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**中國民航信息網絡股份有限公司**  
**TravelSky Technology Limited**

*(A joint stock limited company incorporated in the People's Republic of China with limited liability)*  
**(Stock Code: 00696)**

**ANNOUNCEMENT OF RESULTS  
FOR THE SIX MONTHS ENDED JUNE 30, 2025**

The board of directors (the “**Board**”) of TravelSky Technology Limited (the “**Company**”) hereby presents the unaudited interim results announcement of the Company and its subsidiaries (the “**Group**”) for the six months ended June 30, 2025, which is prepared in accordance with China Accounting Standards for Business Enterprise (“**CASBE**”).

## CONSOLIDATED INCOME STATEMENT

For the six months ended June 30, 2025 (Amounts are expressed in RMB'000 unless otherwise stated)

Item	Notes	For the six months ended June 30, 2025	For the six months ended June 30, 2024
I. Total operating income		<b>3,894,500</b>	4,041,791
Including: Operating income	5.f)	<b>3,894,500</b>	4,041,791
II. Total operating costs		<b>2,427,877</b>	2,535,291
Including: Operating cost	5.f)	<b>1,606,526</b>	1,634,123
Taxes and surcharges		<b>44,820</b>	44,668
Selling and distribution expenses		<b>45,871</b>	38,888
General and administrative expenses		<b>620,243</b>	464,306
Research and development expenses		<b>166,324</b>	431,960
Financial expenses		<b>-55,907</b>	-78,654
Including: Interest expenses		<b>7,799</b>	6,435
Interest income		<b>57,412</b>	73,391
Plus: Other income		<b>3,903</b>	7,678
Investment income (“–” for losses)	5.g)	<b>28,714</b>	39,335
Including: Gain from investment in associates and joint ventures		<b>11,043</b>	2,121
Gain from derecognition of financial assets measured at amortized cost		—	—
Foreign exchange gains (“–” for losses)		—	—
Income from net exposure hedging (“–” for losses)		—	—
Gains from changes in fair value (“–” for losses)		<b>9,399</b>	485
Credit impairment losses (“–” for losses)	5.h)	<b>176,545</b>	65,664
Asset impairment losses (“–” for losses)	5.i)	<b>2,069</b>	-6,021
Gains on disposal of assets (“–” for losses)		<b>2,734</b>	16
III. Operating profits (“–” for losses)		<b>1,689,988</b>	1,613,656
Plus: Non-operating income		<b>1,917</b>	3,163
Less: Non-operating expenses		<b>13,985</b>	11,096
IV. Total profits (“–” for total losses)		<b>1,677,920</b>	1,605,722
Less: Income tax expenses		<b>229,137</b>	228,907
V. Net profit (“–” for net loss)		<b>1,448,783</b>	1,376,815
(I) Classified by operating continuity			
1. Net profit from continuing operations (“–” for net loss)		<b>1,448,783</b>	1,376,815
2. Net profit from discontinued operations (“–” for net loss)		—	—
(II) Classified by ownership			
1. Net profit attributable to shareholders of the Company (“–” for net loss)		<b>1,447,651</b>	1,367,221
2. Net profit attributable to non-controlling interests (“–” for net loss)		<b>1,132</b>	9,594

Item	Notes	For the six months ended June 30, 2025	For the six months ended June 30, 2024
VI. Other comprehensive income, net of tax		30,964	45,396
Other comprehensive income, net of tax attributable to shareholders of the Company		30,964	45,396
(I) Other comprehensive income that cannot be reclassified to profit or loss		33,588	44,182
1. Re-measurement of changes in defined benefit plan		—	—
2. Other comprehensive income that cannot be transferred to profit or loss under the equity method		—	—
3. Changes in fair value of other equity instruments investment		33,588	44,182
4. Changes in the fair value of the Company's own credit risk		—	—
(II) Other comprehensive income that may be reclassified to profit or loss		-2,624	1,214
1. Other comprehensive income that may be reclassified to profit or loss under equity method		—	—
2. Changes in fair value of other debt investment		—	—
3. Amount of financial assets reclassified into other comprehensive income		—	—
4. Provision for credit impairment of other debt investment		—	—
5. Cash flow hedging reserves		—	—
6. Differences arising from translation of foreign currency financial statements		-2,624	1,214
7. Others		—	—
Other comprehensive income, net of tax, attributable to non-controlling interests		—	—
VII. Total comprehensive income		1,479,747	1,422,212
Total comprehensive income attributable to shareholders of the Company		1,478,615	1,412,617
Total comprehensive income attributable to non- controlling interests		1,132	9,594
VIII. Earnings per share:			
(I) Basic earnings per share (RMB/share)	5.j)	0.49	0.47
(II) Diluted earnings per share (RMB/share)	5.j)	0.49	0.47

## CONSOLIDATED BALANCE SHEET

*As at June 30, 2025 (Amounts are expressed in RMB'000 unless otherwise stated)*

<b>Assets</b>	<i>Notes</i>	<b>As at June 30, 2025</b>	<b>As at December 31, 2024</b>
Current assets:			
Cash and bank balances		<b>6,648,494</b>	10,548,986
Balances with clearing companies		—	—
Loans to banks and other financial institutions		—	—
Financial assets held for trading		<b>6,022,135</b>	2,218,193
Derivative financial assets		—	—
Notes receivable		<b>319,439</b>	269,119
Accounts receivable	5.a)	<b>5,331,221</b>	4,959,275
Receivables financing		—	—
Advances to suppliers		<b>339,770</b>	72,999
Premiums receivables		—	—
Reinsurance accounts receivable		—	—
Reinsurance contract reserves receivable		—	—
Other receivables		<b>2,759,113</b>	2,100,224
Financial assets purchased under resale agreements		—	—
Inventories		<b>107,956</b>	81,687
Including: Data resources		—	—
Contract assets		<b>74,627</b>	44,001
Assets held for sale		—	—
Non-current assets maturing within one year		<b>537,922</b>	—
Other current assets		<b>1,243,750</b>	203,727
<b>Total current assets</b>		<b>23,384,427</b>	20,498,211

<b>Assets</b>	<i>Notes</i>	<b>As at June 30, 2025</b>	<b>As at December 31, 2024</b>
Non-current assets:			
Disbursement of loans and advances		—	—
Debt investment		—	—
Other debt investment		—	—
Long-term receivables		—	—
Long-term equity investments		<b>910,918</b>	899,875
Investments in other equity instruments	5.b)	<b>1,043,827</b>	1,004,312
Other non-current financial assets	5.c)	<b>996,867</b>	1,017,412
Investment properties		<b>80,532</b>	84,971
Fixed assets		<b>2,719,000</b>	2,784,165
Construction in progress		<b>40,449</b>	37,609
Productive biological assets		—	—
Oil and gas assets		—	—
Right-of-use assets		<b>299,939</b>	43,890
Intangible assets		<b>1,790,836</b>	2,004,841
Including: Data resources		<b>20,226</b>	26,651
Development expenditures		<b>92,811</b>	49,792
Including: Data resources		—	—
Goodwill		<b>260</b>	260
Long-term deferred expenses		<b>31,926</b>	25,919
Deferred tax assets		<b>587,016</b>	592,031
Other non-current assets		<b>142,656</b>	651,358
<b>Total non-current assets</b>		<b>8,737,037</b>	9,196,434
<b>Total assets</b>		<b>32,121,464</b>	29,694,646

