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# 中國東方航空股份有限公司 CHINA EASTERN AIRLINES CORPORATION LIMITED

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

**(Stock code: 00670)**

## MAJOR TRANSACTION IN RELATION TO AIRCRAFT PURCHASE

### **AIRCRAFT PURCHASE AGREEMENT**

On 25 March 2026, the Company entered into the Aircraft Purchase Agreement with Airbus SAS in Shanghai, the PRC in order to purchase 101 A320NEO series aircraft from Airbus SAS. The Aircraft are scheduled for delivery in batches to the Company from 2028 to 2032.

### **IMPLICATIONS UNDER THE LISTING RULES**

As the highest applicable percentage ratio calculated by reference to Rule 14.07 of the Listing Rules in respect of the Aircraft Purchase is more than 25% but less than 100%, the Aircraft Purchase constitutes a major transaction of the Company under Chapter 14 of the Listing Rules and is subject to the reporting, announcement and Shareholders' approval requirements under the Listing Rules.

### **GENERAL**

A circular containing, among others, further details of the Aircraft Purchase and other particulars required under the Listing Rules is expected to be despatched to the Shareholders of the Company on or before 14 May 2026, ensuring sufficient time for the preparation of the relevant information to be included therein.

On 25 March 2026, the Company entered into the Aircraft Purchase Agreement with Airbus SAS in Shanghai, the PRC in order to purchase 101 A320NEO series aircraft from Airbus SAS. The Aircraft are scheduled for delivery in batches to the Company from 2028 to 2032 as set out in the paragraph headed "Schedule of delivery and the impacts on the transportation capacity of the Company" under the section headed "AIRCRAFT PURCHASE AGREEMENT" of this announcement.

# I. AIRCRAFT PURCHASE AGREEMENT

The principal terms of the Aircraft Purchase Agreement are set out as follows:

Date: 25 March 2026

Counterparties: (i) the Company (as the purchaser)

(ii) Airbus SAS (as the seller)

To the best of the knowledge, information and belief of the Directors after having made all reasonable enquiries, Airbus SAS and its ultimate beneficial owners are third parties independent of the Company and its connected persons, and are not connected persons of the Company.

Transaction subject: 101 A320NEO series aircraft

Consideration: The catalogue price of the 101 Aircraft in aggregate is approximately USD15.802 billion based on the latest catalogue price provided by Airbus SAS in January 2024. Airbus SAS has granted to the Company substantive price concessions with regard to this batch of Aircraft. Such price concessions were determined after arm's length negotiations between the Company and Airbus SAS and as a result, the Consideration is significantly lower than the catalogue price of the Aircraft mentioned above. The Consideration is subject to the price fluctuation mechanism which was formulated to reflect the impact of inflation on the cost of production and manufacture of the Aircraft due to the long delivery cycle of the Aircraft. Therefore, the Board is of the opinion that the Consideration under the Aircraft Purchase is fair and reasonable.

The number of the Aircraft to be purchased is determined according to the actual needs of the Company in respect of fleet structure, development strategy and route network, as well as the supply capacity of Airbus SAS under its commercial and production limitations. The Aircraft Purchase Agreement was negotiated and entered into in accordance with normal commercial and industrial practices. The Company confirms that the price concessions provided under the Aircraft Purchase are fair and reasonable and comparable to the price concessions provided under the previous similar transactions. The Company believes that the price concessions obtained by the Company under the Aircraft Purchase Agreement have no material impact on the Company's future operating costs taken as a whole.

According to the central parity rate of RMB against the USD announced by People's Bank of China on the date of the Aircraft Purchase Agreement, the catalogue price of the 101 Aircraft in aggregate is equivalent to approximately RMB108.893 billion, which comprises the airframe price, engine price, etc.

As the highest applicable percentage ratio calculated by reference to Rule 14.07 of the Listing Rules in respect of the Aircraft Purchase is more than 25% but less than 100%, the Aircraft Purchase constitutes a major transaction of the Company under Chapter 14 of the Listing Rules and is subject to the reporting, announcement and Shareholders' approval requirements under the Listing Rules. In respect of the Aircraft Purchase, the Company understands its general obligation of disclosure under Chapter 14 of the Listing Rules. Nonetheless, the Company, as the purchaser, is subject to strict confidentiality obligations under which no disclosure with respect to the actual Consideration shall be made. Any disclosure of the actual Consideration will result in a breach of the Company's confidentiality obligations and will expose the Company to material litigation risk and irreparable reputation damage. Meanwhile, it could result in a loss of price concessions from Airbus SAS and the inability to make future purchases. The Company has made an application to the Stock Exchange for a waiver from strict compliance with Rule 14.58(4) and Rule 14.66(4) of the Listing Rules in respect of the disclosure of the Consideration and has obtained such waiver.

Terms of payment:

The Company intends to finance the Aircraft Purchase with its self-owned funds, loans from commercial banks, and proceeds from the issuance of bonds and other financing instruments. The Consideration of the Aircraft Purchase is paid in instalments, and is expected to have no material impacts on the cash flow position and business operation of the Company.

The amount under the Aircraft Purchase shall be settled in USD. The specific method of payment is that the Company makes certain advance payment in instalments upon the agreement taking effect, and the Company then further settles the balance of each Aircraft on the delivery date.

Schedule of delivery and the impacts on the transportation capacity of the Company:

The 101 A320NEO series aircraft under this purchase are scheduled for delivery in batches to the Company from 2028 to 2032, with 9 in 2028, 19 in 2029, 30 in 2030, 27 in 2031, and 16 in 2032. The Company could adjust the specific time of introduction and aircraft model under the transaction based on the market conditions and the transportation capacity planning of the Company in the future.

