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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 **HNA Infrastructure Company Limited**, you should at once hand this circular together with the enclosed form of proxy to the purchaser or other transferees or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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海航基礎股份有限公司
HNA Infrastructure Company Limited*

(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 357)

**PROPOSED CHANGE OF COMPANY NAME,
PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION,
PROPOSED RE-ELECTION OF A NON-EXECUTIVE DIRECTOR,
PROPOSED LAUNCH OF ASSET-BACKED SECURITIZATION PLAN
AND
NOTICE OF EXTRAORDINARY GENERAL MEETING**

A letter from the Board is set out on pages 2 to 8 of this circular.

A notice convening the Extraordinary General Meeting to be held at 10:00 a.m. on Monday, 9 July 2018 at 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 9 to 10 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 purposes only

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DEFINITIONS

Unless the context requires otherwise, the following expressions shall have the following meanings in this circular:

“Articles”	the articles of association of the Company
“Board”	board of Directors of the Company
“Business License”	the new business license to be issued by the local Administration of Industry and Commerce as per the Proposed Change of Name
“Company”	HNA Infrastructure Company Limited (海航基礎股份有限公司*), a joint stock company incorporated in the PRC with limited liability
“Directors”	directors of the Company
“Extraordinary General Meeting” or “EGM”	the Extraordinary General Meeting of the Company to be held at 10:00 a.m. on Monday, 9 July 2018 at the meeting room of the Company on 3rd Floor, Office Building of Meilan Airport, Haikou City, Hainan Province, the PRC
“Hong Kong”	Hong Kong Special Administration Region of the PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Plan”	the specific asset-backed securitization plan in relation to the securitization of the underlying assets, details of which are set out on pages 5 to 7 of this circular
“PRC”	People’s Republic of China
“Proposed Change of Name”	the proposed change of the Chinese name of the Company from “海航基礎股份有限公司” to “瑞港國際機場集團股份有限公司” and the proposed change of the English name of the Company from “HNA Infrastructure Company Limited” to “Regal International Airport Group Company Limited”
“RMB”	Renminbi, the lawful currency of the PRC
“Shareholders”	shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

LETTER FROM THE BOARD



海航基礎股份有限公司
HNA Infrastructure Company Limited*

(A joint stock company incorporated in the People's Republic of China with limited liability)
(Stock Code: 357)

Executive Directors:

Liao Hongyu (Chairman, Authorized Representative)
Tu Haidong (President)
Zhou Feng
Xing Zhoujin (Authorized Representative)

Non-executive Directors:

Hu Wentai (Vice-chairman)
Chan Nap Kee, Joseph
Yan Xiang

Independent Non-executive Directors:

Deng Tianlin
Fung Ching, Simon
George F Meng
He Linji

Registered Office:

Office Building of Meilan Airport
Haikou City
Hainan Province
the PRC

Principal Place of Business

in Hong Kong:
5811-5814, 58/F
Two International Finance Centre
8 Finance Street
Central
Hong Kong

To the Shareholders

Dear Sir/Madam,

**PROPOSED CHANGE OF COMPANY NAME,
PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION,
PROPOSED RE-ELECTION OF A NON-EXECUTIVE DIRECTOR,
PROPOSED LAUNCH OF ASSET-BACKED SECURITIZATION PLAN
AND
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LETTER FROM THE BOARD

A. INTRODUCTION

Reference is made to the announcement of the Company dated 23 April 2018 in relation to the proposed change of Chinese name of the Company from “海航基礎股份有限公司” to “瑞港國際機場集團股份有限公司” and the proposed change of the English name of the Company from “HNA Infrastructure Company Limited” to “Regal International Airport Group Company Limited” and the announcement of the Company dated 24 May 2018 in relation to the proposed re-election of a non-executive Director and the proposed launch of asset-backed securitization plan.

The purpose of this circular is to provide the Shareholders details of, among other things, the Proposed Change of Name, proposed amendments to the Articles, the proposed re-election of a non-executive Director, the proposed launch of asset-backed securitization plan and the notice of EGM.

