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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)

INSIDE INFORMATION IN RELATION TO ARBITRATION

This announcement is made pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong).

Reference is made to the announcement of Hainan Meilan International Airport Company Limited (the “**Company**”) dated 30 September 2019 and the circular of the Company dated 7 January 2020 (the “**Circular**”). Unless the context requires otherwise, terms used herein shall have the same meanings as those defined in the Circular. As disclosed in the aforesaid announcement and the Circular, Aero Infrastructure Holding Company Limited and the Company entered into a subscription agreement in relation to the subscription of 200,000,000 New H Shares (the “**Subscription Agreement**”) on 29 September 2019.

The Board announces that the Company has recently received a notice of arbitration (the “**Notice of Arbitration**”). Pursuant to the Notice of Arbitration, Aero Infrastructure Holding Company Limited, as the claimant (the “**Claimant**”), filed an arbitration (the “**Arbitration**”) with the Hong Kong International Arbitration Centre against the Company asserting allegations in connection with the Subscription Agreement.

The Claimant alleged that the Company breached the Subscription Agreement and claimed damages and related arbitration costs in the amount of HK\$5,832 million (being the difference between the Subscription Price and the market price of the H Shares on the date when the Subscription Shares would have been issued by the Company, i.e. 9 July 2020, also being the tenth Business Day after the Long Stop Date) or HK\$6,962 million (being the difference between the Subscription Price and the market price of the H Shares on the date of the Notice of Arbitration, i.e. 23 December 2020).

* *For identification purpose only*

The Company denies that it has breached the Subscription Agreement as alleged by the Claimant, and denies all of the allegations in the Notice of Arbitration. The Company will strongly defend itself in the Arbitration through the Company's arbitration counsel. The Company is considering taking necessary actions including commencement of arbitration or litigation proceedings to seek from the Claimant for compensation of any loss suffered by the Company. The Company is taking all other necessary legal actions to protect its legal rights and interests to the fullest extent.

As of the date of this announcement, the arbitral tribunal has not been formed and a timetable for the Arbitration has not been set. Subject to the final award made in the Arbitration, if the arbitral tribunal makes an arbitration award that is not in favor of the Company, the Arbitration may have an adverse impact on the financial position of the Company. The Company will make further announcements to update the Shareholders and the public as and when appropriate and required by the Listing Rules regarding those relevant information that may affect the interests of investors as the Arbitration proceeds.

Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

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

Haikou, the PRC
5 January 2021

As at the date of this announcement, the Board comprises of (i) five executive Directors, namely Mr. Wang Zhen, Mr. Wang Hong, Mr. Wang Hexin, Mr. Yu Yan and Mr. Xing Zhoujin; (ii) two non-executive Directors, namely Mr. Tu Haidong and Mr. Yuan Yubao; and (iii) four independent non-executive Directors, namely Mr. Deng Tianlin, Mr. Fung Ching, Simon, Mr. George F Meng and Mr. He Linji.

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