

Form 603
Corporations Act 2001
Section 671B

Notice of initial substantial holder

To Company Name/Scheme Virgin Australia Holdings Ltd

ACN/ARSN 100686226

1. Details of substantial holder (1)

Name HNA Tourism Group Co., Ltd (海航旅业集团有限公司) and each of the other entities set out at Annexure A.

ACN/ARSN (if applicable)

This notice is given by HNA Tourism Group Co., Ltd (海航旅业集团有限公司) on behalf of itself and each of the other entities named in the list of 1 pages annexed to this notice and marked A.

The holder became a substantial holder on 23/06/2016 – 14/08/2017

2. Details of 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 on the date the substantial holder became a substantial holder are as follows:

Class of securities (4)	Number of securities	Person's votes (5)	Voting power (6)
ORD	1,676,736,791	1,676,736,791	19.82%

3. Details of relevant interests

The nature of the relevant interest the substantial holder or an associate had in the following voting securities on the date the substantial holder became a substantial holder are as follows:

Holder of relevant interest	Nature of relevant interest (7)	Class and number of securities
HNA Tourism (International) Investment Group Co., Ltd.	HNA Tourism (International) Investment Group Co., Ltd. acquired 60% of the issued capital of HNA Innovation Ventures (Hong Kong) Co., Limited on 14 August 2017 due to internal restructuring (as described further at Annexure B) and is therefore taken under section 608(3)(b) of the Corporations Act 2001 (Cth) to have a relevant interest by reason of having control of HNA Innovation Ventures (Hong Kong) Co., Limited.	ORD 1,676,736,791
HNA Tourism (Hong Kong) Co., Ltd.	HNA Tourism (Hong Kong) Co., Ltd. owns all the issued capital in HNA Tourism (International) Investment Group Co., Ltd. and therefore is taken under section 608(3)(b) of the Corporations Act 2001 (Cth) obtained a relevant interest on 14 August 2017 by reason of having control of HNA Tourism (International) Investment Group Co., Ltd.	ORD 1,676,736,791
HNA Tourism Group Co., Ltd (海航旅业集团有限公司) ¹	HNA Tourism Group Co., Ltd owns all the issued capital in HNA Tourism (Hong Kong) Co., Ltd. and therefore is taken under section 608(3)(b) of the Corporations Act 2001 (Cth) obtained a relevant interest on 14 August 2017 by reason of having control of HNA Tourism (Hong Kong) Co., Ltd.	ORD 1,676,736,791
HNA Tourism Group Co., Ltd (海航旅业集团有限公司) ²	HNA Tourism Group Co Ltd acquired 86% of the issued capital of Hainan HNA Innovation Ventures Co., Ltd on 29 December 2016 due to internal restructuring (as described further at Annexure B) and therefore is taken under section 608(3)(b) of the Corporations Act 2001 (Cth) to have a relevant interest by reason of having control of Hainan HNA Innovation Ventures Co., Ltd.	ORD 1,676,736,791

¹ There are two entities in this notice with the English translation of their name as "HNA Tourism Group Co., Ltd", however, they are different entities and have different Chinese names (海航旅游集团有限公司 和 海航旅业集团有限公司).

² There are two entities in this notice with the English translation of their name as "HNA Tourism Group Co., Ltd", however, they are different entities and have different Chinese names (海航旅游集团有限公司 和 海航旅业集团有限公司).

