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中國國際航空股份有限公司
AIR CHINA LIMITED

(a joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 00753)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that an annual general meeting (the “**AGM**”) of Air China Limited (the “**Company**”) for the year ended 31 December 2016 will be held at 10:30 a.m. on Thursday, 25 May 2017 at The Conference Room One, 29/F, Air China Building, 36 Xiaoyun Road, Chaoyang District, Beijing, PRC for the following purposes:

ORDINARY RESOLUTIONS

1. To consider and approve the work report of the board of directors (the “**Board**”) of the Company for the year 2016;
2. To consider and approve the work report of the supervisory committee of the Company for the year 2016;
3. To consider and approve the audited consolidated financial statements of the Company for the year 2016 prepared under the PRC Accounting Standards and the International Financial Reporting Standards;
4. To consider and approve the profit distribution proposal for the year 2016 as recommended by the Board (including approving the appropriation of 10% of the discretionary surplus reserve and the payment of cash dividends of RMB1,564 million, or RMB1.0771 (including tax) per ten shares based on the total number of 14,524,815,185 shares of the Company, for the year 2016);

SPECIAL RESOLUTIONS

To consider and approve the following resolutions as special resolutions (items 5 to 6):

5. **“THAT**

(a) the authorisation of the Board to authorize, allot and issue additional shares of the Company be and is hereby approved:

- (1) subject to paragraph (3) of this resolution, the exercise by the Board during the Relevant Period (as defined in paragraph (4) of this resolution) of all the powers of the Company to authorize, allot and issue additional A Shares and/or H Shares of the Company (hereinafter referred to as “**Shares**”) and to make or grant offers, agreements and options which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (2) this approval shall authorise the Board during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such powers after the end of the Relevant Period;
- (3) the amount of additional A Shares and H Shares (as the case may be) authorized, allotted and issued or agreed conditionally or unconditionally to be authorized, allotted and issued either separately or concurrently by the Board pursuant to the approval in paragraph (1) of this resolution shall not exceed 20% of each of the Company’s existing A Shares and H Shares (as the case may be) in issue at the date of passing this resolution; and
- (4) for the purpose of this resolution:

“**Relevant Period**” means the period from the passing of this resolution until the earlier of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the 12 months period following the passing of this resolution; and
- (iii) the revocation or variation of the authority given to the Board under this resolution by a special resolution of the Company’s shareholders (the “**Shareholders**”) in general meetings; and

- (b) the Board be and is hereby authorised to increase the registered capital of the Company to reflect the issue of Shares authorised under this resolution, and to make such appropriate and necessary amendments to the articles of association of the Company as they think fit to reflect such increases in the registered capital of the Company and to take any other action and complete any formality required to effect such increase of the registered capital of the Company;”

6. **“THAT**

- (a) the Board be and is hereby authorised, generally and unconditionally, to issue, in one or multiple tranche(s), debt financing instruments within the permissible size under the applicable laws and regulations. Debt financing instruments include but are not limited to corporate bonds, ultra-short-term commercial papers, short-term commercial papers, mid-term notes, domestic non-public targeted debt financing instruments, overseas debt financing instruments and overseas bonds/notes denominated in RMB or foreign currencies;
- (b) the Board be and is hereby authorised, generally and unconditionally, to deal with the following in accordance with the specific needs of the Company and market conditions:
 - (1) to determine the issuer, issue size, type, specific instruments, detailed terms, conditions and other matters relating to the issuance (including, but not limited to, the issue size, principle amount, currency, issue price, interest rate or mechanism for determining the interest rate, issue place, issue timing, term, whether or not to issue in multiple tranches and number of tranches, whether or not to set repurchase or redemption terms, credit rating, guarantee, repayment term, specific fund-raising arrangements, detailed placing arrangements, underwriting arrangements and all other matters relating to the issuance) within the scope approved at a general meeting;
 - (2) to carry out all necessary and ancillary actions and procedures relating to the issuance (including, but not limited to, select and engage intermediary institutions, handle all approval, registration and filing procedures with the relevant regulatory authorities in connection with the issuance on behalf of the Company, execute all necessary documents, select bonds trustee manager for the issuance, formulate rules for the bondholders’ meeting and handle any other matters relating to the issuance and trading);
 - (3) to approve, confirm and ratify any action or procedure relating to the issuance as mentioned above already taken by the Company;

