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中国航信 TravelSky

中國民航信息網絡股份有限公司
TravelSky Technology Limited

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

(Stock Code: 00696)

ANNOUNCEMENT OF RESULTS FOR THE SIX MONTHS ENDED JUNE 30, 2026

The board of directors (the "**Board**") of TravelSky Technology Limited (the "**Company**") hereby presents the unaudited interim results announcement (the "**Announcement**") of the Company and its subsidiaries (the "**Group**") for the six months ended June 30, 2026, which is prepared in accordance with China Accounting Standards for Business Enterprise ("**CASBE**").

CONSOLIDATED INCOME STATEMENT

For the six months ended June 30, 2026 (Amounts are expressed in RMB'000 unless otherwise stated)

Item	Notes	For the Six months ended June 30, 2026	For the Six months ended June 30, 2025
I. Total operating income		**4,112,124**	3,894,500
Including: Operating income	*5. f)*	**4,112,124**	3,894,500
II. Total operating costs		**2,417,851**	2,427,877
Including: Operating cost	*5. f)*	**1,579,305**	1,606,526
Taxes and surcharges		**44,626**	44,820
Selling and distribution expenses		**36,561**	45,871
General and administrative expenses		**595,966**	620,243
Research and development expenses		**191,650**	166,324
Financial expenses		**-30,256**	-55,907
Including: Interest expenses		**12,518**	7,799
Interest income		**50,831**	57,412
Plus: Other income		**3,277**	3,903
Investment income ("-" for losses)	*5. g)*	**23,802**	28,714
Including: Gain from investment in associates and joint ventures		**-6,467**	11,043
Gain from derecognition of financial assets measured at amortized cost		**–**	–
Foreign exchange gains ("-" for losses)		**–**	–
Income from net exposure hedging ("-" for losses)		**–**	–
Gains from changes in fair value ("-" for losses)		**4,220**	9,399
Credit impairment losses ("-" for losses)	*5. h)*	**15,995**	176,545
Asset impairment losses ("-" for losses)	*5. i)*	**-2,167**	2,069
Gains on disposal of assets ("-" for losses)		**–**	2,734
III. Operating profits ("-" for losses)		**1,739,399**	1,689,988
Plus: Non-operating income		**15,607**	1,917
Less: Non-operating expenses		**15,688**	13,985
IV. Total profits ("-" for total losses)		**1,739,318**	1,677,920
Less: Income tax expenses		**178,633**	229,137

Item		Notes	**For the Six months ended June 30, 2026**	For the Six months ended June 30, 2025
V.	Net profit ("-" for net loss)		**1,560,685**	1,448,783
	(I) Classified by operating continuity			
	1. Net profit from continuing operations ("-" for net loss)		**1,560,685**	1,448,783
	2. Net profit from discontinued operations ("-" for net loss)		**–**	–
	(II) Classified by ownership			
	1. Net profit attributable to shareholders of the Company ("-" for net loss)		**1,543,010**	1,447,651
	2. Net profit attributable to non-controlling interests ("-" for net loss)		**17,675**	1,132
VI.	Other comprehensive income, net of tax		**310,908**	30,964
	Other comprehensive income, net of tax attributable to shareholders of the Company		**310,908**	30,964
	(I) Items that cannot be reclassified to profit or loss		**319,163**	33,588
	1. Re-measurement of changes in net liabilities or net assets defined benefit plan		**–**	–
	2. Other comprehensive income that cannot be transferred to profit or loss under the equity method		**–**	–
	3. Changes in fair value of other equity instruments investment		**319,163**	33,588
	4. Changes in the fair value of own credit risk		**–**	–

Item		Notes	**For the Six months ended June 30, 2026**	For the Six months ended June 30, 2025
	(II) Items that may be reclassified to profit or loss		**-8,255**	-2,624
	1. Other comprehensive income that may be reclassified to profit or loss under equity method		**–**	–
	2. Changes in fair value of other debt investment		**–**	–
	3. Amount of financial assets reclassified into other comprehensive income		**–**	–
	4. Provision for credit impairment of other debt investment		**–**	–
	5. Cash flow hedging reserves		**–**	–
	6. Translation differences arising from translation of foreign currency financial statements		**-8,255**	-2,624
	7. Others		**–**	–
	Other comprehensive income, net of tax, attributable to non-controlling interests		**–**	–
VII.	Total comprehensive income		**1,871,593**	1,479,747
	Total comprehensive income attributable to shareholders of the Company		**1,853,918**	1,478,615
	Total comprehensive income attributable to non-controlling interests		**17,675**	1,132
VIII.	Earnings per share:			
	(I) Basic earnings per share (RMB)	*5. j)*	**0.53**	0.49
	(II) Diluted earnings per share (RMB)	*5. j)*	**0.53**	0.49

CONSOLIDATED BALANCE SHEET

As at June 30, 2026 (Amounts are expressed in RMB'000 unless otherwise stated)

Assets	*Notes*	**As at June 30, 2026**	As at December 31, 2025
Current assets:			
Cash and bank balances		**8,860,035**	10,059,017
Balances with clearing companies		**–**	–
Loans to banks and other financial institutions		**–**	–
Financial assets held for trading		**6,019,541**	3,414,508
Derivative financial assets		**–**	–
Notes receivable		**480,166**	248,143
Accounts receivable	*5. a)*	**4,479,655**	5,106,913
Receivables financing		**–**	–
Advances to suppliers		**228,756**	218,866
Premiums receivables		**–**	–
Reinsurance accounts receivable		**–**	–
Reinsurance contract reserves receivable		**–**	–
Other receivables		**3,331,343**	2,853,638
Financial assets purchased under resale agreements		**–**	–
Inventories		**157,636**	79,496
Including: Data resources		**–**	–
Contract assets		**83,853**	75,743
Assets held for sale		**–**	–
Non-current assets maturing within one year		**525,553**	545,672
Other current assets		**1,297,570**	1,286,064
Total current assets		**25,464,109**	23,888,062

Assets	*Notes*	**As at June 30, 2026**	As at December 31, 2025
Non-current assets:			
Disbursement of loans and advances		**–**	–
Debt investment		**–**	–
Other debt investment		**–**	–
Long-term receivables		**–**	–
Long-term equity investments		**921,499**	927,966
Investments in other equity instruments	*5. b)*	**1,427,800**	1,052,314
Other non-current financial assets	*5. c)*	**1,113,052**	1,116,358
Investment properties		**163,960**	169,819
Fixed assets		**2,984,435**	2,976,477
Construction in progress		**19,668**	18,204
Productive biological assets		**–**	–
Oil and gas assets		**–**	–
Right-of-use assets		**222,628**	286,900
Intangible assets		**1,518,708**	1,699,851
Including: Data resources		**23,619**	24,630
Development expenditures		**294,428**	227,406
Including: Data resources		**–**	–
Goodwill		**260**	260
Long-term deferred expenses		**21,946**	28,371
Deferred tax assets		**675,638**	654,307
Other non-current assets		**124,690**	144,302
Total non-current assets		**9,488,713**	9,302,534
Total assets		**34,952,822**	33,190,595

