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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)

Profit Warning

This announcement is made by Air China Limited (the "**Company**") pursuant to Rule 13.09 and Rule 13.10B of The Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong).

I. ESTIMATED RESULTS FOR THE PERIOD

(I) Results Estimation Period

1 January 2022 to 30 June 2022.

(II) Estimated Results

1. According to the preliminary estimation by the finance department of the Company, the Company recorded a loss for the six months ended 30 June 2022. It is expected that the net loss attributable to equity holders of the Company would be approximately RMB18.5 billion to RMB21.0 billion, and the net loss attributable to equity holders of the Company after deducting non-recurring profit or loss would be approximately RMB18.6 billion to RMB21.3 billion.

2. The estimated results have not been audited by certified accountants.

II. RESULTS FOR THE CORRESPONDING PERIOD IN 2021

(I) Net loss attributable to equity holders of the Company: RMB6.786 billion.

Net loss attributable to equity holders of the Company after deducting non-recurring profit or loss: RMB6.920 billion.

(II) Earnings per share: RMB-0.49.

III. MAJOR REASONS FOR THE ESTIMATED LOSS FOR THE PERIOD

In the first half of 2022, the global civil aviation industry as a whole remained in a loss-making situation due to the continued effect of the COVID-19 pandemic. Especially, a sporadic outbreak of pandemic occurred in China this year, which led to a significant reduction in capacity input in domestic routes; while the capacity input of international routes continued to be limited. The rising oil price and exchange rate fluctuations had further intensified the difficulty of improving the Company's operations while the operating results of the core business related invested companies had also been affected.

In the face of the pandemic, the Company coordinated the prevention and control of the COVID-19 pandemic and its production and operation, insisted on focusing on its core responsibility and business, and firmly boosted its improvement in quality and efficiency. The Company strived to minimize the adverse impact of the pandemic through initiatives including optimising production organization, strengthening the conversion of passenger aircraft for cargo operations, refined marketing control, strict cost control and strengthening risk prevention and control.

IV. RISK ALERT

There are no uncertainties which will affect the accuracy of the estimated results of the Company.

V. OTHER INFORMATION

The above estimated results are only preliminary estimation, and the detailed and accurate financial figures will be disclosed in the 2022 interim report which will formally be published by the Company. Investors are reminded to pay attention to the investment risks.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

By Order of the Board
Air China Limited
Huang Bin Huen Ho Yin
Joint Company Secretaries

Beijing, the PRC, 15 July 2022

As at the date of this announcement, the directors of the Company are Mr. Song Zhiyong, Mr. Ma Chongxian, Mr. Feng Gang, Mr. Patrick Healy, Mr. Li Fushen, Mr. He Yun*, Mr. Xu Junxin* and Ms. Winne Tam Wan-chi*.*

*	*Independent non-executive director of the Company*