

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



中国南方航空股份有限公司
CHINA SOUTHERN AIRLINES COMPANY LIMITED

(a joint stock limited company incorporated in the People's Republic of China with limited liability)
(Stock Code: 1055)

THIRD QUARTERLY REPORT OF 2025

Summary

The quarterly financial report for the third quarter of 2025 (i.e. the three months ended 30 September 2025, the “**reporting period**”) of China Southern Airlines Company Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) was prepared in accordance with the PRC Accounting Standards and was unaudited.

This announcement is published pursuant to Rule 13.09 and Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

IMPORTANT NOTICE:

The board of directors (the “**Board**”) and the supervisory committee of China Southern Airlines Company Limited (the “**Company**”) and its directors (the “**Directors**”), supervisors and senior management warrant the truthfulness, accuracy and completeness of the content contained in this quarterly report, and the report does not contain inaccurate or misleading statements or material omission, and jointly and severally accept full legal responsibility.

The responsible person of the Company, Mr. Ma Xu Lun (Chairman), the responsible person of the accounting of the Company, Mr. Chen Dong (Executive Vice President, Chief Accountant and Chief Financial Officer of the Company), and the responsible person of the accounting department, Ms. Mao Juan (General Manager of Finance Department) warrant the truthfulness, accuracy and completeness of the financial statements contained in this quarterly report.

Whether the Third Quarterly Financial Statements have been audited

☐ Yes ☒ No

I. MAJOR ACCOUNTING DATA

(I) Principal accounting data and financial indicators

Unit: Million Currency: RMB

Items	The reporting period	Increase/ (decrease) as compared with the corresponding period last year (%)	Nine months ended 30 September 2025	Increase/ (decrease) as compared with the corresponding period last year (%)
Operating revenue	51,374	3.01	137,665	2.23
Profit before income tax	5,497	14.62	6,093	22.97
Net profit attributable to shareholders of the Company	3,840	20.26	2,307	17.40
Net profit attributable to shareholders of the Company after deducting non-recurring gains and losses	3,456	19.79	1,423	N/A
Net cash flows generated from operating activities	N/A	N/A	32,387	20.59
Basic earnings per share (RMB/share)	0.21	16.67	0.13	18.18
Diluted earnings per share (RMB/share)	0.20	11.11	0.12	9.09
Weighted average return on net assets (%)	10.70	An increase of 2.11 percentage points	6.43	An increase of 1.14 percentage points
		As at the end of the reporting period	As at the end of last year	Increase/ (decrease) as compared with that of the end of last year (%)
Total assets		340,579	329,738	3.29
Equity attributable to shareholders of the Company		37,035	34,729	6.64

Note: The “reporting period” and the same expressions hereafter mentioned refer to the three-months period from the beginning to the end of the third quarter of 2025.

(II) Non-recurring gains and losses

Unit: Million Currency: RMB

Items	Amount for the reporting period	Amount 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 the write-off of previously accrued asset impairment provisions	64	65
Government grants recorded in profit or loss for the current period, but exclusive of government grants which are closely related to the normal business of the company, compliant with national policy regulations, received in accordance with established standards, and having a continuous impact on the company's profit or loss	7	15
In addition to valid hedging business related to the company's normal operating business, the fair value change gains and losses arising from the holding of financial assets and financial liabilities, as well as the gains and losses from the disposal of financial assets and financial liabilities, by non-financial enterprises	5	381
Other non-operating income and expenses other than the above	364	585
Less: Effect of income tax	21	103
Effect on non-controlling interests after taxation	35	59
Total	384	884

The Company shall explain the reasons for recognizing items not listed in “The No.1 Explanatory Announcement Regarding Information Disclosure for Companies Issuing Securities Publically – Non-Recurring Gains and Losses” as non-recurring gains and losses items with significant amounts, as well as the reasons for defining any non-recurring gains and losses items as listed in the “The No.1 Explanatory Announcement Regarding Information Disclosure for Companies Issuing Securities Publically – Non-Recurring Gains and Losses” as recurring gains and losses items.

