch Share Registrar and Transfer Office of the Company is Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong.

- The English text of this circular and the form of proxy shall prevail over the Chinese text if there is any inconsistency.

(VIII) MATERIAL CONTRACTS

The following contracts (not being contracts entered into in the ordinary course of business) were entered into by members of the Group within two years immediately preceding the date of this circular and up to the Latest Practicable Date:

The agreements in relation to the new loan, pursuant to which the lenders agreed to grant a loan to the Company and Haikou Meilan International Airport Company Limited (海口美蘭國際機場有限責任公司) on a joint and several liability basis in the principal amount of RMB6.36327 billion, further details of which are disclosed in the announcement dated 31 December 2024 and the circular dated 28 January 2025 of the Company;

(IX) DOCUMENTS ON DISPLAY

Copies of the following documents will be posted on the website of the Stock Exchange (http://www.hkexnews.hk) and the website of the Company (http://www.mlairport.com) for at least 14 days from the date of this circular:

- the Hainan Airport Procurement Framework Agreement; and
- the written consent referred to in the paragraph headed "Expert and Consent" in this Appendix.

海南美蘭國際空港股份有限公司
Hainan Meilan International Airport Company Limited*

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 357)

NOTICE OF THE EGM

NOTICE IS HEREBY GIVEN that the extraordinary general meeting (the "**EGM**") of Hainan Meilan International Airport Company Limited (the "**Company**") will be held at 10:00 a.m. on Thursday, 6 August 2026 at the meeting room of the Company on 3rd Floor, Office Building of Meilan Airport, Haikou City, Hainan Province, the People's Republic of China (the "**PRC**") for the purpose of considering and, if thought fit, passing the following resolutions. Unless the context otherwise requires, expressions used in this notice shall have the same meaning set out in the circular of the Company dated 15 July 2026.

BY WAY OF ORDINARY RESOLUTIONS

1. To consider, approve and ratify the Hainan Airport Procurement Framework Agreement and the Non-exempt Continuing Connected Transactions and the Proposed Caps, and to authorise the Board, which further authorise the chairman of the Board, to execute, implement, ratify, amend and complete all other agreements and documents and do any act as necessary and appropriate in relation to the Non-exempt Continuing Connected Transactions; and

2. To consider and approve proposals (if any) put forward at such meeting by any Shareholder(s) holding one per cent (1%) or more of the Shares carrying the right to vote at such meeting.

By the order of the Board
Hainan Meilan International Airport Company Limited*
Wang Hong
Chairman

Hainan Province, the PRC
15 July 2026

As at the date of this notice, the Board comprises (i) three executive Directors, namely Mr. Wang Hong, Mr. Qiu Guoliang and Mr. Ren Kai; (ii) three non-executive Directors, namely Mr. Xiang Xiujin, Mr. Ya Zhihui and Mr. Zhou Peng; (iii) four independent non-executive Directors, namely Mr. Fung Ching, Simon, Mr. Ye Zheng, Ms. Liu Hongbin and Ms. Tang Bi; and (iv) one employee Director, namely Mr. Tian Qingquan.

* *For identification purposes only*

Notes:

(i) The Company's register of members will be closed from Thursday, 30 July 2026 to Thursday, 6 August 2026 (both days inclusive), during which no transfer of shares will be registered. The Shareholders who are registered on Thursday, 30 July 2026, being the record date for the EGM, and their proxies will be entitled to attend the EGM, provided they present valid identity documents. In order to qualify for attending and voting at the EGM, Shareholders must deliver their transfer documents, accompanied by the relevant share certificates and forms of transfer, to the Company's share registrar and transfer office, Computershare Hong Kong Investor Services Limited, located at Shops1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong (for H Shareholders) or the office of the secretary to the Board at the Office Building of Meilan Airport, Haikou City, Hainan Province, the PRC (for Domestic Shareholders), no later than 4:30 p.m. on Wednesday, 29 July 2026.

(ii) Shareholders whose names appear on the Company's register of members at the close of business on Thursday, 30 July 2026 are entitled to attend and vote at the EGM after complying with the necessary registration procedures.

(iii) Each holder of H Shares who has the right to attend and vote at the EGM (or any adjournment thereof) is entitled to appoint in writing one or more proxies, whether a Shareholder or not, to attend and vote on his behalf at the EGM. A proxy of a Shareholder who has appointed more than one proxy may only vote on a poll.

(iv) The instrument appointing a proxy must be in writing under the hand of the appointor or his attorney duly authorised in writing. If that instrument 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. The 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. The form of proxy, and if the form of proxy is signed by a person under a power of attorney or other authority on behalf of the appointor, a notarially certified copy of that power of attorney or other authority, must be delivered to the Company's H Share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, not less than 24 hours before the time for holding the EGM or any adjournment thereof in order for such documents to be valid.

(v) Each holder of Domestic Shares is entitled to appoint in writing one or more proxies, whether a Shareholder or not, to attend and vote on his behalf at the EGM. Notes (iii) and (iv) also apply to holders of Domestic Shares, except that the form of proxy or other documents of authority must be delivered to the office of the secretary to the Board, not less than 24 hours before the time for holding the EGM or any adjournment thereof in order for such documents to be valid.

Details of the office of the secretary to the Board are as follows:

Office Building of Meilan Airport
Haikou City
Hainan Province
the PRC
Tel: (86-898) 6996 6239
Fax: (86-898) 6996 6999

(vi) If a proxy attends the EGM on behalf of a Shareholder, he should produce his ID card and the instrument signed by the proxy or his authorised representative, which specifies the date of its issuance. If the legal representative of the holder of legal person Share(s) attends the EGM, such legal representative should produce his ID card and valid documents evidencing his capacity as such legal representative. If a holder of legal person Share(s) appoints a representative of a company other than its legal representative to attend the EGM, such representative should produce his ID card and an authorisation instrument affixed with the seal of the holder of the legal person Share(s) and duly signed by its legal representative.

(vii) The EGM is expected to last not more than one day. Shareholders or proxies attending the EGM are responsible for their own transportation and accommodation expenses.

(viii) Pursuant to Rule 13.39 (4) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, any vote of shareholders at a general meeting must be taken by way of poll. Accordingly, the chairman of the EGM will demand a poll in relation to all the proposed resolutions at the EGM.