



Air China Limited

2026 Interim Results



01

Focused Execution

02

Operating Performance

03

Financial Analysis

04

Priority Tasks

According to IFRS



01

Focused Execution

Environment of Industry Development

- Persistent risks in the global aviation supply chain continue to significantly constrain effective capacity deployment.
- The Middle East conflicts have severely disrupted the industry, driving a sharp increase in fuel costs.
- Rising international trade tariff barriers are notably undermining stability in the air cargo and logistics market.



- Rollout of visa-free policies and visa facilitation policies continues, unlocking sustained demand for international routes.
- Multiple authorities are cracking down on “involution-style” competition, regulating improper business practices and continuously refining the civil aviation price governance mechanism.
- A rare window of opportunity is taking shape for hub construction and international route network upgrades.

Stable Safety Performance



Taking concrete actions to ensure
“Two Absolute Safeties ”

The Group recorded **1.47 million** safe flight hours, and successfully accomplished critical missions.

Positive Results in Enhancing Operating Performance

Optimize Passenger Transport Production Organization

- Tap into engine resource potential to improve aircraft availability
- Optimize the “Three-Ring” network operations to increase aircraft utilization
- Enhance Air China group market optimization and capacity coordination
- Expand the “Belt and Road” routes to 77 routes, serving 32 countries

Deepening Cost Management

- Embrace a cost-conscious mindset and build a company-wide cost management system
- Continue to strengthen fund coordination and enhance debt risk management
- Improve capital efficiency and reduce financial expenses



Refined Revenue Management

- Scientifically control to balance capacity and pricing and deepen Air China group coordination
- Build an aviation ecosystem through multi-dimensional cross-sector partnerships
- Optimize existing products and develop innovative products
- Persist in integrating passenger and cargo operations to diversify revenue streams

Strengthening the Foundation for Business Development

Completed a RMB20 billion private placement and gearing ratio decreased by 4.9 percentage points

Solid Progress in Serving the National Strategy

Proactively Aligning with National Development Framework

- Accelerated the planning of the development framework at Beijing Daxing International Airport.
- Successfully fulfilled major transportation support missions, including the Milan Winter Olympics, the “Two Sessions,” and the Middle East evacuation.

Accelerating Beijing Hub Development

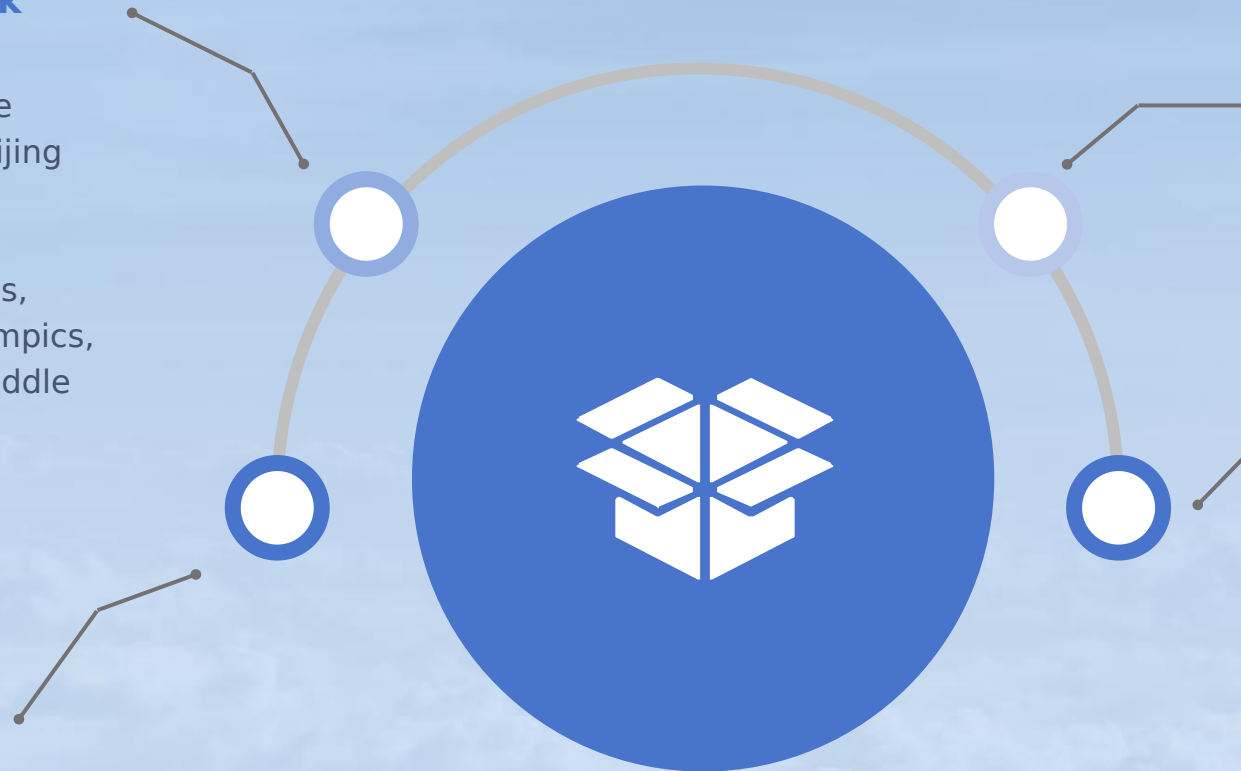
- Advanced 25 key tasks across 9 categories in all respects.
- Gained 5 percentage points in the Asia-Europe transfer market share.