<b>Liabilities and owners' equity</b>	<i>Notes</i>	<b>As at June 30, 2025</b>	<b>As at December 31, 2024</b>
Current liabilities:			
Short-term borrowings		<b>924,561</b>	1,203,301
Borrowings from central bank		—	—
Loans from banks and other financial institutions		—	—
Financial liabilities held for trading		—	—
Derivative financial liabilities		—	—
Notes payable		—	—
Accounts payable	5.d)	<b>2,209,280</b>	2,187,400
Advances from customers		—	—
Contract liability	5.e)	<b>815,475</b>	645,608
Financial assets sold under repurchase agreements		—	—
Absorption of deposits and interbank deposit		—	—
Receiving from vicariously traded securities		—	—
Receiving from vicariously sold securities		—	—
Employee compensation payable		<b>262,134</b>	290,568
Taxes payable		<b>112,771</b>	181,367
Other payables		<b>3,221,689</b>	1,951,988
Handling charges and commission payable		—	—
Reinsurance accounts payable		—	—
Liabilities held for sale		—	—
Non-current liabilities maturing within one year		<b>112,955</b>	241,578
Other current liabilities		<b>48,264</b>	22,905
<b>Total current liabilities</b>		<b>7,707,128</b>	6,724,716
Non-current liabilities:			
Reserve for insurance contract		—	—
Long-term borrowings		<b>471,540</b>	—
Bonds payable		—	—
Including: Preferred stock		—	—
Perpetual bonds		—	—
Lease liabilities		<b>192,721</b>	8,254
Long-term payables		<b>416</b>	400
Long-term employee compensation payable		—	—
Provisions		<b>1,158</b>	20
Deferred income		<b>653</b>	173
Deferred tax liabilities		<b>71,457</b>	64,098
Other non-current liabilities		—	—
<b>Total non-current liabilities</b>		<b>737,944</b>	72,944
<b>Total liabilities</b>		<b>8,445,071</b>	6,797,660

<b>Liabilities and owners' equity</b>	<i>Notes</i>	<b>As at June 30, 2025</b>	<b>As at December 31, 2024</b>
Shareholders' equity:			
Share capital		<b>2,926,210</b>	2,926,210
Other equity instruments		—	—
Capital reserves		<b>1,267,468</b>	1,267,468
Less: Treasury stock		—	—
Other comprehensive income		<b>129,911</b>	98,948
Special reserves		—	—
Surplus reserves		<b>4,679,359</b>	4,509,067
General risk reserves		<b>15,229</b>	13,261
Retained earnings		<b>14,065,903</b>	13,489,876
Total equity attributable to shareholders of the Company		<b>23,084,080</b>	22,304,829
Non-controlling interests		<b>592,313</b>	592,156
<b>Total shareholders' equity</b>		<b>23,676,393</b>	22,896,986
<b>Total liabilities and shareholders' equity</b>		<b>32,121,464</b>	29,694,646

## NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

### 1. COMPANY PROFILE

TravelSky Technology Limited (hereinafter referred to as the “**Company**” or “**the Company**”) was incorporated in Beijing, the People’s Republic of China (the “**PRC**”) on October 18, 2000. As at June 30, 2025, the total cumulative share capital issued by the Company was 2,926,209,589 shares, and the registered capital was RMB2,926,209,589.00. Registered office: No. 7 Yumin Street, Houshayu Town, Shunyi District, Beijing.

The Company’s main operation activities are: the Company provides a full range of services such as air passenger business processing, air travel electronic distribution, airport passenger processing, air cargo data processing, internet travel platform, international and domestic passenger and cargo revenue management system and application, and agency settlement and clearing services, etc. for airlines, airports, air ticket sales agents, tourism enterprises and civil aviation-related institutions and international organizations.

The parent company of the Company is China TravelSky Holding Company Limited, and the effective controller of the Company is the State-owned Assets Supervision and Administration Commission of the State Council of China.

The Company and its subsidiaries are hereinafter collectively referred to as the “**Group**”.

### 2. BASIS OF PREPARATION FOR FINANCIAL STATEMENTS

#### a) Basis of preparation

The interim results set out in this announcement do not constitute the consolidated financial statements of the Company for the period ended June 30, 2025 but the financial results are extracted from those financial statements. The Company prepares financial statements in accordance with the “Accounting Standards for Business Enterprises — Basic Standards” and all the specific accounting standards, Application Guidance to the Accounting Standards for Business Enterprises, the interpretation of the Accounting Standards for Business Enterprises and other relevant provisions (hereinafter referred to as the “**Accounting Standards for Business Enterprises**”). In addition, the financial statements comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited issued by The Stock Exchange of Hong Kong Limited and the applicable disclosure requirements of the Hong Kong Companies Ordinance.



**b) Going concern**

The financial statements are prepared on a going concern basis.

**3. CHANGES IN ACCOUNTING POLICIES**

None.

**4. TAXATION**

**a) Major tax types and tax rates**

<b>Tax types</b>	<b>Tax bases</b>	<b>Tax rate (%)</b>
Value added tax ("VAT")	Tax payable is calculated by VAT output, which is based on the taxable sales amount generated from sales of goods or rendering of service according to tax laws, less deductible VAT input of the current period	3.00–23.00 (Including VAT rate of the overseas company)
Urban maintenance and construction tax	Levied based on actual VAT and sales tax paid	5.00, 7.00
Corporate income tax	Levied based on taxable income	8.25–25.00 (Including the income tax rate of the overseas company to which it belongs)

**b) Tax incentives**

***i. High and New Technology Enterprise***

Under the Corporate Income Tax Law of the People's Republic of China ("CIT Law"), in general, the applicable income tax rate of enterprises in the PRC is 25%. Pursuant to relevant requirements, enterprises recognized as "High and New Technology Enterprises" are entitled to a preferential corporate income tax rate of 15% according to the CIT Law. The Company was approved and certified by relevant authorities as a "High and New Technology Enterprise" since its establishment and was reviewed to renew the identification of "High and New Technology Enterprise" in accordance with relevant regulatory requirements. The most recent re-certification was completed in November 2023, and the Company has been granted the continuation of its status as a "High and New Technology Enterprise" and has been confirmed to calculate corporate income tax at a preferential tax rate of 15% as a "High and New Technology Enterprise" from 2023 to 2025.

***ii. Key Software Enterprises***

Except that enterprises that have been assessed as "High and New Technology Enterprises" may enjoy the preferential income tax rate of 15%, enterprises assessed as "Key Software Enterprises" within the national planning layout by relevant authorities under the government of China may further enjoy the preferential tax rate of 10%. According to the relevant provisions, the difference between the tax paid at the tax rate of 15% and that paid at tax rate of 10% will be refunded to relevant enterprises subsequently, and such tax refund will be reflected in the Statement of Profit and Losses for the period when it occurs.

