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

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

FIRST QUARTERLY REPORT OF 2026

SUMMARY

The quarterly financial report for the first quarter of 2026 (i.e. the three months ended 31 March 2026, the “**reporting period**”) of China Southern Airlines Company Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) was prepared in accordance with the PRC Accounting Standards and was unaudited.

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

IMPORTANT NOTICE:

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

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

Whether the First Quarterly Financial Statements have been audited

Yes No

I. MAJOR ACCOUNTING DATA

(I) Principal accounting data and financial indicators

Unit: Million Currency: RMB

Items	The reporting period	The corresponding period last year	Change as compared with the corresponding period last year (%)
Operating revenue	47,782	43,407	10.08
Profit before income tax	2,674	33	8,003.03
Net profit attributable to shareholders of the Company	1,481	-747	N/A
Net profit attributable to shareholders of the Company after deducting non-recurring gains and losses	1,043	-1,160	N/A
Net cash flows generated from operating activities	4,852	4,432	9.48
Basic earnings per share (<i>RMB/share</i>)	0.08	-0.04	N/A
Diluted earnings per share (<i>RMB/share</i>)	0.07	-0.05	N/A
Weighted average return on net assets (%)	4.07	-2.17	N/A
	As at the end of the reporting period	As at the end of last year	Change as compared with that of the end of last year (%)
Total assets	356,509	349,814	1.91
Equity attributable to shareholders of the Company	37,061	35,580	4.16

(II) Non-recurring gains and losses*Unit: Million Currency: RMB*

Items	Amount for the reporting period
Gains or losses on disposal of non-current assets, including the write-off of previously accrued asset impairment provisions	13
Government grants recorded in profit or loss for the current period, but exclusive of government grants which are closely related to the normal business of the company, compliant with national policy regulations, received in accordance with established standards, and having a continuous impact on the company's profit or loss	1
In addition to valid hedging business related to the company's normal operating business, the fair value change gains and losses arising from the holding of financial assets and financial liabilities, as well as the gains and losses from the disposal of financial assets and financial liabilities, by non-financial enterprises	408
Other non-operating income and expenses other than the above	163
Less: Effect of income tax	118
Effect on non-controlling interests after taxation	29
Total	438

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

Applicable Not applicable

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

✓ Applicable Not applicable

Items	Percentage of change (%)	Main reason(s)
Profit before income tax	8,003.03	Compared with the same period last year, the reporting period was primarily driven by sustained improvement in production and operations, resulting in a significant increase in profitability.
Net profit attributable to shareholders of the Company	N/A	Compared with the same period last year, the reporting period was primarily driven by sustained improvement in production and operations, resulting in a significant increase in profitability.
Net profit attributable to shareholders of the Company after deducting non-recurring gains and losses	N/A	Compared with the same period last year, the reporting period was primarily driven by sustained improvement in production and operations, resulting in a significant increase in profitability.
Basic earnings per share (<i>RMB/share</i>)	N/A	Compared with the same period last year, the reporting period was primarily driven by sustained improvement in production and operations, resulting in a significant increase in profitability.
Diluted earnings per share (<i>RMB/share</i>)	N/A	Compared with the same period last year, the reporting period was primarily driven by sustained improvement in production and operations, resulting in a significant increase in profitability.
Weighted average return on net assets (%)	N/A	Compared with the same period last year, the reporting period was primarily driven by sustained improvement in production and operations, resulting in a significant increase in profitability.