Expanding Industry Influence

Interline partners increased to 150.

Actively Fulfilling Social Responsibilities

Consistently recognized at the highest level for 9 consecutive years.



Solid Progress in Reform and Development



The SOE reform deepening and upgrading initiative received a Grade A in the SASAC annual performance assessment

Refined Top-level Design

- Formulated the “15th Five-Year Plan” and established the “1+N+X” planning system
- Strategically planned key tasks for the new round of deepening reform

Notable Results in Key Reform Tasks

- Optimized the management and control model of the aircraft maintenance system
- Further advanced the construction of the Financial Shared Service Center (FSSC)

Breakthroughs in Deepening Collaborative Development

- Deepened the integration of the Air China group
- Continued to strengthen collaboration in key areas

Accelerated Digital and Intelligent Transformation

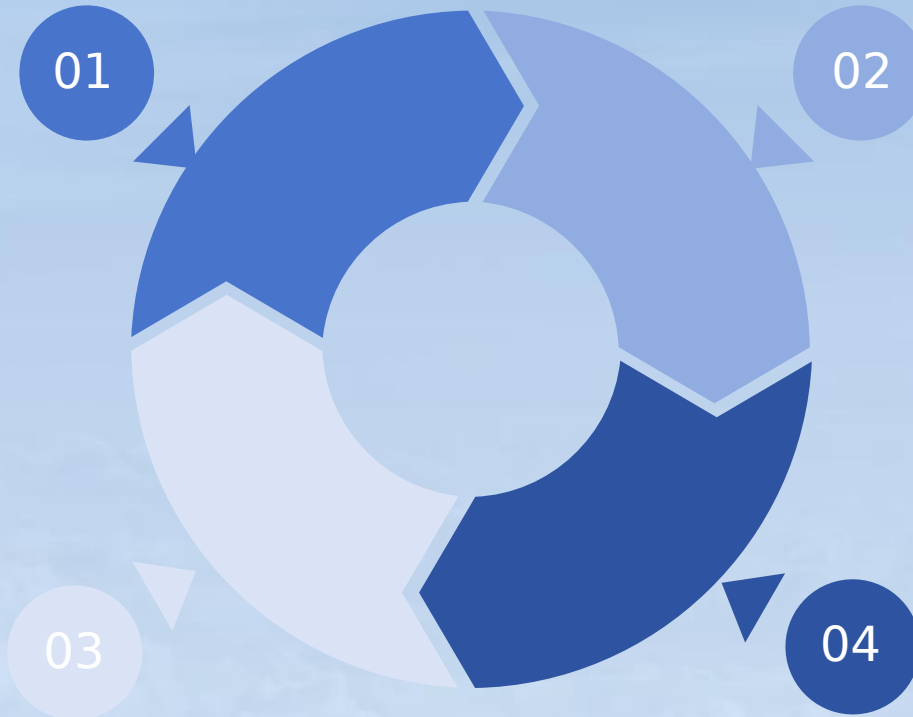
- Building systems
- Governing data
- Deploying AI

Steady Improvement of Service Quality and Efficiency

A More Robust Service Product Portfolio

Established a full-process management mechanism for marketing service products.

01



02

A More Effective Service Support for Operations

- Refined the dedicated account manager responsibility system
- Continuously enhanced service support capabilities during peak periods

03

A More Intensive Application of Smart Services

Launched convenient features on the APP.

04

A Stronger Brand Communication Momentum

Selected as a “2025 Outstanding Case of International Communication by Central SOEs” .



