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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)

THIRD QUARTERLY REPORT OF 2024

This announcement is made pursuant to Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and Rule 13.09 and Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The board of directors (the “**Board**”) of Air China Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) held a meeting of the Board on 30 October 2024 and passed the resolution approving the third quarterly report of 2024 (the “**Quarterly Report**”) of the Company for the period ended 30 September 2024 prepared in accordance with the PRC Accounting Standards for Business Enterprises.

IMPORTANT NOTICE:

The Board and the supervisory committee of the Company together with the directors, supervisors and the senior management of the Company guarantee that the contents of the Quarterly Report are true, accurate and complete and do not contain any false representation, misleading statement or material omission, and shall jointly and severally accept legal liability.

The person in charge of the Company, person in charge of accounting function and person in charge of accounting department (accounting superintendent) hereby guarantee that the financial information set out in the Quarterly Report is true, accurate and complete.

Whether the financial statements of the third quarter are audited

Yes No

I. MAJOR FINANCIAL DATA

(1) Major accounting data and financial indicators

Unit: RMB'000

Items	The Reporting Period	Increase/decrease of the Reporting Period as compared to the corresponding period of the previous year		For the period from the beginning of the year to the end of the Reporting Period	Increase/decrease for the period from the beginning of the year to the end of the Reporting Period as compared to the corresponding period of the previous year	
			(%)			(%)
Revenue	48,629,587		6.03	128,149,919		21.50
Net profit attributable to shareholders of the listed company	4,144,237		-2.31	1,361,747		72.06
Net profit attributable to shareholders of the listed company after deducting non-recurring profits and losses	3,872,907		-4.73	432,698		N/A
Net cash flows from operating activities	N/A		N/A	30,741,937		-7.06
Basic earnings per share (RMB per share)	0.26		-7.14	0.09		68.22
Diluted earnings per share (RMB per share)	0.26		-7.14	0.09		68.22
Weighted average return on net assets (%)	10.76	Decreased by 0.7 percentage point		3.44	Increased by 1.39 percentage points	

	At the end of the Reporting Period	At the end of the previous year	Increase/ decrease at the end of the Reporting Period as compared to the end of the previous year (%)
Total assets	344,550,972	335,302,681	2.76
Owners' equity attributable to shareholders of the listed company	40,543,145	37,229,962	8.90

Note: the "Reporting Period" refers to the 3-month period from the beginning of this quarter to the end of this quarter, the same below.

(2) Items and amounts of non-recurring profits and losses

Applicable Not applicable

Unit: RMB'000

Items of non-recurring profits and losses	Amounts for the Period	Amounts for the period from the beginning of the year to the end of the Reporting Period
Gains or losses on disposal of non-current assets, including provision for asset impairment being written off	186,247	941,730
Government subsidies recorded in profit or loss for the current period (excluding those closely related to the Company's normal business operations, in compliance with national policies and regulations, were entitled in accordance with the established standards and posed a lasting impact on the Company's profit or loss)	18,563	240,780

Items of non-recurring profits and losses	Amounts for the Period	Amounts for the period from the beginning of the year to the end of the Reporting Period
Gain or loss from change in fair value arising from holding financial assets and financial liabilities by non-financial enterprises, and gain or loss arising from disposal of financial assets and financial liabilities, excluding the effective hedging businesses related to the normal business operations of the Company	467	87
Reversal of provision for impairment of receivable that has undergone impairment test alone	40,716	50,836
Other non-operating income and expenses besides the above items	66,667	265,229
Other profits and losses items falling within the definition of non-recurring profits and losses		
Less: Effect of income tax	3,812	125,221
Effect of non-controlling interests (after tax)	<u>37,518</u>	<u>444,392</u>
Total	<u><u>271,330</u></u>	<u><u>929,049</u></u>

Explanation on recognising items not listed in the “Explanatory Announcement No. 1 on Information Disclosure of Companies That Issue Securities to the Public – Non-recurring Profits and Losses” (《公開發行證券的公司信息披露解釋性公告第1號－非經常性損益》) as non-recurring profits and losses items with significant amounts and defining non-recurring profits and losses items listed in the “Explanatory Announcement No. 1 on Information Disclosure of Companies That Issue Securities to the Public – Non-recurring Profits and Losses” (《公開發行證券的公司信息披露解釋性公告第1號－非經常性損益》) as recurring profits and losses items of the Company.

