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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)

2025 ANNUAL RESULTS ANNOUNCEMENT

The board of directors (the “**Board**”) of China Eastern Airlines Corporation Limited (the “**Company**”) announces the audited consolidated results of the Company and its subsidiaries (the “**Group**”) prepared in accordance with the IFRS Accounting Standards for the year ended 31 December 2025 (the “**Year**”) with comparative figures for the year 2024.

FINANCIAL INFORMATION

A. PREPARED IN ACCORDANCE WITH IFRSs

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

YEAR ENDED 31 DECEMBER 2025

	<i>Notes</i>	Year ended 31 December	
		2025	2024
		<i>RMB million</i>	<i>RMB million</i>
Revenue	<i>4</i>	139,941	132,120
Other operating income and gains	<i>6</i>	7,459	6,503
Operating expenses			
Aircraft fuel		(43,690)	(45,499)
Depreciation and amortisation		(27,894)	(26,644)
Wages, salaries and benefits		(29,688)	(26,552)
Take-off and landing charges		(19,342)	(17,535)
Aircraft maintenance		(6,576)	(6,171)
Food and beverages		(4,631)	(4,227)
Selling and marketing expenses		(4,362)	(3,949)
Civil aviation development fund		(1,159)	(1,122)
Ground services and other expenses		(474)	(445)
Low value and short-term lease rentals		(395)	(26)
Impairment charges		(30)	(44)
Impairment losses on financial assets, net		(4)	(38)
Fair value changes of financial assets at fair value through profit or loss (“FVTPL”)		21	36
Other operating expenses		(5,303)	(4,789)
Total operating expenses		(143,527)	(137,005)

CONSOLIDATED STATEMENT OF PROFIT OR LOSS (CONTINUED)
YEAR ENDED 31 DECEMBER 2025

	<i>Notes</i>	Year ended 31 December	
		2025	2024
		<i>RMB million</i>	<i>RMB million</i>
Operating income		3,873	1,618
Share of result of associates		245	225
Share of result of joint ventures		32	49
Finance income	<i>7</i>	309	115
Finance costs	<i>8</i>	(4,185)	(5,911)
Profit/(loss) before income tax		274	(3,904)
Income tax expense	<i>9</i>	(2,226)	(894)
Loss for the year		(1,952)	(4,798)
Loss is attributable to:			
Owners of the Company		(1,633)	(4,226)
Non-controlling interests		(319)	(572)
		(1,952)	(4,798)
Loss per share attributable to the owners of the Company:			
– Basic (expressed in RMB per share)	<i>10</i>	(0.11)	(0.19)

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

YEAR ENDED 31 DECEMBER 2025

	Year ended 31 December	
	2025	2024
	<i>RMB million</i>	<i>RMB million</i>
Loss for the year	(1,952)	(4,798)
Other comprehensive (loss)/income:		
<i>Items that may be subsequently reclassified to profit or loss</i>		
– Effective portion of changes in fair value of hedging instruments arising during the period, net of tax	(60)	5
<i>Items that may not be subsequently reclassified to profit or loss</i>		
– Fair value changes of equity investments designated at fair value through other comprehensive loss (“FVTOCI”), net of tax	(4)	(81)
– Share of other comprehensive (loss)/income of an associate, net of tax	(2)	2
– Actuarial gain/(loss) on the post-retirement benefit obligations, net of tax	61	(152)
Other comprehensive loss for the year, net of tax	(5)	(226)
Total comprehensive loss for the year	(1,957)	(5,024)
Total comprehensive loss attributable to:		
Owners of the Company	(1,639)	(4,441)
Non-controlling interests	(318)	(583)
	(1,957)	(5,024)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2025

	<i>Note</i>	<u>31 December</u> 2025 <i>RMB million</i>	<u>31 December</u> 2024 <i>RMB million</i>
Non-current assets			
Property, plant and equipment		107,244	103,330
Investment properties		111	96
Right-of-use assets		123,709	112,433
Intangible assets		11,944	11,603
Advanced payments on acquisition of aircraft		11,215	14,986
Investments in associates		2,399	2,218
Investments in joint ventures		191	512
Equity investments designated at FVTOCI		1,543	1,417
Deferred tax assets		6,996	9,160
Other non-current assets		3,218	3,984
		<u>268,570</u>	<u>259,739</u>
Current assets			
Flight equipment spare parts		2,695	1,680
Trade and bills receivables	11	2,091	1,949
Prepayments and other receivables		13,296	11,184
Financial assets at FVTPL		124	101
Derivative financial instruments		3	56
Restricted bank deposits		63	61
Cash and cash equivalents		7,164	4,072
		<u>25,436</u>	<u>19,103</u>
Current liabilities			
Trade and bills payables	12	23,435	14,515
Other payables and accruals		22,379	20,227
Contract liabilities		11,396	10,678
Current portion of borrowings		49,411	49,576
Current portion of lease liabilities		16,623	16,997
Income tax payable		29	71
Derivative financial instruments		28	–
Current portion of provision for lease return costs for aircraft and engines		390	1,939
		<u>123,691</u>	<u>114,003</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT 31 DECEMBER 2025

	31 December	31 December
	2025	2024
	<i>RMB million</i>	<i>RMB million</i>
Net current liabilities	(98,255)	(94,900)
Total assets less current liabilities	170,315	164,839
Non-current liabilities		
Borrowings	52,409	53,598
Lease liabilities	63,680	55,852
Provision for lease return costs for aircraft and engines	8,935	7,619
Contract liabilities	908	632
Post-retirement benefit obligations	1,991	2,240
Other long-term liabilities	1,301	1,246
Deferred tax liabilities	1	1
	129,225	121,188
Net assets	41,090	43,651
Equity		
Equity attributable to the owners of the Company		
– Share capital	22,088	22,291
– Perpetual bond	25,067	25,067
– Reserves	(7,154)	(4,564)
– Treasury Shares	–	(20)
	40,001	42,774
Non-controlling interests	1,089	877
Total equity	41,090	43,651

1. CORPORATE AND GROUP INFORMATION

China Eastern Airlines Corporation Limited (the “**Company**”), a joint stock company limited by shares, was established in the People’s Republic of China (the “**PRC**”) on 14 April 1995. The address of the Company’s registered office is 66 Airport Street, Pudong International Airport, Shanghai, the PRC. The Company and its subsidiaries (together, the “**Group**”) are principally engaged in the operation of civil aviation, including the provision of passenger, cargo, mail delivery and other extended transportation services, also manufacturing and maintenance of aircraft and aviation equipment, agency services, import and export business, tourism and hotel business; and other businesses related to air transportation.

The immediate holding company and ultimate holding company of the Company is China Eastern Air Holding Company Limited (“**CEA Holding**”), a state-owned enterprise established in the PRC.

The A shares and H shares of the Company are listed on the Shanghai Stock Exchange and the Stock Exchange of Hong Kong Limited, respectively.

These financial statements were approved and authorised for issue by the Company’s Board of Directors (the “**Board**”) on 30 March 2026.

2. BASIS OF PREPARATION

2.1 Basis of preparation

The consolidated financial statements have been prepared in accordance with IFRS Accounting Standards (“**IFRSs**”) issued by the International Accounting Standards Board (“**IASB**”). For the purpose of preparation of the consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and by the Hong Kong Companies Ordinance.

They have been prepared under the historical cost convention, except for equity investments designated at FVTOCI, financial assets at FVTPL and derivative financial instruments which have been measured at fair value.

These financial statements are presented in Renminbi (“**RMB**”) and all values are rounded to the nearest million except when otherwise indicated.

(i) *Going concern*

In 2025, the Group incurred net loss of RMB1,952 million. As at 31 December 2025, the Group’s current liabilities exceeded its current assets by approximately RMB98,255 million. In preparing these financial statements, the Board has conducted a detailed review over the Group’s going concern ability based on its unutilised banking facilities, financial condition and operating results. The Board has also considered the following factors:

- Sufficient unutilised banking facilities as at 31 December 2025;
- The Group’s sound credit standing and history of cooperation with banks and other financial institutions; and
- The Group’s expected net cash inflows from operating activities for not less than 12 months starting from the year end date of these financial statements, considering the Group’s major operating costs including fuel prices during such period.

The Board believes that the Group has sufficient source of financing to enable it to operate, as well as to meet its liabilities as and when they become due, and to support its capital expenditures in the foreseeable future of not less than twelve months starting from the year end date of these financial statements. Accordingly, the Board continued to prepare the Group’s financial statements as of and for the year ended 31 December 2025 on a going concern basis.

3. APPLICATION OF NEW AND AMENDMENTS TO IFRSs

(i) Amended standards adopted by the Group

In the current year, the Group has applied the following amendments to IFRSs issued by the IASB for the first time, which are mandatorily effective for the Group's annual period beginning on 1 January 2025 for the preparation of the Group's consolidated financial statements:

Amendments to IAS 21	Lack of Exchangeability
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The application of the amendments to IFRSs in the current year has had no material impact on the Group's financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

(ii) New standards and interpretations not yet adopted

The following new and amendments to accounting standards have been published that are not mandatory for 31 December 2025 reporting periods and have not been early adopted by the Group:

Amendments to IFRS 9 and IFRS 7	Amendments to the Classification and Measurement of Financial Instruments ²
Amendments to IFRS 9 and IFRS 7	Contracts Referencing Nature – dependent Electricity ²
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ¹
Amendments to IFRS Accounting Standards	Annual Improvements to IFRS Accounting Standards – Volume 11 ²
IFRS 18	Presentation and Disclosure in Financial Statements ³
Amendments to IAS 21	Translation to a Hyperinflationary Presentation Currency ³

¹ Effective for annual periods beginning on or after a date to be determined

² Effective for annual periods beginning on or after 1 January 2026

³ Effective for annual periods beginning on or after 1 January 2027

Except for the new IFRSs mentioned below, the Directors anticipate that the application of all other amendments to IFRSs will have no material impact on the consolidated financial statements in the foreseeable future.

IFRS 18 Presentation and Disclosure in Financial Statements.

IFRS 18 Presentation and Disclosure in Financial Statements, which sets out requirements on presentation and disclosures in financial statements, will replace IAS 1 Presentation of Financial Statements. This new IFRSs, while carrying forward many of the requirements in IAS 1, introduces new requirements to present specified categories and defined subtotals in the statement of profit or loss; provide disclosures on management-defined performance measures in the notes to the financial statements and improve aggregation and disaggregation of information to be disclosed in the financial statements. In addition, some IAS 1 paragraphs have been moved to IAS 8 and IFRS 7. Minor amendments to IAS 7 Statement of Cash Flows and IAS 33 Earnings per Share are also made.

IFRS 18, and amendments to other standards, will be effective for annual periods beginning on or after 1 January 2027, with early application permitted. IFRS 18 requires retrospective application with specific transaction provision. The application of the new standard is expected to have significant impact on the financial performance and positions of the Group in terms of recognition and measurement. However, it is expected to affect the presentation of the statement of profit or loss and disclosures in the future financial statements.