II. INFORMATION OF SHAREHOLDERS

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

Unit: Share

Total number of ordinary shareholders as at the end of the reporting period	146,819	Total number of preference shareholders with restored voting rights as at the end of the reporting period (if any)	Not applicable			
Shareholdings of the top ten shareholders						
Name of shareholder	Capacity of shareholder	Total number of shares held	Shareholding percentage (%)	Number of shares subject to trading restrictions	Status of pledged, marked or frozen shares	
					Status of shares	Number of shares
China Southern Air Holding Company Limited	State-owned legal entity	9,404,468,936	51.90	0	No	0
Nan Lung Holding Limited	State-owned legal entity	2,612,124,036	14.41	0	No	0
HKSCC Nominees Limited	Overseas legal entity	1,752,087,785	9.67	0	Not known	–
Hong Kong Securities Clearing Company Limited	Overseas legal entity	586,329,457	3.24	0	No	0
American Airlines, Inc	Overseas legal entity	270,606,272	1.49	0	No	0
China National Aviation Fuel Group Limited	State-owned legal entity	205,196,056	1.13	0	No	0
China Securities Finance Corporation Limited	State-owned legal entity	158,988,581	0.88	0	No	0
Spring Airlines Co., Ltd.	Domestic non-State – owned legal entity	100,531,612	0.55	0	No	0
Bank of China Limited – Huashang Runfeng Flexible Allocation Hybrid Securities Investment Fund	Others	57,863,400	0.32	0	No	0
Abu Dhabi Investment Authority – Proprietary Funds	Overseas legal entity	55,328,190	0.31	0	No	0

Particulars of the top ten shareholders not subject to trading restrictions			
Name of shareholder	Number of tradable shares not subject to selling restrictions	Type and number of shares	
		Type of shares	Number of shares
China Southern Air Holding Company Limited	9,404,468,936	RMB ordinary shares	9,404,468,936
Nan Lung Holding Limited	2,612,124,036	Overseas-listed foreign shares	2,612,124,036
HKSCC Nominees Limited	1,752,087,785	Overseas-listed foreign shares	1,752,087,785
Hong Kong Securities Clearing Company Limited	586,329,457	RMB ordinary shares	586,329,457
American Airlines, Inc.	270,606,272	Overseas-listed foreign shares	270,606,272
China National Aviation Fuel Group Limited	205,196,056	RMB ordinary shares	205,196,056
China Securities Finance Corporation Limited	158,988,581	RMB ordinary shares	158,988,581
Spring Airlines Co., Ltd.	100,531,612	RMB ordinary shares	100,531,612
Bank of China Limited – Huashang Runfeng Flexible Allocation Hybrid Securities Investment Fund	57,863,400	RMB ordinary shares	57,863,400
Abu Dhabi Investment Authority – Proprietary Funds	55,328,190	RMB ordinary shares	55,328,190
Explanation of the related party relationship or concert party relationship of the above shareholders	China Southern Airline Holding Company Limited, through its wholly-owned subsidiaries in Hong Kong, namely Nan Lung Holding Limited and Perfect Lines (Hong Kong) Limited, holds in aggregate 2,648,836,036 H-shares of the Company. The Company is not aware of any related party relationships among the other shareholders.		
Explanation on the top ten shareholders and the top ten shareholders not subject to trading restrictions who have participated in the business of margin financing and securities lending and margin refinancing (if any)	Not applicable		

III. IMPORTANT INFORMATION

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

No.	Established SPVs	Actually Provided (Yes/no)	Guaranteed Amount (US\$100 million)
1	China Southern Airlines No. 2	Yes	1.40
2	China Southern Airlines No. 3	Yes	3.28
3	China Southern Airlines No. 9	Yes	5.88
4	China Southern Airlines No. 10	Yes	5.17
5	China Southern Airlines No. 11	Yes	2.98
6	China Southern Airlines No. 15	Yes	3.11
7	China Southern Airlines No. 16	Yes	5.26
8	China Southern Airlines No. 18	Yes	2.50
9	China Southern Airlines No. 19	Yes	0.51
10	China Southern Airlines No. 20	Yes	0.51
11	China Southern Airlines No. 21	Yes	0.48
12	China Southern Airlines No. 22	Yes	0.48
13	China Southern Airlines No. 23	Yes	0.48
14	China Southern Airlines No. 25	Yes	2.04
15	China Southern Airlines No. 26	Yes	4.73
16	Chongqing Airlines No.1	Yes	3.52
17	Xiamen Airlines No.4	Yes	0.19
18	Xiamen Airlines No.5	Yes	0.19
19	Xiamen Airlines No.8	Yes	0.19
20	Xiamen Airlines No.9	Yes	0.19