Liabilities and owners' equity	*Notes*	**As at June 30, 2026**	As at December 31, 2025
Current liabilities:			
Short-term borrowings		**512,757**	1,288,402
Borrowings from central bank		**–**	–
Loans from banks and other financial institutions		**–**	–
Financial liabilities held for trading		**–**	–
Derivative financial liabilities		**–**	–
Notes payable		**–**	–
Accounts payable	*5. d)*	**2,346,648**	2,443,622
Advances from customers		**134**	–
Contract liability	*5. e)*	**1,251,585**	1,050,431
Financial assets sold under repurchase agreements		**–**	–
Absorption of deposits and interbank deposit		**–**	–
Receiving from vicariously traded securities		**–**	–
Receiving from vicariously sold securities		**–**	–
Employee compensation payable		**277,073**	320,139
Taxes payable		**212,007**	249,245
Other payables		**3,716,879**	2,280,683
Handling charges and commission payable		**–**	–
Reinsurance accounts payable		**–**	–
Liabilities held for sale		**–**	–
Non-current liabilities maturing within one year		**137,434**	137,225
Other current liabilities		**68,102**	65,292
Total current liabilities		**8,522,619**	7,835,038
Non-current liabilities:			
Reserve for Insurance contract		**–**	–
Long-term borrowings		**482,977**	471,200
Bonds payable		**–**	–
Including: Preferred stock		**–**	–
Perpetual bonds		**–**	–
Lease liabilities		**105,977**	164,966
Long-term payables		**396**	396
Long-term employee compensation payable		**–**	–
Provisions		**1,643**	1,702
Deferred income		**2,610**	1,373
Deferred tax liabilities		**147,415**	90,693
Other non-current liabilities		**–**	–
Total non-current liabilities		**741,018**	730,329
Total liabilities		**9,263,637**	8,565,368

Liabilities and owners' equity	*Notes*	**As at June 30, 2026**	As at December 31, 2025
Shareholders' equity:			
Share capital		**2,926,210**	2,926,210
Other equity instruments		**–**	–
Capital reserves		**1,267,468**	1,267,468
Less: Treasury stock		**–**	–
Other comprehensive income		**446,593**	135,685
Special reserves		**–**	–
Surplus reserves		**5,063,515**	4,871,437
General risk reserves		**15,708**	15,229
Retained earnings		**15,310,553**	14,767,736
Total equity attributable to shareholders of the Company		**25,030,046**	23,983,764
Non-controlling interests		**659,139**	641,463
Total shareholders' equity		**25,689,185**	24,625,228
Total liabilities and shareholders' equity		**34,952,822**	33,190,595

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. COMPANY PROFILE

TravelSky Technology Limited (hereinafter referred to as the "**Company**" or "**the Company**") was incorporated in Beijing, the People's Republic of China (the "**PRC**") on October 18, 2000. As at June 30, 2026, the total cumulative share capital issued by the Company was 2,926,209,589 shares, and the registered capital was RMB2,926,209,589.00. Registered office: No. 7 Yumin Street, Houshayu Town, Shunyi District, Beijing.

The Company's main operation activities are: the Company provides a full range of services such as air passenger business processing, air travel electronic distribution, airport passenger processing, air cargo data processing, internet travel platform, international and domestic passenger and cargo revenue management system and application, and agency settlement and clearing services, etc. for airlines, airports, air ticket sales agents, tourism enterprises and civil aviation-related institutions and international organizations.

The parent company of the Company is China TravelSky Holding Company Limited, and the effective controller of the Company is the State-owned Assets Supervision and Administration Commission of the State Council of China.

The Company and its subsidiaries are hereinafter collectively referred to as the "Group".

2. BASIS OF PREPARATION FOR FINANCIAL STATEMENTS

a) Basis of preparation

The interim results set out in this announcement do not constitute the consolidated financial statements of the Company for the period ended June 30, 2026 but the financial results are extracted from those financial statements. The Company prepares financial statements in accordance with the "Accounting Standards for Business Enterprises – Basic Standards" and all the specific accounting standards, Application Guidance to the Accounting Standards for Business Enterprises, the interpretation of the Accounting Standards for Business Enterprises and other relevant provisions (hereinafter referred to as the "**Accounting Standards for Business Enterprises"**). In addition, the financial statements comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited issued by The Stock Exchange of Hong Kong Limited and the applicable disclosure requirements of the Hong Kong Companies Ordinance.

b) **Going concern**

The financial statements are prepared on a going concern basis.

3. CHANGE IN PRINCIPAL ACCOUNTING POLICIES

None.

4. TAXATION

a) **Major tax types and tax rates**

Tax types	Tax bases	Tax rate (%)
Value added tax ("**VAT**")	Tax payable is calculated by VAT output, which is based on the taxable sales amount generated from sales of goods or rendering of service according to tax laws, less deductible VAT input of the current period	3.00-23.00 (Including VAT rate of the overseas company)
Urban maintenance and construction tax	Levied based on actual VAT paid	5.00、7.00
Corporate income tax	Levied based on taxable income	8.25-25.00 (Including the income tax rate of the overseas company to which it belongs)

b) Tax incentives

i. High and New Technology Enterprise

Under the Corporate Income Tax Law of the People's Republic of China ("**CIT Law**"), in general, the applicable income tax rate of enterprises in the PRC is 25%. Pursuant to relevant requirements, enterprises recognized as "High and New Technology Enterprises" are entitled to a preferential corporate income tax rate of 15% according to the CIT Law. The Company was approved and certified by relevant authorities as a "High and New Technology Enterprise" since its establishment and was reviewed to renew the identification of "High and New Technology Enterprise" in accordance with relevant regulatory requirements. The most recent re-certification shall be completed in 2026, and the Company has commenced relevant work for the re-application of its status as a "High and New Technology Enterprise". In accordance with relevant regulatory requirements, the Company has provided for corporate income tax expenses for the first half of 2026 at a preferential tax rate of 15%.

ii. Key Software Enterprises

Except that enterprises that have been assessed as "High and New Technology Enterprises" may enjoy the preferential income tax rate of 15%, enterprises assessed as "Key Software Enterprises" within the national planning layout by relevant authorities under the government of China may further enjoy the preferential tax rate of 10%. According to the relevant provisions, the difference between the tax paid at the tax rate of 15% and that paid at tax rate of 10% will be refunded to relevant enterprises subsequently, and such tax refund will be reflected in the Statement of Profit and Losses for the period when it occurs.

The difference between the tax paid in 2025 at a rate of 15% and the tax paid at a reduced rate of 10% has been reflected in the Company's January to June 2026 financial statements.