**5. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS**  
*(Amounts are expressed in RMB'000 unless otherwise stated)*

**a) Accounts receivable**

**i. Disclosure of accounts receivable by aging (based on invoice dates)**

<b>Aging</b>	<b>As at June 30, 2025</b>	<b>As at December 31, 2024</b>
Within 1 year	<b>4,148,447</b>	4,364,621
Including:		
Within 6 months	<b>2,673,702</b>	3,226,636
7–12 months	<b>1,474,746</b>	1,137,984
1–2 years	<b>1,235,590</b>	886,221
2–3 years	<b>342,556</b>	402,296
3–4 years	<b>207,961</b>	73,320
4–5 years	<b>77,741</b>	118,266
Over 5 years	<b>248,992</b>	216,073
Subtotal	<b>6,261,288</b>	6,060,796
Less: Provisions for bad debts	<b>930,067</b>	1,101,521
Total	<b>5,331,221</b>	4,959,275

**ii. Disclosure of accounts receivable under the methods of provision for bad debts by category**

Category	As at June 30, 2025					As at December 31, 2024				
	Book balance		Provision for bad debts			Book balance		Provision for bad debts		
	Amount	Proportion (%)	Amount	Proportion of provision (%)	Book value	Amount	Proportion (%)	Amount	Proportion of provision (%)	Book value
Provision for bad debts accrued on an individual basis	871,967	13.93	589,703	67.63	282,264	991,091	16.35	678,931	68.50	312,160
Provision for bad debts accrued on a portfolio basis	5,389,321	86.07	340,364	6.32	5,048,957	5,069,705	83.65	422,591	8.34	4,647,115
Total	6,261,288	100.00	930,067		5,331,221	6,060,796	100.00	1,101,521		4,959,275

Provision for bad debts accrued on an individual basis:

Name	Book balance	As at June 30, 2025	
		Provision for bad debts	Proportion of provision (%)
Total	<u>871,967</u>	<u>589,703</u>	<u>67.63</u>

Provision for bad debts accrued on a portfolio basis:

Name	Accounts receivable	As at June 30, 2025	
		Provision for bad debts	Proportion of provision (%)
Accounts receivable from third parties	2,135,246	340,364	15.94
Accounts receivable from related parties	<u>3,254,075</u>	<u>—</u>	<u>—</u>
Total	<u>5,389,321</u>	<u>340,364</u>	<u>6.32</u>

**b) Investments in other equity instruments**

*i. Details of investments in other equity instruments*

Item	As at June 30, 2025	As at December 31, 2024
China Merchants RenHe Life Insurance Company Limited	<u>1,043,827</u>	<u>1,004,312</u>
Total	<u>1,043,827</u>	<u>1,004,312</u>

The Company holds 13.26% of all the equity of an unlisted company, China Merchants RenHe Life Insurance Company Limited, which has a fair value of RMB1,043,827 thousand as at June 30, 2025. As the Company does not intend to hold the investment for trading purposes, the Company designated the investment as financial assets measured at fair value through other comprehensive income. The Company has referred to the valuation report issued by China Alliance Appraisal Co., Ltd., an independent professional valuer with professional qualifications and relevant experience, confirmed the fair value as at June 30, 2025.

**c) Other non-current financial assets**

<b>Item</b>	<b>As at June 30, 2025</b>	<b>As at December 31, 2024</b>
Financial assets measured at fair value through the current profit or loss	<b>996,867</b>	1,017,412
Including: Equity instrument investments	<b>996,867</b>	1,017,412
<b>Total</b>	<b>996,867</b>	1,017,412

The above-mentioned other non-current financial assets of the Company are held by the Company is China Mobile Equity Fund (as defined below).

As stated in the Company's announcement on April 16, 2020, the Company has entered into a limited partnership agreement (the "**Agreement**") with China Mobile Capital Holding Co., Ltd., other investors (together with the Company and China Mobile Capital Holding Co., Ltd., as limited partners) and China Mobile Equity Fund Management Co., Ltd. (as general partner) for the establishment of China Mobile Equity Fund (Hebei Xiongan) Partnership (Limited Partnership) (the "**China Mobile Equity Fund**"), pursuant to which the Company agreed to contribute a total of RMB1 billion in cash to the China Mobile Equity Fund during the term of the Agreement. China Mobile Equity Fund primarily invests in companies related to the 5G and information and communications industry chain, ecosystem and enabling industries.

As at June 30, 2025, the Company has made actual contributions (including fund management fees) of RMB852,175 thousand under the agreement, which is measured at fair value with a book value of RMB996,867 thousand.

**d) Accounts payable**

***i. Presentation of account payable (based on invoice dates)***

	As at June 30, 2025	As at December 31, 2024
<b>Aging</b>		
Within 1 year (including 1 year)	<b>1,335,823</b>	1,549,348
1–2 years (including 2 years)	<b>620,571</b>	340,986
2–3 years (including 3 years)	<b>135,545</b>	186,807
Over 3 years	<b>117,341</b>	110,259
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Total	<b>2,209,280</b>	2,187,400
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**e) Contract liabilities**

***i. Details of contract liabilities***

	As at June 30, 2025	As at December 31, 2024
<b>Item</b>		
System integration service contract	<b>815,475</b>	645,608
	<hr/>	<hr/>
Total	<b>815,475</b>	645,608
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**f) Operating income and operating costs**

***i. Details of operating revenue and operating costs***

Item	For the six months ended June 30, 2025		For the six months ended June 30, 2024	
	Revenue	Cost	Revenue	Cost
Main businesses	3,881,068	1,601,054	4,020,211	1,628,051
Other businesses	13,431	5,472	21,581	6,072
Total	<u>3,894,500</u>	<u>1,606,526</u>	<u>4,041,791</u>	<u>1,634,123</u>

***ii. Details of operating income***

Item	For the six months ended June 30, 2025	For the six months ended June 30, 2024
Aviation information technology service	2,313,440	2,265,033
Settlement and clearing service	312,470	277,972
System integration service	418,355	679,849
Data network service	189,533	216,410
Technical support and products income ( <i>Note</i> )	384,961	295,310
Other income	275,742	307,218
Including: Payment business income	67,485	90,490
Leasing, operation and maintenance service income	92,045	108,049
Logistics business income	25,077	31,150
Data service income	50,356	44,667
Total	<u>3,894,500</u>	<u>4,041,791</u>

*Note:* Prior year was disclosed as “Income from technical service”.

**g) Investment income**

<b>Item</b>	<b>For the six months ended June 30, 2025</b>	<b>For the six months ended June 30, 2024</b>
Income from long-term equity investments calculated under equity method	<b>11,043</b>	2,121
Investment income from disposal of long-term equity investments	<b>115</b>	7,673
Income from held-for-trading financial assets during the holding period	<b>8,859</b>	29,540
Interest income from debt investment during the holding period	<b>8,697</b>	—
Total	<b><u>28,714</u></b>	<b><u>39,335</u></b>

**h) Credit impairment losses (“–” for loss)**

<b>Item</b>	<b>For the six months ended June 30, 2025</b>	<b>For the six months ended June 30, 2024</b>
Bad debts of notes receivable	<b>5,637</b>	7,791
Bad debts of accounts receivable	<b>170,908</b>	57,873
Total	<b><u>176,545</u></b>	<b><u>65,664</u></b>



**i) Assets impairment losses (“–” for loss)**

<b>Item</b>	<b>For the six months ended June 30, 2025</b>	<b>For the six months ended June 30, 2024</b>
Losses from impairment of contract assets	<u>2,069</u>	<u>–6,021</u>
Total	<u><u>2,069</u></u>	<u><u>–6,021</u></u>

**j) Earnings per share**

<b>Item</b>	<b>For the six months ended June 30, 2025</b>	<b>For the six months ended June 30, 2024</b>
Earnings (in RMB thousand) (Earnings for the purpose of calculating the basic and diluted earnings per share)	1,447,651	1,367,221
Numbers of shares (in thousand shares) (Weighted average number of ordinary shares in issue)	2,926,210	2,926,210
Earnings per share (Basic and diluted)	0.49	0.47

As at June 30, 2025 and June 30, 2024, the Company has no potential dilutive ordinary shares.