☐ Applicable ☒ Not applicable

(III) Changes to major accounting data and financial indicators and reasons

☒ Applicable ☐ Not applicable

Items	Percentage of change (%)	Main reason(s)
Net profit attributable to shareholders of the Company after deducting non-recurring gains and losses_Nine months ended 30 September 2025	N/A	The Company has experienced continued improvement in its operational performance, a significant increase in profitability, and successfully realized a shift from loss to profit during the nine months ended 30 September 2025 as compared with the same period last year.

II. INFORMATION OF SHAREHOLDERS

(I) Total number of ordinary shareholders and number of preference shareholders with restored voting rights and shareholdings of the top ten shareholders

Unit: Share

Total number of ordinary shareholders as at the end of the reporting period	133,294	Total number of preference shareholders with restored voting rights as at the end of the reporting period (if any)	Not applicable			
Shareholdings of the top ten shareholders						
Name of shareholder	Capacity of shareholder	Total number of shares held at the end of the reporting period	Shareholding percentage at the end of the reporting period (%)	Number of shares subject to trading restrictions at the end of the reporting period	Status of pledged, marked or frozen shares	
					Status of shares	Number of shares
China Southern Air Holding Company Limited	State-owned legal entity	9,404,468,936	51.90	803,571,428	No	0
Nan Lung Holding Limited	State-owned legal entity	2,612,124,036	14.41	0	No	0
HKSCC Nominees Limited	Overseas legal entity	1,751,276,787	9.66	0	Not known	–
Hong Kong Securities Clearing Company Limited	Overseas legal entity	586,162,825	3.23	0	No	0
China Securities Finance Corporation Limited	State-owned legal entity	320,484,148	1.77	0	No	0
American Airlines, Inc	Overseas legal entity	270,606,272	1.49	0	No	0
China National Aviation Fuel Group Limited	State-owned legal entity	261,685,354	1.44	0	No	0
Spring Airlines Co., Ltd.	Domestic non-State-owned legal entity	140,531,561	0.78	0	No	0
Industrial and Commercial Bank of China Limited – Huatai-pinebridge CSI 300 Traded Open-End Index Securities Investment Fund	Other	91,973,849	0.51	0	No	0
China Merchants Bank Co., Ltd. – ICBC Credit Suisse Convertible Bond Securities Investment Fund	Other	85,645,901	0.47	0	No	0

Particulars of the top ten shareholders not subject to trading restrictions			
Name of shareholder	Number of tradable shares not subject to selling restrictions	Type and number of shares	
		Type of shares	Number of shares
China Southern Air Holding Company Limited	8,600,897,508	RMB ordinary shares	8,600,897,508
Nan Lung Holding Limited	2,612,124,036	Overseas-listed foreign shares	2,612,124,036
HKSCC Nominees Limited	1,751,276,787	Overseas-listed foreign shares	1,751,276,787
Hong Kong Securities Clearing Company Limited	586,162,825	RMB ordinary shares	586,162,825
China Securities Finance Corporation Limited	320,484,148	RMB ordinary shares	320,484,148
American Airlines, Inc.	270,606,272	Overseas-listed foreign shares	270,606,272
China National Aviation Fuel Group Limited	261,685,354	RMB ordinary shares	261,685,354
Spring Airlines Co., Ltd.	140,531,561	RMB ordinary shares	140,531,561
Industrial and Commercial Bank of China Limited – Huatai-pinebridge CSI 300 Traded Open-End Index Securities Investment Fund	91,973,849	RMB ordinary shares	91,973,849
China Merchants Bank Co., Ltd. – ICBC Credit Suisse Convertible Bond Securities Investment Fund	85,645,901	RMB ordinary shares	85,645,901
Explanation of the related party relationship or concert party relationship of the above shareholders	China Southern Air Holding Company Limited held in aggregate 2,648,836,036 H shares of the Company through its wholly-owned subsidiaries in Hong Kong, namely Nan Lung Holding Limited and Perfect Lines (Hong Kong) Limited. The Company is not aware of any other related party relationship between other shareholders.		
Explanation on the top ten shareholders and the top ten shareholders not subject to trading restrictions who have participated in the business of margin financing and securities lending and margin refinancing (if any)	Not applicable		