5. NOTES TO ITEMS OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Amounts are expressed in RMB'000 unless otherwise stated)

a) Accounts receivable

i. Disclosure of accounts receivable by aging (based on invoice dates)

Aging	As at June 30, 2026	As at December 31, 2025
Within 1 year	**3,916,750**	4,023,102
Including:		
Within 6 months	**2,727,365**	2,910,512
7 – 12 months	**1,189,385**	1,112,590
1 – 2 years	**674,037**	1,317,645
2 – 3 years	**317,675**	205,302
3 – 4 years	**276,798**	341,228
4 – 5 years	**67,370**	15,336
Over 5 years	**280,394**	276,863
Subtotal	**5,533,024**	6,179,475
Less: Provisions for bad debts	**1,053,369**	1,072,562
Total	**4,479,655**	5,106,913

ii. Disclosure of accounts receivable under the methods of provision for bad debts by category

Category	As at June 30, 2026					As at December 31, 2025				
	Book balance		Provision for bad debts			Book balance		Provision for bad debts		
	Amount	Proportion (%)	Amount	Proportion of provision (%)	Book value	Amount	Proportion (%)	Amount	Proportion of provision (%)	Book value
Provision for bad debts accrued on an individual basis	**868,209**	**15.69**	**548,879**	**63.22**	**319,330**	903,581	14.62	530,110	58.67	373,471
Provision for bad debts accrued on a portfolio basis	**4,664,815**	**84.31**	**504,490**	**10.81**	**4,160,325**	5,275,894	85.38	542,452	10.28	4,733,442
Total	**5,533,024**	**100.00**	**1,053,369**		**4,479,655**	6,179,475	100.00	1,072,562		5,106,913

Provision for bad debts accrued on an individual basis:

Name	Book balance	As at June 30, 2026 Provision for bad debts	Proportion of provision (%)
Total	**868,209**	**548,879**	**63.22**

Provision for bad debts accrued on a portfolio basis:

Name	Accounts receivable	As at June 30, 2026 Provision for bad debts	Proportion of provision (%)
Accounts receivable from third parties	**1,993,650**	**504,490**	**25.30**
Accounts receivable from related parties	**2,671,165**	**–**	**–**
Total	**4,664,815**	**504,490**	

b) Investments in other equity instruments

i. Details of investments in other equity instruments

Item	**As at June 30, 2026**	As at December 31, 2025
China Merchants RenHe Life Insurance Company Limited	**1,427,800**	1,052,314
Total	**1,427,800**	1,052,314

The Company holds 13.26% of all the equity of an unlisted company, China Merchants RenHe Life Insurance Company Limited, which has a fair value of RMB1,427,800 thousand as at June 30, 2026. As the Company does not intend to hold the investment for trading purposes, the Company designated the investment as financial assets measured at fair value through other comprehensive income. The Company has referred to the valuation report issued by China Alliance Appraisal Co., Ltd., an independent professional valuer with professional qualifications and relevant experience, confirmed the fair value as at June 30, 2026.

c) Other non-current financial assets

Item	**As at June 30, 2026**	As at December 31, 2025
Financial assets measured at fair value through the current profit or loss	**1,113,052**	1,116,358
Including: Equity instrument investments	**1,113,052**	1,116,358
Total	**1,113,052**	1,116,358

The above-mentioned other non-current financial assets of the Company are held by the Company is China Mobile Equity Fund.

As stated in the Company's announcement on April 16, 2020, the Company has entered into a limited partnership agreement (the "**Agreement**") with China Mobile Capital Holding Co., Ltd., other investors (together with the Company and China Mobile Capital Holding Co., Ltd., as limited partners) and China Mobile Equity Fund Management Co., Ltd. (as general partner) for the establishment of China Mobile Equity Fund (Hebei Xiongan) Partnership (Limited Partnership) (the "**China Mobile Equity Fund**"), pursuant to which the Company agreed to contribute a total of RMB1 billion in cash to the China Mobile Equity Fund during the term of the Agreement. China Mobile Equity Fund primarily invests in companies related to the 5G and information and communications industry chain, ecosystem and enabling industries In accordance with the terms of the Agreement, as unanimously agreed by the Company and other partners, the term of operation of China Mobile Equity Fund has been extended to May 31, 2027.

As at June 30, 2026, the Company has made actual capital contributions (including fund management fee) of RMB861,704 thousand under the agreement. The Company measured the fair value of this financial asset based on the share of net assets attributable to the Company as shown in the financial statements of China Mobile Equity Fund as at June 30, 2026, with a book value of RMB1,113,052 thousand.

d) Accounts payable

i. Presentation of account payable (based on invoice dates)

Aging	**As at June 30, 2026**	As at December 31, 2025
Within 1 year (including 1 year)	**1,441,082**	1,644,718
1 – 2 years (including 2 years)	**610,143**	405,438
2 – 3 years (including 3 years)	**206,807**	224,126
Over 3 years	**88,616**	169,340
Total	**2,346,648**	2,443,622

e) Contract liabilities

i. Details of contract liabilities

Item	**As at June 30, 2026**	As at December 31, 2025
Airport digitization service contract	**1,251,585**	1,050,431
Total	**1,251,585**	1,050,431

f) Operating income and operating costs

i. Details of operating revenue and operating costs

Item	**For the six months ended June 30, 2026**		For the six months ended June 30, 2025	
	Revenue	**Cost**	Revenue	Cost
Main businesses	**4,100,383**	**1,573,446**	3,881,068	1,601,054
Other businesses	**11,741**	**5,859**	13,431	5,472
Total	**4,112,124**	**1,579,305**	3,894,500	1,606,526

ii. *Details of operating income*

Item	**For the six months ended June 30, 2026**	For the six months ended June 30, 2025
Aviation information platform services revenue *(Note 1)*	**2,352,180**	2,393,266
Accounting, settlement and clearing services revenue *(Note 2)*	**453,631**	407,075
Airport digitalization services revenue *(Note 3)*	**600,391**	418,355
Aviation Travel Intelligent Products and Services *(Note 4)*	**442,186**	384,961
Information network and digital infrastructure services revenue *(Note 5)*	**256,528**	281,577
Other income	**7,208**	9,266
Total	**4,112,124**	3,894,500

Note 1: Including "Aviation Information Technology Services", and "Data service income", "Logistics business income" within "Other income" disclosed in previous years.

Note 2: Including "Accounting, settlement and clearing services", "Payment business income" and "Factoring business revenue" within "Other income" disclosed in previous years.

Note 3: The name disclosed in previous years was "System Integration Services".

Note 4: The name disclosed in previous years was "Revenue from technical support and products".