**k) Dividend distribution**

At the annual general meeting on June 12, 2025, “Distribution of a final cash dividend for year 2024” of RMB0.239 per share (including tax), totaled RMB699,364 thousand, was approved. The amount was accounted for shareholders’ equity as a distribution to retained earnings for the six months ended June 30, 2025.

**l) About disposal of assets**

During the six-month period ended June 30, 2025, there were no disposals on properties, plants, and equipment by the Group, and the total amount of gains from disposal of assets disclosed in the consolidated income statement was RMB2,734 thousand. According to the accounting standards of fixed assets, gains on disposal of a batch of office equipment to be upgraded and electronic equipment amounted to RMB36 thousand; according to the accounting standards of Lease, gains on disposal of right-of-use assets (i.e., gains on changes of leases) amounted to RMB2,770 thousand. (For the six-month period ended June 30, 2024, gains on disposal of right-of-use assets (i.e. gains of lease modification) were approximately RMB16 thousand) Please refer to the Group's consolidated income statement for the details of "Gains from disposal of assets".

**m) Supplementary information to the income statement where expenses are classified by nature**

The operating costs, selling and distribution expenses, general and administrative expenses, and research and development expenses, and financial expenses in the income statement are classified by nature as follows:

<b>Item</b>	<b>For the six months ended June 30, 2025</b>	<b>For the six months ended June 30, 2024</b>
Labor costs	<b>968,206</b>	937,785
Depreciation and amortization expenses	<b>438,094</b>	531,602
Cost of sales of integration business ( <i>Note 1</i> )	<b>200,792</b>	418,795
Technical support and maintenance fees	<b>285,498</b>	286,074
Departure and distribution support fee ( <i>Note 2</i> )	<b>307,218</b>	303,275
Internet usage fees	<b>42,631</b>	44,190
Financial expenses	<b>-55,907</b>	-78,654
Other operating costs	<b>196,526</b>	47,556
Total	<b><u>2,383,057</u></b>	<b><u>2,490,623</u></b>

*Note 1:* Prior year was disclosed as "Cost of sales of software and hardware";

*Note 2:* Prior year was disclosed as "Commission and promotion expenses", and the payment services cost therein was classified as other operating costs.

## MANAGEMENT DISCUSSION AND ANALYSIS ON FINANCIAL CONDITIONS AND OPERATIONAL PERFORMANCE

### BUSINESS REVIEW FOR THE FIRST HALF OF 2025

In the first half of 2025, the global economic growth slowed, while China's economy maintained steady growth. The tourism market continued to thrive, and the scale of transportation in the civil aviation market recorded a new high in history, with scale of domestic and international air passenger traffic surpassing the level of the same period in 2019. As the dominant provider of information technology solutions for China's aviation and travel industry, the Group grasped the opportunities in the industry, and through continuously enhancing safety support, improving technological innovation capabilities, stabilizing business operations, and invigorating corporate reforms. Certain progress has been made in the main business sectors including aviation information technology services, accounting, settlement and clearing services, distribution of information technology services, airport information technology services, and other information technology services.

In the first half of 2025, the Group's system processing capacity of the electronic travel distribution ("ETD") system (including inventory control system ("ICS") services and computer reservation system ("CRS") services) on domestic and overseas airlines was approximately 370.7 million passengers, representing an increase of approximately 5.3% over the same period in 2024. Among them, the system processing capacity on airlines in China increased by approximately 5.5% year-on-year; the system processing capacity on foreign and regional airlines decreased by approximately 7.8% year-on-year. The number of foreign and regional commercial airlines using the Group's airport passenger processing system ("APP") services, multi-host connecting program services and self-developed Angel Cue platform connecting services increased to 213, with approximately 5.616 million departure passengers processed in 64 airports. The Commonly Used Self-service Check-in System ("CUSS") independently developed by the Group pursuant to the International Air Transport Association ("IATA") standards was used in 240 major domestic and overseas airports, and the online check-in service was applied to 360 domestic and overseas airports. Such products, together with the mobile check-in products and the newly developed SMS check-in products, processed a total of approximately 239.6 million departure passengers.

In the first half of 2025, the Group steadily advanced the upgrade and transformation of retail solutions for commercial airlines. The Travel Retail Platform (“**TRP**”) for airlines supported the customer-centred business model of commercial airlines, having signed contracts with a cumulative total of 19 clients, and explored the application of AI technologies in retail platforms. As a corporate data middle platform, Data Plus (“**ADA**”), as a data integration platform solution, provided airlines with services that integrated data security access, integration mining, and application scenario support into one. It has been deployed for 29 airlines, including Hainan Airlines, Xiamen Airlines, and Shenzhen Airlines. Agreements were entered into in relation to the Airlines Total Operation Management System (“**ATOMS**”) with six airlines, while implementation at 50 key stations were completed, driving the digital transformation of airline operations.

In the first half of 2025, the Group was dedicated to consolidating and expanding the new market of the accounting, settlement and clearing services, with a strong focus on the application of new technologies. The third-generation passenger transportation revenue management platform that complies with the technical standards of IATA New Distribution Capabilities (“**NDC**”) and ONE ORDER has been continuously optimized, while being put into operation for airlines such as Kunming Airlines, Donghai Airlines, and Tibet Airlines, supporting new business operation such as real-time settlement and order settlement. The International Passenger Revenue Accounting (“**IPRA**”) system deepened integration with the System Applications and Products (“**SAP**”) ecosystem, reinforcing its dominant position in settlement systems. We also advanced the design and iterative development of a unified industry clearing platform in an orderly manner, successfully connecting 11 airlines and adding cross-border RMB settlement functionality. In the first half of 2025, there were approximately 628.4 million transactions processed with the Group’s accounting, settlement and clearing system, representing a year-on-year increase of 3.7%. The amount of agency settlement for passengers, cargo and mail transport, miscellaneous fees, and international and domestic clearing fees exceeded RMB35.61 billion, representing a year-on-year increase of 20.0%.

In the first half of 2025, the Group further enhanced its distribution capabilities, solidified distribution channels, continuously optimized the business system, actively expanded into overseas markets, and strengthened the integration capabilities for tourism resources. We continued to expand service markets, with direct links and high-level networking to all Global Distribution Systems (“**GDSs**”) around the world and 137 foreign and regional commercial airlines, covering over 400 domestic and overseas cities. The distribution network has reached 29 overseas countries and regions. We strengthened NDC capabilities, signing NDC agreements with three additional airlines. Efforts to develop overseas markets included broadening overseas channels and expanding authorization for foreign airlines. We also promoted the paperless reimbursement ecosystem for e-tickets, completed the implementation of e-tickets for all market agents and actively advanced corporate ticket usage.