02

Operating Performance

Key Operating Indicators

ASK

180.68 billion

↑ **1.75%**

RPK

153.11 billion

↑ **6.82%**

Yield per RPK

0.5247 yuan

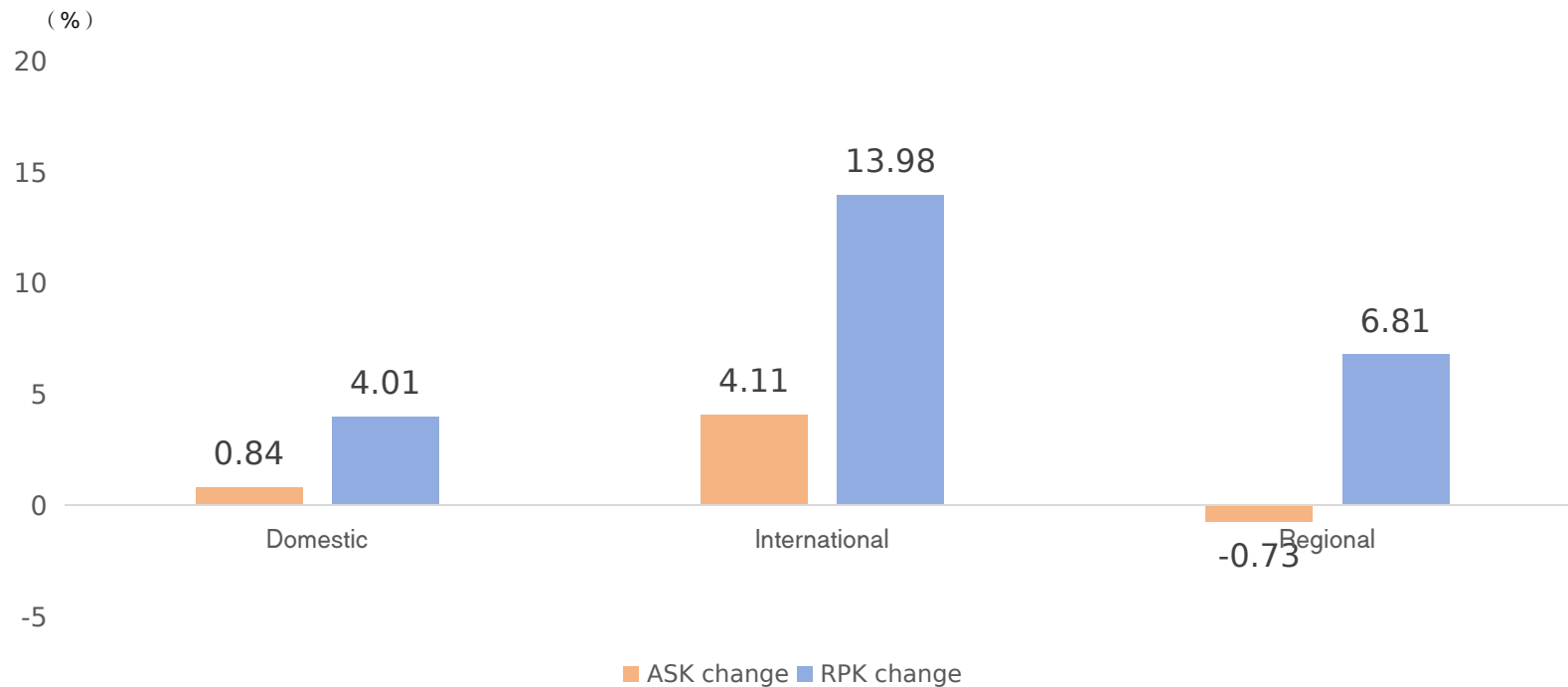
↑ **2.74%**

Daily Utilisation of Aircraft

8.59 hours

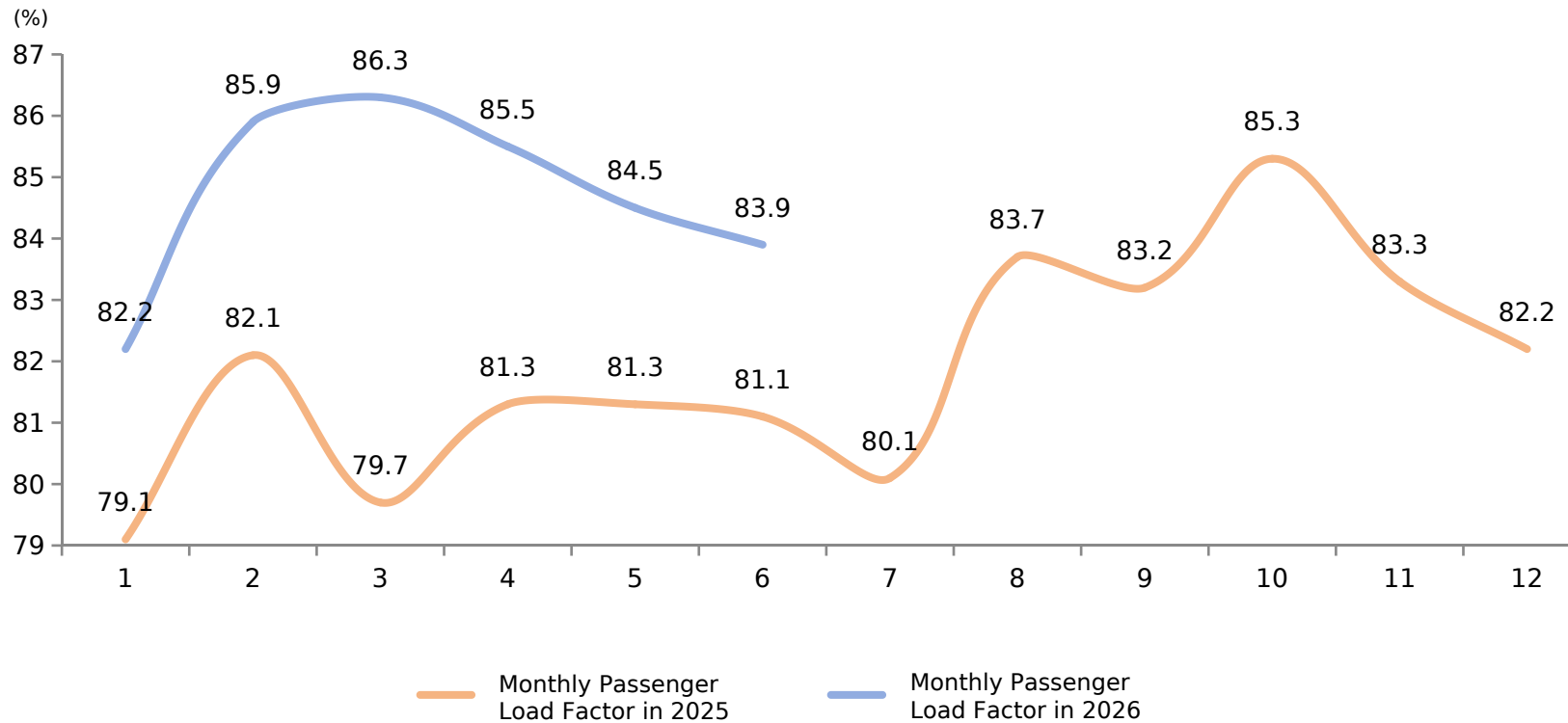
↓ **0.17** hrs

Passenger Input–Output Analysis



In the first half of 2026, the Group's ASK reached 180.68 billion, representing a year-on-year increase of 1.75%; RPK reached 153.11 billion, representing a year-on-year increase of 6.82%.

Passenger Load Factor Performance



In the first half of 2026, the Group recorded a passenger load factor of 84.74%, representing a year-on-year increase of 4.02 percentage points.

Fleet Composition

Fleet Size Expansion

- Group fleet: 972 aircraft
- Average age: 10.60 years

1



2



A diversified fleet mix

- Airbus: 452, Boeing: 471, COMAC: 46, Business jets: 3
- Wide-body aircraft : 130, Narrow-body aircraft: 839

3



Orderly Fleet Renewal