Note 5: Including "Data network service" and "Income from leasing, operation and maintenance service" within "Other income" disclosed in previous years.

g) **Investment income**

Item	**For the six months ended June 30, 2026**	For the six months ended June 30, 2025
Income from long-term equity investments calculated under equity method	**-6,467**	11,043
Gains from disposal of long-term investments	**–**	115
Income from held-for-trading financial assets during the holding period	**20,462**	8,859
Interest income from debt investment during the holding period	**9,807**	8,697
Total	**23,802**	28,714

h) **Credit impairment losses ("–" for net loss)**

Item	**For the six months ended June 30, 2026**	For the six months ended June 30, 2025
Bad debts of notes receivable	**-1,265**	5,637
Bad debts of accounts receivable	**17,260**	170,908
Total	**15,995**	176,545

i) **Assets impairment losses ("–" for net loss)**

Item	For the six months ended June 30, 2026	For the six months ended June 30, 2025
Losses from impairment of contract assets	**-2,167**	2,069
Total	**-2,167**	2,069

j) **Earnings per share**

Item	For the six months ended June 30, 2026	For the six months ended June 30, 2025
Earnings (RMB thousand) (Earnings for the purpose of calculating the basic and diluted earnings per share)	**1,543,010**	1,447,651
Numbers of shares (in thousand shares) (Weighted average number of ordinary shares in issue)	**2,926,210**	2,926,210
Earnings per share (RMB) (Basic and diluted)	**0.53**	0.49

As at June 30, 2026 and June 30, 2025, the Company has no potential dilutive ordinary shares.

k) **Dividend distribution**

At the annual general meeting on June 26, 2026, the resolution on "Distribution of a final cash dividend for year 2025" of RMB0.276 per share, totaled RMB807,636 thousand, was approved. The amount was accounted for shareholders' equity as a distribution to retained earnings for the six months ended June 30, 2026.

l) **Disposal of fixed assets**

During the six-month period ended June 30, 2026, there were no disposals on properties, plants, and equipment by the Group, and there were no gains from disposal of assets (For the six-month period ended June 30, 2025, gains on disposal of assets were approximately RMB2,734 thousand). Please refer to the consolidated income statement for the details of "Gains from disposal of assets".

m) Supplementary information to the income statement where expenses are classified by nature

The operating costs, selling and distribution expenses, general and administrative expenses, and research and development expenses, and financial expenses in the income statement are classified by nature as follows:

Item	**For the six months ended June 30, 2026**	For the six months ended June 30, 2025
Labor costs	**1,058,188**	968,206
Depreciation and amortization expenses	**461,049**	438,094
Cost of airport digitization software and hardware *(Note)*	**103,039**	200,792
Technical support and maintenance fees	**262,586**	285,498
Commission and promotion expenses	**281,311**	307,218
Internet usage fees	**58,734**	42,631
Financial expenses	**-30,256**	-55,907
Other operating costs	**178,573**	196,526
Total	**2,373,225**	2,383,057

Note: Disclosed as "Cost of sales of integration business" in previous years.

MANAGEMENT DISCUSSION AND ANALYSIS ON FINANCIAL CONDITIONS AND OPERATIONAL PERFORMANCE

BUSINESS REVIEW FOR THE FIRST HALF OF 2026

In the first half of 2026, confronted by a complex and severe external environment, China's economy withstood the pressure and continued the overall trend of making steady progress with renewed and enhanced development, demonstrating strong resilience and vitality. With the economy operating within a reasonable range in the first half of the year, new drivers grew rapidly, as a result of which the civil aviation industry maintained an overall trend of safe and steady development. While persisting in making steady progress, the Group continued to optimize its business positioning at home and abroad, focused on creating differentiated competitive advantages, and effectively strengthened its core functions and anti-risk resilience. During the first half of 2026, all of our business operations progressed in an orderly manner despite a complex environment, and the overall operations remained stable.

AVIATION INFORMATION PLATFORM SERVICES

The Group provides electronic travel distribution ("**ETD**") services (including inventory control system ("**ICS**") services, computer reservation system ("**CRS**") services and airport passenger processing system ("**APP**") services), as well as information technology services related to the above core businesses to 41 Chinese airlines and over 400 foreign and regional airlines. Meanwhile, the Group achieved direct links and high-level networking to all Global Distribution Systems ("**GDSs**") around the world and 134 foreign and regional airlines. In the first half of 2026, the ETD system of the Group processed data of approximately 371.9 million passengers for domestic and international airlines, marking a year-on-year growth of about 0.3% compared to the same period in 2025, in which the system processed about 0.3% year-on-year more data of passengers for Chinese airlines and about 0.7% year-on-year more data of passengers for foreign and regional airlines.

In the first half of 2026, in terms of aviation logistics information services, the Group promoted and upgraded products such as airport cargo terminal production systems and airport cargo security inspection systems, and signed four new clients for cargo terminal and inspection systems.

ACCOUNTING, SETTLEMENT AND CLEARING SERVICES

The Group provided accounting, settlement and clearing services, information system development and support services and air travel financial services to airlines and other aviation corporations through Accounting Centre of China Aviation Company Limited ("**ACCA**"), a wholly-owned subsidiary of the Company, which strongly strengthened the industry chain for the Group's information technology business in the air transportation and travel industry. Apart from being the world's largest service provider of IATA Billing and Settlement Plan (BSP) Information Processing and the only Information Processing Software service provider, ACCA is also the leading service provider of outsourced services and system products services in revenue management and provider of emerging air travel finance in the civil aviation industry in the PRC, with its major customers including domestic passenger and cargo airlines, overseas and regional airlines, domestic airports, government organizations and IATA.

In the first half of 2026, there were approximately 651.2 million transactions processed with the Group's accounting, settlement and clearing system, representing a year-on-year increase of 3.6%. Revenue from agency settlement for passengers, cargo and mail transport, miscellaneous fees, and international and domestic clearing fees exceeded RMB36.70 billion, representing a year-on-year increase of 3.1%. The International Passenger Revenue Accounting system (IPRA on Mars) was developed by the Group to build a revenue management system aligned with the technical standards of IATA ONE Order and integrated orders for low-cost airlines, on the basis of which the self-developed solution passed the expert review of the China Intelligent Transportation Systems Association in June and met the "international advanced level".

AIRPORT DIGITALIZATION SERVICES

In the first half of 2026, the Group continued to innovate and create comprehensive smart airport digitalization solutions, by entering into strategic cooperation framework agreements with Shanghai International Airport Co., Ltd. and Hainan Airport Group in respect of their respective joint exploration of key areas including the digital construction of international aviation hubs, the implementation of unified smart airport management platforms, and innovative full-scenario applications of AI in airports. By capitalizing on the resource and technical advantages of both parties, the Group collaboratively advanced the effective implementation of civil aviation digital transformation. Furthermore, the Group advanced the information technology infrastructure and support for Xiamen New Airport, Fuzhou T2, and Changsha T3. The smart airport middle platform was promoted to 19 airports with an annual passenger throughput of over 10 million. The smart travel platform based on facial recognition was launched at 53 airports nationwide, and the Radio Frequency Identification (RFID)-based end-to-end luggage tracking system has been extended to 119 airports. We continued to deepen transit passenger services and continuously enrich the functions of the Civil Aviation Transit Passenger Service Platform, and launched the Civil Aviation Transit Service Capability Release System, which, since its launch and release in November last year, has now been put into operation at 161 airports.