III. IMPORTANT INFORMATION

Other important information related to the Company's business performance during the reporting period should be brought to the attention of the investors

✓Applicable ☐ Not applicable

Status on the guarantees provided for the SPVs of the Company as of the date of this report:

No.	Established SPVs	Actually Provided (Yes/no)	Guaranteed Amount (US\$100 million)
1	China Southern Airlines No. 1	Yes	1.50
2	China Southern Airlines No. 2	Yes	1.40
3	China Southern Airlines No. 3	Yes	3.28
4	China Southern Airlines No. 5	Yes	0.92
5	China Southern Airlines No. 9	Yes	5.88
6	China Southern Airlines No. 10	Yes	5.17
7	China Southern Airlines No. 11	Yes	2.98
8	China Southern Airlines No. 15	Yes	3.11
9	China Southern Airlines No. 16	Yes	5.26
10	China Southern Airlines No. 18	Yes	2.50
11	China Southern Airlines No. 19	Yes	0.51
12	China Southern Airlines No. 20	Yes	0.51
13	China Southern Airlines No. 21	Yes	0.48
14	China Southern Airlines No. 22	Yes	0.48
15	China Southern Airlines No. 23	Yes	0.48
16	China Southern Airlines No. 25	Yes	2.04
17	China Southern Airlines No. 26	Yes	4.73

No.	Established SPVs	Actually Provided (Yes/no)	Guaranteed Amount (US\$100 million)
18	Chongqing Airlines No.1	Yes	3.52
19	Xiamen Airlines No.2	Yes	0.10
20	Xiamen Airlines No.3	Yes	0.10
21	Xiamen Airlines No.4	Yes	0.19
22	Xiamen Airlines No.5	Yes	0.19
23	Xiamen Airlines No.8	Yes	0.19
24	Xiamen Airlines No.9	Yes	0.19
25	Xiamen Airlines No.10	Yes	0.19
26	Xiamen Airlines No.11	Yes	0.19
27	Xiamen Airlines No.12	Yes	0.08
28	Xiamen Airlines No.13	Yes	0.17
29	Xiamen Airlines No.14	Yes	0.14
Total	/	/	46.48
Note	<i>During the reporting period, the aircraft leasing model corresponding to Chongqing Airlines No.2 changed, and the corresponding guarantee liability of US\$32 million was released, the aircraft leasing model corresponding to Xiamen Airlines No.1 changed, and the corresponding guarantee liability of US\$64 million was released, the aircraft leasing model corresponding to Xiamen Airlines No.18 changed, and the corresponding guarantee liability of US\$66 million was released.</i> <i>The total guarantee amounts actually provided for the aforementioned 29 SPVs by the Company and its subsidiaries, i.e. Xiamen Airlines and Chongqing Airlines, are US\$4.648 billion (equivalent to approximately RMB33.026 billion, calculated based on the Renminbi central parity rate of US\$1=RMB7.1055 published by the People's Bank of China on 30 September 2025), which are within the scope of the authorized guarantee amount approved by the general meeting of the Company.</i>		