- 17 aircraft were introduced, all narrow-body.
- 9 aircraft were retired, including 1 wide-body aircraft and 8 narrow-body aircraft.

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Clear Future Planing

- 2026: net increase of 17 aircraft is projected
- 2027: net increase of 31 aircraft is projected
- 2028: net increase of 67 aircraft is projected

Operating Data of the Company and Its Major Subsidiaries

June 30, 2026	Air China (Parent)	Shenzhen Airlines	Shandong Airlines	Air Macau	Cathay Pacific
Fleet size (aircraft)	536	242 (consolidated)	142	23	235 (consolidated)
Average age (year)	10.16	10.71	11.86	9.64	12.3
ASK (100 million)	1,103.59	389.41	235.56	34.52	746.62
YoY Change (%)	2.60	0.78	-0.45	-0.12	11.8
RPK (100 million)	925.27	338.65	204.57	27.04	653.34
YoY Change (%)	8.90	3.50	3.68	3.31	15.3
Passengers (10 thousand)	4,127.20	2,088.31	1,334.15	168.86	1,600.6
YoY Change (%)	4.71	2.51	0.54	7.88	17.5
Average Passenger load factor (%)	83.84	86.96	86.84	78.34	87.5
YoY Change (pt)	4.85	2.29	3.46	2.60	2.7