Applicable Not applicable

(3) Particulars of, and reasons for, changes in major accounting data and financial indicators

Applicable Not applicable

Items	Percentage of Change (%)	Major Reasons
Net profit attributable to shareholders of the listed company	72.06	Revenue increased significantly on a year-on-year basis, while the Company strengthened cost control measures, profit increased significantly on a year-on-year basis
Net profit attributable to shareholders of the listed company after deducting non-recurring profits and losses	N/A	Revenue increased significantly on a year-on-year basis, while the Company strengthened cost control measures, profit increased significantly on a year-on-year basis
Basic earnings per share (RMB per share)	68.22	Mainly due to profit increased significantly on a year-on-year basis

II. INFORMATION OF SHAREHOLDERS

(1) Total number of holders of ordinary shares, the number of holders of preference shares with restored voting rights and the particulars of the top 10 shareholders

Unit: share

Total number of holders of ordinary shares as at the end of the Reporting Period	160,825	Total number of holders of preference shares with restored voting rights as at the end of the Reporting Period (if any)	/
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Particulars of the top 10 shareholders (excluding shares lent through securities lending and refinancing)

Name of shareholder	Nature of shareholder	Number of shares held	Shareholding percentage (%)	Number of shares held subject to selling restrictions	Shares pledged, marked or frozen Status	Number
China National Aviation Holding Corporation Limited (“CNAHC”)	State-owned legal person	6,566,761,847	39.57	0	Frozen	127,445,536
Cathay Pacific Airways Limited	Foreign legal person	2,633,725,455	15.87	0	Nil	0
China National Aviation Corporation (Group) Limited (“CNACG”)	Foreign legal person	1,949,262,228	11.75	392,927,308	Frozen	36,454,464
HKSCC NOMINEES LIMITED	Foreign legal person	1,689,397,335	10.18	0	Nil	0
China Securities Finance Corporation Limited	Other	311,302,365	1.88	0	Nil	0
China National Aviation Fuel Group Corporation	State-owned legal person	238,524,158	1.44	0	Nil	0
Hong Kong Securities Clearing Company Limited	Foreign legal person	234,543,256	1.41	0	Nil	0
Industrial and Commercial Bank of China Limited – Huatai-PineBridge CSI 300 Exchange-traded Open-end Index Securities Investment Fund (中國工商銀行股份有限公司－華泰柏瑞滬深300交易型開放式指數證券投資基金)	Other	88,419,202	0.53	0	Nil	0
Huatai Premium Commingled No. 5 Pension Product – Bank of China Limited (華泰優逸五號混合型養老金產品－中國銀行股份有限公司)	Other	78,900,000	0.48	0	Nil	0
China Structural Reform Fund Co., Ltd. (中國國有企業結構調整基金股份有限公司)	State-owned legal person	67,039,106	0.40	0	Nil	0

**Particulars of the top 10 shareholders not subject to selling restrictions
(excluding shares lent through securities lending and refinancing)**

Name of shareholder	Number of tradable shares held not subject to selling restrictions	Type and number of shares	
		Type of shares	Number
China National Aviation Holding Corporation Limited	6,566,761,847	RMB ordinary shares	6,566,761,847
Cathay Pacific Airways Limited	2,633,725,455	Overseas listed foreign shares	2,633,725,455
HKSCC NOMINEES LIMITED	1,689,397,335	Overseas listed foreign shares	1,689,397,335
China National Aviation Corporation (Group) Limited	1,556,334,920	RMB ordinary shares	1,332,482,920
		Overseas listed foreign shares	223,852,000
China Securities Finance Corporation Limited	311,302,365	RMB ordinary shares	311,302,365
China National Aviation Fuel Group Corporation	238,524,158	RMB ordinary shares	238,524,158
Hong Kong Securities Clearing Company Limited	234,543,256	RMB ordinary shares	234,543,256
Industrial and Commercial Bank of China Limited – Huatai-PineBridge CSI 300 Exchange-traded Open-end Index Securities Investment Fund (中國工商銀行股份有限公司－華泰柏瑞滬深300交易型開放式指數證券投資基金)	88,419,202	RMB ordinary shares	88,419,202
Huatai Premium Commingled No. 5 Pension Product – Bank of China Limited (華泰優逸五號混合型養老金產品－中國銀行股份有限公司)	78,900,000	RMB ordinary shares	78,900,000
China Structural Reform Fund Co., Ltd. (中國國有企業結構調整基金股份有限公司)	67,039,106	RMB ordinary shares	67,039,106
Explanation on connected relationship or action in concert among the above shareholders	CNACG is a wholly-owned subsidiary of CNAHC. Accordingly, CNAHC is directly and indirectly interested in 51.32% of the shares of the Company.		
Description of the margin financing and securities lending and refinancing by top 10 shareholders and top 10 shareholders not subject to selling restrictions (if any)	Industrial and Commercial Bank of China Limited – Huatai-PineBridge CSI 300 Exchange-traded Open-end Index Securities Investment Fund has launched refinancing business. Lending balance at the beginning of the Reporting Period was 322,600 shares and the lending balance as at the end of the Reporting Period was 0 share.		