- (4) to make adjustments to the specific proposals for the issuance in accordance with the comments from the relevant regulatory authorities or the market conditions within the authority granted at a general meeting, in the case of any change in policies of regulatory bodies in relation to the issuance, or any change of market conditions, except where voting at a general meeting is required by any relevant laws and regulations and the Articles of Association;
- (5) to determine and handle all relevant matters relating to the listing of the Debt Financing Instruments upon the completion of the issuance;
- (6) in the case of issuance of corporate bonds, to determine not to distribute dividends to the Shareholders to safeguard repayment of debts as required under the relevant laws and regulations in the event that the Company expects to, or does fail to pay the principal and/or coupon interests of such bonds as they fall due;
- (7) to approve, execute and dispatch any announcements or circulars relating to the issuance and make any related disclosure in accordance with the listing rules of the relevant jurisdictions where the shares of the Company are listed;
- (8) to authorise the Board to delegate the authorisations set forth in items (1) to (6) above to the president and/or the general accountant of the Company; and
- (9) to authorise the Board to delegate the authorisation set forth in item (7) above to the secretary of the Board.”

By order of the Board
Air China Limited
Cai Jianjiang
Chairman

Beijing, PRC, 7 April 2017

As at the date of this notice, the directors of the Company are Mr. Cai Jianjiang, Mr. Song Zhiyong, Mr. Cao Jianxiong, Mr. Feng Gang, Mr. John Robert Slosar, Mr. Ian Sai Cheung Shiu, Mr. Pan Xiaojiang, Mr. Simon To Chi Keung*, Mr. Stanley Hui Hon-chung* and Mr. Li Dajin*.*

* *Independent non-executive director of the Company*

Notes:

1. Closure of Register of Members

(i) Eligibility for attending the AGM

Holders of H Shares of the Company are advised that the register of members of the Company will close from Tuesday, 25 April 2017 to Thursday, 25 May 2017 (both days inclusive), during which time no transfer of H Shares of the Company will be effected and registered. In order to qualify for attendance at the AGM, instruments of transfer accompanied by share certificates and other appropriate documents must be lodged with the Company's H Share registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17/F., Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong, by 4:30 p.m. on Monday, 24 April 2017.

Shareholders whose names appear on the register of members of the Company on Tuesday, 25 April 2017 are entitled to attend the AGM.

(ii) Eligibility for receiving 2016 final dividends

The Board of the Company has recommended the payment of a final dividend of RMB1.0771 (including tax) per ten shares for the year 2016. If the final dividend is payable by the passing of Resolution No. 4 by the Shareholders, it will be paid to Shareholders whose names appear on the register of members of the Company on Wednesday, 7 June 2017.

The register of members of the Company will be closed from Friday, 2 June 2017 to Wednesday, 7 June 2017 (both dates inclusive) during which period no transfer of H shares of the Company will be registered. In order to be entitled to receive the 2016 final dividends (if approved), all transfers of H shares of the Company accompanied by the relevant share certificates and appropriate transfer forms must be lodged with the Company's H shares registrar, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17/F., Hopewell Centre, 183 Queen's Road East, Wan Chai, Hong Kong not later than 4:30 p.m. on Thursday, 1 June 2017.

2. Notice of attendance

H Share Shareholders who intend to attend the AGM should complete and lodge the accompanying notice of attendance and return it to the Company's H Share registrar on or before Friday, 5 May 2017. The notice of attendance may be delivered by hand, by post or by fax 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. Completion and return of the notice of attendance do not affect the right of a Shareholder to attend the AGM. However, the failure to return the notice of attendance may result in an adjournment of the AGM, if the number of shares carrying the right to vote represented by the Shareholders proposing to attend the AGM by the notice of attendance does not reach more than half of the total number of shares of the Company carrying the right to vote at the AGM.

3. Proxy

Every Shareholder who has the right to attend and vote at the AGM is entitled to appoint one or more proxies, whether or not they are members of the Company, to attend and vote on his behalf at the AGM.

A proxy shall be appointed by an instrument in writing. Such instrument shall be signed by the appointer or his attorney duly authorised in writing. If the appointer is a legal person, then the instrument shall be signed under a legal person's seal or signed by its director or an attorney duly authorised in writing. The instrument appointing the proxy shall be deposited at the Company's H Share registrar for holders of H Shares not less than 24 hours before the time appointed for the holding of the AGM. If the instrument appointing the proxy is signed by a person authorised by the appointer, the power of attorney or other document of authority under which the instrument is signed shall be notarised. The notarised power of attorney or other document of authority shall be deposited together and at the same time with the instrument appointing the proxy at the Company's H Share registrar.

4. Other businesses

- (i) The AGM is expected to last for two hours. Shareholders and their proxies attending the meeting shall be responsible for their own traveling and accommodation expenses.
- (ii) The address of Computershare Hong Kong Investor Services Limited is:

17M Floor
Hopewell Centre
183 Queen's Road East
Wanchai
Hong Kong
Tel No.: (852) 2862 8628
Fax No.: (852) 2865 0990