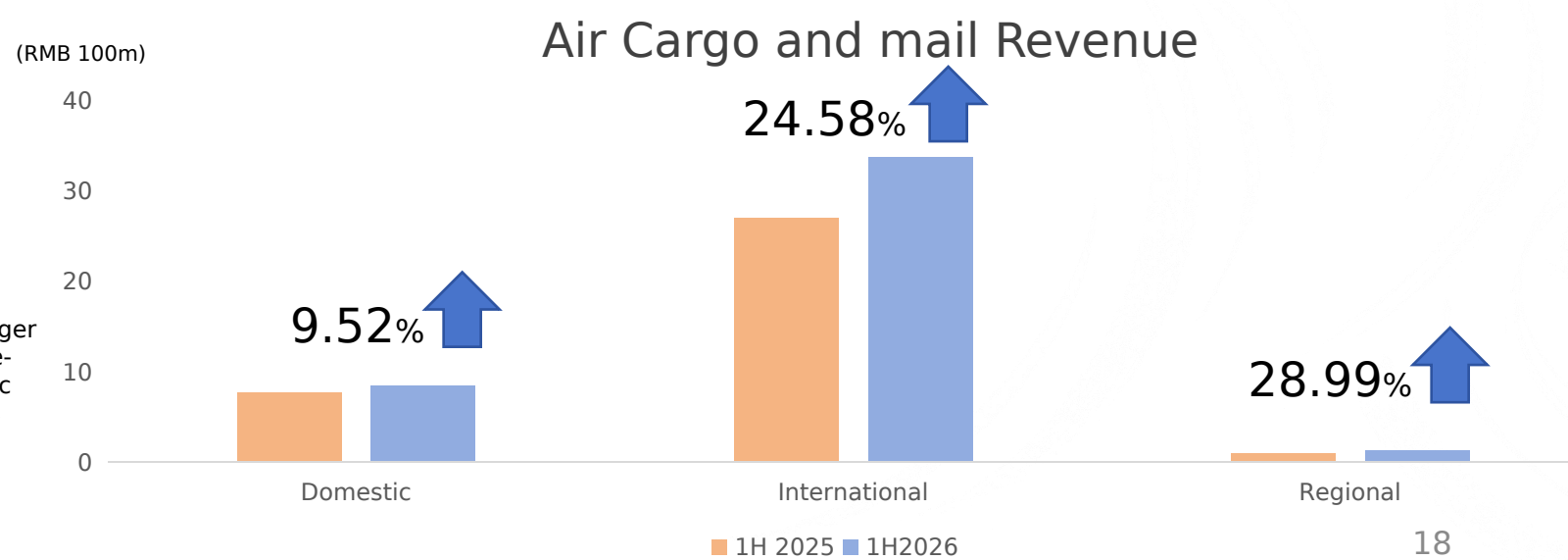
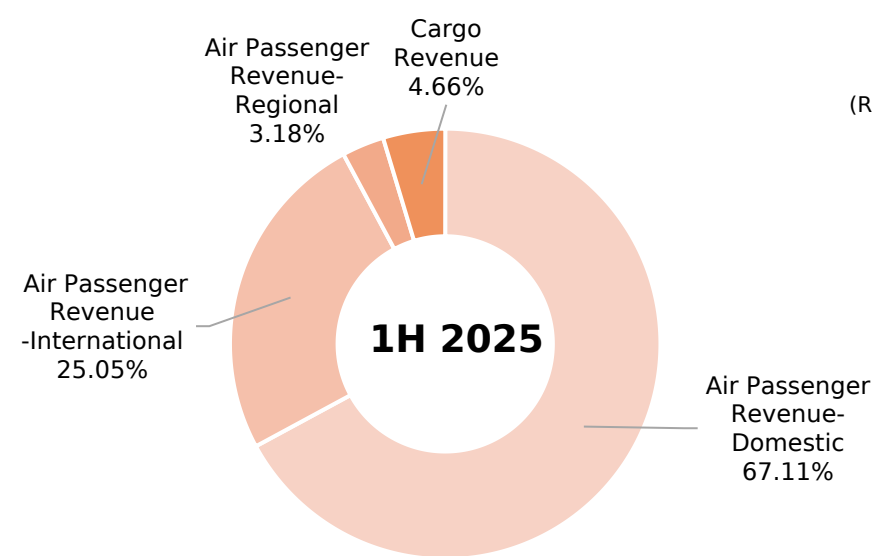
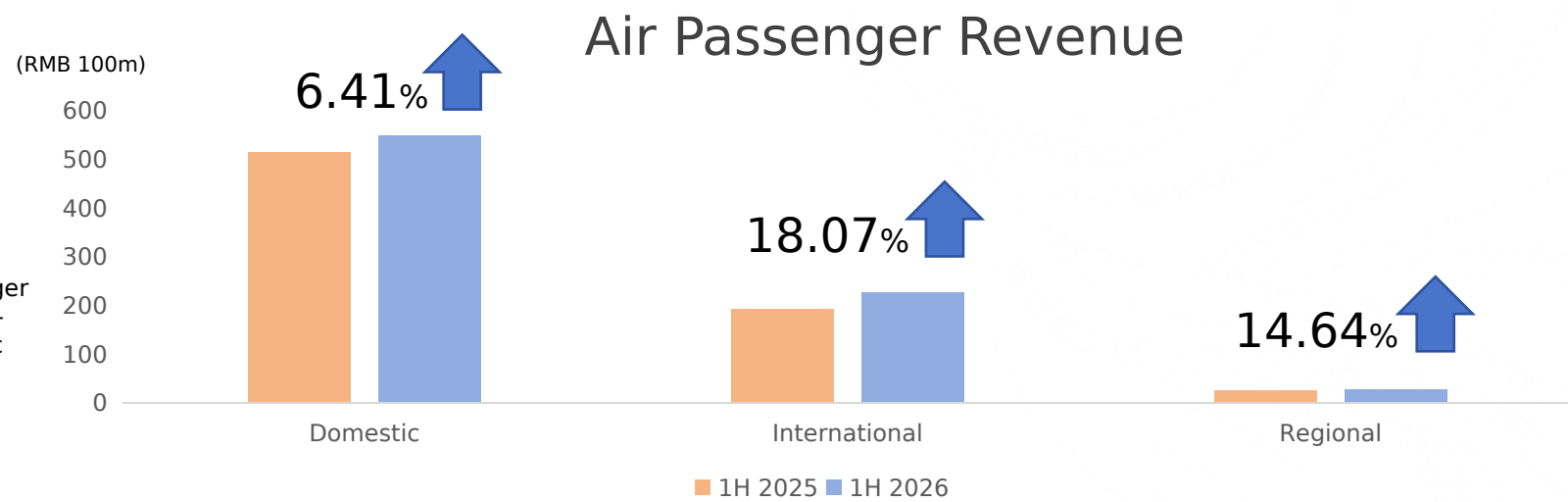