1. HKSCC NOMINEES LIMITED is a subsidiary of The Stock Exchange of Hong Kong Limited and its principal business is acting as nominee for and on behalf of other corporate shareholders or individual shareholders. The 1,689,397,335 H shares held by it in the Company do not include the 166,852,000 shares held by it as nominee of CNACG.
2. According to the “Implementation Measures on Partial Transfer of State-owned Shares to the National Social Security Fund in the Domestic Securities Market” (Cai Qi [2009] No. 94) (《境內證券市場轉持部分國有股充實全國社會保障基金實施辦法》(財企[2009]94號)) and the Notice ([2009] No. 63) jointly issued by the Ministry of Finance, the State-owned Assets Supervision and Administration Commission of the State Council, China Securities Regulatory Commission and the National Council for Social Security Fund, 127,445,536 and 36,454,464 shares held by CNAHC, the controlling shareholder of the Company, and CNACG respectively are frozen at present.
3. On 17 July 2024, 614,525,150 A shares of the Company held by CNAHC from the non-public issuance were released from lock-up.

Shares lent through securities lending and refinancing by shareholders holding more than 5% of the shares, top 10 shareholders and top 10 shareholders not subject to selling restrictions

Applicable Not applicable

Unit: share

Shares lent through securities lending and refinancing by shareholders holding more than 5% of the shares,
top 10 shareholders and top 10 shareholders not subject to selling restrictions

Name of shareholder (Full name)	Shareholding of ordinary account and credit account as at the beginning of the Period		Share lent through securities lending and refinancing and not yet been returned at the beginning of the Period		Shareholding of ordinary account and credit account as at the end of the Period		Share lent through securities lending and refinancing and not yet been returned at the end of the Period	
	Total number of shares	Percentage (%)	Total number of shares	Percentage (%)	Total number of shares	Percentage (%)	Total number of shares	Percentage (%)
Industrial and Commercial Bank of China Limited - Huatai-PineBridge CSI 300 Exchange- traded Open-end Index Securities Investment Fund (中國工商銀行股 份有限公司-華泰柏 瑞滬深300交易型開放 式指數證券投資基金)	34,327,902	0.21	322,600	0.002	88,419,202	0.53	0	0

Changes in top 10 shareholders and top 10 shareholders not subject to selling restrictions from the previous period due to lending/returning of shares through securities lending and refinancing

Applicable Not applicable

III. OTHER REMINDER

Other important information that needs to be brought to the attention of investors regarding the Company's operations during the Reporting Period

Applicable Not applicable

On 26 April 2024, the Resolution in Relation to the Introduction of 100 C919 Aircraft was considered and passed at the 29th meeting of the sixth session of the Board of the Company. On 9 August 2024, such resolution was considered and approved at the 2024 second extraordinary general meeting of the Company. For details, please refer to the relevant announcements of the Company published on the website of the Shanghai Stock Exchange (<http://www.sse.com.cn/>) and China Securities Journal, Shanghai Securities News and Securities Daily on 27 April 2024 and 10 August 2024, respectively.

IV. QUARTERLY FINANCIAL STATEMENTS

(1) Type of audit opinion

Applicable Not applicable

(2) **Financial statements**

CONSOLIDATED BALANCE SHEET

30 September 2024

Prepared by Air China Limited

Unit: RMB'000 (Unaudited)

Items	30 September 2024	31 December 2023
CURRENT ASSETS:		
Cash and bank balance	21,852,907	15,628,496
Provisions on payables		
Contributions made		
Financial assets held-for-trading	2,593	2,505
Derivative financial assets		
Bills receivable	3,025	3,601
Accounts receivable	3,840,484	3,182,797
Receivables financing		
Prepayments	456,703	414,431
Premium receivable		
Receivables on reinsurance		
Provisions for reinsurance contracts		
Other receivables	5,142,200	5,437,914
Including: Interest receivable		
Dividend receivable		
Purchase of financial assets resold		
Inventories	5,002,901	3,682,821
Including: Data resources		
Contract assets		
Held-for-sale assets	42,046	108,527
Non-current assets due within a year		
Other current assets	4,005,251	3,873,629
Total current assets	40,348,110	32,334,721