B. PROPOSED CHANGE OF COMPANY NAME

As disclosed in the announcement of the Company dated 23 April 2018, the Board proposes to change the Chinese name of the Company from “海航基礎股份有限公司” to “瑞港國際機場集團股份有限公司” and to change the English name of the Company from “HNA Infrastructure Company Limited” to “Regal International Airport Group Company Limited”. Subject to the approval of the Stock Exchange, the stock short name of the Company will also be changed accordingly.

Reasons for the Proposed Change of Name

The Proposed Change of Name is to be in line with the Company’s corporate strategy of expanding its business and promoting further development of the Company. With the Chinese government putting forward “One Belt One Road” Initiative and construction of International Tourism Island and Free Trade Port continuously proceeding, the Company’s businesses are allowed to further develop. The Board believes that this Proposed Change of Name will enable the Company to further expand domestic and foreign businesses and position itself as a global leading service provider of airport investment, operation and management.

The Board believes that the new Company name can provide the Company with a more appropriate identity and image that will benefit the Company’s future business development and is in the interests of the Company and the Shareholders as a whole.

Conditions of the Proposed Change of Name

The Proposed Change of Name is subject to the following conditions:

- (a) the passing of a special resolution by the Shareholders approving the Proposed Change of Name at the EGM; and
- (b) the issuance of the Business License.

LETTER FROM THE BOARD

Subject to satisfaction of the conditions set out above, the proposed name will take effect from the date of issuance of the Business License. The Company will carry out all necessary filing procedures in Hong Kong upon the Proposed Change of Name becoming effective.

Effects of the Proposed Change of Name

The Proposed Change of Name will not affect any of the rights of the Shareholders or the Company's daily business operation and its financial position. All existing share certificates in issue bearing the Company's existing name shall continue to be evidence of title and valid for trading, settlement, registration and delivery for the same number of Shares in the new name of the Company. There will not be any arrangements for exchange of the existing share certificates for new share certificates bearing the new name of the Company. Once the Proposed Change of Name becomes effective, any issue of share certificates of the Company will be under the new name of the Company and the shares of the Company will be traded under a new stock short name.

C. PROPOSED AMENDMENTS TO ARTICLES OF ASSOCIATION

The Board proposes to amend the Articles correspondingly to reflect the Proposed Change of Name as mentioned in section B above. A full version of the Articles is available on the websites of the Stock Exchange at <http://www.hkexnews.hk> and of the Company at <http://www.mlairport.com>.

D. PROPOSED RE-ELECTION OF A NON-EXECUTIVE DIRECTOR

Subject to the approval by the Shareholders at the EGM, the Board proposes to re-elect Mr. Hu Wentai (胡文泰先生) (“**Mr. Hu**”) as a non-executive Director.

In order to allow the Shareholders to make an informed decision in respect of the proposed re-election, the biographical details of Mr. Hu are set out below pursuant to Rule 13.51(2) of the Listing Rules.

Mr. Hu, aged 63, was re-appointed as a non-executive Director and the vice chairman of the Company in July 2015. He has also served a member of the strategic committee of the Company. Mr. Hu successively served as the general manager of Hainan Henghe Property Management Company Limited (海南恒禾物業管理有限公司) and the executive vice president of Haikou Meilan International Airport Company Limited (海口美蘭國際機場有限責任公司) from August 2000 to September 2002. Since Mr. Hu joined the Company in September 2002, he has successively held a number of senior positions in the Company, including the deputy general manager, chief operating officer, vice president and vice chairman of the Company. From February 2006 to February 2008, he concurrently served as the chairman of Haikou New City District Construction Development Co., Ltd. (海口新城區建設開發有限公司) and the deputy general manager of Beijing HNA Realty Group Company Limited (北京海航地產集團有限公司). Since February 2016 till now, he has concurrently served as the deputy commander of the phase II expansion project of Haikou Meilan International Airport. Mr. Hu has extensive experience in the area of airport management and project construction.

LETTER FROM THE BOARD

Save as disclosed above and as at the date of this circular, Mr. Hu (i) has not held any other directorships in listed public companies in the last three years; (ii) does not have any relationship with any other Directors, supervisors and senior management of the Company or substantial shareholders or controlling shareholders of the Company; and (iii) was not interested in any shares of the Company as defined in Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong). There is no other information which is required to be disclosed pursuant to Rules 13.51(2)(h) to (v) of the Listing Rules and there are no other matters that need to be brought to the attention of the Shareholders.