IV. QUARTERLY FINANCIAL STATEMENTS

(I) Type of audit opinion

☐ Applicable ☒ Not applicable

(II) Financial statements

Consolidated Balance Sheet

As at 30 September 2025

Prepared by: China Southern Airlines Company Limited

Unit: Million Currency: RMB Audit type: Unaudited

Items	30 September 2025	31 December 2024
Current assets:		
Cash at bank and on hand	16,686	15,994
Settlement provisions		
Loans to banks and other financial institutions		
Held-for-trading financial assets	2,834	2,695
Derivative financial assets		
Bills receivable		
Accounts receivable	5,515	3,463
Receivables financing		
Prepayments	924	819
Premiums receivable		
Reinsurance accounts receivable		
Reinsurance contract reserves receivable		
Other receivables	3,981	3,095
Including: Interest receivable		
Dividends receivable	239	9
Financial assets purchased with agreement to resale		
Inventories	2,821	2,002
Including: Data resources		
Contract assets		
Assets held for sale		
Non-current assets due within one year	145	178
Other current assets	9,142	9,397
Total current assets	42,048	37,643

Items	30 September 2025	31 December 2024
Non-current assets:		
Loans and advances		
Debt investments		
Other debt investments		
Long-term receivables	209	381
Long-term equity investments	7,512	7,168
Other equity instrument investments	428	431
Other non-current financial assets	33	2,807
Investment properties	509	564
Fixed assets	108,391	100,691
Construction in progress	24,393	34,584
Productive biological assets		
Oil and gas assets		
Right-of-use assets	134,044	123,023
Intangible assets	7,606	7,341
Including: Data resources		
Development expenses		
Including: Data resources		
Goodwill		
Long-term deferred expenses	401	462
Deferred tax assets	12,107	12,873
Other non-current assets	2,898	1,770
Total non-current assets	298,531	292,095
Total assets	340,579	329,738
Current liabilities:		
Short-term loans	36,925	40,440
Borrowings from the central bank		
Loans from other banks		
Held-for-trading financial liabilities		
Derivative financial liabilities	626	908
Bills payable	2,212	1,089
Accounts payable	22,497	18,490
Advance payments received	9,049	9,295
Contract liabilities	1,988	1,749

Items	30 September 2025	31 December 2024
Funds from selling out and repurchasing financial assets		
Receipts of deposits and deposits from other banks		
Accounts payable to brokerage customers		
Proceeds from underwriting securities received on behalf of customers		
Employee benefits payable	4,891	4,716
Taxes payable	1,165	1,095
Other payables	8,130	8,644
Including: Interest payable		
Dividends payable	1	1
Fees and commissions payable		
Reinsurance accounts payable		
Liabilities held for sale		
Non-current liabilities due within one year	40,171	35,457
Other current liabilities	15,769	16,519
Total current liabilities	143,423	138,402
Non-current liabilities:		
Reserves for insurance contracts		
Long-term loans	18,731	35,985
Debentures payable	32,084	20,885
Including: Preferred shares		
Perpetual bonds		
Lease liabilities	82,556	74,154
Long-term payables	–	7
Long-term salaries payable		
Accrued liabilities		
Deferred income	904	720
Deferred tax liabilities	22	7
Other non-current liabilities	6,277	6,983
Total non-current liabilities	140,574	138,741
Total liabilities	283,997	277,143

Items	30 September 2025	31 December 2024
Owners' equity (or shareholders' equity):		
Share capital (or issued capital)	18,121	18,121
Other equity instruments		
Including: Preferred shares		
Perpetual bonds		
Capital reserve	52,444	52,444
Less: Inventory shares		
Other comprehensive income	168	169
Specific reserve		
Surplus reserve	2,579	2,579
General risk reserve		
Retained earnings	-36,277	-38,584
Total equity attributable to shareholders of the Company	37,035	34,729
Non-controlling interests	19,547	17,866
Total owners' equity (or shareholders' equity)	56,582	52,595
Total liabilities and owners' equity (or shareholders' equity)	340,579	329,738