Items	30 September 2024	31 December 2023
NON-CURRENT ASSETS:		
Loans and advances		
Debt investments		
Other debt investments	1,403,840	1,397,310
Long-term receivables	823,974	847,273
Long-term equity investments	16,620,371	15,136,903
Investments in other equity instruments	1,845,858	1,550,029
Other non-current financial assets		
Investment properties	310,812	320,827
Fixed assets	106,740,664	104,970,803
Construction in progress	37,620,110	38,407,989
Biological assets for production		
Oil and gas assets		
Right-of-use assets	115,056,191	116,342,903
Intangible assets	5,778,581	5,817,144
Including: Data resources		
Development expenses		
Including: Data resources		
Goodwill	4,097,942	4,097,942
Long-term deferred expenses	281,587	286,247
Deferred tax assets	13,617,818	13,703,962
Other non-current assets	5,114	88,628
Total non-current assets	304,202,862	302,967,960
Total assets	344,550,972	335,302,681

Items	30 September 2024	31 December 2023
CURRENT LIABILITIES:		
Short-term loans	21,188,302	21,363,178
Short-term financing bonds payable	3,021,236	
Borrowings from central bank		
Contributions received		
Financial liabilities held-for-trading		
Derivative financial liabilities		
Bills payable		500,160
Accounts payable	21,937,423	18,595,075
Air traffic liabilities	9,928,276	8,366,222
Receipts in advance		
Contract liabilities	1,264,426	1,522,492
Sale of financial assets repurchased		
Deposits from clients and placements from other banks		
Brokerage payable		
Underwriting fees payable		
Employee compensations payable	4,029,979	3,088,820
Taxes payable	506,535	571,838
Other payables	12,118,723	16,085,401
Including: Interest payable		
Dividend payable		
Fees and commissions payable		
Amounts payable on reinsurance		
Held-for-sale liabilities		
Non-current liabilities due within a year	76,519,422	40,224,088
Other current liabilities		
Total current liabilities	150,514,322	110,317,274

Items	30 September 2024	31 December 2023
NON-CURRENT LIABILITIES:		
Reserves on insurance contracts		
Long-term loans	65,118,204	80,777,799
Debentures payable	4,000,000	9,196,832
Including: Preference shares		
Perpetual bonds		
Lease liabilities	62,244,761	64,053,967
Long-term payables	16,895,790	28,752,343
Long-term employee compensation payables	187,040	187,810
Accrued liabilities	4,389,809	4,312,660
Deferred income	417,058	404,103
Deferred tax liabilities	399,743	347,910
Other non-current liabilities	2,402,361	1,663,987
Total non-current liabilities	156,054,766	189,697,411
Total liabilities	306,569,088	300,014,685
OWNERS' EQUITY (OR SHAREHOLDERS' EQUITY):		
Paid-up capital (or share capital)	16,593,720	16,200,793
Other equity instruments		
Including: Preference shares		
Perpetual bonds		
Capital reserve	41,010,599	39,587,767
Less: Treasury shares		
Other comprehensive income	339,161	215,566
Special reserves	2,940	2,940
Surplus reserves	11,564,287	11,564,287
General risk provisions	153,747	153,747
Retained earnings	-29,121,309	-30,495,138
Total owners' equity (or shareholders' equity)		
attributable to the parent company	40,543,145	37,229,962
Non-controlling interests	-2,561,261	-1,941,966
Total owners' equity (or shareholders' equity)	37,981,884	35,287,996
Total liabilities and owners' equity (or shareholders' equity)	344,550,972	335,302,681

Person in charge of the Company: Ma Chongxian

Person in charge of accounting function: Sun Yuquan

Person in charge of accounting department: Lyu Lingfei

CONSOLIDATED INCOME STATEMENT

January to September 2024

Prepared by Air China Limited

Unit: RMB'000 (Unaudited)

Items	First three quarters of 2024 (January to September)	First three quarters of 2023 (January to September)
I. Total revenue from operations	128,149,919	105,476,845
Including: Operating income	128,149,919	105,476,845
Interest income		
Premium earned		
Fees and commission income		
 II. Total operating cost	 133,667,384	 111,920,572
Including: Operating costs	119,746,091	97,359,086
Interest expenses		
Fees and commission expenses		
Returned premium		
Net reimbursement paid		
Net amounts of provisions on insurance obligations drawn		
Bonus paid on insurance policy		
Reinsurance premium		
Taxes and other levies	258,020	259,123
Selling expenses	4,992,226	3,996,379
General and administrative expenses	3,921,783	3,729,604
R&D expenses	293,450	213,842
Finance expenses	4,455,814	6,362,538
Including: Interest expenses	4,845,732	5,323,094
Interest income	385,630	481,087
Add: Other income	3,284,731	3,208,572
Investment income (loss is represented by “-” sign)	2,112,731	2,240,021
Including: Share of profits of associates and joint ventures	2,074,647	2,189,703
Gains on derecognition of financial assets measured at amortised cost		
Exchange gains (loss is represented by “-” sign)		
Gains from net exposure to hedging (loss is represented by “-” sign)		
Gains from changes in fair value (loss is represented by “-” sign)	88	-711