No.	Established SPVs	Actually Provided (Yes/no)	Guaranteed Amount (US\$100 million)
21	Xiamen Airlines No.10	Yes	0.19
22	Xiamen Airlines No.11	Yes	0.19
23	Xiamen Airlines No.14	Yes	0.14
24	Xiamen Airlines No.18	Yes	0.01
Total	/	/	43.62
<i>Note</i>	<p><i>During the reporting period, the aircraft corresponding to China Southern Airlines No. 5 was returned upon lease expiry, and the corresponding guarantee liabilities of USD92 million was released, the aircraft leasing structure corresponding to Xiamen Airlines No.2 changed, and the corresponding guarantee liability of USD10 million was released, the aircraft leasing structure corresponding to Xiamen Airlines No.3 changed, and the corresponding guarantee liability of USD10 million was released, and an engine guarantee in the amount of approximately USD1 million was newly added under Xiamen Airlines No. 18.</i></p> <p><i>The total guarantee amounts actually provided for the aforementioned 24 SPVs by the Company and its subsidiaries, i.e. Xiamen Airlines and Chongqing Airlines, are USD4.362 billion (equivalent to approximately RMB30.182 billion, calculated based on the Renminbi central parity rate of USD1=RMB6.9194 published by the People's Bank of China on 31 March 2026), which are within the scope of the authorized guarantee amount approved by the general meeting of the Company.</i></p>		

IV. QUARTERLY FINANCIAL STATEMENTS

(I) Type of audit opinion

Applicable Not applicable

(II) Financial statements

Consolidated Balance Sheet *As at 31 March 2026*

Prepared by: China Southern Airlines Company Limited

Unit: Million Currency: RMB Audit type: Unaudited

Items	31 March 2026	31 December 2025
Current assets:		
Cash at bank and on hand	17,017	16,973
Settlement provisions		
Loans to banks and other financial institutions		
Held-for-trading financial assets	2,763	2,853
Derivative financial assets		
Bills receivable		
Accounts receivable	5,480	3,954
Receivables financing		
Prepayments	1,456	803
Premiums receivable		
Reinsurance accounts receivable		
Reinsurance contract reserves receivable		
Other receivables	4,104	3,817
Including: Interest receivable		
Dividends receivable	4	4

Items	31 March 2026	31 December 2025
Financial assets purchased with agreement to resale		
Inventories	3,886	3,298
Including: Data resources		
Contract assets		
Assets held for sale		
Non-current assets due within one year	126	145
Other current assets	10,125	10,755
Total current assets	44,957	42,598
Non-current assets:		
Loans and advances		
Debt investments		
Other debt investments		
Long-term receivables	146	182
Long-term equity investments	7,871	7,633
Other equity instrument investments	415	415
Other non-current financial assets	1	1
Investment properties	544	515
Fixed assets	115,861	112,298
Construction in progress	25,670	23,955
Productive biological assets		
Oil and gas assets		
Right-of-use assets	136,248	137,678
Intangible assets	7,739	7,547
Including: Data resources		

Items	31 March 2026	31 December 2025
Development expenses		
Including: Data resources		
Goodwill		
Long-term deferred expenses	430	427
Deferred tax assets	12,341	12,377
Other non-current assets	4,286	4,188
Total non-current assets	311,552	307,216
Total assets	356,509	349,814
Current liabilities:		
Short-term borrowings	33,403	34,188
Borrowings from the central bank		
Loans from other banks		
Held-for-trading financial liabilities		
Derivative financial liabilities	577	965
Bills payable	2,734	3,176
Accounts payable	23,847	20,622
Transportation documents settlement	8,866	8,796
Contract liabilities	1,751	1,938
Funds from selling out and repurchasing financial assets		
Receipts of deposits and deposits from other banks		
Accounts payable to brokerage customers		
Proceeds from underwriting securities received on behalf of customers		
Employee benefits payable	2,696	3,881

Items	31 March 2026	31 December 2025
Taxes payable	709	985
Other payables	7,639	8,298
Including: Interest payable		
Dividends payable	1	1
Fees and commissions payable		
Reinsurance accounts payable		
Liabilities held for sale		
Non-current liabilities due within one year	54,454	54,009
Other current liabilities	21,981	17,265
Total current liabilities	158,657	154,123
Non-current liabilities:		
Reserves for insurance contracts		
Long-term borrowings	9,246	7,831
Bonds payable	39,385	40,385
Including: Preferred shares		
Perpetual bonds		
Lease liabilities	84,043	84,765
Long-term payables		
Long-term salaries payable		
Accrued liabilities		
Deferred income	919	814
Deferred tax liabilities	21	21
Other non-current liabilities	7,076	6,864
Total non-current liabilities	140,690	140,680
Total liabilities	299,347	294,803