4. REVENUE

(a) Disaggregated revenue information for revenue from contracts with customers:

An analysis of revenue is as follows:

	2025 <i>RMB million</i>	2024 <i>RMB million</i>
Revenue from contracts with customers	139,729	131,889
<i>Revenue from other sources</i>		
– Rental income	212	231
	<u>139,941</u>	<u>132,120</u>

For the year ended 31 December 2025

	Airline transportation operations <i>RMB million</i>	Others operations <i>RMB million</i>	Total <i>RMB million</i>
Types of goods or services			
Traffic revenues			
– Passenger	129,349	–	129,349
– Cargo and mail	5,457	–	5,457
Ticket cancellation and commission service	2,308	–	2,308
Ground service income	874	–	874
Others	1,348	393	1,741
Total revenue from contracts with customers	<u>139,336</u>	<u>393</u>	<u>139,729</u>

For the year ended 31 December 2024

	Airline transportation operations <i>RMB million</i>	Others operations <i>RMB million</i>	Total <i>RMB million</i>
Types of goods or services			
Traffic revenues			
– Passenger	121,483	–	121,483
– Cargo and mail	5,331	–	5,331
Ticket cancellation and commission service	2,445	–	2,445
Ground service income	823	–	823
Others	1,489	318	1,807
Total revenue from contracts with customers	<u>131,571</u>	<u>318</u>	<u>131,889</u>

The timing of revenue recognition of airline transportation operations of the Group is at a point in time.

5. OPERATING SEGMENT INFORMATION

Chief operating decision maker (“CODM”) has been identified as the office of the General Manager, who reviews the Group’s internal reporting in order to assess performance and allocate resources. Operating segments are reported in a manner consistent with the internal reporting provided to the CODM, who has been identified as the office of the General Manager that makes strategic decisions.

The Group has two reportable segments. “Airline transportation operations”, mainly comprises the provision of passenger, cargo, mail delivery and ground service.

Other services including primarily tour operations, air catering and other miscellaneous services are not included within the airline transportation operations segment, as their internal reports are separately provided to the CODM. The results of these operations are included in the “other segments” column.

Inter-segment sales and transfers are transacted with reference to the selling prices used for sales made to third parties at the then prevailing market prices.

In accordance with IFRS 8, segment disclosure has been presented in a manner that is consistent with the information used by the Group’s CODM. The Group’s CODM monitors the results, assets and liabilities attributable to each reportable segment based on financial results prepared under the PRC Accounting Standards for Business Enterprises (the “**PRC Accounting Standards**”), which differ from IFRSs in certain aspects. Segment revenue and loss before income tax are the same as the consolidated figures as reported in the consolidated financial statement for the years ended 31 December 2025 and 2024. The difference between reportable segment assets and consolidated figures as reported in the consolidated financial statements, arising from different accounting policies is set out in Note (ii) below.

The segment results for the year ended 31 December 2025 were as follows:

	Airline transportation operations	Other segments	Eliminations	Unallocated ⁽ⁱ⁾	Total
	<i>RMB million</i>	<i>RMB million</i>	<i>RMB million</i>	<i>RMB million</i>	<i>RMB million</i>
Segment revenue					
Reportable segment revenue from external customers	139,548	393	–	–	139,941
Intersegment sales	–	1,321	(1,321)	–	–
Reportable segment revenue	<u>139,548</u>	<u>1,714</u>	<u>(1,321)</u>	<u>–</u>	<u>139,941</u>
Reportable segment (loss)/income before income tax	(772)	125	–	921	274
Reportable segment income tax expense	(2,192)	(34)	–	–	(2,226)
Reportable segment (loss)/income	<u>(2,964)</u>	<u>91</u>	<u>–</u>	<u>921</u>	<u>(1,952)</u>
Other segment information					
Depreciation and amortisation	27,637	257	–	–	27,894
Impairment losses, net	4	–	–	–	4
Impairment charges	30	–	–	–	30
Interest income	109	13	(18)	–	104
Interest expenses	4,175	28	(18)	–	4,185
Investment in associates	–	–	–	245	245
Investment in joint ventures	–	–	–	32	32

5. OPERATING SEGMENT INFORMATION (CONTINUED)

The segment results for the year ended 31 December 2024 were as follows:

	Airline transportation operations	Other segments	Eliminations	Unallocated ⁽ⁱ⁾	Total
	<i>RMB million</i>	<i>RMB million</i>	<i>RMB million</i>	<i>RMB million</i>	<i>RMB million</i>
Segment revenue					
Reportable segment revenue from external customers	131,802	318	–	–	132,120
Intersegment sales	–	1,444	(1,444)	–	–
Reportable segment revenue	<u>131,802</u>	<u>1,762</u>	<u>(1,444)</u>	<u>–</u>	<u>132,120</u>
Reportable segment (loss)/income before income tax	(4,771)	522	–	345	(3,904)
Reportable segment income tax expense	(792)	(102)	–	–	(894)
Reportable segment (loss)/income	<u>(5,563)</u>	<u>420</u>	<u>–</u>	<u>345</u>	<u>(4,798)</u>
Other segment information					
Depreciation and amortisation	26,393	251	–	–	26,644
Impairment losses, net	39	(1)	–	–	38
Impairment charges	44	–	–	–	44
Interest income	141	14	(40)	–	115
Interest expenses	5,155	33	(40)	–	5,148
Investment in associates	–	–	–	225	225
Investment in joint ventures	–	–	–	49	49

The segment assets and liabilities as at 31 December 2025 and 2024 were as follows:

	Airline transportation operations	Other segments	Eliminations	Unallocated ⁽ⁱ⁾	Total
	<i>RMB million</i>	<i>RMB million</i>	<i>RMB million</i>	<i>RMB million</i>	<i>RMB million</i>
At 31 December 2025					
Reportable segment assets ⁽ⁱⁱ⁾	277,189	6,264	(2,945)	11,256	291,764
Reportable segment liabilities	253,086	2,746	(2,945)	29	252,916
Capital expenditure	<u>50,934</u>	<u>336</u>	<u>–</u>	<u>–</u>	<u>51,270</u>
At 31 December 2024					
Reportable segment assets ⁽ⁱⁱ⁾	261,705	4,275	(2,844)	13,464	276,600
Reportable segment liabilities	236,235	1,799	(2,844)	1	235,191
Capital expenditure	<u>34,669</u>	<u>274</u>	<u>(10)</u>	<u>–</u>	<u>34,933</u>

5. OPERATING SEGMENT INFORMATION (CONTINUED)

- (i) Unallocated results primarily represent the share of results of associates and joint ventures, fair value changes of derivative financial instruments, fair value change of financial assets at FVTPL and dividend income relating to equity investments. Unallocated assets and liabilities primarily represent investments in associates and joint ventures, derivative financial instruments, equity investments designated at FVTOCI, deferred tax assets and liabilities and financial assets at FVTPL.
- (ii) The difference between reportable segment assets and consolidated figures as reported in the consolidated financial statements of RMB2,242 million (2024: RMB2,242 million) represents the different measurement of the fair value of acquisition cost of the shares from Shanghai Airlines between the PRC Accounting standards and IFRSs, which results in the different measurement of goodwill.

The Group's business operates in three main geographical areas, even though they are managed on a worldwide basis.

The Group's revenues by geographical area are analysed based on the following criteria:

- (1) Traffic revenue from services within the PRC (excluding the Hong Kong Special Administrative Region (“**Hong Kong**”), Macau Special Administrative Region (“**Macau**”) and Taiwan) is classified as domestic operations. Traffic revenue from inbound or outbound services among Hong Kong, Macau and Taiwan is classified as regional operations while that with other overseas markets is classified as international operations.
- (2) The Group's revenues by geographical area are listed as below:

	2025 <i>RMB million</i>	2024 <i>RMB million</i>
Domestic	90,419	90,676
Regional	3,789	3,591
International	45,733	37,853
	<u>139,941</u>	<u>132,120</u>

- (3) The major revenue-earning assets of the Group are its aircraft, all of which are registered in the PRC. Since the Group's aircraft are deployed flexibly across its route network, there is no suitable basis of allocating such assets and the related liabilities by geographic area and hence segment non-current assets and capital expenditure by geographic area are not presented. Except the aircraft, most non-current assets (except financial instruments) are registered and located in the PRC.

6. OTHER OPERATING INCOME AND GAINS

	2025 <i>RMB million</i>	2024 <i>RMB million</i>
Co-operation routes income (note (a))	4,731	4,510
Routes subsidy income (note (b))	222	323
Other subsidy income (note (c))	888	672
Gain on disposal of items of property, plant and equipment, right-of-use assets and intangible assets	207	394
Compensation from ticket sales agents	286	305
Others	1,125	299
	<u>7,459</u>	<u>6,503</u>

Notes:

- (a) Co-operation routes income represents subsidies granted by various local authorities and other parties, with which the Group developed certain routes to support the development of local economy. The amounts granted are calculated based on the agreements entered into by all parties.
- (b) Routes subsidy income represents subsidies granted by various authorities to support certain international and domestic routes operated by the Group.
- (c) Other subsidy income represents subsidies granted by various local authorities based on certain amounts of tax paid and other government grants.
- (d) There are no unfulfilled conditions or other contingencies related to subsidies that were recognised for the years ended 31 December 2025 and 2024.

7. FINANCE INCOME

	2025 <i>RMB million</i>	2024 <i>RMB million</i>
Interest income	104	115
Foreign exchange income, net	205	–
	<u>309</u>	<u>115</u>

8. FINANCE COSTS

	2025 <i>RMB million</i>	2024 <i>RMB million</i>
Interest on bank borrowings	2,044	2,304
Interest relating to lease liabilities	1,768	2,412
Interest relating to post-retirement benefit obligations	39	59
Interest relating to provision for lease return costs for aircraft and engines	280	305
Interest on bonds and debentures	405	536
Interest relating to interest rate swap contracts	(9)	(46)
Less: amounts capitalised (note (a))	(342)	(422)
	<hr/>	<hr/>
	4,185	5,148
Foreign exchange losses, net (Note (b))	-	763
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	4,185	5,911
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Notes:

- (a) The weighted average interest rate used for interest capitalisation is 2.63% per annum for the year ended 31 December 2025 (for the year ended 31 December 2024: 2.74%).
- (b) The exchange losses primarily related to the translation of the Group's foreign currency denominated borrowings and lease liabilities for the year ended 31 December 2024.

9. INCOME TAX

The amounts of income tax expense charged to the consolidated income statements represent:

	2025 <i>RMB million</i>	2024 <i>RMB million</i>
Current income tax	34	178
Deferred income tax	2,192	716
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	2,226	894
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Most of the Company's branches and subsidiaries in mainland China are subject to income tax rate of 25% (2024: 25%) except some branches and subsidiaries obtained approval from the tax authorities at a preferential rate of 15% (2024: 15%), and certain subsidiaries of the Company in Hong Kong are subject to Hong Kong profits tax rate of 16.5% (2024: 16.5%).