Mr. Hu will be appointed as a non-executive Director for a term of three years commencing from the grant of approval at the EGM and subject to re-election in accordance with the Articles or pursuant to the Listing Rules. The remuneration of Mr. Hu as a non-executive Director will be determined with reference to the remuneration policies as approved at the annual general meeting of the Company.

E. PROPOSED LAUNCH OF ASSET-BACKED SECURITIZATION PLAN

The Board proposes that asset-backed securities business up to RMB2 billion be launched by the Company (the “**Asset-backed Securities**”), subject to approval of the Shareholders by passing a special resolution at the EGM and approval of relevant regulatory authorities in the PRC. Particulars of the launch of the Asset-backed Securities are as follows:

(a) **Underlying Assets**

The underlying assets under the Plan will be the revenue receivable by the Company generated from granting franchise rights to qualified operators and leasing business places to qualified lessees for a period from the establishment of the Plan to six years after the establishment of the Plan.

(b) **Plan Manager**

The plan manager (the “**Plan Manager**”) will be an institution to be appointed by the Company to handle the securitization of the Asset-backed Securities. The Plan Manager will create and sell the Asset-backed Securities, use the proceeds of the sale to pay back the Company for the underlying assets mentioned above.

(c) **Securities to be created under the Plan**

Details of the information on the Assets-backed Securities are set out below (subject to adjustment according to market conditions and the requirements of relevant regulatory authorities):

Aggregate amount of the fund expect to be raised:	Not more than RMB2 billion, of which not more than RMB1.89 billion of priority asset-backed securities shall be issued to not more than 200 qualified institutional investors in the PRC and not more than RMB0.11 billion of subordinate asset-backed securities shall be subscribed by the Company.
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Issue price:	To be determined according to the market conditions prevailing at the time of issue.
Interest rate:	Fixed rate for priority asset-backed securities and no nominal interest rate for subordinate asset-backed securities; the interest will be paid every half a year until their maturity.
Use of proceeds:	All the proceeds will be used for the repayment of (i) the outstanding principal of the asset-backed securities amounting to RMB750 million due in 2018; (ii) the outstanding principal of the corporate bonds amounting to RMB800 million due in 2019; and (iii) the outstanding principal of the corporate bonds amounting to RMB500 million due in 2019.
Listing:	Application for listing of and dealing of the Asset-backed Securities shall be filed with the Shanghai Stock Exchange in the PRC following the completion of the issue of such Asset-backed Securities.
Guarantee:	In the event that the funds of the Plan short to repay any expected interest of the priority asset-backed securities or any outstanding principal, the Company shall make up the balance.

In addition, it is also proposed by the Board that at the EGM, subject to approval of the launch of the Asset-backed Securities at the EGM, the chairman of the Board be authorised to exercise all powers to handle all matters relating to the Plan, including but not limited to:

- i. subject to the applicable laws and regulations, with reference to the specific conditions of the market and the Company, to determine and adjust the specific plan of the issue of the Asset-backed Securities, including but not limited to the issue scale, issue costs, duration of issue, use of proceeds, repayment method and matters in relation to guarantee;
- ii. to make appropriate adjustments on the matters relating to the Plan, or to decide whether to proceed the Plan based on the actual situations in accordance with any changes on the opinions of the regulatory authorities, policies or market conditions, except for the matters which are subject to the Shareholders' approval in accordance with the relevant laws, regulations and the Articles;
- iii. to determine the engagement of professional parties and to execute agreements in relation to the engagement; and
- iv. to handle other matters in relation to the Plan.

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The above authorisation, if granted, will be valid from the date of the approval by the Shareholders at the EGM until the completion of the matters under such authorisation.

The proposed launch of Asset-backed Securities by the Company may or may not occur and will not be placed to the Shareholders. The Shareholders and investors should therefore exercise caution in dealing in the shares of the Company.

F. EXTRAORDINARY GENERAL MEETING

Set out on pages 9 to 10 of this circular is a notice convening the Extraordinary General Meeting to be held at 10:00 a.m. on Monday, 9 July 2018 at the meeting room of the Company on 3rd Floor, Office Building of Meilan Airport, Haikou City, Hainan Province, the PRC. At the EGM, among other things, special resolutions will be proposed to consider, and if thought fit, to approve the Proposed Change of Name and corresponding amendments to the Articles.