Items	31 March 2026	31 December 2025
Owners' equity (or shareholders' equity):		
Share capital (or issued capital)	18,121	18,121
Other equity instruments		
Including: Preferred shares		
Perpetual bonds		
Capital reserve	52,444	52,444
Less: Inventory shares		
Other comprehensive income	163	163
Specific reserve		
Surplus reserve	2,579	2,579
General risk reserve		
Retained earnings	-36,246	-37,727
Total equity attributable to shareholders of the Company	37,061	35,580
Non-controlling interests	20,101	19,431
Total owners' equity (or shareholders' equity)	57,162	55,011
Total liabilities and owners' equity (or shareholders' equity)	356,509	349,814

*Responsible person of
the Company:*
Ma Xu Lun

*Responsible person of the
accounting of the Company:*
Chen Dong

*Responsible person of the
accounting department:*
Mao Juan

Consolidated Income Statement
For the three months ended 31 March 2026

Prepared by: China Southern Airlines Company Limited

Unit: Million Currency: RMB Audit type: Unaudited

Items	Three months ended 31 March 2026	Three months ended 31 March 2025
I. Total revenue	47,782	43,407
Including: Operating revenue	47,782	43,407
Interest income		
Premiums earned		
Fees and commissions income		
II. Total operating costs	46,936	44,225
Including: Cost of sales	42,612	39,725
Interest expense		
Fees and commissions expense		
Surrender payment		
Net payment for insurance claim		
Net provisions for insurance liability		
Expenditure for insurance policy dividend		
Reinsurance costs		
Taxes and surcharges	149	139
Selling and administrative expenses	2,078	1,798
General and administrative expenses	1,081	1,078
Research and development expenses	157	160
Financial expenses	859	1,325
Including: Interest expenses	1,389	1,317
Interest income	104	108

Items	Three months ended 31 March 2026	Three months ended 31 March 2025
Add: Other income	997	1,006
Investment income (“-” for losses)	246	-683
Including: Income from investment in associates and joint ventures	246	-683
Derecognition of income from financial assets at amortised cost		
Exchange gain (“-” for losses)		
Gain arising from net exposure hedge (“-” for losses)		
Gains arising from changes in fair value (“-” for losses)	408	412
Credit losses (“-” for losses)		
Impairment losses on assets (“-” for losses)		
Gains from asset disposals (“-” for losses)	13	14
III. Operating profit (“-” for losses)	2,510	-69
Add: Non-operating income	173	120
Less: Non-operating expenses	9	18
IV. Profit before income tax (“-” for total losses)	2,674	33
Less: Income tax expenses	523	402

Items	Three months ended 31 March 2026	Three months ended 31 March 2025
V. Net profit (“-” for net losses)	2,151	-369
(I) Net profit classified by continuity of operations:		
1. Net profit from continuing operations (“-” for net losses)	2,151	-369
2. Net profit from discontinued operations (“-” for net losses)		
(II) Net profit classified by ownership:		
1. Net profit attributable to shareholders of the Company (“-” for net losses)	1,481	-747
2. Non-controlling interests (“-” for net losses)	670	378
VI. Other comprehensive income, net of tax		
(I) Other comprehensive income (net of tax) attributable to shareholders of the Company		
1. Items that will not be reclassified to profit or loss		
(1) Change in defined benefit plans arising from re-measurement		
(2) Equity-accounted investees – share of other comprehensive income (non-recycling)		
(3) Changes in fair value of other equity instruments		
(4) Change in fair value of the Company’s own credit risk		
2. Items that may be reclassified subsequently to profit or loss		
(1) Equity-accounted investees-share of other comprehensive income (recycling)		
(2) Change in fair value of other debt investments		

Items	Three months ended 31 March 2026	Three months ended 31 March 2025
(3) Financial assets reclassified into other comprehensive income		
(4) Provision for credit impairment of other debt investments		
(5) Cash flow hedge: fair value movement of derivative financial assets/liabilities		
(6) Translation differences arising on translation of foreign currency financial statements		
(7) Others		
(II) Other comprehensive income (net of tax) attributable to non-controlling interests		
VII. Total comprehensive income	2,151	-369
(I) Attributable to shareholders of the Company	1,481	-747
(II) Attributable to non-controlling interests	670	378
VIII. Earnings per share:		
(I) Basic earnings per share (<i>RMB/share</i>)	0.08	-0.04
(II) Diluted earnings per share (<i>RMB/share</i>)	0.07	-0.05