10. LOSS PER SHARE

The basic loss per share for the year ended 31 December 2025 is calculated by dividing the loss attributable to owners of the Company, after deducted perpetual bond interests, of RMB2,333 million and weighted average number of shares of 22,154,536,728 in issue during the year.

The Company had no potentially dilutive options or other financial instruments relating to the ordinary shares in issue.

11. TRADE AND BILLS RECEIVABLES

The credit terms given to trade customers are determined on an individual basis.

	2025 <i>RMB million</i>	2024 <i>RMB million</i>
Trade and bills receivables	2,185	2,047
Less: impairment	(94)	(98)
	2,091	1,949

The ageing analysis of the trade and bills receivables as at the end of the reporting period, based on the invoice/billing date, was as follows:

	2025 <i>RMB million</i>	2024 <i>RMB million</i>
Within 90 days	2,050	1,970
91 to 180 days	61	5
181 to 365 days	4	3
Over 365 days	70	69
	2,185	2,047

12. TRADE AND BILLS PAYABLES

The ageing analysis of the trade and bills payables, as at the end of the reporting period, based on the transaction date, was as follows:

	2025 <i>RMB million</i>	2024 <i>RMB million</i>
Within 90 days	13,031	3,388
91 to 180 days	6,393	10,838
181 to 365 days	3,813	33
1 to 2 years	25	46
Over 2 years	173	210
	23,435	14,515

13. DIVIDEND

The Board did not propose any dividend for the years ended 31 December 2025 and 2024.

SIGNIFICANT DIFFERENCES BETWEEN IFRSs AND PRC ACCOUNTING STANDARDS

	2025 <i>RMB million</i>	2024 <i>RMB million</i>
Consolidated net assets attributable to owners of the Company		
As stated in accordance with the PRC Accounting Standards	37,759	40,532
Impact of IFRSs and other adjustments:		
– Intangible assets (goodwill)	<u>2,242</u>	<u>2,242</u>
As stated in accordance with IFRSs	<u>40,001</u>	<u>42,774</u>

Consolidated loss attributable to owners of the Company as stated in accordance with the PRC Accounting Standards are the same as the consolidated loss attributable to owners of the Company as stated in accordance with IFRSs for 2025 and 2024.

SUMMARY OF OPERATING DATA

	For the twelve months ended 31 December		
	2025	2024	Change
Passenger transportation data			
ASK (available seat-kilometres)			
(millions)	316,930.52	296,890.04	6.75%
– Domestic routes	206,516.11	202,432.66	2.02%
– International routes	103,997.19	87,796.28	18.45%
– Regional ¹ routes	6,417.22	6,661.10	-3.66%
RPK (revenue passenger-kilometres)			
(millions)	272,103.81	245,892.77	10.66%
– Domestic routes	180,244.89	170,123.47	5.95%
– International routes	86,544.14	70,539.59	22.69%
– Regional routes	5,314.78	5,229.72	1.63%
Number of passengers carried			
(thousands)	149,944.44	140,565.95	6.67%
– Domestic routes	125,283.45	119,674.34	4.69%
– International routes	20,836.26	17,164.65	21.39%
– Regional routes	3,824.72	3,726.96	2.62%
Passenger load factor (%)	85.86	82.82	3.04pts
– Domestic routes	87.28	84.04	3.24pts
– International routes	83.22	80.34	2.88pts
– Regional routes	82.82	78.51	4.31pts
Passenger-kilometres yield (RMB) ^{Note}	0.493	0.512	-3.71%
– Domestic routes	0.491	0.517	-5.03%
– International routes	0.484	0.490	-1.22%
– Regional routes	0.702	0.678	3.54%

¹ In order to facilitate data statistics and analysis, the business is divided into “domestic routes”, “international routes” and “regional routes” in conjunction with industry practices. Among them, the term “regional” refers to Hong Kong, China; Macau, China; and Taiwan, China.

For the twelve months ended 31 December

	2025	2024	Change
Freight transportation data			
AFTK (available freight tonne-kilometres) (millions)	10,248.62	9,514.39	7.72%
– Domestic routes	3,732.99	3,676.49	1.54%
– International routes	6,354.84	5,653.89	12.40%
– Regional routes	160.80	184.01	-12.61%
RFTK (revenue freight tonne-kilometres) (millions)	4,062.52	3,682.54	10.32%
– Domestic routes	1,000.97	952.31	5.11%
– International routes	3,033.58	2,700.33	12.34%
– Regional routes	27.96	29.90	-6.49%
Weight of freight carried (million kg)	1,126.20	1,051.17	7.14%
– Domestic routes	658.78	624.07	5.56%
– International routes	444.20	402.43	10.38%
– Regional routes	23.22	24.66	-5.84%
Freight load factor (%)	39.64	38.70	0.94pts
– Domestic routes	26.81	25.90	0.91pts
– International routes	47.74	47.76	-0.02pts
– Regional routes	17.39	16.25	1.14pts
Freight tonne-kilometres yield (RMB) <i>Note</i>	1.343	1.448	-7.25%
– Domestic routes	0.668	0.705	-5.25%
– International routes	1.534	1.678	-8.58%
– Regional routes	4.828	4.281	12.78%

For the twelve months ended 31 December

	2025	2024	Change
Consolidated data			
ATK (available tonne-kilometres)			
(millions)	38,772.37	36,234.50	7.00%
– Domestic routes	22,319.44	21,895.43	1.94%
– International routes	15,714.59	13,555.55	15.93%
– Regional routes	738.35	783.51	-5.76%
RTK (revenue tonne-kilometres)			
(millions)	27,981.28	25,249.89	10.82%
– Domestic routes	16,829.87	15,864.30	6.09%
– International routes	10,657.19	8,897.96	19.77%
– Regional routes	494.22	487.64	1.35%
Overall load factor (%)	72.17	69.68	2.49pts
– Domestic routes	75.40	72.45	2.95pts
– International routes	67.82	65.64	2.18pts
– Regional routes	66.94	62.24	4.70pts
Revenue tonne-kilometres yield			
(RMB) <i>Note</i>	4.987	5.201	-4.11%
– Domestic routes	5.293	5.584	-5.21%
– International routes	4.371	4.391	-0.46%
– Regional routes	7.826	7.530	3.93%
Hours of flights (thousand)	2,746.17	2,612.29	5.12%
Number of flight take-offs and landings			
(thousand)	1,050.37	1,029.32	2.05%
Daily utilization rate (hour/day)	9.34	9.16	1.97%

Note: In calculating unit revenue index, the relevant revenue includes incomes generated from co-operation routes and fuel surcharge.

FLEET STRUCTURE

The Company upholds its green development philosophy while continuously optimising its fleet structure. In 2025, focusing on new mainline models, the Company introduced a total of 48 aircraft and had 26 aircraft retired. As at 31 December 2025, the Company operated a total of 826 aircraft, including 14 C919 aircraft, helping accumulate experience in large-scale operation of domestically manufactured large aircraft.

Fleet structure as at 31 December 2025

(Units)

No.	Model	Manufacturer	Net increase in 2025	Sub-total	Self-owned	Under finance lease	Under operating lease	Average fleet age (years)
1	B777-300ER	Boeing	0	20	12	8	0	9.9
2	B787 Series	Boeing	5	17	3	14	0	4.3
3	A350-900	Airbus	0	20	7	13	0	4.6
4	A330 Series	Airbus	0	56	36	15	5	12.1
Total number of wide-body aircraft			5	113	58	50	5	9.2
5	A320 Series	Airbus	7	390	169	129	92	9.3
6	B737 Series	Boeing	-1	278	130	52	96	10.7
7	C919	COMAC	4	14	4	10	0	1.3
Total number of narrow-body aircraft			10	682	303	191	188	9.7
8	C909	COMAC	7	31	15	16	0	2.6
Total number of regional passenger aircraft			7	31	15	16	0	2.6
Total number of aircraft			22	826	376	257	193	9.4

Notes:

1. A330 Series include A330-200, A330-300 and other aircraft models;
2. A320 Series include A319, A320, A320NEO, A321, A321NEO and other aircraft models;
3. B787 Series include B787-9 and other aircraft models;
4. B737 Series include B737-700, B737-800, B737-8 and other aircraft models;
5. COMAC added the commercial name of C909 to ARJ21 aircraft model.

REPORT OF THE DIRECTORS

In 2025, geopolitical conflicts erupted in multiple regions around the world, uncertainties and instabilities increased, and major economies showed divergent performance; nevertheless, the global economy demonstrated a degree of resilience. According to IATA data, global air travel demand continued to grow steadily in 2025. For the year, the air passenger traffic volume increased by 5.3% year-on-year, and passenger load factor reached a record high to 83.6%, representing a year-on-year increase of 0.1 percentage point. The performance of international air cargo remained stable, with its demand increasing by 3.4% year on year.

China's economic operation was generally stable and showed a steady improvement, demonstrating remarkable resilience. In 2025, with its Gross Domestic Product (GDP) growing by 5% year on year and its total economic output exceeding RMB140 trillion, China remained one of the biggest contributors and "stabilizing anchor" to the world's economic growth. China's civil aviation industry maintained steady progress and a positive development trend. For the year, the industry completed a total traffic volume of 164,080 million tonne-kilometres, served 770 million passengers, achieved a passenger traffic volume of 1.3993 trillion passenger-kilometres, and realized a cargo and mail transportation volume of 10.172 million tonnes, representing a year-on-year increase of 10.5%, 5.5%, 8.3%, and 13.3% respectively.

In 2025, the Company worked in unison to make continuous and precise efforts on safe operation, market operation, cost control, brand services and so on, thereby achieving new progress and results in various tasks. During the year, the Company completed a total of 2,746.2 thousand hours of safe flights and 1,050.4 thousand take-offs and landings, representing a year-on-year increase of 5.12% and 2.05% respectively. The Company completed a total traffic volume of 27,981 million tonne-kilometres and served 150 million passengers, representing a year-on-year increase of 10.82% and 6.67% respectively. The operating income amounted to RMB139,941 million, representing a year-on-year increase of 5.92%, and the profit before tax amounted to RMB274 million, marking a return to profitability.

→ Safe Operation

Safety is the lifeline of the civil aviation industry. The Company resolutely implemented the spirits of the important instructions from Xi Jinping, general secretary of the CPC, on civil aviation safety, and consistently took safety as its top priority. Despite a continuous increase in flights and a complex and ever-changing operational environment, the Company ensured overall stability in safety conditions.

Deepening the construction of the four major systems. The Company improved the safety management system and strengthened the responsibility system for work safety. It enhanced the training system and strengthened the full-lifecycle management of pilot. It strengthened the operations control system, improved the coordination of the "three loops" of capacity, aircraft and crew, and enhanced production organization. It consolidated the aircraft maintenance system, carried out the "Solidify Foundations" and "Strengthen Foundations" initiatives, and reinforced on-site control.