In the first half of 2025, as a comprehensive smart airport solution provider, the Group actively participated in the construction of smart airports. We contributed to the successful launch of projects such as Lanzhou Airport T3 terminal and Xi'an Airport T5 terminal, while also signing and executing projects like the departure system upgrades for Hohhot Airport and the West Terminal Area of Beijing Capital International Airport. Tailoring comprehensive smart airport solutions for diverse clients, including large, medium and small airports, we continued to explore ways to empower airport smart transformation through technology and drive regional economic development through innovative services. **In terms of smart airport products**, we have continued to deepen airport informatization. Our smart middleware platform was successfully awarded projects such as Hohhot Airport, bringing its total adoption to 13 airports. The international transfer function has been deployed at Shenzhen, Qingdao, and Guangzhou airports. The new-generation departure front-end system (“DGUI”) was implemented and put into operation in 15 additional airports in the first half of the year. The facial recognition-based smart travel platform has been rolled out to 45 airports, while the RFID-based end-to-end luggage tracking system has been extended to over 70 airports. Building on the luggage tracking system of Xinjiang Airport Group users, an additional 21 regional branch airports in Xinjiang were connected to the luggage tracking system. **Regarding front-end airport systems**, our APP-based departure control system dominates the domestic mid- to large-sized airport market. It also supports 182 overseas or regional airports in assisting commercial airlines with passenger check-in, transfers, and interline services, processing approximately 24 million departing passengers, accounting for about 96.63% of the overseas return passenger volume handled by Chinese commercial airlines.

In the first half of 2025, the Group seized firmly the opportunities in the construction of digital China to promote the deep integration of the digital economy and the real economy. **In public information technology services**, we were devoted to the development in the field of digital infrastructure construction and expanded cross-industry data center value-added service business. We signed new contracts for the data center server room project of the Information Center, Civil Aviation Administration of China and the development service project of Flight Inspection Center of CAAC. We focused on developing standardized data governance solutions for external deployment, securing projects from China Forestry Group Corporation\* (中國林業集團有限公司) and Sinopharm Digital Technology (Beijing) Co., Ltd., among others. **In aviation cargo and logistics information technology services**, we promoted and upgraded products such as cargo terminal production systems and cargo security inspection systems, signing four new clients, including Shandong Yantai Airport. We successfully completed and launched the digital cargo terminal platform project for Air China Cargo Co., Ltd., covering six stations across five locations. **In exploring innovative business scenarios**, we developed the civil aviation blockchain platform “Air Travel Chain” and related products, securing 18 new clients. Our digital Renminbi payment application was implemented across multiple aviation scenarios, leading to a new trend of integration between digital Renminbi and civil aviation e-commerce. The airport luggage omnidirectional forklift intelligent robot completed the first set of intelligent robot research and development and production, and was successfully implemented and put into operation at Qingdao Airport, the inaugural user.

In the first half of 2025, as the “central nervous system” for the healthy operation of China’s civil aviation industry, the Group actively fulfilled its social responsibilities by comprehensively enhancing the stability of core systems, intelligent operations and maintenance, and security capabilities. **On one hand**, we ensured the stable operation of mainframe systems and major open platform systems, achieving an availability rate exceeding 99.99%. We successfully safeguarded the secure operation of civil aviation passenger information systems during critical periods, including the Spring Festival travel rush, the Asian Winter Games, the Two Sessions (i.e., the National People’s Congress and the Chinese People’s Political Consultative Conference), and the May Day holiday. **On the other hand**, we strengthened resource support by expanding data center capacity and adding new leased server modules, laying a solid foundation for the Company’s sustained high-speed development. Significant progress was made in network infrastructure, with the successful completion of a 5G/SD-WAN-based cross-border network test for departure operations of domestic airlines at Macau Airport, verifying technical feasibility and providing critical network access support for overseas business expansion and security enhancement. Additionally, we advanced the self-service transformation, significantly reducing traditional phone inquiries year-over-year. The TravelSky Online Service Platform (“TOSP”) continued to be optimized and updated, further enhancing users’ self-service capabilities.

In the first half of 2025, the Group spearheaded independent innovation in critical technologies, supported by major scientific projects and innovation platforms, steadily advancing in technological self-reliance and driving industrial innovation through scientific breakthroughs. **We focused on fostering strategic emerging industries**, leading research and application of AI technologies in civil aviation, and actively expanding into the low-altitude economy sector. The Low-Altitude Economy Business Collaboration Platform secured its first user, Shanghai New Sky Helicopter Co., Ltd., while the manned-unmanned aerial vehicle (“UAV”) cooperative system was successfully deployed. **Actively undertaking national scientific missions**, the Group secured one key project under the National Natural Science Foundation of China (“NSFC”)-Civil Aviation Joint Research Fund, won three scientific awards at various levels, and obtained 40 patents, including 25 invention patents. For the 19th consecutive year, we were recognized as a National Key Software Enterprise. **Dedicated to building green practice benchmarks**, the Group connected the Houshayu Park rooftop photovoltaic project to the grid, marking its first renewable energy utilization breakthrough in Beijing. Additionally, the “Green and Intelligent Data Center Operation Practice” was included in the National Development and Reform Commission’s List of Energy-Saving Technologies and Practices to be Recommended for International ‘Top Ten’ Recognition (《中國擬推薦參與國際「雙十佳」評選的節能技術和節能實踐清單》).



## **FINANCIAL CONDITION AND RESULTS OF OPERATIONS FOR THE FIRST HALF OF 2025**

### **Summary**

The management's discussion and analysis on the financial conditions and results of operations of the Group are as follows:

For the first half of 2025, the Group achieved total profits of RMB1,677.9 million, representing an increase of approximately 4.5% compared to RMB1,605.7 million in the first half of 2024. Net profit attributable to shareholders of the parent of the Company was RMB1,447.7 million, representing an increase of approximately 5.9% compared to RMB1,367.2 million in the first half of 2024.

As stated in the announcement of the Company dated August 8, 2025, the profit of the Group achieves year-on-year growth, mainly attributable to stable year-on-year growth in aviation information technology service revenue and further improvement in the collection situation of the Company.

The revenue and operating results of the Group mainly came from the Group's operations in China. The earnings per share of the Group were RMB0.49 for the first half of 2025.

### **Total Revenue**

The total revenue of the Group in the first half of 2025 amounted to RMB3,894.5 million, representing a decrease of RMB147.3 million, or 3.6%, from RMB4,041.8 million in the first half of 2024. The decrease in total revenue is reflected as follows:

- Aviation information technology service revenue represented 59.4% of the Group's total revenue in the first half of 2025, as compared to 56.0% in the first half of 2024. Aviation information technology service revenue increased by 2.1% from RMB2,265.0 million in the first half of 2024 to RMB2,313.4 million in the first half of 2025. The main sources of the revenue were ICS, CRS and APP provided by the Group to commercial airlines, as well as extended information technology services related to the above core businesses. The increase in revenue was primarily due to the 5.3% year-on-year increase of total system processing capacity, whereas foreign and regional airline processing capacity decreased slightly year-on-year.