*Responsible person of
the Company:
Ma Xu Lun*

*Responsible person of the
accounting of the Company:
Chen Dong*

*Responsible person of the
accounting department:
Mao Juan*

Consolidated Cash Flow Statement
For the three months ended 31 March 2026

Prepared by: China Southern Airlines Company Limited

Unit: Million Currency: RMB Audit type: Unaudited

Items	Three months ended 31 March 2026	Three months ended 31 March 2025
I. Cash flows from operating activities:		
Proceeds from sale of goods and rendering of services	49,685	45,992
Net increase in customer and interbank deposits		
Net increase in borrowings from the central bank		
Net cash increase in placements from other financial institutions		
Cash received from premiums under original insurance contracts		
Net cash received from reinsurance business		
Net increase in deposits of policy holders and investment funds		
Cash received from interest, fees and commissions		
Net increase in capital due to banks and other financial institutions		
Net increase in cash received from repurchase business		
Net cash received by agents for trading in securities		
Refund of taxes	62	136
Proceeds from other operating activities	810	913
Sub-total of cash inflows from operating activities	50,557	47,041
Payment for goods and services	33,520	30,733
Net increase in customer loans and advances to customers		
Net increase in deposits in the central bank and interbank deposits		
Cash paid for compensation payments under original insurance contracts		
Net increase in placements with banks and other financial institutions		

Items	Three months ended 31 March 2026	Three months ended 31 March 2025
Cash paid for interest, fees and commissions		
Cash paid for insurance policy dividend		
Payment to and for employees	10,629	10,447
Payment of various taxes	1,382	1,271
Payment for other operating activities	174	158
Sub-total of cash outflows from operating activities	45,705	42,609
Net cash flows generated from operating activities	4,852	4,432
II. Cash flows from investment activities:		
Proceeds from disposal of investments	2,027	1,341
Investment returns received	7	8
Net proceeds from disposal of fixed assets, intangible assets and other long-term assets	83	93
Net cash received from disposal of subsidiaries and other operating units		
Proceeds from other investing activities	54	100
Sub-total of cash inflows from investing activities	2,171	1,542
Payment for acquisition of fixed assets, intangible assets and other long-term assets	5,065	2,708
Payment for acquisition of investments	3,217	1,031
Net increase in secured loans		
Net cash paid for acquisition of subsidiaries and other operating units		
Other cash paid relating to investing activities		
Sub-total of cash outflows from investment activities	8,282	3,739
Net cash flows used in investing activities	-6,111	-2,197
III. Cash flows from financing activities:		
Proceeds from investors		
Including: Investment received from non-controlling interests		
Proceeds from borrowings	8,580	10,166
Proceeds from other financing activities	8,167	11,865

Items	Three months ended 31 March 2026	Three months ended 31 March 2025
Sub-total of cash inflows from financing activities	16,747	22,031
Repayments of borrowings	15,554	24,032
Payment for dividends or interest	1,194	1,289
Including: Dividends and profits paid to non-controlling shareholders of subsidiaries		
Payment for other financing activities	41	36
Sub-total of cash outflows from financing activities	16,789	25,357
Net cash flows used in financing activities	-42	-3,326
IV. Effect of foreign exchange rate changes on cash and cash equivalents	-1	-1
V. Net increase in cash and cash equivalents	-1,302	-1,092
Add: Cash and cash equivalents at the beginning of the period	9,402	12,984
VI. Cash and cash equivalents at the end of the period	8,100	11,892

*Responsible person of
the Company:*
Ma Xu Lun

*Responsible person of the
accounting of the Company:*
Chen Dong

*Responsible person of the
accounting department:*
Mao Juan

(III) Adjustment to relevant items of the financial statements at the beginning of the first adoption year due to the first adoption of new accounting standard or interpretation of accounting standards in 2026

Applicable Not applicable

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

Guangzhou, the People's Republic of China
29 April 2026

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