Responsible person of the Company:
Ma Xu Lun

Responsible person of the accounting of the Company:
Chen Dong

Responsible person of the accounting department:
Mao Juan

Consolidated Income Statement
For the nine months ended 30 September 2025

Prepared by: China Southern Airlines Company Limited

Unit: Million Currency: RMB Audit type: Unaudited

Items	Nine months ended 30 September 2025	Nine months ended 30 September 2024
I. Total revenue	137,665	134,661
Including: Operating revenue	137,665	134,661
Interest income		
Premiums earned		
Fees and commissions income		
II. Total operating costs	135,113	134,048
Including: Cost of sales	121,562	120,738
Interest expense		
Fees and commissions expense		
Surrender payment		
Net payment for insurance claim		
Net provisions for insurance liability		
Expenditure for insurance policy dividend		
Reinsurance costs		
Taxes and surcharges	423	451
Selling and administrative expenses	5,535	5,173
General and administrative expenses	3,142	3,018
Research and development expenses	397	380
Financial expenses	4,054	4,288
Including: Interest expenses	3,918	4,337
Interest income	258	155
Add: Other income	2,619	2,420
Investment income (“-” for losses)	-105	-833
Including: In come from investment in associates and joint ventures	-107	-856
Derecognition of income from financial assets at amortised cost		

Items	Nine months ended 30 September 2025	Nine months ended 30 September 2024
Exchange gain (“–” for losses)		
Gain arising from net exposure hedge (“–” for losses)		
Gains from changes in fair value (“–” for losses)	381	201
Credit losses (“–” for losses)	3	2
Impairment losses on assets (“–” for losses)		
Gains from asset disposals (“–” for losses)	65	332
III. Operating profit (“–” for losses)	5,509	2,731
Add: Non-operating income	667	2,315
Less: Non-operating expenses	83	91
IV. Profit before income tax (“–” for losses)	6,093	4,955
Less: Income tax expenses	2,097	1,270
V. Net profit (“–” for net losses)	3,996	3,685
(I) Net profit classified by continuity of operations:		
1. Net profit from continuing operations (“–” for net losses)	3,996	3,685
2. Net profit from discontinued operations (“–” for net losses)		
(II) Net profit classified by ownership:		
1. Net profit attributable to shareholders of the Company (“–” for net losses)	2,307	1,965
2. Non-controlling interests (“–” for net losses)	1,689	1,720
VI. Other comprehensive income, net of tax	-2	-130
(I) Other comprehensive income (net of tax) attributable to shareholders of the Company	-1	-72
1. Items that will not be reclassified to profit or loss	-1	-72
(1) Change in defined benefit plans arising from re-measurement		
(2) Equity-accounted investees – share of other comprehensive income (non-recycling)		
(3) Changes in fair value of other equity instruments	-1	-72
(4) Change in fair value of the Company’s own credit risk		

Items	Nine months ended 30 September 2025	Nine months ended 30 September 2024
2. Items that may be reclassified subsequently to profit or loss		
(1) Equity-accounted investees-share of other comprehensive income (recycling)		
(2) Change in fair value of other debt investments		
(3) Financial assets reclassified into other comprehensive income		
(4) Provision for credit impairment of other debt investments		
(5) Cash flow hedge		
(6) Translation differences arising on translation of foreign currency financial statements		
(7) Others		
(II) Other comprehensive income (net of tax) attributable to non-controlling interests	-1	-58
VII. Total comprehensive income	3,994	3,555
(I) Attributable to shareholders of the Company	2,306	1,893
(II) Attributable to non-controlling interests	1,688	1,662
VIII. Earnings per share:		
(I) Basic earnings per share (<i>RMB/share</i>)	0.13	0.11
(II) Diluted earnings per share (<i>RMB/share</i>)	0.12	0.11

