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中国南方航空股份有限公司
CHINA SOUTHERN AIRLINES COMPANY LIMITED

(a joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 1055)

SECOND NOTICE OF THE EXTRAORDINARY GENERAL MEETING

Reference is made to the notice of China Southern Airlines Company Limited (the “**Company**”) dated 11 November 2021 in relation to the 2021 Second Extraordinary General Meeting (the “**EGM**”) to be held on Tuesday, 28 December 2021. Unless otherwise indicated, capitalised terms used in this notice have the same meanings as those defined in the circular of the Company dated 11 November 2021.

Pursuant to the relevant provisions of the Mandatory Provisions for Articles of Association of Companies to be Listed Overseas and the Articles of Association, since the number of the Shares with voting rights represented by the Shareholders who intend to attend the EGM does not reach half of the total number of the Shares with voting rights of the Company as at 8 December 2021, the Company hereby re-announces to the Shareholders that the EGM will be held at No. 3301 Conference Room, 33/F, China Southern Air Building, No. 68 Qixin Road, Baiyun District, Guangzhou, the PRC at 9 a.m. on Tuesday, 28 December 2021 for the following purposes.

AS ORDINARY RESOLUTIONS

To consider and, if thought fit, approve the following resolutions as ordinary resolutions:

1. The resolution regarding the satisfaction of the conditions of the non-public issue of A Shares by the Company.
2. The resolution regarding the Feasibility Report on the Use of Proceeds from the non-public issue of A Shares of the Company.
3. The resolution regarding the Report on Use of Proceeds from Previous Fund Raising Activities.
4. The resolution regarding the impacts of dilution of current returns of the non-public issue of Shares and the remedial returns measures and the undertakings from controlling shareholder, directors and senior management of the Company on the relevant measures.
5. The resolution regarding the Plan of Shareholders’ Return of China Southern Airlines Company Limited (2022-2024).

AS SPECIAL RESOLUTIONS

To consider and, if thought fit, to approve the following resolutions as special resolutions:

6.00 The resolution regarding the proposal of the non-public issue of A Shares of the Company:

6.01 Types of Shares to be issued and the par value

The Shares to be issued under this non-public issue are domestic-listed RMB ordinary shares (A Shares) with par value of RMB1.00 each.

6.02 Issue method and period

The A Shares will be issued by way of non-public issue to specific entity. The Company will choose the appropriate time to issue within the valid period as approved by CSRC.

6.03 Subscriber and subscription method

The subscriber of this non-public issue of A Shares is China Southern Air Holding Company Limited (hereinafter referred to as “CSAH”), the controlling shareholder of the Company. CSAH will make a one-time full subscription with cash payment.

6.04 Price determination date, issue price and pricing method

The price benchmark date of this non-public issue of A Shares shall be the date of the announcement regarding the resolutions of the third meeting of the ninth Board. The issue price of this non-public issue of A Shares represents the higher of the 90% of the average trading price of the A Shares in the 20 trading days immediately prior to the price benchmark date for the new A Shares, and the latest audited net asset value per Share attributable to equity shareholders of the Company (rounded up to the nearest two decimal places). Where there are any ex-right or ex-dividend events, including distribution of dividend, bonus issue, rights issue, and transfer to share capital from capital reserve, during the period from the balance sheet date of the Company’s latest audited financial report to the date of issuance of such new A Shares, the abovementioned audited net asset value per Share attributable to equity shareholders of the Company will be adjusted accordingly.

The average trading price of the A Shares in the 20 trading days preceding the price benchmark date for the new A Shares equals the total trading amount of A Shares traded in the 20 trading days preceding the price benchmark date for the new A Shares divided by the total volume of A Shares traded in the 20 trading days preceding the price benchmark date for the new A Shares. Where there are any ex-right or ex-dividend events, including distribution of dividend, bonus issue, rights issue, and transfer to share capital from capital reserve, during the period from the price benchmark date to the date of issuance of the new A Shares, the issue price of the Shares to be issued under this non-public issue of A Shares shall be adjusted in view of the ex-right or ex-dividend events.