Strengthening accountability for work safety. The Company routinely addressed potential hazards across six key safety areas, conducted self-inspections to integrate the dual-prevention mechanism with the Safety Management System (SMS), and provided long-term support to key units. The Company held a safety lecture on “Comprehensive Implementation of Safety Responsibilities”, and promoted the accountability system targeting various levels of staff, with a coverage rate of 100%.

Strengthening the foundation of professional teams. The Company was committed to building a team of new-era aircrew with “strong political competence, high business proficiency, excellent work style and strict discipline”, and to integrating safety management with Party building and ideological and political education. It exerted efforts to improve the expert skills of key teams by organizing skills competitions across various departments, including flight, aircraft maintenance, ground services, and dispatch. It emphasized the building of team spirit, adhered to a policy of strict discipline combined with genuine care, and strengthened the care for the physical and mental health of employees.

Improving safety culture. The Company firmly established the concept of safety, and implemented safety management with strict general principles, detailed measures, pragmatic working style and tenacious spirit, further incorporating the concept of safety into operation. It adopted a problem-oriented approach to safety management, thoroughly reviewed safety issues under the “seven reflections” and “twenty checks”, and resolutely resisted bad work style. The Company was committed to shaping behaviours through culture, and published its first safety culture handbook to vigorously foster a culture of integrity, which resulted in a significant increase in employees’ willingness to voluntarily report safety concerns.

→ **Market Operation**

The Company continued to focus on the principal businesses, market expansion and revenue growth. As a result, traffic volume, passengers transported, and cargo and mail transportation volume all reached record highs, leading to a significant improvement in operating results.

Adhering to the strategy of “Three Flights” and strengthening the hub and route network construction. Adhering to the guidelines of “more long-range flights, more international flights and more flights in emerging markets”, the Company continued to strengthen its routes in major hubs and improve the layout of domestic and international aviation networks. For international aviation networks, the Company opened 24 new international routes, bringing the total number of international (regional) routes to 249, covering 40 countries and 93 overseas destinations, and became the domestic airline covering the most international destinations. It developed international long-range routes from Shanghai Pudong to London, Sydney, Moscow, Paris, etc., as well as international express and sub-express routes from Shanghai Pudong to Japan, South Korea, Singapore,

Malaysia and Thailand. It launched the “Shanghai-Auckland-Buenos Aires” route, strategically opening the “southbound channel” and building an efficient “Air Silk Road” for travel between China and South America. For domestic aviation networks, the Company continued to strengthen the development of flight waves for hubs. In 2025, the number of transit passengers via Shanghai increased by 17.5% year-on-year, driving its market share in Shanghai up to 43%. The market share in hubs such as Beijing, Xi’an, and Kunming further increased, with its domestic “Air Express” routes increasing to 47, further enhancing the hub advantages. The Company established branches in Northeast China and Xinjiang, as well as bases in Chongqing and Fuzhou, laying the groundwork for a network that “connects north and south, and links east and west”.

Adhering to the refined revenue management and steadily improving operational quality. The Company established a linkage mechanism of revenue enhancement to strengthen the collaboration between headquarters and sales units and form a closed-loop revenue management. It accelerated the development and application of digital tools and promoted the construction of automated fare pricing and capacity coordination systems, with smart cabin control system covering 60% of domestic flights, demonstrating digital empowerment in revenue management. By strengthening the analysis of international passenger flow and cabin control, deeply exploring the high-value potential of transit and innovating international first and business class products, the Company achieved both volume and price increases in the international market, resulting in a significant enhancement in profitability.

Adhering to the expansion of the “Aviation+” strategy and expanding product marketing channels. The Company launched the “Civil Aviation Services Boosting Consumption Year” campaign and introduced innovative products such as “China PASS” and “Shanghai PASS”. It expanded emerging channels and increased revenue through air-ground integration, with the “Museum Priority (博物館優享)” product serving over 100,000 passengers. It continued to deepen multimodal transportation, and served over 2.65 million passengers annually through Air-rail, Air-bus, and Air-water intermodal services, occupying a leading position in the industry.

Insisting on the integration of passenger and cargo services and improving passenger aircraft bellyhold revenue. The Company captured the opportunity of strong cargo demand, deepened its presence in Europe, expanded into Southeast Asia, and vigorously developed the Belt and Road markets. By introducing the aviation season pre-sale model, it improved the efficiency of bellyhold space cargo loading, and achieved a passenger aircraft bellyhold revenue of RMB5,457 million for the year, representing a year-on-year increase of 2.36%.

➔ **Cost Management and Control**

The Company strengthened budget control at the source, and leveraged the deep integration of business and finance to continuously identify opportunities for cost reduction and further solidify the foundation for its operational development.

Deepening comprehensive budget management. The Company steadily advanced the reform of the comprehensive budget management system, strengthened the foundation of zero-based budgeting, refined quota standards, and enhanced their alignment with business drivers. It integrated budget, reporting, and operational data to achieve end-to-end dynamic management, and promoted the deep integration of internal market-based settlement with budget performance evaluation.

Continuing to promote business and finance integration. The Company established a cost management committee and formed nine teams focused on areas such as aircraft full-lifecycle management, optimization of aviation equipment management, utilization of ground electrical power equipment, and IT cost optimization for digital transformation. By controlling major cost items and refining specific cost items, the Company reduced cost per seat-kilometre through a multi-pronged approach, further improving the efficiency of resource allocation.

Effectively reducing capital cost. The Company deepened internal financing to reduce high-cost external financing. It capitalized on market windows to issue bonds, and issued nine tranches of ultra-short-term financing bonds and six tranches of medium-term notes throughout the year, with total financing reaching RMB30.5 billion. It fully leveraged the cost advantages of bill financing, with the total discounting volume reaching RMB42.5 billion for the year. It accurately assessed the downward trend of the LPR, and proactively secured low-cost capital. In 2025, the Company's interest expenses decreased by RMB963 million, a decrease of 18.71% year on year.

➔ **Brand Services**

The Company upgraded the “Four Fines” service philosophy, being “meticulous, precise, exquisite and refined” services, placed greater emphasis on meticulous services, and provided customers with thoughtful and attentive services, further demonstrating its brand value.

Systematically improving service quality. The Company established a global service support system and launched English, French, German, Russian, Japanese, Korean and other foreign language customer service hotlines. The Company established a dedicated seat system for service support, as well as the mechanism for a hierarchical coordination and air-ground coordination. By focusing on service touchpoints and monitoring critical resources and nodes, the Company launched a service risk alert notification feature to strengthen the handling of emergencies. It implemented the “proactive service and timely reporting” approach, and effectively improved on-site response efficiency. The annual flight on-time rate reached 91.74%, exceeding the industry average. The passenger satisfaction increased by 2.76% year-on-year, with core indicators continuing to improve.

Innovatively rolling out service products. The Company introduced online meal selection, pet in cabin, E-Code Pass, and “Shuttle Flight (隨到隨走)” services, upgraded “PVG-SHA Transfer”, and launched “Easy Boarding (易登機)”. It pioneered a system for reporting lost passenger items, and launched five types of value-added transit products, including the “Shanghai Airport Link Line” and “Overnight Transit” to effectively address the pain points of passenger experience. It established an in-flight medical emergency platform, upgraded specialized services such as “Star Wing Escort for Passengers with Autism (孤獨症人群星翼護航)” and “Senior-Friendly Companion (適老化陪伴)”, and deeply integrated humanistic care into service details. It achieved full-cabin free Wi-Fi coverage on domestic wide-body aircraft, and created a smarter, more convenient and value-added travel experience for passengers.

Continuing to enhance awareness of the China Eastern Airlines brand. As the world’s largest and first operator of the C919 aircraft, the Company arranged 22 routes and was the first to launch regular Shanghai-Hong Kong route. As at the end of 2025, China Eastern Airlines’ C919 fleet completed more than 45 thousand hours of safe flights and transported over 2.6 million passengers, achieving large-scale and routine operation. It also promoted the upgrading of its cross-industry cooperation system. Collaborations with the National Museum of China, the Shanghai Museum, and Starbucks have been widely acclaimed, expanding the brand’s reach. In the 2025 China Enterprise Brand Value Ranking released at the 8th China Enterprise Forum, the Company ranked top in its industry.

➔ **Reform and Innovation**

Centering on the requirements of high-quality development, the Company deepened the reform in key areas, steadily promoted transformation and innovation, and completed the action tasks to deepen and enhance the state-owned enterprise reform.

Continuing to promote reforms in key areas to stimulate internal reform vitality. The Company continued to deepen the reform of management and control models, and promoted the effective implementation of the management and control model of coordination between bases. It adjusted the institutional setup and functions of key safety units, and established the Chief Flight Team to promote the integration of flight training. It deepened the reform of the three systems, optimized the mechanism for increasing the total compensation pool, advanced the classification-based management of the total compensation pool, and increased the application of the appraisal results.

Continuing to strengthen digital transformation to empower business development. The Company established a digital transformation working group and an “AI+” special working group to promote various tasks in a coordinated way. It deepened the “Artificial Intelligence+” initiative, and built an AI application map covering 227 scenarios. Innovative achievements in digital marketing, digital aprons, and digital maintenance have significantly boosted efficiency and effectiveness. The Company launched the industry’s first intelligent transit decision-making agent, and integrated flight, crew, and transit passenger data, which has further improved transit efficiency.

Continuing to strengthen scientific and technological innovation to enhance innovation capabilities. The Company convened its first science and technology innovation conference, established a science and technology innovation alliance for the air transportation service industry chain, and set up four company-level laboratories. It partnered with COMAC to establish the C919-800 Joint Innovation Center to explore the operation and design optimization of domestically manufactured large aircraft. The R&D Center was rated “Excellent” in the evaluation of the “Science and Technology Reform Initiative” for central enterprises.

→ **Corporate Governance**

The Company continued to improve the modern enterprise system with Chinese characteristics, launched a special action on corporate governance, and focused on advancing the modernization of its corporate governance system and governance capabilities.

Continuing to improve corporate governance system. The Company implemented the new Company Law and comprehensively revised its fundamental corporate governance systems with the Articles of Association as its core and supported by the rules of procedure for the general meeting, the Board, the Party committee and the office meeting of the General Manager, to dynamically define the rights and responsibilities of each governance body and optimize the decision-making mechanism of each governance body.

Continuing to consolidate Board building. The Company proactively performed the functions of the Board in determining strategies, making decisions, and preventing risks, and refined the working rules and operating mechanisms of the Board’s Audit and Risk Management Committee, to enhance oversight functions and continuously improve the effectiveness of Board governance. The Company was awarded the 2025 “Best Practice of the Board of Directors of Listed Companies” by China Association for Public Companies.

Continuing to enhance market value management. The Company studied and formulated its Market Value Management System to further standardize market value management practices. Based on operating results, the Company instilled investor confidence in the market and enhanced the Company’s overall value by conducting share buybacks in a compliant and orderly manner, improving the quality of information disclosure, and strengthening investor relations management. As of 31 December 2025, the Company’s A shares and H shares had risen by 50% and 105.79%, respectively. The Company’s total market value grew by 56.44% year on year, marking a ten-year high.