AVIATION TRAVEL INTELLIGENT PRODUCTS AND SERVICES

In the first half of 2026, the Group continued to enhance Aviation Travel Intelligent Products and Services, with an aim to fulfill the demand of airlines for information technology products and services in terms of travel convenience, auxiliary services, e-commerce and international services. By initiating the planning of modern airline new retail solutions and holding the Modern Airline Retailing (MAR) verification conference based on the OOSD (Offer-Order-Settlement-Delivery) architecture in conjunction with the International Air Transport Association (IATA) and Hainan Airlines, we assisted airlines in transforming from "displacement services" to "customer-centered" digital retailing, thereby enhancing the consumer travel experience.

In the first half of 2026, the Group seized tightly the new opportunities in the construction of digital China and the development of the low-altitude economy to promote the deep integration of the digital economy and the real economy. Our data intelligence application products and data governance solutions served a total of over 60 customers. In addition to accelerating our strategic positioning in the low-altitude economy, we refined our business layout of "one system, one platform, and multiple products", and deeply participated in the development of low-altitude intelligent networked systems. Furthermore, we built a digital intelligence platform for low-altitude collaborative services, and launched a multi-product matrix for low-altitude operating entities, thereby improving the integrated solution of "governmental supervision-business collaboration-enterprise operation". The "Hainan Province Low-Altitude Economy Business Collaboration Platform" created by the Group was launched at the 6th China International Consumer Products Expo.

INFORMATION NETWORK AND DIGITAL INFRASTRUCTURE SERVICES

In the first half of 2026, the Group expanded its distribution network to cover 33 countries and regions outside its home market, continued to enrich marketable resources, and signed new distribution capability (NDC) agreements with nine foreign airlines. With the foreign airline departure cooperation system continuously consolidated and strengthened, our system iterations progressed in an orderly manner. In addition to completing the signing and renewal of agreements with 10 foreign airlines, we further assisted 24 foreign airlines in implementing departure front-end software production upgrades at 66 domestic airports. Focusing on the development of multimodal distribution capabilities, we developed a unified inquiry, quotation, and one-stop booking and settlement platform to cover various transportation modes including aviation, water transport, and land transport. Centering around improving the transportation interconnection system of the Guangdong-Hong Kong-Macao Greater Bay Area, we successfully launched a series of multimodal travel products including air-sea intermodal transport, air-rail intermodal transport, and air-bus intermodal transport. The Group continued to consolidate the construction of digital infrastructure, expanded cross-industry data center value-added service business, and secured three new customers in the first half of the year.

SAFE OPERATION

In the first half of 2026, the Group actively fulfilled its social responsibilities by continuing to strengthen the stability of core systems and security capabilities. We successfully safeguarded the secure operation during major activities such as the Spring Festival Travel Rush, the Two Sessions, and the Asian Beach Games. The safe production remained overall stable, and the availability rate of core systems remained at above 99.99%. Successfully released at Urumqi Tianshan International Airport, the "Full-Process Airport Information Technology Innovation Solution for Aviation Travel Gongxiang Departure System" for the first time achieved the full-stack localized transformation of core systems including departure at an international hub airport with an annual passenger throughput of over 10 million. This marks a major breakthrough for China's domestic basic software and hardware in core civil aviation business systems, providing a replicable solution to safeguard the security of the civil aviation industry's supply chain and industrial chain. The Group continued to focus on the development of an intelligent security operation and maintenance system, driving the transformation of its operation and maintenance practices towards greater standardization, intelligence and refinement. In particular, the Group (i) enhanced its security operation management system by standardizing operating procedures and strengthening the institutional framework; (ii) steadily implemented phased rollout of core functions to optimize its operation and maintenance model; (iii) preliminarily established a Site Reliability Engineering (SRE) operation and maintenance system, facilitating the transition from reactive response to proactive prevention and enhancing system reliability; and (iv) developed a unified intelligent operation and maintenance platform featuring a four-layer monitoring architecture covering "business – software – IT components – infrastructure", thereby achieving end-to-end visibility and situational awareness, comprehensively supporting the stable operation of its business and reinforcing the security and stability of its core business.

TECHNOLOGICAL INNOVATION

In the first half of 2026, closely aligning itself with the strategic orientation of high-level technological self-reliance, the Group deepened its independent control of key core technologies and "AI+ Travel" integrated innovation, and advanced the deep integration of scientific innovation into its industry. **We focused on promoting the independent control of core civil aviation businesses.** Our core businesses, including ticket sales through the reseller web hosting, have been fully replaced by our domestic open systems. With the key indicators of the domestic departure system exceling traditional foreign systems, our related achievements won the second prize nationwide in the Information Technology Innovation track of the Digital China Innovation Contest. **Our "AI+ Travel" ecosystem development yielded fruitful results,** as the Group built multimodal high-quality datasets for civil aviation and was selected for the industry high-quality datasets of the State-owned Assets Supervision and Administration Commission, with one achievement selected as a strategic high-value scenario for AI applications in central enterprises, and two achievements rated as representative AI application cases by the Ministry of Industry and Information Technology. Meanwhile, the Company completed the AI Application for Future Industries project for the Ministry of Industry and Information Technology. Furthermore, four technological achievements reached the international advanced level, and one core invention patent passed the public notice for the China Patent Excellence Award. These achievements continue to strengthen our leadership in industry-specific innovation. **Green and low-carbon development simultaneously improved in quality and efficiency.** With Houshayu Park successfully connecting to green electricity, the photovoltaic project generated a cumulative 2.73 million kWh of electricity, effectively reducing carbon emissions and continuing to solidify the foundation for green and sustainable development.

FINANCIAL CONDITION AND RESULTS OF OPERATIONS FOR THE FIRST HALF OF 2026

Summary

The management's discussion and analysis on the financial condition and results of operations of the Group are as follows:

For the first half of 2026, the Group achieved total profits of RMB1,739.3 million, representing an increase of approximately 3.7% compared to RMB1,677.9 million in the first half of 2025. Net profit attributable to shareholders of the parent of the Company was RMB1,543.0 million, representing an increase of approximately 6.6% compared to RMB1,447.7 million in the first half of 2025.

The revenue and operating results of the Group mainly came from the Group's operations in China. The earnings per share of the Group were RMB0.53 for the first half of 2026.

Total Revenue

The total revenue of the Group in the first half of 2026 amounted to RMB4,112.1 million, representing an increase of RMB217.6 million, or 5.6%, from RMB3,894.5 million in the first half of 2025. The change in total revenue is reflected as follows:

- Aviation information platform services revenue (including "aviation information technology services" and "data service income", "logistics business income" within "other income" disclosed in previous years) accounted for 57.2% of the Group's total revenue in the first half of 2026, as compared to 61.5% in the first half of 2025. Aviation information platform service revenue decreased by 1.7% from RMB2,393.3 million in the first half of 2025 to RMB2,352.2 million in the first half of 2026. The main source of the revenue was electronic travel distribution services provided by the Group to airlines. The decrease of the revenue was mainly due to the total system processing volume being relatively stable year-on-year, but revenue from foreign and regional airlines was affected to a certain extent by exchange rate fluctuations.