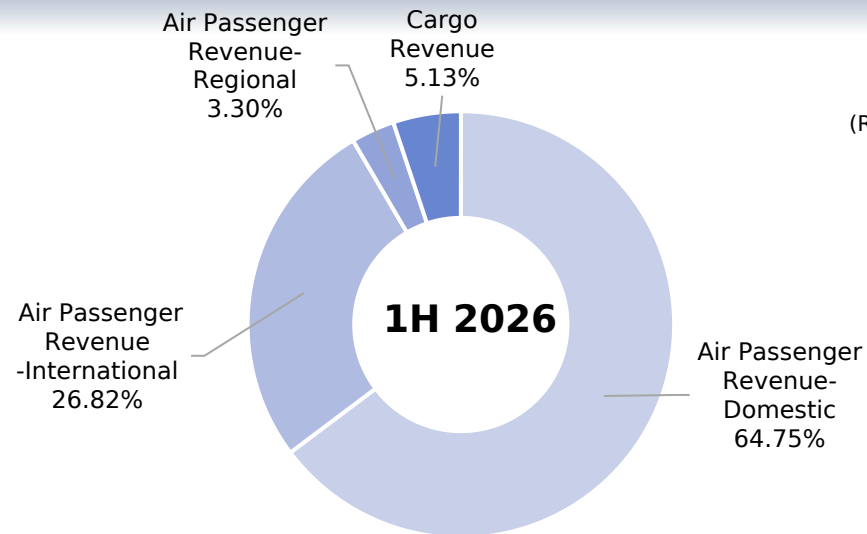
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Financial Analysis