Continuing to strengthen risk prevention and control. The Company improved internal control evaluation and risk monitoring systems to enhance targeted risk prevention and control. It refined the supervision system and established a comprehensive, end-to-end oversight model. It focused on key areas such as overseas operations and procurement management to improve the compliance management system. It conducted regular evaluations of the compliance system and monitoring of major risks to shift risk prevention from a “reactive” to a “proactive” approach.

➔ Social Responsibilities

The Company continued to make efforts in practicing “energy saving, carbon reduction and low carbon flight”, solidifying the fruits of rural revitalisation, and ensuring the fulfilment of critical transportation missions, fully demonstrating our sense of responsibilities and commitment.

Deepening green and low-carbon development. The Company adhered to a development strategy focused on energy conservation and carbon reduction, practised the philosophy of low-carbon environmental protection, optimized the Green Operations Incentive Measures and the performance evaluation system, and actively promoted the use of sustainable aviation fuel (SAF), driving achievements in fuel savings and carbon reduction.

Continuously solidifying the fruits of rural revitalisation. The Company persistently provided targeted assistance to our paired assistance areas Cangyuan and Shuangjiang, two counties of Yunnan, by providing assistance to local industries, consumption and education. The “MU Tea (東航那杯茶)” was selected as the featured product brand on central enterprises’ contribution to rural revitalisation. The Company has been rated “good” (the highest grade) in the assessment of targeted assistance provided by central enterprises for the seventh consecutive year.

Ensuring the effective fulfilment of critical transportation missions. The Company successfully completed transportation support missions for major sporting events such as the Asian Winter Games, the World Games, the National Games, and the Paralympic and Special Olympics. The Company urgently deployed wide-body aircraft to provide relief to the earthquake-stricken areas in Shigatse, operated the first international rescue flight to arrive in the earthquake-affected regions of Myanmar, and performed special flight support missions, demonstrating the responsibility and commitment as an enterprise.

OPERATING REVENUE

In 2025, the Group’s passenger revenue amounted to RMB129,349 million, representing an increase of 6.47% from last year, and accounted for 95.95% of the Group’s air traffic revenue. The passenger traffic volume was 272,103.81 million passenger-kilometres, representing an increase of 10.66% from last year.

In particular, the passenger revenue of domestic routes amounted to RMB85,128 million, representing an increase of 0.51% from last year, and accounted for 65.82% of the passenger revenue. The passenger traffic volume of domestic routes was 180,244.89 million passenger-kilometres, representing an increase of 5.95% from last year.

The passenger revenue of international routes amounted to RMB40,567 million, representing an increase of 21.75% from last year, and accounted for 31.36% of the passenger revenue. The passenger traffic volume of international routes was 86,544.14 million passenger-kilometres, representing an increase of 22.69% from last year.

The passenger revenue of regional routes amounted to RMB3,654 million, representing an increase of 5.52% from last year, and accounted for 2.82% of the passenger revenue. The passenger traffic volume of regional routes was 5,314.78 million passenger-kilometres, representing an increase of 1.63% from last year.

In 2025, the Group's cargo revenue amounted to RMB5,457 million, representing an increase of 2.36% from last year, and accounted for 4.05% of the Group's air traffic revenue. The cargo and mail traffic volume was 4,062.52 million tonne-kilometres, representing an increase of 10.32% from last year.

In 2025, the Group's other revenue amounted to RMB5,135 million, representing a decrease of 3.22% from last year.

OPERATING EXPENSES

In 2025, the Group's total operating expenses were RMB143,527 million, representing an increase of 4.76% from last year. As the Group adjusted flight capacity according to market demand and increased production input, various costs increased accordingly. The details are set out as follows:

Aircraft fuel costs accounted for one of the most substantial parts of the Group's operating expenses. In 2025, the Group's aircraft fuel cost was RMB43,690 million, representing a decrease of 3.98% from last year. This was primarily due to increase in the consumption volume of the Group, with the volume of refuelling increasing by 4.60% from last year, leading to an increase in aircraft fuel costs by RMB2,094 million. As crude oil prices decreased, the average price of aircraft fuel decreased by 8.20% from last year, leading to a decrease in aircraft fuel costs by RMB3,903 million.

In 2025, the Group's wages, salaries and benefits amounted to RMB29,688 million, representing an increase of 11.81% from last year, and was primarily due to the increase in the traffic volume, leading to increase in the flight hour fees of aircrew members and the natural growth resulting from adjustments in headcount and staff grades.

In 2025, the Group's depreciation and amortisation amounted to RMB27,894 million, representing an increase of 4.69% from last year, and was primarily due to the increase in the size of its fleet.

In 2025, the Group's take-off and landing charges amounted to RMB19,342 million, representing an increase of 10.31% from last year, and was primarily due to the increase in the number of flight take-offs and landings, leading to an increase in the airport take-off and landing charges.

In 2025, the Group's aircraft maintenance expenses amounted to RMB6,576 million, representing an increase of 6.56% from last year, and was primarily due to the increase in the traffic volume, and the increase in the aircraft and daily engine maintenance expenses.

In 2025, the Group's catering supply expenses amounted to RMB4,631 million, representing an increase of 9.56% from last year, and was primarily due to the increase in the number of passengers carried, leading to an increase in meals and on-board supplies.

In 2025, the Group's sales and marketing expenses amounted to RMB4,362 million, representing an increase of 10.46% from last year, and was primarily due to the increase in the number of passengers, leading to an increase in the system reservation fees.

OTHER OPERATING INCOME

In 2025, the Group's other operating income and gains amounted to RMB7,459 million, representing an increase of 14.70% from last year, and was primarily due to increased investment in transportation capacity, the increase in income from co-operation routes, the gains arising from the Company's acquisition of additional equity interests in subsidiaries where the investment cost was lower than the fair value of the identifiable net assets attributable to the Company at the time of acquisition, and the higher gains from the disposal of investment companies.

FINANCE INCOME/COSTS

In 2025, the Group's finance income amounted to RMB309 million, representing an increase of 168.70% from last year. Finance costs amounted to RMB4,185 million, representing a decrease of 29.20% from last year, and was primarily due to the Company's ongoing efforts to optimize its debt structure, which reduced interest expenses by RMB963 million; and foreign exchange gains of RMB205 million in 2025, compared with foreign exchange losses of RMB763 million in the same period last year.

NET LOSS DURING THE YEAR

The basic loss per share for the year ended 31 December 2025 is calculated by dividing the loss attributable to owners of the Company, after deducted perpetual bond interests, of RMB2,333 million and weighted average number of shares of 22,154,536,728 in issue during the year.

LIQUIDITY AND CAPITAL STRUCTURE

As at 31 December 2025, the Group had total assets of RMB294,006 million, representing an increase of 5.44% from 31 December 2024. Its asset-to-liability ratio was 86.02%, representing an increase of 1.68 percentage points from 31 December 2024.

In particular, the total current assets amounted to RMB25,436 million, which accounted for 8.65% of the total assets and represented an increase of 33.15% from 31 December 2024. Non-current assets amounted to RMB268,570 million, which accounted for 91.35% of the total assets and represented an increase of 3.40% from 31 December 2024.

As at 31 December 2025, the Group had total liabilities of RMB252,916 million, comprising current liabilities of RMB123,691 million which accounted for 48.91% of total liabilities, and non-current liabilities of RMB129,225 million which accounted for 51.09% of total liabilities.

Among the current liabilities, interest-bearing liabilities (short-term bank borrowings, super short-term debentures, long-term bank borrowings due within one year, bonds payable due within one year and lease liabilities due within one year) amounted to RMB65,814 million, representing a decrease of 0.92% from 31 December 2024. Among the non-current liabilities, interest-bearing liabilities (long-term bank borrowings, bonds payable and lease liabilities) amounted to RMB116,114 million, representing an increase of 5.99% from 31 December 2024. The increase in interest-bearing liabilities was mainly due to the Group's adjustment of its funding structure according to the financial market conditions.

In 2025, in order to deal with exchange rate fluctuations, the Group actively optimised the currency structure of the Group's liabilities and reduced exchange rate risks. As at 31 December 2025, the breakdown of the Group's interest-bearing obligations by currencies is as follows:

Unit: RMB million

Currency	RMB equivalent		Movement (%)
	2025	2024	
RMB	158,899	148,070	7.31
USD	20,204	25,166	-19.72
Others	2,825	2,733	3.37
Total	181,928	175,969	3.39

As at 31 December 2025, the Group's interest-bearing liabilities included long-term and short-term bank borrowings and bonds payable equivalent to RMB101,528 million, representing a decrease of 1.34% from RMB102,902 million as at 31 December 2024. The breakdown by currencies is as follows:

Unit: RMB million

Currency	RMB equivalent		Movement (%)
	2025	2024	
RMB	97,815	100,247	-2.43
USD	984	–	
SGD	2,729	2,655	2.79
Total	101,528	102,902	-1.34

As at 31 December 2025, the Group's interest-bearing liabilities included lease liabilities equivalent to RMB80,400 million, representing an increase of 10.04% from RMB73,067 million as at 31 December 2024. The breakdown by currencies is as follows:

Unit: RMB million

Currency	RMB equivalent		Movement (%)
	2025	2024	
RMB	61,084	47,823	27.73
USD	19,220	25,166	-23.63
HKD	2	4	-50.00
JPY	21	24	-12.50
SGD	1	3	-66.67
Others	72	47	53.19
Total	<u>80,400</u>	<u>73,067</u>	<u>10.04</u>

Interest Rate Fluctuation

The Group's total interest-bearing liabilities as at 31 December 2025 and 31 December 2024 were equivalent to RMB181,928 million and RMB175,969 million (including long-term and short-term bank borrowings, lease liabilities, bonds payable and super short-term debentures), of which short-term liabilities accounted for 36.18% and 37.75%, respectively. Most of the long-term interest-bearing liabilities are floating-rates liabilities, both of which are subject to fluctuations in prevailing market interest rates.

The Group's interest-bearing liabilities were primarily denominated in USD and RMB. As at 31 December 2025 and 31 December 2024, the Group's liabilities denominated in USD and RMB accounted for 11.11% and 87.34%, respectively. Fluctuations in the USD and RMB interest rates have a relatively significant impact on the Group's finance costs at present and in the future.

Exchange Rate Fluctuation

As at 31 December 2025, the Group's total interest-bearing liabilities denominated in foreign currencies amounted to RMB23,029 million, of which U.S. dollar-denominated interest-bearing liabilities accounted for 87.73% of all foreign-currency interest-bearing liabilities. Therefore, in the case of significant fluctuations in the USD exchange rate, the exchange gains and losses resulting from the translation of foreign currency liabilities will be larger, which will affect the Group's profitability and development. The Group uses forward foreign currency contracts to mitigate the exchange rate risk arising from capital expenditures paid in foreign currencies.

