

**Form 604**  
Corporations Act 2001  
Section 671B

**Notice of change of interests of substantial holder**

To Company Name/Scheme Virgin Australia Holdings Limited (VAH)

ACN/ARSN 100 686 226

**1. Details of substantial holder (1)**

Name Nanshan Capital Holdings Limited, Nanshan Group Co., Ltd, Nanshan Group Capital Investment Company and the companies listed in Annexure A.

ACN/ARSN (if applicable) \_\_\_\_\_

There was a change in the interests of the substantial holder on 4/08/2016

The previous notice was given to the company on 30/06/2016

The previous notice was dated 30/06/2016

**2. Previous and present voting power**

The total number of votes attached to all the voting shares in the company or voting interests in the scheme that the substantial holder or an associate (2) had a relevant interest (3) in when last required, and when now required, to give a substantial holding notice to the company or scheme, are as follows:

| Class of securities (4) | Previous notice |   | Present notice |   |
|-------------------------|-----------------|---|----------------|---|
|                         | Person's votes  | Voting power (5)                              | Person's votes | Voting power (5)                              |
| Ordinary shares         | 810,613,878     | 19.98% based on 4,057,126,510 shares on issue | 1,621,227,756  | 19.98% based on 8,115,147,874 shares on issue |

**3. Changes in relevant interests**

Particulars of each change in, or change in the nature of, a relevant interest of the substantial holder or an associate in voting securities of the company or scheme, since the substantial holder was last required to give a substantial holding notice to the company or scheme are as follows:

| Date of change | Person whose relevant interest changed   | Nature of change (6)   | Consideration given in relation to change (7) | Class and number of securities affected | Person's votes affected |
|----------------|--|--|---|---|-------------------------|
| 4/08/2016      | Nanshan Capital Holdings Limited         | Acquisition of ordinary shares in VAH under pro-rata entitlement offer announced by VAH on 15 June 2016.               | \$170,228,914.38                              | 810,613,878 ordinary shares             | 810,613,878             |
| 4/08/2016      | Nanshan Group Co., Ltd                   | Increase in relevant interest of ultimate parent company under section 608(3) of the Corporations Act 2001(Cth) (Act). | NII   | 810,613,878 ordinary shares             | 810,613,878             |
| 4/08/2016      | Nanshan Group Capital Investment Company | Increase in relevant interest of parent company under section 608(3) of the Corporations Act 2001(Cth) (Act).          | NII   | 810,613,878 ordinary shares             | 810,613,878             |

## 4. Present relevant interests

Particulars of each relevant interest of the substantial holder in voting securities after the change are as follows:

| Holder of relevant interest              | Registered holder of securities  | Person entitled to be registered as holder (8) | Nature of relevant interest (6)   | Class and number of securities | Person's votes |
|--|----------------------------------|--|---|--------------------------------|----------------|
| Nanshan Capital Holdings Limited         | Nanshan Capital Holdings Limited | Nanshan Capital Holdings Limited               | Under section 608(1) of the Act, Nanshan Capital Holdings Limited has a relevant interest as the holder of the shares.  | 1,621,227,756 ordinary shares  | 1,621,227,756  |
| Nanshan Group Co., Ltd                   | Nanshan Capital Holdings Limited | Nanshan Capital Holdings Limited               | Under section 608(3) of the Act, Nanshan Group Co., Ltd has a relevant interest held through a body corporate (Nanshan Group Capital Investment Company) in which its voting power is more than 20% and in which it controls. | 1,621,227,756 ordinary shares  | 1,621,227,756  |
| Nanshan Group Capital Investment Company | Nanshan Capital Holdings Limited | Nanshan Capital Holdings Limited               | Under section 608(3) of the Act, Nanshan Group Capital Investment Company has a relevant interest through its control of Nanshan Capital Holdings Limited.  | 1,621,227,756 ordinary shares  | 1,621,227,756  |

**5. Changes in association**

The persons who have become associates (2) of, ceased to be associates of, or have changed the nature of their association (9) with, the substantial holder in relation to voting interests in the company or scheme are as follows:

| Name and ACN/ARSN (if applicable) | Nature of association   |
|-----------------------------------|---|
| Refer to Annexure A               | Companies under the common control of Nanshan Group Co., Ltd. |