The Company anticipates that during the period for the delivery of the Aircraft introduced (2028-2032), there will be at least 53 A320 series aircraft retired owing to factors such as the maturity of lease and aging. Therefore, the 101 Aircraft purchased by the Company will serve as a replacement for some of the existing models of aircraft.

## **II. REASONS FOR AND BENEFITS OF ENTERING INTO THE AIRCRAFT PURCHASE AGREEMENT**

Based on our confidence in the future development of China's civil aviation industry and the Company's overall fleet planning, the Company intends to introduce 101 A320NEO series aircraft. The Aircraft introduced are Airbus SAS's latest generation narrow-body models that are equipped with new engines and Airbus Sharklets, which will further increase the Company's available transportation capacity per aircraft, reduce fuel consumption and unit operating costs, and contribute to maintaining an overall advanced and youthful fleet for the Company, thereby enhancing market competitiveness and supporting both the Company and China's civil aviation industry in achieving the "Dual Carbon" goals. The Company is prioritizing the development of a hub system anchored by Shanghai, coordinated by international hubs, and supported by key regional hubs. The introduction of this batch of Aircraft will strongly support the Company's strategy of "flying further, flying internationally, flying to emerging markets".

The Directors of the Company consider that the Aircraft Purchase is undertaken in accordance with normal commercial and industrial practices, and will enable the Company to complement the transportation capacity of narrow-body aircraft, optimize the fleet structure, reduce unit costs, improve the route network and enhance passenger experience. The terms of transaction are fair and reasonable, and are in the interests of the Company's strategies and all of the Shareholders.

### **III. IMPLICATIONS UNDER THE LISTING RULES**

As the highest applicable percentage ratio calculated by reference to Rule 14.07 of the Listing Rules in respect of the Aircraft Purchase is more than 25% but less than 100%, the Aircraft Purchase constitutes a major transaction of the Company under Chapter 14 of the Listing Rules and is subject to the reporting, announcement and Shareholders' approval requirements under the Listing Rules.

As additional time is required to prepare and finalise certain information to be included in the circular, a circular containing, among others, further details of the Aircraft Purchase and other particulars required under the Listing Rules is expected to be despatched to the Shareholders of the Company in due course in accordance with the Listing Rules.

### **IV. GENERAL INFORMATION**

#### **Information in relation to the Group**

The Group is principally engaged in the operation of civil aviation passenger transport and related businesses.

#### **Information in relation to Airbus SAS**

Airbus SAS is a company incorporated in Toulouse, France, principally engaged in the business of aircraft manufacturing and is one of the key aircraft manufacturers in the world. To the best of the knowledge, information and belief of the Directors after having made all reasonable enquiries, Airbus SAS and its ultimate beneficial owners are third parties independent of the Company and its connected persons, and are not connected persons of the Company.

### **V. GENERAL**

A circular containing, among others, further details of the Aircraft Purchase and other particulars required under the Listing Rules is expected to be despatched to the Shareholders of the Company on or before 14 May 2026, ensuring sufficient time for the preparation of the relevant information to be included therein.

## VI. DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings:

“Aircraft”	means 101 A320NEO series aircraft
“Aircraft Purchase”	means the purchase of the Aircraft pursuant to the Aircraft Purchase Agreement
“Aircraft Purchase Agreement”	means the 101 A320NEO series aircraft purchase agreement dated 25 March 2026, which is entered into between the Company and Airbus SAS for the purpose of Aircraft Purchase
“Airbus SAS”	means Airbus S.A.S., a company incorporated in Toulouse, France
“Board”	means the board of directors of the Company
“Company”	means 中國東方航空股份有限公司(China Eastern Airlines Corporation Limited), a joint stock limited company incorporated in the PRC with limited liability, whose H Shares and A Shares are listed on the Stock Exchange and the Shanghai Stock Exchange, respectively
“connected person(s)”	has the meaning ascribed to it under the Hong Kong Listing Rules
“Consideration”	the actual consideration payable by the Company to Airbus SAS for purchasing the Aircraft pursuant to the Aircraft Purchase Agreement (taking into account the price concessions)
“Director(s)”	means the director(s) of the Company
“Group”	means the Company and its subsidiaries
“Hong Kong”	means the Hong Kong Special Administrative Region of the PRC
“Listing Rules”	means the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	means the People’s Republic of China
“RMB”	means Renminbi, the lawful currency of the PRC
“Shareholder(s)”	means the shareholder(s) of the Company

“Stock Exchange”	means The Stock Exchange of Hong Kong Limited
“USD”	means the United States dollars, the lawful currency of the United States of America
“%”	means per cent.

For the purpose of illustration only, conversion of USD into RMB in this announcement is based on the exchange rate of USD1.00 to RMB6.8911. Such conversion should not be construed as a representation that any amount in RMB or USD has been, could have been, or may be, exchanged at this or any other rate.

By order of the Board  
**CHINA EASTERN AIRLINES CORPORATION LIMITED**  
**Li Ganbin**  
*Joint Company Secretary*  
Shanghai, the People’s Republic of China  
25 March 2026

*As at the date of this announcement, the directors of the Company include Wang Zhiqing (Chairman), Gao Fei (Vice Chairman, President), Cheng Guowei (Director), Sun Zheng (Independent non-executive Director), Lu Xiongwen (Independent non-executive Director), Luo Qun (Independent non-executive Director), Fung Wing Yee Sabrina (Independent non-executive Director), Zheng Hongfeng (Independent non-executive Director) and Jie Xiaoqing (Employee Representative Director).*