Key Financial Indicators

(RMB 100 million)	1H 2026	1H 2025	YoY(%)
Revenue	892.68	807.57	10.54
Operating expenses	956.03	850.70	12.38
Profit from operations	-30.65	-16.96	-80.69
Finance costs	24.09	28.91	-16.66
Share of results of associates	12.91	12.20	5.83
Share of results of joint ventures	2.41	1.17	105.36
Net exchange gain	6.52	1.76	269.62
Profit before taxation	-31.31	-27.88	-12.32
Profit for the period	-34.28	-27.10	-26.47
Profit attributable to equity shareholders of the Company	-22.88	-18.05	-26.76
Profit per share (RMB yuan)	-0.13	-0.11	-18.18
EBITDA	127.41	131.41	-3.05

Revenue

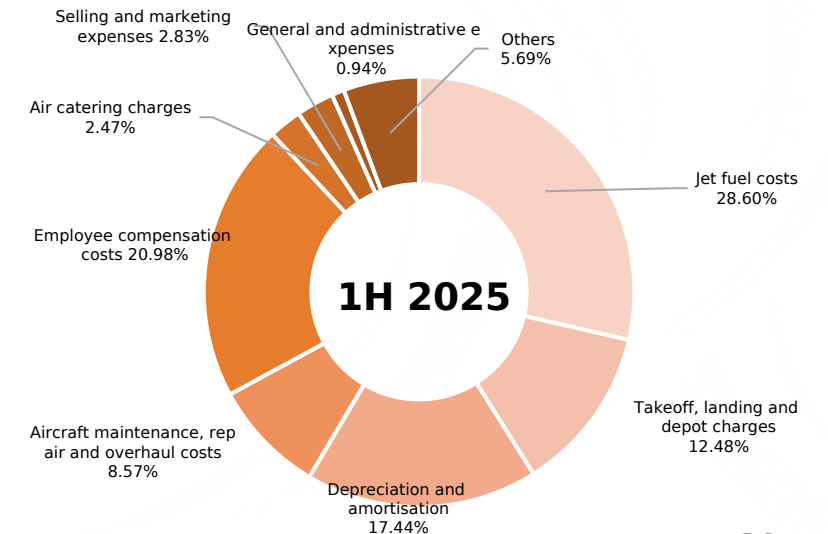
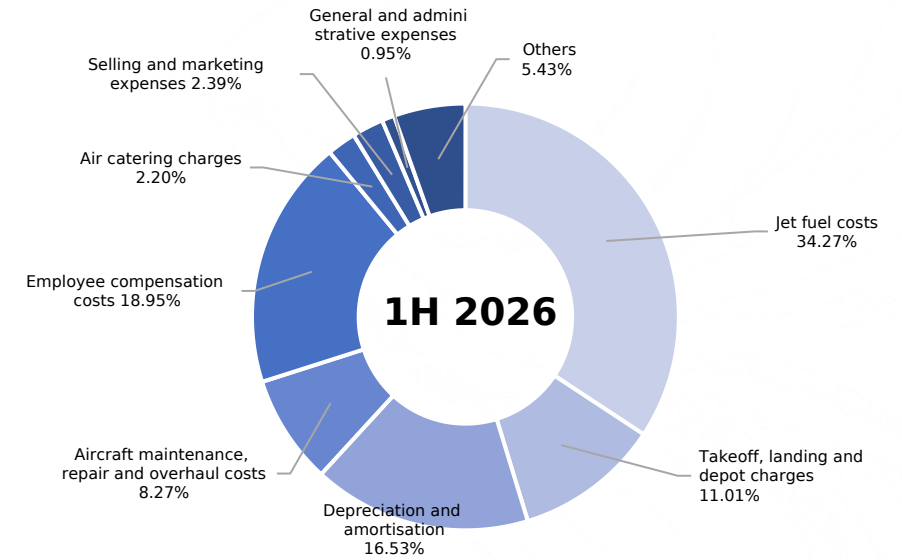


Yield

(RMB)	1H 2026	1H 2025	YoY (%)
Yield per RPK (RMB)	0.5247	0.5107	2.74
Including: Domestic	0.5253	0.5134	2.32
International	0.5064	0.4889	3.58
Regional	0.7173	0.6683	7.33
Yield per RFTK (RMB)	1.7387	1.4853	17.06
Including: Domestic	1.0671	0.9419	13.29
International	2.0134	1.7344	16.09
Regional	3.8146	3.3024	15.51

Operating Expenses

(RMB 100m)	1H 2026	1H 2025	YOY (%)
Jet fuel costs	327.66	243.27	34.69
Take-off, landing and depot charges	105.22	106.14	-0.86
Depreciation and amortisation	158.06	148.38	6.53
Aircraft maintenance, repair and overhaul costs	79.08	72.92	8.44
Employee compensation costs	181.11	178.49	1.47
Air catering charges	21.07	21.05	0.11
Selling and marketing expenses	22.87	24.10	-5.12
General and administrative expenses	9.11	7.98	14.19
Others	51.85	48.36	7.20
Total	956.03	850.70	12.38