**6. Addresses**

The addresses of persons named in this form are as follows:

| Name                                     | Address  |
|--|--|
| Nanshan Group Co., Ltd                   | Nanshan Industry Region, Longkou City, Shandong 265706, China                |
| Nanshan Group Capital Investment Company | Room 4506, China World Tower III, No. 1 Jian Guo Men Wai Ave, Beijing, China |
| Nanshan Capital Holdings Limited         | F1a/Room B, 3/F Teda Building 87 Wing Lok Street, Sheung Wan, Hong Kong      |
| Each entity listed in Annexure A         | c/o Nanshan Industry Region, Longkou City, Shandong 265706, China            |

**Signature**

print name Sophie Chen capacity Partner, Minter Ellison

sign here



date 08/08/2016

**DIRECTIONS**

- (1) If there are a number of substantial holders with similar or related relevant interests (eg. a corporation and its related corporations, or the manager and trustee of an equity trust), the names could be included in an annexure to the form. If the relevant interests of a group of persons are essentially similar, they may be referred to throughout the form as a specifically named group if the membership of each group, with the names and addresses of members is clearly set out in paragraph 8 of the form.
- (2) See the definition of "associate" in section 9 of the Corporations Act 2001.
- (3) See the definition of "relevant interest" in sections 608 and 671B(7) of the Corporations Act 2001.
- (4) The voting shares of a company constitute one class unless divided into separate classes.
- (5) The person's votes divided by the total votes in the body corporate or scheme multiplied by 100.
- (6) Include details of:
  - (a) any relevant agreement or other circumstances because of which the change in relevant interest occurred. If subsection 671B(4) applies, a copy of any document setting out the terms of any relevant agreement, and a statement by the person giving full and accurate details of any contract, scheme or arrangement, must accompany this form, together with a written statement certifying this contract, scheme or arrangement; and
  - (b) any qualification of the power of a person to exercise, control the exercise of, or influence the exercise of, the voting powers or disposal of the securities to which the relevant interest relates (indicating clearly the particular securities to which the qualification applies).

See the definition of "relevant agreement" in section 9 of the Corporations Act 2001.
- (7) Details of the consideration must include any and all benefits, money and other, that any person from whom a relevant interest was acquired has, or may, become entitled to receive in relation to that acquisition. Details must be included even if the benefit is conditional on the happening or not of a contingency. Details must be included on any benefit paid on behalf of the substantial holder or its associate in relation to the acquisitions, even if they are not paid directly to the person from whom the relevant interest was acquired.
- (8) If the substantial holder is unable to determine the identity of the person (eg. if the relevant interest arises because of an option) write "unknown".
- (9) Give details, if appropriate, of the present association and any change in that association since the last substantial holding notice.

**Annexure A - Nanshan Group**

This is Annexure A of 5 pages referred to in Form 604 (Notice of change of interests of substantial holder), signed by me and dated 8 August 2016.



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Name: Sophie Chen

Partner, Minter Ellison

**Nanshan Group**

|     | Company  |
|-----|--|
| 1.  | Nanshan Group Australia Pty Limited                  |
| 2.  | Nanshan Group Singapore Pty Limited                  |
| 3.  | Nanshan Group Hong King Pty Limited                  |
| 4.  | Nanshan Group United States Pty Limited              |
| 5.  | Nanshan Group Canada Pty Limited                     |
| 6.  | Nanshan Group Italy Pty Limited                      |
| 7.  | Qingdao Airlines Co.,Ltd                             |
| 8.  | Qingdao New Nanshan Aviation Training Co.,Ltd        |
| 9.  | Qingdao Airlines Culture and Media Co.,Ltd           |
| 10. | Qingdao New Nanshan Aviation Business Centre Co.,Ltd |
| 11. | Qingdao Jiahang Properties Co.,Ltd                   |
| 12. | Qingdao Shenghang Properties Co.,Ltd                 |