- Accounting, settlement and clearing services revenue (including "accounting, settlement and clearing services" and "payment business income", "factoring business income" within "other income" disclosed in previous years) accounted for 11.0% of the Group's total revenue in the first half of 2026, as compared to 10.5% in the first half of 2025. Accounting, settlement and clearing services revenue increased by 11.4% from RMB407.1 million in the first half of 2025 to RMB453.6 million in the first half of 2026. The main source of the revenue was accounting, settlement and clearing services provided by the Group to third parties including airlines, airports, agencies and government bodies, etc. The increase of the revenue was primarily due to the year-on-year increase in the volume of settlement and clearing business.

- Airport digitalization services revenue (disclosed as "system integration service revenue" in previous years) accounted for 14.6% of the Group's total revenue in the first half of 2026, as compared to 10.7% in the first half of 2025. Airport digitalization services revenue increased by 43.5% from RMB418.4 million in the first half of 2025 to RMB600.4 million in the first half of 2026. The main source of the revenue was airport digitalization services provided by the Group to airport-related clients. The increase of the revenue was primarily due to the year-on-year increase in the scale of projects that reached the conditions for completion and inspection acceptance.

- Aviation Travel Intelligent Products and Services revenue (disclosed as "technical support and product revenue" in previous years) accounted for 10.8% of the Group's total revenue in the first half of 2026, as compared to 9.9% in the first half of 2025. Aviation Travel Intelligent Products and Services revenue increased by 14.9% from RMB385.0 million in the first half of 2025 to RMB442.2 million in the first half of 2026. This revenue was derived from the intelligent products and services provided by the Group to airlines, airports, agents and non-industry customers. The increase of the revenue was mainly due to the increase in customer IT service demand and product expansion.

- Information network and digital infrastructure services revenue (including "data network service" and "income from leasing, operation and maintenance service" within "other income" disclosed in previous years) accounted for 6.2% of the Group's total revenue in the first half of 2026, as compared to 7.2% in the first half of 2025. Information network and digital infrastructure services revenue decreased by 8.9% from RMB281.6 million in the first half of 2025 to RMB256.5 million in the first half of 2026. The main source of the revenue was the information network services provided by the Group to agencies. The decrease of the revenue was mainly due to the year-on-year decrease in the volume of distribution information technology services business.

Total Operating Expenses

The total operating expenses of the Group for the first half of 2026 amounted to RMB2,417.9 million, representing a decrease of RMB10.0 million or 0.4%, as compared to RMB2,427.9 million for the first half of 2025. The changes in total operating expenses are also reflected as follows:

- Staff costs increased by 9.3%, mainly due to the year-on-year increase in staff remuneration and five social insurance premiums and two housing funds of the Group;

- Depreciation and amortisation increased by 5.2%, mainly due to the year-on-year increase in fixed assets of the Group, resulting in a slight increase in depreciation and amortisation;

- Cost of hardware and software for airport digitalization (disclosed as "cost of integrated business sales" in previous years) decreased by 48.7%, mainly due to the influence of different construction stages of projects as a result of which, the proportion of outsourced software and hardware decreased year-on-year;

- Technical support and maintenance fees decreased by 8.0%, mainly due to the impact of the project initiation and implementation progress of certain research and development projects; and

- Departure and distribution support fees decreased by 8.4%, mainly due to the impact of the reconciliation and confirmation progress of departure service support fees and agent foreign airline booking incentives.

Credit Impairment Losses

The Group's credit impairment losses in the first half of 2026 amounted to RMB-16.0 million, mainly due to the improvement in the collection of payments from third-party customers, and the balance of provision for bad debts of trade receivables decreased slightly as compared to the end of 2025.

Corporate Income Tax

Under the Corporate Income Tax Law of the People's Republic of China ("**CIT Law**"), in general, the applicable statutory corporate income tax rate for enterprises in China is 25%. Pursuant to relevant requirements, enterprises recognized as "High and New Technology Enterprise" are entitled to a preferential corporate income tax rate of 15% according to the CIT Law. The Company has been recognized as a "High and New Technology Enterprise" since its establishment, and has been reviewed to maintain its qualification as a "High and New Technology Enterprise" in accordance with relevant regulatory requirements. The latest review should be completed in 2026 and the Company has commenced relevant work for the review. In accordance with relevant regulatory requirements, the Company has calculated the expenses on corporate income tax for the first half of 2026 using the preferential tax rate of 15%.

In addition to the entitlement to a preferential income tax rate of 15% as a "High and New Technology Enterprise", if an enterprise is certified by relevant regulatory authorities as a "Key Software Enterprise", it can further enjoy a preferential tax rate of 10%. According to the relevant provisions, the difference between the tax amount paid at the rate of 15% and the tax amount calculated at the preferential tax rate of 10% will be refunded to relevant enterprises after the relevant period, and will be reflected in the profit or loss account of the enterprises correspondingly when it is refunded. The Company has been consecutively certified as a "Key Software Enterprise" from Year 2006 to Year 2025.

The Group received the tax refund for Key Software Enterprise in June 2026. For details of corporate income tax of the Group for the first half of 2026, please see Note 4 to the financial statements.

Net Profit Attributable to Shareholders of the Parent of the Group

Net profit attributable to shareholders of the parent of the Group increased from RMB1,447.7 million in the first half of 2025 to RMB1,543.0 million in the first half of 2026, representing an increase of RMB95.4 million.

Liquidity and Capital Structure

The Group's working capital in the first half of 2026 mainly came from operating activities. Net cash inflow from operating activities amounted to RMB2,435.7 million.

As at June 30, 2026, the Group had a total of RMB995.7 million of borrowings, including short-term bank borrowings of RMB512.8 million and entrusted loans of RMB483.0 million, of which the fixed rate borrowings principal totaled RMB482.3 million. The Group did not use any financial instruments for hedging purposes.

As at June 30, 2026, the cash and cash equivalents of the Group amounted to RMB8,829.8 million, of which 96.7%, 2.2% and 1.0% were denominated in RMB, US dollars and HK dollars, respectively.

Restricted Bank Deposits

As at June 30, 2026, restricted bank deposits of the Group amounted to RMB2,010.2 million, of which RMB1,979.9 million were customer provisions (as at December 31, 2025: restricted bank deposits amounted to RMB1,569.6 million, of which RMB1,528.5 million were customer provisions) which primarily comprised the deposits placed at designated bank accounts as guarantee deposits to secure, amongst others, the settlement of related business, and the customer provisions deposited with The People's Bank of China by the Company's subsidiary, Beijing Yake Payment Technology Co., Ltd.

Trust Deposits and Irrecoverable Overdue Time Deposits

As at June 30, 2026, the Group did not have any trust deposits and irrecoverable overdue time deposits. All cash deposits of the Group are deposited at commercial banks and complied with applicable laws and regulations.

Foreign Exchange Risks

The Group's foreign exchange risks arise from commercial transactions and assets and liabilities denominated in foreign currencies. Fluctuation of the exchange rates of Renminbi against foreign currencies could affect the Group's operational results.

Financial Assets Invested

With regard to capital management, based on the principles of prudence and soundness, the Group generally chooses principal-protected wealth management products with interest rates higher than those of bank deposits for the same period, so that the Group can maximize its capital gains.