Items	First three quarters of 2024 (January to September)	First three quarters of 2023 (January to September)
Impairment loss of credit (loss is represented by “-” sign)	-512	-16,331
Impairment loss of assets (loss is represented by “-” sign)	-8,094	-107,432
Gains from disposal of assets (loss is represented by “-” sign)	958,220	689,664
III. Profit from operations (loss is represented by “-” sign)	829,699	-429,944
Add: Non-operating income	304,209	1,468,565
Less: Non-operating expenses	54,755	97,505
IV. Total profit (total loss is represented by “-” sign)	1,079,153	941,116
Less: Income tax expenses	309,882	-245,721
V. Net profit (net loss is represented by “-” sign)	769,271	1,186,837
(I) Classified by continuity of operations		
1. Net profit from continuing operations (net loss is represented by “-” sign)	769,271	1,186,837
2. Net profit from discontinued operation (net loss is represented by “-” sign)		
(II) Classified by ownership		
1. Net profits attributable to shareholders of the parent company (net loss is represented by “-” sign)	1,361,747	791,421
2. Profit or loss attributable to non-controlling interests (net loss is represented by “-” sign)	-592,476	395,416
VI. Other comprehensive income after tax, net	120,134	-91,351
(I) Other comprehensive income after tax attributable to owners of the parent company, net	135,798	-65,958
1. Other comprehensive income that cannot be subsequently reclassified to profit or loss	-8,880	-23,673
(1) Changes arising on remeasurement of defined benefit plans	-4,306	33
(2) Other comprehensive income accounted for using the equity method that cannot be reclassified to profit or loss	-359	
(3) Change in fair value of investments in other equity instruments	-4,215	-23,706
(4) Change in fair value of own credit risk of the Company		

Items	First three quarters of 2024 (January to September)	First three quarters of 2023 (January to September)
2. Other comprehensive income that will be reclassified to profit or loss	144,678	-42,285
(1) Other comprehensive income accounted for using the equity method that may be reclassified to profit or loss	231,400	-473,547
(2) Change in fair value of other debt investments	3,423	159
(3) Amount of financial assets reclassified into other comprehensive income		
(4) Provisions for credit impairment of other debt investments	-11	-344
(5) Reserve for cash flow hedging		
(6) Exchange difference on translation of financial statements in foreign currency	-90,134	431,447
(7) Others		
(II) Other comprehensive income after tax attributable to non-controlling interests, net	-15,664	-25,393
VII. Total comprehensive income	889,405	1,095,486
(I) Total comprehensive income attributable to owners of the parent company	1,497,545	725,463
(II) Total comprehensive income attributable to non-controlling interests	-608,140	370,023
VIII. Earnings per share:		
(I) Basic earnings per share (RMB per share)	0.09	0.05
(II) Diluted earnings per share (RMB per share)	0.09	0.05

For business combination under common control during the current period, the net profit of merged party before the business combination is RMB0, and the net profit of the merged party for the last period is RMB0.

Person in charge of the Company: Ma Chongxian
Person in charge of accounting function: Sun Yuquan
Person in charge of accounting department: Lyu Lingfei

CONSOLIDATED CASH FLOW STATEMENT

January to September 2024

Prepared by Air China Limited

Unit: RMB'000 (Unaudited)

Items	First three quarters of 2024 (January to September)	First three quarters of 2023 (January to September)
I. Cash flows from operating activities:		
Cash received from sales of goods and provision of services	137,171,566	117,873,834
Net increase in deposits from clients and placements from banks		
Net increase in borrowings from central bank		
Net increase in contributions received from other financial institutions		
Cash received from premiums of original insurance contracts		
Net cash receipt from reinsurance operations		
Net increase in reserve of the insured and investment		
Cash received from interest, fees and commission		
Net increase in contributions received		
Net increase in cash from repurchase operations		
Net cash receipt from securities trading as agent		
Refund of taxes and levies	590,866	1,260,276
Other cash received relating to operating activities	6,013,482	3,970,888
Subtotal of cash inflows of operating activities	143,775,914	123,104,998
Cash paid for goods purchased and services received	80,389,661	60,606,339
Net increase in loans and advances to clients		
Net increase in deposits in central bank and other banks		
Cash paid in respect of claims under original insurance contracts		
Net increase in contributions made		
Cash paid for interest, fees and commissions		
Cash paid for bonus paid on insurance policy		
Cash paid to or on behalf of employees	24,505,116	22,312,292
Taxes and levies paid	1,656,932	1,425,490
Other cash paid relating to operating activities	6,482,268	5,685,281
Subtotal of cash outflows from operating activities	113,033,977	90,029,402
Net cash flows from operating activities	30,741,937	33,075,596