- Accounting, settlement and clearing services revenue accounted for 8.0% of the Group's total revenue in the first half of 2025, as compared to 6.9% in the first half of 2024. Accounting, settlement and clearing services revenue increased by 12.4% from RMB278.0 million in the first half of 2024 to RMB312.5 million in the first half of 2025. The main sources of the revenue were accounting, settlement and clearing services provided by the Group to third parties including commercial airlines, airports, agencies and government bodies, etc. The increase in revenue was primarily due to the year-on-year increase in accounting, settlement and clearing business volume.
- System integration service revenue accounted for 10.7% of the Group's total revenue in the first half of 2025, as compared to 16.8% in the first half of 2024. System integration service revenue decreased by 38.5% from RMB679.8 million in the first half of 2024 to RMB418.4 million in the first half of 2025. The main sources of the revenue were hardware integration, software integration and data and information integration services provided by the Group to airports, commercial airlines and other institutional clients. The decrease in revenue was primarily due to the impact of project construction progress.
- Data network revenue accounted for 4.9% of the Group's total revenue in the first half of 2025, as compared to 5.4% in the first half of 2024. Data network revenue decreased by 12.4% from RMB216.4 million in the first half of 2024 to RMB189.5 million in the first half of 2025. The main source of the revenue was distribution information technology services provided by the Group to agencies. The decrease in revenue was mainly due to the fluctuations in the usage volume of some users in the same period of the previous year, resulted in slightly higher revenue base for the same period last year.
- Technical support and product revenue accounted for 9.9% of the Group's total revenue in the first half of 2025, as compared to 7.3% in the first half of 2024. Technical support and product revenue increased by 30.4% from RMB295.3 million in the first half of 2024 to RMB385.0 million in the first half of 2025. This revenue was derived from the products and technical services provided by the Group to airlines, airports, agents and non-industry customers. The increase of the revenue was mainly due to the increase in customers' IT service demand and product expansion.



- Other revenue accounted for 7.1% of the Group's total revenue in the first half of 2025, as compared to 7.6% in the first half of 2024. Other revenue decreased by 10.2% from RMB307.2 million in the first half of 2024 to RMB275.7 million in the first half of 2025. The sources of the revenue were payment services, machine room tenancy, data services, logistics business and other services provided by the Group. The decrease in revenue was mainly due to the year-on-year decrease in payment service revenue as a result of the decrease in online payment transaction volume.

### **Total Operating Expenses**

Total operating expenses in the first half of 2025 amounted to RMB2,427.9 million, representing a decrease of RMB107.4 million or 4.2% as compared to RMB2,535.3 million in the first half of 2024. The changes in total operating expenses are also reflected as follows:

- Staff costs increased by 3.2%, mainly due to the year-on-year increase in employee salaries of the Group and “5 Insurances and 2 Pensions (五險二金)”;
- Depreciation and amortisation decreased by 17.6%, mainly due to the completion of depreciation and amortisation of certain fixed assets and intangible assets of the Group;
- Cost of integrated business sales decreased by 52.1%, mainly due to progress of the system integrated project construction;
- Technical support and maintenance fees decreased by 0.2%, mainly due to the commencement and implementation progress of certain research and development projects; and
- Departure and distribution support fees increased by 1.3%, mainly due to the combined impact of the increase in business volume related to departure service guarantee fees, foreign airline booking rewards for agents, and their corresponding progress of reconciliation confirmation.

### **Credit Impairment Losses**

The credit impairment losses in the first half of 2025 amounted to RMB176.5 million, mainly due to the decrease in the balance of provision for bad debts of accounts receivable compared to the end of 2024 as a result of further improvements in the repayment situation of certain customers.

## **Corporate Income Tax**

Under the Corporate Income Tax Law of the People's Republic of China (“**CIT Law**”), in general, the applicable income tax rate of enterprises in China is 25%. Pursuant to relevant requirements, enterprises recognized as “High and New Technology Enterprise” are entitled to a preferential corporate income tax rate of 15% according to the CIT Law. The Company was approved and certified by relevant authorities as a “High and New Technology Enterprise” since its establishment and was reviewed to maintain its qualification as a “High and New Technology Enterprise” in accordance with relevant regulatory requirements. The latest review was completed in November 2023 and the Company maintained its qualification as a “High and New Technology Enterprise” and was confirmed to be entitled to a preferential corporate income tax rate of 15% from Year 2023 to Year 2025 as a “High and New Technology Enterprise”. Therefore, the Company has calculated the expenses on corporate income tax for the first half of 2025 using the preferential tax rate of 15%.

In addition to the entitlement to a preferential income tax rate of 15% as a “High and New Technology Enterprise”, if an enterprise is certified by relevant regulatory authorities as a “Key Software Enterprise”, it can further enjoy a preferential tax rate of 10%. According to the relevant provisions, the difference between the tax amount paid at the rate of 15% and the tax amount calculated at the preferential corporate income tax rate of 10% will be refunded to relevant enterprises after the relevant period, and will be reflected in the profit or loss account of the enterprises when it is refunded. The Company has been consecutively certified as a “Key Software Enterprise” from Year 2006 to Year 2024.

For details of the corporate income tax of the Group for the first half of 2025, please refer to Note 4 to the financial statements.

## **Net Profit Attributable to Shareholders of the Parent of the Company**

Net profit attributable to shareholders of the parent of the Company increased from RMB1,367.2 million in the first half of 2024 to RMB1,447.7 million in the first half of 2025, representing an increase of RMB80.4 million.

## **Liquidity and Capital Structure**

The Group's working capital in the first half of 2025 mainly came from operating activities. Net cash inflow from operating activities amounted to RMB1,314.8 million.

As at June 30, 2025, the Group had a total of RMB1,396.1 million of borrowings, including short-term bank borrowing of RMB924.6 million and entrusted loans of RMB471.5 million, of which the fixed rate borrowings principal totaled RMB521.2 million. The Group did not use any financial instruments for hedging purpose.

As at June 30, 2025, cash and cash equivalents of the Group amounted to RMB6,621.2 million, of which 95.3%, 3.2% and 0.2% were denominated in RMB, USD and EUR, respectively.

## **Restricted Bank Deposits**

As at June 30, 2025, restricted bank deposits amounted to RMB1,821.6 million, of which RMB1,794.3 million were customer provisions (as at December 31, 2024: restricted bank deposits amounted to RMB1,490.4 million, of which RMB1,449.1 million were customer provisions) which primarily comprised the deposits placed at designated bank accounts as guarantee deposits to secure, amongst others, the settlement of related business, and the customer provisions deposited with the People's Bank of China by the Company's subsidiary, Beijing Yake Payment Technology Co., Ltd.

## **Trust Deposits and Irrecoverable Overdue Time Deposits**

As at June 30, 2025, the Group did not have any trust deposits and irrecoverable overdue time deposits. Cash deposits held by the Group are mainly deposited at commercial banks and complied with applicable laws and regulations.

## **Foreign Exchange Risks**

The Group's foreign exchange risk arises from commercial transactions and assets and liabilities denominated in foreign currencies. Fluctuation of the exchange rates of Renminbi against foreign currencies could affect the Group's operational results.

## **Financial Assets Invested**

With regard to capital management, based on the principles of prudence and soundness, the Group generally chooses principal-protected wealth management products with interest rates higher than those of bank deposits for the same period, so that the Group can maximize its capital gains.