Pursuant to Rule 13.39(4) of the Listing Rules, voting at the Extraordinary General Meeting 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 both cases in any event not later than 24 hours before the time appointed for holding the EGM. Completion and return of the form of proxy shall not preclude you from attending and voting at the EGM or any adjourned meeting should you so desire.

The reply slip for the EGM is also enclosed with this circular. You are reminded to complete and sign the reply slip and return the signed reply slip to the secretary office to the Board at Office Building of Meilan Airport, Haikou City, Hainan Province, the PRC no later than Tuesday, 19 June 2018 in accordance with the instructions printed thereon.

G. BOOK CLOSURE

The Company's register of members will be closed from Friday, 8 June 2018 to Monday, 9 July 2018 (both days inclusive), during which period no transfer of shares will be effected. In order to qualify for attending and voting at the EGM (or any adjournment thereof) on Monday, 9 July 2018, 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 Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong no later than 4:30 p.m. on Thursday, 7 June 2018.

LETTER FROM THE BOARD

H. RECOMMENDATIONS

The Directors believe that all the resolutions proposed for consideration and approval by the Shareholders at the Extraordinary General Meeting are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend that all the Shareholders vote in favour of all the resolutions to be proposed at the Extraordinary General Meeting as set out in the notice of Extraordinary General Meeting.

Yours faithfully,
By order of the Board
HNA Infrastructure Company Limited*
Liao Hongyu
Chairman

Hainan, the PRC
24 May 2018

NOTICE OF THE EXTRAORDINARY GENERAL MEETING



海航基礎股份有限公司

HNA Infrastructure Company Limited*

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

(Stock code: 357)

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the “**Extraordinary General Meeting**”) of HNA Infrastructure Company Limited (the “**Company**”) will be held at 10:00 a.m. on Monday, 9 July 2018 at the meeting room of the Company on 3rd Floor, Office Building of Meilan Airport, Haikou City, Hainan Province, the PRC for the purpose of considering and, if thought fit, passing the following resolutions:

BY WAY OF ORDINARY RESOLUTIONS

1. To consider and approve the re-election of Mr. Hu Wentai (胡文泰先生) as a non-executive director of the Company, whose emoluments will be determined with reference to the remuneration policies as approved at the annual general meeting; and
2. To consider and approve proposals (if any) put forward at such meeting by any shareholder(s) of the Company holding 5 per cent or more of the shares carrying the right to vote at such meeting.

BY WAY OF SPECIAL RESOLUTIONS

3. To consider and approve the proposed change of the Chinese name of the Company from “海航基礎股份有限公司” to “瑞港國際機場集團股份有限公司” and the proposed change of the English name of the Company from “HNA Infrastructure Company Limited” to “Regal International Airport Group Company Limited” (“**Proposed Change of Name**”);
4. To consider and approve amendments to articles of association of the Company in relation to the Proposed Change of Name;

* For identification purposes only

NOTICE OF THE EXTRAORDINARY GENERAL MEETING

5. “THAT:

- (a) the Company be and is hereby authorised, to launch asset-backed securities up to RMB2 billion (the “**Asset-backed Securities**”) using the revenue receivable by the Company generated from granting franchise rights to qualified operators and leasing business places to qualified lessees for a period from the establishment of the asset-backed securitization plan (the “**Plan**”) to six years after the establishment of the Plan.
 - (b) the chairman of the board of directors of the Company be and is hereby authorised, to exercise all powers to handle all matters relating to the Plan, including but not limited to:
 - i. subject to the applicable laws and regulations, with reference to the specific conditions of the market and the Company, to determine and adjust the specific plan of the issue of the Asset-backed Securities, including but not limited to the issue scale, issue costs, duration of issue, use of proceeds, repayment method and matters in relation to guarantee;
 - ii. to make appropriate adjustments on the matters relating to the Plan, or to decide whether to proceed the Plan based on the actual situations in accordance with any changes on the opinions of the regulatory authorities, policies or market conditions, except for the matters which are subject to the Shareholders’ approval in accordance with the relevant laws, regulations and the articles of association of the Company;
 - iii. to determine the engagement of professional parties and to execute agreements in relation to the engagement; and
 - iv. to handle other matters in relation to the Plan.”
6. To consider and approve proposals (if any) put forward at such meeting by any shareholder(s) holding 5 per cent or more of the shares carrying the right to vote at such meeting.