Items	First three quarters of 2024 (January to September)	First three quarters of 2023 (January to September)
II. Cash flows from investing activities:		
Cash received from sale and redemption of investments	93,296	695,882
Recovery of the secured bank deposits	1,138	2,379
Cash received from investment income	926,741	161,483
Net cash proceeds from disposal of fixed assets, intangible assets and other long-term assets	1,063,890	802,934
Net cash proceeds from disposal of subsidiaries and other business units		
Net cash received for acquisition of subsidiaries and other business units		5,392,113
Other cash received relating to investing activities	385,630	472,732
Subtotal of cash inflows from investing activities	2,470,695	7,527,523
Cash paid for purchase and construction of fixed assets, intangible assets and other long-term assets	11,520,075	13,758,422
Cash paid for investments	515,836	171,838
Net increase in secured loans		
Net cash payments for acquisition of subsidiaries and other business units		
Increase in secured bank deposits	2,055	6,407
Other cash paid relating to investing activities	672,298	
Subtotal of cash outflows from investing activities	12,710,264	13,936,667
Net cash flows from investing activities	-10,239,569	-6,409,144
III. Cash flows from financing activities:		
Cash received from issuance of debentures	7,000,000	
Cash received from capital injection	1,815,742	18,393,017
Including: Cash received from capital injection of non-controlling shareholders in subsidiaries		
Cash received from borrowings	25,623,809	40,176,857
Other cash received relating to financing activities		
Subtotal of cash inflows from financing activities	34,439,551	58,569,874
Cash paid for repayment of borrowings	29,070,173	39,733,328
Cash paid for repayment of debentures	2,000,000	9,500,000
Cash paid for distribution of dividends, profits or payment of interest expenses	5,001,126	5,653,200
Including: Dividends and profits paid to non-controlling shareholders by subsidiaries	747	9,890
Cash paid for leases	13,651,427	19,592,765
Other cash paid relating to financing activities		13
Subtotal of cash outflows from financing activities	49,722,726	74,479,306
Net cash flows from financing activities	-15,283,175	-15,909,432

Items	First three quarters of 2024 (January to September)	First three quarters of 2023 (January to September)
IV. Effect of exchange rate changes on cash and cash equivalents	24,863	145,037
V. Net increase in cash and cash equivalents	5,244,056	10,902,057
Add: Balance of cash and cash equivalents as at the beginning of the period	15,016,804	10,607,711
VI. Balance of cash and cash equivalents as at the end of the period	20,260,860	21,509,768

Person in charge of the Company: Ma Chongxian

Person in charge of accounting function: Sun Yuquan

Person in charge of accounting department: Lyu Lingfei

BALANCE SHEET OF THE PARENT COMPANY

30 September 2024

Prepared by Air China Limited

Unit: RMB'000 (Unaudited)

Items	30 September 2024	31 December 2023
CURRENT ASSETS:		
Cash and bank balance	3,383,310	6,873,010
Financial assets held-for-trading	2,593	2,505
Derivative financial assets		
Bills receivable		
Accounts receivable	2,710,654	2,190,617
Receivables financing		
Prepayments	56,450	94,848
Other receivables	3,052,173	3,162,023
Including: Interest receivable		
Dividend receivable		
Inventories	66,171	75,541
Including: Data resources		
Contract assets		
Held-for-sale assets	42,046	108,527
Non-current assets due within a year		
Other current assets	1,877,472	2,270,693
Total current assets	11,191,369	14,777,764

Items	30 September 2024	31 December 2023
NON-CURRENT ASSETS:		
Debt investments		
Other debt investments		
Long-term receivables	808,875	910,915
Long-term equity investments	31,180,497	30,869,054
Investments in other equity instruments	216,387	196,110
Other non-current financial assets		
Investment properties		
Fixed assets	76,352,982	74,572,866
Construction in progress	24,875,183	22,839,284
Biological assets for production		
Oil and gas assets		
Right-of-use assets	71,931,736	76,551,102
Intangible assets	3,390,612	3,658,777
Including: Data resources		
Development expenses		
Including: Data resources		
Goodwill		
Long-term deferred expenses	183,436	172,764
Deferred tax assets	7,897,173	7,938,618
Other non-current assets		
Total non-current assets	216,836,881	217,709,490
Total assets	228,028,250	232,487,254