In the first half of 2026, the Group had the following major financial assets:

(1) Trading Financial Assets

As at June 30, 2026, the Group held structural bank deposits (with floating returns) issued by Bank of Beijing, China Everbright Bank, Ping An Bank, Industrial Bank, Industrial and Commercial Bank of China and China CITIC Bank of RMB1,100 million, RMB1,100 million, RMB1,100 million, RMB1,100 million, RMB1,000 million and RMB600 million, respectively, totaling RMB6,000 million. Such structural bank deposits carried annual interest rates ranging from 1.80% to 1.95%, with maturities ranging from 90 days to 186 days, and were not cancellable prior to maturity.

(2) Financial Assets at Amortised Cost

As at June 30, 2026, the Group held certificates of deposit for more than three months issued by China Construction Bank, Bank of Communications, China Minsheng Bank and Ping An Bank of RMB500 million, RMB110 million, RMB62 million and RMB20 million, respectively, totaling RMB692 million. Such bank certificates of deposit carried annual interest rates ranging from 1.40% to 2.60%, with maturities ranging from 365 days to 1,095 days, and were not cancellable prior to maturity.

In addition, the Group held national debt reverse repurchase products of RMB1,000 million, with an annualised interest rate of 1.50% and a term of 11 days, which were non-cancellable before maturity.

(3) Financial Assets at Fair Value through Other Comprehensive Income

Name of investment	Business nature	**Percentage of shareholding as at June 30, 2026** %	Percentage of shareholding as at December 31, 2025 %	**Fair value as at June 30, 2026** *RMB'000*	Fair value as at December 31, 2025 *RMB'000*	**Gain as at June 30, 2026** *RMB'000*	Gain for the year ended December 31, 2025 *RMB'000*
Unlisted equity, measured at fair value – CMRH Life	Life insurance	**13.26**	13.26	**1,427,800**	1,052,314	**375,486**	48,002

The performance and prospects of the financial assets "CMRH Life" during the period were as follows:

a. Name of the company: China Merchants Life Insurance Company Limited ("**CMRH Life**")

b. Business scope: Ordinary insurance (including life insurance and annuity insurance), health insurance, accident injury insurance, dividend-paying insurance, universal insurance, unit-linked insurance, reinsurance of all of the above insurance businesses, the application of the insurance funds allowed by the national laws and regulations, and other businesses approved by insurance regulatory authority of the State Council.

c. Investment cost of the Company: RMB875.0 million.

d. The percentage of the shareholding held by the Company: 13.26%.

e. The fair value and the scale relative to the total assets of the Group:

As at June 30, 2026, the Group invested a fair value of approximately RMB1,427.8 million in CMRH Life, accounting for 4.1% of the total assets of the Group.

f. The performance in the first half of 2026:

According to the information provided by CMRH Life to the Company, it recorded a profit of RMB627.20 million in the first half of 2026 (Note: financial data under the new insurance contracts standard and the new financial instruments standard). The main reason was that the company continued to promote the optimization of its business structure and improved the quality and efficiency of its operations, with insurance services making a solid contribution to performance. At the same time, the company capitalized on market opportunities through its investment activities, employing a targeted trading strategy to drive a steady rise in investment returns and achieve ongoing profits.

g. Strategies of future investments and the prospects of such investments:

According to the information provided by CMRH Life to the Company, in the first half of 2026, CMRH Life focused on its business strategy of "optimizing products, controlling costs, and creating value" as the main thread of its high-quality development, continuously consolidated long-term positive growth trajectory, with overall operational indicators staying stable and robust and its profitability significantly improved. At the same time, by virtue of its century-old brand heritage, central state-owned enterprise background and differentiated strategic positioning, CMRH Life persists in seeking progress while maintaining stability, and continuously deepens its reform and transformation. By tapping into shareholder resources, the company has focused on targeted customer groups and enhanced service experience, concentrating its efforts on building a digital ecosystem platform for risk management, health management and wealth management which is positioned as the preferred choice for employees of central and state-owned enterprise and their families. It is dedicated to becoming a boutique insurance service provider with innovative characteristics.

(4) Financial Assets at Fair Value through Profit or Loss

China Mobile Equity Fund

As stated in the announcement of the Company dated April 16, 2020, the Company has entered into a limited partnership agreement (the "**Agreement**") in relation to the formation of China Mobile Equity Fund (Hebei Xiong'an) Partnership (Limited Partnership)* (中移股權基金(河北雄安)合夥企業(有限合夥)) ("**China Mobile Equity Fund**") with China Mobile Capital Holding Co., Ltd.* (中移資本控股有限責任公司), other investors (together with the Company and China Mobile Capital Holding Co., Ltd.* (中移資本控股有限責任公司), as limited partners) and China Mobile Equity Fund Management Co., Ltd.* (中移股權基金管理有限公司) (as general partner), pursuant to which, the Company agreed to contribute a total of RMB1 billion in cash to China Mobile Equity Fund during the term of the Agreement. China Mobile Equity Fund mainly invests in enterprises related to 5G industry applications and information and communication industry chain, ecosystem and empowerment industries. In accordance with the terms of the Agreement, as unanimously agreed by the Company and other partners, the term of operation of China Mobile Equity Fund has been extended to May 31, 2027.

As at June 30, 2026, the Company has made actual capital contributions (including fund management fee) of RMB861.7 million under the Agreement. The Company measured the fair value of this financial asset based on the share of net assets attributable to the Company as shown in the financial statements of China Mobile Equity Fund as at June 30, 2026, with a book value of RMB1,113.1 million. Please refer to Note 5.c) to the consolidated financial statements for details.

Charge on Assets

As at June 30, 2026, the Group had no charge on its assets.

Contingent Liabilities

As at June 30, 2026, the Group had no material contingent liabilities.

Gearing Ratio

As at June 30, 2026, the gearing ratio of the Group was 26.5% (as at December 31, 2025: 25.8%), which was computed by dividing the total liabilities by the total assets of the Group as at June 30, 2026.

Advancement of Data Resource Assetization within the Company

According to the Ministry of Finance's Interim Provisions on Accounting Treatment Related to Data Resources of Enterprises (Caikuai [2023] No. 11), starting from January 1, 2024, enterprises should recognize data resources that meet the confirmation conditions as intangible assets or inventories, based on the purpose of holding the data resources, the method of formation, the business model, and the expected manner of economic benefit consumption related to the data resources.

For the period ended June 30, 2026, the Group had no newly recognized data resources as intangible assets. As at June 30, 2026, the Group reported "Intangible assets — Including: Data resources" of RMB23.6 million in financial statements.

Major Investment or Financing Plan

As at June 30, 2026, the Group had no major acquisitions or disposals of subsidiaries, associates and joint ventures, nor any major investment or plan to acquire significant capital assets. The Board estimates that the sources of funding of the Group in 2026 will be sufficient for the funding needs of daily operations and the Group does not have any major financing plan.