In the first half of 2025, the Group had the following major financial assets:

**(1) Trading Financial Assets**

As at June 30, 2025, the Group held structural bank deposits (with floating returns) issued by Bank of Beijing, Industrial Bank, Ping An Bank, China Everbright Bank, Industrial and Commercial Bank of China and China Construction Bank of RMB: 1,100 million, 1,100 million, 1,100 million, 1,100 million, 1,000 million and 600 million, totaling RMB6,000 million. The annual interest rate of such structural bank deposits varied from 0.45% to 2.30%, with a term of 92 days to 186 days, and were non-cancellable before maturity.

**(2) Financial Assets at Amortised Cost**

As at June 30, 2025, the Group held certificates of deposit for more than three months issued by China Construction Bank, Minsheng Bank, Bank of Communications and Ping An Bank of RMB: 500 million, 90 million, 60 million and 20 million, totaling RMB670 million. The annual interest rate of such bank deposits varied from 1.75% to 3.10% with a term of 365 to 1,097 days. Among them, the fixed-term certificates of deposit issued by China Construction Bank amounted to RMB500 million and were non-cancellable before maturity. The national debt reverse repurchase products amounted to RMB1,000 million, with an annualised interest rate of 1.66% and a term of 28 days, and were non-cancellable before maturity.

**(3) Financial Assets at Fair Value through Other Comprehensive Income**

Name of investment	Business nature	Percentage of shareholding	Percentage of Shareholding	Fair value	Fair value	Gain	Gain
		as at	as at	as at	as at	as of	as of
		June 30, 2025	December 31, 2024	June 30, 2025	December 31, 2024	June 30, 2025	December 31, 2024
		%	%	RMB'000	RMB'000	RMB'000	RMB'000
Unlisted equity, measured at fair value — CMRH Life	Life insurance	13.26	13.26	1,043,827	1,004,312	39,515	173,839

The performance and prospects of the financial assets “CMRH Life” during the period were as follows:

- a. Name of the company: China Merchants RenHe Life Insurance Company Limited (“**CMRH Life**”)
- b. Business scope: General insurance (including life insurance and annuity insurance), health insurance, accident injury insurance, bonus insurance, omnipotent insurance, reinsurance of all of the above insurance businesses, the application of the insurance funds allowed by the State laws and regulations, and other businesses approved by former Banking and Insurance Regulatory Commission.
- c. Investment cost of the Company: RMB875.0 million.
- d. The percentage of the shareholding held by the Company: 13.26%.

- e. The fair value and the scale relative to the total assets of the Group:

As at June 30, 2025, the Group invested a fair value of approximately RMB1,043.8 million in CMRH Life, accounting for 3.3% of the total assets of the Group.

- f. The performance in the first half of 2025:

According to the information provided by CMRH Life to the Company, it recorded a profit of RMB173.33 million in the first half of 2025. The main reason is that CMRH Life has continuously transformed its product mix, reduced liability costs, seized opportunities in the capital market to obtain excess investment returns, and actively responded to the impact of downward interest rates to achieve ongoing profits.

g. Strategies of future investments and the prospects of such investments:

According to the information provided by CMRH Life to the Company, with the acceleration of population aging, a notable enhancement in public health awareness, as well as the dual impetus from policy incentives and technological empowerment, CMRH Life, as an insurance company controlled by a central state-owned enterprise, will adhere to the development laws of the financial insurance industry and the principle of “insurance-oriented”, following a path of market-oriented, professional, and differentiated innovation-driven development. Focusing on the transformation goal of “striving to build a digital ecosystem platform for risk management, health management and wealth management, the preferred choice for central and state-owned enterprises and employees’ families”, CMRH Life will continuously and thoroughly advance three major strategies: the central and state-owned enterprise strategy, the health strategy, and the family account strategy. By firmly pursuing product transformation, strengthening the linkage between assets and liabilities, continuously reducing costs and enhancing efficiency, and effectively addressing the challenges posed by a low-interest-rate environment, CMRH Life has achieved profitability for two consecutive years on its new journey of re-entrepreneurship, with the results of its reforms becoming increasingly evident.

**(4) Financial Assets at Fair Value through Profit or Loss**

*China Mobile Equity Fund*

As stated in the announcement of the Company dated April 16, 2020, the Company entered into the limited partnership agreement (the “**Agreement**”) in relation to the formation of China Mobile Equity Fund (Hebei Xiong’an) Partnership (Limited Partnership)\* (中移股權基金(河北雄安)合夥企業(有限合夥)) (“**China Mobile Equity Fund**”) with China Mobile Capital Holding Co., Ltd.\* (中移資本控股有限責任公司), other investors (together with the Company and China Mobile Capital Holding Co., Ltd.\* (中移資本控股有限責任公司), as the limited partners) and China Mobile Fund Co., Ltd.\* (中移股權基金管理有限公司) (as the general partner), pursuant to which, the Company agreed to contribute RMB1 billion in cash to China Mobile Equity Fund during the term of the Agreement. China Mobile Equity Fund will mainly invest in the enterprises related to 5G industry application and information communication industry chain, ecosystem and empowerment industry.

As at June 30, 2025, the Company has actually contributed (including the fund management fee) RMB852.2 million pursuant to the Agreement. Please refer to Note 5.c) to the consolidated financial statements for details.

### **Charge on Assets**

As at June 30, 2025, the Group had no charge on its assets.

### **Contingent Liabilities**

As at June 30, 2025, the Group had no material contingent liabilities.

### **Gearing Ratio**

As at June 30, 2025, the gearing ratio of the Group was 26.3% (as at December 31, 2024: 22.9%), which was computed by dividing the total liabilities by the total assets of the Group as at June 30, 2025.

### **Advancement of data resource assetization within the Company**

According to the Ministry of Finance's Interim Provisions on Accounting Treatment Related to Data Resources of Enterprises (Caikuai [2023] No. 11), starting from January 1, 2024, enterprises should recognize data resources that meet the confirmation conditions as intangible assets or inventory, based on the purpose of holding the data resources, the method of formation, the business model, and the expected manner of economic benefit consumption related to the data resources.

For the period ended June 30, 2025, the Group did not recognise any new data resources as intangible assets. As at June 30, 2025, the Group reported "Intangible assets — Including: Data resources" of RMB20.2 million in financial statements.

### **Major Investment or Financing Plan**

As at June 30, 2025, the Group had no major acquisitions or disposals of subsidiaries, associates and joint ventures, nor any major investment or plan to acquire significant capital assets. The Board estimates that the sources of funding of the Group in 2025 will be sufficient for the funding needs of daily operations and the Group does not have any major financing plan.

The total capital expenditure of the Group amounted to RMB133.8 million for the first half of 2025 (the first half of 2024: RMB141.5 million), mainly used in the Company's daily operation and existing system upgrade, maintenance, and others. As at June 30, 2025, the Group's capital expenditure commitment amounted to approximately RMB1,518.7 million, which will be mainly used in the Company's daily operation, maintenance, research and development and upgrading of computer system, China Mobile Equity Fund (an unlisted investment fund), etc. The sources of funding for such commitments will include existing cash at hand and internal cash flows generated from operating activities of the Group.