Items	30 September 2024	31 December 2023
CURRENT LIABILITIES:		
Short-term loans	18,432,034	17,812,963
Short-term financing bonds payable	3,021,236	
Financial liabilities held-for-trading		
Derivative financial liabilities		
Bills payable		
Accounts payable	12,706,929	11,926,167
Air traffic liabilities	7,801,920	6,530,022
Receipts in advance		
Contract liabilities	649,791	903,374
Employee compensations payable	1,209,366	1,011,443
Taxes payable	150,111	146,446
Other payables	5,480,246	8,201,327
Including: Interest payable		
Dividend payable		
Held-for-sale liabilities		
Non-current liabilities due within a year	48,954,359	21,301,894
Other current liabilities		
Total current liabilities	98,405,992	67,833,636
NON-CURRENT LIABILITIES:		
Long-term loans	32,359,953	55,322,211
Debentures payable	4,000,000	3,000,000
Including: Preference shares		
Perpetual bonds		
Lease liabilities	36,924,012	40,444,416
Long-term payables	5,403,048	18,035,183
Long-term employee compensation payables		
Accrued liabilities	2,388,531	2,374,046
Deferred income	161,836	190,785
Deferred tax liabilities		
Other non-current liabilities	2,370,769	1,565,882
Total non-current liabilities	83,608,149	120,932,523
Total liabilities	182,014,141	188,766,159

Items	30 September 2024	31 December 2023
OWNERS' EQUITY (OR SHAREHOLDERS' EQUITY):		
Paid-up capital (or share capital)	16,593,720	16,200,793
Other equity instruments		
Including: Preference shares		
Perpetual bonds		
Capital reserve	45,358,534	43,935,719
Less: Treasury shares		
Other comprehensive income	428,177	412,970
Special reserves		
Surplus reserves	11,527,181	11,527,181
General risk provisions		
Retained earnings	-27,893,503	-28,355,568
Total owners' equity (or shareholders' equity)	46,014,109	43,721,095
Total liabilities and owners' equity (or shareholders' equity)	228,028,250	232,487,254

Person in charge of the Company: Ma Chongxian

Person in charge of accounting function: Sun Yuquan

Person in charge of accounting department: Lyu Lingfei

INCOME STATEMENT OF THE PARENT COMPANY

January to September 2024

Prepared by Air China Limited

Unit: RMB'000 (Unaudited)

Items	First three quarters of 2024 (January to September)	First three quarters of 2023 (January to September)
I. Revenue from operations	79,048,427	63,853,621
Less: Operating costs	73,352,774	60,252,064
Taxes and other levies	127,057	132,351
Selling expenses	3,118,048	2,332,122
General and administrative expenses	1,545,088	1,503,778
R&D expenses	84,680	69,112
Finance expenses	2,815,913	4,001,530
Including: Interest expenses	2,982,859	3,440,940
Interest income	151,321	269,621
Add: Other income	1,648,450	1,485,569
Investment income (loss is represented by “-” sign)	308,545	236,277
Including: Share of profits of associates and joint ventures	251,019	220,097
Gains on derecognition of financial assets measured at amortised cost		
Gains from net exposure to hedging (loss is represented by “-” sign)		
Gains from changes in fair value (loss is represented by “-” sign)	88	-711
Impairment loss of credit (loss is represented by “-” sign)	-121	-5,757
Impairment loss of assets (loss is represented by “-” sign)		-91,160
Gains from disposal of assets (loss is represented by “-” sign)	402,879	160,230
II. Profit from operations (loss is represented by “-” sign)	364,708	-2,652,888
Add: Non-operating income	155,246	640,050
Less: Non-operating expenses	21,513	55,116
III. Total profit (total loss is represented by “-” sign)	498,441	-2,067,954
Less: Income tax expenses	36,376	-223,375
IV. Net profit (net loss is represented by “-” sign)	462,065	-1,844,579
(I) Net profit from continuing operations (net loss is represented by “-” sign)	462,065	-1,844,579
(II) Net profit from discontinued operation (net loss is represented by “-” sign)		