The total capital expenditure of the Group amounted to RMB283.3 million for the first half of 2026 (the first half of 2025: RMB133.8 million), which was mainly used in the Company's daily operation and existing system upgrade, maintenance, and others. As at June 30, 2026, the Group's capital expenditure commitments amounted to approximately RMB1,733.1 million, which were mainly used in the Company's daily operation, maintenance, research and development and upgrading of computer system, China Mobile Equity Fund (an unlisted investment fund), etc. The sources of funding for such commitments will include existing cash at hand and internal cash flows generated from operating activities of the Group.

Additionally, as at June 30, 2026, the construction of Beijing Shunyi Park Phase II by the Company had incurred cumulative expenditures of approximately RMB19.7 million, primarily comprising survey and design fees, consulting fees, and other preliminary expenses.

Employees

The Group has different remuneration standards for different employees (including executive directors), based on their performance, experience, position and other factors in compliance with the relevant PRC laws and regulations, as amended from time to time. The remuneration of the employees of the Group includes salaries, bonuses and social insurance benefits provided in compliance with relevant regulations of the PRC, as amended from time to time, such as medical insurance, pension insurance, unemployment insurance, maternity insurance and housing funds. The Group also provides its employees with opportunities to receive training in areas such as the aviation and travel industry, computer information technology and business administration education, and provides training on the latest development in areas such as computer information technology, soft skills, laws, regulations and economics. In 2007, the Group implemented a corporate annuity scheme (or supplementary pension plan) in accordance with relevant policies of the PRC. According to the corporate annuity scheme, the Group is required to make provision for monthly corporate annuity fees based on the total actual salary each month in the previous year and the ratio approved by the relevant authorities of the PRC. It also needs to deposit the annuities in the custody account of corporate annuity fund opened by its custodian.

As at June 30, 2026, the total number of employees of the Group was 6,822. Staff costs of the Group amounted to approximately RMB1,058.2 million for the first half of 2026, representing approximately 43.8% of the total operating expenses of the Group for the first half of 2026, among which, the aggregate corporate annuity expenses of the Group amounted to approximately RMB50.8 million for the first half of 2026 (the first half of 2025: RMB47.3 million).

Subsequent Events

Since June 30, 2026 and up to the date of the Announcement, the Group had no significant events which need to be disclosed.

PROSPECTS FOR THE SECOND HALF OF 2026

In the second half of 2026, the global economic situation remains complex and ever-changing, with instability and uncertainties still existing. China's economic development demonstrates strong resilience, with a steady and positive recovery, presenting a K-shaped recovery pattern with overall stability and deeply differentiated structure. Opportunities and challenges are intertwined in the civil aviation industry. The Group will adhere to the general keynote of pursuing progress with stability, anchor the core line of high-quality development, and accelerate the rhythm of reform and transformation. In addition to solidifying the foundation of safety support, the Group will continue to strengthen its leadership in technological innovation, and redouble its efforts in market expansion, thereby effectively enhancing its core functions, while comprehensively improving its core competitiveness.

INTERIM DIVIDEND

The Company decided not to distribute an interim dividend for the six months ended June 30, 2026.

PURCHASE, SALE OR REDEMPTION OF SECURITIES

In the first half of 2026, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of its listed securities (including sale of treasury shares as defined under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**")). As at June 30, 2026, the Company did not hold any such treasury shares.

CORPORATE GOVERNANCE

The Board has adopted the code provisions as stipulated in the Corporate Governance Code (the "**Code Provision(s)**") in Part 2 of Appendix C1 to the Listing Rules and its latest amendments from time to time, as the Company's code of corporate governance practices. In compliance with the principles set out in Part 2 of the Corporate Governance Code, the Board is committed to implementing effective corporate governance policies to ensure that all decisions be made in good faith and in accordance with the principles of transparency, fairness and integrity. With necessary and effective counterbalance, the Group perfects its corporate governance structure in a sustained way, so as to improve the quality of supervision and management and meet the expectations of its shareholders and the relevant parties.

The Company has deviated from the Code Provision B.2.2 "every director, including those appointed for a specific term, should be subject to retirement by rotation at least once every three years". As stated in the announcement of the Company dated February 27, 2023, the term of the seventh session of the Board expired on February 26, 2023. The preparation work for the reelection is still in progress. Before the completion of the re-election work, all members of the seventh session of the Board of the Company will continue to fulfill their respective duties and responsibilities of directors in accordance with the laws, administrative regulations and the Articles of Association. The normal operation of the Company will not be affected by the postponement of re-election of the members of the Board.

The Company has deviated from the Code Provision B.3.5 "issuers should appoint at least one director of a different gender to the nomination committee". As at the date of the Announcement, the nomination committee of the Company comprises members of a single gender. Notwithstanding this, as at the date of the Announcement, the nomination committee of the Company is chaired by the chairman of the Board and the majority of the members are independent non-executive directors, which is in compliance with Rule 3.27A of the Listing Rules, and has not caused any adverse impact on the performance of duties by the nomination committee or the formulation and implementation of the diversity policy for the Board and employees of the Company. Meanwhile, the proportion of members of the nomination committee to the number of members of the Board is relatively appropriate, which satisfies the needs of the nomination committee to perform its duties in accordance with its terms of reference. In addition, the Company has adopted and implemented a board diversity policy, according to which, in order to achieve long-term compliance with the gender diversity policy, the Company will give priority to meeting the needs of gender diversity under equal conditions when considering potential candidates for directors. In the future, the Company will endeavor to comply with Code Provision B.3.5 as and when practicable.

Save as disclosed above, the Company had no other deviations from the Code Provisions in the first half of 2026.

For the six-month period ended June 30, 2026, the Company has adopted the Model Code set out in Appendix C3 to the Listing Rules and standards required thereof as the model code and the standards for conducting securities transactions by directors of the Company. After making specific enquiries to all directors, the Company confirmed that all directors have acted in full compliance with the Model Code and the standards regarding directors' securities transactions required thereof during the six-month period ended June 30, 2026.

AUDIT COMMITTEE

The Audit Committee of the Company has discussed and reviewed the unaudited interim results of the Group for the six months ended June 30, 2026 with the Company's management, and has also discussed matters relating to internal control, risk management and financial reporting.

ONLINE PUBLICATION OF INTERIM RESULTS

This results announcement is published on the website of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk), and the website of the Company (www.travelskyir.com) which is made available pursuant to Rule 2.07C(6)(a) of the Listing Rules.

If you have any inquiries or meeting requirements, please feel free to contact the investor relations team at ir@travelsky.com.cn.

By order of the Board
TravelSky Technology Limited
Jiang Bo
Chairman

Beijing, the People's Republic of China
August 24, 2026

As at the date of this announcement, the Board comprises:

Executive Director:	*Mr. Jiang Bo (Chairman);*
Employee Representative Director:	*Mr. Sun Minghe;*
Non-executive Directors:	*Mr. Zeng Yongchao and Ms. He Xiaoqun;*
Independent Non-executive Directors:	*Mr. Liu Zehong, Mr. Chan Wing Tak Kevin and Mr. Xu Hongzhi.*