Based on the abovementioned pricing principles, the price of the Shares to be issued under this non-public issue of A Shares is RMB5.60 per share.

6.05 Number of shares to be issued

The number of A Shares to be issued to the specific entity under this non-public issue is 803,571,428 new A Shares, which will not exceed 20% of the share capital of A Shares then in issue of the Company on the date of the 2020 annual general meeting. If the price of the A Shares to be issued is adjusted due to ex-right events including bonus issue, rights issue, and transfer to share capital from capital reserve during the period from the resolution announcement date of the meeting of board of directors regarding the non-public issue of A Shares to the date of issuance, the number of A Shares to be issued will be adjusted accordingly. The final number of A Shares to be issued under this non-public issue is subject to the approval of CSRC.

6.06 Lock-up period

The A Shares shall not be listed or traded on any stock exchange, or transferred within 36 months from the completion date of this non-public issue of A Shares. The same lock-up requirement is applicable for the A Shares subsequently obtained due to distribution of share dividend, transfer to share capital from capital reserve and rights issue by the Company during the lock-up period.

6.07 Proceeds raised and the use of proceeds

The proceeds raised from this non-public issue of A Shares will be not more than RMB4,500 million (including RMB4,500 million). The proceeds raised from this non-public issue of A Shares (after deduction of expenses for the issuance) will be utilised to supplement the general working capital.

6.08 Place of listing

The A Shares issued under this non-public issue will be listed and traded on The Shanghai Stock Exchange after the expiry of the lock-up period.

6.09 The arrangement for the distribution of undistributed profits accumulated before the non-public issue of A Shares

The Company's undistributed profits accumulated prior to the non-public issue of A Shares shall be shared by all the Shareholders of the Company, pro-rata to their respective shareholding in the Company, upon completion of the non-public issue of A Shares.

6.10 Validity period of this resolution regarding this non-public issue of A Shares

This resolution shall be effective for a period of 12 months from the date of approval of the resolution with respect to this non-public issue of A Shares at the EGM.

7. The resolution regarding the preliminary proposal of the non-public issue of A Shares by the Company.
8. The resolution regarding the connected transactions involved in the non-public issue of A Shares by the Company.
9. The resolution regarding the connected transactions involved in the non-public issue of H Shares by the Company.
10. The resolution regarding the conditional subscription agreement in relation to the subscription of the A Shares under the non-public issue of A Shares of China Southern Airlines Company Limited entered into between the Company and the specific entity.
11. The resolution regarding the conditional subscription agreement in relation to the subscription of the H Shares under the non-public issue of H Shares of China Southern Airlines Company Limited entered into between the Company and the specific entity.
12. The resolution regarding the Board or the authorised person(s) thereof is hereby authorised to amend the relevant articles of the Articles of Association of China Southern Airlines Company Limited upon completion of the non-public issue of Shares.
13. The resolution regarding the Board or the authorised person(s) thereof is hereby authorised by the general meeting with full power to deal with all matters relating to the non-public issue of A Shares and the non-public issue of H Shares.
14. The resolution regarding the amendments to the Articles of Association of China Southern Airlines Company Limited.
15. The resolution regarding the amendments to the Procedural Rules of the Board of Directors of China Southern Airlines Company Limited.

AS ORDINARY RESOLUTION

To consider and, if thought fit, approve the following resolution ordinary resolution:

- 16.00 The resolution regarding the election of shareholder representative supervisor of the 9th session of the supervisory committee of the Company.

16.01 The resolution regarding the election of Mr. Ren Ji Dong as a shareholder representative supervisor of the 9th session of the supervisory committee of the Company.

In the case that the holders of H Shares or their proxies choose to attend the meeting in person, they must comply with the policies and requirements regarding the containment of COVID-19 pandemic and adopt proper personal preventive measures.

By order of the Board
China Southern Airlines Company Limited
Xie Bing
Company Secretary

Guangzhou, the People's Republic of China
13 December 2021

As at the date of this notice, the Directors include Ma Xu Lun and Han Wen Sheng as executive Directors; and Liu Chang Le, Gu Hui Zhong, Guo Wei and Yan Andrew Y as independent non-executive Directors.