Responsible person of the
Company:
Ma Xu Lun

Responsible person of
the accounting of the
Company:
Chen Dong

Responsible person of the
accounting department:
Mao Juan

Consolidated Cash Flow Statement
For the nine months ended 30 September 2025

Prepared by: China Southern Airlines Company Limited

Unit: Million Currency: RMB Audit type: Unaudited

Items	Nine months ended 30 September 2025	Nine months ended 30 September 2024
I. Cash flows from operating activities:		
Proceeds from sale of goods and rendering of services	148,101	147,577
Net increase in customer and interbank deposits		
Net increase in borrowings from the central bank		
Net cash increase in placements from other financial institutions		
Cash received from premiums under original insurance contracts		
Net cash received from reinsurance business		
Net increase in deposits of policy holders and investment funds		
Cash received from interest, fees and commissions		
Net increase in capital due to banks and other financial institutions		
Net increase in cash received from repurchase business		
Net cash received by agents for trading in securities		
Refund of taxes	276	187
Proceeds from other operating activities	3,588	4,376
Sub-total of cash inflows from operating activities	151,965	152,140

Items	Nine months ended 30 September 2025	Nine months ended 30 September 2024
Payment for goods and services	92,030	98,731
Net increase in customer loans and advances to customers		
Net increase in deposits in the central bank and interbank deposits		
Cash paid for compensation payments under original insurance contracts		
Net increase in placements with banks and other financial institutions		
Cash paid for interest, fees and commissions		
Cash paid for insurance policy dividend		
Payment to and for employees	23,141	22,541
Payment of various taxes	3,436	3,380
Payment for other operating activities	971	631
Sub-total of cash outflows from operating activities	119,578	125,283
Net cash flows generated from operating activities	32,387	26,857
II. Cash flows from investment activities:		
Proceeds from disposal of investments	6,294	909
Investment returns received	289	388
Net proceeds from disposal of fixed assets, intangible assets and other long-term assets	351	731
Net cash received from disposal of subsidiaries and other operating units		
Proceeds from other investing activities	212	140
Sub-total of cash inflows from investing activities	7,146	2,168
Payment for acquisition of fixed assets, intangible assets and other long-term assets	8,235	10,076
Payment for acquisition of investments	3,891	2,704
Net increase in secured loans		
Net cash paid for acquisition of subsidiaries and other operating units		
Other cash paid relating to investing activities		
Sub-total of cash outflows from investment activities	12,126	12,780
Net cash flows used in investing activities	-4,980	-10,612

Items	Nine months ended 30 September 2025	Nine months ended 30 September 2024
III. Cash flows from financing activities:		
Proceeds from investors	–	4
Including: Investment received from non-controlling interests	–	4
Proceeds from borrowings	36,186	34,654
Proceeds from other financing activities	36,542	18,451
Sub-total of cash inflows from financing activities	72,728	53,109
Repayments of borrowings	94,546	64,961
Payment for dividends or interest	4,072	4,312
Including: Dividends and profits paid to non-controlling shareholders of subsidiaries	11	–
Payment for other financing activities	80	74
Sub-total of cash outflows from financing activities	98,698	69,347
Net cash flows used in financing activities	-25,970	-16,238
IV. Effect of foreign exchange rate changes on cash and cash equivalents	-7	-24
V. Net increase in cash and cash equivalents	1,430	-17
Add: Cash and cash equivalents at the beginning of the period	12,984	9,531
VI. Cash and cash equivalents at the end of the period	14,414	9,514

Responsible person of the
Company:
Ma Xu Lun

Responsible person of
the accounting of the
Company:
Chen Dong

Responsible person of the
accounting department:
Mao Juan

(III) Adjustment to relevant items of the financial statements at the beginning of the first adoption year due to the first adoption of new accounting standard or interpretation of accounting standards in 2025

☐ Applicable ☒ Not applicable

By order of the Board
China Southern Airlines Company Limited
Chen Wei Hua and Liu Wei
Joint Company Secretaries

Guangzhou, the People's Republic of China
27 October 2025

As at the date of this announcement, the Directors include Ma Xu Lun and Han Wen Sheng as executive Directors; and Pansy Catilina Chiu King Ho, Guo Wei, Zhang Jun Sheng and Zhu Hai Ping as independent non-executive Directors.