Additionally, as described in the 2024 Annual Report of the Company, the Company planned to commence the first stage of the construction of Beijing Shunyi Park Phase II around the end of 2025, with actual related expenses of approximately RMB3.0 million in the first half of 2025.

## **Employees**

The Group has different remuneration standards for different employees (including executive directors and employee supervisors), based on their performance, experience, position and other factors in compliance with the relevant PRC laws and regulations, as amended from time to time. The remuneration of the employees of the Group includes salaries, bonuses and social insurance benefits provided in compliance with relevant regulations of the PRC, as amended from time to time, such as medical insurance, pension, unemployment insurance, maternity insurance and housing funds. The Group also provides its employees with opportunities to receive training in areas such as the aviation and travel industry, computer information technology and business administration education, and provides training on the latest development in areas such as computer information technology, soft skills, laws, regulations and economics. In 2007, the Group implemented a corporate annuity scheme (or supplementary pension plan) in accordance with relevant policies of the PRC. According to the corporate annuity scheme, the Group is required to make provision for monthly corporate annuity fees based on the total actual salary each month in the previous year and the ratio approved by the relevant authorities of the PRC. It also needs to deposit the annuities in the custody account of corporate annuity fund opened by its custodian.

As at June 30, 2025, the total number of employees of the Group was 6,740. Staff costs of the Group amounted to approximately RMB968.2 million for the first half of 2025, representing approximately 39.9% of the total operating expenses of the Group for the first half of 2025, among which, the aggregate corporate annuity expenses of the Group amounted to approximately RMB47.3 million for the first half of 2025 (the first half of 2024: RMB40.9 million).

## **Subsequent Events**

From July to August 2025, the Company received a total of RMB89.7 million in tax rebates as a Key Software Enterprise. In addition to the above, as at the date of this announcement, the Group had no significant events since June 30, 2025 which need to be disclosed.



## **PROSPECTS FOR THE SECOND HALF OF 2025**

In the second half of 2025, the global economic situation remains complex, with significantly increased instability and uncertainties. China's economy demonstrates strong resilience, with a steady and positive recovery. Against the dual backdrop of a slowing global economy and China's stable economic development, opportunities and challenges are intertwined in the aviation industry. The Group always adheres to the strategic approach of pursuing progress with stability and promoting stability through progress. Responding to a complex and ever-changing market environment, we continue to focus on high-quality development, strengthen technological innovation, explore the industry leadership potential, and solidify the foundation of safety support, steadfastly advancing toward the goal of becoming a world-class enterprise. In the second half, we will intensify efforts in the following key areas: continuously increasing the level of aviation safety, building a robust safety foundation, creating a high-quality safety barrier, and maintaining the Company's stable safety performance; accelerating the layout of strategic emerging industries, enhancing innovation-driven development, speeding up the implementation of innovative achievements, and boosting core competitiveness; fostering and expanding new productive forces, consolidating the advantages of our main business, increasing product market coverage, and solidifying our leading position in the industry; improving the effectiveness of reform and development, summarizing reform experiences, deepening brand leadership, and strengthening corporate governance efficiency.

## **INTERIM DIVIDEND**

The Board recommends the Company not to distribute an interim dividend for the first half of 2025.

## **PURCHASE, SALE OR REDEMPTION OF SECURITIES**

In the first half of 2025, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of its listed securities (including sale of treasury shares as defined under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**")). As at June 30, 2025, the Company did not hold any such treasury shares.

## CORPORATE GOVERNANCE

The Company is committed to establishing and maintaining high level of corporate governance, as well as disclosing information to all market participants and regulatory authorities in a timely, accurate, complete and reliable manner to enhance the transparency of the Company. The Company has adopted the code provisions as stipulated in the “Corporate Governance Code” and “Corporate Governance Report” (the “**Code Provisions**”) in Appendix C1 to the Listing Rules as the Company’s code of corporate governance.

The Company has deviated from the Code Provision C.2.1 “the roles of chairman and chief executives should be separate and should not be performed by the same individual”. As stated in the Company’s announcement dated May 2, 2022, Mr. Huang Rongshun, the chairman of the Company, has been appointed as the general manager of the Company. At present, the chairman and general manager of the Company are performed by the same individual, which is a transitional arrangement only. Considering that the Board constitutes a sufficient number of independent non-executive directors, a temporary deviation from the Code Provision would not prejudice the balanced distribution of power and authority between the Board and the management of the Company.

The Company has deviated from the Code Provision B.2.2 “every director (including those appointed for a specific term) shall be subject to retirement by rotation at least once every three years”. As stated in the announcement of the Company dated February 27, 2023, the term of the seventh session of the Board expired on February 26, 2023. Given that the nomination process of candidates for the directors of the new session of the Board has not been completed, the re-election and appointment of members of the Board will be postponed as appropriate, and the term of office of each committee of the seventh session of the Board of the Company will be extended accordingly. The Company will endeavor to complete the re-election and appointment of members of the Board as soon as possible, and fulfill respective information disclosure obligations in a timely manner. All members of the seventh session of the Board of the Company will continue to fulfill their respective duties and responsibilities of directors in accordance with the laws, administrative regulations and the Articles of Association until the re-election work is completed. The normal operation of the Company will not be affected by the postponement of re-election of the members of the Board.

Except for the above deviations from Code Provision C.2.1 and B.2.2, the Company has fully complied with the other Code Provisions in the first half of 2025.

For the six-month period ended June 30, 2025, the Company has adopted the Model Code set out in Appendix C3 to the Listing Rules and standards required thereof as the model code and the standards for conducting securities transactions by directors and supervisors of the Company. After making specific enquiries to all directors and supervisors, the Company confirmed that all directors and supervisors have acted in full compliance with Model Code and the standards regarding directors' securities transactions required thereof during the six-month period ended June 30, 2025.

#### **AUDIT AND RISK MANAGEMENT COMMITTEE (SUPERVISORY COMMITTEE)**

The Audit and Risk Management Committee (Supervisory Committee) of the Company has discussed and reviewed the unaudited interim results of the Group for the six months ended June 30, 2025 with the Company's management, and has also discussed matters relating to internal control, risk management and financial reporting.

#### **ONLINE PUBLICATION OF INTERIM RESULTS**

This results announcement is published on the website of Hong Kong Exchanges and Clearing Limited ([www.hkexnews.hk](http://www.hkexnews.hk)), and the website of the Company ([www.travelskyir.com](http://www.travelskyir.com)) which is made available pursuant to Rule 2.07C(6)(a) of the Listing Rules.

If you have any inquiries or meeting requirements, please feel free to contact the investor relations team at [ir@travelsky.com.cn](mailto:ir@travelsky.com.cn).

By order of the Board  
**TravelSky Technology Limited**  
**Huang Rongshun**  
*Chairman*

Beijing, the People's Republic of China  
August 21, 2025

*As at the date of this announcement, the Board comprises:*

*Executive Director: Mr. Huang Rongshun (Chairman);*

*Non-executive Directors: Mr. Sun Yuquan, Mr. Qu Guangji, and Ms. He Xiaoqun;*

*Independent Non-executive Directors: Mr. Liu Zehong, Mr. Chan Wing Tak Kevin, and Mr. Xu Hongzhi;*

*Employee Representative Director: Ms. Liang Shuang.*