Items	First three quarters of 2024 (January to September)	First three quarters of 2023 (January to September)
V. Other comprehensive income after tax, net	15,207	
(I) Other comprehensive income that cannot be subsequently reclassified to profit or loss	15,207	
1. Changes arising on remeasurement of defined benefit plans		
2. Other comprehensive income accounted for using the equity method that cannot be reclassified to profit or loss		
3. Change in fair value of investments in other equity instruments	15,207	
4. Change in fair value of own credit risk of the Company		
(II) Other comprehensive income that will be reclassified to profit or loss		
1. Other comprehensive income accounted for using the equity method that may be reclassified to profit or loss		
2. Change in fair value of other debt investments		
3. Amount of financial assets reclassified into other comprehensive income		
4. Provisions for credit impairment of other debt investments		
5. Reserve for cash flow hedging		
6. Exchange difference on translation of financial statements in foreign currency		
7. Others		
VI. Total comprehensive income	477,272	-1,844,579
VII. Earnings per share:		
(I) Basic earnings per share (RMB per share)		
(II) Diluted earnings per share (RMB per share)		

Person in charge of the Company: Ma Chongxian

Person in charge of accounting function: Sun Yuquan

Person in charge of accounting department: Lyu Lingfei

CASH FLOW STATEMENT OF THE PARENT COMPANY

January to September 2024

Prepared by Air China Limited

Unit: RMB'000 (Unaudited)

Items	First three quarters of 2024 (January to September)	First three quarters of 2023 (January to September)
I. Cash flows from operating activities:		
Cash received from sales of goods and provision of services	82,727,408	69,779,971
Refund of taxes and levies	439,088	1,146,575
Other cash received relating to operating activities	4,013,771	3,012,349
Subtotal of cash inflows of operating activities	87,180,267	73,938,895
Cash paid for goods purchased and services received	50,162,165	36,506,078
Cash paid to or on behalf of employees	12,523,984	11,725,789
Taxes and levies paid	768,458	721,226
Other cash paid relating to operating activities	3,954,957	3,266,726
Subtotal of cash outflows from operating activities	67,409,564	52,219,819
Net cash flows from operating activities	19,770,703	21,719,076
II. Cash flows from investing activities:		
Cash received from sale and redemption of investments		
Cash received from investment income	92,061	90,991
Net cash proceeds from disposal of fixed assets, intangible assets and other long-term assets	481,983	532,110
Net cash proceeds from disposal of subsidiaries and other business units		
Other cash received relating to investing activities	151,321	269,621
Subtotal of cash inflows from investing activities	725,365	892,722
Cash paid for purchase and construction of fixed assets, intangible assets and other long-term assets	9,799,748	11,746,131
Cash paid for investments	148,991	61,851
Net cash payments for acquisition of subsidiaries and other business units		6,632,963
Other cash paid relating to investing activities		
Subtotal of cash outflows from investing activities	9,948,739	18,440,945
Net cash flows from investing activities	-9,223,374	-17,548,223

Items	First three quarters of 2024 (January to September)	First three quarters of 2023 (January to September)
III Cash flows from financing activities:		
Cash received from capital injection	1,815,742	14,993,017
Cash received from issuance of debentures	7,000,000	–
Cash received from borrowings	7,381,775	32,343,300
Other cash received relating to financing activities		
Subtotal of cash inflows from financing activities	16,197,517	47,336,317
Cash paid for repayment of borrowings	19,475,600	22,014,715
Cash paid for repayment of debentures		8,500,000
Cash paid for distribution of dividends, profits or payment of interest expenses	2,931,524	3,650,547
Cash paid for leases	7,801,646	14,117,747
Other cash paid relating to financing activities		
Subtotal of cash outflows from financing activities	30,208,770	48,283,009
Net cash flows from financing activities	-14,011,253	-946,692
IV. Effect of exchange rate changes on cash and cash equivalents	-25,359	64,710
V. Net increase in cash and cash equivalents	-3,489,283	3,288,871
Add: Balance of cash and cash equivalents as at the beginning of the period	6,842,157	6,057,863
VI. Balance of cash and cash equivalents as at the end of the period	3,352,874	9,346,734

Person in charge of the Company: Ma Chongxian

Person in charge of accounting function: Sun Yuquan

Person in charge of accounting department: Lyu Lingfei

Adjustments made to the financial statements as at the beginning of the year for the initial implementation of new Accounting Standards or interpretation of standards since 2024

Applicable Not applicable

The announcement is hereby given.

By Order of the Board
Air China Limited
Xiao Feng Huen Ho Yin
Joint Company Secretaries

Beijing, the PRC, 30 October 2024

As at the date of this announcement, the directors of the Company are Mr. Ma Chongxian, Mr. Wang Mingyuan, Mr. Cui Xiaofeng, Mr. Patrick Healy, Mr. Xiao Peng, Mr. He Yun, Mr. Xu Junxin* and Ms. Winnie Tam Wan-chi*.*

* *Independent non-executive director of the Company*