Yangpu Hengsheng Venture Co., Ltd.	Yangpu Hengsheng Venture Co., Ltd. owned 25% of the issued capital of Hainan Jiaoguan Holding Co., Ltd on 23 June 2016 (the date on which HNA Innovation Ventures (Hong Kong) Co., Limited initially acquired a substantial holding in Virgin Australia Holdings Ltd) and therefore is taken under section 608(3)(a) of the Corporations Act 2001 (Cth) to have obtained a relevant interest on 23 June 2016 by reason of having voting power above 20% in Hainan Jiaoguan Holding Co., Ltd.	ORD 1,676,736,791
Headstreams Investment Co. Ltd.	Headstreams Investment Co. Ltd. owned 100% of the issued capital of Yangpu Hengsheng Venture Co., Ltd. on 23 June 2016 (the date on which HNA Innovation Ventures (Hong Kong) Co., Limited initially acquired a substantial holding in Virgin Australia Holdings Ltd) and therefore is taken under section 608(3)(b) of the Corporations Act 2001 (Cth) to have obtained a relevant interest on 23 June 2016 by reason of having control of Yangpu Hengsheng Venture Co., Ltd.	ORD 1,676,736,791
Hainan Cihang Charity Foundation Inc.	Hainan Cihang Charity Foundation Inc. acquired 100% of the issued capital of Headstreams Investment Co. Ltd and 100% of the issued capital of Pan-American Aviation Holding Company on 24 July 2017 due to internal restructuring (as described further at Annexure B) and therefore is taken under section 608(3)(b) of the Corporations Act 2001 (Cth) to have obtained a relevant interest by reason of having control of Headstreams Investment Co. Ltd and Pan-American Aviation Holding Company.	ORD 1,676,736,791
Sheng Tang Development (Yangpu) Co. Ltd.	Sheng Tang Development (Yangpu) Co. Ltd. owned 50% of the issued capital of Hainan Jiaoguan Holding Co., Ltd on 23 June 2016 (the date on which HNA Innovation Ventures (Hong Kong) Co., Limited initially acquired a substantial holding in Virgin Australia Holdings Ltd) and therefore is taken under section 608(3)(b) of the Corporations Act 2001 (Cth) to have obtained a relevant interest on 23 June 2016 by reason of having control of Hainan Jiaoguan Holding Co., Ltd.	ORD 1,676,736,791
Hainan Province Cihang Foundation	Hainan Province Cihang Foundation owned 65% of the issued capital in Sheng Tang Development (Yangpu) Co. Ltd on 23 June 2016 (the date on which HNA Innovation Ventures (Hong Kong) Co., Limited initially acquired a substantial holding in Virgin Australia Holdings Ltd) and therefore is taken under section 608(3)(b) of the Corporations Act 2001 (Cth) to have obtained a relevant interest on 23 June 2016 by reason of having control of Sheng Tang Development (Yangpu) Co. Ltd.	ORD 1,676,736,791
Tang Dynasty Development Co. Ltd.	Tang Dynasty Development Co. Ltd. owned 35% of the issued capital in Sheng Tang Development (Yangpu) Co. Ltd on 23 June 2016 (the date on which HNA Innovation Ventures (Hong Kong) Co., Limited initially acquired a substantial holding in Virgin Australia Holdings Ltd) and therefore is taken under section 608(3)(a) of the Corporations Act 2001 (Cth) to have obtained a relevant interest on 23 June 2016 by reason of having voting power above 20% in Sheng Tang Development (Yangpu) Co. Ltd.	ORD 1,676,736,791
Pan-American Aviation Holding Company	Pan-American Aviation Holding Company owned 98% of the issued capital of Tang Dynasty Development Co. Ltd on 23 June 2016 (the date on which HNA Innovation Ventures (Hong Kong) Co., Limited initially acquired a substantial holding in Virgin Australia Holdings Ltd) and therefore is taken under section 608(3)(b) of the Corporations Act 2001 (Cth) to have obtained a relevant interest on 23 June 2016 by reason of having control of Tang Dynasty Development Co. Ltd.	ORD 1,676,736,791

4. Details of present registered holders

The persons registered as holders of the securities referred to in paragraph 3 above are as follows:

Holder of relevant interest	Registered holder of securities	Person entitled to be registered as holder (8)	Class and number of securities
Each of the entities set out in Annexure A.	HNA Innovation Ventures (Hong Kong) Co., Limited	HNA Innovation Ventures (Hong Kong) Co., Limited	ORD 1,676,736,791

5. Consideration

The consideration paid for each relevant interest referred to in paragraph 3 above, and acquired in the four months prior to the day that the substantial holder became a substantial holder is as follows:

Holder of relevant interest	Date of acquisition	Consideration (9)	Class and number of securities
Each of the entities set out in Annexure A.	23/06/2016 – 14/08/2017	Nil	ORD 1,676,736,791

6. Associates

The reasons the persons named in paragraph 3 above are associates of the substantial holder are as follows:

Name and ACN/ARSN (if applicable)	Nature of association

7. Addresses

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


Name	Address
Each of the entities set out in Annexure A.	As set out in the list of 1 pages annexed to this notice and marked "A".

Signature

print name XIN Di

capacity Director

sign here



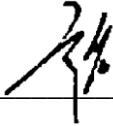
date 29 / 09 / 2017

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Annexure A

Holders of relevant Interests

This is Annexure A of 1 page referred to in the Form 603
signed by me and dated ___29 / 09 / 2017___.

Signed:  _____

Name (printed): _____XIN_Di_____

Annexure A

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

Name	Address
HNA Tourism (International) Investment Group Co., Ltd.	Unit 402, 4/F Fairmont House, No.8 Cotton Tree Drive, Admiralty HK
HNA Tourism (Hong Kong) Co., Ltd.	Unit 402, 4/F Fairmont House, No.8 Cotton Tree Drive, Admiralty HK
HNA Tourism Group Co., Ltd (海航旅游集团有限公司) ³	Floor 23, HNA Plaza, No.7 Guoxing Road, Meilan District, Haikou City, Hainan Province, P.R.C
HNA Tourism Group Co Ltd (海航旅业集团有限公司) ⁴	Floor 19, HNA Plaza, No.7 Guoxing Road, Meilan District, Haikou City, Hainan Province, P.R.C
Yangpu Hengsheng Venture Co., Ltd.	No. 101 Ruifeng District, Yangpu, China
Headstreams Investment Co. Ltd.	Room 2402, 24/F, 101 King's Road, Fortress Hill, Hong Kong
Hainan Cihang Charity Foundation Inc.	747 Third Ave, 22nd Fl, New York, United States of America, NY 10017
Sheng Tang Development (Yangpu) Co. Ltd.	No. 105, Building C, Xinyingwan Resettlement District, Yangpu, China
Hainan Province Cihang Foundation	Cihang Foundation Office, West Area, 4th Floor, New Hainan Airlines Building, No.7 Guoxing Avenue, Haikou, China
Tang Dynasty Development Co. Ltd.	Room 2402, 24/F, 101 King's Road, Fortress Hill, Hong Kong
Pan-American Aviation Holding Company	4th Floor, One Capital Place, P.O. Box 847GT, Grand Cayman, Cayman Islands, British West Indies