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| 13. | Longkou Nanshan Textile Mill Co.,Ltd   |
| 14. | Longkou Nanshan Worsted Fabric Factory   |
| 15. | Nanshan Tourism Group Co., Ltd   |
| 16. | Longkou Construction and Installation Co.,Ltd  |
| 17. | Longkou Nanshan Plastic Steel Building Materials Co.,Ltd                             |
| 18. | Longkou Nanshan Industrial Park Sewage Disposal Co.,Ltd                              |
| 19. | Shandong Yili Electric Co.,Ltd   |
| 20. | Longkong Beihai Thermoelectric Co.,Ltd   |
| 21. | Yantai Nanshan Manor Wine Co.,Ltd  |
| 22. | Longkou Nanshan Financing Guarantee Co.,Ltd  |
| 23. | Longkou Nanshan Western Coast Artificial Island Construction and Development Co.,Ltd |
| 24. | Longkou Nanshan Oils and Lubricants Supply Co.,Ltd                                   |
| 25. | Longkou Nanshan Port Qimu Island Development Co.,Ltd                                 |
| 26. | Nanshan International Movie and Television Culture Co.,Ltd                           |
| 27. | Shandong Nanshan Technology Industry Park Management Co., Ltd                        |
| 28. | Longkou Lanting LNG Co., Ltd   |
| 29. | Shandong Nanshan Electricity Sale Co., Ltd   |
| 30. | Yantai Nanshan University  |

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| 31. | Nanshan Bilingual School                                      |
| 32. | Yantai Nanshan Vocational – Technical School                  |
| 33. | Longkou Nanshan Hospital                                      |
| 34. | Shandong Nanshan Healthcare Centre                            |
| 35. | Longkou Nanshan Retirement Home                               |
| 36. | Longkou Nanshan Kindergarten                                  |
| 37. | Nanshan Group Capital Investment Co., Ltd                     |
| 38. | Beijing Nanshan Jiye Aviation Technology Development Co., Ltd |
| 39. | Beijing Xin Nan Investment Development Co., Ltd               |
| 40. | Shanghai Lurun Assets Management Co., Ltd                     |
| 41. | Longkou Port Qimu Island Development Co., Ltd                 |
| 42. | Yantai Haiji Property Co., Ltd                                |
| 43. | Nanshan Group Finance Co., Ltd                                |
| 44. | Longkou Nanshan Hotel Co.,Ltd                                 |
| 45. | Longkou Nanshan Cultural Centre Co.,Ltd                       |
| 46. | Longkou Nanshan International Golf Club Co.,Ltd               |
| 47. | Shandong Nanshan International Travel Service Co.,Ltd         |
| 48. | Longkou Nanshan International Conference Centre Co.,Ltd       |

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| 49. | Yantai Nanshan Yacht Club Co.,Ltd                              |
| 50. | Longkou Nanshan China Golf Association Training Centre Co.,Ltd |
| 51. | Longkou Moon Bay Seascape Hotel Co.,Ltd                        |
| 52. | Yantai Nanshan Golf School                                     |
| 53. | Longkou East Ocean Shipping Agency Ltd                         |
| 54. | Shenzhen Former Hainanshan Finance Development Co., Ltd        |
| 55. | Furuida International Finance Leasing Co., Ltd                 |
| 56. | Longkou East Ocean Real Estate Development Co., Ltd            |
| 57. | Hainan Quanji Real Estate Development Co., Ltd                 |
| 58. | Hainan Jufeng Real Estate Development Co., Ltd                 |
| 59. | Hainan Wanning Haiji Real Estate Development Co., Ltd          |
| 60. | Hainan Changji Real Estate Development Co., Ltd                |
| 61. | Hainan Wanning Chengtang Real Estate Development Co., Ltd      |
| 62. | Hainan Wanning Hongji Property Co., Ltd                        |
| 63. | Qingdao Changji Property Co., Ltd                              |
| 64. | Qingdao Xin Nan International Holiday Hotel Co., Ltd           |
| 65. | Qingdao Xin Nan International Expo Center Co., Ltd             |
| 66. | Beijing East Ocean Changji Investment Fund Management Co., Ltd |

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| 67. | Shenzhen Dacheng Fund Management Co.,Ltd                                      |
| 68. | Shenzhen Nanshan Xincheng Equity Investment Partnership (Limited Partnership) |
| 69. | Shenzhen Dacheng Value Investing Partnership (Limited Partnership)            |
| 70. | Qingdao Xin Nan International Non-governmental Capital Management Co.,Ltd     |
| 71. | Qingdao Xin Nan Ruixin Investment Management Centre (Limited Partnership)     |
| 72. | Qingdao Xin Nan Ruixi Investment Management Centre (Limited Partnership)      |