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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)

ANNOUNCEMENT REGARDING PROVISION FOR IMPAIRMENT FOR THE HALF YEAR OF 2025

Air China Limited (the "**Company**") held the sixth meeting of the seventh session of the board of directors (the "**Board**") on 28 August 2025, at which the Board considered and approved the "Resolution on Provision for Impairment for the Half Year of 2025".

1. OVERVIEW OF THE PROVISION FOR IMPAIRMENT

In accordance with the Accounting Standards for Business Enterprises and the requirements of the Company's relevant accounting policies and accounting estimates, and in order to present an objective and fair view of the Company's financial position and operating results for the half year of 2025, the Company conducted an assessment of expected credit losses on the relevant assets and performed impairment tests on assets having indications of impairment. Based on the test results, the Company recognised a total of RMB91 million in provisions for various asset impairments for the half year of 2025, with the specific details as follows:

Unit: RMB'000

Item	Provision made for the half year of 2025	Remarks
Provision for asset impairment	85,154	Impairment provision for fixed assets
Provision for credit impairment	5,563	Impairment provisions made for accounts receivable, other receivables, other debt investments, other current assets and interbank deposits
Total	**90,717**	–

2. SPECIFIC DETAILS OF THE PROVISIONS FOR IMPAIRMENT

A. Provision for Asset Impairment

In accordance with *Accounting Standards for Business Enterprises No. 8 – Asset Impairment*, the Company conducted an impairment test on aircraft approaching retirement and recognised a provision for fixed asset impairment in the amount of RMB85 million for the shortfall between the assets' recoverable amount and their carrying value.

B. Provision for Credit Impairment

In accordance with *Accounting Standards for Business Enterprises No. 22 – Recognition and Measurement of Financial Instruments*, the Company, based on the expected credit losses, recognised impairment provisions in the amount of RMB6 million for accounts receivable, other receivables, other debt investments, other current assets and interbank deposits.

3. IMPACT OF THE PROVISION FOR IMPAIRMENT ON THE COMPANY'S FINANCIAL POSITION

For the half year of 2025, the Company recognised a total of RMB91 million in provisions for various asset impairments in its consolidated financial statements. After considering the comprehensive impact of factors such as the reversal of impairments during the year, loss before taxation in the Company's consolidated financial statements increased by RMB87 million. The provisions for impairment comply with the Accounting Standards for Business Enterprises and the requirements of the Company's relevant accounting policies and estimates, providing a true and objective reflection of the Company's financial position and operating results for the half year of 2025 and accurately represent the actual condition of the Company's assets.

By Order of the Board
Air China Limited
Xiao Feng
Company Secretary

Beijing, the PRC, 28 August 2025

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. Xu Niansha, Mr. He Yun*, Ms. Winnie Tam Wan-chi* and Mr. Gao Chunlei*.*

* *Independent non-executive director of the Company*