As at 31 December 2025, the outstanding foreign exchange forward transactions held by the Company amounted to a notional amount of approximately USD438 million, which will expire in 2026.

Fluctuation of Jet Fuel Prices

In 2025, the Group dealt with the cash flow risk arising from the fluctuation of jet fuel prices through fuel forward contracts. The fuel forward contracts entered into by the Group were mainly for the purchase of jet fuel at a fixed transaction price, which were classified as cash flow hedges. In 2025, the Company prudently assessed the derivatives market conditions and undertook jet fuel hedging transactions. As at 31 December 2025, the Company held outstanding jet fuel hedge positions amounting to 500,000 barrels, which are scheduled to expire in 2026.

Pledges on Assets and Contingent Liabilities

As at 31 December 2025, the cost of the Group's assets used to secure certain bank loans was RMB32,613 million, and as at 31 December 2024, the cost of the Group's assets used to secure certain bank loans was RMB34,243 million, representing a year-on-year decrease of 4.76%.

As at 31 December 2025, the Group had no significant contingent liabilities.

Capital Expenditure

According to the agreements that have been entered into in relation to aircraft and engines, as at 31 December 2025, the Group expected its capital expenditures for the coming three years on aircraft and engines to be approximately RMB61,724 million in total, including the expected capital expenditure of approximately RMB22,548 million, RMB15,101 million and RMB24,075 million for each year from 2026 to 2028, respectively.

The above capital expenditure plan of the Group may vary due to factors such as entering into new purchase contracts for aircraft, engines and other flight equipment based on development strategy and market demand, variations to the original contracts and changes in price index.

Human Resources

As at 31 December 2025, the Group had 89,277 employees, the majority of whom were located in China. The wages of the Group's employees primarily consisted of basic salaries and performance bonuses.

COMPLIANCE WITH THE RELEVANT LAWS AND REGULATIONS WHICH MAY HAVE A SIGNIFICANT IMPACT ON THE GROUP

As at 31 December 2025, the Board was not aware of any significant matters which may cause impact on the Group or any non-compliance with the laws and regulations which may have a significant impact on the Group.

RISK ANALYSIS

1. Risk Related to Economic and Trade Environment, Geopolitical Situation and Public Health Affairs

The aviation industry is closely connected to the economic and trade environment. The civil aviation industry is more sensitive to macro-economic climate, which directly affects the development of economic activities, disposable income of residents and changes in the amount of import and export activities. These factors will in turn affect the demand for air transportation. Meanwhile, international economic and trade relations, geopolitical conflicts or wars will have a relatively significant impact on the demand of aviation market in such location and its surrounding areas and on the bilateral air traffic rights and time slot resources allocation. In addition, above-mentioned risks may drive large fluctuations in the prices of jet fuel and other commodities, thereby affecting the global economic activities and causing greater impacts on the Company's operating results and financial condition. Public health emergencies may have a great impact on the demand for air travel and normal operation of the Company.

The Company pays close attention to the impacts caused by changes in the domestic and overseas macro-economic situation, international economic and trade relations, the geopolitical situation, public health emergencies and related policies, maintains effective communication with civil aviation regulatory bodies both domestically and internationally and flexibly adjusts its transportation capacity deployment and market sales, so as to actively respond to such impacts.

2. Policy and Regulation Risk

Airlines have business operations around the world. Hence, the aviation industry is largely affected by domestic and overseas economic policies and laws and regulations. The adjustments of and changes in relevant domestic and foreign laws and regulations, industrial policies, and regulatory policies may bring certain uncertainties to the future business development and operating results of the Company. At the same time, as the Company is a public company listed in Shanghai and Hong Kong, the changes in the securities regulatory laws and regulations of the places of listing may have impact on and bring uncertainties to the shareholder structure as well as liquidity, price and continuity of the shares of the Company.

With respect to industrial policies and regulations, the Company has played an active role in relevant discussions concerning their formulation and revision, and promptly analysed and considered their latest changes and impact on the Company, so as to seize the development opportunities arising from such updates and prudently respond to the risks, challenges and uncertainties arising from the changes in policies and regulations.

3. Operational Safety Risk

Flight safety is the pre-condition and foundation for aviation companies to maintain normal operations and good reputation. Bad weather, mechanical failure, human errors, aircraft defects, domestic and international terrorism and other force majeure events may have an adverse impact on the flight safety, aviation security and operational safety of the Company.

The Company solidly promoted the construction of safe work practices, strictly executed rules, regulations and operating standards, implemented the accountability system for safe operation, strengthened the investigation and management of security risks, enhanced its safety and risk prevention and control system, and strengthened safety management and control capabilities, so as to actively respond to operational safety risk.

4. Core Resources Risk

The rapid growth of the industry may place air transportation enterprises under the risk of insufficient reserves in air traffic rights and time slot resources at important domestic and overseas destinations, as well as core resources such as management personnel in key positions and professional technical personnel, which may constrain the efforts of the Company to achieve its projected development goals or have a material adverse impact on the production and operations of the Company.

The Company reserves time slot resources in core markets by actively negotiating with regulators regarding domestic and overseas air traffic rights and time slot resources and actively participating in the market-based competition for time slot resources. The Company has proactively developed a core backup workforce through promoting the building of corporate culture of “Love at CEA”, improving its incentive scheme for core technical staff, providing training programs for a pool of multi-tier backup management personnel and launching a core technical staff recruitment scheme.

5. Competition Risk

Along with the opening-up of the domestic aviation market, development of low-cost airlines and increased investment in transportation capacity for the Chinese market by international airlines, future competition in the domestic and overseas aviation industry may intensify, which may bring uncertainties to the Company’s air traffic rights and time slot resources, ticket price level and market share, and therefore have an impact on the Company’s operating results. In addition, there is a certain level of substitutability between railway, highway and ship transportation and air transportation in certain markets. Certain routes of the Company may experience higher competitive pressure.

The Company has actively responded to industry competition, proactively strived for new air traffic rights and time slot resources in hub markets and core markets, continuously refined its route network, and steadily improved and consolidated its market share in the hubs and core markets. In response to the relevant national policies on rectifying involution competition, the Company further strengthened its competitiveness through innovating its service products and improving service quality to enhance passenger experience.

6. Risks Associated with the Fluctuation of Jet Fuel Prices, Exchange Rates, and Interest Rates

Jet fuel cost is one of the major expenses of the airlines. Significant fluctuations of international oil prices will significantly impact jet fuel costs and the revenue from fuel surcharge, and accordingly the Company's results.

The majority of the Company's liabilities are attributable to USD-denominated liabilities and RMB-denominated liabilities generated from introduction of aircraft, engines and aviation equipment, etc. Fluctuations in the exchange rate of USD against RMB will give rise to foreign exchange gains and losses. The adjustment in interest rates of USD and RMB will cause changes in the borrowing costs of the Company's loans that carry floating interest rates, as well as future financing costs, which in turn may affect the Company's finance expenses.

As at 31 December 2025, the impacts of changes in jet fuel prices, exchange rates, and interest rates on the Company are as follows:

Unit: RMB million

Sensitivity analysis on the changes in jet fuel prices, exchange rates, and interest rates

	Effect on total profit		Effect on other comprehensive income	
	Increase	Decrease	Increase	Decrease
Increase or decrease by 5% in average jet fuel prices	-2,184	2,184	–	–
Increase or decrease by 25 basis points in floating interest rates	-228	228	1	-1
Appreciation or depreciation by 1% of USD against RMB	-178	178	–	–

In terms of the risk associated with the fluctuation of jet fuel prices, the Company has implemented lean management to save fuel through measures such as fleet renewal, route optimisation, single-engine taxiing and fuselage weight reduction, and has optimised its transportation capacity deployment, strengthened marketing and increased passenger load factor and unit yield level, so as to respond to the pressure of rising jet fuel prices. The Company has also proactively analysed the trend of oil prices, and prudently conducted jet fuel hedging activities. Exposure to jet fuel price fluctuations may be partially offset for the airlines by the implementation of fuel surcharge mechanism in China's civil aviation industry.

In terms of the exchange rate fluctuation risk, the Company pays close attention to the exchange rate market and further optimises the mix of currency denomination of the debts by means of issuing super short-term debentures and corporate bonds and acquiring RMB borrowings, so as to reduce exchange rate volatility risks. Against the backdrop of the Company's promotion of international business, the Company will adopt various measures, such as local income and expenditure currency matching in the overseas market, to minimise the impact arising from exchange rate fluctuations.

In terms of the interest rate fluctuation risk, the Company will launch transactions in derivatives to further optimise the Company's proportion of floating-rate debts to the USD-denominated debts in the future. At the same time, the Company will seize the opportunity to issue super short-term debentures and corporate bonds to strive to minimise RMB financing costs.

7. Data and Information Security Risk

The development of various businesses during the Company's operation is closely related to the information network system. If there is any design defect, operational failure in the information network system of the Company or inadequate training and education on compliance and lack of security awareness on the part of internal staff, or if the system experiences external network attacks, or if there is a failure in the information network system, the Company's business and operations may be affected, and customer data and information of the Company may be leaked. The occurrence of any of the foregoing may have an adverse impact on the operating results and brand image of the Company.

The Company has continuously promoted the construction of information and network security projects, iteratively modified rules and regulations such as the "Network Security Management Manual", established a sound information and network security-related technical protection and security management mechanism, and strengthened information network security management capabilities. The Company has appointed a "data protection officer" and established a customer data system based on identification information such as ID cards, so as to improve data and information security protection capabilities.

8. Development and Transformation Risk

During the process of expanding into new international markets, conducting external investments, mergers and acquisitions and restructuring existing businesses and assets, the Company may face risks associated with decision-making, management, law, regulation and interference of competitors, which may affect the results of the development strategies of the Company. There remain certain risks that some transformation projects or business adjustments may fail to achieve their expected objectives in the future.

The Company has made continuous improvements to the monitoring and management of the whole process of external investment, and will enhance the research of projects, strictly monitor various investment activities and refine its risk management mechanism through due diligence and asset valuation during its expansion into new international markets, commencement of external investments, mergers and acquisitions and restructuring of existing businesses and assets.

9. Supply Chain Risk

Air transportation enterprises require essential facilities and equipment including aircraft, engines and aviation equipment, as well as systems that meet the qualifications for flight, maintenance and operation and core technologies for their normal operations. If there is any abnormality in the operation of the Company's suppliers for essential facilities and equipment and core technologies in the supply chain, or under special circumstances, the suppliers are unable to provide essential facilities and equipment and core technological services support required for the Company's operations normally, the Company's normal operations may be adversely affected.

The Company regularly assesses the contractual performance capacity of suppliers of essential facilities and equipment and core technological services that are closely related to its supply chain of business and operations. The Company has also continuously paid close attention to the changes in the price, the policies and regulations and the substitution of domestically produced products for the introduction of essential facilities and equipment and core technological services, and proactively responds to the risks related to the suppliers of essential facilities and equipment and core technological services in respect of the supply chain.

