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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)

**PROPOSED EQUITY FINANCING OF SHENZHEN AIRLINES
AND CAPITAL CONTRIBUTION TO SHENZHEN AIRLINES**

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

Overview of the Financing

As at the date of this announcement, Shenzhen Airlines is a non-wholly owned subsidiary of the Company, which is held as to 51% and 49% by the Company and Shenzhen International Total Logistics (Shenzhen) Co., Ltd. (“**Shenzhen International Logistics**”), respectively. Shenzhen Airlines is principally engaged in domestic scheduled and non-scheduled air transportation services for passengers, cargo, mail and baggage.

Shenzhen Airlines proposes to carry out an equity financing with a total financing amount of RMB16 billion (the “**Financing**”), among which, the Company intends to participate in the Financing by making capital contribution proportionate to its current 51% equity interests in Shenzhen Airlines. The total capital contribution to be made by the Company in the Financing will not exceed RMB8.16 billion.

The Financing will be conducted in stages. For the initial tranche of the Financing (the “**Initial Financing**”), it is proposed that one investor (the “**Investor**”) will be solicited through the Shenzhen United Property and Equity Exchange to invest RMB2 billion in cash. Concurrently, the Company will make a cash capital contribution by way of a non-public agreement in the amount of RMB2.08163 billion. The final price of the Initial Financing will not be lower than the filed valuation results and will be determined at the shareholders’ meeting of Shenzhen Airlines based on the

outcome of the public solicitation of the Investor. It is expected that upon completion of the Initial Financing, the Company will continue to hold 51.0000% equity interests in Shenzhen Airlines, Shenzhen International Logistics will hold no less than 28.0866% equity interests in Shenzhen Airlines and the Investor will hold no more than 20.9134% equity interests in Shenzhen Airlines.

Upon completion of the Initial Financing, the Company and the Investor will, in accordance with the capital needs of Shenzhen Airlines and the resolutions of its shareholders' meeting, complete the remaining investment (“**Subsequent Financing**”) of no more than RMB12 billion, through a non-public agreement at the ratio of 51%:49%. Upon completion of the Financing, the Company's equity interests in Shenzhen Airlines will remain unchanged at 51%, and Shenzhen Airlines will remain a subsidiary of the Company.

Shenzhen International Logistics, as an existing shareholder of Shenzhen Airlines, has confirmed its waiver of the preemptive right to subscribe for the additional registered capital resulting from the Financing.

Impact of the Financing on the Group

The Financing will strengthen the capital base of Shenzhen Airlines, improve its capital structure, enhance its short-term debt repayment capacity, alleviate its debt burden, reduce its financing costs, thereby laying a solid foundation for its high-quality development. On one hand, the Financing will enable Shenzhen Airlines to leverage the policy advantages of the Guangdong-Hong Kong-Macau Greater Bay Area, further consolidate its market share in domestic and international aviation, and enhance the competitiveness of Shenzhen Airport as an international hub. On the other hand, it will support Shenzhen Airlines to accelerate its fleet renewal, expand the scale of its wide-body aircraft fleet, and enhance its competitiveness in the international market.

By making a capital contribution pro rata to its equity interests in Shenzhen Airlines, the Company will maintain its controlling stake in Shenzhen Airlines, and this will not result in any change to the scope of the Company's consolidated financial statements. The funds required for the Company's participation in the Financing will be mainly sourced from the Company's own or self-raised funds, which is not expected to have any material adverse effect on the financial condition and operating results of the Company, nor will it harm the interests of the Company and its shareholders.

Risk Analysis of the Company's Participation in the Financing

If significant adverse changes occur in the industry in the future, the Company may be subject to the risk that the returns on the Company's investment may fall short of expectations. The Company will urge Shenzhen Airlines to take various measures to enhance its operating efficiency.

The Company will, in accordance with the progress of the Financing, comply with all applicable provisions of the Listing Rules in a timely manner and fulfill its corresponding information disclosure obligations in due course.

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

By Order of the Board
Air China Limited
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*