³ There are two entities in this notice with the English translation of their name as "HNA Tourism Group Co., Ltd", however, they are different entities and have different Chinese names (海航旅游集团有限公司 and 海航旅业集团有限公司).

⁴ There are two entities in this notice with the English translation of their name as "HNA Tourism Group Co., Ltd", however, they are different entities and have different Chinese names (海航旅游集团有限公司 and 海航旅业集团有限公司).

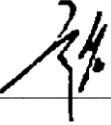
Annexure B

Details of restructures

This is Annexure B of 1 page referred to in the Form 605

signed by me and dated 29 / 09 / 2017.

Signed:



Name (printed):

_____ XIN_Di _____

Details of restructures

1. HNA Tourism (International) Investment Group Co., Ltd

HNA Tourism (International) Investment Group Co., Ltd. acquired 60% of the issued capital of HNA Innovation Ventures (Hong Kong) Co., Limited on 14 August 2017, due to internal restructuring. The shareholding arose by way of share allotment in HNA Innovation Ventures (Hong Kong) Co., Limited of which the newly allotted shares were issued to HNA Tourism (International) Investment Group Co., Ltd, resulting in a shareholding of 60%.

Given the synergies that exist between aviation and tourism, the two core businesses of HNA Group (HNA Tourism Group Co., Ltd (海航旅游集团有限公司) and HNA Aviation Group Co., Limited) were merged into one under the umbrella of HNA Tourism Group Co Ltd (海航旅业集团有限公司). HNA Tourism Group Co Ltd (海航旅业集团有限公司) is an international aviation and travel holding group with interests in a number of passenger and cargo airlines, and aviation-related businesses such as flight training, air cargo, aircraft maintenance, and ground handling. Additionally, HNA Tourism Group Co Ltd (海航旅业集团有限公司) operates and owns a network of hotels, finance and travel agencies.

Both HNA Tourism (International) Investment Group Co., Ltd. and HNA Innovation Ventures (Hong Kong) Co., Limited are both managed and controlled by HNA Tourism Group Co Ltd (海航旅业集团有限公司).

2. HNA Tourism Group Co Ltd (海航旅业集团有限公司)

HNA Tourism Group Co Ltd (海航旅业集团有限公司) acquired 86% of the issued capital of Hainan HNA Innovation Ventures Co., Ltd on 29 December 2016, due to internal restructuring. The shareholding arose by way of share allotment in Hainan HNA Innovation Ventures Co., Ltd, of which the newly allotted shares were issued to HNA Tourism Group Co Ltd (海航旅业集团有限公司), resulting in a shareholding of 86%.

Given the synergies that exist between aviation and tourism, the two core businesses of HNA Group (HNA Tourism Group Co., Ltd (海航旅游集团有限公司) and HNA Aviation Group Co., Limited) were merged into one under the umbrella of HNA Tourism Group Co Ltd (海航旅业集团有限公司). HNA Tourism Group Co Ltd (海航旅业集团有限公司) is an international aviation and travel holding group with interests in a number of passenger and cargo airlines, and aviation-related businesses such as flight training, air cargo, aircraft maintenance, and ground handling. Additionally, HNA Tourism Group Co Ltd (海航旅业集团有限公司) operates and owns a network of hotels, finance and travel agencies.

Hainan HNA Innovation Ventures Co., Ltd is managed and controlled by HNA Tourism Group Co Ltd (海航旅业集团有限公司).

3. Hainan Cihang Charity Foundation Inc.

Hainan Cihang Charity Foundation Inc. acquired 100% of the issued capital of Headstreams Investment Co. Ltd and 100% of the issued capital of Pan-American Aviation Holding Company by way of donation. This donation is in line with the philanthropic visions of HNA Group and the donors.

Hainan Cihang Charity Foundation Inc. is a charitable corporation incorporated in the State of New York under section 402 of the Not-For-Profit Corporation Law. The purpose of Hainan Cihang Charity Foundation Inc. is to promote and/or cultivate charitable activities (such as in the area of religious and cultural promotion, educational and/or scientific innovations).