10. Securities Market Fluctuation Risks

The share price of a listed company is dependent not only on the Company's current results and projection for future operations, but also on factors including laws and requirements of the place of listing, policy environment, macro-economics, flow of market capital and investor structure and sentiment, etc. The Company's share price may be subject to significant changes due to the aforementioned factors, which may directly or indirectly result in loss to the investors.

The Company has continuously enhanced its corporate governance standards, earnestly fulfilled its obligations of information disclosure, constantly improved its operational management capability and striven for outstanding operating results. The Company has studied and formulated the Market Value Management System to monitor the Company's share price, public sentiment, and capital market trends on a daily basis, strengthened the communication with capital markets and various investors, and, taking into account the actual situation, comprehensively implemented measures such as share repurchases and increase in shareholding by substantial shareholders to manage the market value, guide the capital market to reasonably reflect the Company's valuation, and protect the legitimate rights and interests of the Company, investors, and other stakeholders.

11. Risk Associated with the Changes in Environmental Policy

The increasing importance attached to environmental policies including carbon emissions and noise control globally and changes in consumption behavior caused by passengers' low carbon travel may impose restrictions on airline operations. In order to meet the changing regulatory requirements of environmental policies, airlines may increase their investment in issues related to saving energy and reducing emissions and noise control, which in turn increases operating costs.

The Company adheres to the basic concept of sustainable development while strictly abiding by relevant policies and regulations on environmental protection. It implements refined management and control of jet fuel saving through the introduction of advanced fuel-saving and noise-reducing models, and promotes the use of ground facilities and equipment to replace auxiliary power units and the “diesel-to-electric” transformation plan of ground vehicles, while actively conducting works related to saving energy and reducing emissions as well as noise control through continuously promoting energy-saving and environmental protection technologies. The Company abides by international and domestic carbon emission regulatory requirements by participating in EU carbon emission trading mechanism and Shanghai local pilot carbon trading mechanism, with an aim to fulfill carbon emission obligations through market-oriented mechanisms, and explore ways to improve carbon emission management capabilities. In addition, the Company continues to study the application of sustainable aviation fuel and explores the carbon emission reduction model of the aviation industry, with an aim to continuously improve the level of ecological environment governance and green and low-carbon development.

12. Other Force Majeure and Unforeseeable Risks

The aviation industry is highly sensitive to external factors. Apart from above-mentioned risks, natural disasters and the restrictive policies imposed by relevant countries on air traffic or personnel movement may also affect market demand and the normal operation of airlines. Flight suspension, decrease in passenger volume and income, as well as increase in safety and insurance costs may adversely affect the business and operations of the Company.

The Company has strengthened risk management and control and actively responded to unexpected risks to minimise the relevant losses and protect the interests of the shareholders of the Company.

OUTLOOK FOR 2026

Looking forward to 2026, the global economic growth will remain resilient in the short term. However, the rise of trade protectionism has exacerbated the vulnerability of the economic structure. The impact of geopolitical conflicts will persist, and the overall momentum of global economic growth will remain insufficient.

Affected by changes in the external environment, the development of China's civil aviation industry also faces many uncertainties. However, China's economy enjoys a stable foundation, many advantages, strong resilience and great potential. The long-term positive supporting conditions and basic trends remain unchanged. The continuous favorable and positive development of the national economy will inject strong momentum into the high-quality development of civil aviation. According to the forecast of the CAAC, it is expected that the industry will complete a total traffic volume of 175 billion tonne-kilometres, serve 810 million passengers and realize cargo and mail transportation volume of 10,700,000 tonnes in 2026.

In 2026, the Company will adhere to the principle of seeking progress while maintaining stability and improving quality and efficiency, continuously enhance its core competitiveness, and accelerate the high-quality development of the Company.

➔ **Focusing on improving safe operation level**

Adhering to “a rigorous approach, meticulous measures, a pragmatic style, and unwavering resilience”, we will firmly maintain the initiative in safety development to ensure “Two Absolute Safeties”. We will further deepen the construction of the four major systems to effectively enhance the efficiency of safety governance through systematic construction; continue to increase investment in safety to achieve breakthroughs in the AI application in scenarios such as safety data analysis; further strengthen the safety workforce, strictly control access to key positions, improve the full-lifecycle management of pilots, and enhance the physical and mental health monitoring and dynamic assessment of the aircrew; and continue to strengthen safety culture development, ensure the dissemination and implementation of the safety culture manual, and conduct job skill competitions and SOP² special campaigns, leading the progress of work style with cultural construction.

➔ **Focusing on improving market management capabilities**

Adhering to the strategy of “Three Flights”, we will refine the domestic market, expand the international market and cultivate emerging markets. We will upgrade the flight wave structure of the Shanghai international hub, and continuously optimise the passenger transfer process to improve the efficiency of transfer and connection; release the total flight resources and optimise capacity allocation to focus on improving aircraft utilisation; deepen the industrial synergy of “aviation + culture, tourism, business, sports and exhibition” and expand multimodal transportation and value-added services; and establish a refined and dynamic cost control system to strictly control both explicit and implicit costs across the whole chain.

² SOP stands for Standard Operating Procedure, which refers to a document that sets out the standard operating steps and requirements for a specific task in a standardised format, and is used to guide and standardise day-to-day work.

→ **Focusing on deepening service brand building**

We will deepen the philosophy of service, and upgrade and optimise the service standard system by benchmarking against the world’s first-class airlines; focus on the niche markets, and build the “Oriental Premium (東方尊享)” and “Oriental Travel (東方暢行)” service brands; improve the whole-process service management and control system to enhance response speed and one-time resolution rate; and upgrade products such as in-cabin pet travel and companion services, and optimise the “Light Flight Enjoyment (輕飛享)” product series to enhance the conversion of service value.

→ **Focusing on improving the effectiveness of reform and innovation**

We will make solid efforts to implement various tasks related to further comprehensively deepening the reforms; continue to improve the internal market-oriented accounting mechanism and deepen the reform of the “three systems”; vigorously promote technological innovation, and promote more high-level and highly relevant joint research projects according to local conditions; accelerate digital transformation and thoroughly implement the “AI+” and process management initiatives; and systematically promote green and low-carbon transformation, and improve the incentive and restraint mechanism for green development.

→ **Focusing on improving corporate governance effectiveness**

We will continue to improve the modern enterprise system with Chinese characteristics and dynamically clarify the rights and responsibilities of various governance entities, further strengthening the market value management; accelerate the construction of the “Three Levels of Defense” of business execution units, business line management departments, and audit supervision, and vigorously promote the integration of business operations and legal compliance to continuously promote the construction of a law-based CEA; and promote the penetrating supervision of the whole chain, and continue to improve the long-term mechanism for risk prevention and mitigation.

FLEET PLAN

Introduction and Retirement Plan of Aircraft for 2026 to 2028

(Units)

Model	2026		2027		2028	
	Introduction	Retirement	Introduction	Retirement	Introduction	Retirement
C919	10	0	10	0	15	0
C909	4	0	0	0	0	0
Total number of COMAC aircraft	14	0	10	0	15	0
A350-900	0	0	0	0	0	0
A320 Series	30	19	27	12	10	10
Total number of Airbus aircraft	30	19	27	12	10	10
B787 Series	2	0	7	0	0	0
B737 Series	5	3	27	6	0	9
Total number of Boeing aircraft	7	3	34	6	0	9
Total number of aircraft	51	22	71	18	25	19

Note: The Company will optimise and adjust its aircraft introduction and retirement plans in a timely manner based on changes in the external environment and market conditions, as well as the Company's capacity planning.

SHARES

1. As at 31 December 2025, the shareholding structure of the Company is set out as follows:

	Total number of shares	Approximate percentage in shareholding (%)
I A Shares	17,024,964,893	77.08
1. Listed shares with trading moratorium	0	0
2. Listed shares without trading moratorium	17,024,964,893	77.08
II H Shares	5,062,771,777	22.92
1. Listed shares with trading moratorium	0	0
2. Listed shares without trading moratorium	5,062,771,777	22.92
III Total number of shares	22,087,736,670	100.00

SIGNIFICANT EVENTS

1. Dividends

On 30 March 2026, the Board considered and approved the 2025 profit distribution proposal at the second regular meeting in 2026, and recommended the Company not to distribute profit for 2025.

The independent Directors of the Company are of the view that the 2025 profit distribution proposal of the Company is in line with the objective circumstances of the Company, and the deliberation procedures are lawful and effective, and are in compliance with the Company Law, the Securities Law, relevant laws and regulations of the China Securities Regulatory Commission (“CSRC”) and the Shanghai Stock Exchange and relevant provisions of the Company’s Articles of Association, and that there is no prejudice to the interests of the investors, in particular, the interests of the small and medium-sized shareholders. The independent non-executive Directors of the Company agree to submit the 2025 profit distribution proposal to the 2025 annual general meeting of the Company for consideration.

The aforesaid profit distribution proposal is subject to consideration at the 2025 annual general meeting of the Company.

2. Purchase, Sale or Redemption of Securities

In 2025, neither the Company nor its subsidiaries purchased, sold or redeemed any of its listed securities (“**securities**”, having the meaning ascribed thereto under section 1 of Appendix D2 to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”)).

3. Material Litigation

As at 31 December 2025, the Group was not involved in any material litigation, arbitration or claim.

4. Corporate Governance

The Board has reviewed the relevant provisions and corporate governance practices under the codes of corporate governance adopted by the Group, and took the view that the Group's corporate governance standards for the year ended 31 December 2025 met the requirements of the code provisions as set out in the Corporate Governance Code (the "**Code**").

In accordance with the latest regulations issued by the CSRC, the Shanghai Stock Exchange and The Stock Exchange of Hong Kong Limited (the "**Hong Kong Stock Exchange**") and the needs of the Company's business development, the Company has systematically reviewed the relevant rules and regulations regarding the Board and securities affairs of the Company, formulated and issued a new Market Value Management System, and revised and refined 17 systems and rules, including the Articles of Association, the Rules for Procedures for General Meetings, the Rules for Meetings of the Board of Directors, the List of Decision-making Matters at the General Meeting, the List of Decision-making Matters of the General Manager Authorized by the Board of Directors, the Detailed Working Rules for the Audit and Risk Management Committee of the Board of Directors, the Work Procedures of Independent Directors, the Working Rules for Special Meeting of the Independent Directors, the Working Regulations of Presidents, the Working Rules for the Secretary to the Board of Directors, the Annual Report Working Rules of the Audit and Risk Management Committee of the Board of Directors, the Information Disclosure Management System, the Regulations for the Management of Connected Transactions, the Measures for the Management of Preventing Funds Embezzlement by Controlling Shareholders and Connected Persons, the Regulations for the Management of Investor Relationship, the Regulations for the Management of Raised Funds and the Regulation of the Inside Information Registration Management, providing a strong institutional guarantee for the standardized operation as a listed company.