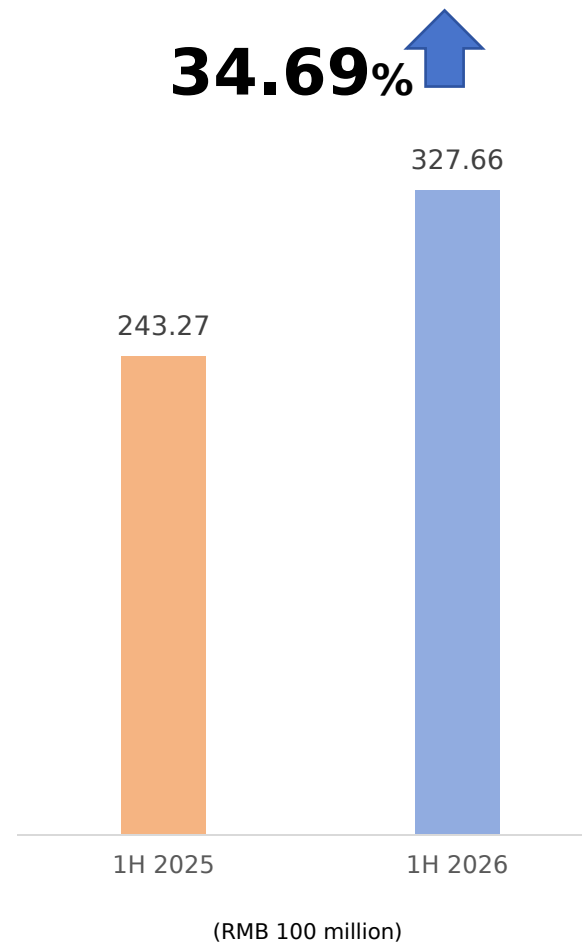


Jet Fuel Costs

Analysis of Changes in Jet Fuel Costs

Fuel price factor:
+RMB8.71 billion

Fuel consumption factor:
-RMB0.27 billion



Sensitivity Analysis of Fuel Price Changes

fuel price change by 5% → Jet fuel costs RMB1.64 billion

Assets and Liabilities Structure



Total Assets
RMB352.21 Billion

+2.68%



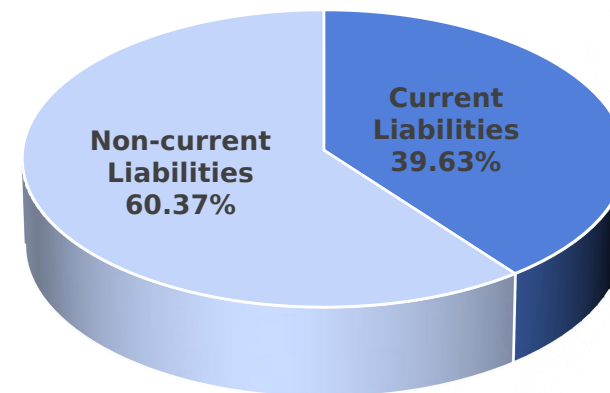
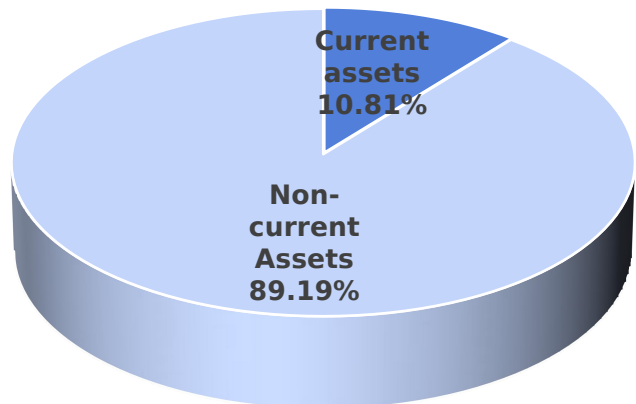
Total Liabilities
RMB295.44 Billion

-2.76%



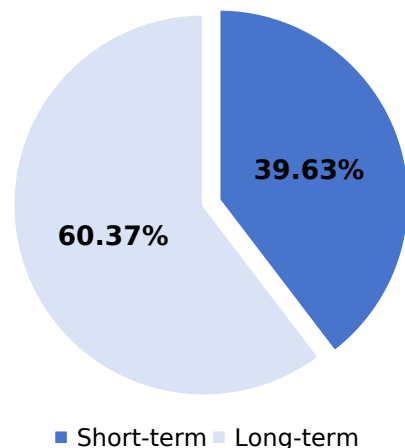
Gearing Ratio
83.88%

-4.69pt



Interest-Bearing Liabilities

Short & Long-term Liabilities Structure



Sensitivity Analysis of Exchange Rate Change

Change in the RMB/USD exchange rate by 1% → Net Profit RMB151 million

(RMB 100m)	June 30, 2026	Percentage	December 31, 2025	Percentage
RMB	1,928.41	89.53%	2,041.18	89.40%
USD	222.19	10.31%	238.35	10.44%
EUR	1.69	0.08%	1.82	0.08%
JPY	0.72	0.03%	1.18	0.05%
Others	0.99	0.05%	0.67	0.03%
Total	2,154.00	100.00%	2,283.20	100.00%



04

Priority Tasks

Priority Tasks



- Implement work safety responsibility
- Strengthen the construction of the safety management system
- Enhance identification and rectification of potential risks and hazards
- Improve the development of team work style

Work Safety



- Optimize the allocation and utilization of resources
- Refine marketing strategies
- Seize market opportunities
- Consolidate the responsibility for coordination and collaboration
- Advance cost control
- Solidify the foundation for development

Profitability
Enhancement



- Consolidate the foundation of service management
- Improve operational performance
- Elevate the quality of service supply
- advance the enhancement of brand value

Service Quality
Improvement



- Strengthen top-level design
- Promote integrated collaboration
- Foster innovation-driven growth
- Accelerate digital and intelligent capacity development

Digital & Intelligent
Transformation

Disclaimer:

This document contains certain forecasts and outlook statements about the future. Such statements are based on specific assumptions and are subject to uncertainties and other factors. Actual results may differ materially from these forecasts. Please be aware.

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