By order of the Board
HNA Infrastructure Company Limited*
Liao Hongyu
Chairman

Hainan, the PRC
24 May 2018

NOTICE OF THE EXTRAORDINARY GENERAL MEETING

As at the date of this notice, the Board comprises of (i) four executive directors, namely Mr. Liao Hongyu, Mr. Tu Haidong, Mr. Zhou Feng and Mr. Xing Zhoujin; (ii) three non-executive directors, namely Mr. Hu Wentai, Mr. Chan Nap Kee, Joseph and Mr. Yan Xiang; and (iii) four independent non-executive directors, namely Mr. Deng Tianlin, Mr. Fung Ching, Simon, Mr. George F Meng and Mr. He Linji.

Notes:

- (A) The Company's register of members will be closed from Friday, 8 June 2018 to Monday, 9 July 2018 during which no transfer of shares will be registered. In order to qualify for attending and voting at the Extraordinary General Meeting, 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 Rooms 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong no later than 4:30 p.m. on Thursday, 7 June 2018.
- (B) Holders of the overseas listed foreign shares (in the form of H shares) of the Company whose names appear on the Company's register of members maintained by Computershare Hong Kong Investor Services Limited at the close of business on Thursday, 7 June 2018 are entitled to attend and vote at the Extraordinary General Meeting after complying with the necessary registration procedures.
- (C) Holders of H shares and domestic shares of the Company, who intend to attend the Extraordinary General Meeting, must complete and return the reply slips for attending the Extraordinary General Meeting to the secretary office to the board of directors of the Company not later than 20 days before the date of the Extraordinary General Meeting, i.e. no later than Tuesday, 19 June 2018. Holders of H shares and domestic shares of the Company can deliver the reply slips by hand, by post or by facsimile.

Details of the secretary office to the board of directors of the Company are as follows:

Office Building of Meilan Airport
Haikou City
Hainan Province PRC
Tel: (86-898) 6996 6999
Fax: (86-898) 6996 8999

- (D) Each holder of H shares who has the right to attend and vote at the Extraordinary General Meeting (or any adjournment thereof) is entitled to appoint in writing one or more proxies, whether a shareholder of the Company or not, to attend and vote on his behalf at the Extraordinary General Meeting. A proxy of a shareholder who has appointed more than one proxy may only vote on a poll.
- (E) The instrument appointing a proxy must be in writing under the hand of the appointor or his attorney duly authorized in writing. If that instrument is signed by an attorney of the appointor, the power of attorney authorizing that attorney to sign, or other documents of authorization, 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 authorized attorney. To be valid, 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 shares share registrar, Computershare Hong Kong Investor Services Limited at Rooms 1712-1716, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not less than 24 hours before the time for holding the Extraordinary General Meeting or any adjournment thereof in order for such documents to be valid.

NOTICE OF THE EXTRAORDINARY GENERAL MEETING

- (F) Each holder of domestic shares of the Company is entitled to appoint in writing one or more proxies, whether a shareholder of the Company or not, to attend and vote on his behalf at the Extraordinary General Meeting. Notes (D) and (E) also apply to holders of domestic shares of the Company, except that the proxy form or other documents of authority must be delivered to secretary office to the board of directors of the Company, the address of which is set out in Note (C) above, not less than 24 hours before the time for holding the Extraordinary General Meeting or any adjournment thereof in order for such documents to be valid.
- (G) If a proxy attends the Extraordinary General Meeting on behalf of a shareholder, he should produce his ID card and the instrument signed by the proxy or his authorized representative, which specifies the date of its issuance. If the legal representative of the holder of legal person share(s) attends the Extraordinary General Meeting, 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 Extraordinary General Meeting, such representative should produce his ID card and an authorization instrument affixed with the seal of the holder of the legal person shares and duly signed by its legal representative.
- (H) The Extraordinary General Meeting is expected to last not more than one day. Shareholders or proxies attending the Extraordinary General Meeting are responsible for their own transportation and accommodation expenses.
- (I) 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 Extraordinary General Meeting will demand a poll in relation to all the proposed resolutions at the Extraordinary General Meeting.