To further strengthen the awareness of compliance among the directors and senior management of the Company, and to enhance their understanding and application of the relevant rules, the Company has systematically reviewed the latest development of the relevant laws, rules and regulations promulgated by regulatory bodies including the CSRC, the Shanghai Stock Exchange, the Hong Kong Stock Exchange and the New York Stock Exchange regarding the regulatory rules for listed companies and the duties and responsibilities of directors and senior management of a listed company by means of written materials, and arranged training and learning sessions.

During the year ended 31 December 2025, the Company had adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set out in Appendix C3 to the Listing Rules as the securities transactions code for the Directors of the Company. Having made specific enquiries to all the Directors, it is the Company’s understanding that the Directors have complied with the requirements as set forth in the Model Code regarding Directors’ securities transactions.

5. Audit and Risk Management Committee

The Audit and Risk Management Committee has reviewed the accounting principles and methods adopted by the Company with the management of the Company, and has discussed with the Board the internal controls and financial reporting issues, including a review of the consolidated results for the year ended 31 December 2025 prepared in accordance with IFRSs. In 2025, the Company completed the reform of the Supervisory Committee as scheduled in accordance with the requirements of the new Company Law. The Audit and Risk Management Committee of the Board of Directors takes over the supervision functions of the former Supervisory Committee, further simplifying the governance hierarchy and improving the supervision efficiency.

The Audit and Risk Management Committee has no disagreement on the accounting principles and methods adopted by the Company.

6. Changes in Personnel^{Note 1}

Name	Position(s) held	Change	Reason for Change	Date of Change
Gao Fei	President	Appointment	Appointed by the Board	30 October 2025
	Vice Chairman	Appointment	Appointed by the Board	2 December 2025
	Director	Election	Elected by general meeting	2 December 2025
	Chairman and member of the Aviation Safety and Environment Committee of the Board	Appointment	Appointed by the Board	2 December 2025
Cheng Guowei	Director	Election	Elected by general meeting	12 February 2025
	Chairman and member of the Planning, Development and Digitalization Committee of the Board	Appointment	Appointed by the Board	29 April 2025
	Vice President	Cessation	Work adjustment	17 January 2025
Fung Wing Yee Sabrina	Member of the Nomination and Remuneration Committee of the Board	Appointment	Appointed by the Board	29 April 2025
Jie Xiaoqing	Employee representative Director	Election	Elected by employee representatives’ meeting	30 May 2025
He Xiaoqun	Vice president	Appointment	Appointed by the Board	17 January 2025
Li Zhiyong	Vice president	Appointment	Appointed by the Board	23 June 2025
Liu Tiexiang	President	Cessation	Work adjustment	26 August 2025
	Vice president, Director	Cessation	Work adjustment	26 August 2025

Name	Position(s) held	Change	Reason for Change	Date of Change
	Chairman and member of the Aviation Safety and Environment Committee of the Board	Cessation	Work adjustment	26 August 2025
	Chairman and member of the Planning, Development and Digitalization Committee of the Board	Cessation	Work arrangement	29 April 2025
Luo Qun	Member of the Nomination and Remuneration Committee of the Board	Cessation	Work arrangement	29 April 2025

Note: For details, please refer to the relevant announcements published by the Company on the website of the Hong Kong Stock Exchange;

7. Change of Particulars of Directors under Rule 13.51B(1) of the Listing Rules

Name	Name of other entities	Position(s) held	Date of appointment	Date of cessation
Gao Fei	CEA Holding	Vice party secretary	September 2025	
		President	October 2025	
		Director	November 2025	
Liu Tiexiang	CEA Holding	Vice party secretary	September 2024	August 2025
		President	September 2024	September 2025
		Director	October 2024	September 2025
Cheng Guowei	CEA Holding	Director	January 2025	
	Shanghai Pratt & Whitney Aircraft Engine Maintenance Co., Ltd.	Chairman	March 2020	July 2025
Sun Zheng	TravelSky Technology Limited	Non-executive director	July 2023	March 2025
	Advanced Micro-Fabrication Equipment (Shanghai) Inc. China	Independent director	January 2025	–
Lu Xiongwen	Industrial Bank Co., Ltd.	External supervisor	May 2023	December 2025
	Baoshan Iron & Steel Co., Ltd.	Independent director	May 2018	August 2025
	Shanghai Innovation Bank (formerly SPD Silicon Valley Bank)	Independent director	January 2019	December 2025
Zhou Qimin	Eastern Air Overseas (Hong Kong) Corporation Limited	Chairman	October 2020	April 2025

Name	Name of other entities	Position(s) held	Date of appointment	Date of cessation
	China National Aviation Corporation (Hong Kong) Limited	Vice Chairman	December 2020	March 2025
Wan Qingchao	China Logistics Group Co., Ltd.	Director	September 2024	March 2025
	China Logistics Group Co., Ltd.	Director	March 2025	–
	Air France-KLM	Director	June 2025	
He Xiaoqun	TravelSky Technology Limited	Non-executive director	June 2025	
Li Zhiyong	Shanghai Pratt & Whitney Aircraft Engine Maintenance Co., Ltd.	Chairman	July 2025	
	CEA Holding	Party member	April 2025	
		Vice president	May 2025	
		Safety director	May 2025	
Li Ganbin	CEA Holding	Board secretary	January 2025	

8. 2025 Annual General Meeting

The notice convening the 2025 annual general meeting, containing details of the date, time and location of the 2025 annual general meeting as well as the period and procedures of the closure of register of members, will be published and dispatched to shareholders of the Company in due course.

9. Miscellaneous

- (1) The Company held the 6th meeting of the Board of Directors in 2025 and the second extraordinary general meeting in 2025 on 1 July 2025 and 29 August 2025, respectively, at which the Resolution Regarding Adjustment to the Daily Connected Transactions on Aircraft and Engines of the Company for 2025 and the Resolution Regarding the Daily Connected Transactions of the Company for 2026-2028 were considered and approved. The Company signed daily connected transaction framework agreements with related parties on 4 July 2025. For details, please refer to the relevant announcements published by the Company on the website of the Hong Kong Stock Exchange on 1 July 2025, 4 July 2025 and 29 August 2025.
- (2) The Company held the 4th regular meeting of the Board of Directors in 2024, the first extraordinary general meeting in 2024, the first A share class meeting in 2024 and the first H share class meeting in 2024 on 30 August 2024 and 8 November 2024, respectively, at which the Resolution on the Plan of Repurchase of Shares through Centralised Price Bidding was considered and approved. The Company was permitted to repurchase its A shares and H shares through centralised price bidding. As of the repurchase maturity date of 7 November 2025, the Company had cumulatively bought back 203,559,900 shares, accounting for 0.9132% of the total number of shares of the Company before the repurchase. Among which, 89,553,900 A shares were repurchased in a total transaction amount of RMB336,800,200; 114,006,000 H shares were repurchased in a total transaction amount of HK\$311,346,700. The Company had completed the cancellation of the repurchased shares on 11 November 2025. For details, please refer to the relevant announcements published by the Company on the website of the Hong Kong Stock Exchange on 30 August 2024, 8 November 2024 and 10 November 2025.

- (3) On 13 March 2026, the Company received a notice from CEA Holding, its controlling shareholder, that CEA Holding increased its shareholdings in the A shares of the Company by 33,971,300 shares through centralised price bidding in the trading system of the Shanghai Stock Exchange on 13 March 2026, and proposed that it intends to cumulatively increase its shareholdings in the A shares of the Company with an aggregate amount of RMB0.5 billion to RMB1 billion (exclusive) within 12 months from the date of such shareholding increase. On 16 March 2026, CEA Holding increased its shareholdings in the A shares of the Company by 19,610,000 shares, and the proportion of the total shares in the Company held by CEA Holding and parties acting in concert to the total share capital of the Company increased to 55.00%. For details, please refer to the relevant announcements published by the Company on the website of the Shanghai Stock Exchange on 13 March 2026 and 17 March 2026.
- (4) The estimated transaction caps for the continuing connected transactions, which were considered and approved by the Board and at the general meetings of the Company, and their actual amounts incurred up to 31 December 2025, are set out as follows:

Approved category	Actual amount incurred up to 31 December 2025	2025 estimated transaction caps
Financial services – maximum balance of deposits per day	7,537	17,000
Financial services – maximum balance of comprehensive credit line per day	1,600	17,000
Financial services – total amounts of the service fees of other financial services	25	60
Total amount for leasing of aircraft and engines – amount paid ¹	13,801	USD4,600 million or equivalent RMB
Total value of right-of-use assets of leasing of aircraft and engines ²	14,178	USD3,650 million or equivalent RMB
Total amount from sales of aircraft and engines	416	1,800
Catering-related services and on-board supplies support services – amount paid	3,019	4,840
Businesses related to catering support services – as a lessor – annual rent of properties and catering support services – amount received	93	360
Businesses related to catering support services – annual property lease expenses of the Company as a lessee – amount paid	2	8
Businesses related to catering support services – as a lessee – total value of right-of-use assets of properties leasing	32	150

Approved category	Actual amount incurred up to 31 December 2025	2025 estimated transaction caps
Aviation ancillary services – amount paid	460	2,000
Aviation ancillary services – total value of right-of-use assets ³	176	1,550
Properties leasing and construction and management agency services – as a lessor – annual rent of properties leasing – amount received	8	8
Properties leasing and construction and management agency services – as a lessee – annual rent of properties leasing and fees for construction and management agency services – amount paid	197	370
Properties leasing and construction and management agency services – as a lessee – total value of right-of-use assets of properties leasing ⁴	502	630
Freight logistics business support services – amount received	637	780
Cargo terminal business support services – amount paid	636	920
Transportation service fees of exclusive operation service for passenger aircraft cargo business – amount received	5,457	8,800
Aviation internet services – amount paid	85	140
Aviation information technology services – amount paid	697	1,050
AIR FRANCE-KLM aviation transportation cooperation and support services – amount paid	53	470
AIR FRANCE-KLM aviation transportation cooperation and support services – amount received	58	240

Notes:

1. The total amount includes the total lease amount, interest and arrangement charge for the newly introduced finance lease aircraft, operating lease aircraft and engines;
2. The total value of right-of-use assets for the newly introduced finance lease aircraft, operating lease aircraft and engines for the Reporting Period;
3. The total value of right-of-use assets for the involved vehicle equipment leasing at the end of the Reporting Period;
4. The total value of right-of-use assets for the involved property leasing under properties leasing and construction and management agency services at the end of the Reporting Period.

11. Publication of 2025 Annual Results Announcement

The 2025 Annual Results Announcement of the Company is published on the website of the Hong Kong Stock Exchange (<http://www.hkexnews.hk>) and the Company's website (<http://www.ceair.com>).

By order of the Board
CHINA EASTERN AIRLINES CORPORATION LIMITED
Wang Zhiqing
Chairman
Shanghai, the People's Republic of China
30 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).